



Federal Republic of Somalia
House of the People
Office of Hon. Abdillahi Hashi Abib

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Date: 22/05/2024

CONFIDENTIAL

To: Auditor General of Somalia
To: ALL Members of the House of People and the Senate
To: World Bank – Somalia
To: Finland Embassy – Somalia / Finland Parliament
To: Norway Embassy – Somalia / Norway Parliament
To: Danish International Development Agency
To: Swedish International Development Cooperation/ Swedish Parliament
To: UK Department for International Development / UK Parliament
To: Italian Agency for Development Cooperation / Italy Parliament
To: State and Peace-Building Fund
To: IMF - Somalia
Cc: Hon. Wally Adeyemo - Deputy Secretary of the Treasury
Cc: Hon. Jay Shambaugh - Under Secretary for International Affairs
Cc: Hon. Molly Phee - Assistant Secretary Bureau of African Affairs
Cc: Hon. Richard Nephew – Coordinator on Global Anti-Corruption
Cc: US Embassy – Somalia
Cc: USAID - Somalia
Cc: Office of the Speakers of the House of People and the Senate
Cc. President/Prime Minister of the Federal Republic of Somalia

Subject: Urgent Request for Comprehensive Audit and Accountability Measures Against Financial Mismanagement and Corruption in Somalia's Executive Branch Entities

Yours Excellency,

As a Member of Parliament responsible for overseeing the integrity of public financial management, I am compelled to bring to your attention critical

issues concerning financial mismanagement and potential corruption within various executive branch entities of the Federal Government of Somalia. This letter provides detailed observations and data analysis that necessitate an urgent and comprehensive audit by the Office of the Auditor General of Somalia (OAGS).

As we know, the activities of the Office of the Auditor General of Somalia are based on the Financial Management Procedures of the government. Currently, this includes the following Acts:

1. Law No. 2 of 29/12/1961: Financial & Accounting Procedure of the State
2. Law No. 317 of 17/12/1962: Regulations for the Accounts of the State
3. Law No. 318 of 18/12/1962: Stores Regulations
4. Law No. 34 of 14/04/1972: Magistrate of Account

In the matter of the management and control of public finances, the Federal Republic of Somalia Parliament plays a very important role. The expenditure of public funds by the Federal Government of Somalia is subject to authorization and control by the Federal Republic of Somalia Parliament. In incurring expenditure of public funds, the Executive Branch is required to exercise strict commitment and expenditure control and ensure the efficiency and economy of operations in accordance with the intentions of Parliament. It is also required to prepare detailed sets of accounts and financial statements.

These are audited by the Auditor General, and the timelines for submission of audit reports to the Federal Republic of Somalia Parliament are set as part of the Financial & Accounting procedures of the state. The accountability cycle ends in the Federal Republic of Somalia Parliament with the review of the public accounts and the Auditor General's reports by the oversight accountability Financial Committees of Parliament.

An effective accountability framework helps ensure that public funds and resources are managed in a legal, competent, effective, and efficient manner and that the objectives of public programs are achieved. With more than 400+ gigabytes of data on detailed itemized expenditures or withdrawals from July 2022 to June 2023 of the Federal Republic of Somalia and 30+

years of experience in data mining, data analysis, and data understanding, here are samples of withdrawals that are questionable and inconsistent with the purpose of withdrawals appropriated by the Federal Republic of Somalia Parliament, violating parliamentary orders. Therefore, Executive Branch entities have broken the laws of the Federal Republic of Somalia. Here are examples of the misappropriation of public funds:

Questionable, Misappropriation, and Mismanagement of Donor and Somali Taxpayers' Public Funds:

National Security Agencies Expenditure:

In this letter, we have decided not to share any sample data from National Security Agencies (NISA) but will share food, fuel, and other expenses of the DANAB Forces, National Defense Forces, Police, and Correctional Departments:

- (a) Danab Forces receive food from SUCCESS TRADING AND LOGISTICS SERVICE at a cost of US\$28,963.00 per month. The same company provides food to the GORGOR Defense Forces (Gt13 QB 21 & Gorgor) at US\$42,737.40 per month. Additionally, SAM LOGISTICS GENERAL SERVICE COMPANY provides food to GORGOR Defense Force at US\$47,891.30 per month.
- (b) National Defense Forces receive food monthly from Daljir Trading and General Service at US\$276,263.40, and Scandinavian Trading and Contracting Co. at US\$276,263.40. IRAAF Trading and Service Co. provides healthcare at a cost of US\$48,500 per month.
- (c) National Police Forces receive food from Real Gold Construction Co. at US\$288,518 per month and additional food ("IDIINKA") at US\$158,292 per month in cash. They receive fuel from United Group Company worth US\$69,271.58 per month.
- (d) National Correctional Forces receive food from SAM LOGISTICS GENERAL SERVICE COMPANY at US\$165,290.00 per month and fuel from BLUE LINE PETROLEUM at US\$25,543.01 per month.

Office of the President Expenditure:

The Office of the President reported 34 trips inside and outside the country, withdrawing US\$3,011,999.78 in cash from the Central Bank of Somalia. Notably, some requested funds were full numbers from July 2022 to June

2023, including US\$110,000, US\$130,000, US\$101,765, US\$100,000, US\$70,000, US\$36,014.16, US\$50,000, US\$70,000, US\$195,737, US\$43,999, US\$37,817, US\$28,000, US\$50,000, US\$30,000, US\$27,409, US\$70,000, US\$70,000 (same day), US\$60,000, US\$180,000, US\$14,550, US\$80,000, US\$50,000, and US\$74,019. The largest request was for a trip in August 2022 amounting to US\$316,000. All these funds were taken in advance and in cash. The Office of the President spent substantial funds entertaining visiting delegations, including US\$189,455 for Djibouti, US\$45,826.68, US\$44,114.15, and US\$47,539.22 for Religious Leaders, US\$60,000 for the East Africa Community, and US\$136,430 for other purposes. The Office of the President also bought machinery from Sadech Builders Logistic Consultant Co. for US\$902,557.70 without explaining its use. Additionally, the Office of the President spent US\$81,992 on advisory services and a consistent monthly fuel payment of US\$30,229.80 to Daljir Trading and General Service. True Way General Service Co. receives US\$21,166.37 monthly as other expenses.

Office of the Prime Minister Expenditure:

The Office of the Prime Minister spent US\$36,508 on advisors and paid US\$48,500 monthly to the advisory company Timely Logistics & Supplies Co., which is unprecedented. The Office of the Prime Minister spent US\$1,589,335.75 in cash on trips, with amounts including US\$36,835.75, US\$120,000, US\$150,000, US\$407,400, US\$90,000, US\$80,000, US\$30,000, US\$80,000, US\$20,000, US\$150,000, US\$160,000, US\$95,000, US\$90,110, US\$50,000, and US\$30,000. Another strange monthly payment is US\$48,484.58 for air tickets to Super Travel and Logistics. Despite owning many vehicles, the Office of the Prime Minister rented cars from Diirshe Car Rent for US\$36,316.80 monthly. A consistent monthly fuel payment of US\$40,546 goes to Hass Petroleum Somalia LTD. In November 2022, the Office bought a car from Blink Logistic Services for US\$194,000 despite having a fleet of vehicles. Renovation and repairs included US\$145,500 to EECoS in December 2022 and US\$194,983.43 to Prestige Real Estate Development and Infrastructure in April 2022. The Office of the Prime Minister spent US\$217,255.75 in November 2022 with Eagle Trading and General Services and gave US\$407,400 for Emergency Support for Hirshabeele in October 2022 to Daljir Trading and General Service.

Office of the Deputy Prime Minister Expenditure:

The Office of the Deputy Prime Minister pays US\$48,500 monthly to the advisory company Timely Logistics & Supplies Co. The Office spent US\$80,000 on two trips inside and outside the country.

Other Executive Branch Entities Expenditure:

The Cabinet Ministers receive salaries, bonuses and running costs, and plus salaries if the Minister is a Member of Parliament. The First Deputy Speaker, Second Deputy Speaker and Permanent Secretary of the House of People, First Deputy Speaker and Second Deputy Speaker of the Senate, the Minister, Deputy Minister, and State Minister, Minister, State Minister of Finance, Minister, Deputy Minister, State Minister and Director General of Health, the Minister of Internal Security, the Minister of justice, the Minister of Defense, Deputy Minister of Information, Governor of the Central Bank, Chairperson of National Civil Services, Chief of Supreme Court of Somalia, the Solicitor General of Somalia, Auditor general of Somalia, Attorney General of Somalia and General Manager and Deputy General Manager of National Telecommunication Agency receive a monthly payment of their rents.

Speaker – Deputy Speaker I – Deputy Speaker II:

The Office of the Parliament reported 30 trips outside the country, withdrawing US\$700,000 in cash from the Central Bank of Somalia. Requested funds included US\$27,000, US\$15,000, US\$9,600, US\$10,000, US\$17,000, US\$14,550, US\$21,000, US\$68,000, and US\$5,000. Monthly fuel expenditure is a consistent US\$39,731.20 paid to LUQMAN PETROLEUM COMPANY LTD. Other expenses include US\$135,800 to Daljir Trading and General Service for Member of Parliament support and assistance, US\$48,189.60 monthly to DEH Construction and Logistics Co. Ltd for food catering service, and US\$47,607.60 monthly to Mogadishu Guest House & Restaurant for catering services.

Other Types of Expenditure:

Ministers, Deputy Ministers, and State Ministers' offices and residences were renovated, often unnecessarily. For example, the State Minister of Finance's residence was rehabilitated for US\$47,872.41 and furnished for US\$46,653.12 by Sam Logistics General Service Company. The Minister of Agriculture's office was rehabilitated for US\$23,915.35 and US\$43,916.75

by Muraal General Service Company. The Ministry of Petroleum and Mining spent US\$82,954.93 on rehabilitation by Somecco Engineering Construction Company. The Minister of Information's residence was rehabilitated for US\$41,710 by DEH Construction and Logistics Co. LTD, which also provided transportation needs to the Ministry of Information for US\$47,035.30.

The Ministry of Management of Disaster Relief disbursed US\$530,840 in cash to Mr. Abdinasir Hassan Mo'alim for urgent disaster response in October 2022. The Ministry of Planning spent US\$100,000 on an Investment Conference in October 2022, paying Ilyash Logistic Services. The Ministry of Education and Higher Education conducted education and training in October 2022, costing US\$373,728.39 and US\$373,171.61, both paid to Sam Logistics General Service Company. The Superior Court's training expenses were US\$68,000, received in cash by Mr. Abdiqadir Suufi Osman. The Academic of Somali Language's conference travel expenses were US\$108,000, received in cash by Mr. Abdillahi Hasan Shiikhaalow.

Strange Expenditures:

The Ministry of Finance purchased inland tax collection equipment for US\$1,334,880. The Federal Republic of Somalia Embassy in India and Sudan received US\$110,000 and US\$106,000 in cash by Ahmed Ali Dahir and Mohamed Isaaq Ibrahim, respectively. The Somalia National University spent US\$238,056.29 on advisory services in October 2022. The First and Second Deputy Speakers of the Senate purchased new cars for US\$116,400 each from Haas Company and Buubaal Motors, respectively. The First and Second Deputy Speakers of the House of People also purchased new cars for US\$407,400 from Buubaal Motors. The Somalia Civil Aviation Authority spent US\$164,585.98 on immovable property in March 2022 and US\$116,122.58 on outpatient medical expenses in May 2022.

The Senate spends US\$44,092.32 monthly on other expenses paid to Muraal General Service Company. The Ministry of Defense pays Daljir Trading and General Services US\$518,950 monthly for other expenses (Xooli Qali and Biyo Dhamin). The National Defense Forces spends US\$367,449.20 monthly on "IDIINKA" in cash and pays US\$52,380 monthly to UUDEY Trading Service for other expenses.

World Bank Projects in Somalia:

After receiving over 1,800 World Bank contracts for various projects funded by international donors through the World Bank, I have identified a deeply concerning trend. Many contracts were awarded to unqualified companies, some of which are owned by government officials under different names. Individuals hired to execute these critical projects often lack the necessary educational background and work experience, jeopardizing our country's security and economic future.

P168115	1771744	Somalia	SO	70200
P168115	1641302	Somalia	SO	197273.25
P168115	1636338	Somalia	SO	73912.8
P168115	1613401	Somalia	SO	230460
P168115	1673306	Canada	CA	349920
P168115	1673301	Somalia	SO	361440
P173315	1703990	Somalia	SO	11681000
P173315	1717670	Somalia	SO	180971.23
P173315	1717667	Somalia	SO	152357.24
P173315	1717662	Somalia	SO	109165.87
P173731	1685195	Somalia	SO	102824.9
P173731	1685194	Somalia	SO	167070.12
P173731	1677640	Somalia	SO	236769.26

A significant number of these positions have been filled by relatives, children, spouses, and other family members of top officials in the Federal Government of Somalia. It has come to my attention that relatives of members from both houses of Parliament have been hired for these lucrative positions in exchange for votes supporting illegal constitutional changes that could lead to dictatorship in Somalia.

This situation has been allowed to persist partly due to the negligence of senior project managers at the World Bank's Nairobi office, who have failed to enforce proper oversight. I have initiated an investigation to hold accountable both the employees involved in World Bank projects in Somalia and the senior managers at the World Bank who permitted this corruption to continue unchecked. This includes the use of unreliable external auditors who were themselves corrupt.

Once my data analysis is complete, I will publish the names of all companies and contractors involved in World Bank projects in Somalia. This exposure is crucial for transparency and accountability.

After carefully and thoroughly analyzing and understanding this data, we found out that there is a Clear Road Map to defraud Public Funds and put all these funds in the hands and pockets of officials entrusted to safeguard the Public Funds. These officials request their own, relative owned, or partner owned companies to submit **INVOICE** with agreed prices without Public BID.

These are the **DEFRAUDING** schemes developed by these officials to defraud the Public Funds:

- CASH** Withdrawals without a **RECEIPT** of Disbursement of Funds
- Inflated Contracts without **Public BIDS**.
- Inflated Traveling Expenses
- Repeated Rehabilitation of Residences or Offices at Inflated Prices
- Repeated Buying Furniture at Inflated Prices
- Repeated Buying Office Supplies at Inflated Prices
- Repeated Food Catering at Inflated Prices
- Procuring Expensive Equipment at Inflated Prices
- Acquiring Training Vendors at Inflated Prices
- Buying or Renting Cars at Inflated Prices
- Invoicing to Fake Office Running Costs
- Inflating Costs of Conference
- Monthly Ticket Expenses without Traveling
- Fake Senior Advisors
- Paying Monthly Rent for Residence of Officials at Inflated Prices
- Inflating Rents of Office Space or Officials Residences

We are counting on the **OAGS** to carry similar extensive and independent audits on every **ENTITY** that received funds appropriated by the Federal Republic of Somalia Parliament regardless of who is leading that office. No one in the Executive Branch including the President, PM, Cabinet Ministers, Government Agencies, Non-Governmental Agencies, or the Central Bank of Somalia (Who receives 1.5% of total funds deposited by the Federal Republic of Somalia at Central Bank of Somalia) is above the law. As

required by law, the Final Audited Report in full **MUST** be sent to the Federal Republic of Somalia Parliament.

We are counting on your leadership at **OAGS** and the brave team that you must carry out a thorough audit on all **the Federal Republic of Somalia Executive Branch Entities as the law (No. 34 of 14/04/ 1972)** states. We are hoping that with your oath to the Somali people, you will submit your Final Reports to the House of People and the Senate.

For International Donors, let me be the first to sound the alarm informing you that Somalia is in a financial mess and in public financial mismanagement, despite all the efforts from donor communities. Due to Somali owned incompetent appointees and corrupt leadership, Somalia is facing a massive financial meltdown that could harm all development efforts. We are writing to express our deep concern regarding the ongoing financial support provided to the Federal Republic of Somalia by international donors, in the absence of tangible commitments to fiscal transparency, accountability, and anticorruption measures, which significantly harm Somalia's financial system to the point of crises with a massive consequential impact on security and stability of the region. While the Somali Federal Parliament has demonstrated efforts towards advancing accountability and oversight, the rampant corruption and wasteful expenditure that persist within the Executive Branch Entities, particularly within the Ministry of Finance and the Central Bank, cannot be ignored.

It is with this commitment in mind that we draw your attention to the failures and noncompliance with anti-corruption and transparency requirements within the Federal Government of Somalia (FGS). Despite the efforts of the Somali Federal Parliament with its limited resources, significant challenges remain in ensuring that Public Funds are utilized for the betterment of the Somali people. In particular, the incompetence displayed by the Minister of Finance and the Governor of the Central Bank in overseeing corruption schemes and tax evasion schemes cannot be overlooked.

We urge you, as representatives of international donor organizations, to reconsider your financial support for the Federal Government of Somalia (FGS) unless concrete steps are taken to address these pressing issues. It is imperative that stringent measures be put in place to ensure fiscal

transparency, accountability, and the elimination of corrupt practices within the government and to FREEZE ALL LOOTED Public Funds stolen by these officials. The Somali people deserve a government that is committed to their wellbeing and the responsible utilization of resources. We have hereby attached sample documentations of mismanagements of Public Donor Funds on every level from people who care deeply about Somalia and its diaspora contributions connected with donor countries or international partners that care about Somalia's longevity in governance and state building.

We implore you to leverage your influence and resources to support initiatives that promote transparency, accountability, and anti-corruption efforts within the Somali Parliament. By doing so, you will not only contribute to the stability and development of Somalia but also help to create an environment that is less susceptible to criminal and terrorist activities.

Thank you all for your attention to this matter. We look forward to hearing about the strong steps the OAGS Office, International Governments and Organizations intend to take to address these concerns and promote positive change within the Federal Government of Somalia (FGS).

Thanks

Yours sincerely,



Dr. Abdillahi Hashi Abib - *BA, MA, MASC, Ph.D*
Member of Foreign Affairs Committee
Federal Republic of Somalia the House of People
Mogadishu, Somalia
MP- HOP #201 Awdal Region and Gebileh District
Leader of the Accountability and Transparency Caucus of the House of People

PAYMENT ID	INSTITUTION NAME	PAYMENT/REVENUE DESCR	DEBIT
0019067-10	Xafiiska Baarlamaanka	Food catering Service Deh May 2023	48,189.60
0019067-9	Xafiiska Baarlamaanka	Catering Service Mogdishu Guest May 2023	47,607.60
0019067-4	Xafiiska Baarlamaanka	Shidaal iyo Saliid Luqman Patroleum May 2023	39,731.20
0019027-3	Taliska Ciidanka Xooga Dalka	Raashinka QB 21 aad & Gorgor CXDS Bisha May , 2023	47,891.30
0019028-4	Taliska Ciidanka Booliska	Raasiinka qalalan Bisha may 2023	47,870.00
0019078-5	Xafiiska Aqalka Sare Xafiiska Ra'iisul	kharashaad kale Guddoonka May,2023	44,164.10
0019065-17	Wasaaraha Xafiiska Ra'iisul	Shidaalka XRW (May - 2023)	34,920.00
0019065-7	Wasaaraha Xafiiska Ra'iisul	Qarashka latalinta XRW (May - 2023) Qarashka latalinta XRW/Xigenka (May - 2023)	48,500.00
0019065-8	Wasaaraha		48,500.00
0019028-1	Taliska Ciidanka Booliska	IIDAANKA CIIDANKA BOLISKA BISHA MAY 2023	158,292.00
0019037-3	Taliska Ciidanka Xooga Dalka	Shidaalka Ciidanka XDS Bisha May , 2023	136,372.30
0019027-2	Taliska Ciidanka Xooga Dalka	Raashinka Qt12&27aad Ciidanka XDS Bisha May. 2023	125,218.60
0019146-1	Xafiiska Ra'iisul Wasaaraha	Kharash sahay safar Saudi Arabia Bisha June 2023	95,000.00
0019034-2	Ciidanka Asluubta	adeega shidaalka iyo Olyada April 2023	25,543.01
0018771-3	Taliska Ciidanka Booliska	RAASHINKA C.B.S BISHA APRIL 2023	288,518.60
0018773-1	Taliska Ciidanka Xooga Dalka	Raashinka Col M Banaan Cidanka XDS Bish Apr, 2023	281,886.50
0018863-1	Xafiiska Ra'iisul Wasaaraha	Sahay Safar Bisha May 2023	80,000.00
0018780-1	Xafiiska Madaxtooyada	Kharash Sahay safar May2023	74,019.00
0018437-3	Ws.Maaliyadda	RASHINKA CIIDAMADA ILALADA WASIRADDA april	47,919.94
0018295-3	Taliska Ciidanka Xooga Dalka	Raashinka Gt13 QB 21 & Danab CXDS Bisha Feb, 2023	28,963.00
0018140-1	Xafiiska Ra'iisul Wasaaraha	Sahay Safar Wadanka Masar Bisha Jan - 2023	160,000.00
0018094-1	Xafiiska Madaxtooyada Xafiiska Ra'iisul	Kharash sahay safar march 2023	130,000.00
0018210-1	Wasaaraha	Sahay Safar RW D,Koonfur Galbeed Bisha Mar 2023	90,000.00
0018059-1	Xafiiska Madaxtooyada	Kharashad Sahay safar February 2023	70,000.00
0018173-1	Xafiiska Madaxtooyada	Sahay safar Baydhabo March 2023	70,000.00

0018252-1	Xafiiska Madaxtooyada	Sahay Safar Uganda March 2023	70,000.00
0018227-1	Xafiiska Baarlamaanka	Kiro Gudoomiyaasha & Xoghayaha Guud Jan-June 23	118,146.00
0018170-8	Xafiiska Baarlamaanka	Decoration office Budget V.H and Admin Finance	75,165.30
0018170-7	Xafiiska Baarlamaanka	Endowment and Information committe office	52,082.21
0017667-1	Xafiiska Baarlamaanka	Daryeelka Xildhibaanda	50,000.00
0016922-1	Xafiiska Baarlamaanka	Sahay Safar Gud 2aad Rwanda	68,800.00
0016422-4	Xafiiska Baarlamaanka	Kirooyinka 6 bilood July December 2022	118,146.00
0017880-1	Xafiiska Madaxtooyada	Sahay Safar Baydhabo january 2023	110,000.00
0017989-1	Xafiiska Madaxtooyada	Sahay safar Ethiopia February2023	110,000.00
0016827-2	Xafiiska Baarlamaanka	Bixin Kharash Taakuleyn iyo Daryeel Xildhibaano	135,800.00

