



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

Inspection of Embassy New Delhi, India



Exterior of Chancery, Embassy New Delhi

Office of Inspector General (OIG) found that Embassy New Delhi and its constituent posts skillfully manage the complex and growing U.S.-India relationship and appropriately focus on potential U.S. benefits from expanding economic ties and cooperation in space, civilian nuclear energy, high-technology trade, and missile defense. The embassy is committed to moving this strategic partnership forward.

Managing the growth in the U.S.-India relationship without expanding the U.S. government's physical facilities in India is difficult, however. Construction is beginning for a new compound for Consulate General Mumbai and a major addition to the embassy annex in New Delhi. Meanwhile, recent renovations to the consular facilities at Consulate General Chennai added critical space, but more is needed. Planning continues for the reallocation of the space already available in Chennai and at the new compound in Mumbai, and that effort would benefit from the expertise of a professional space planner.

The report of OIG's inspection offered several other conclusions:

- If Mission India is to address the rapid growth in demand for consular services, all mission elements and the Department must focus on consular support. Without a creative response to this growth, the mission risks focusing on visa services to the detriment of all other matters.
- The Department must plan for the opening of a new consulate in a fifth Indian city very soon. OIG supports the embassy's choice of Hyderabad and believes preliminary planning must begin now.
- The mission's consolidation of its functions at sites throughout India puts in doubt the future of the American centers, a mainstay of U.S. public diplomacy for decades. The New Delhi center should be in a leased facility that is accessible to Indian users, and OIG has pressed Embassy New Delhi to make the case for this option.
- Staffing will need to grow in India, but the mission's request for more than 30 additional positions is unrealistic. The embassy must prioritize its staffing requirements, focusing on shortages in diplomatic security, consular affairs, and public diplomacy.
- The U.S. India Fund and the Interim Fund (to finance cooperative projects in education, culture, science, and agricultural research and technology) are embassy managed and together have nearly \$15 million available to programs that have now expired. The embassy needs to work with the Indian government to create a mechanism that will effectively use these residual funds to further current U.S.-India priorities.

Background



Map of India

Few relationships are more important to the United States than that with India, and some see U.S.-India relations as stronger today than at any time since India became independent in 1947. The robust bilateral relationship was illustrated by Secretary of State Rice's successful visit to New Delhi during OIG's inspection. The challenge for Embassy New Delhi and its three constituent posts is to nurture the relationship that has emerged and shape what the Ambassador characterizes as a "crucial partnership" for the Twenty-first Century. In former Secretary of State Powell's words, "A thriving, peaceful, democratic India is taking its place on the world stage, and the United States looks forward to acting in close partnership with her."

With its educated, dynamic population, growing economic power, and strong leadership, India is emerging as a confident and assertive global and regional force that increasingly perceives the United States as a partner in securing peace and stability in South

Asia. The transformation in U.S.-Indian relations, and the expanding influence of the United States in the area, enabled the United States to help defuse the Kashmir crisis between India and Pakistan and to help both countries engage in rapprochement.

Of immense significance is India's commitment to cooperate with the United States in the war on terrorism. This commitment has led to greater diplomatic coordination and intelligence-sharing between the two governments and a quantum leap in law enforcement cooperation. The United States and India have also made real progress in strengthening military-to-military ties, via joint exercises and greater interoperability.

India began moving away from economic protectionism over a decade ago and has advanced steadily toward economic liberalization, sustainable growth, and integration into the world's economy. It is now the third-largest economy in Asia, and U.S. economic engagement, through the bilateral Economic Dialogue, aims at continued improvement in India's economic governance. The U.S. development focus, as reflected by a hefty aid program, is on the challenges of fostering growth, eradicating poverty, protecting the environment, improving health conditions, curbing drug transshipments, and eliminating trafficking in persons.

The United States is also working to enhance its economic and commercial ties with India. Today, the United States is India's most important trading and investment partner. Much of the excitement focuses on India's successful and multi-faceted information technology sector, which has big-name U.S. corporate participation at virtually every level. U.S. interest in the services sector has also been high, with steep growth in the number of U.S. financial and insurance companies in India.

Office of Inspector General

The Office of Inspector General's (OIG's) mission is to assess Department of State and Broadcasting Board of Governors operations and recommend ways to strengthen their integrity, effectiveness, and accountability.

OIG's Office of Inspections provides systematic and independent evaluations of the operations of the Department of State, its posts abroad, and related activities. Inspections cover policy implementation, resource management, and management controls. As part of the inspection, particular attention is given to consular, security, and information technology operations.

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