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

Report of Inspection

The International Broadcasting Bureau, Morocco Transmitting Station

Report Number ISP-IB-08-05, November 2007

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KEY JUDGMENTS

- The International Broadcasting Bureau (IBB), Morocco Transmitting Station, is well managed and provides broadcasting and technical services to Europe, the Middle East, and Africa. However, as IBB faces budget constraints, the station faces possible reduced operations or closure.
- The Office of Inspector General (OIG) team was unable to evaluate the merits of closure of the IBB facility without an examination of worldwide broadcast policy goals and the technical means to achieve them. IBB, together with other stakeholders, should prepare a careful worldwide study of the future targets of U.S. broadcasting, residual value of property and equipment, closeout costs, and technical issues of propagation of radio waves prior to making an irreversible decision to close the Morocco Transmitting Station.

The purpose of this inspection was to assess the general operation of IBB's Morocco Transmitting Station, including its management, human resources, and security. The inspection took place in Washington, DC, between April 9 and 29, 2007; and at the Tangiers site between May 14 and 15, 2007, concurrently with the inspection of Embassy Rabat. Ambassador Joseph Sullivan was the team leader, and Bohdan Dmytrewycz, Thomas Martin, and William Urbanski conducted the inspection of the Tangiers site.

CONTEXT

OVERVIEW

IBB maintains a large shortwave radio transmitting station near the northern Moroccan city of Tangiers. The station unofficially is referred to by some as IBB's "flagship." The 1,147-acre site completed in 1993 at a cost in excess of \$200 million uses 10 500-kilowatt transmitters to broadcast Voice of America, Radio Liberty, and Radio Free Europe to Eastern Europe, parts of the former Soviet Union, the Middle East, and Central and West Africa.

It has an American staff of four (plus one vacancy) and Moroccan staff of 52 (with 11 vacancies) who not only operate the site, but also install equipment and provide technical assistance to other frequency modulation (FM) radio transmission sites throughout Africa. The American staff of the station supervises stations in Djibouti and Cyprus, and one of them is invariably absent from Morocco traveling throughout the region. The technical expertise of the staff is very high, and employees are frequently called upon to support other stations. One locally employed staff person is working in Djibouti to establish a broadcast network. Within Morocco, their only function is to provide limited technical support to FM stations broadcasting Radio Sawa.

Based on the diminishing importance of shortwave, more program focus on the Middle East, and the increased use of FM, IBB has begun to invest more in FM stations and less on shortwave. IBB maintains that other government broadcasters are also cutting back on shortwave and going to FM. The British Broadcasting Corporation website explicitly shows a reduction in shortwave service. The Broadcasting Board of Governors, facing budget shortfalls, has mandated cuts in the budget of IBB shortwave broadcasting stations worldwide. Stations in Spain, Portugal, and Greece have already closed. The Morocco station may be next.

POSSIBLE CLOSURE OF THE TRANSMITTING STATION

Facing budget limitations, the IBB has determined that with a reduction in short-wave broadcasting and the increased emphasis on FM, the Morocco station may be expendable. To continue Moroccan operations, the IBB has focused on reduction of rent payments to the Moroccan government for budget relief, and failing that, examining other areas for savings, such as reducing staff and electricity costs by limiting the operating hours of the station. Salaries, electrical power, and rent each make up about 30 percent of the total budget. From the start of operations in 1993 through FY 2006, the IBB has paid over \$40 million in rent, and what started at \$1.3 million per year has grown to \$2.4 million this year. The lease also has an annual escalator clause that will further raise rental costs.

In February 2007, the U.S government gave a one year advance notice (required under current lease terms) that stipulated that, failing relief on the rent, the station will close and all remaining property will be returned to the government of Morocco in March 2008. The embassy has undertaken negotiations, but at the time of the on-site inspection, the initial reaction from the Moroccan government was one of indifference; certainly not encouraging. At that time, mission management believed that continued embassy pressure might cause a change of heart, although actual decisions could move at a glacial pace. The major selling points are the residual \$6 million flowing into the local economy and the 52 jobs in an economically depressed area of the country. IBB has since reexamined the need for the station, looked at viable options to keep it operating, and renewed negotiations aimed at achieving partial rent relief instead of the total amount as initially proposed. The Moroccan government's response has been more encouraging, and there is general consensus that with some flexibility by the Moroccans, and some budget and operational adjustments by IBB, the station will continue to operate for the next four to seven years. IBB informed the OIG team that it would make every effort to maintain the station, but there was still the possibility that it could close.

To the OIG team, simply walking away from this model facility appears to be shortsighted for want of \$2 million. IBB's initial negotiating posture, now modified because the station is needed for the short term, begs the question whether IBB's initial assumption to close, failing relief of \$2.4 million was advisable. IBB maintains that it reviews policy, targets audiences, and has the means to reach the audience annually. However, if that process had been effective, IBB should have known that it needed the station, to some extent, irrespective of the budget shortfall.

In order to examine the wisdom of the strategy, a thorough worldwide study including residual value of property and equipment, technical issues of propagation of radio waves, the potential need for contingency shortwave broadcasting operations, as well as policy decisions on the future targets of U.S. broadcasting, must be part of the equation, a task beyond the scope or expertise of the OIG team inspecting U.S. operations in Morocco.

Whether it remains open, operates at a reduced rate, or closes in seven years, the station has significant residual value. Besides the obvious tools, spare parts, vehicles, and office furniture and equipment (and possibly the scrap value of the tons of copper and aluminum in the cables and antennas), the satellite receivers and the 10 500-kilowatt transmitters are the most valuable equipment at the station. Moreover, the continued support to Radio Sawa throughout Africa and Morocco still has to be maintained. There may be a requirement to maintain some residual staff and, if the remaining staff is reduced, funds for severance payments and possible litigation need to be identified. In addition, a drawdown strategy devised in close coordination with the embassy will be needed.

The technicians estimate that demobilizing the transmitters alone could require four to five months. Subtracting five months from the March 2008 deadline means that significant activity must start by the beginning of October 2007. Neither the station nor the embassy has started or been advised of any such planning by IBB. Equally, should demobilization take place, at some point it will proceed to the point where economic restoration will have passed.

The OIG team was not able to evaluate the merits of closure of one IBB facility without an examination of worldwide broadcast policy goals and the technical means to achieve them.

Recommendation 1: The International Broadcasting Bureau, together with other stakeholders, should prepare a careful worldwide study of the future targets of U.S. broadcasting, residual value of property and equipment, closeout costs, the potential need for contingency shortwave broadcasting operations, and technical issues of propagation of radio waves prior to making an irreversible decision to close the Morocco Transmitting Station. (Action: IBB)

Recommendation 2: The International Broadcasting Bureau, in coordination with Embassy Rabat, should decide on a date after which negotiations would be fruitless. (Action: IBB, in coordination with Embassy Rabat)

Recommendation 3: The International Broadcasting Bureau, in coordination with Embassy Rabat, should review its legal obligations under the lease and to the locally employed staff and prepare and distribute a demobilization plan (including alternate uses of the equipment) for the transmitting station in Morocco. (Action: IBB, in coordination with Embassy Rabat)

MANAGEMENT ISSUES

The facilities are exceptionally well maintained, neat, and orderly. Administrative operations managed by a small staff are performed in accordance with policy and regulation. Embassy support is infrequent, but sufficient. The embassy-prepared staffing pattern for the station shows an authorized staff of five Americans and 63 locally employed staff. One American, and 11 locally employed staff positions were vacant with no near-term plans to fill them. Some of the locally employed staff positions are not being filled pending a decision on closure, a rational decision that does not adversely affect ongoing operations. The one vacant American position has been vacant for some time, and there are no plans to fill it. When asked by the OIG team why carry the positions and incur International Cooperative Administrative Support Services and other costs, the IBB response was that the cost was modest and that the position was there “just in case.” In case of what is not clear. The President’s Management Agenda places great emphasis on better managing overseas positions. Simply carrying positions with no firm duties on the books is not acceptable.

Recommendation 4: The International Broadcasting Bureau should abolish the vacant facilities supervisor position (969607) at the Morocco Transmitting Station. (Action: IBB)

The station also has a regional support officer position. The incumbent spends the vast majority of his time traveling to negotiate additional FM stations in the region. The embassy has no clear record of the intended duties of the position or whether the incumbent is performing the duties as described in the original position description. If the station remains open, the need for the position in Morocco will require examination.

Recommendation 5: The International Broadcasting Bureau should provide a National Security Decision Directive-38 request for the continued need for the regional support officer (position 96434) at the Morocco Transmitting Station. (Action: IBB)

FORMAL RECOMMENDATIONS

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PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Thomas T. Riley	12/04
Deputy Chief of Mission	Wayne J. Bush	07/03
International Broadcasting Bureau Transmitting Station Director	David Strawman	08/04

ABBREVIATIONS

FM	Frequency modulation
IBB	International Broadcasting Bureau
OIG	Office of Inspector General

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