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From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Wednesday, March 10, 2010 9:55 AM
To: Mills, Cheryl D
Subject: NYT Somalia article on p1

FYI – I'm sure you saw.

cdm

From: Russo, Robert V
Sent: Wednesday, March 10, 2010 8:22 AM
To: Mills, Cheryl D
Cc: Toiv, Nora F
Subject: RE: You should read NYT Somalia article on p1

Here is the link: <http://www.nytimes.com/2010/03/10/world/africa/10somalia.html?ref=world>

Text below, also printed in your "Read" folder:

March 9, 2010

Somalia Food Aid Bypasses Needy, U.N. Study Says

By JEFFREY GETTLEMAN and NEIL MacFARQUHAR

As much as half the food aid sent to Somalia is diverted from needy people to a web of corrupt contractors, radical Islamist militants and local United Nations staff members, according to a new Security Council report.

The report, which has not yet been made public but was shown to The New York Times by diplomats, outlines a host of problems so grave that it recommends that Secretary General Ban Ki-moon open an independent investigation into the World Food Program's Somalia operations. It suggests that the program rebuild the food distribution system — which serves at least 2.5 million people and whose aid was worth about \$485 million in 2009 — from scratch to break what it describes as a corrupt cartel of Somali distributors.

In addition to the diversion of food aid, regional Somali authorities are collaborating with pirates who hijack ships along the lawless coast, the report says, and Somali government ministers have auctioned off diplomatic visas for trips to Europe to the highest bidders, some of whom may have been pirates or insurgents.

Somali officials denied that the visa problem was widespread, and officials for the World Food Program said they had not yet seen the report but would investigate its conclusions once it was presented to the Security Council next Tuesday.

The report comes as Somalia's transitional government is preparing for a major military offensive to retake the capital, Mogadishu, and combat an Islamist insurgency with connections to Al Qaeda.

The United States is providing military aid, as the United Nations tries to roll back two decades of anarchy in the country.

But it may be an uphill battle. According to the report, Somalia's security forces "remain ineffective, disorganized and corrupt — a composite of independent militias loyal to senior government officials and military officers who profit from the business of war."

One American official recently conceded that Somalia's "best hope" was the government's new military chief, a 60-year-old former artillery officer who, until a few months ago, was assistant manager at a McDonald's in Germany.

The report's investigators, part of the Monitoring Group on Somalia, were originally asked to track violations of the United Nations arms embargo on Somalia, but the mandate was expanded.

Several of the report's authors have received death threats, and the United Nations recently relocated them from Kenya to New York for safety reasons.

Possible aid obstructions have been a nettlesome topic for Somalia over the past year and have contributed to delays in aid shipments by the American government and recent suspensions of food programs in some areas by United Nations officials.

The report singles out the World Food Program, the largest aid agency in the crisis-racked country, as particularly flawed.

"Some humanitarian resources, notably food aid, have been diverted to military uses," the report said. "A handful of Somali contractors for aid agencies have formed a cartel and become important power brokers — some of whom channel their profits, or the aid itself, directly to armed opposition groups."

These allegations of food aid diversions first surfaced last year. The World Food Program has consistently denied finding any proof of malfeasance and said that its own recent internal audit found no widespread abuse.

"We have not yet seen the U.N. Somalia Monitoring Group report," the World Food Program's deputy executive director, Amir Abdulla, said Tuesday. "But we will investigate all of the allegations, as we have always done in the past if questions have been raised about our operations."

The current report's investigators question how independent that past audit was, and called for a new outside investigation of the United Nations agency.

"We have to tell these folks that you cannot go on like this — we know what you are doing, you can't fool us anymore, so you better stop," said President Ali Bongo Ondimba of Gabon, who was at the United Nations, where his country holds the presidency of the Security Council this month.

The report also charges that Somali officials are selling spots on trips to Europe and that many of the people who are presented as part of an official government entourage are actually pirates or members of militant groups.

The report says that Somali officials use their connections to foreign governments to get visas and travel documents for people who would not otherwise be able to travel abroad and that many of these people then disappear into Europe and do not come back.

"Somali ministers, members of Parliament, diplomats and 'freelance brokers' have transformed access to foreign visas into a growth industry, matched possibly only by piracy," selling visas for \$10,000 to \$15,000 each, the report said.

The report's authors estimate that dozens, if not hundreds of Somalis have gained access to Europe or beyond through this under-the-table visa business.

Mohamed Osman Aden, a Somali diplomat in Kenya, said: "Maybe there's been one or two cases that have happened over the years. But these are just rumors. These allegations have been going around for years."

The report also takes aim at some of Somalia's richest, most influential businessmen, Somalia's so-called money lords. One, Abdulkadir M. Nur, known as Eno, is married to a woman who plays a prominent role in a local aid agency that is supposed to verify whether food aid is actually delivered. That "potential loophole" could "offer considerable potential of large-scale diversion," the report said.

The report accuses Mr. Nur of staging the hijacking of his own trucks and later selling the food.

In an e-mail message, Mr. Nur said he had sent the investigators many documents that "showed very clearly that the gossip and rumors they are investigating are untrue," including the alleged hijacking or any link to insurgents. He said that his wife merely sat on the board of the local aid agency and that only "a tiny fraction" of the food he transported was designated for that aid agency.

In September, Somalia's president, Sheik Sharif Sheik Ahmed, wrote a letter to Secretary General Ban, defending Mr. Nur as a "very conscientious, diligent and hard-working person" and saying that if it were not for the contractors, "many Somalis would have perished."

The report questions why the World Food Program would steer 80 percent of its transportation contracts for Somalia, worth about \$200 million, to three Somali businessmen, especially when they are suspected of connections to Islamist insurgents.

The report says that fraud is pervasive, with about 30 percent of aid skimmed by local partners and local World Food Program personnel, 10 percent by the ground transporters and 5 to 10 percent by the armed group in control of the area. That means as much as half of the food never makes it to the people who desperately need it.

In January, the United States halted tens of millions of dollars of aid shipments to southern Somalia because of fears of such diversions, and American officials believe that some American aid may have fallen into the hands of Al Shabab, the most militant of Somalia's insurgent groups.

The report also said that the president of Puntland, a semiautonomous region in northern Somalia, had extensive ties to pirates in the area, who then funneled some of the money they made from hijacking ships to authorities.

Puntland authorities could not be reached on Tuesday, but Mr. Aden, the Somali diplomat, dismissed the allegations, saying that the Puntland government had jailed more than 150 pirates and that it had not "received a penny from them."

"It's unfortunate that this monitoring group thinks they can stick everything on the Somalis," he said.

Jeffrey Gettleman reported from Gisenyi, Rwanda, and Neil MacFarquhar from New York.