USAID/OIG Investigations Dashboard
Iraq Syria Complex Crisis

Intake by Country

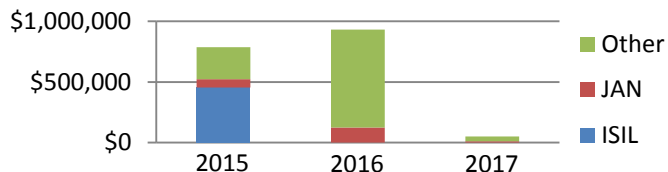| Country	Count
Syria	137
Turkey	23
Jordan	24
Iraq	25
Lebanon	3

Allegations

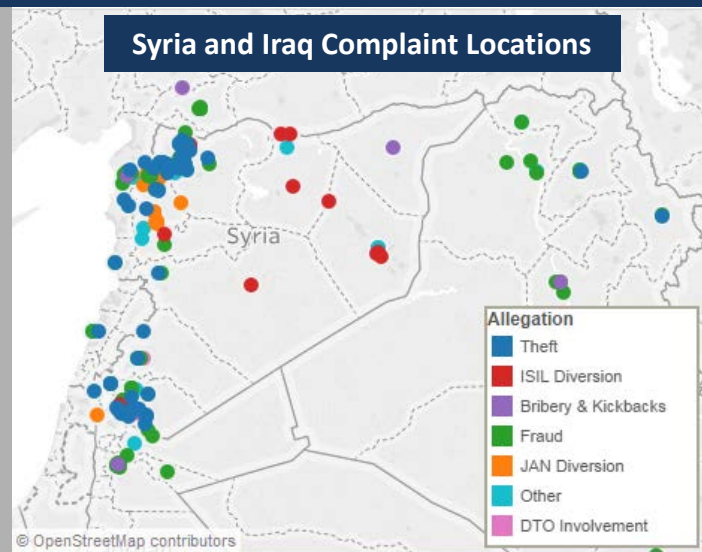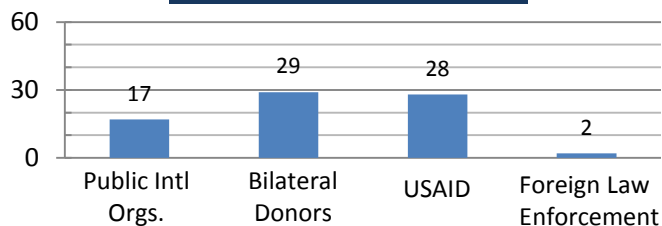| Allegation	Complaints	Open Cases
Fraud	92	15
Theft	53	0
ISIL/JAN Diversions	34	1
Bribery/ Kickbacks	11	2
Other	22	1
Total	212	19

Source of Complaint

- OIG Hotline — 7%
- Implementers — 51%
- USAID — 38%
- Other — 4%
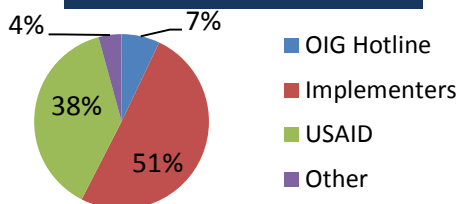
Losses Due to Theft or Force Majeure Incidents

Legend: Other, JAN, ISIL

Years: 2015, 2016, 2017

Syria and Iraq Complaint Locations

Allegation:
- Theft
- ISIL Diversion
- Bribery & Kickbacks
- Fraud
- JAN Diversion
- Other
- DTO Involvement

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Referrals Generated

Category	Count
Public Intl Orgs.	17
Bilateral Donors	29
USAID	28
Foreign Law Enforcement	2

Investigative Outcomes

Systemic Changes	15
Procurement Actions	8
Suspensions or Debarments	37
Personnel Actions[a]	20
Savings	$19,574,379
Arrests	0

Fraud Awareness Briefings

Number of Briefings	64
Number of Attendees	1544

USAID OIG Coordination

Joint Investigations	3
Syria Investigations Working Group Meetings	6
Lead IG Congressional Reports	11

a. Personnel Actions includes employee terminations and resignations

Investigative Narratives

Ongoing Investigation into NGO Fraud Ring Results in Debarment
An ongoing OIG investigation into bid rigging, collusion, bribery, and kickbacks between Turkish vendors and procurement staff from four NGOs in southeast Turkey has resulted in the debarment of an individual in December 2017. The investigation has thus far uncovered evidence of rings of Turkish vendors who colluded with corrupt procurement staff among USAID's implementers conducting cross-border programs to provide humanitarian assistance to Syrian internally displaced persons.

These are in addition to previous investigative outcomes that include seven employee terminations, one employee suspension, five employee resignations, sixteen debarments of individuals and companies, thirteen systemic changes by USAID offices effecting award management, program oversight, internal processes, and fraud prevention efforts, and the suspension of $239 million in program funds amongst the NGOs under investigation.

USAID OIG Investigators Present Findings at Fourth Syria Investigations Working Group
In November 2017, USAID OIG attended the fourth meeting of the Syria Investigations Working Group in Glasgow, Scotland, hosted by the United Kingdom's Department for International Development (DFID). The meeting was attended by investigators from eight UN agencies and four bilateral donors, along with the International Federation of the Red Cross and the Department of State OIG. Attendees exchanged information on ongoing investigations related to cross border programs into Syria and corruption affecting Iraqi stabilization programming. The meeting included briefings by USAID OIG, DFID, OFDA, Mercy Corps, and the United Nations Development Programme. USAID OIG investigators presented on their investigations related to corruption impacting Iraq stabilization programs and cross border programs into Syria.

OIG Conducts Outreach in Baghdad and Erbil to Fight Fraud in Iraq Humanitarian Programs
In FY17, USAID has provided more than $361 million for the humanitarian response in Iraq, spread across the health; shelter; relief commodities; water, sanitation, and hygiene; protection; and food assistance sectors. To enhance oversight on USAID-funded humanitarian programs in Iraq, OIG investigators, analysts, and auditors conducted outreach to USAID staff and implementers in cities of Baghdad and Erbil in Iraq in September 2017. During the trip, the team met with US Embassy staff, including members of the USAID Disaster Assistance Response Team and USAID/Iraq staff managing USAID-funded stabilization programs, to develop a greater understanding of the Agency's programs and their vulnerability to fraud, waste, and abuse. OIG staff also reached out to representatives from public international organizations such as the World Health Organization (WHO) and the United Nations Development Programme (UNDP), as well as USAID implementers. Beyond conducting **10** fraud awareness briefings to **289** participants from USAID and implementing partners, the team visited more than **11** implementer offices and warehouses, assessing the strength of their procurement and logistics systems and identifying potential areas of concern.

OIG Investigation Leads to Pre-Award Suspension, Scrutiny of a USAID Award Recipient's Procurement Procedures
In September 2016, OIG received an allegation related to corruption and collusion by sub-contractors working on cross-border humanitarian assistance programs in Syria. These organizations were allegedly linked to an individual involved in manipulating procurement tenders by USAID-funded NGOs through the use of numerous companies. Due to findings uncovered during the investigation, OIG issued an interim referral to USAID's Office of Food for Peace (FFP). As a result, FFP delayed their $13.5 million award to the prime implementer based on concerns about the implementer's procurement structures and their sub-contractor's warehouse practices and strongly advised against procuring under their pre-award letter, effectively halting program activities. The case is open and ongoing.

OIG Investigation into Fraud in Syria Cross-Border Program Results in Six Suspensions
In March 2015, OIG received allegations of fraud and mismanagement against an Office of U.S. Foreign Disaster Assistance (OFDA) sub-awardee. OIG found that the sub-awardee had not distributed aid products in southern Syria in accordance with the sub-award, but instead had another organization do the distribution. Despite the fact that the sub-awardee did not incur the planned expenses for the warehouse, transportation, or distribution, it falsified documentation and billed OFDA for the full cost of the project. In addition, in 2013, the sub-awardee falsified pay slips and charged USAID the salaries of employees working at a USAID funded hospital in Jordan although the employees had left the organization several months prior. In May 2017, USAID suspended the sub-awardee and five of its employees from doing business with the US Government.

USAID OIG Collaborates with Norway's Ministry of Foreign Affairs on Fraud Awareness Workshop
In June 2017, USAID OIG special agents collaborated with Norway's Ministry of Foreign Affairs and provided a workshop on Fraud Awareness in the Syrian Humanitarian Context in Oslo, Norway. Fifty-seven attendees from various NGOs and bilateral donors learned about common fraud schemes, product substitution, procurement file reviews, and analysis of various case studies. Norway's State Secretary Tone Skogen provided the opening remarks for the workshop. USAID OIG special agents were invited given their expertise in this arena and provided presentations based upon their field experience working cases for D-ISIS Investigations Task Force.

OIG Investigation of Collusion Leads to Resignation
In October 2015, USAID OIG investigated collusion between a USAID implementer's logistics staff members and a vendor that supplied goods for humanitarian assistance. During the investigation, OIG discovered that the implementer's logistics manager did not disclose previous conflicts of interest, specifically that his relative owned a vendor that had won tenders from a USAID implementer while he was still employed there. OIG shared their findings with his current employer, an NGO conducting cross-border operations. As a result of the investigation, the logistics manager resigned in April 2017.

USAID OIG Launches D-ISIS Investigative Task Force
With the growing threat of ISIS in the Middle East and elsewhere, USAID has pivoted its efforts in the Operation Inherent Resolve (OIR) area of responsibility to reflect its critical role in countering and defeating ISIS (D-ISIS) through humanitarian and development programming. In parallel, the OIG established the D-ISIS Investigative Task Force in April 2017 to ensure oversight and prevent fraud, waste, and abuse in these operations.

The D-ISIS Investigative Task Force brings together OIG staff from across the divisions to expand our work on OIR matters and leverage a breadth of expertise available within and outside OIG. Members include USAID investigators, analysts, auditors, and managers based in Washington, DC; Cairo, Egypt; and Frankfurt, Germany, as well as State OIG investigators. In the coming months, the task force plans to co-locate its members in USAID OIG space to further bolster collaboration.

OIG Referral of Sub-Partner Management Issues Results in $8 Million Reduction in Cross-Border Syria Program

Between October 2015 and September 2016, USAID OIG received six complaints alleging fraud and false claims in several sub-awards of an Office of U.S. Foreign Disaster Assistance (OFDA) sub-awardee for a Syria cross-border program. The allegations included mismanagement in sub-partner-run clinics inside Syria, including theft and mismanagement of salaries paid to clinic staff and signature discrepancies across payment vouchers, timesheets, contracts, and sub-awardee monitoring forms. The sub-awardee visited the clinics and reported that one sub-partner did not monitor all salary disbursements due to lack of capacity and a desire to avoid responsibility for the salary payments. Upon a visit to a second sub-partner, the OFDA sub-awardee found that the sub-partner had "exactly the same" paperwork and salary management problems as the first organization it visited.

OIG referred these findings to OFDA. As a direct result of this referral, OFDA decided to reduce the sub-awardee's award from $18 million to $10 million in February 2017, resulting in a savings of $8m to the United States Government.

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USAID OIG Workshop Bolsters Fraud Prevention Awareness Among Syria Humanitarian Assistance Stakeholders

In February 2017, USAID OIG hosted a Fraud Prevention and Awareness Workshop in Amman, Jordan that educated implementing partners and donors on the common fraud schemes that investigators have uncovered in Syria-related humanitarian programs. Workshop sessions ranged from fraud indicators and preventive measure for humanitarian aid programs. Over 150 individuals from more than 30 bilateral and multilateral donors, local and international NGOs, USAID and State implementing partners and sub-partners attended and exchanged ideas. Feedback from the workshop was very positive and OIG/I hopes to partner with other bilateral and multilateral donors to host similar workshops in the future.

Third In-Person Syria Investigation Working Group Meeting Held in Amman, Jordan

Following the OIG-hosted fraud awareness workshop, USAID OIG attended the third in-person meeting of Syria Investigations Working Group (SIWG) in Amman, Jordan where representatives from oversight entities of bilateral donors and UN agencies exchanged information on OIG's investigations into fraud and abuse in Syrian cross-border programs. The working group began with remarks by USAID Inspector General Ann Calvaresi-Barr and the World Food Programme Inspector General and included case briefings by USAID OIG, Irish Aid, and the United Nations Development Program.

Second In-Person Syria Investigations Working Group Meeting Held in New York

In August 2016, USAID OIG organized an in-person meeting of the SWIG, co-hosted by the United Nations Population Fund and the United Nations Development Programme in New York City. The meeting was attended by representatives from the oversight bodies of other bilateral donors and public international organizations (PIOs). The Working Group was greeted by remarks from the USAID OIG Deputy Inspector General and included case briefings from two USAID OIG special agents.

 USAID OIG Inspector General Provides Congressional Testimony

On July 14, 2016, Inspector General Ann Calvaresi-Barr testified before the House Foreign Affairs Committee's Subcommittee on the Middle East and North Africa alongside Thomas Melito, Director for International Affairs and Trade at the Government Accountability Office. The topic of the testimony was OIG's investigative work related to USAID's humanitarian assistance in Syria. Mrs. Calvaresi Barr discussed, among other things, the fact that OIG investigations have raised concerns about USAID implementers' fraud tracking and reporting practices, USAID's oversight of the implementers, and implementer logistics, quality control, and monitoring procedures.

USAID Cooperative Agreement Reduced by $10.5 Million Due to Detected Fraud in Syria Cross-Border Program

In March 2015, OIG received allegations of fraud and mismanagement against an Office of U.S. Foreign Disaster Assistance (OFDA) subawardee. OIG found that the subawardee had not distributed aid products in southern Syria in accordance with the subaward, but instead had another organization do the distribution. Despite the fact that the subawardee did not incur the planned expenses for the warehouse, transportation, or distribution, it billed OFDA for the full cost of the project. In July 2015, as the result of OIG investigative findings, OFDA reduced its overall planned funding by $10.5 million to the prime implementer. The investigation into the prime implementer's management of the subawardee is ongoing.

Investigation Leads to Partial Termination of a USAID-Funded Syria Cross Border Program and a Savings of $968,319
An ongoing OIG investigation revealed systemic weaknesses on the part of an implementer in the procurement, storage, handling, transportation, and distribution of pharmaceuticals and medical supplies purchased for use in Syria. As part of the investigation, OIG personnel physically inspected materials on hand in several warehouses operated by the implementer, reviewed associated documentation, and interviewed key personnel. OIG shared its findings regarding these issues as well as procurement irregularities identified in the course of the ongoing investigation with USAID, which conducted a concurrent inspection of the warehouses and materials in question. In March 2016, USAID partially terminated the implementer's award for failing to comply with terms and conditions. As a result of the partial termination, the implementer canceled a planned and approved procurement of additional pharmaceuticals valued at $968,319.

OIG Investigations in Turkey and Jordan Result in Suspensions at OFDA Projects
Two ongoing OIG investigations revealed possible product substitution, bribery and procurement fraud in USAID-funded non-food item (NFI) procurements conducted for the Syria cross-border program. One case currently involves multiple Office of Foreign Disaster Assistance (OFDA) funded projects in Turkey and the other includes one OFDA funded project in Jordan. As a result of preliminary investigative data OIG shared with USAID in December 2015, USAID suspended certain program activities carried out by the impacted implementing partners. USAID OIG also referred twenty-four entities to the USAID Suspension and Debarment Office for potential administrative action.

Syria Investigations Working Group
In October 2015, USAID OIG founded the Syria Investigations Working Group (SIWG). The group consists of representatives within the investigative oversight bodies of the USAID OIG, the Department of State OIG, public international organizations (PIOs), and bilateral donors. The group shares investigative leads, coordinates oversight activities, and identifies trends in the region. OIG hosted the group's two teleconferences and, in February 2016, hosted an in-person meeting at the U.S. Mission to the United Nations in Geneva. Attendees included representatives of the oversight or investigative elements of USAID OIG and the Department of State OIG as well as several PIOs and bilateral donors.

OIG's Engagement and Advice Leads to $106,000 in Savings and the Suspension of Two Turkish Entities

OIG distributed a questionnaire to all OFDA and FFP implementing partners in Turkey and Iraq. OIG distributed the questionnaire to collect information from implementing partners possibly affected by collusion, product substitution, and bribery schemes identified during an ongoing investigation into vendors in Turkey. As a result of this questionnaire, a USAID implementing partner carried out additional oversight of its procurement activities and of a vendor, which was listed in the questionnaire. The implementing partner identified discrepancies in food baskets purchased for distribution in Syria and determined that the vendor fraudulently profited approximately $106,000 by manipulating the contents of more than 55,000 food baskets. Because of the difficult operating environment within Syria, USAID OIG assumed an advisory role during the implementer's internal review. In March 2016, the implementer committed to not charging USAID for this amount and determined it would no longer work with the vendor. In addition, in March 2016, USAID suspended the vendor and its owner.

OIG Investigation of Food Assistance Program in Syria Results in Systemic Changes

In 2015, OIG received numerous allegations that community representatives in southern Syria were selling flour provided by a USAID-funded program that had been intended for beneficiary consumption. In response to the allegations, the USAID implementer temporarily suspended flour shipments and implemented additional monitoring requirements. Subsequently, OIG met with USAID, the implementer, and subcontracted staff to discuss a plan forward. As a result, they all agreed to suspend flour distributions until the program was restructured by limiting flour distributions to bakeries.

USAID OIG Fraud Prevention and Compliance Handbook

USAID OIG conducted an analytical initiative by evaluating programmatic, geospatial and criminal trends in USAID humanitarian programs responding to the Iraq Syria crisis. OIG undertook this initiative using complaint data, Geospatial Information System (GIS) software, implementing partner interviews, and investigative findings. From the analysis to date, OIG identified high risk behavior and best practices used by USAID partners responding to the humanitarian crisis in Syria and Iraq. USAID OIG conveyed these findings in a Fraud Prevention and Compliance Handbook for the USAID Disaster Assistance Response Team and implementing partners. OIG recently distributed the handbook during a February 2016 visit to USAID partners in Jordan.

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