

**Concise Summary**  
**of**  
**the report of the European Anti-Fraud Office**  
**on**  
**the embezzlement of the EU humanitarian aid funds**  
**intended to the refugees in camps of Tindouf**

It has now known worldwide that the report European Anti-Fraud Office -OLAF- on the embezzlement of the EU humanitarian aid funds intended to the refugees in the camps of Tindouf report has been declassified seven years after its conclusion in 2007. This report concerns specifically the misuse of huge quantities of humanitarian aid more particularly food products.

Indeed, European Commission's humanitarian aid department-ECHO- has been informed, since 1999, about founding aid food products in public markets in Nouakchott/Mauritania, 1500km far from the camps.

As a matter of fact, by the end of 2001, ECHO Finance has discovered huge quantities of the humanitarian food items in many markets more specifically in Algeria (Bechar) and Mauritania (Nouakchott, Chingetti and Nema).

Since then, eleven ECHO' missions had confirmed that, during the period going from the end of 2001 to April 2003, many tons of donated food products (like tuna cans and powder milk) were found in 12 different spots in the region. The report mentioned also that donated medical equipments were sold in Algeria.

Moreover, the ECHO report confirmed that spare parts of water tanks were ordered many times within the same year and resold elsewhere and consequently accused the Polisario leaders of submitting false invoices and overestimated virtual projects to various donor ONGs.

It should be emphasized that Algeria's Secret Services-DRS- were also stated in the report as part of the diversion machine. DRS Offices "have setup outlets, kind of grocery shops, in the camps to sell the humanitarian assistance to the population. This is an indirect way to recover all the money circulation in the camp especially wages and pensions paid by the Spanish government to the sahraouis retirees. "

Food is not only form of aid abused by Polisario, according to OLAF, donors provide money they believe is going to pay construction workers, for example, when in fact prisoners do the building, and false personal list are created in order to receive payment for the work.

It has appeared very quickly that the diversions mentioned in the ECHO's report were not the only problem in this file; In fact, many sources have declared that the number of the refugees in the camps who were assisted by ECHO was overestimated. This explains that one of the reasons that made this fraud possible is, in fact, this overestimation of the number of the refugees and consequently the amount of the aid provided.

It is no surprise that the EU's financial support to the Tindouf camps that started in 1975 was based on Algerian authorities' estimates of the camps inhabitants, as being the wrong figure of 155.000.

It is worth recalling again and again that the issue of census of the Tindouf's refugees, has been and is still an issue between Algeria and UNHCR. Indeed, not only the UN body, several other NGO's and a number of countries, including Morocco, has repeatedly requested Algerian authorities to allow a count and identification of the camps population but all the requests were denied and turned down.

By the beginning of 2004, OLAF has signed a contract with the Joint Research Centre (JRC) at Ispra to conduct an investigation with the aim of examining this issue. By November 2004, on the basis of comparing satellite's images taken in July 2004 to previous photos, this investigation has allowed to set up a scientific assessment of the number of the inhabitants of the Tindouf's camps, as being 91.000 persons. Thus and starting from September 1<sup>st</sup> 2005, the number of 91.000 was taken into consideration by ECHO.

The OLAF investigators met several ONG's members acting on the field, civilian and military prisoners who took part in the embezzlement of the donations. Several meetings were organized with representatives of United Nations's Agencies who are dealing with this file. On the basis of these actions, OLAF's investigation has concluded the following:

- A huge important part of the humanitarian aid, partially financed by the European Commission, has been diverted ;
- A large part of this diversion was organized in the camps by Polisario and Algeria;
- A part of the donated products was taken on its arrival in the Port of Oran;
- Another part the donated items was diverted on the road between the city of Oran and Rabouni's Camp.

Besides, the same investigation has detected the following:

- High-quality items were replaced by cheap ones and sold.
- All donated food items related to poultry production especially chicken and eggs were sold and not given to the refugees.
- When, on an exceptional basis, some donators are allowed to assist to the distribution in the camps, tracks come later to retrieve a part of the merchandise to be sold afterwards.
- 50% of the roadmaps of the tracks were inexistent.

It is highly prior that the European Commission could take appropriate measures in order to avoid that a situation similar to the one described at present would be repeated in the future.

In this regard, OLAF highly recommends to the General Directorate of ECHO the following:

- Take into consideration the figure of the number of the refugees as it has been established by the study made by Joint Research Centre (JRC) at Ispra.
- Ensure the free circulation of the donors within the camps and the free communication with the beneficiaries; make unannounced checks to control the stocks and to supervise the allocations of the donated items.
- Oblige the contracting parties to control effectively the volume of the aid at its arrival in the camps and supervise its concrete distribution to its intended refugees.
- Demand that the persons were involved in the diversion of the donated aid would never take part neither in the programming, the management, nor the distribution of the aid financed by the European Commission.