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INSPECTOR GENERAL

U.S. Department of Defense

AUGUST 31, 2023

(U) Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq

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(U) Results in Brief

(U) Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq

August 31, 2023

(U) Objective

(U) The objective of this audit was to determine whether the DoD conducted enhanced end-use monitoring (EEUM) for sensitive equipment provided to the Government of Iraq in accordance with the DoD Security Assistance Management Manual (SAMM) and the transfer agreement terms and conditions.

(U) Background

(U) Since 2014, the U.S. Government has provided the Government of Iraq with over \$22.5 billion in training and equipment, including sensitive equipment such as F-16 aircraft, Stinger missiles, M1A1 Abrams tanks, and night vision devices. To monitor defense articles provided to other countries, the DoD developed the Golden Sentry End-Use Monitoring (EUM) program. This program monitors sensitive equipment through EEUM. The Defense Security Cooperation Agency, as the proponent for the EUM program, establishes EUM program guidance in the SAMM.

(U) The Office of Security Cooperation-Iraq (OSC-I) is the DoD Security Cooperation Organization responsible for conducting the EUM program in Iraq. The SAMM requires the OSC-I to conduct physical security inspections and annual inventories and upload results into the Security Cooperation Information Portal-EUM database.

(U) The U.S. Central Command (USCENTCOM) is responsible for oversight of the Security Cooperation Organizations in their area of responsibility.

(U) Findings

~~(CUI)~~ During the period we examined, from January 2019 through July 2022, the DoD did not conduct EEUM for sensitive equipment that the U.S. Government provided to the Government of Iraq in accordance with the SAMM and the terms and conditions of the transfer agreements. This occurred because of resource limitations, inconsistent use of alternate procedures, and challenges with the transfer of knowledge and awareness of systemic issues with the EUM program in Iraq.

(U) In addition, USCENTCOM did not conduct timely or comprehensive oversight of EEUM in Iraq. This occurred because USCENTCOM lacked guidance for conducting oversight of EEUM in Iraq.

~~(CUI//REL TO)~~ Finally, the Security Cooperation Information Portal-EUM database included night vision devices that did not require EEUM. This occurred because the Defense Security Cooperation Agency incorrectly classified foreign-made night vision devices as requiring EEUM or did not reclassify older night vision devices as not requiring EEUM in the Security Cooperation Information Portal-EUM database.

(U) Not complying with SAMM requirements and approved alternate procedures increases the risk that adversaries will obtain sensitive U.S. military equipment and gain firsthand knowledge of U.S. technology.

~~(CUI)~~ Additionally, conducting EEUM on equipment that was no longer sensitive potentially wasted DoD resources. Specifically, the OSC-I could put the estimated \$5.6 million needed to inventory non-sensitive night vision devices to better use.



(U) Results in Brief

(U) Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq

(U) Recommendations

(U) We recommend that the USCENTCOM Commander develop guidance for conducting virtual Security Cooperation Organization inspections, provide minimum requirements for conducting quarterly Security Cooperation Information Portal-EUM database reviews, and coordinate with the OSC-I to improve knowledge transfer and awareness between EUM program managers in Iraq.

~~(U)~~ We recommend that the OSC-I Chief develop a plan of action to obtain and maintain 100 percent accountability of night vision devices that still require EEUM, report the end-use violation to the Department of State, and coordinate with USCENTCOM to develop a plan for continuity in the EUM program manager position within the OSC-I.

(U) Management Comments and Our Response

(U) The Deputy Division Chief, USCENTCOM Security Cooperation Plans and Programs Division, responding for the USCENTCOM Commander, agreed with our recommendations; therefore, these recommendations are resolved but will remain open until we receive documentation that actions have been completed.

(U) The OSC-I Chief did not provide comments to the draft report; therefore, the recommendations are unresolved and we request that they provide comments on the final report within 30 days. Please see the Recommendations Table on the next page for the status of recommendations.

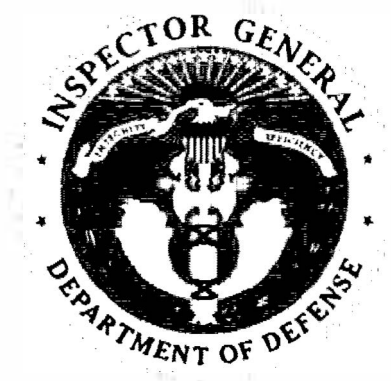
(U) Recommendations Table

(U) Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Commander, U.S. Central Command	None	1.a, 1.b, 1.c	None
Chief, Office of Security Cooperation-Iraq	2.a, 2.b, 2.c	None	None

(U)**(U)** Please provide Management Comments by October 2, 2023.**(U) Note:** The following categories are used to describe agency management's comments to individual recommendations.

- **(U) Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **(U) Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **(U) Closed** – DoD OIG verified that the agreed upon corrective actions were implemented.

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**OFFICE OF INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500**

August 31, 2023

**MEMORANDUM FOR COMMANDER, U.S. CENTRAL COMMAND
CHIEF, OFFICE OF SECURITY COOPERATION-IRAQ**

SUBJECT: (U) Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq (Report No. DODIG-2023-119)

(U) This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

(U) This report contains three recommendations that are considered resolved. The Deputy Division Chief, USCENTCOM Security Cooperations Plans and Programs Division agreed to address all the recommendations presented to USCENTCOM in the report; therefore, we consider the recommendations directed to the USCENTCOM Commander resolved and open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the recommendations when the USCENTCOM Commander provides us documentation showing that all agreed-upon actions to implement the recommendations are completed.

(U) This report contains three recommendations that are considered unresolved because the OSC-I Chief did not provide a formal response to the report. We provided the draft report for comment on May 24, 2023, and as of the date of this report OSC-I had not provided formal comments. Therefore, as discussed in the Recommendations, Management Comments, and Our Response section of this report, the recommendations remain unresolved and open. We will track these recommendations until an agreement is reached on the actions that OSC-I will take to address the recommendations. We will close the recommendations when the OSC-I Chief provides us documentation showing that all agreed-upon actions to implement the recommendations are completed.

(U) DoD Instruction 7650.03 requires that recommendations be resolved promptly. For the unresolved recommendations, please provide us within 30 days your response concerning specific actions in process or alternative corrective actions proposed on the recommendations. Send your response to audrgo@dodig.mil if unclassified and [\[REDACTED\]@dodig.mil](mailto:[REDACTED]@dodig.mil) if classified. For the resolved recommendations, please provide us within 90 days your

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(U) response concerning specific actions in process or completed on the recommendations. Send your response to either followup@dodi.smil if unclassified or rfunet@dodi.smil if classified SECRET.

(U) If you have any questions, please contact me at (U//FOUO) (b)(6) (DSN (U//FOUO) (b)(6)).

FOR THE INSPECTOR GENERAL:



Richard B. Vasquez
Assistant Inspector General for Audit
Readiness and Global Operations

(U) Contents

(U) Introduction	1
(U) Objective	1
(U) Background	1
(U) DoD OIG Inventories and Physical Security Inspections Conducted	9
(U) Finding. The DoD Did Not Conduct EEUM in Accordance with the SAMM or Transfer Agreements	10
(U) The OSC-I Did Not Conduct EEUM in Accordance with the SAMM or Transfer Agreements	11
(U) OSC-I Resource Limitations, Inconsistent Use of Approved Alternate Procedures, and Challenges with the Transfer of Knowledge	15
(U) USCENTCOM Oversight of EEUM in Iraq	19
(U) USCENTCOM Lacked Guidance for Conducting Oversight of EEUM in Iraq	20
(U) The SCIP-EUM Database Included NVDs That Did Not Require EEUM	21
(U) Increased Risk to U.S. Personnel and Potential for Adversaries to Obtain Sensitive U.S. Military Equipment	22
(U) Recommendations, Management Comments, and Our Response	24
(U) Appendixes	
(U) Appendix A. Scope and Methodology	27
(U) Internal Control Assessment and Compliance	29
(U) Use of Computer-Processed Data	29
(U) Prior Coverage	29
(U) Appendix B. Example of Blank Night Vision Device Security Checklist	34
(U) Management Comments	35
(U) U.S. Central Command	35
(U) Acronyms and Abbreviations	37



(U) Introduction

(U) Objective

(U) The objective of this audit was to determine whether the DoD conducted enhanced end-use monitoring (EEUM) for sensitive equipment provided to the Government of Iraq (GOI) in accordance with the DoD Security Assistance Management Manual (SAMM) and the transfer agreement terms and conditions.¹ See Appendix A for scope, methodology, criteria, and prior coverage related to the objective.

(U) Background

(U) The United States launched Operation Inherent Resolve in 2014 to defeat the Islamic State of Iraq and Syria and set conditions for future regional stability. Part of Operation Inherent Resolve's mission was to train, advise, and assist the GOI's military to make the Iraqi Security Forces the primary fighting force in Iraq, capable of holding territory and conducting counter-Islamic State of Iraq and Syria operations.² In December 2021, the United States withdrew its combat troops from Iraq, making the Iraqi Security Forces the sole force responsible for law enforcement, military, and counterterrorism duties in Iraq.

(U) Since 2014, the GOI received \$6.25 billion in training and equipment from the U.S. Government through a variety of sources including the Counter-Islamic State of Iraq and Syria Train and Equip Fund and Foreign Military Financing.³ The U.S. Government used these funding sources to provide the Iraqi Security Forces with equipment, such as tactical vehicles, firearms, aircraft systems, and night vision devices (NVDs). The U.S. Government also has \$16.3 billion in government-to-government sales with the GOI under the Foreign Military Sales program, which includes sensitive items such as F-16 aircraft, Stinger missiles, and M1A1 Abrams tanks.⁴

¹ (U) For purposes of this report, we use sensitive equipment to refer to EEUM articles holistically, but when referring to the specific article (such as an F-16 aircraft or Stinger missiles) we use defense articles.

² (U) Iraqi Security Forces refers to the GOI's military.

³ (U) The Counter-Islamic State of Iraq and Syria Train and Equip Fund is a DoD fund created by Congress that provides training and equipment to partner forces in Iraq and Syria. Foreign Military Financing enables the U.S. Government to finance a foreign military's purchase of U.S. military equipment.

⁴ (U) The Foreign Military Sales program enables a foreign country to buy U.S. military equipment using their own funds.

(U) The Arms Export Control Act

(U) In 1976, Congress enacted the Arms Export Control Act, which requires the President to establish an End-Use Monitoring (EUM) program to improve accountability of U.S. defense articles sold, leased, or exported to recipient countries. According to the Arms Export Control Act, the United States may sell or transfer defense articles and services to foreign countries and international organizations when the President determines that to do so will strengthen the security of the United States and promote world peace. The U.S. Government and a foreign government enter into a government-to-government transfer agreement called a letter of offer and acceptance, drafted by the Military Departments, that defines the accountability and security requirements the receiving government must follow.

(U) The Golden Sentry EUM Program

(U) The DoD developed the Golden Sentry EUM program to comply with requirements of the Arms Export Control Act and monitor U.S. military equipment transferred to foreign militaries. The program is designed to verify that foreign recipients use U.S.-provided defense articles or services in accordance with the terms and conditions of the transfer agreement or other applicable agreements. The program's objective is to ensure compliance with technology control requirements to minimize security risks to the United States, partner nations, and allies. The Golden Sentry program consists of two methods of EUM—routine for non-sensitive equipment and enhanced for sensitive equipment, known as EEUM.⁵ U.S. Government personnel assigned to Security Cooperation Organizations (SCOs) or deployed to the recipient countries in support of SCO functions are expected to conduct EUM.⁶ The Defense Security Cooperation Agency (DSCA) is the proponent for the Golden Sentry program and establishes guidance in the SAMM for conducting EUM.⁷ The DoD designed the Golden Sentry program to ensure that recipient countries:

- (U) use the defense articles, training, and services only for their intended purpose;
- (U) prohibit the transfer or possession of any defense article or related training to anyone that is not an official representative of the recipient country or the U.S. Government without prior written consent of the U.S. Government;

⁵ (U) Routine EUM consists of inventorying equipment when observed during normal U.S. Government operations, whereas EEUM requires annual inventories by serial number and physical security inspections. Additionally, EEUM-designated items require physical security such as reinforced fencing, access control policies, and storage surveillance.

⁶ (U) According to Joint Publication 3-20, "Security Cooperation," September 9, 2022, a SCO is a DoD element that is part of the U.S. diplomatic mission located in a foreign country to carry out security assistance and cooperation management functions.

⁷ (U) DSCA Manual 5105.38-M, "The Security Assistance Management Manual (SAMM)," Chapter 8, "End-Use Monitoring (EUM)," April 30, 2012. The DSCA incrementally updates SAMM policy as needed using policy change memos.

- (U) maintain security over the defense articles with similar protection afforded by the U.S. Government; and
- (U) permit U.S. observation and review, and furnish necessary information to U.S. representatives on the use of the defense articles.

(U) EUM Requirements from the SAMM

(U) The SAMM is the authoritative policy governing how the U.S. Government executes security cooperation and security assistance programs. The SAMM outlines specific procedures and requirements for relevant agencies to conduct EEUM. Specifically, SCO personnel must conduct annual inventories by serial number and physical security inspections of the storage facilities for EEUM-designated defense articles to verify the recipient nation's compliance with the transfer conditions from the letter of offer and acceptance and other transfer agreements, such as an NVD control plan.⁸

(U) On March 28, 2022, the DSCA updated the SAMM based on recommendations from the 2021 DoD Office of Inspector General audit of the DoD's management of the Global Train and Equip program.⁹ Specifically, the DSCA revised SAMM Table C8.T2, "DoD EUM Responsibilities," to include language that more accurately describes the combatant command EUM oversight responsibilities. Specifically, the update established requirements for quarterly combatant command reviews of EUM, combatant command tracking and correction of deficiencies in compliance assessment visits (CAVs), and a requirement for combatant commands to provide support to SCOs' EEUM inventories, when feasible.

(U) The SAMM requires that DoD personnel report any suspected end-use violations either through the SCO to the DSCA and Department of State (DoS) or directly to the DSCA and DoS. Violations include unauthorized access and transfers, security violations, and known equipment losses. The DoS, with DoD input, is the lead agency responsible for reporting end-use violations of U.S.-origin defense articles to Congress.

(U) The Security Cooperation Information Portal

(U) The DSCA established the Security Cooperation Information Portal (SCIP)-EUM database to maintain data on the defense articles monitored through routine EUM and EEUM. The SCIP-EUM database is the sole repository for SCO-conducted EEUM inventories and contains information such as inspection date, item type,

⁸ (U) An NVD control plan identifies responsibilities for the security of U.S.-origin NVDs and related technology. Control plans act as a commitment by the partner nation to ensure NVDs provided by the U.S. Government are properly used and stored when not in use by authorized personnel.

⁹ (U) DoD Office of Inspector General Report No. DODIG-2021-102, "Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations," July 21, 2021.

(U) serial number, location, associated unit, and disposition code as well as physical security checklists for each location.¹⁰ The SCIP-EUM database contains the data from the time an EEUM-designated item is received in country until its battle loss, expenditure, or removal through the demilitarization process. In addition, the SCIP-EUM database creates reports that help officials within the DSCA and the SCO plan future inspections and identify equipment not inspected within required timeframes.

(U) EEUM Roles and Responsibilities in Iraq

(U) The Office of Security Cooperation–Iraq (OSC-I) is the SCO and the principal DoD organization responsible for the Golden Sentry program in Iraq. The OSC-I is responsible for conducting EEUM for designated enhanced items in Iraq. The DSCA and the U.S. Central Command (USCENTCOM) are responsible for providing oversight of the OSC-I to ensure it meets SAMM requirements. Chapter 8 of the SAMM establishes agency roles and responsibilities for EEUM.

(U) The Defense Security Cooperation Agency

(U) The DSCA manages the Golden Sentry program and is responsible for:

- (U) developing and distributing EUM policy guidance within the DoD;
- (U) notifying U.S. Government country teams when articles in their area of responsibility (AOR) are designated as “enhanced” in the SCIP-EUM database;¹¹
- (U) conducting CAVs and drafting and submitting CAV reports to the appropriate combatant command, SCO, other DoD organizations, and the DoS to ensure EUM compliance;¹² and
- (U) reporting possible Arms Export Control Act violations to the DoS.

(U) The DSCA uses EUM program managers to execute the Golden Sentry program responsibilities and support SCOs in their assigned AOR. DSCA EUM program managers are responsible for monitoring and executing the EUM program. This includes tracking and monitoring routine and enhanced defense articles, and conducting EUM site visits to ensure compliance with applicable laws, policies, and agreements. DSCA EUM program managers must conduct oversight activities of the SCOs within their AOR. This includes tracking how combatant commands and SCOs address and resolve CAV findings and recommendations.

¹⁰ (U) Disposition codes are codes in the SCIP-EUM database that annotate defense article status. Disposition codes include information like whether an article was observed recently, not observable, or was expended, destroyed, or lost in testing, training, or combat.

¹¹ (U) Once a defense article is designated as enhanced, there are additional monitoring and reporting requirements that must be completed by the DSCA, the combatant command, and the local SCO.

¹² (U) The DSCA conducts CAVs to review and evaluate the SCO’s compliance with Golden Sentry policy and procedures and the partner nation’s compliance with specific physical security and accountability requirements.

(U) The U.S. Central Command

(U) USCENTCOM plays a key role in the oversight of the Golden Sentry program in Iraq. The SAMM requires USCENTCOM to assign a primary USCENTCOM Golden Sentry EUM program manager. This USCENTCOM EUM program manager is responsible for:

- (U) supporting the DSCA's CAVs by requiring SCOs to correct discrepancies identified by the DSCA during the CAVs;
- (U) assisting the DSCA in developing and distributing policy, standard operating procedures, and compliance plans to support the SCO's execution of the Golden Sentry program;
- (U) ensuring that EUM functions required by Golden Sentry policy are assigned as one of the primary responsibilities to SCOs in their AORs;
- (U) ensuring SCO personnel complete the EUM online training provided by the DSCA; and
- (U) ensuring SCOs conduct routine and enhanced EUM in accordance with Golden Sentry policy and procedures and ensure SCOs annotate all accountability and physical security checks in the SCIP-EUM database.

(U) USCENTCOM established the SCO command inspection program to assess the various areas of the SCO, such as SCIP compliance, potential end-use violations reporting, and SCO reporting requirements compliance. The USCENTCOM Inspector General is responsible for conducting the SCO command inspection program with support from other USCENTCOM headquarters elements. USCENTCOM policy states that the USCENTCOM Inspector General will normally conduct the SCO command inspections every 2 years.

(U) The Office of Security Cooperation–Iraq

(U) The OSC-I, based in the Baghdad Embassy Compound, is the SCO in Iraq and helps provide weapons, training, and other services to Iraqi Security Forces. The OSC-I is responsible for conducting the DoD's Golden Sentry program in Iraq. Specifically, the OSC-I must:

- (U) conduct annual inventories by serial number to verify that all EEUM-designated defense articles in Iraq are accounted for, including the verification and recording of an item's final disposition (for example, whether a missile was fired, lost, or destroyed) in the SCIP-EUM database;

- (U) conduct physical security inspections of storage sites where EEUM-designated defense articles are kept, using established checklists developed by the DSCA or the applicable Military Department, within 1 year from the last physical security inspection performed;
- (U) report the destruction or loss of any EEUM-designated defense articles to the DSCA immediately;
- (U) report all potential unauthorized end-use to USCENTCOM, the DSCA, and the DoS Office of Regional Security and Arms Transfer Policy;
- (U) use the SCIP-EUM database to establish and maintain an accurate inventory of all EEUM-designated defense articles exported in government-to-government transfers to the GOI; and
- (U) use Golden Sentry EEUM checklists and attach the checklists to inventory records in the SCIP-EUM database. See Appendix B for an example of an NVD Security Checklist.

(U) The DSCA Approved Alternate EEUM Procedures for Iraq

~~(CUI//REL TO)~~ The DSCA approved alternate EEUM procedures for Iraq because the DSCA did not design the procedures in the SAMM for countries with ongoing conflict.¹³ Specifically, in areas with ongoing conflict and fluid security situations such as Iraq, the SCOs were unable to comply with SAMM requirements because the partner nation was using the equipment in combat operations or had stored it at inaccessible partner nation facilities.¹⁴ In 2014, the DSCA issued a memorandum that modified the EUM criteria for defense articles transferred to Iraq.¹⁵ Specifically, the DSCA 2014 memorandum approved the OSC-I to meet EEUM requirements by continuing site visits to accessible Iraqi locations and following alternate procedures for inaccessible locations by:

- ~~(CUI)~~ relying on contractors to provide photographs, reports, and records for EEUM inventories and physical security inspections;
- ~~(CUI)~~ using local repair facilities to serve as the site of equipment inventories; and
- ~~(CUI)~~ updating the SCIP-EUM database to annotate equipment that Iraqi Security Forces have deployed or located in inaccessible areas.

¹³ (U) As the DoD lead for EUM policy, only the DSCA can provide exceptions or alternate procedures to SAMM requirements.

¹⁴ ~~(CUI)~~ Unavailable items are EEUM items that are deployed or at bases inaccessible to OSC-I personnel. In 2014, the DSCA provided an exemption to SAMM requirements for annual inventories and physical security inspections when security conditions did not allow. These items are annotated in the SCIP-EUM database as “not observable.”

¹⁵ ~~(CUI)~~ “Request for Change of End-Use Monitoring Criteria for Defense Articles Transferred to Iraq” in reference to the Office of Security Cooperation–Iraq Memorandum, “Request for Change of EUM Criteria for Defense Articles Transferred to Iraq,” May 29, 2014. We refer to this memorandum as the DSCA 2014 memorandum throughout the report.

(U) In April 2020, the DSCA released a memorandum approving the OSC-I to use partner nation inventories of EEUM equipment not accessible to SCO personnel.¹⁶ The partner nation alternate procedure allows, with DSCA approval, the OSC-I to record an EEUM inventory using a self-inventory conducted by the GOI and annotate the defense article in the SCIP-EUM database with the partner nation code.¹⁷ This is another alternate procedure available to the OSC-I in addition to those approved in the DSCA 2014 memorandum.

(U) The use of alternate procedures for conducting EEUM, instead of in-person EEUM by OSC-I officials, is dependent on the security posture in Iraq and the location of the EEUM item, both of which are constantly changing. For example, during our site visit we were unable to inventory Stinger missiles deployed around Baghdad due to ongoing protests. The OSC-I, in this case, could use an alternate procedure. The DoS Regional Security Office for the Baghdad Embassy Compound is the approval authority for OSC-I travel around Iraq and adjusts its restrictions to reflect the current security situation. In addition, the location of EEUM equipment changes as the GOI actively repositions it for use. If the GOI moves EEUM equipment to locations that the regional security office identifies as a restricted travel area, then the OSC-I can use alternate EEUM procedures.

(U) During the course of our audit, we discussed with the DSCA how other countries with security environments similar to Iraq that receive EEUM-designated equipment would benefit from having alternate procedures published in the SAMM. On December 20, 2022, the DSCA updated the SAMM with guidance on conducting EEUM in a hostile environment that outlines, in more detail than the April 2020 DSCA memorandum, requirements for using partner nation inventories.

(U) EEUM-Designated Equipment in Iraq

(CUI//REL TO) As of April 2022, the SCIP-EUM database showed that the GOI possessed [REDACTED] EEUM-designated defense articles. Table 1 shows the defense articles, a description of the article, and the number in GOI possession as recorded in the SCIP-EUM database as of April 2022.

¹⁶ (U) Defense Security Cooperation Agency Memorandum, "Use of Partner Nation (PN) Observation-Code for Iraq in SCIP-EUM," April 22, 2020.

¹⁷ (U) The Partner Nation code, or PN code, is a disposition code that the OSC-I may use to indicate that a defense article was observed by the partner nation, rather than OSC-I personnel.

~~(CUI//REL TO)~~ **Table 1. GOI EEUM-Designated Defense Articles in the SCIP-EUM Database as of April 2022**

(CUI//REL TO) Defense Article	Description	Number in SCIP-EUM Database
F-16 Aircraft	The F-16 Fighting Falcon is a compact, multi-role fighter aircraft that the DoD developed, in conjunction with the North Atlantic Treaty Organization, for the United States and allied nations.	(CUI//REL TO) OSD JS (b) (3) 10 USC 130c
Stinger Missiles	The FIM-92 Stinger missile is a shoulder-fired, lightweight, and self-contained air defense system that ground troops can rapidly deploy.	(CUI//REL TO) OSD JS (b) (3) 10 USC 130c
M1A1 Abrams Tanks	The M1A1 Abrams tank provides mobile firepower for armored formations of sufficient capability to destroy any opposing armored fighting vehicle.	(CUI//REL TO) OSD JS (b) (3) 10 USC 130c
Night Vision Devices	NVDs enable acquisition, tracking, and monitoring of military scenes or targets at tactically or strategically significant ranges at night.	(CUI//REL TO) OSD JS (b) (3) 10 USC 130c
Total EEUM-designated defense articles in the SCIP-EUM database as of April 2022		(CUI//REL TO) OSD JS (b)(3) 10 USC 130c

(U) Source: DSCA SCIP-EUM Database.

~~(CUI)~~ In December 2020, the DSCA established guidance that states that NVDs issued after February 10, 2020, are subject to routine EUM instead of EEUM and outlines criteria for DSCA program managers to determine when to reclassify NVDs transferred before February 10, 2020, from EEUM to routine EUM.¹⁸ Specifically, the guidance states that DSCA program managers should consider NVDs for routine EUM based on whether the country had NVD control plans in place, had promptly reported missing and destroyed NVDs, and whether the SCO recorded timely inventories and physical security inspections accurately in the SCIP-EUM database. According to the guidance, older generation NVDs should be subject to routine EUM regardless of destination.¹⁹ Until the DSCA reclassifies specific NVDs from EEUM to routine EUM, the SCO must continue to follow SAMM requirements for annual inventories and physical security inspections of these items.

¹⁸ ~~(CUI)~~ Defense Security Cooperation Agency Memorandum, "End-Use Monitoring Criteria for Night Vision Devices," December 23, 2020.

¹⁹ (U) For the purposes of this report, older NVDs refer to generation 0 and 1 NVDs. NVD generations refer to the technology built into the device and later generations are more technologically sensitive.

(U) DoD OIG Inventories and Physical Security Inspections Conducted

(CUI//REL TO) We conducted a site visit to Iraq in August 2022. While onsite, we met with OSC-I and GOI officials, reviewed data from the OSC-I's local SharePoint site, performed two physical security inspections and five inventories by serial number, and reconciled inventories with the SCIP-EUM database. We conducted in-person physical security inspections using physical security checklists created by the DSCA and the Military Departments to determine the sufficiency of EEUM storage. We inventoried items at each location by serial number and reconciled the results with the SCIP-EUM database inventory reports. We inventoried (CUI//REL TO) EEUM-designated defense articles by conducting the following inventories.

- (CUI//REL TO) (CUI//REL TO) Stinger missiles from the (CUI//REL TO)
- (CUI//REL TO) (CUI//REL TO) M1A1 Abrams tanks awaiting repair at the (CUI//REL TO)
- (CUI//REL TO) (CUI//REL TO) M1A1 Abrams tanks deployed in the (CUI//REL TO)
- (CUI//REL TO) (CUI//REL TO) NVDs from the (CUI//REL TO)
- (CUI//REL TO) (CUI//REL TO) NVDs from the (CUI//REL TO)

(CUI//REL TO) Additionally, we conducted physical security inspections of the storage areas housing Stinger missiles and M1A1 Abrams tanks while at (CUI//REL TO). Figure 1 shows an M1A1 Abrams tank located at the (CUI//REL TO).



(CUI//REL TO) Figure 1. M1A1 Abrams Tank Observed During Site Visit to Iraq
(U) Source: The DoD OIG.

(U) Finding

(U) The DoD Did Not Conduct EEUM in Accordance with the SAMM or Transfer Agreements

(CUI//REL TO) During the period we examined, from January 2019 through July 2022, the DoD did not conduct EEUM for sensitive equipment that the U.S. Government provided to the GOI in accordance with the SAMM and the terms and conditions of the transfer agreements. Specifically, for the three most recent inventories of F-16s, Stinger missiles, and M1 A1 Abrams tanks, the OSC-I failed to meet the SAMM annual inventory requirement by an average of 236 days.²⁰ The most recent inventories for NVDs ranged from as long ago as 2016 to as recent as 2022, with an average of 1,110 elapsed days (more than 3 years) since the last inventory. In addition, the OSC-I did not attach required physical security checklists in the SCIP-EUM database for [REDACTED] (98 percent) of the [REDACTED] inventoried defense articles. Furthermore, the OSC-I did not promptly report a known end-use violation to the DoS in accordance with SAMM requirements.

(CUI//REL TO) The DoD did not conduct required EEUM of the [REDACTED] EEUM-designated articles in Iraq because, according to OSC-I officials, the OSC-I did not have sufficient EUM personnel. In addition, the OSC-I did not consistently apply the DSCA-approved alternate procedures. Furthermore, 6-month rotations in the OSC-I EUM program manager position created challenges in the transfer of knowledge and awareness of systemic challenges for the EUM program in Iraq.

(U) USCENTCOM did not conduct SCO inspections of the OSC-I biennially or complete comprehensive quarterly SCIP-EUM database reviews. This occurred because USCENTCOM lacked guidance for conducting virtual SCO inspections when in-person inspections were not feasible and did not have minimum requirements for completing quarterly SCIP-EUM database reviews.

(CUI//REL TO) Of the [REDACTED] NVDs recorded in the SCIP-EUM database, [REDACTED] NVDs (79 percent) were incorrectly identified as requiring EEUM in 2022. For example, the DSCA incorrectly classified at least [REDACTED] NVDs of foreign origin that

²⁰ (CUI//REL TO) We based the average of 236 days on the defense articles marked as observable in the SCIP-EUM database or whether the OSC-I used alternate procedures to perform the inventories. Observable means that in the SCIP-EUM database, the disposition status was marked as observable for that round of inventories. For defense articles marked as observable, we held them to the SAMM annual requirement. Otherwise, we evaluated whether the OSC-I used alternate procedures. In the three most recent inventories, there was one instance of [REDACTED] F-16s and [REDACTED] M1A1 Abrahams tanks and two instances of [REDACTED] Stinger missiles that the OSC-I failed to meet the SAMM annual inventory requirement.

(~~CU//REL TO~~) never required EEUM and did not reclassify in a timely manner at least ~~SCIP-EUM~~ NVDs containing older technology that no longer required EEUM.²¹ According to current DSCA officials, this occurred because, when the DoD purchased the ~~SCIP-EUM~~ NVDs in 2012, DSCA officials at the time included these NVDs in the SCIP-EUM database because they thought that any item purchased with DoD funding should be included in the SCIP-EUM database. However, this is not a SAMM requirement.

(U) Noncompliance with SAMM requirements and not using alternate procedures in Iraq increased the risk that the DoD would not know if sensitive U.S. military equipment, such as F-16 aircraft, Stinger missiles, M1A1 Abrams tanks, or the NVDs that remain in the EEUM program, was missing. This equipment could be misused or acquired by adversaries in the region, such as Iranian-affiliated militias and the Islamic State of Iraq and Syria, and be used against U.S. personnel, allies, and partners. Furthermore, adversaries who obtain sensitive equipment would have firsthand access and knowledge of sensitive U.S. weapon systems technology.

(~~CU~~) In addition, because the DSCA incorrectly identified certain NVDs as requiring EEUM, the OSC-I expended unnecessary resources and risked the life and safety of OSC-I personnel to meet SAMM inventory and physical security requirements. This wasted the limited OSC-I resources that could have been used for inventories and physical security inspections of highly sensitive items, such as Stinger missiles. Specifically, the OSC-I could put the estimated \$5.6 million needed to inventory the incorrectly categorized NVDs to better use.

(U) The OSC-I Did Not Conduct EEUM in Accordance with the SAMM or Transfer Agreements

(~~CU~~) During the period we examined, from January 2019 through July 2022, the DoD did not conduct EEUM in accordance with the SAMM and terms and conditions of the transfer agreement for sensitive equipment that the U.S. Government provided to the GOI. Specifically, we identified instances where the OSC-I did not conduct required annual inventories by serial number of available EEUM items. In addition, the OSC-I did not always complete and upload physical security inspection checklists

²¹ (~~CU//REL TO~~) During our site visit, we observed NVDs that did not meet the requirement for EEUM. Specifically, we identified foreign-made NVDs marked "made in Russia," which would disqualify the equipment from needing EEUM. We conducted additional analysis on NVDs using data available in the SCIP-EUM database such as the serial number and item description since we were unable to physically observe all NVDs. Based on our review of the SCIP-EUM database, we found that at least ~~SCIP-EUM~~ of these NVDs were foreign-made and at least ~~SCIP-EUM~~ NVDs contained older technology that no longer required EEUM. In addition, NVDs could have physical labels, such as the ones we did observe, that contained information for each individual piece of equipment, such as country of origin or manufacturer, that were not recorded in the SCIP-EUM database. We brought this to the attention of the OSC-I and the DSCA and the DSCA promptly removed a group of ~~SCIP-EUM~~ NVDs that the United States purchased for the GOI in 2012.

~~(U)~~ for inventoried defense articles in the SCIP-EUM database. Furthermore, the OSC-I did not promptly report a known end-use violation to the DoS in accordance with SAMM requirements.

(U) The OSC-I Did Not Conduct Annual Inventories of EEUM-Designated Equipment or Physical Security Inspections of EEUM Storage Sites

~~(CUI//REL TO)~~ The OSC-I did not conduct required annual inventories of EEUM items available for inspection by serial number or physical security inspections of EEUM storage sites. Chapter 8 of the SAMM requires the OSC-I to annually inventory, by serial number, 100 percent of EEUM-designated defense articles. In the most recent three inventories of F-16s, Stinger missiles, and M1A1 Abrams tanks, the OSC-I marked ~~(b)(7)(D)~~ defense articles as inventoried in the SCIP-EUM database, but the OSC-I did not meet the SAMM annual requirements. The average number of days between the inventories for the ~~(b)(7)(D)~~ items was 601 days, exceeding the 365-day requirement by nearly a year. See Table 2 for the number of defense articles that were not accounted for within the annual requirement in at least one of the three most recent inventories, and the average days between inventories.

~~(CUI//REL TO)~~ The average number of days between the inventories for the ~~(b)(7)(D)~~ items was 601 days, exceeding the 365-day requirement by nearly a year.

~~(CUI//REL TO)~~ Table 2. Defense Articles Not Accounted for Within the Annual Requirement and Average Days Between Inventories

(CUI//REL TO) Defense Article	Defense Articles Not Accounted for Within Annual Requirement	Total Defense Articles ¹	Average Days Between Inventories
F-16 Aircraft	(b)(7)(D)	(b)(7)(D)	484 days
Stinger Missiles	(b)(7)(D)	(b)(7)(D)	484 days
M1A1 Abrams Tanks	(b)(7)(D)	(b)(7)(D)	834 days
Totals	(b)(7)(D)	(b)(7)(D)	601 days ²

¹ (U) Total defense articles in this table does not match the number articles in the SCIP-EUM database shown in Table 1 because some articles were expended, lost, or destroyed at the time we pulled the data for Table 2.
² (U) Number does not equal total of column but represents the average days between inspections for all defense articles.

(U) Source: The DoD OIG.

~~(U//REL TO)~~ Table 2 does not include NVDs because the OSC-I did not inventory the majority of the NVDs for more than 3 years. Therefore, we looked at the most recent inventory date for NVDs. The most recent inventories of all NVDs in the SCIP-EUM database ranged from as long ago as 2016 to as recent as 2022, with an average of 1,110 elapsed days (more than 3 years) since the last inventory.

~~(U//REL TO)~~ In addition, the SAMM requires annual inspections of the physical security for EEUM storage sites. The SAMM requires the OSC-I to use Golden Sentry EEUM checklists to document these physical security inspections and attach the checklists to inventory records in the SCIP-EUM database. We found that the OSC-I did not consistently complete the annual physical security inspections during the EEUM inventories. Specifically, the OSC-I did not attach physical security inspection checklists in the SCIP-EUM database for ~~(U//REL TO)~~ (98 percent) of ~~(U//REL TO)~~ inventoried defense articles.²²

~~(U//REL TO)~~ The physical security checklists that the OSC-I did complete were not consistently filled out. Specifically, OSC-I officials skipped sections of the checklists entirely or marked items “no” or “not applicable” without any clarifying details. For example, during a June 2021 M1A1 Abrams tank inspection, the OSC-I did not complete the physical security section of the checklist to verify that tank hatches were secured from the inside or padlocked on the outside. In addition, during a May 2021 F-16 inspection, the OSC-I marked five of the six Access/Key Control security checks as not applicable without explanation. For example, the OSC-I marked security controls such as access rosters, sign-in procedures, and key storage as not applicable on the 2021 May inspection checklist without explanation.

(U) The OSC-I Did Not Report an End-Use Violation

~~(U//REL TO)~~ The OSC-I did not report a M1A1 Abrams tank that they had known was potentially missing since 2017 to the DoS in accordance with SAMM requirements. Specifically, SAMM chapter 8 requires SCOs to report all potential end-use violations to USCENTCOM, the DSCA, and the DoS Office of Regional Security and Arms Transfer Policy. The SAMM further states the importance for SCOs to know and report any indication that U.S.-origin defense articles are being used for unauthorized purposes or against nonmilitary targets, are being tampered with or reverse engineered, or are accessible by unauthorized persons. According to the SAMM, a missing EEUM item is an end-use

~~(U//REL TO)~~ The OSC-I did not report a M1A1 Abrams tank that they had known was potentially missing since 2017 to the DoS in accordance with SAMM requirements.

²² ~~(U//REL TO)~~ For the inventories without an attached physical security checklist, we were unable to determine whether the OSC-I completed the physical security inspection but did not document it in the SCIP-EUM database, or whether the OSC-I did not conduct a physical security inspection at all.

(CUI//REL TO) violation because partner nations agree to keep accountability and security of the EUM item upon receipt and make it available to the United States for inventory. The United States cannot verify who has access to the equipment or how it is used if the equipment location is unknown.

(CUI//REL TO) The OSC-I has not inventoried the M1A1 Abrams tank with serial number [REDACTED] since July 24, 2013. From 2014 to 2021, the OSC-I reported [REDACTED] in the SCIP-EUM database as not available for observation. In early 2017, the OSC-I became aware the tank was potentially missing. Specifically, in April 2017, the OSC-I sent a memorandum to GOI personnel stating the vital importance of obtaining accountability of this tank. The OSC-I requested that the GOI bring the tank to the [REDACTED] for inventory. The OSC-I memorandum stated that according to Iraqi Army reporting, the Iraqi Army assigned this tank to the [REDACTED]. The OSC-I further stated in the memorandum that if this tank was not inspected soon, it could have serious consequences for the M1A1 program and the U.S. Government's continued support to the GOI. The memorandum warned that repair parts, contracted logistical services, ammunition, and replacement of destroyed tanks could all be at risk if this tank was not made available to OSC-I inspectors. The GOI failed to make the tank available to OSC-I inspectors despite the April 2017 memorandum.

(CUI//REL TO) In February 2018, the OSC-I sent another memorandum to the GOI regarding tank [REDACTED]. The February 2018 memorandum requested that the GOI provide an investigation report regarding the tank and stated that the [REDACTED] reported this tank as missing in January 2018. The February 2018 memorandum further stated that as part of the letter of agreement and EUM requirements, the GOI is required to submit an investigation report regarding any missing equipment.

(CUI//REL TO) On July 2, 2021, the OSC-I updated the SCIP-EUM database record for tank [REDACTED] to "pending documentation" with a note that this tank is lost or missing and cannot be recovered. As of December 2022, the GOI had not provided a written acknowledgment that the tank was lost or missing. In addition, an OSC-I official stated that they found photographs on social media of this tank in the possession of the Islamic Republic of Iran. However, contrary to the assertions in its memorandum to the GOI, the DoD continues to support contracted logistical services for the GOI M1A1 tanks. An OSC-I official also told us that the U.S. Government is currently planning to upgrade existing GOI M1A1 tanks to the newer M1A2 tanks and replace destroyed M1A1 tanks with new M1A2 tanks.

[REDACTED]

(CUI//REL TO) Although OSC-I and DSCA officials were aware that tank [REDACTED] was missing, as of December 2022, neither the OSC-I nor the DSCA could provide documentation that it reported this potential end-use violation to the DoS Office of Regional Security and Arms Transfer Policy for investigation.

(U) OSC-I Resource Limitations, Inconsistent Use of Approved Alternate Procedures, and Challenges with the Transfer of Knowledge

(CUI//REL TO) The DoD did not conduct EEUM of the [REDACTED] EEUM-designated articles in Iraq in accordance with the SAMM and transfer agreements because according to OSC-I officials, the OSC-I did not have sufficient EUM personnel. In addition, the OSC-I did not consistently apply the DSCA-approved alternate procedures. Furthermore, USCENTCOM and the OSC-I did not ensure the outgoing OSC-I EUM program managers transferred their knowledge and awareness of the systemic challenges of the EUM program in Iraq to the incoming OSC-I EUM program managers.

(U) The OSC-I Could Not Conduct In-Person EEUM of All Equipment

(CUI//REL TO) OSC-I could not conduct in-person inventories and physical security inspections of the [REDACTED] items in the Iraq EEUM inventory due to OSC-I staffing levels and the security environment in Iraq. Specifically, according to OSC-I officials, OSC-I EUM staffing decreased from three personnel to one. According to a June 2022 OSC-I memorandum, EEUM equipment in Iraq is spread across more than 500 locations. Based on the security conditions in Iraq, the DoS Regional Security Office for the Baghdad Embassy Compound must vet each location and provide a security escort for in-person EEUM inventory or inspection. According to OSC-I estimates, to conduct all required annual inventories and physical security inspections in accordance with the SAMM would take the OSC-I 456 days. Of the 456 days, OSC-I estimated it would take 276 days to conduct EEUM for the [REDACTED] NVDs.²³

²³ (CUI//REL TO) Prior to the DSCA's removal of the [REDACTED] NVDs in October 2022, the OSC-I was required to conduct EEUM on all [REDACTED] NVDs. Now that the DSCA removed the [REDACTED] NVDs that no longer require or never required EEUM from the SCIP-EUM database, the OSC-I is only required to conduct EEUM for the remaining [REDACTED] NVDs in the SCIP-EUM database, reducing the number of days it should take to conduct EEUM to 58 days.

(U) The OSC-I Did Not Consistently Use DSCA-Approved Alternate EEUM Procedures for Iraq

~~(U)~~ Since the OSC-I could not conduct in-person EEUM for all items in Iraq, the DSCA provided the OSC-I alternate procedures to meet annual SAMM requirements. However, the OSC-I did not consistently apply DSCA-approved alternate EEUM procedures in Iraq for items not available for in-person inventories by OSC-I personnel. The DSCA 2014 memorandum, which exempts the OSC-I from conducting physical inventories in the event of security concerns, requires the OSC-I to use DSCA-approved alternate EEUM procedures or to annotate in the SCIP-EUM database that the defense article was not available for observation due to security concerns. The 2014 memorandum also allows the OSC-I to use contractor personnel to assist in inventorying EEUM-designated defense articles. In addition to the DSCA 2014 memorandum, the DSCA established another alternate procedure in 2020 to conduct EEUM using the partner nation code. The partner nation code alternate procedure allows the OSC-I to use GOI self-inventories to meet the required annual inventory for EEUM items and annotate items in the SCIP-EUM database as observed by the partner nation to distinguish those items from EEUM items inspected by OSC-I personnel.

~~(U//REL TO)~~ The OSC-I used contractor and host nation personnel to inventory EEUM defense articles but did not take full advantage of the approved alternate procedures. For example, the OSC-I was unable to conduct in-person inventories of M1A1 Abrams tanks within the annual requirement for both 2020 and 2021. However, the OSC-I used a contractor at the ~~(S) (b)(3) 10 USC 130c~~ where Iraqi tanks are stored and repaired, to inventory tanks that were due for the required annual inventories in 2021, but did not use the same contractor to conduct the EEUM inventories in 2019. Additionally, the DSCA allowed the GOI to self-report inventories to the OSC-I in 2020. However, aside from a single use of a GOI self-inventory in April 2020 to inventory ~~(S) (b)(3) 10 USC 130c~~ NVDs, the OSC-I did not start to use GOI self-reported quarterly inventories of NVDs to conduct EEUM until May 2022, even though the GOI had provided the OSC-I these inventories since at least October 2020.²⁴ The OSC-I was only able to physically inventory ~~(S) (b)(3) 10 USC 130c~~ NVDs in 2020 and ~~(S) (b)(3) 10 USC 130c~~ NVDs in 2021. The OSC-I could have used the GOI's quarterly reports for the rest of the NVDs to reconcile with the SCIP-EUM database record and annotate in the SCIP-EUM database that the partner nation inventoried the NVDs. Alternate procedures, if consistently applied, would have helped ensure accountability of EEUM defense articles in Iraq despite the resource constraints and ongoing security restrictions.

²⁴ (U) According to the NVD control plan developed by the OSC-I, the GOI must submit quarterly self-inventories reporting serial numbers of the NVDs it has available.

(U) USCENTCOM and the OSC-I Did Not Ensure the Transfer of Knowledge and Awareness of Systemic Challenges

~~(CUI)~~ USCENTCOM and the OSC-I did not ensure continuity of knowledge and awareness of systemic challenges for the EUM program in Iraq. The OSC-I EUM program manager is responsible for coordinating and executing EEUM inventories and physical security inspections, planning and coordinating EEUM inventories with the GOI, and uploading EEUM inventories and physical security inspections in the SCIP-EUM database. Due to the drawdown of U.S. operations in Iraq, the number of authorized positions at the OSC-I decreased significantly. Specifically for EEUM, OSC-I positions have decreased from three to one, 6-month rotational position, despite the GOI having the largest quantity of EEUM-designated items of any country. OSC-I leadership explained that the EUM program manager also serves as the Deputy Joint Staff Logistics Director. OSC-I officials added that the OSC-I did not have foreign affairs officers, so the EUM program manager position was usually filled with a U.S. Marine Corps officer that had no background in security assistance or knowledge of EEUM. OSC-I leadership stated that of all the positions in the SCO, the EUM program manager role would be best suited to a civilian role because the EUM program manager could not learn and execute their duties effectively in a 6-month rotation.

~~(CUI)~~ Due to the 6-month rotation, the EUM program manager does not have enough time to build the knowledge and relationships necessary for effective EUM monitoring and documentation. For example, due to a lack of familiarity and knowledge of proper SCIP-EUM database procedures, the OSC-I EUM program managers during the scope of our review (2019 through 2022) did not consistently record inventories and physical security inspections in the SCIP-EUM database. Furthermore, the 6-month rotations led to EUM program managers not understanding the unique challenges of conducting EEUM in Iraq or inconsistently applying approved alternate procedures.

~~(CUI)~~ According to the SAMM, USCENTCOM is required to assign EUM as a primary responsibility to SCOs and ensure that the SCO assigns properly trained personnel to conduct EUM duties. Filling this role with dual-hatted officers without a security assistance background or training does not fulfill the SAMM requirement. In 2019, the DSCA conducted a compliance assessment visit (CAV) that found that designating an individual in a short-term rotational position for EUM responsibilities to oversee the largest EEUM inventory in the world negatively affected the OSC-I's EUM program continuity. The DSCA recommended that USCENTCOM fund a contractor to work in the OSC-I to ensure continuity of the EUM program. However, as of November 2022, USCENTCOM had not made a decision on whether or not to hire a contractor to provide continuity for the OSC-I's EUM program.

~~(CUI)~~ From January 2019 to August 2022, there have been an estimated eight rotations in the EUM program manager position. During this time, the OSC-I EUM program managers have conducted EEUM inconsistently.

~~(CUI)~~ From January 2019 to August 2022, there have been an estimated eight rotations in the EUM program manager position. During this time, the OSC-I EUM program managers have conducted EEUM inconsistently. For example, during the eight rotations, only two EUM program managers used

the partner nation inventories as allowed by the DSCA-approved alternate procedures. In addition, only two of the EUM program managers from the last eight rotations used contractors to complete an inventory or physical security inspection for locations inaccessible to the OSC-I due to security conditions.

(U) USCENTCOM officials explained that if they were to convert the EUM program manager position to a civilian position or extend the tour to a year or longer, they would face several challenges. Specifically, USCENTCOM officials stated that the OSC-I could request conversion of the position to a civilian position, which would be a better arrangement than filling the position with military personnel if the OSC-I could keep the position filled; however, the OSC-I would have to rely on volunteers from the DoD expeditionary civilian program to fill the position. In addition, USCENTCOM officials explained that they could not extend the length of a military assignment to the position because the OSC-I positions used joint individual augmentees from the Military Services, which have standardized tour lengths. USCENTCOM officials stated that the OSC-I relies on the Marine Corps to fill this position, for which the tour length for Iraq is 6 months.

(U) The OSC-I attempted to minimize the continuity struggles with the EUM program manager by establishing a position for a locally employed staff member to assist with EUM duties. In July 2022 the OSC-I filled the position, after a year of vacancy. However, SAMM requirements limit which EUM duties locally employed staff can conduct and require the staff only conduct EUM under direct supervision of a U.S. Government employee (civilian or military). However, the OSC-I could request a DSCA exemption from the SAMM limitations on use of locally employed staff for EUM and ensure the locally employed staff is fully trained to take on these expanded duties.

~~(U)~~ Implementing the 2019 CAV recommendation to use a contractor to supplement the EUM program, filling the EUM program manager position with civilian personnel, or expanding the authorities and training of the locally employed staff would improve EUM program continuity. Without continuity of knowledge and awareness of systemic challenges for the EUM program in Iraq, the OSC-I will continue to struggle with conducting and documenting EEUM in accordance with SAMM requirements and DSCA-approved alternate procedures to track and safeguard sensitive U.S. military technology given to the GOI.

~~(CUI//REL TO)~~ During the course of this audit, we identified NVDs within the SCIP-EUM database that no longer required EEUM and the DSCA removed NVDs from the EEUM program in Iraq. See "The SCIP-EUM Database Included NVDs That Did Not Require EEUM" section for more information on these NVDs. With the reduced inventory of NVDs and implementation of a plan that ensures the continuity of knowledge regarding the EUM program in Iraq, the OSC-I should have the resources to conduct EEUM in accordance with the SAMM and accurately apply alternate procedures.

(U) USCENTCOM Oversight of EEUM in Iraq

(U) USCENTCOM did not conduct required oversight of the OSC-I's EUM program. Specifically, USCENTCOM did not conduct SCO inspections of the OSC-I biennially or complete comprehensive quarterly SCIP-EUM database reviews to ensure that the OSC-I conducted EEUM in accordance with the SAMM and alternate procedures.

(U) USCENTCOM SCO Inspections of the OSC-I

(U) USCENTCOM did not conduct SCO inspections of the OSC-I and its EUM program in a timely manner. Chapter 8 of the SAMM requires USCENTCOM to conduct command inspections of the SCOs to assess the effectiveness of EEUM. According to USCENTCOM Regulation 12-2, USCENTCOM must conduct SCO command inspections every 2 years using the SCO command inspection checklist, which includes an assessment of EEUM.²⁵ However, according to USCENTCOM personnel, they had not conducted a SCO command inspection of the OSC-I since 2017 due to security concerns and COVID-19 restrictions, and did not plan to conduct the next one until 2024. According to officials for the USCENTCOM Inspector General, USCENTCOM resumed inspections in May 2022, beginning with the smaller, more easily accessible SCOs in the AOR, and planned to move to larger SCOs that were more difficult to access, like Iraq, in the future.²⁶

²⁵ (U) Central Command Regulation 12-2 (CCR 12-2), "Security Cooperation Policy, Administration, and Management," March 3, 2021.

²⁶ (U) USCENTCOM planned a 2019 inspection of the OSC-I but canceled it due to security concerns. USCENTCOM scheduled a 2020 inspection of the OSC-I but canceled it due to COVID-19.

(U) USCENTCOM Quarterly Reviews of the SCIP-EUM Database Did Not Identify EUM Program Deficiencies

~~(U)~~ USCENTCOM had not conducted a command inspection of the OSC-I since 2017 and does not plan to until 2024; therefore, USCENTCOM's only method of EEUM oversight in Iraq was the quarterly reviews of the SCIP-EUM database. According to the SAMM, the USCENTCOM quarterly reviews of the database should ensure that the OSC-I was performing annual inventories and physical security inspections. Despite USCENTCOM conducting quarterly reviews of the SCIP-EUM database, the USCENTCOM EUM program manager did not ensure the OSC-I properly addressed the identified deficiencies, such as maintaining accurate inventory records or documentation of physical security inspections, in the SCIP-EUM database. For example, we identified discrepancies in the SCIP-EUM database, such as physical security checklists not attached to all inventories by serial number and physical security checklists not completed consistently or fully; however, the USCENTCOM EUM program manager did not identify these discrepancies.

(U) USCENTCOM Lacked Guidance for Conducting Oversight of EEUM in Iraq

(U) USCENTCOM did not conduct SCO inspections of the OSC-I in a timely manner or comprehensive quarterly SCIP-EUM database reviews. This occurred because USCENTCOM lacked guidance for conducting virtual SCO inspections when in-person inspections were not feasible and did not have guidance on the minimum requirements for quarterly SCIP-EUM database reviews.

(U) USCENTCOM Lacked Guidance for Conducting Virtual SCO Inspections

(U) The SAMM requires USCENTCOM to assess the effectiveness of EUM compliance through SCO inspections. However, USCENTCOM did not develop implementing guidance for conducting SCO inspections when USCENTCOM personnel could not inspect the SCO in person. Due to travel restrictions caused by the security environment and COVID-19 in Iraq, USCENTCOM has not conducted a SCO inspection of the OSC-I since 2017 and does not plan to until 2024. However, USCENTCOM could have conducted aspects of the SCO inspections virtually, including reviewing the SCIP-EUM database for deficiencies. For example, before our site visit to Iraq, we reviewed the OSC-I's SCIP documentation on inventories and physical security inspections and its use of alternative procedures without physically being in Iraq.

(U) USCENTCOM Regulation 20-6 requires USCENTCOM to conduct SCO inspections; however, it does not provide guidance for alternate procedures such as conducting virtual inspections when in-person inspections are not feasible.²⁷ While USCENTCOM may not be able to conduct every aspect of SCO inspections virtually, conducting aspects of a SCO inspection virtually would identify EEUM deficiencies such as late inventories, inconsistent application of alternate procedures, and inconsistent completion of physical security checklists.

(U) USCENTCOM Lacked Guidance on Minimum Requirements for Quarterly SCIP-EUM Database Reviews

(U) USCENTCOM did not develop implementing guidance on the minimum requirements for quarterly SCIP-EUM database reviews. Specifically, the SAMM requires USCENTCOM to review the SCIP-EUM database quarterly to ensure SCOs are conducting and documenting routine EUM checks, and performing annual accountability and physical security checks of EEUM in accordance with Golden Sentry EUM policy and procedures. However, USCENTCOM did not have implementing guidance outlining the minimum requirements for conducting quarterly SCIP-EUM database reviews. Without guidance on what the quarterly SCIP-EUM database review should include, the USCENTCOM EUM program manager's review of the SCIP-EUM database did not identify and resolve EEUM deficiencies, such as delinquent EEUM inventories, physical security inspection checklists not in the SCIP-EUM database, inconsistent application of alternate procedures, or missing EEUM equipment.

(U) The SCIP-EUM Database Included NVDs That Did Not Require EEUM

~~(CUI//REL TO)~~ We identified at least ~~(S)~~ NVDs of foreign origin in the SCIP-EUM database that never required EEUM. In addition, we identified at least ~~(S)~~ NVDs in the database that contained older technology that no longer required EEUM. This occurred because the DSCA incorrectly added foreign NVDs to the SCIP-EUM database and did not remove or reclassify ~~(S)~~ of the ~~(S)~~ NVDs in the database that either never or no longer required EEUM. Specifically, DSCA officials stated

~~(CUI//REL TO)~~ The DSCA incorrectly added foreign NVDs to the SCIP-EUM database and did not remove or reclassify ~~(S)~~ of the ~~(S)~~ NVDs in the database that either never or no longer required EEUM.

²⁷ (U) Central Command Regulation 20-6 (CCR 20-6), "Security Cooperation Organization Command Inspection Program Checklist," February 17, 2020.

~~(CU//REL TO)~~ that the DoD acquired these NVDs in 2012 by direct commercial sale from an Eastern European supplier. DSCA officials explained that a former official incorrectly believed the EUM program included any defense articles purchased with U.S. funds regardless of country of origin and added them to the SCIP-EUM database as EEUM items. At the time of our audit, 10 years after the NVDS were added to the database, the DSCA had not addressed the identified error. In September 2022, we discussed our concerns with DSCA officials and they explained to us that they did not remove the NVDs from EEUM because DSCA first wanted to obtain better accountability of the foreign origin and older technology NVDs before removing the NVDs from EEUM requirements. In this discussion, DSCA agreed to look into reclassifying this group of NVDs from EEUM to routine EUM. Figure 2 shows NVDs of foreign origin that the GOI brought to the ~~(S//NF)~~ for the OSC-I and the audit team to inventory.

(U) Management Actions Taken

~~(CU//REL TO)~~ As of October 2022, the DSCA had removed ~~(S//NF)~~ NVDs given to the GOI from the SCIP-EUM database, reducing the number of NVDs in the database that required EEUM tracking by 79 percent. The remaining ~~(S//NF)~~ NVDs still require EEUM.

(U) Increased Risk to U.S. Personnel and Potential for Adversaries to Obtain Sensitive U.S. Military Equipment

(U) The DoD's failure to comply with SAMM requirements and approved alternate procedures increased the risk that the DoD would not know whether sensitive U.S. military equipment, such as F-16 aircraft, Stinger missiles, M1A1 Abrams tanks, and NVDs, was missing. This equipment could be misused or acquired by adversaries in the region, such as Iranian-affiliated militias and the Islamic State of Iraq and Syria, that could use the equipment against U.S. personnel, allies, and partners. For example, a 2017 Conflict Armament Research study indicated, "at the very least, 12 percent of the weapons recovered from Islamic State of Iraq and Syria forces originate from Iraqi national stockpiles."²⁸ Furthermore, adversaries obtaining this equipment would result in firsthand access and knowledge of sensitive U.S. weapons systems technology.

~~(CU//REL TO)~~ Conducting EEUM on items that did not require EEUM potentially wasted DoD resources. Specifically, according to the OSC-I's estimates, annually inventorying all ~~(S//NF)~~ NVDs would cost \$7.06 million. Based on this, we estimated that the removal of the ~~(S//NF)~~ NVDs (79 percent of NVDs) from EEUM monitoring would potentially give the OSC-I \$5.6 million for FY 2023 that it could put to better

²⁸ (U) Conflict Armament Research, "Weapons of the Islamic State: A Three-Year Investigation in Iraq and Syria," December 2017.

~~(CU//REL TO)~~ use. For example, the OSC-I could use these resources to obtain 100 percent accountability for the NVDs remaining in the EEUM program and to conduct EEUM for F-16s, Stinger missiles, and M1A1 Abrams tanks.

OSD JS (b)(3) 10 USC 130c



~~(CU)~~ Furthermore, conducting unnecessary inventories risked the life and safety of OSC-I personnel. According to the DoS Regional Security Office's Security Directive-07, Iraq is rated as a critical threat environment for both terrorism and political violence, and the threat of an attack against U.S. Government personnel is credible.²⁹ These threats include vehicle-borne and suicide-borne improvised explosive devices, indirect fire, and targeted shootings. For example, on one of the

²⁹ ~~(CU)~~ DoS Regional Security Office U.S. Mission Iraq, Security Directive-07, "Transportation, Security, and Travel Policy: Iraq," January 19, 2021.

~~(CUI)~~ days that we accompanied the OSC-I to ~~OSD JS (b)(3) 'U~~
~~USC 1306~~ to conduct EEUM inventories, an Iraqi Army vehicle was hit with an improvised explosive device on the route we traveled to get to ~~OSD JS (b)(3) 'U~~
~~USC 1306~~.

~~(CUI)~~ Not promptly reporting end-use violations creates the risk that the U.S. Government could make equipment transfer decisions without knowing whether a partner nation is safeguarding sensitive equipment in accordance with terms and conditions of the transfer.

(U) Recommendations, Management Comments, and Our Response

(U) Recommendation 1

(U) We recommend that the Commander of the U.S. Central Command:

- a. **(U) Develop minimum requirements for the U.S. Central Command End-Use Monitoring program manager's quarterly reviews of the Security Cooperation Information Portal to ensure the reviews include:**
 - **(U) Reviewing enhanced end-use monitoring inventory and physical security inspection documentation.**
 - **(U) Reviewing application of alternate procedures when in-person inventories and physical security inspections are not feasible.**
 - **(U) Identifying and resolving deficiencies related to enhanced end-use monitoring.**

(U) Commander of the U.S. Central Command Comments

(U) The Deputy Division Chief, USCENTCOM Security Cooperation Plans and Programs Division, responding for the USCENTCOM Commander, agreed, stating that USCENTCOM will provide SCOs with outstanding deficiencies from the SCIP-EUM database and the DSCA CAVs, and it will track outstanding deficiencies until resolved. In addition, USCENTCOM will ensure SCOs are meeting the requirements in the SAMM to use partner nation self-reporting when in-person EEUM is not possible.

(U) Our Response

(U) In addition to the comments provided to Recommendation 1.a, the Deputy Division Chief stated in response to Recommendation 1.c that the update to Central Command Regulation 12-2 will include instructions on tracking and resolving EEUM deficiencies. Comments from the Deputy Division Chief addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close this recommendation once USCENTCOM provides documentation that

(U) shows it is identifying and tracking deficiencies to resolution, including inconsistent application of alternate procedures, and an updated regulation which describes the tracking and resolution processes.

- b. (U) In coordination with the Office of Security Cooperation-Iraq, develop a plan that could include using contractors to assist with the End-Use Monitoring program, filling the Office of Security Cooperation-Iraq End-Use Monitoring program manager position with a civilian, or expanding the authorities of the locally employed staff, to ensure continuity in the end-use monitoring program within the Office of Security Cooperation-Iraq.

(U) Commander of the U.S. Central Command Comments

(U) The Deputy Division Chief, USCENTCOM Security Cooperation Plans and Programs Division, responding for the USCENTCOM Commander, deferred to the OSC-I for this recommendation. Specifically, the Deputy Division Chief stated that internal adjustments within the OSC-I can be accomplished to improve EUM and stated that USCENTCOM will continue to support DSCA's efforts to transition the OSC-I to a normal SCO structure, which includes a qualified security cooperation workforce that is formally trained in EUM.

(U) Our Response

(U) Comments from Deputy Division Chief addressed the specifics of our recommendation; therefore, the recommendation is resolved but will remain open. As discussed below in Recommendation 2.c, we will close this recommendation once the OSC-I provides documentation to show it has taken action to develop a plan that ensures continuity within the EUM program in Iraq or confirms it will not need USCENTCOM assistance in mitigating the billet challenges.

- c. (U) Update Central Command Regulation 12-2 to include guidance on virtually inspecting security cooperation offices when in-person inspections are not feasible.

(U) Commander of the U.S. Central Command Comments

(U) The Deputy Division Chief, USCENTCOM Security Cooperation Plans and Programs Division, responding for the USCENTCOM Commander, agreed, stating that, at the earliest opportunity for revision, USCENTCOM will update the Central Command Regulation 12-2 to include guidance on virtually inspecting security cooperation offices.

(U) Our Response

(U) Comments from Deputy Division Chief addressed the specifics of our recommendation; therefore, the recommendation is resolved but will remain open. We will close this recommendation once USCENTCOM provides an updated regulation, which includes guidance on virtually inspecting security cooperation offices.

(U) Recommendation 2

(U) We recommend that the Chief of the Office of Security Cooperation–Iraq:

- a. **(U) Develop a plan of action to obtain and maintain 100 percent accountability of remaining night vision devices that still require Enhanced end-use monitoring using either Office of Security Cooperation–Iraq visits to Government of Iraq facilities or the alternate procedures approved by the Defense Security Cooperation Agency.**
- b. **~~(CU)~~ Report the missing M1A1 Abrams tank as an end-use violation to the Department of State in accordance with the Security Assistance Management Manual requirements.**
- c. **(U) In coordination with the U.S. Central Command, develop and implement a plan that could include using contractors to assist with the End-Use Monitoring program, filling the Office of Security Cooperation–Iraq End-Use Monitoring program manager position with a civilian, or expanding the authorities of the locally employed staff, to ensure continuity in the End-Use Monitoring program within the Office of Security Cooperation–Iraq.**

(U) Management Comments Required

(U) We provided the draft report to OSC-I for comment on May 24, 2023. In addition, we met with an OSC-I official on June 27, 2023. The OSC-I official stated they would not be able to provide formal comments to the Draft Report in a timely manner. During discussions with the OSC-I official we agreed the best way forward would be for the OSC-I Chief to provide formal comments to the final report. Therefore, the recommendations to the OSC-I remain unresolved. We request that the OSC-I Chief provide, within 30 days, a formal, signed response to the final report.

(U) Appendix A

(U) Scope and Methodology

(U) We conducted this performance audit from April 2022 through May 2023 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

(U) We identified the following Federal and DoD criteria for the EUM program in Iraq.

- (U) Section 2785, Title 22, United States Code “End-use Monitoring of Defense Articles and Defense Services
- (U) Section 2753, Title 22, United States Code Title 22 “Eligibility for Defense Services and Articles”
- (U) Foreign Assistance Act of 1961 – Section 505, “Conditions of Eligibility,” (22 USC 2314), as amended by Public Law 116-6, February 15, 2019
- (U) DoD Directive 5132.03, “DoD Policy and Responsibilities Relating to Security Cooperation,” December 29, 2016
- (U) DoD Instruction 4140.66, “Registration and End-Use Monitoring of Defense Articles and/or Defense Services,” September 7, 2010, incorporating change May 24, 2017
- (U) DSCA Manual 5105.38-M, “The Security Assistance Management Manual (SAMM),” Chapter 8, “End-Use Monitoring (EUM),” April 30, 2012
- (U) DSCA Memorandum, “Request for Change of End-Use Monitoring Criteria for Defense Articles Transferred to Iraq,” August 08, 2014
- (U) DSCA Memorandum, “Use of Partner Nation (PN) Observation-Code for Iraq in SCIP-EUM,” April 22, 2020
- (U) DSCA Memorandum, “End-Use Monitoring Criteria for Night Vision Devices,” December 23, 2020
- (U) United States Central Command Regulation 12-2, “Security Cooperation Policy, Administration, and Management,” March 3, 2021

(U) We gathered background information to identify how the SCIP-EUM database was used in the EUM program. Furthermore, we gathered information to identify the roles and responsibilities for EEUM and the SCIP-EUM database.

(U) We conducted interviews with OSC-I officials responsible for conducting EEUM in Iraq. In addition, we interviewed DSCA and USCENTCOM officials responsible for oversight of the EUM program in Iraq.

~~(CU//REL TO)~~ We obtained access to our universe of defense articles from the SCIP-EUM database. We scoped our universe to sensitive EEUM equipment transferred to the GOI from FY 2018 through FY 2021. This list of sensitive equipment included ~~(S)~~ F-16 aircraft, ~~(S)~~ Stinger missiles, ~~(S)~~ M1A1 Abrams tanks, and ~~(S)~~ NVDs.

(U) We conducted an initial analysis of the records for the three most recent annual inventories for the F-16 aircrafts, Stinger missiles, and M1A1 Abrams tanks to determine whether the OSC-I conducted the inventory within the annual requirement and whether it completed a physical security inspection. Because most of the NVDs in the SCIP-EUM database had not been observed within the time frame of our audit scope, we chose to only analyze the most recent inspection. We reviewed the most recent NVD inventory in the database and analyzed trends in dates, disposition codes, locations, and serial numbers. In addition, we analyzed the NVD physical security checklists in the SCIP-EUM database from January 2019 to June 2022 to determine if they were consistently completed.

(U) We completed a site visit to Iraq in August 2022 where we met with OSC-I officials to conduct serial number inventories and physical security inspections of EEUM-designated defense articles. Specifically, we conducted the following inventories and physical security inspections.

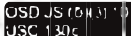
~~(CU//REL TO)~~ Day 1 ~~(S)~~ : ~~(S)~~ NVDs inventoried (central location, physical security inspection by interviews of unit officials)

~~(CU//REL TO)~~ Day 2 ~~(S)~~ : ~~(S)~~ NVDs (central location, no unit officials available for interview)

~~(CU//REL TO)~~ Day 3 ~~(S)~~ : ~~(S)~~ deployed M1A1 Abrams tanks (tanks not in storage, physical security inspection not applicable)

~~(CU//REL TO)~~ Day 4 ~~(S)~~ : ~~(S)~~ Stinger missiles (physical security inspection completed)

~~(CU//REL TO)~~ Day 4 continued ~~(S)~~ : ~~(S)~~ M1A1 Abramstanks (physical security inspection completed)

(U) Due to regional security office travel restrictions and security concerns, we were unable to conduct physical security inspections for defense articles on days 1, 2, and 3. However, we were able to conduct physical security inspections for M1A1 Abrams tanks and Stinger missiles during our inventories at  on day 4.

(U) Internal Control Assessment and Compliance

(U) We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed internal control components and underlying principles related to oversight from the DSCA and USCENTCOM and their use of inspections and the SCIP-EUM database to monitor EEUM in Iraq. We reviewed the design and implementation control activities, such as documentation of responsibilities through policies. Additionally, we reviewed monitoring activities related to the reporting and evaluation of issues, along with corrective actions. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

(U) Use of Computer-Processed Data

(U) We did not use computer-processed data to perform this audit. In the SCIP-EUM database, Security Cooperation officials from the DSCA, USCENTCOM, and OSC-I enter and review data manually. While portions of the SCIP-EUM database may use computer processes to analyze some datasets, the SCIP-EUM database does not. The SCIP-EUM database acts as a repository for information and does not process data.

(U) Prior Coverage

(U) During the last 5 years, the Government Accountability Office (GAO) and the DoD Office of Inspector General (DoD OIG) issued eight reports related to the audit.

(U) GAO

(U) GAO-18-449, "DoD Should Fully Address Security Assistance Planning Elements in Global Train and Equip Project Proposals," May 30, 2018

(U) The DoD obligated \$3.7 billion of \$4.1 billion allocated for the Global Train and Equip program in fiscal years 2009 through 2017 to build partner nations' capacity to counter terrorism. Global Train and Equip project proposals for fiscal years 2016 and 2017 consistently addressed only one of four elements of security assistance planning outlined in Presidential Policy Directive 23. Furthermore, DoD guidance for 2016 and 2017 did not include instructions for

(U) addressing project sustainment when sustainment was not anticipated, though the 2017 guidance included instructions for addressing the other three planning elements. According to DoD officials, they have developed an informal quality review process. However, the DoD has not formalized this informal process as written policy. Formalizing the proposal review process would help the DoD provide consistent oversight of project development and ensure access to complete information about each planning element, including sustainment needs. Such information is critical in helping decision makers ensure efficient use of funding to build partners' capacity.

(U) GAO-17-433, "DoD Needs to Improve Visibility and Accountability Over Equipment Provided to Iraq's Security Forces," May 25, 2017

(U) The DoD maintains limited visibility and accountability over equipment funded by the Iraq Train and Equip Fund (ITEF). Specifically, the DoD is not ensuring that SCIP is consistently capturing key transportation dates of ITEF-funded equipment. The process for providing the equipment to Iraq's security forces generally falls into three phases. However, out of the 566 ITEF-funded requisitions marked as complete in SCIP's management reporting system, the system captured one of two key transportation dates for 256 of the requisitions in phase 1, and none of the transportation dates for these requisitions in phase 2 or phase 3. DoD officials attributed the lack of key transportation dates in SCIP's management reporting system to potential interoperability and data reporting issues in all three equipping phases. Therefore, the DoD cannot fully account for ITEF-funded equipment transfers because of missing or incomplete transfer documentation. Furthermore, the DoD cannot ensure that the equipment has reached its intended destination, nor can program managers conduct effective oversight of ITEF-funded equipment.

(U) DoD OIG

(U) Report No. DODIG-2021-102, "Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations," July 21, 2021


(U) The DSCA ensured that Global Train and Equip program equipment scheduled for transfer to U.S. Africa Command partner nations was within categories approved by Congress and met type and cost limitations. The SCOs did not account for the transfer of 104,624 pieces of equipment, valued at \$13.1 million, for 9 of 12 building partner capacity cases in which the SCO transferred part or all of the equipment listed in the letter of offer and acceptance. SCOs did not perform routine EUM in 47 of 112 quarters reviewed or perform enhanced

(U) EUM for 221 pieces of equipment, valued at \$1.2 million, out of 530 pieces of equipment, valued at \$2.1 million, that required enhanced EUM. Specifically, the SCOs did not annotate in SCIP whether annual inventories were conducted and did not maintain an accurate inventory of enhanced EUM-designated equipment in the partner nations' possession. It could not be determined why the previous SCOs did not fully account for transfers, perform routine and enhanced EUM of Global Train and Equip program equipment, or include required documentation in SCIP due to the rotational nature of the SCO position. The DSCA does not have an accurate, readily available inventory of all equipment in the possession of U.S. Africa Command partner nations. In addition, the DSCA did not have assurance that U.S. Africa Command partner nations used 530 pieces of equipment, valued at \$2.1 million, only for their intended purposes.

(U) Report No. DODIG-2020-121, "Evaluation of Department of Defense Enhanced End-Use Monitoring for Equipment Transferred to the Government of Ukraine," August 27, 2020

(~~EU~~) DoD officials generally complied with EEUM requirements for Javelin missiles and their associated Command Launch Units. However, the DoD did not fully comply with EEUM requirements for NVDs until 2018. By January 2020, however, information in the DoD's SCIP database about the quantity, location, and condition of NVDs was not accurate. As of January 2020, SCIP showed only (b) (3) NVDs as lost; however, Office of Defense Cooperation-Ukraine officials reported that they were still waiting for more than (b) (3) additional loss reports for NVDs. The information in the DoD's database was inaccurate because the Armed Forces of Ukraine did not always report the loss, theft, or destruction of its U.S.-provided, EEUM-designated NVDs in a timely manner, as required by the letter of offer and acceptances. Ukraine's storage facilities for Javelin anti-armor missiles and their associated Command Launch Units met physical security requirements set forth in the letter of offer and acceptances. However, Ukraine's Armed Forces Javelin Compliance Plan lacked a detailed description of procedures to ensure the physical security of the missiles during transport and deployment. Furthermore, (b) (3) of the (b) (3) sites visited met all (b) (3) physical security requirements for storing NVDs as set forth in the letter of offer and acceptances. (S//JS (b)(3) 10 USC 130c)

Shortfalls in the Javelin Compliance Plan and the (b) (3) sites missing physical security requirements for NVD storage occurred because DSCA officials did not carry out their oversight roles to provide compliance assessment visits.

~~(CUI)~~ Without specific physical security requirements for transport and deployment of the missiles and Command Launch Units, Ukrainian Armed Forces units could transport or deploy sensitive equipment in an unsecure manner. Additionally, compromise or loss of NVDs could occur at the  Ukrainian units that did not meet all of the physical security requirements for NVD storage.

(U) Report No. DODIG-2020-061, "Audit of the DoD's Accountability of Counter-Islamic State of Iraq and Syria Train and Equip Fund (CTEF) Equipment Designated for Syria (CTEF-S)," February 13, 2020

~~(CUI)~~ Special Operations Joint Task Force–Operation Inherent Resolve (SOJTF-OIR) personnel did not account for the budgeted \$715.8 million of CTEF-S equipment for FYs 2017 and 2018 from procurement through divestment in accordance with DoD Instruction 5000.64 and Army Regulation 735-5. For example, SOJTF-OIR personnel did not maintain comprehensive lists of all equipment purchased and received. This occurred because SOJTF-OIR did not designate a central repository for all supporting accountability documentation. For FY 2020, the DoD budget requested \$173.2 million for weapons, ammunitions, vehicles, and other CTEF-S equipment. Without accurate accountability records, SOJTF-OIR personnel could order equipment that SOJTF-OIR already has in stock, risking unnecessary spending of CTEF-S funds and further overcrowding the Building Partners Capacity Kuwait warehouse resulting in equipment being stored outside. Additionally, 1st Theater Sustainment Command personnel did not properly store or secure CTEF-S equipment at the Building Partners Capacity Kuwait warehouse in accordance with DoD guidance, Army regulations, or SOJTF-OIR standard operating procedures.

(U) Without conducting consistent inventories and ensuring proper security for CTEF-S equipment, 1st Theater Sustainment Command could not determine whether items were lost or stolen which could delay the initiation of an investigation.

(U) Report No. DODIG-2018-056, "Enhanced End-Use Monitoring," December 21, 2017

(U) This classified report focused on EEUM in a country in the Indo-Pacific Command AOR.

(U) Report No. DODIG-2017-099, "Evaluation of Department of Defense Efforts to Build Counterterrorism of Foreign Military Forces with Section 1206/2282 Funding," July 21, 2017

(U) The FY 2006 National Defense Authorization Act, Section 1206, authorized the Secretary of Defense, with the concurrence of the Secretary of State, to conduct or support a program to build the capacity of foreign military forces to conduct counterterrorism and stability operations. The use of Section 1206 funds by the DoD and the DoS provided partner nations with equipment, training, and services to enhance their capabilities to conduct counterterrorism and stabilization operations. The DoD had not established Section 1206 as a distinct and fully developed program, including developing a programmatic strategy with clear objectives and an overarching execution plan, and allocating sufficient personnel and resources necessary to effectively manage Section 1206. Additionally, section 1206 reporting to congressional and senior-level DoD and DoS leaders has not been sufficiently informative in explaining the collective impact of Section 1206 in support of U.S. counterterrorism and stability operation objectives.

(U) Report No. DODIG-2017-056, "U.S. European Command Needs to Improve Oversight of the Golden Sentry Program," February 17, 2017

(U) The U.S. European Command (USEUCOM) was not effectively conducting the Golden Sentry program. The SCO Golden Sentry program managers for two of four countries did not correctly perform oversight duties when conducting EEUM for defense articles, including Javelin missiles and NVDs. The SCO program managers did not correctly perform their oversight duties because USEUCOM's Golden Sentry program manager and the Office of Defense Cooperation Support Division focused their oversight only on countries scheduled for DSCA or USEUCOM Office of Inspector General inspections. The DSCA security checklists and USEUCOM standard operating procedures did not provide adequate instructions on how to verify that the recipient countries were complying with the security checklist requirements. Not complying with Golden Sentry program requirements increases the risk that recipient countries could misuse EEUM-designated defense articles in violation of the transfer agreement terms and conditions. Although they did not identify any misuse of these defense articles, their compromise, theft, or misuse could jeopardize the safety and security of DoD personnel, missions, and installations worldwide.

(U) Appendix B

(U) Example of Blank Night Vision Device Security Checklist

(U) ~~FOR OFFICIAL USE ONLY~~

NIGHT VISION DEVICE (NVD) SECURITY CHECKLIST			
EUM TEAM MEMBERS:			
COUNTRY:			
LOCATION:			
NVD TYPE(S):			
DATE:			
STORAGE FACILITY PHYSICAL SECURITY			
ASSESSMENT		Y/N	COMMENTS
NVD CONTROL PLAN			
DISTRIBUTED TO UNIT(S)			
FENCING (BUILDING STORING NVDs MUST BE INSIDE PERIMETER)			
PERIMETER FENCING OR WALLED COMPOUND			
DOUBLE-BARRIER PROTECTION (COMBINATION OF A AND 1, 2 OR 3)			
A.	LOCKED OR GUARDED BUILDING/STRUCTURE AND		
1.	NVDs STORED INSIDE A LOCKED STORAGE ROOM		
OR	2. NVDs STORED INSIDE A LOCKED STEEL CONTAINER		
3.	NVDs STORED INSIDE A LOCKED STEEL CAGE		
DOORS (BUILDING AND STORAGE AREA)			
STEEL CONSTRUCTION 1/2 INCH THICK			
SOLID WOOD CONSTRUCTION 1 INCH THICK			
INSIDE HINGES			
LOCKS			
OR	STEEL LOCK WITH A SHACKLE DIAMETER 1/2 INCH THICK		
(HEAVY DUTY DEAD-BOLT LOCKING MECHANISM)			
WINDOWS/OPENINGS			
WINDOWS/OPENINGS SECURED WITH STEEL BARS			
LIGHTING			
EXTERIOR BUILDING DOORS			
ACCESS / KEY CONTROL			
CONTROLLED BY COMMANDER/DESIGNATED REPRESENTATIVE			
ACCESS ROSTER			
SIGN-IN / SIGN-OUT PROCEDURES			
ACCOUNTABILITY PROCEDURES			
INVENTORIES			
100% MONTHLY COUNT (IN STORAGE)			
100% QUARTERLY BY SERIAL NUMBER (IN STORAGE)			
DAILY COUNT (DEPLOYED/ISSUED FOR USE)			
SIGN-IN / SIGN-OUT PROCEDURES			
DEPLOYED ASSETS DOCUMENTED ON HAND RECEIPTS			
INVENTORY RECORDS MAINTAINED FOR ONE YEAR			
NVD LOSSES TIMELY REPORTED AND DOCUMENTED			
DISPOSALS PROPERLY APPROVED/DOCUMENTED IN SCIP			
ALL NVD/IMAGE INTENSIFIER TUBES ACCOUNTED FOR IN SCIP			
ADDITIONAL REMARKS			
FOR OFFICIAL USE ONLY			

(U)

(U) Source: DSCA SCIP-EUM DATABASE.

(U) Management Comments

(U) U.S. Central Command

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UNITED STATES CENTRAL COMMAND
7115 SOUTH BOUNDARY BOULEVARD
MACDILL AIR FORCE BASE, FLORIDA 33621-5111

15 July 2023

MEMORANDUM FOR DIRECTOR, USCENTCOM INSPECTOR GENERAL

SUBJECT: (U) USCENTCOM Response to DoDIG Recommendation 1 included in Project No. D2022-D000RM-0126.000.

1. (U) USCENTCOM Concurs with DoDIG Recommendation 1 and provides the following responses. Recommendation 2 is pending formal submission from OSC-I.

a. (U) Develop minimum requirements for the U.S. Central Command End Use Monitoring program manager's quarterly reviews of the Security Cooperation Information Portal to ensure the reviews include:

- (U) Reviewing enhanced end-use monitoring inventory and physical security inspection documentation.
- (U) Reviewing application of alternate procedures when in-person inventories and physical security inspections are not feasible.

(1) (U) USCENTCOM will continue to support DSCA to ensure the SCOs are meeting the requirements identified in SAMM Section C8.5.5.2.

(2) (U) USCENTCOM will provide SCOs with outstanding actions items from the SCIP dashboard and the DSCA Compliance Assessment Visits for discussion during the USCENTCOM EUM Quarterly Meetings. In addition, and in concert with DSCA, USCENTCOM will continue to track progress of outstanding items until resolved.

b. (U) In coordination with the Office of Security Cooperation-Iraq, develop a plan that could include using contractors to assist with End-Use Monitoring program, Office of Security Cooperation-Iraq End-Use Monitoring program manager position with a civilian, or expand the authorities of the locally employed staff, to ensure continuity in the end-use monitoring program within the Office of Security Cooperation-Iraq.

(1) (U) USCENTCOM will defer to the Office of Security Cooperation-Iraq (OSC-I) on the internal adjustments that can be accomplished to improve End-Use Monitoring, as the Command has very limited ability re-assign personnel to OSC-I to assist. Additionally, USCENTCOM will continue to support DSCA's efforts to normalize and transition OSC-I to a normal SCO structure which includes a qualified security cooperation workforce that is formally trained in End-Use Monitoring.

c. (U) Update Central Command Regulation 12-2 to include guidance on virtually inspecting security cooperation offices when in-person inspections are not feasible.

(1) (U) At the earliest opportunity for revision, USCENTCOM will update CCR 12-2 to include guidance on virtually inspecting security cooperation offices. This guidance will include instructions for addressing and tracking outstanding actions items from the SCIP dashboard and the DSCA Compliance Assessment Visits.

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(U) U.S. Central Command (cont'd)

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2. (U) The point of contact for this response is [REDACTED], who can be reached at [REDACTED] or by e-mail at [REDACTED]

Anthony C. Peeler

ANTHONY C. PEELER

GS-14, DAFC

Deputy Division Chief, SC Plans & Programs

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(U) Acronyms and Abbreviations

AOR	Area of Responsibility
CAV	Compliance Assessment Visit
CUI	Controlled Unclassified Information
DoS	U.S. Department of State
DSCA	Defense Security Cooperation Agency
EUM	End-Use Monitoring
EEUM	Enhanced End-Use Monitoring
GOI	Government of Iraq
NVD	Night Vision Devices
OSC-I	Office of Security Cooperation—Iraq
SAMM	Security Assistance Management Manual
SCIP	Security Cooperation Information Portal
SCO	Security Cooperation Organization
USCENTCOM	U.S. Central Command

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