



Offices of Inspector General
United States Department of State
U.S. Agency for International Development



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UNCLASSIFIED

VIA ELECTRONIC TRANSMISSION

United States Senate

Committee on Appropriations, Subcommittee on State, Foreign Operations, and Related Programs

Committee on Foreign Relations

Committee on Homeland Security and Governmental Affairs

United States House of Representatives

Committee on Appropriations, Subcommittee on State, Foreign Operations, and Related Programs

Committee on Foreign Affairs

Committee on Oversight and Reform

Dear Chairs and Ranking Members:

The Consolidated Appropriations Act, 2023 ([P.L. 117-328](#), Dec. 29, 2022) (Act) provided \$12,966,500,000 in Economic Support Funds, of which \$9.9 billion was allocated for direct financial support to the Government of Ukraine. On February 19, 2023, the U.S. Agency for International Development (USAID) obligated \$2.5 billion for direct financial support to the Government of Ukraine. The remaining \$7.4 billion will be obligated in multiple tranches through September 2023.

Section 1705(a) of the Act requires that the Secretary of the Department of State (Department), in consultation with the Administrator of USAID, certify and report that mechanisms for monitoring and oversight of these funds are in place and functioning prior to obligating the funds, and that the Government of Ukraine has substantial safeguards in place to prevent corruption and ensure accountability of these funds. Further, the Act requires that the inspectors general of the Department and USAID submit a report to Congress detailing and assessing the mechanisms for monitoring and safeguards in place for oversight and accountability of this funding.

These same Inspector General reporting requirements were included in the Continuing Appropriations and Supplemental Appropriations Act, 2023 ([P.L. 117-180](#), Sep. 30, 2022, Section 1302(a)) ("Continuing Resolution"), which provided \$4.5 billion for direct financial support for the Government of Ukraine. In accordance with these requirements, we transmitted our respective [reports](#) to your committees on January 5, 2023. The Department of State Office of Inspector General (OIG) reported that the Department complied with the requirement to certify and report to Congress at least 15 days prior to initial obligation of direct financial support funds, following an established internal process to generate and obtain approval for the certification and report. USAID OIG reported that the established monitoring mechanisms and safeguards aligned with the Government Accountability Office's Federal Standards for Internal Control.

Our offices confirmed that with respect to the funds appropriated in December, the Department and USAID followed identical procedures for required certification and reports to Congress, and transmittal of the funds to the Government of Ukraine through The World Bank, as they previously did for funds appropriated under September's Continuing Resolution. Accordingly, our offices' respective reports, transmitted on January 5, 2023, capture our position on the latest direct financial support programming.

Independent oversight of the United States' Ukraine response is the top priority for our offices. We will continue to coordinate closely as we execute our complementary oversight plans. To provide Congress and other stakeholders with timely and useful information, our offices have established landing pages dedicated to our Ukraine response oversight efforts (see [State OIG](#) and [USAID OIG](#)).

We appreciate your ongoing interest in our work and support for our independent oversight mission. Please do not hesitate to contact us directly if you have any questions. Alternatively, feel free to contact our congressional liaisons, Ryan Holden at ryan.d.holden@stateoig.gov or (571) 349-9259, and Adam Kaplan at adamkaplan@usaid.gov or (202) 413-8369.

Sincerely,



Diana R. Shaw
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