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

Report of Inspection

Limited-Scope Inspection of the U.S. Mission to the United Nations Agencies in Rome

Report Number ISP-I-08-40, June 2008

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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", is positioned above the printed name.

Harold W. Geisel
Acting Inspector General

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KEY JUDGMENTS

- The U.S. Mission to the United Nations Agencies in Rome (USUN Rome) is well managed by an extremely competent and complementary Ambassador and deputy chief of mission (DCM). Together, they are successfully pursuing U.S. goals in all six of the UN entities located in Rome. Coordination and teamwork on the Food and Agriculture Organization (FAO) reform, a major U.S. priority, is particularly noteworthy.
- Advocacy and reporting are well managed and coordinated at USUN Rome, notably with regard to the FAO, World Food Program (WFP), and International Development Law Organization (IDLO). There is a need for closer coordination between the Department of the Treasury (Treasury), other Washington agencies, and USUN Rome to ensure that projects funded by the International Fund for Agricultural Development (IFAD) are clearly integrated into overall U.S. food and agriculture objectives.
- The Ambassador and public affairs officer (PAO) have created and implemented a particularly effective public diplomacy tool – a media tour that groups them and important journalists on visits to projects in developing countries that are funded by the United States through the Rome UN agencies. Addition of a locally employed (LE) staff will ensure continuity to this innovative program.
- USUN Rome has correctly rightsized its management staff and makes excellent and appropriate use of the services offered by the tri-mission management office.
- Relocation of USUN Rome onto the Via Veneto compound can be accelerated. The plan recently developed by the Bureau of Overseas Buildings Operations (OBO) representative in Rome to accomplish this should be carefully considered.

The inspection took place in Washington, DC, between January 4 and February 1, 2008, and in Rome, Italy, between March 10 and 14, 2008. (b) (6)
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(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) It was part of a pilot project to determine whether a limited-scope inspection performed by a small team visiting small posts for a short time could adequately evaluate their performance in policy implementation and resource management. The inspection did not include a full review of security or information technology programs. This report sets forth the team's observations, informed impressions, findings, and recommendations.

CONTEXT

USUN Rome is a three-agency mission that includes the Department of State (Department), U.S. Department of Agriculture (USDA), and U.S. Agency for International Development (USAID). USUN Rome seeks to influence the policies and programs of two major and three less important but still significant UN agencies headquartered in Rome. The first two are the WFP and the FAO. The others are the IDLO, the International Institute for the Unification of Private Law (UNIDROIT), and the International Center for the Study of the Preservation and Restoration of Cultural Property (ICCROM). Treasury generally represents the United States at meetings of the executive committee of a third major agency, the IFAD, but a USUN Rome goal is to steer IFAD, with Treasury participation, over time toward a more coherent policy approach directly in support of U.S. food security and agricultural goals.

Although budget contributions to each agency vary widely, the U.S. share represents a major part of each agency's revenue. In 2007, the United States contributed \$1.18 billion to the WFP (43.4 percent of overall contributions) and was assessed \$96 million by the FAO (22 percent). The United States also made an additional \$36 million in voluntary contributions, continuing a practice of helping to fund particularly valuable FAO activities in areas such as food safety standards, avian influenza containment, and emergency recovery. The United States paid nearly \$15 million to IFAD, approximately \$1 million to ICCROM, and \$130,000 to UNIDROIT. Congress approved a new grant of approximately \$300,000 to IDLO in FY 2008, and the United States made voluntary contributions to IDLO of \$2 million and is considering an additional grant of \$6 million. USUN Rome supports over 250 delegates to various meetings annually and hosts numerous congressional delegations.

To varying degrees, all six of these UN entities are seeking to respond positively to the UN Secretary General's reform initiative. Of the six, USUN Rome considers that the FAO is most in need of reform and improved governance. Its governing body accepted an Independent External Evaluation Report in 2007, and various working groups are now looking at how to deal with the over 100 recommendations. At the same session, the organization's director general maneuvered member states into voting, rather than acting through the more customary consensus procedures, on a biennial budget with an unprecedented 21 percent increase. Only four members (the United States, Japan, Canada, and Switzerland) voted no, and there were two abstentions. Under Group of 77 (G-77) pressure, all other members, includ-

ing European Union states, voted in favor. As the inspection occurred, the mission planned to continue pressuring the FAO toward serious reform and was prepared to give the director general a series of benchmarks by which the United States would measure progress. One step, creation of an ethics office, had just been accepted by the director general.

USUN Rome is well informed and highly regarded by other member delegations and FAO staff, and is clearly a successful advocate for overall U.S. objectives in the UN family of organizations. One recent, very positively received, example of the U.S. commitment to the FAO was the joint USAID-USDA outlay of over \$9 million to strengthen reactive capacity in countries affected by avian flu. Three USDA veterinarians were also seconded to a Crisis Management Center in Rome. A paradox in Rome, as in other UN headquarters cities, is that the United States is often perceived as having good ideas and a strong ability to follow up, and yet runs the risk of being portrayed as a spoiler by those concerned by the prospects of reform, such as the FAO director general and some representatives from G-77 countries. At the time of the inspection, U.S. success in spearheading reform appeared to depend on nuanced U.S. leadership, close work with other reform-minded countries, and finding a way to convince both the FAO professional staff and some elements of the G-77 that defining a tighter role for the FAO was in the interests of all, particularly farmers and consumers in the third world.

EXECUTIVE DIRECTION

A highly competent Ambassador and DCM provide clear direction at USUN Rome and are perceived by their staff, and the Office of Inspector General (OIG) team, as complementing each other's performance very effectively. The Ambassador chairs an informative and relaxed weekly meeting that includes all Americans as well as the professional-level contract and LE staff. In addition, the DCM chairs a weekly meeting for section chiefs and agency heads. Recently, the Ambassador began chairing a working group on FAO reform to make sure that all concerned staff members are aware of developments in this increasingly controversial matter. He plans to convene the group on a biweekly basis in coming months. He was open to an idea raised with the OIG team that other issues might benefit from such organized discussion, either at the DCM-chaired weekly meeting or elsewhere. Both the Ambassador and DCM practice an open door policy, and staff feel free to raise issues with them as needed.

MISSION STRATEGIC PLAN

USUN had completed and submitted to the Department its FY 2010 Mission Strategic Plan (MSP) a few days before the inspection. Like its predecessor, it was drafted with the active participation of all at post, including the Ambassador. An off-site at his home was one of the final steps in the drafting process. The MSP goals are identical to those of FY 2009, correctly reflecting the on-going nature of the work of the six UN entities in Rome. Performance indicators are concrete and have been appropriately updated. USUN Rome consults its MSP on a regular basis and intends to continue doing so. It also pursues a reporting plan closely tied to the MSP.

MEDIA TOURS

One extremely effective innovation of the mission, discussed extensively in the public diplomacy section of this report, has been the organization of media tours. The tours includes the Ambassador, PAO, and talented journalists on week-long visits to projects funded by the United States through one or more of the Rome UN agencies in developing countries around the world.

MORALE

American and LE staff in the mission seemed genuinely committed to the task of improving world food supplies, and morale is high. The Ambassador and other senior Americans are aware of salary issues, both the lack of a pay raise for several years for LE staff and the decline in the value of the dollar for contract employees paid in that currency. They have been taking practical measures, including job reclassification where possible, to deal with the problem. Questionnaires completed by LE staff gave the Ambassador high scores on both leadership and concern for morale.

POLICY AND PROGRAM IMPLEMENTATION

ADVOCACY AND REPORTING FUNCTIONS

USUN Rome is a principal actor in the complicated world of UN entities dealing with a broad range of sometimes unrelated issues. Much of its advocacy and reporting is concentrated in one way or another on the three major food-security-related agencies in Rome, the WFP, the FAO, and the IFAD. The staffs of these organizations and the other member states view the United States from various perspectives. The United States is considered a major, if tardy, donor at all times and a leader in terms of program development. It also is regarded as a friend in times of crisis, as exemplified by its financial and staffing support of the avian flu Crisis Management Center. On occasion, the United States is perceived as a powerful adversary, such as in the November 2007 debate over the FAO's budget or the on-going tug of war relating to FAO reform.

USUN Rome reporting is relatively low in quantity but excellent and comprehensive in defining issues of importance to the United States, in suggesting strategies and tactics, and in underscoring dates of critical importance in each agency's deliberations. Just as outstanding is USUN Rome's deployment of its limited professional staff in advocating policy change. The Ambassador and DCM coordinate closely with other key member states and lobby them effectively in pursuit of U.S. goals. At the time of the inspection, the Ambassador was also preparing for a major meeting with the FAO director general where he planned to present an outline of milestones and benchmarks by which the United States will gauge his commitment to reform. In addition, the DCM was using a series of meetings and small lunches to learn others' positions and advance those of the United States. Meanwhile, the political officer, other agency heads, and a newly arrived presidential management fellow were engaged in presenting U.S. views in the relevant FAO working groups. Team work rarely achieves such a sophisticated level.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

The political/management officer, a mid-level officer encumbering an international relations officer generalist (IROG) position, spends about 20 percent of his time on IFAD, for which the post receives no reimbursement from Treasury. This is because Treasury, as the lead agency for IFAD and other multilateral development banks like IFAD, has neither an officer nor LE staff at post. Representatives from Treasury come to Rome four times a year for IFAD executive committee meetings including the annual IFAD Governing Council meeting. The Treasury Secretary is the U.S. Governor on the Council, with the Secretary of State as the alternate Governor. In practice, the Treasury Secretary delegates a Treasury official to fill that role as the head of the U.S. delegation. Ambassador Vasquez, as the U.S. Permanent Representative to IFAD, attends the annual Governing Council meeting as part of the U.S. delegation. The USUN Rome IROG attends IFAD meetings leading up to the quarterly and annual meetings during which the agendas for those meetings are set. He also attends the IFAD executive committee meetings as part of the Treasury-led U.S. delegation.

IFAD is what USUN Rome considers the third leg of a three-legged stool comprised of WFP, FAO, and IFAD. Because the U.S. contribution to IFAD (\$15 million) makes IFAD one of the very smallest of the multilateral development banks requiring Treasury's attention, it is unlikely that Treasury would seek to place an officer or LE staff at USUN Rome.¹ Because Treasury focuses mainly on banking fundamentals and the overall management of IFAD, there is greater room for the Department, USUN Rome, and U.S. embassies in recipient countries to assist Treasury in determining the U.S. government position on IFAD projects scheduled for approval. This has not worked as well as it did in the past, and it is increasingly necessary for IFAD to function within the "One UN" concept and dovetail better with the projects of the larger WFP and FAO in recipient countries. The OIG team informally recommended that USUN Rome prepare scene-setter cables to the incoming Treasury delegation to provide some helpful project information prior to their arrival.

Without an LE staff position, USUN Rome is unable to maintain an institutional memory on IFAD, or to provide project oversight of IFAD packaged loans. Per Department instructions, the Department's role is to assist the interagency loan review process and identify ways that posts can assist in ensuring that multilateral

¹ In 2006, U.S. donations to multilateral organizations including the United Nations, World Bank, and other multilateral development banks totaled \$2.4 billion.

development bank activities are consistent with U.S. foreign policy and development objectives.² Without an LE staff position, project summaries cannot be sent to the Bureau of Economic, Energy, and Business Affairs, Office of Development Finance, to coordinate the Department's analysis of IFAD projects, with input from the field and country desks, to be reviewed by the Washington working group on multilateral assistance agenda. Thus an important part of this process remains suspect. Moreover, this missing element is conspicuous given the mandate of the new Director of U.S. Foreign Assistance to coordinate the U.S. government foreign assistance strategy.

Recommendation 1: The U.S. Mission to the United Nations Agencies in Rome should request, and the Department should fund, a locally employed position dedicated to facilitating the Department's evaluation of and advocacy of specific projects of the International Fund for Agricultural Development. (Action: USUN Rome, in coordination with EEB and IO)

PUBLIC DIPLOMACY

The public affairs section (PAS) at USUN Rome is small. Although understaffed, the section does an outstanding job of getting out the message to a global audience of the humanitarian work that the United States does through the UN agencies headquartered in Rome. The last OIG inspection report referred to the post's "limited public diplomacy activities."³ That is no longer the case. Public diplomacy activities are a central and growing aspect of what this mission does. The OIG team identified new approaches that could be applied to further amplify this positive message. The OIG team supports the resource requests for additional funding and one LE staff position, put forth in the post's FY 2009 and FY 2010 MSPs, to enable its successful strategy of media tours led by the Ambassador.

Initially the PAS in Embassy Rome provided public affairs guidance and support. That became more difficult with the 2002 elimination of the Embassy Rome PAS officer position that was the designated point of contact. The first resident PAO for USUN Rome was a first-tour, entry-level officer who arrived in August 2004. The second officer, the incumbent, is a mid-level officer who arrived in 2006. Under her tenure the media tour program was developed and implemented with great effect.

² STATE telegram 168892 of December 19, 2007, on the subject Action Request: POC for Multilateral Development Bank Loan Review.

³ Inspection of the United States Mission to the United Nations Agencies for Food and Agriculture in Rome, Report Number ISP-1-02-16, March 2002, p. 8.

Media Tours, Global Outreach, and Performance Metrics

With the limited and special exception of the small community of permanent representatives to the UN agencies in Rome and the functionaries of those agencies, the public affairs audience for USUN Rome is in the field in recipient countries where the beneficiaries of U.S. humanitarian assistance reside, and with regard to Muslim outreach, in the Muslim world. The FY 2010 MSP third goal paper is on public outreach. The post has effectively done this by implementing a series of foreign media reporting tours that have so far included trips to Mozambique, Mali, Guatemala, and Honduras in two years. During the inspection, the PAO was busy setting up an imminent trip to Bangladesh for April 2008. Each tour is led by the Ambassador, supported by the PAO, and includes a group of print and broadcast media participants primarily from recipient countries being highlighted on the tour, or from the region, or from predominantly Muslim countries outside the recipient region who are nevertheless interested in U.S. humanitarian and food assistance efforts to Muslim populations elsewhere. For instance, the PAO successfully reached out to the Arabic language satellite television outlet, Al Arabiya, to participate in the media tour to Mali in 2006.

The media tours program has been enabled by special allotments from the Under Secretary for Public Diplomacy and Public Affairs that cover the costs of the participating media contingent. WFP provides logistical support for the program with funds made available through a grant agreement managed by the PAO. This arrangement reduces the administrative and logistical burdens on the U.S. embassies in the field that host the tours. U.S. embassies in countries on the tour also turn out local media, and surrounding posts provide input for the selection of media participants. USUN Rome has requested an additional allotment of \$150,000 in public diplomacy funds in its FY 2010 MSP, along with \$50,000 additional in funds for its diplomatic and consular allotment to fund four media tours in FY 2010 that include the Ambassador. In fact, the Ambassador's participation is central to the success of these media tours. The OIG team supports the post's request. Both the PAO and the Ambassador believe five to six of these tours can be done a year, but they would require additional funding and the addition of a full-time LE staff position for public diplomacy. However, the PAS base budget, which covers the travel of the PAO on these trips, has not been increased, and the post did not request an increase in its MSP submission. Without rectifying that imbalance, the media tours would run up against another limiting factor. The OIG team believes that further improved performance measurement would serve to validate this media tour initiative.

Recommendation 2: The U.S. Mission to the United Nations Agencies in Rome, in coordination with the Bureau of International Organizations and the Office of Policy, Planning and Resources for Public Diplomacy and Public Affairs, should seek an increase in its public diplomacy base program budget aligned to its expanded use of media tours. (Action: USUN Rome, in coordination with IO and R/PPR)

The measurable outcome is a spate of favorable media coverage in recipient countries and regional and global media outlets of both print and broadcast media. In addition, the PAO works with Embassy Rome, whose PAS information resources center hosts the USUN Rome website, to put content on the site to disseminate the message further. Other techniques, including a blog on the Department's DipNotes blog platform and podcasts, have been used. As good as this has been, the USUN Rome public diplomacy outreach program can be better and reach a larger audience. However, limiting factors are the lack of a dedicated LE staff position, lack of awareness of potential opportunities for working with the Broadcasting Board of Governors (IBB), and budget.

The USUN Rome PAS is alone among other USUN Missions in New York, Geneva, Vienna, and UNESCO in that it has no LE staff. The OIG team supports the post request in the FY 2010 MSP for a public diplomacy LE staff position to provide program and outreach support for the media tours and for assisting in the organization of digital videoconferences. Moreover, an LE staff position would provide much needed institutional memory and would mean that someone would be in Rome to maintain other operations such as content to the website, and to field requests from the Ambassador and PAO while they are on the media tour. The post currently has an LE management assistant with a master's degree in mass communications from a British university. The assistant has given some assistance to the PAO and would be a strong candidate for a newly created LE public diplomacy position.

Recommendation 3: The Bureau of European and Eurasian Affairs should grant the request from the U.S. Mission to the United Nations Agencies in Rome to staff a locally employed public diplomacy position. (Action: EUR)

USUN Rome only incidentally works with Voice of America (VOA) correspondents, generally organized by host country U.S. embassies as part of the media tours. USUN Rome does not itself reach out more directly to the Broadcasting Board of Governors or its broadcasting entities such as VOA or grantee broadcasters. Radio

is an important broadcast tool in Africa, and the majority of the VOA global audience is an African radio audience. Yet, there is no contact between USUN Rome and VOA's Director or the VOA Program Director for Africa to advise them in advance of media trips. Likewise, USUN Rome does not contract for or seek U.S. Embassy support in countries visited to provide videojournalist coverage of the media tour in their countries. This content is not captured and provided to media outlets or post. Neither is it available for interested BBG broadcast entities.

There is potential for use of this content on VOA's *Straight Talk Africa*, for VOA *Special Reports*, or for VOA's global *News Now* program. VOA also broadcasts to some of the world's largest Muslim countries like Indonesia, Bangladesh, and Pakistan. Carrying such content is fully in line with the VOA charter. Moreover, a host of VOA and BBG grantee entities, including a number in South Central Asian countries with large Muslim populations, might find content from USUN Rome's media tours newsworthy to their audiences and usable if they had advance notice and access to digital media.

This is especially the case with regard to Muslim outreach. The Secretary is by law an ex officio member of the BBG and designates the Under Secretary for Public Diplomacy and Public Affairs to represent her at Broadcasting Board of Governors board meetings. Thus, the Under Secretary's staff are especially well placed to facilitate this linkage along with the Office of Policy, Public and Congressional Affairs, in the Bureau of International Organization Affairs.

Recommendation 4: The U.S. Mission to the United Nations Agencies in Rome, in coordination with the Bureau of International Organizations and the Public Affairs and Diplomacy Offices of the Regional Bureaus, should develop working links with U.S. international broadcasting to maximize the distribution of its message in connection with its program of media tours. (Action: USUN Rome, in coordination with IO, AF/PD, EAP/PA, EAP/PD, EUR/PPD, NEA/PPD, SCA/PPD, and WHA/PDA)

The USUN Rome PAS has measured the success of its media tours anecdotally by observing a heightened awareness and positive impressions among its core group of participating journalists regarding U.S. contributions to reduce hunger. In line with the Department's public diplomacy performance measures approved by the Office of Management and Budget for the Program Assessment Rating Tool, it has also used harder performance measures. Some of the measures used are counting the number of local journalists that participated and the number of positive local,

regional, and global print, radio, and television reports that were generated. However, the rigor of its method of measuring success can be improved. The OIG team counseled the PAO on ways this could be done. To do so entails additional work that can only be done with the assistance of the LE staff position this report recommended earlier.

Recommendation 5: The U.S. Mission to the United Nations Agencies in Rome should develop and implement a plan to improve the rigor of its public diplomacy performance measures especially as they relate to audiences reached, the incorporation of materials, and the appearance of positive editorial and opinion commentary support for U.S. humanitarian policies. (Action: USUN Rome)

The PAS has an active speaker program targeted at the UN agencies in Rome. The venue of choice for these events is at the WFP or FAO. However, following UN protocol, PAS must pay for simultaneous translation into all official UN languages at the cost of \$12,000 per day. This content is not recorded on video, which limits the potential audience. FAO offers video services for approximately \$1,500.

Recommendation 6: The U.S. Mission to the United Nations Agencies in Rome should develop and implement a program to capture the content of speaker programs the public affairs officer deems to be of particular importance on digital media and make it available to the Department for distribution in English and selected languages. (Action: USUN Rome)

Embassy Rome's Helping Hand

Embassy Rome's PAS has generously assisted the USUN Rome PAS by providing budget, travel, purchasing, audiovisual technical support, web site hosting and content maintenance support, and advice and assistance in the International Visitors Leadership Program. In addition, it shares press contacts and a plethora of other support including access to training opportunities. Embassy Rome's PAS has a production studio and has gone further than the USUN Rome PAS in harnessing new technology to get out the message and make use of the Embassy Rome Ambassador. The USUN Rome PAO attends joint public affairs staff meetings held at Embassy Rome where ideas and programming plans are shared. Without additional assistance

from the Embassy Rome PAS, the USUN Rome PAO is unlikely to develop the knowledge and application of digital media technologies necessary to improve the already impressive effort of getting out the mission's message. Further USUN Rome does not have its own production studio or audio visual technician.

Recommendation 7: The U.S. Mission to the United Nations Agencies in Rome, in coordination with Embassy Rome, should increase its ability to use new technology to amplify the message of U.S. humanitarian beneficence. (USUN Rome, in coordination with Embassy Rome)

CRISIS MANAGEMENT CENTER

Three Animal and Plant Health Inspection Service veterinarians on one-year tours of duty are attached to the Crisis Management Center located at the FAO of the United Nations in Rome. The center was developed to coordinate rapid response to avian flu and other major animal health emergencies. To date, USAID has contributed \$5 million to support the center. USDA has contributed \$4.1 million, some of which was in-kind support. USDA will conduct an assessment of the program in March 2008, and is expected to determine soon thereafter the level and extent to which it will continue to participate in the management of the center. USUN was instrumental in coordinating administrative and logistical support for the USDA employees, particularly during their initial arrival and startup phase of the center.

RESOURCE MANAGEMENT

An experienced and very capable management cone officer in an IROG skill position now performs the mission's management officer duties, in addition to his duties as a political officer. He spends an estimated 20 percent of his time on administrative matters and the remaining 80 percent of time on the political portion of his portfolio, which centers on coordination with four UN organizations: IDLO, IFAD, ICCROM, and UNIDROIT. This distribution maximizes his value to the mission and is a result of two factors. First, he has taken full advantage of the International Cooperative Administrative Support Services (ICASS) services provided by Embassy Rome, thereby minimizing, if not eliminating altogether, any duplication of effort and imprudent expenditure of his own time. Second, he has two very competent LE staff who fulfill support needs that go beyond the capabilities or bounds of the mission's ICASS service provider. The mission's approach to administrative support makes excellent use of available resources by appropriately outsourcing services to Embassy Rome and is a model of how staff can be rightsized without diminishing service quality.

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Foreign National	Total Staff	Total USD Funding FY 2007
State – D&CP	6	1	3	10	\$974,300
State – Representation	--	--	--	--	\$21,300
State – ICASS	--	--	--	--	*\$984,350
U.S. Department of Agriculture	**4	1	--	5	***\$408,600
USAID	1	3	--	4	***\$746,000
State – OBO	--	--	--	--	****\$600,000
Totals	11	5	3	19	\$3,492,250

* Includes \$85,200 in local guard force costs

** Includes 3 Animal and Plant Health Inspection Service officers seconded to the Crisis Management Center at FAO

*** Includes agency's program and ICASS funding

**** State share of office space lease costs totaling approximately \$357,000 for all agencies

MANAGEMENT

USUN Rome receives the vast majority of its administrative support from what is termed the tri-mission Rome shared “Diplomatic Platform,” which includes Embassy Rome and Embassy Vatican. Under this arrangement, Embassy Rome provides ICASS to USUN in the areas of general services, human resources, financial management, information resource management, and security. The management officer characterized his relations with Embassy Rome counterparts as excellent and their services the same. He attends Embassy Rome management meetings on a regular basis and, to exemplify the integrated nature of the “Diplomatic Platform,” tri-mission management meetings are periodically held at USUN with special focus on issues pertaining to the mission.

USUN retains limited responsibility for some management functions. Two LE staff members in mixed positions perform duties that appeared appropriate and necessary. A secretary acts as liaison with the Embassy Rome financial management section on representation budget matters, travel authorizations, and travel vouchers. In addition, she assists the PAO with logistical support and compilation of briefing books for media tours. The secretary also works with Embassy Rome’s information management section on posting information to the Web, prepares diplomatic notes for accreditation, and serves as the first point of contact for American citizens who are seeking employment with UN organizations in Rome. The duties of the second LE staff member are equally as varied and include being the backup driver for the Ambassador’s chauffeur, liaison for residential and office maintenance, liaison with local security services, purchase card holder, petty cashier, fuel coupon and motor vehicle maintenance coordinator, and liaison for procurement. USUN plans some redistribution of duties, primarily to involve the secretary in more program activities. Even after the move to the Embassy Rome compound, retention of these two LE staff should be justified, particularly in light of their wide-ranging responsibilities.

FACILITIES MANAGEMENT

Despite the solid business case and universal agreement supporting the move of the USUN offices to the Embassy Rome compound, the process has been fraught with lengthy and frustrating delays. USUN expected to relocate in spring 2007, thereby eliminating almost \$600,000 in annual lease costs and \$131,600 in annual local guard force costs while improving its physical security posture. However, the USUN move is but one component of a complicated series of renovation projects planned for the embassy compound, and delays in other components threaten to

Embassy Rome's information resource management section provides all communications and information technology services to USUN Rome. The mission relies on an enhanced alternate communications terminal for cable traffic, which is deemed cumbersome and slow but is the most reasonable option pending the yet unscheduled implementation of the State Messaging and Retrieval Toolset.

The IROG political/management officer serves as the post security officer, though most security functions are provided and managed by Embassy Rome's regional security office. An Embassy Rome assistant regional security officer augments the post security officer. Therefore, the post security officer's responsibilities are limited primarily to control of classified material and preparation for and conduct of emergency drills.

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MANAGEMENT CONTROLS

Embassy Rome provides USUN with most of its management services, and controls are subsumed in service provider processes. An OIG inspector reviewed internal control procedures for the gasoline coupons that are used to fuel the mission's two official vehicles, the petty cash fund (Euro 500 and U.S. dollars 100), and the purchase card held by the administrative assistant. Records were complete and well organized. Controls were adequate and reflected good oversight by the political/management officer.

FORMAL RECOMMENDATIONS

- Recommendation 1:** The U.S. Mission to the United Nations Agencies in Rome should request, and the Department should fund, a locally employed position dedicated to facilitating the Department's evaluation of and advocacy of specific projects of the International Fund for Agricultural Development. (Action: USUN Rome, in coordination with EEB and IO)
- Recommendation 2:** The U.S. Mission to the United Nations Agencies in Rome, in coordination with the Bureau of International Organizations and the Office of Policy, Planning and Resources for Public Diplomacy and Public Affairs, should seek an increase in its public diplomacy base program budget aligned to its expanded use of media tours. (Action: USUN Rome, in coordination with IO and R/PPR)
- Recommendation 3:** The Bureau of European and Eurasian Affairs should grant the request from the U.S. Mission to the United Nations Agencies in Rome to staff a locally employed public diplomacy position. (Action: EUR)
- Recommendation 4:** The U.S. Mission to the United Nations Agencies in Rome, in coordination with the Bureau of International Organizations and the Public Affairs and Diplomacy Offices of the Regional Bureaus, should develop working links with U.S. international broadcasting to maximize the distribution of its message in connection with its program of media tours. (Action: USUN Rome, in coordination with IO, AF/PD, EAP/PA, EAP/PD, EUR/PPD, NEA/PPD, SCA/PPD, and WHA/PDA)
- Recommendation 5:** The U.S. Mission to the United Nations Agencies in Rome should develop and implement a plan to improve the rigor of its public diplomacy performance measures especially as they relate to audiences reached, the incorporation of materials, and the appearance of positive editorial and opinion commentary support for U.S. humanitarian policies. (Action: USUN Rome)
- Recommendation 6:** The U.S. Mission to the United Nations Agencies in Rome should develop and implement a program to capture the content of speaker programs the public affairs officer deems to be of particular importance on digital media and make it available to the Department for distribution in English and selected languages. (Action: USUN Rome)

Recommendation 7: The U.S. Mission to the United Nations Agencies in Rome, in coordination with Embassy Rome, should increase its ability to use new technology to amplify the message of U.S. humanitarian beneficence. (USUN Rome, in coordination with Embassy Rome)

INFORMAL RECOMMENDATION

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

Coordination between USUN Rome and the visiting Treasury delegations is insufficient regarding the policy relation aspect of specific bundled IFAD project loans to be considered.

Informal Recommendation 1: The U.S. Mission to the United Nations Agencies Rome should prepare scene-setter cables to the incoming Department of Treasury delegation to provide some helpful project information prior to their arrival.

PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Gaddi H. Vasquez	09/06
Deputy Chief of Mission	Lee A. Brudvig	05/06

Chiefs of Sections:

Political	Usha Pitts	08/07
Public Diplomacy	Lillian deValcourt-Ayala	08/06
Management	Leslie deGraffenried	08/06

Other Agencies:

U.S. Agency for International Development Humanitarian Affairs Attaché	Richard Newberg	08/05
U.S. Department of Agriculture Minister Counselor for Agricultural Affairs	David Hegwood	08/04

ABBREVIATIONS

DCM	Deputy chief of mission
Department	Department of State
FAO	Food and Agriculture Organization
G-77	Group of 77
LE	Locally employed
ICASS	International Cooperative Administrative Support Services
ICCROM	International Center for the Study of the Preservation and Restoration of Cultural Property
IDLO	International Development Law Organization
IFAD	International Fund for Agricultural Development
IROG	International Relations Officer Generalist
MSP	Mission Strategic Plan
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PAO	Public affairs officer
PAS	Public affairs section
Treasury	Department of the Treasury
UNIDROIT	International Institute for the Unification of Private Law
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USUN Rome	U.S. Mission to the United Nations Agencies in Rome
VOA	Voice of America
WFP	World Food Program

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