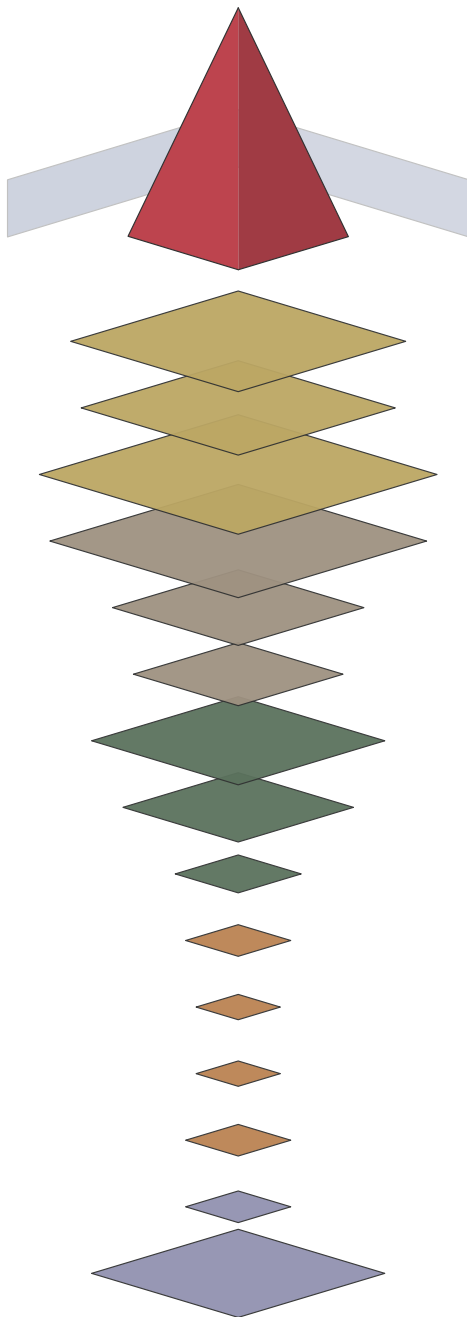


 **SOMALIA**



 **6.13
CRIMINALITY SCORE**

13th of 54 African countries
6th of 9 East African countries

 **CRIMINAL MARKETS 5.27**

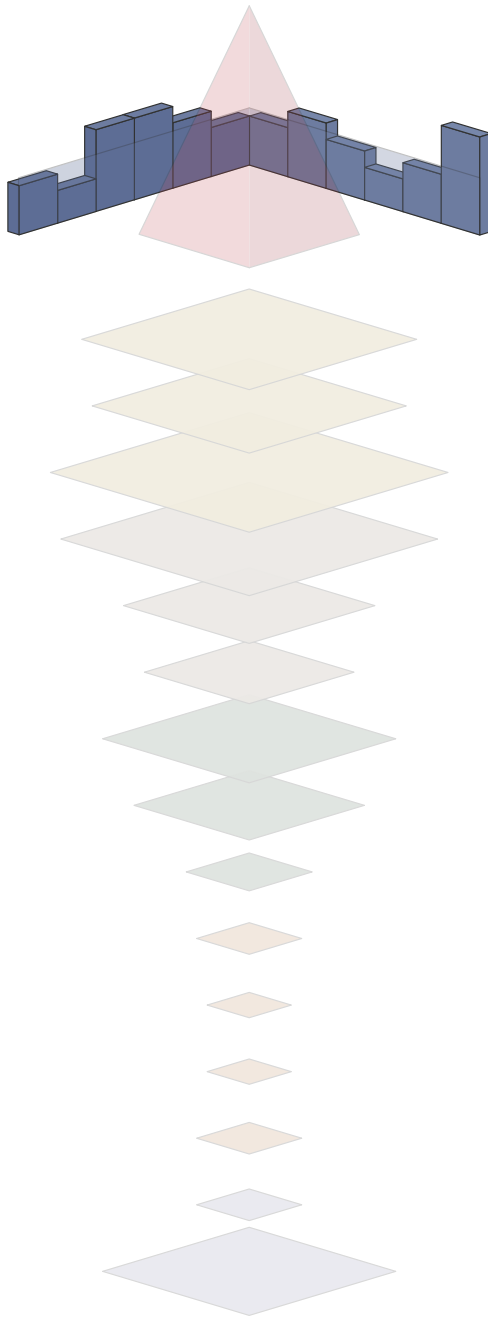
HUMAN TRAFFICKING	8
HUMAN SMUGGLING	7.5
EXTORTION & PROTECTION RACKETEERING	9.5
ARMS TRAFFICKING	9
TRADE IN COUNTERFEIT GOODS	6
ILLICIT TRADE IN EXCISABLE GOODS	5
FLORA CRIMES	7
FAUNA CRIMES	5.5
NON-RENEWABLE RESOURCE CRIMES	3
HEROIN TRADE	2.5
COCAINE TRADE	2
CANNABIS TRADE	2
SYNTHETIC DRUG TRADE	2.5
CYBER-DEPENDENT CRIMES	2.5
FINANCIAL CRIMES	7

 **CRIMINAL ACTORS 7**

MAFIA-STYLE GROUPS	9.5
CRIMINAL NETWORKS	7.5
STATE-EMBEDDED ACTORS	7
FOREIGN ACTORS	5.5
PRIVATE SECTOR ACTORS	5.5

 **1.79
RESILIENCE SCORE**

 **SOMALIA**





 **1.79
RESILIENCE SCORE**

52nd of 54 African countries
9th of 9 East African countries

POLITICAL LEADERSHIP AND GOVERNANCE	1.5
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	1
INTERNATIONAL COOPERATION	2.5
NATIONAL POLICIES AND LAWS	2.5
JUDICIAL SYSTEM AND DETENTION	2
LAW ENFORCEMENT	1.5
TERRITORIAL INTEGRITY	1.5
ANTI-MONEY LAUNDERING	2
ECONOMIC REGULATORY CAPACITY	1.5
VICTIM AND WITNESS SUPPORT	1
PREVENTION	1.5
NON-STATE ACTORS	3

 **6.13
CRIMINALITY SCORE**

 CRIMINAL MARKETS	5.27
 CRIMINAL ACTORS	7



CRIMINALITY

Criminal Markets

PEOPLE

Human trafficking continues to be a significant area of concern in Somalia. Men, women, and children are regularly subjected to forced labour and sex trafficking. Human trafficking in the Somali context usually starts as smuggling, possibly with aggravated circumstances, and then becomes trafficking later along the route, in countries such as Sudan, Libya, or Yemen. Most victims come from south-central Somalia, and their main destinations are Europe, the Gulf states, and Southern Africa. Human movement within the country is extremely high, which is a key factor for exploitation, and it is common for women to act as intermediaries. Al-Shabaab also participates in these practices, particularly in recruiting child soldiers and orchestrating sexual slavery and forced marriage. Children are also often forced into labour in agriculture, domestic work, livestock herding, and selling khat internally and abroad. Those who are internally displaced, belong to marginalized ethnic minorities, or live in Al-Shabaab's territory are the most vulnerable.

Somalia is a primary source country for human smuggling, with many people being smuggled across East Africa to Libya and then on to Europe. Somalia is also a prominent transit hub for Ethiopian individuals smuggled. Smuggling networks move people, often on a cyclical basis, with little effective resistance from the state. Owing to regional threats and the current humanitarian situation in Yemen, many Somali expatriates are also seeking to return home, and there remains an active two-way flow of people moving between Yemen, Djibouti, Somalia, and back. In addition, pirates move people across the Gulf of Aden to Yemen. Smuggling is an entrenched issue in the country, to the extent that large segments of society don't view migration facilitation as a crime. Smuggling networks are typically run by Somalis and are considered a viable source of income. Poverty, economic and social insecurity, and natural disasters remain the principal triggers for migration and human smuggling in Somalia. There has also been a reported increase in the number of extortion schemes in the various destination countries utilized by Somali smuggling rings.

Extortion and protection racketeering are a major source of income for terrorist groups such as Al-Shabaab and ISIS-Somalia. Citizens, companies, NGOs, and humanitarian organizations often pay extortion fees to

these groups to protect their personnel and physical assets. The taxation of trucks and cars moving through checkpoints is considered one of the most lucrative sources of extortion for Al-Shabaab. The money collected is stored and transferred using domestic financial institutions and mobile money services, facilitated by inadequate financial monitoring. The illicit taxation of agriculture, vehicles, goods, and livestock has made it possible for Al-Shabaab to remain in a healthy financial position. In Mogadishu, extortion has continued in the import, export, and transit of goods through the port facility. ISIS-Somalia also allegedly targets business leaders for extortion in urban areas and uses violence when extortion demands are not met.

TRADE

There is a substantial number of illegal weapons in Somalia, ranging from pistols to machine guns, and these are commonly trafficked by clan militias, Al-Shabaab, governmental groups, and transnational trafficking networks based in the north, particularly Puntland and eastern Somaliland. The country is affected by transnational organized crime, in the form of piracy, human trafficking, and drug trafficking, leading to an increased demand for the illicit supply of weapons. Criminal groups also reportedly receive weapons from local security forces. Despite the arms embargo put in place by the UN Security Council, the illicit flows of arms from Yemen to Somalia has almost doubled owing to escalating international competition in the region and Iran's attempt to gain a foothold in Somalia. In addition, a great deal of arms trade is controlled by fishermen based in Aden, Yemen, or on the coast of Somaliland.

Pharmaceutical products are the most commonly circulated counterfeit items in Somalia. Despite the fact that counterfeit medicine has caused deaths numbering in the thousands, the trade is perceived as legal by locals, and there is no associated violence. The government has tried to combat the sale of counterfeit medicine by requiring those importing or selling medicine to register with state authorities, but corruption within Somali institutions makes it likely that counterfeiting occurs at a much higher level than reported. Additionally, COVID-19 appears to have driven a notable spike in counterfeit trafficking and the selling of pharmaceutical drugs. Al-Shabaab is believed to be one of the actors financed by the trade of counterfeit goods. In addition, the border between Somalia and Ethiopia is particularly vulnerable



to tobacco smuggling owing to weak governance and the presence of terrorist groups. Somalia is part of a number of cigarette smuggling routes linked with the Middle East and South Asia, with one route connecting Egypt, Sudan, Ethiopia, Somalia, and South Asia. The consumption of alcohol is considered illegal, with the sale mainly conducted on the black market.

ENVIRONMENT

The illegal trade of flora in Somalia remains a prevalent problem, with illegal charcoal trade being the most prominent form of flora crimes. While there has been no recording of substantial export of charcoal since 2018, the domestic trade in this commodity and the major stockpiles of charcoal within the country accumulated as a result of the ban on charcoal exports continue to raise significant concerns. Charcoal and other timber products are also taxed at certain border crossings, indirectly financing terrorism. While the Somali government has strengthened measures to reduce charcoal exports, the internal trade of charcoal is increasing as more of the Somali population have begun using it owing to rising gas prices. Clan militias are also involved in the exploitation and overharvesting of the *Boswellia* trees used to produce frankincense, and disputes over the trafficking of this product often become violent.

Fauna crime is a moderate criminal market in Somalia. Cheetah cubs are trafficked from Ethiopia, through Somaliland, and on to Saudi Arabia or the United Arab Emirates, where they are in high demand as novelty pets. This route is the most prominent live big cat trafficking flow on the continent. The lion trade is also a concern, although strict fines put in place by destination countries may become effective in reducing demand. The smuggling of live big cats is also linked to internal issues within Somalia; farmers are known to capture cheetahs to sell as a way of redeeming losses resulting from the cheetahs attacking their cattle. In terms of illegal, unreported and unregulated fishing, Somalia is seriously affected, with foreign nationals driving the trade.

The non-renewable resource sector in Somalia is at high risk of illicit trade owing to corruption and limited state oversight. The hydrocarbon exploration industry is vulnerable to considerable corruption related to the issuance of prospecting and mining rights and concessions. Also, the illegal exploration of gold and various gems in the mountain areas of the north does occur, although in a limited quantity.

DRUGS

There is no notable domestic heroin market in Somalia, despite its location on the southern route for smuggling opiates from Afghanistan. Somalia has a volatile and continually shifting security environment, which makes the transit of narcotics difficult. Cases of heroin trafficking have however been identified, and the city of Bosaso reportedly has a connection to this activity. Similarly, cocaine trafficking in Somalia is small scale and, in general, hard drugs are not readily available in Mogadishu. Somalia also has very low levels of cannabis consumption and cannabis production for export is small scale. Al-Shabaab harshly punishes cannabis users and growers in the areas of the country it controls, substantially deterring participation in the market. Somalia does not play a major role in the trafficking of synthetic drugs, although there have been recent reports of the growing use of Tramadol.

CYBER-DEPENDENT CRIMES

Al-Shabaab limits the use of information and communications technology and prohibits internet usage in the regions under its control, where rules and regulations are difficult to enforce. The lack of a solid regulatory framework for cyber-security also makes Somalia vulnerable to cybercrime. Past incidents in the country include the hacking of government email systems and websites, changing passwords, and destroying data. Pirated software products are common, increasing the risk of malware.

FINANCIAL CRIMES

Somalia does not have a strong financial regulation structure, and financial crime is widespread. Al-Shabaab is one of the primary actors, owing to its independent funding mechanisms and administrative bureaucracy. The group is known to divert and misuse international relief funds intended for famine victims. Other types of financial crime prevalent in Somalia include fraud and embezzlement, especially fraudulent financial activity and the manipulation of procedures linked to procurement. However, the embezzlement of international funds seems to be decreasing, with the Somali government relying more on international grants rather than taxes and other income sources. Tax evasion is also a significant challenge for the government.



Criminal Actors

In Somalia, Al-Shabaab operates as part of a larger transnational criminal enterprise, engaging in illicit trafficking, extortion, and racketeering. The group has infiltrated many areas of Somali society and regularly commits serious abuses, including forcibly recruiting adults and children and extorting so-called taxes through threats. Al-Shabaab operates a network of checkpoints on roads across southern and central Somalia and collects taxes on various goods. The group's taxation system is more organized than those of the federal government or federal member states, and it has even begun taxing the import of goods into Mogadishu's port. Other militant actors present in the country also make use of illicit economies and taxation to finance their operations, and this in addition to the prevalence of Al-Shabaab makes Somalia one of the states most dominated by mafia-style organizations. Criminal networks, many of which operate in conjunction with Al-Shabaab, are largely led by entrepreneurs who control ethnic and clan-based networks that smuggle commodities out of the country. The absence of effective governance and the rule of law, combined with rampant corruption and an entrepreneurial spirit, has led to a blurring of the lines between legal and illegal activities. Proceeds are mainly used to enhance Al-Shabaab's capabilities and acquire weapons. Some funds are also invested in real estate and businesses in Somalia and abroad.

The Somali state suffers from weak governance and corruption. State officials are involved in organized criminal activities such as the misappropriation of international assistance, taxing flows, and gatekeeping illegal activities for bribes. Criminal interests, groups, clans, and militias have infiltrated all levels of the state. Corruption and collusion involving customs authorities and border guards also facilitate smuggling activities, with small-scale traders, mostly impoverished women, being forced to pay bribes to avoid confiscation of goods. Foreign actors in Somalia are involved in a range of illicit activities, including human and arms trafficking, natural resource exploitation, and political interference. Iranian-made weapons have been smuggled into the country, a trade that involves multiple armed groups and clans, while sophisticated transnational maritime trafficking networks operate to smuggle small arms and light weapons from Iran, Yemen, the United Arab Emirates, and Oman. Turkey and Qatar are also involved in Somali politics and have faced allegations of supporting radical Islamist groups and being responsible for human rights abuses. Foreign private military contractors, including some hired by Eritrea, contribute significantly to violence and security distortions in Somalia. Most businesses in the country are established through bootstrapping and gathering funds from friends and family, with economic actors organizing themselves based on kinship and religious affiliation. Private entrepreneurs cooperate with political actors and militia leaders to carry out their activities, often undermining the state. Private business owners are also said to play a role in the judicial system, financing some Sharia courts.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Somalia is a fragmented country and continues to be characterized by internal tension, violent extremism, extensive displacements, and weak governance. Despite some positive developments – such as the swearing in of new members of parliament in 2022, after a delay of nearly two years – conflicts between federal member states and the federal government, as well as ongoing insecurity caused by Al-Shabaab, have hindered necessary reform. Moreover, corruption, a disillusioned youth, and the privatization of public goods by militia leaders and warlords remain major challenges in the promotion of peace and stability. In fact, Somalia is considered to be

one of the most fragile and corrupt states in the world, and corruption is facilitated by dysfunctional institutions. The government has made some efforts to tackle the issue, such as the prosecution and conviction of federal officials and the improvement of financial management systems, aided by international partners. However, state agencies are ineffective, and there are no laws guaranteeing public access to government information or requiring officials to declare their income or assets. The self-declared Republic of Somaliland also faces corruption and nepotism on a clan basis, although it generally functions more effectively than the rest of the country.



Somalia has ratified three of the 10 international treaties on organized crime. It is not a signatory to UNTOC and its protocols. Gulf states, primarily the United Arab Emirates, have increased their bilateral military and political support to Somalia's regional states. Somali security forces continue to cooperate with the African Union's peacekeeping mission to exert pressure on Al-Shabaab, especially through coordinated counter-terrorism operations. As a result, the government was able to retake control of major towns, although Al-Shabaab continues to establish itself in rural areas in the south. Moreover, authorities and the federal government continue their cooperation with the UN Refugee Agency and other humanitarian organizations to assist refugees, returning refugees, and asylum seekers, among others. Somalia's penal code has not been updated since 1964 and the laws in place are not implemented. Many pieces of legislation, such as the recently passed Human Trafficking Act, were introduced only after external pressure. The human rights situation is of great concern, as mechanisms to protect and promote basic rights are weak.

CRIMINAL JUSTICE AND SECURITY

The formal court system in Somalia is highly corrupt and dysfunctional, even in the capital city. The informal court system interferes in the work of the formal system, handling the majority of cases. There are also local courts, which combine the traditional and Islamic law that constitutes the basic judicial framework of the country. However, access to justice is low, and the formal justice system faces challenges and criticism from Sharia leaders as well as others delivering customary law at the local level, including Al-Shabaab. Military courts are still used throughout Somalia to try civilians, primarily those suspected of being members of terrorist groups. Prisons are overcrowded, as many inmates are held on remand for numerous years before trial. Detention centres are characterized by poor sanitation and hygiene, inadequate food and water, and a lack of medical care. The spread of violent extremism in prisons is a concern, and ethnic power struggles play out as much in the prison setting as they do outside.

The law enforcement system in Somalia is weak, corrupt, and infiltrated by extremist groups, particularly Al-Shabaab. The Somali government maintains bilateral support for its policing and security services, but law enforcement capabilities do not exist effectively outside of international partnerships. The Somali national police's penetration and legitimacy are limited, and individual officers lack professionalism, trustworthiness, and integrity. Furthermore, authorities lack the adequate means to deal with cybercrime, and perpetrators are often

not identified or prosecuted. The Ministry of Post and Telecommunications oversees such issues, but there is no specific division responsible for investigating cybercrime. Many organizations, private and public, lack expert information technology personnel.

The Somali government has limited control over the country's territory, with different regions operating as de facto independent states or under the control of armed groups. The country's borders are porous, and smuggling activities are widespread. Al-Shabaab conducts cross-border attacks into Kenya, exacerbating the already tense relationship between the two countries. The government has limited ability to exercise its power independently, with no notable improvement in border control or the frequency of migration flows. Al-Shabaab continues to occupy and control many large rural areas in south-central Somalia.

ECONOMIC AND FINANCIAL ENVIRONMENT

The Central Bank of Somalia recently issued the country's first mobile money licenses and set up a national payments system, but anti-money laundering controls have not been implemented. A robust informal money system, known as hawala, serves the vast Somali diaspora, enabling transactions to flow across borders without surveillance. Money transfer operators do not have robust anti-money laundering infrastructure, meaning that most transactions occur outside of what the formal financial system has the capacity to regulate. Al-Shabaab routinely uses domestic financial institutions, including commercial banks and mobile money services, to collect, store, and distribute revenue, and utilizes mobile money to make salary payments to its soldiers and officials. Money laundering through trade mispricing facilitates the movement of money into and out of the country. Despite some effort by the government, Somalia has not made sufficient progress to justify removing it from the list of countries that pose a risk to the international financial system. The government relies on the international community to play an active role in clarifying counterterrorism and anti-money laundering regulations to financial institutions. Online gambling and the abuse of crowdfunding are still not regulated, even though both methods are increasingly a source of funding for terrorist groups such as Al-Shabaab and the Islamic State.

Both the commercial and public sectors, notably in areas such as public procurement, international aid, and concessions, are structured around patronage networks and tight monopolies, which dominate the market. The absence of a regulatory framework and



business infrastructure, along with a largely privatized banking system, hampers the state-regulated economic environment. As a result, Somalia is considered among the worst performing countries in the world by most relevant economic and businesses indicators. However, Somalis are incredibly entrepreneurial and have adapted to decades of uncertain governance through micro-entrepreneurship and the formation of local business councils and chambers of commerce. Taxation has improved in Mogadishu, and fees at the port and airport, the taxation of international trade, and an additional sales tax have increased revenue. However, the federal government has no power outside Mogadishu in terms of taxation. Meanwhile, Al-Shabaab continues to derive funding from sources such as checkpoint taxation and business extortion.

CIVIL SOCIETY AND SOCIAL PROTECTION

The central state has essentially no capacity to provide basic services, and is reliant on the provision of food, shelter, and medical supplies from the international community. The distribution of aid is politicized, with Al-Shabaab taxing such funds to reinforce its local power. There is therefore no credible way for the government to claim or attempt to provide specialized or protective services to victims of any form of crime. Authorities have introduced several national and international policies to combat transnational organized crime and have made commitments to human rights protections. However, the implementation of these policies remains poor, and

penalties for possessing or trafficking drugs are severe. Measures in place to prevent human trafficking vary in different regions, depending on available resources. Child soldiers remain a prominent issue, with various forces unlawfully recruiting and using them. While training and awareness campaigns to prevent the recruitment and use of child soldiers continue, the government has not reported the implementation of any mechanisms to curb their recruitment and use in its own army.

Somalia is one of the most dangerous countries in the world for journalists, with political violence and corruption undermining the freedom of the press. Non-state actors and regional governments that do not recognize the central government's authority control much of the country, making it difficult for journalists to report news without censorship. Even though officially allowed by the Somali Provincial Federal Constitution, public protests and assemblies are often restricted or even forbidden. Journalists who refuse to comply become targets for Al-Shabaab militants, or face arbitrary detention, torture, targeted killings, or the closure of their media houses by authorities. Despite these challenges, civil society organizations and NGOs have a strong presence in Somalia, providing local services and peacebuilding, but with a limited impact. In Somaliland, many NGOs and political parties can operate without interference. Nevertheless, there has been an increase in restrictions and the arbitrary arrest of government critics, including journalists and opposition leaders.

