



Highlights of [GAO-08-124T](#), a testimony before the Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

The development of competent and loyal government ministries is critical to stabilizing and rebuilding Iraq. The ministries are Iraq's largest employer, with an estimated 2.2 million government workers. U.S. efforts to build the capacity of Iraqi ministries include programs to advise and help Iraqi government employees develop the skills to plan programs, execute budgets, and effectively deliver services. The administration received \$140 million in fiscal year 2007 to fund U.S. capacity-building efforts and requested an additional \$255 million for fiscal year 2008.

This testimony discusses (1) U.S. efforts to develop ministry capacity, (2) the key challenges to these efforts, and (3) the extent to which the U.S. government has an overall integrated strategy.

This statement is based on the report issued at this hearing. To accomplish our report objectives, we reviewed reports from and interviewed officials of U.S. agencies, the Iraqi government, the United Nations, and the World Bank. We conducted fieldwork in Washington, D.C.; New York City; Baghdad, Iraq; and Amman, Jordan.

What GAO Recommends

GAO recommends that State, in consultation with the Iraqi government, complete an overall integrated strategy for U.S. capacity development efforts. Congress also should consider conditioning future appropriations on the completion of such a strategy.

To view the full product, including the scope and methodology, click on [GAO-08-124T](#). For more information, contact Joseph A. Christoff at (202) 512-8979 or christoffj@gao.gov.

STABILIZING AND REBUILDING IRAQ

Serious Challenges Confront U.S. Efforts to Build the Capacity of Iraqi Ministries

What GAO Found

Over the past 4 years, U.S. efforts to help build the capacity of the Iraqi national government have been characterized by (1) multiple U.S. agencies leading efforts without overarching direction from a lead agency or a strategic plan that integrates their efforts; and (2) shifting timeframes and priorities in response to deteriorating conditions in Iraq. As of May 2007, six U.S. agencies were implementing about 53 projects at individual ministries and other national Iraqi agencies. Although the Departments of State and Defense and the U.S. Agency for International Development (USAID) have improved the coordination of their capacity-building efforts, there is no lead agency or strategic plan to provide overarching guidance.

U.S. efforts to develop Iraqi ministerial capacity face four key challenges that pose risks to their success and long-term sustainability. First, Iraqi government institutions have significant shortages of personnel with the skills to perform the vital tasks necessary to provide security and deliver essential services to the Iraqi people. Second, Iraq's government confronts significant challenges in staffing a nonpartisan civil service and addressing militia infiltration of key ministries. Third, widespread corruption undermines efforts to develop the government's capacity by robbing it of needed resources, some of which are used to fund the insurgency. Finally, violence in Iraq hinders U.S. advisors' access to Iraqi ministries, increases absenteeism among ministry employees, and contributes to the growing number of professional Iraqis leaving the country.

The U.S. government is beginning to develop an overall strategy for ministerial capacity development, although agencies have been implementing separate programs since 2003. GAO's work in this area shows that an overall strategy for capacity development should include (1) a clear purpose, scope, and methodology; (2) a delineation of U.S. roles and responsibilities and coordination with other donors including the United Nations; (3) goals and objectives linked to Iraqi priorities; (4) performance measures and milestones; and (5) costs, resources needed, and assessment of program risks. U.S. ministry capacity efforts have included some but not all of these components. For example, agencies are working to clarify roles and responsibilities. However, U.S. efforts lack clear ties to Iraqi-identified priorities at all ministries, clear performance measures, and information on how resources will be targeted to achieve the desired end-state.

State and USAID noted concerns over our recommendation to condition further appropriations and cited the appointment of an ambassador to supervise civilian capacity development programs. GAO does not recommend stopping U.S. investment in capacity development. The \$140 million in fiscal year 2007 funds remains available to continue efforts while developing an integrated strategy. In addition, the U.S. ambassador arrived in Iraq in July 2007 underscoring our point that U.S. efforts lacked overall leadership and highlighting the need for an overall integrated strategy.