



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

USAID OIG Oversight of U.S. Foreign Assistance in West Bank and Gaza

May 2026

Background

The USAID Office of Inspector General (OIG) is a statutory law enforcement agency that, per existing authorities,¹ continues to conduct independent oversight of U.S. humanitarian and development assistance. Per the Joint Explanatory Statement accompanying the fiscal year (FY) 2026 National Security, Department of State, and Related Programs Appropriations Act, USAID OIG is pleased to share our plan for “conducting risk-based investigations and related oversight of United States-funded implementing partners, including sub-awards, in the West Bank and Gaza.”²

Oversight of aid to Gaza has been top priority for USAID OIG since the influx of U.S. humanitarian assistance following Hamas’ October 7, 2023, terrorist attacks in Israel. As the only OIG with an office in Israel, we continue to brief senior administration officials and Congress on our oversight work and observations to ensure that aid to intended recipients in Gaza is not diverted to Hamas and other terrorist organizations.

USAID OIG has previously documented the risk that members of U.S.-designated terrorist groups may circulate across multiple aid organizations, particularly within the United Nations (UN) system, due to the lack of adequate vetting mechanisms. To this end, USAID OIG’s ongoing investigation, “Operation Stop the Carousel,” (discussed in detail below) is designed to prevent the recirculation of individuals affiliated with terrorist groups across aid organizations receiving U.S. funding in Gaza, including the UN and non-governmental organizations (NGOs). Terrorist interference in humanitarian assistance programs betrays both American taxpayers and intended beneficiaries.

Further, we have consistently cautioned Federal agencies, NGOs, and UN agencies of the risk of taxpayer dollars inadvertently supporting U.S.-designated terrorist organizations in non-permissive environments, including Gaza. A separate ongoing USAID OIG investigation has already confirmed that numerous staff at the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) were Hamas members and/or participated in the October 7, 2023, terrorist attacks.

USAID OIG continues to receive information not only from organizations receiving U.S. funds under their mandatory disclosure obligations, but also from whistleblowers, including aid

¹ See generally 5 U.S.C. § 409(a); *Consolidated Appropriations Act, 2026* (Public Law 119-75, February 3, 2026).

² Joint Explanatory Statement accompanying the National Security, Department of State, and Related Programs Appropriations Act, 2026, pg. 52.



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workers and other confidential sources. When necessary, we also seek investigative information via our own sources, methods, and diplomatic channels. As we testified at a recent House Foreign Affairs Subcommittee [hearing](#), when it comes to pursuing investigations into fraud and diversion of foreign aid, USAID OIG criminal investigators do not take “no” for an answer. For example, after the UN’s Office of Internal Oversight Services (OIOS) refused to share an unredacted copy of its investigation into UNRWA staff affiliated with Hamas, we sought and obtained the information through independent sources and methods.

In addition to our investigative work, we have reported on inefficiencies, delays, and constraints in the delivery of humanitarian assistance to Gaza, including in the [Joint Logistics Over the Short \(JLOTS\) program](#), otherwise known as the Gaza pier. Our ongoing audits of programming in Gaza are designed to inform policymakers about potential fraud, waste, abuse, or mismanagement, and efforts to ensure that humanitarian assistance into Gaza reaches its intended recipients. Below is a snapshot of our completed, ongoing, and planned investigative and audit work related to Gaza.

Office of Investigations

USAID OIG’s Office of Investigations (IG/I) uniquely employs investigative staff in Israel, which has allowed IG/I to produce a significant body of work related to U.S. humanitarian assistance programming in West Bank and Gaza. This includes:

Past Investigative Work

- **November 2023:** Shortly after the October 7 attacks, USAID OIG issued a public [advisory](#) noting our “investigative priority to prevent the diversion of humanitarian assistance to Hamas” and reminding aid agencies of fraud schemes to look out for, as well as avenues to report misuse of funding.
- **May 2024:** USAID OIG published an [alert](#) to NGOs, UN agencies, and contractors identifying their responsibility to report instances of illicit funding to UNRWA.
- **July 2024:** USAID OIG issued a [report](#) to Congress identifying shortcomings and vulnerabilities in USAID and State Department oversight mechanisms to prevent aid diversion in Gaza, including vetting of aid organization staff, lack of self-reporting by UN agencies, and contractual clauses that prevented USAID from obtaining information regarding prospective contractors past relationships with terrorist organizations. We encourage the Department of State to take remedial action to remedy these ongoing vulnerabilities.
- **January 2025:** IG/I leadership joined a senior USAID OIG [delegation](#) to Israel. During the visit, OIG leadership held meetings with Israeli government officials and



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representatives from the Israel Defense Forces and Coordination of Government Activities in the Territories (COGAT). The parties discussed Israel's role in facilitating the transport of aid into and within Gaza and associated security challenges in transferring aid in a region currently controlled by Hamas. In addition, the delegation hosted a forum of USAID-funded UN agencies and NGOs to discuss USAID OIG's oversight role and the UN/NGOs' responsibility to promptly report allegations of waste or misuse of U.S. funds.

- **April 2025:** IG/I announced that the proactive [investigation](#) into allegations that staff at UNRWA participated in the October 7 attacks found evidence connecting three current or former UNRWA employees to the October 7 terror attacks and affiliating 14 other current or former UNRWA employees with Hamas.
- **February 2026:** IG/I announced the 10-year, government-wide [debarment](#) of Hafez Mousa Mohammed Mousa, a former employee of UNRWA, for participation in the October 7, 2023, terrorist attacks in Israel. As a result, Mousa is prohibited from participating in all United States contracting and grant activities.
- **April 2026:** IG/I announced the [referral](#) of four additional former UNRWA staff for suspension/debarment consideration by the Department of State for their affiliation with Hamas/participation in the October 7 attacks. Additional referrals are expected.

Ongoing Investigative Work

IG/I has several ongoing investigations of U.S.-funded implementers in West Bank and Gaza, including our proactive investigation initiated in November 2025 called "Operation Stop the Carousel." This initiative is designed to prevent the recirculation of individuals affiliated with terror groups across aid organizations receiving U.S. funding in Gaza, including the UN and NGOs. As part of the investigation, we sent letters requesting information from seven UN agencies, one non-UN international organization, 10 NGOs, and one contractor believed to have operated in Gaza after October 7, 2023. The letters requested:

- 1) any documentation the organizations had of armed actors interfering with the delivery of U.S. aid;
- 2) any documentation of Hamas attempts to interfere with the organizations staffing or other operational decisions;
- 3) descriptions of the organizations interactions with Hamas, to include operational permissions; and



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- 4) ID and contact information for all the organizations employees working on U.S. government funded awards in the region; and copies of the organizations vetting policies to determine prospective applicants current or past Hamas membership.

We recently shared a report with Congress describing the responses, or lack thereof, we received from UN agencies and are preparing a second report that will focus on the responses we received from NGOs.

As detailed above, a separate ongoing investigation has confirmed that several UNRWA staff were Hamas members and/or participated in the October 7, 2023, terrorist attacks. This investigation has already resulted in the 10-year, government-wide [debarment](#) of Hafez Mousa Mohammed Mousa, an UNRWA-affiliated school principal, who also served as an operative of the Hamas East Jabaliya Battalion and coordinated communications with other suspected Hamas members during the October 7 terrorist attacks. As a result, Mousa is prohibited from participating in all United States contracting and grant activities. We recently [referred](#) four additional former UNRWA staffers linked to Hamas/participation in the October 7 attacks for suspension and/or debarment consideration by the Department of State, and are preparing to engage with the Department of Justice on criminal referrals.

Office of Audits, Inspections, and Evaluations

USAID OIG's Office of Audits, Inspections, and Evaluations (AI&E) leverages decades of global expertise to review foreign assistance programs, identify best practices, and develop recommendations that improve accountability and transparency. Oversight of USAID activities in West Bank/Gaza has been a priority for AI&E, with over 20 past engagements looking at U.S. humanitarian and development assistance in the region. Outlined below is AI&E's ongoing and planned work to oversee U.S. funded implementers in West Bank and Gaza:

Ongoing Engagements

- [Audit of USAID Bureau for Humanitarian Assistance's Controls Over Cash Assistance in the West Bank and Gaza](#). This audit assesses the extent to which USAID's Bureau for Humanitarian Assistance evaluated fraud risk for multipurpose cash assistance activities in West Bank and Gaza and monitored these activities. Because cash assistance is vulnerable to fraud—especially in high-risk areas like Gaza—strong controls and oversight are critical. This audit will identify opportunities to strengthen controls to proactively safeguard humanitarian assistance in the future.
- [Audit of USAID's Partner Vetting in West Bank and Gaza](#). This audit will determine the extent to which USAID's partner vetting for selected humanitarian assistance activities in West Bank and Gaza provided assurance that related funding did not support Hamas



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and other terrorist organizations. Our audit will inform State's efforts to enhance its partner vetting practices for ongoing and future foreign assistance.

Planned Engagements

- *Assessing U.S. Readiness for Emerging Global Food Crises.* Recent conflict in the Middle East has disrupted supply chains, stranding critical aid shipments and driving up input costs that threaten agricultural production and increase the risk of widespread food insecurity. Our planned work will examine the extent to which humanitarian aid is being used effectively and impediments to aid delivery are addressed.
- *Loss of Food and Nonfood Commodities in West Bank and Gaza Through Theft, Diversion, and Spoilage.* Since the onset of the war between Israel and Hamas in October 2023, the U.S. government has provided hundreds of millions of dollars in aid to the Palestinian people. During this time, we have reported on the risks of loss and diversion of U.S. humanitarian aid to Hamas and other foreign terrorist organizations in Gaza. This engagement will seek to quantify the quantity and value of commodities lost in West Bank and Gaza, identify the reason for the loss (e.g., theft, diversion, looting, waste, spoilage, etc.), and describe the actions implementers have taken to mitigate the loss.
- *Gaza Humanitarian Foundation Award.* Just months before the transfer of USAID awards to the State Department, the Agency signed a \$30 million award with the newly established Gaza Humanitarian Foundation to provide emergency food aid to civilian populations in Gaza. This engagement will (1) assess how the Gaza Humanitarian Foundation award was designed and awarded, (2) determine the extent to which USAID followed pre-award regulations and requirements, and (3) determine the extent to which USAID verified the completion of the award milestones prior to making payments to the foundation.
- *UN Office for the Coordination of Humanitarian Affairs (OCHA) Pooled Funds.* In December 2025, the Department of State pledged \$2 billion to UN OCHA to reform humanitarian assistance through a new grantmaking model. This shift towards "pooled funding" necessitates robust U.S. oversight to ensure these awards are effectively managed. Our work will examine the management of pooled funds and focus on key risks, such as workforce planning, grant making, monitoring and course correction, compliance mechanisms to prevent diversion of assistance to terrorist organizations, fraud, corruption, and sexual exploitation and abuse.

U.N. Accountability

USAID relied heavily on the UN to implement its programming in non-permissive environments, including Gaza. As such, based on our work, we have continuously raised



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concerns regarding oversight of U.S. funding implemented by UN agencies, including gaps in the UN's stated [vetting procedures](#), concerns about UN cooperation and willingness to provide information to [OIG investigators](#), and the UN's [limited self-reporting](#) of allegations.

Vetting

USAID policy exempted UN organizations from USAID's partner vetting process. UN organizations typically cite internal policies, as well as UN systems and programs, e.g., the UN Security Council Consolidated List, UN Clear Check, and the UN Global Center for Human Resources Services (OneHRCenter), as their procedures for vetting staff. USAID OIG has flagged gaps and/or weaknesses in each of these systems, including most saliently that the UN Security Council Consolidated List (also known as the UN Sanctions List) is extremely limited. For example, Hamas is not on the list. As such, the fact that U.S. awards to the UN in Gaza do not require prior vetting of personnel through a U.S. government system exacerbates our general concerns.

UN Cooperation with OIG Investigators

We have long encountered significant delays or outright refusal by UN agencies to provide requested investigative information to OIG's special agents. OIG has clear legal and contractual authority to compel information from a USAID-funded NGO or contractor. However, such authority is much more limited with respect to the UN. The primary rationale offered by the UN for declining to cooperate with OIG's information requests is that doing so would affect the UN agency's "privileges and immunities." We believe UN agencies invocation of "privileges and immunities" is premature in the fact-finding investigative stage, as the information requested by OIG special agents is not connected to a current U.S.-based prosecution. Instead, we ask for information so we can determine if any enforcement action is necessary. While Section 7048(h) of the 2024 Consolidated Appropriations Act required the OIGs for USAID and the Department of State and the Government Accountability Office to have access to UN records as a material contractual provision, implementation of the provision has yet to occur.

Given the pressing need for USAID OIG criminal investigators to have immediate access to information from the UN, our office has been negotiating novel formal information sharing agreements with UN organizations, in addition to those that we have with many UN oversight entities. These agreements will work to ensure timely receipt of allegations. We anticipate the first of these agreements to be executed within the next month.

Self-Reporting

USAID's award agreements required the UN to self-report to USAID OIG allegations of prohibited conduct involving USAID funds. However, direct reporting from UN agencies in



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Gaza has been scarce. Between October 2023- July 2024, our office received 17 reports of alleged misconduct in Gaza. Of these 17 reports, only 2 came from UN organizations, despite over 50 percent of USAID's Gaza programming having been obligated to UN organizations. Further, since October 7, 2023, no UN agency has self-reported to USAID or USAID OIG any instance in which " Hamas" interfered in the delivery of aid. USAID OIG has received and is investigating allegations of Hamas interference, diversion, and theft of humanitarian aid in Gaza, as well as allegations of smuggling contraband into Gaza through humanitarian aid shipments. We continue to receive information not only from organizations receiving U.S. funds under their mandatory disclosure obligations, but also from whistleblowers, including aid workers and other confidential sources.

As Congress and the administration consider practical policy changes and modifications to award clauses with the United Nations, USAID OIG will continue to use all its sources, methods, and diplomatic channels to further oversight of taxpayer dollars in Gaza and across the world.

Conclusion

USAID OIG continues to prioritize oversight of aid to Gaza and will continue to encourage aid workers or other personnel operating in the region to confidentially report allegations of any misuse of U.S.-funded aid, including fraud, corruption, or diversion, to our Hotline. Further, we will leverage our decades of global experience to stay ahead of potential challenges and inform decision makers of any risks we encounter. Our ongoing Gaza work can be found at <https://oig.usaid.gov/our-work/gaza-oversight>.

We may adjust our planned oversight engagements in West Bank and Gaza to ensure that our work addresses new and significant changes. We also continue to welcome the input of Congress in identifying issues of interest where our work can offer insight and transparency.

To report allegations of fraud, corruption, and diversion, please visit <https://oig.usaid.gov/report-fraud>.