



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

OFFICE OF INSPECTIONS

Inspection of the Office of the
Special Envoy for Middle East Peace

Report Number ISP-I-11-50, May 2011

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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 and Scope

The Office of Inspections provides the Secretary of State, the Chairman of the BBG, and Congress with systematic and independent evaluations of the operations of the Department and the BBG. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved; whether U.S. interests are being accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; whether instance of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

Methodology

In conducting this inspection, the inspectors: reviewed pertinent records; as appropriate, circulated, reviewed, and compiled the results of survey instruments; conducted on-site interviews; and reviewed the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by this review.



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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 the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

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

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

Harold W. Geisel
Deputy Inspector General

TABLE OF CONTENTS

KEY JUDGMENTS	1
CONTEXT	2
EXECUTIVE DIRECTION	4
POLICY AND PROGRAM IMPLEMENTATION	5
Establishing the Special Envoy Office	5
Coordinating with the Bureau of Near Eastern Affairs	5
Public Diplomacy	7
RESOURCE MANAGEMENT	8
Security	8
FORMAL RECOMMENDATIONS	9
INFORMAL RECOMMENDATION	10
PRINCIPAL OFFICIALS	11
ABBREVIATIONS	12

KEY JUDGMENTS

- The Special Envoy for Middle East Peace is highly regarded, and his office functions well.
- A noteworthy aspect of the Office of the Special Envoy for Middle East Peace (S/SEMPEP) is its close relationship with the Bureau of Near Eastern Affairs (NEA). Rather than create a large special envoy staff, S/SEMPEP gains surge capacity by drawing on officers from NEA and other bureaus. This arrangement saves money and time, leads to closer policy coordination, and is an arrangement other special envoys should consider emulating. This distinct arrangement, however, can make it difficult for NEA office directors to manage workflow and can confuse desk officers. S/SEMPEP and NEA need to clarify the chain of command for tasking NEA staff and for clearing products in which both offices have a stake.
- While proximity encourages informal information exchange, more formal meetings are needed between senior level members of the two offices and with the Office of Israel and Palestinian Affairs to ensure full exchange of information and to coordinate work.

The inspection took place in Washington, DC, between February 9 and March 17, 2011. (b) (6)



CONTEXT

The Special Envoy's office is responsible for achieving comprehensive peace in the Middle East. It pursues mutually reinforcing tracks to achieve that goal, including:

- Pursuing a diplomatic/political track aimed at negotiating a two-state outcome to the Israeli-Palestinian conflict and resuming multilateral negotiations between Israel and other regional states;
- Coordinating U.S. Government efforts to support the Palestinian Authority and the Palestinian people as they develop institutions for statehood and further economic growth in the West Bank and Gaza;
- Resuming and concluding Syrian-Israeli and Lebanese-Israeli negotiations; and,
- Promoting support for U.S. strategies from the Quartet (comprised of the United States, the United Nations, the European Union, and Russia), and from key allies, Arab states, and donors.

During the inspection, there were no direct negotiations, but active engagement took place with all parties, on all tracks. Achieving comprehensive peace is a top priority of the Department, as described in NEA's Bureau Strategic and Resource Plan. In coordination with S/SEMPEP, NEA is actively engaged in monitoring progress toward established goals.

President Obama established this office on the second day of his presidency. Previous Administrations housed Middle East peace activities either within NEA or in a coordinator's office under the Secretary of State. Uniquely, the Special Envoy chose to associate S/SEMPEP closely with NEA, rather than create a large, separate office. As noted elsewhere in the report, the Special Envoy operates with a small, actual staff and larger, virtual staff borrowed as needed from NEA, other bureaus, and U.S. overseas missions. The Special Envoy's permanent staff includes one special coordinator and two deputy envoys. One deputy envoy serves concurrently as chief of staff, and the other divides his time between the Department and Consulate General Jerusalem. A U.S. Agency for International Development officer is detailed to S/SEMPEP and accredited to both U.S. Embassy Tel Aviv and Consulate General Jerusalem. The Department staff includes an office management specialist, staff assistant, and officer detailed from NEA.

The office does not manage assistance programs, but it plays a major role in coordinating assistance across the U.S. Government. It works with the U.S. Agency for International Development, the Middle East Partnership Initiative, the Bureau of International Narcotics and Law Enforcement Affairs, the Bureau of Population, Refugees and Migration, and the Departments of the Treasury and Defense to ensure that U.S. efforts integrate the Palestinian institution-building track with the negotiation/political track. This underscores a tenet of U.S. policy with respect to reaching a two-state solution: that both tracks are mutually reinforcing, and one is not sustainable without the other.

EXECUTIVE DIRECTION

The Special Envoy leads a strong team. The deputy envoys and special coordinator are senior officials, each with a well defined portfolio. They consult with each other as needed. Given the travel all parties undertake, communication is often informal and through email rather than by regular staff meetings. Nonetheless, the operation is deft and flexible. Morale is high. S/SEMEP staff is dedicated to achieving peace, and they enjoy the trust the Special Envoy has placed in them and the authority they have to pursue the mission. The Special Envoy and his staff are attentive to Equal Employment Opportunity regulations.

Achieving peace in the Middle East is a top Administration goal, and consequently an area where officials engage deeply and robustly with one another. Through regular, informal contact, as well as meetings held by the National Security staff, S/SEMEP exchanges information and coordinates with colleagues throughout the government. Relations within the Department are excellent. The Special Envoy regularly invites National Security staff members to join him when he travels. His efforts promote excellent interagency coordination.

POLICY AND PROGRAM IMPLEMENTATION

ESTABLISHING THE SPECIAL ENVOY OFFICE

The Special Envoy wanted a small staff, anchored to NEA, not a supersized special envoy office. He reasoned that close affiliation with NEA would allow him to tap that bureau's expertise, and to borrow staff as needed, given the ebb and flow of a negotiation. Currently, one NEA officer is detailed to S/SEMEP; another NEA officer works nearly full-time for S/SEMEP, while also carrying an NEA portfolio; and other staff members from the Office of Israel and Palestinian Affairs help as needed. An expert in NEA's Office of Regional and Multilateral Affairs helps with water issues, and a lawyer in the Office of the Legal Adviser supports rule of law programs, traveling to the region regularly.

The Special Envoy developed a creative and practical method of supporting a special envoy. He has saved personnel, office space, and equipment costs, and he has given NEA officers experience in negotiation. Moreover, he ensures that U.S. policy benefits from a breadth of sources and a depth of expertise. The OIG team believes this is an exemplary way of structuring a special envoy office, which other special envoys should consider.

COORDINATING WITH THE BUREAU OF NEAR EASTERN AFFAIRS

Proximity to the NEA front office creates opportunities for frequent information exchange. Officials from both offices seek each other out regularly for informal briefings. This practice facilitates policy coordination; however, the lack of formal, scheduled meetings can lead to gaps in information, as well as uncertainty about which office will take the lead on a given project. On occasion, it also means that minor disagreements remain unresolved for too long, complicating life for desk officers and delaying papers. Establishing regular, senior level meetings would be in keeping with the best practices of busy policy offices.

RECOMMENDATION 1: The Office of the Special Envoy for Middle East Peace, in coordination with the Bureau of Near Eastern Affairs, should establish and implement a weekly schedule of meetings between senior officials in both offices to share information, coordinate responsibilities, and resolve differences. (S/SEMPEP, in coordination with NEA)

NEA's size and breadth of responsibility mean it must organize, task, and process assignments in a traditional, hierarchical way. Tasks come from the front office to the office director and deputy director, who then assign them to the appropriate members of the staff. As a small office, S/SEMPEP tends to task informally, including when it asks NEA officers to draft papers. Its tendency to task laterally can interfere with an office director's ability to ensure that all the work for which the office is responsible is distributed equitably among staff and completed on time. It also makes it difficult for desk officers to establish priorities. A parallel problem sometimes occurs in the clearance process, when drafting officers do not know whether NEA or S/SEMPEP is the approving office. The lack of clarity adds unnecessary stress to busy staff, risks some projects falling between the cracks, and can delay completion of papers.

RECOMMENDATION 2: The Office of the Special Envoy for Middle East Peace, in coordination with the Bureau of Near Eastern Affairs, should draft and implement a formal letter or memorandum of understanding detailing an agreed-upon process for assigning work to Bureau staff, and establishing a protocol for clearing and approving papers of mutual interest. (S/SEMPEP, in coordination with NEA)

The nature of Middle East peace negotiations requires that information be limited to a small group of people. S/SEMPEP takes that obligation seriously. Staff in NEA's Office of Israel and Palestinian Affairs understand that this is a fact, but they do not always have enough information to do their work.

Informal Recommendation 1: The Office of the Special Envoy for Middle East Peace should establish and implement a minimum of twice monthly meetings with the Office of Israel and Palestinian Affairs to brief them on cross-cutting issues and activities.

PUBLIC DIPLOMACY

When S/SEMPEP was formed, the Bureau of Public Affairs hired a senior official to support the office. Since that official has left the Department, S/SEMPEP now relies on NEA's Office of Press and Public Diplomacy, and it is pleased with the support NEA provides. S/SEMPEP noted to the OIG team that a low public profile is important while conducting sensitive negotiations. However, that low profile may hinder the Department's ability to explain U.S. policy on Arab-Israeli issues through public diplomacy in the region, to deepen understanding of the U.S. role, and to reach out to journalists and domestic groups with an interest in these issues. There is a need to reconcile the two competing goals of confidentiality and public outreach.

RECOMMENDATION 3: The Bureau of Near Eastern Affairs, in coordination with the Office of the Special Envoy for Middle East Peace, should draft and implement a press and public diplomacy strategy for the Office of the Special Envoy for Middle East Peace. (NEA, in coordination with S/SEMPEP)

RESOURCE MANAGEMENT

S/SEMEP – Direct-Hires (Domestic)*			
Foreign Service	Civil Service	Consultant	Total
0	7	2	9

* Numbers pulled from the organization chart provided by S/SEMEP and the staffing pattern.

S/SEMEP – Direct-Hires (Overseas)				
Foreign Service	Civil Service on Excursions	When Actually Employed	Detailees	Total
1	0	0	1	2

The Department’s Executive Secretariat handles human resources and travel for S/SEMEP; the Executive Office of NEA and the Bureau of South and Central Asian Affairs handle all other management tasks. S/SEMEP found the Executive Office’s support for office reconfiguration to be inadequate. The OIG report on NEA incorporates this office reconfiguration concern into its discussion of the General Services Division. In FY 2010, S/SEMEP received \$639,000 in Diplomatic and Consular Program funding, much of it spent on travel to the region.

As with many offices in NEA, S/SEMEP suffers from frequent information system failures that cause the office to miss deadlines for the Secretary and the White House. These outages also lead to additional, and otherwise unnecessary, overtime. The staff complained about the slow response from the consolidated Information Technology Service Center to these recurring system crashes and slow-downs. In other cases, users who had migrated to classified thin-client workstations experienced disruptions. These issues are discussed in OIG report ISP-1-11-49, *Inspection of the Bureau of Near Eastern Affairs*.

SECURITY

Bureau security officers from NEA and the Executive Secretariat provide support to S/SEMEP. There are no security issues at this time. The office has not had any recorded security infractions or violations. Coordination between the S/SEMEP unit security officer and NEA is excellent.

FORMAL RECOMMENDATIONS

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INFORMAL RECOMMENDATION

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

Informal Recommendation 1: The Office of the Special Envoy for Middle East Peace should establish and implement a minimum of twice monthly meetings with the Office of Israel and Palestinian Affairs to brief them on cross-cutting issues and activities.

PRINCIPAL OFFICIALS

	<i>Name</i>	<i>Arrival Date</i> <i>(Month/year)</i>
Special Envoy	Senator George J. Mitchell	1/2009
Deputy Envoy and Chief of Staff	Mara Rudman	5/2009
Deputy Envoy	David M. Hale	1/2009
Special Coordinator	Frederic C. Hof	4/2009

ABBREVIATIONS

Department	Department of State
NEA	Bureau of Near East Asian Affairs
OIG	Office of Inspector General
S/SEMEP	Office of the Special Envoy for Middle East Peace

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