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United States Department of State  
and the Broadcasting Board of Governors  
Office of Inspector General

# Middle East Regional Office

## Review of the Roles, Staffing, and Effectiveness of Regional Embassy Offices in Iraq

Report Number MERO-IQO-09-09, August 2009

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PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability and positive change in the Department of State and the Broadcasting Board of Governors.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read "H. W. Geisel".

Harold W. Geisel  
Acting Inspector General

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## KEY FINDINGS

- Four Regional Embassy Offices were established in Iraq in the summer of 2004, and three were in operation at the start of this evaluation in December 2008. However, currently, only one Regional Embassy Office is operating in Hillah.
- Regional Embassy Offices were effective bases for conducting engagements with Iraqis, reported firsthand on political and economic developments in the provinces, and served as vital nearby staging areas for personal protection operations.
- Operating and supporting a forward-deployed U.S. Government civilian presence in Iraq is challenging and expensive. For example, the Department of State (Department) spends more than \$75 million annually, and has employed as many as 700 people to secure, operate, and maintain the Regional Embassy Office in Hillah.
- Total U.S. Government staffing for the Regional Embassy Office in Basra, the Regional Reconstruction Team in Erbil, and the Regional Embassy Office in Hillah was 265. A total of 1027 contractors provided life support and personal protective services. These numbers resulted in a ratio of nearly four life support and personal security contractors to every one U.S. Government staff member at these Regional Embassy Offices and Regional Reconstruction Team.
- A 2004 agreement on the exchange and use of diplomatic and consular properties between the Government of the United States and the Iraqi Interim Government transferred to the United States title to properties for future consulate sites in Basra and Mosul. No decisions have been made as to the number and location of consulates in Iraq, and no steps have been taken to plan or budget for the eventual opening of consulates. Current buildings and facilities used by Department of State personnel in the provinces are inadequate platforms to support consular operations.

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## INTRODUCTION

In the summer of 2004, upon the disestablishment of the Coalition Provisional Authority, the Department established Regional Embassy Offices (REO) in the cities of Basra and Hillah in southern Iraq, and Kirkuk and Mosul in northern Iraq.<sup>1</sup> In February 2009, REO Kirkuk closed. Most of its functions were transferred to the Regional Reconstruction Team (RRT) located in downtown Erbil. In May 2009, REO Basra was closed and replaced by the Provincial Reconstruction Team (PRT) in Basra. When this evaluation began in December 2008, three REOs were operating, but as of the date of this report, only REO Hillah is active.

The Middle East Regional Office (MERO) of the Office of Inspector General (OIG) initiated this performance evaluation in November 2008 under the authority of the Inspector General Act of 1978, as amended,<sup>2</sup> due to concerns as to whether the REOs in Iraq were fully empowered, staffed, and resourced to meet the mission of the U.S. Government (USG). This report provides information on the roles, staffing, and effectiveness of the REOs. However, due to changes in their numbers, composition, and mission, OIG has also included information on the operational challenges at each REO (or former REO) site. The Department's mission strategic plans for Embassy Baghdad for FY 2009, FY 2010, and FY 2011 include plans to shift the current mission of REOs and PRTs to more diplomatic functions. The current U.S. military drawdown in Iraq will also change the security situation for the remaining REO, as well as the PRTs. It will not affect the security situation of the RRT which is currently not paired with a military brigade. All of these issues will need to be considered if the Department decides in the future to establish consulates in Iraq.

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<sup>1</sup> On June 1, 2006, REO Mosul was closed and replaced by a Provincial Reconstruction Team in Ninewa Province.

<sup>2</sup> 5 USC App. 3

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This is the second and final report on Embassy Baghdad's management of REOs in Iraq. An earlier interim report issued in April 2009 dealt exclusively with REO Hillah.<sup>3</sup> The major points of that OIG evaluation, as well as the Embassy's response are included in this final report. During this assessment, OIG met with key embassy officials including representatives from the Office of Provincial Affairs, the Management Counselor's Office, and the Regional Security Office (RSO). OIG visited REO Basra, REO Hillah, and RRT Erbil. Finally, while working on another evaluation in August 2006, an OIG team member observed operations at REO Kirkuk before its closure.

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<sup>3</sup> *Interim Report on Role, Staffing, and Effectiveness of the Regional Embassy Office in Hillah, Iraq* (MERO-IQO-09-04, April 2009)

## EXECUTIVE SUMMARY

### RESULTS

REOs, as diplomatic extensions of Embassy Baghdad, were important in projecting an active USG presence in Iraq's outlying provinces. REOs effectively served as bases for conducting engagements with Iraqis, reported firsthand on political and economic developments in the provinces, and acted as vital nearby staging areas for personal protection operations.

However, operating and supporting a forward-deployed USG civilian presence is a challenging and expensive proposition. Due to the unstable security environment in Iraq, REOs depended on private contractors to provide life support and personal protective services. At the time of this evaluation, there were a total of 265 USG staff members at REO Basra, RRT Erbil, and REO Hillah, and a total of 1,027 life support and personal security contractors — a ratio of nearly four life support and personal security contractors to each USG staff member. According to Embassy Baghdad calculations, the Department spends more than \$75 million annually, and has employed as many as 700 people to secure, operate, and maintain the REO in Hillah (Babil Province). Before its closure in February 2009, REO Kirkuk (Kirkuk Province) had a \$40 million annual operation expense.

When OIG announced this evaluation in December 2008, there were three REOs operating, but at the time of this report, only REO Hillah remains active. Nonetheless, at the sites, OIG observed the following:

- REO Basra was established in 2004 in a former “Saddam” palace in downtown Basra. In June 2007, after months of heavy rockets attacks, the REO was moved outside the city to the Basra Airbase. In May 2009, the Embassy chose to fold the REO into the formerly British-led PRT Basra, and “moth-balled” the REO for an indefinite period of time, pending a decision by the Administration regarding opening a U.S. Consulate in the city of Basra. At the time of OIG's fieldwork, facilities at the PRT were lacking and USG personnel struggled with inadequate housing accommodations, office space, and other life support services. However, Embassy Baghdad noted in its review

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of a draft of this report that actions had recently been taken to address these shortfalls.

- RRT Erbil was established in 2007 to provide program and administrative support for embassy programs in the northern provinces of Erbil, Dohuk, and Sulaymaniyah. In February 2009, REO Kirkuk was closed, with most of its operations transferred to the RRT Erbil. The RRT compound is located in an enclosed area of an Erbil suburb and is composed of short-term leased houses that serve as RRT office space and lodging for Department, U.S. Agency for International Development (USAID), and contractor personnel, as well as housing for personal protective service contractors. RRT Erbil facilities are less than adequate, with offices and living quarters interspersed with local residences and businesses.

However, the Department is reluctant to approve relocation of facilities or extensive repairs pending an Administration decision on USG presence in northern Iraq.

- REO Hillah was established in June 2004 on the site of the former regional headquarters of the Coalition Provisional Authority for south central Iraq. REO Hillah's main mission was to serve as a base for five PRTs operating in Babil, Karbala, Najaf, Wasit, and Qadisiyah. However, in early 2008, four of the PRTs based in Hillah were transferred to their respective provinces, and REO Hillah supported only PRT Babil. According to Embassy Baghdad, the Department spends more than \$75 million annually and has employed as many as 700 people to secure, operate, and maintain the REO. OIG determined this arrangement was excessive, and an expensive way to support a single PRT and, in an April 2009 interim report, recommended the relocation of PRT Babil and the closure of REO Hillah. Embassy Baghdad objected to OIG's recommendation stating that accelerating the closure and relocation process would undermine an existing process that is moving forward at a measured pace. As of July 2, 2009, OIG understands that Embassy Baghdad has not taken any further action toward closing REO Hillah.

An October 2004 bilateral agreement between the Government of the United States and the Iraqi Interim Government transferred to the United States title to a site for the new embassy compound in Baghdad and future consulate sites in Basra and Mosul. The Embassy completed the move to its 67-acre compound in

December 2008; however, as of June 2009, no steps had been taken to plan or budget for the eventual opening for U.S. Consulates in Iraq. According to senior Embassy Baghdad officials, the situation in Iraq is still fluid and the Administration's decisions about the location of future consulates have not been taken. Security is a key aspect for deciding when and where to open consulates in Iraq. Operating and maintaining office space, housing, and support facilities for USG personnel in provincial capitals requires a significant security investment. Furthermore, the facilities at current and former REO locations are inadequate for conversion to support consular operations.

## RECOMMENDATION

Upon receiving policy direction from the Administration to proceed forward in the normalization of relations with the Government of Iraq, Embassy Baghdad should develop a detailed plan for establishing consulates in Iraq. The plan should contain an analysis of the security situation, life support, and other logistical requirements, including associated costs and future funding requirements at proposed sites. (Action: Embassy Baghdad)

## MANAGEMENT COMMENTS AND OIG RESPONSE

Embassy Baghdad provided technical comments and updated information that has been incorporated into the report as appropriate.

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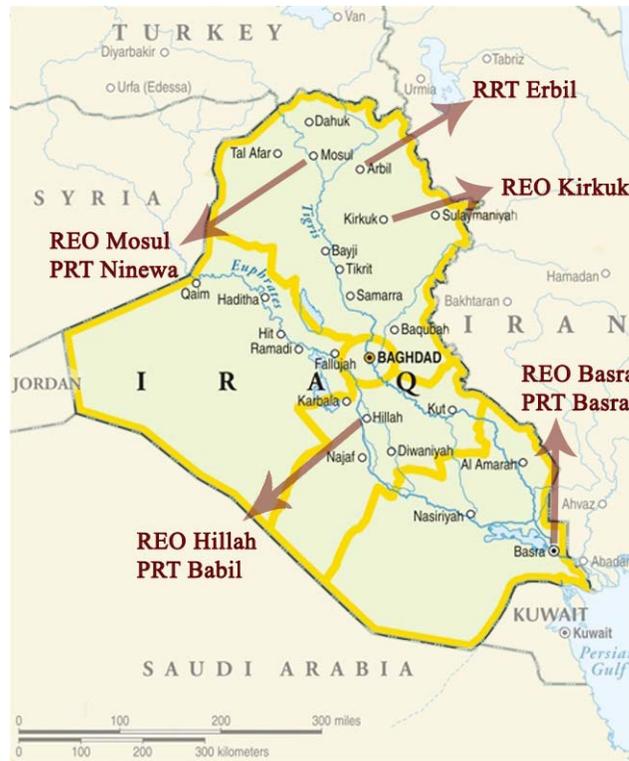
## BACKGROUND

REOs are unique Department organizations created to help carry out Department-related activities in Iraq. Under the direction of Embassy Baghdad's Office of Provincial Affairs (OPA), REOs perform a variety of administrative functions for many PRTs and other USG agencies. REOs are bases for conducting meetings with Iraqis, report on political and economic developments, act as staging sites for personal security operations, and host some PRTs and operational support units (e.g., the Gulf Region Division of the U.S. Army Corps of Engineers).

Embassy Baghdad mission strategic plans contain the following targets: (1) in FY 2009 and FY 2010, fully support and continue the evolution of REOs and the PRT network to traditional diplomatic platforms; and (2) in FY 2011, as the U.S. military reduces its presence and provincial capacity improves, and as the USG normalizes its diplomatic presence in Iraq, anticipate gradually closing the REOs and PRTs. Before this evaluation, one REO had already been replaced by a PRT; since the time of the evaluation, a second REO became a PRT, and a third closed down and most functions were transferred to the RRT. The RRT in Erbil is the only team covering a region consisting of three provinces, Dohuk, Erbil, and Sulaymaniyah, in the Kurdistan Region; all other teams each cover only one province. OPA is also responsible for staffing, providing programmatic guidance, and directing these PRTs and the RRT in Iraq. PRTs, some of which were and are based at REOs, are described by OPA as critical to U.S. and coalition efforts to achieve a stable, peaceful, united, and secure Iraq, with a developing economy, participatory governance under the rule of law, and civil order.

All REOs, except REO Hillah have closed. Under current planning, the number of PRTs will be reduced to 16 by August 2011 and six by December 2011. As diplomatic relations and assistance programs normalize, Embassy Baghdad will consider opening consulates in Basra and Mosul, as previously agreed to by the Iraqi Interim Government. The Embassy will also explore possible establishment of other consulates, depending on U.S. interests. The Department should examine the experiences of the REOs, PRTs, and RRT Erbil when considering the locations and roles for potential consulates. Figure 1 depicts the locations of the REOs, several PRTs, and the RRT in Iraq.

Figure 1: Map with REOs, several PRTs, and the RRT in Iraq



Source: OIG analysis of Department data

Note: Erbil and Arbil are alternative spellings of the same city.

## ROLES, STAFFING, AND EFFECTIVENESS OF REGIONAL EMBASSY OFFICES

REOs, as diplomatic extensions of Embassy Baghdad, were important in projecting an active USG presence in Iraq's outlying provinces. The engagement of USG civilian personnel with Iraqi civilian and government officials served as a counterbalance to the significant U.S. military presence in Iraq and helped project and facilitate a normalization of relations. OIG observed that Department personnel, working under austere and dangerous conditions, nonetheless were motivated and put forth their best efforts to support the Department's diplomatic mission. Based upon fieldwork conducted at Basra, Erbil, and Hillah, the OIG team concluded that the REOs and RRTs were effective in their roles as bases for meetings with Iraqi counterparts, firsthand reporters of provincial political and economic developments, and nearby staging sites for personal protection operations.

However, Iraq's complex and difficult security situation, with its overlapping sectarian, political, and ethnic conflicts, makes operating and supporting a forward-deployed USG civilian presence a challenging and expensive proposition. Embassy Baghdad calculates that it costs the Department more than \$75 million annually, and that nearly 700 contractors are employed to secure, operate, and maintain REO Hillah in Babil Province. Before its February 2009 closure, annual operation expenses for REO Kirkuk in Kirkuk Province were \$40 million.

The REOs were composed of Department personnel as well as representatives from other USG agencies, with an average total of 88 USG staff members at each REO, and an average of 342 contractors providing life support and personal protective services. At the time of this evaluation, total USG staffing for REO Basra, RRT Erbil, and REO Hillah was 265; 1027 contractors provided life support and personal protective services, resulting in a ratio of nearly four life support and personal security personnel to one USG staff member. Table 1 shows the number of personnel from the Department and other USG agencies, and contractor support at REO Basra, RRT Erbil, and REO Hillah.

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Table 1: USG and Contractor Personnel Positions at REOs and RRT, April 30, 2009

	<b>Basra</b>	<b>Erbil</b>	<b>Hillah</b>	<b>Total</b>
<b>Department of State</b>	50	55	62	167
<b>Other USG agencies</b>	3	3	93	99
<b>Subtotal</b>	53	58	155	266
<b>Life support services</b>	121	0 <sup>a</sup>	338	459
<b>Security protection</b>	80	225	263	568
<b>Subtotal</b>	201	225	601	1027
<b>Total</b>	254	283	756	1293

Source: OIG analysis of Embassy Baghdad data

Note: <sup>a</sup> The local economy provided life support services at RRT Erbil.

## REGIONAL EMBASSY OFFICE BASRA

Basra, Iraq’s second largest city, with a population of 2.5 million, is located in the southern province of Basra. The city of Basra is home to the county’s only deep-water port, through which most of Iraq’s imports enter. More than 80 percent of Iraq’s oil is exported to world markets from Basra. Basra Province is strategically placed between Iran and Kuwait; the city of Basra is only 13 miles west of the Iranian border.

REO Basra was established in 2004 in a former “Saddam” palace in downtown Basra. In June 2007, after a series of heavy rocket attacks that began in January 2007, the REO moved 5 miles outside the city to the several thousand acres adjacent to the Basra Airbase. The site, known as the Contingency Operations Base (COB), was under United Kingdom military control until its departure from Iraq on March 31, 2009. In November 2008, in response to the announcement of UK troop withdrawal, the Embassy decided to fold REO Basra into the formerly British-led PRT Basra, with its multinational team from the United Kingdom, United States, Denmark, Australia, and Canada. This merger coincided with the U.S. military decision to extend the COB perimeter to include the adjacent 3-acre REO site. Embassy officials indicated that the REO would not be officially disestablished, but would be “moth-balled” for an indefinite period of time, pending a decision by the Administration regarding opening U.S. Consulates in Iraq. Basra would very likely be a favored location for a consulate. The Embassy’s effort to minimize actions related to REO Basra reflects its anticipation of a future diplomatic presence in the city, while the PRT would absorb REO functions.

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The OIG team conducted fieldwork in Basra at the end of March 2009, in the midst of the aforementioned transition period, and observed firsthand the operational challenges facing REO Basra personnel. The decision to move within the COB, under the operational authority of the U.S. Army's 10th Mountain Division and later the 31st Infantry Division, relieved the REO of the need to provide a static guard force on the perimeter and internal personal protection security. Furthermore, the REO did not need to fund or provide additional housing to support Department-contracted personal protective services personnel. However, at the time of OIG's fieldwork, USG staff continued to struggle under inadequate housing, accommodations, and facilities. Prefabricated containerized housing units (trailers known as CHUs) designed to accommodate 85 persons are currently used by nearly 200 people living two to four to a single unit. Offices and conference rooms were created by removing walls and joining units together. The vast majority of erected CHUs were under a hardened ballistic cover, but new CHUs being constructed were not under this shelter. In commenting on a draft of this report, Embassy Baghdad noted that steps had recently been taken to improve PRT housing, offices, and dining facility.

The REO move from the palace to the airbase increased the need for personal protective services while traveling into the city, and thus, REO staff members had less contact with their Iraqi counterparts. During this time, REO officials were generally able to continue their mission objectives by meeting with Iraqis on-site at the COB. More recently, according to official reporting, REO personnel have increased the number of meetings with Iraqi leaders in business, government, education, media, and finance.

## REGIONAL RECONSTRUCTION TEAM ERBIL

Erbil is believed to be one of the oldest continuously inhabited cities in the world and is one of the larger cities in Iraq. The city lies 80 kilometers (50 miles) east of Mosul. In 2005, its estimated population was 990,000. Erbil is the capital of the Kurdistan Region and the seat of the Kurdistan Regional Government. The city is home to several universities, international organizations, and major companies. In 1991, after the Persian Gulf War and a Kurdish uprising against Saddam Hussein, the United Nations Security Council passed Resolution 688, creating a safe haven for the Kurds in northern Iraq, a no-fly zone protected by U.S. and British air power. The United States has had significant political influence and positive diplomatic relations in the area.



presented these issues to OBO and the Bureau of Near Eastern Affairs for resolution; however, they note that the bureau is reluctant to approve relocation of facilities or extensive repairs pending an Administration decision on USG presence in northern Iraq.

## REGIONAL EMBASSY OFFICE HILLAH

REO Hillah was established in June 2004 on the site of the former regional headquarters of the Coalition Provisional Authority for south central Iraq. The south central area is known as the Shia heartland, with the city of An Najaf serving as the capital. Babil Province, south of Baghdad, has a mixed Sunni and Shia population, and is an important transport and fuel network, which creates sectarian volatility. REO Hillah mainly served as a base for five PRTs operating in Babil, Karbala, Najaf, Wasit, and Qadisiyah. However, by early 2008, four of the PRTs in Hillah were transferred to their respective provinces, and REO Hillah supported only PRT Babil.

OIG visited REO Hillah in February 2009, and an interim report was issued in April 2009 recommending: (1) stopping or curtailing all capital improvement projects; (2) relocating PRT Babil and other USG employees to a nearby U.S. Army base; (3) curtailing or transferring REO Hillah security and support staff to other locations in Iraq; and (4) decommissioning and returning the Hillah hotel property to the Government of Iraq.<sup>4</sup> Embassy Baghdad objected to OIG's recommendation to accelerate the closing of REO Hillah stating that speeding closure and relocation would undermine an existing process moving forward at a measured pace. The Embassy emphasized the need to consider the negative impact on all of the organizations and personnel supported by the REO.

Embassy Baghdad had calculated \$55 million in annual security costs at REO Hillah to support approximately 300 personal security specialists and a perimeter guard force. The annual support costs for about 350 KBR employees and locally hired Iraqis was estimated at \$20 million. REO Hillah is currently supporting one 37-member PRT, and OIG determined that \$75 million in annual operating costs was excessive and an expensive way to support a single PRT. OIG observed that cost savings of \$6.5 million a month meant that closure of the REO by May 2009 could result in savings of more than \$32 million in FY 2009. In addition to the operating costs, REO Hillah had 10 capital improvement projects underway, including three

<sup>4</sup> *Interim Report on Role, Staffing, and Effectiveness of the Regional Embassy Office in Hillah, Iraq* (MERO-IQO-09-04, April 2009)

not yet begun and valued at \$1.4 million, four projects that were 15 percent completed leaving \$235,000 unobligated, and three projects 25 to 73 percent completed with \$643,000 unobligated, adding up to potentially nearly \$2.3 million in unexpended funds.

OIG has learned that the Embassy has stopped all capital improvement projects at REO Hillah. The Embassy's contracting officer's representative, with management support, rejected requests by the site contractor to continue with several proposals, including work on a firing range, procurement of communications systems for fire trucks, and purchase of handheld radios. However, as of July 2, 2009, Embassy Baghdad had not taken any further action toward closing REO Hillah. Therefore, OIG reiterates its recommendation to accelerate the relocation of PRT Babil and the closure of REO Hillah.

## REGIONAL EMBASSY OFFICE KIRKUK

REO Kirkuk was established in the summer of 2004 to provide a U.S. diplomatic presence, a base for meetings with Iraqis, and to report on political and economic developments in this oil-rich northern Iraqi city. REO Kirkuk also coordinated efforts among Department and other USG personnel, U.S. military and coalition forces, non-governmental organizations, contractors, and international partners, to further Department goals in the region. REO Kirkuk, through its public diplomacy efforts, conveyed the U.S. strategic goals of bettering the lives of all Iraqis. In addition, REO Kirkuk provided administrative support (e.g., housing, life support, logistics, and security) to Department and other USG personnel. The REO also devoted considerable effort and expense to support of PRT operations in Ta'mim Province.

In January 2007, for programmatic benefit and cost savings, Embassy Baghdad consolidated operations for PRT Kirkuk, which served the northern province of Ta'mim and was colocated at REO Kirkuk, at the U.S. military forward operating base at Kirkuk Regional Airbase. Following the departure of the PRT to the airbase, the Embassy determined that REO Kirkuk did not have sufficient personnel to merit the cost of continued operation. In February 2009, REO Kirkuk was closed. Most functions were transferred to the RRT in Erbil. Closing the facilities at REO Kirkuk, according to Embassy Baghdad calculations, resulted in security and life support costs savings of \$40 million.

OIG commends Embassy Baghdad's actions to close REO Kirkuk without negatively affecting the USG mission in the area, and the resulting \$40 million annual cost savings to the Department.

## PLANNING FOR FUTURE CONSULATES

On October 31, 2004, the Government of the United States and the Iraqi Interim Government entered into a bilateral agreement on the exchange and use of diplomatic and consular properties in each other's countries. Among other things, this agreement transferred to the United States title to a site for the new embassy compound in Baghdad and future consulate sites in Basra and Mosul.<sup>5</sup> According to this agreement, within 1 year of official approval by both governments to establish consulates in Basra and Mosul, Iraq will provide to the United States title to land areas of approximately 40,000 square meters each, suitable for diplomatic and consular functions.

At the end of 2008, Embassy Baghdad completed its move out of the International Zone's Republican Palace to the 67-acre new embassy compound. However, as of June 2009, no steps had been taken to plan or budget for the eventual opening for U.S. Consulates in Iraq. According to senior Embassy Baghdad officials, the situation in Iraq is still fluid and the Administration's policies for Iraq have not yet been decided, including the number and location of future consulates.

As part of OIG's review of the effectiveness of REOs in Iraq, the OIG team assessed whether the REOs, as diplomatic extensions of the Embassy, would be suitable and cost effective platforms for establishing consulates. In deciding on opening dates and locations for consulates in Iraq, the Department should consider the issues and lessons learned from the operations of the REOs. Security is a key aspect of this consideration. Based upon numerous interviews with senior management, security, and REO officials, the unstable security environment in Iraq affects every facet of the U.S. diplomatic mission. As documented previously in this report, operating and maintaining office, housing, and support facilities for USG personnel in provincial capitals requires a significant security investment.<sup>6</sup>

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<sup>5</sup> In exchange, the United States agreed that Iraq is the legal and rightful owner of the Ambassador's Residence and Chancery properties in northwest Washington, DC.

<sup>6</sup> Furthermore, the Department has obligated nearly \$2 billion for fiscal years 2005-2008, and has approximately 1,300 personal security contractors providing protection to personnel under chief of mission authority. See *Review of Diplomatic Security's Management of Personal Protective Services in Iraq*, MERO-IQO-09-02, January 2009.

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In addition, the facilities at current and former REO locations are inadequate for conversion to support consular operations. In Basra, the move from the Basra Palace in the downtown district to trailers on the Basra Airbase (5 miles out of town) geographically isolates USG personnel from the population they are supposed to serve. A senior embassy official informed the OIG team that Basra is the second most important city in Iraq, and a consulate would need to be located downtown to carry out its typical functions of visa issuance; U.S. citizen support services; political, economic, and intelligence reporting; trade promotion; and public diplomacy.

At this time, Erbil, in the northern Kurdish Region, with its relatively benign security environment, possesses a more secure and less expensive logistical support challenge than elsewhere in Iraq. However, RRT Erbil's office and housing consists of several leased homes spread among a neighborhood that includes shops, restaurants, and homes owned by Iraqis.

Although Embassy Baghdad has approached OBO about the acquisition of new facilities, the OIG team learned that no decision will be made regarding new facilities in Erbil until the Administration announces its future plans for U.S. presence in northern Iraq.

The northern city of Mosul in Ninewa Province is listed as the site of a future U.S. Consulate in the bilateral diplomatic and consular properties agreement. However, embassy officials informed the OIG team it is unlikely the USG will open a consulate there, noting that Mosul remains one of the most insecure areas in Iraq. These officials further stressed that planning for future consulates in Iraq is at the very preliminary discussion stage, and no decisions have been made.

## ABBREVIATIONS

CHU	Containerized Housing Unit
COB	Contingency Operations Base
Department	Department of State
MERO	Middle East Regional Office
OBO	Bureau of Overseas Building Operations
OIG	Office of Inspector General
OPA	Office of Provincial Affairs
PRT	Provincial Reconstruction Team
REO	Regional Embassy Office
RRT	Regional Reconstruction Team
RSO	Regional Security Office
USAID	U.S. Agency for International Development
USG	U.S. Government

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## APPENDIX I – PURPOSE, SCOPE, AND METHODOLOGY

The Middle East Regional Office (MERO), Office of the Inspector General initiated this evaluation on November 25, 2008, under the authority of the Inspector General Act of 1978, as amended, due to concerns as to whether the REOs in Iraq were fully empowered, staffed, and resourced to meet the mission of the U.S. Government.

To examine the roles, staffing and effectiveness of REOs in Iraq, OIG reviewed relevant documents concerning program planning, resources, and implementation. OIG compared the objectives and mission of the REOs from the embassy's mission strategic plans to contract task orders, security and diplomatic agreements between the Governments of the U.S. and Iraq, funding documents, staffing rosters, and on-the-ground activities. OIG held extensive discussions with senior embassy officials and their staffs to discuss the accomplishments and obstacles faced by the REOs, including the Director of the Office of Provincial Affairs, the Management Counselor, the Regional Security Officer, the Director of Joint Strategic Planning and Assessment, and the Senior Advisor to the Ambassador for Southern Iraq.

From February to March 2009, OIG visited REO Basra, REO Hillah, and RRT Erbil, and during 2006, one of the OIG team members worked on other oversight projects at REO Kirkuk. At these sites the OIG team interviewed directors, management officers, RSO security agents, principal REO officers, and PRT/RRT team leaders and their staffs. In Basra, OIG met with the United Kingdom's Command Public Affairs Officer and Deputy Counsel General. The OIG team also obtained and reviewed cables and other reporting documents from officials in the field.

OIG conducted this evaluation from December 2008 to June 2009. OIG used a limited amount of computer-generated data to perform this evaluation. OIG conducted this evaluation in accordance with the quality standards for inspections and evaluations issued in January 2005 by the Council of Inspectors General on Integrity and Efficiency.

This report was prepared under the direction of Richard "Nick" Arntson, Assistant Inspector General for MERO. The following staff members conducted the

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should be slugged "OIG Channel"  
to ensure confidentiality.