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United States Department of State  
and the Broadcasting Board of Governors

*Office of Inspector General*

## OFFICE OF INSPECTIONS

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Inspection of Embassy The Hague  
and Consulate General Amsterdam,  
the Netherlands

**Report Number ISP-I-11-23A, February 2011**

### **IMPORTANT NOTICE**

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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, and organizations by this review.



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and the Broadcasting Board of Governors

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## 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 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  
Deputy Inspector General

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## KEY JUDGMENTS

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- Embassy The Hague is led by a respected Chief of Mission and deputy chief of mission (DCM) team. The Ambassador's heavy schedule of public outreach events has effectively introduced her to Dutch audiences, and she is now poised to engage in more substantive activity in support of the policy agenda. However, a more focused public diplomacy strategy is required. The DCM needs to exercise more management oversight and control, including chairing or attending more interagency working groups and meeting more frequently on an individual, scheduled basis with section and agency heads.
- The proposed new embassy building in The Hague is in the design phase, with construction possibly beginning as early as 2012. The design concept appears to maintain the status quo of placing all consular services at Consulate General Amsterdam. Given the lack of space and challenging layout of the Amsterdam facility, the design concept should be promptly reconsidered, with a view toward integrating at least some consular functions into the new embassy building.
- The management section is striving to improve its customer service orientation. Significant interagency dissatisfaction with the mission's International Cooperative Administrative Support Services (ICASS) operation calls for more senior management oversight by the DCM. The DCM has worked successfully with the Ambassador to improve morale, which had suffered due to previous management section shortcomings.
- The political/economic section and the global affairs section (which was split off from the political/economic section in 1999) should merge to eliminate overlap in portfolios and to provide better coordination among and backup for officers in both sections.
- The long-standing internal conflict among local employees in the public affairs section affects the section's efficiency and must be resolved if the section is to provide the support needed for ambassadorial outreach.
- The embassy should create a commercial working group to coordinate commercial promotion and to implement President Obama's National Export Initiative.
- The job descriptions for Consulate General Amsterdam's principal officer and the consular section chief should be adjusted to delineate clearly the principal officer's oversight role and the consular section chief's supervisory role. This clarification of duties should lead to wider Consulate General Amsterdam involvement in the embassy's country team and emergency action committee meetings.

The inspection took place in Washington, DC, between September 7 and 29, 2010, and concurrently in The Hague and Amsterdam, the Netherlands, between September 30 and October 22, 2010. The team did not visit or inspect Consulate Curacao, which is supported by the Bureau of Western Hemisphere Affairs.

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## CONTEXT

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The United States and the Government of the Netherlands agree on a majority of foreign policy priorities, and the relationship is marked by cooperation and collaboration. The Netherlands is a strong ally in the North Atlantic Treaty Organization (NATO) and has contributed troops to Afghanistan and other peacekeeping operations. Economic ties mirror the strength of the political bonds. The Netherlands, with a land area the size of Maryland and a population equal to 16.5 million, generates the 16th largest gross domestic product (GDP) in the world. The United States and the Netherlands are major trading partners; the Netherlands is the eighth-largest U.S. export market for goods

and services and provides transshipment for much of U.S. trade to and from Germany and other major European markets. The United States is the largest foreign investor in the Netherlands, and the Netherlands is the fourth-largest investor in the United States. The Netherlands coordinates its large bilateral and multilateral aid role (fourth largest as a share of GDP and sixth largest in absolute terms) with the United States. Social and cultural connections, including an array of individual and institutional linkages and exchanges, anchor the bilateral relationship. There are 57,000 registered U.S. citizens resident in the Netherlands. Amsterdam's Schiphol Airport ranks fifth in passenger traffic in Europe. Annual traffic each way between Schiphol and the United States equals almost 11,000 flights, with approximately 2.2 million passengers.



*Map of The Netherlands*  
Source: U.S. Department of State

Although the United States and the Netherlands generally agree on most matters, their views may diverge on some issues. Whether and how the Dutch remain engaged in Afghanistan is a question that played a role in bringing down a coalition government in early 2010. Similarly, Dutch concern for privacy rights creates a lens of skepticism through which U.S. policy imperatives on data sharing are sometimes viewed. When disagreements develop over policies, priorities, and approaches, a long-standing relationship of mutual respect allows the United States to engage Dutch interlocutors at every level to advance American policy.

Advancing U.S. policy in the Netherlands requires taking Dutch internationalism into account. The country plays a leading role in the United Nations, the European Union, and NATO. The country also plays host to a diverse range of influential entities, including the International Court of Justice, the International Criminal Court, and the Organization for the Prohibition of Chemical Weapons. The Netherlands participates actively in the Organization for Security and Cooperation in Europe, the Council of Europe, the Organization for Economic Cooperation and Development, the World Trade Organization, the World Bank, and the International Monetary Fund. This commitment to working multilaterally shapes Dutch perceptions and affects the way they respond to American initiatives, particularly in the case of the European Union as it expands and increases its influence. To achieve its goals, American diplomacy must work in tandem, engaging the Dutch bilaterally while at the same time pressing U.S. policy in the numerous forums through which the Netherlands makes its presence felt.

## EXECUTIVE DIRECTION

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The Ambassador and the DCM have been together for just over 9 months. They form a good team. The non-career Ambassador brings strong political instincts, high energy, a talent for public engagement, and personal warmth. Her legal background fits nicely in The Hague, which she has described as “at the center of the rule of law and the search for peace.” Her style and priorities blend well with those of the DCM, a career political officer. In her first year the Ambassador focused on public outreach and representation, while the DCM oversaw mission management, reporting, and policy advocacy. This division of labor was appropriate.

Nonetheless, the DCM should engage more in managerial oversight. His stated philosophy is to allow managers to do their work without micromanagement from him. However, given the nature of some of the inherited management problems, his more active engagement is essential.

Both the Ambassador and the DCM described poor mission morale as their first priority when they arrived in The Hague. From the team’s discussions and observations of the Ambassador and DCM in interaction with American and local employees, the OIG team is convinced that a major improvement in mission morale has taken place since the arrival of this executive team. Both were instrumental in giving the final push to a Foreign Service national employee pension plan, which corrected a long-standing issue. Both have also used social events and participation in staff activities to establish a sense of community. Steady progress is being seen.

Together they have managed the bilateral relationship well. The previous Dutch Government had maintained (and twice extended) a combat role in Afghanistan as part of the NATO coalition, but this was unpopular with the Dutch public. Combined with other domestic and economic issues, the debate over yet another extension of the combat role was enough to bring the government down. This was a major policy disappointment in both Washington and at NATO headquarters. Embassy The Hague played an important role in managing the tone of Washington’s reaction and maintained productive relations with the caretaker government. A newly sworn-in Dutch Government is believed ready to support a noncombat mission in the NATO Afghan coalition.

There are 15 separate agencies in 9 different locations operating under Chief of Mission (COM) authority in the Netherlands, which would provide a coordination challenge even for a larger mission. The OIG team was impressed with agency heads’ and section chiefs’ broadly positive assessment of country team and interagency relations. Agency heads told the team that the Ambassador was approachable and

supportive. One agency head, who operates out of a remote facility, told the team how important it was that the Ambassador actually takes an interest in her agency's work. Similarly, section chiefs and agency heads complimented the DCM as an interagency coordinator. Another agency head, with more than 25 years of experience, described the DCM as "the best I have ever worked with."

The Ambassador leads a large weekly country team meeting. It serves the purpose of keeping attendees up to date on major activities but is not a vehicle for interagency coordination. That task is left in theory to two smaller weekly senior staff meetings chaired by the DCM. These meetings are lightly attended, however, with most non-Department of State (Department) agencies absent. Some section and agency chiefs expressed a desire for short, regularly scheduled one-on-one meetings with the DCM to allow them to bring issues directly to his attention. The OIG team has seen such meetings take place each week or every 2 weeks in many embassies, and the team made an informal recommendation to this effect. These individual meetings could be short and occur on the margins of the country team meetings, when other agency heads who work in annexes tend to be in the chancery anyway. Later in this report the OIG team also makes some recommendations about other interagency meetings that the DCM should chair or attend regularly.

In her active public outreach and representation, the Ambassador has identified herself with a green agenda and with a commitment to be inclusionary with regard to minority, especially Muslim, audiences in the Netherlands. These issues track well with the Obama Administration. In this effort she has relied heavily on the public affairs section, and this appears to have been a successful match of activity and available resources. However, under the DCM's guidance, the mission is preparing a strategy for putting more substantive policy advocacy in the Ambassador's outreach. This will require more interagency coordination among the public affairs section, the political/economic and global affairs sections, the Foreign Commercial Service, and others. To achieve this goal, the public affairs section, aided by the front office, will have to solve a long-standing rift among local staff employees that hampers the section's performance (see the public diplomacy section for a related recommendation).

The Ambassador's new focus should be fully spelled out in the next Mission Strategic and Resource Plan (MSRP) exercise. The DCM oversees the MSRP process and should be at the nexus of the Ambassador's outreach planning and the allocation of resources required to carry it out. The OIG team sees no need for a substantial increase in resources to accomplish this goal.

In this connection, the team believes the MSRP exercise could be a more useful tool for Embassy The Hague. The team examined the previous two plans. The 2012 plan exhibited few changes from the 2011 plan. The strategic goals and the priority order were unchanged. The COM statement did not focus on the future but instead placed

too much emphasis on the past and current time frames. There also was no regular mission-wide review of the plan and its performance measures. The next plan should reflect the evolving future-oriented priorities of the front office. Prior to that plan's preparation, embassy leadership might conduct a mission-wide review of the bilateral relationship.

The OIG team has looked carefully at internal management issues. The DCM has identified this as a problem area, inherited from past administrations. A newly arrived management officer seems to have gotten off to a good start, especially in the area of facilities management. However, the team has found widespread dissatisfaction among non-Department agencies with embassy management of the International Cooperative Administrative Support Services (ICASS) process. As ex officio member of the ICASS council, the DCM should provide closer oversight and attend the meetings regularly, as recommended later in the management section portion of this report

The security and emergency preparedness programs at Embassy The Hague are strong. The Ambassador and DCM understand and fulfill their responsibilities with regard to these programs and are fully supportive of the regional security office. A detailed discussion of the security program is provided in the classified annex to this report.

The mission is sensitive to Equal Employment Opportunity concerns.

### *U.S. Delegation to the Organisation for the Prohibition of Chemical Weapons*

The U.S. Delegation to the Organisation for the Prohibition of Chemical Weapons (OPCW) is located in a building outside the embassy chancery and comes under separate COM authority. Embassy The Hague provides all administrative support to the delegation. Given the long absence of a permanent representative to the delegation at the time of the inspection, the OIG team included the delegation in this inspection report (see the U.S. Delegation to the OPCW section for further discussion).

### *Consulate General Amsterdam*

Consulate General Amsterdam is led by a talented and energetic consular-coned principal officer. The consulate general handles all consular matters for the mission in the Netherlands. Apart from the principal officer, all officers and almost every local employee in the consulate general work exclusively on consular issues. The principal officer has limited support staff (a local assistant and 40 percent of one other local employee's time) to do non-consular work. The lack of any non-consular

officers in the consulate general may have led to some blurring of areas of responsibility between the principal officer and the consular section chief (see the consular management section for more detail). The principal officer is fully integrated into the country team and has served as acting DCM on two occasions during her 16-month tenure. She represents the United States with great skill at a wide variety of events. She drafts and delivers her own remarks at cultural and business-related events. There is, in fact, an argument to be made for increasing public diplomacy resources at the consulate general, which should be explored as part of the next MSRP exercise. In addition, although all U.S. Government commercial promotion entities are located in The Hague, the embassy and the consulate general should pursue more creative ways to coordinate with these entities and to tap into their resources during relevant visits to Amsterdam. The OIG team made an informal recommendation to that effect in the political/economic section of this report.

The team believes a formal study on the future of the consulate general and consular services should be undertaken promptly by the appropriate offices in the Department. A new embassy construction project has been scheduled for 2017 but may be moved forward to 2012. At present there are no plans to put any consular functions in the new embassy building. The OIG team cannot ascertain whether this option has been fully discussed within the U.S. Government. In any case, the OIG team understands that the U.S. Government agreed with the local government that the new embassy building would not include any consular or warehouse facilities. A design team from the Bureau of Overseas Buildings Operations (OBO) working on the final preliminary design of the new building visited Embassy The Hague during the inspection. The OBO team met with local government officials to discuss the current design. Before the construction of the first new embassy building in the Netherlands in over 50 years, and which will likely be the last one built for at least that long, the OIG team recommends a thorough high-level review by relevant Washington officials of all aspects of and options for the best location for consular services in the Netherlands. This review could include moving or keeping part or all of the consular services (visas and /or American citizens services) in Amsterdam, or moving them to a nearby commercial office building at Schiphol Airport or elsewhere. Schiphol Airport has excellent land transportation connections with the rest of the Netherlands. At present, there are only Department personnel at the consulate general, with a separate Customs and Border Protection contingent at Schiphol Airport that is not tied to the consulate general. (b)(2)(b)(5)

[REDACTED]

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**RECOMMENDATION 1:** The Office of Management Policy, Rightsizing and Innovation, in coordination with the Bureaus of Consular Affairs, Overseas Buildings Operations, European and Eurasian Affairs, and Diplomatic Security, should determine the future location of consular services in the Netherlands prior to the completion of the design for the new embassy building in The Hague. (Action: M/PRI, in coordination with CA, OBO, EUR, and DS)

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The team met with the entry-level members of staff at the consulate general, who confirm that they feel a part of a family atmosphere in the confines of the consulate building. They have frequent conversations and interaction with the principal officer and consider her a strong mentor. The DCM also has met with them and has made clear his mentoring responsibilities.



# POLICY AND PROGRAM IMPLEMENTATION

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## POLITICAL/ECONOMIC AND GLOBAL ISSUES SECTIONS

Despite the lengthy absence of the FS-01 political/economic section chief on assignment in Iraq at the time of the inspection, and a lengthy personnel gap in the small global issues section (split off from the political/economic section in 1999), the two related sections continue to perform well. These sections do the bulk of reporting and representation for the embassy. Washington end users gave the sections high marks, with some rating the embassy's reporting as among the best in the region.

The political/economic and global issues sections cover various political, economic, environment, science, and other issues, all with varying degrees of potential overlap. The sections work to eliminate overlap, which is not easy to do. The global issues section was created in 1999 by the ambassador at that time, who believed that a separate section should cover the growing law enforcement portfolio. The global issues section's core was the former labor unit of the economic section. Apart from the global issues unit at Embassy Berlin, the global issues section at Embassy The Hague may be the only other such section in the world. The section chief chairs the embassy's law enforcement working group, which includes representatives from several U.S. law enforcement agencies (see the law enforcement section). The previously separate economic and political sections were combined around 2003. The FS-01 economic officer position at that time was eliminated, and the remaining economic officers were placed under the authority of the political/economic section chief. The political/economic section was split again for a few years through 2008, due to a tandem couple working in the two sections, and then merged at the departure of the tandem couple and arrival of the incumbent FS-02 economic officer. Some argue for a permanent split of the political/economic section; however, the OIG team believes that the continued merger of the two units makes sense for budgetary, policy integration and coordination, and personnel backup reasons.

The Department's rightsizing report, which was updated in April 2008, and compared U.S. direct-hire staffing in Embassy The Hague's main program sections with those in similarly sized missions, did not suggest overstaffing here. In fact, the embassy's political/economic and global issues sections' combined total number of U.S. direct-hire positions was a bit under the combined average for split or joint

political and economic sections in the region. The embassy's political/economic section includes five U.S. direct-hire positions (including one office management specialist), one officer who also works at the U.S. Delegation to the OPCW, two local employees, and one U.S. professional associate who was hired to supplement the staff during part of the section chief's absence. The section chief departed the embassy in March 2010 and is scheduled to return in July 2011 for 1 year. The FS-02 economic unit chief is also acting as the political/economic section chief. This dual role unavoidably diminishes the time the section can spend on economic affairs. The global issues section consists of two U.S. direct-hire officers and one local employee, with the FS-02 political officer in charge. At the time of the inspection, the entry-level deputy in the global issues section had just returned from 4 months as the Ambassador's staff aide, with no replacement for her in the section during her absence.

The OIG team believes that the existence of a separate global issues section is not justified and supports a combined section with just two units for political and economic affairs. The maintenance of a separate unit for global issues along with the newly combined political/economic section would only continue to confuse portfolios and lines of authority. The current split of the political/economic and global issues sections among various political, economic, environmental, and science issues seems arbitrary and appears to be derived mainly from the fluctuating importance of some topics over the years. The fact that the two sections do not hold regular joint staff meetings is also problematic. Furthermore, there are just two officers and one local employee in the global issues section, with no assigned office management specialist support. This is not a viable number of personnel for a section, which, as a consequence, lacks adequate backup during the absence of any staff member. In particular, the single local employee in the global issues section would benefit from integration with and more backup from the two local employees in the political/economic section.

The OIG team supports a merger of the political/economic and global issues sections when the current global issues section chief departs in the summer of 2011, but with greater integration of and coordination between the two sections in the meantime (see informal recommendation). The OIG team does not recommend any changes in the rank of any position in the new combined section and makes no recommendations about the split of portfolios.

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**RECOMMENDATION 2:** Embassy The Hague, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should, in preparation for the departure of the incumbent global issues section chief in the summer of 2011, develop a plan to merge the global issues section with the political/economic section such that only political and economic units exist under one section chief. (Action: Embassy The Hague, in coordination with DGHR and EUR)

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**RECOMMENDATION 3:** Embassy The Hague, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should, in preparation for the departure of the incumbent global issues section chief in the summer of 2011, determine the new title of the incoming global issues section chief and decide how to reallocate the portfolios of all personnel in the new combined section so that a proper balance is achieved between the political and the economic units. (Action: Embassy The Hague, in coordination with DGHR and EUR)

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### *Commercial Work*

The political/economic section (especially the economic unit and the political-military officers) and the separate agencies of the Foreign Commercial Service, the Foreign Agricultural Service, and the Office of Defense Cooperation have correct but not close relations. Each of the main commercial promotion entities in the mission appears to operate independently, for the most part. It is not clear how the embassy will coordinate action on the President's National Export Initiative, although the Foreign Commercial Service has been placed in charge. Other than a quarterly meeting between the economic unit and the Foreign Commercial Service, there are no regularly scheduled meetings among the various embassy commercial entities and few opportunities for an integrated approach to commercial promotion, including coordination of the National Export Initiative.

The OIG team made an informal recommendation that the embassy establish a commercial promotion working group that would meet monthly and include local employees from the aforementioned entities. Consulate General Amsterdam should also be included in this working group.

### *Local Employee Integration*

The three local employees who work in the political/economic section and the global issues section provide valuable input and service to the two sections. However, because the local and U.S. employees occupy different floors, with a hardline door in between, they are inhibited from easy contact and interaction with one another, which cannot be fully overcome by phone calls, emails, or occasional joint meetings in the U.S. officers' area. In addition, proper security procedures prevent local employees from entering classified access areas of the sections without a U.S. officer escort. The end result is that local employees cannot always achieve their full potential, which in turn can lead some officers to underestimate the talents of these employees—two of which are among the longest serving staff members in the embassy. To help break down barriers and maximize the contributions of local employees, U.S. officers should visit the local employees' work area at least once a day to initiate face-to-face communication and interaction and to otherwise more fully integrate them into the sections' work. The OIG team made an informal recommendation to that effect.

## LAW ENFORCEMENT

The embassy coordinates interagency law enforcement issues through a working group. An officer in the global issues section has chaired the meetings, with the DCM sometimes in attendance. Collegiality and cooperation are the norm. During the inspection, a meeting of the law enforcement working group took place in an unclassified conference room. The OIG team recommended that the DCM take over the chairmanship of the meetings and that he hold them in a secure area. The DCM agreed and planned to implement both changes. The OIG team made an informal recommendation on the subject.

Other agencies represented in the group include Customs and Border Protection; Immigration and Customs Enforcement; U.S. Secret Service; the Bureau of Alcohol, Tobacco, Firearms, and Explosives; the Federal Bureau of Investigation; and the Drug Enforcement Administration. In addition to the DCM, Department participants include a consular officer and a representative of the global issues section.

## OFFICE OF THE LEGAL COUNSELOR

The Office of the Legal Counselor (comprised of lawyers from the Department) at Embassy The Hague effectively presses U.S. interests within a diverse portfolio of

issues. Although falling under COM authority, the office responds to requests and takes direction from a range of officials in the Department, among them the Legal Adviser. The Ambassador reinforces the work of the three attorneys in the office with representational and other activities as needed.

The Hague can assert a legitimate claim to be the global center of international law and justice, given that an impressive number of international organizations that deal with legal matters make their home in the city. The Office of the Legal Counselor was established in Embassy The Hague in the early 1980s to represent U.S. interests at a tribunal set up to deal with claims between the United States and Iran. At present, only a few claims remain, but they are large and sensitive.

Since its inception, the office has assumed responsibility for dealing with a number of additional legal groups in The Hague, including the International Criminal Tribunal for the former Yugoslavia; the Special Tribunal for Lebanon; the International Criminal Court, where attorneys from the office attend meetings as observers; the International Court of Justice; the Special Court for Sierra Leone; the Permanent Court of Arbitration; and the Hague Conference on Private International Law.

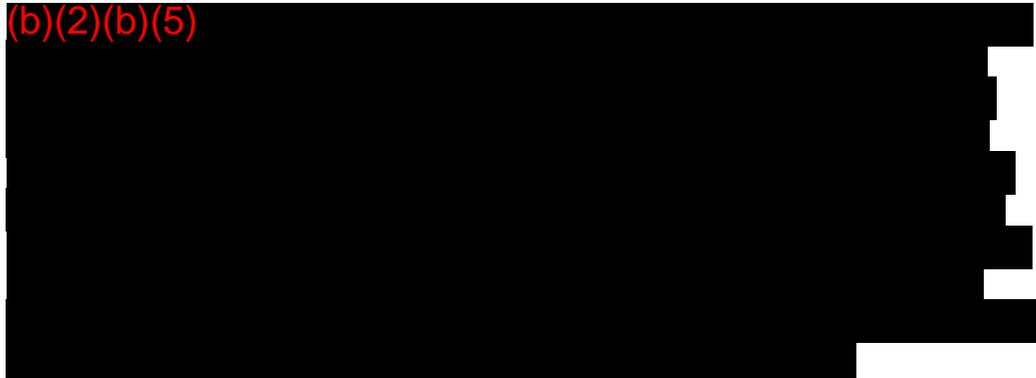
## PUBLIC DIPLOMACY

The public affairs section is actively engaged and provides consistently strong support to the Ambassador, who dedicates a substantial portion of her time and attention to public activities and events. However, the section is not working with an acceptable level of efficiency and collaboration. During the inspection, a new public affairs officer took over supervision of the section, which also consists of an assistant public affairs officer and eight local employees. The new public affairs officer worked previously at Embassy The Hague in the assistant public affairs officer position. Consulate General Amsterdam also devotes a significant amount of time to public diplomacy activities—a commendable emphasis, given the importance of Amsterdam, which is the locus of much of the country's cultural and intellectual life. One local employee in Amsterdam provides administrative support for those efforts. A second local employee carries out consular outreach activities as well as some public diplomacy work. The information flow between the embassy's public diplomacy section and Consulate General Amsterdam was reasonably good, but joint planning did not exist.

The incumbent public affairs officer follows the first officer to complete a tour out of the last eight assigned to the job. Instability in that position may be one reason that long-standing friction among local staff members has not been satisfactorily addressed by American supervisors. Local employees in the section perform their

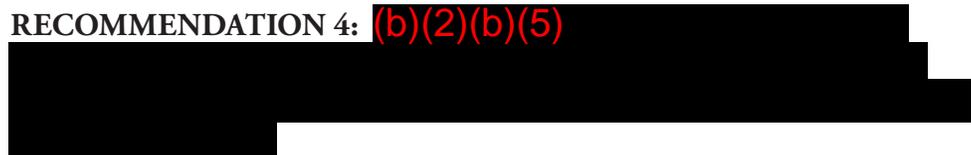
individual jobs with varying degrees of ability, but in some instances, communication is limited or even nonexistent. As a consequence, the public affairs section is less than the sum of its constituent parts.

(b)(2)(b)(5)



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**RECOMMENDATION 4:** (b)(2)(b)(5)



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In the years following the attacks of September 11, 2001, the embassy put considerable thought and energy into expanding its outreach to the Dutch Muslim community. The Department provided additional resources in the form of exchanges and other public diplomacy programs, which made the expanded effort possible. The initiative appears to have peaked and been largely successful; some observers commented that the embassy had better contacts with Dutch Muslims than did many in the Dutch Government. A nucleus of emerging and accomplished Dutch Muslims with experience or contact with the United States now exists. Consequently, the mission has altered its focus to one of diversity rather than specifically Muslim outreach. The OIG team believes this is a sensible approach.

The Ambassador maintains a vigorous public posture. She is adept at dealing with various audiences. Before her arrival, the public affairs section developed a media plan to guide her first 60 days in country. Since then, the section has put forward no formal or written public diplomacy plan to establish priority themes and audiences and to identify resources. The OIG team believes a longer-term plan would ensure that the public affairs section takes maximum advantage of the Ambassador's expertise and profile. It would also detail opportunities and venues, such as background discussions with editors, for other mission personnel, including the DCM and the consul general. The OIG team made an informal recommendation to that effect.

### *Press and Information*

Media business headquarters are located in Amsterdam and Hilversum, though most organizations operate a bureau in The Hague. The Dutch media are sophisticated and have a considerable number of sources and resources by which to obtain information. Engaging with journalists and editors to get a hearing for the U.S. Government's point of view, to exchange information on subjects of mutual interest, or to obtain coverage of a subject in which the embassy has an interest presents a formidable ongoing challenge.

At the time of the inspection, one local employee worked on press issues and was supervised by an American officer who had additional duties outside press. Small staff size puts an obvious limit on the amount of contact work, media monitoring, and reporting work that the section could accomplish. The proliferation of the Internet made those tasks even more challenging.

The public affairs section has a secretarial position that is filled by a local employee. Some of the duties enumerated in the position description are obsolete, given advances in technology and changes in the office work environment. The position thus represents an underutilized resource.

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**RECOMMENDATION 5:** Embassy The Hague should reprogram local employee position number N70201 in the public affairs section and convert it to a press and information position. (Action: Embassy The Hague)

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The embassy has a hybrid media reporting system in place, with contributions from the political/economic and public affairs sections. Although it has the potential for duplicated effort, the system meets the needs of the embassy and Washington readers. The report includes a component that is provided on contract through the public affairs section. Some users expressed dissatisfaction with that service. The OIG team believes that the embassy should consider discontinuing the contract product and replacing it with a report produced by public affairs section employees. The OIG team made an informal recommendation to that effect.

### *Cultural Affairs and Exchanges*

Through effective public affairs work, the embassy sustains a presence in the cultural life of the Netherlands. This is no small accomplishment, given the sophisticated environment and the plethora of choices available to the Dutch. Part of the embassy's success comes from leveraging. The embassy frequently partners with the John Adams Institute, a respected organization that brings first-rate American cultural

figures to Amsterdam. The public affairs section also uses its grants monies thoughtfully, typically providing partial funding for events, programs, and performances that feature an American component.

The exchanges are efficiently run and well targeted. Washington exchanges staff reported no issues with the mission, and an experienced local employee adeptly manages the logistics of the international visitor and voluntary visitor programs. The Bureau of Educational and Cultural Affairs has recently emphasized the value of alumni organizations. Partly in response to this focus, some Dutch exchange alumni founded an organization a year ago to sponsor one major event annually, along with several more modest programs. The Ambassador attended the launch of the organization as well as its first big event. Whether the organization can survive without support from the public affairs section is an open question, however. At present, the local employee working in exchanges does virtually all of the logistical work required to keep the organization afloat. Given the small staff size in the public affairs section, this may not be sustainable over time, but the potential return warrants the present investment.

### *Fulbright Commission*

The Netherlands is a Fulbright Commission country. The bilateral commission, working under treaty auspices, is headquartered in Amsterdam. An American citizen resident in the Netherlands currently chairs the board. Relations with the public affairs section are cordial. At the time of the inspection, the assistant public affairs officer was the embassy's representative. Budget pressures occasionally lead the bilateral commission to explore fundraising options and exchange-program partners, running the potential risk of diluting the Fulbright name or diverting it from its core mission. To date, discussions among board members, the executive director, and public affairs officers have ensured that this has not happened.

### *Information Resource Center*

The Information Resource Center is a smoothly running operation, located in the embassy in a large, attractive space that formerly housed the library. Because of its location and the security complications of access to the embassy, very few Dutch visit the Center. Most work is done electronically. Three professionals staff the center, each with a separate focus but with the ability to provide back up to the others as needed. One professional manages the embassy's Web page and its Twitter account; local employees in Consulate General Amsterdam handle the consulate page and a Facebook page. Coordination among them is good, and the Web site is popular. From September 30, 2009, through October 1, 2010, there were more than 213,000 visits to the site, an average of 581 per day, reflecting mainly the quality of the site. Less than 17 percent of these visits were consular related, partly reflecting the Visa

Waiver Program for Dutch citizens. Because many international legal institutions are headquartered in The Hague, the staff has developed research materials on the American view of international legal issues, which have attracted a significant readership. The center also displays current information on U.S. war monuments in the Netherlands, which also receives prominent play.

### *Grants*

The public affairs section processed \$280,000 in grants in FY 2010. The section links each grant to a mission strategic goal. Although the goal of creating mutual understanding typically draws the greatest number of grants, other goals are also represented. A local employee who has a warrant to process grants of as much as \$100,000 maintains the files scrupulously. The embassy has moved to an online grants application process that is efficient and effective.

The recently departed public affairs officer did not have the grants warrant required for his position. To process individual grants he delegated authority, which he did not have, to the local employee by means of a grant officer's representative letter. Because the local employee was warranted, that procedure did not lead to unauthorized commitments.

Neither American officer currently working in the section arrived with a grants warrant. The OIG team advised the public affairs officer that both of them should obtain a warrant, and the public affairs officer immediately took steps to do so. The OIG team made an informal recommendation on that subject.

## CONSULAR AFFAIRS

All public consular services in the Netherlands are provided at Consulate General Amsterdam. Consular operations are well run. A consular staff of 4 officers and 15 local employees, including 2 eligible family members, is spread out over three floors in a historic building built in 1912. The vertical layout increases the need for management oversight and somewhat reduces efficiency, and communication within units can suffer as a result. Public space is also at a premium.

### *Consular Management*

The principal officer is the only non-consular officer at the consulate general. The roles and responsibilities of the principal officer and the consular section chief have been blurred and are not clearly understood by mission personnel in the Netherlands.

The principal officer's work requirements make her responsible for supervising consular tasks and directing all consular activities in the Netherlands. The OIG team made an informal recommendation that her work requirements and those of the consular section chief be revised to more accurately reflect the principal officer's oversight role and the consular chief's supervisory responsibility for consular operations.

The principal officer represents the consulate general at Embassy The Hague's country team meetings, except for once a month when the consular section chief attends in conjunction with the follow-on Visas Viper meeting. It is important that consular interests have a direct voice at the table, with a consular section representative also present at country team meetings. It is not necessary that the consular chief always attend. Attendance could rotate among consular officers, which would have the added benefit of making consular staff, especially the more junior officers, feel more a part of the overall mission.

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**RECOMMENDATION 6:** Embassy The Hague should expand representation at the weekly country team meeting to include a consular section officer. (Action: Embassy The Hague)

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A consular management assistance team from the Bureau of Consular Affairs (CA) visited Consulate General Amsterdam in March 2010. The team recommended that the consular section review and update its mission specific training and orientation program. The very good nonimmigrant visa orientation packet was a year old at the time of the inspection. Fraud prevention guidelines were completed in August 2010. However, as described on the CA's Web site, "it is crucial that new arrivals are provided with a structured orientation program within the consular section upon their arrival at post. Giving a new officer a week or two to learn about post conditions and how they fit into the section's workflow can pay huge dividends." The OIG team made an informal recommendation in that regard, pointing out that guidance on training resources is available on CA's intranet site.

Although most local employees have received job-specific training, most are not cross trained. Local employees tend to be rather parochial in their outlook. Unit operations, even subunits as in the case of the American citizens services unit, are "stove-piped," and there are a number of rivalries. More important, some local employees, one member of the visa unit in particular, are impolite to the public. More effort needs to be directed at cross training, and consular leadership day activities need to be explored to foster greater public service awareness. Any incidents of unacceptable rudeness to the public must be documented, and the employee counseled. The OIG team made informal recommendations addressing these concerns.

The OIG team also made two management controls recommendations regarding consular issues, which are included in the management controls section of this report.

### *Visas*

With the addition of a professional adjudication specialist in August 2010, Amsterdam has three adjudicating officers in the visa unit, which is sufficient to handle an estimated annual workload of more than 20,000 nonimmigrant and roughly 400 immigrant visa cases (including diversity visas and adoptions). Visa adjudications were flat for FY 2010, compared with FY 2009. The visa workload in the Netherlands is made complex by the high number of third country nationals who apply for both nonimmigrant and immigrant visas. According to Consulate General Amsterdam's 2009 consular package, nonimmigrant visa applicants came from 139 countries and submitted applications in 59 visa categories. Former citizens of Afghanistan, Iran, and Iraq make up a significant minority of immigrant visa applicants.

The consular section has received a noticeable increase in Dutch visa applicants whose request for clearance under the electronic system for travel authorization, required for travel under the Visa Waiver Program, has been denied. These are mostly applicants who have committed "minor" offenses such as driving under the influence. Although not barred from entry into the United States, persons with misdemeanor convictions must apply for visas.

Treaty trader and treaty investors, who receive E-visas, are a particularly time-consuming visa category and account for roughly 5 percent of the overall number of nonimmigrant visas adjudicated. An eligible family member consular assistant reviews E-visa documentation, ensures it meets criteria in 9 FAM, and conducts online research as necessary. She then enters case notes into the consular consolidated database, including her recommendation on eligibility, before passing the case to the adjudicating officer. Although the consular assistant does a very professional review, the OIG team counseled consular management that she should not enter any recommendations in the database.

Visas Viper meetings at Embassy The Hague are held as part of the monthly law enforcement working group meeting and are chaired by the FS-02 head of the global affairs section. The DCM attends some of the meetings. Department regulation 9 FAM 40.37 N4.1 a. requires that the DCM chair the Visas Viper committee. Only one name had been submitted (by the regional security officer) through the Visas Viper channel in the year preceding the OIG inspection. The OIG team believes this is a small number, given that Schiphol Airport is a major transit hub. DCM chairmanship of the Visas Viper committee would help to ensure that other agencies

represented on the committee transmit reports on terrorists either through Visas Viper reporting or through non-Viper channels, as described in 9 FAM 40.37 N8.

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**RECOMMENDATION 7:** Embassy The Hague should designate the deputy chief of mission as the chair of the Visas Viper committee. (Action: Embassy The Hague)

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Refusal rates vary rather significantly among adjudicating staff, whose experiences vary greatly. The OIG team suggested to consular managers that consular adjudicating staff discuss procedures and experiences at the weekly nonimmigrant visa meetings, with a view toward reducing the disparity in refusal rates. The OIG team made an informal recommendation in this regard. Meetings could focus on such subjects as third country nationals studying in the Netherlands, security advisory opinions, and waivers of ineligibility. Early completion of a validation study under way during the OIG inspection and targeted at several nationalities, including Chinese, Indians, and Iranians, would also be particularly valuable.

### *American Citizens Services*

The American citizens services unit's workload in the Netherlands is characterized by a large number of special consular services that involve mental illness, arrest, destitution, repatriation, and a high level of theft of personal belongings, including passports. The 2004 OIG inspection report recommended the addition of a fifth local employee in the American citizens services unit. There are now six employees in the unit, supervised by a full-time U.S. officer. Staffing is appropriate.

Department officials told the OIG team that consular staff handled the February 2009 crash of a Turkish Airlines plane in Amsterdam in an exemplary manner, especially in light of difficulties in obtaining information from local authorities. Since that time, the American citizens services unit and consular management staff have worked effectively with the Dutch Foreign Ministry and local government officials to improve communication.

There is some confusion among mission staff as to who represents the consular section on the embassy's emergency action committee. Until September 29, 2010, when a revised membership list added the consular section chief and the American citizens services officer, only Amsterdam's principal officer was on the list. No one from the consular section attended a September 21, 2010, emergency action committee meeting that preceded the Department's issuance of a security advisory for Europe. As specified in 7 FAM 1812.1-3 a., the consular chief or designee must participate in every emergency action committee, either in person or telephonically

The OIG team also informed the regional security officer that emergency action committee meeting cable reports must include the relevant consular CASC tag.

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**RECOMMENDATION 8:** Embassy The Hague should include a consular section officer in every emergency action committee meeting. (Action: Embassy The Hague)

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There have been no apparent violations of the Department's no double standard policy, which requires that security threat information shared with the official U.S. community be made available to the nonofficial U.S. community (7 FAM 052). However, an October 7, 2010, embassy security notice released during the inspection concerning a large demonstration on Indonesian issues was disseminated only within the mission. Given that information regarding the demonstration was received at the same time as the demonstration and was absent any indication of a threat to Americans, there was no evident need for a warden message and Department clearance. However, the OIG team advised mission consular and security personnel that the notice should have been posted on the embassy's and consulate general's public Web sites.

At the time of the inspection, the consular section was in the process of updating the consular portion of the duty officer's handbook. As part of the update, the OIG team pointed out to consular management that the duty book should require that duty officers alert a consular officer in the case of an American citizen's death, as only a consular officer should notify next of kin. Duty officers should also alert a consular officer to any serious victim-of-crime case and any high-profile incident.

Notarials and passport applications for official mission personnel are handled at Embassy The Hague by the assistant general services officer, who has a post-specific consular commission. Workload is minimal, averaging about 4 hours a month.

### *Fraud Prevention*

The Netherlands is a low-fraud country; however, it serves as a transit point for organized crime, human smuggling, and possibly terrorists. The strong fraud prevention unit at Consulate General Amsterdam is headed by the American citizens services officer who brought the fraud prevention manager portfolio with her from prior service in the visa unit. She has taken the fraud prevention course at the Foreign Service Institute. She is supported by a dedicated senior nonimmigrant visa assistant, who is a part-time fraud prevention assistant and has established excellent contacts with local authorities, especially at Schiphol Airport. Fraud prevention guidelines were disseminated in August 2010, as recommended by the consular management

assistance team that visited the mission in March 2010. The most recent semiannual fraud prevention report was thorough and submitted on time.

Embassy The Hague has requested establishment of an assistant regional security officer investigator position in Amsterdam to perform visa fraud investigations. The Department has this request under consideration. Although the Netherlands is rated low for fraud, Amsterdam's Schiphol Airport is a major international transit hub, and approximately 140 nationalities reside in or visit the Netherlands. The OIG team endorses the mission's request, which if approved would have the additional advantage of reducing the consular section chief's responsibilities and workload as Amsterdam's post security officer.

## U.S. DELEGATION TO THE ORGANISATION FOR THE PROHIBITION OF CHEMICAL WEAPONS

Despite lengthy gaps in two key positions, and the turnover of most of the small permanent staff this past summer, the U.S. Delegation to the OPCW carries out its duties well. Morale is high, and interagency cooperation is commendable. The expected arrival of a new permanent representative with the title of ambassador late in 2010, after a vacancy in the position since December 2008, will help to solidify the good work of the delegation and will afford the opportunity to consider any possible reorganization in portfolios. The OIG team met with the recently confirmed incoming U.S. Permanent Representative when he was in The Hague as a visiting delegate for a meeting at the OPCW.

The OPCW is the implementing body of the Chemical Weapons Convention. The United States is one of 188 States Parties to the Convention, which prohibits the development, production, stockpiling, and use of chemical weapons. The Chemical Weapons Convention does not prohibit the production, processing, consumption, or trade of related chemicals for peaceful purposes, but it does establish a verification regime to ensure that such activities are consistent with the object and purpose of the convention.

The delegation oversees U.S. interests at the OPCW throughout the year, but activity is concentrated in four Executive Councils (generally February, April/May, July, and October) and the annual Conference of States Parties (late November/December). The U.S. Delegation to the OPCW is augmented by numerous temporary personnel, primarily from the Departments of State and Defense, for these events. The OIG team believes that the U.S. Delegation to the OPCW has adequate temporary duty facilities.

OPCW conducts its affairs under COM authority that is separate from the authority of the bilateral Ambassador to the Netherlands, but it depends entirely on Embassy The Hague for administrative support. Given the delegation's administrative dependence on the embassy, the small size of the delegation, the long absence of a permanent representative, the 2-year gap in the delegation's Department of Commerce position, and the near complete turnover of the remaining permanent staff this past summer, the OIG team decided to include the U.S. Delegation to the OPCW in this report.

The delegation works under the guidance of the reorganized (as of October 1, 2010) Bureau for Arms Control, Verification and Compliance (formerly the Bureau for Verification, Compliance, and Implementation) in Washington. The U.S. Delegation to the OPCW is housed in a separate commercial office building near the international headquarters of the OPCW. The OIG team endorses the physical separation of the U.S. Delegation of the OPCW from the embassy, given the need for almost daily trips by delegates to and from the international headquarters building. The classified security annex of this report addresses the U.S. Delegation to the OPCW facility.

The U.S. Delegation to the OPCW represents the national interests of the United States at the OPCW and includes personnel from the Departments of State, Defense, and Commerce. Overall coordination and leadership of the delegation are provided by the U.S. Permanent Representative, supported by two deputies from the Departments of State and Defense. The Department of Defense covers chemical weapons demilitarization and verification; the Department of Commerce monitors industry issues; and the Department of State oversees national implementation, assistance, and protection, as well as budget and administration.

At the time of the inspection, five U.S. direct-hire personnel worked full-time at the delegation, supplemented by a part-time officer, who also worked at the embassy, and a local-hire U.S. citizen. When the new U.S. Permanent Representative presents his credentials later in 2010, he will be authorized to hire a U.S. office management specialist. The delegation will be adequately staffed at that time.

Some staff members noted that the different titles of and privileges for the various delegation members require the embassy's human resources (HR) unit's careful attention to detail in terms of OPCW and Dutch Government recognition. The delegation is generally satisfied with administrative support from the embassy, although there are some intermittent problems with (b)(2)(b)(5) telephone connectivity, and copier repairs (see also the management section of this report). The delegation sends out cables under the signing authority of the embassy, with text near the end of the cable that states that the delegation drafted the cable. The delegation appears satisfied for this arrangement to continue indefinitely. The OIG team notes that the delegation and the embassy could revisit the cable signing authority in the future if they so choose

and would endorse whatever arrangement they agree upon. As possible precedents, the OIG teams noted that during the recent inspections of the U.S. Permanent Mission to the Organization for American States and the U.S. Mission to the African Union, the OIG supported the granting of cable signing authority to the respective missions.

### *Mission Strategic and Resource Plan*

A separate MSRP for the U.S. Delegation to the OPCW has not been done, and the delegation has not been included in the plan for the embassy in recent years. Evidently, the multiple reorganizations of the delegation's supporting bureau in Washington in past years, as well as the mix of three agencies in the delegation, inhibited a separate planning document. The OIG team discussed this gap with some members of the delegation and believes that preparing a separate MSRP would be of value for internal planning purposes, make the delegation better known in the Department, and serve as a platform to advocate for adequate resources in the future.

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**RECOMMENDATION 9:** The U.S. Delegation to the Organisation for the Prohibition of Chemical Weapons, in coordination with the Bureau of Arms Control, Verification and Compliance, should prepare a Mission Strategic and Resource Plan starting with the upcoming 2013 cycle. (Action: U.S. Delegation to the OPCW, in coordination with AVC)

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# RESOURCE MANAGEMENT

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Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff (EFM)	Foreign National Staff	Total Staff	Total Funding FY 2010
State – MRV	0	1	4	5	\$290,500
State – D&CP	39	1	18	58	\$4,938,976
State – ICASS	5	7	51	63	\$7,128,100
State – Public Diplomacy	2	0	8	10	\$1,530,600
State – Diplomatic Security	2	0	12	14	\$1,581,947
State – Marine Security	10	0	0	10	\$118,900
State – DCP Representation					\$44,100
State – Public Affairs Representation					\$13,800
State – OBO	1	0	0	1	\$6,686,284
Foreign Commercial Service	1	0	6	7	\$860,047
Defense Attaché Office	7	0	2	9	\$732,490
Office of Defense Cooperation	8	0	1	9	Information unavailable
Foreign Agricultural Service	1	0	3	4	\$420,023
APHIS	1	0	3	4	Information unavailable
Justice/DEA	4	0	0	4	Information unavailable
Justice/FBI	2	0	0	3	Information unavailable
Justice/BATF	1	0	0	1	Information unavailable
DHS/USICE	4	0	1	5	Information unavailable
DHS/USSS	1	0	0	1	Information unavailable
DHS/Customs and Border Protection	6	0	2	8	Information unavailable
NASA	1	0	0	1	Information unavailable
State/ISN/OPCW Del. (Program)	5	0	1	6	\$685,537
State/ISN/OPCW Del. (Representation)					\$10,323
American Battle Monuments Commission	2	0	0	2	Information unavailable
<b>TOTAL</b>	<b>103</b>	<b>9</b>	<b>112</b>	<b>225</b>	<b>\$25,041,627</b>

## MANAGEMENT OFFICE

The embassy's management officer, who arrived just 2 weeks before this inspection, inherited an office plagued by years of low ICASS customer satisfaction scores in most units. The 2010 scores continue this trend. The frustration of ICASS council members, who complain of a lack of communication and transparency and the failure of many management section units to meet their service standards, is palpable. Although the new management officer gets high marks for his first few weeks here—one person said she has already received more support from him than she had from others in the entire past year—there is much to be done to bring the section up to acceptable levels of service and to provide the communication its customers demand.

The section has a number of very knowledgeable, experienced, and dedicated American and local employees, with a highly educated workforce. Dutch labor laws lean heavily toward the employee, however, with very flexible sick leave benefits and strict laws regarding the dismissal of poor performers. Conforming to Dutch labor laws requires consistency in embassy evaluation and disciplinary procedures, which appears to be lacking. This deficiency has resulted in several expensive lawsuits and a perception among supervisors that it is impossible to discipline poor performers.

The management office provides administrative support to both Consulate General Amsterdam and the U.S. Delegation to the OPCW. Until recently, however, members of the management staff did not visit Amsterdam on a regular basis, and consulate employees rated the management support they received as poor. The human resources unit now makes monthly visits to Amsterdam. Other units should also schedule regular and consistent visits to Amsterdam. The OIG team made an informal recommendation to that effect.

The management officer is also the financial management officer and is responsible for overseeing the embassy's budget operations. Although he has served as a management officer before, he has never received financial management training and does not have certifying authority. Although the local employee financial management specialist and other American officers can certify vouchers, it is vital that the management officer in his capacity as financial management officer have both this authority and the training needed to adequately perform his duties.

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**RECOMMENDATION 10:** Embassy The Hague should send the management officer to the financial management training needed to perform his duties, including the voucher certification course. (Action: Embassy The Hague)

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### *Financial Management Center*

The financial management center is staffed by six full-time and two part-time local employees. The staff is very knowledgeable; however, the unit's ICASS customer satisfaction scores are mixed. Although the unit is above the Bureau of European and Eurasian Affairs (EUR) and worldwide averages in accounting and cashiering, it lags in budgeting and financial planning and in vouchering. These low scores in these last two areas could reflect what the ICASS council sees as a lack of communication and transparency.

The financial management specialist is very knowledgeable and experienced, having worked in the unit for 23 years. He has the authority to certify payment vouchers of as much as \$80,000. He is a member of the Foreign Service National Executive Corps and recently returned from a 9-month temporary duty assignment in Baghdad. During his absence, the unit was ably managed by the senior accountant. As previously noted, the management officer is also the financial management officer, but was not given training prior to his arrival.

The unit provides read-only access to COAST—the Department's system to provide online accounting functions and prepare budget reports—to serviced agencies so that they can see their budget information in real time. The unit also provides monthly information to the different agencies, embassy units, and Consulate General Amsterdam. However, neither Amsterdam nor the embassy's procurement unit have read-only access to COAST, which makes it difficult for consulate staff to have up-to-date information on their budget and has led to some complaints regarding the service they receive. A lack of access to COAST also prevents the procurement unit from properly closing out its files, as it does not receive information on final payments to vendors. The OIG team made an informal recommendation regarding this issue.

The part-time Class B cashier position at Consulate General Amsterdam was eliminated in December 2008. Applicants pay the machine-readable visa fees off-site or with a debit card, but other services—including nonimmigrant reciprocity fees, notarials, and passports—can be paid in cash. (b)(2)(b)(5)

Although this arrangement generally works well, 7 FAH-1 771.2-5 requires that cash be deposited and reconciled daily, (b)(2)(b)(5)

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**RECOMMENDATION 11:** Embassy The Hague should review its consular and related budget procedures, and design and implement a plan to deposit consular collections daily and to determine whether to reestablish the Class B cashier position at Consulate General Amsterdam. (Action: Embassy The Hague)

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The Netherlands has modern banking facilities, with automatic teller machines located throughout the country, including in the embassy lobby. All embassy employees need local bank accounts, as utilities have to be paid by direct debit from local checking accounts. The embassy's Class B cashier provides a drop-box service that allows embassy employees to deposit U.S. checks into their local accounts. Despite this, Embassy The Hague still provides accommodation exchange to its employees, with a daily limit of \$500. The Bureau of Resource Management strongly supports outsourcing accommodation exchange when possible. In addition, 4 FAH-3 H-361.2 enjoins posts from providing in-house accommodation exchange services when those services are available commercially.

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**RECOMMENDATION 12:** Embassy The Hague should review its policy regarding accommodation exchange and bring it into compliance with the Bureau of Resource Management directives and Department of State regulations. (Action: Embassy The Hague)

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Stores in the Netherlands accept debit cards even more readily than they do cash. In an attempt to use as little cash as possible, the unit has instituted a program whereby occasional money holders are given debit cards, rather than cash, to make small purchases. Although this program has been successful overall, there were some problems, mainly regarding how the purchases should be reconciled. Occasional money holders received additional training during the inspection.

### *International Cooperative Administrative Support Services*

The ICASS system is designed to share the costs of common administrative support services among those agencies that use them. ICASS requires good communication, collaboration, and trust among the agencies at the embassy and the management section, which acts as the service provider, to work smoothly. According to some ICASS council members, ICASS is not working well at Embassy The Hague. The members say that several years of poor communication, a lack of transparency, too many emergency spending requests, and poor decisionmaking have led to a lack of confidence in the management office and service provider. In addition, some management units do not meet their service standards, and there is a perception among some agencies that the first response to many requests is "no." Two agencies have withdrawn from some cost centers, and others are threatening to do so, believing they can find better service at a lower cost. As one council member put it, the management office is now living with its history.

The customer satisfaction scores have been low for the past 6 years and, for at least one section, was one of the lowest in EUR in 2010. Although the overall average improved somewhat in 2009, it dropped again in 2010. According to several unit supervisors, nothing was done with survey results once they were received. One supervisor was unaware of how that unit scored. Although the results are never completely accurate, they are a good indication of the quality of customer service and attention to detail the management section provides.

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**RECOMMENDATION 13:** Embassy The Hague should establish and implement a plan for improving the services the management section provides to its customers, using the annual International Cooperative Administrative Support Services customer service survey results as its basis. (Action: Embassy The Hague)

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According to council members, the previous permanent management officer tried to improve communication and transparency, as did the interim management officer. But frustration and a lack of trust remain. The newly arrived management officer needs to make every effort to ensure that the council is provided with timely and complete information and that the management units adhere to their service standards. Similarly, the council needs to communicate effectively with the management officer. Council members concede that they have not raised these issues with the DCM, and they have yet to meet with the newly arrived management officer. The DCM, an ex officio council member, has not attended any council meetings since his arrival almost 10 months ago. The DCM should attend the council meetings regularly to help ensure that the mission's ICASS program runs smoothly. The OIG team made an informal recommendation to that effect.

The ICASS council meets regularly, but minutes are not provided for all meetings. In addition, ICASS does not have a page on the mission's intranet SharePoint site. Such a page would allow ICASS members to easily access training and informational materials, the uniform service standards, the results of the ICASS customer satisfaction survey, meeting minutes, and other important information. The OIG team made an informal recommendation regarding this issue.

The ICASS council does not have a budget committee, as required by the Washington Interagency ICASS Council and 6 FAH-5 H-012.7 a. A budget committee would allow smaller agencies that do not sit on the ICASS council to participate more fully in the budget process while at the same time reducing the workload of the agency heads who comprise the ICASS council. Members of the ICASS council can also sit on the budget committee to ensure continuity between the committee and the council.

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**RECOMMENDATION 14:** Embassy The Hague should establish a budget committee to oversee the International Cooperative Administrative Support Services budget process. (Action: Embassy The Hague)

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Most new council members do not receive ICASS training either before arriving or prior to their first ICASS meeting. ICASS trainers have visited The Hague twice in the past 5 years to provide training, but few council members attended. ICASS is a complicated system, and adequate training is necessary for all members to play an active and knowledgeable role. The OIG team made an informal recommendation regarding this subject. The consular section chief in Amsterdam regularly attends the ICASS meetings.

### *Human Resources Office*

The current HR officer, who arrived 3 months before this inspection, inherited a unit with low ICASS customer satisfaction scores and a lawsuit filed by a former HR staff member, which was just resolved. It has a backlog of overdue employee evaluations, an incomplete local compensation plan, an outdated local employee handbook, and a number of position descriptions that were written and evaluated but never finished in the computer-aided job evaluation program. In the time the HR incumbent has been at The Hague, the unit has made substantial progress in several of these areas, but much remains to be done.

The HR officer is on her second HR tour and heads a unit with three local employees, all of whom have Department or private sector HR experience. But the virtual absence of the previous HR officer during a 3-month temporary assignment as special assistant in the front office, a gap of 1 year in an HR assistant position, and the lack of written procedures have all hindered the unit's effectiveness.

When the current HR officer arrived just over 2 months before the inspection, 30 employee performance reviews were overdue. In one section, local employees received only one review in 3 years, even though annual performance evaluations are required by 3 FAH-2 H-135.5 A.(2). Supervisors were not notified when reviews were due, and the unit did not track whether they were done. In the past 3 months, the number of late performance reviews dropped to six by the end of the inspection, as a notification and tracking system was put into place. However, at least one local employee supervisor remains months behind in writing evaluations for his staff, and embassy management appears unable to correct the situation. Employee evaluations are an important component of good management. Unfortunately, a culture of indifference toward writing local employee performance reviews and work requirement statements and reviewing position descriptions for accuracy still appears to be pervasive throughout the embassy.

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**RECOMMENDATION 15:** Embassy The Hague should develop and strictly enforce standards of practice for the timely completion of local employee and eligible family member performance reviews, work requirement statements, and other related documentation according to Department of State regulations, and should document any failure to comply with this policy in the performance reviews of delinquent supervisors. (Action: Embassy The Hague)

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At least three American officers departed Embassy The Hague within the past year without completing employee evaluations for American staff and/or local employees. The embassy does not appear to have a procedure in place to ensure that supervisors complete performance evaluations on their staff members before departing the country.

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**RECOMMENDATION 16:** Embassy The Hague should develop and strictly enforce a policy on performance evaluations so that all departing supervisors complete these evaluations on their staff members prior to leaving the country, and should document any failure to comply with this policy in the performance reviews of delinquent supervisors. (Action: Embassy The Hague)

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The local employee handbook was last updated in 2006. The Netherlands has strict labor laws that the embassy must follow. The Dutch courts have stated that they consider the local employee handbook to be part of the employment contract. Out-of-date or incorrect information in the employee handbook could hinder the embassy in an employment-related lawsuit. In addition, the embassy does not have a reduction-in-force plan, as required by 3 FAM 7732.4. The procedures on how to determine who would be terminated should be included in the local employee handbook, should a reduction in force be required. The HR unit had begun the process of updating this handbook prior to the inspection, but it has yet to complete the task.

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**RECOMMENDATION 17:** Embassy The Hague should immediately update its local employee handbook and include reduction-in-force procedures. (Action: Embassy The Hague)

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The local compensation plan was last updated in March 2009; however, important items, including awards and some bonuses, were omitted. The current compensation plan also does not include the unique work condition benefit. This omission

prevented one local employee from receiving danger pay during a short assignment in Afghanistan. The HR office is currently awaiting information from the locally employed staff committee on one benefit before releasing a new compensation plan. The OIG team made an informal recommendation regarding this issue.

Approximately 17 percent of the computer-aided job evaluation position classifications were never finished, although they are in use. The embassy is aware of this lapse and is waiting for supervisors to finish reviewing and updating their employees' position descriptions before requesting that the positions be either reevaluated or finalized.

The lack of written standard operating procedures hurt the unit when the previous HR specialist departed suddenly. Although the HR staff has clear procedures for many of the unit's duties, other procedures, including those relating to disciplinary actions and performance improvement plans, are more nebulous. The staff is in the process of writing some procedures, but more need to be written. The OIG team made an informal recommendation on this subject.

### *Locally Employed Staff Committee*

The embassy's ad hoc local staff committee is an unelected board composed of volunteers from different Department sections as well as from the Foreign Commercial Service and the Foreign Agricultural Service. It does not have representatives from Consulate General Amsterdam or from the other agencies located in The Hague. The group has tried in the past to hold elections but has been unsuccessful due to a lack of interest among the local staff community. The group was divided as to whether elections should be pursued again.

The committee chair, who has held the position for 20 years for lack of other volunteers, meets frequently with the DCM and forwards the information he receives to the rest of the committee. He sends out newsletters when there are items of interest to the local staff community. The newly arrived management officer met with the group shortly after his arrival. However, the group as a whole reports that they meet only rarely with embassy management. There is no regular schedule for meetings between the group and embassy management, and the group was divided as to whether this was needed.

The committee is unsure whether the information they send out is reaching or being read by the local employees. Also unclear is the identity of local employees in agencies located outside the chancery or in other cities in the Netherlands. The embassy's SharePoint site does not have a page for local employee issues, where they could post newsletters and other pertinent information. Setting up email collectives for the group to use for sharing information and encouraging comments would also

help improve communication among the mission's local staff. The OIG left informal recommendations regarding these two issues.

### *General Services Office*

The general services unit is managed by an experienced supervisory general services officer, aided by one entry-level assistant. There are 14 local employees, of whom 40 percent have 10 or more years of experience within the mission. The section scored below EUR's average in 6 of 10 categories, and some corrective actions are under way. There was a strong consensus among local staff that all sections have experienced drops in efficiency since the introduction of the integrated logistics management system and a concern that even with additional experience in using the system, previous levels may not be attained.

The inspectors reviewed the files and operation of the travel and shipping and customs unit and discovered no discrepancies.

### *Housing*

Traditional Dutch homes are smaller than those in the United States. One of the most distinctive features of local housing is steep, narrow, and winding staircases. Virtually anyone interested in living in the downtown areas of The Hague or Amsterdam will have to contend with Dutch staircases, something that the housing board makes clear to officers before final housing assignments are made. Despite these issues, staff in the Netherlands expressed general satisfaction with their housing.

The embassy has 14 government-owned residences, including those of the Ambassador and DCM, and 64 short-term leases. Another six officers found their own residences under the Department's living quarters' allowance program. The interagency housing board takes its responsibility seriously and is functioning well.

The economic recession in the Netherlands has benefitted the embassy by improving the availability and lowering the price for new housing. The embassy is regarded as a good tenant and often receives notices of new listings directly from real estate agents.

Previous embassy leases obligated the embassy to pay for the first 110 Euros worth of maintenance and repairs to short-term leased residences. Although that practice was acceptable when it was first introduced, the Department has since changed its model leases to remove this provision. The embassy, however, continued to include this clause in its leases. The general services officer is ensuring that no leases contain such a clause and that all leases that come up for renewal comply with current standards.

The housing manual was last issued in 2008 and was being revised during the inspection, with a target release date of late 2010. One of the most important changes will be to provide residents with a clearer sense of how to obtain maintenance and repair services. With three different types of residences at the embassy—government owned, short-term lease, and living quarters’ allowance—there is considerable confusion about what kind of service request should be filled out and whether it should go to the general services or the facilities management office.

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**RECOMMENDATION 18:** Embassy The Hague should provide clear information to American employees on the type of housing they occupy and the proper way to submit requests for services at those properties. (Action: Embassy The Hague)

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### *Property Management and Warehousing*

The warehouse is located approximately 10 miles from the current chancery. However, travel time to the site from the proposed new embassy compound will be more than double what it is now. Consequently, the embassy has set aside funds to locate new warehouse space closer to the new compound. The economic conditions that have made housing more affordable are not as apparent in the commercial real estate sector, but the search should continue.

The warehouse is clean and well organized. The two-person staff takes clear pride in its ability to quickly and efficiently locate materials. The staff is also responsible for delivery of furniture, except when specialized equipment is needed. Regular, unannounced spot inventory checks are conducted on a regular basis.

The staff follows written procedures for receiving and issuing property. Although the chancery has a locked receiving area in which to keep items before they are entered into the inventory, there is no such area in the warehouse. Receiving duties are handled in open areas near the warehouse entrance, making control of incoming property extremely difficult.

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**RECOMMENDATION 19:** Embassy The Hague should construct a separate, locked receiving area and establish procedures for receiving and storing all items until they are entered into the warehouse inventory. (Action: Embassy The Hague)

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There was no entry log at the warehouse at the time of the inspection, but remedial action was taken before the inspectors departed The Hague.

### *Procurement*

The procurement unit received the lowest score within the general services unit in the 2010 ICASS customer satisfaction survey. Illness and understaffing were clear contributing factors to this low score, as was the transition to the integrated logistics management system. The lack of staff was also listed as a weakness in the annual COM management controls certification. One vacant local position was transferred from facilities management to procurement. This position, filled in July 2010, brings the total number of procurement staff members to three. Although some within the general services office believe another procurement position is needed, the inspectors feel it is too early to make such a determination. The newest employee is still being trained, and there have been clear improvements in terms of internal file keeping. The previously mentioned informal recommendation, to provide the procurement staff with read-only access to COAST to properly close out files, will also help.

### *Motor Pool*

Motor pool services received the highest score within general services and scored above EUR's average. The unit consists of 5 drivers and 23 vehicles. The Netherlands is a self-drive post, and officers are allowed to sign out vehicles for official business once they have taken the Smith System's safe driving program. On average, the motor pool is forced to deny approximately two driver requests each week and about one self-drive request each month.

For most of the past decade, the COM's drivers were provided by the Dutch police. The embassy took over this responsibility in 2008, and none of the local employees responsible for overseeing the schedules of the COM's drivers has any real familiarity with the Department's regulations. The extensive outreach program conducted by the Ambassador has resulted in excessive overtime hours for her two drivers. In general, these drivers earn compensatory time off for overtime hours worked, and they use that to work on a schedule of one week of driving followed by one week off. During the week the drivers work, they are on duty all 7 days and sometimes work as many as 14 or 15 hours per day. Department regulation 14 FAH-1 H-814.1-1 b. and the Department's motor vehicle safety management policy require that driver work schedules not exceed 10 hours per day.

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**RECOMMENDATION 20:** Embassy The Hague should modify the schedule for the Chief of Mission's drivers so that they do not work more than 10 hours per day. (Action: Embassy The Hague)

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There has been no COM for the U.S. Delegation to the OPCW in The Hague for the past 22 months; thus there have been no driver issues. However, it will be essential for the motor pool supervisor to monitor driver hours carefully when the new COM assumes his position later this year or in early 2011.

Drivers were not enforcing the Department's requirements for seat belt usage, as required by 12 FAH-2 H-065.2 e., nor were they requiring passengers to sign the vehicle logs upon completion of each trip in accordance with 14 FAH-1 H-814.1-1 a. Those practices were corrected during the inspection.

### *Facilities Management*

The facilities management unit's ICASS customer satisfaction score was the lowest in the most recent survey, almost one point below EUR's average, and one of the five lowest in EUR. The unit consists of one American officer and 11 local employees. Although the members of the unit are aware of these issues, they do not communicate a sense of urgency to remedy the situation. There are personnel issues, including some health concerns among some of the older local staff, which have a negative effect on service delivery. Local labor law makes changing staff particularly difficult, and it is clear that some of the problems have been passed down over several years. The American officer is working with the HR unit to rewrite several position descriptions to more accurately describe the level of professional qualifications needed within the unit and to potentially increase the grade of the positions.

The most consistent customer complaint relates to the lack of communication once a service has been requested. Although part of the problem stems from residential customer confusion about the correct procedure to follow, there have clearly been problems with work orders being cancelled with no explanation or being transferred from facilities to housing without notifying the customer. The facilities manager is taking steps to improve communication, and both the work order clerk and the housing assistant stated that the situation has improved significantly in the past 9 months. There is some anecdotal evidence this is true. However, there are no written standard operating procedures for the facilities unit on this or any other duty.

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**RECOMMENDATION 21:** Embassy The Hague should develop standard operating procedures for all of the facilities management unit's duties. (Action: Embassy The Hague)

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A Halon 1301 fire suppression system was installed in one of the embassy's computer server rooms in the mid-1980s. The production of Halon 1301 was banned by the Environmental Protection Agency in 1994, although use of existing systems was

permitted for a limited period. The May 2010 fire inspection survey conducted by OBO called for the immediate removal of the system. At the time of the inspection, the system was still in place and operational.

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**RECOMMENDATION 22:** Embassy The Hague, in coordination with the Bureau of Overseas Buildings Operations, should decommission the Halon fire suppression system immediately and develop a plan to properly remove or destroy the system. (Action: Embassy The Hague, in coordination with OBO)

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### *Information Management Office*

The embassy's information management section is generally doing a good job, as reflected in the above-average ICASS scores and the OIG survey questionnaires results. The information management officer manages a staff of 14 and oversees the information systems and information programs centers for the mission. The information management program includes the classified and unclassified computer systems, radio, telephone, mail, and diplomatic pouch services. The information management staff consists of three direct-hire Americans and four local employees. The remaining local staff includes one telephone technician, three mail room clerks, and three telephone operators.

The information management officer, who arrived 2 months prior to the inspection, has been proactively working to identify problems and make improvements in the section. (b)(2)(b)(5)

[REDACTED]

Inspectors noted a number of issues that the information management staff promptly took corrective actions to resolve. These included the relocation of the chancery's unclassified server room's emergency power cutoff switch. In the U.S. Delegation to the OCWP offices, approved locks were installed in the telephone frame room and the unclassified server room.

(b)(2)(b)(5)

[REDACTED]

(b)(2)(b)(5)

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**RECOMMENDATION 23:** (b)(2)(b)(5)

(b)(2)(b)(5)

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**RECOMMENDATION 24:** (b)(2)(b)(5)

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The information system security officer's letter of assignment duties was updated during the inspection to reflect new personnel and more appropriate assignments. However, the work requirement statements for the American staff have not been updated and do not reflect their information system security duties. (b)(2)(b)(5)

(b)(2)(b)(5)

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**RECOMMENDATION 25:** Embassy The Hague should update the work requirement statements of all American information management officers to reflect the information system security officer duties and to establish a procedure for the routine and timely completion of these duties. (Action: Embassy The Hague)

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In addition to its clients in the chancery, the information management staff provides support to the chief of mission residence, the U.S. Delegation to the OCWP, and Consulate General Amsterdam. Travel times range from 15 minutes in The Hague to one or more hours away by car for Amsterdam. The information management officer believes that an additional cleared American information management specialist is needed to handle the current workload and, in particular, the system security responsibilities. The need for an additional cleared American information management specialist was not included in the previous MSRP submission, written before the current information management officer arrived. The inspectors leave this issue to the embassy to resolve in its next MSRP.

The embassy implemented and set up its own SharePoint site (mechanism for accessing and sharing information on a common Web site) over the past year. The Department provided training when SharePoint was first implemented, but since then, new users have arrived and others believe refresher SharePoint training is needed. The OIG team made an informal recommendation in this regard.



## QUALITY OF LIFE

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### EQUAL EMPLOYMENT OPPORTUNITY/FEDERAL WOMEN'S PROGRAM

Embassy The Hague has a well-trained Equal Employment Opportunity (EEO) counselor who has held the position for several years. She last received training in February 2010. She has handled a number of inquiries and informal complaints during the past several years, but all have been resolved locally. EEO materials are posted in the embassy, Consulate General Amsterdam, and other mission locations. Consulate General Amsterdam currently does not have its own EEO counselor, although one has been identified and will attend the next available round of training.

The embassy does not have a local employee EEO liaison. One embassy employee was appointed to the position in the past, but it is unclear whether she is still responsible for those duties. The embassy should clarify this situation, appoint an EEO liaison at Consulate General Amsterdam, and publicize this information in the mission. The EEO counselor has training materials for the liaisons. The OIG team made an informal recommendation to this effect.

The Federal Women's Program coordinator, who has held the position for 2 years, has not received any complaints or requests for assistance.

### RECREATION ASSOCIATION

The embassy's recreation association, the American Embassy Group, provides a number of services to its members, including maintaining a gift shop; administering a tax-free gasoline program; and organizing or financially supporting a range of social activities such as happy hours, the Marine Corps Ball, and events put on by the community liaison officer. Although in excellent financial condition, the association has had problems in meeting its reporting requirements to the Department. Less than 1 month before the inspection, an official with the Office of Commissary and Recreation Affairs visited the embassy and determined that the association had failed to withhold taxes for its American citizen gift shop manager. At the time of the inspection, the association board was discussing how best to resolve the situation.

Embassy management has yet to designate an officer to act as the COM's representative on, and provide guidance to, the recreation association board, in accordance with 6 FAM 522.

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**RECOMMENDATION 26:** Embassy The Hague should designate the management officer or another American employee to act as the Chief of Mission's representative on the American Embassy Group board. (Action: Embassy The Hague)

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The association's bylaws are not up-to-date and do not provide the board the flexibility it needs to manage the affairs of the group. During the inspection, the association board was preparing to hold an electronic election for new board members, although the group's bylaws call for these to be held during a membership meeting in April. There has not been a membership meeting for more than 1 year. Following discussion with the inspectors, the board scheduled a general membership meeting to revise the bylaws, which would be held concurrently with a Halloween party. The inspectors made an informal recommendation to address these shortcomings.

The excellent financial condition of the American Embassy Group is due largely to fees from the operation of the tax-free gasoline charge card program for American embassy personnel assigned to the Netherlands. Participation in the program is voluntary, although several officers complained that they were not informed of other options for obtaining tax refunds during their in-processing. New briefing material has been prepared, which does describe other options. The inspectors found nothing amiss in the administration of the tax-free program but made an informal recommendation calling for improved communication between the board and its members.

## COMMUNITY LIAISON OFFICE

The two co-community liaison office coordinators work well together and receive good support from embassy management. One has held the position for 13 months and is on her third overseas tour, and the other is on her first overseas tour and has been on the job for 4 months. Although they have defined responsibilities, they also back each other up as needed. Both staff members are very active and work more than their scheduled 20 hours, mainly because of administrative work. They sponsor frequent events and publish an informative weekly newsletter that averages 18–20 pages.

The coordinators would like to include local employees and those at Consulate General Amsterdam in more of their events, but the travel time between The Hague and Amsterdam and a lack of parking, as well as the local staff's desire to spend evenings and weekends with family, makes this difficult. Their events are reasonably well attended, especially considering the ease of travel throughout the region and the number of outside activities available to mission staff.

## OVERSEAS SCHOOLS

Employees assigned to the Netherlands have multiple educational options for their children. Mission staff expressed strong satisfaction with the opportunities and the quality of the educational experience. (b)(2)(b)(5)(b)(6)

[REDACTED]

(b)(2)(b)(5)(b)(6)

[REDACTED]

## HEALTH UNIT

In the past 12 months, there have been four local-hire nurses in charge of the embassy's health unit. One was employed only for 3 days before being terminated when it was discovered she was unwilling to give injections. The most recent nurse resigned during the inspection. Although the standard of health care is high in the Netherlands, there is a difference in medical philosophy, with the Dutch more reluctant to prescribe medication for what they see as minor ailments. There also appears to be far fewer over-the-counter medications available at local pharmacies and grocery stores.

Although the nurses' reasons for leaving were varied, they expressed a common frustration with a lack of management support both at the embassy and from the regional medical office. The embassy is currently recruiting a new nurse and is concentrating its efforts on individuals who are bilingual and familiar with local medical services. Once someone is hired, a well-designed orientation program, preferably one that includes a visit from the regional medical office in London, will be essential to eliminate the turmoil with regard to this important position.

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**RECOMMENDATION 27:** Embassy The Hague, in coordination with the Office of Medical Services, should develop an orientation to the Department of State's medical program and procedures for any newly hired embassy nurse. (Embassy The Hague, in coordination with MED)

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## MANAGEMENT CONTROLS

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The 2010 COM certification of management controls listed two potential weaknesses: a lack of staff in the procurement unit, which made it difficult to maintain proper controls and overall management, and an incomplete inventory of the mission's heritage assets. Since that certification, the general services office has hired one local employee for the procurement unit and has asked ICASS council for approval to hire a second. It is unclear whether the council will approve that request. The property management staff has largely completed the heritage asset inventory, although one item remains to be located.

Although not listed in the certification of management controls, the lack of policies mandating the completion of employee evaluations could also be considered a potential weakness, an issue that is discussed in the HR section of this report.

## CONSULAR MANAGEMENT CONTROLS

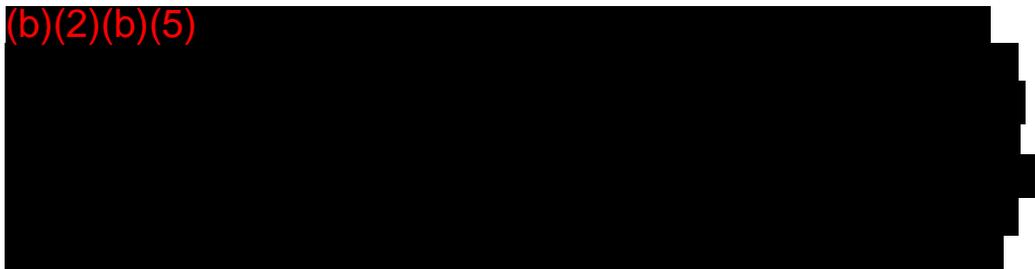
A consular management assistance team from CA that visited the mission in March 2010 found the nonimmigrant visa adjudication review to be "virtually nonexistent" and sporadic. During the inspection, the OIG team saw significant improvements in the chain-of-command adjudication review. Although some visa category reviews occasionally exceeded the system default, most were still not being conducted at the levels prescribed in 9 FAM 41.113 and 9 FAM 41.121.

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**RECOMMENDATION 28:** Embassy The Hague should conduct chain-of-command nonimmigrant visa adjudication reviews that meet the levels prescribed by Department of State regulations. (Action: Embassy The Hague)

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(b)(2)(b)(5)



(b)(2)(b)(5)

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RECOMMENDATION 29: (b)(2)(b)(5)

The consular officer accountable for fees has completed the two online courses required by 7 FAH-1 H-733.1 c.: PC-417 Accounting for Consular Fees and the online user training for the automated cash register system. However, the alternate accountable officer registered for the courses only during the inspection. During the OIG inspection, combination lockboxes were provided to the two subcashiers who did not have them. The OIG team verified inventories for immigrant and nonimmigrant visa foils, as well as for consular reports of birth, American passports, and passport foils.

## RECOMMENDATIONS

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**RECOMMENDATION 1:** The Office of Management Policy, Rightsizing and Innovation, in coordination with the Bureaus of Consular Affairs, Overseas Buildings Operations, European and Eurasian Affairs, and Diplomatic Security, should determine the future location of consular services in the Netherlands prior to the completion of the design for the new embassy building in The Hague. (Action: M/PRI, in coordination with CA, OBO, EUR, and DS)

**RECOMMENDATION 2:** Embassy The Hague, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should, in preparation for the departure of the incumbent global issues section chief in the summer of 2011, develop a plan to merge the global issues section with the political/economic section such that only political and economic units exist under one section chief. (Action: Embassy The Hague, in coordination with DGHR and EUR)

**RECOMMENDATION 3:** Embassy The Hague, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should, in preparation for the departure of the incumbent global issues section chief in the summer of 2011, determine the new title of the incoming global issues section chief and decide how to reallocate the portfolios of all personnel in the new combined section so that a proper balance is achieved between the political and the economic units. (Action: Embassy The Hague, in coordination with DGHR and EUR)

**RECOMMENDATION 4:** (b)(2)(b)(5)



**RECOMMENDATION 5:** Embassy The Hague should reprogram local employee position number N70201 in the public affairs section and convert it to a press and information position. (Action: Embassy The Hague)

**RECOMMENDATION 6:** Embassy The Hague should expand representation at the weekly country team meeting to include a consular section officer. (Action: Embassy The Hague)

**RECOMMENDATION 7:** Embassy The Hague should designate the deputy chief of mission as the chair of the Visas Viper committee. (Action: Embassy The Hague)

**RECOMMENDATION 8:** Embassy The Hague should include a consular section officer in every emergency action committee meeting. (Action: Embassy The Hague)

**RECOMMENDATION 9:** The U.S. Delegation to the Organisation for the Prohibition of Chemical Weapons, in coordination with the Bureau of Arms Control, Verification and Compliance, should prepare a Mission Strategic and Resource Plan starting with the upcoming 2013 cycle. (Action: U.S. Delegation to the OPCW, in coordination with AVC)

**RECOMMENDATION 10:** Embassy The Hague should send the management officer to the financial management training needed to perform his duties, including the voucher certification course. (Action: Embassy The Hague)

**RECOMMENDATION 11:** Embassy The Hague should review its consular and related budget procedures, and design and implement a plan to deposit consular collections daily and to determine whether to reestablish the Class B cashier position at Consulate General Amsterdam. (Action: Embassy The Hague)

**RECOMMENDATION 12:** Embassy The Hague should review its policy regarding accommodation exchange and bring it into compliance with the Bureau of Resource Management directives and Department of State regulations. (Action: Embassy The Hague)

**RECOMMENDATION 13:** Embassy The Hague should establish and implement a plan for improving the services the management section provides to its customers, using the annual International Cooperative Administrative Support Services customer service survey results as its basis. (Action: Embassy The Hague)

**RECOMMENDATION 14:** Embassy The Hague should establish a budget committee to oversee the International Cooperative Administrative Support Services budget process. (Action: Embassy The Hague)

**RECOMMENDATION 15:** Embassy The Hague should develop and strictly enforce standards of practice for the timely completion of local employee and eligible family member performance reviews, work requirement statements, and other related documentation according to Department of State regulations, and should document any failure to comply with this policy in the performance reviews of delinquent supervisors . (Action: Embassy The Hague)

**RECOMMENDATION 16:** Embassy The Hague should develop and strictly enforce a policy on performance evaluations so that all departing supervisors complete these evaluations on their staff members prior to leaving the country, and should document any failure to comply with this policy in the performance reviews of delinquent supervisors. (Action: Embassy The Hague)

**RECOMMENDATION 17:** Embassy The Hague should immediately update its local employee handbook and include reduction-in-force procedures. (Action: Embassy The Hague)

**RECOMMENDATION 18:** Embassy The Hague should provide clear information to American employees on the type of housing they occupy and the proper way to submit requests for services at those properties. (Action: Embassy The Hague)

**RECOMMENDATION 19:** Embassy The Hague should construct a separate, locked receiving area and establish procedures for receiving and storing all items until they are entered into the warehouse inventory. (Action: Embassy The Hague)

**RECOMMENDATION 20:** Embassy The Hague should modify the schedule for the Chief of Mission's drivers so that they do not work more than 10 hours per day. (Action: Embassy The Hague)

**RECOMMENDATION 21:** Embassy The Hague should develop standard operating procedures for all of the facilities management unit's duties. (Action: Embassy The Hague)

**RECOMMENDATION 22:** Embassy The Hague, in coordination with the Bureau of Overseas Buildings Operations, should decommission the Halon fire suppression system immediately and develop a plan to properly remove or destroy the system. (Action: Embassy The Hague, in coordination with OBO)

**RECOMMENDATION 23:** (b)(2)(b)(5)

[REDACTED]

**RECOMMENDATION 24:** (b)(2)(b)(5)

[REDACTED]

**RECOMMENDATION 25:** Embassy The Hague should update the work requirement statements of all American information management officers to reflect the information system security officer duties and to establish a procedure for the routine and timely completion of these duties. (Action: Embassy The Hague)

**RECOMMENDATION 26:** Embassy The Hague should designate the management officer or another American employee to act as the Chief of Mission's representative on the American Embassy Group board. (Action: Embassy The Hague)

**RECOMMENDATION 27:** Embassy The Hague, in coordination with the Office of Medical Services, should develop an orientation to the Department of State's medical program and procedures for any newly hired embassy nurse. (Embassy The Hague, in coordination with MED)

**RECOMMENDATION 28:** Embassy The Hague should conduct chain-of-command nonimmigrant visa adjudication reviews that meet the levels prescribed by Department of State regulations. (Action: Embassy The Hague)

**RECOMMENDATION 29:** (b)(2)(b)(5)

[REDACTED]

## INFORMAL RECOMMENDATIONS

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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.

### *Executive Direction*

Section and agency heads would benefit from short individual meetings every 2 weeks with the DCM.

**Informal Recommendation 1:** Embassy The Hague should establish a regular schedule of short individual meetings between the deputy chief of mission and section and agency heads.

### *Political/Economic Section*

Embassy The Hague does not have an integrated approach to commercial promotion of civilian and military exports, and the coordination of the President's National Export Initiative is unclear.

**Informal Recommendation 2:** Embassy The Hague should create a commercial promotion working group that should meet monthly to coordinate export promotion, including the President's National Export Initiative, and that should, at a minimum, include U.S. and local employees from Consulate General Amsterdam, the political/economic section, the Foreign Commercial Service, the Foreign Agricultural Service, and the Office of Defense Cooperation.

Informal contact and interaction between the U.S. and local employees in the political/economic and global issues sections are inhibited by the need to maintain a classified access area for U.S. employees.

**Informal Recommendation 3:** Embassy The Hague should require that U.S. staff in the political/economic and global issues sections stop by the relevant local employees' offices at least once a day and otherwise work to integrate the work of the local employees into the sections.

### *Law Enforcement*

An FS-02 officer from the global issues section chaired meetings of the law enforcement working group. The DCM attended some of the meetings. In view of the

number of agencies and people involved, coordination would be strengthened if the DCM chaired the group. Meetings have taken place in an unclassified conference room in the chancery, but freer discussions can be held in a secure space.

***Informal Recommendation 4:*** Embassy The Hague should require that the deputy chief of mission chairs the law enforcement working group and conducts regular meetings in a secure area.

### ***Public Affairs***

The Ambassador has established a public presence through the Dutch media. At the time of the inspection, no written public diplomacy plan existed to take strategic advantage of her profile in support of mission objectives or to make use of other senior mission officers in background interviews and other public diplomacy activities.

***Informal Recommendation 5:*** Embassy The Hague should develop a written public diplomacy strategy to take maximum advantage of the Ambassador's profile and expertise and to detail roles and responsibilities of other mission officers, including the deputy chief of mission and consul general.

The commercial media summary contracted by the public affairs section, although produced in timely fashion, requires significant editing before it can be used. The OIG team believes that the section may be able to provide a better summary by using its own resources, and the trade-off in terms of delivery time may be worth the effort.

***Informal Recommendation 6:*** Embassy The Hague should explore the possibility of producing its own media report rather than relying on a contractor.

American officers who process grants must be trained and hold a valid warrant. Neither officer in the public affairs section currently holds a warrant. Although the local employee has received training and does have a warrant, the section supervisor must have one as well. Because the assistant public affairs officer will occasionally supervise the section on an acting basis, that officer should also hold a warrant.

***Informal Recommendation 7:*** Embassy The Hague should require that both American officers working in the public affairs section obtain grant warrants.

### ***Consular Affairs***

The work requirements of the principal officer at Consulate General Amsterdam and of the consular section chief include overlapping responsibilities.

***Informal Recommendation 8:*** Embassy The Hague should revise the work requirements of the principal officer in Amsterdam and the consular section chief to reflect the former's oversight role and the latter's supervisory responsibility for consular operations in the Netherlands.

Consular training materials for newly arrived staff are outdated and incomplete.

***Informal Recommendation 9:*** Embassy The Hague should update its existing guidance on nonimmigrant visas, develop similar material for immigrant and American citizens services, and integrate these materials into a written day-by-day orientation/training program for newly arrived consular staff.

Local employees in the consular section are not sufficiently cross trained and are insufficiently aware of the importance of high-quality public service.

***Informal Recommendation 10:*** Embassy The Hague should increase local employee cross training and improve public service awareness through consular leadership day activities.

Some consular local employees have been rude to the public.

***Informal Recommendation 11:*** Embassy The Hague must counsel any employee who is rude to the public and document the counseling.

There is a wide disparity in nonimmigrant visa refusal rates among adjudicators.

***Informal Recommendation 12:*** Embassy The Hague should use its weekly nonimmigrant visa meetings to share experiences and discuss procedures, with a view to reducing the disparity in visa refusal rates among adjudicators.

### ***Management Section***

The management office provides administrative support to Consulate General Amsterdam. However, the staff does not visit the facility on a regular basis.

***Informal Recommendation 13:*** Embassy The Hague should develop a schedule of consistent and regular visits by management units, including the community liaison office staff, to Consulate General Amsterdam.

Consulate General Amsterdam and the procurement unit do not have access to the embassy's financial accounting system (COAST). This access would provide Amsterdam with real-time information on its budget and allow the procurement unit to properly close out its files.

***Informal Recommendation 14:*** Embassy The Hague should provide Consulate General Amsterdam and the procurement unit with read-only access to COAST.

The DCM is an ex officio member of the ICASS council but has not attended any meetings.

***Informal Recommendation 15:*** Embassy The Hague should require that the deputy chief of mission regularly attend the International Cooperative Administrative Support Services council meetings.

Minutes are not prepared for all ICASS council meetings. In addition, there is no ICASS-specific page on the embassy's intranet SharePoint site on which to post the minutes and other ICASS-related items.

***Informal Recommendation 16:*** Embassy The Hague should require that minutes be published for all International Cooperative Administrative Support Services council meetings. In addition, Embassy The Hague should establish an ICASS-specific SharePoint page.

Most new ICASS council members do not receive training, either in Washington or upon their arrival in the Netherlands.

***Informal Recommendation 17:*** Embassy The Hague should strongly urge all incoming agency heads to take the International Cooperative Administrative Support Services training in Washington prior to coming to the Netherlands and should offer its own training to new council members who have not received other training.

The local compensation plan is outdated. The HR office is waiting for the local employee committee to provide input regarding the commuting allowance prior to publishing the updated plan.

***Informal Recommendation 18:*** Embassy The Hague should set a deadline for the local employee committee to provide input regarding the commuting allowance, and, if this input is not forthcoming, publish the updated and complete local compensation plan.

The HR office has few written standard operating procedures.

***Informal Recommendation 19:*** Embassy The Hague should require that the human resources office develop written standard operating procedures, especially in the areas of disciplinary actions and performance improvement plans.

The local employee committee does not have an email collective to send information to all mission local employees, nor is there a SharePoint page dedicated to local employee concerns.

***Informal Recommendation 20:*** Embassy The Hague should establish email collectives so that the local employee committee can contact all mission local employees, regardless of where they are located, and also establish a SharePoint page dedicated to local employee concerns.

The Department provided training when SharePoint was first implemented, but since then new users have arrived and some believe that additional SharePoint training is needed.

***Informal Recommendation 21:*** Embassy The Hague should provide new and supplemental SharePoint training to embassy personnel.

The embassy does not have local employee EEO liaisons.

***Informal Recommendation 22:*** Embassy The Hague should appoint local employee as Equal Employment Opportunity liaisons in the chancery and at Consulate General Amsterdam, publicize this information in the mission, and provide the new appointees with training.

The recreation association believes that the only way it can obtain sufficient member participation in annual elections is to conduct the vote electronically. However, the association's bylaws permit neither electronic voting nor the holding of elections in the fall, which is when the board believes most interest will be generated among members.

***Informal Recommendation 23:*** Embassy The Hague should require that the American Embassy Group hold a membership meeting, prior to any new elections, to amend its bylaws to allow a change in the election date and permit electronic voting and to conduct other business as desired by the membership.

A number of members expressed concerns about how the money raised by the association is being used. The minutes of the meetings of the executive board are not sufficiently detailed for this purpose.

***Informal Recommendation 24:*** Embassy The Hague should require that the American Embassy Group prepare regular notices to its membership that highlight the use of funds derived from the administration of the gasoline tax-free program.



## PRINCIPAL OFFICIALS

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	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Fay Hartog Levin	08/09
Deputy Chief of Mission	Edwin Nolan	01/10
Chiefs of Sections:		
Political/Economic, Acting	Shawn Gray	08/08
Global Issues	David Jaberg	06/08
Public Affairs	Julie Moyes	08/08
Management	Graham Webster	09/10
Regional Security	John Bush	12/09
Consular Affairs (Amsterdam)	Stuart Wilson	08/09
Mission Plans and Programs	Danny Hildreth	06/09
Legal Affairs	John Kim	08/09
Consulate General Amsterdam		
Principal Officer	Julies Ruterbories	06/09
U.S. Delegation to the Organisation for the Prohibition of Chemical Weapons		
Permanent Representative, Acting	Tamara Fitzgerald	08/10
Other Agencies:		
Defense Attaché	Dan Braswell	06/09
Office of Defense Cooperation	Charles Mau	06/08
Drug Enforcement Administration	Joseph Moses	09/08
Legal Attaché	Timothy Wallach	11/07
Foreign Agricultural Service	Stephen Huete	08/07
Foreign Commercial Service	Maria Andrews	08/07
Alcohol, Tobacco, and Firearms	John Cooper	01/08
U.S. Secret Service	Jeffrey Lowe	11/08
Immigration Customs Enforcement	Susan Lane	08/10
Customs and Border Protection	Sherri Braxton	03/10



## ABBREVIATIONS

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CA	Bureau of Consular Affairs
COM	Chief of Mission
DCM	Deputy chief of mission
EEO	Equal Employment Opportunity
EUR	Bureau of European and Eurasian Affairs
FAM	<i>Foreign Affairs Manual</i>
GDP	Gross domestic product
HR	Human resources
ICASS	International Cooperative Administrative Support Services
MSRP	Mission Strategic and Resource Plan
NATO	North Atlantic Treaty Organization
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
OPCW	Organisation for the Prohibition of Chemical Weapons

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