

EXCLUSIVE: Leaked review exposes scale of aid corruption and abuse in Congo

Friday 26 June 2020, by [DODDS Paisley](#), [KLEINFELD Philip](#), [PARKER Ben](#) (Date first published: 12 June 2020).

A review of fraud and corruption risks in the Democratic Republic of Congo - one of the world's longest-running humanitarian crises - delivers a blistering assessment that could spark major changes to aid operations in a country where hundreds of millions of dollars of foreign aid are spent annually.

The 70-page draft review – circulated last month to aid officials working in Congo and obtained by The New Humanitarian – looks at everything from corruption within the Ebola response to how women and girls are subjected to sexual exploitation. It also details how donor funds are siphoned off and how aid recipients ultimately lose out.

The office of UN Secretary-General António Guterres is aware of the review, spokeswoman Zoe Paxton told TNH. “Once the report is published, we will carefully consider any recommendations made,” she said.

At a glance: What's in the review?

Based on interviews conducted across the country with staff at UN agencies, local NGOs, and international NGOs, as well as aid recipients and members of civil society, the report chronicles instances where:

- Workers at international aid groups – in particular UN agencies – have been demanding kickbacks from national NGOs in exchange for contracts
- Suppliers of goods to aid groups are expected to pay bribes worth up to 30 percent of the contract value
- Aid workers tasked with evaluating projects are bribed to hide corruption
- Corrupt practices have undermined the Ebola response and other aid operations
- Few cases of Sexual Exploitation and Abuse (SEA) involving aid sector workers are ever reported because reporting mechanisms don't work and perpetrators pay off victims
- Women and girls have been offered jobs in the aid sector in exchange for sex
- There is a widespread failure to sanction individuals responsible for corruption, including SEA
- Corruption has led to a breakdown in trust between aid agencies, government officials, and local communities

The operational review was commissioned by an anti-fraud taskforce created by UN agencies and aid groups in Congo after the NGO Mercy Corps discovered a fraud scheme in late 2018 –[first made public this week by TNH](#)– that raised the alarm about widespread corruption and problems with the systems designed to root it out.

The review was shared with TNH by a senior aid official working in Congo who expressed

dissatisfaction with how the humanitarian sector is managing fraud and corruption risks. It comes at a time when pressure on aid budgets around the world is set to rise due to a recession and the demands of COVID-19 sucking up cash reserves.

Carried out by three international consultants and two Congolese researchers contracted by Adam Smith International, an aid consultancy – and funded with a grant from the UK's government aid agency, DFID – the operational review, for which more than 400 people were interviewed, doesn't take a position on the Mercy Corps case but confirms many of its findings.

It notes how networks of fraudsters have embedded themselves within humanitarian organisations and introduced a dizzying number of corrupt practices that impact everything from the recruitment of staff to the procurement of supplies and the delivery of aid. UN agencies in particular are cited.

It also notes that the systems designed to detect fraud often fail, and that anti-corruption tools and guidelines are rarely used. Aid organisations are also reluctant to share information that could offer valuable lessons, it says.

"Learning from investigations is currently limited to the organisations themselves and their donors," the document states. "Even for this review, lessons learned from such investigations have not been made available by donors or UN organisations."

While interviews for the review were held from January to April this year, it is unclear how long some of the practices it flags have been taking place.

"Everyone will be shocked," said Joseph Inganji, the head of the UN's emergency aid coordination body, OCHA, in Congo. He said the fraud noted in the review was distressing because the humanitarian sector was there to help and save lives.

DFID, a major donor to humanitarian aid in Congo, said it had provided funding for the review because it is committed to tackling fraud and corruption, but refused to comment on the findings and recommendations until a final version is published later this month.

A global problem

International aid analyst Charles Kenny of the Center for Global Development think tank cautioned that the review can't tell the whole story.

Relying on anecdotal information, it "doesn't allow for an estimate of how pervasive corruption is in humanitarian relief aid in the DRC", he said. Kenny told TNH he would value a follow-up survey of intended aid recipients to ask what they actually received.

Diego Zorrilla, a senior UN official in Congo who works on the anti-fraud taskforce that commissioned the review, said the draft is not an exhaustive investigation but gives "clues of what could be happening".

Zorrilla said the review had only been circulated among members of the taskforce, and that he could not comment on how recommendations would be implemented before consulting the wider humanitarian community after a final version is submitted. Comments on specific findings were being sent back to the authors as part of the review process, he added.

"This is not specific to the DRC. The only thing that is going to stop it is a systemic approach."

Asked about the broader situation – without mentioning the scam involving Mercy Corps or the draft review – Ernest Mpararo, of the Congolese League Against Corruption, blamed a “lack of monitoring and control” in humanitarian organisations for allowing fraud to spread, but pointed out that corruption is pervasive in Congo, where the president’s chief of staff is currently [standing trial on graft charges](#).

Other anti-corruption experts told TNH the draft review should be a wake-up call, not just for the aid sector in Congo but also for humanitarian organisations in other countries with long-running relief operations.

“This is not specific to the DRC,” Tim Boyes-Watson at Humentum, an association that advises member NGOs, said after looking at the draft review provided by TNH. “The only thing that is going to stop it is a systemic approach.”

Researcher Nisar Majid, of the London School of Economics, said the corruption described in the report was “very similar” to that found in his [research on aid to Somalia](#).

“These issues shouldn’t be a surprise,” he said. However, “throughout the system, from top to bottom, we struggle to address it and talk about it.”

Blacklists and kickbacks

Corruption involving contracts between international aid groups and national NGOs is described in the report as particularly egregious, with local organisations sometimes expected to provide kickbacks that can amount to more than 10 percent of a contract value. Workers at UN agencies are most cited for being associated with the practice.

One person interviewed for the review alleged that the selection committee of Congo’s humanitarian pooled fund – a major pot run by OCHA – had demanded kickbacks from national NGOs in exchange for contracts.

Inganji, the OCHA country director, described the allegation as “serious” but said the funding process is “transparent”. He said an investigation into the allegations had not yet been launched.

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Allegations of corruption were also noted in procurement processes: interviewees told the review that suppliers “expect” to provide kickbacks to staff of NGOs and UN agencies of 10 to 30 percent of the contract value. Some suppliers said they had responded by fixing higher prices for aid groups.

The seed sector appears to be particularly affected, according to people interviewed for the review who claimed that procurers often take a slice of the tonnage to sell privately. Insiders were said to replace seeds intended for distribution with lesser quality alternatives, the draft review notes, pointing to staff at UN agencies as among the worst offenders.

“The end result of these pressures was described as reducing impact of aid for aid recipients, adding pressures to a difficult local market, and increasing food insecurity,” the review states.

Representatives of national NGOs and suppliers told the review’s authors they believed that flagging corrupt practices would get them blocked from future contracts or partnerships with aid agencies. Both described a blacklist collectively enforced by some workers at different aid groups – most often UN agencies – for those who “disturb the system”.

Sex, jobs, and silence

Offering jobs in exchange for sex is “widely practiced” in the country, the review finds. There are also reports of aid recipients being expected to provide “sexual favours” for workers in exchange for their names being added to distribution lists.

Very few cases of sexual abuse and exploitation (SEA) involving aid workers, however, are ever reported – partially because hotlines and locked suggestion boxes meant for reporting abuse or corruption are ineffective.

“We hear a lot of talk – NGO and UN have zero tolerance policies; however, we do not see any consequences for [abusers] when they occur.”

“[The complaints mechanisms] appear to produce no information with regards to occurring cases of sexual exploitation and abuse,” the review states, taking particular aim at the ineffectiveness of hotlines.

One Congolese NGO staffer told the reviewers: “We hear a lot of talk – NGO and UN have zero tolerance policies; however, we do not see any consequences for [abusers] when they occur.”

Women and girls, who “have neither access to [a] phone nor the privacy to use their husbands’ or family phone”, face particular challenges, the review notes.

It also highlights that perpetrators use “money, influence, and positions to keep survivors and their families quiet”, and are rarely punished.

Survivors of sexual abuse and exploitation are often young – most often between 14 and 22 – and members of some of the most vulnerable communities in the country, including IDPs and orphans, the review notes. The authors recommend that more funding go to national organisations that work closely with survivors of abuse and gender-based violence.

Fraud, mistrust, and lost aid

Ongoing corruption has caused a mutual lack of trust between the aid sector and local communities, who “perceive humanitarian aid as corrupt and driven by external agendas”, according to the draft review.

Similarly, aid groups have become equally jaded, the review suggests, hindering cooperation with local authorities and community leaders who regularly demand a share of project budgets.

In particular, the alert systems that are supposed to help communities report displacements to aid groups following conflicts or natural disasters pose a high risk of corruption, according to the document.

Local leaders, authorities, and militia members can use the systems to fabricate population movements or exaggerate the number of people displaced – usually in collusion with staff members of aid organisations.

“This may lead to the allocation of aid in areas where it is either not needed, or less needed,” the review notes. “Consequently, vulnerable populations remain excluded and under-assisted and potential benefit is lost.”

The UN’s Zorrilla said humanitarian organisations have improved their alert systems in recent

months by introducing a process whereby data is more thoroughly analysed.

Some IDPs who spoke to the authors reported having to pay bribes to be registered for aid, while those registered for support may receive reduced amounts, or no aid at all, the review says.

Distrust between communities and relief workers has been [particularly pronounced in the Ebola-affected areas of Beni and Butembo](#), where vast sums of money have been pumped into a single space, amplifying many of the underlying corruption risks described in the report.

Interviewees told the review's authors that vehicles belonging to staff of the Ebola response had been rented at "exceptionally" high prices, with cost negotiations sidelined for fast operationality. Military escorts had also been established "at very high costs", the authors were told.

Failed checks and balances

The failure of existing systems to detect corruption and SEA have allowed both to flourish, the draft review concludes.

The authors were told that aid workers tasked with evaluating project implementation are paid bribes to submit assessments that hide both corruption and poor performance.

The review also notes that some of the corrupt practices appeared "audit proof" – the technique, for example, of "ghost" recipients is too hard to check. Those involved in audit processes could also potentially manipulate the results, the document states.

Members of aid groups, meanwhile, described fraud reporting processes "as cumbersome and time-consuming", with some lacking a dedicated compliance and anti-fraud department.

Despite recent improvements in information sharing – including the joint anti-fraud taskforce formed after the Mercy Corps case – the review's authors note that organisations still don't talk openly about attempted and confirmed cases of corruption.

"There are too many vested interests; it's a hugely complex industry."

Short funding cycles from donors, and an emphasis on speed – in the form of rapid response programmes – have "weakened" the overall quality of response and increased the opportunity for aid funds to be diverted, the review states.

Communities, meanwhile, have built in-depth knowledge of the response mechanisms aid groups have used over the years, while the aid groups themselves often lack understanding of the local context and power dynamics.

Majid, of the London School of Economics, said the corruption described in the report would require far more than "technical fixes" to solve. "There are too many vested interests; it's a hugely complex industry," he said.

John Githongo, a Kenyan anti-corruption campaigner, said the "exploitation of the most vulnerable members of the population" was the most "disconcerting" finding of the review, which he read for TNH. He said DFID was courageous for having commissioned it, but added: "the real courage, of course, will be in doing something about it."

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