



Security Council

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Letter dated 28 September 2020 from the Chair of the Security Council Committee pursuant to resolution 751 (1992) concerning Somalia addressed to the President of the Security Council

On behalf of the Security Council Committee pursuant to resolution 751 (1992) concerning Somalia, and in accordance with paragraph 33 of Security Council resolution 2498 (2019), I have the honour to transmit herewith the final report of the Panel of Experts on Somalia.

In this connection, the Committee would appreciate it if the present letter and the report were brought to the attention of the members of the Security Council and issued as a document of the Council.

(Signed) Philip Kridelka
Chair

Security Council Committee pursuant to
resolution 751 (1992) concerning Somalia



**Letter dated 28 September 2020 from the Panel of Experts on
Somalia addressed to the Chair of the Security Council Committee
pursuant to resolution 751 (1992) concerning Somalia**

In accordance with paragraph 33 of Security Council resolution 2498 (2019), we have the honour to transmit herewith the final report of the Panel of Experts on Somalia.

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Summary

The threat posed by Al-Shabaab to peace, security and stability in Somalia goes beyond the impact of the group's conventional military action and asymmetric warfare to include sophisticated extortion and "taxation" systems, child recruitment practices and an effective propaganda machine. Similarly, Al-Shabaab's control of populations extends beyond the areas in which it has a geographical presence, through threats and violence enacted against individuals or communities, infiltration and control of information sources, and the manipulation of formal institutions such as the financial sector. The military operations to counter Al-Shabaab must be accompanied by non-military efforts to degrade the group's capacity and combat its propaganda. The Federal Government of Somalia and the federal member states have recognized that need in their formal review of the Somali transition plan, in which the vision is set for the transition of security responsibilities to Somali authorities and the drawdown of African Union Mission in Somalia (AMISOM) forces.

During the reporting period, a primary focus of investigations by the Panel of Experts on Somalia was Al-Shabaab's "taxation" system, including revenue sources and methods of storage and transfer of funds using formal financial institutions. Al-Shabaab "taxation" methods range in complexity from basic checkpoint controls to financial assessments of businesses through the group's access to information sources such as business registrations, property assets and shipping cargo manifests. The Panel assesses that Al-Shabaab remains in a strong financial position and is generating a significant budgetary surplus, some of which is invested in property purchases and businesses in Mogadishu.

In line with Somali society as a whole, Al-Shabaab has transitioned from a cash-based economy to using the nascent formal financial sector in Somalia to collect and transfer funds. The Federal Government of Somalia has taken steps to strengthen the Somali financial sector in order to combat terrorism financing through legislation and oversight, and the private sector has also implemented measures to protect its systems. The Federal Government, with support from the United Nations Office on Drugs and Crime and the Panel, is developing a disruption plan for Al-Shabaab finances that builds on current reforms and requires engagement from across government, the private sector and the international community.

Military operations against Al-Shabaab by the Somali National Army and AMISOM, and the increased intensity of air strikes by international actors, resulted in territorial losses for the group, including the significant stronghold of Janale, Lower Shabelle, in March 2020. Despite this military progress, Al-Shabaab has retained its ability to produce and conduct improvised explosive device attacks, although it has carried out fewer large-scale complex attacks to date in 2020 compared with the same period in 2019. The group continues its intimidation campaign, including assassinations and executions, targeting public figures and communities, while maintaining its agility of action to exploit weaknesses in security as they arise.

Tensions between the Federal Government of Somalia and the federal member states continue to disrupt political progress and provide opportunities for Al-Shabaab to exploit. Electoral processes have been the primary source of such tensions, both in the aftermath of disputed regional elections in Jubbaland and Galmudug and in the preparations for national parliamentary and presidential elections. As observed during the last national election period in 2016, Al-Shabaab may attempt to sabotage the upcoming electoral process, including through targeted political assassinations.

The Federal Government of Somalia has focused on strengthening its weapons and ammunition management system through the development of a national strategy with the involvement of federal member states. Weapons and ammunition management priorities are also incorporated broadly into overall security sector development and included in the review of the Somali transition plan. The implementation of weapons and ammunition management priorities by the Federal Government will require joint action by the Federal Government and the federal member states, alongside support from the international community. Operationalizing the improvised explosive device components ban, imposed by Security Council resolution 2498 (2019), remains in an early phase, and an implementation assistance notice was issued by the Security Council Committee pursuant to resolution 751 (1992) concerning Somalia in August 2020 to support this process. Enabling Federal Government visibility of potential improvised explosive device components entering Somalia and of Al-Shabaab improvised explosive device production capabilities will also be important.

In the context of the ongoing humanitarian crisis in Somalia, 2020 has been a particularly challenging year. Humanitarian responders have been faced with the worst locust plague in 25 years, the coronavirus disease (COVID-19) pandemic, significant flooding and more than 150,000 internally displaced persons as a result of conflict and insecurity in the first half of 2020, as reported by the Office of the United Nations High Commissioner for Refugees. Denial of access by Al-Shabaab, including abduction, extortion and targeted killings of humanitarian workers, have exacerbated the crisis.

Efforts by the Federal Government of Somalia, Jubbaland and the international community have ensured that charcoal exports have remained on hold over the reporting period. Political pressure on both the export and import sides, monitoring and surveillance, including by international naval forces, have combined to provide strong deterrence. However, as networks for the export of Somali charcoal remain in place and a variety of political and security actors stand to benefit from any sales, the stockpiles around Kismayo, which have a wholesale value of some \$40 million, therefore continue to pose a threat. Reducing the risks posed by the existing stockpiles will require political engagement among the Federal Government, Jubbaland and the business owners of the charcoal. Reducing the potential for renewed charcoal production targeted at export markets will require a further understanding of internal charcoal usage and potential fuel alternatives.

A reset in the relationship between the Federal Government of Somalia and the Panel has enhanced cooperation and information exchange in support of the Panel's ability to fulfil its mandate.

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* Circulated in the language of submission only and without formal editing.

I. Introduction

A. Background

1. The present report contains the findings of the Panel of Experts on Somalia covering the period from 16 December 2019 to 17 August 2020. An overview of the Somalia sanctions regime, mandate, appointment of the Panel and countries visited during the reporting period can be found in annex 1.

B. Methodology

2. The Panel endeavours to ensure compliance with the standards recommended by the Informal Working Group of the Security Council on General Issues of Sanctions in its report of December 2006 (see [S/2006/997](#)) and the Secretary-General's bulletin on information sensitivity, classification and handling ([ST/SGB/2007/6](#)). The evidentiary standards and verification processes include:

- (a) Collecting information on events and topics from multiple sources, where possible;
- (b) Collecting information from sources with first-hand knowledge of events, where possible;
- (c) Identifying consistency in patterns of information and comparing existing knowledge with new information and emerging trends;
- (d) Obtaining physical, photographic, audio, video and/or documentary evidence in support of the information collected;
- (e) Analysing satellite imagery, where applicable.

II. Harakat Al-Shabaab Al-Mujaahidiin finance

3. Al-Shabaab employs a diversified “taxation” system across southern and central Somalia, dividing the territory into 10 distinct regions of revenue collection. The Panel's investigations indicate that the revenues earned in each of the 10 regions are directed to a centralized location near the Al-Shabaab controlled town of Jilib, Lower Juba region. The funds are then at the disposal of Al-Shabaab's governing council, the Shura.

4. Al-Shabaab derives its domestic revenue through a number of sources, including checkpoint “taxation” across the country, business extortion, the “taxation” of imports at major seaports and forced zakat collection. Al-Shabaab's “taxation” system is underpinned by intimidation and violence in the case of non-compliance. The group collects its revenue through cash payments, electronic mobile money transfers and direct bank transfers. The Panel's examination of Al-Shabaab's financial system found that the group utilizes domestic financial institutions, bank accounts and electronic mobile money services to facilitate the safe storage and onward transfer of revenues generated. Al-Shabaab's use of formal banking systems enables the immediate transfer and distribution of large amounts, including in areas it no longer directly controls, eliminating the risk of physically transporting cash across hostile territory.

5. During the reporting period, the Panel focused its investigations on one Al-Shabaab “taxation” checkpoint in Lower Juba and the group's extortion of businesses in Kismayo. The Panel also examined two bank accounts associated with

the group's collection of "taxes" on imports into Mogadishu seaport and zakat collected by Al-Shabaab in Mogadishu. The investigations found that Al-Shabaab generated approximately \$13 million in these four case studies alone. In only 10 weeks, the zakat account controlled by Al-Shabaab showed deposits of \$1.7 million, with the entire balance being transferred onward during that period.

6. Despite territorial losses and increased aerial strikes targeting the group, Al-Shabaab operates multiple checkpoints across Somalia, extorts businesses in numerous cities and holds multiple bank accounts to facilitate its system of "taxation". The Panel assesses that the group is in a strong financial position and is generating a significant budgetary surplus, investing these funds in various enterprises, including property purchases and market investments in Mogadishu.

7. The Federal Government of Somalia is developing a financial disruption plan to address Al-Shabaab's systematic use of domestic financial systems. The Panel's systematic approach to understanding Al-Shabaab's financial systems may support disruption programming. The current Somali financial sector is limited to eight reporting banks.¹ As Somalia transitions to formal financial systems, all operators can expect to be exploited by Al-Shabaab, which has consistently operated a flexible business model and is likely institution agnostic. The Panel's investigations have focused on the manner in which Al-Shabaab operates, detailing specific organizational mechanisms that serve to enable a fuller understanding of this exploitation.

8. Annex 2 includes associated documentation related to Al-Shabaab financing, including Al-Shabaab receipts, banking receipts and further account analysis.

A. Funding streams

Checkpoint "taxation" in Lower Juba

9. Al-Shabaab employs a predictable system of checkpoint "taxation" across main supply routes in southern and central Somalia. The group applies a standard rate of "taxation" based on the type of transiting vehicle and the goods carried. An additional, one-off charge is applied for the registration of a new vehicle.² Al-Shabaab provides receipts to all individuals who pass through their checkpoints.

10. In March 2020, the Panel interviewed two former Al-Shabaab officials who were responsible for collecting taxes at the Lebikus checkpoint (25 km west of Kismayo) in the Lower Juba region.³ Lebikus is located along the main supply route between Kismayo and the Kenya-Somalia border. The checkpoint was staffed by these two officials alone in 2018 and 2019. The interviewees stated that they collected between \$150,000 and \$200,000 per month in "taxes" at the Lebikus checkpoint in 2019, totalling an estimated \$1.8 million to \$2.4 million over the year.⁴ Al-Shabaab operates at least six similar checkpoints in the Juba region alone.

¹ The Financial Reporting Centre notes that it receives reports from eight banks (Amal Bank, Amana Bank, Dahabshil Bank, Daryeel Bank, International Bank of Somalia, My Bank, Premier Bank and Salaam Somali Bank) while the Central Bank of Somalia reports that there are currently 11 licensed banks.

² Registration fee ranges from \$200 to \$500 depending on the type of vehicle.

³ Telephone interviews conducted with Al-Shabaab defectors in Kismayo from 21 to 25 March 2020.

⁴ In April 2020, the Panel collected Al-Shabaab "taxation" receipts from the Lebikus checkpoint (see annex 2).

Business “taxation” in Kismayo

11. From 31 March to 4 April 2020, the Panel conducted 15 interviews with business entities in Kismayo to investigate Al-Shabaab extortion practices in the city.⁵ The businesses were identified as six wholesale companies and nine local retail outlets. Of the 15 businesses interviewed, 12 stated that they paid Al-Shabaab a monthly remittance regardless of the commodity sold. Wholesale companies were required to make a monthly payment of \$600, while smaller retail outlets paid \$300. Payments were made through electronic mobile money transfers.⁶ The Panel notes that if Al-Shabaab were to apply its minimum monthly taxation rate of \$300 to all 1,600 registered businesses in Kismayo, the group stands to earn \$480,000 a month or \$5.8 million annually from the taxation of Kismayo businesses alone.⁷ Al-Shabaab is understood to apply similar “taxation” practices in population centres across Somalia.

Mogadishu port “taxation”

12. According to members of the Mogadishu business community, Al-Shabaab has infiltrated Mogadishu port, accessing data held by commercial shipping agents and demanding “taxation” payments from businesses who import goods into the port.⁸ Al-Shabaab has gained access to cargo manifests, detailing the nature, value and ownership of imported goods.⁹ Business owners stated that fears over business continuity and personal safety were key motivating factors in their compliance with Al-Shabaab’s demands.¹⁰ The business community also pays government taxes on imports through Mogadishu port, so Al-Shabaab’s additional “taxes” result in a double taxation burden.

13. In early 2020, an international business imported approximately 10,000 tons of food supplies into Mogadishu port.¹¹ Two weeks after the importation, Al-Shabaab contacted the business in Mogadishu by telephone and ordered the business to make a “taxation” payment in excess of \$40,000 to the group for the goods imported, which it calculated based on a “taxation” rate of \$4 per ton.¹² Al-Shabaab informed the business that it was in the possession of shipping cargo manifests from Mogadishu port and shared the details of the company’s recent import to verify the shipment.¹³

14. The Panel investigated two additional port “taxation” payments made by businesses in Mogadishu to Al-Shabaab in 2020, which followed an identical pattern. Al-Shabaab again demanded “taxation” payments based on the process and rate outlined above. In each of the three cases, the businesses made the payment via a direct bank transfer into a single receiving bank account.¹⁴

Port “taxation” bank account

15. In July 2020, the Panel reviewed financial transactions made through this receiving bank account from mid-February to the end of June 2020. Deposits were made by businesses and individuals with a presence in Mogadishu, including general stores, service industries and car dealerships. Mogadishu shipping and cargo agencies

⁵ Telephone interviews with businesses in Kismayo from 31 March to 4 April 2020.

⁶ Receipts for transactions are provided in annex 2.

⁷ Registered business data provided by the Jubbaland Ministry of Finance on 9 April 2020.

⁸ Interviews with businesses based in Mogadishu from 14 to 16 June 2020.

⁹ Interview with an international trading company on 26 May 2020.

¹⁰ Ibid.

¹¹ On 21 July 2020, the Panel reviewed customs documentation, which confirmed the shipment.

¹² Interview with an international trading company on 4 March 2020.

¹³ Ibid.

¹⁴ Receipts for transaction are provided for in annex 2.

also made payments into the account. The account analysis also verified the three “taxation” payments made to Al-Shabaab by the business entities outlined above.

16. During the four-and-a-half-month period analysed, a total of \$1,198,933 was deposited into the account. By late June 2020, most of those funds, approximately \$1.1 million, were transferred onward to other accounts. On the basis of this analysis, the group generates more than \$3 million annually through this account alone. Al-Shabaab is understood to operate multiple bank accounts to facilitate “taxation” payments at Mogadishu port.

Mogadishu zakat collection

17. Zakat (alms collection) is an annual religious obligation to pay a specific percentage of a person’s wealth to the poor. Zakat is usually levied at an annual rate of 2.5 per cent of the net wealth of an individual or business. Al-Shabaab exploits the religious obligation of zakat to further justify its “taxation” of the population.

18. From April to June 2020, Al-Shabaab collected zakat payments from communities and businesses across Somalia. In May, Al-Shabaab contacted over 70 business traders in Mogadishu, reiterating their obligation to pay zakat to the group.¹⁵ Al-Shabaab maintains a registry of citizens, which includes financial assessments on individuals and businesses.¹⁶

19. During May 2020, the Panel interviewed five business owners based in Mogadishu who had paid zakat to the group.¹⁷ One interviewee stated that Al-Shabaab had contacted him by telephone in regard to zakat payments due and had ordered him to present himself at Al-Shabaab’s court at Mubarak, Lower Shabelle region.¹⁸ The business owner travelled to Mubarak, where he found Al-Shabaab in possession of an assessment of his business’s earnings and assets.

20. The interviewee was instructed to pay more than \$100,000 in zakat to the group, based on the annual turnover of his business. The Panel reviewed two documents provided to the business owner by Al-Shabaab after the zakat payment. The first was an Al-Shabaab receipt confirming payment of more than \$100,000 by the business owner to the group. The second was a banking slip showing a cash deposit of the same amount made into another receiving bank account.¹⁹

Mogadishu zakat bank account

21. In July 2020, the Panel examined the account activity associated with the second bank account identified above. The account was opened in early May 2020, with records available until mid-July 2020. Deposits were made by multiple individuals and businesses with a presence in Mogadishu. The account analysis also verified the zakat payment made to Al-Shabaab by the business mentioned above.

22. During the 10-week period, a total of \$1,696,993 was deposited into the account. By mid-July 2020, all funds had been transferred onward to other bank accounts. Al-Shabaab is understood to operate multiple bank accounts to facilitate zakat payments in Mogadishu and across Somalia.

¹⁵ Horn Observer, “Al-Shabaab summons more than 70 Mogadishu businesses owners over unpaid taxes”, 15 May 2020.

¹⁶ See S/2018/1002, annex 2.4.

¹⁷ Interviews with Mogadishu-based trading companies from 28 to 30 May 2020.

¹⁸ Interview with a Mogadishu-based trading company on 20 July 2020.

¹⁹ Receipts for the transaction are provided for in annex 2.

B. Storage and onward transfer of funds

23. Al-Shabaab utilizes formal domestic banking systems to facilitate the storage and onward transfer of its finances. Al-Shabaab runs multiple bank accounts for the storage and transfer of “taxation” money. The port “taxation” and zakat accounts reviewed by the Panel were operated by Salaam Somali Bank, one of the eight reporting banks operating in Somalia (see para. 7 above). In addition, the Panel reviewed evidence of a further 38 bank accounts associated with the group. Bank accounts are held by approximately 15 per cent of the Somali population and they are used primarily by businesses.

24. The port “taxation” and zakat accounts demonstrated similar patterns of suspicious financial activity, such as continuous large cash deposits and frequent transfers of more than \$10,000. A review of the accounts revealed no obvious legitimate outgoings or expenditures. The pattern of withdrawal is almost identical for both accounts, whereby onward transfers in multiples of \$50,000 are regularly made.²⁰ In the zakat “taxation” account the entire \$1.7 million was transferred onward in 87 transactions. Thirty-eight of those were transactions of more than \$10,000 made to additional bank accounts within the same banking institution. For instance, in mid-May 2020, \$358,608 was transferred from the zakat account to three recipients, with one individual alone receiving \$310,000. In the port “taxation” account, the majority of the \$1.2 million was also transferred onward in 40 transactions. Twenty-four of these were transactions of more than \$10,000 made to other bank accounts.

25. The Panel recorded one instance of a linkage between the zakat and port “taxation” accounts. Over a two-day period in May 2020, a combined total of \$322,721 was transferred from these two accounts to a third bank account. Transfers within this two-day period indicated an institutional link between the accounts and an organized approach to the distribution of funds.

Countering money-laundering and the financing of terrorism

26. In accordance with article 14 (2) of the Somali Anti-Money-Laundering and Countering the Financing of Terrorism Act of 2016, a reporting entity must expediently report to the Financial Reporting Centre any transactions or series of transactions that appear to be linked that exceed the designated threshold of \$10,000 or the equivalent in any currency. The port and zakat “taxation” accounts reviewed by the Panel recorded a total of 128 transactions of more than \$10,000, all of which were required to be reported to the Financial Reporting Centre.²¹

27. The 128 transactions of more than \$10,000 reviewed by the Panel included cash deposits and direct bank transfers. Fifty-three of those transactions were made in cash. For instance, in April 2020 a cash deposit of nearly \$25,000 was made into the port “taxation” account at a Salaam Somali Bank branch in Mogadishu from an individual named “A B C”, rendering the deposit difficult to trace.

28. Traditionally, the three stages of money-laundering are placement, layering and integration. The initial placement phase normally represents the most challenging for individuals laundering money as the origins and purpose of large cash deposits may be difficult to justify to financial institutions. The establishment of the two accounts and the investigations of the transactions made highlight the challenges that banking

²⁰ Financial report received by the Panel in August 2020. \$50,000 is the maximum amount of Salaam Somali Bank inter-account transfers.

²¹ Fifty transactions within the port “taxation” account spanning a five-month period and 78 in the zakat “taxation” account within a 10-week period.

institutions in Somalia face in implementing the Anti-Money-Laundering and Countering the Financing of Terrorism Act.

Mobile banking and account-to-account transfers

29. The port “taxation” and zakat bank accounts reviewed by the Panel were also linked to the mobile transaction service of Salaam Somali Bank, called Deeqtoon.²² This service provided to account holders allows the transfer of funds to accounts via the Bank’s mobile telephone app. The first outgoing transaction made from the port and zakat accounts was a \$5 registration fee linking a mobile telephone number to each of the bank accounts. Most importantly, this service allows for money transfer transactions between bank accounts via a mobile telephone app, up to a transfer limit of \$50,000 per transaction. The usage of mobile telephones linked to bank accounts offers greater mobility and flexibility in making financial transactions. The current gaps in implementation of “mobile money” and know your customer²³ regulations result in anonymity of the controller of the mobile account, which Al-Shabaab also exploits. In its previous reports, the Panel has also highlighted Al-Shabaab’s usage of mobile money platforms for their financial transactions (see S/2018/1002, annex 2.4).

Identification documents associated with bank accounts

30. To open a bank account in Somalia, know your customer processes require customers to produce formal identification documents. A minority of Somalis possess the required identification documents, with over 77 per cent of the population lacking an official proof of identity.²⁴ Investigations by the Panel found that the identification documents used to open the port “taxation” and zakat bank accounts were obtained shortly before the accounts were opened. For instance, the identity documents for the zakat account were issued through official channels four days before the account was opened.

C. Expenditure

31. Al-Shabaab’s annual operational expenditure in 2019 was approximately \$21 million.²⁵ Of that total, \$16.5 million was allocated to Al-Shabaab’s military and logistical support units, with 40 per cent of the funds allocated to the purchase of weapons and ammunition. A further \$4.9 million was apportioned to the Al-Shabaab intelligence arm, the Amniyat.

32. The four case studies investigated by the Panel (see para. 5 above) generated approximately \$13 million annually for Al-Shabaab. Al-Shabaab runs multiple checkpoints across Somalia and has numerous bank accounts to facilitate its finances.²⁶ The Panel assesses that Al-Shabaab is running a significant budgetary surplus.

33. The Panel’s investigations indicate that Al-Shabaab is investing surplus funds in various enterprises, including small to medium-sized businesses within Bakara market in Mogadishu. The review of the port “taxation” bank account highlighted two areas related to external financial investments. On 28 May 2020, \$50,000 was transferred out of the port “taxation” account under a reference of “*dhul lakala gatay*”

²² See www.salaambank.so/mobile-banking.

²³ “Know your customer” is the process of a business verifying the identity of its clients through documents such as a passport.

²⁴ See World Bank, Identification for Development (ID4D) Dataset. Available at <https://datacatalog.worldbank.org/dataset/identification-development-global-dataset>.

²⁵ Confidential report provided by a Member State, July 2020.

²⁶ For additional information on Al-Shabaab checkpoints, see S/2018/1002, annex 2.4.

or “land transaction”. A total of \$90,000 was transferred out of the account in four tranches for market investment referenced as “*badeeco*” or “market”.

D. Al-Shabaab’s financial governance

34. The Panel’s investigations found that Al-Shabaab’s financial system remains centralized. The group generates revenues earned from 10 separate regions and forwards funds to its financial centre near Jilib, Middle Juba. The collected funds are at the disposal of the Al-Shabaab governing council, the Shura, for onward distribution to each of Al-Shabaab’s departments, such as its military, police and justice departments.

35. In 2018, the Panel identified Hassan Afgooye as the head of Al-Shabaab’s finance department (S/2018/1002, para. 82 and annex 2.4). Hassan Afgooye continues to exercise an oversight and monitoring role over this department. However, operational control and day-to-day management is under the leadership of Abdikarim Horseed, “Jaffar”. Al-Shabaab’s zakat operations, managed under the leadership of Mohamed Mire, are independent of its commercial “taxation” department.²⁷

36. The group has an accountable and predictable financial system, including the provision of receipts. Al-Shabaab’s regional collection departments control revenue collection and hold financial records that are audited by the Amniyat to ensure the safeguarding of the funds collected. Al-Shabaab’s financial officers receive regular training on financial administration from the group’s leadership. The training provided is focused on accounting, documentation and effective communication between finance officers and communities.

E. Federal Government of Somalia and international measures to counter Al-Shabaab financing

Financial Reporting Centre of the Federal Government of Somalia

37. The Financial Reporting Centre is responsible for the receipt, analysis and dissemination of information related to money-laundering and terrorism financing in Somalia. The Centre is mandated to investigate and enforce compliance with the Anti-Money-Laundering and Countering the Financing of Terrorism Act of 2016. In 2019, the Centre received nine suspicious transaction reports and 113 large cash transaction reports from private financial institutions.²⁸ Recent figures indicate a significant increase in reporting to the Centre over the last 12 months.

38. Effective reporting and investigation are dependent on compliance by domestic financial institutions and political support of the reporting entities.²⁹ New mobile money regulations introduced by the Federal Government of Somalia in June 2019 provide additional oversight to tackle Al-Shabaab’s use of the formal financial sector, however, the new measures have yet to be implemented.

Removal of the Chair of the Benadir Chamber of Commerce

39. On 23 January 2020, the National Intelligence and Security Agency of Somalia arrested the Chair of the Benadir Chamber of Commerce, Ahmed Abdullahi Hassan,

²⁷ Interview with a Member State on 18 July 2020. See also S/2018/1002, annex 2.4.

²⁸ Figures downloaded from the Financial Reporting Centre website, available at <https://frc.gov.so/lctr-received/#>. Data for January to October 2019; data for November and December not available.

²⁹ Report sent to the Panel by the Financial Reporting Centre, March 2020.

after receiving reports that Al-Shabaab had a role in his nomination to the office.³⁰ The Benadir Chamber of Commerce is responsible for the registration of local businesses in Mogadishu. Infiltration by Al-Shabaab would provide the group with access to a comprehensive database of businesses operating in Mogadishu. On 25 January 2020, the Federal Government of Somalia dismissed the Chair and his two deputies from the Benadir Chamber of Commerce. He was later released without charge.

Coordination group comprising the Federal Government of Somalia, the United Nations Office on Drugs and Crime and the Panel of Experts

40. The Federal Government of Somalia, the United Nations Office on Drugs and Crime (UNODC) and the Panel have formed a coordination group to better manage the tasks set out in paragraph 1 of Security Council resolution 2498 (2019), in which the Security Council requested the Panel, with input from the Federal Government and UNODC, to conduct an analysis of all of Al-Shabaab's revenue sources, their methods of storage and transfer, and mapping of illegal taxation systems, and to provide recommendations to the Security Council Committee pursuant to resolution 751 (1992) concerning Somalia.³¹

41. Development of a comprehensive Al-Shabaab financing disruption plan is ongoing as part of the coordination group's work. The coordination group supports the review by the Federal Government of Somalia of the transition plan, specifically capacity- and systems-building by financial institutions of the Federal Government of Somalia and the federal member states to detect, counter and prevent money-laundering and the financing of terrorism, and the assessment of the value of degrading Al-Shabaab's operational capability through non-military means.

Military operations targeting Al-Shabaab "taxation" officers

42. During the reporting period, the Panel noted an upsurge in the targeting of Al-Shabaab financial officers and "taxation" checkpoints by both Federal Government of Somalia forces and air strikes conducted by international actors. For example, on 21 May 2020, a senior Al-Shabaab tax collector, Cabbas Cali Nuur Kulan, was killed in Leego town in a targeted operation by Somali National Army forces (see annex 2). Kulan was operating as head of taxation for Walanweyn district, Lower Shabelle, and previously served in Galkayo, Mudug region. Found in his possession were receipt books, finance ledgers, banking details and a number of records pertaining to weapons purchases and travel. Despite the increase in targeted attacks, Al-Shabaab has displayed an ability to systematically replace members with trained alternates.

³⁰ Radio Dalsan, "Government dissolves Benadir Chamber of Commerce over link to Al-Shabaab", 26 January 2020.

³¹ The participation of the Federal Government of Somalia is led by the Office of the National Security Advisor and to date has included the Financial Reporting Centre, the Attorney General's Office, the Central Bank of Somalia and the Office of the Prime Minister, either in group meetings or consultations. The participation of the United Nations Office on Drugs and Crime (UNODC) is led by the UNODC Regional Office for Eastern Africa and has included input from the Somalia office and across the relevant global programmes.

III. Acts that threaten the peace, security and stability of Somalia

A. Harakat Al-Shabaab Al-Mujaahidiin

Al-Shabaab attacks in Somalia

43. Al-Shabaab was limited in its ability to carry out large-scale complex attacks during the reporting period, with three notable exceptions: its vehicle-borne improvised explosive device attack in Mogadishu on 28 December 2019, its attack on the United States-Kenyan military base Camp Simba in Manda Bay, Kenya, on 5 January 2020 and its attack on the Elite Hotel in Mogadishu on 16 August 2020. However, the group continued to conduct smaller-scale attacks across the country using improvised explosive devices, suicide bombings and indirect fire attacks to maintain its presence on the ground and in the media.

Al-Shabaab's use of improvised explosive devices

44. Improvised explosive devices continue to be Al-Shabaab's primary weapon of choice. However, the Panel noted a shift during the first half of 2020 in its improvised explosive device activity from Mogadishu to other parts of Somalia. The shift could be the result of military operations by the Somali National Army and the African Union Mission in Somalia (AMISOM) in the southern part of Somalia that included the recapture of Janale in Lower Shabelle on 16 March 2020.³² Janale, located in relative proximity to Mogadishu, provided a strategic base for the group to launch military actions, including moving Al-Shabaab fighters and improvised explosive device components into Mogadishu.

45. Furthermore, the Panel has noted a year-on-year decrease in vehicle-borne improvised explosive device incidents: between January and June 2020 seven vehicle-borne improvised explosive device incidents were reported, with 93 casualties, mostly outside Mogadishu, compared with 27 incidents causing 895 casualties over the year 2019 as a whole.³³

46. The use of person-borne improvised explosive devices or suicide vests remained a concern during the reporting period, during which the Panel noted eight incidents, including two seizures.³⁴ While person-borne improvised explosive devices are usually smaller than improvised explosive devices transported in vehicles, access to the desired target might be easier, particularly in cases in which Al-Shabaab has managed to infiltrate the target's immediate environment, as was the case with the attack on the Benadir Regional Administration on 24 July 2019 (S/2019/858, para. 11).

47. It is of note that 48 per cent of improvised explosive devices were found and defused by Somali and international security forces during the second quarter of 2020 (71 of the 149 incidents), highlighting the continued security efforts by those actors.³⁵ Evidence that Al-Shabaab continues to manufacture its own explosives is detailed in section V.

³² Interviews and emails from international experts working on Somalia in February, March and July 2020 and the United Nations Mine Action Service monthly reports.

³³ Figures from the United Nations Mine Action Service in Somalia.

³⁴ Reports from the United Nations Mine Action Service in Somalia.

³⁵ Ibid.

Large-scale and complex attacks

48. On 16 August 2020, a complex attack was carried out at the Elite Hotel, located in the Lido Beach neighbourhood of Mogadishu.³⁶ At around 5.20 p.m., a suicide vehicle-borne improvised explosive device hit the hotel compound wall and exploded, followed by the entry of four Al-Shabaab gunmen dressed in Somali Police Force uniforms.³⁷ Security forces engaged the Al-Shabaab fighters, over several hours, killing all four and regaining control of the hotel at approximately 10.25 p.m. The incident resulted in the deaths of 12 civilians and 1 Somali National Army soldier, and 24 people were injured. Al-Shabaab, via Shahada News Agency, claimed responsibility for the attack. This was the first complex attack in Mogadishu since the attack on 23 March 2019 on the Ministries of Labour and Public Works in Shangani district, Mogadishu (S/2019/858, para. 139).

49. In addition, the Panel has noted a further three suicide vehicle-borne improvised explosive device incidents across the country in the third quarter of 2020 to date.³⁸

50. On 28 December 2019, a large vehicle-borne improvised explosive device bombing in Mogadishu killed at least 94 people and injured 147. The vehicle detonated at the ex-control Afgoye junction, a key security checkpoint of the Federal Government of Somalia on the outskirts of Mogadishu. It was the deadliest attack in the country since the bombing on 14 October 2017, which killed 600 people (S/2018/1002, annex 2.2). Based on an initial assessment of the blast site, in its report, the United Nations Mine Action Service in Somalia estimated the weight of the device to be approximately 250 kg, which is double the size of the majority of vehicle-borne improvised explosive devices detonated in Mogadishu since 14 October 2017. It took Al-Shabaab two days to claim responsibility for the attack, with the delay likely attributable to the high number of civilian casualties. In an audio recording on 30 December 2019, the group's spokesperson, Ali Mohamud Rage "Ali Dhere", claimed responsibility and stated that Turkish and Somali military convoys were the intended targets.³⁹ Unusually, Al-Shabaab apologized to the civilian victims of the attack, justifying the bombing as necessary in its fight against the Federal Government of Somalia and its foreign supporters.⁴⁰

Mortar attacks

51. During the reporting period, Al-Shabaab carried out six separate mortar attacks on the Aden Adde International Airport complex in Mogadishu, representing the highest number of incidents recorded over such a short time period in the last six years (see annex 3.1 for details on the attacks). The launching areas for most of these attacks were assessed to be located in the Wadajir district of Mogadishu. Al-Shabaab is also constantly harassing Federal Government of Somalia and AMISOM troops across Somalia, with up to nine attacks per month.⁴¹ Annex 3.1 provides additional details on Al-Shabaab attacks within Somalia.

³⁶ Confidential United Nations report, August 2020.

³⁷ Prior to the explosion, these four men disembarked from the vehicle at a safe distance from the hotel.

³⁸ Confidential United Nations report, August 2020.

³⁹ See Site Intelligence Group, "Accepting heavy civilian casualties, Shabaab takes responsibility for Mogadishu blast killing dozens", 30 December 2019.

⁴⁰ Ibid.

⁴¹ In June 2020, 9 mortar attacks were reported against the African Union Mission in Somalia (AMISOM) and the Somali National Army forces.

Al-Shabaab regional capabilities

Al-Shabaab attacks in Kenya

(a) Manda Bay attack

52. In a pre-dawn raid on 5 January 2020, heavily armed Al-Shabaab operatives, dressed in military fatigues, launched an attack on the United States Camp Simba in Manda Bay, Kenya. The base is located approximately 100 km from Somalia. According to a statement issued by the United States Africa Command, three United States citizens were killed in the attack and several assets, including aircraft and vehicles, were destroyed.⁴² At least five Al-Shabaab operatives were killed.

53. The assault was part of Al-Shabaab's "Jerusalem will never be Judaized" campaign, the same banner under which the DusitD2 attack was conducted on 15 January 2019 (S/2019/858, paras. 36–44). In November 2019, Al-Shabaab leader Ahmad Umar urged members of the group to carry out attacks against United States targets in response to United States drone strikes in Somalia.⁴³ In this context, the group also referred to its attack on Baledogle military base in Lower Shabelle on 30 September 2019. The base hosts United States military special forces and serves as a training centre for Federal Government of Somalia soldiers.⁴⁴

54. The mastermind behind the attack, Bashir Mohamed "Qorgab" (SOi.006), was killed in a United States air strike on 22 February 2020.⁴⁵ Military equipment was captured from Al-Shabaab operatives during the attack (see section IV.A below and annex 3.2 on the Manda Bay attack).

(b) Kenyan border attacks

55. Al-Shabaab continues to pose a threat inside Kenya, with attacks occurring across the Kenya-Somalia border during the reporting period.⁴⁶ Al-Shabaab retains the ability to launch attacks that span the length of the 700 km border between Kenya and Somalia from Mandera in the north to Lamu in the south. Al-Shabaab targets security forces, teachers, and health workers identified by the group as non-locals. From December 2019 to July 2020, Al-Shabaab carried out 67 attacks in the border region.⁴⁷

56. The deadliest attack occurred on 6 December 2019 in Wargadud, Wajir County, when Al-Shabaab executed 11 people; eight police officers, two teachers and a doctor, identified by the assailants as "non-local", were separated and killed.⁴⁸

57. The targeting of non-locals is seen by Al-Shabaab as a way to find favour with the local communities who have a distrust of Kenyan security services. This is combined with Al-Shabaab's releasing numerous propaganda messages linking the attacks in Kenya to the presence of Kenyan troops in Somalia, as well as to long-

⁴² United States Africa Command, "Update: U.S. statement on Manda Bay terrorist attack", press release, 5 January 2020.

⁴³ Site Intelligence Group, "Shabaab media unit presents detailed report on Nairobi attack, suggests that attack bears message to Jerusalem", 16 January 2019.

⁴⁴ Ibid.

⁴⁵ Further information on "Qorgab" can be found in the section below on regional networks.

⁴⁶ The Panel previously highlighted the increased frequency of Al-Shabaab incursions into Kenya, which was possibly connected to an attempt to aggravate the strained relations between Kenya and Somalia (S/2019/858, paras. 52–55).

⁴⁷ Data collected from confidential international agency security reports, police reports and open source media.

⁴⁸ Confidential international agency security report, 7 December 2020.

standing grievances in the former North-Eastern Province of Kenya.⁴⁹ On 28 February 2020, the Al-Shabaab spokesperson, “Ali Dhere”, released a radio message calling on the Muslims in the former North-Eastern Province of Kenya (Garissa, Mandera and Wajir Counties) to cease any cooperation with non-locals and the Government of Kenya. Al-Shabaab also threatened to target non-Muslims in the region, including teachers, doctors, shopkeepers and drivers.⁵⁰

58. Attacks perpetrated by Al-Shabaab have had a significant impact on public services, especially schools, many of which have closed owing to teachers leaving because of insecurity in the border region.⁵¹ In January 2020, all non-local teachers were ordered to leave north-eastern Kenya by Kenyan authorities. This was in response to two attacks on schools in one week in January 2020 in Garissa County; four students and one teacher were killed in one school, and three teachers were killed in the other.

59. Cross-border attacks have decreased in frequency since April 2020. The Panel assesses that the long rainy season starting in April and possible effects of the restrictions on movement introduced in response to the coronavirus disease (COVID-19) pandemic contributed to the decrease. The reorganization of Al-Shabaab regional units owing to the killing of a key commander and the dismantling of regional cells have also had an impact on the group’s operational capabilities.

Regional networks

60. In its 2019 report, the Panel highlighted Al-Shabaab regional cells uncovered during investigations into the DusitD2 attack in Kenya (S/2019/858, paras. 46–51). At least four cells have since been successfully disbanded by the Kenyan Anti-Terrorism Police Unit, thus leaving a vacuum in Al-Shabaab’s regional capabilities.⁵²

61. Another setback to regional operations occurred when a United States strike in Sakow Town, Middle Juba, killed Bashir Mohamed “Qorgab” in his home on 22 February 2020.⁵³ “Qorgab”, identified as the mastermind of the Manda Bay attack on 5 January 2020, was a senior member of Al-Shabaab, listed by the Committee pursuant to the individual sanctions measures imposed by and designation criteria elaborated in Security Council resolution 1844 (2008) and had a \$5 million bounty on his head.⁵⁴ At the time of his death, he was in charge of Al-Shabaab operations within Kenya and commanded at least three *Jabhat* (military) units including the *Jaysh Al-Ayman* unit operating near the Boni Forest, Lamu, Kenya (S/2016/919, para. 45). Before commanding the *Jabhat*, he led Al-Shabaab’s special militia commandos, known as *Jugta Ulus*. “Qorgab” also served on Al-Shabaab’s Shura in the foundational years of the group.⁵⁵

62. In response, the Al-Shabaab leader, Ahmed Umar, appointed Malin Khaled “Mohamed Ibrahim”, also known as “Madey”, in early 2020 as deputy military chief for Al-Shabaab’s Kenyan *Jabhat* units and to also lead the training of regional

⁴⁹ Site Intelligence Group, “Shabaab leadership urges fighters in East Africa make U.S. interests their ‘first priority’ in speech on Manda Bay raid”, 8 January 2020. Available at <https://ent.siteintelgroup.com/> (subscription needed).

⁵⁰ Site Intelligence Group, “Shabaab spokesman threatens non-Muslims in northeastern Kenya, cautions Muslims from supporting Government”, 28 February 2020.

⁵¹ Moulid Hujale, “Schools close in north-east Kenya after al-Shabaab targets teachers”, *Guardian*, 10 March 2020.

⁵² Interview with a regional security source, January 2020.

⁵³ United States Africa Command, “Precision airstrike eliminated Al-Shabaab leader associated with Manda Bay attack”, press release, 25 February 2010.

⁵⁴ In 2008, the United States issued a reward of \$5 million. Available at <https://rewardsforjustice.net/>.

⁵⁵ Telephone interview with a Somali security source, 10 May 2020.

operatives to be dispatched to Kenya and other countries.⁵⁶ “Madey” previously served as the head of the Amniyat in Bakool region under the supervision of Ahmed Umar.⁵⁷

63. Since his appointment, “Madey” has been running an Al-Shabaab training camp called “Ibrahim” near Sakow town, Middle Juba.⁵⁸ The first group of about 70 operatives, comprising both Somali and Kenyan-Somali recruits, completed its three-month training period during the first quarter of 2020.⁵⁹

Al-Shabaab foreign terrorist fighters

64. The Panel continues to monitor the recruitment of foreign terrorist fighters into Al-Shabaab’s ranks and the status of existing foreign terrorist fighters. Al-Shabaab attracts fighters primarily from the East African region but also globally. In late 2019, three subject matter experts in combat, information technology and software from Algeria, Kuwait and Morocco arrived in Harardhere by boat to join Al-Shabaab.⁶⁰

65. Al-Shabaab lost some significant foreign terrorist fighters in combat operations during the reporting period, including Abu Ayman, a Malian Commander killed near Buale in May 2020, and a Pakistani Commander killed in Abal in June 2020. In January 2020, Zubair al-Muhajir, a senior Al-Shabaab foreign terrorist fighter figure and former member of the Shura from Côte d’Ivoire defected to the Federal Government of Somalia.⁶¹

66. In December 2019, the United States Federal Bureau of Investigation brought new terror charges against Jihad Serwan Mostafa, a United States national and senior member of Al-Shabaab.⁶² Mostafa currently holds a key leadership role within Al-Shabaab’s explosives department. Mostafa joined Al-Shabaab in 2008, occupying various high-ranking roles and today is believed to be the highest-ranking United States citizen fighting overseas within a terrorist organization.

B. Islamic State in Iraq and the Levant faction in Somalia

67. In November 2019, the Islamic State in Iraq and the Levant (ISIL) faction in Somalia pledged allegiance to the new ISIL leader, Abu Ibrahim al-Hashimi al-Qurashi.⁶³ The current emir of the ISIL faction in Somalia is Abdulkadir Mumin, while his deputy, Abu Zubeir Alhabashi, from Ethiopia, was reportedly killed in 2020 during a battle with Al-Shabaab. The faction’s new deputy is Abdirahman Fahiye, and Abdirashid Luqman is head of proselytizing and indoctrination.

68. The number of United States air strikes against the ISIL faction in Somalia fell from nine in 2019 to one, to date, in 2020. On 21 July 2020, a United States air strike against ISIL bases in the Galgala mountains, in cooperation with the Puntland Security Force, killed seven members of the group.⁶⁴ The ISIL faction in Somalia has carried out sporadic attacks in Puntland and Mogadishu, but its ability to conduct

⁵⁶ Interview with a regional security source, March 2020.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ Confidential security report, December 2019.

⁶¹ Harun Maruf, “Senior Al-Shabaab foreign fighter defects in Somalia”, 21 January 2020.

⁶² United States Department of Justice, “Indictment unsealed charging former San Diego resident Jihad Serwan Mostafa with providing material support to militant Islamic terrorist organization Al-Shabaab”, 2 December 2019.

⁶³ Site Intelligence Group, “Pledges to new IS “Caliph” continue to come from group fighters, this time from Pakistan, Somalia, and Yemen”, 4 November 2019.

⁶⁴ United States Africa Command, “Somali, U.S. forces engage insurgents in support of the Federal Government of Somalia”, press release, 22 July 2020.

activities have been impeded by Puntland Security Force operations and the group's ongoing conflict with Al-Shabaab.

Former Islamic State in Iraq and the Levant fighter transfers to Islamic State Central Africa Province

69. In late 2018, as a result of a violent leadership power struggle within the ISIL faction in Somalia, the then deputy leader Mahad Moalim was killed and a senior commander, Mohamed Ahmed "Qahiye", fled to Ethiopia.⁶⁵ In early 2020, "Qahiye" travelled from Ethiopia to Mozambique to join Islamic State Central Africa Province.⁶⁶ There has been a surge in attacks by Islamic State Central Africa Province in Mozambique, with increased frequency and lethality.⁶⁷ The arrival of "Qahiye", a veteran military operator, into the ranks of Islamic State Central Africa Province is a significant acquisition for the group and highlights the linkages between terrorist networks across the African continent.⁶⁸

Islamic State in Iraq and the Levant recruitment

70. In 2020, the ISIL faction in Somalia attempted to enlist new fighters. The group petitioned sub-clan elders in the Bari region to provide fighters. In February 2020, reports indicated that about 30 fighters, including seven foreign fighters, joined the ISIL faction in Bari region.⁶⁹ A propaganda video was released on 16 February 2020, aimed at recruiting Muslims in East Africa, with particular references made to Ethiopia.⁷⁰

C. Relations between the Federal Government of Somalia and the federal member states

71. During the reporting period, political relations between the Federal Government of Somalia and the federal member states remained volatile. Electoral processes were the primary source of the tensions, both in the lead-up to and aftermath of disputed regional elections in Jubbaland and Galmudug, and in the preparations for national parliamentary and presidential elections. The constitutional mechanisms and technical institutions, such as the National Independent Electoral Commission, require strengthening, as does the commitment to continual consultative political engagement. Cohesion between the Federal Government and the federal member states is important as Al-Shabaab retains the ability to exploit ruptures between the federal and regional authorities.

Federal Government of Somalia and Jubbaland administration

72. On 22 August 2019, Ahmed Mohamed Islam "Madobe" was elected President of Jubbaland by the Jubbaland Parliament (S/2019/858, para. 86). The result was initially rejected by the Federal Government of Somalia and Jubbaland opposition

⁶⁵ "Qahiye" received an amnesty from then President of Puntland, Abdiweli Mohamed Ali "Gaas", and thereafter left Puntland for Ethiopia (S/2019/858, para. 57).

⁶⁶ Interview with a regional security source, Nairobi, June 2020.

⁶⁷ See Bulama Bukarti and Sandun Munasinghe, "The Mozambique conflict and deteriorating security situation" (London, Tony Blair Institute for Global Change, 2020).

⁶⁸ Mohamed Ahmed "Qahiye" was reportedly the mastermind of the 8 February 2017 attack on the International Village Hotel in Bosaso (see S/2017/924, annex 2.4).

⁶⁹ Interview with a security source in Bari region, Puntland, on 3 March 2020. A fighter speaking Amharic, identified as "Mus'ab Al-Ethiobi" (the Ethiopian) addresses Muslims in Ethiopia and refers to two Ethiopians who allegedly died in battle for the group against Al-Shabaab.

⁷⁰ Memri, "ISIS Somalia calls upon Muslims from East Africa to join its ranks, threatens U.S.", 1 March 2020.

figures, who cited irregularities in the regional electoral process.⁷¹ Heightened political tensions in the aftermath of the disputed electoral process resulted in a deterioration of the security environment in Gedo region. The borders of Jubbaland with Ethiopia and Kenya also provide a geographical focus for regional interests and tensions to be played out.

Armed conflict in Gedo

73. On 28 January 2020, the former Jubbaland Minister of Security, Abdirashid Hassan Abdinur “Janan”, escaped from prison in Mogadishu where he was awaiting trial.⁷² In February 2020, the Federal Government of Somalia cited reports that “Janan” was residing in Gedo region, near the Kenya-Somalia border.⁷³ In February and March 2020, the Federal Government airlifted approximately 1,000 military and police units from Mogadishu to Belet Hawo, Dolow and Luq in Gedo region.⁷⁴ Jubbaland, which is responsible for the administration of Gedo, responded to the Federal Government deployment by transporting its own security forces to Belet Hawo.

74. On 22 February 2020, Somali National Army soldiers from Bardhere, Gedo region, relocated to Belet Hawo to reinforce the Federal Government of Somalia troops deployed from Mogadishu. Two days later, on 24 February 2020, Al-Shabaab entered the vacated town of Bardhere and executed three district officials.⁷⁵

75. On 2 March 2020, tensions between Federal Government of Somalia and Jubbaland forces manifested in armed conflict in Belet Hawo and spilled over into Mandera, Kenya. At least nine civilians were killed during the fighting among the forces, which also had an impact on an already fragile humanitarian situation and prompted the displacement of an estimated 56,000 people at the peak of the crisis.⁷⁶

76. On 23 April 2020, “Madobe” and Jubbaland opposition leaders, Abdinasir Serrar and Abdirashid Hiddig, signed a peace deal, which reduced political tensions among local stakeholders in Jubbaland.⁷⁷ On 14 June 2020, the Federal Government of Somalia formally recognized “Madobe” as “interim” President of Jubbaland. This formal recognition and the participation of Jubbaland in the Dhusamareb talks represented a further de-escalation of the political and security tensions between the Federal Government and Jubbaland.⁷⁸

⁷¹ Interviews with Members of the Federal Parliament of Somalia in Nairobi on 28 February 2020.

⁷² In its 2016 and 2017 reports, the Monitoring Group on Somalia and Eritrea reported allegations relating to the responsibility of Abdirashid Hassan Abdinur “Janan”, for acts of torture and degrading treatment in Gedo (see S/2017/924, annex 11.3, and S/2016/919, annex 7.8).

⁷³ Walter Menya and Manase Otsialo, “Kenya angers Somalia by hosting Minister who escaped”, *Nation*, 8 February 2020.

⁷⁴ Interviews with Gedo administration representatives in Nairobi on 5 April 2020. Information provided by authorities was cross-referenced by local sources in Gedo from 7 to 9 April 2020.

⁷⁵ Interviews with three officials from the Jubbaland administration in Nairobi from 3 to 5 April 2020. See also *Hiiraan Online*, “Three district officials killed in suspected Al-Shabaab attack in Bardheere”, 25 February 2020.

⁷⁶ Interviews with Gedo administration representatives in Nairobi on 5 April 2020. Statement by the United Nations Resident and Humanitarian Coordinator for Somalia on 3 March 2020.

Interviews with humanitarian organizations on 16 March 2020.

⁷⁷ Aggrey Mutambo, “Madobe signs unity pact with Jubbaland rivals”, *East African*, 25 April 2020.

⁷⁸ Garowe Online, “Somalia: FGS recognizes Madobe as ‘interim president’, invites FMS leaders to meeting”, 14 June 2020.

Talks between the Federal Government of Somalia and the federal member states in Dhusamareb

77. In June 2020, the National Independent Electoral Commission proposed technical electoral models for the national parliamentary and presidential elections scheduled for November 2020.⁷⁹ Most notably, the Commission announced that the arrangements required for one-person-one-vote elections would not be in place until March 2021 at the earliest. The Commission proposals highlighted that it would not be possible to meet both constitutional requirements: to hold the elections on time and in accordance with the one-person-one-vote principle. In the absence of a constitutional court, there is no credible judicial body to resolve this issue and instead Somalia must seek a broad-based political consensus.

78. On 22 July 2020, the Federal Government of Somalia and the federal member states met in Dhusamareb, Galmudug, to discuss security issues and election modalities in the first such gathering since May 2019. Subsequent talks, both in person and remote, appear to have resulted in an agreement on an indirect caucus-based electoral model that will allow elections to take place on time. The talks in Dhusamareb represented an important step but require ongoing political engagement from all actors to ensure the credibility and timeliness of the country's upcoming elections.

Removal of the Prime Minister of the Federal Government of Somalia

79. In the immediate aftermath of the Dhusamareb meetings, on 25 July 2020, the Prime Minister of the Federal Government of Somalia, Hassan Ali Khaire, faced a vote of no-confidence in the Federal Parliament, ostensibly over his handling of election preparations.⁸⁰ One hundred and seventy Members of Parliament voted for his removal, while eight voted against the no-confidence motion. While questions were raised over the legitimacy of the process, the Prime Minister immediately announced his resignation.⁸¹ Constitutional rules require the President to name a new Prime Minister within one month. The Deputy Prime Minister, Mahdi Mohamed Guled, is acting as Prime Minister and the ministerial cabinet is also functioning in an acting capacity.

Somaliland talks

80. From 14 to 16 July 2020, the President of Djibouti, Ismaël Omar Guelleh, chaired presidential-level talks between the Federal Government of Somalia and Somaliland in Djibouti. The meetings were also attended by the Prime Minister of Ethiopia, Abiy Ahmed, while the European Union and the United States acted as facilitators. The talks followed an "icebreaker" meeting between the two leaders on 11 February 2020 in Addis Ababa. According to the joint communiqué, the parties formed three technical subcommittees to address humanitarian aid and international financial assistance, security and airspace control.⁸² Meetings at the technical level are currently on hold as a direct repercussion of the removal of the Prime Minister of the Federal Government.⁸³

⁷⁹ The terms of the parliament and the executive are due to end in November 2020 and February 2021, respectively.

⁸⁰ See Abdi Sheikh, "Somalia's parliament ousts Prime Minister in no-confidence vote", Reuters, 25 July 2020.

⁸¹ See Al-Jazeera, "Somalia's parliament votes to remove PM Hassan Ali Khaire", 25 July 2020.

⁸² See Jama Farah, "Joint communiqué on Djibouti talks between Somalia and Somaliland", *Horn Diplomat*, 23 June 2020.

⁸³ Interview with a regionally based diplomat on 10 August 2020.

D. Security sector

Transition plan review

81. In March 2018, the Federal Government of Somalia adopted the Somali transition plan, setting out the objectives, priorities and vision for the transition of security responsibilities to Somali authorities and the drawdown of AMISOM forces. The transition plan operates across three pillars: operations, institutional capacity-building and support activities for the period up until December 2021 (see [S/2018/674](#)). At the midpoint of the plan and at the recommendation of the Security Council, the Federal Government and the federal member states have undertaken a review of the plan, which is to be completed by the end of September 2020 (see Security Council resolution [2520 \(2020\)](#)).

82. In addition to examining the progress of the transition, the review has highlighted several areas of relevance to the work of the Panel. These include assessments on the intelligence-gathering and counter-improvised explosive device capabilities of Somali security forces; the value of degrading Al-Shabaab's operational capacity through non-military means; the weapons and ammunition storage facilities at the level of the Federal Government of Somalia and the federal member states; and the capacity of the financial institutions of the Federal Government and the federal member states to detect, counter and prevent money-laundering and terrorist financing.⁸⁴

Registration of federal and state-level forces

83. In its previous reports, the Panel highlighted the incidence of misappropriation of funds intended for Somali security forces (see [S/2016/919](#), annex 2.2). The Federal Government of Somalia has taken a number of steps in this regard.

84. The Somali National Army completed the first phase of the biometric registration on 3 March 2019.⁸⁵ The second phase, which includes physical confirmation of a soldier's presence in garrison and a medical check-up, was finalized this year. In February 2020, 21,209 soldiers were registered in the human resources management system of the Ministry of Defence of the Federal Government of Somalia.⁸⁶ A payroll register linked to the Somali Financial Management Information System henceforth allows soldiers to receive their salary directly in their bank account.⁸⁷

85. In a step towards more transparent expenditure management, the payment of half of the Somali National Army soldiers' monthly rations stipend (\$30) is also transferred to an individual soldier's bank account, while the other half is distributed in the form of dry and fresh rations.⁸⁸

86. See annex 4.6 (strictly confidential) for more details on the registration of federal and state-level forces.

⁸⁴ "Concept note: the review of the Somali transition plan", shared with the Panel by the Office of the National Security Advisor of the Federal Government of Somalia on 2 August 2020.

⁸⁵ [S/2019/858](#), para. 94, and the Somali-African Union-United Nations Joint Threat Assessment dated January 2020 (confidential).

⁸⁶ Interview with a Member State representative providing financial support to Somali security forces on 28 February 2020 in Nairobi.

⁸⁷ Financial Governance Report of the World Bank (confidential), July 2019.

⁸⁸ Interview with an expert from the World Bank, 14 July 2020.

Lower Shabelle operations

87. On 16 and 17 March 2020, a joint Somali National Army and AMISOM operation led to the recapture of the village of Janale (Lower Shabelle, 90 km south-west of Mogadishu), after six years of Al-Shabaab control. This operation was part of the joint Somali National Army and AMISOM Operation Badbaado, with the objective of recovering territory from Al-Shabaab in Lower Shabelle region, in line with phase one of the Somali transition plan.⁸⁹

88. The long-term success of the Lower Shabelle operations is dependent on the ability of the Federal Government of Somalia to provide an effective stabilizing force, establish inclusive governance and ensure basic services are provided to residents. Regional security forces and police recruits from South-West State have been trained to hold the liberated areas.⁹⁰ However, these regional forces have yet to be equipped before they can be deployed.⁹¹ Consequently, the Somali National Army battalions that conducted the operation are holding the area and performing garrisoning tasks and are not available to implement further phases of the transition plan.

89. The Panel received several accounts of civilians killed or injured during the recapture of Janale as a result of mortar attacks and exchanges of gunfire between Al-Shabaab and Somali National Army forces and continues to investigate.⁹² An estimated 8,000 people were also displaced from villages around Janale.⁹³

90. See annex 3.3 for further details on the Lower Shabelle operations.

E. Public financial management

Misappropriation of COVID-19 response funds

91. On 4 April 2020, the Director of Finance for the Ministry of Health of the Federal Government of Somalia, Mohamud Mohamed Buule, was arrested over allegations of missing aid money, some of which was designated for the country's COVID-19 response.⁹⁴

92. On 16 May 2020, the Attorney General of Somalia, Saleban Mohamed Mohamud, announced a wider investigation into corruption within all Federal Government of Somalia ministries and offices.⁹⁵ The investigation led to the arrest of more than 20 Ministry of Health officials and the freezing of several bank accounts, with the Somali national police seizing evidence, including fake receipts, payment slips and cheques. The investigation follows the signing into Somali law of an anti-corruption bill in September 2019.

93. In June 2020, nine suspects from the Ministry of Health were arraigned in the Benadir court, charged with eight offences, among them abuse of office and stealing from the public. During the hearing, Justice Abdirahman Saed Ahmed said that the prosecution had presented over 900 allegedly fake receipts, vouchers and invoices

⁸⁹ One of the tasks assigned is to degrade Al-Shabaab in Lower Shabelle and to reopen the main supply road to Marka.

⁹⁰ Federal Government of Somalia periodic report to the Security Council dated 18 February 2020.

⁹¹ Interviews with United Nations Assistance Mission in Somalia senior staff members on 13 August 2020.

⁹² Telephone interviews with members of the Janale community displaced in Marka, May 2020.

⁹³ United Nations and non-governmental organization humanitarian reports, March 2020.

⁹⁴ Somali Dispatch, "Health Minister confirms the arrest of the director Buule", 6 April 2020.

⁹⁵ Garowe Online, "Somalia: Attorney General probes missing millions in dramatic crackdown targeting FGS officials", 18 May 2020.

that it was claimed had been used by the suspects.⁹⁶ To date, four Ministry of Health officials have received jail terms.⁹⁷

Debt relief

94. During the reporting period, the Ministry of Finance of the Federal Government of Somalia achieved significant milestones towards debt relief and the normalization of financial relations with the international donor community by qualifying for assistance, under the enhanced Heavily Indebted Poor Countries Initiative.⁹⁸

95. The debt of Somalia will be reduced from \$5.2 billion to \$557 million when it reaches the completion point under the Heavily Indebted Poor Countries Initiative in three years' time. The Paris Club of creditors agreed to cancel \$1.4 billion of the debt immediately.⁹⁹ Requirements for qualification for the Heavily Indebted Poor Countries Initiative include strengthening of the financial system in such a way that it can better respond to threats of exploitation by Al-Shabaab.

IV. Arms embargo

A. Military equipment in the possession of Al-Shabaab

Weapons and ammunition captured from Al-Shabaab

Manda Bay

96. Weapons and ammunition retrieved in the aftermath of the Manda Bay attack on 28 December 2019 have characteristics consistent with equipment previously owned by the Federal Government of Somalia and AMISOM.¹⁰⁰ The Panel has traced one assault rifle to a consignment delivered to the Federal Government on 22 July 2017.¹⁰¹ The weapon, which bears apparent Federal Government markings, was distributed to the Somali National Army in sector 60, in Baidoa, South-West State, between November and December 2017.¹⁰²

97. On 27 April 2020, the Panel provided the Federal Government of Somalia with all information regarding its investigation into the military materiel used by Al-Shabaab in the Manda Bay attack. The Panel continues to investigate, with the cooperation of the Federal Government, at which point Federal Government-owned weapons could have gone into the illicit sphere (see also "Al-Shabaab regional capabilities" in section III.A above).

⁹⁶ Telephone interview with a judicial source, Mogadishu, 24 June 2020.

⁹⁷ Telephone call with a Federal Government of Somalia official on 24 August 2020.

⁹⁸ See International Monetary Fund, "IMF and World Bank consider Somalia eligible for assistance under the Enhanced Heavily Indebted Poor Countries (HIPC) initiative", press release No. 20/48, 13 February 2020. See also International Monetary Fund, "IMF Managing Director, Kristalina Georgieva, welcomes progress towards securing a financing plan for debt relief for Somalia", press release No. 19/470, 18 December 2019.

⁹⁹ Ibid. See also Andrea Shalal and Leigh Thomas, "Paris Club creditors agree to cancel \$1.4 billion of Somali debt", Reuters, 31 March 2020.

¹⁰⁰ Documentation provided to the Panel by a Member State in March 2020.

¹⁰¹ Annex F to the Federal Government of Somalia post-delivery notification dated 2 February 2018.

¹⁰² Documentation on the distribution of weapons in sector 60, reviewed by the Panel on 14 March 2018, indicating the names and fingerprints of soldiers, as well as serial numbers of weapons.

Handover of weapons by the African Union Mission in Somalia

98. Among the 33 weapons captured from Al-Shabaab by AMISOM and handed over to the Federal Government of Somalia on 28 February 2020, the Panel found two assault rifles that had been previously delivered to the Federal Government.

Military equipment of the Federal Government of Somalia captured by Al-Shabaab

99. The Panel has documented heavy machine guns, assault rifles, ammunition, vehicles and uniforms, captured by Al-Shabaab from Somali National Army soldiers during the El Salini attack on 19 February 2020.¹⁰³

Mortars

100. An analysis of the mortar attacks on the Aden Adde International Airport complex in Mogadishu indicated that Al-Shabaab is in possession of 60-mm and 81-mm calibre mortars (see annex 4.1).

B. Compliance by the Federal Government of Somalia with obligations under the partial lifting of the arms embargo

Weapons and ammunition management

101. The Panel has received reports indicating that progress has been made on weapons and ammunition management. An inter-agency meeting in February 2020 convened by the Federal Government of Somalia was aimed at strengthening the framework and implementation of weapons and ammunition management.¹⁰⁴ Regional security offices have also been established to improve coordination between the Federal Government of Somalia and the federal member states for the development of the national weapons and ammunition management strategy.

102. The Federal Government of Somalia is making ongoing efforts to maintain the infrastructure at Halane Central Armoury.¹⁰⁵ However, the risk associated with the storage of explosives in Halane has not been contained and should not be understated (S/2018/1002, para. 15). In parallel, a plan for a permanent explosives storage site at a different location is required owing to the proximity of the airport and runway to Halane Central Armoury.¹⁰⁶ The ongoing review by the Federal Government of the Somali transition plan includes an assessment of weapons and ammunition storage facilities at the level of both the Federal Government and the federal member states.¹⁰⁷

103. At the end of 2019, the Federal Government of Somalia joint verification team implemented a pilot programme to record and trace weapons belonging to the Somali Police Force in Mogadishu and Baidoa.¹⁰⁸ The system, which includes geolocation tagging of weapons and the identity of their owners, is expected to be introduced to the Somali National Army if the trial with the Somali Police Force is successful (see annex 4.2 (strictly confidential)). A successful pilot programme could be a key first step

¹⁰³ Photographs released by Al-Shabaab-affiliated media outlets. Available at <https://somalimemo.net/articles/12462/Al-Shabaab-Oo-Soo-Bandhigay-Gaadiid-iyo-Hub-ay-Ku-Qabsatay-Dagaalkii-Deegaanka-Ceelsaliini-Sawirro>.

¹⁰⁴ Interviews with European Union and United Nations Development Programme experts from the joint security sector governance programme during the month of July 2020.

¹⁰⁵ Report from a Member State received on 7 March 2020 and interviews with an international military explosive ordnance disposal mentor on 9 January 2020 and with an organizational expert from the non-profit organization Halo Trust on 4 August 2020.

¹⁰⁶ Halane Central Armoury is not compliant with the International Ammunition Technical Guidelines owing to the proximity of the airport and inhabited areas.

¹⁰⁷ Concept note on file with the Secretariat.

¹⁰⁸ Based on Fulcrum mobile data app. Available at <https://www.fulcrumapp.com/>.

towards the development of an accountable weapons tracing system for all Somali security forces.¹⁰⁹

Notifications of weapons and ammunition deliveries

104. From August 2019 to August 2020, the Committee received four advance delivery notifications for consignments of weapons and ammunition from the Federal Government of Somalia, in line with the requirements stipulated in relevant Security Council resolutions. One of the consignments was delivered to the Federal Government, one was cancelled and two remain pending delivery. Post-delivery notifications are expected to be included in the periodic report of the Federal Government (see next section below) (see annex 4.3 (strictly confidential) for further details).

105. The Panel and the joint verification team of the Federal Government of Somalia have conducted a review of all records pertaining to weapons and ammunition officially imported by the Federal Government since the partial lifting of the arms embargo in 2013 and have populated a comprehensive database. In addition, an interface is being designed to combine with the resulting database to provide a secure online search function that will incorporate documentation such as notifications (see annexes 4.4 (strictly confidential) and 4.5 (strictly confidential)).

Reports of the Federal Government of Somalia pursuant to paragraph 35 of resolution 2498 (2019)

106. During the reporting period, the Federal Government of Somalia sent one periodic report to the Committee, in accordance with its mandated deadline of February 2020 (Security Council resolution 2498 (2019), para. 35). The timing of the preparation of the present report and the submission of the second periodic report by the Federal Government did not allow for the August 2020 report of the Federal Government to be analysed herein. The February 2020 report includes information on the management of weapons and ammunition, as well as on the registration process of Somali security forces. Mandatory notifications of the destination for imported arms and ammunition and current force disposition were, however, not included. The Federal Government reached out to the Panel to express concerns regarding the appropriateness of existing reporting requirements and where improvements might need to be made (see the recommendations in section IX).¹¹⁰ Annex 4.6 (strictly confidential) contains an analysis of the February 2020 periodic report of the Federal Government.

C. Compliance by Member States and international organizations with the arms embargo

Puntland Maritime Police Force base

107. The Panel received reports regarding the delivery of military equipment to the Puntland Maritime Police Force based in Bosaso, Puntland, on 5 March 2020. Investigations indicated that the equipment was delivered by a military transport aircraft operated by the United Arab Emirates air force, identified as UAF 1225.¹¹¹

¹⁰⁹ Following a recommendation from the Panel, on 17 July 2020, the Committee encouraged the Federal Government of Somalia to extend the implementation of a weapons tracking and information management system to the entire Somali security sector.

¹¹⁰ Exchanges of emails with the Office of the National Security Advisor on 8 and 11 August 2020.

¹¹¹ Interviews with three sources in Puntland with direct knowledge of the consignment in March 2020, as well as photographic evidence and the flight plan.

The Panel wrote to the Government of the United Arab Emirates requesting information on the delivery.¹¹²

108. The Puntland Maritime Police Force represents a significant security capability in the fight against Al-Shabaab and the ISIL faction in Somalia.¹¹³ Despite continued reporting on this issue, no notification of weapons, ammunition and military equipment deliveries to the Force has been received by the Committee. This ongoing lack of transparency impedes the further development of the Force and potential contributions from international partners (see annex 4.7).

African Union Mission in Somalia

109. In paragraph 8 of its resolution [2498 \(2019\)](#), the Security Council requested the Federal Government of Somalia and AMISOM to register military equipment captured during operations. On 28 February 2020, AMISOM handed over a cache of weapons captured from Al-Shabaab to the Federal Government.¹¹⁴ The handover certificates detailed the registration of 33 weapons.¹¹⁵ Such certificates are expected to be further enhanced to include the date and location of the seizures, the exact type of weapon and pictures in future handovers.

110. Cooperation between AMISOM and the Panel has been facilitated through support from the Special Representative of the Chairperson of the African Union Commission for Somalia and Head of AMISOM and the establishment of an AMISOM focal point.¹¹⁶ The African Union issued a policy on the management of recovered small arms and light weapons in peace support operations on 19 November 2019. The associated standard operating procedures, once finalized, will allow AMISOM contingents to adopt these procedures.

Notifications for the provision of training, stipends, infrastructure and military equipment

111. According to Security Council resolution [2498 \(2019\)](#), the delivery of assistance related to military activities is subject to “notification for information” to the Committee when it is intended for Federal Government of Somalia security forces and a “notification for consideration” when it is intended for Somali security sector institutions other than those of the Federal Government.

112. Notwithstanding those requirements, the Committee remains largely unnotified regarding the provision of such support.¹¹⁷ The Committee, following a recommendation made by the Panel in its comprehensive midterm update of May

¹¹² Correspondence dated 8 April 2020; response still pending. It is stipulated in paragraph 15 of Security Council resolution [2498 \(2019\)](#) that the notification of delivery must be made by the supplying Member State.

¹¹³ The Puntland Maritime Police Force has been particularly active in anti-piracy and anti-smuggling activities (see [S/2017/924](#), annex 6.1 (strictly confidential), and [S/2018/1002](#), para. 54).

¹¹⁴ Interview with the national weapons and ammunition management focal point on 19 April 2020. See also AMISOM, “AMISOM hands over captured weapons to government of Somalia”, press statement, 28 February 2020.

¹¹⁵ The certificate was signed by the National Security Advisor of the Federal Government of Somalia and the Special Representative of the Chairperson of the African Union Commission for Somalia and Head of AMISOM.

¹¹⁶ Meeting of the Coordinator of the Panel with the Special Representative of the Chairperson of the African Union Commission for Somalia on 29 July 2020.

¹¹⁷ Turkey, the United Nations Mine Action Service, the United Kingdom of Great Britain and Northern Ireland and the United States have notified the Committee of training or mentoring activities during the reporting period, while the Federal Government of Somalia periodic report to the Security Council of February 2020 details training activities conducted by intergovernmental organizations for uniformed personnel in the field of weapons and ammunition management.

2020, sent a note verbale dated 17 July 2020, encouraging all Member States to ensure coordinated and coherent training, capacity-building and systems support across institutions, at the level of both the Federal Government of Somalia and the federal member states, that align with the strategic directions of the Federal Government, including security sector reform.

D. Illicit flow of weapons into Somalia

Yemen-Puntland arms smuggling networks

113. Somalia's northern coastline remains the primary entry point for illicit arms and ammunition into Somalia. According to sources in Puntland, a pattern has developed of up to four illicit shipments of weapons and ammunition per month, delivered primarily by dhows originating in Yemen to drop-off points along the northern coast. The Panel collected initial evidence of three deliveries of weapons to the area that occurred during the reporting period.¹¹⁸ Cases observed during the reporting period follow a similar pattern of deliveries to Al-Shabaab or the ISIL faction in Somalia reported in 2018 and 2019 (see annex 4.8 (strictly confidential)).¹¹⁹

Importation of weapons by a private security company

114. The Panel is currently investigating the modalities by which a private security company operating in Somaliland was able to obtain weapons for which no notification has been received by the Committee. In 2019, the Panel obtained substantiated information, including serial numbers, on four Glock 9-mm pistols and four Colt M4 assault rifles owned by this private security company. Preliminary investigations found that the four pistols were manufactured and sold in the United States in 2017, and that no records were found in Colt's manufacturing records for the four M4 assault rifles. In order to obtain tracing assistance from the Bureau of Alcohol, Tobacco, Firearms and Explosives of the United States Department of Justice, the request for assistance must emanate from an official law enforcement agency or a Government. In order to continue this investigation, the Office of the National Security Advisor of Somalia has agreed to make an official request to the Bureau.¹²⁰

V. Improvised explosive device components ban

Implementation assistance notice

115. An implementation assistance notice on the improvised explosive device components ban was issued by the Committee on 3 August 2020. The notice is aimed at assisting Member States, international organizations and public and private entities in taking the steps necessary to ensure the full and effective implementation and enforcement of the requirements imposed by paragraphs 26 to 28 of Security Council resolution 2498 (2019) and the regulations in place for the exportation of explosive materials to Somalia.

¹¹⁸ Information from UNODC, international and regional intelligence agencies and local sources.

¹¹⁹ See S/2018/1002, annex 1.9 (strictly confidential), and S/2019/858, annex 2.11 (strictly confidential).

¹²⁰ Email from the Office of the National Security Advisor of the Federal Government of Somalia dated 4 August 2020.

Al-Shabaab's sourcing of improvised explosive device components

Chemical analysis of improvised explosive device components

116. In 2019, the Panel reported that Al-Shabaab was manufacturing its own home-made explosives, having at its disposal a readily available supply of improvised explosive device components (S/2019/858, para. 10). Analyses received during the reporting period confirmed Al-Shabaab's use of nitroglycerine as an explosive, potassium nitrate as oxidizer and charcoal as fuel in its manufacture of certain improvised explosive devices.¹²¹

117. Nitroglycerine is produced from glycerol and a mixture of sulfuric and nitric acids. According to improvised explosive device disposal and Terrorist Explosive Device Analytical Center experts interviewed by the Panel in August 2020, Al-Shabaab is likely to have the technical skills to manufacture its own nitroglycerine, which is not listed in annex C to resolution 2498 (2019). The Panel recommends that annex C should be amended to include nitroglycerine in its part I (see annex 5.1 (strictly confidential)).

Diversity of switches used to trigger the explosion of improvised explosive devices

118. Al-Shabaab uses various remote-controlled switches to set off improvised explosive devices that can be commonly found on the open market in Somalia. Basic mobile telephones, motorcycle alarm systems and remote controls for home appliances have been the most commonly used switches for the construction of improvised explosive devices by Al-Shabaab since 2017.¹²² These basic switches can be easily wired to an improvised explosive device initiator and generate a sufficient electric charge to initiate an improvised explosive device. The wide availability of such devices makes it difficult to effectively regulate them in Somalia.¹²³ Nevertheless, the motorcycle alarm system represents a particularly dangerous switch owing to its anti-disturbance capability.¹²⁴ The Panel seeks to explore with the Federal Government of Somalia if restrictions regarding motorcycle alarms should be considered (see annex 5.2 (strictly confidential)).

Domestic legislation on the supply of improvised explosive device components to Somalia

119. The Federal Government of Somalia is in the process of developing national legislation to control importation of precursor chemicals used in the construction of improvised explosive devices. The Federal Government established a forensic analysis laboratory under the authority of the Somali Police Force in 2016. Current capacities are limited to preliminary analysis of explosives used in improvised explosive devices.¹²⁵

120. The Panel recommends continued specialist training for the Somali National Army explosive ordnance disposal teams and the supply of appropriate equipment to detect improvised explosive devices, as well as coordinated support from the

¹²¹ Analyses from the Terrorist Explosive Device Analytical Center of the United States Federal Bureau of Investigation.

¹²² The United Nations Mine Action Service improvised explosive device components datasheets covering 2017–2020. Technically called “learning code receivers” in use for home automation switches.

¹²³ Information collected in August 2020 from sources familiar with Mogadishu markets.

¹²⁴ Explosion can be initiated when the device is lifted or tilted.

¹²⁵ Emails from senior United States forensic advisers on 12 August 2020. This laboratory has no technical capacity to perform analysis on inorganic explosives.

international community to reinforce the capacities of the Federal Government of Somalia in the analysis of explosives.

Exportation to Somalia of items listed in annex C to Security Council resolution 2498 (2019)

121. UNODC has provided the Panel with inputs regarding the exportation to Somalia of items listed in annex C to resolution 2498 (2019) based on the United Nations Comtrade database. Of note is the rise in volumes of nitric and sulphuric acids exported to Somalia, as well as of sulfonitric acid, which is a mixture of sulfuric and nitric acids. In compiling data from previous years, the Panel noted an increase in exports of these items. The Panel is currently assessing, with the support of the Federal Government of Somalia, the industrial demand for concentrated nitric and sulfuric acid in Somalia.¹²⁶ No substantive exportation of potassium nitrate to Somalia was recorded in 2018 or 2019. The Panel is continuing to investigate the prevalence and origins of items listed in annex C to resolution 2498 (2019) found within Somalia (see annex 5.3).

Delivery of ammonium nitrate fuel oil

122. In 2019, the Panel reported on the delivery of 165 tons of ammonium nitrate fuel oil to Puntland for the construction of the port of Garacad (S/2019/858, paras. 67–69). Puntland authorities have informed the Panel and the Federal Government of Somalia of the use of the ammonium nitrate fuel oil, as well as of security and operating procedures in place up to April 2020.¹²⁷ The next consignment of ammonium nitrate fuel oil is expected to be shipped from Turkey in October 2020.¹²⁸

123. Although ammonium nitrate fuel oil has a legitimate use in commercial blasting projects, the Panel notes the ongoing challenges in implementation of the International Ammunition Technical Guidelines standards related to ammonium nitrate fuel oil given the security situation in Somalia (see S/2019/858, annex 1.11). The explosion of thousands of tons of ammonium nitrate in the Port of Beirut on 4 August 2020 serves as a timely reminder of the risks involved. The Federal Government of Somalia worked with Puntland and the Panel to establish an agreement, signed on 21 May 2020, with TTN Grup İnşaat, the supplying company, which sets out procedures for the safeguarding of the ammonium nitrate fuel oil. The Panel has been included in the joint verification team, which, with the Federal Government and the United Nations Mine Action Service, is in charge of conducting future inspections.

VI. Obstruction of humanitarian assistance

124. The presence of Al-Shabaab across southern and central Somalia affects populations' access to humanitarian assistance and represents a significant hazard to the safe delivery of humanitarian aid. From 1 January to 31 July 2020, the Panel recorded 11 incidents in which humanitarian non-governmental organizations (NGOs) operating in Somalia were targeted, including four abductions and one

¹²⁶ Sulfuric acid is used in vehicle battery and fertilizer manufacturing, nitric acid for manufacturing plastics.

¹²⁷ Reports from June 2019 to February 2020, and video received on 9 April 2020, on file with the Secretariat.

¹²⁸ Interviews on 3 August 2020 with Puntland chief of operations and a senior executive of the company Madser Ltd., based in Ankara, supplier of Ammonium Nitrate Fuel Oil.

targeted assassination perpetrated by Al-Shabaab.¹²⁹ These incidents resulted in the death of eight and the abduction of 20 humanitarian workers, which was the highest number of victims from humanitarian organizations recorded in Somalia since 2017 (S/2019/858, para. 136).

Abduction of humanitarian workers

125. Al-Shabaab abducts humanitarian staff to exert its control over outreach programmes and extort money from humanitarian organizations. In 2020, the Panel investigated four kidnappings perpetrated by Al-Shabaab. The abductions occurred in rural areas of Bay, Gedo and Lower Juba regions. Interviews conducted by the Panel with victims of the four incidents revealed similar patterns of behaviour by the group.¹³⁰ In each instance, the abductees were brought before an Al-Shabaab court where they were required to provide personal details and information regarding their organization's activities. Thereafter, Al-Shabaab demanded ransom payments, ranging from \$500 to \$14,000 per person, to secure the individuals' release.¹³¹ Negotiations were usually carried out between Al-Shabaab and representatives of the community of the kidnapped individuals.¹³²

126. An Italian volunteer abducted in Kenya on 20 November 2018 was released by Al-Shabaab on 9 May 2020 (S/2019/858, para. 138). The whereabouts and status of an International Committee of the Red Cross nurse abducted from Mogadishu on 2 May 2018 and of two Cuban doctors abducted near Mandera, Kenya, on 12 April 2019 remain unknown (S/2018/1002, para. 169).

Targeted killing of humanitarian workers

127. Al-Shabaab continues to threaten and directly target humanitarian workers when their community support activities are not acceptable to the group.¹³³ On 23 May 2020, in Dinsor, Bay region, a local women's leader and NGO staff member was killed following a targeted improvised explosive device attack for which Al-Shabaab claimed responsibility.¹³⁴ The victim, who worked closely with the Dinsor district council, 50 per cent of which is constituted by women, had previously received death threats from Al-Shabaab to force her to abandon her advocacy in support of women.

128. On 27 May 2020, seven medical staff from an NGO-supported maternal and child health centre and a local pharmacist were abducted and killed by five armed men in Gololey, Middle Shabelle.¹³⁵ This was the greatest loss of life suffered by an NGO in Somalia since October 2017. The maternal and child health centre suspended all of its activities until August 2020.

129. Sources interviewed by the Panel stated that Al-Shabaab denied its involvement in the incident when contacted by the community elders. According to the interviewees, three of the perpetrators were wearing military-style uniforms and a fourth a plain blue uniform.¹³⁶ The abduction and killings of the humanitarian workers

¹²⁹ See annex 6, which covers attacks targeting local and international non-governmental organizations. Other attacks against United Nations agencies and incidents in which humanitarian staff were accidentally affected are not included.

¹³⁰ The Panel carried out nine interviews with non-governmental organization staff and victims of these incidents and reviewed relevant documentation between April and August 2020.

¹³¹ Ibid.

¹³² Ibid.

¹³³ The Panel recorded targeted killings of humanitarian workers in 2018 and 2019 (S/2019/858, para. 136, and S/2018/1002, para. 168).

¹³⁴ Local security source interviewed by the Panel on 30 May 2020. Interview with a relative of the victim on 23 June 2020. Exchange of emails with a United Nations agency on 3 August 2020.

¹³⁵ Interviews with members of the community in Gololey on 1, 5 and 12 June 2020.

¹³⁶ Telephone interviews with confidential sources in Gololey on 12 June 2020.

occurred the day after an Al-Shabaab improvised explosive device attack against the Somali National Army in the Gololey area on 26 May 2020, which resulted in the deaths of nine Somali National Army soldiers.¹³⁷ The Panel did not find substantial evidence linking the two incidents.

130. In June 2020, the Hirshabelle regional authorities launched an official investigation into the above-mentioned incident and tasked a regional commission with producing a public report within 30 days. On 16 July 2020, the authorities informed the Panel that they had not conclusively identified the perpetrators of the attack.¹³⁸ The authorities stated that one individual, the alleged owner of the vehicle used by the abductors, was arrested by the Somali Police Force and transferred to Mogadishu. At the time of writing, the results of the official investigation had not been made public.

VII. Violations of international humanitarian law involving the targeting of civilians

A. Al-Shabaab

131. Al-Shabaab continues to carry out indiscriminate attacks and deliberately targets civilians, in violation of international humanitarian law.¹³⁹

132. On 28 December 2019, Al-Shabaab carried out its deadliest attack since October 2017, detonating a vehicle-borne improvised explosive device at one of the busiest junctions in Mogadishu, close to a university, killing at least 94 people, many of whom were students, and injuring 147 others (see “Large-scale and complex attacks” in section III above).

133. Al-Shabaab also continues to carry out targeted assassinations of government authorities and public executions of individuals perceived to be close to government authorities. On 29 March 2020, Al-Shabaab assassinated the Governor of Nugal, Abdissalam Hassan Hersi, in a person-borne improvised explosive device attack in Garowe.¹⁴⁰ On 17 May 2020, Al-Shabaab claimed responsibility for the killing of the Governor of Mudug region, Ahmed Muse Nur, in a vehicle-borne improvised explosive device attack in Galkayo.¹⁴¹ There were further attempts by the group using vehicle-borne improvised explosive devices on the lives of the Chief of the Somali Armed Forces in Mogadishu on 13 July and the Minister for Internal Security of the Federal Government of Somalia, Abdi Abdinasir Said Muse, on 18 July 2020.¹⁴²

134. Between January and July 2020, at least 17 men were publicly executed by Al-Shabaab following accusations of the individuals spying for the government and international forces. The Panel received information on one incident on 13 January 2020 in Sablaale, Lower Shabelle, where four men, two of them allegedly Somali

¹³⁷ See Mohamed Olad Hassan, “Killing of seven health workers, shop owner shocks Somalia”, *Voice of America*, 29 May 2020.

¹³⁸ Telephone interview with the Governor of Middle Shabelle on 16 July 2020, on file with the Panel.

¹³⁹ From 5 November 2019 to 4 May 2020, the United Nations Assistance Mission in Somalia recorded 669 civilian casualties in connection with the conflict in Somalia. Al-Shabaab was responsible for 60 per cent of the cases (S/2020/121, para. 49, and S/2020/398, para. 44).

¹⁴⁰ See Al-Jazeera, “Somali governor killed in al-Shabab suicide bomb attack”, 30 March 2020.

¹⁴¹ See Al-Jazeera, “Somalia: Governor killed in suicide bombing claimed by al-Shabab”, 17 May 2020.

¹⁴² Confidential United Nations report, July 2020.

National Army soldiers and two purportedly local administration officials, were sentenced to death by an Al-Shabaab court.¹⁴³

135. The Panel is investigating the use of economic blockades by Al-Shabaab in Bay and Hiran, particularly in the second quarter of 2020. A case study of the economic blockade in Dinsor is provided in annex 7.1.

Forced displacement of populations

136. During the reporting period, Al-Shabaab tried to impose its authority on communities and targeted civilians who resisted its attempts with threats, abductions, killings, destruction of property and confiscation of land, causing displacement of populations. The Panel received reports of movement of populations linked to Al-Shabaab activities from Bay, Lower Shabelle and northern Somalia.¹⁴⁴ For instance, in July 2020, over 60 households in Markad, Sanag region, were forced to abandon their land after Al-Shabaab tried to enforce its authority over the village by occupying madrasas and mosques to establish their courts and to demand that local women marry members of the group. The community resisted these demands and, as a result, Al-Shabaab arrested three village elders on 26 June 2020. In July 2020, the community relocated 90 km away.¹⁴⁵

Recruitment of children

137. Al-Shabaab continued its campaign of forced recruitment and abduction of children in 2020. According to the United Nations country task force on monitoring and reporting on grave violations against children in armed conflict, 535 children were recruited between January and June 2020, some as young as 13 years old. Al-Shabaab was responsible for over 75 per cent of the cases (402). The highest number of incidents verified by the task force was registered in Middle Juba (121), Lower Shabelle (98) and Bay (87).

138. In 2020, the recruitment of children by Al-Shabaab continued on a downward trend from 2019 (1,169 children were recruited in 2019 as compared with 2,300 in 2018).¹⁴⁶ This could be attributable to, among other factors, greater community resistance to Al-Shabaab's recruitment campaigns. For example, the Panel investigated how the Leysan and Banaaney communities in Bay region fought Al-Shabaab or opted for displacement rather than cede to the requests of the group.¹⁴⁷ Similar coping mechanisms had been observed in Galgadug and Mudug by the country task force on monitoring and reporting in 2019.¹⁴⁸

139. From December 2019 to July 2020, the Panel documented a child recruitment campaign by Al-Shabaab in Bay, Bakool and Lower Shabelle. The Panel also received reports indicating that Al-Shabaab was targeting specific communities perceived to be aligned to the Government. The Panel documented the recruitment of 15 children from Awjab, Kurtunwarey district, Lower Shabelle.¹⁴⁹

¹⁴³ Confidential non-governmental organization report, January to July 2020. For instance, on 13 January 2020, Al-Shabaab publicly executed four men, in Sablaale, Lower Shabelle.

¹⁴⁴ Telephone interviews with local communities from Bay, Bakool, Lower Shabelle and Mogadishu between May and August 2020.

¹⁴⁵ Telephone interviews with local authorities in Badhan on 4 August 2020.

¹⁴⁶ Cases verified by the Somalia country task force on monitoring and reporting in 2018, 2019 and from January to June 2020.

¹⁴⁷ Telephone interviews with local sources and representatives of communities of internally displaced persons in the Baidoa area, June and July 2020.

¹⁴⁸ Email correspondence with a United Nations agency, 30 July 2020.

¹⁴⁹ Telephone interviews with the Leysan and Banaaney communities in Bay, Bakool, Lower Shabelle and Mogadishu in June, July and August 2020.

140. Annex 7.2 provides additional information on the Al-Shabaab recruitment campaign in Bay, Bakool and Lower Shabelle.

B. International actors

Civilian aeroplane shot down in Bardale

141. On 4 May 2020, an African Express Airways aeroplane delivering humanitarian supplies to Bay region was shot down in Bardale, killing all six persons on board. The Federal Government of Somalia, Kenya and Ethiopia launched a joint investigation into the incident.¹⁵⁰ At the time of writing, the investigation remained open. The continued closure of the airport and the region's inaccessibility by road owing to insecurity is having an impact on the delivery of humanitarian supplies.¹⁵¹

United States Africa Command air strikes

142. In 2020, the United States Africa Command implemented measures to increase accountability regarding civilian casualties resulting from its air strike operations against Al-Shabaab in Somalia.¹⁵² The Africa Command publicly acknowledged that it had conducted 35 air strikes in 2017, 47 in 2018, 63 in 2019 and 43 from 1 January to 31 July 2020.¹⁵³ A number of allegations of civilian casualties have emerged in connection with these air strikes.

143. In its two quarterly reports, the United States Africa Command acknowledged two civilian deaths and three injured from one air strike on 23 February 2019 in the vicinity of Kunyo Barrow and one civilian death and three injured from an air strike on 2 February 2020 in Jilib.¹⁵⁴ The Africa Command rejected allegations of civilian casualties concerning a further 25 incidents.¹⁵⁵ The Africa Command stated that another 4 incidents remained under investigation. Those incidents include an air strike conducted on 10 March 2020 in proximity to Janale, which the Panel is currently investigating.

C. Sexual and gender-based violence

144. During the reporting period, the Panel noted the continued prevalence of sexual and gender-based violence cases in connection with the conflict in Somalia involving child victims. In its 2019 report the Panel had highlighted this issue, noting the limited capacities of government institutions to record and investigate cases and prosecute perpetrators (S/2019/858, para. 166). From January to June 2020, the country task force on monitoring and reporting verified the cases involving 139 girls as victims of sexual and gender-based violence, as compared with 227 reported victims throughout

¹⁵⁰ See Somalia, Ministry of Transport and Civil Aviation, "Federal Government of Somalia investigates the plane crash in Southwest", press release, 5 May 2020; see also AMISOM press release No. PR/08/2020, 5 May 2020.

¹⁵¹ Telephone interviews and email exchange with humanitarian organizations active in the area in May, June and August 2020.

¹⁵² See Amnesty International, "Zero accountability as civilian deaths mount from US air strikes", 1 April 2020; Human Rights Watch, "Somalia: inadequate US Airstrike investigations", 16 June 2020.

¹⁵³ See United States Africa Command press releases, available at <https://www.africom.mil/media-gallery/press-releases>.

¹⁵⁴ See United States Africa Command, "Initial AFRICOM civilian casualty assessment quarterly report", 27 April 2020.

¹⁵⁵ See United States Africa Command, "U.S. Africa Command Civilian Casualty Assessment Third Quarter Report", 28 July 2020.

2019.¹⁵⁶ The Panel recorded an incident perpetrated by Somali National Army members deployed to Janale during the government military operation to recapture the town in March 2020. On 6 April 2020, two Somali National Army officers stationed at a checkpoint on the outskirts of Janale assaulted and raped one girl and one pregnant woman.¹⁵⁷ The victims were able to identify the perpetrators who were subsequently arrested by local authorities and then transferred to Mogadishu for trial. On 15 April 2020, the Ministry of Defence of the Federal Government of Somalia issued a statement that the Somali National Army Military Court was investigating the incident. At the time of writing, the two perpetrators were awaiting trial.

145. The identification and prosecution of perpetrators of sexual and gender-based violence in Somalia remains challenging. The 6 April 2020 case investigated by the Panel was one of the four instances recorded by the country task force on monitoring and reporting between January and June 2020 in which perpetrators were identified and arrested. Of the 139 incidents of sexual and gender-based violence involving child victims recorded by the task force between January and June 2020, in 107 cases the perpetrator was not identified or apprehended. In April 2020, the Attorney General's Office of the Federal Government of Somalia announced that there had been no convictions for sexual crimes owing to the suspension of court activities as a result of the COVID-19 pandemic.¹⁵⁸ In August 2020, trials for sexual crimes had not yet resumed.

VIII. Natural resources

A. Implementation of the ban on charcoal

146. The Panel has not recorded any major export of charcoal from Somalia since August 2018, when a cargo vessel using falsified documentation transported 190,000 bags (4,750 tons) of charcoal from Kismayo to Khawr al-Zubayr port, Iraq (S/2019/858, para. 169). Effective measures implemented by Member States with charcoal destination markets, improved political messaging by the Federal Government of Somalia and restrictions by the Jubbaland authorities at export points continued to contribute to the suppression of the charcoal trade. The active monitoring of the charcoal trade by international partners, including the Combined Maritime Forces, Operation Atalanta of the European Union Naval Force, the Food and Agriculture Organization of the United Nations (FAO) and UNODC, also serves as a deterrent to the trade.

147. However, stockpiles worth more than \$40 million in wholesale value are export-ready in Lower Juba. While charcoal exports have been temporarily interrupted, the Panel received multiple reports of pressure upon charcoal traders to realize the financial value of existing charcoal stockpiles. The stockpiles represent an immediate risk as a future export would result in a substantial financial inflow to a range of stakeholders in Lower Juba and may have political and security implications, affecting relations between the Federal Government and Jubbaland.

148. The Federal Government of Somalia is drafting a national policy on charcoal that is focused on the ban of charcoal exports, forest conservation and regulation of

¹⁵⁶ Cases include rape, attempted rape, sexual assault, sexual harassment and forced marriage. Incidents of rape and attempted rape account for over 80 per cent of the recorded cases.

¹⁵⁷ Telephone interviews with the adult victim, a relative of the child victim and a local health provider in Marka from 12 to 15 May 2020. A hospital report is on file with the Panel.

¹⁵⁸ See Garowe Online, "UN calls for elimination of sexual violence in Somalia", 20 June 2020.

the domestic charcoal use.¹⁵⁹ A national charcoal policy may provide a framework for the Federal Government to develop data-gathering and analytical capabilities to monitor charcoal production levels and environmental impact and provide an export early-warning mechanism. Consideration may also be given to reducing the risk of existing stockpiles, through political engagement among the Federal Government, Jubbaland and the charcoal business owners.

149. Annex 8 includes an analysis of charcoal production, transport routes and charcoal stockpile imagery.

Production

150. Charcoal destined for export markets is produced primarily by local communities in Badhadhe and Kismayo districts of Lower Juba region.¹⁶⁰ Thereafter, the charcoal is sold to Kismayo-based businesses and transported by road to stockpiles located near the seaports of Buur Gaabo and Kismayo. From 2011 to 2019, charcoal production sites in Somalia gradually shifted from territories in Middle Juba to southern coastal areas near Kismayo and Buur Gaabo in Lower Juba.¹⁶¹ Despite a cessation in exports, large-scale charcoal production continued throughout 2019 as traders replenished stockpiles in preparation for export.¹⁶² In 2020, production continued, albeit at a reduced rate, to supply domestic markets.¹⁶³

Stockpile analysis

151. The volume of charcoal ready for export at the stockpile locations in Kismayo and Buur Gaabo stands between 600,000 and 900,000 bags (15,000 to 22,500 tons).¹⁶⁴ An FAO analysis carried out from August 2019 to August 2020 examined available satellite imagery of the primary charcoal stockpile locations found at Buur Gaabo and Kismayo. The analysis found that the volume of charcoal stockpiles did not significantly change from late 2019, which was corroborated by independent satellite analysis (see annex 8). The satellite analysis was further verified by aerial photographs and associated ground imagery of the stockpiles.

152. In March 2020, business owners in Kismayo stated that charcoal traders were transporting a quantity of charcoal from production sites to a potential new export site in Kudha, Lower Juba. In May 2020, the Panel reviewed aerial images and ground photographs of Kudha that confirmed the presence of approximately 100 bags of charcoal. Charcoal traders would normally require a minimum of 15,000 bags for a financially viable export.

153. On 10 July 2020, the Panel reviewed ground photographs of the charcoal stockpiles located in Buur Gaabo. The images revealed that the charcoal stockpiles were entering a state of disrepair owing to the deterioration of the storage bags and protective coverings (see annex 8). The charcoal would require re-bagging and processing to maintain its financial value prior to export.

¹⁵⁹ According to the draft national charcoal policy, charcoal accounts for 82 per cent of the domestic energy consumption of Somalia.

¹⁶⁰ Charcoal is produced in the villages of Anole, Buur Gaabo, Bushbushle, Dalayad, Kudha, Wadjir and Wayanta.

¹⁶¹ See “Analysis of high-resolution satellite imagery on deforestation levels in Middle and Lower Juba from 2011–2019”, confidential report of the Food and Agriculture Organization of the United Nations, April 2020.

¹⁶² Ibid.

¹⁶³ Telephone interviews with four individuals in Kismayo associated with the trade from 23 to 25 March 2020.

¹⁶⁴ Telephone interview with an industry source in Dubai on 4 March 2020.

Export

154. While there has been no recent evidence of charcoal exports from Somalia, the charcoal trade still offers a strong economic incentive to traders as wholesale prices continue to rise in export destinations.¹⁶⁵ The Panel received accounts of pressure on charcoal traders to recommence the export of charcoal.¹⁶⁶ A major export of charcoal would also likely result in a resumption of charcoal production to replenish the export stockpiles.

Financial aspects

155. At production sites, local communities benefit financially through the sale and transfer of the product to Kismayo-based businesses.¹⁶⁷ The charcoal trade is dominated by the All Star Group, a Somali business based in Kismayo with international linkages (see S/2019/858, annex 4). The All Star Group purchases the charcoal from local producers and stockpiles in preparation for export. Internationally based members of the All Star Group generate falsified documentation and facilitate the shipment of the charcoal to export markets in the Middle East.

156. As charcoal is transported from production sites to export points in Kismayo and Buur Gaabo, it may be subject to checkpoint “taxation” by Al-Shabaab. Al-Shabaab may also benefit through their “taxation” of businesses in Kismayo. However, the group maintains a diversified revenue base and is not financially dependent on the charcoal trade.

157. Jubbaland authorities also derive revenue through the taxation of charcoal exports at the seaports of Buur Gaabo and Kismayo.¹⁶⁸ Although the Jubbaland authorities have curtailed the export of charcoal, financial pressures may lead them to permit future exports.¹⁶⁹

Implementation measures

158. The Somali charcoal trade has been disrupted by the effective measures implemented by Member States with charcoal destination markets, such as the Islamic Republic of Iran and the United Arab Emirates (S/2019/858, para. 182). The Federal Government of Somalia has engaged in international political messaging on the negative environmental aspect of charcoal production, which has also contributed to the decline in trade.

159. The Jubbaland administration continues to block the large-scale export of charcoal from key locations in Kismayo and Buur Gaabo.¹⁷⁰ The monitoring of the charcoal trade by international partners, including the Combined Maritime Forces, the European Union Naval Force, FAO and UNODC, through satellite and naval presence, further deters charcoal traders.

B. Oil and gas sector

160. On 8 February 2020, the petroleum bill of Somalia was signed into law following its approval by the Lower and Upper Houses of Parliament.¹⁷¹ The law defines the

¹⁶⁵ As at June 2020, the wholesale price of charcoal in Dubai was \$80 per bag, compared with \$50 per bag in 2019.

¹⁶⁶ Telephone interview with an industry source in Oman on 20 July 2020.

¹⁶⁷ Telephone interview with a Kismayo-based business on 19 May 2020.

¹⁶⁸ Interviews with Jubbaland administration representatives in Nairobi on 3 April 2020.

¹⁶⁹ Interviews with three representatives of the Jubbaland administration in Nairobi on 4 April 2020.

¹⁷⁰ Telephone interviews with an industry source in Dubai on 27 July 2020.

¹⁷¹ See Reuters, “Somalia president signs new petroleum bill into law”, 8 February 2020.

regulatory framework for Somalia's oil industry and includes a revenue-sharing mechanism between the Federal Government of Somalia and the federal member states. In October 2019, ExxonMobil and Royal Dutch Shell PLC paid \$1.7 million to the Federal Government of Somalia in arrears related to pre-civil war leases of offshore oil blocks.¹⁷²

161. On 30 July 2020, the ministerial cabinet of the Federal Government of Somalia approved the board members of the newly established Somali Petroleum Authority, which represents progress towards development of the sector.¹⁷³

162. Institutional and political challenges remain, however. On 9 February 2020, Puntland rejected the Petroleum Law, citing inconsistencies between the law and the provisional federal constitution.¹⁷⁴ The Somali Petroleum Authority was approved by a ministerial cabinet functioning in an acting capacity following the removal of the Prime Minister by the Federal Parliament on 25 July 2020, and the Somali Petroleum Authority board may be subject to future legal challenges.¹⁷⁵ Furthermore, the capacity of governance institutions within the sector, such as judicial oversight committees and financial mechanisms that operationalize the resource-sharing agreement between the Federal Government of Somalia and the federal member states, requires further strengthening.

163. On 4 August 2020, the Ministry of Petroleum and Mineral Resources of the Federal Government of Somalia officially opened the oil licensing round for seven offshore oil blocks, with bids to be submitted by 12 March 2021.¹⁷⁶ The seven blocks presented for auction do not fall within the disputed maritime area between Kenya and Somalia, which is before the International Court of Justice.

C. Maritime dispute

164. The maritime dispute between Kenya and Somalia concerns an area of over 100,000 km² in the Indian Ocean. The dispute has fuelled tensions between Kenya and Somalia, creating a space for Al-Shabaab to exploit (S/2019/858, para. 106). On 22 May 2020, the International Court of Justice postponed the public hearings in the case until 15 March 2021. The decision to delay the hearings was made following a request by Kenya, which cited concerns owing to the COVID-19 pandemic.¹⁷⁷

IX. Recommendations

A. Sanctions list

165. The Panel recommends that the Committee encourage Member States to help to ensure that the Committee's sanctions list comprehensively reflects the threat posed by Al-Shabaab and the ISIL faction in Somalia, particularly with respect to individuals responsible for finance and propaganda within those groups by:

¹⁷² See Reuters, "Somalia says Shell, Exxon agree to pay \$1.7 million for oil blocks lease", 25 October 2019.

¹⁷³ See Petroleum Economist, "Somalia announces regulator leadership", 2 August 2020.

¹⁷⁴ Caydiid Ali, "Puntland statement on unconstitutional petroleum law signed by the Somali President", Allbanaadir Online, press release, 11 February 2020.

¹⁷⁵ See Al-Jazeera, "Somalia's parliament votes to remove PM Hassan Ali Khaire", 25 July 2020.

¹⁷⁶ See S&P Global, "Somalia establishes oil regulator as bids open for first ever licensing round", 4 August 2020.

¹⁷⁷ International Court of Justice, "*Maritime delimitation in the Indian Ocean (Somalia v. Kenya)*: public hearings postponed until March 2021", press release No. 2020/13, 22 May 2020.

(a) Proposing names for listing utilizing all available listing criteria under the Somalia sanctions regime;

(b) Proposing names of deceased individuals for removal from the sanctions list in a timely manner.

B. Al-Shabaab finance

166. The Panel recommends that the Committee:

(a) Encourage the Federal Government of Somalia to work with Somali reporting financial entities:

(i) To ensure that they identify, assess and take effective action to mitigate their money-laundering and terrorist financing risks;

(ii) To ensure that processes are in place to identify, assess, monitor, manage and mitigate anti-money-laundering and terrorist financing risks;

(iii) To increase reporting to the Central Bank of Somalia and Financial Reporting Centre in line with the Anti-Money-Laundering and Countering the Financing of Terrorism Act of 2016, as well as the mobile money regulations introduced in 2019;

(iv) To enhance know your customer procedures for new and existing customers;

(v) To ensure that the perspectives and operational realities of the reporting financial entities are incorporated into the management of the financial sector, also acknowledging the importance of the services provided in enabling the economic future of Somalia;

(b) Encourage Member States to support recommendation (a) above by enabling an appropriate Federal Government of Somalia-led mechanism and resourcing the process;

(c) Encourage the Federal Government of Somalia to move forward with the issuance of a national identity card as a priority:

(i) To improve access for Somalis to financial services;

(ii) To reinforce know your customer mechanisms;

(iii) To facilitate the implementation of one-person-one-vote elections.

C. Arms embargo

167. The Panel recommends that the Committee:

(a) Encourage the Federal Government of Somalia to lead strategic coordination through regular high-level meetings with international and regional partners and to express its needs regarding the development of the Somali national security forces;

(b) Invite the Federal Government of Somalia to convey its concerns and its needs for clarification with regard to the existing requirements of the periodic report of the Federal Government pursuant to paragraph 35 of resolution [2498 \(2019\)](#), especially those linked to the notifications of destination units of military equipment and to the structure, composition, strength and disposition of its security forces.

D. Improvised explosive device components ban

168. The Panel recommends that the Committee:

(a) Call upon Member States to take appropriate measures with regard to Implementation Assistance Notice No. 3 and annex C to resolution [2498 \(2019\)](#) and to cooperate with the Panel regarding requests pertaining to the delivery of items listed in annex C;

(b) Encourage international and regional partners of the Federal Government of Somalia to implement continued specialist training of Federal Government explosive ordnance disposal teams and to supply appropriate equipment, as well as to coordinate support to reinforce the capacities of the Federal Government in the analysis of explosives.

169. The Panel recommends that the Security Council amend annex C to resolution [2498 \(2019\)](#) in order to include nitroglycerine in its part I, as an item whose delivery to Somalia is subject to a notification to the Committee no more than 15 working days after the sale, supply or transfer has taken place.

E. Violations of international humanitarian law

170. The Panel recommends that the Committee:

(a) Encourage the Federal Government of Somalia to integrate protection of civilians principles and pay specific attention to child rights issues in the framework of the constitutional review process, the review of the Somali transition plan, the assessment of the national defectors programme and the evaluation of the implementation of the national strategy on preventing and countering violent extremism;

(b) Encourage the Federal Government of Somalia to establish a technical working group with the United Nations Assistance Mission in Somalia, the United States Africa Command and AMISOM to gather experience and good practices with regard to the establishment of a national mechanism to monitor and document civilian casualties;

(c) Encourage the Federal Government to continue strengthening investigation and prosecution capacities at the federal and regional levels with respect to sexual and gender-based violence.

171. The Panel recommends that the Security Council:

(a) Call upon the international community to continue to support national efforts for the prevention of child recruitment and for the rehabilitation and reintegration of children formerly associated with armed groups in Somalia;

(b) Call upon the international community to support national efforts towards the development of a protection of civilians strategy for Somalia.

F. Charcoal ban

172. The Panel recommends that the Committee:

(a) Encourage continued monitoring of the charcoal trade by international partners, including the Combined Maritime Forces, Operation Atalanta of the European Union Naval Force and UNODC, which serves as a deterrent to the charcoal trade;

(b) Welcome steps taken by the Federal Government of Somalia and Jubbaland authorities to block the large-scale export of charcoal and encourage further dialogue among the Federal Government, Jubbaland authorities and private entities to reduce the risk of future charcoal exports deriving from the presence of large charcoal stockpiles at export points in Jubbaland;

(c) Encourage FAO to provide the Federal Government of Somalia with data and enhanced analysis on domestic charcoal production dynamics in Somalia to inform the development of the Federal Government national policy on charcoal;

(d) Call upon Member States to continue to implement effective control measures in charcoal destination markets.

173. The Panel recommends that the Security Council:

(a) Welcome measures taken by the Federal Government of Somalia, the Jubbaland authorities and Member States with charcoal destination markets to reduce the export of charcoal from Somalia;

(b) Encourage the further development of the national policy on charcoal of the Federal Government of Somalia, which is aimed at developing the sustainable management of domestic charcoal use and addressing the negative environmental impact of the charcoal trade, which may exacerbate competition and conflict over limited natural resources.

G. General

174. The Panel recommends that the Security Council:

(a) Consider extending the Panel's mandate period to better reflect the multi-year approach required for tasks such as the mapping of Al-Shabaab finance;

(b) Consider changing the reporting requirements of the Panel to better enable it to inform the Committee of timely and strategic issues by:

(i) Replacing the current monthly reports with ad hoc or thematic reporting;

(ii) Moving reporting deadlines for the final report such that final consultations for drafting occur during a time when stakeholder and partner availability is maximized and to allow time to consider the periodic reports of the Federal Government of Somalia;

(c) Consider the establishment of a mechanism for the Somalia sanctions regime with functions similar to those of the focal point mechanism established in resolution [1730 \(2006\)](#) in the context of another sanctions regime, enabling such a focal point mechanism to receive, and transmit to the Committee for its consideration, communications from individuals who have been removed from the sanctions list and individuals claiming to have been subjected to sanctions measures as a result of false or mistaken identification or confusion with individuals included on the list;¹⁷⁸ or, alternatively, to consider extending the functions of the existing focal point mechanism to the Somalia sanctions regime;

(d) Consider the establishment of a mechanism that similarly addresses the situation of individuals claiming to have been subjected to sanction measures while not falling under any of the above-mentioned categories of false or mistaken identification or confusion with individuals included on the sanctions list.

¹⁷⁸ Security Council resolution [2161 \(2014\)](#), para. 63.

Annex 1.1: Mandate and appointment of the Panel of Experts

The mandate of the Panel of Experts on Somalia (“the Panel”) is contained in paragraph 29 of Security Council resolution 2498 (2019). The Panel’s mandate shall include the tasks as set out in paragraph 13 of resolution 2060 (2012) and updated in paragraph 41 of resolution 2093 (2013), paragraph 15 of resolution 2182 (2014), paragraph 23 of resolution 2036 (2012) and paragraph 29 of resolution 2444 (2018) as they relate to Somalia.

In accordance with paragraph 33 of resolution 2498 (2019), the Panel provided the Security Council Committee pursuant to resolution 751 (1992) concerning Somalia with a midterm update on 8 May 2020. The Panel also submitted monthly updates to the Committee throughout its mandate.

Travel was halted by the COVID-19 pandemic in March 2020, severely impacting investigations and resulting in the Panel members being divided in Africa, Asia and Europe. Several countries and entities have also expressed their inability to send timely responses to the Panel’s requests in the light of the pandemic. The inability of team members to be co-located and the absence from Nairobi, an information hub, negatively impacted the team’s work and underlined the imperative to remain regionally based with a joint office.

In addition, General Assembly resolution A/RES/67/254 regarding the 16-day advance booking of tickets, has resulted in a Secretariat policy of requiring a prior notice of 25 calendar days for any Panel travel, with waivers to the rule granted under exceptional circumstances. Due to the unique nature of the Panel’s work within the UN system, which requires significant flexibility in meeting with existing sources as well as identifying new ones, satisfying this travel requirement is often not feasible. This requirement has been increasingly stringently enforced, thereby impacting the ability of the Panel to effectively discharge its mandate.

In the course of their work, members of the Panel travelled to Belgium, Somalia, Turkey, and the United States of America.

The Panel of Experts was formally based in Nairobi and comprised the following experts: Natascha Hryckow (Coordinator), Nazanine Moshiri, up-to April 2020 (expert), Brian O’Sullivan (expert), Irene Raciti (expert) Matthew Rosbottom (expert) and Richard Zobot (expert).

Annex 2: Al-Shabaab Financing

A. Al-Shabaab’s Funding Streams

Checkpoint ‘taxation’

Al-Shabaab employs a predictable system of checkpoint ‘taxation’ across main supply routes in southern and central Somalia. The group applies a standard rate of ‘taxation’ based on the type of transiting vehicle (*gadiid*) and the goods carried. An additional, one-off charge is applied for the registration of a new vehicle (*diwaan galin*). Al-Shabaab provides receipts to all individuals who pass through their checkpoints.

Figure 1: Registration (diwaan galin) receipt for a large truck (\$500), dated 27 July 2019, at Lebikus in Lower Juba.



Figures 2 and 3: Transit (gadiid) receipt (top) and goods/market (badeeco) receipt (bottom) totalling \$180 and \$300 respectively, for the same vehicle transiting from Kismayo to Dhobley, dated 19 March 2020.

MAKTABKA MAALIYADA
WILAAAYADA ISLAAMIGA
EE JUBOOWYINKA

مكتب المال لولاية
جوبا الإسلامية

WARQADDA LASOCODKA DHAQDHAQAAQA GAADIIDKA
NO. 70166

Taariikh: 24.7.2020
Nuuca Gaariga: UD
Qoraal ahaan: 180\$
Magaca Darawalka: [redacted]
Ciwaankiisa: Kismayo
Magaca Milkiilaha: [redacted]
Ciwaankiisa: [redacted]
Ka yimid: Kismayo
Wadada uu marayo: [redacted]
Nuuca Rarka: 180\$

Qofka soo Raray: [redacted]
Buuxa: [redacted]
Saxiixa Lacag Qabtaha: [redacted]
Haaf: [redacted]

MAKTABKA MAALIYADA
WILAAAYADA ISLAAMIGA
EE JUBOOWYINKA

مكتب المال لولاية
جوبا الإسلامية

WARQADDA LA SOCODKA BADEECADA
NO: 14920

Taariikh: 24.7.2020
Magaca Darawalka: [redacted]
Magaca Milkiilaha: [redacted]
Nuuca Gaariga: UD
Qoraal Ahaan: 300\$
Ka Yimid: Kismayo
Nuuca Badeecada: 300\$
Qofka Soo Raray: [redacted]

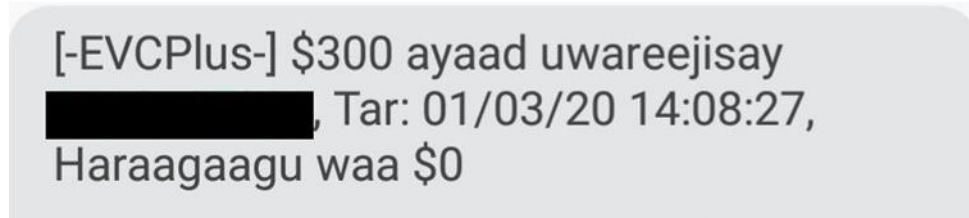
Qofka soo Raray: [redacted]
Buuxa: [redacted]
Saxiixa Lacag Qabtaha: [redacted]
Haaf: [redacted]

Business ‘taxation’ in Kismayo

From 31 March to 4 April 2020, the Panel conducted 15 interviews with business entities in Kismayo to investigate Al-Shabaab extortion practices in the city. Wholesale companies

were required to make a monthly payment of \$600 to Al-Shabaab, while smaller retail outlets paid \$300. Payments were made through electronic mobile money

Figure 4: Electronic mobile money receipt for monthly mobile payments made by a local retail outlet in Kismayo on 1 March 2020.



Mogadishu port ‘taxation’

According to members of Mogadishu’s business community, Al-Shabaab has infiltrated Mogadishu’s port, accessing data held by commercial shipping agents and demanding ‘taxation’ payments from businesses who import goods into Mogadishu seaport. Al-Shabaab has gained access to cargo manifests, detailing the nature, value, and ownership of imported goods.

Figure 4: Redacted banking receipt for port ‘taxation’ made for over \$40,000 deposited into an account with a Somali banking institution.



Mogadishu zakat collection

Zakat (alms collection) is an annual religious obligation to pay a specific percentage of a person’s wealth to the poor. Zakat is usually levied at an annual rate of 2.5 per cent of the net wealth of an individual or business. Al-Shabaab exploits the religious obligation of zakat to further justify their ‘taxation’ of the population.

Figure 5: Redacted banking receipt for zakat 'taxation' payment made to Al-Shabaab for over \$100,000 deposited into a Somali banking institution.

SALAAM SOMALI BANK [REDACTED] SALAAM

CR Cash Deposit Note [REDACTED]

Date : [REDACTED] 2020
A/c No : [REDACTED]
A/c Type : [REDACTED]
Name : [REDACTED]
Amount : [REDACTED]
Currency : [REDACTED]
Deposit By : [REDACTED]

Entered By : [REDACTED]
Cashier Sign _____




Figure 6: Redacted Al-Shabaab receipt for the same zakat 'taxation' made to Al-Shabaab for over \$100,000.

XAFIISKA DIIWAANKA
SAKADA EE WILAAYADA
BANAADIR

مكتب ديوان الزكاة
لولاية بنغازي

P.NO: [REDACTED]

WARQADDA Q.SAKADA CURUUDU TIJAARAH

Tariikh: [REDACTED] 1441

Degmada: *Kaarraan* -

Magaca: [REDACTED]

Shaqada: *Raashin + Bir* Telka: [REDACTED]

Nisaab: [REDACTED] Qoraal Ahaan: [REDACTED]

Q. Wajibay: [REDACTED] Qoraal Ahaan: [REDACTED]
Doolar

Magaca Qabtaha: *Cah dheere* Tell: *72016551*

Saxiixa Qabtaha: *Cah dheere* Saxiixa Laga Qabtaha: [REDACTED]

B. Al-Shabaab's Storage and Onward Transfer of Funds

Analysis of bank accounts

Al-Shabaab utilises formal domestic banking systems to facilitate the storage and onward transfer of their finances. Al-Shabaab runs multiple bank accounts for the storage and transfer of 'taxation' money. The Panel undertook analysis of the two bank accounts associated with Al-Shabaab, examining the types and volumes of transactions detailed below.

Port 'taxation' account

The Panel reviewed financial transactions made through a bank account from mid-February 2020 to the end of June 2020. Deposits were made by businesses and individuals with a presence in Mogadishu, including general trading stores, service industries, and car sales dealerships. A number of Mogadishu shipping and cargo agencies were also recorded to have made payments into the account.

During the four-and-a-half-month period analyzed, a total of \$1,198,933 was deposited into the account in 544 transactions. Cash deposits into the account totaling \$820,171 (68%) made up the majority of the balance, with \$191,416 (16%) deposited through mobile money and \$187,346 (16%) from direct bank transfers. The largest cash deposit paid in was over \$50,000, while over \$45,000 is the largest transferred in by direct bank transfer. Based on this analysis, the group generates over \$3 million annually through this account alone.

By the end of June 2020, most of these funds, approximately \$1 million were transferred in regular tranches of \$50,000 via mobile banking to different bank accounts. Al-Shabaab is understood to operate multiple banking accounts to facilitate 'taxation' payments at Mogadishu port.

Zakat account

The *zakat* account was opened in early May 2020, with records available until mid-July 2020. During this ten-week period, a total of \$1,696,993 was deposited into the account by various individuals and business entities in a total of 331 transactions.¹

Cash deposits into the account totaling \$1,060,521 (63%) make up the majority of the balance. Five cash deposits over \$100,000 were made into the account. One individual paid approximately \$300,000 into the account in one day by sending six tranches of \$50,000 via mobile banking.

By mid-July 2020, the entire \$1.7 million was transferred out of the account. Most of this onward transfer was done in multiple tranches of \$50,000 into other bank accounts via mobile banking. Al-Shabaab is understood to operate multiple banking accounts to facilitate *zakat* payments in Mogadishu and across southern and central Somalia.

¹ 26% of the Somali's have an average monthly income below US\$100.

Mobile money, mobile banking and account to account transfers

Previous reports by the Panel have highlighted Al-Shabaab's usage of mobile money platforms for their financial transactions.² This trend continued in 2020 as Al-Shabaab targeted small business owners and average citizens whose 'taxation' was \$300 or less, in line with mobile money limits. For example, a total of a total of \$74,160 was deposited into the port 'taxation' account through 295 mobile money transactions. Without electronic mobile money these payments would have to be collected in cash then deposited into the account needing significantly more resources and increasing risk of detection.

In 2020, the Panel's investigations found that in addition to mobile money, Al-Shabaab makes use of mobile banking to further exploit the formal financial sector.³ Investigation found that Al-Shabaab primarily uses mobile banking for its onward transfers of 'taxation' collected and collection from businesses and individuals.

C. FGS and international measures to counter Al-Shabaab financing*Somali Financial Reporting Centre (FRC)*

The FRC has been working with other agencies such as the Somali Police Force's Joint Investigation Team (JIT). One case involves a multi-million dollar Ponzi scheme fraud investigation involving the tracing of financial flows within Somalia and international jurisdictions, culminating in the arrest of an individual in Kenya.⁴ Other cases addressed by the FRC involved the investigation of infiltration and terrorist financial flows in Somalia.⁵ The examples highlight the progress and important work the FRC is undertaking. The FRC has significant capacity to increase its caseload.

Since its inception, the FRC has received 18 training courses from international partners, it currently has over 50 staff and capacity building efforts are ongoing.⁶ Member States are providing an on-site trainer/mentor/advisor within the FRC to assist financial investigators and prosecutors within Somalia. UNODC's Anti Money Laundering (AML) analysis software is due for installation within the FRC in 2020, and related training will be provided. Also, a six-week training course for counter-terrorism officers and financial investigators started in March 2020.⁷

² 90% of Somalis own at least one mobile phone, while only around 15% have access to a bank account. See http://www.alticonsulting.com/wp-content/uploads/2017/11/WB-MME_Final-Short-Version_20170608.pdf.

³ Electronic mobile money, known as EVC plus, is an electronic money transfer service operated by Somalia's largest telecommunication company, Hormuud Telecom Inc. It is estimated that over 67% of Somalis use mobile money as their sole mode of payment. The maximum daily limit for transactions is \$300.

⁴ Interview with international security source, Nairobi, February 2020.

⁵ Ibid.

⁶ Report sent to the Panel by the FRC, March 2020.

⁷ Telephone Interview with mentor for Somalia, Nairobi, March 2020. Training on hold due to COVID Pandemic.

Central Bank of Somalia

The World Bank is providing assistance to the Central Bank of Somalia (CBS) in conducting the National Risk Assessment, with a report expected in December 2020, that intends to identify the gaps in the financial sector regulations, accountability, oversight, transparency, and institutional capacity.⁸ This report will inform the FGS on key focus areas ahead of the Middle East and North Africa Financial Action Task Force (MENA/FATF) Mutual Evaluation scheduled for March 2023, which would validate the Somali financial systems adherence to internationally recognized standards. The working relationship between the FRC and the CBS will be the focus of the assessment as it requires a close working relationship between the two institutions to coordinate Anti-Money Laundering/Combating Financing of Terrorism (AML/CFT) responses.⁹

Support to CBS

The Financial Services Volunteer Corps (FSVC) provided training on AML/CFT in February 2020 through the CBS.¹⁰ Two mentors are located within the CBS, to support the CBS, Money Transfer Bureaus (MTB's) and Banks to fulfill compliance regulations in line with the legal and regulatory framework.¹¹

FGS Custom and Taxation Department

The FGS has also initiated reforms of the Customs and Taxation Department within the Ministry of Finance to broaden the Government's tax base and strengthen its financial administration.¹² The redesigning of customs processes at Mogadishu port includes the vetting of customs staff. This measure may protect information related to the import of goods, countering Al-Shabaab's ability to extort businesses (see port taxation above).¹³

D. Challenges to Somalia's Financial Sector

As the financial sector in Somalia continues to transition from a cash economy the private sector must balance a range of competing challenges including violence, extortion and manipulation of systems by Al-Shabaab, the needed expansion of financial services to Somalia citizens and the business imperative of profitability. Al-Shabaab retains an agility and flexibility of action, as it has demonstrated in the security arena, beyond that of government or private industry that must be acknowledged. Coordinated action at the technical and political levels across government and the financial sector supported by the international community is required to degrade Al-Shabaab capacities.

The absence of documentation needed to prove subscribers' identities is a significant barrier to conducting Know Your Customer (KYC) processes for both bank accounts and mobile money registration. Currently Somalia has no national ID or national birth

⁸ Ibid.

⁹ Telephone interview with financial sector mentor, Mogadishu, March 2020.

¹⁰ The *Financial Services Volunteer Corps (FSVC)* is a not-for-profit organization that helps strengthen financial sectors in developing countries. See www.fsvc.org.

¹¹ Email from FSVC mentor based at CBS, 15 March 2020.

¹² Project report reviewed by the Panel, January 2020, Nairobi.

¹³ Ibid.

registration. A very small proportion of the population has a national passport. Somalis without formal identification documents risk being both digitally and financially excluded. The lack of a national identity also creates challenges in verifying customer identities and thus the beneficial owner of accounts.

In addition, establishing clients' stated source of wealth and source of funds continues to pose difficulties. It is noted that portions of the Somali population have assets that they have accumulated for a long period of time. However, the absence of government institutions for the better part of 35 years resulted in limited or no documentation to prove the origins of their funds. A historic cash-based economy can result in some initially larger and less identified transactions as people without bank accounts transition to the formal financial sector.

The fear of terrorism attacks continues to have considerable bearing on the private financial sectors regulatory compliance. In addition to threats from terrorism, any gaps in information control expose the financial sector to similar threats from the criminal world and to legal liabilities for any resulting damages to their client base.

Mobile money is the preferred method of payment for Somalis. 90% of the population own at least one mobile phone, with 73% of those 16 and older (83% in urban areas) using mobile money on their device.¹⁴ Mobile money largely dominates domestic transfers, with 69% of those sending or receiving money domestically using the method, compared to 28% for hawalas and only 9% for cash.¹⁵

The Somali financial sector remains underdeveloped, currently there are eight reporting banks operating in Somalia, 12 money transfer businesses also operate within Somalia.¹⁶ As a result, all operators can expect to come under attack from Al-Shabaab, which has consistently operated a flexible business model and is likely institution agnostic.

¹⁴ Available at Mobile Money Ecosystem in Somalia see: http://www.alticonsulting.com/wp-content/uploads/2017/11/WB-MME_Final-Short-Version_20170608.pdf.

¹⁵ Ibid.

¹⁶ Information taken from FRC website, which is available at: <https://frc.gov.so/mbts-hawalas/>.

E. Military operations targeting Al-Shabaab ‘taxation’ officers

On 21 May 2020, an Al-Shabaab tax collector, Cabbas Cali Nuur Kulan, was killed in Leego town in a targeted operation by SNA forces. Kulan was operating as head of taxation for Walan Weyn district, Lower Shabelle, and previously served in Galkayo, Mudug region.

Banking deposit slips retrieved from the scene indicate that Kulan held a bank account and made regular deposits and payments through the mobile money system. The last deposit, transacted on 13 May 2020, was valued at \$1000. Kulan’s ledgers retrieved from the scene detailed numerous names, numbers and payments, including the purchase of weapons, ammunition and flight tickets, which are presented below (figures 7 to 10). Also found in his possession was a letter indicating he was acting as a retailer for a humanitarian agency. An analysis of Kulan’s phones and associated sim cards showed contacts with nineteen countries worldwide.

Figure 7: Kulan's documents show detailed figures and calculations for arms and ammunition, including AK-Pattern rifles, PKM, and DShK weapons.

Silva Dobase 20 19
500 x 1.3 6500

7/12/19 S A I T A N H J 2019

akbe	6750	8100
beetboom	4800	5760
dhoshuise	6295	6426
dhoshuise	1700	4000
akbe	2250	2700
akbe	2800	3640
akbe	2100	2520
b/d: Codalora 1550		
Solvo	1550	40076
decoor:	450	= 19000
i. d. ar	400	
	200	24076
5150		3000
		= 18076
		10000
		8076

141 101 m.me/hormuud
info@hormuud.com www.hormuud.com

Figure 8: A cash deposit slip for \$1000 paid to Cabaas Cali Nur Kulan.

**SALAAM SOMALI BANK -
GALKACYO BRANCH**

CR Cash Deposit Note -No [REDACTED]

Date : [REDACTED] /2020
A/c No : [REDACTED]
A/c Type : [REDACTED]
Name : CABAAS CALI [REDACTED]
Amount : #1,00 [REDACTED]
Currency : Dollars
Deposit By : CABAAS CALI [REDACTED]

Entered By : [REDACTED]
Cashier Sign: [Signature]




Figure 9: Al-Shabaab receipt books in Kulan's possession.



Figure 10: Photo of deceased and notebooks, AK-Pattern rifles, and other belongings from the scene.



Annex 3.1: Al-Shabaab attacks within Somalia

IED incidents within Somalia

IED attacks spiked from April to June 2020 representing the third highest number of IED incidents recorded in a single quarter (149 incidents), only surpassed by January to March 2019 (172 incidents) and October to December 2018 (153 incidents). While incident numbers have increased, casualty rates have not risen at the same rate, showing a drop in the impact of devices from a casualty standpoint.¹ The relatively low level in casualty numbers from April to June 2020 is due to 48% of IEDs having been found and defused (71 of the 149 incidents).

The significant increase in incidents noted can be attributed to targeting of Ethiopian National Defence Forces (ENDF), both non-AMISOM and AMISOM, moving military convoys between Luq in Gedo region and Berdale and Baidoa in Bay region during this period. Fifty-two of the total 149 incidents between April and June 2020 (34%) targeted two separate convoys, one convoy in April 2020, and a second convoy in June 2020.² Of these 52 incidents only 11 were successful strikes against the convoys resulting in 7 injuries and 4 fatalities. Forty-one of the IEDs were found and cleared by security forces prior to initiation.

A continued high casualty rate against the Somali National Army (SNA) was recorded at a disproportionate rate when compared to AMISOM. AMISOM has been the assessed target in 32% of IED incidents from April to June 2020, resulting in reported four fatalities and six injuries. This contrasts with the SNA being targeted in 29% of IED incidents during the same period, resulting in 59 fatalities and 66 injuries, with a majority of these casualties being the result of incidents occurring mainly in Lower and Middle Shabelle.

¹ Reports from UNMAS-Somalia.

² Interview with UN staff members at Baidoa UN Office in May 2020 and email from UNMAS-Somalia on 17 August 2020.

Vehicle-borne improvised explosive device (VBIED) attacks within Somalia

Figure 1: Illustration of the yearly downward trend in the number of VBIED incidents within Somalia from 2016 to June 2020 (Only January to June for 2020). Source: UNMAS Somalia.

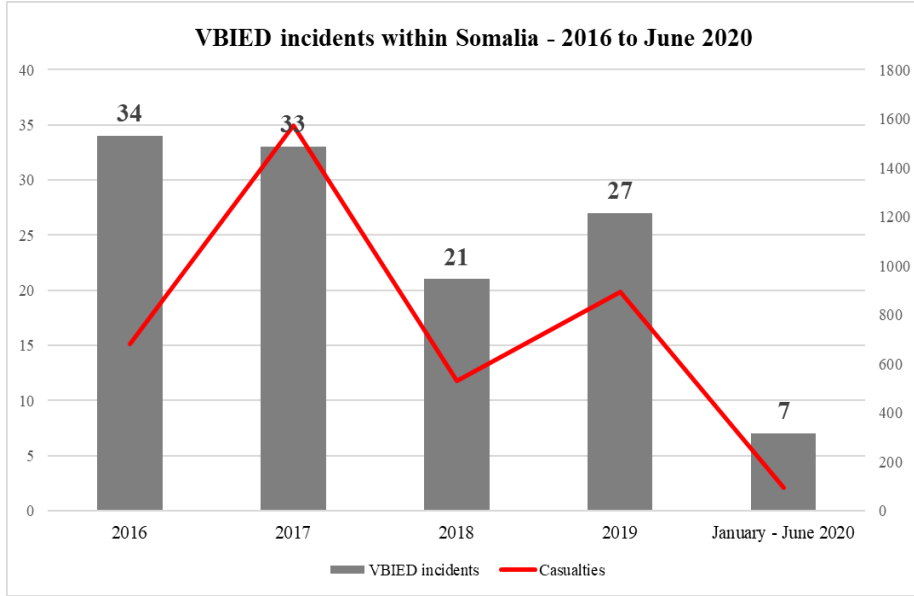
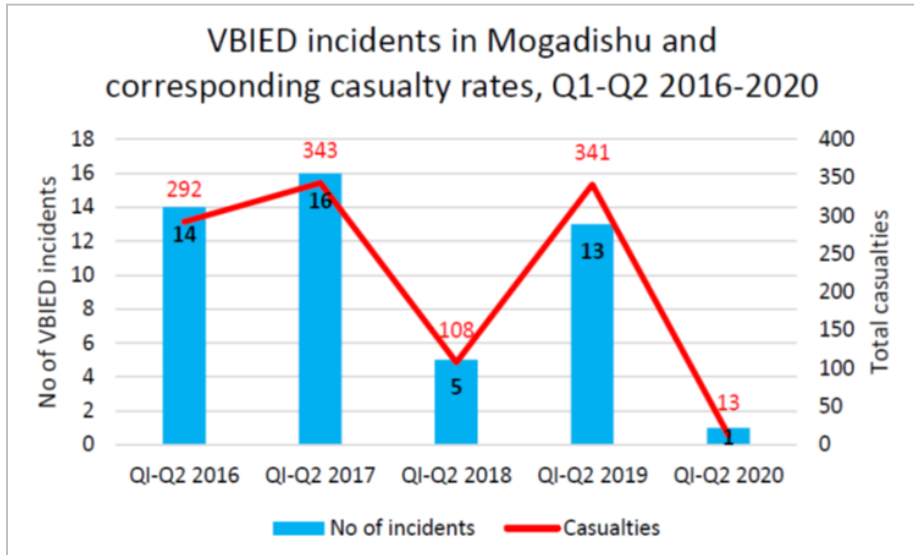


Figure 2: VBIED incidents reported in Mogadishu in the first two quarters in 2020 (January to June) compared with the previous five years for the same period. Source: UNMAS Somalia.



Significant person-borne IED (PBIED) attacks in Somalia during the Panel's current mandate

Seizure of a suicide vest in Baidoa

On 2 March 2020, in Baidoa, South-West State, South West Police (SWP) recovered a suicide vest during an operation where three Al-Shabaab members reportedly tried to smuggle the suicide vest into Baidoa town. One of the militants was arrested while the others managed to escape. The vest was then handed over to AMISOM (see analysis of IED components in annex 5.1 and 5.2).

Attacks against TURKSOM camp

On 23 June 2020, a PBIED explosion occurred close to the entrance gate of the Turkey-Somalia Military training compound (TURKSOM) in Wadajir district, Mogadishu. The perpetrator's vest exploded shortly after a security guard tried to prevent the perpetrator from forcing himself into the compound. This attack killed the perpetrator, the security guard and two other people, also injuring three others.

Indirect Fire (IDF) mortar attacks against Aden Adde International Airport (AAIA)

Between February and May 2020, Al-Shabaab carried out six separate mortar attacks on the AAIA complex in Mogadishu, which represents the highest attack intensity recorded within the last six years.³ The launching area for most of these attacks are assessed to be the Wadajir district of Mogadishu. Wadajir was also the site of origin for four previous IDF attacks against AAIA in the final quarter of 2019.

In 2020, Al-Shabaab carried out six separate mortar attacks on the AAIA complex in Mogadishu.⁴

- On 17 February 2020 at 14:06, four 60 mm mortar rounds were fired in the direction of the UN compound within AAIA.
- On 1 March 2020 at 14:27, at least five 60 mm mortar rounds were fired at the complex.
- On 18 March 2020 at 19:12, three to four 60 mm mortar rounds landed in the UN compound.
- On 19 April 2020 at 19:05, seven 60mm mortar rounds were reportedly fired in the direction of AAIA, three of them impacted within the AAIA perimeter.
- On 26 April 2020 at 07:21, six mortars were reportedly fired in the direction of AAIA. Three of them impacted within AAIA, including one within the UN compound.

³ Statistics from UNMAS-Somalia.

⁴ In 2019, the Panel documented 81-mm mortar rounds used by Al-Shabaab during three attacks against the AAIA complex. See S/2019/858, annex 2.6.

- On 9 May 2020 at 18:24, five 60mm mortars were fired in the direction of AAIA, with four impacting within the UN compound and one inside of the AMISOM vehicle yard.

Annex 4.1 displays pictures of some mortar rounds used during these attacks.

Annex 3.2: Manda Bay attack -Military equipment destroyed by Al-Shabaab

Two aircraft and a number of vehicles were destroyed in the attack on the base.¹

Figure 1: Image from Site Intelligence, 5 January 2020, showing a C-146A (military DHC-8) on fire.²



¹ AFRICOM press release on 23 January 2020, confirms destruction of one aircraft. After reviewing images released by Al-Shabaab, the Panel identified one C-146A (military version of the Dornier 328) allegedly destroyed in the attack, as well as the wreckage of a Beechcraft B300C King Air.

² Available at: <https://ent.siteintelgroup.com/Statements/shabaab-claims-raid-on-u-s-naval-base-in-kenya-provides-photo-documentation.html> (accessed on 23 January 2020).

Figure 2: Image allegedly taken in the aftermath of the attack showing the wreckage of a Beechcraft B300C King Air, 5 January 2020.³



³ Available at: <https://theaviationist.com/2020/01/05/somali-terrorist-group-attacks-manda-bay-airfield-kenya-destroying-u-s-shadowy-surveillance-aircraft/> (Accessed on 20 January 2020).

Annex 3.3: Lower Shabelle operations

Figure 1 displays the advance of SNA/AMISOM troops in Sabiid, Barire and Awdheegle in August 2019, and Janaale on 17 March 2020.

The settlements that have been liberated are Sabiid Anole (April 2019), Barire (May 2019), Ceel Saliini (June 2019), Awdheegle (August 2019) and Janaale (March 2020).

Figure 1: Progression of the SNA/AMISOM troops in Lower Shabelle. Source: Map produced by the Panel.



Annex 4.1 Military equipment in the possession of Al-Shabaab

The Panel has documented several instances of the capture and use of arms, ammunition, and military equipment by Al-Shabaab during its current mandate.

Weapons and ammunition captured from Al-Shabaab

Manda bay attack

According to the documentation provided by a Member State, some of the weapons and ammunition retrieved in the aftermath of Manda Bay attack on 5 January 2020 have characteristics consistent with equipment previously owned by the FGS and AMISOM.

The Panel has traced one type 56-2 rifle to a consignment delivered to the FGS on 22 July 2017.¹ The weapon, which bears apparent FGS markings, was subsequently distributed to the SNA in Sector 60, in Baidoa, South-West State, between November and December 2017.²

Figure 1: Type 56-2 rifle recovered from the Manda Bay attack, 5 January 2020, bearing serial number 4066361 and marking SO XDS-2017.



One of the RPG-7Vs used by Al-Shabaab in the attack has characteristics consistent with a number of RPG-7Vs documented by the Panel at the Halane Central Armoury in Mogadishu on 26 April 2017.³

¹ Shipment from the People's Republic of China.

² Documentation on distribution of weapons in Sector 60, reviewed by the Panel on 14 March 2018, indicating the names and fingerprints of soldiers as well as serial numbers of weapons.

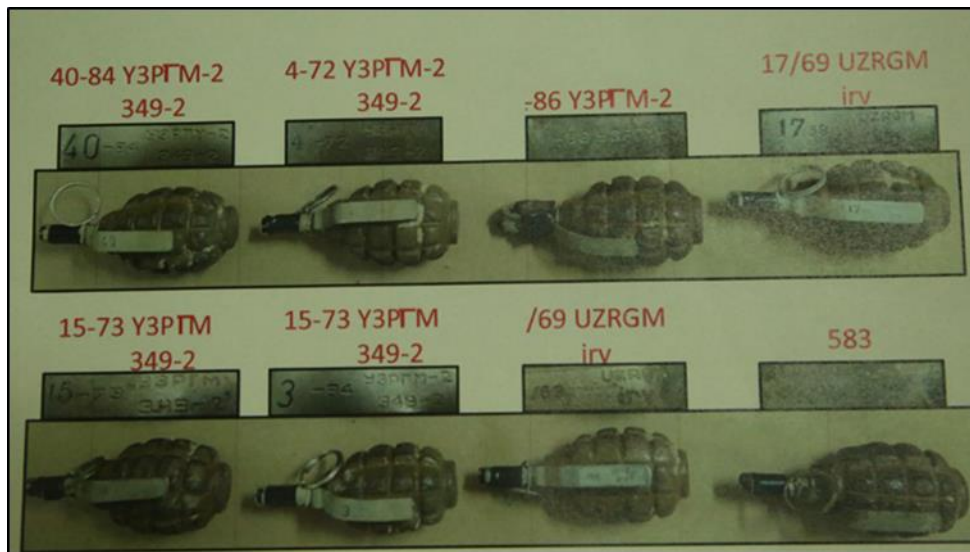
³ The military equipment documented by the Panel was among a consignment AMISOM provided to the Transitional Federal Government (TFG). The RPG-7Vs hold the same factory number (10), which corresponds to the company JSCo in Bulgaria.

Figure 2: RPG-7V captured during the Manda Bay Attack, 5 January 2020.



At least eight of the hand grenades recovered from the scene of the Manda Bay attack are consistent with those used by Al-Shabaab in an attack in Mogadishu in November 2018.⁴ They also bear similarities with those captured from Al-Shabaab by the Uganda People's Defence Forces in Lower Shabelle in March 2018.⁵

Figure 3: Hand grenades recovered at Manda Bay, 5 January 2020.



⁴ See S/2019/858, annex 2.6.

⁵ See S/2018/1002 paras 47-49 and S/2019/858, annex 1.3.

Figures 4 and 5: Unexploded hand grenades captured from Al-Shabaab in Mogadishu in November 2018 (image on the left). Hand grenade pin seized from Al-Shabaab in Bulo Mareer by the Uganda People’s Defence Forces in March 2018 (image on the right).



One of the PG-7 rounds retrieved from the scene of the Manda Bay attack has characteristics consistent with the 27,000 rounds of PG-7s delivered to the FGS in January 2018.⁶

Figure 6: PG-7 round captured during Manda Bay Attack, 5 January 2020.

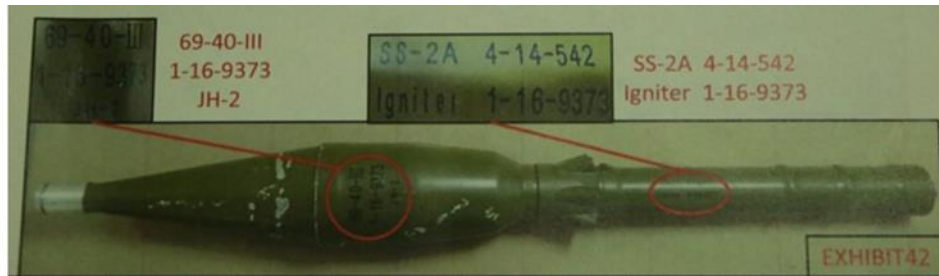


Another of the PG-7 rounds found at the Manda Bay scene, has similar characteristics to PG-7 rounds documented by the Panel at Halane Central Armoury in Mogadishu on 11 June 2018.⁷

⁶ Shipment from the Kingdom of Saudi Arabia.

⁷ The Panel documented the markings “69-4-III/1-16-9373” at the Halane Armoury in Mogadishu, on 11 June 2018.

Figure 7: PG-7 round captured during Manda Bay attack, 5 January 2020.



On 27 April 2020, the Panel provided the Office of the National Security Advisor (ONSA) with all information regarding its investigation into weapons used by Al-Shabaab in the Manda Bay attack. The Panel thus continues to investigate, with the cooperation of the ONSA, at which point FGS-owned weapons entered the illicit sphere.

Weapons captured from Al-Shabaab by AMISOM

On 28 February 2020, AMISOM handed over a cache of weapons captured from Al-Shabaab to the FGS.⁸ Both the FGS and AMISOM shared with the Panel the handover certificate which included the registration of 33 weapons.⁹

Figure 8: Picture contained in AMISOM statement dated 28 February 2020 showing handover of weapons to the FGS.¹⁰

⁸ Interview with the National WAM Focal Point on 19 April 2020. See also AMISOM press statement available at: <https://amisom-au.org/2020/02/amisom-hands-over-captured-weapons-to-government-of-somalia/>.

⁹ This certificate was signed by the National Security Adviser for the FGS and the Special Representatives of the Chairperson of the AU Commission for AMISOM.

¹⁰ Source: AMISOM press statement available at: <https://amisom-au.org/2020/02/amisom-hands-over-captured-weapons-to-government-of-somalia/>.



The Office of the National Security Adviser (ONSA) has also provided the Panel with pictures of some of these weapons. Among the weapons, the Panel found three assault rifles that have characteristics consistent with weapons previously delivered to the FGS.

One type VZ.58 (AK-pattern assault rifle) found among the 33 weapons bears the SNA marking “SO XDS 2015” and serial number 18110. The Panel has documented this rifle as having been delivered to the FGS on 13 September 2014.¹¹

Figure 9: AK-pattern rifle bearing serial number 18110.



¹¹ Shipment from the United Arab Emirates.

One AK-pattern rifle, serial “UE 6778” was identified as having been delivered to the FGS in 2013 by Uganda.

Figure 10: AK-pattern rifle bearing serial number UE 6788.



Among the 33 weapons documented in the certificate, the Panel identified an assault rifle (called “submachine gun” in the certificate) for which the serial number 167553 could correspond to an AK-pattern rifle delivered to the FGS in the same shipment as the one reported above on 13 September 2014 (serial number: 67553). It is the practice of the Somali security forces to record only the final five digits of a weapon’s serial number in the notifications or in the logbooks. No picture of this weapon is available.

The Panel is examining other possible matches between weapons documented in the certificate and available pictures of weapons delivered to the FGS in the past. This certificate, which represents a first step for weapons tracing, is expected to be further enhanced by AMISOM to include date and location of the seizures, exact type of weapons and pictures.

Al-Shabaab mortar attacks on Aden Adde International Airport (AAIA)

In 2020, Al-Shabaab carried out six separate mortar attacks on the AAIA complex in Mogadishu. On 17 February 2020, four 60-mm mortar rounds were fired in the direction of the UN compound within AAIA. According to an analysis of the tail fins, the mortars were produced by multiple manufacturers.

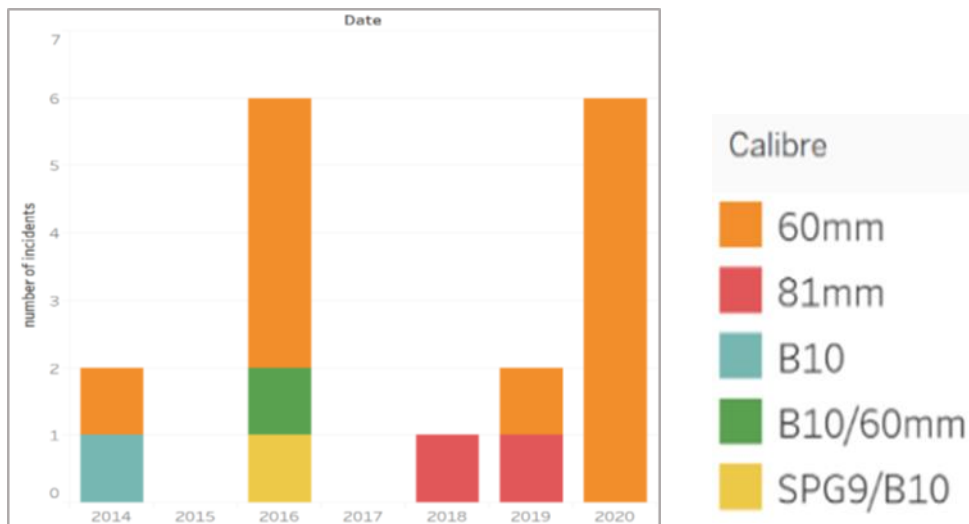
Figures 11 and 12: Two unexploded 60-mm mortar rounds found in the aftermath of the attack on 17 February 2020. One has characteristics consistent with a 60-mm HE type 63 mortar round, manufactured in the Democratic People’s Republic of Korea (picture on the left). The other has characteristics consistent with 60-mm HE M73 mortar round manufactured in the former Yugoslavia (picture on the right).



In 2019, the Panel documented 81-mm mortar rounds used by Al-Shabaab during three attacks against the AAIA complex.¹²

A report provided to the Panel by the United Nations Mine Action Service (UNMAS)-Somalia also reveals that Al-Shabaab has already used a SPG-9 (73-mm tripod-mounted recoilless gun) and a B10 (81-mm recoilless gun) to target AAIA in 2016.

Figure 13: Charts from a UNMAS-Somalia document showing the indirect fire (IDF) incidents per year targeting AAIA.



FGS Military equipment captured by Al-Shabaab

¹² See S/2019/858, annex 2.6.

El Salini attack on 19 February 2020

On 19 February 2020, Al-Shabaab attacked the Somali National Army (SNA) bases of El Salini and Qoryooley, in Lower Shabelle. At least twelve SNA soldiers were killed during the attack. Al-Shabaab captured weapons, anti-aircraft guns and ammunition from the bases. Photographs subsequently released by Al-Shabaab-affiliated media outlets reportedly depict the military equipment seized by the group, including vehicles mounted with type 85 anti-aircraft, 12.7-mm heavy machine guns, as well as AK-patterned assault rifles, ammunition and military uniforms.¹³ This is the second major attack on El Salini base in the last year. On 22 September 2019, Al-Shabaab also captured vehicles, anti-aircraft guns and large quantities of ammunition from the base.¹⁴

Figure 14: Military equipment reportedly seized by Al-Shabaab showing vehicles mounted with type 85 anti-aircraft, 12.7 mm heavy machine guns, RPG-7 launchers, AK-pattern assault rifles, ammunition and military uniforms.



¹³ Available at: <https://somalimemo.net/articles/12462/Al-Shabaab-Oo-Soo-Bandhigay-Gaadiid-iyo-Hub-ay-Ku-Qabsatay-Dagaalkii-Deegaanka-Ceelsaliini-Sawirro> dated 22 February 2020 (accessed on 21 April 2020).

¹⁴ See S/2019/858, para. 119.

Figures 15 and 16: Toyota pick-up trucks mounted with type 85 anti-aircraft, 12.7-mm heavy machine guns.



Annex 4.7: Supplying of military equipment to the Puntland Maritime Police Force Base

In the course of March 2020, the Panel has received reports of a delivery of military equipment to the Puntland Maritime Police Force (PMPF) based in Bosaso.

The Panel has interviewed three independent sources in Puntland with direct knowledge of the consignment who asserted that the shipment included military equipment.

The Panel obtained the flight plan (see figure 1), confirming the presence, on 5 March 2020, of a military transport aircraft operated by the United Arab Emirates (UAE) air force identified as UAF 1225 (see figure 2).

Figure 1: Extract of the flight plan, dated 5 March 2020, displaying the C-17 identification and its route from Bosaso Airport (code IACO: HCMF) to Abu Dhabi International airport (OMAA).

Department of Transportation
Civil Aviation Administration

International Flight Plan

PRIORITY: FF

ADDRESSEE(S): HCMFZPZX OYSCZQZX OMAAZZX OMAGZRX

FILING TIME: 05 MAR 20

ORIGINATOR: []

SPECIFIC IDENTIFICATION OF ADDRESSEE(S) AND/OR ORIGINATOR: []

3 MESSAGE TYPE: (FPL) 7 AIRCRAFT IDENTIFICATION: UAF 1225 8 FLIGHT RULES: 1 TYPE OF FLIGHT: M

9 NUMBER: [] TYPE OF AIRCRAFT: C17 WAKE TURBULENCE CAT.: 1/H 10 EQUIPMENT: SDEIFGHIJ56MIRTUWXY/HDJ

13 DEPARTURE AERODROME: HCMF TIME: 14:30

15 CRUISING SPEED: N0473 LEVEL: F330 ROUTE: DCT AXIKU UB 4036 BOMIX UB 403 RIGAM
B400 IMKAD/N0473 F330 B 400 DAXAM P310 DED 50 R401 HAI/N0476 F320
R401 DOLFI 2855 SODEX N563 N0B10 DCT

16 DESTINATION: OMAA TOTAL EST HR MIN: 02 14 ALTN AERODROME: [] 2ND ALTN AERODROME: []

Figure 2: Picture taken at Bosaso Airport, on 5 March 2020, showing the C-17.



The Panel sent correspondence dated 8 April 2020 to the UAE requesting information on this delivery. The response is still pending. Paragraph 15 of resolution 2498 (2019) stipulates that a State or international, regional or subregional organisation delivering any weapon and military equipment, technical advice, financial and other assistance, and training related to military activities to Somali security sector institutions other than those of the FGS, pursuant to paragraph 10 or 12 of the same resolution, has responsibility for seeking approval from or notifying the Committee, as applicable, for any deliveries of those items, advice, assistance or training .

The Panel has also engaged with the Puntland authorities requesting the cargo manifest of this shipment, without any response at the time of writing.

Annex 5.3: Supplying of IED components to Somalia

The Panel is investigating, with the support of the United Nations Office on Drugs and Crime (UNODC), the prevalence and origins of items listed in Annex C of resolution 2498 (2019) that have been exported to Somalia.

The Global Maritime Crime Programme (GMCP) of UNODC, is currently conducting a comprehensive review of trade data since 2017. Further work is being carried out to seek details of maritime routes, flag vessels and ports of unloading, with an aim to provide understanding of major maritime routes for explosive materials, precursors and components that can be used in the construction of IEDs.

During its current mandate, the Panel has worked in close cooperation with the GMCP in order to understand the exportation to Somalia of items listed in Annex C of resolution 2498 (2019). The results displayed below are based on information collected from the United Nations International Trade Statistics Database (Comtrade) as of 17 August 2020.

Comtrade is an international Trade Statistics Database, listing exportation and importation of goods all over the world. Comtrade data is based on reports from supplying and receiving Member States. Insofar as Somalia has not reported to Comtrade since 1982, information provided below are based on reported exportations from Member States to Somalia (partner code: 706).

UN Comtrade is using the Standard International Trade Classification (SITC), classification of goods used to classify the exports and imports of a country to enable comparing different countries and years. The classification system is maintained by the United Nations. The Harmonized System (HS) - six-digit code system administrated by the World Customs Organization (WCO) for import and export classification systems – is also used in this database.

Codes used by Comtrade for categories of goods do however not align, in some areas, with the specific items listed in Annex C of resolution 2498 (2019). There is also no specific requirement to report the details (at four and six-digit level) for all the commodities.¹⁵ This creates a challenge when analysing exports under categories such as 36, which covers “Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations”. Category 36 ranges from items listed in Part 1 of Annex C of resolution 2498 (2019) (for example, ‘detonating caps’ are referred to as HS: 3603005000 and propellant powders used in the construction of vehicle air bags as HS: 3601000010).¹⁶

Notwithstanding these reservations, the Panel has been able to collect information related to the explosive precursors listed in Annex C and to explosives. This represents the first phase of its ongoing research.

AMMONIUM NITRATE FERTILISER

Year	Exporting MS	Substance (code)	Quantity – net weight equivalent in kg
2019	India	310230	110,000
2018			Nil
2017	Oman	310280	22 044

¹⁵ Exchange of emails with Comtrade on 20 August 2020.

¹⁶ <https://www.trade-tariff.service.gov.uk/chapters/36?currency=EUR&day=18&month=8&year=2020>.

	UAE	310280	88,700
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Comtrade codes searched under the category “Fertilizers, mineral or chemical”:

- HS 310230: Ammonium nitrate, whether in aqueous solution.
- HS 310240: Ammonium nitrate with calcium carbonate or other inorganic non-fertilizing substances.
- HS 310260: Nitrogenous double salts and mixtures of calcium nitrate and ammonium nitrate.
- HS 310280: Mixtures of urea and ammonium nitrate in aqueous or ammoniacal solution.

POTASSIUM NITRATE:

The last significant exportation of potassium nitrate to Somalia recorded by Comtrade was by Kenya in 2017. No exports were reported in 2018. While in 2019, according to data available in Comtrade, India exported 1kg of potassium nitrate to Somalia.

Year	Exporting MS	Substance (code)	Quantity – net weight equivalent in kg
2019	India	283421	1
2018			Nil
2017	Kenya	283421	39,950

Codes searched under this category:

- HS 283421 nitrates; of potassium.
- SITC 52352 (potassium nitrate).

SODIUM CHLORATE

According to Comtrade data, sodium chlorate (code: 282911 Chlorates; of sodium) is a substance for which no shipments have been reported to Somalia from 2017 to 2019.

NITRIC ACID

In 2019 more than 127 tons of nitric/sulphonitric acid were exported to Somalia, following significant increases between 2017 and 2018.

Year	Exporting MS	Substance (code)	Quantity – net weight equivalent in kg
2019	India	2808	127,600
2018	Kenya	2808	11,320
	UAE	2808	21,000
2017	Kenya	2808	12,180

Codes searched under this category:

- HS 2808: Nitric Acid, sulphonitric acids.
- HS 280800: Nitric Acid, sulphonitric acids.

SULPHURIC ACID

In 2019 more than 334 tons of sulphuric acid were exported to Somalia, with a surge between 2017 and 2018.¹⁷

¹⁷ Quantities listed for 2019 may increase, as at the time of writing, not all reports were available for data pertaining to year 2019.

The Panel sent, in August 2019, a letter to each of the exporting Member States listed in this table to request more information on the consignees of sulphuric acid in Somalia.¹⁸

Year	Exporting MS	Substance (code)	Quantity – net weight equivalent in kg
2019	India	2807	33,4602
2018	China	2807	25,600
	Ethiopia	2807	10,028
	Greece	2807	4,800
	Jordan	2807	24,975
	Kenya	2807	27,025
	Oman	2807	114,900
	Saudi Arabia	2807	165,760
	India	2807	383,710
	UAE	2807	33,5132
2017	Kenya	2807	1,560
	Netherlands	2807	685
	UAE	2807	87,765

Codes searched under this category:

- HS 2807: Sulphuric acid, oleum (Inorganic chemical elements)
- HS 280700: Sulphuric acid, oleum
- SITC 51334: Inorganic chemical elements

EXPLOSIVE AND COMBUSTIBLE ITEMS

Research of exports under the general category 36 (Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations) is made difficult by the fact that for some goods, there is no corresponding entry or amount in the four and six-digit categories.

Year	Exporting MS	Substance (code)	Quantity – value in USD
2019	France	36	\$492
	Pakistan	36	\$3,0648
	Turkey	36	\$135,328
	UK	36	\$9,329
2018	Oman	36	\$8,481
	Pakistan	36	\$46,121
	Ukraine	36	\$16,280
	UAE	36	\$21,668
	UK	36	\$16,720
2017	Egypt	36	\$30,123
	Netherlands	36	\$37,016
	Pakistan	36	\$40,867
	UAE	36	\$15,156
	UK	36	\$20,939

Codes searched under this category:

- 3601: Explosives, propellant powders.
- 2602: Explosives other than propellant powders.

¹⁸ Responses are still pending.

- 3603/360300: Safety fuses; detonating fuses; percussion or detonating caps; igniters; electric detonators.
- 3604/360490: Fireworks, signaling flares, rain rockets, fog signals and other pyrotechnic articles.
- 3605: Other than pyrotechnic articles of 3604.

Seizure of illicit shipment by the HMAS Ballarat

A seizure of an illicit shipment of 697 bags of chemical fertilizer has been carried out by the Australian frigate HMAS Ballarat on 28 June 2019 in the Arabian sea.¹⁹ According to the report conveyed by the HMAS Ballarat boarding team, the dhow departed from Bandar Abbas (Islamic Republic of Iran) on 19 June 2019 and its intended destination was Somalia and Yemen.²⁰ This report suggested that the composition of the chemical fertilizer was ammonium nitrate.²¹

¹⁹ See S/2019/858, para. 27

²⁰ Letter from the Australian Government dated 16 December 2019.

²¹ Ibid. Further analysis of the fertilizer is impossible as no samples were taken prior to the disposal of the items seized.

Annex 6. Attacks against humanitarian NGOs in Somalia

Table 1: Critical incidents targeting humanitarian NGOs, January to July 2020.

Date of event	Type of event	Perpetrator	Region	No. of NGO staff affected	Outcome of the event	Date
2 February 2020	Abduction	Al-Shabaab	Gedo	5	Liberated with ransom	18 February 2020
10 April 2020	Abduction	Al-Shabaab	Bay	2	Liberated with ransom	13 May 2020
8 May 2020	Abduction	Al-Shabaab	Lower Juba	3	Liberated with ransom	5 July 2020
18 May 2020	Abduction	Al-Shabaab	Gedo	3	Liberated with ransom	26 July 2020
23 May 2020	Killing	Al-Shabaab	Bay	1	1 death, 3 injured	23 May 2020
5 June 2020	Abduction	Under investigation	Lower Shabelle	7	Liberated with ransom	7 June 2020
27 June 2020	Killing	Under investigation	Lower Shabelle	7	8 deaths	28 June 2020

Annex 7.1. Al-Shabaab Economic Blockade in Dinsor

In 2017, the Somalia and Eritrea Monitoring Group documented Al-Shabaab economic blockades in the regions of Bay, Bakool, Galgadud, Hiran, Lower Shabelle and Mudug.¹ During 2020, the Panel observed the enforcement of economic blockades in Bay and Hiran, particularly in the second quarter of 2020, in the towns of Marka, Belet Weyne and Dinsor.

Al-Shabaab enforcement of the economic blockade on Dinsor intensified in April 2020, when the group conducted a series of attacks targeting the transport of commercial goods to the town (see Table 1 below).² In late April 2020, Al-Shabaab ordered the community to leave Dinsor town, circulating threatening messages warning the population to move to the areas controlled by the group to avoid any harm that would be caused to civilians by the “siege” and the operations conducted against “the enemy in control of the town”. The message further banned the population of surrounding villages from bringing items such as milk, wood, building material, food and animals into the town (see Figure 1 below).³

In April 2020, the Panel recorded 14 incidents where carts transporting food and other products from Baidoa to Dinsor were burnt, while owners were arrested and interrogated by Al-Shabaab.⁴ The economic blockade imposed by Al-Shabaab coupled with the closure of the airspace to passenger flights during the COVID-19 pandemic, resulted in a sharp increase of food prices in town.⁵ As a result, several households started departing Dinsor, with some reportedly moving to areas controlled by the group.⁶ Internally Displaced Persons (IDPs) from Dinsor reached Baidoa and Bardheere towns, citing among the reasons for displacement the economic blockade by Al-Shabaab.⁷ Some IDPs reportedly moved to villages around Dinsor, including Gurbaan, Misra, and Yaaqbaraawe, which are controlled by Al-Shabaab.⁸

Table 1: Al-Shabaab Incidents recorded by the Panel in Dinsor and surrounding villages, April to May 2020.

Date of event	Type of event	Perpetrator	Type of victim	No. of victims	Geographic location
April 2020	Targeted killing	Al-Shabaab	Government security officers	3	Buulo Jadidd
April 2020	Destruction of resources	Al-Shabaab	Animals (donkeys)	5	Tuungar Hoosle
April 2020	Destruction of resources	Al-Shabaab	Animals (donkeys)	5	Garasfuur

¹ See [S/2017/924](#), para 160 (d).

² Telephone interviews with local sources, and email exchange with two UN agencies in June and July 2020.

³ Telephone interview with local sources and business owners in Dinsor on 7 May, 9 June, 29 June and 24 July 2020.

⁴ Ibid.

⁵ Telephone interview with local business owners, 9 June 2020.

⁶ Telephone interviews with local sources, and email exchange with two UN agencies in June and July 2020.

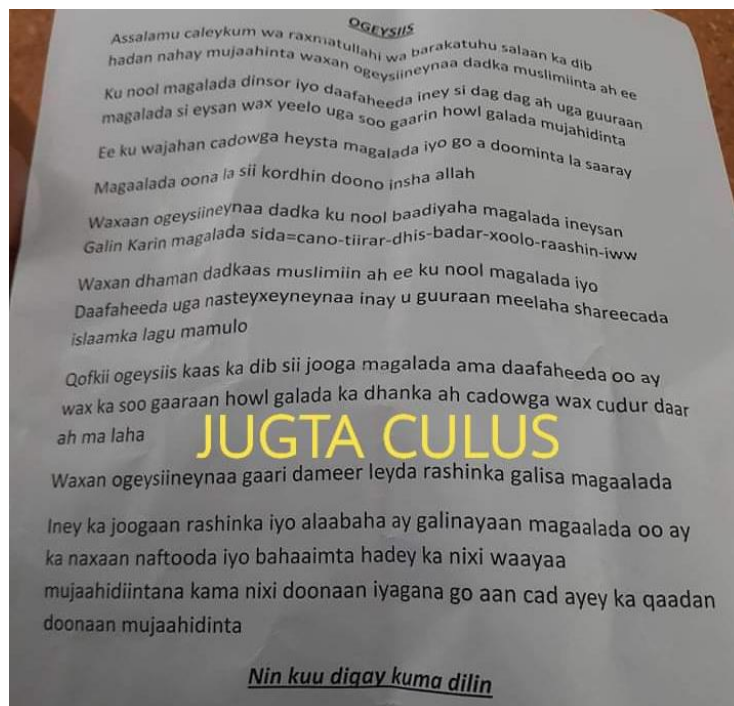
⁷ Email exchange with UN agency officials on 3 and 11 July 2020.

⁸ Telephone interview with local sources on 24 July 2020.

12 May 2020	Assassination attempt of local authority (hand grenade)	Al-Shabaab	NGO, INGO staff	3	Dinsor
23 May 2020	Assassination (IED)	Al-Shabaab	Women's leader, bystanders	5	Dinsor

Figure 1: Al-Shabaab notice appeared in Dinsor at the end of April 2020.

Translation: “We/mujahidin/fighters are giving notice to the people, Muslim/believers living in Dinsor town and its surroundings to leave as soon as possible in order to avoid any harm resulting from the fighters’ operations targeting the enemy in control of the town and from the siege which will be intensified. We are also notifying the people from the surrounding villages that they cannot deliver items like milk, wooden pillars, building sticks, cereals, livestock, food, etc. We are also warning all the people living in this town and its surroundings to move to towns/places governed under the Islamic law. Whoever does not move out of Dinsor town and its surroundings after this notice and is harmed by our operations, which is, specifically targeting the enemy, has no excuse. We are also telling the donkey cart owners to have mercy of their lives and that of their animals and stop bringing food and other items into the town. If they do not comply, the fighters/mujahidin will not have mercy and will punish the donkey carts owners”.



Annex 7.2. Al-Shabaab Child recruitment and Forced Displacement of communities

From December 2019 throughout June 2020, the Panel documented a child recruitment campaign by Al-Shabaab in Bay, Bakool and Lower Shabelle. The investigation highlighted how Al-Shabaab targeted specific communities perceived to be ideologically distant from the group and aligned to the Federal Government of Somalia. The investigation also revealed how communities that resisted Al-Shabaab's demands for children were subjected to attacks, abductions and forced displacement by the group over an extended period of time.

Al-Shabaab recruitment campaign targeting the Leysan and Bananey communities in Bay region

In December 2019, Al-Shabaab demanded that the Leysan and Bananey communities from Toosweyne, an area comprising 32 villages in Berdaale District, around 55 kilometres west of Baidoa town provide Al-Shabaab with 100 boys, between 10 and 15 years, as well as a contribution of \$200,000 for the financial support of the children.¹ In response to these requests, the communities expelled a *quranic* teacher from Toosweyne, whom they accused of indoctrinating their youth to support Al-Shabaab, and decided that no children were to be handed over to the group.²

On 20 December 2019, Al-Shabaab summoned three community leaders from Toosweyne to Bula Hawa Wediya, a village controlled by Al-Shabaab, located 10 kilometers from Bardale, to discuss the expulsion of the *quranic* teacher. Once in Bula Hawa Wediya, the three leaders were detained and transferred to Idaale, an Al-Shabaab stronghold in Bay region. The abducted community leaders are Sheikh Abdinasir Sheikh Abdirahman, 35 years old and a descendant of the late Sheikh Bananey, the spiritual leader of the Bananey community, Yacqub Mohamed Hassan, around 55 years old, and Kheyruddin Hassan Yusuf, 35 years old.³

In April 2020, Al-Shabaab reiterated the request for children to the Bananey community in Toosweyne, issuing an ultimatum for the end of Ramadan. The community again refused to comply with the request. On 17 May 2020, another two elders from the Bananey community, Abdishakur Mohamed Mursal and Abdilasis Mohamed Moalim, were summoned by Al-Shabaab and arrested. The two elders are reportedly detained in Bulo Fulay, an Al-Shabaab stronghold in Bay region.⁴

The community has not received requests for ransom for the liberation of the five elders. Their arrest, according to relatives and sources from the Bananey community interviewed by the Panel, is an attempt to break the resistance that the community is posing to Al-

¹ The communities inhabiting the area are from Digil and Mirifle clans, but majority are from the Laysan subclan. These communities follow a particular Muslim Sufi order, the Qadiriyya. Since 2014, the Bananey community, also present in Lower Shabelle, has been subjected to a number of abuses by Al-Shabaab, including child recruitment, forced displacement, destruction of property and heavy taxation. See [S/2018/1002](#) para 144. Telephone interviews and exchange of emails with members of the Leysan and Bananey community from Toosweyne and Bay, political activists from Baidoa; district and regional authority officials, June and July 2020. Villages include Abrana, Aluja, Barkaley, Dania, Dhaifa. Dheyba, Foolfeyle, Koraano, Laajiya, Majido, Taliiza, Tilwa.

² Telephone interviews with relatives of the five abducted elders, 14 and 15 July 2020.

³ Ibid.

⁴ Ibid.

Shabaab's demands for children and financial support. At the time of writing the five elders remained in Al-Shabaab captivity in Bulo Fulay and Idaale.

The Panel was also informed that the Toosweyne area has been abandoned by the local community with an estimated 2,645 households moving to Berdale District between December 2019 and May 2020.⁵ Humanitarian actors in Bay area confirmed the movement of populations originating from Toosweyne and surrounding villages, inhabited by the Leysan and Bananey communities.⁶

Local sources interviewed by the Panel identified the Al-Shabaab group responsible for harassing the Leysan community as being led by the Berdale District Commissioner for Al-Shabaab and comprising some 200 fighters.⁷

Al-Shabaab targeting the community in Huddur, Bakool region, and clan mobilization

In March 2020, Al-Shabaab militants approached the elders and community leaders of eleven villages in Huddur District,⁸ Bakool region, and ordered the community to provide children to the group, including financial support for the children. Al-Shabaab also threatened that those who would not comply would have their properties evicted and would be expelled from the villages.⁹ According to the community, since 2014 they have been victims of continuous intimidation attempts, sanctions and forced evictions from Al-Shabaab.¹⁰ The communities in these villages, mainly farmers and herders, linked their targeting to perceived connections to Muqtar Robow, a previous high ranking member of Al-Shabaab.¹¹

The communities mobilised their clan militia, the Caaro-Caaro (Spider) militia, to protect their communities citing inaction by authorities.¹² The militia mobilized troops in Huddur, Baidoa and Berdale and reportedly clashed with Al-Shabaab fighters on at least three occasions.¹³ On 6 June 2020 in Abal, the militia claims to have killed 35 Al-Shabaab

⁵ According to the Somali Health and Demographic Survey 2020, the average household size in Somalia is 6.2 persons. Somali Health and Demographic Survey 2020, Directorate of National Statistics, Federal Government of Somalia, available at:

https://reliefweb.int/sites/reliefweb.int/files/resources/Som%20Gvt%20UNFPA%20Press%20Release_SHDS%20Rpt%20Launch_29-04-20_Final.pdf. Telephone interviews and exchange of emails with

members of the Leysan and Bananey community from Toosweyne and Bay, officials of UN agencies; district and regional authority officials, June and July 2020.

⁶ Exchange of emails with officials of UN agencies, 23 and 27 July 2020.

⁷ Telephone interview with Leysan community members on 1 and 7 July 2020

⁸ Villages included Abal, Shabelow, Orkool, Hareera Jiifa and Shangalow.

⁹ Telephone interviews with members of the community in Huddur and Bakool area and with a political activist in Bay, June and July 2020.

¹⁰ See S/2018/1002.

¹¹ After his defection from Al-Shabaab in 2012, Muqtar Robow Ali reportedly remained hidden in the villages around Huddur, his area of origin, together with his men, who had also defected from Al-Shabaab. The Panel received reports from local sources in Huddur area that their community was often under pressure from Al-Shabaab enduring intimidation, forced child recruitment, taxation, arrests and interrogations concerning Muqtar Robow's whereabouts and force numbers.

¹² Telephone interview with a community representative from Huddur on 6 June 2020.

¹³ Telephone interview with a political activist in Bay, June and July 2020.

fighters and seized weapons from the group.¹⁴ On 7 July 2020, the militia carried out an operation in Gofgadud, 30 kilometers south of Baidoa, killing two Al-Shabaab fighters. Further operations were conducted on 10 July 2020 in two villages around Berdale. As a result, eleven Al-Shabaab fighters were reportedly killed and seven injured.¹⁵

On 14 July 2020, in response to these operations in Huddur, Berdale and Baidoa, Al-Shabaab abducted 60 community members from the Leysan and other minority clans and held them in Idaale until it negotiated a truce with the Caaro-Caaro militia and the Leysan community. The 60 were reportedly liberated on 18 July 2020.¹⁶

Al-Shabaab targeting the Bananey community in Awjabe, Lower Shabelle

On 25 June 2020, after six months of pressure from Al-Shabaab, 15 children from the Bananey community in Awjabe, a village in Kurtunwarey District, in Lower Shabelle, were handed over to Al-Shabaab. The community was also requested to provide to the group a monthly payment of \$150 per child. The Panel received from the community a list with the names of the 15 children, most of them between 10 and 15 years old, and was informed that they were kept in Towfiik, a village controlled by Al-Shabaab located between Kunya Barow and Bula Mareer, in Lower Shabelle.¹⁷ On 15 August 2020, sources within the Bananey community informed the Panel that Al-Shabaab had moved the children from Towfiik to an unknown location. The Panel received an update on 20 August 2020, that the children had been returned to their community but that Al-Shabaab continued to threaten their future security. The community linked the return of the children to the pressure put on the group by an SNA operation carried out on 14 August 2020 to liberate Kurtunwarey district.

The Panel also received reports that at least another 250 children, abducted or recruited by Al-Shabaab from different villages in Lower Shabelle, including Bisig Edaa and Toratorow, were kept in a *madrassa* in Towfiiq by Al-Shabaab.

¹⁴ Telephone interview with a Leysan community member with direct contacts with the Robow's militia, 6 June, 7 and 11 July 2020.

¹⁵ Ibid.

¹⁶ Telephone interviews with members of the community in Huddur and Bakool area and with a political activist in Bay, 19 July 2020.

¹⁷ Telephone interview with members of the community from Awjabe, 6, 10 and 12 August 2020.

Annex 7.3 Civilian plane shot down in Bardale

Figure 1: Waybill detailing INTERSOS shipment to Bardale.

INTER SOS
 E: logistic.somalia@intersos.org

WAYBILL / DELIVERY NOTE DATE: 4/5/20 WAREHOUSE: Bardale NUMBER: 014



CONSIGNEE NAME AND ADDRESS INTER SOS Baidoa To INTER SOS BERDale		TRANSPORTER DETAILS TRANSPORTER NAME: ALI HASSAN VEHICLE No. (1) Alpha-5YAXO (2)			MEANS OF ROAD <input type="checkbox"/> RAIL <input type="checkbox"/> AIR <input checked="" type="checkbox"/> SEA <input type="checkbox"/>		
ITEM DESCRIPTION	TRACKING / LPO NO. / DONOR	UOM	QUANTITY	WEIGHT	VOLUME(M)	REQUISITION	REMARKS
1 LLIN'S			125 Bales				all GAK 60
MOSQUITO NET							IN GOOD
2 HATS for farmers			400 pcs				condition
3 Heavy duty gloves			400 pcs				
4 BENEFICIARY							
5 Douche Card for			1000 pcs				
6 H/O Trucks			1 pcs				
COMMENTS / REMARKS BY SENDER			TOTAL		COMMENTS / REMARKS BY RECEIVER		

COMMODITIES LOADED	DATE	DESIGNATION	NAME	SIGNATURE	LOCATION	CONDITION
LOADED BY	4/5/2020	BERDale	Mohamed Hassan	[Signature]	BAIDOA	GOOD
TRANSPORTED BY	4/5/2020	BERDale	ALI HASSAN	[Signature]	BAIDOA	GOOD
APPROVED BY	Logistic		ALI HASSAN	[Signature]	BAIDOA	GOOD
GOODS RECEIVED						
RECEIVED BY						

Please write in capital letters
 COPIES: White: Consignee Blue: Confirmation Pink: Book Copy

INTER SOS
 BAIDOA-OFFICE

Figure 2: Flight authorization and landing clearance for the African Express Airways flight signed by the Somali Civil Aviation Authority, 4 May 2020.

Jamhuuriyadda Federaalka Soomaaliya Hay'adda Duulista Rayidka Soomaaliyeed		جمهورية الصومال الفدرالية هيئة الطيران المدني الصومالي
Somali Federal Republic Somali Civil Aviation Authority (SCAA)		
Reference Number: SCAA/1176/20		
To: AIR MAURITIUS		
Cc: ATS Managers		
Subject: SPECIAL OVER FLIGHT AND LANDING CLEARANCE		
We acknowledge that we have received your flight permit request dated on 04-05-2020 and approved with the following authorization details.		
Aircraft Details:		
OPERATORS	AFRICAN EXPRESS AIRWAYS	
AIRCRAFT TYPE	E-120	
REGISTRATION	5Y-AXO	
CALL SIGN	5Y-AXO	
PURPOSE OF FLIGHT	CARGO FLIGHT (NO INBOUND PAX DURING COVID-19)	
DATE OF FLIGHT	04 th MAY 2020	
FLIGHT ROUTE	MOGADISHU – BAIDOA – BARDALE – MOGADISHU	
VALID	ONE DAY PERMIT	
NOTE: AIRCRAFT HAS TO BE SANITIZED AND CARRY PROOF OF THIS		
IMPORTANT NOTICE: MGU FIR HF frequency 11300 or 13288. Traffic within 200NM of Mogadishu Airport contact AREA CONTROL on VHF FREQUENCY 132.5. When approaching the following Aerodromes for landing contact TOWER FREQUENCY Mogadishu - 118.1 MHz, Hargeisa - 118.7MHz and Bossaso – 120.9MHz		
Date of issue	Authority Name and Position	Signature
04 th MAY 2020	Ahmed Moallin Hassan Acting Director General Somali Civil Aviation Authority	
☎ : +252 - 1853675 ✉ : scaa@scaa.gov.so 📦 P.O Box 1737		+252 - 1853676 🌐 www.scaa.gov.so 📍 Mogadishu, Somalia

Annex 8: Implementation of the Ban on Charcoal

A. Charcoal production areas, transportation routes and export sites

Figure 1: Overview of main charcoal stockpiles used for export in Lower Juba, Somalia.

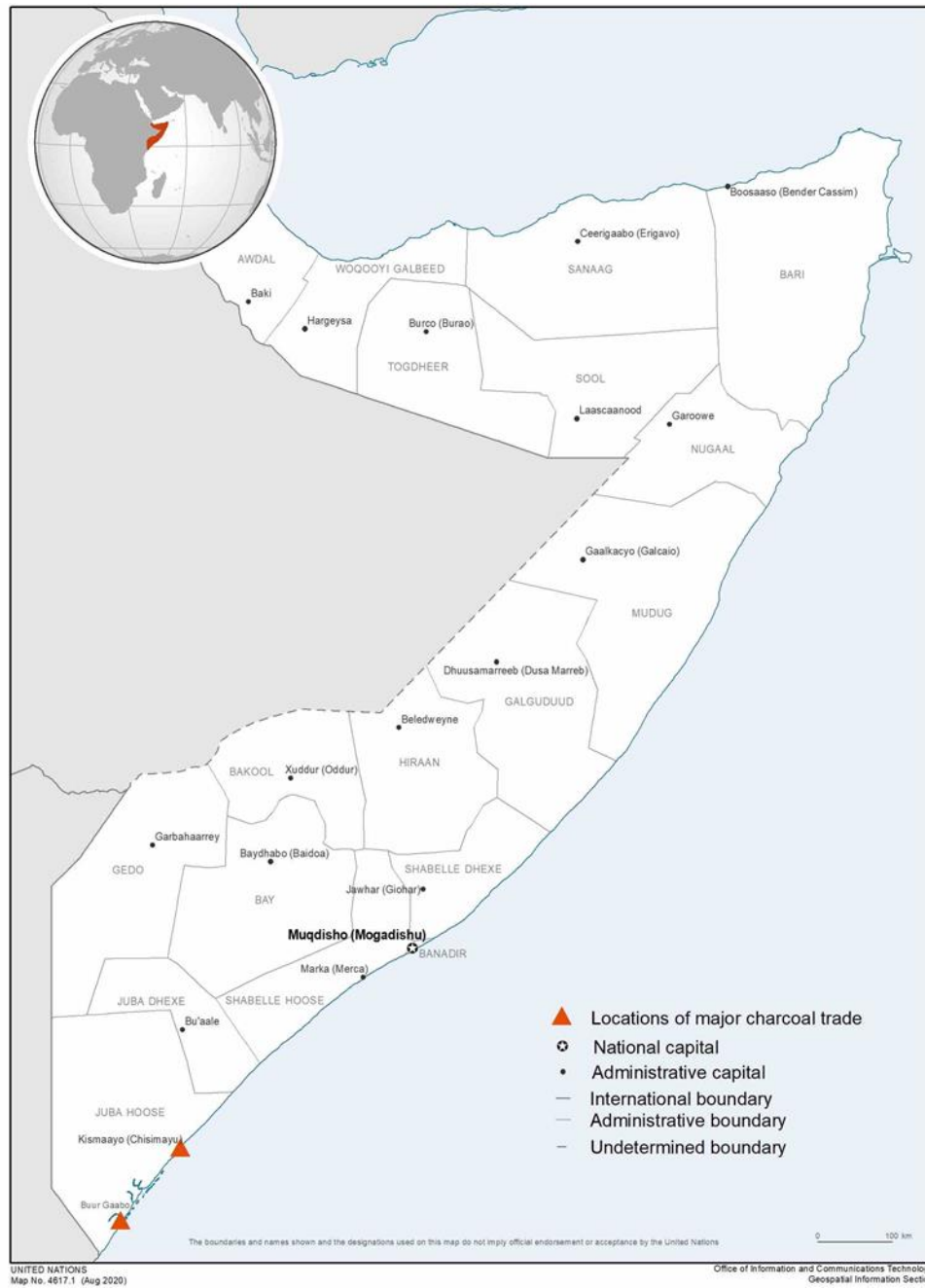
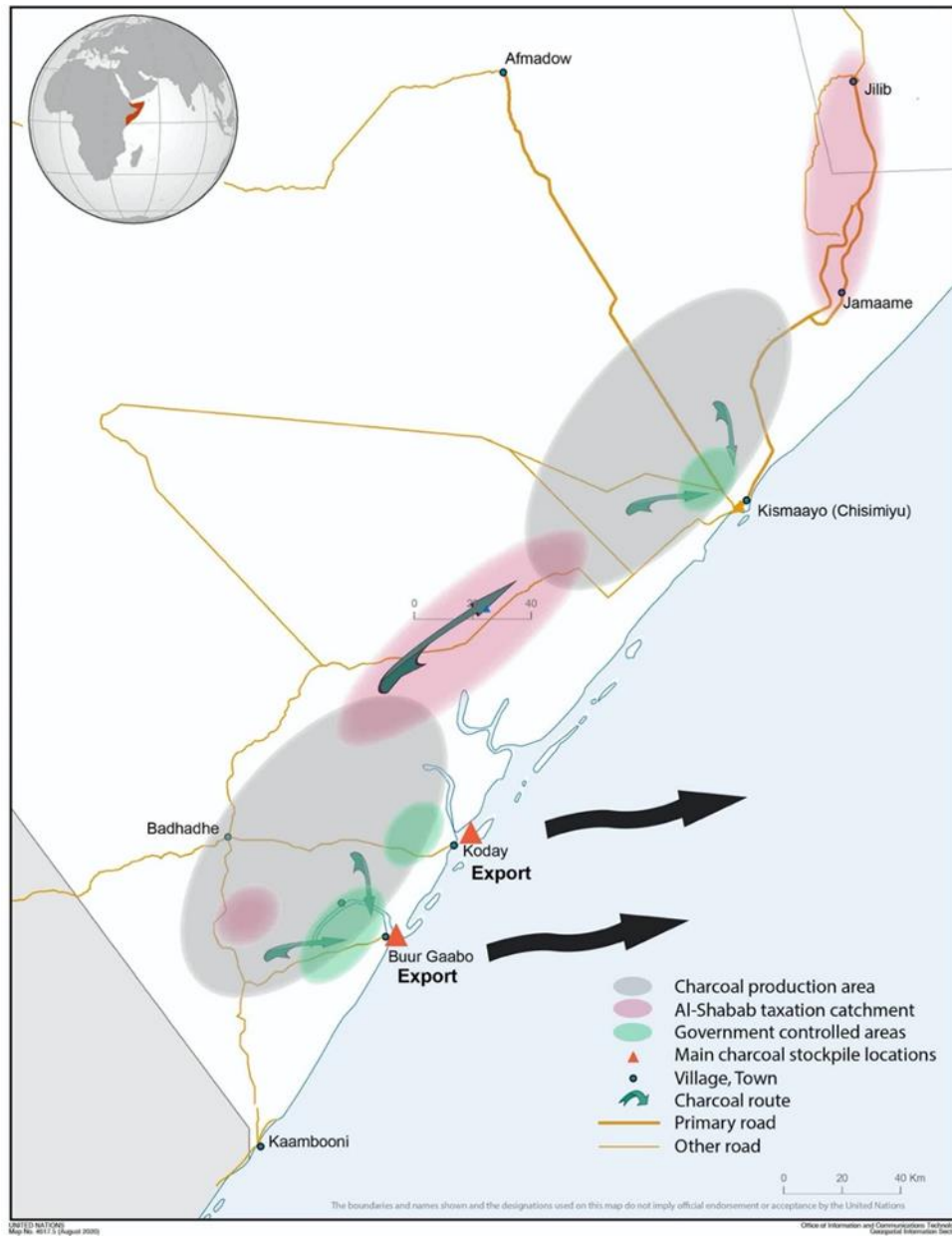


Figure 2: Charcoal production areas and transportation routes in Lower Juba, Somalia.



B. Charcoal Production Analysis

Figures 3 and 4: Satellite imagery from analysis on the dynamics of charcoal production in Somalia, between 2011 and 2019 by the Food and Agricultural Organisation (FAO) of the UN.

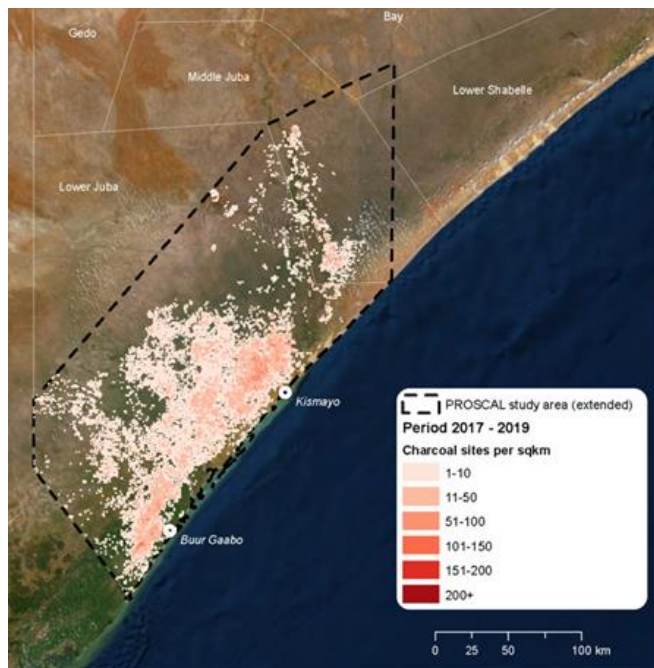
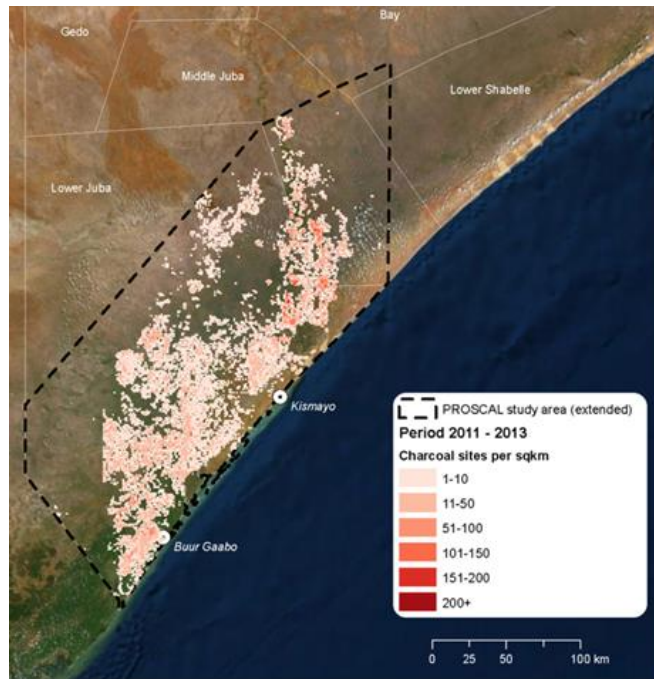
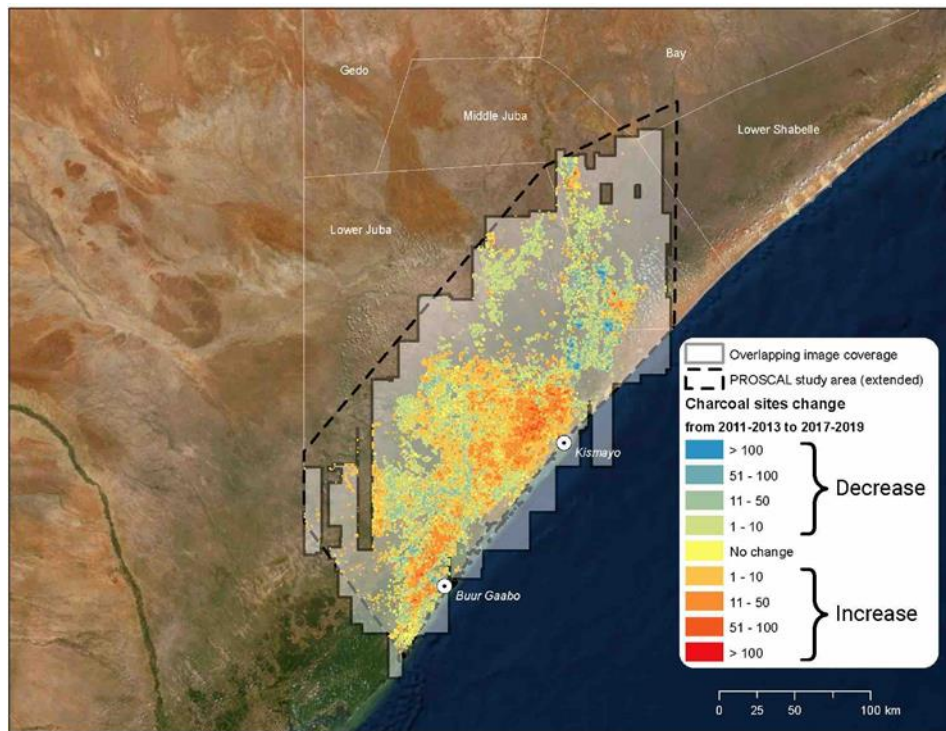


Figure 5: FAO satellite imagery indicates a shift in location of main charcoal production sites used for export from in Middle Juba to coastal areas in Lower Juba.



C. Charcoal Stockpile Analysis

Satellite Analysis: Kismayo

Figure 6: Overview of key stockpile locations in Kismayo, Lower Juba, Somalia.

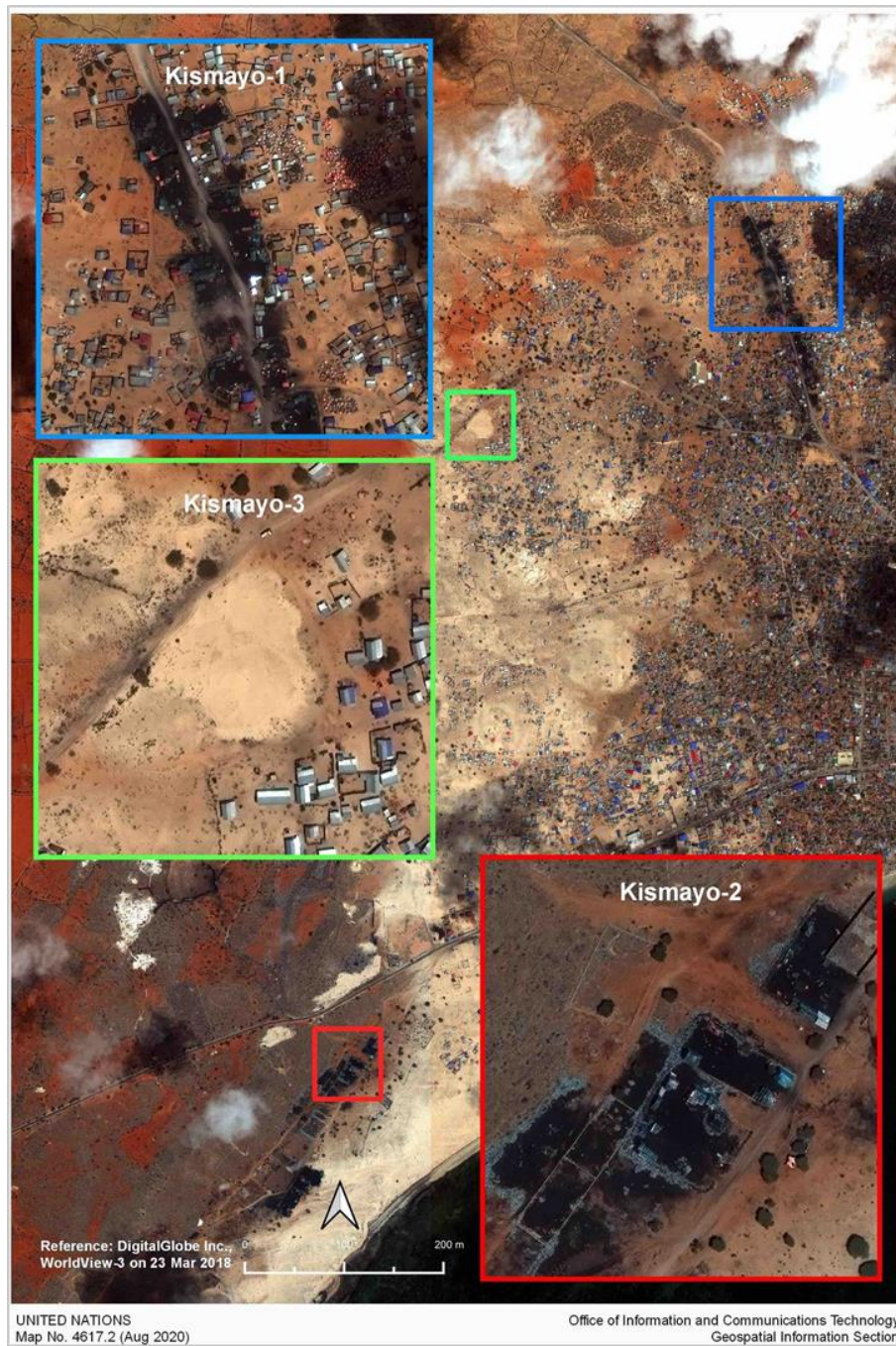


Figure 7: Summary analysis of changes in volume of charcoal stockpiles in Kismayo, Lower Juba, from March 2018 to August 2020. The analysis found that the volume of charcoal did not significantly change from late 2019.



Figures 8 and 9: Satellite imagery, dated 10 December 2019 and 14 July 2020, provided by the UN, indicating no change in the volume of charcoal stored at stockpile location (K-1) in Kismayo in 2020.



Figures 10 and 11: Satellite imagery, dated 10 December 2019 and 7 April 2020, provided by the UN, indicating no change in the volume of charcoal stored at stockpile locations (K-2) in Kismayo in 2020.

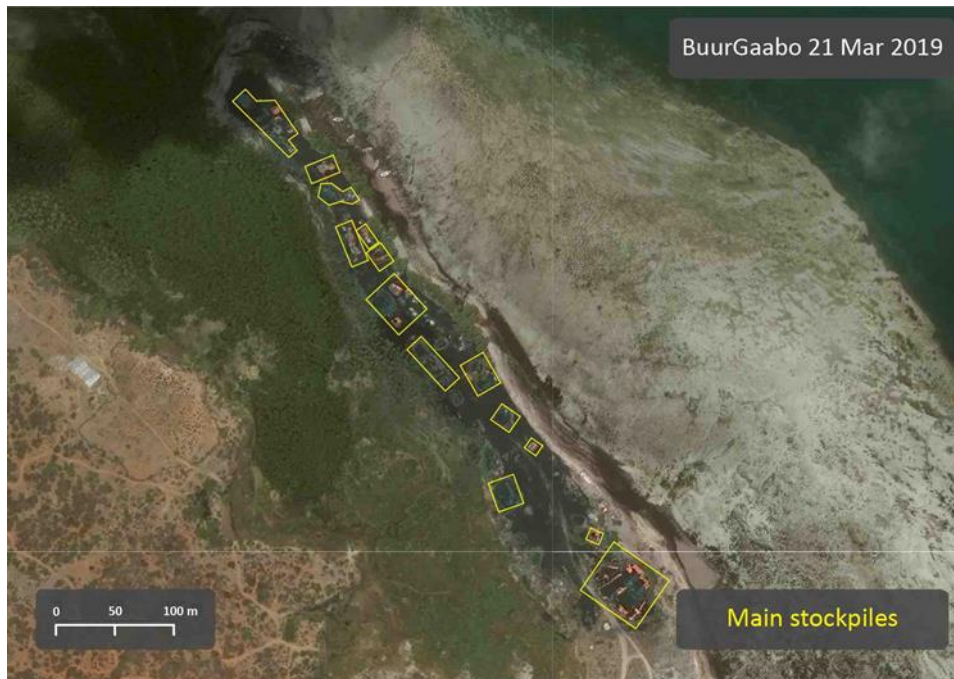


Satellite Analysis: Buur Gaabo and Barawe

Figure 12: Summary analysis of changes in volume of charcoal at stockpiles in Barawe, (historical charcoal export site) and Buur Gaabo, from April 2018 to July/August 2020. The analysis found that the volume of charcoal did not significantly change during 2020.



Figures 13 and 14: Satellite imagery, dated 21 March 2019 and 6 July 2020, provided by the UN. Images indicate no change in the volume of charcoal stored at stockpile locations in Burr Gaabo in 2020.



Ground photography: Kismayo and Buur Gaabo

From December 2019 to August 2020, the Panel received ground images of the main stockpiles in Lower Juba on a monthly basis. The photographs corroborated the satellite imagery, indicating no significant changes in the volume of charcoal since late 2019. A sample of the photographs are presented below.

Figure 15: Photograph, dated 8 May 2020, indicating no change in the volume of charcoal stored at a stockpile location in Kismayo (K-1) since late 2019. Image provided by local sources in Kismayo to the Panel.



Figure 16: Photograph, dated 28 March 2020, indicating no change in the volume of charcoal stored at a stockpile locations in Kismayo (K-2) since late 2019. Image provided by local sources in Kismayo to the Panel.



Figure 17: Photograph of charcoal stockpile in Buur Gaabo, dated 10 July 2020. Image provided to the Panel by local sources in Buur Gaabo. The images revealed that the charcoal stockpiles were entering a state of disrepair due to the deterioration of the storage bags and protective coverings. This charcoal would require re-bagging and processing to maintain its financial value prior to export.

