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CONTENTS

SUMMARY	1
CONTEXT	1
EXECUTIVE DIRECTION	3
Restrictive Operating Environment, Dual Locations, and Assignment Uncertainty Impeded Mission Operations.....	3
Mission Leadership Did Not Always Set an Appropriate Tone at the Top	4
Front Office's Policy Leadership and Coordination Effective Despite the Restrictive Environment	5
Internal Controls Lacking in High-Risk Environment	6
Security Responsibilities Were Not Delineated Between Chief of Mission and Combatant Commander	7
POLICY IMPLEMENTATION	7
Progress on Political, Economic, and Military Goals Despite Obstacles	7
Progress Made on Foreign Assistance Accountability, but Risk Mitigation Efforts Were Limited	8
Public Affairs Engagement Limited to Media Outreach	11
INFORMATION RESOURCE MANAGEMENT	12
Records Management Program Did Not Comply with Standards.....	12
RECOMMENDATIONS	14
PRINCIPAL OFFICIALS.....	17
APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY.....	18
APPENDIX B: MANAGEMENT RESPONSES.....	19
ABBREVIATIONS	23
OIG INSPECTION TEAM MEMBERS	24

SUMMARY

Concurrent with OIG's inspection of Embassy Nairobi, Kenya, OIG conducted a limited scope inspection of the U.S. Mission to Somalia. All Mission Somalia personnel are assigned to Embassy Nairobi and travel to Mogadishu in temporary duty (TDY) status. Embassy Nairobi provides management and information technology (IT) support to Mission Somalia, and is responsible for all consular services in Somalia. OIG's inspection of Embassy Nairobi's support for Mission Somalia is covered in the Embassy Nairobi unclassified report.¹

Given the topics addressed in the Embassy Nairobi inspection, OIG initially limited the scope of the Mission Somalia inspection to executive direction and policy implementation. This included the performance of the Chargé d'Affaires, ad interim, and acting Deputy Chief of Mission (DCM), and Mission Somalia's implementation of U.S. policy, including political and economic reporting, public diplomacy, and foreign assistance programs. During the inspection, OIG expanded the scope of the inspection to include physical security of the U.S. diplomatic facility in Mogadishu, which is covered in a separate, classified report,² and some aspects of information management within the purview of Mission Somalia, which are covered in this report.

OIG found that the Chargé and acting DCM were effective in coordinating and executing U.S. policy, given the restrictions on the mission's operations due to the security threats in Somalia, but could do more to foster collegial teamwork in that difficult environment. In addition, OIG found that Somalia's restrictive operating environment, dual locations in Nairobi and Mogadishu, and difficulties in staffing the mission impeded diplomatic activities, foreign assistance management, and internal controls. However, the mission conducted useful reporting and media outreach despite the constraints imposed by the security environment. OIG also found that Mission Somalia had improved accountability and oversight of foreign assistance but needed to enhance monitoring and mitigate risk. Finally, OIG determined that Mission Somalia's records management program did not comply with Department standards. OIG made 7 recommendations to address these issues. In its comments on the draft report, the Department concurred with 6 recommendations and disagreed with 1 recommendation. OIG considers all recommendations, except one, resolved. The Department's response to the recommendations and OIG's reply can be found in the Recommendations section of this report. The Department's formal written responses are reprinted in its entirety in Appendix B.

CONTEXT

Somalia borders the Indian Ocean and the Gulf of Aden in eastern Africa, with a land mass slightly smaller than the state of Texas. It had an estimated population in July 2017 of about 11 million people, although refugee movements in response to famine and clan warfare complicate this estimate; Somalia is one of the largest sources of refugees in the world. The country suffers

¹ OIG, *Inspection of Embassy Nairobi, Kenya*, (ISP-I-19-08, October 2018).

² OIG, *Management Alert: U.S. Mission to Somalia* (MA-18-01, July 2018).

from poor governance, protracted internal conflict, underdevelopment, economic decline, poverty, social and gender inequality, and environmental degradation. The Department of State's (Department) travel advisory for Somalia advises U.S. citizens not to travel to the country due to crime, terrorism, and piracy.

Civil war in the 1980s led to the collapse of Somalia's central government in 1991. Although the United States never severed diplomatic relations, Embassy Mogadishu closed in 1991. In October 2004, a peace process led by the Government of Kenya concluded with the election of the Transitional Federal Government of the Somali Republic. In December 2006, Ethiopia intervened militarily in Somalia to support the government. Subsequently, the United Nations Security Council in February 2007 authorized the African Union Mission in Somalia, created a month earlier, as a peacekeeping mission. Following the limited, indirect election of a new federal parliament and president and the adoption of a provisional constitution in 2012, the United States formally recognized the Federal Government of Somalia on January 17, 2013.

From May 2007 to September 2015, U.S. Special Envoys (later Special Representatives) and their staffs worked in the Somalia Unit, housed within Embassy Nairobi. In 2013, the Department first permitted the unit's personnel to visit Mogadishu to support Somalia's state-building process and develop the foundation of the bilateral relationship. On September 8, 2015, the Department formally opened the U.S. Mission to Somalia, based in Embassy Nairobi. The mission's establishment and the appointment of a U.S. Ambassador to Somalia in May 2016 brought the implementation of U.S. policy toward Somalia under the authority of the ambassador as Chief of Mission.³ Provisions of 2 Foreign Affairs Manual (FAM) 423 guided the process to establish a formal U.S. diplomatic presence in Somalia, which included annual reviews by the Department's Vital Presence Validation Process (VP2).⁴ On December 1, 2016, the Department approved the reestablishment of a diplomatic presence in Somalia. The VP2 reviewed Mission Somalia staffing and operations in July 2017, and the Department formally designated the Mission Somalia facility in Mogadishu—the alternate residential compound located on the Mogadishu International Airport's (MIA) international compound—as a U.S. diplomatic facility on March 6, 2018.

At the time of the inspection, Mission Somalia had 35 Department and 3 Department of Defense (DoD) authorized direct-hire and locally employed (LE) positions. In addition, the U.S. Agency for International Development (USAID) Somalia, operated by the USAID Kenya and East Africa

³ The President's letter of instruction to bilateral Chiefs of Mission states, "As Chief of Mission, you have full responsibility for the direction, coordination, and supervision of all U.S. Executive Branch employees in [country], regardless of their employment categories or location, except those under command of a U.S. area military commander or on the staff of an international organization. With these exceptions, you are in charge of all Executive Branch activities and operations in your Mission."

⁴ The then-Secretary approved the Vital Presence Validation Process (VP2) on April 28, 2014. VP2 is an institutionalized, repeatable, transparent, and corporate process to make risk-managed decisions regarding the U.S. presence at high-threat locations, including whether to begin, restart, continue, reconsider the personnel footprint, or discontinue operations. This process must take place annually for all posts, such as Somalia, on the High-Threat, High-Risk list, although it can also be done on an ad hoc basis.

Mission, included 12 U.S. direct-hire, 1 U.S. personal services contractor, and 25 LE staff positions. All Mission Somalia personnel were assigned to Embassy Nairobi, but with responsibilities to pursue foreign policy goals and objectives and monitor and evaluate programs for Somalia. When traveling to Mogadishu on TDY, they reside and work in the alternate residential compound, which also houses 2 semi-permanent⁵ U.S. direct-hire and 16 permanent contract personnel under Chief of Mission authority. Other U.S. Government entities not under Chief of Mission authority, including DoD's Military Coordination Cell and the Combined Joint Task Force-Horn of Africa, also operate within Somalia.

Mission Somalia's 2017 Integrated Country Strategy (ICS) outlined five U.S. foreign policy objectives in Somalia: establish a permanent diplomatic presence in Mogadishu; enhance the capacity of Somalia's security services to combat terrorism and crime; build democratic institutions; promote economic growth and prosperity; and provide humanitarian relief, as needed. The United States provided \$456.4 million in bilateral foreign assistance to Somalia in FY 2017, including \$275 million in Overseas Contingency Operations funding.

EXECUTIVE DIRECTION

OIG reviewed Mission Somalia's leadership, both in the restrictive environment of mission facilities in Mogadishu and at Embassy Nairobi. OIG based its assessment of the Front Office operations on 105 interviews in Washington, Nairobi, and Mogadishu; a review of staff questionnaires; and a review of documents and activities in both Nairobi and Mogadishu.

Restrictive Operating Environment, Dual Locations, and Assignment Uncertainty Impeded Mission Operations

Department security-driven restrictions affected Mission Somalia's operations in a number of ways. First, the restrictions in place at the time of the inspection limited the number of mission personnel on the ground in Mogadishu on any given day to 28, including the 2 U.S. direct-hire and 16 contract employees (15 security personnel and one communications specialist) permanently or semi-permanently based there.⁶ Frequent non-mission, U.S. Government visitors, including congressional members and congressional staff delegations, counted against the daily ceiling of 10 TDY visitors. In addition, the Department limited the amount of time most Mission Somalia employees could be in TDY status in Mogadishu to 14 consecutive days.

Second, the restrictions limited mission personnel to the MIA compound and prohibited them from traveling into the city itself. As a result, Mission Somalia's Chargé was the only head of a foreign mission in Mogadishu who could not travel into the city to meet with Government of Somalia officials at the Villa Somalia Presidential Residence, an enclave secured by African Union Mission in Somalia peacekeepers. OIG noted, however, that the Chargé participated by video-conference in high-level meetings with the Somali Government, United Nations (UN), and other

⁵ Semi-permanent personnel were allowed to spend up to 45 days at a time in Somalia.

⁶ Subsequent to the inspection, the Department revised its restrictions.

international donor missions at the Villa Somalia complex. The same travel restrictions also resulted in the USAID Somalia Director having to decline the UN Special Representative's request to co-chair, with the Deputy Prime Minister of Somalia, the Somalia Development and Reconstruction Steering Committee.⁷ Instead, a United Kingdom representative took the co-chair position.

Third, the restrictions on travel outside of Mogadishu and the mission's dual locations in Mogadishu and Nairobi hampered the mission's internal controls. Mission personnel were permitted, with approval from the Under Secretary for Management, to visit only a few secure locations elsewhere in Somalia, which complicated the effective monitoring and evaluation of foreign assistance. For example, USAID managed a complex, bilateral multi-year development assistance program of approximately \$70 million a year. Yet USAID told OIG that it had essentially had given up requesting such travel due to the onerous approval process to request approval and instead relied on monitoring and evaluation by third-party contractors and implementing partners. In addition, the bifurcation of responsibility between Mission Somalia and Embassy Nairobi personnel complicated oversight and control of management operations, as discussed below and in the separate inspection report of Embassy Nairobi.

Fourth, OIG found that Department delays in certifying facilities in Mogadishu for occupancy forestalled the assignment of personnel to new positions in Mogadishu in the 2018 assignments cycle. That assignment cycle listed nine positions for Somalia. However, because of the delays, the Department instead assigned incoming personnel to Nairobi, without the Special Recognition Package authorized for service in Mogadishu.⁸ OIG learned that one of the nine employees assigned already had broken the assignment due to the uncertainty over where the position would be located, and others had expressed to mission management that they also planned to do the same.

Mission Leadership Did Not Always Set an Appropriate Tone at the Top

The Chargé arrived in July 2017 as DCM and became Chargé 3 weeks later upon the departure of the Ambassador. Mission staff reported that he was accessible and a good listener, consistent with the 3 FAM 1214b(4) and (6) leadership and management principles to communicate and be self-aware. However, staff also said that they needed him to provide clear and concise guidance and feedback and to make decisions in a timely manner, in accordance with 3 FAM 1214b(3) principles on decisiveness.

⁷ This Committee provides policy guidance and oversight for all donor group assistance to Somalia.

⁸ The Department's Somalia Service Recognition Package, approved in May 2017, is a package of benefits similar to that of other high-threat posts to provide compensation for and periodic relief from the exceptionally stressful conditions of life and work in Somalia. The benefits apply to employees who are assigned either Permanent Change of Station or detailed (TDY) positions located in Mogadishu in the 2018 assignment cycle. The provisions do not apply to staff assigned to Mission Somalia in Nairobi. Benefits include additional pay differential, rest and recuperation travel, time-in-service extensions, priority treatment for onward assignments, and other incentives. (Cable 17 STATE 58592, "2018 Service Recognition Package for Mogadishu, Somalia," June 8, 2017).

The acting DCM, who arrived as Management Officer in July 2016 and became the acting DCM in July 2017, demonstrated some of the Department's leadership and management principles in 3 FAM 1214. Mission staff reported he was organized, decisive, and proactive and that his focus on day-to-day operations and security of personnel was appropriate to Somalia's restricted, high-threat work environment. However, mission staff also said that at times he used a condescending and confrontational tone in his oral communications, which conveyed to staff the impression that he did not value their opinions or performance, inconsistent with 3 FAM 1214b(4) and (8) principles of communication and empowering others. OIG advised the acting DCM to review his interactions with mission staff in light of these comments, and he agreed to strive to rectify those concerns.

Adherence to Equal Employment Opportunity Principles

Both the Chargé and the acting DCM expressed and communicated to staff the importance of adherence to Equal Employment Opportunity principles, including zero tolerance for sexual harassment. All mission staff attended training provided by the Department's Office of Civil Rights in February 2018.

Front Office's Policy Leadership and Coordination Effective Despite the Restrictive Environment

Washington officials told OIG the Chargé was a leading Government expert on Somalia and noted that he had impressive access to Somalia's senior leadership, including the president. The collaboration between the Chargé and Somali officials advanced the mission's ICS goals of helping to overcome violent opposition to the Somali state and build durable foundations for a more stable, democratic, and prosperous Somalia. Likewise, mission staff reported that the Chargé had extensive knowledge of Somali political and economic issues, given his previous service in the Somalia Unit from 2013-2016.

The Chargé and the acting DCM focused on the ICS priority goal of establishing a permanent diplomatic presence in Mogadishu to enable the United States to exercise fully its policy leadership and to advance U.S. national security interests. Working closely with Department senior leadership, they pressed to increase U.S. diplomatic presence on the ground in Mogadishu and to lay the groundwork for the eventual travel of mission personnel into the city to meet with government officials at the Villa Somalia Presidential Residence and elsewhere in Somalia. The Chargé spent an average of 16 working days a month in Mogadishu, and he relied on social media and video conferencing platforms for his regular interaction with senior Somali officials, including the president. On rare occasions, the Somali President and Prime Minister met with the Chargé on the MIA compound.

In support of the ICS goal of promoting a positive image of the United States in Somalia, the Chargé participated in some interviews with international and local print and radio media, often together with USAID's Somalia Director or with the senior U.S. officer of the Military Coordination Cell. OIG encouraged the Chargé to seek more opportunities for public outreach, including local television interviews, which he had been reluctant to do.

In pursuit of U.S. humanitarian and development goals, the Chargé and the USAID Somalia Director collaborated effectively, including visiting project sites in approved areas outside of Mogadishu and “ribbon-cuttings” with local government officials. As testimony to the collaborative effort, the United States in December 2017 signed the first comprehensive bilateral development agreement between the United States and the Somali Government in more than 30 years.

The Chargé and the senior United States Africa Command officer in Somalia collaborated effectively in support of U.S. security and counterterrorism goals. The Africa Command officer headed the Military Coordination Cell, which coordinated the activities of all DoD units in Somalia. Cell personnel in turn served as Mission Somalia’s Office of Security Cooperation, working under the supervision of the Defense Attaché, to manage and oversee U.S. security assistance programs.⁹

Internal Controls Lacking in High-Risk Environment

Mission Somalia’s Chief of Mission Management Controls Statement of Assurance, submitted for the first time in 2017, neither identified significant deficiencies in internal controls nor specified areas where attestations were not feasible. Moreover, the mission could not provide OIG with documentation that supported its conclusion that there were no significant deficiencies. The Chargé told OIG that he signed the Statement of Assurance even though he suspected property might be missing given the operating environment; the mission later reported a \$10,046 inventory shortage in FY 2018.¹⁰ Department cable 18 STATE 30272 outlines the Chief of Mission’s role in assuring strong management controls and oversight of mission operations, including reviewing management controls on an ongoing basis.¹¹ The *Standards for Internal Control in the Federal Government*¹² also requires documentation as part of an effective internal controls system. Several staffing vacancies affected the Front Office’s ability to provide oversight and, as noted previously, restrictions on travel to Mogadishu limited the mission’s monitoring and evaluation of foreign assistance. This lack of oversight increases the risk of misuse of U.S. Government resources.

Recommendation 1: The U.S. Mission to Somalia should review and correct its process for preparing the annual Chief of Mission Management Controls Statement of Assurance to

⁹ Although personnel in the Office of Security Cooperation are typically under COM authority, security responsibilities were not clearly delineated at Mission Somalia, as discussed in more detail subsequently.

¹⁰ The inventory shortage amounted to 22 percent of Mission Somalia’s total inventory. Because the shortfall was higher than 1 percent, the embassy convened a property survey board and prepared a corrective action plan to address the problem, as required by 14 FAM 416.5.

¹¹ Cable 18 STATE 30272, “Your Role in Assuring Strong Management Controls and Oversight of Post Operations,” April 3, 2018.

¹² Government Accountability Office, *Standards for Internal Control in the Federal Government*, (GAO-14-704G September 2014), Section OV4.08.

identify vulnerabilities in accordance with Department guidance. (Action: U.S. Mission to Somalia)

Security Responsibilities Were Not Delineated Between Chief of Mission and Combatant Commander

The Chargé and the DoD's Africa Command Combatant Commander did not sign the memorandum of agreement for Security and Force Protection of Department of Defense elements and personnel in Somalia, as required by 2 FAH-2 H-116.4b. This memorandum assigns operational control of overseas security functions for all DoD elements and personnel in country to either the Chief of Mission or the Combatant Commander, thereby eliminating "gray areas" that have led to confusion over security responsibility for some DoD elements or personnel. For example, in December 2017, the Chief of Mission and Combatant Commander signed a standard operating procedure in which the Africa Command agreed to provide TDY personnel to the mission's Office of Security Cooperation. However, mission leadership told OIG they were unsure of their authority to sign an agreement and sought Department clarification. Without a signed memorandum of agreement, the assignment of responsibility for the security of these TDY personnel is unspecified, which can place personnel at undue risk.

Recommendation 2: The U.S. Mission to Somalia should sign a memorandum of agreement for Security and Force Protection of Department of Defense elements and personnel with the Combatant Commander of United States Africa Command in accordance with Department standards. (Action: U.S. Mission to Somalia)

POLICY IMPLEMENTATION

OIG reviewed Mission Somalia's policy implementation, reporting and advocacy, Leahy vetting,¹³ and public engagement. OIG also focused on the mission's overall risk management and monitoring and evaluation processes for Department foreign assistance programs under Chief of Mission authority.¹⁴ OIG found that the mission's operations generally conformed to Department guidance, despite Somalia's difficult operating environment. However, OIG found deficiencies in risk assessments for foreign assistance and contracts, as discussed below.

Progress on Political, Economic, and Military Goals Despite Obstacles

The Political-Economic and Political-Military Sections advanced the mission's ICS goals of security, governance, and economic growth through advocacy for both U.S. policies and reporting. Although some Somalis, particularly government officials and military personnel, were

¹³ The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the Department of State from furnishing assistance to foreign security forces if the Department receives credible information that such forces have committed gross violations of human rights. See 22 USC 2378d.

¹⁴ This inspection did not review security assistance provided in support of the African Union Mission in Somalia because the bilateral missions to the countries that contribute troops—such as Uganda and Burundi—are responsible for those assistance funds.

able to enter the MIA compound for meetings, mission staff members' inability to travel around the country prevented them from meeting directly with other civil society representatives. This lack of access also kept them from reporting on developments throughout the country. Staff members used social media platforms such as WhatsApp, Facebook Messenger, and Viber to make and maintain contacts, to gather information for reports to the Department and other agencies, and to prepare mission leadership for meetings with senior Somali government officials, including the President and Prime Minister, business leaders, and civil society. These meetings informed the mission's reporting, which Washington readers described as useful and insightful. The readers also told OIG that Mission Somalia's reporting provided some of the only information available on the country's economic conditions. OIG's review of 80 cables transmitted in the 6 months from November 2017 through April 2018 found they were relevant to ICS goals and reflective of collaboration with all mission elements and of contacts throughout Somali society, consistent with the Department's 3 FAM 1214b(7) principles of collaboration and 2 FAM 113.1c(11) guidance on maintaining broad-based contacts.

Leahy Vetting Met Department Requirements Despite Staffing Gaps

Mission Somalia conducted Leahy vetting in accordance with Department requirements. In the 300-day period prior to March 8, 2018, Mission Somalia vetted 1,499 cases for potential gross human rights abuses. OIG found that, following the November 2017 departure of the Department's employee responsible for Leahy vetting, the mission had used DoD staff on a temporary basis to submit vetting requests. The Department anticipated that vetting requests would increase before the end of FY 2018; at the time of the inspection in May and June 2018, there were already more than 200 individuals "in line" to be submitted. Without a designated Department employee to submit vetting requests, Mission Somalia risked being unable to vet units and individuals in a timely manner, thus jeopardizing planned U.S. Government training and assistance. OIG advised Mission Somalia to identify alternate personnel solutions immediately, in advance of the expected increase in vetting requests.

Progress Made on Foreign Assistance Accountability, but Risk Mitigation Efforts Were Limited

OIG found that Mission Somalia took steps to improve its accountability and oversight of U.S. foreign assistance programs—focused on security, stability, economic recovery, and democracy promotion in Somalia—totaling approximately \$456.4 million in FY 2017. Specifically, in December 2017, the Department and Mission Somalia halted assistance to units of the Somali National Army that did not have U.S. military mentors because the Government of Somalia failed to ensure proper monitoring and control of those units. Department and Mission Somalia officials told Government of Somalia officials that the assistance would not resume until the two countries agreed on measures to improve transparency, accountability, and oversight of U.S. security assistance. No agreement had been reached as of May 2018.

OIG also found that the mission's use of third-party contracts to monitor foreign assistance programs improved oversight in Somalia's restrictive operating environment. High rates of local corruption in Somalia increased the risk of waste, fraud, and mismanagement—Somalia ranked

last of 180 countries in Transparency International's 2017 Corruption Perceptions Index—and underscored the need for continuous on-site monitoring. However, travel restrictions precluded on-site monitoring by mission personnel in many parts of Somalia. Thus the Department and Mission Somalia used third-party contracts to monitor foreign assistance programs, similar to the model used in other countries with travel restrictions, including Iraq and Syria.

However, despite the use of third party contracts, oversight and security issues remained. As described below, OIG found that the mission helped to prepare plans to mitigate the risks for third-party contracts, but none had been finalized as of May 2018. In addition, Mission Somalia had not considered using the Department's counterterrorism name-check vetting program to mitigate the risk of U.S. Government assistance going to terrorists.

Risk Mitigation Plans for Third-Party Contracts Incomplete

OIG found that the Bureau of Administration had not completed risk mitigation plans for any of the Department's 15 third-party contracts in Somalia, as required by Department guidance for critical contracting environment countries. Although risk mitigation plans for 4 of the 15 contracts were in final review at the time of the inspection, none had been finalized. These included foreign assistance monitoring contracts discussed above as well as other third-party contracts, such as the Worldwide Protective Services contract for personnel providing security for the mission. Risk mitigation plans are important tools to address security, safety, and internal controls vulnerabilities for contracts in Somalia. In accordance with 14 FAM 244.4-2a(1), the Department placed Somalia on the Critical Environments List based on the threat of terrorism and political violence and, with support from Mission Somalia, completed the required country risk assessment in October 2016. Per 14 FAM 244.4, inclusion in the list requires that the Bureau of Administration, along with the funding bureaus or program offices, prepare comprehensive risk assessments and develop risk mitigation plans that include security, logistics, and medical support.¹⁵

Department and mission staff told OIG that the process of preparing risk mitigation plans was time consuming and difficult to complete. Furthermore, mission staff stated that identifying medical services was a particular challenge.¹⁶ As of May 15, 2018, the medical services plan had not been finalized due to difficulties in identifying a qualified medical facility. OIG acknowledges that completing risk mitigation plans in Somalia's operating environment presents a major challenge. However, it is essential to do so, as without such plans for third-party contracts, the

¹⁵ Guidance in 14 FAM 244.4-2 and 14 FAM 244.4-3 require that a comprehensive risk assessment must consider the safety of Department contract personnel and that a corresponding risk mitigation plan be developed to address key risk areas of contractor performance. In addition, 14 FAM 244.4-3(e) states that the risk mitigation plans will address the areas of high risk identified in the risk assessment. For the Somalia risk assessment, the housing security, transportation security, general security, life support, and medical areas received the highest risk score. The requirements for the Critical Environments List only apply to Department contracts—regardless of funding type—and do not apply to DoD or USAID contracts.

¹⁶ Although not required, Mission Somalia included assistance award recipients in its medical services requirement because staff identified this as a risk area, even though Department guidance only requires risk mitigation plans for third party contractors.

Department cannot ensure that it has properly mitigated to the extent possible the substantial security, safety, and internal control risks in Somalia.

Recommendation 3: The Bureau of Administration, in coordination with the U.S. Mission to Somalia and the Bureau of African Affairs, should finalize all risk mitigation plans for third-party contracts as required by Department guidance. (Action: A, in coordination with U.S. Mission to Somalia and AF)

Assessment Needed to Identify and Mitigate Terrorist Financing Risks

OIG found that neither Mission Somalia nor the Department had fully assessed the risk that U.S. funding could benefit terrorists or their supporters ("terrorist financing risks").¹⁷ The presence of al-Shabaab and other foreign terrorist organizations in Somalia made terrorist financing risks a serious concern.¹⁸ The Department risk assessment for contracts in critical environments assigned the highest possible risk score for terrorist financing risks for contracts in Somalia.¹⁹ However, no such review had been conducted for foreign assistance programming, including assistance awards or direct security assistance provided to the Government of Somalia. Federal law, presidential directives,²⁰ and Department guidance²¹ all require the U.S. Government to guard against the risk that its activities could inadvertently benefit terrorist groups, their members, or their supporters. Department guidance further requires that offices planning programs formally assess the likelihood that funds, goods, and services could intentionally or inadvertently benefit terrorists.

¹⁷ A previous OIG inspection found that the Bureau of African Affairs had not assessed the costs and benefits of additional controls—such as individual name-check vetting or enhanced monitoring—that may be appropriate for particularly high-risk countries such as Somalia. OIG, *Inspection of the Bureau of African Affairs' Foreign Assistance Program Management*, (ISP-I-18-02, October 2017).

¹⁸ The Department designated the al-Shabaab terrorist organization, implicated in widespread terrorist activities and human rights violations, as a foreign terrorist organization in 2008. Press reports indicated that recent terrorist attacks in Somalia, including truck bombs that killed more than 270 people in 2017, may have been conducted with support from al-Shabaab members who infiltrated the Somali security forces.

¹⁹ The Somalia Country Risk Assessment for Contractor Performance in Support of Overseas Critical Environments—approved on October 25, 2016—stated that the risk related to the possibility of the contractor supporting or financing terrorists or insurgents was 12, the highest risk level possible. This risk assessment is different than that which determines if additional counterterrorism name-check vetting should occur.

²⁰ 18 U.S.C. 2339 A and B, which codified the USA PATRIOT Act; Executive Order 13224, Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, September 23, 2001; Homeland Security Presidential Directive 6, "Integration and Use of Screening Information," September 16, 2003; and Homeland Security Presidential Directive 11, "Comprehensive Terrorist-Related Screening Procedures," August 27, 2004.

²¹ Memorandum from Deputy Secretary John D. Negroponte, February 26, 2008, "State and USAID Funding and the Risks of Terrorist Funding" directed Assistant Secretaries and other senior officials to "make every reasonable effort to guard against the risk that U.S. Government activities could inadvertently benefit terrorist groups, their members, or their supporters" and provided guidance for conducting risk-based assessments and procedural guidelines for name-check vetting and other tools.

Multiple options exist to identify and mitigate terrorist financing risks. For example, cable 17 STATE 37016 outlines the process to request that the Department initiate counterterrorism name-check vetting—currently used in Syria and Afghanistan and other high-risk countries.²² This process calls for completing a risk assessment as an initial step to determine whether vetting would enhance assistance monitoring. Mission staff told OIG they were unaware of this program or requirements under Department guidance to formally identify and mitigate terrorist financing risk. Senior officials in the Bureau of African Affairs told OIG that a Somalia-specific assessment had not been conducted because it had yet to complete its bureau-wide risk management plan. Without an assessment to determine if counterterrorism name-check vetting could mitigate terrorist financing risks, the Department is at elevated risk that U.S. funds in Somali could be diverted to terrorist organizations.

Recommendation 4: The U.S. Mission to Somalia, in coordination with the Bureau of African Affairs, should conduct a risk assessment to determine whether counterterrorism name-check vetting or other enhanced monitoring of foreign assistance to Somalia is warranted to mitigate terrorist finance risks. (Action: U.S. Mission to Somalia, in coordination with AF)

Public Affairs Engagement Limited to Media Outreach

Mission Somalia's restrictive security environment and staffing vacancies largely limited the Public Affairs Section to media activities, often in response to al-Shabaab disinformation, rather than engaging directly with the Somali public through exchanges, cultural programs, and other traditional public diplomacy activities. Due to the mission's in-country personnel ceiling, the Public Affairs Officer worked only 10 to 15 days per month at the MIA compound. In addition, two of the section's three authorized LE staff positions were vacant at the time of the inspection. The remaining LE staff information specialist, working from Nairobi, analyzed Somali developments through media reports and by telephone with Somali-based journalists. The section issued press statements and arranged monthly interviews with Somali radio stations for the Chargé and the USAID director to promote awareness of U.S. assistance to Somalia. The section also engaged actively on social media through Twitter and Facebook.

Grants Files Lacked Evidence of Risk Assessment, Monitoring, and Closeout

OIG found that the Public Affairs Section's FY 2016 grants files lacked required risk assessments, monitoring plans, closeout, and other documentation as required by the Department's 2016 Federal Assistance Policy Directive.²³ The Public Affairs Section awarded 12 grants in FY 2016 totaling \$54,585, 5 grants in FY 2017 totaling \$39,525, and, as of May 2018, one grant in FY 2018 for \$1,474. OIG's review of these 18 grants found that those issued in FY 2017 and FY 2018 generally met Federal and Department requirements. However, the section had not conducted

²² Cable 17 STATE 37016, "Continuation of Counterterrorism Vetting for Contracts and Grants After End of Joint State-USAID Pilot Program," April 17, 2017. As of May 2018, the Department was continuing the pilot program to vet contractors and grantees in countries with links to terrorism by conducting name-check vetting as a terrorism financing risk mitigation tool.

²³ Office of the Procurement Executive, *Department of State Federal Assistance Policy Directive*, January 14, 2016, Sections 2.03-A, 3.01-A, 3.01-B, 303, and 307.

risk assessments or prepared monitoring plans for the FY 2016 grants. Four FY 2016 grants files contained no evidence of monitoring, closeout, or any other correspondence after 80 percent of the award amounts had been initially dispersed. In addition, the section awarded the grants during the final days of FY 2016 with no documented follow-up by the grants officer or the section's LE staff member with grants management responsibility. Failure to evaluate, monitor, closeout, and document Federal awards risks the loss or misuse of U.S. Government funds.

Recommendation 5: The U.S. Mission to Somalia, in coordination with the Bureau of Administration, should bring the outstanding FY 2016 grants awards into compliance with Department standards. (Action: U.S. Mission to Somalia, in coordination with A)

INFORMATION RESOURCE MANAGEMENT

Embassy Nairobi's Information Resource Management (IRM) personnel provided effective remote management and infrequent on-site technical systems maintenance to Mission Somalia. While OIG did not perform an on-site inspection of IT operations in Mogadishu, OIG reviewed documentation, conducted interviews, examined systems security practices, reviewed the IRM project plan for the planned expansion of Mission Somalia facilities, assessed existing Embassy Nairobi IRM staff support, and reviewed the proposed Mission Somalia IRM support staffing model.

Planning documents for IT expansion in conjunction with the physical infrastructure build-out and occupancy of expanded Mission Somalia facilities in Mogadishu reflected a logical and thorough understanding of mission needs, management and security controls, and systems operations and maintenance requirements. OIG concluded that the mission's target date of August 2018 for new or enhanced computer, radio, wireless networking, and secure voice and video teleconferencing installations was realistic.

Records Management Program Did Not Comply with Standards

Mission Somalia's records management program did not comply with Department standards. OIG reviewed electronic files from all mission sections and found that none maintained files in accordance with Department guidance. According to 5 FAM 415.2c, electronic and paper files should be organized by geography, relationship, and subject. Without a records management program that complies with standards, the mission may be unable to retrieve vital information and risks losing critical documentation.

Recommendation 6: The U.S. Mission to Somalia should implement a records management program in accordance with Department standards. (Action: U.S. Mission to Somalia)

Mission Lacked a Records Coordinator

OIG found that Mission Somalia did not have a post records coordinator, as required by 5 FAM 414.5b, nor was it fulfilling the coordinator's responsibilities. For example, OIG found that the mission did not perform required information life cycle management and oversight for post

record systems. In addition, the mission did not provide guidance and procedures to mission personnel or apply appropriate records disposition schedules. Mission Somalia did not designate staff to fill the records coordinator position as required by 2 FAM 113.3. The lack of consistent records oversight increases the likelihood that historical documents will be lost.

Recommendation 7: The U.S. Mission to Somalia should appoint a post records coordinator in accordance with Department standards. (Action: U.S. Mission to Somalia)

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to the U.S. Mission to Somalia and to the Bureau of Administration. The Department's complete responses can be found in Appendix B. The Department also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: The U.S. Mission to Somalia should review and correct its process for preparing the annual Chief of Mission Management Controls Statement of Assurance to identify vulnerabilities in accordance with Department guidance. (Action: U.S. Mission to Somalia)

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the U.S. Mission to Somalia's corrected process for preparing the annual Chief of Mission Management Controls Statement of Assurance to identify vulnerabilities in accordance with Department guidance.

Recommendation 2: The U.S. Mission to Somalia should sign a memorandum of agreement for Security and Force Protection of Department of Defense elements and personnel with the Combatant Commander of United States Africa Command in accordance with Department standards. (Action: U.S. Mission to Somalia)

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of a signed memorandum of agreement for Security and Force Protection of Department of Defense elements and personnel with the Combatant Commander of United States Africa Command in accordance with Department standards.

Recommendation 3: The Bureau of Administration, in coordination with the U.S. Mission to Somalia and the Bureau of African Affairs, should finalize all risk mitigation plans for third-party contracts as required by Department guidance. (Action: A, in coordination with U.S. Mission to Somalia and AF)

Management Response: In its October 5, 2018, response, the Bureau of Administration requested that OIG reassign action on this recommendation to the Bureau of African Affairs and that the Bureau of Administration would serve as a coordinating office. The Bureau of Administration noted that the Bureau of African Affairs still needed to address the remaining issues with the risk mitigations plans for Somalia.

OIG Reply: OIG considers the recommendation unresolved. According to guidance in 14 Foreign Affairs Manual 244.4-3(g), the Bureau of Administration, Office of Logistics Management, Critical Environment Contract Analytics Staff²⁴ will lead the Department-wide coordination to develop such risk-mitigation plans with the Bureau of Diplomatic Security; the Bureau of Administration, Office of Acquisitions Management; the funding bureau or program office. OIG believes the bureau is unable to effectively lead this coordination effort without the finalized plans and they are ultimately responsible for ensuring their completion. OIG acknowledges that completing risk mitigation plans in Somalia's operating environment presents a major challenge. However, it is essential to do so, as without such plans for third-party contracts, the Department cannot ensure that it has properly mitigated to the extent possible the substantial security, safety, and internal control risks in Somalia. Based on the bureau's response, OIG did revise the recommendation to include the Bureau of African Affairs as a coordinating office. The recommendation can be closed when OIG receives and accepts the finalized risk mitigation plans for third-party contracts in accordance with Department guidance.

Recommendation 4: The U.S. Mission to Somalia, in coordination with the Bureau of African Affairs, should conduct a risk assessment to determine whether counterterrorism name-check vetting or other enhanced monitoring of foreign assistance to Somalia is warranted to mitigate terrorist finance risks. (Action: U.S. Mission to Somalia, in coordination with AF)

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the U.S. Mission to Somalia's risk assessment to determine whether counterterrorism name-check vetting or other enhanced monitoring of foreign assistance to Somalia is warranted to mitigate terrorist finance risks.

Recommendation 5: The U.S. Mission to Somalia, in coordination with the Bureau of Administration, should bring the outstanding FY 2016 grants awards into compliance with Department standards. (Action: U.S. Mission to Somalia, in coordination with A)

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the outstanding FY 2016 grants awards comply with Department standards.

Recommendation 6: The U.S. Mission to Somalia should implement a records management program in accordance with Department standards. (Action: U.S. Mission to Somalia)

²⁴ The Critical Environment Contract Analytics Staff is now under the Office of Procurement Executive (A/OPE/CECAS).

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation. The U.S. Mission to Somalia noted an estimated compliance date of January 1, 2019.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of a records management program that complies with Department standards.

Recommendation 7: The U.S. Mission to Somalia should appoint a post records coordinator in accordance with Department standards. (Action: U.S. Mission to Somalia)

Management Response: In its October 17, 2018, response, the U.S. Mission to Somalia concurred with the recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation the U.S. Mission to Somalia appointed a post records coordinator in accordance with Department standards.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chief of Mission:		
Chargé d’Affaires	Martin Dale	07/17
Acting Deputy Chief of Mission	Jim Holtsnider	07/16
Chiefs of Section:		
Management	Jim Holtsnider	07/16
Political-Economic – Acting	Davinia Seay	08/15
Public Affairs	Raymond Stephens	09/16
Regional Security	John Krajicek	07/16
Political-Military	Sarah Skorupski	10/17
Other Agencies:		
Department of Defense	Clement Ketchum	08/16
U.S. Agency for International Development	Tyler Beckelman	08/14
Source: U.S. Mission to Somalia		

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This review was conducted between March 19 and August 10, 2018, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by OIG for the Department and the Broadcasting Board of Governors.

The Office of Inspections provides the Secretary of State, the Chairman of the Broadcasting Board of Governors, and the Congress with systematic and independent evaluations of the operations of the Department and the Broadcasting Board of Governors. For this inspection, OIG's objectives were to evaluate Mission Somalia's executive direction, policy implementation, and foreign assistance oversight and coordination consistent with Section 209 of the Foreign Service Act of 1980. As a result of findings during the on-site portion of the Embassy Nairobi inspection, OIG also inspected the physical security of Mission Somalia facilities in Mogadishu, which is addressed in a separate, classified report.²⁵ Other than physical security, OIG did not inspect facilities or security operations in Mogadishu. During the parallel inspection of Embassy Nairobi, OIG evaluated that embassy's management and security support for Mission Somalia personnel assigned to Nairobi, and the embassy's provision of consular coverage for Somalia. Those findings are included in the separate unclassified and classified inspection reports on Embassy Nairobi.²⁶

At the time of the inspection, all Mission Somalia personnel were assigned to Embassy Nairobi and traveled in temporary duty status to Mogadishu. During the inspection, three OIG team members traveled to Mogadishu to inspect and conduct interviews. OIG also interviewed Mission Somalia personnel and Embassy Nairobi staff in Nairobi. In all, OIG conducted 105 interviews and reviewed 31 questionnaires completed by American and locally employed staff. OIG used professional judgment, along with documentary, testimonial, and analytical evidence collected or generated, to develop its findings and actionable recommendations.

²⁵ OIG, MA-18-01, July 2018.

²⁶ OIG, ISP-I-19-08, October 2018.

APPENDIX B: MANAGEMENT RESPONSES



United States Mission to Somalia

October 17, 2018

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THRU: A/S African Affairs Tibor Nagy

TO: OIG – Sandra Lewis, Assistant Inspector General for Inspections

FROM: Mission Somalia Chargé d’Affaires Martin Dale

SUBJECT: Response to Draft OIG Report – Inspection of Mission Somalia

Mission Somalia has reviewed the draft OIG Inspection report. We provide the following comments in response to the recommendations provided by OIG:

OIG Recommendation 1: The U.S. Mission to Somalia should review and correct its process for preparing the annual Chief of Mission Management Controls Statement of Assurance to identify vulnerabilities in accordance with Department guidance. (Action: U.S. Mission to Somalia)

Management Response: U.S. Mission to Somalia accepts the recommendation and has already begun compliance. Our most recent Statement of Assurance was completed and submitted to the Department on October 4, 2018. Post Management Officer and Acting DCM were assigned to undertaking and documenting management checks and drafting the SOA. We continued to find systems that need improving, which we have noted, and began a process for documenting our controls. We also instituted a process for compliance using the Management Control Checklist system. Checklists were sent to section and agency chiefs in charge of duties specified in the checklists. Those section and agency chiefs submit responses to the DCM/Acting DCM who holds follow-up meetings with section and agency chiefs to discuss areas of concern or challenges. The DCM/Acting DCM then holds quarterly meetings with responsible section and agency chiefs to review the checklist. Checklist progress is documented in shared the Administrative electronic folder for reference when it comes time to issue the COM Statement of Assurance. The first draft of checklists are already submitted to the Acting DCM or will be submitted in the next week. First meetings will take place by the end of October. Quarterly meetings will be January, April, July, October.

OIG Recommendation 2: The U.S. Mission to Somalia should sign a memorandum of agreement for Security and Force Protection of Department of Defense elements and personnel with the Combatant Commander of United States Africa Command in accordance with Department standards. (Action: U.S. Mission to Somalia)

Management Response: U.S. Mission to Somalia accepts the recommendation and the memo was signed and electronic documentation is saved among Mission Somalia shared documents.

OIG Recommendation 3: The Bureau of Administration, in coordination with the U.S. Mission to Somalia, should finalize all risk mitigation plans for third-party contracts as required by Department guidance. (Action: A, in coordination with U.S. Mission to Somalia)

Management Response: U.S. Mission to Somalia accepts the recommendation and has been in close contact with the Bureau of Administration in relation to this recommendation. The Bureau of Administration strongly recommended that we refer to Department policy in 14 FAM 244.4-3 g stating that the development of risk mitigation plans is the responsibility of geographic bureaus in coordination with CECAS. Mission Somalia will remain responsive and intends to closely collaborate with A and AF. When called upon Mission Somalia has provided and will continue to provide input into the plans and give eyes-on information that is available to the Mission. A has instructed us that AF Bureau is responsible for working with CECAS to resolve the remaining issues so that plans can be completed.

OIG Recommendation 4: U.S. Mission to Somalia accepts the recommendation and is working with AF/SA, INL, and CT Bureaus on risk assessment processes for their grants and contracts in Somalia. We are working with these offices to establish process timelines as well. (Action: U.S. Mission to Somalia, in coordination with AF)

Management Response: U.S. Mission to Somalia accepts the recommendation and is working with AF/SA on a risk assessment process.

OIG Recommendation 5: U.S. Mission to Somalia, in coordination with the Bureau of Administration, should bring the outstanding FY 2016 grants awards into compliance with Department standards. (Action: U.S. Mission to Somalia, in coordination with A)

Management Response: U.S. Mission to Somalia accepts the recommendation and under the previous PAO completed the post award review and close out processes for FY 2016 grants. Post did not issue grants in FY17. In order to improve PD grants management, the current PAO/GO has approved two Public Affairs Locally Employed Staff to be Grants Officer Representatives and the Public Affairs team submitted FY18 grants through the ARIBA/ILMS/SAMS systems ensuring that at least basic controls are in place for grants management. Each FY18 grant has a monitoring plan and risk assessment.

OIG Recommendation 6: U.S. Mission to Somalia should implement a records management program in accordance with Department standards. (Action: U.S. Mission to Somalia)

Management Response: U.S. Mission to Somalia accepts the recommendation. The Management Officer has designated the Information Management Officer as the officer responsible for records management. The IMO will draft a records management plan by December 1, 2018 for implementation by January 1, 2019.

OIG Recommendation 7: U.S. Mission to Somalia should appoint a post records coordinator in accordance with Department standards. (Action: U.S. Mission to Somalia)

Management Response: U.S. Mission to Somalia accepts the recommendation and the Management Officer designated Post Information Management Officer as post records coordinator.

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The point of contact for this memorandum is Acting Deputy Chief of Mission Janet Deutsch.

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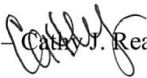
United States Department of State

Washington, D.C. 20520

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October 5, 2018

MEMORANDUM

TO: OIG/ISP – Sandra Lewis
FROM: A/OPE –  Cathy J. Read
SUBJECT: Draft Report on *Inspection of U.S. Mission to Somalia*

Thank you for the opportunity to provide a compliance update on the subject draft Inspection Report.

Recommendation 3: The Bureau of Administration, in coordination with the U.S. Mission to Somalia, should finalize all risk mitigation plans for third-party contracts as required by Department guidance. (Action: A, in coordination with U.S. Mission to Somalia)

Management Response to Draft Report (10/5/2018): The Bureau of Administration, Office of the Procurement Executive requests this recommendation be reassigned to the Bureau of African Affairs in coordination with the Bureau of Administration. The Critical Environment Contract Analytics Staff (A/OPE/CECAS) indicated that remaining issues with the risk mitigation plans for Somalia must be addressed by the Bureau of African Affairs. Additionally, posts are not responsible for the development of risk mitigation plans – bureaus must develop the plans in coordination with CECAS, per Department policy.

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ABBREVIATIONS

DCM	Deputy Chief of Mission
DoD	Department of Defense
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICS	Integrated Country Strategy
IRM	Information Resource Management
LE	Locally Employed
MIA	Mogadishu International Airport
TDY	Temporary Duty
USAID	U.S. Agency for International Development
VP2	Vital Presence Validation Process

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