Small Arms in Iraq Vulnerable to Theft and Diversion

By Matt Buongiorno, Scoville Fellow, FAS Arms Sales Monitoring Project and Nuclear Information Project

The Iraq Relief and Reconstruction Fund (IRRF), later succeeded by the Iraq Security Forces Fund (ISFF), was established as a train-and-equip program charged with quickly delivering weaponry to the Iraq Security Force (ISF) and related Iraqi entities. While the ad hoc program succeeded in funneling large quantities of weapons into Iraqi arsenals, it lacked the stringent accountability procedures of other U.S. arms transfer programs and, consequently, may have failed to prevent the diversion of U.S. weapons, as explained in the Spring 2008 edition of the Public Interest Report. [1] This article updates and expands upon the 2008 article, drawing on documents obtained under the Freedom of Information Act, reports from the Department of Defense (DOD), and media accounts. The article begins with a brief summary of the two programs and problems with record-keeping and accountability identified by the Defense Department and the Government Accountability Office. Instances of possible diversion reported in U.S. government documents and media accounts are then briefly examined. The article then provides an in-depth look at the steps the U.S. has taken to improve accountability, and evaluates the extensiveness of these efforts.

Background

Shortly after the U.S. invaded Iraq and disbanded its army, the administration of President George W. Bush concluded that the key to stabilizing the country and eventually withdrawing U.S. forces was the rapid creation of self-sufficient and effective Iraqi Security Forces (ISF). [2] Two programs were subsequently established: the Iraq Relief and Reconstruction Fund (IRRF) and the Iraq Security Forces Fund (ISFF). IRRF was established to provide support reconstruction, rehabilitation, relief, and security in Iraq. Some of the nearly $19 billion appropriated through this program was used to purchase arms and ammunition for the Iraqi Security Forces. [3] In 2005, Congress appropriated $5.2 billion for Iraq Security Forces Fund. [4] The funding was to be used "to provide equipment; supplies; services; training; and facility and infrastructure repair, renovation, and construction for the Iraq Security Forces." [5] Notably, both funds, and the train-and-equip programs they supported, fell outside of the U.S.'s traditional security assistance framework.

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These programs lacked the stringent accountability procedures common in traditional security assistance programs, resulting in problems with record-keeping and accountability. In 2006, the Special Inspector General for Iraq Reconstruction (SIGIR) found that "only about 10,000 of over 370,000 IRRF-funded weapons, or about 2.7%, may have been registered in the DOD Registry of the Small Arms Serialization Program." [6] The U.S. Government Accountability Office (GAO) identified similar problems in a 2007 report. According to the GAO, the electronic spreadsheets used to record Iraqi forces' receipt, storage, and distribution of equipment (known as property books) failed to account for some 190,000 weapons [7] as a result of sporadic recording of weapon serial numbers, failure to collect and store hand receipts, and confusion regarding what rules applied to weapons procured through the train-and-equip programs.

While traditional security assistance programs have explicit procedures for "storing, protecting, transporting, and registering small arms and other sensitive items transferred to foreign governments," [8] U.S. forces in Iraq often lacked this guidance. As a result, they "did not maintain a centralized record of all equipment distributed to the ISF, and did not consistently collect supporting documents that confirm the dates the equipment was received, the quantities of equipment delivered, or the Iraqi units receiving the equipment," according to the GAO. [9]

Defense Department Inspector General reports from both July 2008 and December 2008 suggest that accountability procedures and recording standards for captured enemy weapons needed improvement. [10] In the July report the Inspector General wrote that the U.S. military had not "clearly defined procedures for the accountability, control, and final disposition of weapons captured by U.S. forces, to include recording captured weapons serial numbers." [11] In the follow-up report from December 2008, the Inspector General observed that "[t]housands of captured weapons were in storage at the Taji [National Army Depot] and the [Kirkush Military Training Base] Location Command. These weapons had not had their serial numbers recorded and had not been inspected for serviceability and placement into the Iraqi military weapons inventory." [12]

Reports of theft, loss and diversion of U.S.-funded weapons from the Iraqi Security Forces highlight the danger posed by these shortcomings in stockpile security and accountability. The DOD reported that in some cases

insurgents, terrorists, and criminals in Turkey. [13] Further, American military commanders reportedly told the New York Times that Iraqi security guards were suspected of stealing hundreds of weapons in about ten major thefts at arms depots at Taji and Abu Ghraib, and Iraqis sympathetic to insurgents would infiltrate warehouse crews, sometimes resulting in missing guns. [14] While it is not clear what, if any, direct links there are between the stolen and diverted weapons and the record-keeping and accountability shortcomings identified by the GAO and the Defense Department, these cases nonetheless underscore the need for stringent accountability standards that are universally and robustly applied.

U.S. Corrective Action

Recognizing the dangers associated with poorly secured and managed weapons, the U.S. government has taken several important steps to improve stockpile security and accountability procedures for U.S.-origin and U.S.-funded weapons transferred to Iraq. Efforts by the

US military to address the shortcomings identified by the Special Inspector General and the GAO began even before the reports were published. For example, by the time that the Special Inspector General published its October 2006 report, the military had established a process for "…accurately issu[ing] weapons by quantity and serial number listing." [15]

In 2008 the U.S. Congress passed legislation requiring stricter regulations and guidelines for future arms transfers to Iraq. Section 1228 of Public Law 110-181, which was enacted in January 2008, requires the establishment of a Registration and Monitoring System to include:

(1) the registration of the serial numbers of all small arms to be provided to the Government to Iraq or to other groups, organizations, citizens, or residents of Iraq;

(2) a program of end-use monitoring of all lethal defense articles provided to such individuals or entities; and

individuals or entities; and

(3) a detailed record of the origin, shipping, and distribution of all defense articles transferred under the Iraq Security Forces Fund or any other security assistance program to such entities or individuals. [16]

The Registration and Monitoring System required by Congress applies to all five avenues or programs through which arms are transferred to Iraq. [17]

To assess the status of stockpile security and accountability in Iraq, the Defense Department dispatched a Munitions Assessment Team (MAT) on two separate occasions: September-October 2007 and April-May 2008. The team conducted inspections on a number of supply depots, warehouses, and ports of entry, studied the extensiveness of accountability procedures, and made recommendations for further improvements.

Below is a brief summary of the stockpile security and accountability measures implemented by the State and Defense Departments, and assessed by the Munitions Assessment Teams. These measures can be divided into three categories of safeguards mandated by Congress: Weapon Serialization, End-Use Monitoring, and Recording the Origin, Shipping, and Distribution of Defense Articles.

Weapon Serialization

Recording the serial numbers of weapons prior to transfer facilitates in-transit and post-shipment security and end-use monitoring, and helps investigators to identify the points in the transfer chain in which the weapons are lost, stolen or diverted.

A memorandum from August 2008 obtained by the Federation of American Scientists under the Freedom of Information Act outlines DOD's new and rigorous Iraqi weapon serialization program, which began in 2006. [18] Electronic lists of serial numbers are recorded and sent to the intended

recipient in Iraq prior to shipment of weapons so that the recipient knows the types and quantities of weapons that are to be delivered. Upon receipt of the shipment, the end-user can then match the electronic submission against the actual shipment to determine whether all weapons arrived (serial numbers are also posted on the inside and outside of shipping containers). [19] Serial numbers of weapons exported through FMS are provided to the DOD Component Registry,[20] and the Component Registry then transfers this data to a central DOD Registry as part of a monthly electronic file transfer. [21] These detailed guidelines help fulfill the serialization program's objectives, to "ensure continuous visibility over all small arms by serial number from the contractor to the depot; in storage; in-transit to requisitioners; in post, camp, and station custody; in the hands of users; during turn-ins; in renovation; and during disposal/ demilitarization," [22] and to "provide law enforcement and investigative agencies with the identification of the last accountable activity having specific serial numbered weapons when those weapons are found missing or stolen." [23]

Part of the Munitions Assessment Team's task was to assess implementation of the new weapon serialization program by performing manual checks at weapons depots. During an inspection of Taji National Army Depot, three different types of weapons were selected for auditing. A physical count of the weapons revealed discrepancies between the number of weapons in the depot and the number recorded in the depot's inventory database. According to the team's report, there were weapons in the depot for which there was no corresponding entry in the database, including 16,841 more

AK-47 rifles in storage than there were in the warehouse records.[24] Further, the team was unable to locate all of the weapons in the depot because of the "disorganized manner in which the weapons were physically stored."[25]

Efforts by the US military to address the shortcomings identified by the Special Inspector General and the GAO began even before the reports were published.

However, a follow-up assessment conducted several months later revealed significant improvements at the Taji National Army Depot. Of the serial numbers of the 463 pistols and rifles checked by the Munitions Assessment Team, only eight were incorrectly entered or missing from the depot's inventory spreadsheet. This discrepancy rate is comparable to the overall rate of 1.75 percent for the 915 weapons cumulatively checked by the Munitions Inspection Team during the assessment. [26]

In addition to issuing arms by serial number, "the Iraqi Army is issuing U.S.-supplied M16A4 and M4 rifles to individual soldiers using biometric technology, including fingerprints, photographs, and iris scans…"[27] and has established harsh penalties for Iraqi personnel who fail to adequately safeguard their weapons. During a February 12, 2009 hearing on accountability measures in Afghanistan, Principle Deputy Inspector General Thomas Gimble noted that "on the Iraqi side… if you lost a weapon, such as a Glock, they actually fine people about a year's salary."[28]

This observation is corroborated by a 2008 memorandum issued by the Iraq Ministry of the Interior. The memorandum established "rigid fines for the loss of any weapon or ammunition…rang[ing] from 100,000 Iraqi dinars for a bayonet, to 5,000,000 Iraqi dinars for a pistol, to 15,000,000 Iraqi dinars for a machine gun." [29] However, it is not clear how frequently and in what context the fines are levied.

Finally, an important step in a successful and long-term stockpile security and accountability in Iraq is the establishment by the ISF of its own weapon serialization program, part of what the DOD refers to as Iraqi logistics sustainability. In 2006 the Special Inspector General for Iraq Reconstruction (SIGIR) issued a report citing progress in building "effective logistics capabilities within the Iraqi Army" and the transition of these capabilities to the Iraqi Ministry Defense and the Iraqi Army. [30] For example, the Iraqi Army has devised its own indigenous system of property books that includes all weapons issued to its soldiers and is currently working on tracking and recording weapons that were distributed prior to the establishment of property books. A DOD report reveals that as of October 2007 approximately 85 percent of four Iraqi Army Divisions assessed by the US military "were accounting for weapons by serial number."[31]

As illustrated above, DOD has taken several important steps to address the problems with record-keeping identified by the Government Accountability Office and the Special Inspector General. The more frequent and accurate recording of serial numbers and deployment of assessment teams to check the records has fostered a level of accountability that had not previously existed in Iraq. [32]

Moreover, that the Iraqi Security Forces and related Iraqi entities are now establishing their own record-keeping and monitoring systems is encouraging.

End-Use Monitoring

End-use monitoring (EUM) promotes compliance with U.S. requirements for, and restrictions on, the storage, transfer and use of exported weapons, and facilitates detection of violations of these restrictions. [33]

Several steps have been taken to strengthen end-use monitoring in Iraq. In an interview with the FAS, an official from the Defense Security Cooperation Agency (DSCA) noted that "U.S. personnel assigned to the SCO are required to observe and report any potential misuse or illegal transfer of U.S.-origin defense articles," [34] and must conduct "physical security inspections of at least one Iraqi weapons storage facility quarterly as security conditions and force protection posture allow." [35] In compliance with the Iraq Golden Sentry End-Use-Monitoring Standard Operating Procedure, [36] Multi-National Security Transition Command-Iraq (MNSTC-I) "accomplished seven site visits in 2008, [and that] during these visits [they] inspected site security; reviewed location property books; conducted 100% serial number inventories; and reviewed unit inventory and control procedures."[37] Finally, DSCA conducts Compliance Assessment Visits (CAVs) under Golden Sentry to "assess the [Security Cooperation Organization's] compliance with the monitoring responsibilities and Iraq's compliance with the transfer agreements of the defense articles received from the [U.S. government]." [38]

Commercial arms exports to Iraq are also subjected to end-use monitoring. According to a 2008 document obtained by the FAS under the Freedom of Information Act, the State Department conducts post-shipment verification of all lethal defense articles exported to Iraq through the U.S. Embassy in Baghdad. While the verification requirements are not described in detail, they appear to include consultation with all consignees and end-users. [39]

Recording the Origin, Shipping, and Distribution of Defense Articles

Also important are strong controls on the transport and distribution of exported weapons. According to the Defense Department, "The main objective of a chain of custody is to ensure that arms and ammunition are tracked through the process between procurement and delivery to the ultimate recipient and that the arms and ammunition received by the ultimate recipient are in the same condition, type, and count as originally shipped." [40]

In its July 2008 report, the Defense Department's Inspector General observes that "U.S. forces did not always maintain an unbroken chain of custody for the accountability and control of U.S.-controlled arms and ammunition before formal handover to the ISF,"[41] though the report offers no further insight or details. The same report mentions that there were problems with the chain of custody in deliveries to Taji National Depot and to Baghdad Police College. [42]

The U.S. military has taken several steps to address these problems. For example, it requires munitions to be delivered through U.S.-controlled ports in Iraq. [43] Improvements in weapon serialization also help U.S. authorities to track small arms as they move through the transfer chain. Each of these efforts strengthens the chain of custody, and allows for more accurate recording of weapons' origin, shipping, and distribution. Equally as significant is the increased use of the Foreign Military Sales Program for small arms exports to Iraq. The FMS program has a clearly defined and robust set of transit controls for small arms and other sensitive weapons. These controls include the use of the Transportation Command's (USTRANSCOM) Global Transportation Network (GTN), a "web-based tool used to…locate materiel anywhere in the world in a seamless, near-real-time capability."[44]

Conclusion

The problems identified in the 2007 GAO report highlight the importance of well-established, concrete guidelines detailed, robust, and universally applicable record-keeping, stockpile security and end-use monitoring requirements for small arms and light weapons transfers originating in the U.S. or funded with U.S. foreign aid. Fortunately, the U.S. government has taken several steps to improve accountability in arms transfers to Iraq, as summarized above.

These efforts are significant not only because they will undoubtedly reduce the vulnerability of Iraqi small arms and light weapons to theft, loss, and diversion, but also because they serve as an example for current and future train-and-equip programs.

In Afghanistan, for example, the U.S. is encountering record-keeping and accountability problems similar to those in Iraq. As was the case in Iraq, Combined Security Transition Command-Afghanistan (CSTC-A) – the command responsible for implementing the development of

the Afghan National Security Force (ANSF) [45] – had not issued "instructions or procedures governing the accountability, control, and physical security of Arms, Ammunition, and Explosives the U.S. is supplying to ANSF," [46] Similarly, the Government Accountability Office found that "lapses in weapons accountability occurred throughout the supply chain, including when the weapons were obtained, transported to Afghanistan and stored at two central storage depots in Kabul" and that the U.S. military "did not maintain complete records for an estimate 87,000 – or about 36 percent – of the 242,000 weapons Defense procured and shipped to Afghanistan for ANSF." [47] U.S. military officials and policy makers should draw on the various lessons from Iraq when addressing these problems.

Finally, there are numerous smaller U.S. government programs and authorities through which the international transfer of small arms and other sensitive items are arranged or funded, many of which lack the transparency of the larger, more established programs such as Foreign Military Sales. U.S. policy makers should thoroughly examine the policies and procedures applied to transfers of small arms arranged or funded through these smaller programs, and if lax controls are discovered, establish safeguards that are at least as robust as those being implemented in Iraq.   **FAS**

Footnotes:

1 Katarzyna Bzdak, 'Ad Hoc Equipping Scheme Contributed to Diversion of Small Arms', FAS Public Interest Report, Spring 2008, pp. 6-10.

2 Jeremy Sharp, 'Iraq's New Security Forces: The Challenge of Sectarian and Ethnic Influences', (CRS Report, March 2005), p. 1.

3 Department of Defense Inspector General, SPO-2008-001: Assessment of the Accountability of Arms and Ammunition Provided to the Security Forces of Iraq, July 2008, p. 2.

4 Sharp, Iraq's New Security Forces, p. 2.

5 Department of Defense Inspector General, D-2008-026: Management of the Iraq Security Forces Fund in Southwest Asia – Phase III, November 2007, p. i.

6 Special Inspector General for Iraq Reconstruction, SIGIR-06-033: Iraqi Security Forces: Weapons Provided by the U.S. Department of Defense Using the Iraq Relief and Reconstruction Fund, October 2006, p. 9.

7 Government Accountability Office, GAO-07-711: Stabilizing Iraq: DOD Cannot Ensure that U.S. Funded Equipment Has Reached Iraqi Security Forces, July 2007, p. 1.

8 Government Accountability Office, GAO-07-711, p. 6.

9 Ibid, p. 8.

9 Ibid, p. 8.

10 Department of Defense Inspector General, SPO-2008-001: Assessment of the Accountability of Arms and Ammunition provided to the Security Forces of Iraq, July 2008, p.15. See also: Department of Defense Inspector General, SPO-2009-002: Report on the Assessment of Arms, Ammunition, and Explosives Accountability and Control; Security Assistance; and Logistics for the Iraq Security Forces, December 18, 2008, p. 39.

11 Furthermore, the July 2008 DOD report shows captured weapons stored at Taji National Depot in what appears to be a disorganized pile. See Department of Defense Inspector General, SPO-2008-001, p. 15.

12 Department of Defense Inspector General, SPO-2009-002, p. 39. The report recommended that the U.S. military establish procedures for the accountability, control, and final disposition of weapons captured by U.S. forces (to include recording captured weapons' serial numbers), but provides no further detail on the progress of the implementation of this recommendation. See Ibid, p. 9.

13 Department of Defense Inspector General, SPO-2008-001, p. i.

14 Eric Schmitt and Ginger Thompson, 'Broken Supply Channel Sent Arms for Iraq Astray', The New York Times, November 7, 2007. More recently, Jamal Yousef, who was recently extradited to the U.S. for allegedly conspiring in 2008 to supply military-grade weapons to the Columbian guerilla group known as FARC, reportedly claimed that weapons offered to US informants had been stolen from Iraq. Publicly available documents on the case provide little insight into the veracity of Yousef's alleged claims, however. See: United States District Court Southern District of New York, United States of America v. Jamal Yousef, S3 08 Cr. 1213, p. 3.

15 Special Inspector General for Iraq Reconstruction, SIGIR-06-033, p. 23.

16 See Section 1228 of Public Law 110-181.

17 The five programs through which arms are transferred to Iraq are (1) the Iraqi Security Forces Fund (ISFF), managed primarily by Multi-National Force-Iraq (MNF-I); (2) Foreign Military Sales (FMS), managed by the Defense Security Cooperation Agency (DSCA) under the DOD; (3) Secretary of Defense's authority to Support Military Operations to Combat Terrorism, managed by Special Operations Command Central (SOCCENT); (4) the Foreign Excess Personal Property (FEPP) program, managed by the Deputy Under Secretary of Defense (DUSD) for Logistics and Material Readiness; and (5) Direct Commercial Sales (DCS), managed by the Department of State. See: Jeffrey Wieringa, 'Compliance with Section 1228 of the National Defense Authorization Act for Fiscal Year 2008', (DSCA, July 2008), pp. 2-3. This document was retrieved by FAS using FOIA.

18 Department of Defense Inspector General, SPO-2008-001, p. iv.

19 Defense Security Cooperation Agency, Memorandum for the Record: Foreign Military Sales Program Compliance with Section 1228 of the FY08 National Defense Authorization Act, August 2008, p. 3. This document was retrieved by FAS using FOIA.

20 Defense Security Cooperation Agency, Foreign Military Sales Program Compliance with Section 1228, p. 2.

21 Ibid.

22 Department of Defense Inspector General, SPO-2008-001, p. 86.

23 Ibid.

24 Ibid, p. 39.

25 Ibid.

Footnotes:

26 Department of Defense Inspector General, SPO-2009-002, pp. 35-36.

27 Department of Defense Inspector General, SPO-2008-001, p. iv.

28 News Conference, 'Training and Equipping Afghan Security Forces: Unaccounted Weapons and Strategic Challenges', Federal News Service, February 12, 2009.

29 Department of Defense, SPO-2009-002, p. 11.

30 Special Inspector General for Iraq Reconstruction, SIGIR-06-032: Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities, October 2006, p. ii.

31 Department of Defense Inspector General, SPO-2008-001, p. 47.

32 Government Accountability Office, GAO-07-711, p. 1.
33 According to the Security Assistance Management Manual (SAMM), U.S. end-use monitoring programs "scrutinize[e] the purchaser's use of defense articles and services to ensure their use is in compliance with the agreements under which they were provided." See: 'Chapter

8: End-Use Monitoring', Security Assistance Management Manual (DSCA, October 2003), p. 323.

34 Interview with End-Use Monitoring (EUM) Program Management official in the Defense Security Cooperation Agency, November 2009.

35 Ibid.

36 The Iraq Golden Sentry End-Use-Monitoring Standard Operating Procedure (SOP), which were signed into force on September 12, 2008, "delineates responsibilities, required procedures, inspection requirements, and visit procedures." See: MNSTC-I Response to the DODIG 'Assessment of Arms, Ammunition, and Explosives Accountability and Control; Security Assistance; and Sustainment for the Iraqi security Forces', October 2008, p. 5.

37 Ibid.

38 Interview with End-Use Monitoring (EUM) Program Management official in the Defense Security Cooperation Agency, November 2009.

39 Frank Ruggiero, 'Background 1228 Policy Changes', (State Department, August 2009), p. 2.
40 Department of Defense Inspector General, SPO-2008-001, p. 27.

41 Ibid, p. vii.

42 Ibid, pp. 30-31.

43 Interview with End-Use Monitoring (EUM) Program Management official in the Defense Security Cooperation Agency, November 2009.

44 Defense Security Cooperation Agency, Foreign Military Sales Program Compliance with Section 1228, p.2

45 Combined Security Transition Command-Afghanistan, "CSTC-A Mission" (2009), retrieved from http://www.cstc-a.com/index.php?option=com_content&view=article&id=124&Itemid=1 on September 30, 2009.

46 Department of Defense, SPO-2009-001: Assessment of Arms, Ammunition, and Explosives Control and Accountability; Security Assistance; and Sustainment for the Afghan National Security Forces, October 2008, p. ii.

47 Government Accountability Office, GAO-09-366T: Corrective Actions Are Needed to Address Serious Accountability Concerns about Weapons Provided to Afghan National Security Forces, February 2009, p. 3.

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