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

# Report of Inspection

## Embassy Tokyo, Japan and Constituent Posts

Report Number ISP-I-08-39A, 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, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability and positive change in the Department of State and the Broadcasting Board of Governors.

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

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

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

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

Harold W. Geisel  
Acting Inspector General

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## KEY JUDGMENTS

- The Ambassador provides strong, hands-on leadership of Mission Japan and is deeply engaged in the defense, political-military, and intelligence underpinnings of the strategic bilateral relationship with Japan. He provides clear direction to the mission and close coordination with U.S. military and other agency representatives in Japan on major policy issues with the assistance of his deputy chief of mission (DCM).
- The Ambassador manages the mission and the consulates through an intensive daily set of meetings and telephone conferences, and encourages his management counselor to address the management implications of each issue that arises. The Ambassador and DCM also provide regular and close oversight to the economic, commercial, consular, management, and security issues facing the mission.
- The Ambassador was the driving force for an internal rightsizing exercise that engaged each office and agency in a bottom-up examination of staffing levels that could reduce Department of State (Department) and other agency staffing considerably over several years.
- Embassy Tokyo's rightsizing exercise was designed to increase productivity and decrease waste in every section and agency. The Department needs to act to implement the recommendations that arose from the rightsizing exercise.
- Management operations, overall, are outstanding and focused on providing very good customer service to the large mission and the consulates.
- The five consulates provide a relatively small and low-cost, yet important regional representation and outreach to the public and to major economic and political-military centers. Embassy Tokyo's intensive communications with, and good support for, the consulates helps assure that the consulates work productively and are well integrated into the mission.
- The political and economic sections provide substantial, high-quality reporting in a good mix of cable and e-mail form. The political-military unit leads important negotiations on a range of security issues and coordinates closely with U.S. military and civilian officials in Japan, U.S. Pacific Command, and Washington.

- A media-savvy Ambassador leads strong public affairs activities. Public diplomacy (PD) planning is well conceived; but additional steps need be taken to implement the public diplomacy plan.
- Consular services are performed efficiently in the embassy and consulates, but nonimmigrant visa workload could increase substantially later this year, depending on how the electronic travel authorization program is implemented.

The inspection took place in Washington, DC, between January 2 and 25, 2008; and in Tokyo, Osaka-Kobe, Naha, Nagoya, Sapporo, Fukuoka, and Yokohama, Japan, between January 28 and March 7, 2008.

## CONTEXT



The bilateral relationship that exists between the United States and Japan is one of the broadest, strongest, and most complex that the United States has with any country in the world. The U.S.-Japan security alliance is the key to security and stability in the Asia-Pacific region, and it continues to grow to meet new challenges. The United States seeks Japanese diplomatic support on almost every major political issue in the world.

Japan provides bases, financial

assistance, and material support to approximately 54,000 forward-based U.S. military personnel and their families. A close ally to the United States in the global war on terror, Japan has been an active supporter of the mission in Iraq and has pledged nearly \$5 billion in that effort, the second largest amount after the United States. Japan has also committed personnel and funding to the reconstruction effort in Afghanistan, works closely with the United States to promote missile defense, and is a close ally in addressing ongoing developments in North Korea through the Six-Party Talks. Japan is the second largest contributor after the United States to many international organizations, including the International Monetary Fund, World Bank, and the United Nations. Japan is the only country the United States publicly supports for permanent UN Security Council membership.

With a population of 128 million occupying an area slightly smaller than California, Japan is the world's second largest economy, the second largest provider of international assistance, and the second largest contributor to the United Nations. Japan and the United States represent over 36 percent of the world's total Gross Domestic Product. Japan is the largest foreign market for U.S. exports outside North America, and in 2006 the United States accounted for nearly 40 percent of Foreign Direct Investment into Japan. In 2005, 3.9 million Japanese tourists visited the United States and spent about \$13 billion dollars.

Embassy Tokyo's Mission Strategic Plan (MSP) goals are geared toward one objective: to deepen and secure our country's bilateral, regional, and global partnership with Japan. Chief among these goals are strengthening the bilateral alliance to respond to a changing security environment; working to reduce regional tension and strengthen multinational security, economic collaboration and trade cooperation; promoting further reform in many of Japan's institutions; and working with Japan to ensure the safety of U.S. nationals and facilities present in Japan.

U.S. Embassy Tokyo is supported by consulates general in Naha, Osaka-Kobe and Sapporo; consulates in Fukuoka and Nagoya; and a language school in Yokohama. 277 direct-hire U.S. employees, 21 eligible family members (EFMs), and 383 Foreign Service national (FSN) employees work in 22 agencies in the mission. The total FY 2007 operating budget for the mission was \$74,411,000.

## EXECUTIVE DIRECTION

The Ambassador, who has a distinguished background in law, politics, and business, and completed an impressive previous tour as Ambassador to Australia, provides strong, hands-on leadership to Mission Japan. He is deeply engaged in the issues affecting the defense, political-military, and intelligence underpinnings of the bilateral relationship. He maintains close relations with the senior U.S. military commanders responsible for Japan and the region, as well as with all other senior American and Japanese security officials. He provides strong direction of the embassy through an intense daily schedule of leadership, policy, and management meetings which cover political, economic, commercial, management, consular and security issues as well as defense, political-military, law enforcement, and intelligence issues. He provides clear direction to non-Department agency representatives in Japan. He assures Embassy Tokyo's single, coordinated public position on all issues through frequent meetings, informed engagement, and insistence that all agencies and offices keep him closely informed.

The Ambassador also holds near-daily senior staff meetings at which he solicits input from his senior staff on major issues confronting the embassy, encouraging them to provide input beyond their specific area of responsibility in the mission. The Ambassador engages in direct management of, and coordination with, the consulates through daily conference calls with consulate principal officers and through near-total participation in quarterly meetings with consulate principal officers. The Ambassador was the driving force for a mission-wide rightsizing exercise that engaged every office and agency in the mission in an exhaustive, six-month long, bottom-up examination of staffing levels. If fully implemented, the rightsizing study conclusions will reduce Department and other agency American and FSN staffing significantly over several years. The Ambassador has empowered his management counselor by including him in a prominent way at every senior staff and country team meeting in a manner that has assured that the management implications of every decision are considered from the outset.

The Ambassador takes a major role in preparation of the MSP by leading an open 90-minute discussion of the entire country team on what the mission's principal goals should be for the coming year. Thereafter, the drafting is turned over to an MSP coordinator who works with individual sections to develop and draft the objectives and measurement indicators. The MSP has been a useful annual reexamination of policy goals and a participatory exercise for the mission. It has been used as a continuing management tool throughout the year.

The Ambassador also takes an active role in security oversight and chairs important emergency action committee meetings. He is careful to solicit the views of all committee members, including the Marine security-guard detachment commander. The Ambassador also initiated a meeting with the Marines at their residence to explain a decision that could have affected their morale.

The Ambassador engages very actively and frequently with senior leadership in Japan and in the U.S. government. He does not preempt his able staff from working issues at their level, but he does not hesitate to raise an issue to a higher ministerial level when that appears advisable. Because the Ambassador is so well briefed on most issues, he does not need extensive briefing papers. He also delivers speeches and public remarks, and he gives interviews when that appears to be the best way to advance U.S. objectives. During a recent crisis on Okinawa, his staff prepared a suggested response that the Ambassador examined and carried out immediately. This involved travel to Okinawa and several difficult public appearances by the Ambassador.

The Ambassador also takes a strong role in the formulation of U.S. policy toward Japan and the region. He is in frequent contact with key U.S. actors on Japan, decides together with his staff on the most effective policy course, and then engages with the key U.S. policymakers to achieve the desired results. Although the Ambassador and the embassy do not prevail in every policy discussion, Embassy Tokyo's views are always taken strongly into account.

The embassy's executive direction is fully engaged in economic, trade, and financial issues. The Ambassador and DCM confer on these issues with embassy economic staff at a weekly economic cluster meeting. They also meet with the economic minister and commercial minister several times a day. The Ambassador and DCM oversee an aggressive trade promotion and commercial advocacy program, and they have participated frequently in market access initiatives and advocacy in agricultural, medical, pharmaceutical, energy, and financial services industries. The Ambassador has been particularly active in trying to reopen the Japanese market to U.S. beef exports and has obtained partial success in this area. Other economic issues requiring attention by post management include preparations for senior-level visits such as the upcoming G-8 ministerial meetings and summit.

The DCM, who has served most of his Foreign Service career in East Asia and has served as deputy political counselor in Embassy Tokyo, provides excellent assistance to the Ambassador. The DCM participates in most embassy management meetings with the Ambassador and chairs the same schedule of meetings and conference calls when the Ambassador is not in Tokyo. The DCM also holds detailed meetings on a frequent, regular basis with each section in which the full range of

issues are discussed. He meets in their work space as part of his effort to be visible around the embassy. The DCM knows which subjects the Ambassador would wish to be informed on, and suggests the appropriate forum for raising those issues. The DCM maintains a continuous dialogue with the Department's Japan Country Directorate in order to assure good coordination between the Department and the embassy. He also has a set of senior contacts in the government of Japan who he meets with frequently. He can often resolve issues himself.

The DCM is neither an intermediary nor a shield for the Ambassador. He instead assists the Ambassador in managing the embassy, its many functions, agencies, and offices in a very hands-on manner. Notwithstanding his heavy schedule, the DCM keeps an open door and is accessible to everyone in the embassy.

The Ambassador and DCM maintain a very active and effective oversight of law enforcement and intelligence issues. Their close oversight has ensured that there is close coordination on all issues. Heads of agencies are members of the Ambassador's senior staff, and the Ambassador and DCM meet frequently with them. Under the leadership of the Ambassador and DCM, law enforcement and other agencies actively coordinate their activities in support of mission objectives. During the right-sizing exercise and at other times, the Ambassador and DCM maintain close supervision of the number of permanent and temporary staff at the embassy. National Security Decision Directive-38<sup>1</sup> procedures for staff increases and reductions are closely followed.

The Ambassador leads and manages the mission through his heavy schedule of meetings. He also clears on every substantive telegram that the embassy sends out, but he also makes time to read and approve most telegrams for transmission on the day they are prepared. Meetings provide a vital role in providing information to the Ambassador and feedback to staff on his views. Not all senior managers are diligent about briefing back to their own staff about the results of these discussions, which can result in an information gap for some section officers. One downside of such frequent meetings is that senior staff, in particular, are reluctant to travel or to be absent from the embassy for contact work. The Ambassador's full daily schedule of internal meetings also limits his availability to meet staff on a less formal basis or to walk around the mission or travel to the consulates himself. Some staff members find it difficult to know whether the executive staff is receiving and passing messages on to the Ambassador.

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<sup>1</sup> National Security Decision Directive-38, Staffing at Diplomatic Missions and Their Constituent Posts, issued on June 2, 1982, assigns ambassadors the authority and responsibility to determine the appropriate size, composition, and mandate of all staffing operating under their authority.

The rightsizing exercise recommended that one office management specialist (OMS) position in the executive office be reprogrammed as a chief OMS, contingent on similar changes being adopted by the Department. Because the Department appears unlikely to adopt such a model, the embassy should reexamine the number of support positions required in the executive office.

In addition to the numerous meetings, there are several important forms of written communication. The Ambassador's staff assistant sends out country team notes cleared by the DCM to all American staff after the thrice-weekly country team meetings. The DCM also clears and transmits a daily activities report by e-mail to the Japan desk, the consulates, and numerous Washington addressees, as well as an operational tracking e-mail to key embassy offices and the Japan desk to allow mutual tracking of action items.

The Ambassador and DCM set high ethical standards of conduct, which provides an excellent example for the staff.

## IDEAS COMMITTEE

In 2005, the Ambassador instituted an annual "ideas committee" that offers all mission staff the opportunity for grass-roots evaluation of how the mission can improve performance. This process resulted in a number of suggestions to improve efficiency and quality of life at the mission that have been implemented and others that are still pending.

## ENTRY-LEVEL OFFICERS

The Ambassador and DCM have taken steps to encourage development of entry-level officers (ELOs). The Ambassador has also taken the initiative to host quarterly leadership dinners with ELOs from the embassy and the consulates at which he promotes discussion of a book on leadership and engages in a wide-ranging exchange with the ELOs. The DCM met on one occasion with the ELO group at its request to discuss career development issues, and he held one-on-one sessions with each ELO generalist and specialist in 2007. It would be helpful for the Ambassador and DCM to take more steps to promote the development of ELO specialists.

## EQUAL EMPLOYMENT OPPORTUNITY

The Ambassador and DCM have been supportive about Equal Employment Opportunity (EEO) issues; sessions were held in December 2007 to brief all American and Japanese personnel.



## POLICY AND PROGRAM IMPLEMENTATION

### REPORTING FUNCTION OF THE ECONOMIC AND POLITICAL SECTIONS

The two main reporting elements in Embassy Tokyo are the economic and political sections. The following discussion of the reporting function and how it is carried out refers to both sections unless noted otherwise. According to the Office of Inspector General (OIG) survey of Washington readers of Embassy Tokyo reporting, as well as surveys done by the Japan desk in the Bureau of East Asian and Pacific Affairs, recipients are very satisfied with embassy reporting. The two sections have adapted well in the gradual evolution of modern communication procedures from the old reliance on cable traffic as the primary communication device. Particularly useful are: 1) formal reporting cables; 2) the Daily Activity Report which goes to various civilian and military Japan watchers in Washington and military commands; 3) the economic section "Japan Economic Scope" weekly news magazine; 4) classified and unclassified e-mails from the embassy to action officers; and 5) frequent secure and unclassified phone calls. Department sections also communicate directly with other agency representatives at the embassy. Formal cables make up less than half of official communications for the political section, and a smaller percentage for the economic section, for reasons explained below.

Driven in part as a response to embassy reporting, the main form of communication from the Japan desk to the embassy is the Japan's Day Report. These reports are filed on the desk and serve as the formal record of desk activities, which, in turn, serves as a record for many embassy activities.

### The U.S. - Japanese Economic, Trade, and Scientific Relationship

The U.S.-Japanese economic and commercial relationship is fundamentally important to both nations. Despite its great distance from the United States, Japan is the United States' leading trade partner outside of our contiguous North American neighbors. Bilateral trade relations are strong, despite tensions in some key areas. Japan suspended all U.S. beef imports in December 2003 following the discovery

of a few cows with mad cow disease in the United States. The embassy has worked diligently since then to lift the ban, with some partial success in 2007, although U.S. beef exports to Japan have recovered to only about 25 percent of the pre-ban level of \$1.3 billion a year.

The bilateral agenda includes many areas of cooperation, such as an investment initiative, regulatory reform, financial services, strengthening intellectual property protection, improving transparency in energy markets, and tightening global export control regimes. The Asia Pacific Economic Cooperation forum, in recent years, has provided a budding regional multilateral mechanism for trade and investment liberalization over the long term, including the long-term goal of a free-trade agreement.

The embassy enjoys one of the most active environment, science, and technology (EST) relationships worldwide with Japan. This includes ongoing joint initiatives with Japan on environmental protection, health, energy, and nonproliferation issues, and shaping the post-Kyoto emissions control regime. Japan is a primary partner in the Global Nuclear Energy Partnership and plans to use its G-8 presidency to boost international engagement on energy and climate-change issues.

## ECONOMIC SECTION

The economic section in Embassy Tokyo consists of 16 American direct-hire employees and 11 locally employed (LE) staff members. The section is one of the largest in the world. Given the size and sophistication of the Japanese economy, this staffing level appears justified by the intense bilateral relationships that the U.S. and Japanese governments maintain across a wide variety of economic, commercial, science, and other issues. The bilateral relationship between Japan and the United States is unlike the mix of bilateral and multilateral economic relations that the United States maintains with the four European members. The U.S. government conducts much of this multilateral economic relationship with the European G-7 powers in Brussels. In contrast, Embassy Tokyo serves as the main contact point outside the United States for economic cooperation with Japan.

### Economic Section Units and Management

The economic section includes the EST unit, which was formerly a separate section until it was merged with the economic section in the summer of 2007. The two other units in the economic section include the economic policy and trade policy units. The economic minister counselor who arrived in summer 2007 heads the

combined section. The positions of the EST and economic policy units are rated at the FS-02 level. The trade unit chief's position is rated at the FS-01 level. The trade unit chief acts as a de facto deputy for the section. To help offset the recent loss of managerial experience in the unit (see below), the EST unit chief position will be upgraded to the FS-01 level in 2010.

The termination of the labor counselor position in summer 2006, and of the economic counselor and EST minister counselor positions in summer 2007, increased the managerial and representational responsibilities for the economic minister counselor. The elimination of the upper-management layers in the economic section, and the sheer size and complexity of the U.S - Japanese bilateral economic relationship, makes the task of the economic minister counselor, the only remaining senior manager, a daunting one. Given the rank-conscious nature of the Japanese bureaucracy, he must make most major representations for the combined section.

The economic minister counselor has done an excellent job of providing overall managerial guidance, while still absorbing the nuances of the complex issues. He has empowered the three unit chiefs to assume most of the managerial duties formerly handled by the labor, economic, and science counselors. The unit chiefs are performing well.

The Japanese government assumed the G-8 chairmanship in January 2008, which will increase the workload of the economic section significantly, particularly for the many preparatory meetings leading up to the G-8 Summit taking place July 7 through 9, 2008. The economic section will take the lead in supporting most of the U.S. government visitors for these summit preparatory meetings, as well as some follow-up meetings after the summit for the rest of 2008. Japan will assume the Presidency of the Asia Pacific Economic Cooperation forum in 2010, which will increase the embassy's workload again.

## Merger of Environment, Science, and Technology Unit with Economic Section

The consensus of the staff members in the reorganized economic section is that the merger with the EST unit is working well, although some staff members in the EST unit worry about the possibility of further position cuts. The economic minister counselor has shown genuine interest in EST issues, and he has provided needed representation for those issues. The recruitment of future economic minister counselors for embassy Tokyo should weigh scientific experience as part of the selection process. The minister counselor provides a voice for EST issues at the Ambassador's senior staff meetings and meets regularly with the section's U.S. and Japanese staff.

The EST unit's OMS staff member will not be replaced when the incumbent leaves in the summer of 2008. The remaining two OMS staffers in the combined section, on addition to the two competent LE administrative assistants, should provide adequate coverage thereafter.

## Relations of Economic Section with Consulates

The economic section is making an effort to reach out to the consulates to help them focus their reporting and representations in the economic and scientific areas. The economic section does this through a recently instituted monthly digital video-conference (DVC) with the consulates, as well as a country-wide annual offsite meeting in Tokyo for embassy and consulate staffs. The economic minister counselor welcomes contributions from consulates, has given them guidance on what and how to report, and has told them that he does not want all reporting to be Tokyo-centric. Economic and political section officers from Tokyo participate in the monthly DVCs. The economic section officers make good use of representational and travel funds when they visit the consulates. The section of this report that deals with Consulate Fukuoka makes a recommendation on combining the political and economic sections there.

## Economic Section Relations with Other Agencies

The economic section has good working relations with other agencies in the embassy and consulates. The section consults closely with other agencies on issues of common interest, and these agencies believe that the economic minister counselor has been inclusive and cooperative. The science and energy-related agencies especially appreciate the minister counselor's interest in representing their interests at the Ambassador's senior staff meetings, where they previously had no representation. The nuclear nonproliferation officer now in the EST unit may not be replaced this summer. The likely assignment of a second officer later this year in the Department of Energy office should help the economic section provide adequate coverage with its remaining staff. The economic section and the Department of Treasury's resident financial attaché work well together, and co-manage a Department officer who spends 75 percent of his time with the financial attaché. This officer, who spends 25 percent of his time in the economic section, works with the financial attaché on combating terrorists' use of the financial system. The economic section prepares the agenda for the embassy's weekly economic cluster meeting, which most economic-related agencies attend, and that the Ambassador chairs. After the Ambassador departs the cluster meeting, the economic minister counselor often holds follow-on meetings to consult with other agencies on such issues as G-8 Summit preparation.

An exception to the generally good relations that the economic section has with other agencies in Japan is its relationship with the resident representative of the U.S. Agency for International Development (USAID), which now comes under the policy guidance of the Department's Director of U.S. Foreign Assistance. Relations between the economic section and the USAID office are spotty and not always cooperative. Japan is one of the few donor nations in the world where USAID maintains an office. The office was established in 1992 to address Japan's status as a major donor in the world and the degree to which Japanese aid programs around the world are controlled from Tokyo rather than at local missions around the world. The economic section and USAID need to share contacts and consult more closely, particularly during the upcoming preparatory development meetings for the G-8 Summit. To facilitate this cooperation, the embassy should reaffirm the standing invitation for the USAID representative to regularly attend the weekly economic cluster meetings. The OIG team made an informal recommendation on this issue.

## The U.S./Japanese Political and Security Relationship

As noted earlier in this report, Japan is one of the closest and most important allies to the United States. Japan recognizes the United States as its most important foreign-policy partner and relies on the Security Treaty for strategic protection. The U.S.-Japan security alliance is the keystone of U.S. security interests in Asia. Despite constitutional and government policy restrictions on certain uses of Japanese military forces outside of Japanese territory, the Japanese Ground Self-Defense Force completed a successful two-year mission in Iraq in 2006, and the Japan Air Self-Defense Force still flies support missions into Iraq. The Japanese Maritime Self Defense Force recently resumed refueling operations for allied naval forces in the Indian Ocean.

As part of the Defense Policy Review Initiative in 2006, a bilateral agreement was reached that could result in the most significant change in the U.S.-Japan security relationship in 50 years. The agreement calls for a major realignment of U.S. forces in Japan, and it will redefine the roles, missions, and capabilities of allied forces. The agreement also implements joint training, joint planning, sharing of information, and the colocation of command and operations centers.

After five years of reform under Prime Minister Koizumi, who left office in September 2006, Japan became more assertive in international affairs. A key issue for the United States is whether Japan will institutionalize and expand those reforms or regress to the status quo before Koizumi. The embassy works diligently to promote Japanese domestic political and security reform so that Japan can maintain its role as a reliable and influential U.S. partner.

## POLITICAL SECTION

The political section consists of 15 American direct-hire positions and five LE staff. Given the degree to which the U.S. government engages the Japanese government on nearly all bilateral, regional, and global political and security issues, this high staffing level appears justified. The political section includes two units; the bilateral and foreign policy unit and the political-military and security policy unit. The political minister counselor who heads the combined section is a widely recognized expert on the U.S.-Japanese political and security relationship. The two unit chief positions are rated at the FS-01 level.

### Political Bilateral and Foreign Policy Unit

The section's bilateral and foreign policy unit covers a wide range of issues, including domestic politics, Japan's relations with the Middle East and other trouble spots, the six-party talks regarding North Korea, and counterterrorism. The counterterrorism efforts include bilateral cooperative programs with Japan, such as biological counterterrorism efforts. The bilateral and foreign policy unit works with the economic and financial attaché sections on countering terrorist financing, and also with law enforcement and EST unit officers on nonproliferation efforts. The political bilateral unit prepares the annual country report on counter terrorism, as well as the annual human rights report. The unit lobbies the government for legislative reform to protect children and other vulnerable persons. The political bilateral unit will provide the bulk of support for the June 26 through 27 G-8 foreign ministers meeting in Japan, and it will work with the economic section to support the July 7 through 9 G-8 Summit. The political bilateral unit is busy, but the staffing appears appropriate.

### Political-Military Unit

The political-military unit is larger than equivalent units in most bilateral embassies. The OIG team examined justification for this staffing. The political section estimates that the political-military unit conducts 40 percent of the section's total work in normal times. The OIG team believes that in times of intense negotiations or major incidents relating to the U.S. military presence in Japan, the political-military unit's workload could exceed 50 percent of the section's total. Embassy Tokyo takes the lead on many bilateral military negotiations, unlike in Korea where the Department's Bureau of Political Military Affairs leads most bilateral political/military negotiations. Because there is no current multilateral forum such as the North Atlantic Treaty Organization for U.S./Japanese military discussions, most U.S./Japanese bilateral

security work is funneled through the unit. The political-military unit has the lead on a range of security negotiations including those on implementation of the \$26 billion U.S. base realignment. The upgrade of the Japanese Defense Agency to the Japanese Ministry of Defense in January 2007 has also increased the political-military unit's work.

The political-military unit chief, in a position rated at the FS-01 level, is performing work at the FS-OC level. He is supported by the other members of the unit, including two LE staff. The unit chief and one other employee put in extraordinarily long hours, and they have performed superbly. Nonetheless, the OIG team worries about the burdens that this places on these two individuals over an extended period of time. The OIG team believes that all other members of the unit, who now make useful contributions, would like to contribute even more to the work of the unit. These other staff members also need greater attention in terms of career guidance and development. The unit needs to schedule and not postpone regular staff meetings, to give all U.S. officers as many opportunities as possible to accompany the unit chief on his official calls, and to facilitate travel for all officers whenever possible. Thus, a complete review of the relative workload of all members of the unit, including the two LE staff, is necessary to relieve the unit's two busiest members of the burden of their long work hours, as well as to give greater responsibility and experience to all others in the unit. The unit's officers need to provide a greater definition and delineation of the workload of the two LE staff, particularly in view of the wide difference in their ranks. Unit officers should provide more guidance to the junior LE staff.

**Recommendation 1:** Embassy Tokyo should conduct a complete review of the relative workload of all personnel in the political-military and security policy unit of the political section, with a view to providing better balance in the workload, greater guidance and career development for all U.S. officers and greater clarity and delineation of the unit's two locally employed staff workload. (Action: Embassy Tokyo)

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**Recommendation 2:**

## Political Section Relations with Other Agencies

The political section has intense and excellent relations with the Defense attaché office, the mutual Defense assistance office, the U.S. Forces in Japan commanding office, and other agencies. The U.S. Forces in Japan commander is the U.S. senior defense representative in Japan. The political-military unit helps the mutual Defense assistance office in its critical attempts to increase U.S. defense firms' approximately \$2.5 billion in annual foreign military sales (about \$500 million) and direct-defense sales (about \$2 billion) to the Japanese military. U.S. and other foreign firms account for about 10 percent of the roughly \$40 billion a year in Japanese defense procurements. More U.S. defense sales can help the Japanese buy better products at a lower cost, increase Japanese interoperability with U.S. forces, and help lower costs for U.S. products by making for longer and larger production runs.

The political section draws up the agenda for the weekly political-military cluster meeting that the Ambassador chairs and that all military elements from the U.S. Forces Japan attend. The meeting is useful and provides for a ready vehicle to build personal relationships between civilian and military staff and coordinate policy. The weekly meeting covers all political and military topics – not only political-military issues.

## Political Section Coordination with Economic Section

A number of staff members in the political and economic sections told the OIG team that the clearance process between the two sections for cables is sometimes lacking and not always well coordinated. The OIG team believes that the perception of the problem is worse than the reality. A healthy rivalry between sections as to

who can do the best work can be beneficial, however, it can also limit useful cooperation and coordination. The OIG team urges the political and economic sections not to look upon the clearance process as a last minute hurdle to be overcome before rushing a cable to Washington. Instead, both sections should consult with their counterparts in the other section at an early stage in the drafting process. Teamwork can produce a better product. Both sections should recognize and respect the work of the other section. They should use the monthly joint political/economic DVC conference for reporting officers in consulates, the weekly political-military and economic cluster meetings and other one-time efforts to sit down together and talk about common issues. As many officers and LE staff as possible should attend these sessions. The two sections should also consider whether officers from the respective sections can travel together to consulates or interior cities to conduct joint programs. The OIG team made an informal recommendation on this issue.

Due largely to uncertainties caused by delays in fund transfers under budgetary continuing resolutions, representational spending by the political section can be disrupted and unpredictable. The political section has an adequate travel budget.

## Law Enforcement Coordination

Embassy Tokyo and its constituent posts have excellent law enforcement coordination. The embassy's MSP directly addresses work in trafficking in persons, child pornography, and counterterrorism issues. The MSP does not directly address narcotics interdiction, but the embassy works closely with the Japanese government in this area. Representatives from the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Department of Homeland Security (DHS) are resident in Tokyo. DHS also has representatives located in Consulate General Osaka and Consulate Nagoya. The lead DHS Immigration and Customs Enforcement (DHS/ICE) representative has received authority from the DHS Secretary to supervise all DHS elements in Japan. The DHS representatives include those from ICE, Customs and Border Protection (CBP), and Transportation Security Administration (TSA). CBP administers the Container Security Initiative (CSI), and has representatives in Japanese customs offices in Osaka/Kobe, Nagoya, Yokohama, and Tokyo. Additionally CBP personnel support the immigration advisory program at Tokyo's Narita international airport. A U.S. Coast Guard attaché may be assigned to Embassy Tokyo in 2008, assuming budgetary and personnel resources are available. The U.S. law enforcement elements in Japan also consult with U.S. law enforcement agencies that are not represented in Japan, such as the U.S. Secret Service.

The law enforcement representatives have close professional and personal relationships and consult practically daily on an informal basis. They also consult at formal meetings in the embassy, including the Ambassador's staff meetings, as well as the monthly visa viper and law-enforcement coordination meeting that is chaired by the DCM. The regional security officer (RSO) and the consular section are represented at the visa viper meeting. The political section coordinates the embassy's counterterrorism working group, and it prepares the annual report in this area. Embassy Tokyo is to be commended for its excellent law enforcement work.

## PUBLIC DIPLOMACY

As one of our most important allies, Japan has been a strong partner in maintaining security in Asia, fostering economic growth and stability, and promoting freedom and democracy. However, Japan is a society in transition. The generation that participated in the reconstruction of post-war Japan and in the period of extended economic growth that created modern Japan, is rapidly passing from the scene. The embassy is reaching out to Japan's future leaders to ensure that there is a strong basis of mutual understanding that will enable our strategic dialogue to continue. Public diplomacy is an essential element of all portions of the MSP. To implement and support these goals, the public affairs section (PAS) employs a three-element strategic approach: policy articulation, outreach to youth, and regional PD programs involving other Northeast Asian nations and our missions in these countries. With a staff of 16 American direct-hire positions, 70 LE staff positions (of these, four American direct-hire and 20 LE staff are located in the consulates), and a program budget of almost \$8.5 million in FY 2008, the public affairs section has adequate resources to conduct a vigorous program of public diplomacy. The Ambassador is an outstanding resource in this regard. He has actively and effectively engaged Japanese media on a range of key U.S. policy issues. In addition, the Ambassador launched and implemented an aggressive rightsizing exercise that will eventually reduce the number of American direct-hire PD positions to 14 and LE staff positions to 58.

### Mission Coordination, Planning, and Assessment

The public affairs officer (PAO) arrived in July 2007. He has initiated a review of PD programming and is developing plans to implement the strategic approach described above. However, strategic planning remains irregular, and it is not clear that all members of this large public diplomacy operation share the PAO's vision. For example, while the majority of the constituent posts understand "outreach to youth" to mean working with the "successor generation" currently in Japan's elite universities,

at least one constituent post has interpreted this to mean outreach primarily to elementary and junior high school students. Greater discipline in developing a written strategic communications plan that reflects clear MSP policies would better focus PD efforts and ensure that MSP goals are being implemented consistently and effectively.

**Recommendation 3:** Embassy Tokyo should develop and implement a mission-wide public diplomacy plan based on current Mission Strategic Plan goals. (Action: Embassy Tokyo)

The current PAS structure reflects several different ad hoc efforts (some going back to U.S. Information Agency-Department consolidation in 1999) to reduce positions and combine offices. However, there has not been a top-to-bottom review of how PAS needs to structure itself most effectively to fulfill its public diplomacy mission. Currently, five separate program functions all report directly to the PAO. Despite regular staff meetings in Tokyo and periodic personal and DVC consultations with PAOs in the consulates, this highly stove-piped structure puts too great a managerial burden on the PAO. The result is that several offices own pieces of major programs without anyone, except the very busy PAO, having oversight of the whole function.

The current rightsizing exercise has exacerbated the need for flattened management by cutting positions in the cultural affairs section's program development office and the Tokyo American Center. Although the program development office develops programs nationally while the Tokyo American Center develops local programs, there is overlap in staff responsibilities. Eliminating duplication, streamlining programming, and strengthening two units that have been reduced in size should be a priority.

**Recommendation 4:** Embassy Tokyo should place the Tokyo American Center under the supervision of the cultural affairs officer to reduce duplication and improve program coordination. (Action: Embassy Tokyo)

The mission has a strong and active Internet presence and the Information Resource Center (IRC) has been imaginative and creative in developing technological applications that enable the mission to reach audiences using their cell phones. However, there is no single individual who has overall operational responsibility for integrating the public website into the communications strategy of the mission. The

information section manages the main page, the IRC provides the backbone of the site, the consulates function largely autonomously, and a webmaster handles the technical details. The migration of the public website to the Washington based Content Management System scheduled for October 2008 offers an opportunity to review the overall role of the website. The goal of this review should be to link the site more closely to current policy, coordinate more effectively with the consulates, reduce operational burdens on the constituent posts, and ensure that daily management of the site reflects MSP goals.

**Recommendation 5:** Embassy Tokyo should bring its Internet website under the overall control of the information section. (Embassy Tokyo)

## Information Advocacy and Media Outreach

The Ambassador has a high public profile, and his excellent media sense has made him the embassy's most effective spokesman. He is active in giving interviews, writing op-eds, and interacting with media figures. An op-ed on trafficking in persons that was placed in a major Tokyo newspaper generated favorable comment in the Japanese parliament, and part of the Ambassador's article was read into the record of that body by a member of parliament. The Ambassador is equally aggressive in shaping media policy; his proactive efforts to work with military colleagues to get ahead of growing public outrage at the alleged rape of a Japanese teenager by a serviceman in Okinawa helped defuse the situation.

The information section monitors and produces a large number of media reaction products including several quick summary media reaction pieces, longer complete translations of articles, and periodic analytic pieces on magazines and broadcast programs. To accomplish this, the mission has a media analysis and translation team that is the result of the merger of two distinct entities: a PAS media reaction unit that is funded by PD and a media analysis and translation unit that was brought into PAS in 1999 and that is funded from non-PD Department allotments. This unit consists of an American supervisor, six translators, four analysts, and two support positions, and it has continued to produce many of the products that had previously been prepared by its constituent parts. Although the unit coordinates its work with the Open Source Center, there has not been a thorough customer and management review of the unit's many products with an eye to eliminating duplication and refining its products to reflect demonstrated audience needs.

**Recommendation 6:** Embassy Tokyo should conduct a customer and management review of the media analysis and translation team production to identify and eliminate duplicative and low-priority products. (Action: Embassy Tokyo)

The six-person translation unit translates only media articles from Japanese into English. In addition to the work of this unit, the embassy requires a significant volume of translation from English to Japanese. The current workload does not allow embassy translators to complete a significant portion of the unit's work, which then must be accomplished by contract translators. In FY 2006-2007, the annual cost of outside translation exceeded \$150,000. With the elimination of some of the duplicative workload, the translation unit should be able to accomplish some if not all of the translation work that is currently being contracted out.

**Recommendation 7:** Embassy Tokyo should reduce outside translation by bringing this function within the media analysis and translation team. (Action: Embassy Tokyo)

## Public Diplomacy Outreach

Apart from media activities, the main channels of PD outreach are the six American centers in Japan. The program development office and IRC in Tokyo provide much of the program material for the American centers, and Tokyo originated programming is supplemented with locally generated programs. Coordination with Tokyo is excellent.

Within the embassy, public affairs coordination is good, but embassy-wide participation in wider PD program activities and audience coordination could be strengthened. The large contingent of ELO and language-qualified officers is a program resource that might be effectively employed in youth outreach activities. The PAO has established a Youth Task Force under the cultural affairs officer's leadership. Membership has been limited to PAS staff members, and few tangible results have emerged to date. The OIG team made an informal recommendation to establish firm timelines and expand participation in this task force.

## Education, Exchanges, and English-Teaching

PAS supports an active program of educational and international visitor exchanges. The mission International Visitor Program is closely linked to the MSP. A unique aspect of the Tokyo program is cost sharing; the approximately 50 visitors who participated in the program paid for the international travel portion of the grant themselves, significantly stretching mission resources.

The Fulbright Program, run by the Japan-U.S. Education Commission, is well-established and highly respected. However, funding is an increasingly contentious issue among Japanese board members who perceive an imbalance in the bilateral contributions. The imbalance reflects exchange rate fluctuations. The Yen contribution of the Japanese side has been steady for many years as has the dollar contribution of the U.S. side. The Fulbright Commission also handles student advising. The Fulbright Executive Director asserts that the bi-national commission cannot conduct an active outreach program to students in an effort to recruit for American universities. In his view, although the Japan-U.S. Education Commission can respond to student inquiries, they cannot actively reach out to Japanese students to recruit for study in the United States.

**Recommendation 8:** Embassy Tokyo, acting through embassy members of the board of the Japan-U.S. Education Commission, and in coordination with the Bureau of Educational and Cultural Affairs, should seek to negotiate the issue of student advising with the Japanese side. If a robust student advising program cannot be carried out through the Japan-U.S. Education Commission, Embassy Tokyo should move student advising into the Tokyo American Center. (Action: Embassy Tokyo, in coordination with ECA)

The PAS is working to expand Fulbright alumni activities and is actively seeking to involve other organizations such as the Fulbright program.

## Information Resource Center

While there are a small number of walk-in visitors, the majority of the IRC work is done electronically and through program outreach. Under the leadership of the regional information resource officer, the Tokyo IRC coordinates the development of a unified information alert with the IRCs at constituent posts. This is then e-mailed to approximately 1,000 of the IRC's key contacts. The IRC is also central to

the mission's effort to engage younger audiences. The Japanese have enthusiastically embraced mobile-phone technology to the extent that much of Japan's population relies on mobile phones rather than computers for e-mail and web surfing.

**Best Practice: Use of Mobile Phone Technology to Reach Younger Audiences**

**Issue:** How to most effectively provide younger Japanese information about the United States, the American Embassy, and public program opportunities in order to increase contacts with this important audience.

**Response:** The Information Resource Center has created a cell phone Internet site that users can access by scanning a two-dimensional bar code with their mobile phones. The site offers information on visas, the American Embassy, frequently asked questions, and links to material more easily accessed online. This site also enables the American centers throughout Japan to advertise upcoming programs among younger audiences. The embassy and consulates have been actively promoting this service with business cards providing the bar code.

**Result:** The site has been in operation for approximately one year and has been steadily gaining use. In February 2008 there were over 12,000 page views. Tokyo's use of mobile-phone technology to reach younger audiences is an approach that may be adaptable in other countries with strong electronic infrastructure.

The IRC plays a central role in the embassy's effort to inform key audiences about U.S. policy positions and to reach new and expanded audiences through technology. The IRC is currently a stand-alone operation under the direct supervision of the regional information resource officer. Moving the IRC into the information section under overall policy direction of the information officer will enable broader information outreach coordination. It will also help the embassy more effectively draw upon products that are generated in-house as well as those produced by the Bureau of International Information Programs.

**Recommendation 9:** Embassy Tokyo should place the Information Resource Center under the supervision of the information officer (Action: Embassy Tokyo)

## Administration and Management Support

The management section's support for PAS is excellent. PAS has one full-time LE staff that coordinates PAS grants and budgets and advises the PAO on administrative issues that affect PAS operations in Tokyo and in the consulates. The section's distribution and records system is current, effective, and fully utilized. Despite the usual problems that come with adopting a new software program, the mission activity tracker is being used effectively for recording events and their impact. The section's grants are current and well-documented.

## CONSULAR OPERATIONS

The consular section in Tokyo is headed by a senior officer who supervises 13 officers, five EFMs, four of whom work part time, and 39 LE staff. The section performs the full range of consular duties, and the consul general also coordinates consular work among the embassy and the five consulates in Japan. In recent years, the section has made significant adjustments in staffing, space, processes, and policies to switch from a situation in which the vast majority of nonimmigrant visa applicants were processed by mail, to one in which almost all applicants are fingerprinted and interviewed. The staff was expanded, interview windows were added, and new procedures were put in place. The mission in Japan now uses the Department's Internet-based visa appointment system. A contract for a toll-call center that operates out of Malaysia with Japanese-speaking operators has helped the section become efficient and improve customer service. The nonimmigrant visa workload has declined somewhat in recent years, and consular managers attribute part of the reason for that to the demographic trends in Japan of an aging and declining population. The consular section in Tokyo is doing an excellent job meeting its goals but it faces some challenges.

## Nonimmigrant Visa Operations

Japan is one of the two heaviest users of the Visa Waiver Program, and consular operations could be heavily affected by recently passed legislation implementing the 9/11 Commission Recommendations Act of 2007, which amends the program. Section 711 of the legislation requires the Department of Homeland Security to develop and implement an automated Electronic Travel Authorization system, which will be applicable to all Visa Waiver Program countries, perhaps as soon as 2008. Under the Electronic Travel Authorization, visa waiver travelers will have to get a web-based clearance from the Department of Homeland Security before boarding a flight to

the United States. Travelers who are refused an Electronic Travel Authorization will have to apply for a visa. With four million Japanese traveling to the United States each year on the Visa Waiver Program, even a one percent rejection rate on the authorization would result in an increase of 40,000 nonimmigrant visa applicants in Japan. That would be a 30 percent increase in nonimmigrant visa workload for the mission in Japan. Consular managers in Tokyo believe the mission could absorb that level of workload increase with current staffing and space, but if the actual rejection rate (and therefore the number of visa applicants) is much higher than that, consular operations in Japan would be hard pressed to meet the demand. The parameters of the program are still being worked out, and Embassy Tokyo will monitor the effects of Electronic Travel Authorization to see what impact it will have on workload, staffing, and space issues.

## Federal Benefits

The federal benefits workload for Japan increased dramatically within the past few years as a result of a 2004 agreement between the United States and Japan that provides Social Security benefits for Japanese who worked part of their careers in the United States. The number of beneficiaries in Japan increased by 300 percent from 8,500 in 2005 to 34,434 in January 2008. Outside of the United States, Japan now has the fourth largest social security beneficiary population in the world. The Social Security Administration (SSA) did not anticipate this rapid growth in workload. Prior to the signing of the agreement, it had estimated that the number of claims receipts would only increase by 4,700 between FY 2005 and FY 2009. SSA had to absorb the increased workload at its regional office in Manila, using non-native speakers of Japanese to interact with the Japanese claimants over the phone. According to SSA, that arrangement is not optimal from the viewpoint of customer service, efficiency, or integrity.

After a detailed cost-benefit analysis, SSA formally proposed establishing a claims-taking unit in the consular section in Tokyo. This proposal was supported by the Bureau of Consular Affairs, which has responsibility (in conjunction with SSA) for federal benefits services abroad. As part of this proposal, SSA would fund three additional LE staff positions to add to the two LE staff positions it already funds in the federal benefits unit of the consular section in Tokyo. Four additional LE staff positions would be added in the next couple of years. There is sufficient space in the consular section to add this additional staff by reconfiguring desks. During the inspection, the Ambassador agreed to SSA's proposal to phase in additional LE staff to handle the increased workload in the federal benefits unit.

## Child Custody Issues

Child custody issues in Japan are extremely difficult. There are over 30 cases that mostly involve a Japanese woman who has physical custody of the American citizen children and will not allow visitation rights for the American citizen ex-husband. In most cases, the Japanese woman even refuses consular visits to ascertain the welfare of the children. Foreign Ministry officials have been reluctant to assist the embassy in gaining access, claiming that these issues are private ones.

One of the primary goals of the mission is to get Japan to sign and ratify The Hague Convention on the Civil Aspects of International Child Abduction. The treaty was signed by the United States in 1980, and entered into force in 1988. Its role in consular children's issues is explained in 7 FAM 1712(b)(3), and the mechanisms for applying it are in 7 FAM 1714. The Japanese government has so far refused to accede to the convention. The main objection it cites is a cultural one, claiming that in Japanese culture the children of a divorce always go with the mother, and the father no longer has any rights of access to the children. Foreign Ministry officials also say that the Japanese parliament would not ratify the convention for the same reasons.

The inability of the consular officers to visit the children or to assist the left-behind parents in gaining access is a severe hardship for the parents and the children. Much of the time and energy spent by the consular staff in trying to assist the left-behind parents results in little more than frustration. CA officials continue to press the Japanese government to accede to the convention, but the issue is rarely raised by the embassy at levels above the Consul General. The OIG team believes that the embassy should increase the level of representations on this issue.

**Recommendation 10:** Embassy Tokyo should prepare and implement a strategic plan to persuade the Japanese government to sign and ratify The Hague Convention on the Civil Aspects of International Child Abduction and assist consular officers in gaining access to American children in Japan who are the subject of child-custody disputes. (Action: Embassy Tokyo)

## SECURITY

Implementation of the security program at the U.S. Mission to Japan is good. Operationally, the RSO has a well-functioning local guard and surveillance detection

program. The FSN investigator office is up to date on all background investigations for LE staff and supports the RSO during meetings with the local police. The RSO and constituent post security officers have a very good working relationship, and any identified issues are quickly addressed in a satisfactory manner. The RSO has a strong working relationship with the DCM, and there is a continuous exchange of information with the front office. Physical security at the embassy compound and consulates is generally good. A more detailed review of the mission security program is found in the classified annex of this report.



## RESOURCE MANAGEMENT

(As of January 2, 2008)

	U.S.Direct-Hire Staff	US. Local Hire	Foreign National Staff	Total Staff	Total Funding FY 2007 \$000
<b>Tokyo</b>					
State - D&CP	97	3	56	156	11,043
State - ICASS	21	10	107	138	19,334
State - MRV	6	0	10	16	1,693
State - OBO	3	0	0	3	9,062
State – Marine Security	13	0	0	13	101
State - DS	0	1	1	2	1,970
State - RPSO	0	0	2	2	0
State - Public Diplomacy	12	3	43	58	8,317
State – Regular Representative Fund	N/A	N/A	N/A	N/A	207
State – Unconditional Gift Fund	N/A	N/A	N/A	N/A	130
State - K Fund	N/A	N/A	N/A	N/A	75
State – Gift Fund for Public Diplomacy	N/A	N/A	N/A	N/A	100
Defense Security Cooperation Agency	10	0	0	10	*
Agriculture (USDA) - - APHIS	2	1	3	6	*

~~**SENSITIVE BUT UNCLASSIFIED**~~

Agriculture (USDA) - -FAS	5	0	7	12	977
Department of Agriculture – Agriculture Trade Office	1	0	5	6	879
Foreign Commercial Service (FCS)	7	0	26	33	5,069
DOJ – Drug Enforcement Administration (DEA)	3	0	1	4	111
FBI – Legal Attaché	4			4	516
U.S Marine Corps	1	0	0	1	*
UNCINCPAC	3	0	0	3	*
DOD – Naval Sea Systems Command	1	0	0	1	*
DOD – Navy Olmsted Scholars	2	0	0	2	*
Department of Treasury	2	0	2	4	*
DOD – Army HQDA DCSOPS	4	0	0	4	*
National Science Foundation	1	0	2	3	295
DOD – Air Force Program Coordination Office	1	0	0	1	*
DOD – Air Force MLCO	2	0	0	2	*
Federal Aviation Admini- stration	1	0	1	2	*
DHS - TSA	1	0	1	2	*
DHS - ICE	3	0	3	6	273
DHS - CBP	2	0	0	2	77
DHS - CSI	7	0	2	9	1,530
USAID	1	0	1	2	*
NASA	3	0	2	5	410

~~**SENSITIVE BUT UNCLASSIFIED**~~

Department of Energy	1	0	2	3	310
DOD – Defense Attaché	14	0	7	21	945
DOD – National Geo-spatial Agency	3	0	0	3	416
DOD – Missile Defense Agency	1	0	0	1	*
DOD – Defense Senior US Liaison Office	2	0	0	2	*
<b>Fukuoka</b>					
State - D&CP	2	0	5	7	914
State - ICASS	1	0	7	8	1,033
State – Public Diplomacy	1	0	4	5	**
<b>Osaka</b>					
State - D&CP	8	0	11	19	1,835
State - ICASS	1	1	8	10	1,950
State - MRV	3	0	2	5	**
State – Public Diplomacy	1	0	6	7	**
FCS	1	0	4	5	*
DHS - CSI	3	0	1	4	*
ATO	0	1	2	3	*
<b>Nagoya</b>					
State - D&CP	1	0	1	2	269
State - ICASS	0	0	2	2	387
State – Public Diplomacy	1	0	3	4	**
FCS	1	0	2	3	*
DHS - CSI	3	0	1	4	*

<b>Sapporo</b>					
State - D&CP	2	1	4	6	649
State - ICASS	0	0	6	6	837
State – Public Diplomacy	0	0	3	3	**
FCS	0	0	1	1	*
<b>Naha</b>					
State - D&CP	5	1	13	19	1,661
State - MRV	1	0	1	2	**
State – Public Diplomacy	1	0	2	3	**
Yokohama FSI	1	0	10	11	1,036
<b>TOTAL</b>	<b>277</b>	<b>22</b>	<b>383</b>	<b>681</b>	<b>74,411</b>

Note - EFM Full time is regarded as Direct H AM.

Note - Department OBO includes two security escorts.

Note - HR includes two rover secretaries.

Note - POL FSN includes eight OTMA FSNs.

Note - HR FSN includes three language Instructors.

\*Note - The funds for serviced agencies are listed and for other nonserviced agencies the numbers that can be identified by FMC are listed. The funds for FCS, ATO, and DHS at constituent posts are centrally controlled by Tokyo.

\*\*Note - MRV and PAS funds for each constituent post are centrally controlled by Tokyo.

## MANAGEMENT OPERATIONS

Overall, management operations are outstanding. Led by an excellent management counselor, just about every office and unit provides excellent customer service to this very large mission, which was reflected in the high marks they received on OIG's workplace and quality of life questionnaires and the most recent International Cooperative Administrative Support Services (ICASS) survey. Most noteworthy was the key role the management counselor played in developing a thorough, innovative, and well thought out rightsizing plan that, if implemented by the Department, will result in significant savings. And, as discussed below, the management counsellr recognizes that there are additional opportunities for further savings through the elimination of printing operations and the gradual transfer of the voucher processing function to the Bureau of Resource Management's Post Support Unit in Bangkok.

## RIGHTSIZING

The OIG team found that Embassy Tokyo made a comprehensive review of personnel resource requirements, identified a significant number of American and LE staff that could either be reprogrammed or eliminated, and submitted their recommendations to the Department. The embassy was able to initiate actions addressing the LE staff, and some American positions have remained vacant since the departure of the incumbents.

Although various offices in the Department have praised the study, the Department has not initiated actions necessary to either eliminate or reprogram 23 identified positions. If the Department's cited \$505,000 cost of support for each American direct-hire employee were to be applied to these positions, the potential for significant savings exists.

The methodology employed by Embassy Tokyo was similar to that used in the private sector and should be a model for the Department to emulate. The Tokyo rightsizing exercise was designed to increase productivity and efficiency while decreasing waste and duplication. The focus was not only on Department elements but on the entire mission. Agencies and activities were encouraged to think about performing assigned missions better by doing things differently and approaching the function as if they were just starting a mission in Japan. The head of every section, agency, and department was asked to explain his or her organizational chart as well as the duties and functions performed by each individual. As a result, every position in the embassy was closely reviewed, thus enabling management to recognize overlap and duplication. This process gave supervisors and managers an opportunity to recommend changes that could increase productivity and reduce costs.

**Recommendation 11:** The Bureau of East Asian and Pacific Affairs, in coordination with the Bureau of Human Resources, should abolish or reprogram the listed positions below. (Action: EAP, in coordination with DGHR)

<u>Position</u>	<u>Number</u>
Executive Assistant	00-698129
Labor Officer	12-544000
Political Officer	10-678000
Political Officer	10-652000

Political Officer	10-607000
Economic Counselor	20-032001
Economic Officer	20-697128
Economic Officer	20-5015693
Economic Officer	20-5015697
Science/Tech Aff MC	92-491000
Science/Tech Aff Officer	92-696127
Science/Tech Aff Officer	92-677000
Science/Tech Aff Officer	92-674000
Management Officer	50-684000
Asst Financial Mgt Officer	52-706137
Facilities Specialist	52-670000
Seabee	51-000
Office Mgt Specialist	60-690000
Asst Cultural Affairs Officer	60-687000
Office Mgt Specialist	50-453000
Office Mgt Specialist	92-615000
Management Officer (Naha)	50-008003
Office Mgt Specialist	60-69000

**Best Practice: Bottom-Up Approach to Rightsizing**

**Best Practice:** Utilize a private-sector “bottom-up” approach to maximize the efficiency of and rightsize Mission Tokyo operations.

**Issue:** How best to right-size Mission Tokyo by identifying better ways to operate and identify positions no longer required.

**Response:** By employing the methodology used in the private sector that concentrates on increasing productivity and eliminating waste and duplication. All mission entities were analyzed. The need for and value of every person and position in every section was questioned and justified. Employees were asked to determine if there was a better way to operate. This approach enabled management to pinpoint duplication and waste.

**Result:** Potential savings are in the millions. A significant number of both American and locally employed staff positions were either eliminated or referred to the Department to be abolished or reprogrammed

## FINANCIAL MANAGEMENT

The Financial Management Center, staffed by one American officer and 20 LE staff, is providing excellent support to its clientele as evidenced by scores on both the OIG workplace and quality of life questionnaire as well as the results of the latest ICASS survey. The center provides funds management for the Department, 29 ICASS clients, five consulates, and the Foreign Service Institute in Yokohama (FSI/Yokohama). Total funding in FY 2007 was about \$74 million.

The cost to operate the center in FY 2007 exceeded \$2.3 million. Within the Financial Management Center, the highest cost center was the voucher unit at \$847,000. The average salary for each of the nine full-time employees exceeded \$80,000. Costs to the embassy and the Department could be greatly reduced if the voucher processing function were gradually transferred to the expanding Post Support Unit located in the Bangkok Financial Services Center. The center provides services to some major posts, notably Moscow and Paris and will soon provide service to posts in Germany. The difference in salaries between voucher examiners in Tokyo and Bangkok is considerable. Salaries for nonsupervisory voucher examiners in Bangkok are \$16,700 a year, far less than the average \$80,000 paid in Tokyo. The Bangkok employees are highly educated and some hold masters degrees in accounting from Australian universities.

**Recommendation 12:** Embassy Tokyo, in coordination with the Bureau of Resource Management Global Financial Services, should initiate a phased in transfer of the voucher processing function from Embassy Tokyo to the Post Support Unit in Bangkok. (Action: Embassy Tokyo, in coordination with RM/GFS)

## International Cooperative Administrative Support Services

The Department provides very good administrative services to this large mission, often exceeding established standards as evidenced by the high ICASS and workplace and quality of life questionnaire scores.

Although Tokyo's ICASS standards have been revised recently, the standards have not been published. The embassy was waiting for the new worldwide service standards the Department is expected to issue in May 2008 in order to make necessary adjustments. On March 3, 2008, the embassy was advised by the Chief Financial Officer not to wait, but to publish the standards the embassy had developed. The ICASS council only met sporadically in 2007, with most meetings taking place in the latter half of calendar year 2007. The current council is taking its role seriously, and the meeting observed by the OIG team was well organized and productive. A major concern is the issue of the overall cost of operations in Japan, which some term as astronomical. The high costs impact every facet of the mission's operations. At the time of the inspection, consideration was being given to move FSI/Yokohama to Tokyo. The tuition costs are so high that they have driven away the student population of other agencies and countries. Recommendations are made in the FSI/Yokohama section of this report

## HUMAN RESOURCES

The human resources office, with a relatively small staff consisting of one officer, five LE staff, and two EFMs, provides a full range of services to both the American and Japanese national employees of the mission including constituent posts and FSI/ Yokohama. The office also oversees the post language program and the OMS rover program. The office did not score high in customer satisfaction on the OIG workplace and quality of life questionnaire, and it was lower than both the Bureau of East Asian and Pacific Affairs and worldwide scores for LE staff services on the ICASS customer satisfaction survey.



**Recommendation 14:**

Embassy Tokyo has an ongoing EFM employment program. This does not always appear to have been the case. In June 2001, the embassy requested a post-specific authorization for payment of post allowance to full-time family member appointments (3 FAM 8218.1(c)), because the embassy was having difficulty filling family member appointment vacancies. On September 26, 2001, the Department authorized payment of post allowance for family member appointments in Japan (State 167270). The net effect for each appointment is an increase in the cost of allowances of \$12,000 per family. At the time of the inspection there were 21 full-time family member appointments currently in effect. Since the authorization, the employment situation has not been revisited.

**Recommendation 15:** Embassy Tokyo should determine if current employment conditions for family member appointments require the continuation of the payment of post allowance to full-time family member appointments. (Action: Embassy Tokyo)

## EQUAL EMPLOYMENT OPPORTUNITY

Embassy Tokyo has designated two EEO counselors and three EEO local staff liaison. The EEO counselors and EEO LE liaisons have received training. EEO training was also provided to all American and LE staff in 2007. There were two EEO complaints reported to the Department in FY 2007. Both were resolved at post.

## GENERAL SERVICES OPERATIONS

By all measures, the general services office is providing excellent services. The office received high marks on the OIG workplace and quality of life questionnaire. The services however, come at a high cost. Most ICASS service subscribers and

nonsubscribers alike spoke about the high price for services and their initial sticker shock. There is no escaping the high cost of doing business in Japan. The LE staff members are among the highest paid in the world and this is reflected in every general services office cost center. Costs for services in Japan exceed those in Washington D.C.

Staffing includes four American direct-hire positions, 63 LE staff positions, and 55 contractor positions. The office provides support to 29 ICASS subscribers, the consulates, and to FSI/Yokohama. Services include housing, motor pool, care and maintenance of all U.S. government-owned and leased property, travel and transportation, contracting and procurement, and visitor support.

The general services office has managed to maintain high service standards despite significant personnel turbulence. Both the supervisory general services officer and one general services officer curtailed their assignments, resulting in long-term vacancies. The lone remaining general services officer assisted by a series of temporary duty officers successfully filled the void. In February 2008, he was joined by a second general services officer. The vacant supervisory general services officer position will be filled in mid-2008.

## REAL PROPERTY

The chancery, the Chief of Mission residence, the DCM residence, the Marine quarters, and approximately 170 residential units located on an 11-acre housing compound are all U.S. government owned. In 2007, the Department and the Japanese government agreed on new leasing terms for the chancery land that will run through 2027. Residential units on the housing compound are mainly high-rise apartments, but there are also 42 townhouses. The compound also has recreational facilities that include a swimming pool, gym, tennis and basketball courts, playground, daycare center, and commissary. All properties are well cared for by the facilities officer, his staff, and 34 maintenance contractors, 23 custodians, and 11 gardeners. Embassy Tokyo also has 32 residential leases.

The Bureau of Overseas Buildings Operations (OBO) is planning a major rehabilitation of the 32-year-old chancery. The estimated starting time for the project is 2011 at a cost of approximately \$133 million. This project is expected to rationalize chancery space and address the chancery's aging infrastructure. Included in the OBO list of ongoing projects are the replacement of safety railings and storm shut-

ters on one of the high-rise apartment towers, replacement of air conditioning chillers for the multi-purpose building on the housing compound, and the conversion of two one-bedroom apartments into one two-bedroom apartment. This latter project is part of a continuation of earlier similar conversions.

## Facilities Maintenance

The facilities maintenance officer has a professional staff of eight that includes an LE staff facilities assistant who is chiefly responsible for safety issues. They are assisted by 68 contract employees. The assistant facilities officer position was abolished in 2007 with no adverse consequences. The office supports the embassy and constituent posts. There are frequent visits to the constituent posts, generally to address specific requirements. The office is performing at an outstanding level. The facilities officer has been at post since August 2007. The office's safety and occupational health and fire protection programs are comprehensive, engaging, and results oriented. The occupational safety and health committee is active and meets with the DCM semi-annually. The open recommendations made by OBO fire inspectors relating to preventing or combating fire only remain open because they are unfunded requirements. The same is true for Consulate General Naha that requires an open staircase to be enclosed and a sprinkler system installed at its American Center. Both Naha properties are leased.

## Housing Unit

The housing unit, staffed by two LE staff, manages the government-owned housing compound and the leased properties in Tokyo, Yokohama, and Nagoya. All personnel of the Department, FCS, Foreign Agricultural Service, and the Defense attaché office are assigned housing on the compound. Employees of other agencies are assigned leased residences. Six employees receive living quarters allowance to lease their own residences. Mission employees appear to live in residences that are smaller than their profiled categories would require, but nevertheless regard their housing quite highly.

Due to a recent surplus of vacant compound housing, the embassy turned over six apartments to the Employee Welfare Association to be used as temporary duty quarters. The agreement with OBO is well written and includes required language relating to the association's obligation to deposit all proceeds, less the management fee, expenses and reserve funds, to the OBO account. If and when the decision to

house FSI/Yokohama students on the housing compound is made, some or all of the temporary duty quarters may have to revert to the housing office. The agreement with the association requires only 90 days notice.

## Procurement Office

The procurement office consists of the mission procurement office which has eight LE staff, and the regional procurement and support office (RPSO) which has two LE staff. The newly arrived general services officer is a highly qualified and thoroughly engaged contracting officer. The embassy procurement office provides procurement services for FSI/Yokohama and advice to the consulates. Staffing of this office may be generous and is addressed more fully in the section of this report devoted to RPSO. A number of contracts, purchase orders, and blanket purchase agreements were reviewed with no observed problematic procurement actions other than a few that indicated limited competition.

There are nine purchase card holders in the embassy, with eight in the general services office and one in the health unit. About 70 percent of purchases are stateside purchases. In FY 2007, there were a total of 277 transactions that totaled \$157,259. The last annual review of the purchase card program was completed in 2005.

The mission procurement office is participating in a Department pilot program that allows LE staff to have limited contracting authority up to \$25,000. Currently, one of the senior LE staff has a warrant and is using it routinely, providing the contracting officer time for more complicated contracting actions. This activity appears to be an unqualified success. Over 80 percent of post procurements are below \$25,000. All procurement requests are reviewed and approved by the American contracting officer before being turned over to the warranted LE staff.

## Regional Procurement and Support Office

The two-person RPSO Tokyo (RPSO/T), under the supervision of the embassy contracting officer, has been invaluable in assisting posts around the world in procuring Japanese vehicles, vehicle spare parts, and other items available in Japan since 1985. While it does procure vehicle parts and other Japanese products, its market niche is Japanese vehicle procurements. The vast majority of its procurements in terms of number of transactions and dollar value are related to vehicle purchases, and most of these involve Toyota. It is a working capital fund enterprise that charges a surcharge for its services, currently six percent of the dollar value of orders. Orders are shipped by the vendor to the requesting post.

The OIG team review of RPSO/T revealed that a change of its business model is warranted. At the request of posts, RPSO/T obtains quotations that include freight charges. Not all requests result in a procurement action. While the process of obtaining quotations is time consuming, RPSO/T does not charge for this service. With the approval of requesting posts, RPSO/T prepares a purchase order for the vehicle(s). If RPSO/T were to enter into an indefinite-delivery, indefinite-quantity (IDIQ) contract, it could save time both in obtaining quotations and purchasing. IDIQ contracts are used when the exact number of items to be procured and their deliveries are unknown at the time of the award. IDIQ contracts will allow RPSO/T to place orders through the contract, within limits for delivery of vehicles, when needed at established prices for base models for a set period of time. The other advantage of an IDIQ contract is that it will provide both RPSO/T and the ordering posts with current agreed-upon pricing for vehicles. This should reduce the time needed to obtain quotations. Because each country has particular vehicle specifications for entry, and because various options may be requested, RPSO/T can not get out of the business of providing quotations entirely.

The transition to an IDIQ contract with Toyota, which now is responsible for approximately 90 percent of vehicle sales, should not be difficult because Toyota has for years provided RPSO/T with favorable “Direct Sales Prices” that are good for a full calendar year. This information could easily serve as the basis for an IDIQ contract. The Toyota Direct Sales Price List contains prices for nine vehicle types including the three popular Land Cruiser models, the Coaster, and the HI-Ace as well as spare parts kits.

The successful use of IDIQ contracts should free up the time of the two responsible LE staff to assist the procurement office with non-RPSO/T procurement activities. Once the benefits of the IDIQ contracts are realized, the contracting officer should be in a position to determine the appropriate size of the contracting office and its RPSO/T component. Using the IDIQ route will result in additional time saved by the requesting posts once the IDIQ contracts are posted on the RPSO/T webpage.

**Recommendation 16:** Embassy Tokyo should enter into indefinite delivery, indefinite quantity contracts with selected Japanese vehicle manufacturers.  
(Action: Embassy Tokyo)

**Recommendation 17:** Embassy Tokyo, in coordination with the Bureau of Administration, should revise the position descriptions of the two regional procurement and support office/Tokyo locally employed staff members to require support for mission procurement activities when they are not occupied with regional procurement and support office/Tokyo procurements. (Action: Embassy Tokyo, in coordination with A)

## Reproduction Unit

The reproduction unit, a one-person operation attached to the property unit, provides services to Department elements in the embassy and a few other ICASS print service subscribers. It prints business cards, brochures, signs, banners, signboards, name plates, books and booklets, maps, and general informational handouts. The reproduction unit is a luxury Embassy Tokyo can no longer afford. Local commercial printers and the nearby Department of Defense's Pacific Stars and Stripes can meet all embassy printing requirements. Informal talks between Embassy Tokyo and Pacific Stars and Stripes have already taken place, and a Memorandum of Understanding between the two has been drafted. According to the memorandum, in exchange for the embassy's printing equipment, Pacific Stars and Stripes will provide the embassy printing services at wholesale costs. Non-ICASS subscribers use commercial printing facilities. These are commercial options to consider.

The closure of the reproduction unit will free up approximately 1,326 square feet of chancery space. This space could help alleviate overcrowding elsewhere in the chancery or be used for any needed expansion of the consular section.

**Recommendation 18:** Embassy Tokyo should close its reproduction unit, abolish printer position, N-52026, and outsource printing requirements. (Action: Embassy Tokyo)

## Property and Supply Office

The property and supply office operates effectively and, with only a few exceptions, provides a high degree of control over property under its management. The property unit is responsible for managing all office and residential property and the

storage facility at the U.S. military facility at North Dock in Yokohama. The staff consists of 13 LE staff, including four laborers stationed at the chancery, and three contract employees at the North Dock storage facility.

The OIG team review of property and supply office operations at the chancery and at North Dock revealed few reportable deficiencies. The OIG team found that Embassy Tokyo reported an overage of \$341,457 in its FY 2006 Certification of Inventory Reconciliation. During the inspection, it was determined that the reason why most of the \$341,457 nonexpendable property became an overage was because of inadequate receiving procedures. Most of the property in question was information technology (IT) equipment destined for controlled access areas that bypassed general services office receiving and therefore was not recorded in the nonexpendable property records. This IT property was subsequently identified when inventories were taken in the controlled access area, reported, and added to the total of the mission's nonexpendable property. During the inspection, the property and supply office and the information management office drafted and agreed on a standard operating procedure for documenting IT equipment received for CAA offices. This procedure adequately addresses this problem.

The OIG team determined that 16 of 98 residential inventories are currently unsigned. In part, this appears to be policy driven. Unlike most property sections, the property and supply office does not follow up with residents that do not sign residential inventories. As part of its check-in package, a notice asks that the inventory list be signed and returned within 30 days of receipt. The notice cautions that if the inventory is not signed, the general services office assumes that the inventory is correct, and the check-out inspection will be based on records kept by the general services office. The OIG team made an informal recommendation that the general services office begin applying pressure to get residential inventories signed.

The standing operating procedures for fuel oil deliveries to the mission is comprehensive and provides for separation of responsibility between the procurement office and the property and supply office. As written, the standard operating procedures do not require the oversight of the general services officer for fuel oil deliveries. The OIG team advised the general services officer that he should occasionally make unannounced observations of deliveries of both fuel oil and gasoline and the standard operating procedures be revised accordingly. This should help preclude the theft of fuel oil, which was once an ongoing million-dollar diversion perpetuated against the embassy. Strong controls are in place for gasoline dispensed from the pump to vehicles as each vehicle has its own smart card that records each transaction.

A random inventory by the OIG team of expendable property taken at the chancery and of nonexpendable property taken at the Department warehouse at North Dock, found all items selected for review.

## Travel and Transportation Office

All travel and transportation office services are highly rated by the mission community. Current staffing is 26 LE staff and two American Express contractors under the direction of a general services officer. The travel and transportation office provides an array of vital services, including the following: shipping and transportation coordination of incoming and outgoing shipments; customs clearance; and American Express travel services for the embassy, the five consulates, and FSI/Yokohama; motor pool services for Department employees; and a home-to-office shuttle service. Auxiliary duties include handling vehicle registration, obtaining driver's licenses, VIP transportation, airport expediting, and logistics for official visits.

## Motor Pool

The Department's ICASS motor pool is staffed by a supervisor, mechanic, and 16 chauffeurs, four of whom are dedicated to the Ambassador and DCM. Non-Department agencies have elected not to subscribe to ICASS motor pool services, and some have their own vehicles and drivers. The financial management office calculates a cost of \$6.29 per kilometer driven. At this cost, the charge for an airport pickup or drop off is \$1,006.40 plus \$45 in tolls. The major cost factors are chauffeur salaries. All chauffeurs at Embassy Tokyo and the consulates have benefited by an exception-rate grade increase. The elements contributing to the total cost for direct vehicle operations appear consistent with ICASS guidance. The motor pool has adopted changes to increase efficiency and reduce costs, such as eliminating the night duty driver and having drivers wait to return passengers from their meetings to the office. In light of high costs, the number of drivers has been kept to a minimum.

A review of motor pool operations revealed no glaring problems. Steps have been taken to optimize chauffeur time and provide enhanced customer service. Chauffeurs now wait for passengers to complete their business before returning to the chancery when deemed appropriate. Motor pool books and records appear complete. The general services officer has determined that vehicles designated for replacement would be maintained until after the G-8 Summit in July 2008. The Ambassador's fully armored Cadillac will be replaced. The OIG team determined that a vehicle accident that occurred in November 2007, with an estimated repair cost of \$5,000, had not been reported to the general services officer until the OIG

team identified the problem. This situation has already been rectified. Riders of the home-to-office shuttle bus pay \$1.00 or 100 yen in cash per trip. Riders place their payments into a small locked box in the bus. The box is kept in the motor pool until it is turned over to the Class B cashier, who has the only key. The Class B cashier counts the deposits and prepares an OF-158. The OIG team informally recommended that the post go to an alternate payment method like trip tickets or punch cards purchased from the Class B cashier.

## Travel Services

American Express provides travel services for the mission and official visitors. American Express procedures require its two employees to issue business class travel only when authorized, or when the traveler pays or uses frequent flyer miles for the upgrade to business class. Embassy Tokyo employees do not receive rest and recuperation travel. Consulate General Naha, because of its relative isolation, receives rest and recuperation travel to its designated rest and recuperation point in Sydney, Australia. The general services office purchases airline tickets with a corporate credit card for Department embassy employees and government transportation requests for other agencies.

For FY 2007, American Airlines was the designated contract carrier for the Tokyo to Washington, DC routes. United Airlines was the designated carrier in FY 2006, and it is the designated carrier again in FY 2008. There are business class travel implications associated with which carrier has the government contract. American Airlines does not have direct flights from Tokyo to Washington, DC. United has direct flights that are under 14 hours from Narita to Dulles. Flights from Dulles to Narita are under 14 hours from October 1 to October 27 and from March 30 to September 30. A review of selected business class air travel for FY 2007 and FY 2008 revealed that proper controls are in place.

## CONSTITUENT POSTS

The five consulates in Japan provide a relatively small and low-cost, but important, regional representation and outreach to Japan's large population, interacting with major economic and political-military centers. If the consulates did not exist, it would be difficult and not necessarily cost effective to recreate a regional American presence throughout Japan.

As noted earlier, Embassy Tokyo maintains intensive communication with the constituent posts, managing and supporting their operations from top to bottom. Coordination between the embassy and the consulates, which had previously been cited as inconsistent or weak, has been turned into a strength. The communication and management begins at the top with four-day-a-week phone conferences between the Ambassador, the DCM, and the principal officers of the constituent posts. While these calls always include reports on events in the consular district, they also give the constituent posts opportunities to raise policy or operational issues of concern. The embassy also hosts quarterly conferences with the principal officers. The Ambassador and other embassy sections participate in these conferences, which provide an opportunity for full discussion and coordination of policy and program issues affecting the consulates. The periodic conferences also give important opportunities for principal officers to seek out individual embassy offices to discuss issues of common interest, including support needs.

Embassy Tokyo and the constituent posts also hold regular (at least monthly) DVCs in the management, political, economic, consular, and public diplomacy areas to provide opportunities for addressing specific concerns and coordinating management support, reporting, and programs. In addition, the constituent posts are in regular telephonic and e-mail contact with the embassy to provide input on national issues and to request management support as necessary. Management support from Embassy Tokyo is generally quite good; thereby permitting management staff at the constituent posts to be relatively meager. Embassy guidance and receptivity on economic reporting from the constituent posts is also quite good; guidance and receptivity to political reporting could improve. Public affairs coordination between the embassy and the constituent posts on specific issues is good, although coordination on broader PD programs is inconsistent. Coordination on consular issues between the embassy and the constituent posts and between Consulate General Osaka-Kobe and Consulate Nagoya is excellent. Coordination and support from Embassy Tokyo is generally good on security issues, and engineering security services is very good.

The interest and commitment of embassy leadership has been critical to the provision of close management direction to the constituent posts from Tokyo. The commitment to customer service by the embassy and management section has also been key to the provision of good management support. The relatively small size and excellent communications facilities in Japan have facilitated efforts to provide management direction and support to the constituent posts from Tokyo. Those posts at the furthest distance from Tokyo present the greatest challenge to providing management support when electronic communications alone cannot address the issues.

Embassy Tokyo's insistence at the time of its rightsizing report that other agency representatives at the constituent posts report directly to each post's principal officer has been an important and positive reaffirmation of the principal officer's role as the lead representative of the U.S. government in the consular district. While DHS, FCS, and Department of Agriculture representatives also report to their senior agency representatives in Tokyo and Washington, the affirmation of the principal officer's role has helped assure good U.S. government coordination throughout the country. In every constituent post, the OIG team found the representatives of different U.S. agencies to be working collaboratively and the principal officers to be effective in providing support to and including other agency representatives appropriately in post activities.

## CONSULATE GENERAL OSAKA-KOBE

The Osaka-Kobe consular district has 35 million people, including Japan's second-largest city of Osaka, one-fourth of Japan's parliament seats, one-third of Japan's economy, and one-fourth of Japan's global trade. Osaka-Kobe is also the historical and current gateway to China and houses the largest number of Chinese and North Korean residents. Consulate General Osaka-Kobe, the largest U.S. consulate in Japan, has overcome internal management problems in the last several years to become a highly efficient and productive platform for projection on U.S. interests in the district. The consulate general has an interagency team of 11 Department of- ficers, including seven consular officers, an FCS officer, and four FCS LE staff, three DHS officers, and a Foreign Agricultural Service representation of three LE staff.

- The consul general, the political/economic officer, the public affairs officer, and other consulate general staff work very closely with FCS to promote U.S. trade and investment in the region. They also encourage support for a strong Japan-U.S. security alliance in a very active program of speeches, promotions, media interviews, and meetings with American and Japanese businessmen and politicians.
- The consulate general coordinates closely its economic, commercial, political, and political-military reporting and representational activities with Embassy Tokyo in an effort to add value to U.S. understanding and relationships with business, political, and military leaders.
- The consular section has four ELOs, and in coordination with the embassy, the consulate general seeks to give them experience in their own cones. These efforts, while partially successful, are constrained by the workload demands in the consular section.

## Consular Function

The consular section in Osaka-Kobe, the second largest in Japan, is doing an excellent job in spite of a challenging work environment. The volume of nonimmigrant visa work is approximately half as much as in Tokyo, and there is also a significant workload in American citizens services. The consular section is located on three floors, which makes maintaining line-of-sight control, ensuring smooth communications, and fostering a sense of section cohesiveness difficult. The section had suffered from poor internal communications and internal divisions in the recent past, but the new consular management team is working hard to correct those problems. The managers have instituted several good practices that include a team review process for complicated E-visa cases, scanning of visa documents to reduce the need for storage of paper files, and a vigorous public outreach program. They also arranged for consular officers to get some Portuguese language training in Washington, as a significant number of the visa applicants are Brazilians working in Japan who speak neither English nor Japanese.

The physical layout of the section and the small area available on each floor create additional problems in crowd flow. Some visa applicants have to move up and down between floors five times to complete their business. In addition, the waiting area space for nonimmigrant visa interviews is too small for the number of people who are being processed. This forces many applicants to wait at the street entrance

before they can be brought into the building. While the applicants are waiting outside, there is no protection against the elements. The consulate general developed a design for an awning that would be consistent with the goal of providing adequate facilities for consular visitors. The consulate general has received approval for the design from local authorities (as it borders on the public sidewalk) and from OBO, but funding is not yet available.

**Recommendation 19:** The Bureau of Overseas Buildings Operations should fund installation of an awning for visa applicants at Consulate General Osaka-Kobe. (Action: OBO)

The lines of consular visitors outside could be shortened by having visa applicants wait in the ground floor lobby of the building. Currently the lobby, which is where the security screening is done, is underutilized and is primarily used for storage. The items that are stored in this area could be stored elsewhere in the building, and the lobby could be reconfigured as a waiting area with chairs.

**Recommendation 20:** Embassy Tokyo should reconfigure the ground floor lobby of Consulate General Osaka-Kobe into a waiting area for visa applicants. (Action: Embassy Tokyo)

Nonimmigrant visa applicants have no privacy when they are being interviewed. Because of the limited space in the waiting area, applicants are lined up within two feet of the interview windows. During the inspection, one interview was observed in which a well-known professional baseball player was interviewed by a consular officer about a conviction for a hit- and-run accident. It was difficult for him to respond because strangers were behind him listening to the interview.

**Recommendation 21:** Embassy Tokyo, in coordination with the Bureau of Overseas Buildings Operations, should design and build a private interview booth in the nonimmigrant visa unit in Consulate General Osaka-Kobe. (Action: Embassy Tokyo, in coordination with OBO)

There is no consular cashier window in the American citizens services unit, and the consular cashier has to use one of the interview windows. This does not conform to the requirements in 7 FAH-1 H-742(a) that access to the cashier work area be controlled.

**Recommendation 22:** Embassy Tokyo, in coordination with the Bureau of Overseas Buildings Operations, should design and build a consular cashier booth in the American citizens services unit in Consulate General Osaka-Kobe. (Action: Embassy Tokyo, in coordination with OBO)

## Management Function

The management section's overall performance under the leadership of the current management officer is excellent. According to both American and LE staff, significant improvements that were sorely needed have been made during the tenure of this officer.

A major challenge facing Consulate General Osaka-Kobe is to resolve real property needs that will meet requirements to adequately house families, enable officers to reach the consulate building in a reasonable amount of time, and locate and obtain representational housing in a more central area. Osaka is in an active earthquake area, and consulate general properties suffered extensive damage in 1995 from an earthquake that resulted in loss of the principal officer's residence. In a trip report dated December 2007, OBO made three specific recommendations and pledged support in their implementation:

- Acquire an adequate principal officer's residence
- Realign the staff housing profile to a location closer to the consulate general
- Reconfigure several housing units to better meet the needs of personnel with families

Embassy Tokyo and OBO should proceed with implementation of the OBO recommendations.

**Recommendation 23:** Embassy Tokyo, in coordination with the Bureau of Overseas Buildings Operations, should acquire a principal officer's residence in a central Osaka location, realign the Osaka housing profile, and reconfigure the smaller units on the housing compound, thereby creating two two-level apartments rather than three one-level apartments. (Action: Embassy Tokyo, in coordination with OBO)

With one exception, the procurement and contracting function is working well. The exception is the continued modification of a contract originally enacted in FY 2001 for building maintenance services. Rather than recompetes the contract at the end of the fourth option year, the contract has been extended through the use of modifications. The annual cost of the contract is about \$240,000. A recommendation addressing the need to recompetes older contracts appears in the general services section of this report.

## CONSULATE GENERAL NAHA

Consulate General Naha is located on the island of Okinawa, approximately 400 miles south of mainland Japan. Okinawa hosts the largest concentration of U.S. forces based in Japan, roughly 60,000 U.S. military members, defense contractors, and their families. Consulate General Naha is staffed by six direct-hire Americans, 18 LE staff, and four contract guards. Political/military issues dominate the time and attention of this post which serves as the political advisor to area U.S. military commanders and provides advice to Embassy Tokyo, U.S. Forces Japan, and Washington agencies on issues related to sustaining the U.S. military presence in Okinawa.

With many years of experience in U.S.-Japanese political/military affairs and excellent Japanese language skills, the consul general is at ease with the complicated and often volatile issues involving the U.S. military and is proactive in promoting U.S. positions with Japanese officials and the public. Regularly scheduled on-the-record meetings between the consul general and the media are a key element of the post's public affairs strategy. During the OIG inspection of Consulate General Naha, the arrest of a member of U.S. forces stationed in Okinawa generated immediate official and public outrage throughout Japan. The consul general and his team wasted no time in advising the U.S. military command, Embassy Tokyo, and the Department on a strategy that helped to defuse the potentially explosive issue.

The consulate general provides abundant reporting on political/military matters, much of which is via Embassy Tokyo's Daily Activity Report. The consul general and the political-military officer have excellent contacts with both American and Japanese officials involved in the bilateral relationship.

## Consular Function

Consular personnel in Naha are doing an excellent job in work that is dominated by the needs of the U.S. military. Most of the work is in immigrant visas and American citizens services. The majority of the immigrant visa applicants are spouses of American military service members, and many come from a wide range of third countries. Consular officers in Naha have knowledge of fraud patterns and documents from numerous countries and coordinate closely with colleagues in Manila, Bangkok, and other embassies.

Consular operations are currently provided by two ELOs. One position has been upgraded to mid-level and will be filled by an experienced consular officer in the next cycle. Having two full-time consular officers has allowed the post to engage in an active public outreach and training program with U.S. military personnel.

The consular officers have worked hard over the past two years to cross train LE staff members who have helped eliminate serious backlogs in processing of U.S. passports and reports of birth. Customer service has improved significantly, and morale among the LE staff is strong.

Due to the large number of retired American military personnel living in Okinawa, Consulate General Naha has the third-highest veterans' benefits caseload in the world. However, there is only one military hospital on the island that will perform the physical exams needed to qualify for such benefits, and there is a waiting period of one year to get an appointment. The consular officers have worked with the Department of Veterans Affairs to identify creative alternatives for retired military personnel who can travel to the United States or the Philippines to have their exams performed. This is an example of the unusual nature of consular work in Naha and the strong performance by the officers.

## Public Diplomacy

Although Consulate General Naha handles crisis management and other short-term public affairs issues very well and has actively engaged audiences, especially the media, it has been less successful in developing long-term public diplomacy on broader MSP issues.

In preparation for next year's MSP, Embassy Tokyo is placing particular emphasis on engaging Japanese youth. While the majority of the mission defines "youth" as the emerging leadership currently in Japan's major universities and graduate schools, there does not appear to have been discussion between the consulate general and the embassy of how to implement this strategic decision.

Consulate General Naha does not include an information/program center in its core operation, but it does maintain two American Corners in the consular district. Although the facilities themselves are excellent, the collection is unfocused, ranging from children's books to scholarly works. American Corner programming is meager, averaging only one program every two months and only four to six visitors per day.

This is the first PD tour for the Naha PAO. The incumbent is not playing a full and productive role in implementing the post's PD program, in large part because he is not receiving adequate guidance from the consul general in Naha or the PAO in Tokyo. Both were counseled that greater support, mentoring, and involvement are needed to ensure that public diplomacy at this post is effective.

## Management Function

After a period of undistinguished performance, management operations now verge on outstanding. The management officer supervises five LE staff, and the size of the staff appears appropriate. As a result of the rightsizing exercise, the management officer position will be converted to a local-hire American position this summer. A candidate has already been selected.

The management officer has been instrumental in guiding administrative operations through a period of transition. Of note are his leasing accomplishments and his action to avert a near OBO faux pas. He successfully renegotiated the lease for the consulate building at a time when the landlord was considering not renewing the lease. He had equal success with residential landlords that resulted in much needed improvements to six residences. He also replaced residential furniture that had long exceeded its replacement cycles.

OBO had several construction projects underway at the consulate general during the OIG inspection. These include a perimeter security upgrade project that requires upgrades to the perimeter wall, replacing the compound access control (CAC), and relocating the consular cashier cage. In addition, a project called for the replacement of forced-entry/ballistic-resistant (FE/BR) door and windows. The initial FE/BR door/window project included replacement of the doors and windows of the existing CAC that was scheduled for demolition. The management officer's intervention

averted this potential waste of resources. OBO has subsequently assigned an on-site project manager to ensure this problem is not repeated. Uncertainty exists over the ability of one contractor because he is inexperienced and could slow down the project. OBO and post are pursuing a solution to allow the project to go forward.

A detailed review of management operations revealed that the consulate general is adhering to Department regulations and applicable laws with only one identified exception. The storekeeper did not include residential property in the post's non-expendable property total for FY 2007. This has been the practice for years. The storekeeper now understands the requirement and will include this amount in the nonexpendable property total. An informal recommendation addresses this issue.

The OIG team was advised that the Class B cashier has an overage in her accountability amounting to \$3,475, resulting from what appears to be a system error. The Bureau of Resource Management's Global Financial Services Charleston and Global Financial Services Bangkok are looking into the matter.

Consulate General Naha's approach to official residence expenses (ORE) is unusual and should be reviewed by Embassy Tokyo. The consul general is authorized four household staff members, but he has elected to hire one maid/cook through a traditional domestic staff service agreement. To supplement his ORE staff, the post has entered into two agreements with a restaurateur to provide maid and chef services on an as-needed basis, with a guaranteed minimum monthly cost. The consulate general advised the OIG team that Tokyo approved this approach, but he could not provide documentation. Nevertheless, Embassy Tokyo should determine if the consulate general's ORE arrangements with the restaurateur are consistent with Chapter 400 of the Standardized Regulations. An informal recommendation addresses this issue.

## CONSULATE FUKUOKA

The Fukuoka consular district covers seven administrative regions in southwestern Japan with a combined population of over 15 million. The district's \$435 billion economy is equal in size to that of the Netherlands, and it is dominated by high-tech industries and a strong agricultural sector. The district is also home to Japan's largest shipbuilding center, the country's two space launch facilities, and two major U.S. military installations. Economic and commercial issues, closely followed by political-military concerns are at the top of the consulate's agenda.

Consulate Fukuoka has a staff of four direct-hire Americans, 10 LE staff and 10 contract guards. The principal officer has been on the job only a few months but has placed a high priority on efficient operations and high staff morale. Combining extensive experience in Japan with excellent language proficiency, the principal officer has worked closely with the PAO to develop proactive public diplomacy, particularly in support of the U.S. military presence. Plans for base reconfiguration in the region have been the cause for considerable official and public anxiety, and Consulate Fukuoka is actively engaging this issue. One key element of this strategy is the organization of good-will visits to Japanese ports by U.S. Naval vessels. During the week of the OIG inspection visit, the consulate organized four such visits to key ports throughout the district.

## Political and Economic Functions

Despite the small size of Consulate Fukuoka, it has separate political and economic sections. The political section consists of one senior LE staff who reports directly to the principal officer. The economic section consists of one U.S. officer and two LE staff who cover economic and commercial issues. The section also includes an LE staff member that covers EST issues in addition to protocol issues. Until March of 2007, the economic section also included an FCS LE staff, who maintained Department of Commerce work station links to FCS in Washington and other FCS offices around Japan. With the retirement of the FCS employee in March 2007, FCS closed all of its operations in Fukuoka, including its work station. The remaining employees in the economic section still conduct some commercial work, but activities that require Department of Commerce involvement are usually referred to FCS in Consulate General Osaka or Embassy Tokyo. The loss of some commercial work has lessened the workload in the economic section. The embassy's 2007 rightsizing exercise calls for the elimination of an economic section LE staff position after 2011.

The principal officer proposed in a memorandum to Embassy Tokyo in December 2007 that the political and economic sections be combined after the political section LE staff member retires in January 2009. The principal officer also proposes that the EST/protocol LE staff member be relieved of protocol duties and assigned to the political/economic section. As the principal officer states in her memo, these shifts will draw on the talent of the economic and the EST staff to do more reporting on political issues and will allow for supervision of the LE political staff by the political/economic U.S. officer. The OIG team endorses this proposal and notes that a combined political/economic section would help the career development of the American officer and allow for closer supervision of the LE political employee by a U.S. officer below the principal officer level. Given these advantages, the OIG

team believes that the combination of the two sections should take place as soon as possible and well before the January 2009 retirement of the current political LE staff member. This will enable the economic officer and other staff to gain valuable knowledge from the LE political staff member before he retires and will allow the economic officer to take a more active role in the recruitment of a new political LE employee.

**Recommendation 24:** The Bureau of East Asian and Pacific Affairs, in coordination with the Bureau of Human Resources, should change designation of the economic officer position (position number 20020020000) in Consulate Fukuoka to a political/economic officer position. (Action: EAP, in coordination with DGHR)

**Recommendation 25:** Embassy Tokyo should reassign Consulate Fukuoka's political section locally employed staff member to the new, combined economic/political section, and he should be placed under the supervision of the newly designated economic/political officer. (Action: Embassy Tokyo)

## Consular Function

The small consular section in Fukuoka functions well. The one American officer who heads the section also is the head of the management section. The economic officer is the back-up consular officer. Three LE staff members, one full-time and two part-time, work in the section. Most of the work of the consular section is in American citizens services.

Nonimmigrant visa services were transferred from Fukuoka to Osaka-Kobe in 1995, at the same time as Sapporo's nonimmigrant visa work was transferred to Tokyo. As in Sapporo, local officials had pressed for a resumption of nonimmigrant visa services in Fukuoka to obviate the need for applicants from Kyushu to travel to Osaka. In 2007, the Department authorized Consulate Fukuoka to resume nonimmigrant visa services following the same procedure used in Sapporo. A consular officer in Fukuoka conducts nonimmigrant visa interviews, and approved visas are sent to the consulate general in Osaka-Kobe for printing and mailing to the applicant. The process is working well, and no changes in the procedures are needed.

The consular and management section LE staff members are colocated. Consulate managers worked with Embassy Tokyo on a plan to reconfigure workspace in the building that would move management section LE staff to a separate work area. This would fulfill a requirement to restrict access to the consular section, and the OIG team supports this plan.

**Recommendation 26:**

Two LE staff share duties as consular clerks and telephone operators. They also control access to the consulate building. Their duties have changed since they were hired, and they have assumed more responsibilities in the consular section, including consular cashiering duties. They also provide secretarial support to the consul general. With included federal benefits work and the nonimmigrant visa work, they could be better utilized performing their telephone operator duties from the consular section while they perform consular work. The access control duties would be better performed by a local guard. Even without that change in duties, their position descriptions do not accurately reflect the full range of their duties.

**Recommendation 27:** Embassy Tokyo should amend the Consulate Fukuoka local guard contract to include responsibility for access control to the consulate building. (Action: Embassy Tokyo)

**Recommendation 28:** Embassy Tokyo should complete a new computer-assisted job evaluation of the two locally employed staff positions that share consular, secretarial, and telephone operator duties. (Action: Embassy Tokyo)

## Management Function

Both the government-owned consulate building and the four apartments for American direct-hire staff are colocated on the consulate compound, which received a perimeter security upgrade in 2006. An American Center is in leased space in a commercial building several miles away.

A management/consular officer heads the administrative section and supervises five LE staff. Currently, the management officer spends more time on administrative duties, but this will change as his consular portfolio increases. Several of the LE staff in the administrative section are responsible for multiple functions, and their positions are classified accordingly. A detailed review of administrative operations revealed that the consulate is adhering to Department regulations and applicable laws with only a few exceptions.

The supervisory administrative assistant is also responsible for procurement and several other duties. A review of the procurement files revealed that, although there was evidence of competition in the files, this information was not recorded on the procurement file jackets. The LE staff were counseled to add the information to the procurement file jackets. Similarly, the driver does not perform the required vehicle inspections. The driver was counseled to begin inspecting the consulate's four vehicles and reporting results in the daily vehicle use records.

## CONSULATE NAGOYA

Consulate Nagoya maintains an active American commercial and public outreach presence in the economic powerhouse of greater Nagoya and its 8.7 million people. The consulate is a small and efficient operation of three direct-hire Americans, two Department and one FCS, and eight LE staff members who provide excellent leadership and programming in public affairs, political, economic, security, and management functions of the consulate. Additionally, there are three direct-hire American DHS employees and one LE staff who work out of the consulate on the Container Security Initiative. The consulate's principal focus is on economic and commercial activities and opportunities in the region. The consulate provides excellent collaboration and administrative support to the one American and two LE staff of the FCS and the three American and one LE staff member of the DHS Container Security Initiative in Nagoya.

- The small and multi-tasked American and LE staff depends heavily on Embassy Tokyo for management, information management, and security support that they normally receive promptly by telephone and through periodic visits.
- Consulate Nagoya does not have a regular consular section. Rather, it provides emergency services to American citizens. Other American citizens services, such as passport services and notariats, are provided to the 3,000 Americans in the consular district through monthly visits by consular staff from the Consulate General in Osaka-Kobe. This process works well, although during the busiest times of the year the demand for services exceeds the capacity to provide them. In such cases, applicants who do not want to wait another month for an appointment have to go to Osaka-Kobe for consular services.
- Economic and political reporting by e-mail and contributions to Tokyo cables is good and adds value to country reporting.

## Political and Economic Functions

Until the arrival of the current PAO in Nagoya, all political and economic reporting was done by the principal officer. The PAO now shares that responsibility, and the results have been satisfactory for everyone. Nagoya's reporting is heavily focused on economic issues. The PAO regularly contributes to political and economic spot reporting and writes at least one major political report each quarter. Expanding the PAO's reporting portfolio has also expanded the responsibilities of PAS LE staff to include contributions to both economic and political reporting. The principal officer's efforts to enhance coordination across sections are also seen in the close relationship with FCS. The FCS officer and his LE staff have contributed useful spot reporting, especially on aviation issues.

## Public Diplomacy

The Nagoya American Center was moved into the consulate building in 2005. Colocation appears to have been successful and has resulted in both reduced costs and greater integration of the consulate's elements. The PAO supervises three LE staff and draws on the expertise of other sections needed to develop effective programming.

In Japan's highly Tokyo-centric media environment, most national press issues are handled by the embassy; however, the consular district has several local newspapers with significant readership. The principal officer periodically contributes a column to one of these (*Chubukeizai Shinbun*: circulation approx 100,000) that allows him to address consulate-specific as well as national issues.

The Nagoya American Center relies on the embassy's program development office for major speaker programs (two to three per month) and supplements these with a variety of locally generated programs and outreach efforts to audiences. In an effort to reach further outside of Nagoya, the consulate has recently concluded agreements with two local institutions to establish "American Shelves," a scaled-down version of the American Corner that allows greater programming access to local institutions.

## CONSULATE GENERAL SAPPORO

The Sapporo consular district includes the northern island of Hokkaido and the northernmost parts of Japan's principal island of Honshu. Northern Japan was a major area of U.S. regional security concerns for many years, but that focus has moved westward and southward in the last 15 years. The concentration of Japan Self Defense Forces ground troops and continued Russian incursions into Japanese air space keep northern Japan important to regional stability. Northern Japan is heavily dependent upon agriculture, services and public works, and has a gross domestic product per capita one-third less than the rest of Japan. The district's geography and climate make travel within the consular district a particular challenge.

Consulate General Sapporo has a small American presence of a consul general and one consular/management/economic/post security officer, which is scheduled to increase by one public diplomacy position in FY 2009. The consulate general also has 13 Department LE staff and one FCS LE employee. The consulate general has been most engaged in the facilitation of five ship visits in the past half year and in preparations for the G-8 Summit meeting to be held on Hokkaido in July. The consulate general performs its consular, management, and security functions well and is active in promoting U.S. exports with its limited resources. The consul general has made a number of speeches and authored several articles since her arrival. She has also identified the steps needed for the consulate general to be more active and productive in public diplomacy, political, and economic reporting. The consulate general needs to implement these steps in a progressive fashion with support from Embassy Tokyo where required.

## Public Diplomacy

The decision to transfer a PD position from Embassy Tokyo to the consulate general in Sapporo is an important step in revitalizing a PD operation in this consulate general that appears to be operating on autopilot. Although the LE staff is highly competent, the PD operation in the far north has suffered from a lack of leadership. The newly arrived consul general recognizes that PD in Sapporo is important and has relied on Tokyo for most of its program impetus. The Sapporo American Center is located within the consulate general but is underutilized and gets few visitors. Recognizing that the Center needs to be more proactive, the consul general has a realistic view of what needs to be done and a practical plan of action, including establishing an American Corner in Sapporo that would facilitate public outreach. The challenge for this post will be implementing as much of this plan as possible now and not waiting until the arrival of the third officer in 2009.

## Political and Economic Reporting

The consulate general's political and economic reporting consists of three or four major economic reports each year, weekly contributions to Economic Scope, and regular contributions to political reporting by Embassy Tokyo. In addition to the consulate general staff with reporting responsibilities, Embassy Tokyo's political section has an officer with reporting responsibility for Hokkaido. Greater coordination between the embassy political section and the consulate general on reporting plans and responsibilities would enable the consulate general to focus its efforts more effectively. An informal recommendation is included in the embassy political section of this report. Coordination with the embassy economic section is adequate, and the economic minister counselor supplements the regular visits to the consulate general with periodic DVCs.

## Consular Function

In 1995 Sapporo's nonimmigrant visa work was transferred to Tokyo. This made sense at the time, as the vast majority of Sapporo's nonimmigrant visa applications were handled by mail. However, with the introduction of the new fingerprinting and interview requirements, the procedure became more problematic with local officials and the public in Hokkaido. The new system required applicants to travel to Tokyo at significant expense to apply for visas. To address these concerns, the Department authorized the reinstatement of limited nonimmigrant visa processing in Sapporo in 2006. The consular/management officer in Sapporo interviews applicants twice a month after having made all appropriate checks. The documents for approved visas

are pouched to Tokyo where the final steps of printing the visa and mailing it to the applicant are done. This process, which minimizes the impact of nonimmigrant visa processing on the consulate general, is known as the Sapporo Model and generally results in visas being returned to the applicants within one week of their interviews. The model is succeeding in engendering goodwill among members of the public and government officials, and from the point of view of consulate general officials no significant changes in the program are needed.

## Management

Basic management functions are performed by three LE staff supervised by the American consular/management officer. The supervisory administrative assistant is responsible for budget preparation and management, including controls over representation and travel, human resources liaison with Tokyo, and supervision of the Class B cashier and the systems specialist. The Class B cashier also provides travel services, acts as a switchboard operator when needed, and also serves as a receptionist, controlling consulate general access by operating the security alarm system when necessary. The computer specialist, in addition to devoting considerable time to systems operations, also processes representation and ORE vouchers and is supposed to perform as the principal officer's assistant. However, he does not have sufficient time to fully satisfy the role of assistant. All three are also involved in supporting ship visits. Consulate general management needs to reorganize the assignment of management functions performed by the LE staff.

**Recommendation 29:** Embassy Tokyo should work with Consulate General Sapporo to reorganize the workload and reclassify the position descriptions of the locally employed staff performing management functions. (Action: Embassy Tokyo)

## FOREIGN SERVICE INSTITUTE IN YOKOHAMA

FSI/Yokohama was founded in 1964 to provide advanced, in-country Japanese language training for foreign affairs professionals. In its present facility, FSI/Yokohama is designed to provide a 10 month course of instruction to 20 full-time students and currently employs one director, seven instructors, and two administrative personnel. The institute has had difficulty in the past filling the director position and

is currently utilizing one of its advanced students to perform those duties. A full-time director has been recruited and will fill the position beginning in August 2009. During the current August 2007 to June 2008 training year, nine students are enrolled for the full 10-month course, and four students are enrolled for shorter periods of a few months.

The three-story building housing FSI/Yokohama and the colocated residence of the director were constructed in 1982 and are U.S.-government owned. In 2006, OBO completed a compound perimeter security upgrade. Most students are housed in leased residences, with an annual cost of approximately \$400,000 plus \$14,000 for utilities. Two of the current full-time students have elected to live on the Embassy Tokyo housing compound and make the approximately 45-minute commute each way by train. FSI/Yokohama has administrative office space, a kitchen, a conference room, language labs, and teacher offices that serve as class rooms. The approximate cost to run FSI/Yokohama, excluding the \$400,000 residential lease, is approximately \$822,000.

Embassy Tokyo provides the full range of administrative services to FSI/Yokohama. FSI/Yokohama has one vehicle that is used for administrative purposes, and it has its own janitorial contract. It is covered under the embassy local guard contract.

FSI/Yokohama faces a serious problem of declining enrollment. Until recent years, the institute was able to maintain full enrollment by supplementing the Department student complement with tuition paying students from other U.S. government agencies and English-speaking embassies, such as Australia, Canada, and the United Kingdom. Increasing tuition costs have prompted non-Department clients to move to alternate sources of language instruction, usually in Tokyo, even though they admit that the quality of instruction at FSI/Yokohama is better. Per student cost based on the current enrollment at FSI/Yokohama exceeds \$65,000. The tuition at some private language institutes in Tokyo for an equal number of hours of instruction ranges between \$25,000 and \$35,000.

FSI/Washington and Embassy Tokyo are both aware of this problem, and a number of options have been discussed that range from developing a new strategy for bringing FSI/Yokohama back to full enrollment within its current facility, to relocating the institute to space that could be made available within the embassy in Tokyo. Although there is broad agreement that the quality of language instruction could be compromised by bringing the students too close to an English-speaking environment, the OIG team believes that all available options for making the operation more cost effective should be explored.

In its 2007 rightsizing report, Embassy Tokyo focused on the issue of high tuition for non-Department students at FSI/Yokohama and recommended that the Department develop a more competitive tuition structure within the terms of the Economy Act designed to draw more non-Department students, bring in additional revenue, and lower per-student enrollment costs. The OIG team agrees with this recommendation and made an informal recommendation on this issue.

Embassy Tokyo has vacant government-owned housing in its inventory that could accommodate most, if not all, of the students currently enrolled at FSI/Yokohama, and it expects to have more units available in coming months. Those students who now live in embassy housing and commute to FSI/Yokohama report that this is not having a negative effect on their language studies. As noted earlier, short-term leased housing for students in Yokohama now costs approximately \$400,000.

**Recommendation 30:** Embassy Tokyo, in coordination with the Foreign Service Institute/Washington, should accommodate as many Foreign Service Institute/Yokohama students as possible in embassy housing beginning in the summer of 2009. (Action: Embassy Tokyo, in coordination with FSI/Washington)

Embassy Tokyo and OBO are developing long-range plans for a major rehabilitation project of the embassy chancery that will include a reconfiguration of space. Preliminary discussions have included the possibility of moving FSI/Yokohama from its current location into the chancery, and OBO has already determined that adequate space could be made available to accommodate FSI/Yokohama. If FSI/Yokohama were to move to Tokyo, the government-owned facilities in Yokohama would be sold. Although this is a long-range plan and actual construction will not begin for some years, a decision will have to be made on whether to move FSI/Yokohama to Tokyo before the plan can be finalized.

**Recommendation 31:** The Foreign Service Institute/Washington, in coordination with Embassy Tokyo and the Bureau of Overseas Buildings Operations, should determine whether Foreign Service Institute/Yokohama should be moved from its present location to the embassy chancery. (Action: FSI/Washington, in coordination with Embassy Tokyo and OBO)

## INFORMATION MANAGEMENT

Embassy Tokyo operates a comprehensive information management and information systems security program. The information management officer effectively manages the embassy's information management and security requirements. The OIG team assessed standard operating procedures and systems documentation within the embassy and all of the consulates.

The embassy's information technology (IT) staff members include eight American direct-hire employees and three American LE staff, who provide unclassified and classified systems support for approximately 789 workstations, 66 servers, and 868 user accounts. 22 additional LE staff members provide support for unclassified systems, telephone, mailroom functions, and work at the reception desk. The IT staff provides support to the chancery, Chief of Mission residence, housing compound, language center, and five consulates including encrypted wireless connections between cities and buildings.

The OIG team counseled Embassy Tokyo and the consulates in the areas of unclassified pouch, labeling, accounts, call log, and media storage, and procedures were changed. The OIG team also made recommendations in the classified annex to this report.

## Electronic Country Clearance

The electronic country clearance program that was recently implemented by Embassy Tokyo has not been programmed correctly to route the clearance request to the proper embassy section, which is resulting in additional workload and delayed responses. Personnel entering the routing information are often entering incorrect sections. Embassy Tokyo should adopt the model now being used by many large embassies and identify only one contact office on the program. Final distribution to the appropriate office would then be made once the electronic request has been received. OIG made an informal recommendation on this issue.

## Alternate Communication Path

Embassy Tokyo's alternate communication path is totally reliant on landlines. This path is inadequate to address all possible emergencies. Japan is in an active earthquake region, and recent earthquakes have severed undersea cables that have caused disruption of Embassy Tokyo's communication. The loss of landlines in case of an emergency will result in the loss of all communication with Embassy Tokyo. The embassy should have an alternate communication path that can be utilized in case of landline disruption.

**Recommendation 32:** The Diplomatic Telecommunications Service Program Office, in coordination with Embassy Tokyo, should establish an alternate communication path that does not rely on landlines. (Action: DTS/PO, in coordination with Embassy Tokyo)

## Information Management Updates

Embassy Tokyo performs all information management system updates on the weekend. This requires that the LE staff be given significant amounts of compensation time that is very difficult to take within the heavy workload environment at this embassy. The OIG team believes that this problem can be minimized by updating workstations during the day with little inconvenience to the users. The servers can be updated either at the beginning or end of the workday with notification to the user of any required reboot or temporary loss of services. The LE staff schedule could be adjusted to allow them to report to work early or late for the information management system updates. Although some software upgrades will continue to require non-business hour work, allowing patch management to be done during business hours will reduce the current amount of weekend work, save costs, and improve morale. The OIG team made an informal recommendation on this issue.

## Help Desk System

Embassy Tokyo utilizes desk software to monitor trouble calls. Some personnel have been allowed to circumvent the system and request help without submitting the proper request. The personnel not using the help desk system receive assistance without the request being logged into the system. If the help desk software is not being utilized, troubleshooting calls cannot be tracked to completion, and service requests could be dropped. All personnel should be entering their information into the help desk system to request assistance. The OIG team made an informal recommendation on this issue.

## Electrical Panels

The unclassified server room's electrical panel in Embassy Tokyo is not labeled to designate which systems are fed by the breakers. The electrical panels are currently labeled incorrectly to point to outlets under a raised floor. In case of an electrical fire, the power to the affected system must be shut off, and it will be impossible to determine which outlets under the floor feed the system. The OIG team made an informal recommendation in this matter.

## Information Management Switch Room Ventilation

Embassy Tokyo has an information management switch room on the second floor for distribution of cabling that has no ventilation. Information management switch rooms should be well ventilated to reduce heat. Without proper ventilation electronic components will fail due to excessive heat. The OIG team made an informal recommendation in this matter.

## Information System Center Ventilation

Embassy Tokyo has an information systems center (ISC) that has very poor ventilation. There are only two doors into this large space. The ISC is a workspace for Americans and LE staff that serve the unclassified network. All windows are sealed and do not allow outside air to be circulated. The ISC should be well ventilated to reduce heat. Without proper ventilation excessive heat builds up from the information management devices that could cause health problems. The OIG team made an informal recommendation in this matter.

### **Best Practice: Telephone Information System**

**Issue:** Embassy Tokyo has a large telephone system that is used both at the embassy and the housing compound. It is used for both business and personal calls. Keeping track of the billing from the computerized telephone system and the variety of local telephone companies that are used is a complicated task.

**Response:** Embassy Tokyo's telephone information system is a locally developed telephone billing application that separately bills both official and personal calls. The application compares the data from the embassy's telephone usage log against the data received from the various Japanese telephone companies to create the bills. Users must dial 8 before making official calls and 9 before making personal calls. The individual section bills are printed and distributed in hard copy, and the personal bills are distributed electronically by e-mail.

**Result:** Prior to automating this billing process, two employees worked full time on telephone billing. This job can now be done in a small fraction of the original time required and requires only part-time use of one staff position. The telephone information system also provides a comprehensive telephone directory accessible via the embassy's OpenNet. This service allows callers to find office extensions, cell phone numbers, and home telephone numbers.

## Information Management Support to Constituent Posts

Embassy Tokyo and the consulates provide adequate information management support. The local system administrators at the five consulates obtain reliable phone support from Embassy Tokyo for all problems beyond their experience and training. Embassy Tokyo has also programmed regular visits to the consulates in their budget. Training in standard operating procedures is weak for the local administrators. The local information system security officers do not always have the proper knowledge and time to perform their duties. The OIG team found problems and counseled the consulates about unclassified pouch closing, labeling, and mail handling, which the consulates have changed their processes to correct. The OIG team made recommendations in the classified annex to this report.

## Support Visits

The system administrators at the constituent posts over the years have accrued increasingly complex duties. Although Embassy Tokyo has provided opportunities for basic required information technology training, there has been insufficient attention to current operating procedures. System administrators should receive periodic training in this area. The OIG team made an informal recommendation on this issue.

## Server Room Walls

The unclassified server rooms in the consulates in Sapporo and Nagoya do not have walls that extend up to the structural ceiling. 12 FAM 624.2(c) states “The senior information management officer, the data center manager or the system manager, in conjunction with the GSO, must ensure that computer room and media storage room perimeter walls extend from the structural floor to the structural ceiling.”

**Recommendation 33:** Embassy Tokyo should work with Consulate General Sapporo and Consulate Nagoya to extend the walls of the unclassified server rooms to the structural ceiling. (Action: Embassy Tokyo)









## COMMUNITY LIAISON OFFICE

The community liaison office has a strong program, and the new community liaison office coordinator has been doing an excellent job since she took over the position several months ago. She instituted a community liaison office advisory board and a monthly coffee hosted by various family members. She has organized several community-wide events, special outings, and presentations on issues of interest to the community such as the application process for colleges. Surveys of community members indicated widespread appreciation for the support from the office.

## EMPLOYEE WELFARE ASSOCIATION

The Employee Welfare Association (EWA) of the American Embassy, Tokyo had sales of about \$1.5 million in 2007, mainly through the operations of a commissary store, a preschool, a summer camp, and a school bus. A new executive board has increased oversight of EWA functions in an attempt to improve management and reinvigorate operations. A new general manager was hired and a locally employed financial/office manager released. The board was devoting considerable attention to the operations of the commissary, which has not benefited from professional management and lost about \$35,000 in 2007. The board was pursuing one option that, if successful, could bring positive results. Negotiations were being initiated with the U.S. Navy Exchange, a worldwide retail activity, to assume operations of the commissary store. There is precedence for this change, as the exchange operates stores in other embassies.

The EWA is a cash rich association. Cash balances as of December 31, 2007, were just over \$800,000; however, only \$203,000 of the cash on hand was in certificates of deposit. There was no assurance that the funds were earning the full potential income. In addition, the Office of Commissary and Recreation Affairs expressed concern about the deposit instruments, insurance, and the security of the balances, particularly the amounts held in Japanese banks. The Office of Commissary and Recreation Affairs advised EWA to make sure that the U.S. banks have stated in writing that amounts over \$100,000 are insured or collateralized and that the board should review local laws and regulations regarding collateralization/insurance of deposits held.

**Recommendation 37:** Embassy Tokyo should require the Employee Welfare Association to maintain cash accounts in financial institutions that will make interest payments and provide formal assurances of collateralization/insurance of deposits. (Action: Embassy Tokyo)



## MANAGEMENT CONTROLS

Embassy Tokyo has a strong management-controls program. The management-controls program is orchestrated by the management counselor and wholeheartedly backed by the Ambassador and DCM, who play active roles and share in the program's success. All elements of the embassy and constituent posts are aware of their responsibilities for maintaining a robust program. Little, if anything would be gained by moving the program under the DCM as all elements of the mission know the management counselor speaks for the Ambassador and DCM in these matters.

The Annual Chief of Mission Management Control Statement of Assurance for 2007 reported no material weaknesses. Letters of written assurance from key embassy officers and the constituent posts were submitted as support for this finding. There is no assurance that janitorial and other building services procured by contract at the consulates in Sapporo and Osaka are being obtained at the best possible price, because the contracts have not been competed for an excessive period of time. In addition, the signing of the latest modifications, number 41 in Sapporo and number eight in Osaka, appear to meet the criteria of unauthorized commitments that will have to be ratified by the Bureau of Administration's Office of the Procurement Executive in accordance with 14 FAM 215.

The OIG team found contracting irregularities at Consulates Sapporo and Consulate General Osaka-Kobe. Contract number S-JA705-94-C3001 for janitorial and other building services in Sapporo has been in place since October 1, 1993. Contract number S-JA580-01-C-3004 for building maintenance services in Osaka is not quite as old, but the original contract was effective April 25, 2001. There was no documentation available to show that either of these contracts had ever been subsequently competed or other alternatives sought.

"An unauthorized commitment occurs when a contractual agreement is made that is not binding on the U.S. Government solely because the U.S. Government representative who made the agreement lacked the requisite authority to do so. Acquisition agreements generally may be made only by warranted contracting officers acting within the limits of their warrants or acting upon specific Office of the Procurement Executive (A/OPE) authorization." (14 FAM 215(a)) The total value of the contract in Sapporo was about \$2 million, while the total value of the Osaka contract exceeded \$1.6 million. The officers that signed the contracts had warrants for \$100,000 and \$250,000, respectively. Officers at consulates are required to perform a multiplicity

of functions and not in all cases are their LE staffs fully experienced and/or trained to support the officers in every instance. However, those staffs exist in Embassy Tokyo yet there was little evidence to show significant involvement in the administration and monitoring of the contracting function at constituent posts.

**Recommendation 38:** Embassy Tokyo should solicit requests for proposals for necessary building and support services in Sapporo and Osaka. (Action: Embassy Tokyo)

**Recommendation 39:** Embassy Tokyo should report the apparent unauthorized commitments to the Bureau of Administration's Office of the Procurement Executive and request ratifications. (Action: Embassy Tokyo)

**Recommendation 40:** Embassy Tokyo should establish procedures to monitor and review the contracting activities of constituent posts. (Action: Embassy Tokyo)

## FORMAL RECOMMENDATIONS

**Recommendation 1:** Embassy Tokyo should conduct a complete review of the relative workload of all personnel in the political-military and security policy unit of the political section, with a view to providing better balance in the workload, greater guidance and career development for all U.S. officers and greater clarity and delineation of the unit's two locally employed staff workload. (Action: Embassy Tokyo)

**Recommendation 2:**

**Recommendation 3:** Embassy Tokyo should develop and implement a mission-wide public diplomacy plan based on current Mission Strategic Plan goals. (Action: Embassy Tokyo)

**Recommendation 4:** Embassy Tokyo should place the Tokyo American Center under the supervision of the cultural affairs officer to reduce duplication and improve program coordination. (Action: Embassy Tokyo)

**Recommendation 5:** Embassy Tokyo should bring its Internet website under the overall control of the information section. (Embassy Tokyo)

**Recommendation 6:** Embassy Tokyo should conduct a customer and management review of the media analysis and translation team production to identify and eliminate duplicative and low-priority products. (Action: Embassy Tokyo)

**Recommendation 7:** Embassy Tokyo should reduce outside translation by bringing this function within the media analysis and translation team. (Action: Embassy Tokyo)

**Recommendation 8:** Embassy Tokyo, acting through embassy members of the board of the Japan-U.S. Education Commission, and in coordination with the Bureau of Educational and Cultural Affairs, should seek to negotiate the issue of student advising with the Japanese side. If a robust student advising program cannot be carried out through the Japan-U.S. Education Commission, Embassy Tokyo should move student advising into the Tokyo American Center. (Action: Embassy Tokyo, in coordination with ECA)

**Recommendation 9:** Embassy Tokyo should place the Information Resource Center under the supervision of the information officer (Action: Embassy Tokyo)

**Recommendation 10:** Embassy Tokyo should prepare and implement a strategic plan to persuade the Japanese government to sign and ratify The Hague Convention on the Civil Aspects of International Child Abduction and assist consular officers in gaining access to American children in Japan who are the subject of child-custody disputes. (Action: Embassy Tokyo)

**Recommendation 11:** The Bureau of East Asian and Pacific Affairs, in coordination with the Bureau of Human Resources, should abolish or reprogram the listed positions below. (Action: EAP, in coordination with DGHR)

<u><b>Position</b></u>	<u><b>Number</b></u>
Executive Assistant	00-698129
Labor Officer	12-544000
Political Officer	10-678000
Political Officer	10-652000
Political Officer	10-607000
Economic Counselor	20-032001
Economic Officer	20-697128
Economic Officer	20-5015693
Economic Officer	20-5015697
Science/Tech Aff MC	92-491000
Science/Tech Aff Officer	92-696127
Science/Tech Aff Officer	92-677000
Science/Tech Aff Officer	92-674000
Management Officer	50-684000
Asst Financial Mgt Officer	52-706137
Facilities Specialist	52-670000
Seabee	51-000
Office Mgt Specialist	60-690000
Asst Cultural Affairs Officer	60-687000
Office Mgt Specialist	50-453000

Office Mgt Specialist	92-615000
Management Officer (Naha)	50-008003
Office Mgt Specialist	60-69000

**Recommendation 12:** Embassy Tokyo, in coordination with the Bureau of Resource Management Global Financial Services, should initiate a phased-in transfer of the voucher processing function from Embassy Tokyo to the Post Support Unit in Bangkok. (Action: Embassy Tokyo in coordination with RM/GFS)

**Recommendation 13:**

**Recommendation 14:**

**Recommendation 15:** Embassy Tokyo should determine if current employment conditions for family member appointments require the continuation of the payment of post allowance to full-time family member appointments. (Action: Embassy Tokyo)

**Recommendation 16:** Embassy Tokyo should enter into indefinite-delivery, indefinite quantity contracts with selected Japanese vehicle manufacturers. (Action: Embassy Tokyo)

**Recommendation 17:** Embassy Tokyo, in coordination with the Bureau of Administration, should revise the position descriptions of the two regional procurement and support office/Tokyo locally employed staff members to require support for mission procurement activities when they are not occupied with regional procurement and support office/Tokyo procurements. (Action: Embassy Tokyo, in coordination with A)

**Recommendation 18:** Embassy Tokyo should close its reproduction unit, abolish printer position, N-52026, and outsource printing requirements. (Action: Embassy Tokyo)

**Recommendation 19:** The Bureau of Overseas Buildings Operations should fund installation of an awning for visa applicants at Consulate General Osaka-Kobe. (Action: OBO)





**Recommendation 38:** Embassy Tokyo should solicit requests for proposals for necessary building and support services in Sapporo and Osaka. (Action: Embassy Tokyo)

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**Recommendation 40:** Embassy Tokyo should establish procedures to monitor and review the contracting activities of constituent posts. (Action: Embassy Tokyo)

## INFORMAL RECOMMENDATIONS

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.

### Political and Economic Sections

Relations between the economic section and the USAID representative are spotty and not always cooperative. This could negatively affect development preparatory meetings before the July 7-9 G-8 Summit.

**Informal Recommendation 1:** Embassy Tokyo should reaffirm the standing invitation for the U.S. Agency for International Development office to attend the economic cluster meetings and to otherwise seek opportunities to enhance cooperation between the economic section and the U.S. Agency for International Development office.

Rivalry between the political and economic sections often hinders cooperation and overall effective performance.

**Informal Recommendation 2:** Embassy Tokyo senior management should work with the political and economic sections to develop better cooperation and teamwork.

### Public Affairs

In order to develop a strategic action plan for engaging the next generation of Japan's leaders, the PAS has established a Youth Outreach Task Force. Although this committee was formed last year, a detailed implementation plan has not been completed. In addition, the task force has failed to involve other elements with a stake in outreach to youth.

**Informal Recommendation 3:** Embassy Tokyo should set deadlines for the task force and expand membership to include representatives of other embassy sections and organizations that have contact with Japanese youth.

## Consular Affairs

The consular managers in the embassy need to have a regular schedule of communications with the consular managers in the constituent posts.

**Informal Recommendation 4:** Embassy Tokyo should establish a biweekly conference call that includes the Tokyo consul general, the consular managers in Tokyo, and the consular managers in the constituent posts.

The consul general in Tokyo recently arrived and is still working out his plans for the frequency of visits to the constituent posts.

**Informal Recommendation 5:** Embassy Tokyo should plan quarterly visits for the consul general to Consulate General Osaka-Kobe and Consulate General Naha and visits three times a year to Consulate General Sapporo, Consulate Fukuoka, and Consulate Nagoya.

LE staff in the consular section have concerns about not being consulted on decisions and unclear communications by management.

**Informal Recommendation 6:** Embassy Tokyo should establish a schedule of meetings with the consul general in Tokyo and individual locally employed staff to discuss issues of concern to them.

## Information Management

Embassy Tokyo performs all information management system updates on the weekend. This requires that the LE staff be given compensatory time off. Due to the workload at Embassy Tokyo, the LE staff are unable to take the compensation time.

**Informal Recommendation 7:** Embassy Tokyo should change its weekend-only policy of scheduling updates for information management systems.

Embassy Tokyo has help desk software that is being used to monitor trouble calls. Some personnel have been circumventing the system and requiring help without putting in the proper request.

**Informal Recommendation 8:** Embassy Tokyo should require all users to enter in their problems in the help desk system.



**Informal Recommendation 15:**

Constituent Posts

CONSULATE GENERAL NAHA

There is no secure area for storing the effects of deceased American citizens at Consulate General Naha.

**Informal Recommendation 16:** Embassy Tokyo should require Consulate General Naha to create a storage area with controlled access for storage of the effects of deceased American citizens.

The LE staff in the consular section are not cross-trained between visas and American citizens services. Given the small size of the staff, this limits flexibility in adjusting to changing work demands.

**Informal Recommendation 17:** Embassy Tokyo should require the consular managers at Consulate General Naha to create and implement a plan for cross-training of locally employed staff between visas and American citizens services.

There is no designated backup for the consular cashier.

**Informal Recommendation 18:** Embassy Tokyo should require the consular managers to designate a back-up consular cashier and ensure appropriate training for that employee at Consulate General Naha.

For several years, Consulate General Naha has not included its residential property into its total nonexpendable property as reported on the annual certification of inventory reconciliation.

**Informal Recommendation 19:** Embassy Tokyo should ensure that residential property be included in the total nonexpendable property reported on the annual certification of inventory reconciliation.

Consulate General Naha has two agreements with a local restaurant to provide maid and chef services for representational events instead of hiring household staff directly. This approach may not be in accordance with the intent of Chapter 400 of the Standardized Regulations that govern official residence expenses.

**Informal Recommendation 20:** Embassy Tokyo should determine whether Consulate General Naha's agreements with a contractor to provide official residence expense staff are in accordance with Chapter 400 of the Standardized Regulations.

## CONSULATE FUKUOKA

LE staff in the management and consular sections at Consulate Fukuoka are currently colocated, but consulate managers have worked with the facilities manager in Tokyo on a plan that would move the management staff to another part of the building.

**Informal Recommendation 21:** Embassy Tokyo should require Consulate Fukuoka to move forward with its plans for reconfiguring work areas, which will allow access to the consular section to be more restricted.



## PRINCIPAL OFFICIALS

### U.S. Embassy Tokyo

	Name	Arrival Date
Ambassador	J. Thomas Schieffer	04/05
Deputy Chief of Mission	Joseph R. Donovan	08/06
Chiefs of Sections:		
Administrative	David F. Davison	03/06
Consular	Raymond R. Baca	08/07
Political	W. Michael Meserve	08/05
Economic	Robert F. Cekuta	08/07
Public Affairs	Ronald J. Post	06/07
Regional Security	Donald W. Weinberg	07/07
Other Agencies:		
Foreign Agricultural Service	Daniel K. Berman	08/04
Department of Defense	Captain James R. White	07/07
Foreign Commercial Service	John E. Peters	07/06
U.S. Agency for International Development	Charles R. Aanenson	09/02
Drug Enforcement Agency	Daniel G. Moore	08/05
Department of Homeland Security	Michael R. Cox	07/04
Federal Aviation Administration	Carl V. Strombom	02/07
Legal Attaché	Lawrence J. Futa	01/04
Department of Energy	Ronald Cherry	07/07
Department of Treasury	Maureen Grewe	08/06
National Air and Space Agency	Justin Tilman	05/07

**U.S. Consulate General Osaka-Kobe**

Consul General Daniel Russel 08/05

**U.S. Consulate General Naha**

Consul General Kevin Maher 07/06

**U.S. Consulate General Sapporo**

Consul General Donna Welton 09/07

**U.S. Consulate Fukuoka**

Principal Officer Margot Carrington 08/07

**U.S. Consulate Nagoya**

Principal Officer Daniel Rochman 07/07

## ABBREVIATIONS

CBP	Customs and Border Protection
CSI	Container Security Initiative
DCM	Deputy chief of mission
DHS	Department of Homeland Security
DVC	Digital videoconference
EEO	Equal Employment Opportunity
ELO	Entry-level officer
EST	Environment, Science and Technology
EWA	Employee Welfare Association
FCS	Foreign Commercial Service
FSN	Foreign Service national
FSI	Foreign Service Institute
GFS	Global Financial System
ICASS	International Cooperative Administrative Support Services
ICE	Immigrations and Customs Enforcement
IDIQ	Indefinite-delivery, indefinite-quantity
IRC	Information resource center
ISC	Information systems center
IT	Information technology
LE	Locally employed
MSP	Mission Strategic Plan
OIG	Office of Inspector General
OBO	Overseas Buildings Operations
OMS	Office management specialist
ORE	Official residence expenses

PAS	Public affairs section
PAO	Public affairs officer
PD	Public diplomacy
RPSO	Regional procurement and support office
RSO	Regional security officer
SSA	Social Security Administration
TDY	Temporary duty
TSA	Transportation Security Administration
VIP	Very important person
UN	United Nations
USAID	United States Agency for International Development

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