

U.S. ANTICORRUPTION EFFORTS IN  
IRAQ: PROGRESS MADE IN  
IMPLEMENTING REVISED  
MANAGEMENT PLAN

**SIGIR 08-016**  
**APRIL 24, 2008**



## SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

April 24, 2008

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

SUBJECT: U.S. Anticorruption Efforts in Iraq: Progress Made in Implementing Revised Management Plan (SIGIR 08-016)

This is the latest in a series of reports by the Special Inspector General for Iraq Reconstruction (SIGIR) assessing U.S. anticorruption activities in Iraq. SIGIR instituted reviews of these programs in recognition of the significant detrimental effect corruption has on Iraq's economic, social, and political reconstruction. SIGIR has described corruption in Iraq as the "second insurgency." Previous SIGIR reports concluded that U.S. efforts in this area lacked a comprehensive plan featuring metrics that tie programs to an overall strategy as well as baselines from which progress can be measured. Moreover, SIGIR found that U.S. anticorruption efforts have gone through periods of high activity and periods when they have languished. In a January 2008 report, SIGIR reported that the U.S. Embassy in Iraq had taken, or planned to take, steps to improve U.S. anticorruption activities as part of a new anticorruption management plan. If those measures were effectively implemented, SIGIR said, they would address all SIGIR recommendations. Our objective for this report was to review U.S. Department of State (DoS) and U.S. Embassy progress in that regard. This report was conducted as SIGIR Project 8013.

### Results

SIGIR found that DoS and the U.S. Embassy are taking steps to implement the revised anticorruption management plan approved by the Secretary of State on January 9, 2008. Although the action plan is in the early stages of implementation, progress to this point is encouraging. Recent actions support the plan's goals to elevate the priority of anticorruption activities by reorganizing personnel and assets and improving oversight and coordination. Specifically, on March 11, DoS appointed a senior official as the new Coordinator for Anticorruption Initiatives (Coordinator) in Iraq. The Coordinator will report directly to the Deputy Chief of Mission and will synchronize all U.S. anticorruption policy and programs. Moreover, the Embassy has reassigned staff to the office of the coordinator and is recruiting personnel experienced in anticorruption work. The Embassy has also begun to move forward in other ways. It has drafted a preliminary Anticorruption Strategy Framework; set up seven Anticorruption Working Group (ACWG) sub-groups with specific areas of responsibility, such as strategy and planning, assessments, public education, and program deconfliction and coordination; and completed an initial inventory of all U.S.-funded anticorruption programs. Moreover, to monitor and provide support for GOI efforts, the Embassy has decided to track the status of the anticorruption initiatives announced by GOI in a January 2008 conference it held on the subject.

SIGIR notes, and is encouraged by, the progress the Embassy has made in just the three months since we published our last anticorruption report. At this point, the Embassy is addressing the concerns we raised in January 2008 that prior efforts to revitalize and coordinate U.S. anticorruption efforts have been largely ineffective and suffered from a lack of management follow-through. We continue to encourage the Embassy's sustained commitment to managing effective anticorruption efforts, particularly in terms of day-to-day leadership and senior-official oversight. SIGIR will continue to provide quarterly status reports on the program.

## **Background**

The U.S. Embassy and the Iraqi Prime Minister have stated that developing the capacity of the GOI to address corruption is critical to good governance. The Ambassador reported that pervasive corruption poses a serious threat to Iraq stability and reconstruction efforts.

As we noted in our January 2008 report, corruption undercuts the construction and maintenance of Iraq's infrastructure, deprives people of goods and services, reduces confidence in public institutions, and potentially aids insurgent groups reportedly funded by graft derived from oil smuggling or embezzlement. A report submitted by the GOI, pursuant to the requirements of the recently enacted International Compact for Iraq, identified "high levels of corruption and an immature accountability framework" within the government; incidents of corruption, the GOI added, could potentially be endemic. The Prime Minister stated that 2008 is the year his government will address corruption.

A multitude of U.S. government agencies, including the Department of Justice, U.S. Agency for International Development (USAID), Department of the Treasury, Multi-National Force-Iraq (MNF-I), and Multi-National Security Transition Command-Iraq (MNSTC-I), are involved in combating corruption. The U.S. Embassy began significant efforts in this area in 2005, when it held an anticorruption summit. The event brought together U.S. and Iraqi officials with direct anticorruption responsibilities, and resulted in the rejuvenation of the ACWG. That group's aim was to develop an anticorruption strategy and to synchronize it with all U.S.-led anticorruption activities. Heads of Embassy offices, such as the Political Affairs Section and USAID, as well as officials from MNF-I, participate in the ACWG.

In July 2006, SIGIR issued a report<sup>1</sup> that identified problems such as a lack of coordination and leadership in anticorruption activities. We recommended that DoS appoint a senior leader to direct the anticorruption program and provide continuity in program administration. The report contained 11 other recommendations for program improvement.

In July 2007, another SIGIR report assessed progress in implementing those recommendations and found that little progress had been made.<sup>2</sup> We noted that the program lacked focus and that the Embassy had not completed either a recommended inventory of anticorruption activities or an assessment of U.S. government anticorruption efforts. Of particular concern, SIGIR found that the Embassy lacked a comprehensive, integrated plan that tied anticorruption activities to an overall U.S. Mission-Iraq strategy and also lacked a baseline to measure progress. The absence

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<sup>1</sup> *Joint Survey of the U.S. Embassy-Iraq's Anticorruption Program*, SIGIR 06-021, July 28, 2006.

<sup>2</sup> *Status of U.S. Government Anticorruption Efforts in Iraq*, SIGIR 07-007, July 24, 2007.

of a strategy made it difficult to assess funding requirements. SIGIR determined that as of June 30, 2007, the Embassy had fully implemented only two of our 12 recommendations. In response, SIGIR urged that the U.S. Ambassador to Iraq re-emphasize and re-address the entire list of recommendations made in our July 2006 audit report. As part of the re-addressing, this second report stated that the Ambassador should:

1. Include in the corrective action plans an estimated completion date for implementing each recommendation.
2. Complete the inventory of anticorruption programs, activities, and initiatives.
3. Complete the assessments of the major program initiatives that are supporting the Embassy's anticorruption strategy.

The U.S. Embassy responded that it remained committed to a vigorous and effective anticorruption program and that the SIGIR recommendations provided a helpful framework for developing specific initiatives and the implementing practical plans to address this serious problem. The Embassy said that it would completely implement the recommendations no later than September 30, 2007. One month after that target date, SIGIR testified that the Embassy had been unable to secure enduring and effective leadership for its anticorruption program and that, except for progress on a few points, the overall effort had languished. Our testimony noted that at that time, the Embassy had neither completed its promised assessment of U.S. government anticorruption efforts nor drafted an integrated, strategic plan. SIGIR concluded that the Embassy had not addressed the ten open<sup>3</sup> recommendations.<sup>4</sup>

In its January 2008 report,<sup>5</sup> SIGIR said that U.S. Embassy Baghdad had developed, and received DoS approval of a plan to improve the management of U.S. anticorruption activities.

## **Recent Actions Support Implementation of New Anticorruption Management Plan**

SIGIR's current review finds that the Embassy has made progress in implementing its plan to reorganize and re-energize management and oversight of its anticorruption activities. The strategy has two major components: to elevate the importance of anticorruption activities within the Embassy's area of responsibilities; and to initiate specific actions in support of the reorganization of Embassy priorities. Full implementation of the plan should address all SIGIR recommendations. However, 10 of those recommendations continue to remain open and will continue to remain open until the plan has been fully implemented. (See Appendix A)

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<sup>3</sup> A recommendation is closed when it has been implemented, when actions have been taken that meet the recommendation's intent, or when circumstances have changed and the recommendation is no longer valid. Absent these conditions the recommendation remains open.

<sup>4</sup> Testimony of Special Inspector General for Iraq Reconstruction, "Assessing the State of Iraqi Corruption", House Committee on Oversight and Government Reform, October 4, 2007

<sup>5</sup> SIGIR report 08-008, "U.S. Anticorruption Efforts in Iraq: Sustained Management Commitment is a Key to Success," January 24, 2008.

### *Elevating Prominence of Anticorruption Activities*

DoS and the U.S. Embassy have taken measures to elevate the priority of anticorruption activities within the Embassy's areas of responsibilities. The first step was assigning a high-ranking official of "stature and prominence" to lead the campaign, and both entities agreed that the coordinator should be an individual with significant State Department experience. (Such a person would be wholly familiar with the Embassy structure and how DoS functions.)

On March 11 of this year, therefore, DoS appointed a senior official as Coordinator for Anticorruption Initiatives efforts in Iraq. The Coordinator arrived in Baghdad on March 30. He will report directly to the Deputy Chief of Mission and act as the Ambassador's personal representative in planning, staffing, and managing the new anticorruption initiative. Moreover, the Coordinator will be the liaison with MNF-I, charged with synchronizing all civilian and military efforts. In pursuit of that duty, the Coordinator is scheduled to meet with the deputy commanders of MNF-I Strategic Operations and MNF-I Strategic Effects to initiate discussions on ensuring that civilian and military anticorruption programs and other initiatives are coordinated and mutually enforcing.

### *Actions to Support New Anticorruption Strategy*

DoS and the U.S. Embassy had moved forward on several key initiatives in the plan before the Coordinator arrived. For example, the ACWG drafted an Anticorruption Strategy Framework. The framework outlines key elements for U.S. government engagement and programming. Proposed annexes will establish specific action items and program goals to advance each element.

If effectively implemented, these actions would implement key SIGIR recommendations that the Embassy (1) give increased direction and oversight to the U.S. anticorruption effort; (2) develop a plan linking individual programs to a strategy; and (3) establish a policy to vet all new anticorruption activities through an executive steering group.

- Reinvigorate the ACWG. SIGIR has previously determined that the ACWG was not sustained and in December 2007 the Embassy noted that the ACWG had been on hiatus again during the previous few months. The Ambassador, however, has now directed the group to prepare for an intensified focus on anticorruption in 2008. The ACWG is to serve as a forum for coordinating, integrating, and addressing conflicts among all Embassy and military anticorruption activities. Comprising the group are representatives of many U.S. government entities, including USAID, Embassy Political Affairs, the Economic and Rule of Law sections, International Narcotics and Law Enforcement, U.S. Treasury Attaché, Department of Justice, Multi-National Security Transition Command-Iraq and MNF-I. The representatives meet each month.

To better focus its efforts, the ACWG recently established in late January 2008 seven sub-groups and assigned them specific areas of responsibility, such as strategy and planning, assessments, public education, and deconfliction and coordination. For example, the Monitoring Sub-Group will assist in establishing standards for evaluate anticorruption assistance, programs, and outreach and for assessing GOI progress. The final structure of the ACWG, including the sub-groups, is subject to revision, pending the coordinator's review and assessment.

Appendix B provides a complete summary of the seven sub-groups and their areas of responsibility. Those areas generally track many of the previous SIGIR recommendations. If effectively implemented, the actions taken by the sub-groups would address such SIGIR recommendations as the following: (i) develop action plans in concert with an overall strategic goal; (ii) conduct a complete review of each funded program and assess how that program helps achieve the strategic goals; (iii) establish a baseline for each program to document a starting point by which progress can be measured.

- Inventory and evaluate all military and civilian U.S.-funded programs. In 2006, SIGIR recommended that the Embassy review the effectiveness of U.S. anticorruption programs and the following year reiterated the need to inventory and evaluate all activities and initiatives. Before the coordinator's arrival in Baghdad, the ACWG completed an initial inventory of those programs and gave it to him. The coordinator informed us that he plans to speak directly with the implementing agencies and offices during his first weeks in Baghdad to obtain more detailed information. That additional information, he said, will enable him to identify program gaps and areas in which resources may need to be supplemented, shifted, or curtailed.
- Address necessary administrative support for reorganization efforts. Previous SIGIR reports determined that the Embassy needed to provide the personnel necessary for sufficient oversight of U.S. anticorruption efforts. To begin addressing this issue, in December 2007 the Embassy established a seven-member Anticorruption Coordination Office and reassigned to it Embassy employees experienced in anticorruption efforts. In addition, new position descriptions have been written, and recruiting for vacant positions is expected to begin in the near future. Coupled with the arrival of the recently appointed coordinator, this workforce restructuring begins to address the staffing issues.
- Encourage and monitor GOI-initiated anticorruption activities. SIGIR previously recommended that the Embassy encourage the GOI to take measures to institutionalize anticorruption activities. The Embassy endorsed a proposal by the GOI Deputy Prime Minister to hold what became the January 2008 conference, and provided his staff with expertise and guidance on a daily basis.

The GOI stated that the purpose of the conference was to kick off the national mobilization and targeting campaign to halt the epidemic of financial and administrative corruption in Iraq. In his opening remarks, the Deputy Prime Minister noted that corruption threatens the process of reconstruction, building, and investment and poses a serious threat to the rule of law as well as to social stability and security. He remarked that corruption will not be addressed through slogans, but rather through economic, administrative, systematic, and objective reforms that address imbalances and stalemates affecting the economic and administrative systems in Iraq. To address these problems, he presented 18 specific initiatives, assigning completion deadlines to various Iraqi Ministries and offices. The initiatives include ratification and implementation of the UN Convention against Corruption; review of contracting guidelines; follow-up on anticorruption audits and reports; and establishment of standards by which to evaluate governmental units.

The ACWG established a mechanism to track the status of each GOI initiative. For example, Embassy liaisons to the Commission on Integrity, Iraqi Inspectors General, and Board of Supreme Audit have been discussing with their GOI counterparts how to follow up on the conference's action items. One such item involves drafting new legislation to harmonize the responsibilities of these agencies.

## Conclusions

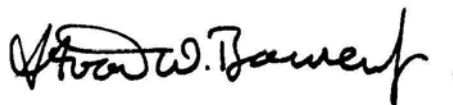
SIGIR regards recent State Department and Embassy actions to execute its anticorruption reorganization plan and strategy as encouraging, but notes that sustained management attention is critical to overcoming the longstanding management problems that have hindered the effective implementation of prior efforts. The Embassy's current and planned actions are generally consistent with our earlier recommendations. SIGIR supports these actions while noting that the revitalization of the Embassy's anticorruption program remains in its early stages. The newly appointed coordinator arrived in Baghdad only recently, and the ACWG sub-groups have just begun their work. As a result, most of our recommendations have not been fully implemented, and it is too early to assess current actions. Continuation of the forward progress made during the calendar quarter that just ended will require sustained management commitment. SIGIR will continue to monitor Embassy implementation efforts, provide progress reports, and make recommendations as appropriate.

## Management Comments

We provided a draft copy of this report to the Department of State and the U.S. Embassy-Iraq. Neither organization had comments on the draft report.

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We appreciate the courtesies extended to our staff. For additional information on this report, please contact Glenn Furbish, Principal Deputy Assistant Inspector General for Audits (703) 428-1058 / [glenn.furbish@sigir.mil](mailto:glenn.furbish@sigir.mil), or Robert Gabriel at (703) 343-7921 / [robert.gabriel@iraq.centcom.mil](mailto:robert.gabriel@iraq.centcom.mil). For a list of the audit team members, see Appendix D.



Stuart W. Bowen, Jr.  
Inspector General

Appendices

# Appendix A—SIGIR Analysis of Actions Planned or Taken To Address SIGIR Recommendations

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In July 2006, SIGIR issued a report on anticorruption activities that identified problems such as a lack of coordination and leadership. SIGIR made 12 recommendations to improve the management of U.S. anticorruption efforts. A year later, SIGIR reported that limited progress had been made in implementing these recommendations and that the U.S. Embassy was re-establishing and reorganizing its efforts to better oversee U.S. anticorruption activities. In January 2008, SIGIR reported the Embassy had completed its reorganization plan and that it had been approved by the Department of State on January 9, 2008. SIGIR’s 2008 assessment of actions taken or planned indicated that the actions generally supported the outcomes the SIGIR recommendations were designed to achieve, but that 10 of 12 recommendations remained open pending full implementation of the strategy and actions.

This review assessed progress on the strategy and actions taken or planned since our last report to determine whether they addressed the 10 remaining open recommendations. SIGIR’s review shows that 2 recommendations have been closed<sup>6</sup> and some progress has been made in implementing the remaining 10 recommendations. Nonetheless, 10 SIGIR recommendations remain open pending full implementation of the strategy and individual actions. The table below presents U.S. Embassy actions on SIGIR’s 10 open recommendations, as of March 31, 2008 and SIGIR’s analysis of the actions.

| SIGIR Recommendations   | SIGIR Analysis of Actions Planned or Taken  | SIGIR Analysis of Recommendation Status   |
|---|---|---|
| <p><b>Recommendation 1:</b> The U.S. Ambassador to Iraq provide the necessary resources to have sufficient direction and oversight of the U.S. Embassy’s anticorruption program, including a senior leader from DoS and a senior officer from MNF-I. Both positions should be filled with staff that have an appropriate background to bring value to the position.</p> | <p>On March 11, 2008, the Department of State announced the appointment of a senior official as U. S. Embassy Baghdad’s first Coordinator for Anticorruption Initiatives (Coordinator). The Coordinator arrived in Baghdad on March 30, 2008. In addition, DoS is currently recruiting to fill a Deputy Coordinator position and three subject-matter-expert positions.</p>   | <p>This recommendation was closed. SIGIR will continue to monitor progress in achieving sufficient direction and oversight of Embassy anticorruption efforts.</p> |
| <p><b>Recommendation 2:</b> Continue efforts to recruit an Iraqi local national staff member to provide support to the full-time anticorruption program manager. This person should have the necessary skills and level to be instrumental in forging joint U.S.-Iraqi anticorruption initiatives.</p>  | <p>The Anticorruption Coordination Office currently includes an Iraqi national who serves as a training liaison to the Iraqi Inspectors General and Board of Supreme Audit. In addition, a Coalition contractor with an Iraqi background provides technical support to the Iraqi Inspectors General and BSA. Decisions on hiring additional local staff for the office were deferred until the arrival of the recently appointed coordinator.</p> | <p>This recommendation remains Open, Actions Pending or Underway.</p>   |

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<sup>6</sup> A recommendation is closed when it has been implemented, when actions have been taken that essentially meet the recommendation’s intent, or when circumstances have changed and the recommendation is no longer valid. Absent these conditions, the recommendation remains open.



| SIGIR Recommendations  | SIGIR Analysis of Actions Planned or Taken  | SIGIR Analysis of Recommendation Status                               |
|--|---|---|
| <p><b>Recommendation 3:</b> Establish a joint executive steering group, chaired by the anticorruption program manager, with oversight of all U.S. government anticorruption programs to ensure that all initiatives are working toward a common goal in the most efficient and effective manner.</p> | <p>SIGIR noted in its January 2008 report that Embassy reorganization plans supported the intent of this recommendation. The Embassy's Anticorruption Working Group established in late January 2008 an Executive Sub-Group, comprised of USAID and DoS section heads, that will assist the coordinator in establishing, guiding, and assessing the Embassy's strategies</p>  | <p>This recommendation remains Open, Actions Pending or Underway.</p> |
| <p><b>Recommendation 4:</b> Direct the Joint Executive Steering Group to provide to the Deputy Chief of Mission periodic reports (at least quarterly) on progress, barriers, and funding needs to support the anticorruption program.</p>  | <p>Under the current plan, the coordinator reports directly to the Deputy Chief of Mission on a regular basis. In addition, minutes of the ACWG and Executive Sub-Group meetings are shared with the DCM's office.</p>  | <p>This recommendation remains Open, Actions Pending or Underway.</p> |
| <p><b>Recommendation 5:</b> Establish a policy that will require all participating organizations to vet new anticorruption initiatives through the new joint executive steering group.</p>   | <p>SIGIR noted in its January 2008 report that the DoS plan to recruit a high level coordinator supported the intention of the recommendation. On March 11, 2008, the DoS announced the appointment of a coordinator, and he arrived in Baghdad on March 30. SIGIR will continue to monitor implementation of the reorganization plan to determine if all initiatives are being vetted through the coordinator.</p>   | <p>This recommendation remains Open, Actions Pending or Underway.</p> |
| <p><b>Recommendation 6:</b> Direct the joint executive steering group to conduct a complete review of each U.S.-funded anticorruption program and assess how that program helps achieve the U.S. Government's strategic goals for anticorruption.</p>  | <p>In February, 2008, the ACWG completed an initial inventory of U.S.-funded anticorruption activities and provided it to the new coordinator prior to his arrival in Baghdad. He plans to meet with officials from the implementing agencies and offices during his first weeks on the job to obtain more detailed information on their anticorruption activities. Through these meetings, he plans to identify programming gaps and areas in which resources may need to be supplemented, shifted, or curtailed.</p>  | <p>This recommendation remains Open, Actions Pending or Underway.</p> |
| <p><b>Recommendation 7:</b> Direct the members of the ACWG to develop action plans for each activity's program in concert with the overall strategic goals.</p>  | <p>The U.S. Ambassador has stated that the Embassy must design and implement a comprehensive, integrated anticorruption strategy. The ACWG began drafting an Anticorruption Strategy Framework in February prior to the Coordinator's arrival. The framework outlines key elements for U.S. government engagement and programming. Proposed annexes to the framework will establish specific action items and program goals to advance each element. The Coordinator will review the draft framework and annexes, suggest revisions, and forward them to senior Embassy officials for approval.</p> | <p>This recommendation remains Open, Actions Pending or Underway.</p> |
| <p><b>Recommendation 8:</b> Establish a baseline for each anticorruption program to document a starting point for the program to measure progress.</p>   | <p>The ACWG monitoring sub-group has been tasked with developing appropriate metrics to measure the success of current and future anticorruption programming. In addition, DoS is currently recruiting a program manager for the Anticorruption Coordination Office who will support this activity. Because baselines are a</p>   | <p>This recommendation remains Open, Actions Pending or Underway.</p> |

| SIGIR Recommendations   | SIGIR Analysis of Actions Planned or Taken   | SIGIR Analysis of Recommendation Status                        |
|---|--|--|
|   | critical component of any evaluation, the sub-group's purpose supports the intent of the recommendation. However, the sub-group remains in its formative stage and only recently began work.   |  |
| <b>Recommendation 9:</b> Establish interim and long-term objective(s) for each anticorruption program consistent with the overall anticorruption program strategy.  | In announcing the program in December 2007, the Ambassador highlighted the importance of developing an anticorruption strategy and specific program objectives. Establishing such objectives will follow the adoption of the new Anticorruption Strategy Framework.  | This recommendation remains Open, Actions Pending or Underway. |
| <b>Recommendation 10:</b> Engage Iraqi anticorruption counterparts in the new government and establish the joint U.S.-Iraq ACWG.  | On May 16, 2007, the JACC charter was signed by the Prime Minister and senior Iraqi leaders, and since then, the JACC has held several meetings.   | This recommendation is Closed.                                 |
| <b>Recommendation 11:</b> Encourage the GOI to establish its own anticorruption working groups with regional and international partners.  | Key components of the December 2007 reorganization plan address efforts to encourage the GOI to make such measures as supporting the development of anticorruption systems and procedures as part of its administrative practices at all government levels   | This recommendation remains Open, Actions Pending or Underway. |
| <b>Recommendation 12:</b> Based on the unresolved recommendation 20 from the October 2005 DoS Office of Inspector General report, <sup>7</sup> develop and implement an action plan to:<br><br>A) Identify the training requirements of the Commission on Public Integrity, Board of Supreme Audit, Central Criminal Court of Iraq, and the ministerial Inspector Generals, with special emphasis on requirements that apply to all four institutions.<br><br>B) Prioritize the identified training requirements.<br><br>C) Identify training solutions for the requirements that can cut across multiple institutions to avoid duplication and maximize resources. | The ACWG includes an Assistance sub-group whose purpose is to assist the group and the coordinator maintain an accurate inventory of USG anticorruption assistance programs that will prevent duplication of efforts among U. S. civilian and military entities. This sub-group was formed in late January 2008 and is in the early stage of addressing this recommendation. | This recommendation remains Open, Actions Pending or Underway. |

<sup>7</sup>Report of Inspection: Rule of Law Programs, Embassy, Baghdad, Iraq , DoS OIG, ISP-IQO-06-0, October 2005.

## Appendix B—Sub-Groups of the Anticorruption Working Group

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The Anticorruption Working Group serves as a forum for coordinating and integrating, among all Embassy and military anticorruption activities, and addressing any conflicts that arise in that regard. The ACWG includes representatives from numerous U.S. Embassy sections and military organizations. It established seven sub-groups in late January 2008 to perform specific, assigned tasks in assisting the anticorruption coordinator and ACWG:

1. **EXECUTIVE SUB-GROUP**—Participants currently include the U.S. Embassy Economics Office, International Narcotics and Law Enforcement Office, Rule of Law Office and the Anticorruption Coordination Office (ACCO). This sub-group's area of responsibility is strategy and planning. It will assist the coordinator establishing, guiding, and assessing the U.S. Embassy's strategy. It is also charged with engaging international partners to coordinate anticorruption assistance and directing the ACWG's other six sub-groups.
2. **POLICY SUB-GROUP**—Participants include the U.S. Embassy's Legal, Political and Economics Offices, ACCO, U.S. Treasury Attaché Office, and the Strategic Effects Division of Multi-National Forces-Iraq (MNF-I). This sub-group's area of responsibility is legislation and political consensus. It will identify legislative priorities and help build political consensus for anticorruption initiatives through outreach to the Prime Minister's Office, the Council of Representatives, and Government of Iraq ministries and financial institutions. GOI anticorruption efforts will provide a major focus of attention.
3. **GOVERNANCE SUB-GROUP**—Participants include the Iraq Transition and Assistance Office (ITAO), U.S. Agency for International Development (USAID), Office of Provincial Affairs, Provincial Reconstruction Team-Baghdad, U.S. Embassy's Political/Military Office, and ACCO. The Governance sub-group focuses on implementing and monitoring anticorruption reform. It will advise on regulatory and administration reform, ministerial capacity development, and local government anticorruption initiatives. It will also address such concerns as public transparency and institutional safeguards against corruption.
4. **DEMOCRACY AND PUBLIC AFFAIRS SUB-GROUP**—Participants include the U.S. Embassy's Public Affairs Office, ACCO, USAID, MNF-I and Provincial Reconstruction Team-Baghdad. The sub-group area of responsibility is public education and citizen involvement. It will advise on how best to reach out to civil society. It will design public education, awareness and assistance materials to enhance the capacity of the media to investigate and monitor public integrity.
5. **RULE OF LAW SUB-GROUP**—Participants include the U.S. Embassy's Rule of Law and Legal Offices, International Narcotics and Law Enforcement Affairs (INL), MNF-I, ACCO and the Department of Justice (DOJ). Legal actions and courts will be Rule of Law's focus. The sub-group will advise the coordinator and ACWG on law enforcement assistance and legal support for GOI and U.S. government anticorruption efforts.

6. **MONITORING SUB-GROUP**—Participants include USAID, ITAO and ACCO. The sub-group is responsible for conducting assessments and after-action analysis. It will help the coordinator and ACWG establish standards for evaluating USG anti-corruption assistance, programs, and outreach, and for assessing GOI progress.
7. **ASSISTANCE SUB-GROUP**—Participants include INL, DOJ, ITAO, ACCO, the MNF-I's Strategic Effects Division and the Multi-National Security Transition Command-Iraq. This sub-group is responsible for resolving conflicts and coordinating activities. To prevent duplication of efforts among U.S. civilian and military entities the sub-group will assist in maintaining an accurate inventory of USG anticorruption assistance programs.

## Appendix C—Scope and Methodology

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SIGIR initiated this review in January 2008 (Project 8013) as the first in a series of quarterly assessments of U.S. Government anticorruption efforts in Iraq. The objective was to determine the progress made by the Department of State and U.S. Embassy in implementing its plans and SIGIR recommendations to improve the management of anticorruption efforts for the calendar year quarter ended March 31, 2008. We reviewed internal management controls from the context of specific plans, policies, and procedures aimed at improving the anticorruption program. For example, we addressed such internal control issues as maintaining the requisite number and level of competent staff to manage the multi-agency effort, and developing systems to evaluate individual programs.

To determine current U.S. efforts to strengthen management, we analyzed recent U.S. Embassy cables and other documents detailing new anticorruption measures. We also met with Embassy personnel and attended meetings of the Embassy’s Anticorruption Working Group.

To evaluate progress in addressing SIGIR recommendations, we analyzed current, planned and ongoing anticorruption management changes, and assessed the extent to which they supported the objectives of the recommendations. In each instance, we concluded whether actions (1) were sufficient to completely address, and therefore close out, a specific recommendation; (2) were pending or underway, but not to the extent that they had resolved the particular problem; or (3) did not address the recommendation.

This audit was performed under the authority of Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspector General Act of 1978. SIGIR conducted this performance audit from January 2008 through April 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

### Use of Computer-processed Data

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

### Prior Coverage

We reviewed these reports and relied on them in conducting our review:

- *“U.S. Anticorruption Efforts in Iraq: Sustained Management Commitment is a Key to Success”* (SIGIR-08-008, January 24, 2008)
- *Status of US Government Anticorruption Efforts in Iraq* (SIGIR-07-007, July 24, 2007)
- DoS OIG, ISP-IGO-06-50, *“Report of Inspection: Survey of Anticorruption Programs, Embassy Baghdad, Iraq,”* August 2006

## **Appendix D—Audit Team Members**

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This report was prepared, and the audit work conducted, under the direction of David R. Warren, Assistant Inspector General for Audit, Office of the Special Inspector General for Iraq Reconstruction.

Staff members who contributed to the report include:

Robert Gabriel

Dan Haigler

Joan Hlinka

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|---|--|
| <b>SIGIR's Mission</b>  | <p>Regarding the U.S. reconstruction plans, programs, and operations in Iraq, the Special Inspector General for Iraq Reconstruction provides independent and objective:</p> <ul style="list-style-type: none"> <li>• oversight and review through comprehensive audits, inspections, and investigations</li> <li>• advice and recommendations on policies to promote economy, efficiency, and effectiveness</li> <li>• deterrence of malfeasance through the prevention and detection of fraud, waste, and abuse</li> <li>• information and analysis to the Secretary of State, the Secretary of Defense, the Congress, and the American people through Quarterly Reports</li> </ul> |
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| <b>Public Affairs</b>   | <p>Kristine R. Belisle<br/> Director for Public Affairs<br/> Mail: Office of the Special Inspector General<br/> for Iraq Reconstruction<br/> 400 Army Navy Drive<br/> Arlington, VA 22202-4704<br/> Phone: 703-428-1217<br/> Fax: 703-428-0818<br/> Email: <a href="mailto:PublicAffairs@sigir.mil">PublicAffairs@sigir.mil</a></p>  |