



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

Inspection of Embassy Lima, Peru



*Embassy Annex of the U.S. Agency for
International Development in Lima*

The Ambassador and his newly arrived deputy chief of mission are effectively leading the mission forward on an array of difficult U.S. foreign policy challenges.

The embassy's public affairs section plays a lead role in informing Peruvian publics of the impact of narco-trafficking on Peru's civic and private institutions. At the same time, the section is conducting highly successful democracy-building mutual understanding programs.

Embassy Lima has access to several well-structured binational centers throughout the country that it uses for public diplomacy mutual understanding programs in English teaching, educational exchange, and library outreach.

The consular operation in Lima is efficient and well managed, but its poor physical layout limits its ability to address a growing immigrant visa workload and to prepare for a return to higher levels of nonimmigrant visa processing. A professional space planner is needed to reconfigure existing space.

The consular agency in Cusco does not provide a full range of services, nor does it maintain regular office hours or professional recordkeeping for its emergency services to American citizens in the area. The embassy needs to address the consular agency's shortcomings and make its operations more professional.

The narcotics affairs section's activities are constrained by the limitations of the Peruvian government and the lack of political support for aerial eradication of drug crops.

The Office of Inspector General also found that:

- The political section does an excellent job of keeping the mission and the Department abreast of current political developments in Peru.
- The economic section focuses well on current bilateral and regional issues, including energy production and environmental protection.
- Although crime is the leading security concern in Peru, the security program is well run and enjoys support from the Ambassador and DCM.
- Embassy Lima's management section has achieved notable cost savings without compromising service to the embassy community.

OIG Report ISP-I-06-24A, Inspection of Embassy Lima, Peru

The fieldwork for this report was conducted by the Office of Inspections in Lima, Peru, from October 31-November 17, 2005. This is an unclassified summary of a full report, which receives limited official distribution. This report summary, and the inspection report, reflects the conditions at post during the period of the fieldwork.

Background



Map of Peru

Peru is bordered by five countries and is the third-largest country in South America. The nation is three times the size of California and home to 27 million people, half of them living below the Peruvian government's poverty line. Peru has fewer paved roads than Rhode Island, leaving large parts of the eastern and Amazon regions under scant central government control. These areas are mostly controlled by narco-trafficking cartels. The economy of Peru, while expanding in each of the past four years, does not produce enough revenue for the government's social welfare responsibilities. The party of President Toledo controls only a quarter of the seats in the Congress, hobbling central government efforts to promote much-needed economic and political reforms.

An important U.S. partner for promoting regional stability, Peru is pursuing a regional free trade agreement with the United States to encourage economic growth. The mission believes that U.S. national security is best served by helping to develop the infrastructure of democracy, creating a transparent commercial environment that abides by rule of law, and promoting sustainable development. Until the government of Peru can carry out these functions on its own, substantial U.S. assistance will be needed to keep these bilateral programs in operation.

The United States works closely with the Peruvian government to counter narcoterrorism. The U.S. narcotics assistance program has a three-prong approach: eradication, interdiction, and alternative development. Eradication efforts are constrained by the lack of political support for it among the Peruvian population, particularly aerial eradication. All eradication efforts are conducted on the ground by Peruvian National Police. The Peruvian government has conducted a number of recent interdictions at major air and sea ports, yielding large quantities of drugs that would otherwise have entered international markets. The Air Bridge Denial program is currently dormant, pending development of a new Regional Aerial Interdiction Initiative that is nonlethal. Interdiction on maritime routes is a huge challenge due to the 10,000 plus river routes out of the Amazon region. Alternative development programs run by the U.S. Agency for International Development have had some success in creating pockets of legal enterprise around core coca-growing areas. Violent resistance to alternative development programs by narcoterrorists and local coca growers remains the greatest challenge.

Peru's recent election to a seat on the United Nations Security Council for the 2006-2007 term will add a new dimension to the bilateral relationship. The mission will have an expanded role in U.S. efforts to influence the approach taken by the Peruvians in the Security Council on issues of key importance to U.S. interests worldwide.

Office of Inspector General

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

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