



FEDERAL REPUBLIC OF SOMALIA
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International Investigative Team Clears Somalia of UN Report Allegations

MOGADISHU, Somalia — After a thorough investigation, a top international forensic accounting and legal team released a report today clearing the Somali government of corruption alleged by the United Nations Monitoring Group on Somalia and Eritrea.

Responding to the July 12, 2013, Monitoring Group Report—specifically Annex 5.2 —forensic accountants from FTI Consulting, Inc., and a legal team from the US firm Shulman, Rogers, Gandal, Pordy & Ecker, P.A, found that the methodology and conclusions in Annex 5.2 were “deeply flawed and entirely unreliable.” Moreover, many of the allegations predate President Hassan Sheikh Mohamud’s administration.

President Mohamud welcomed the report’s conclusions while acknowledging that Somalia is still developing a sound financial architecture after two decades of war.

“As President, it was my responsibility to take seriously the allegations and to direct a thorough assessment of them,” he said. “I am pleased that the investigative team concluded that these allegations were unfounded.

“The international community can be assured that, although there is much yet to be done, Somalia has made considerable progress toward establishing and maintaining the sound fiscal practices appropriate to a modern state.”

Among the Monitoring Group’s flawed findings and the true facts revealed in the investigative report were:

- The Monitoring Group’s condemnation of the Somali Central Bank Governor Dr. Abdusalam Omer’s stewardship of the Bank was entirely unwarranted. The investigation concluded that the Central Bank applied appropriate internal controls when dispersing government funds.
- The Monitoring Group’s claim that US \$12 million was unaccounted for following a US \$16.9 million transfer from PricewaterhouseCoopers Africa to the Central Bank of Somalia. Further investigation by the international team showed that the money was fully accounted for.

- The Monitoring Group’s assertion that Somalia lacks a functional infrastructure to manage government cash flows. The investigative report found that Somalia has a functional public financial management system rooted in law and procedure, including a reliable system of internal controls.

The international forensic accounting and legal investigators followed the United Nations’ own published fact-finding guidelines and adhered to international norms and professional forensic practices for discovery, investigation and interviews. The final report includes a series of recommendations for the government of Somalia and for the UN Security Council.

For Somalia, the investigators suggest a series of steps to upgrade internal controls and financial reporting systems and to further strengthen the public financial management systems. For the UN Security Council, the report outlines steps to revise the July 13 Monitoring Group Report — including the excising of Annex 5.2 — and to adopt controls to supervise UN monitoring groups. It recommends that states subject to such reports be given the opportunity to review and provide written comments for consideration prior to publication.

For his part, President Mohamud has accepted and endorsed the investigative team’s report and recommendations.

“Somalia has come a long way after two decades of conflict,” he said. “There is still work to be done, and my administration will do everything it can to continue to move forward and eradicate corruption. I encourage the international community — especially the United Nations — to continue to engage with us in a positive, productive way.”

The full report can be found [here](#).

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