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

# Report of Inspection

Embassy Baku,  
Azerbaijan

Report Number ISP-I-07-40A, September 2007

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## KEY JUDGMENTS

- The Ambassador has intensified and deepened U.S. relations with Azerbaijan, winning the confidence of the country's leadership and significantly advancing U.S. objectives in the fields of security, energy, and democratic and economic reform. The Ambassador, the deputy chief of mission (DCM), and their team have secured notably increased cooperation from Azerbaijan in the fight against terrorism.
- The Ambassador and DCM have forged an exceptionally effective system of interagency coordination at Embassy Baku. They ensure synergy among programs and activities, draw the most from regional offices, and heighten attention to Azerbaijan in Washington. The embassy is among the best integrated the Office of Inspector General (OIG) team of inspectors has seen, a remarkable achievement given the separation between the chancery and annex.
- The ramping up of the bilateral relationship, which has increased the workload throughout the embassy, has had a negative effect on morale. Embassy leadership recognizes that the pace since mid-2006 cannot be sustained, has taken steps to boost morale, and plans to reduce workload and prioritize further in the future.
- Administrative operations overall are commendable. There are some problems, however, in human resources management and management controls that appear to have resulted in the embassy's health insurance contractor realizing excess profits for the past two years. The embassy has not energetically pursued the recovery of these excess profits, nor has it renegotiated the contract to provide for lower initial contributions.
- Embassy Baku is grappling with two thorny issues in the financial management area that will require concerted attention by the new management counselor and DCM. The accreditation of locally employed (LE) staff and the taxation of their salaries are serious issues. The embassy needs to find a way to accredit the LE staff to the government of Azerbaijan and simultaneously regularize their payment of local taxes. The embassy also needs

to work towards a system where local staff can be paid by electronic fund transfer rather than by cash payroll. Progress depends on reforms in Azerbaijan's treasury and banking sectors and will require lengthy negotiations.

- Embassy Baku's information management section has adapted a system used by the Bureau of International Information Programs to streamline the updating of its classified servers and workstations. This best practice is saving the embassy unnecessary work time while reducing the potential for vulnerabilities in its classified computer systems.

The inspection took place in Washington, DC, between April 2 and 27, 2007; in Frankfurt, Germany, between April 25 and 27, 2007; and in Baku, Azerbaijan, between April 29 and May 17, 2007. Ambassador Pamela Smith (team leader), Leslie Gerson (deputy team leader), Alan Berenson, Thomas Carmichael, Renee Francis, Vickie Huss, Michael Kirby, and Charles Rowcliffe conducted the inspection.

## CONTEXT

Azerbaijan's heritage combines the influences of two venerable civilizations, Turkish and Persian. The country's name is thought to spring from the Persian phrase "Land of Fire," referring to Azerbaijan's petroleum deposits, known since

ancient times, and its status as the former center of the Zoroastrian faith. Located on the Caspian Sea astride the trade routes connecting Europe, Central Asia, and the Near East, Azerbaijan was fought over by Russia, Persia, and the Ottoman Turks for centuries. Exploitation of the oil fields began in the 1870s, leading to a period of unprecedented prosperity prior to Azerbaijan's incorporation into the Soviet Union in 1920. Azerbaijan declared its independence in 1991, becoming a republic with a strong presidential system. Heyder Aliyev and now



his son Ilham Aliyev have dominated Azerbaijani political life since 1993; President Ilham Aliyev came to power in elections that did not meet international standards.

Azerbaijan has an economy in transition in which the state continues to play a dominant role. The country's deepwater oil and gas fields in the Caspian Sea make it one of the most important spots in the world for oil and gas exploration and development. Azerbaijan took a strategic decision in the mid-1990s to export its vast energy resources to the West through the Baku-Tbilisi-Ceyhan and South Caucasus pipelines and currently is working actively with Kazakhstan, Turkmenistan, and Europe to expand this vital East-West energy corridor. Azerbaijan's massive inflow of energy revenues has made it the fastest growing economy in the world and offers it the opportunity to become an important regional leader. Successful management of such large financial inflows also poses significant governance challenges and increases the urgency of political and economic reform to ensure the use of the country's energy wealth for sustainable development. Progress on reform

has generally lagged, however, leaving the country burdened with corruption, a weak court system, inefficient public administration, and a faltering commitment to human rights, democracy, and press freedom.

The unresolved conflict over Nagorno-Karabakh, a predominantly ethnic Armenian region within Azerbaijan, continues to trouble Azerbaijan and impede the region's economic integration, development, and stability. Fighting over this territory from 1992 to 1994 resulted in tens of thousands of deaths and hundreds of thousands of refugees and internally displaced persons (IDP), most fleeing to other parts of Azerbaijan. The United States participates in negotiations with Russia and France, under the auspices of the Organization for Security and Cooperation in Europe, aimed at resolving the conflict; resolution remains Azerbaijan's own top foreign and domestic policy priority.

As a secular, majority Shi'a Muslim state with significant new wealth and an active policy of Euro-Atlantic integration and regional political and economic leadership, Azerbaijan is an increasingly important partner for the United States. Azerbaijan is active in the Global War on Terror, contributing troops to Afghanistan, Iraq, and Kosovo, and providing unlimited overflight and landing rights for Coalition planes bound for Afghanistan and Iraq. Azerbaijan has helped eliminate terrorist networks and is an active participant in the North Atlantic Treaty Organization's Partnership for Peace Program. Azerbaijan's strategic location just north of Iran presents security challenges related to growing international concern over Iran's nuclear programs and to a longstanding border dispute between the two countries.

The United States has a strong interest in Azerbaijan's successful development as a stable, secular, pro-Western and free-market democracy, willing and able to work closely with the United States in this critical and volatile region. U.S. relations with Azerbaijan have expanded and strengthened considerably since OIG's 2002 inspection. The embassy has set ambitious benchmarks to measure Azerbaijan's progress fulfilling U.S. objectives for democratic and economic reform: the conduct of an election that meets international standards and membership in the World Trade Organization.

Reflecting the new emphasis on this region, the embassy in Baku has grown approximately 50 percent over the past five years. A top priority is the construction of a new embassy compound (NEC) that meets the Department of State's (Department) security requirements and can house the staff of 400 in one location. The Mission Strategic Plan (MSP) also requests 12 new direct-hire positions for FY 2009 to support critical needs.

Over one-third of the embassy's approximately 80 U.S. direct-hire staff are representatives of other agencies (see resource chart). Every agency at post plays a role in advancing the U.S. government's four priority programs in Azerbaijan. Approximately 300 LE staff, including the local guard force, form an integral part of the embassy team. The Department's FY 2007 budget target for Baku is over \$6.5 million dollars, but this represents only a portion of the International Cooperative Administrative Support Services contributions and operating budgets. In addition, in FY 2006 Azerbaijan received approximately \$89 million in U.S. foreign assistance (see executive direction section of this report).





## EXECUTIVE DIRECTION

Embassy Baku succeeds in advancing U.S. objectives in all the priority areas identified in the MSP. The OIG team was impressed by the degree to which the Ambassador and her team are leaders in conducting transformational diplomacy in a very challenging local environment.

The Ambassador came to Baku with the mandate to intensify the U.S.-Azerbaijan relationship and focus attention on enhancing security cooperation, advancing energy security, and fostering democratic and economic reform. Washington officials across the board said the Ambassador is fulfilling her mandate with great creativity and energy. With the support of her experienced DCM and hard-working American and local staff, she has established or reinvigorated regular, formal high-level dialogues between the U.S. and Azerbaijani governments on the four themes. Labor-intensive though these dialogues are for the embassy, the OIG team concluded that they promise to spur action by Azerbaijan's top-down government. Preparations for the dialogues could be streamlined, and the results flowing from them could be examined after another year of experience. The Ambassador has succeeded in gaining the confidence of decisionmakers in Azerbaijan and is able to meet frequently with the president, senior ministers, and opposition figures. She is forthright about delivering needed messages without provoking backlash from the Azerbaijani government.

The Ambassador advocates U.S. policy positions and enhances Azerbaijani understanding of American society through an energetic public diplomacy program, as set forth in the MSP. She enhances the persuasiveness of her speeches and public events, as well as much of her interaction with Azerbaijani decisionmakers, by using the Azeri language, thereby raising the U.S. profile and building support for U.S. positions.

The Ambassador and DCM have forged an impressive system of coordination among the activities and mandates of the diverse agencies represented at the embassy. The leadership team also seeks the input of every element in the embassy, while advancing U.S. programs within the U.S. government and vis-à-vis the government of Azerbaijan. Further, the Ambassador gets the most out of each element, links them up with each other, uses regional offices well, and elicits support from key Washington offices. The OIG team observed that the Ambassador runs country

team and other meetings with focus and clarity, eliciting feedback and ideas from her team. The Ambassador and DCM ensure cohesion between the two buildings that house the embassy and between the American and local staff. Embassy Baku is among the best integrated operations the OIG team has seen.

The OIG team notes that elimination in mid-2006 of the Department's Office of the Special Negotiator for Nagorno-Karabakh and Eurasian Conflicts resulted in significant extra work falling to the Bureau of European and Eurasian Affairs' (EUR) new Office of Caucasus Affairs and Regional Conflicts and the relevant deputy assistant secretary, with no commensurate staffing increases. U.S. engagement with Azerbaijan increased simultaneously, bringing more demands to these offices. Some miscommunications and divergence of expectations between EUR and the embassy have occurred as a consequence. The OIG team made an informal recommendation that Embassy Baku initiate regular discussions with the Office of Caucasus Affairs and Regional Conflicts to reach a realistic understanding about the levels of reciprocal support and improved communications.

Embassy Baku depends on an unusually high number of first-tour and first-tour-in-cone officers, as is frequent in hard-to-fill posts. The Ambassador and DCM give these officers substantive responsibilities and access to them to a degree more typical for mid-grade officers. The DCM takes his role as mentor seriously, counsels entry-level officers (ELO) extensively, and includes them in the mainstream work and life of the embassy. The ELOs acknowledged in a meeting with the OIG team that they have far greater responsibilities than many of their colleagues at other embassies. Embassy Baku officers must develop their skills quickly and fortunately have proved, so far, worthy of the front office's high expectations. Nonetheless, the need to support an activist Ambassador in her first months on the job has limited the ability of some officers at all levels to take full command of their portfolios; among reporting officers, the result has been an emphasis on lengthy factual reporting rather than pointed analytical or investigative work. The Ambassador has empowered substantive officers to carry their issues as far as they can before she steps in, and when time permits they will be able to explore whether Azerbaijan's hierarchical government will permit them access.

Recent growth in U.S. engagement with Azerbaijan and the Ambassador's success in improving the bilateral relationship have resulted in a dramatic increase in the embassy's workload. Numerous high-level visits by Washington officials and an ambitious substantive agenda of policy promotion combine with the frustrations of operating in Azerbaijan's opaque, inefficient context to produce unsustainable stress levels among many officers. The Ambassador has recognized that the pace of her first months on the job now must slow down, and she is taking steps to boost





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Embassy Baku has consolidated almost all services with the exception of motor pool. It planned to consolidate the motor pool when operations moved to a NEC with a net savings of approximately six driver positions. The OIG team recommends (see Recommendation 12) that the consolidation not be deferred but initiated in 2007. Consolidation will go far to facilitate communications, reduce time spent commuting between buildings, and ease access to certain support services, but it will not result in enough resource savings to offset the cost and number of the positions the embassy has requested in its MSP.

## FOREIGN ASSISTANCE

U.S. government assistance as a tool to advance U.S. interests began in earnest in January 2002 with the President’s initial waiver of the FSA Section 907 restrictions on most forms of assistance to Azerbaijan. U.S. assistance to Azerbaijan is closely tied to Embassy Baku’s four MSP priority goals. In FY 2006, U.S. government assistance to Azerbaijan totaled nearly \$89 million. The major share, \$40 million, targeted security, regional stability, and law enforcement programs; however, major sums went to other priorities, including \$15 million for democratic reform and \$14 million for economic reform.

The embassy and EUR pay close attention to the coordination of assistance. The OIG team was impressed with the process EUR’s Office of the Coordinator of U.S. Assistance to Europe and Eurasia (EUR/ACE) uses to monitor and allocate assistance funding and how that office interacts with the U. S. Agency for International Development (USAID) and the Office of the Director of U.S. Foreign Assistance. Similar productive synergies exist among the various agencies represented at

Embassy Baku. This report details how the mission elements cooperate on assistance projects. The current robust, multiagency efforts do, however, present special challenges. For example, FSA funds go to the public affairs section to administer democracy programs and to USAID for democratic reform and economic restructuring programs. The Department of Defense funds humanitarian assistance, while USAID provides food aid under PL-480, Food for Peace program. The Department of Defense and the Department of Energy promote counterproliferation programs. In these and many other examples, mission elements carefully target their assistance efforts to U.S. policy goals, but embassy leadership has identified the need to dedicate one full-time person to coordination.

Coordination of assistance among mission elements is especially important in light of Azerbaijan's capacity through its vast energy reserves and growing oil revenue to engage in increased cost sharing with its foreign assistance partners. In fact, the government of Azerbaijan is already cooperating in cofinancing in several areas. At EUR/ACE's request, the embassy approached the Azerbaijani government to examine new overall approaches to cooperation on assistance programs and won their agreement to broaden cooperation on cost sharing. Embassy monitoring of U.S. assistance levels and program priorities will place embassy elements in a better position to negotiate program implementation timelines with their Azerbaijani counterparts.

The combined political and economic section is currently responsible for tracking U.S. foreign assistance, submitting congressionally mandated reports, and coordinating the development of FSA funding-level requests to EUR/ACE. In their support for the four U.S. foreign policy goals, Embassy Baku elements carefully coordinate their program assistance efforts and pool resources from several different funding sources. Sorting through these initiatives, however, is time consuming. These administrative tasks keep the political and economic section officers from focusing more fully on providing policy input to project development, coordinating policies, and overseeing program implementation, as well as their many other tasks.

To free up resources in the political and economic section, but more importantly in order to elevate the assistance coordination effort to a level reflecting the dynamic multiagency effort, Embassy Baku is seeking to hire a foreign assistance coordinator who will work directly under DCM authority. Such a coordinator would carry out these administrative tasks in a more focused manner. The coordinator also could host more regular meetings of the embassy assistance coordination group, which would include all the major assistance actors (see the following sections discussing foreign assistance programs in more detail). In addition, the coordinator could act as

EUR/ACE's point of contact, support the U.S.-Azerbaijani Assistance Cofinancing Working Group, and develop a database of assistance provided by other donors. The OIG team concurs with this approach.

The OIG team understands that EUR/ACE is willing to fund an eligible family member (EFM) position to act as overall foreign assistance coordinator, and Embassy Baku is taking the necessary steps to establish the position. The OIG team fully endorses this approach.







Discussions with Washington consumers and reviews of recent telegrams indicate that Embassy Baku could take better advantage of its on-the-ground perspective and unique expertise by redirecting some efforts from transcript-like descriptions of high-level discussions with government of Azerbaijan officials to shorter, analytic cables. The competition to grab policymakers' and other consumers' attention places a premium on brevity and value-added comments by embassy officers.

The political and economic section energetically carries out much of the coordination needed among other mission elements and provides the core policy substance for the four strategic dialogues elevated by the Ambassador to their new, higher level. These major initiatives encompass the four MSP priorities already outlined in the executive direction section and elaborated on below: regional security, energy security, and democratic and economic reform.

## Regional Security

Coordination of the various embassy efforts on U.S. government regional security policy occupies much of the political and economic section's attention. (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) Defense attaché's office and others to organize and support the annual Security Dialogue. (b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)

The section provides keen policy perspectives to the working groups coordinating the Office of Defense Cooperation's (ODC) support of Azerbaijan's harmonization of its military with the North Atlantic Treaty Organization. This work helps Azerbaijan progress on its Individual Partnership Action Plan and strengthens its participation in coalition operations. The political and economic section also helps direct ODC's humanitarian assistance effort. The section coordinates the activities of the Defense Threat Reduction Office and the Department's Export Control and Related Border Security (EXBS) program advisors, which together strengthen Azerbaijan's ability to protect its borders against the illegal movement of materials and people on land and across the Caspian Sea.

## Energy Security

The political and economic section has made major contributions to achieving the U.S. priority goal of establishing energy security by ensuring that Azerbaijan helps diversify Europe's gas supplies. The section provided support for a high-level "Energy Diplomacy Dialogue" with the government of Azerbaijan in February 2006 as part of the Economic Partnership Commission Dialogue. The section's officers

smoothly handled follow-up with the Ministry of Foreign Affairs on the draft of a memorandum of understanding that provided for high-level meetings and clarified each side's goals for cooperation. The Secretary of State signed the memorandum of understanding during a high-profile Washington ceremony in March – a major step in carrying out the U.S. government's regional energy strategy.

## Democratic Reform and Human Rights

The political and economic section carries a strong message to the government of Azerbaijan promoting human rights and democratic reform in Azerbaijan and acts as a resource on democracy and human rights programs for other mission elements. The section is enthusiastic and proud of its role in promoting the human rights agenda. Washington elements have praised the Azerbaijan section of the Department's Human Rights Report as well-written and documented. The recent elimination of a position in the section forces a redistribution of democracy and human rights responsibilities among other fully occupied officers.

Political and economic section officers write persuasive policy papers and provide key support for the newly elevated bilateral Democracy Dialogue. The section, in cooperation with the public affairs officer (PAO), also advises the Ambassador well on her demarches on human rights to the government and her public statements. In addition, section officers closely scrutinize government of Azerbaijan actions related to human rights and monitor trials with human rights importance in order to demonstrate U.S. interest in judicial transparency and the rule of law.

The political and economic section consistently has supported media freedom in Azerbaijan, working effectively with the public affairs section when the Radio Free Europe/Radio Liberty presence was threatened and ensuring that the government licenses independent radio media outlets. Political and economic section officers participate as thoughtful policy guides on the embassy's Democracy Commission, which is managed by the public affairs section and directs FSA funds to media and democracy programs. The political and economic section also coordinates with the public affairs section and USAID on their media training and support programs.

The political and economic section plays a key role monitoring several programs funded by the Bureau of Democracy, Human Rights, and Labor, including the National Democratic Institute's information center, the American Bar Association's Central and Eastern European Law Initiative's legal advocacy centers, and Muslim outreach programs.

The section has a good collaborative relationship with the Department of Justice's Office of Overseas Prosecutorial Development Assistance and Training, which keeps U.S. government anticorruption initiatives on track – one of the most important issues in the Economic Partnership Commission.

### Trafficking in Persons

The political and economic section takes the lead in Embassy Baku's efforts to combat trafficking in persons in Azerbaijan. The section drafts the embassy's submission for the Department's annual Trafficking in Persons Report and, after embassy-wide consultations, proposes antitrafficking projects to the Bureau of International Narcotics and Law Enforcement Affairs.

### Leahy Amendment

The political and economic section carries out the embassy's obligation under the Leahy Amendment to the 1997 Foreign Operations Appropriations Act to submit requests from the embassy to the Department for human rights vetting of Azerbaijani participants in U.S.-sponsored training in the defense and law enforcement fields. Timely processing of the embassy's vetting requests is essential so that fully cleared exchange candidates are not prevented from participating in U.S. programs. With the increase of participants in U.S.-Azerbaijani bilateral training programs, commensurate with an expanding relationship, a tracking system for vetting requests as they move through the embassy and Washington clearance processes would reduce the section's workload and increase efficiency.

**Recommendation 2:** Embassy Baku, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Democracy, Human Rights, and Labor, should develop and implement written tracking procedures that keep both sides abreast of the status of projected vetting requests, submissions, and completions. (Action: Embassy Baku, in coordination with EUR and DRL)

## ECONOMIC REFORM

The political and economic section is at the policy hub of economic reform and is moving aggressively to ensure Azerbaijan uses its new-found oil wealth to build a stable, transparent, democratic economic system for its citizens. It participates in the technical review of USAID projects. The section has the lead for the Eco-



## COMMERCIAL ACTIVITY

The withdrawal of the U.S. Foreign and Commercial Service (USFCS) attaché several years ago left Embassy Baku with little ability to support U.S. commercial interests in Azerbaijan. The economic officer in charge of commercial activity is also the energy officer, a portfolio that demands the majority of his time. The USFCS attaché in Turkey attempts to fill the vacuum through quarterly visits. U.S. firms, which are bound by the Foreign Corrupt Practices Act, are at a disadvantage in the corrupt business environment in Azerbaijan, but Embassy Baku carries out as much commercial advocacy as feasible on their behalf, including advocacy by the Ambassador. During his quarterly visits, the attaché will be evaluating any increase in commercial activity and any improvements in the investment climate that could encourage the USFCS to return to Azerbaijan. The embassy thinks that there are already important business opportunities in Azerbaijan that warrant the return of a full-time USFCS representative.

## THE EXPORT CONTROL AND RELATED BORDER SECURITY ADVISOR

The EXBS advisor runs an active office, providing U.S. government assistance to Azerbaijan to control its borders to help prevent the proliferation of weapons of mass destruction and dual-use technology. EXBS also coordinates other U.S. government entities conducting EXBS-related training or providing equipment. EXBS works smoothly with ODC and the Defense Threat Reduction Office.

The EXBS advisor is also the Department of Energy's point of contact for its border security programs and other programs addressing the possible proliferation of weapons materials. The Department of Energy plans to send a temporary duty representative to Embassy Baku to discuss coordination of its Second Line of Defense program. The OIG team discussed with the embassy the need to use this temporary duty assignment presence as a bridge to expand the Department of Energy's understanding of the need to coordinate more closely with the embassy on its activities.

## COUNTERTERRORISM

Embassy Baku puts a high priority on counterterrorism – a basic element of its effort to strengthen Azerbaijan’s pro-Western orientation. An effective interagency coordination process maximizes the embassy’s counterterrorism efforts. The embassy deserves commendation for making the government of Azerbaijan a full partner in the Global War on Terror, with the result that Azerbaijan sends troops to Iraq, Afghanistan, and Kosovo and gives the United States excellent counterterrorism cooperation at all levels. Embassy Baku reports effectively on terrorism and terrorism financing. Activities of EXBS, the Defense Threat Reduction Office, the facilitation of Civilian Research Development Foundation research, and the RSO’s Antiterrorism Assistance training programs all contribute to the embassy’s counterterrorism effort. Additionally, the Ambassador’s direct participation in the synchronization of counterterrorism resources ensures a cohesive embassy approach to counterterrorism efforts. The appropriate officers attend and coordinate their efforts through scheduled working group meetings such as the Visas Viper meetings.

## LAW ENFORCEMENT COOPERATION

Embassy Baku maintains productive relations with the government of Azerbaijan on law enforcement cooperation. The law enforcement working group, chaired by the RSO and attended by appropriate embassy elements, covers counternarcotics and counterterrorism issues. The RSO is also the control officer for all visiting law enforcement officials. The RSO and consular section work closely together. Drug Enforcement Administration officials visit frequently from Embassy Ankara, responding to Azerbaijan’s recognition of its growing drug problem, and the RSO coordinates their visits and programs. ODC also provides law enforcement resources to the government of Azerbaijan, and with the assistance of the RSO are developing an overall embassy strategy for law enforcement cooperation.

## REFUGEES AND INTERNALLY DISPLACED PERSONS

Embassy Baku manages a modest refugee and IDP workload under the oversight of a Moscow-based regional refugee coordinator. The OIG team surveyed two non-governmental organizations, and both commented favorably on coordination and communication with the embassy. Responsibility for the refugee and IDP portfolios is divided between the consular officer and a political officer.



The consular officer monitors the Ambassador's fund for refugees, a \$20,000 grant from the Bureau of Population, Refugees, and Migration, awarded annually. The officer also liaises with the office of the U.N. High Commissioner for Refugees, which actually coordinates the processing of refugee claims, primarily from Chechens. The political officer manages a similar IDP portfolio for monitoring Azerbaijani government efforts to resettle Azerbaijanis displaced in the Nagorno-Karabakh region as well as Azerbaijani government plans in the event of a political solution to the decades-long conflict. There may be opportunities for important reporting on this issue, but to date competing priorities have not permitted focus on Azerbaijan's plans for the IDPs.

## PUBLIC DIPLOMACY

An active public diplomacy posture is Embassy Baku's fifth MSP goal, and the public affairs section takes a leading role in policy advocacy. Public affairs section media engagement, student and leadership exchanges, and information infrastructure development activities focus with great effect on Embassy Baku's priorities. In addition to explaining U.S. government engagement in Azerbaijan and advocating U.S. policies, the section carries out its own programs in support of democratic and economic development.

A PAO, an assistant PAO, and eight LE staff make up the public affairs section. The PAO speaks Russian and excellent Azeri, and his experience as a political officer in the region and his earlier work on the Nagorno-Karabakh conflict have provided useful cultural and policy perspectives. He has excellent media contacts and fields media questions in Azeri. The assistant PAO is a recently arrived first-tour officer who speaks fluent Russian and is also trained in Azeri. The LE staff are capable, receive appropriate training, and have strong English language skills. The PAO manages his Azerbaijani staff with clarity and attention to morale.

The PAO effectively carries out the embassy press spokesman and media relations portfolio. He has the trust of the Ambassador and, along with political and economic section colleagues, provides sound guidance on her media posture. The PAO works with the Ambassador effectively as a public affairs resource, helping her maintain a high profile in Baku, the media center, and ensuring her visits outside Baku have an effective public affairs impact.

The PAO is a member of the country team and briefs the Ambassador and her senior section heads daily on media activity – dealing with the full range of domestic and foreign news. The PAO's media contacts provide him with political and media

insights, and he freely shares his analyses. He is an activist who rarely opts to leave a misstatement in the press unchallenged, and he freely engages Washington and other agency elements directly at levels up to the deputy assistant secretary when necessary to discuss media issues and ask for guidance on media positions.

Public affairs section programs reach the U.S. government's most important audiences, such as Muslim leaders, journalists and other media figures and organizations, government officials, and nongovernmental organizations supporting democratization. The section's programs strive to reach audiences outside of the capital, although time constraints keep staff from frequent travel to more remote areas, leaving much activity to program partners.

The section's programs are an embassy-wide resource, open and available to other mission officers for policy input or participation. The public affairs section carries out an embassy speaker program at the national university and solicits International Visitor program participant and thematic suggestions from all embassy components. The section has a modest information resource center staff that carries out an information outreach program. Most of its less time-sensitive outreach materials are in the Azeri language.

The public affairs section has flexible program funding tools to advance its work, allowing it to address the mission's highest priority audiences. In addition to its public diplomacy budget, the section divides FSA appropriations among five small grants funds. These include the Democracy Commission, which in FY 2006 provided \$275,000 in 26 grants to programs in civil society, human rights, independent journalism, and democracy. The Library Development Program and Book Translation Funds, with a budget of \$180,000, strengthen five American Corners housed in libraries and publish books on priority mission themes. Through the Democracy Outreach Fund, the section finances a partnership with the 1,200 member-strong Azerbaijani Alumni Association, which carries out its own activities in support of the U.S.-Azerbaijani relationship. A fifth fund is used to support media training for Azerbaijani journalists at the Caucasus School of Journalism and Media Management in Georgia. The section's small grants management process meets Department standards.

The public affairs section provides oversight and support for the work of several major international grantee organizations including the International Research and Exchange Board and the American Councils for International Education, as well as local partners supporting a wide system of Department exchange programs that reach the mission's priority audiences. Exchange programs include the Fulbright Program, Humphrey Program, Junior Faculty Development Program, and Benjamin Franklin Transatlantic Fellows Program Summer Institute. The congressionally

funded “Open-World” short-term exchange program was inaugurated during the inspection. Confusion in authority and oversight of one of the grants is discussed in the management controls section of this report.

The OIG team concurs with the PAO’s desire to carry out more representational and other contact work and less internal coordination. The PAO estimates that he spends 80 percent of his own time on media issues. Additionally, current Department procedures for most public diplomacy programs require that small sections spend a disproportionate amount of staff time on paperwork and administrative tasks. Although there does not seem to be an easy solution to the larger problem, the OIG team discussed the advantages of giving fewer but larger grants through the FSA small grants program.

The public affairs section works with elements throughout the embassy to draw media attention to their programs and roles in the expanding U.S.-Azerbaijani relationship. Other agencies, including USAID, appreciate the section’s support. The PAO works collegially with USAID’s development outreach and communications officer and clears the officer’s press releases. Although USAID has its own written communications strategy, a joint embassy-USAID strategy would promote long-term planning and make certain that the two offices’ public affairs events and press releases reinforce one another’s messages. The OIG team made an informal recommendation that Embassy Baku develop and implement a joint U.S. government communications strategy with USAID.

Embassy Baku requested in its FY 2009 MSP submission that the Department augment its public diplomacy staff with a mid-level information officer and a LE staff information assistant. The embassy argued the additions would strengthen its capacity to improve the U.S. image in a strategically located, Muslim-majority country, along with contributing to the development of the ethical and competent media needed for Azerbaijan’s democratization. The information officer and assistant would also manage policy advocacy on media freedom, a function that the overburdened PAO undertakes at present. The OIG team found the embassy’s reasoning for the staffing increase sound and in tune with the Secretary’s emphasis on transformational diplomacy. The OIG team, however, understands that the Department must decide the issue based on overall budget priorities.

## CONSULAR AFFAIRS

Despite Azerbaijan's importance in the energy sector and its increasing security ties with the United States, the consular workload remains modest. Embassy Baku's two consular officers, two LE staff, and half-time EFM maintain a well organized and efficient operation. Although Baku's consular section has been staffed by relatively inexperienced consular officers in the recent past, the section has benefited from a 2006 consular management assistance team visit and regional consular officer visits in 2005 and 2007. The consular manager has followed the regional consular officer's blueprint assiduously. As a result, management controls are appropriate, workflow provides maximum flexibility, and records are easily locatable and up-to-date. At the time of the inspection, the DCM was the rating officer and supervisor for both consular officers, but the OIG team recommended that this atypical situation be changed (see consular management below).

### Consular Management

The consular section staffing pattern provides for an FO-03 section chief, supported by an ELO, but the section has been staffed for the past few years either by first-tour officers or by second-tour officers on their first consular assignments. At one point, when the section's two consular positions were encumbered by a husband-and-wife team, the DCM assumed the supervision of both officers, signing their work requirements statements and writing their performance evaluations. The DCM has done a commendable job overseeing consular operations, reviewing nonimmigrant visa (NIV) adjudications, and serving as a mentor to the consular officers. The current section chief is tenured and midway through his second consular tour. He is a fully functioning member of the country team, the law enforcement working group, and the emergency action committee; he should be the consular section supervisor both in name and in practice so that he has clear supervisory authority. At the time of the inspection, the DCM and consular section chief had begun the process of rewriting the position descriptions, and this should be completed as soon as possible.

**Recommendation 3:** Embassy Baku should rewrite the position descriptions of the consular section chief and the consular entry-level officer so that the chief is the supervisor and rating officer for the less experienced consular officer and the fully empowered supervisor of the consular operation. (Action: Embassy Baku)









## RESOURCE MANAGEMENT

Agency	U.S. Direct- Hire Staff	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding FY 2007 (In thousands)
State – D&CP	31	2	12	45	\$1,322
State – ICASS	5	5	97	107	3,734
State – Public Diplomacy	2	1	7	10	387
State – Diplomatic Security	4	1	148	153	1,230
State – Marine Security	6		2	8	107
State – Representation	0	0	0	0	36
State – OBO	0	0	0	0	56
Treasury	1	0	0	1	*
Defense Attaché Office	9	0	2	11	*
Office of Defense Cooperation	3	0	3	6	*
Defense Threat Reduction Office	1	0	2	3	*
USAID	5	0	23	28	*
Department of Justice	2	0	0	2	*
Peace Corps **	3	0	2	5	*
Department of Homeland Security	1	0	2	3	*
<b>Totals</b>	73	9	300	382	\$6,872

- \* Funding data not available
- \*\* In addition, there are 68 Peace Corps volunteers in country



## REAL PROPERTY

There are three government-owned buildings in Baku: the Ambassador's residence, the chancery, and a warehouse. All residences, as well as an annex in a commercial building that houses most of the management section and several tenant agencies, are on a short-term lease.

### The New Embassy Compound

The chancery is almost 100 years old, and construction of a NEC is scheduled to begin in FY 2008. On May 11, 2007, the governments of the United States and Azerbaijan signed notes agreeing that Azerbaijan will provide one of four parcels of land to the United States for construction of the NEC at a cost of one dollar. An OBO site selection team arrived in Baku on May 14, 2007, to review the suitability of those sites. Embassy Baku prepared its rightsizing submission in December 2005, almost two years ago; the staffing estimates that EUR provided to OBO predate the rightsizing submission, which is also out of date. Embassy Baku updated its requirements in February 2007. There may be additional requirements, however, from the Departments of Defense and Commerce that are delineated in the near future. Administrative staff has also grown considerably in the past two years and will continue to do so in order to provide adequate support for the robust new level of bilateral engagement and for the increasing number of other agency personnel. As discussed earlier in this report, Embassy Baku's FY 2009 MSP requests 12 new Department-funded positions. The embassy needs to provide OBO updated current and more accurate projected staffing so OBO can plan for and fund construction of facilities that will adequately house all embassy elements.

The government-owned warehouse also needs to be replaced. It is inadequate and dysfunctional. A Regional Support Center (RSC) Frankfurt team recently described the warehouse with the following: "Post's warehouse is a U.S. government-owned facility with low ceilings and small rooms, and is wholly inadequate for easy storage of inventory." Storage requirements far exceed available space. Cargo containers of necessity are also being used, and some additional property is stored outdoors under tarpaulins. Construction of a new warehouse on the NEC is necessary, and the cost of construction, in all probability, would be offset by the sale of the current warehouse property. The entire area surrounding the warehouse property is under development as an upscale residential neighborhood; high-rise apartments, detached homes, and duplexes have been built or are under construction there.

**Recommendation 4:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Baku and the Bureau of European and Eurasian Affairs, should plan to build a new embassy compound sufficient to house projected staff and include construction of a warehouse. (Action: OBO, in coordination with Embassy Baku and EUR)

**Recommendation 5:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Baku, should plan to sell the current warehouse compound (property number R-33) upon completion of construction of a new warehouse. (Action: OBO, in coordination with Embassy Baku)

## Housing

The equity and administration of the housing program received low scores and several complaints on the OIG workplace and quality of life questionnaires. Many identified the housing program as one of the major contributors to low morale at post. Others, however, were more than satisfied with their assigned housing. The OIG team visited residences and reviewed rental costs and the embassy's adherence to standards. In all cases, employee housing met or exceeded established standards. The administration of the housing program, however, lacked transparency and effective communication. Housing board minutes, for example, contained little, if any, description of the dialogue that went into the assignment or decisionmaking process. The OIG team made an informal recommendation to revise housing board procedures to require full disclosure of discussions at meetings in the minutes of the board.

## MANAGEMENT OFFICE

Overall, the individual sections of the management office are performing satisfactorily. This is a significant accomplishment because all of the American officers, including the management officer, are performing these functions for the first time. The LE staff across the board have considerably more functional experience than their American supervisors and are performing well. The motor pool performs exceptionally well. Except for the information management officer, all of the Americans – the management officer, two general services officers, and the human

resources/financial management officer – are transferring between May and July 2007. Their successors will need to address some weaknesses in human resources, cashier services, warehousing, housing program administration, contracting for health insurance, contract administration, and grant administration (see the management controls section of this report). They will also need to address some criticisms about lack of customer service and transparency, particularly on housing assignments and health issues, as discussed elsewhere in this report.

## Human Resources

The human resources office generally performs well. The embassy has a benefits plan for LE staff covering health, premium pay, separation notice, and severance. Embassy Baku received approval from the Department to opt out of the Azerbaijani social security system and participates instead in the Foreign Service National Defined Contribution Fund for retirement. However, there are issues with which the embassy is grappling.

### Salary Levels for Locally Employed Staff

“Inadequate” salary levels rank at the top of the list of local employees’ major concerns. Salaries have increased at a very slow pace, and many employees stated that the increases were not sufficient due to inflation and dollar devaluation. Local employees received a 1.5 percent increase in 2006 and will receive an eight percent increase in 2007. But in January 2007, the host government announced price increases of 50 percent for automobile fuel and 125 percent for water. Other major increases are discussed below under Meal and Social Program Allowances. Local staff salaries are paid in dollars due to the low value of the local currency compared to the dollar during the first years of the embassy’s existence. Now, however, the dollar is starting to devalue in comparison to Azeri currency. High inflation plus the U.S. dollar depreciation have adversely affected salary levels. Until recently, dissatisfaction with salaries had not hampered recruitment and retention. However, recent developments may be indicators of the onset of problems in recruiting and retaining qualified employees. Several employees have left recently; one returned to his previous profession because it now pays more, whereas years earlier his earnings in that field were less. Another employee departed in September 2006, and at the time of the inspection, almost eight months later, the embassy had not been able to fill the position. In another instance, the embassy made three unsuccessful attempts to fill a temporary position while an employee was on extended leave. The human resources office stated it is now difficult to find, recruit, and retain qualified specialists.

## Accreditation and Taxation

Two other serious issues that the embassy and local employees face are accreditation and taxation. In a diplomatic note dated April 18, 2007, the host government requested the embassy have its local employees accredited by and to the government of Azerbaijan. The note further advised that employees not accredited would not be considered employees of the mission. The host government has made repeated follow-on requests for the names and personal data of all local employees. In 2006, (State 044006) the Department authorized a limited waiver to provide the Azerbaijani government with information protected under Article 24 of the Vienna Convention on Diplomatic Relations, but up until now, the embassy has declined to provide such information for fear that accreditation would lead to abuse of its employees by local tax authorities. Initially, the host government had stated it would offer newly accredited local staff amnesty on back taxes, but later the government changed its approach and said it would collect taxes for the previous three years. One embassy that has reported the names and personal information of its local staff is similarly concerned about repercussions and recently reported that some of its staff received letters from the Ministry of Taxation containing false and troubling accusations.

Because the embassy has not accredited its employees, it cannot use local staff to provide services that most embassies take for granted. For example, local staff cannot process shipments at the airport; instead an American officer is required to meet every shipment personally.

The Ministry of Taxation has been urging the embassy to start withholding taxes from local employees. The host country usually collects taxes from employers, who in turn withhold the amounts due from employees. Under the terms of the Vienna Convention, the embassy, even as an employer, is not authorized to withhold (collect) taxes due from national employees.

The representatives of the LE staff stated that they believed they could not pay taxes as individuals under the present tax code. Article 149 entitled "Filing of Tax Returns," however, states: "The following person shall submit tax returns to tax authorities...natural person with incomes, for which the withholding tax is not stipulated (not possible)..." The Vienna Convention's preclusion on employer withholding coupled with the local staff's perception that they cannot make individual tax payments poses a conundrum that must be unraveled and resolved.

Several options may be available to regularize status and taxation for local employees. One option would be to declare employees to be individual contractors; local employees are currently exploring this “simplified tax” option. The embassy has pursued two other options. In a recent meeting with tax authorities, the embassy informed them that a diplomatic mission cannot be compelled to withhold taxes and does not act as an enforcer of laws overseas. The embassy inquired whether the host country could create a central taxation office where individual employees of all embassies could pay their taxes. This seemed like a viable idea but would require new legislation. The tax official said he would check to see if the idea was feasible.

To summarize, a few options that the embassy can explore include: 1) determining if LE staff can be classified as individual contractors and still be accredited; 2) locate a company that will act as a mediator and collect and pay taxes, as is now being done by several U.S. embassies located in the former Soviet Union; 3) request that Azerbaijan create a central taxation office for local employees of all embassies, or 4) require LE staff to pay taxes individually and provide proof of payment to the embassy.

**Recommendation 6:** Embassy Baku should accredit the locally employed staff to the government of Azerbaijan and simultaneously regularize their payment of local taxes. (Action: Embassy Baku)

### Noncompliance with Azerbaijani Labor Law

The local compensation plan was last updated in June 2006, but the embassy is not adhering to labor law concerning maternity leave. Article 125 of Azerbaijan’s Labor Code states that: “Working women shall be granted paid pregnancy and maternity leave of 126 days, starting 70 calendar days prior to childbirth and ending 56 calendar days after childbirth.” This law is in line with maternity leave benefits offered to local employees in much of the world with a few exceptions, including the United States. Currently, the embassy is operating under the U.S. government leave system and therefore is requiring female employees to take annual leave or sick leave under the U.S. annual and sick leave plan. Those individuals who do not have sufficient leave must request leave without pay or apply for voluntary leave donations. This requirement has forced female employees to deplete their leave accounts or go for an extended period on leave without pay. Extended leave without pay then delays receipt of performance evaluations, which in turn affects timely processing of within-grade increases. The loss of pay has caused an additional hardship on employees who are already facing significantly increasing costs of living as mentioned earlier.

In 1995, the Department started to require posts to convert from the U.S. leave system to the local leave plan. Embassy Baku, however, was granted a waiver and authorized to defer implementation of the local leave plan (State 007293). The temporary waiver was valid until the question of participation in the local social insurance systems could be fully addressed. Embassy Baku resolved the issue in July 2005 when the mission began participating in the Foreign Service National Defined Contributions Plan, yet the embassy did not implement the local leave plan as it should have. The Department's leave policy, delineated in 3 FAM 7432b, states that "...overseas establishments must adopt locally prevailing leave benefits in lieu of any benefits patterned after the provisions of the Annual and Sick Leave Act" (underlining added). Furthermore, there is no requirement to participate in the host country's social insurance plan in order to implement a local leave plan. State 75459, dated April 11, 1996, states that "post must review the local leave plan and ensure appropriate wording is used to account for employees covered by the local leave plan who are not enrolled under the local social security system."

**Recommendation 7:** Embassy Baku should request, and the Bureau of Human Resources approve, the conversion from the U.S. leave system to the local leave plan to include the maternity leave benefit in accordance with Article 125 of Azerbaijan's Labor Code and the Department's leave policy. (Action: Embassy Baku, in coordination with DGHR)

## Meal and Social Program Allowances

The embassy's meal and social program allowances for local employees have not changed in seven years. The embassy reported that the allowances are included in the Department's annual review of the local compensation plan. Compensation reviews for the past several years indicated that allowances were in line with prevailing practice and therefore warranted no changes. However, because living costs lately have risen sharply, the allowances may now be insufficient, e.g., food prices have increased up to 28 percent within the past year. In addition, the cost of electricity increased 200 percent and the cost of sewerage increased 300 percent. The Department advised the embassy that the other two comparators were not paying these allowances. The Birches Group is the vendor for the embassy's compensation survey and only uses the UN Development Program and the World Bank as the embassy's comparators. Yet with fewer than 25 employees each, both organizations are far from operating with the organizational structure or level of the embassy's 300 employees or of the large oil companies and other entities that have become major





## EQUAL EMPLOYMENT OPPORTUNITY AND FEDERAL WOMEN'S PROGRAM

One EEO counselor serves the embassy. There was an unfortunate hiatus of several months between the time the former EEO counselor departed post and the new counselor could be fit into the required training course. At an embassy where most Department officers serve two-year tours and many are ELOs who will not have served as EEO counselors previously, this situation is likely to be repeated every time an incumbent counselor is transferred. The EEO counselor has already reached out to the LE staff committee to explain how EEO principles apply to local hires, and the employee handbook includes several pages on EEO and local staff. Because the embassy's workforce is located in two buildings, the EEO program requires a second EEO counselor who works in the annex, possibly a USAID employee since they often serve tours longer than two years.

**Recommendation 10:** Embassy Baku should identify and train a second Equal Employment Opportunity counselor who works in the embassy annex so that employees there have easy access to essential guidance. (Action: Embassy Baku)

The Federal Women's Program (FWP) coordinator was named when the embassy was preparing for the inspection and noticed the title on the designation-of-authority list. At an embassy led by a female ambassador, where the chief of the largest Department section is also a woman, and where the DCM mentors all ELOs attentively, there appears to be ongoing attention to women's issues. The newly appointed FWP coordinator leaves post in a few weeks without ever having had the chance to set up an FWP program.

**Recommendation 11:** Embassy Baku should select a Federal Women's Program coordinator to replace the outgoing incumbent after reviewing the requirement of the position on the Office of Civil Rights web site, publicize the coordinator's name and the scope of the job among the embassy workforce, and identify the coordinator to the Office of Civil Rights as required. (Action: Embassy Baku)



## Financial Management

Overall, the embassy performs its financial operations well. The LE staff are knowledgeable, and transactions are well documented. The LE financial specialist has certifying authority for payment up to \$25,000. The Class B cashier has had to work in two locations in order to provide accommodation exchange, process official transactions, and perform as paymaster every two weeks because local employees are paid in cash. The cashier has performed superbly, but the embassy needs a second principal cashier who is fully qualified and certified to perform the full range of cashier functions, thereby increasing hours of operation, improving service, and enhancing internal controls. This employee would also serve as paymaster every two weeks.

The embassy corrected a longstanding vulnerability in the consular fee collection process during the inspection. The consular cashier routinely turns over the consular collections each afternoon to the embassy's Class B cashier, who comes to the chancery from the annex late each day for that purpose. In the absence of the Class B cashier, a back-up cashier had been collecting the consular fees daily, but this replacement cashier did not have the training and therefore the authority to prepare the required OF-158 receipt for the collections. During periods of prolonged Class B cashier absence, the consular section sometimes went for up to two weeks without official receipts in violation of 7 FAH-1 H 771.2-5 f. and 771.2-7. During the inspection, however, the back-up cashier completed essential training, and authorization to provide full cashiering services was in process.

## General Services

Both American first-time general services officers (GSOs) will depart Azerbaijan between May and July 2007. The RSC Frankfurt team reviewed the general services operations from April 22-27, 2007, and concluded that the section seeks to provide good customer service and communicates well with its clients. The results of the OIG workplace and quality of life questionnaire reflected this same satisfaction in most categories. Motor pool operations received the highest scores on the questionnaire – a true rarity. Scores for other general services office operations, except for the housing program, were also above average. As previously discussed, and as also highlighted by the RSC team, the warehouse storage facility cannot be made adequate and should be replaced. The RSC team also recommended a property disposal sale; the OIG team agrees. Items on hand exceed the space available, and the last disposal sale was conducted in March 2006. Excess and disposable furniture, furnishings, and equipment can be found throughout the warehouse and in several temporary storage locations.

In addition, the OIG team found weaknesses in contract management and contract administration. These are discussed in the management controls section of this report.

## Motor Pool

The embassy motor pool received an exceptional rating on OIG's workplace and quality of life questionnaire, which rates various services of the embassy and factors affecting morale. The motor pool scored first of 52 categories in vehicle maintenance and upkeep and second in responsiveness. This is an unprecedented rating, as other embassy services or morale indicators on the questionnaire have traditionally ranked higher. The motor pool adheres to a high standard of customer service, safety, and operation.

RSC Frankfurt made a number of recommendations for the motor pool that the embassy is addressing, including improvement in oversight of the diesel pump located at the warehouse. The OIG team saw in one instance a duplicative meter reading for the diesel pump recorded in the logbook for two different vehicles. The error was committed by keeping multiple log books. This has been corrected, and the motor pool maintains only one log book. RSC Frankfurt recommended that the general services office adopt a key system that automatically identifies the amount of diesel pumped at the time of fill up and assigns it to the using agency. The OIG team agrees with this recommendation. In 2005, OIG identified a similar system found at Embassy Tel Aviv as a best practice.

## Motor Pool Consolidation

Although embassy employees expressed high satisfaction with the motor pool, many also mentioned a problem with availability on occasion. For example, health unit personnel who must make trips several times a week to hospitals and labs often have to take alternate transportation. During the inspection, the OIG team experienced a last-minute cancellation of the shuttle service because all drivers were busy. A USAID driver was called to provide transportation. A depletion of resources often occurs when drivers have to deliver embassy invitations. Due to parking restrictions, two drivers are required when making the deliveries. Even though other duplicative services within USAID have been consolidated with the relevant Department service providers, the USAID motor pool remains separate, consisting of one dispatcher and three drivers. The embassy motor pool does not have a dispatcher, and a driver currently performs the duty. Department of Defense entities have one driver. The EXBS unit has two dedicated vehicles and drivers. The drivers are underemployed and the vehicles underutilized. Trip tickets show that there are days when

the vehicles are used primarily to provide the personal services contract advisor with home-to-work transportation. There is no apparent provision in the contract for home-to-work transportation at no cost. The Ambassador, however, at the request of the Department, authorized the provision of home-to-work transportation on a self-drive basis. The EXBS advisor, however, is using a vehicle and driver for home-to-work transportation and is not reimbursing the embassy for the expense in contravention to 6 FAM 1931.2b. The embassy would achieve greater efficiency and a higher service standard by consolidating the motor pools of other agencies with the Department's motor pool.

**Recommendation 12:** Embassy Baku should consolidate motor pool operations for all agencies. (Action: Embassy Baku)

**Recommendation 13:** Embassy Baku should cease the provision of no-cost home-to-work transportation for the Export Control and Related Border Security personal services contractor (S-LMAQM-06-P-0012) and initiate collection action for services previously provided. (Action: Embassy Baku)

### School Transportation

Embassy Baku has not arranged a comprehensive school transportation program. All school-age children attend one of two international schools. The embassy provides a monthly allowance to families with school-age children, and they then arrange for privately employed drivers to transport their children to school. The present cost is higher than the transportation allowance. The privately hired drivers do not always have the training that would be required of embassy-contracted bus or van drivers. Some of the embassy families prefer having their own drivers for school transportation despite the financial impact, but others in the community are not satisfied with the current situation. Only two respondents answered two previous volunteer surveys on the transportation issue.

**Recommendation 14:** Embassy Baku should poll all families with school-age children to determine their transportation preferences and arrange for safe and reliable school transportation based on the results. (Action: Embassy Baku)

## Safety

The embassy has nine leased residences with swimming pools, some of which are indoors. With the exception of the Ambassador's residence, the pools do not have the required safety equipment. The Department's Safety, Occupational Health and Environmental Management Resource Guide states that residential pools, at a minimum, must have three pieces of safety equipment: at least one ring buoy with an attached line, a straight rescue pole, and a shepherd's crook. It is also recommended that other emergency equipment required for community-use pools be kept at residential pools.

**Recommendation 15:** Embassy Baku should provide the required safety equipment for each residence with a pool. (Action: Embassy Baku)

## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

Embassy Baku operates a comprehensive information management and information systems security program. The current information management officer effectively manages all of the embassy's information management and security requirements. The OIG team ran vulnerability scans, assessed all standard operating procedures and systems documentation, and performed random checks of the embassy's files. The information technology posture of the embassy is adequate.

The information technology staff provides unclassified and classified systems operations support for approximately 198 workstations, 15 servers, and 397 user accounts in the chancery, general services office warehouse, annex, and at the Ambassador's residence, including encrypted wireless and circuit connections between buildings. Locally employed staff assist with unclassified operations, telephone functions, and mailroom and receptionist duties.

## Pouch Schedule

As a result of the Bureau of Administration's (Diplomatic Pouch and Mail) awarding a contract for unclassified pouch and mail service to a new air carrier in February 2007 to effect cost savings, service has become unreliable. This has adversely affected the timely delivery of needed medical supplies and prescriptions,

as well as other personal mail. This in turn is affecting the health and morale of embassy personnel. The former contractor had a record of proven reliability.

**Recommendation 16:** Embassy Baku, in coordination with the Bureau of Administration, should determine if the current air carrier is capable of maintaining a reliable delivery schedule for pouch and mail and prepare to terminate the contract if the service continues to be unreliable. (Action: Embassy Baku, in coordination with A)

## Radio Frequencies

Embassy Baku uses radio frequencies that do not have the required consent documentation from the host government. The VHF/UHF and HF radio frequencies are used for communication among embassy personnel. According to 5 FAH-2 H-712.2, the mission may install and use a wireless transmitter only with the consent of the receiving state. The embassy is currently researching the necessary Azerbaijani laws and regulations to obtain a permit for use of the radio frequencies.

**Recommendation 17:** Embassy Baku should obtain the necessary permits from the government of Azerbaijan for the radio frequencies it uses. (Action: Embassy Baku)

## Dedicated Internet Network

Currently, the embassy has a dedicated Internet network (DIN) connection in its library that is used for research on the Internet. The DIN is connected to an external Internet service provider. The information technology staff supports this connection, which is funded by the embassy. The network is being supported in maintenance mode, only on an as-needed basis. According to State 166377, dated October 4, 2006, the information management officer has overall management responsibility of any DINs as part of the embassy's computer resources management. As part of this responsibility, the information technology staff should install and update patches and antivirus software on the DIN workstations regularly. The embassy must also provide software licensing and configuration for the DIN. The OIG team made an informal recommendation about this matter.

## Embassy Initiated Corrective Actions

The information technology staff took immediate action to correct several deficiencies that the OIG team identified. These included: unclassified pouch closing procedures, preparation of individual development plans, media labeling, the labeling of electric panels, the storage of backup tapes, the securing of equipment, and either replacement or positioning of fire extinguishers in information processing and media storage facilities.

### **Best Practice: Development of Patch Update by Batch System**

**Issue:** The Department uses a reliable tool called IPost to track the application of vulnerability patches to unclassified local area network servers and workstations. With the discontinuance of Baseline Tool Kit and the inconsistencies of the vulnerability assessment and reporting tool for the classified network, it takes extensive staff time to keep the vulnerability patch level current on classified workstations and servers. Consequently, reporting of vulnerabilities is inconsistent and includes many false positives. The classified vulnerability assessment and reporting tool is not always kept current on the vulnerability patches, creating a vulnerability risk on the classified local area network. The information management staff has to visit each workstation physically to update patches as a result.

**Response:** Embassy Baku obtained a patch update-by-batch system used by the Bureau of International Information Programs to install and log all patches applied to servers and workstations. Embassy Baku modified the patch update-by-batch system, deployed the scheduling function, and created the logs to update and log patches on the embassy's classified local area network.

**Result:** The patch update-by-batch system increased staff productivity, generated vulnerability application information from the logs, eliminated redundancy of efforts, and reduced the false positives of vulnerability patches on the classified local area network, thus helping to eliminate the risk of vulnerabilities. The information technology staff does not have to visit each classified workstation or server physically to update and verify the application of patches, resulting in a more efficient workforce.



## QUALITY OF LIFE

### OVERVIEW

Recently an increasing number of families with school-age children and persons with class 2 medical clearances have sought assignments to Embassy Baku. The embassy's hardship differential, service needs bonus, and cost of living allowances make a tour in Baku particularly attractive to officers who want to meet the requirement to serve in a hardship post but prefer to remain with their families rather than serve in an unaccompanied post. The materials currently available about an assignment in Baku are not as informative and forthcoming as they need to be about the difficulties officers and family members are likely to experience in several different areas including schooling, health, recreational activities, and spousal employment.

Embassy Baku has not reviewed and revised the range of materials available to prospective bidders to paint a more accurate picture of the quality of life for the embassy community so that potential bidders can make more informed plans and decisions. Information concerning the adequacy of schools, the actual environment for students, the water supply, and medical care has either been omitted or glossed over in the materials the inspectors reviewed. A recent study, published by Mercer Human Resources Consulting, rated Baku as the unhealthiest city in the world. Neither the embassy nor the Department has adjusted or shared available information in light of this study. A fuller discussion of schools and medical issues follows.

**Recommendation 18:** Embassy Baku should update information on living conditions and disseminate that information to all relevant Department offices involved in the assignment and medical clearance processes, including the Family Liaison Office, the Overseas Briefing Center, the Office of Medical Services, and the Bureau of Human Resources. (Action: Embassy Baku)



## SCHOOLS

Students attend one of two schools: The Baku International School or The International School of Azerbaijan. The Department's Office of Overseas Schools sponsors the former school, which follows an American curriculum. The Baku business community supports the latter, the larger and more modern of the two. It follows a British and international baccalaureate curriculum. Most of the older students attend The International School of Azerbaijan despite its curriculum. However, there are unanimous reports that students from the American community are not warmly received by their British counterparts and that the school environment is stressful. In addition, there are few organized after-school activities, and American children are often excluded from those hosted privately by the other children.

## HEALTH UNIT

Baku does not have medical care that meets Western standards. There are limited facilities that can stabilize emergency cases but almost none that are adequate for hospitalization. All serious medical problems require evacuation. Particularly important is the lack of a qualified pediatrician. The embassy community was delighted to receive a new nurse practitioner after spending extended periods without one. A Foreign Service nurse practitioner position was initially authorized in 2003 and then filled in 2004. However, when the first nurse practitioner departed in the summer of 2006, the position remained vacant until the current nurse practitioner arrived in January 2007. During that time, the part-time local nurse worked almost full time to provide coverage, supplemented by periodic regional medical officer visits. With the arrival of the new nurse practitioner, the health unit is now providing quality health care.

The nurse practitioner confirms that Baku is not a healthy place for some children, especially asthmatics. She also expressed concern that there are over 50 children at post, yet there is no pediatrician she would recommend. The nurse practitioner updated the post capabilities database to reflect Baku's unhealthy environment.

## Medical Clearances

As mentioned previously, a 2007 worldwide quality of living survey, covering 215 cities throughout the world, determined that Baku is the lowest-ranking city among those surveyed for health and sanitation. The scores were based on factors

including quality and availability of hospital and medical supplies and levels of air pollution and infectious diseases. Nonetheless, employees and their dependents arrive at post with medical conditions that require monitoring. The health unit is able to manage the care of some class 2 conditions, but limitations exist due to unavailability of medicines and environmental conditions. There have been 11 evacuations in the past 12 months, which may indicate that Baku should be a more restricted post than it is.

The medical clearance procedures are well established. Procedures for determining medical clearances are outlined in 16 FAM 223, and 16 FAM 228 states the Bureau of Human Resources' policy regarding medical clearances for overseas assignments. Despite these established procedures, employees with significant health problems have arrived for duty recently, indicating that at some point in the assignment process the medical clearance system did not function properly. Neither did the embassy receive advance notice about employees with special health needs.

In one case, an individual in need of medicine to stabilize a medical condition depleted the supply, but no refills were available locally, and the needed supply was delayed in the pouch. Department regulations require individuals with a class 2 medical clearance to receive post-specific approval prior to assignment, and it is the Bureau of Human Resources' policy not to authorize travel orders for employees who do not have a current and appropriate medical clearance. Somehow this process is not working for Embassy Baku.

**Recommendation 19:** The Bureau of Human Resources, in coordination with the Office of Medical Services and the Bureau of European and Eurasian Affairs, should review and strengthen its process for ensuring that employees have current class 1 medical clearances or post-specific approvals for class 2 conditions before issuing travel orders for assignment to Embassy Baku. (Action: DGHR, in coordination with M/MED and EUR)

## Receptionist Position

The health unit's physical layout is awkward, lacking an appropriate waiting area or receptionist. Although both nurses try to avoid scheduling patients at the same time, there are still times when it is unavoidable or the part-time nurse is gone and all patients have to wait for the nurse practitioner. At those times, patient visits are subject to interruptions when the treating nurse has to break off the consultation in order to advise a newcomer where or how long to wait. In addition, the health unit's

workload is increasing rapidly. The past year has seen a doubling of patient visits (up from 126 for the first four months in 2006 to 259 for the first four months in 2007). Both medical personnel work numerous hours of overtime in order to complete administrative tasks in addition to their regular workload. Although planning documents forecast a receptionist position when the NEC is constructed, the workload and needs of the office support establishing the position now. Minor space reconfigurations could be made with minimum cost.

**Recommendation 20:** Embassy Baku, in coordination with the Bureau of European and Eurasian Affairs, should establish a position for a locally employed receptionist in the health unit. (Action: Embassy Baku, in coordination with EUR)

## Avian Influenza

In 2006, there were eight reported cases of human Avian Influenza in Azerbaijan; five individuals died. In 2007, there have been reports of pneumonia but none to date of Avian Influenza. The embassy has been proactive within the embassy community and in the local community on Avian Influenza. The DCM chairs an embassy working group; the embassy also works with the government of Azerbaijan to put out public announcements about the disease. The Department provided the embassy with medical supplies and an emergency plan. The nurse practitioner gives presentations on Avian Influenza to local community groups as well as to the embassy community. In addition, she reached out to a local community with a suspected case, but after conducting interviews, she later determined that Avian Influenza was not involved.

## Water Supply

Baku's water supply is unsafe. The embassy provides water filters to all residences and urges personnel to use filtered water for cooking as well as drinking. The embassy is undertaking a water quality study to determine whether existing water filtration systems are adequate or whether additional systems should be provided to the community. That study will be shared transparently.

## THE BAKU EMPLOYEES' ASSOCIATION

The Baku Employees' Association operates the embassy cafeteria and a small commissary that provides only a few items for sale. Sales volume and profits from the commissary are enough to pay the one employee's salary and make limited contributions to some community functions. The cafeteria is self sustaining financially, but just barely. During the inspection, the association board sent a survey questionnaire to the membership seeking a consensus about whether or not to continue commissary operations; if so, what items should be stocked; and whether the general services office should contract out for cafeteria services instead of the association.



## MANAGEMENT CONTROLS

In FY 2006, the required Ambassador's statement of assurance of management controls, which was based on input from various embassy sections, did not report any weaknesses. Controls overall were in place. The OIG team, however, found that management control weaknesses exist in areas such as contracting for health insurance for the LE staff and their family members, contract administration, and grant administration.

### CONTRACT MANAGEMENT

Contract management needs improvement on two fronts. The health insurance contractor has been reaping excessive profits, and the values of modifications to the health insurance contract were in excess of the contracting officer's warrant. In addition, payments for a facilities maintenance contractor had been approved for several years although a copy of the contract delineating the contract employee's functions and responsibilities was not readily available, and supervisory personnel could not specifically state his job requirements.

#### Health Insurance

The health insurance contractor is earning profits far in excess of norms. For FY 2005 and FY 2006, the OIG team estimates the excessive profit to be about \$171,000. Payments, expenses, and profits for FY 2007 to date appear to be similar to the prior years.

In order to provide health and life insurance to the mission's LE staff, the embassy has a contract with the A-Group Insurance Company in Baku. The original contract was signed September 30, 2004, for \$313,891. The contract establishes billing rates for three categories – single employees, family plan, and retirees – based on the number of employees in each category per two-week period. The major category of the contract was for a premium payment of \$53.30 every two weeks for 200 employees and their family members. The rates in each category already include provision for overhead and profit. For FY 2004, the contractor reported paying claims of \$109,038, retaining \$85,569 for general and administrative costs plus profit,

and garnering additional revenue (profit) of \$110,997. For FY 2006, excess revenues were about \$60,000. Although the contractor provides monthly reports showing the claims paid, there has not been any established procedure to measure and recover excess profits. In 2006, the embassy initiated an e-mail exchange with the contractor about recovering the excess profits, but the contractor was not receptive, and there has not been any concentrated attempt to follow up. Paragraph B.4.1 of the contract states, “for health insurance contracts, prices may be adjusted upward or downward based on the experience rating of the Mission covered by this contract,” so it is entirely appropriate and fiscally prudent to pursue the recovery of the excess profits.

**Recommendation 21:** Embassy Baku should renegotiate contract number SAJ200-04-D-1277 as modified to provide for lower premium payments. (Action: Embassy Baku)

**Recommendation 22:** Embassy Baku should determine if the health insurance contractor’s (contract S-EG300-2003-C-0225) windfall profits are recoverable. (Action: Embassy Baku)

**Recommendation 23:** Embassy Baku should initiate procedures to compare total payments by the health insurance contractor with payments made to the contractor by the embassy. (Action: Embassy Baku)

## Contractor Oversight

A full-time administrative support specialist who is employed by Pacific Architects and Engineers is assigned to Embassy Baku. The Department awarded the contract to provide clerical, professional, and maintenance support to Embassy Moscow, its constituent posts, and embassies in the Newly Independent States, China, and Vietnam. The incumbent has been in Baku for five years performing a variety of maintenance related functions. Embassy personnel certify the contractor’s time and attendance for payment to the contractor. However, a copy of the contract or the specific statement of work for the individual was not readily available, and embassy personnel could not with any assurance state that the contractor employee was performing in accordance with the terms of the contract.

**Recommendation 24:** Embassy Baku should obtain the applicable provisions of the Pacific Architects and Engineers support services contract and monitor the contract employee's performance to make sure that work is undertaken and completed in accordance with the contract's provisions. (Action: Embassy Baku)

## Grant Administration

The on-site administration of a \$550,000 grant (SAJ200-04-GR-065) for a project entitled "Azerbaijan Regional Library Internet Centers Program" needs strengthening. On August 31, 2004, a grants officer in EUR delegated authority to a grant officer representative (GOR) in Baku, who subsequently departed in 2005. EUR has not designated a new GOR since that time. A GOR, in part, is responsible for monitoring and inspecting grantee progress and evaluating project performance to ensure compliance with the terms of the grant. Grantees are supposed to send performance reports and other documentation evaluating their programs through the GOR to the grants officer in Washington. In the absence of a GOR for the past two years, grantees in Azerbaijan have been sending their reports directly to the grants officer contrary to requirements.

**Recommendation 25:** The Bureau of European and Eurasian Affairs should issue a current grant officer delegation to Embassy Baku's public affairs officer that clarifies the responsibilities and requirements for grant documentation. (Action: EUR)





## FORMAL RECOMMENDATIONS

- Recommendation 1:** The Bureau of European and Eurasian Affairs should advise Embassy Baku and the Bureau of Overseas Buildings Operations as soon as possible about how many of the positions the embassy requested in its FY 2009 Mission Strategic Plan the bureau expects to fund. (Action: EUR)
- Recommendation 2:** Embassy Baku, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Democracy, Human Rights, and Labor, should develop and implement written tracking procedures that keep both sides abreast of the status of projected vetting requests, submissions, and completions. (Action: Embassy Baku, in coordination with EUR and DRL)
- Recommendation 3:** Embassy Baku should rewrite the position descriptions of the consular section chief and the consular entry-level officer so that the chief is the supervisor and rating officer for the less experienced consular officer and the fully empowered supervisor of the consular operation. (Action: Embassy Baku)
- Recommendation 4:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Baku and the Bureau of European and Eurasian Affairs, should plan to build a new embassy compound sufficient to house projected staff and include construction of a warehouse. (Action: OBO, in coordination with Embassy Baku and EUR)
- Recommendation 5:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Baku, should plan to sell the current warehouse compound (property number R-33) upon completion of construction of a new warehouse. (Action: OBO, in coordination with Embassy Baku)
- Recommendation 6:** Embassy Baku should accredit the locally employed staff to the government of Azerbaijan and simultaneously regularize their payment of local taxes. (Action: Embassy Baku)
- Recommendation 7:** Embassy Baku should request, and the Bureau of Human Resources approve, the conversion from the U.S. leave system to the local leave plan to include the maternity leave benefit in accordance with Article 125 of Azerbaijan's Labor Code and the Department's leave policy. (Action: Embassy Baku, in coordination with DGHR)

**Recommendation 8:** Embassy Baku should request the Bureau of Human Resources to select another vendor to conduct the annual review of the local compensation plan and require that vendor to analyze a larger number of entities and to use entities that are more comparable to the embassy workforce. (Action: Embassy Baku, in coordination with DGHR)

**Recommendation 9:** Embassy Baku should review the management structure of the surveillance detection team to determine if reclassification to higher grades of positions C56209, C56241, and C56268 is warranted (Action: Embassy Baku)

**Recommendation 10:** Embassy Baku should identify and train a second Equal Employment Opportunity counselor who works in the embassy annex so that employees there have easy access to essential guidance. (Action: Embassy Baku)

**Recommendation 11:** Embassy Baku should select a Federal Women's Program coordinator to replace the outgoing incumbent after reviewing the requirement of the position on the Office of Civil Rights web site, publicize the coordinator's name and the scope of the job among the embassy workforce, and identify the coordinator to the Office of Civil Rights as required. (Action: Embassy Baku)

**Recommendation 12:** Embassy Baku should consolidate motor pool operations for all agencies. (Action: Embassy Baku)

**Recommendation 13:** Embassy Baku should cease the provision of no-cost home-to-work transportation for the Export Control and Related Border Security personal services contractor (S-LMAQM-06-P-0012) and initiate collection action for services previously provided. (Action: Embassy Baku)

**Recommendation 14:** Embassy Baku should poll all families with school-age children to determine their transportation preferences and arrange for safe and reliable school transportation based on the results. (Action: Embassy Baku)

**Recommendation 15:** Embassy Baku should provide the required safety equipment for each residence with a pool. (Action: Embassy Baku)

**Recommendation 16:** Embassy Baku, in coordination with the Bureau of Administration, should determine if the current air carrier is capable of maintaining a reliable delivery schedule for pouch and mail and prepare to terminate the contract if the service continues to be unreliable. (Action: Embassy Baku, in coordination with A)

**Recommendation 17:** Embassy Baku should obtain the necessary permits from the government of Azerbaijan for the radio frequencies it uses. (Action: Embassy Baku)

**Recommendation 18:** Embassy Baku should update information on living conditions and disseminate that information to all relevant Department offices involved in the assignment and medical clearance processes, including the Family Liaison Office, the Overseas Briefing Center, the Office of Medical Services, and the Bureau of Human Resources. (Action: Embassy Baku)

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**Recommendation 24:** Embassy Baku should obtain the applicable provisions of the Pacific Architects and Engineers support services contract and monitor the contract employee's performance to make sure that work is undertaken and completed in accordance with the contract's provisions. (Action: Embassy Baku)

**Recommendation 25:** The Bureau of European and Eurasian Affairs should issue a current grant officer delegation to Embassy Baku's public affairs officer that clarifies the responsibilities and requirements for grant documentation. (Action: EUR)



## INFORMAL RECOMMENDATIONS

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

The embassy and EUR'S Office of Caucasus Affairs and Regional Conflicts handle a workload that has increased markedly, especially in the last year. Some miscommunications have arisen about reciprocal support and the frequency and nature of communications.

**Informal Recommendation 1:** Embassy Baku should initiate regular discussions, perhaps via videoconference, with the Bureau of European and Eurasian Affairs' Office of Caucasus Affairs and Regional Conflicts to reach realistic understandings about the levels of reciprocal support and improved communications.

The political and economic section hosts an NEA-funded regional Iran watcher. In light of 10 months of experience with the position in Azerbaijan, it would be useful to review the potential for this type of work in Azerbaijan and the scope of activities.

**Informal Recommendation 2:** Embassy Baku should review with the Bureau of European and Eurasian Affairs and the Bureau of Near Eastern Affairs the potential for a regional Iran watcher in Azerbaijan and the scope of the incumbent's activities.

The PAO works collegially with USAID's development outreach and communications officer and clears the USAID's officer's press releases, but the two do not have a joint communications strategy that promotes long-term planning and makes certain that the two offices' public affairs events and press releases reinforce one another's messages.

**Informal Recommendation 3:** Embassy Baku should develop and implement a joint communications strategy with the U.S. Agency for International Development.

The consular section suspects that it may have more systemic NIV fraud than it is aware of. The regional consular officer recommended that the section undertake NIV validation studies to determine the overstay rate in visa categories other than its referral cases such as the summer work and travel.

**Informal Recommendation 4:** Embassy Baku should conduct a validation study of its summer work and travel visa applicant pool at the end of the 2007 season.

The decisionmaking process employed in the assignment of housing is not transparent. The minutes of housing board meetings do not describe discussions that have taken place.

**Informal Recommendation 5:** Embassy Baku should revise housing board procedures to require that minutes provide full disclosure of discussions at meetings.

Embassy Baku's DIN is supported only on an as-needed basis as required by State 166377, dated October 4, 2006.

**Informal Recommendation 6:** Embassy Baku should install and update patches and antivirus software on the dedicated Internet network workstations regularly.

## PRINCIPAL OFFICIALS

<b>Officer</b>	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Anne E. Derse	07/06
Deputy Chief of Mission	Jason P. Hyland	07/04

### **Chiefs of Sections:**

Consular	Vlad Lipschutz	09/06
Economic	Joan A. Polaschik	08/05
Management	Clifford T. Sorensen	08/05
Political	Joan A. Polaschik	08/05
Political Military	David N. Tyson	08/06
Public Affairs	Jonathan D. Henick	09/05
Regional Security	James D. Hine	07/06

### **Other Agencies:**

Defense Threat Reduction Office	Felix Gaines	04/05
Department of Defense	Stephen M. Bruce	06/06
Department of Justice	Kevin Feldis	06/06
Office of Defense Cooperation	Mark Karas	07/06
Peace Corps	Zoltan Szigethy	05/05
U.S. Agency for International Development	Scott M. Taylor	07/06





## ABBREVIATIONS

DCM	Deputy chief of mission
Department	Department of State
DIN	Dedicated Internet Network
EEO	Equal Employment Opportunity
EFM	Eligible family member
ELO	Entry-level officer
EUR	Bureau of European and Eurasian Affairs
EUR/ACE	Office of the Coordinator of U.S. Assistance to Europe and Eurasia
EXBS	Export Control and Related Border Security
FSA	Freedom Support Act
FWP	Federal Women's Program
GOR	Grant officer representative
GSO	General services officer
IDP	Internally displaced persons
IV	Immigrant visa
LE	Locally employed
MSP	Mission Strategic Plan
NEA	Bureau of Near Eastern Affairs
NEC	New embassy compound
NIV	Nonimmigrant visa
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
ODC	Office of Defense Cooperation

OMS	Office management specialist
PAO	Public affairs officer
RSC	Regional Support Center
RSO	Regional security officer
USAID	U.S. Agency for International Development
USFCS	U.S. Foreign and Commercial Service

~~SENSITIVE BUT UNCLASSIFIED~~

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