

The seal of the Office of the Special Inspector General for Iraq Reconstruction is a large, circular emblem in the background. It features the text "SPECIAL INSPECTOR GENERAL" at the top and "FOR IRAQ RECONSTRUCTION" at the bottom. In the center is the Iraqi national emblem, which includes a sun with seven stars, a banner with the Arabic motto "الحرية، العدالة، الاعمار" (Liberty, Justice, Reconstruction), and two eagles. The seal is rendered in a light, semi-transparent grey color.

**IRAQ POLICE DEVELOPMENT  
PROGRAM: LACK OF IRAQI SUPPORT  
AND SECURITY PROBLEMS RAISE  
QUESTIONS ABOUT THE CONTINUED  
VIABILITY OF THE PROGRAM**

**SIGIR 12-020**

**JULY 30, 2012**



# SIGIR

Special Inspector General for IRAQ Reconstruction

## Summary of Report: SIGIR 12-020

### Why SIGIR Did This Study

On October 1, 2011, the Department of State (DoS) assumed responsibility to train Iraq's police forces and created the Police Development Program (PDP). Originally, the PDP was to be a five-year multibillion dollar program, the largest DoS-managed program worldwide. On October 24, 2011, the Special Inspector General for Iraq Reconstruction (SIGIR) reported serious weaknesses with DoS's PDP planning, including the lack of an assessment of Iraqi police force capabilities, high program overhead costs (chiefly from security), and the absence of any written Government of Iraq (GOI) commitment to the program. This report updates the PDP's programmatic and financial status.

### What SIGIR Recommends

SIGIR makes two recommendations to the Secretary of State:

1. Obtain a written agreement with the MOI on the training to be provided, with concurrence on mutually acceptable locations for conducting that training.
2. Develop a spend plan that accounts for all available funding from all program changes, showing how much prior-year funds will be available for fiscal year 2013 program activities and beyond.

### Matter for Congressional Consideration

SIGIR believes that Congress may want to consider requiring DoS to provide a written certification that there is Iraqi buy-in for the PDP classes presented in the first three months of implementation before any additional U.S. funds are committed to the program.

### Management Comments and Audit Response

The DoS provided written comments to a draft of this report, and the comments are reprinted in their entirety in Appendix F. The DoS generally concurred with SIGIR's recommendations and will continue to take steps to implement them. The DoS will continue to work with SIGIR and other audit authorities as they implement an appropriate and effective PDP.

July 30, 2012

## IRAQ POLICE DEVELOPMENT PROGRAM: LACK OF IRAQI SUPPORT AND SECURITY PROBLEMS RAISE QUESTIONS ABOUT THE CONTINUED VIABILITY OF THE PROGRAM

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### What SIGIR Found

The DoS is wisely reducing the PDP's scope and size in the face of weak Iraq Ministry of Interior (MOI) support. In July 2012, the number of in-country advisors was reduced to 36: 18 in Baghdad and 18 in Erbil, down from the 85 advisors supporting the program in January. These latest reductions stemmed, in part, from the MOI's rejection of some planned PDP training that was to be the centerpiece of the DoS program. DoS is currently refocusing its training on five technical areas requested by the MOI.

Along with Iraqi disinterest, security concerns also affected the program. The Embassy's Regional Security Office deemed it unsafe for advisors to travel to Iraqi-controlled facilities in Baghdad on a frequent basis. Thus, the PDP's advisors conducted more training at the U.S.-controlled Baghdad Police College Annex (BPAX). DoS constructed significant training and housing facilities at BPAX at an estimated cost of about \$108 million. But the DoS has decided to close the facility, just months after the PDP started, due to security costs and program revisions. Although BPAX's facilities will be given to the Iraqis, its closure amounts to a *de facto* waste of the estimated \$108 million to be invested in its construction. In addition, DoS contributed \$98 million in PDP funds for constructing the Basrah Consulate so it could be used for PDP training. It too will not be used because the MOI decided to terminate training at that location. This brings the total amount of *de facto* waste in the PDP—that is, funds not meaningfully used for the purpose of their appropriation—to about \$206 million.

With the PDP's downsizing, available funding exceeds current costs. DoS has about \$118 million in unspent fiscal years (FY) 2010 and 2011 funds. More FY 2010 and FY 2011 funds will become available as more reductions are implemented. Further, DoS officials noted that they may need some of the \$76.3 million in requested FY 2012 funds to continue operations in FY 2013. It is unclear how much will be needed to fund FY 2013 activities.

In SIGIR's October 2011 PDP audit, we noted that support costs comprised 88 percent of program funding. Further, the average cost per advisor totaled about \$2.1 million per year. SIGIR's analysis of DoS's FY 2013 budget request shows that PDP support costs would go up to 94 percent of program funding and the per advisor costs would double to about \$4.2 million per year.

In SIGIR's lessons learned study, *Hard Lessons: The Iraq Reconstruction Experience*, we reported that a major lesson learned from Iraq is that host country buy-in to proposed programs is essential to the long-term success of relief and reconstruction activities: the PDP experience powerfully underscores that point. While obtaining the MOI's commitment to the planned PDP program has clearly been difficult, the decision to embark on a major program absent Iraqi buy-in has been costly. Further, without the MOI's written commitment to the program, there is little reason to have confidence that the training program currently being planned will be accepted six months from now.



## SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

July 30, 2012

MEMORANDUM FOR U.S. SECRETARY OF STATE  
U.S. AMBASSADOR TO IRAQ

SUBJECT: Iraq Police Development Program: Lack of Iraqi Support and Security Problems  
Raise Questions about the Continued Viability of the Program (SIGIR 12-020)

We are providing this audit report for your information and use. The report discusses the current programmatic and financial status of the Iraq Police Development Program. We performed this audit in accordance with our statutory responsibilities contained in Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspector General Act of 1978. This law provides for independent and objective audits of programs and operations funded with amounts appropriated or otherwise made available for the reconstruction of Iraq, and for recommendations on related policies designed to promote economy, efficiency, and effectiveness and to prevent and detect fraud, waste, and abuse. This audit was conducted as SIGIR Project 1201.

We appreciate the courtesies extended to the SIGIR staff. For additional information on the report, please contact F. James Shafer, Assistant Inspector General for Audits (Washington D.C.) (703) 604-0894/ [fred.j.shafer.civ@mail.mil](mailto:fred.j.shafer.civ@mail.mil), or Tinh Nguyen, Principal Deputy Assistant Inspector General for Audits (Washington, DC), (703) 604-0545/ [tinh.t.nguyen4.civ@mail.mil](mailto:tinh.t.nguyen4.civ@mail.mil).

A handwritten signature in black ink, appearing to read "Stuart Bowen, Jr.", followed by a period.

Stuart W. Bowen, Jr.  
Inspector General

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# Iraq Police Development Program: Lack of Iraqi Support and Security Problems Raise Questions about the Continued Viability of the Program

SIGIR 12-020

July 30, 2012

## Introduction

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Since 2003, the United States has spent about \$8 billion to train, staff, and equip Iraqi police forces. Until October 1, 2011, the Department of Defense (DoD) implemented police-training programs in Iraq. The Department of State's (DoS) Bureau of International Narcotics and Law Enforcement Affairs (INL) then took responsibility for implementing the Iraq Police Development Program (PDP), under its authority to develop policies and manage programs that strengthen law enforcement and other rule of law institutional capabilities outside the United States.<sup>1</sup>

Funding for the PDP is included in the International Narcotics Control and Law Enforcement (INCLE) fund in the Department of State, Foreign Operations, and Related Programs Appropriations Act. As originally conceived, the PDP was to be a five-year, multibillion dollar program, the largest single DoS program worldwide.

On October 24, 2011, the Special Inspector General for Iraq Reconstruction (SIGIR) issued an audit reporting serious weaknesses with DoS's planning, including the absence of a current assessment of Iraqi police force capabilities, high security costs, and the lack of a written commitment from the Government of Iraq (GOI) for the program.<sup>2</sup> INL commendably addressed SIGIR's recommendations by completing an assessment and developing a program management plan with detailed metrics. This report reviews the current programmatic and financial status of the program.

## Background

In 2003, INL was assigned initial responsibility for training the Iraqi police. However, program responsibility was transferred to DoD in 2004 due to the deteriorating Iraqi security situation, the scope and scale of the mission, and the need to ensure unity of command and effort. On May 11, 2004, National Security Presidential Directive 36 assigned the mission of organizing, training, and equipping Iraq's security forces, including the police, to the U.S. Central Command, until such time that the Secretaries of State and Defense came to an agreement that DoS should again take on that responsibility.

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<sup>1</sup> Presidential Decision Directive 71, February 24, 2000, directed DoS to strengthen criminal justice systems in support of U.S. peace operations and other complex contingencies. The Secretary of State designated INL as the primary focal point for rule of law matters.

<sup>2</sup> *Iraqi Police Development Program: Opportunities for Improved Program Accountability and Budget Transparency*, SIGIR 12-006, 10/24/2011.

Through the Multi-National Security Transition Command–Iraq, the DoD-run Iraqi police training program built a sizeable force. According to a May 2003 assessment conducted for the Coalition Provisional Authority, the Iraqi police force under Saddam Hussein numbered about 58,000. By 2010, DoD reported that there were 412,000 police in the overall force.<sup>3</sup> The effort was fraught with ever-changing challenges, which bred some weaknesses. For example, SIGIR reported on significant problems in obtaining the true number of assigned and trained police.<sup>4</sup>

The Iraq Ministry of Interior (MOI) oversees the nation’s police forces in 15 of Iraq’s 18 provinces<sup>5</sup> including:

- The Iraqi Police Service, which comprises patrol and station police, as well as specialists such as forensic experts assigned throughout 15 of Iraq’s provinces. The Iraqi Police Service mission is to enforce the law, safeguard the public, and provide internal security at the local level.
- The Federal Police, which is a bridging force between the Iraqi Police Service and the Iraqi Army, allowing MOI to project police capabilities across provinces. The Federal Police could be used to counter large-scale civil disobedience and to attend to national emergencies.
- The Border Police, which staff border forts and ports of entry to protect Iraq’s borders from unlawful entry.
- The Energy Police, which provides security for Iraq’s critical energy infrastructure.
- The Facilities Protection Services, which protect Iraqi government buildings.

The MOI assumed formal management of all police training centers, colleges, and stations in 2006.

The Strategic Framework Agreement between the United States and Iraq, signed in November 2008, provides the basis for continuing bilateral law enforcement and judicial training in Iraq. One provision directed cooperation on enhancing law enforcement. The current DoS-led PDP grew out of this agreement.

## **Military and Political Challenges in Iraq**

The PDP began amid significant military and political challenges in Iraq that inevitably affected the program. As noted above, DoS officially assumed responsibility for the PDP on October 1, 2011. On December 15, 2011, the U.S. military mission in Iraq ended. With the withdrawal of the U.S. military, DoS assumed primary responsibility for providing security for the sizable numbers of U.S. personnel involved in program implementation.

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<sup>3</sup> *Measuring Stability and Security in Iraq*, Department of Defense Report to Congress in accordance with the Department of Defense Supplemental Appropriations Act 2008, 6/2010.

<sup>4</sup> *Interim Analysis of Iraqi Security Force Information Provided by the Department of Defense Report, Measuring Stability and Security in Iraq*, SIGIR 08-015, 4/25/2008; and *Challenges in Obtaining Reliable and Useful Data on Iraqi Security Forces Continue*, SIGIR 09-002, 10/21/2008.

<sup>5</sup> The Iraq MOI does not oversee the police forces in the Kurdistan region. Those forces are overseen by the Kurdistan MOI. Future references to the MOI will be limited to the Iraqi MOI, unless noted.

According to DoS, as of June 30, 2012, 15,007 personnel were supporting the U.S. mission in Iraq. This included 1,235 U.S. government employees under the Chief of Mission, and 13,772 contractors providing security and life support (food, transportation, and maintenance) services. DoS has found it difficult to sustain the planned U.S. personnel levels in Iraq because of the costs (estimated to be \$6 billion annually) and the increasingly negative Iraqi reaction to such a large U.S. diplomatic presence in their country. As such, DoS is working to reduce direct hire staff by 25 to 30 percent by the end of 2013.

The withdrawal of U.S. troops from Iraq was followed by turbulent domestic politics and power struggles, making it more difficult for the United States to partner with the GOI. The chief source of this turbulence was the March 2010 parliamentary elections in Iraq, which failed to produce a clear winner and forced Iraq's government into a nine-month power struggle. After protracted negotiations, incumbent Prime Minister Maliki formed a coalition government on November 25, 2010. But disputes among rival political groups continued, and violence increased, including attacks against internal security forces.

According to the Center for Strategic and International Studies, this unstable period was characterized by a long series of political power struggles resulting in the lack of anything approaching a stable government or a fully functioning democracy at the time of the U.S. troop withdrawal in December 2011.<sup>6</sup> Since late 2010, Prime Minister Maliki has concurrently held the portfolios of Minister of Interior and Minister of Defense. Adnan al-Asadi, a member of the Prime Minister's governing Dawa Party, now serves as Senior Deputy Minister of Interior and manages the MOI's daily activities.

## **The Iraq Police Development Program**

The purpose of the PDP is to assist the MOI and its police services to further develop and maintain capabilities needed to lead, manage, and sustain internal security and the rule of law. DoS hoped that by 2016, with PDP assistance, Iraq could achieve the capacity to sustain program gains and implement the rule of law. Accordingly, the strategy anticipated devoting substantial resources and efforts for a two- to three-year period, followed by annual programs with decreasing resources and assistance.

In the spring of 2009, an interagency Joint Transition Planning Team consisting of DoS, DoD, Department of Justice, and Department of Homeland Security officials traveled to Iraq to review DoD's police training program. It also assessed the GOI's priorities for its civilian-led police program. The interagency group developed several concepts of operation for the program, and DoS chose a hub-and-spoke concept in which advisors and trainers would be stationed at three key locations and travel daily to local and regional Iraqi police facilities to advise, train, and mentor Iraqis in subjects such as forensics, investigative skills, the use of information technology

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<sup>6</sup> Center for Strategic & International Studies, "The Outcome of Invasion: US and Iranian Strategic Competition in Iraq," 03/2012.



in policing, and program management. The concept was endorsed by the National Security Council's Deputies Committee<sup>7</sup> in August 2009.

Initially, DoS planned to locate 350 police advisors at three hub locations (Baghdad, Basrah, and Erbil). The advisors would travel to approximately 50 spoke sites across the provinces, conducting programs at Iraqi training academies and other key police facilities. DoS-provided secure ground transportation would enable travel to approximately half of the sites, while dedicated air transportation would support the remaining sites. INL's planned air wing would consist of nine light-lift UH-1N helicopters in Erbil and three medium-lift S-61 helicopters in Baghdad.

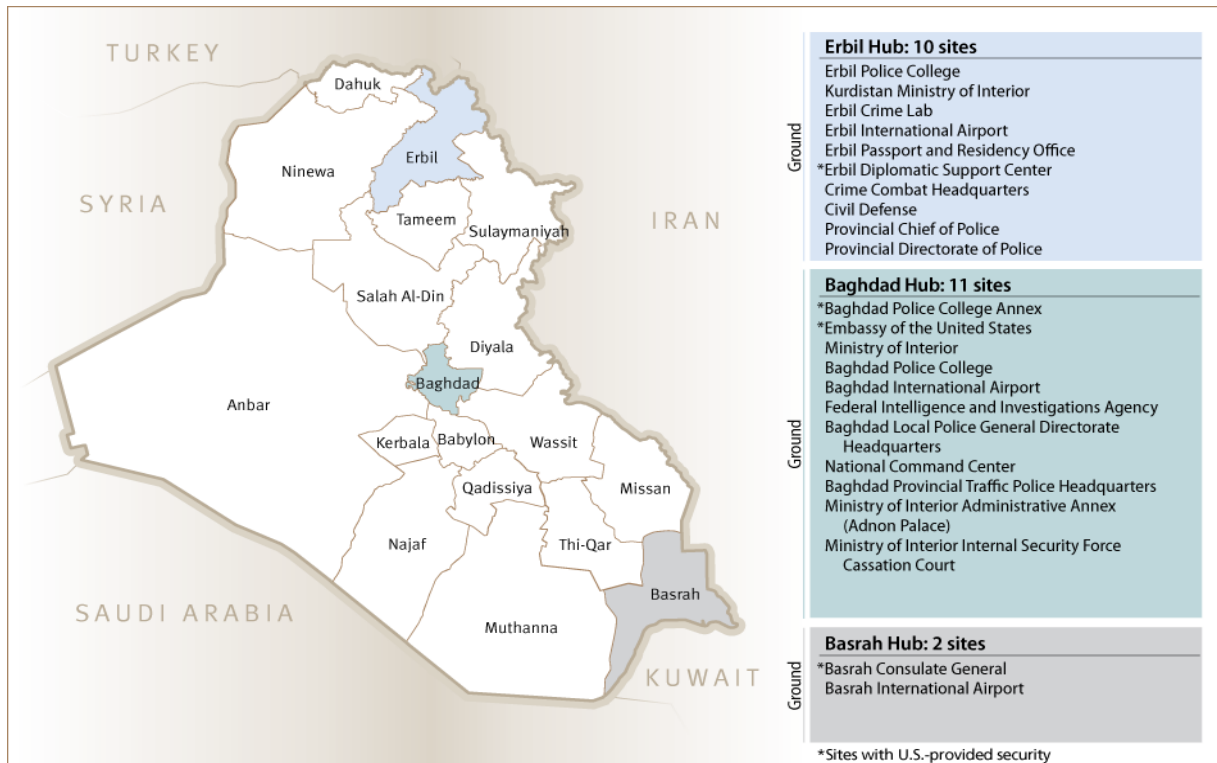
The hub-and-spoke concept was designed to allow INL to adjust the size of the program depending on available funds and Iraqi needs. However, by December 2010, DoS reduced the number of advisors to 190. By mid-2011, due to uncertainties about the level and timing of fiscal year (FY) 2012 appropriation, DoS decided to phase in the program and reduced the number of Iraqi sites it planned to visit in the first phase to the 21 ground-accessible sites. The first phase of implementation would not include dedicated air transport; DoS eventually deleted dedicated air transportation altogether. As of May 2012, INL identified 23 sites to be visited by the advisors.

Figure 1 shows the 23 sites.

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<sup>7</sup> The National Security Council's Deputies Committee is a senior sub-Cabinet interagency committee dealing with national security issues. The organization and function are detailed in the February 2009 Presidential Policy Directive-1.

**Figure 1—PDP Site List as of May 2012**



Source: DoS/INL, May 2012.

According to the March 2012 PDP Program Plan, in October and November 2011, senior INL advisors assessed the MOI police forces’ capabilities “to validate” the initial program design and to determine if any corrections to goals, objectives, and metrics were warranted. The assessment concluded that:

1. Iraq had the necessary human and economic resources at its disposal to create and sustain public security and policing services but needed to use them more effectively;
2. MOI decision-making was top-down, with lower- and mid-level staff having little accountability or responsibility and no discretion to make decisions or take action; and
3. management and administrative systems needed substantial improvement, because most decisions were made on an ad hoc basis resulting in very uneven performance.

Several areas were highlighted for improvement, including:

- organizational structure and responsibilities
- management structures and practices
- long-term planning, budgeting, and execution
- coordination between MOI and other legal institutions
- logistics, administration, human resources
- technical capacities

- professional development
- human rights

Since October 2011, police advisors have been assisting the MOI through various means such as:

- mentoring and advising senior Iraqi counterparts
- bringing Iraqi counterparts together in executive seminars to introduce and discuss topics of mutual interest
- providing classroom training on advanced or specialized technical skills
- developing Iraqi training capabilities to ensure that skills and knowledge are sustained and transferred

While DoD and DoS have provided most of the U.S. support to help train, staff, and equip Iraqi police; other U.S. organizations also have given support. For example, the Federal Bureau of Investigation (FBI) and the Department of Homeland Security (Customs and Border Patrol, Immigrations, and Customs Enforcement), and U.S. Coast Guard produced advisory and training support programs for the MOI. Though not part of the formal cadre of on-the-ground advisors and trainers, FBI officials have supported the MOI with technical training, and the Department of Homeland Security has trained Iraqi personnel on physical security, port operations, threat assessments, document analysis and search techniques, and developed curriculum for border, customs, and immigration courses. INL partners with the International Association of Chiefs of Police to conduct a series of three-week U.S.-based training courses on leadership and management skills. It also coordinates its PDP activities with other U.S. and international partners, such as the DoS's Anti-Terrorism Assistance Office, DoD's Office of Security Cooperation, and the European Union's Integrated Rule of Law Mission for Iraq.

## **Key Programmatic Assumptions Required for Success**

Three key programmatic assumptions are critical for the PDP to succeed. These are:

- host-country support for and commitment to the program
- a secure environment for PDP operations without U.S. military support
- sufficient program funding

As we have previously reported, the U.S. government has long recognized that host-country agreement with and commitment to assistance programs is important for program success. As early as March 1, 2010, U.S. Forces-Iraq identified as a "transition fact" the need for a written memorandum of agreement with the GOI for the INL-led PDP assistance program.<sup>8</sup> This would include not only Iraqi agreement on U.S. land-use rights that would support the hub-and-spoke concept but would also require an agreement on program substance. In its March 2012 program plan, DoS reiterated that the PDP's ultimate success depends on the Iraqi willingness to assimilate and use the knowledge provided. Clearly, Iraqi receptivity is key to the program's success.

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<sup>8</sup> United States Forces-Iraq, "INL Transition Brief," 3/1/2010.

The ability of PDP advisors to travel safely to MOI and Iraqi police facilities without the support of the U.S. military was also critical to program success. In March 2010, U.S. Forces-Iraq recognized that a security environment that permitted INL operations independent of military support was a critical requirement. INL recognized that the PDP would have to be conducted in the difficult and dangerous security environment that exists in Iraq. The PDP program plan states that, “security of our advisors and our Iraqi counterparts is of paramount importance” and clearly states the assumption that “security conditions will remain at a level which allows us to conduct the program as designed safely and effectively.”

Sufficient funding was also critical for program success. Although the PDP envisioned by DoS in 2010 and 2011 was smaller than the military police training mission it was replacing, it still required considerable funding early on for investments in facilities at the three hubs and for transportation assets (including dedicated aircraft). In addition, start-up funding was required for security and life support for 190 advisors.

## **PDP Funding**

INL receives funding for the PDP from the INCLE fund in the Department of State, Foreign Operations, and Related Programs Appropriations Act. INCLE funds are available for obligation for two years. In FY 2012, INCLE funds for Iraq were appropriated under the Overseas Contingency Operations Title VIII and requested under the Overseas Contingency Operations title for FY 2013.

Section 7011, Division I, of the Consolidated Appropriations Act, 2012 (P.L. 112-74) (and similar provisions in prior-year appropriations bills) states, INCLE “funds shall remain available [for deobligation and reobligation] for an additional four years from the expiration date of the appropriation, as long as the funds were initially obligated before the appropriation expired.” DoS is required, under provisions of the Foreign Assistance Act of 1961 and the consolidated Appropriations Act of 2012 (P.L. 112-74), to notify Congress on how it will allocate INCLE funding to various foreign assistance programs including the PDP. Thus, DoS must submit operating and spend plans to the Committees on Appropriations before it can obligate funds provided. No funds are released to INL for obligation until the required notifications have been completed.

Once funds are released to INL, it can obligate or transfer funds to other DoS bureaus for services it requires. For example, INL transferred funds to the Bureau of Diplomatic Security for security of police advisors stationed in Iraq, to the Bureau of Overseas Buildings Operations for construction of facilities used by the PDP, and to the Bureau of Near Eastern Affairs for mission and life support (housing, food, etc.) for PDP personnel assigned in Iraq. INL provides the bureaus estimates of how many PDP advisors will be assigned for the fiscal year, where they will be located, and other information such as the amount of travel they will require. The bureaus then estimate the costs, and INL transfers the required funding. A reconciliation of required funding is done at the end of the third quarter of the fiscal year and again 90 days after the close of the fiscal year. Any unused funds identified are returned to INL.

## **Prior SIGIR Reporting**

As noted, SIGIR previously concluded that DoS failed to develop a timely assessment of Iraqi police force capabilities upon which to base its program. SIGIR's October 2011 audit also stated that DoS did not have a sufficiently comprehensive and detailed PDP plan that provided specifics on what was to be accomplished, including intermediate and long-term milestones, benchmarks for progress, anticipated accomplishments, and necessary transparency of and accountability for costs and performance.

SIGIR made three recommendations to the Secretary of State, highlighting the need for:

1. an adequate current assessment of the Iraqi police forces,
2. a more comprehensive and detailed program plan, and
3. a written agreement with the GOI ensuring its financial participation and agreement with the program.

DoS agreed with all three recommendations and implemented the first two; it has been unable to obtain a written program agreement from the GOI to date.

SIGIR also asked Congress to consider requiring DoS to provide detailed data on:

1. projected program costs,
2. existing funds available to meet FY 2012 operational costs, and
3. expected GOI contributions.

We also noted that the PDP's FY 2012 operating costs should be significantly less than INL's initial budget request of \$887 million.

We further concluded that ongoing PDP reductions and delays had resulted in significant obligation and expenditure delays and large amounts of unspent prior-year funds. Because of the reductions and the consequent availability of prior-year funds, SIGIR recommended that the Congress consider reducing DoS's request for FY 2012 funding for the PDP. DoS subsequently made significant downward adjustments to its FY 2012 and FY 2013 PDP funding requirements and/or requests.

## **Objectives**

Our objectives for this report were to assess:

- the viability of the PDP program in the context of Iraqi support for the program and the security environment in which the program operates
- the financial status of the program after the first six months of its operations

For a discussion of the audit scope and methodology and a summary of prior coverage, see Appendix A. For the table of obligations and expenditures, see Appendix B. For the table of changes in obligations, see Appendix C. For a list of acronyms, see Appendix D. For a list of

the audit team members, see Appendix E. For a copy of management comments, see Appendix F. For the SIGIR mission and contact information, see Appendix G.

# **Viability of Original PDP Is Not Sustainable, and Planned Reductions Are Appropriate**

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GOI support for the PDP was weak at inception in October 2011; it continued to be weak through the first nine months of program activity. Recent program revisions have shaped an effort that appears to be attracting greater GOI buy-in.

The challenges since last fall for DoS have been significant. The withdrawal of U.S. military forces removed a considerable “security blanket” that previously enabled fairly fluid travel in Iraq. Thus, it became (and remains) unsafe for PDP advisors to travel to MOI facilities in Baghdad on a frequent basis. In response to security concerns, the PDP sought to rely on the Baghdad Police College Annex (BPAX), a U.S.-secured facility, for training, but that option is no longer available. BPAX has been closed and is being turned over to the GOI.

Since last fall, DoS has been implementing SIGIR’s recommendations to perform an assessment of Iraqi police training needs and to develop a plan based on that assessment. The completed assessment and consequent plan called for an expansive mentoring, advising, and training program that was about the same as was originally envisioned. However, by the time the plan was completed, in March 2012, the sections related to Baghdad and Basrah had been rendered obsolete because there was almost no Iraqi support for most of the PDP’s activities, despite previous GOI verbal statements of support provided during the transition of the program from DoD. As with virtually all programs in Iraq, the story in Kurdistan is very different. In Erbil, the PDP was implemented largely as designed, due to a more permissive security environment and strong Kurdistan Regional Government Ministry of Interior (KMOI) support.

## **GOI Support for the PDP Program Remains Weak**

After the PDP began, the MOI began to question its usefulness. On October 8, 2011, the Senior Deputy Minister of Interior told SIGIR that, while he was grateful for the continued U.S. commitment to Iraqi security, he had serious doubts about the efficacy of the PDP program. The Deputy Interior Minister questioned the benefit the MOI would receive from the program because most program funding was to be spent on security for PDP advisors. He also said the program was focused on secondary issues such as administration, finance, information technology, and planning issues, where the MOI did not need U.S. assistance.

In May 2012, the Deputy Minister of the Interior told SIGIR that the PDP was “useless” and that the MOI did not need the large numbers of PDP advisors currently in-country. He also indicated that Iraqi police officers had expressed their opinion that the training received to date was not beneficial.

According to INL officials, the absence of MOI support was unexpected because INL held numerous meetings with MOI officials prior to October 2011. During these meetings DoS officials shared their vision for the program and asked for Iraqi input. For example, as early as December 2009, INL briefed high-level MOI officials on their vision for the police training mission, which included a focus on higher-level managerial and specialized policing skills.

During the December 2009 briefing, Iraqi officials voiced their support for a civilian-led training mission and expressed their need for continued U.S. government support, as MOI transformed from a recruiting and basic training phase to that of building a more sophisticated law enforcement organization.

In an April 2010 meeting, the GOI Interior Minister at that time, noted that the MOI needed capacity building through technical advice and improved information technology for border security, intelligence, and judicial security. As the transition continued, INL and MOI held numerous meetings to discuss topics such as PDP program logistics and training and advising areas. In the meetings, MOI officials continued to indicate their approval of the program and even provided specific areas in which they wanted additional training.

In March 2012, a senior MOI official responsible for training expressed doubts to SIGIR about the efficacy of the PDP, because it was not well-planned, was not tuned to the needs of the Ministry, and was constrained by security conditions. Specifically, the MOI official stated that INL did not have a good plan in place for the program. He noted that he disapproved of some of the meetings the INL advisors suggested because he believed they would not be useful. In some cases he said there was a mismatch between the subject matter expertise of the advisor and the relevant MOI official. Further, the Ministry official noted that PDP advisors would cancel scheduled meetings, reschedule them, and, in many instances, not attend the rescheduled meetings.

Regarding security, the MOI official noted that security costs associated with the program were so high that it would be more cost effective to train staff in locations outside of Iraq. Another high-ranking MOI official echoed these sentiments and told SIGIR that INL has not developed a sufficient strategic plan. He believed that all funds and programs offered by the U.S. government, including those provided by the FBI and the Department of Justice, needed to be better coordinated.

The MOI began conducting quarterly reviews of the PDP in January 2012. In its first review covering January 1 to March 30, 2012, the MOI reported that the police advisors had requested 218 meetings, of which 55 were rejected by the MOI. It further noted that the actual number of meetings between the MOI and the advisors for that quarter was 80.<sup>9</sup> Assessment reports were requested from the MOI officials who attended those meetings, with 74 assessments received; and 52 of the 74 assessments rating the meetings as beneficial, 21 as semi-beneficial, and 1 as not beneficial.

Most MOI officials were complimentary in their assessments. But the Deputy Minister of Interior told SIGIR in a May 2, 2012 meeting that while the MOI officials were complimentary toward the program in their written responses, they verbally told him that the training was not beneficial. He further acknowledged that these officials were complimentary because they thought they would receive logistic and financial support from the PDP. He was very pleased with the FBI's forensic training<sup>10</sup>, but characterized the rest of the police training as "useless."

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<sup>9</sup> The MOI report did not cite the outcome of the other 83 meeting requests.

<sup>10</sup> The FBI sponsored advanced training for Iraqi investigators in Quantico, Virginia and, in January 2012, they held a training class in Erbil.



The MOI quarterly review also contained the following criticism of the program:

- the PDP program is not well organized and lacks leadership
- police advisor teams work separately and their efforts are not coordinated
- U.S. government PDP funds are not cost beneficial, and police advisory services are “subpar”

Finally, the report recommended that DoS, the U.S. Embassy, and MOI enter into a memorandum of understanding which would provide program specifics regarding the support to be provided to the MOI, based on MOI needs. Subsequently, a high-ranking MOI official indicated to DoS that they do not support entering into an agreement at this time.

## **Police Advisor Security Issues Have Hampered PDP Operations in Baghdad and Basrah**

Significant and continuing security issues hamper PDP activities. The threat to PDP advisors located in the Baghdad and Basrah hubs was high because police officers and police facilities are constantly targeted. For example, on October 12, 2011, 25 people across Baghdad were killed in a string of attacks that mainly targeted Iraqi police. On December 26, 2011, a bomb was detonated outside of MOI headquarters. On January 15, 2012, a series of bomb attacks targeted police stations in Iraq. On February 19, 2012, a suicide car bomb exploded outside the Iraqi-run Baghdad Police College, killing 20 police officers and recruits and wounding another 28. A police station in Basrah was also bombed in 2011.

A major premise of the PDP was that U.S. police advisors and MOI officials would have frequent and regular contact. With the withdrawal of U.S. troops, DoS assumed responsibility for the security of PDP police advisors. Police advisors travel using Regional Security Office (RSO)-managed protective security details funded by INL. Iraqi counterparts may occasionally travel to the U.S.-secured sites, such as BPAX.

The high-security threat level in Baghdad limited the extent to which PDP advisors can travel to meet with their Iraqi counterparts. Although security conditions have generally improved in Iraq this year, U.S. advisors are particularly vulnerable to attacks since their work largely focuses on the MOI headquarters and its vicinity.

According to the U.S. Assistant Chief of Mission in Baghdad, a series of security “incidents” in Baghdad have affected advisor movements. In response, the Embassy restricted movements near the MOI and the Baghdad Police College until security conditions and risk could be reevaluated. Engagements at the MOI decreased to an average of one per week between January and March 2012, and visits to the Baghdad Police College were suspended for all but mission-critical meetings. As a result, most PDP training in Baghdad was limited to the Baghdad International Airport, BPAX, and the International Zone. According to INL officials, mentoring continued at the offices of the Federal Police and the Iraqi Federal Investigative and Intelligence Agency, which are located close to the Embassy in the International Zone.

Even when the Embassy approved travel in Baghdad and Basrah, it was with restrictions that impacted the ability of PDP advisors to interact with Iraqi officials. PDP operations in Erbil, however, benefited from a more permissive security environment.

According to an RSO official in Baghdad, police advisor movements were easier when the U.S. military was in-country, simply because the military had greater capabilities. For example, the military provided surveillance, intelligence, liaising with the Iraqi military, and rapid response capabilities. According to the RSO official, advisors could walk from BPAX to the Baghdad Police College and stay for an extended period of time, which made interactions with Iraqis easier. The official explained that their security policy is more restrictive and the advisors do not have the same freedom of movement as they did before the military withdrew in December 2011.

Iraqi officials also have concerns about PDP security. They indicated that the large security details the RSO uses to transport U.S. officials to GOI facilities are an affront to Iraqi sovereignty. An MOI official told SIGIR that some advisor movements inside Baghdad have been curtailed due to the current political environment. He also said there is political sensitivity with Iraqi officers attending training at BPAX and the U.S. Embassy, and officers have been advised by GOI not to attend training at these facilities. All this, he said, has led to lukewarm relations between the Americans and Iraqis and has created some distance between them.

## **BPAX Will Be Returned to the GOI by December 2012**

In March 2012, DoS decided to turn BPAX over to the GOI at the end of 2012 as part of an effort to reduce the size and costs of the U.S. Embassy in Baghdad. According to an INL official, returning BPAX to the GOI would eliminate static security costs for the site, and reduce other personnel costs due to staff reductions. The Deputy Assistant Secretary for INL said that the return of BPAX would have little effect on that part of the program regarding mentoring and advising. But according to the U.S. Assistant Chief of Mission in Baghdad, INL was not anticipating returning BPAX to the GOI so soon and further indicated that conducting classroom training at other sites will be more challenging.

BPAX is located at a site formally known as Forward Operating Base Shield, a U.S.-secured facility located near MOI headquarters, the Baghdad Police College, and other MOI facilities. INL planned to use BPAX as the primary PDP training and advisor housing site, and as of March 5, 2012, 954 of the 1,458 PDP personnel in Iraq were housed there. This includes 57 PDP advisors, 41 support staff such as linguists and INL staff, 557 security personnel, and 299 life and mission support staff.

According to the Security Agreement signed in November 2008, Forward Operating Base Shield was to be returned to the GOI when the U.S. military left Iraq at the end of December 2011. On December 11, 2011, INL signed a one-year, renewable land-use agreement with the GOI to use the facility. This agreement reaffirmed a land-use agreement signed by then-Minister of Interior Bolani in October 2010.

The DoS decision to return BPAX to the GOI at the end of 2012 will have a significant impact on INL's ability to conduct police training in Baghdad. According to an INL official, DoS worked with the MOI to allow INL to use BPAX after it is transferred to the GOI because of its

proximity to MOI Headquarters and the Baghdad Police College. However, the RSO will have to assess the security of BPAX as a PDP training site once it is returned to the GOI. In addition, MOI officials are insisting that future PDP training be performed at the Baghdad Police College and other MOI facilities, which could require more contracted security personnel and movements.

**Figure 2—BPAX Containerized Housing Units**



**INL newly constructed compound to house the police advisors at Baghdad Police College Annex**

*Source: SIGIR, April 2012.*

**Figure 3—BPAX Dining Facility**



**Newly constructed dining facility at Baghdad Police College Annex**

*Source: SIGIR, January 2012.*

INL transferred \$150 million to DoS's Bureau of Overseas Buildings Operations for construction of housing, dining and other facilities at BPAX and estimates that about \$108 million of the \$150 million will be spent on construction.<sup>11</sup> Figures 2 and 3 show the housing and dining facilities respectively. After the Embassy decided not to renew the one-year land use agreement, the Bureau of Overseas Buildings Operations issued a stop-work order at INL's request followed by a termination for convenience notice on the construction contract. DoS anticipates the closure of BPAX could leave up to \$42 million in unspent construction funds but indicated that some close-out work and demobilization costs will reduce that amount. A final cost estimate cannot be determined until a final settlement agreement has been reached with the contractor. It appears that about \$108 million in construction costs that will be expended is at risk of being wasted because the investment will not be meaningfully used for the purpose of the appropriation.

The question remains why INL continued the construction project with questionable Iraqi buy-in. As SIGIR reported in its October 2011 report, GOI support for the program was weak. Nonetheless, INL continued with a major construction project while program uncertainties existed. SIGIR has issued a number of reports, including, *Hard Lessons: The Iraq Reconstruction Experience*, emphasizing that host country buy-in is essential to the long-term success of relief and reconstruction activities. The \$108 million investment in BPAX with such weak support only adds to that lesson.

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<sup>11</sup> The construction costs were part of the initial startup funding in the FY 2010 supplemental.

## **INL Six-month Review of PDP Found Mixed Results**

In March 2012, INL reviewed the first six months of the PDP program and found mixed results. While the review noted the PDP made demonstrable progress in areas such as criminal investigations, forensics, and border security, it also confirmed that providing security in Baghdad and Basrah, along with flagging MOI support, hampered program progress.

According to the review, INL's assumptions that advisors could meet safely and frequently with MOI officials proved false after MOI facilities were attacked, and the Embassy restricted advisor movements. In addition, INL found that the MOI narrowly interpreted agreements made with the United States to facilitate meetings between MOI officials and PDP advisors. In general, the MOI wanted advisors to meet with higher-level officials first. It also did not want to meet with advisors on a weekly basis. In January 2012, the MOI instituted a meeting request and approval process, complicating the process to obtain regular access necessary for effective mentoring. The INL report found that the combination of increased security requirements and unanticipated MOI-imposed conditions led to fewer mentor-protégé engagements and thus less progress than planned.

On a positive note, the review found that PDP operations in Erbil were progressing as planned and were distinctly different from operations in Baghdad and Basrah. The threat level in Erbil was significantly lower, so there were fewer security restrictions, and KMOI support for the program was much stronger. As a result, advisors moved with lower security profiles, stayed significantly longer on site, and enjoyed greater access to their KMOI counterparts. These factors enabled broad engagement and notable opportunities for progress.

The review made a number of recommendations to restructure and reduce the program. The principal recommendation was to continue to provide the MOI development assistance but with a more targeted approach to balance MOI desires for a smaller program and U.S. interest in developing sustainable policing policies. The review also recommended that the PDP augment its training component while maintaining its key mentoring and advising component. The INL assessment pushed for a restructured program of 50 advisors to include 20 in Baghdad, 25 in Erbil, and 5 in Basrah.

## **PDP Program Significantly Smaller than Originally Planned**

The PDP has been significantly downsized since planning began in early 2009. The initial PDP ambitiously envisioned 350 advisors who would make extensive use of aviation assets to travel throughout the country. But that plan was soon reduced to 190 advisors who would be based at three hubs: Baghdad, Basrah, and Erbil. Over the next two years, further program changes and funding uncertainties resulted in further reductions in the number of advisors and facilities. By July 2012, the PDP program was reduced to 36 advisors (see Table 1).

**Table 1—The Downsizing of the PDP**

<b>Date</b>	<b>Operational Level</b>	<b>Number of Advisors</b>	<b>Dedicated Aircraft</b>
2009	Original INL plan	350	Yes
2010	Phases 1 and 2	190	Yes
Oct-11	Phase 1 only	115	No
May-12	INL planned level for FY 13	100	No
Jun-12	GOI/DoS agreed level for FY 13	43	No
Jul-12	INL planned level of FY 13	36	No

*Source: DoS INL, SIGIR*

In July 2011, uncertainties in the funding levels and timing of the FY 2012 appropriation led INL to a decision to implement the program in two phases. Phase 1 would require only 115 advisors, scrapping the planned air wing. In addition, the changes reduced the number of sites to be served from 28 to 21.

Because of operational and security challenges encountered in late 2011 and early 2012, INL again reduced advisors from 115 to about 85 advisors. After the six-month program review in March 2012, DoS decided to reduce the number of advisors to around 50.

INL's March program review led to another round of discussions between senior DoS and MOI leaders. In a May 2012 meeting between the INL Assistant Secretary of State and the Deputy Minister of the Interior, MOI's desire for the PDP was reaffirmed, and by early July, a new consensus on the future of the program developed. This included:

1. ending planned training in Basrah
2. implementing a smaller, more targeted program in Baghdad that would involve only 18 subject-matter experts and a 4-person management and support cadre
3. implementing a simplified meeting process and committing to find suitable training venues in Baghdad
4. focusing training on five areas:
  - information technology and cyber crime
  - counterterrorism and criminal intelligence
  - explosives detection
  - criminal evidence and the use of DNA
  - border security

On July 18, 2012, SIGIR was informed that INL and the MOI reached a verbal agreement on the use of several sites for future PDP activities. Specifically, one site is a house that the MOI will refurbish for training purposes. In addition, the MOI identified two other sites, the Federal Intelligence and Investigative Agency and the Federal Police Training Center, that could be used as possible training venues.

Significantly, the decision to close the Basrah training site comes at a very high price. INL invested \$98 million in PDP facilities that were used by only 7 police advisors at the height of the training program. That investment is now wasted since the funds will not be used for their intended purpose.

According to a senior INL official, INL sought a written agreement from the GOI regarding MOI's support of the PDP program. However, the GOI has shown no inclination to pursue a formal memorandum of agreement at this time.

Kurdish support for the PDP has been and remains strong. According to the U.S. Assistant Chief of Mission in Baghdad, the KMOI has allowed DoS to implement the PDP as designed. According to INL, KMOI provides the PDP with "robust support" and has permitted advisors to be embedded at KMOI headquarters, the Erbil Forensics Laboratory, and the Erbil Police College, which allows PDP advisors to meet with their counterparts five times a week for several hours during each meeting.

The program review identified a few advisory areas that the KMOI is not interested in pursuing and INL will be adjusting its staffing in Erbil slightly to 18 advisors and a 4-person leadership and support cadre to reflect the elimination of those functions. The Assistant Chief of Mission said that the KMOI would like to have more police advisors, but a challenge for the program will be to balance the desire for more advisors in the three northern provinces of Kurdistan with the program as implemented in the rest of Iraq.

## **PDP Funding Requests Are Based on Outdated Assumptions, and Budget Questions Remain**

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Since its inception, the PDP has been systematically downsized without corresponding decreases in funding requests. As a result, actual funding provided appears to have greatly exceeded projected costs. SIGIR's analysis of PDP funding found the following:

- Unobligated and unspent funds from FYs 2010 and 2011 should be more than sufficient to cover all remaining program costs for FY 2012.
- INL has reduced its estimate of the amount of FY 2012 funds needed from an initial \$500 million to \$76.3 million. INL has not needed funds appropriated to INCLE in FY 2012 but believes they will be needed for continuity of operations into the first months of FY 2013.
- As program requirements continue to decrease, it is unclear how much additional funding, if any, will be needed in FY 2013 to support the program.
- Despite decreases in the size of the PDP, security and life and mission support costs have increased from 88 percent to 94 percent of operational program costs. Also, based on the most current FY 2013 budget request, the average cost of supporting each advisor will double, from about \$2 million to about \$4 million per advisor.

### **Unused FY 2010 and 2011 PDP Funds May Be Sufficient To Meet FY 2012 Program Costs**

SIGIR estimates that \$118.2 million in unused FY 2010 and 2011 PDP funds are available to the program. This may be sufficient to meet remaining FY 2012 program costs that SIGIR estimates to be less than \$100 million.

INL documents show that of the \$744.6 million appropriated for the PDP in FY 2010 and FY 2011, \$148.9 million remained unobligated as of March 31, 2012 (see Appendix B). However, in July 2012, INL transferred \$70 million of the remaining unobligated funds to the Bureau of Near Eastern Affairs for expenses expected to be incurred for life and mission support services provided to the PDP during FY 2012. INL received about \$20.9 million that was deobligated and returned from the Bureau of Overseas Building Operations, and it also has about \$18.4 million remaining that was obligated but unspent as a result of other canceled construction-related projects. The net effect of these transfers brings the total available funding from FY 2010 and FY 2011 to about \$118.2 million (see Table 2).



**Table 2—Available FY 2010 and FY 2011 PDP Funds by Category as of 3/31/2012 (\$ in millions)**

<b>Category</b>	<b>Amount</b>
Unobligated	\$148.9 <sup>a</sup>
Committed for unpaid life support costs	(70.0)
Deobligated and returned	20.9
Other unspent construction funds	18.4
<b>Total</b>	<b>\$118.2</b>

**Note:**

<sup>a</sup> This amount includes \$48.5 million unobligated due to the canceled aircraft purchase.

Source: DoS INL, SIGIR.

During the first six months of FY 2012, INL obligated about \$140 million for advisor salaries, security, and life and mission support (see Appendix C). Both the Bureau of Diplomatic Security and the Bureau of Near Eastern Affairs that provide security and life support services for INL require INL to pay almost the entire year of projected expenses at the beginning of the year. As a result, at the beginning of the fiscal year, INL transferred to the Bureau of Diplomatic Security approximately 80 percent of a full year of projected PDP static and transportation security costs.

PDP obligations for the second half of FY 2012 should be significantly less than those in the first half of the year since most PDP funds have been obligated for the entire year. Additionally, a yet-unknown amount of funds obligated for security and life and mission support will probably be returned to INL because the bureaus providing these services calculated these costs on the basis of a larger 115-advisor PDP that never materialized.

Despite the funding uncertainties, SIGIR estimates that less than \$100 million will be required to meet all FY 2012 PDP expenses for the remainder of the fiscal year. INL documents (see Table 2) show that about \$148.9 million in program funds were unobligated as of March 2012, of which \$70 million was “committed” to the Bureau of Near Eastern Affairs, which has been spending its own appropriated funds to provide life support for the PDP program since October 2011. As of July 2012, INL has obligated this amount by transferring the funds to the Bureau of Near Eastern Affairs. The actual amount owed, however, is likely less, because the \$70 million estimate was based on a much higher number of advisors (115). Further, additional funds may become available from pending decisions to not continue with other planned projects.

## **INL Has Not Spent FY 2012 Funds**

DoS has yet to complete the required congressional notification detailing how it will allocate the FY 2012 INCLE funding it received in the Consolidated Appropriations Act of 2012, and how INL will spend the money. As a result, DoS has not released FY 2012 INCLE funds to INL for obligation.

DoS is requesting approval to allocate \$76.3 million<sup>12</sup> for the PDP from its FY 2012 INCLE appropriations, a significant reduction from the \$860 million that was originally planned for the PDP. However, as of July 16, 2012, INL had not received approval to spend any FY 2012 funds.

In its FY 2012 Congressional Budget Justification submitted to Congress in early 2011, DoS requested \$1 billion of INCLE funds, including funding for the PDP. INL reported that the vast majority of these funds—about \$860 million—were to support a full year of operations for the PDP. The request was based on having 190 advisors located at three hubs. However, the justification did not specify how the funds would be used.

In December 2011, Congress appropriated \$983.6 million in INCLE-Overseas Contingency Operations funds to DoS, “for the extraordinary costs of contingency operations, including in Afghanistan, Pakistan, Iraq, Yemen, Somalia, and for African counterterrorism partnerships” but did not stipulate an amount for Iraq or the PDP. Congress recommended that DoS continuously review the performance of these programs in Iraq and determine if the GOI could share some of the costs.

In January 2012, a senior INL official informed SIGIR that DoS was notifying Congress that it planned to allocate \$418.4 million of FY 2012 INCLE funds for the PDP. This amount was included in the revised estimate of \$500 million for all INCLE programs in Iraq.

By April 2012, DoS further reduced the amount it planned to allocate for the PDP to approximately \$171 million based on a smaller program of 100 advisors. In July 2012, INL again reduced the amount of funding requested for FY 2012 to \$76 million. However, recognizing that sufficient unused funds from FY 2010 and FY 2011 appropriations were available to meet all remaining FY 2012 requirements, INL officials report that any funds received in FY 2012 will be used to meet FY 2013 requirements.

## **FY 2013 PDP Budget Request May Not Be Needed**

Due to the reduction in the number of advisors to 36, the closure of BPAX, and other program cuts, INL has reduced its FY 2013 PDP funding request to \$149.6 million, including \$17.1 million to be transferred to the International Cooperative Administrative Support Service for PDP support services. However, based on the extent of unused prior year funds and the possible allocation of an additional \$76.3 million for FY 2012, it is unclear how much, if any, additional funding will be needed to meet its FY 2013 requirements.

DoS’s initial FY 2013 Congressional Budget Justification request for \$703 million for a full year of PDP operations was based on outdated assumptions and thus overstated. That is, INL based the request on a 190-advisor program, based at three hubs. It estimated that \$91 million (12.9%) would be needed to fund the advisors and \$612.3 million (87.1%) to pay for security and for life and mission support. All of these assumptions massively changed. INL has not yet prepared a spend plan for FY 2013.

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<sup>12</sup> This amount does not take into account the expected reprogramming of \$48.5 million in FY 2010 Supplemental funds that had been set aside to procure aviation assets. According to INL, reprogramming notification is planned for this amount. If approved, after applying the \$48.5 million, the FY 2012 PDP requirement would be \$27.9 million.

INL officials acknowledge that because of major changes to the PDP program, they revised their funding requests downward. INL’s first reduced request was for \$352 million to fund a PDP program based on 100 advisors and still supporting the costs of maintaining BPAX.

Based on the current PDP budget request, the average cost to support each PDP advisor has increased dramatically. According to INL’s FY 2013 projected budget of \$149.6 million to operate the 36-advisor PDP in two locations, the average cost would be about \$4.2 million per advisor. By contrast, in 2009, SIGIR noted in its October 2011 report that the average cost per advisor was \$2.1 million.

## Costs for Security, Life and Mission Support as a Percentage of Total PDP Operating Costs Have Increased

Security and life and mission support costs have increasingly assumed a larger share of total PDP program costs. In our October 2011 report on the PDP, we noted that 88 percent of program funds were for security and for life and mission support of the advisors, and only about 12 percent of funds were dedicated to hire, train, and deploy police advisors.

According to INL’s most current obligation data<sup>13</sup>, as of March 31, 2012, about 94 percent of funds obligated for PDP operations (excluding FY 2010 start-up funds for construction and aircraft purchases) have been for security and life and mission support costs. Therefore, only about 6 percent of current funding is for the direct cost of the advisors.<sup>14</sup> Table 3 details the obligated amount and percentage of funds spent directly for advisors and for their security and life and mission support costs, as of March 31, 2012.

**Table 3—Obligations for PDP Operations as of March 31, 2012 (\$ in millions)**

<b>Category</b>	<b>Obligations</b>	<b>Percent</b>
Advisors	\$19.0	5.9
Security and Life & Mission Support	303.2 <sup>a</sup>	94.1
<b>Total</b>	<b>\$322.2</b>	<b>100.0</b>

**Note:**

<sup>a</sup> This includes \$70 million that INL estimates will be obligated to reimburse the Bureau of Near Eastern Affairs for life and mission support costs incurred since October 2011.

Source: DoS/INL, SIGIR.

<sup>13</sup> INL officials stated that they consider funds “obligated” when they are transferred to other bureaus. INL also uses the term “liquidated” to refer to funds expended.

<sup>14</sup> Excluded from PDP operational costs are infrastructure costs. Specifically, \$343.0 million obligated for construction and \$50 million obligated for aircraft purchases.

# Conclusions, Recommendations, and Matter for Congressional Consideration

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## Conclusions

The PDP has changed significantly since SIGIR's October 2011 audit. MOI support for the program has been weak, but recent reductions may bring consensus. The MOI does not want a broad-based training program targeted on improving its managerial and administrative skills. Instead it wants a much smaller program focused on specific technical and advanced policing skills. It has asked DoS to implement a program with 18 advisors in Baghdad and to terminate the police training program in Basrah. DoS has also reduced the number of advisors in Erbil to 18 for training the Kurdish police forces. The Kurdish government remains strongly supportive of the PDP.

Police advisor travel remains severely constrained by security concerns in Baghdad. To address this problem, INL planned to use BPAX for much of the training. However, the facility will be turned over to the GOI by the end of 2012 because it is no longer necessary to support the reduced program. About \$108 million will be invested in the construction of PDP facilities. In addition, a similar situation occurred in Basrah, where INL contributed \$98 million to the construction of the Basrah Consulate so it could be used for PDP training. But the GOI decided to terminate all training in Basrah. An overarching question is why expensive construction was initiated at both of these facilities without a formal programmatic agreement in place at the time construction began. SIGIR has written repeatedly about the need for host country buy-in as a prerequisite for successful projects. INL has been searching for other training locations, and they appear to have a verbal agreement with the MOI on alternative training sites. The future security needs and costs associated with using these new sites remain unknown.

Because actual program requirements remain unclear, the PDP's financial needs are also uncertain. However, SIGIR believes that enough money may remain from FY 2010 and FY 2011 to cover estimated program costs for all of FY 2012. INL officials believe that existing funds will last only through September 2012 and that FY 2012 funds will be needed to ensure continuity of operations through the first months of 2013. INL must submit a spend plan for the FY 2012 funds before it can use them but had not submitted that plan at the time of this report.

In summary, after almost three years of effort, the ultimate scope and cost of the PDP remain uncertain. SIGIR acknowledges that gaining Iraqi commitment to the police training program has been exceedingly difficult. And the security situation has been worse than expected. However, as SIGIR stated in its book, *Hard Lessons: The Iraq Reconstruction Experience*, host country buy-in is essential to reconstruction's long term success. INL's expenditure of millions of dollars without that buy-in underscores that lesson. Until the MOI commit in writing to program specifics, DoS should avoid any further large-scale program expenditures.

## **Recommendations**

SIGIR makes two recommendations to the Secretary of State:

1. Obtain a written agreement with the MOI on the specific type and number of training classes to be provided and mutually acceptable locations for conducting the training.
2. Account for all available funding from all program changes. This should include identifying how it plans to spend FY 2012 INCLE funds.

## **Matter for Congressional Consideration**

SIGIR believes that Congress may want to consider requiring DoS to provide a written certification that there is Iraqi buy-in for the new PDP classes to be presented in the first three months of implementation, before any additional U.S. funds are committed to the program.

## **Management Comments and Audit Response**

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In responding to the draft report, DoS stated that it generally agrees with SIGIR's recommendation to obtain a written agreement on the specific type, number, and location of training classes to be provided. However, DoS then said that it believes that sufficient agreement is already in place to do the programs as now refined. In other words, DoS does not apparently plan to obtain the written agreement that SIGIR recommends. Without a written agreement, DoS is in essentially the same position it is in now, with no definitive written document that clearly defines to what the MOI has agreed. SIGIR continues to believe that obtaining a written agreement is needed to eliminate any possible misunderstanding about what DoS is planning to provide.

DoS also agrees with SIGIR's recommendation that it account for available funding from all program changes including identifying how it plans to spend FY 2012 INCLE funds. DoS's comments are included in their entirety in Appendix F.

# **Appendix A—Scope and Methodology**

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## **Scope and Methodology**

In January 2012, the Special Inspector General for Iraq Reconstruction (SIGIR) initiated Project 1201 to examine progress made by the Department of State (DoS) in implementing the Iraqi Police Development Program (PDP), which began operations on October 1, 2011. SIGIR's objectives for this report were to determine the viability of the PDP program in the context of Iraqi support for the program and the security environment in which the program operates, and to determine the financial status of the program after the first six months of its operations.

SIGIR performed this audit under the authority of Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspector General Act of 1978. SIGIR conducted its work during January through July 2012 from its headquarters in Arlington, Virginia, and in Baghdad, Iraq.

To accomplish our objectives, we held discussions with the Bureau of International Narcotics and Law Enforcement Affairs (INL) and other DoS officials in Washington and Baghdad, and analyzed documents provided by INL. These documents included the March 2012 PDP Plan, the INL Financial Management Handbook, the INL 6-month review of the PDP program, Interagency Agreements, the INL Functional Assessment of MOI and Iraqi police, and numerous U.S. Embassy cables pertaining to the PDP. SIGIR officials in Baghdad traveled to the Baghdad Police College Annex (BPAX) to interview police advisors, Regional Security Officers and MOI officers, and to Erbil to meet with DoS and Kurdish Ministry of Interior officials. They also met with Iraqi MOI officials, a U.S. DoD official, and INL officials in the U.S. Embassy. We requested copies of the Diplomatic Security quarterly reports, to review the requests for security movements, as required under the Memorandum of Agreement signed with INL; however the reports were not available. To assess the financial status of the program, we obtained INL's budget and financial data for FY 2012 and 2013 and other pertinent information.

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **Use of Computer-processed Data**

Any computer-processed data used in this report was not critical to our findings, conclusions, or recommendations. Therefore, we did not test the accuracy of the data because it was used for background purposes only.

## **Internal Controls**

SIGIR looked at the internal controls over the obligation and transfer of PDP funds to other DoS bureaus. In addition, we also looked at management controls in place for assessing program progress.

## **Prior Coverage**

We reviewed the following SIGIR reports.

*Iraqi Police Development Program: Opportunities for Improved Program Accountability and Budget Transparency*, SIGIR 12-006, 10/24/2011.

*Status of International Narcotics Control and Law Enforcement Funds Allocated for Iraq Reconstruction*. SIGIR 12-003, 10/27/2011.

*Iraqi Security Forces: Police Training Program Development Sizeable Force, but Capabilities Are Unknown*, SIGIR 11-003, 10/25/2010.

*Long-standing Weaknesses in Department of State's Oversight of DynCorp Contract for Support of the Iraqi Police Training Program*, SIGIR 10-008, 1/25/2010.

*The U.S. Has Reduced Its Funding for the Iraqi Security Forces, but Continued Support Will Likely Be Necessary*, SIGIR 09-012, 1/26/2009.



## Appendix B—PDP Obligations and Expenditures

Table 4—PDP Obligations and Expenditures as of 3/31/12 (\$ in millions)

Category	Appropriated (a)	Obligated (b)	Unobligated (a) – (b)	Expended (c)	Unexpended (b) – (c)
<b>FY 2010 Start Up</b>					
Construction	\$343.0	\$343.0	\$0.0	\$303.7	\$39.3
Aircraft Purchase	49.0	0.5	48.5	0.5	0.0
Security Equipment & Personnel	33.0	33.0	0.0	33.0	0.0
Reprogrammed to Security & Life and Mission Support	25.0	25.0	0.0	23.6	1.4
<b>Subtotal</b>	<b>\$450.0</b>	<b>\$401.5</b>	<b>\$48.5</b>	<b>\$360.8</b>	<b>\$40.7</b>
<b>FY 2010 Operations</b>					
Advisors	23.4	19.0	4.4	11.0	8.0
Life and Mission Support	58.0	10.5	47.5 <sup>a</sup>	6.0	4.5
Security	85.0	85.0	0.0	74.0	11.0
Reprogrammed to Security & Life and Mission Support	33.6	33.6	0.0	32.8	0.8
<b>Subtotal</b>	<b>\$200.0</b>	<b>\$148.1</b>	<b>\$51.9</b>	<b>\$123.8</b>	<b>\$24.3</b>
<b>FY 2010 Total</b>	<b>\$650.0</b>	<b>\$549.6</b>	<b>\$100.4</b>	<b>\$484.6</b>	<b>\$65.0</b>
<b>FY 2011 Operations</b>					
Advisors	10.7	0.0	10.7	0.0	0.0
Life and Mission Support	37.8	0.0	37.8 <sup>a</sup>	0.0	0.0
Security	46.1	46.1	0.0	46.1	0.0
<b>FY 2011 Total</b>	<b>\$94.6</b>	<b>\$46.1</b>	<b>\$48.5</b>	<b>\$46.1</b>	<b>\$0.0</b>
<b>Total</b>	<b>\$744.6</b>	<b>\$595.7</b>	<b>\$148.9</b>	<b>\$530.7</b>	<b>\$65.0</b>

**Notes:**

<sup>a</sup> According to INL officials, about \$70 million of the \$85.3 million remaining from unobligated FY 2011 and FY 2012 funds for life and mission support (\$47.5 million from FY 2010 plus \$37.8 million from FY 2011) will be used to reimburse the Bureau for Near Eastern Affairs, which has been providing these support services from its own funds since October 2011. However, as of July 2012, INL does not know how much has been expended for these services. The \$78.9 million is calculated from the original \$148.9 million unobligated less the \$70 million INL estimates will be required for expenses incurred by the Bureau of Near Eastern Affairs for life and mission support.

Source: DoS INL, SIGIR.

## Appendix C—Changes in Obligations

**Table 5—Changes in Obligations from 9/30/11 to 3/31/12**  
(\$ in millions)

Category	Appropriated	Obligated	Obligated	Increases
		9/30/11	3/31/12	
<b>FY 2010 Start Up</b>				
Construction	\$343.0	\$334.6	\$343.0	\$8.4
Aircraft Purchase	49.0	0.0	0.5	0.5
Security Equipment & Personnel	33.0	33.0	33.0	0.0
Reprogrammed to Security & Life and Mission Support	25.0	0.0	25.0	25.0
<b>Subtotal</b>	<b>\$450.0</b>	<b>\$367.6</b>	<b>\$401.5</b>	<b>\$33.9</b>
<b>FY 2010 Operations</b>				
Advisors	23.4	7.6	19.0	11.4
Life and Mission Support	58.0	5.4	10.5	5.1
Security	85.0	75.3	85.0	9.7
Reprogrammed to Security & Life and Mission Support	33.6	0.0	33.6	33.6
<b>Subtotal</b>	<b>\$200.0</b>	<b>\$88.3</b>	<b>\$148.1</b>	<b>\$59.8</b>
<b>FY 2010 Total</b>	<b>\$650.0</b>	<b>455.9</b>	<b>\$549.6</b>	<b>\$93.7</b>
<b>FY 2011 Operations</b>				
Advisors	10.7	0.0	0.0	0.0
Life and Mission Support	37.8	0.0	0.0	0.0
Security	46.1	0.0	46.1	46.1
<b>FY 2011 Total</b>	<b>\$94.6</b>	<b>\$0.0</b>	<b>\$46.1</b>	<b>\$46.1</b>
<b>Total</b>	<b>\$744.6</b>	<b>\$455.9</b>	<b>\$595.7</b>	<b>\$139.8</b>

Source: DoS's FY 2010 Supplemental Obligations (PDP), Sept 2011.

## Appendix D—Acronyms

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<b>Acronym</b>	<b>Description</b>
BPAX	Baghdad Police College Annex
DoD	Department of Defense
DoS	Department of State
FY	Fiscal Year
FBI	Federal Bureau of Investigation
GOI	Government of Iraq
INCLE	International Narcotics and Law Enforcement
INL	Bureau of International Narcotics and Law Enforcement Affairs
KMOI	Kurdistan Regional Government Ministry of Interior
MOI	Ministry of Interior
PDP	Police Development Program
RSO	Regional Security Officer
SIGIR	Special Inspector General for Iraq Reconstruction

## **Appendix E—Audit Team Members**

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This report was prepared and the audit conducted under the direction of James Shafer, Assistant Inspector General for Audits, Office of the Special Inspector General for Iraq Reconstruction.

The staff members who conducted the audit and contributed to the report include:

Charles Bolton

Scott Harmon

Robert Pelletier

George Salvatierra

Nadia Shamari

William Shimp

## Appendix F—Management Comments

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United States Department of State

Washington, D.C. 20520

July 26, 2012

Mr. James Shafer  
Special Inspector General for Iraq Reconstruction  
2530 Crystal Drive  
Arlington, VA 22202

Dear Mr. Shafer:

The Department of State values the Office of the Special Inspector General for Iraq Reconstruction (SIGIR) report and its recommendations. The Department generally agrees with SIGIR's recommendations, and will continue to take steps to implement them. These recommendations, as well as SIGIR's major findings about the Bureau of International Narcotics and Law Enforcement Affairs (INL)'s Police Development Program (PDP), are discussed below.

**PDP Serves Important U.S. Interests:** The PDP seeks to make Iraq and the region safer by helping Iraq address major security challenges and promoting democratic law enforcement and the rule of law precepts, including respect for human rights. Improved Iraqi police capacity also will benefit the safety of U.S. diplomatic and business operations in Iraq. The PDP reinforces our mutual commitment to law enforcement cooperation in the U.S.-Iraq Strategic Framework Agreement and will facilitate Iraq's work with us and international partners in addressing terrorism and other transnational threats. After an internal review of the first six months of PDP operations, and in close consultation with the Iraqi government, the Department has determined that it can both promote these interests and meet the priorities highlighted by the Iraqi government with a smaller, significantly less costly program than originally envisioned.

**The Iraqi Government Wants U.S. Police Assistance:** The SIGIR audit report accurately traces the evolution of the U.S.-Iraqi partnership on police development from consultation to co-authorship and captures the challenges the Department faced in developing and implementing the PDP. The Government of Iraq has repeatedly stated - in Higher Coordinating Committee meetings co-chaired by Prime Minister Maliki and Vice President Biden, in Joint Coordinating Committee meetings, as well as other fora - that it wants and values U.S. police development

assistance. However, particularly after INL's six-month review of the PDP concluded in April 2012, it became clear that the program needed to be adjusted in Baghdad and Basrah to meet current Iraqi Ministry of Interior (MOI) priorities. The MOI wants to focus more on addressing pressing security challenges than the longer-term reform that the PDP had originally emphasized. Senior U.S. and Iraqi officials reached consensus on the details of a smaller and more targeted program in June 2012. The MOI leadership also agreed to facilitate PDP implementation. In particular, MOI has identified secure venues for PDP training, has agreed to share some training costs, and committed to a simplified process for arranging advisor-counterpart meetings that are key to the program's success.

The State Department agrees that Iraqi buy-in is critical but disagrees with SIGIR's assessment that "there is little reason to have confidence that the training program currently planned will be accepted six months from now." After extensive high-level discussions, we have reached consensus with the Interior Ministry on programmatic changes to the PDP that address both operational challenges we encountered and Interior Ministry priorities for U.S. policing assistance, which have evolved in the wake of the departure of U.S. military forces and the first months of PDP implementation. The Interior Ministry provided specific input to, and agrees with, the modifications we are making. We will continue to pursue relevant written arrangements with the MOI as appropriate and feasible.

**BPAX Closure Will Support Normalization of the U.S. Presence and Save Money in the Longer Term:** Adaptability was an imperative factor in planning the transition in Iraq. The U.S. mission in Baghdad made its best predictions and took carefully calculated risks in a very dynamic environment. The Embassy and Iraq's Ministry of Interior reached a mutual written understanding in October 2010 providing for no-cost use of BPAX (at the time commonly referred to as Shield) for the purpose of providing police assistance; that commitment was reaffirmed by the December 2011 agreement with Iraq's Ministry of Interior that SIGIR references in the report.

The decision to close BPAX was part of an Embassy-wide effort to normalize the U.S. presence and consolidate facilities in Iraq, not a result of pressure from the Iraqi Government to vacate the site. The departure from BPAX will eliminate the cost of providing perimeter security at the facility and reduce duplicative medical and dining facility expenses.

The PDP will continue to have access to BPAX for engagements and training and, this facility, which is located adjacent to the campus of the Baghdad Police College, can be utilized by Iraq to support its criminal justice institutions. Therefore, the Department disagrees with the assertion in SIGIR's draft report that the funds spent there have been wasted.

**Operating in Iraq is Expensive but Costs Will Decrease Over Time:** As noted by the draft SIGIR report, we acknowledge the high cost of security and life and mission support for the PDP and all U.S. Mission operations in Iraq. However, this cost is a necessary component of providing the essential security to our people in a dangerous environment. INL programs rely on the same support mechanisms as other State Department programs. As the Embassy streamlines and normalizes security and life and mission support operations at lower cost over time, INL's costs will commensurately decrease. We continue to work with the Embassy to manage resources efficiently.

**The Cost of PDP Has Already Decreased Significantly:** The PDP was designed to be an adaptable program, which has allowed INL to make changes and apply savings to adjusted budgets. INL's costs have decreased, but INL still needs FY 2012 and FY 2013 funding, albeit at reduced levels than requested by the Department originally. The draft SIGIR report points out that the PDP currently has FY 2010 and FY 2011 carryover funds, and that more may become available. When programmatic changes and decreased final contract costs led to these higher-than-anticipated carryover funds, INL applied those funds to FY 2012 requirements, thus enabling INL to lower its FY 2012 allocation. INL's existing funds will only last through approximately September 2012, however, and the timing of the FY 2013 appropriation is unclear. Therefore, INL does need FY 2012 funds to ensure continuity of operations into the first months of FY 2013. In addition, by taking into account the decreased costs of the revised program, we were able to reduce our requirement for FY 2013 funds significantly. It is clear, however, that FY 2013 funds still are needed to meet program requirements.

### **Responses to Recommendations**

The Department generally agrees with the two recommendations on page 25 of the draft report since they are already being implemented. Specifically, the Department's responses to the draft recommendations are:

**Recommendation 1:** Obtain a written agreement with the MOI on the specific type and number of training classes to be provided and mutually acceptable locations for conducting the training.

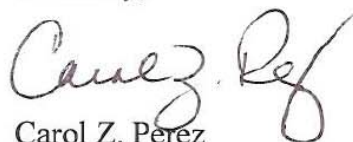
**State Department Response (July 2012):** The Department generally agrees with SIGIR's Recommendation 1. The Department agrees that Iraqi government support for and commitment to our assistance efforts is essential, but notes that sufficient agreement is already in place to do our programs as now refined. Following INL's semi-annual review of the PDP, the Department has engaged in extensive, high level consultations with Principal Deputy Interior Minister Adnan Al-Asadi and senior MOI leaders to shape the evolution of the PDP. The Deputy Interior Minister has committed to these changes. The Department will continue to coordinate closely with the MOI to ensure that our police assistance efforts meet mutual goals and objectives and to sustain senior-level Iraqi commitment to the program.

**Recommendation 2:** Account for all available funding from all program changes. This should include identifying how it plans to spend FY 2012 INCLE funds.

**State Department Response (July 2012):** The Department concurs with SIGIR's Recommendation 2. The Department has kept auditors and Congressional authorizing and appropriating committees informed of programmatic changes and their budget impact as we have defined a significantly smaller, less expensive program. The Department will submit the required Congressional Notifications soon. The Congressional Notifications will identify the plans for spending FY 2012 INCLE funds accounting for prior fiscal year funding that has become available because of program changes.

We value the recommendations made by SIGIR and we look forward to continuing to work with SIGIR and other concerned audit authorities as we implement an appropriate and effective PDP.

Sincerely,



Carol Z. Perez  
Acting Assistant Secretary



# **Appendix G—SIGIR Mission and Contact Information**

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## **SIGIR’s Mission**

Regarding the U.S. reconstruction plans, programs, and operations in Iraq, the Special Inspector General for Iraq Reconstruction provides independent and objective:

- oversight and review through comprehensive audits, inspections, and investigations
- advice and recommendations on policies to promote economy, efficiency, and effectiveness
- deterrence of malfeasance through the prevention and detection of fraud, waste, and abuse
- information and analysis to the Secretary of State, the Secretary of Defense, the Congress, and the American people through Quarterly Reports

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To obtain copies of SIGIR documents at no cost, go to SIGIR’s Web site ([www.sigir.mil](http://www.sigir.mil)).

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Help prevent fraud, waste, and abuse by reporting suspicious or illegal activities to the SIGIR Hotline:

- Web: [www.sigir.mil/submit\\_fraud.html](http://www.sigir.mil/submit_fraud.html)
- Phone: 703-602-4063
- Toll Free: 866-301-2003

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## **Congressional Affairs**

Hillel Weinberg

Assistant Inspector General for Congressional Affairs

Mail: Office of the Special Inspector General  
for Iraq Reconstruction

2530 Crystal Drive

Arlington, VA 22202-3940

Phone 703-428-1059

Email [hillel.weinberg.civ@mail.mil](mailto:hillel.weinberg.civ@mail.mil)

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## **Public Affairs**

Christopher Griffith

Director of Public Affairs

Mail: Office of the Special Inspector General  
for Iraq Reconstruction

2530 Crystal Drive

Arlington, VA 22202-3940

Phone: 703-604-0693

Fax: 703-428-0818

Email: [PublicAffairs@sigir.mil](mailto:PublicAffairs@sigir.mil)

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