



Foreign &
Commonwealth
Office



Department
for International
Development

January 2018

Rt Hon Margaret Beckett MP
Joint Committee on the National Security Strategy
House of Lords
London
SW1A 0AA

Dear Margaret,

Panorama allegations concerning Adam Smith International and HMG's Access to Justice and Community Security Programme (AJACS) in Syria

You asked for an update from the FCO on the allegations made by the BBC's 4 December Panorama story 'Jihadis you pay for' that focused on an HMG project in Syria.

BBC Panorama claimed that the AJACS implementer Adam Smith International (ASI) and the FCO did not adequately deal with issues of corruption, evidence of human rights abuses and diversion of funds to extremist groups. Given the seriousness of the allegations, we suspended the project pending further investigation.

Our internal and third party investigations have now concluded. These have revealed no evidence that the HMG or ASI acted inappropriately. The investigation concluded that the allegations are either (i) untrue, (ii) misleading or (iii) were dealt with appropriately by the project and donors at the time through the robust risk management and monitoring procedures in place. More detail on the scope of the review and allegations are included as an annex to this letter.

We have therefore taken the decision to restart the AJACS project. Given the strong, positive impact AJACS has had on community security in Syria, and the commitment of our international partners to the programme, it is no longer justified to maintain the suspension on the back of allegations that are not supported by evidence. Critical support ahead of the winter has already been delayed, which is affecting lives on the ground. All the other project donors – the Netherlands, US, Germany, Denmark and Canada – support this decision.

The dynamics on the ground in Syria are fluid and our programme in Syria needs to be agile enough to respond to evolving circumstances. So even though the review found no evidence of any HMG wrongdoing, and I remain confident we have the

appropriate processes in place, we are working with the US on a further review of our AJACS programme to ensure that international donor monitoring procedures remain sufficiently robust as we move forward with this important work. The FCO is also reviewing the capacity of suppliers to operate in such complex and challenging environments.

As I set out previously, delivering assistance in Syria, and Idlib specifically, is not without risk. That is why all FCO programmes are designed carefully and our contracts include a requirement for robust monitoring of supplier performance and regular reporting. In many cases, as with the AJACS project, implementation is also reviewed by an independent third party organisation.

I remain confident that our programme assurance process allows us to protect vulnerable Syrians, advance UK national interests while at the same time delivering value for money for the UK taxpayer.

I have written to all MPs to update them along these lines, as I previously undertaken to do.

Your ever
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THE RT HON ALISTAIR BURT MP
Minister of State for the Middle East and North Africa

I hope this is sufficient.

*Would of course be happy to meet with
you to discuss further if you wish*

Annex – FCO review and precis of allegations

1. HMG's review of the allegations, carried out between 16 November and 14 December, consisted of:
 - a review of all HMG documentation on record related to the allegations;
 - discussions with HMG staff involved with the AJACS programme at the time of the allegations;
 - discussions and exchanges of documentation with the project implementer Adam Smith International (ASI) and ASI's fellow implementing partner (funded by another donor), including a review of their supporting evidence;
 - conversations and exchanges of documentation with other donors;
 - a review of previous third party monitoring reports;
 - a review of a report on the allegations written by an independent third party monitor, commissioned by HMG;
 - and discussions with the independent third party monitor.

2. The UK's review concluded that:
 - There is no evidence of UK funding being paid to Jabhat al-Nusra sympathisers.
 - There is no evidence of any Free Syrian Police Officer having been involved in any human rights abuse related to any prison / court
 - That "bags full of cash" were not regularly taken across the Turkish-Syrian border to fund the AJACS project as the BBC suggested.
 - The majority of AJACS payments into Syria have been made by vetted and registered hawala cash transfer networks. HMG and Adam Smith International carry out due diligence on the networks that are used and ensure that they are not compromised by armed groups. There is no formal banking system in opposition controlled Syria - with over half of the population without access to the formal banking system, hawala money transfers are therefore a critical lifeline for almost all humanitarian and development projects in Syria.
 - The programme's accounting and verification procedures are sufficiently rigorous to manage the risk of corruption and diversion of funding. For example, AJACS employs more than 60 field monitoring staff in Syria, that amongst other duties, verify and spot check payments of Free Syrian Police (FSP) stipends in country. This includes photographic evidence of stipend payments, and ID checks of those receiving payments. Stipend verification reports and monthly stipend analysis are independently audited. Separately, a third party monitor adds an additional layer of risk identification resource - field staff in Syria visit stations, interview officers and monitor community projects supported by UK funding.
 - In early 2016, two payments totalling £1340 were diverted to Jabhat al-Nusra sympathisers in FSP stations in Kafr Diryana and Hazzanu. This was not paid for using

UK funds, but by another international donor, through a separate contract with another implementing partner to support the AJACS project. Both the implementing partner and donor concerned have confirmed this twice (in early 2016, and again in the process of the HMG review).

- Two former members of AJACS staff made allegations during the BBC Panorama programme over corruption in the AJACS project. However, neither individual gave any specific example of corruption having taken place - we cannot therefore conclude that there are "significant problems" with the AJACS project based on this evidence. We are confident that the programme's accounting and verification procedures are sufficiently rigorous to manage the risk of corruption.
 - While HMG is aware of no evidence of any Free Syrian Police Officers having been involved in any human rights abuse, the UK is aware of an allegation received by AJACS field officers that two FSP officer blocked off a road in November 2014, to allow two women to be stoned. The review noted that this information was contested at the time: other eye witness accounts reported to AJACS field officers that the individuals in question did not block off the road, but rather arrived at the scene to investigate the crowds that had gathered. In any case, there is documentary evidence that these individuals were not at any point the recipient of UK or other donor funding, and that they were informed by the FSP leadership following the allegations that they would have no future role in, or association with, the FSP.
3. On balance therefore, the HMG / FCO internal review concluded that in each case the allegations were either i) untrue, ii) misleading, iii) or were dealt with appropriately by the project and donors at the time.
 4. It is worth noting that these conclusions are broadly consistent with the findings of an independently commissioned report by a third party monitor. This report noted that BBC Panorama "failed to effectively capture the context in which AJACS operates; explain the overall impact of the programme; and provide robust evidence regarding the specific allegations made". It went on to conclude that systematic cooperation between the FSP and al-Nusra was not very likely: "available evidence suggests that the FSP resist efforts by Nusra to encourage co-operation", and that the third party monitor "had not uncovered evidence of FSP officers being directly involved in human rights abuses" through the duration of the programme.