As one of the longest instances of state collapse in recent years, Somalia faces many of the major corruption challenges that affect conflict-torn countries, with rampant corruption and a deeply entrenched patronage system undermining the legitimacy of the internationally recognized Federal Government (FG). Corruption is further exacerbated by the absence of a functional central government, a lack of resources and administrative capacity, weak leadership structures as well as a limited ability to pay public officials.

Both petty and grand forms of corruption are prevalent in Somalia, permeating key sectors of the economy such as ports and airports, tax and custom collection, immigration, telecommunication and management of aid resources. According to a recent audit report by the Prime Minister’s office, corruption manifests itself through various practices, including gross public financial mismanagement, large scale misappropriation of public and donor funds, unethical and professional negligence, and concealment of actual resource flows.

Against this background, the FG has a poor record of confronting corruption due to its weak administrative set up, lack of resources and capacity and wavering political will. President Hassan’s early pledge to address corruption, clean politics and promote good governance in public administration has failed to translate in an articulated strategy so far.

Overview of corruption in Somalia

Caveat: In the (relative) absence of publicly available sources of information on corruption and anti-corruption in Somalia, most of the information provided on the state of corruption in the country is primarily based on two reports by the International Crisis Group (International Crisis Group, 2011 and 2012).
Sectors Most Affected by Corruption in Somalia

**Security forces**

Corruption pervades many sectors of the country, including security forces, and immigration services. Lack of resources and inability to pay public officials including security forces provide incentives for extortion and bribery. Security forces tend to sell their arms and equipment as substitute for their salaries.

**Immigration, port and customs**

According to the local and international observers, much of the official corruption occurs at the port of Mogadishu and the International Airport. The observers also mention the lack of transparency in the revenue collected at the international port and airport, while a 2013 UN Monitoring Group report names some members of government and parliament allegedly engaged in a large scale visa fraud and smuggling of illegal migrants. In spite of numerous efforts to clean these institutions and introduce managerial, administrative and staff changes, both the port and the airport remain major source of corrupt income.

**Private sector**

Most of Somalia’s economy relies on the informal sector, based on livestock, remittances and telecommunications. According to the International and local monitoring agencies 2013, the unregulated market system that came into being after the fall of Siyad Barre’s regime, while stimulating entrepreneurial energy in the country, is also partly responsible for fuelling corruption. For example, enterprises don’t pay taxes regularly to the state but routinely pay non-statutory fees to senior FG officials to support and approve foreign business deals or keep the government on their side.

The Telecommunication sector is one of the country’s most lucrative and vibrant sectors, with nine cellular networks. At the same time, the sector is seen as particularly corrupt. The growth of the sector has been fueled in the last decades by sustained emigration and remittance trade that have exponentially increased the demand for telephone and internet services. According to International Crisis Group 2011, regime leaders have interests in local telecommunication companies. As a result, these companies allegedly offer undeclared fees to public officials in relevant ministries on a routine basis.
Aid

The management of aid money in a country that largely relies on external sources of funding is a major area of concern. According to the International Crisis Group 2013, there is no reliable database covering all development funds. The above mentioned report by the Public Financial Management Unit in the Office of the Prime Minister revealed that a large majority of the central government's revenue has never been recorded and it also uncovered large scale misappropriation of donor funds. This is confirmed by a 2012 World Bank report looking at the years 2009 and 2010, which reveals that large sums of money received by the TFG have not been accounted for, with an alleged discrepancy of about $130m in the accounts over the two years. The report does not rule out corruption as a possible explanation for the missing government revenue funds.

Anti-corruption efforts in Somalia

Against this background and according to many observers, the FG has a poor record of confronting corruption and its response has been disappointing so far. President Hassan’s initial pledge to address corruption, clean politics and promote good governance in public administration has failed to translate in an articulated strategy.

There is no sign that the government has established an anticorruption policy and there are no integrity mechanisms in place. As already mentioned, tax collected at ports and airports as well as aid money continue to be managed with a complete lack of transparency and accountability.

Planned Activities

The Agenda of the workshop was discussions on issues of corruption and laying strategies for IGI-Somalia in promoting good governance and eradication of corruption in Somalia.

In the year 2013/2014, IGI Somalia has set up three main activities to be implemented in a period of 12 months. These activities include:

1. Training university Students on active citizenry and good governance practices
2. Training Civil servants on public ethics and corruption prevention mechanisms
3. Media Awareness Campaigns on Anti-Corruption
4. Stakeholder forums: Organize Meeting with different Ministers so that they can sensitize staff in their ministries on the issues of corruption and set a strong platform for fighting corruption in the system.
A familiarization workshop has been conducted in Mogadishu to map out sectors to be targeted and the key actors in the ministries, universities and media fraternity to be co-opted into the IGI Somalia anti-corruption plans.

IGI Somalia Strategy Workshop on Corruption Prevention, Held in Mogadishu