



## Ethiopia: Beneficiaries Solicited for Kickbacks During Humanitarian Registration

This document highlights ongoing fraud schemes involving U.S.-funded humanitarian programs in central and northwestern Ethiopia.

### Schemes

The U.S. Agency for International Development Office of Inspector General (OIG) is alerting USAID, the State Department, and the public to allegations of systemic program fraud in multiple regions of Ethiopia. OIG received numerous reports that community leaders abuse their authority to extort payments from beneficiaries. Although the Ethiopian government drafted a National Disaster Risk Management Policy in 2023 in response to OIG investigative findings, the policy appears ineffective at preventing beneficiary exploitation.



#### ***Example 1: Extortion During Program Registration***

OIG received numerous reports that local community leaders in Oromia, Afar, and Tigray demanded payments from beneficiaries as a condition for program participation. In some cases, leaders falsely claimed the payments supported political or holiday funds. Awardee staff were reportedly present during some instances of this fraud.



#### ***Example 2: Removal from Distribution Lists and Replacement***

Reports indicated that some eligible beneficiaries were removed from distribution lists during verification procedures. Ineligible individuals were then allegedly solicited for bribes or kickbacks to receive benefits. Subsequently, community leaders or program staff reportedly replaced the eligible beneficiaries they had removed from the distribution lists with these ineligible beneficiaries.



#### ***Example 3: Threats of Removal for Complaints***

Reports alleged community leaders and local program staff threatened beneficiaries with removal from distribution lists if they reported fraud or other wrongdoing. This coercion was intended to suppress external complaints.

***Remember: No one should pay to register for humanitarian programs or assistance. Awardees must reinforce training and ethics messaging and remove bad actors.***