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

# Report of Inspection

Embassy Antananarivo,  
Madagascar

Report Number ISP-I-09-03A, October 2008

## ~~IMPORTANT NOTICE~~

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## **PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION**

This inspection was conducted in accordance with the Quality Standards for Inspections, as issued by the President's Council on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General for the U.S. Department of State (Department) and the Broadcasting Board of Governors (BBG).

### **PURPOSE**

The Office of Inspections provides the Secretary of State, the Chairman of the BBG, and Congress with systematic and independent evaluations of the operations of the Department and the BBG. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved; whether U.S. interests are being accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; whether instance of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

### **METHODOLOGY**

In conducting this inspection, the inspectors: reviewed pertinent records; as appropriate, circulated, reviewed, and compiled the results of survey instruments; conducted on-site interviews; and reviewed the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by this review.



**United States Department of State  
and the Broadcasting Board of Governors**

*Office of Inspector General*

PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, Section 209 of the Foreign Service Act of 1980, the Arms Control and Disarmament Amendments Act of 1987, and the Department of State and Related Agencies Appropriations Act, FY 1996. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its oversight responsibility with respect to the Department of State and the Broadcasting Board of Governors to identify and prevent fraud, waste, abuse, and mismanagement.

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 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 JUDGMENTS

- Embassy Antananarivo energetically engages the governments of Madagascar and the Comoros on a broad range of issues. Especially in regard to the latter, there is a risk of arousing unrealistic expectations about U.S. projects and support.
- Embassy Antananarivo and the Department of State (Department) should assess the added value of reestablishing a permanent diplomatic presence in the Comoros. The cost of sustaining such an establishment likely would exceed \$800,000 annually.
- Agencies and embassy sections at Antananarivo do not function as a fully integrated team. In part, this results from and reflects the dispersed location of offices.
- Many American personnel assigned to the mission are able to conduct business in French, the language of the elites in both Madagascar and the Comoros. There is little capacity to work directly in the local languages (Malagasy and Comorian) spoken by the overwhelming majority of the population in the respective host countries.
- The English Teaching Program (ETP), largest of its kind in Sub-Saharan Africa, is located in the American Cultural Center (ACC). The ACC is not in compliance with many security standards. The ETP should be privatized and the non-ETP locally employed (LE) staff should be relocated. This could save the U.S. government over \$1 million in three years.
- The objective of supporting expansion of school facilities in Antananarivo is understandable, but the Office of Inspector General (OIG) team recommended that the Office of the Legal Adviser and the Bureau of Overseas Buildings Operations (OBO) review embassy decisions to accept gift property for use by the school.

The inspection took place in Washington, DC, between April 3 and 29, 2008, and in Antananarivo, Madagascar, between May 21 and June 3, 2008. Ambassador David E. Zweifel (team leader), Dr. Louis A. McCall (deputy team leader), Barry Langevin, Andrea M. Leopold, Robert W. Mustain, Jr., Jeanne B. Nienhaus, and Timothy Wildy conducted the inspection, which included a site visit to the Union of the Comoros.



## CONTEXT

Bilateral relations between the United States and Madagascar are very good. Mission access to key decisionmakers is easy and frequent. At the government-to-government level, the dialogue is generally productive.



U.S. program assistance is an important element in this equation. Madagascar was the first beneficiary of a Millennium Challenge Corporation (MCC) compact. The initial four-year duration compact was for a nearly \$110 million program. More than half of that time has expired, but a fifth-year extension appears imminent. The unwritten understanding in 2005 was that renewal was almost a certainty. However, it is not certain that there will be a follow-on compact (at present, the govern-

ment of Madagascar does not meet the standards in the MCC compact categories dealing with investing in people, but remediation efforts are in train).

Meanwhile, overall levels of U.S. development assistance, primarily through the MCC, the U.S. Agency for International Development (USAID), and the Department of Agriculture, totaled over \$217 million from multiyear funding streams.

From 1985 to 1995, the United States had a fully functioning embassy in the Comoros. This was withdrawn because of budgetary constraints, but nonresident diplomatic representation continued with coaccreditation of the American ambassador to Mauritius. Responsibility for U.S. relations with the Comoros was shifted from Embassy Port Louis, Mauritius, to Embassy Antananarivo in March of 2006. This was logical in view of better and less expensive transportation links between Antananarivo and Moroni, the capital of the Comoros.

The Ambassador at Antananarivo is intent on reopening a resident diplomatic presence in the archipelago. Conceptually, this would be an embassy subordinate to the Ambassador at Antananarivo. The Assistant Secretary in the Bureau of African Affairs (AF) shares this vision.





## EXECUTIVE DIRECTION

Foreign Service professionals comprise the leadership of Embassy Antananarivo, including that of USAID. The Ambassador has been in Madagascar for nine months, the deputy chief of mission (DCM) for almost three years.

The Ambassador is vigorous and determined in his vision for this mission. He is accredited to the Union of the Comoros in addition to the principal responsibility for conduct of bilateral relations with the host government of Madagascar. Both governments conduct business primarily in French, and the Ambassador's excellent command of that language, complemented by that of other members of the embassy staff, enables an easy dialogue at the upper levels of the host governments. Interaction with the non-French speaking segment of the Malagasy and Comoran populations (a majority in both countries) is more problematic.

The front office follows a classic "inside/outside" model. The Ambassador concentrates on policy, diplomacy, and representation, while the DCM focuses on management and coordination of the elements of the mission.

The Ambassador readily delegates responsibility to heads of agency and chiefs of section. Weekly country team meetings (with an all-hands meeting once a month) are the venue for seeking overall coordination of activities. These are primarily information sharing sessions. The monthly all-hands meeting concludes with a focused discussion of a topic of general interest.<sup>1</sup>

Mission offices are dispersed with employees working at three principal locations, the chancery, USAID offices, and the ACC. As per standard practice, Peace Corps is also not colocated. The MCC director spends most of his time at his second office in the Millennium Challenge Account country offices while the Treasury advisor's office is located in the Ministry of Finance. This dispersion is a contributing factor to a lesser sense of unified operations than should prevail. The OIG team concurs with the views of a considerable number of mission staff who perceive that individual units "do their own thing."

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<sup>1</sup> At the session attended by OIG inspectors, the recently arrived management officer gave a cogent explanation of the International Cooperative Administrative Support Services (ICASS) system.

Embassy Antananarivo is pushing the envelope on certain objectives. The OIG team concludes that some actions have been taken without full consultation and concurrence by concerned elements in the Department.<sup>2</sup> These initiatives pertain especially to the objective of establishing a more robust presence in the Comoros and in championing expansion of the school most used by American government employees for their family members. Relevant corrective measures are discussed elsewhere in this report.

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<sup>2</sup> The Ambassador discussed the Comoros concept informally with then Under Secretary for Management Fore; the discussion was inconclusive.

## POLICY AND PROGRAM IMPLEMENTATION

### TRANSFORMATIONAL DIPLOMACY

A large portion of embassy activities in Madagascar and the Comoros falls under the rubric of the Secretary's call for transformational diplomacy. Although Madagascar has suffered electoral violence in the past, Embassy Antananarivo strengthened democratic institutions and the culture of nonviolent democracy by playing an important role throughout the 2006 electoral season in support of free and fair elections in Madagascar that included helping civil society by playing a monitoring and educational role in the elections. The embassy's voice, working with partners such as the European Union and the United Nations, was an important element in sustaining, into the post-electoral period, the local lobbying effort in favor of electoral reform, good governance, and inclusiveness.

Much of the mission's development assistance is geared to reducing poverty, and concomitant instability, by promoting prosperity. USAID and the MCC are the lead partners in this effort to improve health, agricultural productivity, and market access.

The Comoros has had 19 attempted and actual coups d'état in its brief history as an independent country. The three islands that comprise the union have four elected governments, one federal, a separate one for each of the islands. Extreme poverty further complicates effective governance.<sup>3</sup> Nonetheless, the present government in this predominantly Muslim society is moderate and pro-Western. The embassy perceives significant opportunities to perpetuate these tendencies by providing election observers for elections at both the island and federal levels. In March, 2008, the U.S. government was instrumental in supporting the Comoran government and African Union intervention to restore national unity when elections on Anjouan Island were hijacked by a rogue colonel.

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<sup>3</sup> According to the French Ambassador at Moroni, the per capita income in the Comoros is about \$300 per year, about one-tenth of that on the island of Mayotte, the fourth island in the archipelago, whose residents opted to remain a part of France.

## Assistance levels

A breakdown for FY 2006 is as follows (in thousands of U.S. dollars):

MADAGASCAR	
Executive Office of the President (e.g. Peace Corps, Trade and Development Agency)	\$3,934
Department of Agriculture <sup>4</sup>	48,579
Department of State	705
USAID	54,761
Millennium Challenge Corporation <sup>5</sup>	109,280
Military Assistance	462
<b>Total</b>	<b>\$217,721</b>

Source: USAID Economic Analysis and Data Services Project

UNION OF THE COMOROS	
State Department Anti-Terrorism Program	\$80
USAID	80
Military Assistance	106
<b>Total</b>	<b>\$266</b>

Source: USAID Economic Analysis and Data Services Project

## COMOROS

A 1975 decree in the Comoros Archipelago resulted in a vote for independence from France on three of the four islands. Thereafter, the islands of Grand Comore, Anjouan, and Moheli formed an independent Union of the Comoros with the federal capital established at Moroni. The population of the Union is estimated to be 770,000.

Political instability has marked the Union. The fractious nature of island politics is underscored by the existence of four separate “presidents,” cabinets, and legislatures, one at the federal level and one for each of the islands.

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<sup>4</sup> The Department of Agriculture figure represents multiyear funds.

<sup>5</sup> The MCC compact amount is over a five-year period. It was initially for four years when signed in 2005, but was extended for a fifth year.

Between 1985 and 1995, the U.S. Government had a full-fledged embassy at Moroni. For budget reasons, this was closed. Thereafter, the American Ambassador at Embassy Port Louis, Mauritius, was jointly accredited to the Comoros. In March, 2006, responsibility for bilateral diplomatic representation was transferred to Embassy Antananarivo.

American attention to the Comoros was elevated in 1998. The alleged mastermind behind the bombing of Embassy Dar es Salaam was a native of Anjouan.<sup>6</sup> In March 2008, Comoran forces supported by African Union forces with U.S. diplomatic and logistic support ousted a breakaway element on Anjouan. Elections for a new government on that island will be held in June 2008.

The Ambassador to Madagascar and the Assistant Secretary of State for African Affairs espouse reestablishment of a modest resident U.S. diplomatic presence at Moroni. Conceptually, this embassy would report through, and be supported by, Embassy Antananarivo. In the meantime, the Department reprogrammed a vacant position that will report to the Embassy Antananarivo DCM to be devoted exclusively to covering the Comoros. The current chief of the political/economic section will encumber the new position for the next year. Plans call for his temporary duty (TDY) presence in the Comoros for about three weeks per month. AF allotted additional funding to cover relevant expenses through the end of FY 2008.

To move beyond TDY coverage of the Comoros (the existing pattern) implies much more complicated and costly operations. These have not been agreed to by necessary elements within the Department. Shortly before this inspection, Embassy Antananarivo expanded the rationale for the plan (Antananarivo 349 of May 8, 2008) to stimulate the Washington decisionmaking process. The message did not encompass a comprehensive budget projection of start-up expenditures and operating costs to be anticipated in the future. The OIG team concludes that until these issues are resolved, the conduct of U.S.-Comoran relations should proceed on the basis of a more frequent TDY presence of the officer encumbering the dedicated position.

The Ambassador's vision for the proposed embassy in the Comoros is set forth in Antananarivo's cable 349 of May 8, 2008. He projects an estimated cost of less than \$200,000 for setting up a TDY residence at Moroni. The OIG team concludes that this estimate may be realistic but would represent but a fraction of the start-up and out-year costs of establishing a resident embassy.<sup>7</sup> For example, the estimate does not include costs for leasing of office space, salaries and benefits for the pro-

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<sup>6</sup> Harun Mohamed Fazul, reportedly now is in Somalia, but members of his extended family reside on Anjouan. <?>

<sup>7</sup> Washington estimates for start-up costs, given informally to the OIG team during the survey phase for the inspection, were in the range of \$2 million.

posed staff of three local employees, realistic expenses for engaging local guards (presuming appropriate contractors are even available at Moroni), and a travel budget for inter-island movements, etc.

**Recommendation 1:** Embassy Antananarivo should develop and submit to the Department a comprehensive budget projection for establishment of a resident diplomatic presence in the Comoros to include realistic estimates for a residence, office space, furnishings, staff, transportation (including inter-island travel), security requirements, and communications. (Action: Embassy Antananarivo, in coordination with AF, OBO, and DS)

Procedures for establishment of a new post are set forth in 2 FAM 422.1. If, as proposed, this is to be an embassy, it would entail a final decision by the President (2 FAM 411) and at least notification to the Congress. If the presence is characterized as a special office, approval could be at the level of the Under Secretary for Management in the Department. During the survey phase for this inspection, the OIG team was informed that the dialogue on how to proceed had not progressed beyond AF. Subsequently, AF hosted a meeting on the issue with the Bureau of Diplomatic Security (DS) and OBO. In the cable cited above, the Ambassador invited a team from AF, DS, and OBO to travel to the Comoros to assess the prospects for establishing a resident presence in Moroni. This is a logical step, but considerably short of the process required before a decision is made to proceed.

During the course of the inspection, the OIG team leader accompanied representatives from Embassy Antananarivo on a three-day visit to the Comoros. It was readily apparent that access to Comoran Government officials and representatives of diplomatic and international organization at Moroni are good and easily arranged. The Comorans seem clearly well-disposed towards the U.S. Government. A distance learning project funded by USAID is drawing to successful conclusion. The American Corner at the University of the Comoros is vibrant and active. Military civic action personnel from the Combined Joint Task Force/Horn of Africa (CJTF/HOA) are engaged in rehabilitation of schools and health clinics. These are worthwhile and highly acclaimed programs.<sup>8</sup>

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<sup>8</sup> The Ambassador's vision for the embassy adverts to the desirability of overseeing the involvement of CJTF/HOA. Coordination has been facilitated by an annual memorandum of understanding (MOU) between the chief of mission and the U.S. Pacific Command. CJTF/HOA operates under U.S. Pacific Command and thus comes under that MOU, but this still comes short of establishing the principle of chief of mission authority for CJTF/HOA activities in the Comoros.

By the same token, the needs and requests from the Comoran Government exceed reasonable projections of what the U.S. government may allocate to this small state. A repeated request for reestablishing a Peace Corps program, the plans for developing the tourism sector, needs for power generation, and other economic development needs are great. Embassy Antananarivo presses for African Growth and Opportunity Act (AGOA)<sup>9</sup> eligibility for the Comoros. Exports from the Union are comprised of ylang ylang extract used in the perfume industry, small amounts of vanilla, and cloves; these products presently can enter the United States under the Generalized System of Preferences.

In short, the OIG team concludes there is a risk of arousing unrealistic expectations about what may be accomplished through U.S. government auspices. The OIG team urges a prudent approach on how best to deal with the Comoros. Before a final decision is reached on whether to establish a resident diplomatic presence, the OIG team counseled AF to undertake a measured assessment of the value achieved through attention by the dedicated officer.

## POST REPORTING AND ADVOCACY

### Political Section

The political half of the political/economic section is comprised of a first-tour, entry-level officer and a very experienced and talented LE political assistant. Both report to the section chief who is responsible for the economic portfolio. Each officer in the section backs up the other's portfolio, and good cooperation is evident. The section has produced an array of reporting on subjects including six recent elections in Madagascar and the political turmoil in the Comoros, in addition to mandatory reports for each host country.

Reporting on human rights and human trafficking is particularly strong, and the Department recently commended the mission on its efforts relating to trafficking in persons. Required reporting on these subjects is particularly time consuming for this small section.

The political officer has traveled extensively in Madagascar and the Comoros averaging a trip every six weeks during her tour. Fluent French has made interaction with officials in Antananarivo easy. Even outside the capital key government officials

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<sup>9</sup> Title I of the Trade and Development Act of 2000, Pub. L. No. 106-200.



speak French, but Malagasy is more the norm so some meetings outside of Antananarivo require an interpreter. Although a working knowledge of French is essential for the political officer, the OIG team believes the embassy is effectively partially blind without an officer that also has Malagasy capability and who could broaden contacts beyond the elite. Further, the political assistant reports that the distributed French and English texts of presidential speeches and other political material often differ significantly from the Malagasy text as delivered or broadcast. The only Malagasy-speaking American in the embassy is a locally hired former Peace Corps volunteer who works in the section as the special projects assistant and as the coordinator for the Ambassador's self-help fund. The Peace Corps has an effective in-country Malagasy language immersion program that could be used by the embassy.

The political officer, despite her grade, has enjoyed excellent access to government officials up to and including the ministerial level in the Comoros and, to a lesser extent, in Madagascar. Cooperation with both governments is good, and there are no restrictions on travel.

The section's focus has shifted between Madagascar and Comoros over the last two years. During the period in which Madagascar held six separate elections the focus was clearly on Madagascar. During the recent crisis in Comoros much of the section's energy was devoted to events there. More recently the division is more balanced.

## Economic/Commercial

Currently, the chief of the political/economic section spends about two-thirds of his time on economic/commercial issues and reporting. With the creation of a position for the Comoros, there will be more resources available for economic/commercial work both from the two-person political/economic section and from the Comoros officer. Three LE staff concentrate on economic/commercial work, although the commercial librarian spends about 50 percent of her time on noncommercial assignments. Because of limited English writing skills, LE staff members are most helpful doing research in support of the officer rather than independently drafting cables or reports. There are very few American companies in Madagascar, and there is no American Chamber of Commerce. Both of Madagascar's massive mining projects are Canadian, but U.S. heavy equipment sales have been made to the industry. The embassy has been very active in advocacy for U.S. firms but with somewhat discouraging results.

## The U.S. Contribution to Job Creation

Through the AGOA, the United States makes a major contribution to job creation and prosperity in Madagascar. The apparel manufacturing and export industry is the largest private sector employer in Madagascar. Over 100,000 Malagasy are employed in the industry with 50,000 producing for the U.S. market. According to the U.S. International Trade Commission, Madagascar ranks second by the value of textile exports among countries exporting to the United States under the AGOA regime. In 2007, over \$350 million was exported to the United States under AGOA and the Generalized System of Preferences. Those exports peaked at \$400 million in 2004. The industry remains on a strong footing, notwithstanding a major appreciation in the ariary (Malagasy currency) against the U.S. dollar in the past year that has seen the ariary-dollar exchange rate go from 2,000 to one, down to 1,600 to one. Appreciation of the ariary has had an impact on competitiveness and is the main explanation for the leveling off in apparel exports to the United States.

## Business Environment

Madagascar is an MCC compact country. Compact countries must get a passing score on MCC anticorruption indicators. In that critical respect, Madagascar remains MCC compact eligible, although the government falls short in some other measurements used to determine compact eligibility. In December 2007, a new investment law was passed that liberalized property ownership provisions for foreign investors. There are also over 30 special export processing zones in the country.

As noted above, the environment for U.S. investment is troubled.<sup>10</sup> Embassy Antananarivo is vigorous in advocacy for present and potential American investors. However, a particular impediment stems from Madagascar's President Ravalomanana's actions to ensure for himself the position of sole supplier of certain commodities like vegetable oil.

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<sup>10</sup> During the course of this inspection, the Seaboard Corporation decided to sell assets in Madagascar. The firm had been involved in milling operations, made difficult by competition from a local near-monopoly privately owned by the President of Madagascar. Operations by ExxonMobil likewise are under pressure from President Ravalomanana to show unrealistically quick results or risk losing present concessions. Washington readers have praised embassy reporting on these two cases. A negative outcome for ExxonMobil could be extremely damaging to the confidence of foreign investors.

## PUBLIC DIPLOMACY

The public affairs section (PAS) is large and spread over three locations: the chancery, an annex one block from the chancery where the Information Resource Center (IRC), called the American Information Center, is located, and the ACC where the press center and educational advisor are located together with the ETP. There are two officers and 13 LE staff in the PAS, including two at the IRC, another six in administrative positions at the ETP, and 30 active instructors at the ETP who are also employees of the Department under personal service agreements with renewable annual terms under when-actually-employed appointments. A lot of resources go into various aspects of English teaching and into press relations. Outreach activities are varied and cover the entire country, but interagency coordination of public affairs could be improved. Outreach to the segment of those who speak only Malagasy could also be improved. The OIG team made an informal recommendation to address that issue. The embassy has an open door for English language instruction and activities, facilitated by the April 2007 constitutional referendum that made English the third official language, together with Malagasy and French. The embassy is taking advantage of that opportunity. Some restructuring of the ETP is necessary.

## English Teaching Program

The ETP is the largest English teaching program in Sub-Saharan Africa, and is the largest manifestation of the mission's English teaching program. Over the years, its students have included the current president of Madagascar, ministers, and judges. The OIG team agrees with the Ambassador's assessment that it is a valuable public diplomacy tool. Therefore, a following recommendation to restructure the ETP is also designed to preserve the function it performs. There is also an English language fellow at the Ministry of Education working on English language curriculum at the primary level. Peace Corps volunteers also work with PAS on English language programs. The English language fellow and a Peace Corps volunteer work on the successful *Teen Talk* television program that airs twice weekly on national television. The program is in English with mostly American content and is hosted by Malagasy youth.

The ETP has been in existence for 40 years and is currently located at the ACC. At any time during working hours over 20 U.S. Government employees are at the ACC with eight of them having access to OpenNet on site. At the time of the inspection, ETP had 600 regular students being instructed at the ACC plus contract students that ETP works with on site at contracting employers' work sites. Altogether-

er over 1,000 students a year are instructed by ETP. ETP is reportedly the largest and most respected English language program in Madagascar. There are many small private English language programs and the government of Madagascar also operates the National Center for the Teaching of English, which is about half the size of ETP.

The ACC, where ETP is located, does not meet many Overseas Security Policy Board standards. This is described in detail in the separate classified annex to this report. There are no plans to colocate the ETP in the new embassy compound (NEC), and it is neither advisable nor fiscally prudent to do so. The ETP, under its current status as an embassy program, would need colocation and set back waivers after the NEC is completed, and either a costly security upgrade at its current short-term lease location or relocation to another commercial facility that would still have to meet or be brought into compliance with security standards. Although the ETP is expected to generate nearly \$430,000 in recyclable funds in 2008, making it self-sufficient with respect to salaries and some overhead expenses, it is still subsidized by over \$250,000 a year when a prorated share of ACC short-term lease costs of \$87,000 plus over \$180,000 in ICASS costs are taken into account. By privatizing the ETP and ensuring the continuity of its program by providing annual grant assistance for a limited number of years to defray lease costs, the ETP could continue in an affiliated relationship with the embassy. In addition, 36 employees could be removed from the mission payroll, the embassy would still be able to use its good offices to assist key contacts in getting registered at the ETP, and Overseas Security Policy Board standards would no longer apply.

Under this arrangement, the ETP would still maintain the cachet of an affiliation with the American Embassy, and the PAS would still be able to use the ETP facility as an intermittent program platform inside Antananarivo. This aspect would be especially valuable once the embassy moves into the NEC, located in an area quite distant from the central city. Whether a privatized ETP remains in the ACC and negotiates a new lease there or seeks another location, the annual overall savings to the U.S. Government would likely be \$100,000 to \$150,000, in addition to the estimated one-time savings of \$500,000 to \$700,000 that would otherwise be required in security upgrades. Also, the ETP would be free to take new steps along a path of true self-sufficiency including seeking other funding.

**Recommendation 2:** Embassy Antananarivo, in coordination with the Bureau of African Affairs, should privatize the English Teaching Program. (Action: Embassy Antananarivo, in coordination with AF)

**Recommendation 3:** Embassy Antananarivo should relocate the press center, press center manager, and the educational advisor from the American Cultural Center to the chancery or to an existing embassy annex. (Action: Embassy Antananarivo)



*American Cultural Center.*

## American Corners

The PAS coordinates three American Corners, two in Madagascar and one in Moroni, Comoros. The two in Madagascar are in Mahajanga and Antsiranana (also known as Diego-Suarez) on the west and north coasts respectively. The IRC director works closely

with the American Corners, and the embassy has used them as programming platforms.

The American Corner at the University of Antsiranana library has not had its agreement renewed because of access problems due to the lack of a librarian. The English language fellow at the University of Antsiranana was instrumental in transferring the collection from that American Corner to the English department at the university, where it gets much greater use. At the recommendation of the information resource officer for East Africa, PAS has allowed the English department to receive the collection as a grant. In the meantime, in March 2008, the PAS opened an American Corner at the municipal library in Antsiranana.

## Malagasy Language Outreach

The embassy is weak with regard to outreach to those who speak Malagasy only. The embassy website includes a few documents, such as the Human Rights Report, in the Malagasy language, but there are no interactive features in any language. The press center has developed a blog that is a very active and engaging outreach tool, but it is primarily in English, and some French for those journalists who do not speak English. Outside of Antananarivo neither French nor English are well understood. Voice of America broadcasts are received in Madagascar, but there is no Voice of America Malagasy language service. Madagascar Television, the national television station, and Madagascar National Radio, the national radio station, carry some Voice of America French programming.

PAS has taken Bureau of International Information Programs podcasts, translated them into Malagasy, and provided the text and recordings to radio stations in the capital that feed stations around the country. As noted earlier, there is no officer in the embassy that speaks Malagasy, although several officers are enrolled in the post Malagasy language program. The Ambassador does sometimes read a prepared speech in Malagasy, and this is well received. The fact that Peace Corps volunteers speak Malagasy and are goodwill ambassadors helping the Malagasy people is very well received and appreciated. PAS and other embassy outreach programs beyond Antananarivo are constrained by the absence of any proficiency in Malagasy by American officers. The Ambassador's self-help coordinator speaks Malagasy and has been a plus to embassy efforts to reach out to Malagasy speakers. Her comfort with the language has also resulted in better oversight of grants under the self-help fund as she speaks to grantees daily on the telephone in Malagasy and visits projects outside of the capital. Apart from designating a Malagasy language position, the OIG team suggested that the embassy, which already has a French and Malagasy post language program, encourage greater participation in the Malagasy language portion of the program.

## Press Relations and the Press Center

The PAS has a good record of getting press releases or opinion pieces from the Ambassador placed in the press. A number of activities, including workshops, training, and International Visitor leadership program placements are focused on journalists. The press center, which operates out of the ACC, successfully reaches journalists with an operation that duplicates the IRC, but whose clientele is restricted to journalists, communications officers in ministries, television and radio program producers, and students in the field of communications and journalism. A regular feature is its *Friday Talk* program held either in the press center or in the multipurpose room of the ACC. *Friday Talk* is an English language event that focuses on preannounced topics and features speakers from the mission or elsewhere. During the inspection, a session on diversity visas had approximately 75 attendees. There are 500 registered press center clients of which 150 are active users. Because of access to the ACC multipurpose room, which has a capacity of 100, press conferences and other events to which the press are invited are sometimes held there.

Through the press center and other PAS outreaches to journalists, good will is generated, but PAS has not articulated specific outcomes sought from this investment and how performance is to be measured. Although there was a public diplomacy goal paper in the FY 2009 Mission Strategic Plan (MSP), there is no public diplomacy specific goal in the FY 2010 MSP, yet the chief of mission statement in



the MSP lists as a top priority the expansion and deepening of public awareness in both the Comoros and Madagascar of U.S. programs and policies, and to promote mutual understanding through increased people-to-people contacts – an effort to be led by the PAS.

**Recommendation 4:** Embassy Antananarivo should determine what outcomes it seeks from its relations with the press and other public diplomacy activities, develop indicators to measure those outcomes, and design and implement a process to track them. (Action: Embassy Antananarivo)

The manager of the press center seeks written feedback after each *Friday Talk*. At the fifth anniversary of the press center in October 2007, 21 clients provided written comments and testimonials on how they had been helped professionally by their association with the press center. There is some anecdotal evidence of career advancement related to the improved skills of journalists who have been associated with the press center. The OIG team made an informal recommendation that feedback be solicited on an annual basis from press center clients. PAS press staff monitor the radio, and the press center manager polls radio journalists monthly to learn what they have broadcast in relation to material received from the PAS or during *Friday Talk*. This information is captured in a spreadsheet and recorded in the Mission Activity Tracker by MSP goal. It covers both the programs of the embassy and PAS placements based on the five FY 2008 MSP goals.

## Interagency Media Coordination and Branding

Despite good will and good intentions interagency coordination on public affairs is not at the level it needs to be. Since the arrival of the current public affairs officer (PAO), press releases are now done as mission press releases rather than separately by agency, as had been the case. Factors hindering better public affairs coordination are the geographic separation of USAID, and USAID's vacant communications position. Until February 2008, there had also been a nearly three-year hiatus in the assistant PAO position. The problem of distance will be mitigated by the NEC. Other problems remain to be addressed. In an effort to improve this situation, the PAS developed a public affairs calendar, which has since become the mission calendar and is posted on the Intranet. Still more needs to be done to better utilize the substantial public diplomacy resources available to this mission. This will be enabled by an improved flow of information to facilitate interagency coordination on public affairs outreach.

There are few or infrequent interagency working groups that the PAO could attend in order to be fully informed of potential public diplomacy opportunities. The primary vehicle for coordination has been the country team meeting. However, PAS has not always been made aware of events or with adequate advance notice to take full advantage of them. As a result, the Ambassador has missed some opportunities to highlight what the mission is doing and to get the message out. There has been some Malagasy criticism of U.S. Government efforts in Madagascar because of lack of knowledge of what is actually being done. The OIG team informally recommended that the PAO convene an interagency public diplomacy meeting just before the weekly country team meeting, focused specifically on upcoming events, visitors, and products that PAS can promote, with or without participation by the Ambassador, to improve the mission's performance in making the government of Madagascar and people of Madagascar more aware of the good things that the United States is doing. There may be a problem with USAID grantees not branding their activities to credit the American people or USAID for that matter. The USAID coordinator would normally oversee branding compliance, as it relates to USAID, but the position is vacant.

## CONSULAR

The consular section is small in terms of physical space, staff size, and workload volume. Nevertheless, it is efficient, effective, and operating within Department guidelines. The section was staffed by an FS-03 consul, who departed for an onward assignment during the inspection, and one LE staff member. OIG inspectors observed the turnover of the section to the backup consular officer before the consul's departure. The embassy currently has four officers approved as backups. The consular district is vast, including all of Madagascar, the Comoros Islands, and Mayotte, a French territory for which embassy personnel require a visa.

The section is located immediately adjacent to the main entrance to the chancery and shares a common waiting area with the rest of the embassy. The work space consists of the consul's office and the adjacent room which has two interview windows and the LE staff member's desk. Access to the section is controlled by a cipher lock and limited to appropriate personnel. There is no privacy booth and no cashier booth. When in his office, the consul has limited line of sight supervision of the consular assistant. When in the shared workspace they are virtually on top of each other. Access to classified materials is not a problem, and storage for the small number of accountable required supplies is adequate. Under other circumstances



this report would include a recommendation for a complete relocation of the section, but with work begun on the NEC, the section will continue in its current space until the embassy relocates in 2010.

The consul is supervised by the DCM who meets with him weekly and also reviews nonimmigrant visa (NIV) cases monthly. Because of the low volume, he reviews all the issuances and refusals rather than a sample. Front office support is generally good. Participation in the last MSP preparation was scheduled but minimal due to a family medical evacuation. Travel funds are inadequate and neither the consul nor his consular assistant travels regularly outside the capital. The consul visited the Comoros once, as an election monitor, and relies on a local warden in the event of an emergency. Later in 2008, the embassy will add an officer whose portfolio will be the Comoros, and the section will be able to rely on him for consular outreach, but Comorian NIV issuances will continue to be done in Antananarivo.

There is currently no organized consular corps organization in Antananarivo, and the consul has little interaction with his counterparts in other embassies. There may well be dividends to be gained from trying to organize regular interaction with other missions, particularly the large French embassy. The OIG team made an informal recommendation to address this issue.

The section participated in “American Week,” an embassy-wide outreach program in Mahajanga, did media outreach in January, and has given at least one presentation on visas to an audience in Antananarivo.

The consular page of the embassy website does not meet current Department standards. Post is aware of this and plans to update it. An informal recommendation was made that addresses this issue. The PAS maintains the website.

The FSN-9 consular assistant is responsible for all LE staff functions. He has been in the section 18 months and has completed all three basic correspondence courses and attended a consular workshop in Washington. He serves as the consular cashier with the automated cash register system at his regular workstation. He has a minimal advance in the local currency and no dollar advance. He asks for payment in dollars in exact change or asks other staff members for dollar change.

Daily accounts are up to date, and unannounced cash counts are performed quarterly. The embassy currently accepts payment for consular services only in cash. The embassy has submitted a proposal to the Department for approval to allow the use of credit and debit cards to pay consular fees. This proposal has been pending for several months.



**Recommendation 7:** The Office of the Legal Adviser, in coordination with the Bureau of Consular Affairs, should approve an off-site machine readable visa collection memorandum of understanding for Embassy Antananarivo. (Action: L, in coordination with CA)

Fraud is minimal. The consul and consular assistant have antifraud responsibilities included in their work requirements. Visas Viper reporting is current.

## Immigrant Visas

There were less than 55 immigrant visa cases in FY 2007 in all categories. Processing these cases is scheduled twice a week after NIV processing closes. The time required and the complexity of the cases is minimal. There is relatively little interest in the Diversity Visa program, and the Ambassador has encouraged consular outreach to encourage awareness of this program. There is no significant Malagasy community in the United States and interest in immigration is minimal. The significant pull for the Malagasy is to France. The panel doctor has been approved by the Office of Medical Services and DNA testing is available if needed.

## American Citizens Services

Approximately 500 American citizens reside in Madagascar, and there are 10-15 in the Comoros. Almost all of these are missionaries, work for nongovernmental organizations, or are U.S. Government sponsored. Few American tourists visit the consular district. Post has recently updated the warden list and is actively seeking wardens for two vacant districts. Communication with the population is by Internet or telephone tree, but bandwidth and telephone coverage problems make communication difficult. Post enjoys good cooperation from Malagasy authorities when necessary. Processing time for passport applications is excellent. No regular American clubs or organizations exist, and outreach is sporadic and limited by the distances involved. Additional consular travel and an updated website would improve contact with the American population.

In sum, consular operations at Embassy Antananarivo are low volume and not complex. The section was recently commended by the Bureau of Consular Affairs for being one of the first posts to use Arrival and Departure Information System information to expose visa identity fraud. The status of the section reflects their personal commitment.

## RESOURCE MANAGEMENT

Despite a frequent turnover of management officers in the recent past, the management section meets all requirements and, given the problems associated with working in a difficult physical environment, exceeds expectations in most cases. The warehouse is neat and well-organized, biannual inventories are proper, goods are secured in locked cages, and the maintenance staff is well trained. The general services office has worked assiduously to create a consolidated motor pool and has reduced overtime by creating shift work for all drivers. Housing meets size standards<sup>(b)</sup>  
(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)  
(b) (6)(b) (6) The information management section provides nearly instant responses to customers' needs and supports multiple off-site locations; however, bandwidth expansion would be helpful. The financial management section functions well as does the human resource section.

Groundbreaking took place on April 4, 2008, and a much needed NEC is underway. The new compound will cost about \$120 million. The facilities will include a chancery where USAID will also be located, a Marine security guard residence, general services office warehouse, and other amenities. OBO staff is on the ground providing direction and security.

The present cramped and inconvenient chancery is shabby and does not provide the amenities planned for the new compound. Directly on the street, it is composed of two apartment buildings with various interior access levels from one side to the other. A small cafeteria with outdoor and indoor eating space is at the back. Warehouses are nearby. USAID occupies two floors in a new and more attractive office building. The ACC is on a busy corner at some distance from the chancery.

	<b>U.S. Direct- Hire Staff</b>	<b>U.S. PSC and EFM</b>	<b>Locally employed staff</b>	<b>Total Staff</b>	<b>Total Funding FY 2008</b>
Diplomatic and Consular Programs	11		9	20	\$831,500
ICASS	8	4	123	135	2,295,400
Public Diplomacy	2		13	15	451,700
Diplomatic Security	3			3	552,492
Representation				0	22,400
OBO	1			1	516,888
Defense Attaché Office	2		2	4	121,997
USAID	3	3	51	57	1,916,00
MCC	2		2	4	150,000
Peace Corps	5		1	6	1,798,900
US Treasury	1			1	25,000
OBO/NEC	3		2	5	467,500
English Teaching Program			38	38	440,975
Worldwide Security Upgrade				0	39,400
<b>Totals</b>	<b>41</b>	<b>7</b>	<b>241</b>	<b>289</b>	<b>not additive</b>

## RIGHTSIZING

A rightsizing study to reflect new agencies at post and those anticipated to occupy the new \$120 million embassy reflects 2002 estimates. The Centers for Disease Control and Prevention, for example, will have a representative at Embassy Antananarivo in summer 2008. A Marine security guard detachment will also be at the embassy, and the USAID staff will occupy a section of the new chancery. ICASS staffing requirements after the move to the new embassy and full consolidation may be reduced when USAID and Department motor pools are fully combined.

The plans for the new chancery include requirements reflected in 2002 staffing needs. The rightsizing study will likely not be useful, given that embassy construction is underway.

## EXECUTIVE HOUSING

The DCM residence is too small for representational events, while the present USAID residence is more appropriate for a DCM residence. It has space for representational events, both inside and outside, and houses the alternate command center. The alternate command center is and should be under the control of Department security and information technology employees who require access for maintenance and testing frequently. A TDY officer, serving as the USAID director, presently occupies the residence. A new DCM will arrive in August 2008.

There is a distinction between designated and dedicated housing (15 FAM 235). Residences must be designated (15 FAM 235.1) for the ambassador, DCM, consul general when principal officer, U.S. representatives to international organizations, and a Marine security guard detachment. For dedicated housing, 15 FAM 235.2 states that senior representatives of Foreign Affairs agencies, including USAID, will receive housing within the standards for a family of four at the grade tier corresponding to the position. Consequently, the present DCM house – recently renovated and having one of the two swimming pools in the community – will be appropriate for the incoming USAID director. The OIG team believes this swap will be advantageous to the entire embassy community.

**Recommendation 8:** Embassy Antananarivo should designate the Villa Liberty property (S98550, AID-678-LE 96-001) as the deputy chief of mission residence and dedicate Villa Hortensia (L98539, L-554-FBO-78) as the U.S. Agency for International Development residence and move the new occupants of those positions into those residences when they arrive at Embassy Antananarivo. (Action: Embassy Antananarivo)

## Warehouse Sales

The embassy has been in contact with OBO's operations and maintenance/area management/residential interior designer for the past year in multiple attempts to receive permission to dispose of old and unsuitable furniture and furnishings no longer needed at the Ambassador's residence. Some of these items are nearly 15 years old. The residential interior designer responded that the items should be returned to the residence and could not be sold.

During the OIG's visit to the residence, the Ambassador stated that the house is fully furnished, and any additional furniture or furnishings, especially old furniture, would not fit anywhere in the house. As it is, for larger representational events, much of the furniture in the living and dining rooms must be removed to make space for guests. Keeping the unused furniture is not advantageous, and it should be sold. The OIG team made an informal recommendation that the post again request OBO's residential interior designer review the inventory of the Ambassador's residence furniture stored in the warehouse and allow the embassy to sell it.

## SCHOOL CONSTRUCTION

The (b) (6)(b) (6) (b) (2)(b) (2) plans to build a new school on land the Government of Madagascar gifted to the embassy. The embassy intends to lease the land to the school at a cost of \$1 annually. The school is expected to pay taxes on the land and for other assessments. Only e-mail correspondence between the embassy and the school notes the need for the school to pay taxes and other assessments annually. To date, no construction plans have been developed, funding to finance the entire project has not been identified, and Embassy Antananarivo has become deeply involved in the project.

On several occasions the embassy acted prematurely with regard to accepting the land and requesting soft target funding for a security wall. On April 21, 2008, the Ambassador signed a contract of sale, for a symbolic one (1) Malagasy *ariary*, with the government of Madagascar, prior to obtaining approval from OBO. E-mail correspondence indicates that, more recently, OBO has granted its conditional approval for the land acquisition. Formal approval has not yet been given. Final approval from the Office of the Legal Adviser is still needed to ensure embassy compliance with gift acceptance procedures.

**Recommendation 9:** Embassy Antananarivo should forward to the Department all appropriate documents relating to the gift of land from the government of Madagascar and the acquisition contract, to the Office of the Legal Adviser and to the Bureau of Overseas Buildings Operations to verify that the requirements for accepting gifts and acquiring land have been met and official approval granted. (Action: Embassy Antananarivo, in coordination with L and OBO)

Although the Ambassador certified the land was suitable for a school, there is no evidence that it does not flood and that infrastructure requirements including sewer, power, roads, and other necessities could be located there. Despite requirements to perform a land survey that includes an engineering study to certify whether the land is useable for its intended purpose, no technical survey was conducted. Further, there is no certification from the regional security officer and the chief of mission that the building will comply with 15 FAM requirements. The OIG team remains concerned that should the land not be suitable for a school building, the liability for any problem would revert to the U.S. Government. If the land is not suitable, the embassy may wish to reconsider accepting the gift.

**Recommendation 10:** Embassy Antananarivo should request the Bureau of Overseas Buildings Operations to conduct a technical survey of the land intended for a school to determine its viability for that purpose. (Action: Embassy Antananarivo)





The mission adopted uniform ICASS standards found on the Department's ICASS website. The OIG team suggested that the mission monitor its compliance with established post-specific ICASS standards.

The move to the NEC in 2010 was the impetus for some consolidation. In anticipation, some administrative services identified for consolidation were combined in advance of the move. Remaining unconsolidated services will occur with the planned move.

With only modest growth planned, the ICASS council is not involved in National Security Decision Directive (NSDD)-38 requests. Also, it is unaware of its role and responsibility in the NSDD-38 process. The OIG inspectors provided the ICASS council with the NSDD-38 guidance. The inspectors also made an informal recommendation on this subject.

## INFORMATION MANAGEMENT AND INFORMATION SECURITY

The OIG team found this section to be exceptional in its attention to customer service and operations. The information management officer, specialist, and assistant work hard to meet Department requirements. The recent upgrades work well, and the local staff members who have not had supervisory training are competent and attentive to the work. The section provides telephone, radio, mail room, and receptionist services. The mailroom clerk provides a list of employees that have received packages and/or mail, for example. This is a special service not seen elsewhere.

The section supports many off-site locations including the NEC offices, the USAID building, five residences, and at least two warehouses, to name a few. Bandwidth limitations are, at times, a problem and should be addressed. In this area, the OIG team suggested that the embassy request funding for an upgrade in its next MSP, at the latest. Any carry over ICASS funding could be considered for this important use. Alternatively, the embassy will ascertain what bandwidth will be needed for the new embassy and determine whether that facility will be provided.

The number of residential OpenNet sites should not be expanded. The OIG team made an informal recommendation that the embassy should use the Department's OpenNet Everywhere capability, if an additional need for residential OpenNet is identified. The relevant devices, known as "fobs," cost about \$400 each compared to installations at individual residences costing nearly \$15,000 each. OpenNet access will be provided at the alternate command center when it becomes the DCM residence.



also updated, and the separation notice plan is being revised to reflect changes in local labor law. American and local-hire employee evaluation reports were completed on time. The majority of work requirement statements were completed within 45 days of the rating period.

The local staff voiced complaints about lack of training opportunities, the fairness of awards, and the local social security system. The OIG team advised staff to discuss these issues with the mission's management team.

## LOCAL SOCIAL SECURITY SYSTEM

The LE staff complained about the adequacy and viability of the local social security system. Although not documented, some local staff members say that retirement payments are insufficient. In addition, to receive benefits, social security recipients must wait in long queues. To justify any departure from a host country's mandatory retirement system, an embassy must conduct an assessment to determine whether the local retirement plan for local staff is adequate and viable.

**Recommendation 12:** Embassy Antananarivo, in coordination with the Bureau of Human Resources, should gather and review required documentation and make a determination regarding the eligibility of Embassy Antananarivo to participate in the Department's defined contribution plan. (Action: Embassy Antananarivo, in coordination with DGHR)

## ENGLISH LANGUAGE TEACHERS

Embassy Antananarivo employs 30 English language teachers as instructors in the ETP. Over a period of time, hiring mechanisms changed. For many years, these instructors were provided under a manpower contract. When the contractor closed business, many of these teachers were hired as employees using full-benefit personal services agreements. Because of budget constraints, these employees were rehired using personal services agreements, but as when-actually-employed staff. Under this arrangement, teachers were paid only for hours worked and received limited benefits required by local law such as medical and pension.

The OIG team recommends privatization of the ETP. As a result, the teachers' employment as mission employees will terminate, as will that of the six administrative LE staff that support the program. It is unclear what Embassy Antananarivo's obligation to these teaching staff employees will be, if any, with regard to severance and other benefits as specified under local labor law. The mission is planning to consult with a local lawyer, in consultation with the regional human resources officer, to determine and define those requirements.



## COMMUNITY LIAISON OFFICE

The community liaison office employs two eligible family members who share the responsibilities. One recently resigned, and the embassy is advertising for the position. The position is extremely challenging because the embassy does not have recreational facilities, a multipurpose room, an exercise room, or any space that supports even moderately sized community functions. Traffic, road conditions, and travel inconveniences further discourage community activities, and the international community also does not have venues for these activities. Consequently, efforts to build morale have had very limited success.

## MEDICAL UNIT

A Foreign Service health practitioner, a part-time American nurse, and two locally employed staff work in the medical unit. A second nurse position is currently vacant. The unit is well designed and equipped. All supplies and medications are stored properly, safeguarded, and inventoried. The unit enjoys strong support from the management section and front office. Local health facilities, especially hospitals, do not meet American standards. The regional medical officer, located at Embassy Pretoria, visits approximately once a year and is available for consultation by telephone. The health practitioner has established good working relationships with local doctors including the Peace Corps physician. They are available when needed. A local laboratory is adequate for most services. Medical evacuations are sent to Pretoria, South Africa, but the trip is long, requiring two flights. In an extreme emergency, the evacuee could be taken to a French hospital on Reunion.

In an unusual arrangement, the health practitioner has a small clinic in the practitioner's residence where he sees patients by appointment one afternoon each week. This arrangement was in place in another residence before the present health practitioner arrived. The community and the practitioner see value in avoiding late night and emergency travel to the chancery. The OIG team confirmed with regional medical staff in Pretoria and Johannesburg that this clinic has been in place for some time. However, there is no evidence that the Office of Medical Services has sanctioned this arrangement.

**Recommendation 13:** Embassy Antananarivo should obtain Office of Medical Services approval to continue holding clinic hours at an off-site location. (Action: Embassy Antananarivo)

## AMERICAN EMPLOYEES RECREATION ASSOCIATION

The American Employees Recreation Association of Antananarivo is open to all mission employees. The association has approximately seven employees. Its primary business activity is operating a small cafeteria and a catering business. It also sells merchandise, including T-shirts, polo shirts, and caps that display the U.S. embassy logo.

The association's profit in 2007 was modest, \$2,500. It needs to engage in additional and more profitable activities to achieve its goal of becoming a thriving association. The OIG team advised association board members to contact other posts for ideas. In 2007, the association complied with all reporting requirements with the exception of its annual assessment payment. In 2008, the association missed its May 1 annual audit submission date; the association plans to submit this document by June 1.

In 2007, a financial reviewer stated that 2006 financial statements represented a fair presentation of the association but identified several management control weaknesses. The association resolved all of these deficiencies by adding insurance coverage and a severance pay provision. The association also started performing inventory and bank reconciliations. While this is a good start, more should be done to improve internal controls. The association agreed to perform Department suggested procedures such as unannounced cash counts and inventory spot checks. In May 2008, unannounced cash counts and inventory spot checks were performed.





## MANAGEMENT CONTROLS

The chief of mission's certification of management controls for Embassy Antananarivo dated July 2, 2007, reported no material weakness. The OIG team found a weakness in the implementation of overtime.

### OVERTIME

For a small post, Embassy Antananarivo's employees work an average of 1,200 hours of overtime each month. Most embassy employees accept the need to work overtime. However, contrary to requirements, American supervisors do not always approve overtime in advance.

Most employees keep a daily log of overtime for the supervisor to approve and sign at the end of each pay period. A review of payroll records covering the past six months shows that the embassy's LE staff often worked over a thousand hours of overtime each month. Thus, the U.S. Government spends thousands of dollars for overtime each year. Guidance requires that overtime hours and employees authorized to work overtime be planned in advance. Firm procedures are in place but not always followed that prevent abuse of overtime and limit the amount of overtime. To demonstrate the importance of reducing overtime during this tough budget year, the management officer issued an administrative notice on reducing and approving overtime. The OIG team made an informal recommendation that would reduce overtime costs.

### SECURITY

Implementation of the security program at Embassy Antananarivo is good. Operationally, the regional security officer has a functioning local guard and surveillance detection program. The Foreign Service national investigator office fosters and maintains strong contacts with the local police and supports the regional security officer during meetings with local police. The regional security officer has a collaborative working relationship with the DCM, and there is an adequate exchange of

information with the front office. Physical security at the embassy compound is a tremendous challenge given the age and location of the chancery. A more detailed review of the mission security program is found in the classified annex of this report.

## FORMAL RECOMMENDATIONS

- Recommendation 1:** Embassy Antananarivo should develop and submit to the Department a comprehensive budget projection for establishment of a resident diplomatic presence in the Comoros to include realistic estimates for a residence, office space, furnishings, staff, transportation (including inter-island travel), security requirements, and communications. (Action: Embassy Antananarivo, in coordination with AF, OBO, and DS)
- Recommendation 2:** Embassy Antananarivo, in coordination with the Bureau of African Affairs, should privatize the English Teaching Program. (Action: Embassy Antananarivo, in coordination with AF)
- Recommendation 3:** Embassy Antananarivo should relocate the press center, press center manager, and the educational advisor from the American Cultural Center to the chancery or to an existing embassy annex. (Action: Embassy Antananarivo)
- Recommendation 4:** Embassy Antananarivo should determine what outcomes it seeks from its relations with the press and other public diplomacy activities, develop indicators to measure those outcomes, and design and implement a process to track them. (Action: Embassy Antananarivo)
- Recommendation 5:** The Bureau of Consular Affairs should approve the proposal to allow the use of credit or debit cards for the payment of consular fees at Embassy Antananarivo. (Action: CA)
- Recommendation 6:** The Bureau of Consular Affairs should approve an additional full-time consular assistant position for the consular section in Antananarivo. (Action: CA)
- Recommendation 7:** The Office of the Legal Adviser, in coordination with the Bureau of Consular Affairs, should approve an off-site machine readable visa collection memorandum of understanding for Embassy Antananarivo. (Action: L, in coordination with CA)



## INFORMAL RECOMMENDATIONS

Informal recommendations cover matters not requiring action by organizations outside of the inspected unit and/or the parent regional bureau and are not be subject to the OIG compliance process. However, any subsequent OIG inspection or onsite compliance review will assess the mission's progress in implementing the informal recommendations.

### Language Capabilities

Outside of the elite segment of the population, French is less commonly spoken. The embassy has no Malagasy speaking officers.

**Informal Recommendation 1:** Embassy Antananarivo should develop a plan to have greater officer Malagasy language competence and implement it.

### Public Diplomacy

In five years the press center has only once sought feedback from its clients.

**Informal Recommendation 2:** Embassy Antananarivo should solicit feedback on an annual basis from press center clients.

There is inadequate interagency coordination for public affairs purposes.

**Informal Recommendation 3:** Embassy Antananarivo should establish a regular interagency public diplomacy coordination meeting just before the weekly country team meeting.

There is a need for greater outreach to those who only speak Malagasy.

**Informal Recommendation 4:** Embassy Antananarivo should explore and experiment with ways to increase outreach to the segment of the host country population that only speaks Malagasy.

## Consular

Embassy Antananarivo does not have adequate travel funds to allow consular travel to the Comoros. A new position has been added to the embassy specifically to cover the Comoros, and the person hired to fill the position will travel there frequently.

**Informal Recommendation 5:** Embassy Antananarivo should include in the work requirements of the new Comoros position, limited consular outreach and duties such as accepting passport and consular reports of births abroad of an American citizen applications for processing in Antananarivo.

There is no organized consular corps organization in Antananarivo, and the consul has little interaction with other consular officers.

**Informal Recommendation 6:** Embassy Antananarivo should direct the incoming consul to try to meet with counterparts in other missions and arrange at least an informal consular corps.

The consular cashier does not have a dollar advance. He routinely insists on exact change for fees or must ask members of the staff for dollar change. This wastes time and is an inconvenience to American citizens.

**Informal Recommendation 7:** The Embassy Antananarivo class B cashier should provide the consular cashier with a dollar advance.

The back-up consular assistant does not have a separate cash box or advance and insists that customers pay the exact fee required thus adding time and inconvenience to consular processes.

**Informal Recommendation 8:** Embassy Antananarivo should provide a separate cash box for the use of the back-up consular assistant/cashier.

The consular pages of the post website do not meet current standards and are difficult to access and use.

**Informal Recommendation 9:** Embassy Antananarivo should make revision to the website a priority for the public diplomacy section and the incoming consul.

## International Cooperative Administrative Support Services

Although the embassy established its ICASS service performance standards, they are not integrated as part of daily management operations, nor are they monitored on a regular basis or included in local staff performance evaluations.

**Informal Recommendation 10:** Embassy Antananarivo should monitor compliance with International Cooperative Administrative Support Services standards and use the results as a management tool to improve customer service.

**Informal Recommendation 11:** Embassy Antananarivo should include compliance with International Cooperative Administrative Support Services standards as an element in performance evaluations.

The ICASS council does not understand its role and responsibility for advising the chief of mission on cost implications of NSDD-38 requests and making recommendations on ICASS staffing levels per Department's guidance, *Action Request and Guidance for Chief of Mission NSDD-38 Requests*.

**Informal Recommendation 12:** Embassy Antananarivo should distribute National Security Decision Directive-38 guidance and train International Cooperative Administrative Support Services Council members on developing cost impacts for National Security Decision Directive-38 requests.

## Human Resources

A small number of work requirements were not prepared or discussed at the beginning of the rating period in accordance with 3 FAH-1 H-2815.1.

**Informal Recommendation 13:** Embassy Antananarivo should ensure that mission supervisors develop and discuss work requirements with employees at the beginning of the rating period.

## Warehousing

The warehouse holds some ambassadorial residential furniture and furnishings that are not needed and have not been used in years. Some of the furniture is nearly 15 years old and shows wear and tear not suitable for an ambassador's residence. Further, the Ambassador believes the house is fully furnished, and there is no space for additional furniture.



**Informal Recommendation 14:** Embassy Antananarivo should request the Bureau of Overseas Buildings Operations residential interior designer to review the inventory of the Ambassador's residence furniture stored in the warehouse again and allow the embassy to sell it.

## Information Technology

There are five residential OpenNet sites. These were installed at a cost of nearly \$15,000. An alternative to that expensive capability is the Department's OpenNet Everywhere for which the FOB key device costs about \$400 each.

**Informal Recommendation 15:** Embassy Antananarivo should use the Department's OpenNet Everywhere, if additional needs for residential OpenNet are identified.

## Equal Employment Opportunity

The mission has not designated a new EEO counselor to replace the EEO counselor that left post in May 2008 in accordance with 3 FAM 1514.2.

**Informal Recommendation 16:** Embassy Antananarivo should designate and publicize the designation of a new Equal Employment Opportunity counselor.

The mission has designated but has not publicized the designation of a Federal Women's Program coordinator in accordance with 3 FAM 1514.2(b).

**Informal Recommendation 17:** Embassy Antananarivo should publicize the designation of a Federal Women's Program coordinator.

The EEO local staff liaison is the local-hire supervisory human resources specialist. This could create a conflict of interest.

**Informal Recommendation 18:** Embassy Antananarivo should select another local staff to fulfill the role of the Equal Employment Opportunity local staff liaison.

An EEO bulletin was placed in only one section of the mission.

**Informal Recommendation 19:** Embassy Antananarivo should display Equal Employment Opportunity information at the warehouse and at other leased office buildings and on the mission Intranet site.

## Management Controls

Embassy Antananarivo does not always comply with regulations governing authorization for overtime in accordance with 4 FAH-3 H-523.2

**Informal Recommendation 20:** Embassy Antananarivo should comply with procedures that require advance approval of premium pay such as overtime, night, holiday, and Sunday work.



## PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Niels Marquardt	08/07
Deputy Chief of Mission	George Sibley	08/05

### **Chiefs of Sections:**

Management	Stephen Dodson	04/08
Consular	Neal Vermillion	01/06
Political/Economic	Brian Neubert	07/05
Public Affairs	Rodney Ford	08/07
Regional Affairs	Jared Kartchner	09/06
Regional Security	Christopher Gillis	11/04

### **Other Agencies:**

President's Malaria Initiative	Wendy Benazerga	07/03
Department of Defense		
Defense Attaché	Cmdr. Chris Bridges, U.S. Navy	07/06
Millennium Challenge Corporation	Glenn Lines	11/05
Peace Corps	Stephen Wisecarver	02/08
Treasury	Michael Ablowich	04/07
U.S. Agency for International Development	Gerald Cashion	04/08



## ABBREVIATIONS

ACC	American Cultural Center
AF	Bureau of African Affairs
AGOA	African Growth and Opportunity Act
CJTC/HOA	Combined Joint Task Force/Horn of Africa
DCM	Deputy chief of mission
Department	Department of State
DS	Bureau of Diplomatic Security
EEO	Equal Employment Opportunity
ETP	English Teaching Program
ICASS	International Cooperative Administrative Support Services
IRC	Information Resource Center
LE	Locally employed
MCC	Millennium Challenge Corporation
MOU	Memorandum of understanding
MSP	Mission Strategic Plan
NEC	New embassy compound
NIV	Nonimmigrant visa
NSDD	National Security Decision Directive
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PAO	Public affairs officer
PAS	Public affairs section
TDY	Temporary duty
USAID	U.S. Agency for International Development



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