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

# Report of Inspection

## Limited-Scope Inspection of Embassy Ashgabat, Turkmenistan

Report Number ISP-I-08-46, August 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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## CONTEXT



Isolated in central Asia for many years under former president and dictator-for-life Niyazov, Turkmenistan under the current president has gradually begun to open opportunities for cooperation with the United States. Realizing those opportunities is a challenging task given Turkmenistan's policy of neutrality, a government bureaucracy lacking in international experience, and a legacy of caution if not suspicion toward the United States, fanned by Russia which exercises considerable influence

in Turkmenistan. Following President Berdimuhamedov's acceptance of the offer to open cooperative relations, the United States has sent 40 delegations over the past year to talk about political and economic reform, health and education, energy, and security. Turkmenistan is of significant policy interest to the United States because of its vast energy resources and its strategic location bordering Iran and Afghanistan.



## EXECUTIVE DIRECTION

The embassy has suffered from the lack of an accredited ambassador to Turkmenistan for two years. The present chargé d'affaires, an experienced former ambassador, is scheduled to depart this summer. A new ambassador is unlikely to be appointed and confirmed anytime in the near future.

The chargé has done a commendable job over the past year of organizing, motivating, and leading all mission elements in a focused effort to advance U.S. policy opportunities in Turkmenistan. The OIG inspection team heard high praise in Washington for the reporting, analysis, and advocacy of Embassy Ashgabat. The team found the positive evaluation of Washington readers to be well deserved.

Despite the more open attitude of the new Turkmen government in certain areas such as health, education, and culture, (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) Dealing with the Turkmenistan government requires extra time and effort because of its Soviet era heritage of a cautious and formalistic bureaucracy. Every matter to be addressed to the government, no matter how routine, must be transmitted via diplomatic note to the Ministry of Foreign Affairs, translated into Turkmen. The chargé has structured the mission's approach to Turkmenistan appropriately, pursuing cooperation where it is possible and patient diplomacy in other areas that are still blocked.

The chargé provides strong leadership and direction but delegates well and allows sections and agencies the space to carry out their responsibilities. Other agency representatives gave high marks to the chargé for his coordination of mission efforts. Most staff welcomed the clear, top-down guidance the chargé provides, but some felt dissent was not welcomed.

The deputy chief of mission (DCM) complements the chargé's overall direction by serving as an effective chief of staff, meeting weekly with individual sections to ensure coordination and implementation of mission activities. She meets regularly with entry-level officers to provide mentoring and guidance. All staff praised her calm, unflappable style.

One area where strengthened executive direction appears necessary is better coordination of the activities of the Nevada National Guard and Export Control and Border Security with the relevant embassy sections. The Nevada National Guard, with funding from the U.S. military (Central Command), is constructing border control posts in cooperation with the Turkmenistan government. The recent formation of the Law Enforcement Working Group is a step in the right direction, but strong executive oversight will be important to ensure effective coordination.

## POLICY AND PROGRAM IMPLEMENTATION

### POLITICAL AND ECONOMIC REPORTING AND ANALYSIS

The combined political/economic section at Embassy Ashgabat includes an FS-02 head of section and two entry-level reporting officers on their first tours. The section has five LE staff. Reporting portfolios in the section are clear and well defined. The section chief, in addition to her management responsibilities, covers energy, an area of high U.S. policy interest because of Turkmenistan's sizeable energy reserves. One officer covers both internal and external political matters. The first-tour officer handles economic, commercial, agriculture, narcotics, and labor. The portfolios of the five LE staff are well allocated.

The output is prodigious. Ashgabat alone produces more reporting than four neighboring posts combined. Washington readers highly praised Ashgabat's reporting for its scope, timeliness, and focus on U.S. policy priorities. The OIG team found the praise well deserved. The reporting is comprehensive and insightful, conveying a balanced view of not only what is changing positively in Turkmenistan but what is not, such as in areas of democracy, human rights, religious, and press freedom.

Reporting and advocacy with the Turkmen government, coupled with the requirements of frequent high-level visitors and delegations (40 last year), result in an extremely heavy workload. This takes a toll on the section in terms of stress. Nonetheless, morale is reasonably good as officers consider they are playing an important role in furthering U.S. interests at a time of a potentially historic turning point in Turkmenistan.

The section is stretched to the limit, but an additional responsibility is on the horizon. The U.S. military (Central Command) plans an infusion of \$50 million in counternarcotics programs in Turkmenistan over the next two years. While most of the programs will be administered by the Nevada National Guard representative, others will likely require coordination with the Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) and the responsible officer in the political/economic section. The embassy has noted in its Mission Strategic Plan the need for additional American and LE staff positions to support the greater workload.

## PUBLIC AFFAIRS

As Turkmenistan emerges from the isolation of the Niyazov era, the embassy's public diplomacy efforts have had unprecedented success in outreach, developing ties with media, educational institutions, and governmental entities. The public affairs section is realizing its overall goal of mutual understanding through active exchange programs, alumni outreach, strategic speakers, the Ambassador's fund for cultural preservation, and activities at its flourishing information resource center (IRC) in Ashgabat and its three American Corners.

Led by a talented and dedicated FS-02 public affairs officer, the section includes an entry-level cultural affairs officer on his second tour. Both officers are trained in Russian. Of its 10 LE staff, two were recently hired using a one-time fund under the Freedom Support Act. These latter positions are essential for handling expanding cultural events and media work. Post has requested additional permanent funding to add these positions to its base.

The thirst for knowledge and educational opportunities in Turkmenistan is reflected in the 2,500 visitors each month to the IRC to access the Internet and to use its print and video resources. There are 125 students enrolled in the no-fee English classes for beginner and intermediate students held in the IRC's conference space under the direction of an embassy eligible family member. Formal exchange programs are eagerly sought and ably supported by the implementing organizations. The section's alumni coordinator maintains the country-wide database of approximately 1,900 alumni, with over 300 active subscribers to an Internet-based listserv. Particularly noteworthy is the high school Foreign Leaders Exchange program whose alumni, while miniscule in numbers, represent a spearhead for values of openness and international understanding. A jazz group, brought to Turkmenistan under the American Music Abroad program, was a hit and resulted in a follow-up return visit of two musicians to perform with local musicians in a mixed and fused program of American jazz and Turkmen traditional music. Post produced 3,000 copies of the music CD made from the program for free distribution. The section is striving to expand Fulbright Program grants for local researchers and lecturers, as well as for U.S. scholars coming to Turkmenistan.

However, obstacles remain. Turkmenistan remains an extremely closed media and cultural space. State-controlled media are not interested in U.S. policy beyond the bilateral relationship. Great efforts are necessary to find openings, individuals, or government offices interested, willing, and permitted to cooperate on public diplomacy programs and events. The section has limited access to the country's researchers, educators, and schools. Some university leaders are reported to have told stu-

dents not to use the IRC; some government educational authorities have told alumni to cut off contacts with the public affairs section as a condition of educational travel approval. Event planning is severely affected by the requirement to seek advance permission by diplomatic note to the Ministry of Foreign Affairs. Delayed responses are the norm. There is no formal alumni association because Turkmen law requires membership of 500 persons to register an association. Alumni keep in touch by telephone, e-mail, and listserv as members of an informal "Alumni Club." Impediments notwithstanding, the public affairs section is a successful public advocate for mission goals.

## CONSULAR AFFAIRS

The consular section is a well-organized and efficient operation ably managed by an experienced FS-03 officer. She is well-versed in consular operations, regulations, and best practices, having served a consular tour in Abu Dhabi, United Arab Emirates, and as back-up consular officer in Astana, Kazakhstan. The two-person LE staff consists of an FSN-8 clerk with 10 years of experience and an FSN-7 clerk with six years of experience. They are fully cross-trained, and each serves as a consular cashier. There are two back-up consular officers, the public affairs officer and the cultural affairs officer. Back-up duties are carefully coordinated, given workload considerations in the public affairs section. The section's location some distance from the embassy makes emergency or prolonged coverage difficult.

The consular officer deserves praise for promoting training, an especially important element in a small section with a low volume of visa and American citizens services work. The two LE staff completed online training, attended workshops in Washington and Frankfurt, and have individual development plans. The consular chief also takes advantage of unusual or less frequently seen cases as training tools. In addition, the LE staff serves as interpreters to explain technical or legal terminology for refusals in 100 percent of cases of visa applicants who speak only Turkmen and 20 percent of cases of Russian-speaking applicants. Interpreting enhances their understanding of U.S. visa laws, regulations, and procedures.

The consular section provides nonimmigrant visa and American citizens services. Immigrant visas for Turkmen citizens and resident third-country nationals are processed at Embassy Moscow. The section processed 1,861 nonimmigrant visa cases in FY 2007, with an adjusted refusal rate of approximately 28 percent, and expects to handle about 2,000 cases in FY 2008. The American citizens services workload is minute, reflecting the fact that the American citizen expatriate community numbers

fewer than 200 individuals. There are indications that American citizens casework may increase as the country becomes more open to American and multinational commercial investment. The regional consular officer based in Frankfurt provides consistent, regular, and constructive guidance and feedback on the section's technical performance and managerial effectiveness.

Technological obstacles continue to affect consular operations. There is a lack of familiarity among consular clients with the Internet and computers in general. Post's rollout of the electronic visa application form was largely successful, but applicants are frequently turned away and rescheduled because of misprinted bar codes or other technical faults. Post has no access to international shipping services for American passport delivery, a serious challenge to providing prompt service to private and official resident Americans.

Internal consular workspace is adequate. Public reception, waiting, and interview areas are colocated in the embassy lobby which is shared with Post One and the class B cashier. Post personnel, VIP visitors, commercial vendors, and consular clients congregate at various times during the business day.

# RESOURCE MANAGEMENT

## U.S. Embassy Ashgabat, Turkmenistan Resource Chart

\* post figures as of May 8, 2008

| Agency  | U.S. Direct Hire Staff | U.S. Local Hire Staff (EFM) | Locally Employed Staff | Total Staff | Total Funding \$  |
|---|------------------------|-----------------------------|------------------------|-------------|-------------------|
| State – DC&P  | 15                     | 0                           | 8                      | 23          | 986,769           |
| State - MRV   | 1                      | 0                           | 1                      | 2           | 54,400            |
| State - ICASS   | 4                      | 4                           | 75                     | 83          | 1,572,900         |
| State - ICASS LGP   | 0                      | 0                           | 40                     | 40          | 388,900           |
| State – DS  | 0                      | 0                           | 45                     | 45          | 474,158           |
| State - RSO   | 2                      | 1                           | 0                      | 3           | 46,500            |
| State – PD  | 0                      |                             | 6                      | 6           | 187,226           |
| State - MSG   | 6                      | 0                           | 4                      | 10          | 97,700            |
| State - Representation                                    | 0                      | 0                           | 0                      | 0           | 19,000            |
| State - OBO   | 0                      | 0                           | 0                      | 0           | 347,194           |
| International Narcotics and Law Enforcement Affairs (INL) | 0                      | 0                           | 1                      | 1           | 30,000            |
| Freedom Support Act                                       | 0                      | 0                           | 4                      | 4           | **1,145,647       |
| Defense Attaché Office                                    | 3                      | 0                           | 1                      | 4           | 61,650            |
| Office of Military  | 1                      | 0                           | 0                      | 1           | ***52,300         |
| Nevada National Guard                                     | 3                      | 0                           | 1                      | 4           | 85,860            |
| USAID   | 1                      | 1                           | 6                      | 8           | ****4,091,250     |
| Export Control and Border Security (EXBS)                 | 1                      | 0                           | 2                      | 3           | 89,600            |
| Peace Corps   | 4                      | 2                           |                        | 6           | 1,345,000         |
| Air Force GAS & GO  | 7                      | 0                           | 0                      | 7           | 500,000           |
| <b>TOTALS</b>   | <b>48</b>              | <b>8</b>                    | <b>194</b>             | <b>250</b>  | <b>11,576,054</b> |

\*Head count calculation does not include vacant positions

\*\*public diplomacy funds

\*\*\*\$14,000 based on current MIPR; OMC Rep submitted budget request for \$147,000, awaiting approval; \$38,300 Warsaw Initiative Funds

\*\*\*\*Estimated amount provided by USAID rep

## MANAGEMENT OPERATIONS

The limited-scope inspection of management services at Embassy Ashgabat does not indicate significant issues of fraud, waste, or abuse. The annual Chief of Mission certification for FY 2007 indicated no vulnerabilities. There is a management controls program in place that meets during the year to discuss and review potential problem areas.

The management officer sets a high standard and works with his staff to make customer service a priority. The congenial tone set by his leadership and his willingness to mentor without meddling is a valuable management style for a post in a developing country with rapid growth and limited funds. The management team includes a human resources/financial specialist, a general services officer, a health care practitioner, two part-time community liaison office coordinators, an information management officer, and one information management specialist. Workplace and quality of life questionnaires, the International Cooperative Administrative Support Services (ICASS) Customer Service Survey, the functional questionnaires, and interviews at post underscored the need to conduct a rightsizing study and to address LE staff wage issues.

## FACILITIES AND REAL PROPERTY

The mission is overcrowded and working in cramped spaces. Since 2000 the number of American positions has increased from 24 to 48. Virtually every square foot of space in the chancery is in use, yet further staff increases are likely by both the Department and other agencies. Mission growth is due to the increased U.S. policy opportunities in Turkmenistan. The prefabricated chancery building, constructed in 1995, requires significant maintenance. A NEC is needed. Ashgabat was recently put on the list for a NEC in FY 2018 by the Department.

## RIGHTSIZING

In the post's Mission Strategic Plan, a need for seven additional Department U.S. direct-hire positions for FY 2010 was identified. Growth by other agencies is also expected. A rightsizing study is a requirement of the Department to plan the size and the cost of a NEC. The embassy will need to coordinate with all agencies at post to determine the size of the NEC needed. The U.S. housing compound in

Ashgabat comprises 11 acres of land on which the embassy holds a 99-year lease. This location has been identified by the post as a proposed suitable site for construction of a new standard embassy design building. Embassy Ashgabat should conduct a rightsizing study to move the process forward toward construction of a NEC. In view of the severe overcrowding of the chancery and the likelihood of additional staff in the future, the mission may wish to consider lobbying Washington to begin construction of a NEC earlier than FY 2018.

**Recommendation 1:** Embassy Ashgabat, in coordination with the Bureau of South and Central Asian Affairs and the Office of Management, Policy, Rightsizing, and Innovation, should develop a rightsizing report for the new embassy compound. (Action: Embassy Ashgabat, in coordination with SCA and M/PRI)

## DEVALUATION

In 2008, the government of Turkmenistan adjusted the currency downward so that the official rate and the unofficial rate were the same. The result is a 40 percent decrease in the purchasing power of the local currency (manat), which combined with inflation is a total reduction of 46 percent. Despite the significant drop, post was told by the Department funds are not available for salary increases. Post developed a plan to fund a modest increase for three years by cutting training and using ICASS carry over funds, a result of preparing partial year ICASS invoices. Post is aware of the need to develop new resources to sustain the increase. At the time of the inspection post was waiting approval of this modest increase by the Department.

Often LE staff salary increases do not keep up with inflation. However, such a sizable and swift decrease in value, which was a surprise to all citizens of Turkmenistan, should require another look by the Department. The OIG team encourages post and the bureau to make every effort to secure additional funding.

## HUMAN RESOURCES

The projected growth of the embassy, if realized, would require additional LE staff, particularly in finance, customs, shipping, procurement, and information management to continue to provide management services at ICASS standards. The

core LE staff is very competent but requires continual training to maintain proficiency. In general, productivity could be increased. The management team as well as the Regional Services Center (RCS) in Frankfurt are aware of this need and are continually available to mentor LE staff. The RCS provides much needed hands-on training, and the post staff is very receptive to recommendations. The split position for human resources and finance is encumbered by an entry-level officer. Continual technical support by the RCS will be needed. The OIG team supports the RCS recommendations made in quarterly visits that concentrate on several areas including improving internal controls in accounts receivables, aggressively identifying and directly billing temporary duty costs, and reviewing unliquidated obligations. The number of official delegations increased from 13 in 2006 to 40 over the past year. The heavy increase in visitor workload impacts all sections of ICASS support and delays services in daily operations.

Morale is generally high, although the mission is remote, the weather extremely hot in summer, and recreational activities limited. There are few fitness center facilities available. The medical unit, the school, and the community liaison office provide necessary support to 48 adults and 16 eligible family members. The school is accredited through 12 grades. The medical unit is ably served by a Foreign Service nurse practitioner as well as a local-hire physician. Two community liaison officer coordinators offer a steady stream of activities. These services are essential to maintain morale and are a recruiting tool.

## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

Embassy Ashgabat operates a comprehensive information management program. The information management officer effectively supports the embassy's information management systems at the chancery and the embassy's three off-site locations. The embassy's information technology security posture is adequate.

The embassy's information technology staff consists of two direct-hire American employees, two LE staff providing unclassified systems and telephone support, and one LE staff serving as mailroom clerk. An LE staff assistant provides additional support to the mailroom, unclassified pouch facility, and telephone technician as needed.





## FORMAL RECOMMENDATIONS

**Recommendation 1:** Embassy Ashgabat, in coordination with the Bureau of South and Central Asian Affairs and the Office of Management, Policy, Rightsizing, and Innovation, should develop a rightsizing report for the new embassy compound. (Action: Embassy Ashgabat, in coordination with SCA and M/PRI)

**Recommendation 2:**

**Recommendation 3:**



## PRINCIPAL OFFICIALS

|  | <b>Name</b>           | <b>Arrival Date</b> |
|--|-----------------------|---------------------|
| Chargé d'affaires, a.i.                      | Amb. Richard Hoagland | 07/07               |
| Deputy Chief of Mission                      | Sylvia Curran         | 08/07               |
| <b>Chiefs of Sections:</b>                   |                       |                     |
| Administrative                               | Jonathan Bayat        | 09/07               |
| Consular                                     | Elizabeth Webster     | 09/06               |
| Political/Economic                           | Heather Troutman      | 07/06               |
| Public Affairs                               | Andrew Paul           | 08/06               |
| Regional Security                            | Robert Rochowiak      | 06/07               |
| <b>Other Agencies:</b>                       |                       |                     |
| Department of Defense                        | LTC James Zink        | 08/06               |
| Nevada National Guard                        | Jonathan Morrow       | 10/05               |
| U.S. Agency for International<br>Development | Ashley Moretz         | 12/05               |
| Peace Corps                                  | Stephen Kutzy         | 06/07               |



## ABBREVIATIONS

|            |   |
|------------|---|
| DCM        | Deputy chief of mission                                       |
| Department | Department of State   |
| ICASS      | International Cooperative Administrative Support Services     |
| INL        | Bureau of International Narcotics and Law Enforcement Affairs |
| IRC        | Information resource center                                   |
| LE         | Locally employed  |
| NEC        | New embassy compound  |
| OIG        | Office of Inspector General                                   |
| RSO        | Regional security officer                                     |

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