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INSPECTOR GENERAL

U.S. Department of Defense

JULY 5, 2023

(U) Management Advisory: DoD's Transportation of Ammunition in Support of Ukraine

Controlled by: Evaluations

CUI Category: Operations Security

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POC: Program Director, DOD OIG (S)(X)

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE

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DEPARTMENT OF DEFENSE
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July 5, 2023

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION
AND SUSTAINMENT
UNDER SECRETARY OF DEFENSE FOR POLICY
COMMANDER, U.S. EUROPEAN COMMAND
COMMANDER, U.S. TRANSPORTATION COMMAND
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY
DIRECTOR, JOINT STAFF
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: (U) Management Advisory: Evaluation of the DoD's Transportation of Ammunition
in Support of Ukraine (Report No. DODIG-2023-092)

(U) This management advisory provides Department of Defense (DoD) officials with information regarding concerns identified during the "Evaluation of the DoD's Transportation of Ammunition in Support of Ukraine." The objective of the ongoing evaluation is to determine the extent to which U.S. European Command and U.S. Army Europe implemented security and accountability controls for moving authorized U.S. equipment to support Ukraine from European ports to strategic transfer and storage locations using ground transportation. This management advisory addresses the impediment to the timely transport of ammunition via rail from EDCOM (S//XO), (S//XO) to Ukraine.

(U) The U.S. European Command agreed to address all the recommendations presented in the report; therefore, we consider the recommendations resolved and open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the recommendations when you provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

(U) We appreciate the cooperation and assistance received during the evaluation. If you have any questions, please contact DoD OIG: (S//X) at DoD OIG: (S//X) (DSN DoD OIG: (S//X)).

FOR THE INSPECTOR GENERAL:

Michael Roark
Deputy Inspector General for Evaluations

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(U) Introduction

(U) Executive Summary

(CUI) After more than a year of providing support to the Government of Ukraine (GoU), the DoD continued to provide critical defense items ahead of an anticipated 2023 offensive. From January 2023 to March 2023, during our evaluation of the U.S. European Command's (USEUCOM) planning and execution of ground transportation of equipment to support Ukraine from the port of debarkation to inland transfer locations, we identified an impediment to the ability of DoD officials to [REDACTED] with ammunition bound for Ukraine. [REDACTED]

[REDACTED]. In addition to delaying the ammunition's delivery, these delays also cost the U.S. Government an additional \$1.6 million dollars. This occurred because the USEUCOM agreement with Deutsche Bahn, the German national rail service, does not account for [REDACTED]. As a result, there may be future delays and costs that are detrimental to the flow of critical ammunitions to Ukraine. If USEUCOM does not address the [REDACTED] problem promptly, it may negatively affect [REDACTED] to support Ukrainian forces.

(CUI) We recommend that USEUCOM complete a review of the Deutsche Bahn agreement to identify and implement changes to the agreement necessary to ensure the timely transfer of ammunition to Ukraine, and update the agreement accordingly. Additionally, we recommend that USEUCOM conduct a review to examine and consider implementing other means of rapidly delivering ammunition to Ukraine. USEUCOM agreed with our recommendations, and our recommendations are resolved but open. We will close the recommendations when USEUCOM provides evidence it reviewed the standard by which train services are obtained, and reviewed the use of other seaports and logistical networks to rapidly deliver ammunition to Ukraine.

(CUI) Objective

(CUI) The objective of this evaluation is to determine the extent to which USEUCOM and the U.S. Army Europe implemented security and accountability controls for moving authorized U.S. equipment to support Ukraine from European ports to strategic transfer and storage locations using ground transportation. This management advisory addresses the impediment to the timely transport of ammunition via rail from [REDACTED] to Ukraine.

(U) Background

(U) Following Russia's invasion of Ukraine in February 2022, the President announced that the United States would dramatically increase the amount and types of defense items provided to the GoU. After more than a year of providing support to the GoU, the DoD continued to provide critical defense items ahead of an anticipated 2023 offensive. On March 20, 2023, the DoD announced its 34th Presidential Drawdown of equipment in support of Ukraine, valued at \$350 million. After a virtual meeting with the Multinational Ukraine Defense Contact Group in March 2023, the Secretary of Defense told reporters, "Ukraine doesn't have any time to waste."

(CUI)

EUUCOM (S)(X)(OE), (S)(X)(XP)

(CUI) Given the need for the delivery of ammunition to the GoU in a timely manner, for this management advisory we focused our evaluation on Seaports of Debarkation in the USEUCOM area of responsibility that handle ammunition.¹ In March 2023, we conducted a site visit to EUUCOM (S)(X)(OE), (S)(X)(XP) to observe the unloading of defense items bound for Ukraine. Officials from the SDDC told us that EUUCOM (S)(X)(OE), (S)(X)(XP).

(CUI) The SDDC is responsible for coordinating the arrival and unloading of ammunition EUUCOM (S)(X)(OE), (S)(X)(F). The SDDC works with the 21st Theater Sustainment Command (TSC) to coordinate the onward movement on the defense items to the GoU. SDDC officials stated that EUUCOM (S)(X)(OE), (S)(X)(F), Deutsche Bahn, the German national rail service, provides rail service to the DoD through an agreement with USEUCOM. The agreement requires that EUUCOM (S)(X)(OE), (S)(X)(F).

(CUI)

EUUCOM (S)(X)(OE), (S)(X)(F)

(CUI) We identified an impediment to DoD officials' ability to EUUCOM (S)(X)(OE), (S)(X)(F) with ammunition bound for Ukraine. In December 2022 and January 2023, DoD ammunition missions EUUCOM (S)(X)(OE), (S)(X)(F) experienced delays due to EUUCOM (S)(X)(OE), (S)(X)(F). This occurred because the USEUCOM agreement with Deutsche Bahn does not account for EUUCOM (S)(X)(OE), (S)(X)(F). As a result, there may be future delays and costs that are detrimental to Ukraine's flow of critical ammunition.

¹ (U) Ammunition is generally referred to as "Class V" as defined by the Army. Army Regulation 710-2, Supply Policy Below the National Level broadly defines Class V items as "ammunition and missiles".

(U) DoD Ammunition Transfers to Rail Were Not Always Executed in a Timely Manner to Support Ukraine

(CUI) The DoD's ammunition transfers to support the mission in Ukraine were not always executed in a timely manner. EUCOM (S)(X)(E), (S)(X)(F)

(CUI) However, according to SDDC officials, there were multiple delays in the movement of ammunition due to EUCOM (S)(X)(E), (S)(X)(F). For example, SDDC officials requested that EUCOM (S)(X)(E), (S)(X)(F)

with ammunition bound for Ukraine.

According to correspondence we reviewed, EUCOM (S)(X)(E), (S)(X)(F)

. As a result, no rail service was available to transport the ammunition. EUCOM (S)(X)(E), (S)(X)(F)

SDDC officials, EUCOM (S)(X)(E), (S)(X)(F)

.² Therefore, SDDC officials stated that the U.S. Government spent an additional \$1.6 million in vessel charter costs because rail service was not available.

(CUI) EUCOM (S)(X)(E), (S)(X)(F)

(CUI) EUCOM (S)(X)(E), (S)(X)(F)

.³ SDDC officials stated that EUCOM (S)(X)(E), (S)(X)(F)

(CUI) According to SDDC officials, EUCOM (S)(X)(E), (S)(X)(F)

. The U.S. Government incurs additional costs when

EUCOM (S)(X)(E), (S)(X)(F)

² (U) We have requested that the Military Sealift Command provide ship logs and invoices to verify the cost to charter the delayed vessels.

³ (U) Kreisamt des Landkreises Wesermarsch (Gewerbeabteilung), Brake-Unterweser, "Bescheide," November 21, 1953. (English translation: Wesermarsch County District Office (Trade Department), Brake-Unterweser, "Information," November 21, 1953.)

(CUI) USEUCOM Agreement with Deutsche Bahn Rail Service Did Not Account for [REDACTED]

(CUI) The USEUCOM agreement with Deutsche Bahn does not account for [REDACTED]

[REDACTED]⁴ According to the agreement, [REDACTED]

[REDACTED]. However, the agreement does not contain any requirement for Deutsche Bahn to [REDACTED]. Additionally, SDDC officials stated that [REDACTED].

(CUI) According to SDDC officials, [REDACTED]

[REDACTED]. Furthermore, according to SDDC officials, [REDACTED]

(CUI) However, the frequency, volume, and urgency of the DoD's movement of ammunition to support the GoU may require changes to the standard Deutsche Bahn process to prevent delays in moving ammunition. Without an agreement for Deutsche Bahn to [REDACTED], the DoD may not deliver that cargo [REDACTED] in a timely manner. USEUCOM should complete a review of the Deutsche Bahn agreement to identify and implement changes to the agreement necessary to ensure the timely transfer of ammunition to Ukraine. USEUCOM should also conduct a review to examine and consider implementing other means of rapidly delivering ammunition to Ukraine.

(CUI) [REDACTED] Could Cause Delays in DoD's Support to Ukraine and Increase Costs to the United States

(CUI) The DoD's challenges with [REDACTED] during the exceptional circumstance caused by the Ukraine crisis may result in future delays and costs that are disruptive to the flow of critical ammunitions to Ukraine. According to SDDC officials, [REDACTED]

⁴ (U) 'Beförderungsbedingungen für den Militärgüterverkehr' or "BefBedMil" zwischen DB Cargo AG und US-Streitkräfte, Britischen Streitkräfte, Französischen Streitkräfte, Niederländischen Streitkräfte, Belgischen Streitkräfte, Dänischen Streitkräfte, Gültigkeit: 01.01.2023 - -30.06.2023. (English translation: "Conditions for Military Cargo Transport" Agreement between DB Cargo AG (Duisburg) and the Armed Forces of the United States, Britain, France, Netherlands, Belgium, and Denmark, effective January 1, 2023, to June 30, 2023.)

(U) We requested that 21st TSC provide the English version of the USEUCOM agreement with Deutsche Bahn.

(~~CUI~~) EUCOM: (b)(7)(E), (b)(7)(F)
 . If USEUCOM does not address the EUCOM: (b)(7)(E), (b)(7)(F) problem promptly, it may negatively affect EUCOM: (b)(7)(E), (b)(7)(F) to support Ukrainian forces.

(U) Recommendations, Managements Comments, and Our Responses

(U) Recommendation 1

(~~CUI~~) We recommend that the Commander of the U.S. European Command complete a review of the Duetsche Bahn agreement to identify and implement changes to the agreement necessary to ensure the timely transfer of ammunition to Ukraine.

(U) U.S. European Command Comments

(U) The USEUCOM Deputy Director for Logistics, responding for the Commander of USEUCOM, agreed and stated that USEUCOM will conduct a complete review of the Deutsche Bahn Cargo “BefBedMil” standard and implement changes to ensure the timely transfer of ammunition to Ukraine. The Deputy Director added that no binding agreement currently exists between DoD and Deutsche Bahn Cargo. For the DoD to obtain an agreement with Deutsche Bahn Cargo, USEUCOM, or a designated USEUCOM Service Component, will need a contract to pay for reserved capabilities. The Deputy Director noted that Deutsche Bahn Cargo does not currently have this type of agreement with any other nation or entity and wishes to remain a neutral party.

(U) Our Response

(U) Comments from the USEUCOM Deputy Director for Logistics addressed the specifics of this recommendation. Although the Deputy Director stated no binding agreement currently exists between the DoD and Deutsche Bahn Cargo, but instead a “BefBedMil” standard in which train services are obtained, the action to review the “BefBedMil” standard and implement changes to ensure the timely transfer of ammunition to Ukraine meets the intent of the recommendation. Therefore, we consider this recommendation resolved but will remain open. We will close the recommendation when USEUCOM provides evidence they conducted a review, and provides information on the changes they implemented to ensure timely transport of military cargo.

(U) Recommendation 2

(~~CUI~~) We recommend that the Commander of the U.S. European Command conduct a review to examine and consider implementing other means of rapidly delivering ammunition to Ukraine.

(U) U.S. European Command Comments

(U) The USEUCOM Deputy Director for Logistics, responding for the Commander of USEUCOM, agreed and stated that the USEUCOM J4 staff, in coordination with the SDDC, will conduct a review to examine and consider implementing other seaports and logistical networks to rapidly deliver ammunition to Ukraine.

(U) Our Response

(U) Comments from the USEUCOM Deputy Director for Logistics addressed the specifics of this recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation after USEUCOM provides evidence to support that USEUCOM conducted a review to examine and consider implementing other seaports and logistical networks to rapidly deliver ammunition to Ukraine.

(U) Scope and Methodology

(U) We conducted this management advisory as part of an evaluation looking at security and accountability controls for moving U.S. equipment authorized for support to Ukraine from January 2023 through March 2023 in accordance with the “Quality Standards for Inspection and Evaluation,” published in December 2020 by the Council of the Inspectors General on Integrity and Efficiency. Those standards require that we adequately plan the evaluation to ensure that objectives were met and that we perform the evaluation to obtain sufficient, competent, and relevant evidence to support the findings, conclusions, and recommendations. We believe that the evidence obtained was sufficient, competent, and relevant to lead a reasonable person to sustain our evaluation findings.

(U) We identified and reviewed policies, directives, and DoD guidance. Specifically, we reviewed the following criteria:

- (U) Joint Publication 4-01, “The Defense Transportation System,” July 18, 2017;
- (U) DoD 7000.14-R Financial Management Regulation, Volume 12, Chapter 7, “Financial Liability for Government Property, Lost, Damaged, Destroyed, or Stolen,” January 2021;
- (U) DoD Manual 5100.76, “Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives,” April 17, 2012, incorporating change 2 effective October 5, 2020;
- (U) DoD Instruction 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” April 27, 2017, incorporating change 3 effective June 10, 2019;
- (U) Defense Transportation Regulation 4500.9-R, Part II, Cargo Movement, May 2014 including changes through December 16, 2022;
- (U) Defense Transportation Regulation, Part II, Cargo Movement, Chapter 205, “Transportation Protective Service,” November 18, 2022;
- (U) Defense Transportation Regulation, Part II, Cargo Movement, Appendix E, “Security Cooperation Program Shipments: Foreign Military Sales and Building Partner Capacity Cooperative Programs,” August 29, 2022;
- (U) Security Assistance Management Manual, C7.13, “Transportation Plan,” accessed January 19, 2023; and
- (U) Security Assistance Management Manual, Paragraph C7.15, “Transportation of AA&E [Arms, Ammunition, and Explosives] and Sensitive Materiel,” accessed January 19, 2023.

(U) We interviewed personnel from the following DoD organizations:

- (U) The Joint Chiefs of Staff, J4-Logistics,
- (U) Office of the Under Secretary of Defense for Acquisition and Sustainment,

- (U) USEUCOM, ECJ4 Logistics Directorate,
- (U) U.S. Army Europe and Africa,
- (U) U.S. Transportation Command,
- (U) Headquarters, Department of the Army,
- (U) SDDC 950th Transportation Company, and
- (U) the Defense Security Cooperation Agency.

(U) We also interviewed personnel from the U.S. Army Europe and Africa G-4, Security Assistance Group-Ukraine (SAG-U), 21st TSC, and 39th Transportation Battalion (a subordinate battalion of the 16th Sustainment Brigade). We contacted these organizations in Europe to determine their respective roles and the extent to which USEUCOM and the U.S. Army Europe implemented security and accountability controls for moving U.S. equipment.

(U) In March 2023, we conducted a site visit at EUCOM: (b)(7)(E), (b)(7)(F) and met with the SDDC (950th Transportation Company), 21st TSC, and Movement Control Office (39th Transportation Battalion) officials responsible for receiving, unloading, monitoring, tracking, and coordinating security for Presidential Drawdown equipment coming into the EUCOM: (b)(7)(E), (b)(7)(F). Specifically, we interviewed SDDC (950th Transportation Company), 21st TSC, and Movement Control Office (39th Transportation Battalion) officials to understand the key accountability procedures, security controls, and access control points for equipment bound for Ukraine.

(U) During the evaluation, we obtained the following supporting documentation:

- (U) SDDC e-mail correspondence with Deutsche Bahn on rail mission support,
- (U) SDDC command briefs, and
- (U) Requirements document for transport of military cargo (provided in German).

(U) SDDC officials provided e-mail correspondences and other documents that were translated by a DoD official. We have also requested that SDDC provide the English versions of these documents. The team also observed the SDDC officials at EUCOM: (b)(7)(E), (b)(7)(F) receive and stage the Presidential Drawdown equipment bound for the Ukraine. In addition, the team conducted a walk-through of EUCOM: (b)(7)(E), (b)(7)(F) where DoD officials receive Class V ammunition.

(U) Management Comments

(U) U.S. European Command



HEADQUARTERS
UNITED STATES EUROPEAN COMMAND
UNIT 30400
APO AE 09131

HQ USEUCOM-J4

6 June 2023

MEMORANDUM FOR Overseas Contingency Operations United States Department of Defense Office of Inspector General

SUBJECT: (U) U.S. European Command (USEUCOM) Response to DoDIG Draft Report
Project No. D2023-IEU-0070.001

References: (U) Draft Department of Defense Inspector General Report; (U) Management Advisory: DoD's Transportation of Ammunition in Support of Ukraine, May 15, 2023 (CUI)

1. (U) I "concur with comments", IAW the Geographic Combatant Command recommendations within the report. Specifically, there were two items listed under "Recommendations" in the draft report. Implementation details are listed below.
2. (U) In accordance with the Recommendation, the USEUCOM J4 staff will conduct a complete review of the Deutsche Bahn (DB) Cargo "BeifoodMil" standard and pursue from DB Cargo to implement changes to ensure the timely transfer of ammunition to Ukraine. Currently, there is no binding agreement between DoD and DB Cargo. In order for the DoD to obtain an agreement with DB Cargo, USEUCOM or a designated USEUCOM Service Component will need to let a contract to pay for reserved capability. To our knowledge, DB Cargo does not currently have this type of agreement with any other nation or entity, and wishes to remain a neutral party.
3. (U) Similarly, the USEUCOM J4 staff will conduct a review to examine and consider implementing other seaports and logistical networks to rapidly deliver ammunition to Ukraine and future operations, with the assistance of the Surface Deployment and Distribution Command (SDDC).
4. (U) My point of contact for this matter is [REDACTED]

G. L. MORRIS
COL, USA
Deputy Director for Logistics, USEUCOM

(U) Acronyms and Abbreviations

(U) GoU	Government of Ukraine
(U) SDDC	Military Surface Deployment and Distribution Command
(U) TSC	Theater Sustainment Command
(U) USEUCOM	U.S. European Command

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U.S. DEPARTMENT OF DEFENSE

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