STATUS OF THE PROVINCIAL RECONSTRUCTION TEAM PROGRAM IN IRAQ

SIGIR-06-034
OCTOBER 29, 2006

SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

October 29, 2006

MEMORANDUM FOR: U.S. SECRETARY OF STATE
U.S. SECRETARY OF DEFENSE
U.S. AMBASSADOR TO IRAQ
DIRECTOR, IRAQ RECONSTRUCTION MANAGEMENT OFFICE
MISSION DIRECTOR-IRAQ, U.S. AGENCY FOR INTERNATIONAL
    DEVELOPMENT
COMMANDING GENERAL, MULTI-NATIONAL FORCE-IRAQ
COMMANDING GENERAL, MULTI-NATIONAL CORPS-IRAQ

SUBJECT: Status of the Provincial Reconstruction Team Program in Iraq
(SIGIR-06-034)

We are providing this audit report for your information and use. We performed the audit in accordance with our statutory duties contained in Public Law 108-106, as amended, which requires that we provide for the independent and objective conduct of audits, as well as leadership and coordination of, and recommendations on, policies designed to promote economy, efficiency, and effectiveness in the administration of programs and operations and to prevent and detect waste, fraud, and abuse. We initiated this audit to determine if security concerns were affecting Provincial Reconstruction Team (PRT) operations, if participating organizations were coordinating their programs and operational support, and if sufficient financial and human resources were available to support the PRT initiative.

We received and considered comments from Department of Defense's Under Secretary of Defense for Policy, the U.S. Army Corps of Engineers' Gulf Region Division, the Multi-National Force-Iraq, the Department of State's Bureau of Near Eastern Affairs, and the U.S. Embassy-Iraq, on the draft of this report when preparing the final report. The comments are addressed in the report, where applicable, and copies are included in the Management Comments section of this report.

We appreciate the courtesies extended to the staff. For additional information on this report, please contact Mr. Joseph T. McDermott (703-604-0982 / joseph.mcdermott@sigir.mil); or Mr. Clifton Spruill (703-343-9275 / Clifton.spruill@iraq.centcom.mil). For the report distribution, see Appendix E.

Stuart W. Bowen, Jr.
Inspector General

cc: See Distribution

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Status of the Provincial Reconstruction Team Program in Iraq

Executive Summary

Introduction

The U.S. government continues to advance capacity-development programs in Iraq's ministries and provinces. For the past four decades, Iraq was a statist economy with a highly centralized administration. Baghdad drove budgeting and service delivery through ministries that funded the provinces. The decentralization of authority that the Coalition Provisional Authority initiated following the fall of Saddam Hussein's regime had the effect of empowering inexperienced local officials to manage the delivery of provincial government services. The consequences of this devolution in decision-making required the United States and other donors to establish programs aimed at developing local capacities. The Provincial Reconstruction Team (PRT) Program is key among these. PRTs provide the best opportunity for U.S. government experts to provide grassroots support in the development of nationwide governance capacity in Iraq.

National Security Presidential Directives 36 and 44 provided the policy and organizational framework for U.S. civilian-military organizations to implement nation-building programs. The PRTs comprise personnel from the Departments of State (DoS), Justice, and Agriculture; the U.S. Agency for International Development (USAID) and its Local Governance Program contractor, RTI International; the U.S.-led Multi-National Force-Iraq (MNF-I) and its subordinate element, the Multi-National Corps-Iraq (MNC-I); the Gulf Region Division of the U.S. Army Corps of Engineers (GRD); and Iraqi-born expatriates (often holding U.S. citizenship).

In October 2005, the PRTs were established by Cable 4045, issued jointly by the U.S. Embassy-Iraq and MNF-I. The PRT's mission is to assist Iraq's provincial governments in developing a transparent and sustained capability to govern, to promote increased security and rule of law, to promote political and economic development, and to provide the provincial administration necessary to meet the basic needs of the population. The operational concept agreed to by DoS and the Department of Defense (DoD) called for the U.S. Embassy to support the establishment and hosting of some PRTs at DoS-operated sites and for MNF-I to support the establishment and hosting of some PRTs at military sites. Integrated and multidisciplinary teams composed of U.S. civilian and military personnel and locally employed Iraqi staff were to train, coach, and mentor provincial governments in core competencies of governance, economic development, rule

of law, and infrastructure development. This audit report examines the status of the PRT Program in Iraq.

Objectives

The objectives of this audit were to determine whether PRTs are fully empowered, staffed, and resourced to meet their mission, and to identify any other barriers impeding achievement of the PRT mission. Specifically, we addressed these questions:

- Are security concerns affecting PRT operations?

- Are participating organizations effectively coordinating their programs and operational support?

- Are sufficient financial and human resources available to support the PRT mission?

This report did not assess the performance of the PRTs—only the ability of the PRTs to meet the mission. We intend to assess the performance of the PRTs during 2007.

Results

The unstable security environment in Iraq touches every aspect of the PRT program comprising 10 PRTs and 8 local governance satellite offices.[1] Despite very difficult operating conditions, creating the PRTs in the short period of time is a noteworthy achievement and was directly related to effective senior leadership at the Iraq Reconstruction Management Office and to the Commanding General, MNC-I. Further, we observed some outstanding individual efforts at selected PRTs to execute the mission.

It is anticipated that the majority of PRTs will continue operating through fiscal year (FY) 2008, at which time the mission will transition to a traditional USAID training program to develop local governance capacity. The PRT program has been ongoing for more than a year and some PRTs are still being established. Many obstacles have been overcome, but many remain, such as the ever-changing security situation, the difficulty of integrating civilian and military personnel, the lack of a finalized agreement on PRT operational requirements and responsibilities, a lag in funding resources, and the difficulty in recruiting and retaining qualified civilian personnel.

Because of security concerns, face-to-face meetings between provincial government officials and PRT personnel are often limited and, in some cases, do not occur. Security challenges have limited the teaching, coaching, and mentoring that form the core of the PRT capacity-development mission. PRT members are at particular risk when traveling to and from their engagements with their Iraqi counterparts, as are provincial government officials and local Iraqi staff working with the PRT. All are equally at risk if they are identified as cooperating with the U.S. government. Although no one is currently

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[1] The 8 local governance satellite offices are supported by one of the 10 PRTs and they have a role similar to that of a PRT.

responsible for recording and reporting security incidents, security officials with the U.S. Embassy expressed concern for the overall physical safety of unarmed civilians and cautioned that the security situation may deteriorate as coalition forces withdraw and turn over areas to the Iraqi government.

Given the security situation, the PRTs and the local governance satellite offices have varying degrees of ability to carry out their missions. Specifically, of the 9 PRTs and 4 satellite offices that we reviewed, 4 were generally able, 4 were somewhat able, 3 were less able, and 2 were generally unable to carry out their PRT missions.

DoS and DoD have not yet finalized their agreement on PRT operational requirements and responsibilities. This has delayed startup of some PRTs and hindered operations of others. The lack of a formal agreement means that the lines of authority and coordination between U.S. Embassy and military components have not been spelled out and agreed to, and the operational support mechanisms that the PRTs at military bases depend on— facilities, life support, communications, and basic supplies—have not been settled on.

Despite the lack of a formal agreement, we found that in general the civilian and military organizations within the PRTs are effectively working together, coordinating their activities, and synchronizing their efforts with coalition stability operations in the provinces. We also noted that when DoS had difficulty filling many civilian positions, DoD filled the gap by providing military civil affairs personnel for the vacant PRT positions. Although this military assistance filled the temporary void many of these DoD civil affairs personnel did not have the full range of skills needed for these civilian positions.

During discussions with DoS leadership, we learned that the DoS portion of the PRT program had enough resources and personnel to meet its PRT program expectations in FY 2007. However, DoS faced a new challenge. In the congressional conference committee report accompanying P.L. 109-234[2], DoS was directed to take several actions before any funds contained in or made available by this Act can be expended in support of PRTs in Iraq. On October 25, 2006, DoS told us that it had submitted on October 23, 2006 a report with the required information to the Congressional Committees on Appropriations, thus satisfying the prerequisite for expending funds on the PRTs.

Observations

Because of the unstable security situation at both the Anbar and Basrah PRTs and at the local government satellite offices in Najaf, Karbala, Qadisiyah, and Wasit, the PRT members there have not been able to interact personally with their Iraqi counterparts, significantly limiting the PRTs from carrying out the mission. Therefore, we question whether the continued deployment of PRT personnel to Anbar and Basrah and the planned deployment of additional staff to support the local governance satellite offices in south central Iraq makes operational sense at this time. In commenting on the draft of

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[2] Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law No: 109-234), June 15, 2006.

this report, MNF-I told us that it did not believe U.S. personnel would be required to engage one-on-one with local government officials at the satellite offices. However, in discussions with staff at the Hilla office, we were told that, to be effective, U.S. personnel assigned to a PRT should have regular direct contact with the local government officials supported by the satellite offices.

On balance, the PRT experience in Iraq demonstrates individual successes arising from individual efforts and improvisations, which allowed some PRTs to move forward with their capacity-development mission. Lessons learned from the PRT experience in Afghanistan showed that the lack of specific guidance led to confusion about civilian-military roles at PRTs. Similarly, executing an effective PRT Program in Iraq would have been greatly enhanced if DoS and DoD shared a common understanding of their respective roles and responsibilities. Now that the PRT has completed its first year, it is time to start gathering lessons learned about what works and what needs improvement in the implementation of the Iraq PRT model.

Recommendations

We recommend that the Secretaries of State and Defense take these actions:

1. Issue a joint statement reaffirming that the PRT initiative is a DoS-DoD priority, clearly defining the mission, and delineating the lines of authority and coordination between civilian and military personnel.

2. Finalize a memorandum of agreement that spells out the shared approach of funding infrastructure, life support, and operating costs of the PRTs at the DoS and DoD sites.

3. Develop detailed plans for completing and sustaining the PRTs, including clearly defined objectives and performance measures; milestones for achieving stated objectives; future funding requirements; and a strategy for sustaining results and successfully transitioning the program to USAID.

We also recommend that the U.S. Ambassador to Iraq and the Commanding General, MNF-I, take these actions:

4. Issue a joint statement reaffirming the lines of authority and coordination to achieve effective civilian and military integration in the PRT Program.

5. Assign responsibility for reporting attack incidents to one individual at each Regional Embassy Office and military forward-operating base and coordinate closely with the U.S. Embassy's Tactical Operations Center.

6. Specify skill-set requirements for civil affairs personnel at PRTs to enable better training, selection, and assignment.

7. Consider temporarily assigning the PRT personnel identified for Anbar and Basrah, as well as the local governance satellite offices in south central Iraq, to functioning PRTs until the security environment improves.

Management Comments and Audit Response

We received written comments from DoS, U.S. Mission–Iraq, and MNF-I on a draft of this report. All of the respondents concurred with recommendations 1 through 5.

Although MNF-I concurred with recommendation 6, DoS did not. DoS officials believe that the civil affairs units supporting the PRTs have the necessary skills to accomplish the role for which they have been assigned. We agree with the DoS position; however, we also noted that assigning personnel on a particular skill-set—rather than as a general civil affairs staff member—added value to the PRT mission. We also observed that most members of the civil affairs units assigned to the PRTs were motivated to give their best effort to support the mission.

DoS and MNF-I did not concur with recommendation 7. DoS responded that, despite the security concerns, PRT leadership believed the mission was necessary. However, in a meeting after receiving the DoS written comments, we were told by a senior DoS official that DoS is now reassessing the staffing of PRTs in locations considered to be high-security risks. We consider DoS's action to be responsive to recommendation 7. In non-concurring, MNF-I responded that SIGIR may want to consider that although security is an issue in Anbar and Basrah, there is progress to be gained by having an active PRT in the Provinces. MNF-I also noted that security is a concern at all PRTs; however, continuing evaluation needs to be conducted at high risk PRTs to assess their viability in relation to risk and cost.

We also received written technical comments on the draft of this report from the Under Secretary of Defense for Policy, as well as GRD. These comments are addressed in the report. GRD generally concurred with the conclusions.

We consider that all comments received are responsive to the intent of the recommendations and that technical corrections have been made as applicable. All comments are included in the Management Comments section of this report.

Introduction

Background

The Provincial Reconstruction Team (PRT) Program for Iraq is a U.S.-led civilian-military effort to assist Iraq' provincial governments with:

- developing a transparent and sustained capability to govern;

- promoting increased security and rule of law;

- promoting political and economic development;

- providing provincial administration necessary to help meet the basic needs of the population.

Though referred to under the umbrella term *reconstruction*, the initiative's primary purpose is capacity development. Program support comes primarily from U.S. sources, including the Economic Support Fund, the Iraq Relief and Reconstruction Fund, the Commander's Emergency Response Program, and new funding targeted specifically for focused stabilization, community action, local governance, and PRT expansion. Other funding sources include the Development Fund for Iraq, coalition partners, nongovernmental organizations, and donor nations.

PRT staffing is dependent on the needs and circumstances of the individual province. A team may have up to 100 members; including approximately 30 locally employed staff (*see Appendix B*). The PRTs are comprised of personnel from the Departments of State (DoS), Justice, and Agriculture; the U.S. Agency for International Development (USAID) and its Local Governance Program contractor, RTI International; the Multi-National Force-Iraq (MNF-I) and its subordinate element, the Multi-National Corps-Iraq (MNC-I); the Gulf Region Division of the U.S. Army Corps of Engineers (GRD); and Iraqi-born expatriates (often holding U.S. citizenship).

The U.S. Embassy-Iraq's National Coordination Team (NCT), its staff augmented with MNF-I and MNC-I officers, provides operational guidance and direction to the PRTs based on strategic and policy guidance from the Joint Executive Steering Committee. The Steering Committee is comprised of U.S. Mission officials, U.S. military and coalition representatives, and Iraqi government officials. The MNF-I, headquartered in Baghdad, leads coalition military efforts in establishing the PRTs. MNC-I, currently staffed by the U.S. Army's V Corps, provides support capability to the PRTs, including deputy team leaders, liaison officers with the major subordinate commands in the field, and movement and other logistical assets. MNC-I commands the Major Subordinate Commands that work alongside and support the PRTs in the provinces (*see Figure 1*):

- the 101st Airborne Division (replaced by the 25th Infantry Division in mid-September 2006) in northern Ninawa, Ta'mim, and Salah ad Din

- the 4th Infantry Division in north central Diyala, Baghdad, and Babil

- the Polish and El Salvadoran military contingents in south central Karbala, Najaf, Qadisiyah, and Wasit

- the British-led multinational formation in southern and southeastern Basrah, Maysan, Dhi Qar, and Muthanna

- the I Marine Expeditionary Force (Forward) in western Anbar
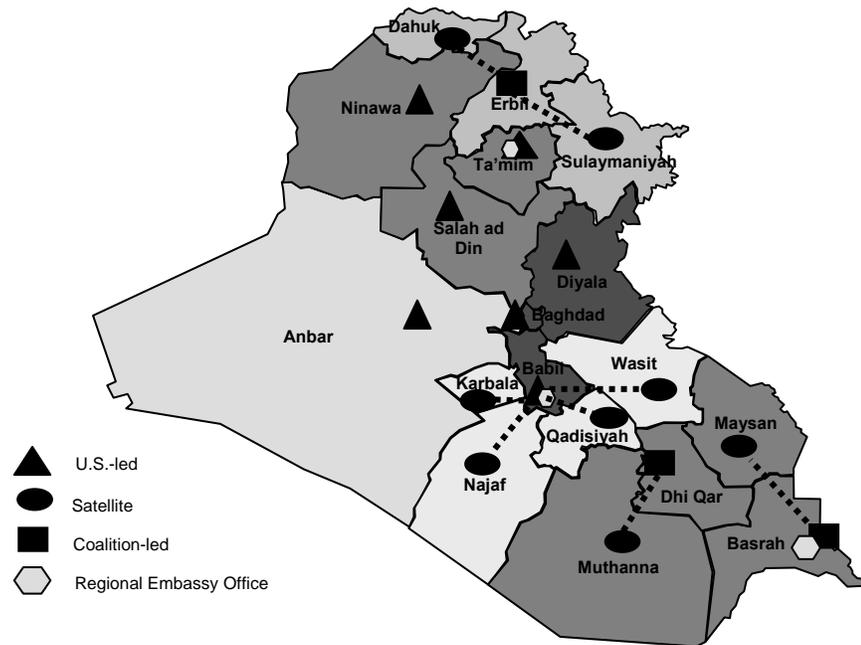
Figure 1─PRT Locations

Originally conceived as a two-phase program over four years, the PRT initiative has evolved over the past year to include 7 U.S. led PRT's, 3 coalition led PRT's, and 8 local governance satellite offices (that receive technical support and oversight from U.S. personnel assigned to the PRTs at Erbil, Babil, Dhi Qar, and Basrah). During the first two years, the PRTs are to support provincial government capacity development. As the provincial governments demonstrate increased capability to govern and manage their security environment, thereby reducing the role of coalition forces in the provinces, then each PRT would transition to a traditional USAID training program to develop local governance capacity for the remaining two years. However, because of startup delays and the security concerns in the provinces, all PRTs (except for the Dhi Qar PRT) are now proposed to remain in the first phase into FY 2008 (*Table 1*).

Table 1—Projected PRT Schedule as of September 15, 2006

Province (City)	Lead Nation	Transition Date	Functional Status
Ninawa (Mosul)	U.S.	12/2007	Inaugurated full operational capability,[a] 11/2005
Ta'mim (Kirkuk)	U.S.	09/2008	Inaugurated full operational capability, 11/2005
Babil (Hillah)	U.S.	09/2008	Inaugurated full operational capability, 11/2005 (Babil to serve as support base for Najaf, Karbala, Qadisiyah, and Wasit provinces)
Baghdad (Baghdad)	U.S.	09/2008	Inaugurated full operational capability, 03/2006, but full engagement with Iraqi counterparts delayed until 06/2006 because of a 3-month political boycott
Basrah (Basrah)	U.K.	09/2008	Inaugurated full operational capability, 07/2006 (Basrah to serve as support base for Maysan province)
Dhi Qar (Nasiriyah)	Italy	09/2007	Initial operational capability,[b] 05/2006, but reverted to pre-initial operational capability because of departure of Italian contingent and restructuring of civilian staff (Dhi Qar to serve as support base for Muthanna province)
Anbar (Ramadi)	U.S.	09/2008	Initial operational capability, 04/2006, but reverted to pre-initial operational capability[c] due to security, staffing, and operational issues
Diyala (Baqubah)	U.S.	09/2008	Inaugurated full operational capability, 09/2006
Salah ad Din (Tikrit)	U.S.	09/2008	Inaugurated full operational capability, 09/2006
Erbil (Erbil)	Korea	12/2007	Approved 08/2006 as a regional reconstruction team, with negotiations ongoing over staffing and support (Erbil to serve as support base for Dahuk and Al Sulaymaniyah provinces)

Source: SIGIR analysis of NCT data

Notes:

[a] Full operational capability: Functional assessment and work plan completed and approved by NCT; training, coaching, and mentoring provincial government personnel started; PRT and major subordinate command personnel working together to accomplish mission of governance and economic capacity development

[b] Initial operational capability: Core personnel, life support, and equipment in place; movement support delivered; and both baseline functional assessment (local governance, economics, and infrastructure) and provincial work plan developed

[c] Pre-initial operational capability: Personnel, life support, and equipment arriving, 3-day workshop and orientation conducted, movement support unavailable

Objectives

The objectives of this audit were to determine whether PRTs are fully empowered, staffed, and resourced to meet their mission, and to identify any other barriers impeding achievement of the PRT mission. Specifically, we addressed these questions:

- Are security concerns affecting PRT operations?

- Are participating organizations effectively coordinating their programs and operational support?

- Are sufficient financial and human resources available to support the PRT mission?

This report does not assess the performance of the PRTs—only the ability of the PRTs to meet the mission. We intend to assess the performance of the PRTs during 2007.

For a discussion of the audit scope and methodology, see Appendix A. For a typical PRT organization, see Appendix B. For detailed PRT program staffing, see Appendix C. For the acronyms used in this report, see Appendix D. For the report distribution, see Appendix E. For the audit team members, see Appendix F.

Security Environment

The unstable security environment in Iraq touches every aspect of the PRT mission. Because of security concerns, face-to-face meetings between provincial government officials and PRT personnel are often limited and, in some cases, do not occur. PRT members are at particular risk when traveling to and from their engagements with their Iraqi counterparts, as are provincial government officials and local Iraqi staff working with the PRT. If identified as cooperating with the U.S. government, all are at risk of threats and attacks by anti-coalition elements. Despite these conditions, some PRT members frequently find ways to interact with their Iraqi counterparts.

Constraints on the PRT Mission

The PRT Program's effectiveness depends on regular interaction of PRT members with local Iraqis in their respective seats of government. Security challenges have constrained the PRT members' ability to meet regularly with their provincial counterparts and to perform the teaching, coaching, and mentoring that form the core of the PRT capacity-development mission.[3] Many of the PRT members we interviewed believed that they had insufficient contact with their Iraqi counterparts. When security concerns prevented face-to-face meetings, they used email and cell phones when available. At the time of our review in August and September 2006, we determined that the PRTs and the local government satellite offices had varying degrees of ability to carry out their mission, as follows:

- Ninawa, Ta'mim, Babil and Baghdad—generally able

- Salah ad Din, Diyala, Dhi Qar, and Najaf —somewhat able

- Karbala, Qadisiyah, and Wasit—less able

- Basrah and Anbar—generally unable

- Erbil, Dahuk, and Sulaymaniyah—not established yet but no problems expected

A key objective of the PRTs is economic development and job creation, with a focus on encouraging increased engagement by Iraqis with the international business community. Several economic development officials assigned to various PRTs told us that that they had identified numerous business opportunities and had conversations with Iraqi and foreign investors who were interested in economic opportunities in the provinces but were unwilling to move forward until the security situation improved.

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[3] We defined the ability of PRT members to carry out their capacity development mission as consistent engagement with provincial government officials. Determinations were based upon interviews with PRT members, with regional Embassy security and forward operating base officers, with U.S. Embassy officials, and with MNF-I and MNC-I officers, as well as upon analysis of security trends, attack incident data, and movement assets, including helicopter support records.

Similarly, the security environment limits provincial governments from conducting business. Though one of the goals of the PRT initiative is to foster open and transparent government meetings, council meetings in some provinces are held clandestinely because of the danger of being targeted by anti-coalition forces. Many other government meetings have been canceled altogether. PRT members reported that they often would meet provincial officials in neutral locations away from government buildings. In Anbar province, for example, the Provincial Council[4] holds its meetings in Baghdad, because it is too dangerous to gather at government buildings in Ramadi. Also, according to USAID officials, training programs to develop local governance capacity for Anbar, Salah ad Din, and Diyala provincial government officials are often conducted outside the respective provinces because of security concerns.

PRT members require regular and secure transportation with protective security details. The U.S. Embassy and the MNF-I agreed to follow a common set of minimum requirements to transport nonmilitary PRT members. Movement requirements include a minimum of three armored vehicles and eight "shooters" trained in protection duties. The U.S. Embassy ruled that movement security provided by coalition partners did not meet U.S. security requirements and therefore prohibited U.S. personnel from traveling with them. As a result, U.S. civilian personnel working at the Italian-led PRT in Dhi Qar and the British-led PRT in Basrah were generally unable to leave their compounds to meet with provincial government staff.

Security Incidents

The personal security of PRT members is a significant challenge at the provincial sites. Iraq is a dangerous place and everyday the PRT members are at some risk of exposure to anti-coalition attacks. The U.S. government does not collect security incident/attacks data at all the PRTs, although the Mosul, Kirkuk, Hillah and Basrah Regional Embassy Offices and the Baghdad PRT (located in the International Zone) had the following statistics that comprise incidents occurring in their area of operations (but not specifically against PRT staff): 137 incidents resulting in 15 deaths and 47 casualties during the period January 1, 2006 through August 31, 2006. In particular, the Basrah Regional Embassy Office has experienced almost daily indirect fire attacks since July 2006, and some nonessential Regional Embassy Office staff, including PRT staff, were evacuated to Kuwait. Some of these staff members were relocated to more secure British facilities in Basrah.

Collecting attack incident data for PRTs located at military forward-operating bases is the responsibility of the base command. However, we were told that no mechanisms are in place to aggregate U.S. Embassy and military attack data. Such a system would allow the U.S. government to maintain visibility on all attacks against its personnel and provide the PRTs with critical intelligence. Nonetheless, despite the large number of attacks at some of the locations, U.S. Embassy security officials told us that they are predominantly harassing in nature and generally not effective.

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[4] The Provincial Council is made up of elected representatives.

The growing variety of explosives used in these attacks poses the greatest threat for PRT members. The more prevalent type is the improvised explosive device used against U.S. convoys. For example, during a seven-day period in mid-August, explosive devices hit three different convoys carrying Salah ad Din PRT members en route to meetings with provincial officials. Between January and August 2006 in the Babil, Karbala, Najaf, Qadisiyah, and Wasit provinces, 57 incidents were recorded on supply and movement routes used by U.S. personnel. In addition, because of the increased threat to U.S. personnel in the south central region of Iraq, travel by civilian PRT members to several provinces in the region now takes place primarily by air.

U.S. Embassy security officials also told us that they were concerned about the overall physical safety of unarmed civilian PRT members because of their exposed state when interacting with provincial government officials. They cautioned that as coalition forces downsize, consolidate, and turn over areas to the Iraqi government, the security situation will most likely deteriorate. Furthermore, according to DoS's Bureau of Diplomatic Security, the physical security practices in Iraq do not fully meet the Overseas Security Policy Board physical security standards and are considered "field expedient" based on Iraq-specific conditions.

At even greater physical risk are those Iraqis identified as working at or cooperating with the PRTs. We were unable to obtain overall attack incident data against these Iraqis; however, PRT officials provided accounts of assassinations, attacks, and threats against provincial government officials who worked at or with the PRTs we visited. Locally employed Iraqi staffs must use great caution during their commute from their residences to the PRT compounds and must conceal the fact that they are employed by the U.S. government. Similarly, we also learned that the Arabic-speaking translators employed at the PRTs have endured verbal harassment, being called traitors by some Iraqis, and have received death threats.

Civilian and Military Integration

DoS and DoD have not reached agreement on PRT operational requirements and responsibilities. This has delayed startup and hindered operations. Despite several "pain points" that have undermined the PRT initiative, we found that the DoS and DoD staffs within the PRTs generally work well together.

Cost-Sharing

When the U.S. Embassy and the U.S.-led MNF-I jointly agreed to establish the PRTs in October 2005, the concept of operation, as stated in Baghdad Cable 4045, called for the U.S. Embassy to support the establishment and hosting of PRTs at DoS sites and the MNF-I to support the establishment and hosting of PRTs at military sites. This arrangement worked well initially when the first three PRTs were inaugurated in November 2005 at regional Embassy sites in Mosul, Kirkuk, and Hillah. However, in April 2006, the MNC-I Staff Judge Advocate ruled that DoS is responsible for the PRT mission and that DoD operations and maintenance funds could not be used to support PRTs. This decision had an immediate impact on a pending transfer of the Mosul PRT to a military base, the imminent startup of the Diyala and Salah ad Din PRTs, and the future rollout and continued support for the other PRTs.

The questionable ruling affected the finalization of a memorandum of agreement specifying that operational requirements and responsibilities would be jointly shared between the U.S. Embassy and MNF-I. Submitted for DoS and DoD approval in March 2006, the agreement stalled over a DoD-proposed funding formula that DoS believed contradicted the spirit of National Security Presidential Directive 36 and the joint civilian-military premise of PRTs. The lack of an overall memorandum of agreement had serious ramifications. The lines of authority and coordination between U.S. Embassy and military components were never spelled out and agreed upon, and the operational support mechanisms the PRTs are dependent upon at military bases—i.e. facilities, life support, communications, management services, and supplies—were not settled upon.

In July 2006, in an effort to prevent further delays in establishing the remaining PRTs at military forward-operating bases, DoS agreed to reimburse DoD for $2.6 million in infrastructure costs from its FY 2006 emergency supplemental funds. With this action, we believe a major stumbling block for the PRT rollout has been removed.

Doctrine and Leadership

Both DoS and DoD face the challenge of integrating their operations and organizational cultures to enable their civilian and military personnel to work jointly. Baghdad Cable 4045 provided the concept of operation that PRTs were a joint civilian-military mission. Similarly, Defense Directive 3000.05 states that stability operations are a core U.S.

military mission, and that DoD shall be prepared to lead and support the development of civilian-military teams.[5] However, according to MNF-I and MNC-I officers responsible for managing the military's PRT effort, the policy guidance does not supersede other DoD regulations and policies. Thus, without specific operational guidance and delegation of authorities in accordance with Title 10 of the U.S. Code, they are restricted from supporting the PRT mission. These officers explained that Title 10 gives the Secretary of Defense authority, direction, and control over DoD and that a specific delegation of authority is required for military personnel to fall under DoS operational control.[6] But DoS officials said that it was never intended for civilian team leaders to exercise command authority over the military forces assigned to the PRT; the civilian PRT team leader only has supervisory authority to direct the local activities of those forces. We believe that Defense Directive 3000.05 allows civilian-military PRT teams. Thus, we believe additional clarification on the use and management of joint civilian-military PRTs is necessary.

Based upon numerous interviews with both current and former officers and officials at MNF-I, MNC-I, Major Subordinate Commands, NCT, and area PRTs, operational startup problems persisted for months during the PRT Program's early stage, with individuals arguing instead of working together to find solutions and implementing corrective actions. For example, after the MNC-I Staff Judge Advocate ruling on the use of DoD operation and maintenance funds for PRT construction, we found no attempt by responsible military officers to locate or utilize other available DoD appropriations for PRT support. Furthermore, military and PRT members in the provinces told us that they were informed by military headquarters staff that no DoD funds could be used to support the PRT mission. This is erroneous.

As reported during numerous interviews with civilian officials and military officers directly involved with managing the PRT Program, a basic problem has been the poor working relationship between the NCT and MNF-I/MNC-I elements. Contributing factors included DoS's inability to fill staff positions; program leadership and control issues, including employment of civil affairs assets; and disagreement over the PRT mission. Illustrative of the strained relationship, in a response to our query as to why MNC-I did not take any proactive steps to resolve issues, a senior officer in charge of the PRT mission replied that MNC-I had not received any official paperwork from NCT reporting shortfalls in PRT support.

Support Dependency

The ability to field and support fully functioning PRTs depends on the Embassy Regional Offices or military forward-operating bases' ability to provide operational, logistical, and life support. We observed that PRTs located at Embassy sites were well supported, able to move forward on their action plans (security considerations aside), but those at military

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[5] DoD Directive 3000.05, *Military Support for Stability, Security, Transition, and Reconstruction (SSTR) Operations*, November 28, 2005.
[6] See U.S. Code 10 (2006), §113.

forward-operating bases often struggled. According to PRT members a key determinant was whether the brigade commander at the forward operating base believed in or understood the PRT mission. For example, as we observed, the Mosul PRT was generally well supported in its operations because the brigade commander saw the PRT as a force multiplier that would help him succeed in his non-lethal stabilization efforts.

Yet other commanders viewed capacity development in provincial governments as too vague a mission. For example, in Anbar province, the military commander did not support the PRT mission, would not provide resources, such as transportation, and excluded PRT members from attending meetings with other government officials. Some military commanders expressed their frustration over perceived inaction by PRTs to address unemployment concerns at state-owned enterprises. PRT officials countered, however, that Iraqi state-owned enterprises are generally failed ventures, and that they are working with Iraqis to attract private investors and develop sound business plans to ensure long-term success.

A contributing factor to obtaining military support was whether the PRT's deputy team leader (a military billet) had an organizational connection with the brigade or subordinate command that was co-located with the PRT. Deputy team leaders in Mosul and Baghdad, for example, reported that they often utilized their informal networks to obtain needed support, such as transportation and communication equipment. Conversely, the Salah ad Din PRT, which had a Navy captain serving as deputy team leader, was struggling to carry out its work plan.

PRT Organizational Dynamics

Overall, we found that the civilian and military organizations within the PRTs worked well together, coordinating their activities and synchronizing their efforts with coalition stability operations in the provinces. While various PRTs are organized differently depending on the needs and circumstances within their province, they all address capacity-development issues in the areas of governance, economic development, rule of law, and infrastructure. We observed personnel from four executive branch civilian agencies, three military organizations, and four contractors working together in cross-disciplinary teams within these thematic areas. For example, military civil affairs personnel—by far, the largest component of the PRTs—were typically assigned across all the thematic areas based upon their individual skill sets. In addition, bilingual/bicultural advisers and translators, made available to all members at the PRTs to facilitate interactions with Iraqi provincial officials, proved to be key contributors to the PRT mission.

We also learned, however, from PRT officials that they often were uninformed about other U.S. organizations' related programs and activities under way within the provinces. For example, PRT officials frequently came across not only infrastructure projects conducted by the U.S. Army Corps of Engineers, projects begun by brigade commanders

utilizing Commander's Emergency Response Program funding,[7] and local governance capacity-development and community action programs under USAID. These projects related directly to the PRT mission. A senior USAID official acknowledged the problem of information sharing, partly because of concerns over security of their locally employed staff, and reported that policy measures were under way to permit full disclosure and coordination of USAID activities in the provinces. We were told by the Director of the Iraq Reconstruction Management Office that coordinating these multiple organizational projects and events was a high priority for the NCT to ensure that the PRT leadership and senior staff members were aware of the ongoing and completed activities within its province.

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[7] The U.S. Army Corps of Engineers provides engineering and construction services to MNF-I and the Iraqi government in support of military and civil construction throughout Iraq. The Commander's Emergency Response Program allows U.S. military commanders in Iraq to undertake a variety of nonconstruction and construction activities in response to the urgent humanitarian relief and reconstruction requirements of the local population within their areas of responsibility.

Resources

The PRT program faced significant resource challenges, including securing necessary infrastructure and logistical support and filling staff positions with qualified personnel in a timely manner. However, DoS leadership believed they had enough resources and personnel in order to meet its PRT program expectations in FY 2007. However, DoS faces a new challenge. In the conference report accompanying P.L. 109-234, Congress directed that before any funds contained or made available by this Act are expended in support of PRTs/Provincial Reconstruction Development Committees (PRDCs) in Iraq, DoS must take several actions.

Support

The lack of a DoS-DoD memorandum of agreement is a major impediment to smooth PRT operations, as evidenced in the uneven infrastructure and logistical support for PRTs located at the military's forward-operating bases. During visits to the PRTs at Ninawa, Ta'mim, Salah ad Din, and Diyala, we catalogued recurring support problems.[8] These include inadequate office space; limited phones, computers, printers, copiers, internet access, and information technology support; and shortages of such basic office supplies as printer cartridges, paper, pens, and pencils. For example, the Salah ad Din PRT had a shortfall of more than 25 computers, no copiers, and only 3 phones. To accomplish the mission, PRT members reported that it was common for staff to use personal computers at the office.

The PRTs lacked funding and logistical supply resources. Operational budgets initially were not authorized for the PRT program. Accordingly, they functioned without dedicated operating budgets that were needed for purchasing basic office supplies or sundry items for official functions with provincial government officials and private sector businessmen. They also functioned without any access to using the base logistics system. PRT members stressed that obtaining office items was a continuous problem. Their only recourse was to use personal funds to purchase office supplies at the base exchange. Similarly, PRT members used personal funds to host luncheons and provide refreshments for Iraqi officials so as to build the personal relationships critical to working in the Iraqi culture.

According to PRT team leaders and deputy team leaders, an inordinate amount of their time and attention was devoted to solving support issues as opposed to substantively engaging with their Iraqi counterparts. One team leader estimated spending 40% of her time working on support problems. The consensus among the interviewed PRT leaders was that no PRT should be started until the requisite operational and infrastructure support were in place.

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[8] In June 2006, with the closing of Forward Operating Base Courage, the Ninawa PRT was relocated to Forward Operating Base Marez. Kirkuk PRT members were divided between the Regional Embassy Office in downtown Kirkuk and Forward Operating Base Warrior on the city's outskirts.

Our visit to the Italian-led and funded PRT in Dhi Qar revealed some of the same support problems, although to a lesser degree. We observed that the Baghdad PRT in the International Zone and the Babil PRT at the Regional Embassy Office compound in Hillah were well resourced. Based upon our review of weekly situation reports and discussions with PRT members, we learned that the Basrah PRT had no support problems, but that the Anbar PRT had significant shortfalls.

During the course of the audit we learned that DoS, in the absence of an overall memorandum of agreement with DoD, was taking steps to address some of the support shortfalls impeding the full rollout of the PRT Program. From its FY 2006 emergency supplemental appropriation, DoS planned to:

- reimburse DoD for infrastructure requirements at military bases;

- meet PRT information management hardware requirements, including computers, commercial internet access for contract employees, phones, facsimile machines, printers, and copiers;

- provide operating budget support;

- procure security movement teams, helicopter-lift capability, and quick-reaction force support for the Dhi Qar and planned Erbil PRTs.

Based upon an analysis of the DoS financial plan, we identified some possible gaps in support. According to the evolving PRT Program, the Babil PRT is to provide support to local government satellite offices in Najaf, Karbala, Wasit, and Qadisiyah provinces. The overarching concern is that the current financial plan was prepared before final determination of support requirements for the satellite offices. Although the supplemental provides funds for the procurement of computers, printers, copiers and other hardware, a provision for technical support for PRTs located at military bases is not included. As a DoS budget officer reported, DoD will be responsible for information technical support requirements at military bases. However because there is still no official agreement, we are not sure that the PRT Program will have enough financial resources to support its mission through FY 2007.

Congressional Requirements

In the congressional appropriations conference committee report accompanying P.L. 109-234,[9] the committee directed that before any funds contained in (or otherwise made available) by this Act are expended in support of PRTs/PRDCs in Iraq, the Department of State shall present to the House and Senate Committees on Appropriations, (1) the formal assessment completed by the U.S. embassy and military command in Iraq of the initial performance of the first three demonstration PRT projects; (2) a complete program plan,

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[9] Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law No: 109-234), June 15, 2006.

including total cost and staffing requirements of the PRT's/PRDC's program in Iraq; (3) the official implementing guidance that incorporates the recommendations cited above in this report; and (4) a plan to transition PRTs/PRDCs in Iraq by the end of FY 2007. The following is an excerpt from the committee's conference report agreement that is referred to under bullet (3) as the official implementing guidance that incorporates the recommendations in this report:

> *Provincial reconstruction teams (PRTs)/provincial reconstruction development councils (PRDCs).*--… The Committee, however, remains concerned about the scope and nature of the PRT/PRDC initiative. There is little formal doctrine, military or civilian, on PRTs/PRDCs or their function, and only limited--and mixed--experience on the concept from Afghanistan. Therefore, it will be critical for the chief of mission to provide detailed guidance on their functions in Iraq. A key element of this guidance should be that senior U.S. government employees within the PRTs set overall reconstruction direction and priorities. Moreover, it should be clear that PRTs--under the guidance of the chief of mission--are the agent for the management, auditing and coordination of all U.S. government reconstruction funds available in the region, including civilian agency funds and military reconstruction funds such as the Commanders' Emergency Response Program and the Commanders' Humanitarian Relief and Reconstruction Program.
>
> The primary goal of the PRTs in Iraq, as in Afghanistan, is to extend the role of, and improve the capacity of the Iraqi government. Support for PRDCs and other Iraqi federal structures should be managed through the PRTs. Given the work successfully completed thus far through USAID's Civilian Action Program (CAP) to build community-based democracy, PRTs should carefully coordinate the remaining elements of the CAP program with PRDC funding, in order to build effective linkages between community governance and provincial governance. The CAP program has generated a network of more than 1,300 community associations across 17 governorates in Iraq and has trained 17,281 community association members. A January 2005 audit by the Office of Inspector General (USAID) found that CAP `achieved 98 percent of its intended outputs, including citizen participation, inter-community cooperation, local government cooperation, local employment generation, and consideration of environmental concerns . . . CAP provides a vehicle for empowering communities, building community cohesion, and providing evidence that the US is committed to improving the lives of Iraqis.'
>
> Finally, given the wide interest in PRTs and high expectations of this relatively new concept, the chief of mission should ensure that a carefully designed monitoring, auditing and evaluation system is in place to measure the impact of PRTs on reconstruction and development in Iraq.

We were told on October 25, 2006, by DoS officials, that DoS had submitted on October 23, 2006, a report with the required information to the Congressional Committees on Appropriations, thus satisfying the prerequisite for expending funds on the PRTs.

Staffing

DoS's inability to attract qualified civilians to fill positions in Baghdad has been a continuous challenge throughout Operation IRAQI FREEDOM. Attracting civilians to serve at the PRTs in austere and dangerous locations has proved even more difficult. According to NCT officials, DoS was largely successful in recruiting and deploying civilian officials to serve at the PRTs in Ninawa, Babil, and Ta'mim in the fall of 2005. However, PRTs encountered significant problems in the first half of 2006, when operations for PRTs in Anbar, Baghdad, Diyala, Najaf, and Salah ad Din were scheduled to begin. Although we could not obtain staffing data for this period, NCT personnel reported that they were unable to fill many core PRT positions—rule of law, political officer, and program manager.

To compensate for the lack of civilians, DoD stepped up and provided numerous military civil affairs personnel to fill the void for many of the vacant PRT Program positions (*see Appendix C*), such as local government, economic, and agriculture advisers. Baghdad Cable 4045 established the basic military staffing requirement at each U.S.-led PRT, specifically: 3 officers to serve as deputy team leaders, a Major Subordinate Command liaison officer, an engineer, and a civil affairs team consisting of 4 to 20 military personnel. The military infusion of personnel enabled the PRTs to function, but many personnel did not possess the full range of needed skills.

The NCT neither identified nor established specific skills set requirements for PRT civil affairs positions. Senior NCT officials stated that civil affairs team members assigned to PRTs are fully qualified by the military to perform civil affairs functions. Further, they stated the PRT Program construct did not envision using individual civil affairs team members as functional specialists. The civil affairs personnel that filled the civilian void provided essential assistance, and if DoD had not provided these personnel to the PRTs, some PRTs may not have been established. However, we believe specifying skills set requirements would allow the military to better identify, train, and assign civil affairs personnel to match the skills needed at PRTs.

Despite the staffing problems, we believe the PRT Program is generally well positioned to carry out its mission. According to NCT officials, an additional 30 civilian personnel have been identified to fill vacant positions bringing authorized civilian slots up to 84%. Furthermore, at a trilateral meeting in London in August 2006, the Italian government committed to leading and fully staffing the Dhi Qar PRT. Still to be determined was the level of staffing required at the Korean-led PRT and how long the British-led PRT in Basrah would operate. DoS will provide limited personnel to the three coalition-led PRTs (*see Table 2 and Appendix C*).

Table 2—PRT Program Staffing as of September 29, 2006

PRT	Civilian[a] Authorized	Civilian[a] Actual	U.S. Military Authorized	U.S. Military Actual	Total Personnel Authorized	Total Personnel Actual
Ninawa	13	9	23	29	36	38
Babil	13	7	23	32	36	39
Najaf[b]	8	4			8	4
Diwaniyah[b]	2	1			2	1
Karbala[b]	3	2			3	2
Wasit[b]	2	1			2	1
Ta'mim	13	9	23	16	36	25
Baghdad	12	9	23	39	35	48
Anbar	11	5	24	4	35	9
Diyala	13	6	23	22	36	28
Salah ad Din	13	7	23	19	36	26
Basrah[c]	8	7	1		9	7
Maysan[d]	4	1			4	1
Dhi Qar[e]	7	7			7	7
Muthanna[f]	6	2			6	2
Total	128	77	163	161	291	238
% Filled		60%		99%		82%
Inbound		42		1		43

Source: SIGIR analysis of Bureau of Near Eastern Affairs, DoS, and NCT data

[a] Includes RTI International Local Governance Program third-country nationals

[b] Housed with PRT Babil at Regional Embassy Office Hillah

[c] British-led

[d] Housed at Regional Embassy Office Basrah

[e] Italian-led

[f] Housed with PRT Dhi Qar

Observations

Because of the unstable security situation at both the Anbar and Basrah PRTs and at the local government satellite offices in Najaf, Karbala, Qadisiyah, and Wasit, the PRT members there have not been able to fully interact personally with their Iraqi counterparts, significantly limiting the PRTs from carrying out the mission. Therefore, we question whether the continued deployment of PRT personnel to Anbar and Basrah and the planned deployment of additional staff to support the local governance satellite offices in south central Iraq makes operational sense at this time. In commenting on the draft of this report, MNF-I told us that it did not believe that U.S. personnel would be required to engage one-on-one with local government officials at the satellite offices. However, in discussions with staff at the Hilla office, we were told that, to be effective, U.S. personnel assigned to a PRT should have regular direct contact with the local government officials supported by the satellite offices.

On balance, the PRT experience in Iraq demonstrates individual successes arising from individual efforts and improvisations, which allowed some PRTs to move forward with their capacity-development mission. Lessons learned from the PRT experience in Afghanistan showed that the lack of specific guidance led to confusion about civilian-military roles at PRTs. Similarly, executing an effective PRT Program in Iraq would have been greatly enhanced if DoS and DoD shared a common understanding of their respective roles and responsibilities. Now that the PRT has completed its first year, it is time to start gathering lessons learned about what works and what needs improvement in the implementation of the Iraq PRT model.

Conclusion and Recommendations

Conclusion

The Provincial Reconstruction Team Program in Iraq provides the best opportunity for U.S. government experts to provide grassroots support in the development of local governance capacity in Iraq. Despite very difficult operating conditions, creating the PRTs in the short a period of time is a noteworthy achievement and was directly related to effective senior leadership at the Iraq Reconstruction Management Office and to the Commanding General, MNC-I. Complicating the U.S.-led PRT program are the lingering issues concerning the PRT mission and civilian-military integration, which, in part, have led to set-backs, operational delays, and resource shortfalls. We believe a critical first step to resolving these "pain points" is for DoS and DoD to formalize an agreement reaffirming the PRT mission, defining not only command authority and relationships, but also operational support, including defining objectives and performance measures.

It is anticipated that the majority of PRTs will continue operating through FY 2008, at which time the mission will transition to a traditional USAID training program to develop local governance capacity. Until then, DoS and DoD will need to identify personnel and funds to sustain PRT operations and to develop a transition plan to USAID and Iraqi governance.

Recommendations

We recommend that the Secretaries of State and Defense take these actions:

1. Issue a joint statement reaffirming that the PRT initiative is a DoS-DoD priority, clearly defining the mission, and delineating the lines of authority and coordination between civilian and military personnel.

2. Finalize a memorandum of agreement that spells out the shared approach of funding infrastructure, life support, and operating costs of the PRTs at the DoS and DoD sites.

3. Develop detailed plans for completing and sustaining the PRTs, including clearly defined objectives and performance measures, milestones for achieving stated objectives, future funding requirements, and strategy for sustaining results and successfully transitioning the program to USAID.

We also recommend that the U.S. Ambassador to Iraq and the Commanding General, MNF-I, take these actions:

4. Issue a joint statement reaffirming the lines of authority and coordination to achieve effective civilian and military integration in the PRT Program.

5. Assign responsibility for reporting attack incidents to one individual at each Regional Embassy Office and military forward-operating base and coordinate closely with the U.S. Embassy's Tactical Operations Center.

6. Specify-skill set requirements for civil affairs personnel at PRTs to enable better training, selection, and assignment.

7. Consider temporarily assigning the PRT personnel identified for Anbar and Basrah, as well as the local governance satellite offices in south central Iraq, to functioning PRTs until the security environment improves.

Management Comments and Audit Response

We received written comments from DoS, U.S. Mission–Iraq, and MNF-I on a draft of this report. All of the respondents concurred with recommendations 1 through 5.

Although MNF-I concurred with recommendation 6, DoS did not. DoS officials believe that the civil affairs units supporting the PRTs have the necessary skills to accomplish the role for which they have been assigned. We agree with the DoS position; however, we also noted that assigning personnel on a particular skill-set—rather than as a general civil affairs staff member—added value to the PRT mission. We also observed that most members of the civil affairs units assigned to the PRTs were motivated to give their best effort to support the mission.

DoS and MNF-I did not concur with recommendation 7. DoS responded that, despite the security concerns, PRT leadership believed the mission was necessary. However, in a meeting after receiving the DoS written comments, we were told by a senior DoS official that DoS is now reassessing the staffing of PRTs in locations considered to be high-security risks. We consider DoS's action to be responsive to recommendation 7. In non-concurring, MNF-I responded that SIGIR may want to consider that although security is an issue in Anbar and Basrah, there is progress to be gained by having an active PRT in the Provinces. MNF-I also noted that security is a concern at all PRTs; however, continuing evaluation needs to be conducted at high risk PRTs to assess their viability in relation to risk and cost.

We also received written technical comments on the draft of this report from the Under Secretary of Defense for Policy, as well as GRD. These comments are addressed in the report. GRD generally concurred with the conclusions.

We consider that all comments received are responsive to the intent of the recommendations and that technical corrections have been made as applicable. All comments are included in the Management Comments section of this report.

Appendix A—Scope and Methodology

The Special Inspector General for Iraq Reconstruction (SIGIR) initiated this audit on July 21, 2006, (Project No. 6031), specifically to answer three questions: (1) are security concerns affecting Provincial Reconstruction Team (PRT) operations, (2) are the participating organizations' effectively coordinating their programs and operational support, and (3) are sufficient financial and human resources available to support the PRT mission.

To determine how security concerns are affecting PRT operations, we interviewed U.S. Embassy security officials about the overall security environment and trends in Iraq and the specific situation faced at the PRTs. We reviewed DoS's Bureau of Diplomatic Security documents describing PRT security responsibilities and requirements; Embassy security incident data and situational reports; PRT weekly situation reports describing the security situation in the provinces. We interviewed Multi-National Force-Iraq (MNF-I) and Multi-National Corps-Iraq (MNC-I) officials concerning security concerns and attended commander update briefs in the provinces. During our visits to seven PRTs, we discussed the security environment with various team members and how it affected their ability to engage with their Iraqi counterparts and perform their mission. In addition, we participated in PRT movement missions using both military and contractor personal security details, which allowed us to observe firsthand security requirements and to discuss the security situation with personnel responsible for protecting PRT members.

To determine the ability of PRT members to carry out their capacity development mission with provincial government officials, we held interviews with PRT members, with regional Embassy security and military forward-operating base officers, with U.S. Embassy officials, and with MNF-I and MNC-I officers. We also conducted analysis of security trends, attack incident data, and movement assets, including helicopter support records.

To determine how participating organizations coordinated their programs and operational support, we interviewed officials from the Embassy's National Coordination Team (NCT); MNF-I, MNC-I, and the major subordinate commands; the U.S. Agency for International Development (USAID) and its Local Governance Program contractor, RTI International; and current and former members from 9 PRTs. We reviewed the program documents of the respective organizations, as well as the PRTs' weekly summary reports of their political, economic, infrastructure, and reconstruction programs. When examining issues related to the PRT cost sharing disagreement between the Departments of State (DoS) and Defense (DoD), we examined the joint Baghdad Cable 4045, National Security Presidential Directives 36 and 44, and the DoS-DoD draft memorandum of agreement. We examined the requirements pertaining to utilizing DoD operations and maintenance funds for PRT support, evaluated the legal opinion of the MNC-I Judge Advocate General, and researched defense appropriation sources for alternative funding sources. To determine civilian-military command-and-control relationships, we also

analyzed relevant DoD laws, regulations, and policies, including Defense Directive 3000.05 and Title 10 USC 113.

To determine if sufficient financial and human resources are available to support the PRT mission, we examined NCT and MNF-I documents establishing the framework and requirements for PRTs. We obtained NCT staffing data and cross-referenced the data with our firsthand observation of PRT personnel. We also examined NCT and MNF-I financial documents and the draft DoS financial plan for the PRT 2006 supplemental funding. While conducting fieldwork at 7 PRTs, we observed actual infrastructure, logistical, and staffing conditions and interviewed numerous PRT members regarding these issues.

We conducted this audit in Iraq from July to September 2006. The audit was conducted in accordance with generally accepted government auditing standards.
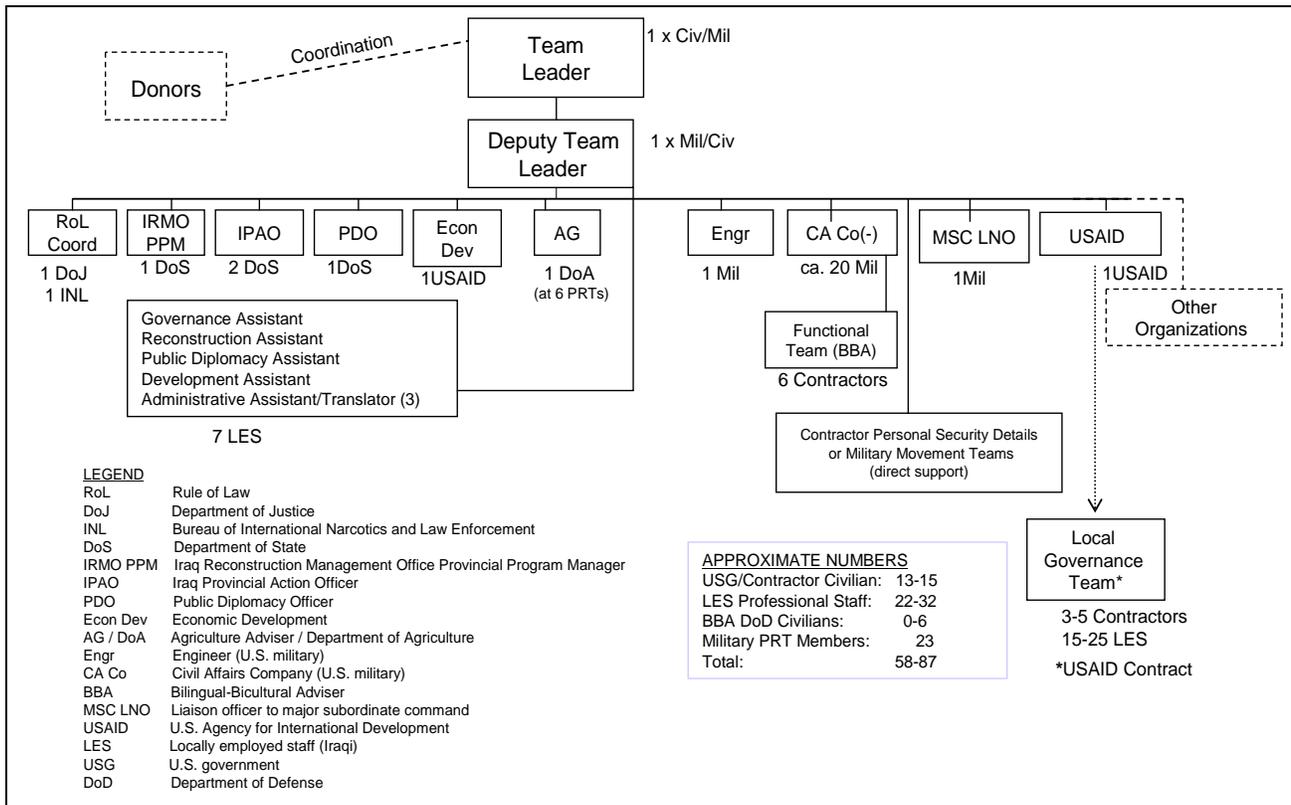
Use of Computer-Processed Data

We did not use computer-processed data to perform this audit.

Prior Coverage

There have been no audits performed concerning PRTs in Iraq with the same or similar objectives as this audit.

Appendix B—Typical PRT Organization

Source: National Coordination Team, U.S. Embassy-Iraq, September 2006.

Appendix C—Detailed PRT Program Staffing

The table reflects civilian and military staffing as of September 29, 2006, and does not include contract staffing for translators, bilingual-bicultural advisers, and locally employed Iraqi staff.

PRT	DoJ		DoS		USAID		DoA		LGP		Staff		CA		Total	
			Civilian								U.S. Military					
Ninawa	1	1	6	4	2	1	1		3	3	3	3	20	26	36	38
Babil	1	1	6	2	2	1	1		3	3	3	3	20	29	36	39
Najaf [a]	1		5	3	2	1									8	4
Diwaniyah [a]			2	1											2	1
Karbala [a]			3	2											3	2
Wasit [a]			2	1											2	1
Ta'mim	1	1	6	4	2	1	1		3	3	3	3	20	13	36	25
Baghdad	1	1	6	4	2	1			3	3	3	3	20	36	35	48
Anbar			5	3	2	1	1		3	1	4	4	20		35	9
Diyala	1	1	6	3	2		1		3	2	3	3	20	19	36	28
Salah ad Din	1		6	3	2	1	1		3	3	3	3	20	16	36	26
Basrah	1		3	3	1	1			3	3	1				9	7
Maysan [b]			3	1	1										4	1
Dhi Qar			3	3	1	1			3	3					7	7
Muthanna [c]	1		4	2	1										6	2
Total	9	5	66	39	20	9	6		27	24	23	22	140	139	291	238
% Filled	56%		59		45				89		96		99		82	
Inbound	1		27 [d]		3		5		6		1				43	

[a] Housed with PRT Babil at REO Hillah
[b] Housed at REO Basrah
[c] Housed with PRT Dhi Qar
[d] Estimated arrival of 27 DoS civilians: 10 – 10/06, 2 – 11/06, 3 – 12/06, 1 – 04/07, and 11 – NA

Source: Bureau of Near Eastern Affairs, DoS, and National Coordination Team data

Legend
DoA   Department of Agriculture
DoJ   Department of Justice
DoS   Department of State
USAID   U.S. Agency for International Development
LGP   Local Governance Program
CA   Civil Affairs
REO   Regional Embassy Office

Grey column = Authorized
White column = Actual

Appendix D—Acronyms

DoD	Department of Defense
DoS	Department of State
FY	Fiscal Year
MNC-I	Multi-National Corps-Iraq
MNF-I	Multi-National Force-Iraq
NCT	National Coordination Team
PRDC	Provincial Reconstruction Development Committee
PRT	Provincial Reconstruction Team
SIGIR	Special Inspector General for Iraq Reconstruction
USAID	U.S. Agency for International Development

Appendix E—Report Distribution

Department of State
Secretary of State*
    Senior Advisor to the Secretary and Coordinator for Iraq
U.S. Ambassador to Iraq*
    Director, Iraq Reconstruction Management Office
    Mission Director-Iraq, U.S. Agency for International Development
Inspector General, Department of State

Department of Defense
Secretary of Defense*
Deputy Secretary of Defense
    Director, Defense Reconstruction Support Office
Under Secretary of Defense (Comptroller)/Chief Financial Officer
    Deputy Chief Financial Officer
    Deputy Comptroller (Program/Budget)
Inspector General, Department of Defense
Director, Defense Contract Audit Agency
Director, Defense Finance and Accounting Service
Director, Defense Contract Management Agency

Department of the Army
Assistant Secretary of the Army for Acquisition, Logistics, and Technology
    Principal Deputy to the Assistant Secretary of the Army for Acquisition,
      Logistics, and Technology
    Deputy Assistant Secretary of the Army (Policy and Procurement)
    Director, Project and Contracting Office
    Commanding General, Joint Contracting Command-Iraq/Afghanistan
Assistant Secretary of the Army for Financial Management and Comptroller
Chief of Engineers and Commander, U.S. Army Corps of Engineers
    Commanding General, Gulf Region Division
Auditor General of the Army

U.S. Central Command
Commanding General, Multi-National Force-Iraq*
    Commanding General, Multi-National Corps-Iraq*
    Commanding General, Multi-National Security Transition Command-Iraq
    Commander, Joint Area Support Group-Central

Other Federal Government Organizations
Director, Office of Management and Budget
Comptroller General of the United States
Inspector General, Department of the Treasury
Inspector General, Department of Commerce
Inspector General, Department of Health and Human Services
Inspector General, U.S. Agency for International Development
President, Overseas Private Investment Corporation
President, U.S. Institute for Peace

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

U.S. Senate

Senate Committee on Appropriations
    Subcommittee on Defense
    Subcommittee on State, Foreign Operations and Related Programs
Senate Committee on Armed Services
Senate Committee on Foreign Relations
    Subcommittee on International Operations and Terrorism
    Subcommittee on Near Eastern and South Asian Affairs
Senate Committee on Homeland Security and Governmental Affairs
    Subcommittee on Federal Financial Management, Government Information and
      International Security
    Subcommittee on Oversight of Government Management, the Federal
      Workforce, and the District of Columbia

U.S. House of Representatives

House Committee on Appropriations
    Subcommittee on Defense
    Subcommittee on Foreign Operations, Export Financing and Related Programs
    Subcommittee on Science, State, Justice and Commerce and Related Agencies
House Committee on Armed Services
House Committee on Government Reform
    Subcommittee on Management, Finance and Accountability
    Subcommittee on National Security, Emerging Threats and International
      Relations
House Committee on International Relations
    Subcommittee on Middle East and Central Asia

* Recipient of the draft audit report.

Appendix F—Audit Team Members

This report was prepared and the review was conducted under the direction of Joseph T. McDermott, Assistant Inspector General for Audit, Office of the Special Inspector General for Iraq Reconstruction.

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

Karen Bell

Joanne M. Brignolo

Pat Bowers

Frank Campbell

Patrick A. Dickriede

Glenn D. Furbish

Robert B. Gabriel

Teravy Mol

Management Comments—Department of State's Bureau of Near Eastern Affairs and U.S. Mission-Iraq*

TO   SIGIR – Richard Arnston, Chief of Staff

FROM   NEA – L Victor Hurdato, DAS, Acting

SUBJECT   Response to *"Status of the Provincial Reconstruction Team Program in Iraq,"* Report No. 06-034

Through this memo, the State Department conveys comments from the U.S. Embassy in Baghdad and the Near Eastern Affairs Bureau on SIGIR's recent draft report, *"Status of the Provincial Reconstruction Team Program in Iraq,"* Report No. 06-034. We agree with five of the recommendations in the report, and disagree with two. We also provide some corrections on points in the report, and suggest the inclusion of a corrected personnel chart. While the report correctly focuses on the specific challenges, we have come a long way in a short time, despite all the problems noted in the report.

SIGIR Recommendations.

That the Secretaries of State and Defense:

1. issue a joint statement reaffirming that the PRT initiative is a DoS-DoD priority, including in this statement a clear definition of the mission, and delineate lines of authority and coordination between civilian and military personnel.

Response: Concur.

2. finalize a memorandum of agreement that spells out the shared approach of funding infrastructure, life support, and operating costs of the PRTs at the respective DoS and DoD sites;

Response: Concur. Every effort is being given to completing the PRT Support MOA without delay.

3. develop detailed plans for completing and sustaining the PRTs, including clearly defined objectives and performance measures; milestones for achieving stated objectives; future funding requirements; and strategy for sustaining results up to transition to the U.S. Agency for International Development.

Response: Concur. This effort was begun at the recently completed PRT Conference, with an open discussion on the way ahead and transition concept for the PRTs. A combined effort between the NCT, MNF-I, MNC-I and USAID is in progress to address these issues to include: refinement of existing performance measures based on experience gained from the past year of PRT operations, transition metrics, and the concept for transitioning to a USAID-only model. We fully expect this effort to be completed in November 2006.

*Note : This memorandum is the official management response from the Department of State, received via email by SIGIR on October 6, 2006.

In addition to this effort, the NCT is working closely with our PRTs to provide them specific guidance through a National Work Plan for PRTs. The National Work Plan will focus the efforts of the PRTs towards the attaining the milestones for transition.

That the U.S. Ambassador to Iraq and the Commanding Generals, MNF-I and MNC-I:

4. issue a joint statement reaffirming the lines of authority and coordination to achieve effective civil-military integration in the PRT program;

Response: Concur. This affirmation will be encompassed in the PRT Support MOA.

5. assign responsibility for reporting attack incidents to one individual at each Regional Embassy Office and military forward operating base, coordinating closely with the U.S. Embassy's Tactical Operation Center;

Response: Concur. At the REO-based PRTs the Assistant Regional Security Officer will report through the Tactical Operations Center (TOC) all attacks on the REO and on PRT convoys or personnel. At FOB-based PRTs, the Deputy Team Leader fills the role of PRT Security Officer and will report to the TOC using the Spot Report format for all attack incidents effecting PRT operations and personnel. The Embassy TOC will consolidate and track all attack incidents.

6. specify skill requirements for civil affairs personnel at PRTs to enable better training, selection, and assignment;

Response: Non-concur. We believe that the civil affairs forces as presently assigned to the PRT have the necessary skills to accomplish the role for which they have been tasked. The role of the civil affairs (CA) forces assigned in direct support of the PRT is to enhance the ability of the PRT civilian staff to conduct its engagement and capacity building mission by bringing into the PRT the skill sets inherent in typical civil affairs units. The civil affairs unit is responsible for the integration and planning of civil affairs missions in support of the PRT capacity development work plan. The CA commander shall employ his soldiers and their various skill sets to the best advantage of the PRT: conducting integrated planning with other ongoing efforts and working in the areas of governance, economics, public works, infrastructure, assessment, metric collection, project inspections, and report writing. As required, the CA commander develops assessments of governance, infrastructure and provincial needs. The CA commander assists the LGP team members in providing coaching to provincial level government officials and limited subject matter experts (governance, economics, education, public works, energy) to the field.

As PRTs organize themselves to carry out their mission, the teams develop functional teams to support those areas they have identified through a functional assessment of the provincial government as requiring support. While all of the PRT civil affairs personnel are qualified to conduct the CA mission, many may not have specific expertise in the various functional areas of the PRT. However, most have civilian skills that are complementary to these areas and which add great value to the functional team. As a result, the PRTs have made the decision to assign CA personnel to serve as functional team members and often as functional team leaders.

7. consider temporarily assigning the PRT personnel identified for Anbar and Basrah, as well as the local governance satellite offices in south central Iraq, to functioning PRTs until the security environment improves.

Response: Non-concur. While the security situations in both Ramadi and Basrah remain challenging, the PRT leadership at both locations continues to insist that their presence outweighs the risk. If we are to have any chance of impacting the course of events as the local governments learn to fulfill their roles our personnel must be available to train, coach and mentor. The inability to routinely engage in face to face meetings with provincial officials may limit our progress but does not negate it. The PRTs in Anbar and Basrah employ engagement strategies that allow them to maintain a constructive dialogue despite the restrictive security environment. These methods include: telephonic and internet contact, engagement outside of the province or at secure sites within the province, and contact through locally employed Iraqi staff. Obviously, these methods are less than ideal, but they demonstrate our continuing commitment to be steadfast partners in the development of local governance capacity. On average personnel in Basrah and Ramadi PRTs have been able to move off of the secure facilities at least once per week. Our PRTs must continue to be available to support these burgeoning governments in their efforts to overcome the causes of the current instability.

As conditions demand, such as in Basrah at present, we will adjust staffing levels to ensure only the minimum required personnel are exposed to additional risk. Except in extreme circumstances, some personnel will remain to continue to support required functions of the PRT.

Specific comments on the text:

Comments on SIGIR Report 06-034 – *Status of the Provincial Reconstruction Team Program in Iraq*

Comment: We believe that the overall tenor of the report is too negative and does not appropriately reflect the significant progress that has been made getting PRDCs to function and introducing democratic and transparent processes despite difficult operating conditions. Some acknowledgement should be made of the effort required to establish nine PRTs in roughly nine months. There has been an impressive build-up of civilian

infrastructure to support the PRT program throughout Iraq. While improvements are always possible, the concept is a solid reflection of the USG working to get ahead of the curve in recognizing the future importance of the provinces to governance in Iraq.

1. Page iii – 1ˢᵗ full para: "To compensate for the lack of civilians, military civil affairs personnel are assigned to the vacant PRT Program positions, filling over 70% of the total PRT slots as of September 5, 2006…"

Comment: This broad percentage misrepresents the typical PRT staffing breakdown. Each PRT's nominal staffing pattern includes 20 civil affairs slots. The average PRT's complement of USG civilians plus military is 34. So, by definition, the civil affairs component alone normally represents nearly 60% of a PRT's strength.

2. Page 3, Table One: "Inaugurated full operational capability, 03/2006, but startup delayed until 06/2006 because of a 3-month political boycott".

Comment: This is inaccurate as Baghdad PRT was fully operational but just limited with their engagement due to the political boycott. During the boycott period the PRT still had full access and met regularly with the Provincial Council Chairman, the Governor, the Mayor, and a few of the Deputies as well as select members of the Provincial Council.

3. Page 6 – Security Incidents.

Comment: Curious why no security incidents noted for Hillah, which has had many since January 1, 2006? Also, report should note that the staff evacuated temporarily from Basrah – who were not already scheduled to depart from Iraq within the next 45 days - returned to Basrah shortly thereafter.

4. Page 7, end of the first paragraph: "As a result of the increased threat to U.S. personnel in the south central region of Iraq, U.S. Embassy security officials have prohibited civilian PRT members from traveling on the regions' roads to be an overly broad characterization of our current operating posture.

Comment: We propose instead, "As a result of the increased threat to U.S. personnel in south central Iraq, travel by civilian PRT members to several provinces in the region takes place primarily, and in some cases exclusively by air."

5. Page 8 – Last para under Cost-Sharing: "…DOS in July 2006 agreed to reimburse DOD $2.6 million for infrastructure and life support costs from its fiscal year 2006 emergency supplemental funds."

Comment: The LOI to which this statement refers is **infrastructure only** (not life support), and is limited very specifically to five PRTs on four FOBs, as follows:

Dhi Qar	Camp Adder	NTE	$604,000
Anbar	Camp Blue Diamond	NTE	$265,000

Diyala	Camp Warhorse	NTE	$583,000
Salah ad Din	Camp Speicher	NTE	$570,000
Muthanna	Camp Adder	NTE	$604,000
	Total:		$2,626,000

6. Page 20 – Appendix B – Typical PRT Organization

Comment: The Econ Dev slot is marked "1 DoS" and should be marked "1 AID". The AG slot is marked "1 DoS" and should be marked "1 USDA".

7. Page 21 – Appendix C – Detailed PRT Program Staffing

Comment: The chart is misleading given the errors noted in Appendix B above. We submit the attached as a corrected and updated replacement.

Adjusted SIGIR
Report- Detaile...

Management Comments—Multi-National Force-Iraq

HEADQUARTERS
MULTI-NATIONAL FORCE – IRAQ
BAGHDAD, IRAQ
APO AE 09342-1400

REPLY TO
ATTENTION OF

15 OCT 2006

MNFI-CG

MEMORANDUM FOR Special Inspector General for Iraq Reconstruction, 400 Army Navy Drive, Arlington, VA 22202

SUBJECT: Draft Audit Report on the Status of the Provincial Reconstruction Team Program in Iraq (SIGIR-06-034)

1. Reference, Draft Audit Report on the Status of the Provincial Reconstruction Team Program in Iraq (SIGIR-06-034) dated September 26, 2006.

2. Multi-National Force – Iraq provides the following comments on the SIGIR Draft Audit recommendations:

    a. SIGIR's Recommendations. That the Secretaries of State and Defense:

        (1). Recommendation 1: Issue a joint statement reaffirming that the PRT initiative is a DoS-DoD priority, including in this statement a clear definition of the mission, and delineate lines of authority and coordination between civilian and military personnel. Concur.

        (2). Recommendation 2: Finalize a memorandum of agreement that spells out the shared approach of funding infrastructure, life support, and operating costs of the PRTs at the respective DoS and DoD sites. Concur. The formalization of the DoD-DoS Memorandum of Agreement is in progress.

        (3). Recommendation 3: Develop detailed plans for completing and sustaining the PRTs, including clearly defined objectives and performance measures; milestones for achieving stated objectives; future funding requirements; and strategy for sustaining results up to transition to the U.S. Agency for International Development. Concur. MNF-I, in coordination with the NCT, is currently writing the PRT Sustainment FRAGO.

    b. SIGIR's Recommendations. That the U.S. Ambassador to Iraq and the Commanding Generals, MNF-I and MNC-I:

        (1). Recommendation 4. Issue a joint statement reaffirming the lines of authority and coordination to achieve effective civil-military integration in the PRT program. Concur. This could be accomplished through the next Joint Campaign Plan.

        a. Assign responsibility for reporting attack incidents to one individual at each Regional Embassy Office and military forward operating base, coordinating closely with the U.S. Embassy's Tactical Operation Center; Concur.

MNFI-CG
SUBJECT: Draft Audit Report on the Status of the Provincial Reconstruction Team Program in Iraq (SIGIR-06-034)

    b. Specify skill requirements for civil affairs personnel at PRTs to enable better training, selection, and assignment. Concur.

    c. Consider temporarily assigning the PRT personnel identified for Anbar and Basrah, as well as the local governance satellite offices in south central Iraq, to functioning PRTs until the security environment improves. Non-concur.

3. Multi-National Force – Iraq provides the following management and technical comments for inclusion in the final report:

    a. Management comment: 2nd para, 2nd sentence. Neither cable 4045 nor Frago 05-375 state that DOD will fund the cost of establishing and hosting the PRT at military sites. The documents state that DOD will support the PRTs located on FOBs. This is a distinct difference between funding and support.

    b. Management comment: Results. 2nd para, 1st sentence. This sentence should be reworded to say that DoS and DoD have not finalized the Draft Memorandum of Agreement (MOA).

    c. Technical comment: Top para, 1st sentence. Recommend changing "U.S. Embassy" to "PRT."

    d. Management comment: Top para, 2nd sentence. The PRT mission is well defined and we do not have a disagreement over the mission of the PRTs. Recommend removing this from the sentence.

    e. Management comment: Top para, last sentence. Future funding requirements have not been difficult to determine, but which organization bears the responsibility for funding the requirements has been the issue.

    f. Technical comment: 2nd para, 1st sentence. Delete the word "recent."

    g. Management comment: 2nd para, last sentence. Authorized Civil Affairs billets are 48% of total (140 of 289). Current filled Civil Affairs billets are 58% of total (137 of 234). To say that "military civil affairs personnel ... are filling over 70% of the total PRT slots" does not take into account that not all military billets are civil affairs billets.

    h. Management comment: Observations, 2nd and last sentence in the para. The explanation of the "local government satellite PRTs" should be clearly explained. There is not an intent for the US PRT members (located at a "hub") to engage one-on-one on a regular basis with the provincial government personnel, rather the LES personnel will engage daily. This statement can be misinterpreted by those not familiar with the PRT operations.

    i. Technical comment: Recommendation 4. Delete MNC-I. The Joint Campaign Plan signatures are the Ambassador and CG, MNF-I.

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Iraq (SIGIR-06-034)

j. Management comment: Recommendation 7. May want to consider that although security
is an issue in Anbar and Basrah, there is progress to be gained by having an active PRT in the
province (security is an issue at other PRTs). Additionally, as stated in item no. 8 above, the
operations of the "local government satellite offices" are not clearly understood. Reconsider this
recommendation.

k. Technical comment: Last para. 4th sentence. Reword..."MNC-I, currently staffed..."

l. Management comment: Para under Figure 1, 1st sentence. First of all, the PRT initiative
has not been scaled back to only 10 provinces. It will still encompass all 18 provinces as initially
envisioned. Second, the original plan called for 9 US PRTs, 3 Coalition PRTs, and 6 "local
government satellite offices." The current plan, adjusted to actual conditions, calls for 7 US
PRTs, 3 Coalition PRTs and 8 "local government satellite offices."

m. Management comment: Para under Figure 1. Correct 2nd sentence. There were not 8
sites removed as PRTs. This statement is not in concert with the original PRT lay down plan and
program. There were two (2) provinces in south-central Iraq (Najaf and Qadisiyah) that were
originally planned for PRTs and have been scaled back to the "local government satellite office."
The original six (6) "local government satellite offices" were always planed to receive support
and oversight from US personnel assigned to one of the "hub" locations.

n. Technical comment: 1st sentence. According to Table 1, include "Erbil" along with Dhi
Qar as an exception.

o. Technical comment: 1st sentence. According to Table 1, include "Erbil" along with Dhi
Qar as an exception.

p. Technical comment: It should be noted either here on page 4 or in Appendix C that the
DoS staffing shown in Appendix C as "authorized" includes the augmentee positions approved in
June and are in the process of being filled. It would be appropriate to add a note to Appendix C
to indicate the number of vacant positions that are being filled and awaiting the arrival of
personnel.

q. Management comment: Ramifications. 3rd bullet. It should be noted that these are "local
government satellite offices" and regular face to face interaction with the local government
is/will be conducted via LES' not US staff located at PRT Babil.

r. Management comment: Security Incidents. The stated "137 incidents" appears to indicate
137 attacks against PRTs/PRT personnel in these 4 locations. This could be misunderstood as
there were not 15 deaths and 47 casualties of PRT personnel this CY. Security is a serious issue
but how we measure, define or use statistics that are not having a direct bearing on the PRTs.
Specifically, in Para 3 the numbers mentioned regarding attacks and casualties in lines 4 through
7 include other than PRT personnel. Of particular note, the 15 deaths mentioned (line 4) were not
all PRT personnel. Secondly, line 6 should be amended to read, "Nonessential civilian staffs,
including some PRT members (none of them military) were evacuated to Kuwait."

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s. Management comment: Security Incidents. Paras 1 and 2. The lethality of weapons used against coalition forces is inappropriate for this report. This may raise some classification concerns--delete. Specifically, the mention of EFPs (p 6 last para; p 7 para 1 and footnote) should not be mentioned in an unclassified document.

t. Management comment: The comment in Para 2 that the physical security practices in Iraq do not meet DoS requirements was not identified up front.

u. Technical comment: Cost-Sharing. 1st para, 3rd sentence. Change MNC-I Judge Advocate General to "MNC-I Staff Judge Advocate." Same comment for Page 9, 2nd para, 2nd sentence.

v. Management comment: 1st para, 2nd sentence. The sentence that begins "however, according to MNF-I and MNC-I officers…" is a very disturbing sentence. Because, if true, it indicates a severe lack of knowledge of the Joint Campaign Plan and Frago 05-375, issued 29 Nov 05, that clearly describes the military's responsibilities in direct support of the PRT program. Even if these unnamed officers are correctly quoted, the report should also include the MNF-I policies contained in Frago 05-375 and supplemental MNC-I Operation Order directives.

w. Management comment: Support Dependency. 2nd para. Recommend report include the USM-I SOE policy identified in the Joint Campaign Plan.

x. Management comment: 1st full para, 2nd sentence. Each PRT has an Army Corps of Engineers (USACE) liaison officer assigned full time in direct support to each PRT. Please confirm that this was an issue with the USACE also referred to as Gulf Region Division (GRD).

y. Technical comment: Resources. 1st para, 2nd sentence. Same as comment no. 6 above.

z. Management comment: Support. 2nd para. An operating budget was not authorized at the conception of the PRT program. The reader of the report may not understand this and assumed that there was operational budget funding that failed to reach the PRTs.

aa. Management comment: Support. Last para. The Italian-led Coalition PRT is funded in its entirety by the coalition nation. Recommend mentioning in the report.

bb. Technical comment: 2nd para, 2nd sentence. These statistics should be included as a note in Appendix C.

cc. Management comment: 2nd para, last sentence. Should revise to state "DoS, by design, will provide limited personnel to the three coalition-led PRTs."

dd. Management comment: Table 2. 5 September is relatively old statistics. It should be noted that not all military billets are civil affairs billets…some are staff billets (DTL, Eng, LNO). This changes the calculation for the percentage of total billets filled by civil affairs personnel.

MNFI-CG
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    ee. Technical comment: Recommendation 4. Delete MNC-I. The Joint Campaign Plan signatures are the Ambassador and CG, MNF-I.

    ff. Management comment: Support Dependency. 3d para, last sentence. The issue with the Salah ad Din PRT struggling to obtain work space and other operational life support was attributed directly to the lack of defined requirements for the PRT on the FOB. MNC-I repeatedly requested this information from the NCT, but did not receive it until June. Without the requirements of what was necessary, MNC-I could not direct its subordinate units on what to provide.

4. My point of contact for this matter is COL Norberto Cintron, MNF-I STRATEGIC EFFECTS, DSN 318-239-9528.

FOR THE COMMANDER:

THOMAS L. MOORE, JR.
MajGen, USMC
Chief of Staff

Management Comments—Under Secretary of Defense for Policy

THE UNDER SECRETARY OF DEFENSE
2000 DEFENSE PENTAGON
WASHINGTON, DC 20301-2000

POLICY

OCT 2 3 2006

MEMORANDUM FOR THE SPECIAL INSPECTOR GENERAL FOR IRAQ
RECONSTRUCTION

SUBJECT: Draft Audit Report on the Status of the Provincial Reconstruction Team
(PRT) Program in Iraq (SIGIR-06-034)

Thank you for the opportunity to comment on the draft Audit Report. The Department
of Defense, through its subordinate commands, is the largest contributor of personnel and
support to the PRT program and is committed to its success.

We believe that the draft may, based on what we have been told and on some direct
observations, insufficiently reflect the extent of the support provided to PRTs by military
commands in the field, nor recognize how the security situation and problematic nature of
logistics in Iraq can affect all Coalition activities. The draft omits instances of U.S. units
providing assistance to PRTs absent a Memorandum of Agreement or other requirements
documents.

The draft notes Iraq's security challenges but does not show the PRTs in context: as a
new multi-agency organization, set up in remote locations during conflict. In this
context, most PRTs have been a success, thanks to the courage and innovative spirit of
PRT staff and their supporting military units.

It must be recognized that each PRT was established in a different province, with
different security environments, under a flexible construct which empowered leadership
to find the best solutions for their situation. These are young institutions with less than a
year experience. We intend that the lessons learned during the first year of operating
PRTs, including those recounted in the draft, will increase PRT effectiveness in the year
ahead.

We understand additional comments have been provided by others concerning the
report's recommendations. We look forward to considering the report's final
recommendations.

Eric S. Edelman

Management Comments—Gulf Region Division, U.S. Army Corps of Engineers

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
GULF REGION DIVISION
BAGHDAD, IRAQ
APO AE 09316

REPLY TO
ATTENTION OF

CEGRD-CG

6 October 2006

MEMORANDUM FOR Special Inspector General for Iraq Reconstruction, US Embassy Annex, M-202, Old Presidential Palace, APO AE 09316

SUBJECT: Draft SIGIR Audit Report – Status of the Provincial Reconstruction Team Program in Iraq (SIGIR-06-034)

1. This memorandum provides the U.S. Army Corps of Engineers, Gulf Region Division response to the subject draft project assessment report.

2. The Gulf Region Division generally concurs with the conclusions in the draft report. See the enclosure for additional information regarding the conclusions and draft report discussion.

3. We appreciate your review of the status of the Provincial Reconstruction Team program in Iraq. Thank you for the opportunity to provide our written comments for incorporation in the final audit report.

4. If you have any questions, please contact Mr. Eric Tichay at (540) 665-5021 or his email Eric.P.Tichay@tac01.usace.army.mil.

Encl

WILLIAM H. McCOY
Major General, USA
Commanding

COMMAND REPLY

SIGIR Draft Audit Report – Status of the Provincial Reconstruction Team Program in Iraq (SIGIR-06-034)

<u>Additional Comments</u>

We reviewed the draft report and offer the following suggestions to clarify the report and improve the implementation of the PRT model.

- Identify potential limitations on State Department civilians traveling with U.S. military PSDs.

- Provide a more detailed description of the PRT losses; for example, separate the losses into categories, to clarify the makeup of the losses.

- Consider the collocation of PRT team members. Collocation of civilian and U.S. military PRT members at a single location offers improved operations, logistical support and communications.

- Include performance measures and meaningful milestones in detailed plans for the completion and sustainment of PRTs.

In addition, the absence of an agreement between the Department of State and DOD could delay progress in capacity development and building efforts. This is particularly significant at the provincial and local levels. An established solid interagency foundation in Iraq would improve progress, cost less, limit the need for work-arounds, improve personnel security and minimize disruption of Iraqi mutual efforts and agreements that enhance program objectives.

Enclosure