

December 2018 Oversight Investigation



U.S. Int'l Broadcasting in the Digital Age: Getting Advertising Right

Report by Chairman Edward R. Royce

THE PROBLEM:

On July 19, 2018, the *New York Times* reported that Radio Free Europe/Radio Liberty (RFE/RL) bought ads on Facebook that targeted users in the United States. This was a direct violation of section 501 of PL 80-402 of the U.S. Information and Educational Exchange Act, commonly referred to as Smith-Mundt. The provision prohibits domestic dissemination of content developed by the State Department and U.S.-funded international broadcasting entities. The law is a direct nod to the fundamental importance of a free and independent domestic press to our democracy. It also ensures U.S. backed broadcasters remain focused on their primary mission: delivering real, timely and accurate news to people around the world who don't have access to a free press.

Under the law today, U.S. audiences may opt-in to receive content from U.S.-backed international broadcasters online – by following a network on Twitter or Facebook, for example – but these international broadcasters are barred from disseminating content to a domestic audience.

Following the *NYT* report, a House Foreign Affairs Committee review of U.S. international broadcasters' advertising on digital media found that Smith-Mundt violations extended beyond RFE/RL. This included a series of Voice of America (VOA) ads that exclusively targeted audiences in Washington, D.C.

The committee's review of digital media advertising also raised additional concerns about a lack of strategic thinking at networks regarding audience development. Networks should devote more effort to identifying who exactly they want to reach with digital media ads promoting their reporting. The committee also found a lack of network management of digital content, poor internal structure and policy regarding digital media advertising, and ineffective use of taxpayer funds.

BACKGROUND:

"Through our international broadcasting stations — the Voice of America, Radio Free Europe, and the others — let us send, loud and clear, the message that this generation of Americans intends to keep that lamp [of liberty] shining" — President Ronald Reagan

"The Voice of America thus carries a heavy responsibility. Its burden of truth is not easy to bear. It must explain to a curious and sometimes suspicious world why we are what we are. It must tell them our belief in man, of our regard for right, of our reverence for truth." — President John F. Kennedy

America has long understood the power of our ideas and values. Our devotion to political and economic freedom has inspired countless millions of liberty seekers, and won allies around the world.

Technology – beginning in earnest with the radio – has given the United States powerful tools to share messages of political pluralism, tolerance, freedom of speech and freedom of religion. During the Cold War, RFE/RL's broadcasting penetrated the Iron Curtain, providing real, timely and accurate information to people who had no access to free press. RFE/RL and VOA programming was critical to peacefully ending threats from the Soviet Union and ushering in a new era of freedom and opportunity.

Unfortunately, despite its successes during the Cold War, U.S. international broadcasting did not keep pace with the digital age. In the following decades, mismanagement of broadcasters was rampant under a part-time board of governors that often failed to have a quorum. As a result, America was caught flat-footed as Vladimir Putin, other authoritarians and ISIS began exploiting the internet to spread disinformation and anti-American propaganda.

Today, the United States Agency for Global Media (USAGM), formerly known as the Broadcasting Board of Governors – has made some important progress since being deemed “defunct” by members of both political parties. In the digital space, USAGM numbers show a significant increase in reach over the past two fiscal years. USAGM networks are also working to test new platforms – including messaging apps. Encouragingly, USAGM claims that its networks reached an audience of 104 million in FY 2018.

Progress at USAGM is due in large part to reforms, championed by this committee, which empowered a permanent CEO to oversee the agency’s management of the two federal organizations – VOA and the Office of Cuba Broadcasting – and the three grantee networks – RFE/RL, Radio Free Asia (RFA) and the Middle East Broadcasting Networks (MBN) – that are charged with expanding freedom of information abroad and communicating America’s democratic experience (These broadcasters will be regularly referred to as USAGM networks throughout this report).

Still, however, there is much to be done to make U.S. international broadcasting more effective. Future success will depend in part on continued improvement to management and attracting a workforce with the skills to analyze all aspects of the use of these platforms.

The following report summarizes a Foreign Affairs Committee investigation examining social media operations of all USAGM networks that was initiated after the *New York Times* report detailing Smith-Mundt Act violations in RFE/RL social media advertising. With USAGM’s support, the committee reviewed networks’ digital media advertising budgets, policies and ad content, and interviewed nearly a dozen personnel.

Digital operations, including social media advertising, represent a fraction of USAGM’s \$805 million annual operating budget. But as its networks rightly focus more resources to meet people where they are – with rich and diverse content accessible on smart phones, tablets and other devices – digital budgets will likely grow.

That’s why it is so important that networks act now to get these operations right. Simply being compliant with Smith-Mundt is too low a bar. Much more work needs to be done to create the type of targeted, data-driven and aggressive operation that is needed to confront challenges from Russia and elsewhere.

USAGM’s management of digital efforts must improve. Communication and coordination across networks can be better. Digital experts need to be brought in and empowered to build on the work of journalists – using industry best practices, the latest technology, and USAGM research, data and guidance. To ensure more effective use of taxpayer dollars in digital advertising, greater emphasis should be placed on identifying and reaching target audiences. And networks need to be held accountable for results.

KEY FINDINGS & RECOMMENDATIONS:

1. Stronger USAGM oversight is needed to ensure network compliance with the law.

USAGM was not adequately enforcing Smith-Mundt Act compliance on the internet prior to the July 19, 2018 *New York Times* story detailing RFE/RL digital ads that had improperly targeted U.S. audiences. This was a breakdown in management at multiple levels, from the language service managers to the senior leadership at USAGM.

Smith-Mundt violations were not isolated to RFE/RL. The Foreign Affairs Committee's investigation uncovered more pervasive problems, including at least 860 Smith-Mundt violations in a review of ads placed by six VOA language services.

To its credit, USAGM's Smith-Mundt Task Force, launched after the *NYT* report, reaches across all networks and appears to be having an impact. In interviews conducted by the Foreign Affairs Committee, each network reported that USAGM has clearly communicated Smith-Mundt requirements. Continued efforts to communicate policy and train staff at the networks should stop future intentional targeting of U.S. audiences.

That said, the Task Force also needs to address cases of U.S. audiences being targeted unintentionally. Mistakes happen. But no network should tolerate repeated violations. It's encouraging that disciplinary actions have been taken against several repeat offenders as a result of the committee's investigation, but USAGM must also address networks' poor digital operations structures and a lack of regular analysis of ad performance, both of which created an environment of gross negligence across networks. More assertive management and review of social media advertising, from the ground up, will not only help prevent Smith-Mundt violations, but will also lead to more thoughtful and effective advertising.

Failure to get this right is likely to undermine Congressional support for U.S. future international broadcasting.

2. Networks need more effective internal management and structure of digital efforts.

Decentralized digital operations, combined with a lack of regular analysis of digital advertising performance, have created significant problems at USAGM networks. This includes repeated Smith-Mundt violations, as well as other wasteful and ineffective practices.

Generally speaking, except for RFA (which has a digital team and a centralized structure), network digital efforts – including social media advertising – are delegated to journalists who have many other responsibilities. At RFE/RL, 56 individuals have been authorized to make digital advertising purchases without any oversight. Each of these individuals are expected – on top of other core work – to be proficient in various ad platforms and liaise directly with platform representatives. At VOA, journalists at the language services are authorized to execute ad purchases. VOA's Digital Strategy Office is charged with overseeing and eliminating ineffective campaigns, but this office repeatedly failed to stop gross Smith-Mundt violations.

The combination of devolved models and insufficient management have led to a number of troubling practices. At VOA, some employees were purchasing digital ads on their cell phones – bypassing the more sophisticated and targeted desktop interfaces offered by platforms (this practice has been banned in the wake of the committee’s inquiry)¹. Many network ads reviewed by the committee were essentially “spray and pray” campaigns – which are easy to launch but have been deemed ineffective and cost-inefficient by marketing professionals for years.

The House Foreign Affairs Committee is sympathetic to the unique challenges USAGM networks face in delivering accurate news, in real time, in more than 59 languages, of which 45 are broadcast by VOA. That said, USAGM networks would be well served to spend more time studying how other media networks structure their digital and marketing departments. Marketing and audience development teams at most private sector media organizations are tasked with analyzing data and audiences, and repackaging content for ad buys that promote newsroom reporting. However, the marketing teams at USAGM have seemingly no involvement in digital advertising. Digital strategists and managers should be prioritized at each network and charged with working alongside marketing personnel and journalists to produce effective and compelling advertising that expands the impact of network reporting. Specifically, VOA’s Digital Strategy Office should take a more hands-on approach to digital advertising – from ad creation to evaluation – to ensure success.

3. Networks should be doing more to identify, and reach, self-defined targeted audiences for digital advertising.

It’s not enough for U.S. international broadcasters to simply have a presence in a country today. And it should not be acceptable for a network to claim its priority audience online is as broad as “digital media consumers.” To have impact, networks need to be thinking carefully about exactly who they want to reach with their reporting.

Digital media advertising platforms offer powerful tools to target audiences by age, by gender, by geographic location and by interest. Networks should be self-identifying priority audience segments in their regions and using their limited digital budgets to help expand their reach to these audience segments.

4. USAGM should work with networks to clearly define what network functions are deemed editorial, and what are not.

Editorial independence is critical to the credibility of USAGM networks. Audiences need to be able to trust that reporting is accurate, objective and free from political interference. That said, historically, U.S. international broadcasters have been too quick to hide behind the editorial “firewall” whenever criticism is aimed their way. Indeed, in a response to the committee, RFA indicated it viewed “actions in support of” its programming to be

¹ VOA notes it has tried to work with Facebook to get changes to the Facebook app. Facebook has understandably resisted making changes to its platform. Ultimately this is a VOA issue of negligence. Greater attention to detail is needed.

protected as editorial. This interpretation, which could conceivably mean any and every action at RFA, is problematic.

Effective oversight is key to the continued independence of U.S. international broadcasting. With its Smith-Mundt Task Force, USAGM has taken an important step toward helping improve network management and legal compliance. USAGM should take other steps – including **requiring** regular reporting on network reach to their self-identified target audience segments, and adopting agency-wide best practices for digital media use – to ensure high standards and accountability at the networks.

COMMITTEE INVESTIGATION

On July 19, 2018 the *New York Times* reported² that RFE/RL bought ads on Facebook that targeted users in the United States. This was a direct violation of section 501 of PL 80-402 of the U.S. Information and Educational Exchange Act, commonly referred to as Smith-Mundt. The provision prohibits domestic dissemination of content developed by government funded entities.

In response, Chairman Royce sent a letter³ to Mr. John Lansing, CEO of USAGM, asking for in-depth information to evaluate the extent of Smith-Mundt violations among the USAGM networks and to review the oversight strategies and measures of effectiveness in place for social media at USAGM and the individual networks.

With the support of USAGM, the committee reviewed each network's:

- Digital advertising budget;
- Use of digital media and digital advertising;
- Structure for executing and managing digital ad buys – including staff responsibilities and internal oversight;
- Compliance with Smith-Mundt and internal management controls for compliance and training; and
- Digital advertising strategies, including audience development.

The committee reviewed select sets of ads from each network (excluding the Office of Cuba Broadcasting, which has not engaged in paid social media advertising) from January 1, 2016 to present. In all, the committee reviewed more than 25,000 ads.

DETAILED FINDINGS

Budget Allocation:

Digital media advertising is a powerful tool. It has helped USAGM networks reach millions of people around the world with real, accurate and timely news through a relatively modest budget.

² See Attachment I for the article by Kevin Roose, July 19, 2018. A version of this article appears in print on July 20, 2018, on Page B1 of the New York edition with the headline: U.S.-Funded Broadcaster Directed Ads At Americans.

³ See Attachment II for a copy of the Royce letter to USAGM CEO John Lansing.

USAGM networks have spent more than \$2 million on digital media advertising each of the last three fiscal years. Each network, with the exception of the Office of Cuba Broadcasting, engages in paid digital media advertising. Facebook is the most widely used platform by the networks, though Twitter, Instagram, YouTube and Google advertising are also utilized.

Digital Media Advertising Expenditures			
Network	FY 16	FY 17	FY 18
MBN	\$763,758	\$488,547	\$406,987
RFA	\$0	5,736	\$13,768
RFE/RL	\$1,187,779	\$1,026,892	\$906,589
VOA	\$879,105	\$777,210	\$874,827

Support Structure for Digital Media Advertising:

Each network manages digital ad buys differently. Smaller networks MBN and RFA manage ad buys through centralized in-house digital teams, and as a result have avoided Smith-Mundt violations.

RFA’s centralized digital team purchases ads using defined country-by-country audiences in Facebook’s business manager. Since RFA has a policy that ensures that all ads are created under ad sets rather than random content “boosting,” Smith-Mundt violations were prevented. RFA further explained that they specifically created their Facebook ad audiences with U.S. exclusions.

For its part, MBN, a single language service, currently has one person responsible for ad buys, but it is planning on having four social media leads attached to teams as it prepares to revamp its newsroom work flow. It has used a centralized process to successfully advertise in 20 Arab-speaking countries without any apparent Smith-Mundt incident.

Unlike MBN, RFA and many other U.S. media organizations, VOA and RFE/RL delegate ad purchase authority to journalistic staff. These networks claim this decentralized system is necessary because of the large number of languages they broadcast, but have few checks to ensure accountability. Similar to VOA’s efforts, RFE/RL should consider adding more detailed guides and tutorials on digital media advertising to their best-practices guides if a large number of employees are to continue making ad purchases.

At VOA, the Director of Digital strategy distributes funds for advertising to staff at the individual language services, but appears to have little involvement in the ad process thereafter. Language services can shift additional funds into ad buys, which could exceed the budget provided by the digital strategy office. From here, journalistic staff are free to use their discretion to purchase ads – often in the form of Facebook “boosts.” These “boosts” have much more limited targeting options, and don’t allow for campaigns aimed at generating website clicks or video views.

VOA’s decentralized structure has allowed for some troubling practices. This includes ad content seemingly adrift from VOA’s mission, like a VOA Facebook ad run to audiences in the

Democratic Republic of the Congo promoting Ukrainian woodcutter contests and animal beauty pageants. Also of concern are employee purchases of digital ads via cell phone apps that are easy to use, but limit ad options and targeting controls. VOA suggested that this practice contributed to a number of the illegal ads that targeted Washington, D.C. audiences, and banned the purchase of ads via cell phone following the committee's inquiry. This is encouraging, as desktop ad creation platforms are far more advanced and effective.

At RFE/RL the Deputy Editor-in-Chief distributes advertising funds to the language services on a monthly basis. The decentralized system means the individual in the language service has considerable discretion on ad buys. There are 56 people with authority to make ad purchases. RFE/RL confirmed these 56 employees have no supervision in the execution of digital strategies and make ad buys without any additional approval. RFE/RL could not point to any process in which digital media ads are analyzed for performance and effectiveness with the 56 individuals involved in making buys.

Compliance with Smith-Mundt

Up until the July 19, 2018 *New York Times* story, matters of Smith-Mundt compliance were largely left to individual networks to handle.

VOA management repeatedly advised those responsible for all digital distribution of Smith-Mundt limitations reaching back to 2016, well ahead of the RFE/RL incident reported by the *NYT*.

Smith-Mundt guidance, long carried in VOA's "Best Practices Guide," was updated in early 2018 to include digital media:

Page 77 Best practices guide (updated December 2018):

TALKING ABOUT VOA CONTENT & PROGRAMMING The Smith-Mundt Act forbids VOA personnel to attempt to develop audiences within the United States. The funds which BBG and thus VOA receive are only authorized to create and distribute news and information to "foreign audiences abroad," and the law requires VOA to ensure that VOA does not distribute content & programming with the intent of influencing "public opinion in the United States."

If you attend a journalism or media conference such as NAB, EIJ, ONA, NABJ, NAHJ, SAJA, or attend an event at the National Press Club, and someone from a domestic U.S. news organization asks you about VOA's work, you can freely talk about the content we produce every day. Nothing in Smith-Mundt prevents that.

VOA STAFF SHOULD NOT ATTEMPT TO MAKE A DIRECT OFFER OF VOA CONTENT TO ANY DOMESTIC NEWS OUTLET.

IN ADDITION, VOA STAFF CANNOT SPEND ANY ADVERTISING OR OTHER FUNDS TO SPECIFICALLY TARGET OR DEVELOP AUDIENCES IN THE U.S.

VIOLATION OF THIS RULE AND/OR OTHER PROVISIONS OF THE SMITH MUNDT ACT WILL RESULT IN THE TERMINATION OF YOUR AD BUDGET

AND THE LOSS OF ADMINISTRATIVE ACCESS TO YOUR SERVICE’S SOCIAL ACCOUNTS.

THIS IS IN ADDITION TO ANY OTHER ACTIONS THAT MAY BE AUTHORIZED TO BE TAKEN AGAINST INDIVIDUALS VIOLATING THE RULE.

And the good news is that VOA’s primary digital arm, VOA newsroom, appears to have avoided Smith-Mundt violations.

That said, despite the warnings from VOA management, Smith-Mundt violations at language services continued through September 2018⁴. VOA claims these violations are unintentional – underscoring the need for greater analysis and review of ad performance. This would likely lead not only to fewer violations, but also to more effective ads.

Take the case of VOA Russian⁵. The service exclusively targeted audiences in Washington, D.C. with ads more than 32 times during a two week period in July of 2017. If, as VOA has said, these were unintentional Smith-Mundt violations, they could have been caught by a routine review of ongoing ads. Persistent acts of negligence should not be tolerated.

RFE/RL, the subject of the *NYT* story, was not overseeing compliance with Smith-Mundt and failed to enforce and oversee ad purchases by its language services. It disagreed that the law barred distribution of their ads to U.S. audiences, and intentionally targeted audiences in the United States.

The Smith-Mundt violations identified by the *NYT* in July prompted USAGM to take what it described as an “unprecedented step” to develop and issue directives in areas typically viewed as governed by editorial policy.

USAGM’s Smith-Mundt Task Force, comprised of USAGM and network officials, has been charged with ensuring compliance, correcting or improving network training on the law, improving communication on USAGM policy, and strengthening network management. It started by clearly communicating to RFE/RL that it must indeed cease advertising to audiences within the United States.

As the Task Force continues its work, USAGM networks have taken intermediary steps to stress compliance with Smith-Mundt. RFE/RL now acknowledges that the law bars distribution to audiences in the United States, and has communicated this policy to staff. And USAGM reports that an October review of ads found no new Smith-Mundt violations at any of the five networks.

Advertising Strategies and Audience Development

USAGM is rightly focusing on ensuring Smith-Mundt compliance in network digital media advertising. This is a critical first step, but it’s also an incredibly low bar. USAGM should also

⁴ See Attachment III for spreadsheet detailing VOA Persian Facebook ads from August 27, 2018 through September 3, 2018.

⁵ See Attachment IV for spreadsheet detailing VOA Russian Facebook ads from July 3, 2017 through July 17, 2017.

work to ensure that networks are spending advertising dollars effectively. This can be done while respecting network editorial independence.

For example, it's encouraging that USAGM is tracking weekly reach and weekly digital visits to its network sites on its new dashboard. Data on weekly reach of target segments is currently an **optional** indicator for networks to provide. USAGM should make this a **required** indicator. Because with all the noise and distraction on digital media today, simply "boosting" posts to current followers of networks in broad target regions should not be viewed as an effective means of advertising.

Networks should be thinking more about *who* they want to reach with advertising and constantly assessing whether they are succeeding in doing so.

Those who are most engaged with a network's content online might not be people those networks are most interested in reaching. In fact, in the age of bots, they might not even be people at all. This is the danger in relying too heavily on "lookalike" audiences that are generated automatically by platforms like Facebook based on those who have engaged with past content.

Digital platforms – including Facebook, Twitter and Google – offer incredible opportunities to reach specific audiences in a targeted way. Audiences can be built based on location, age, gender and interests. USAGM networks should be using these tools to make the most of limited ad budgets and to increase the impact of their reporting.

As part of the committee's investigation, the committee asked language services at each network to disclose whether they had identified priority audiences within their regions – also known as target segments.

Some services like VOA Cantonese, VOA Portuguese/Africa and MBN only target to the country-level. VOA Burma listed its target segment as "general population age 15-65" – which is hardly targeted. VOA Eurasia Division – Poygraph.info, which was set up to fact check Russian disinformation – identified its target segment for digital media advertising as "digital media consumers." This embarrassingly thin response. And should be reviewed by management.

RFA also does not identify target segments, and offered the following explanation:

"RFA language services do not create advertising audience segments. However, the full picture is more nuanced. The key takeaway is that our language services are strategic in understanding and creating content for their unique audiences, but that this strategy is applied much further upstream during larger editorial decision-making.

"RFA target audiences for advertising are generated automatically by Facebook using profiles based on RFA's current fans who are native language speakers. Our centralized digital strategy team initially conducted extensive testing with custom, manually constructed audiences using RFA research and Facebook data. However, it was quickly discovered that a broad, brand-lifting strategy using the Facebook 'lookalike' audiences was a much better return of value for the limited resources RFA has to devote to this effort."

While some use of “lookalike” audiences is understandable, RFA is missing important opportunities to self-identify and build target audiences within its region. As stated previously, those who are most engaged with a network’s content online might not be people those networks are most interested in reaching.

Encouragingly, many language services at VOA and RFE/RL have identified priority audiences that they are interested in expanding. For example, VOA Zimbabwe has identified a target segment for advertising of “women between the ages of 18 and 40 and youth... between 15 and 34” because “women are under covered compared to men while youth comprise the largest number of people in Zimbabwe.” RFE/RL Georgian identified a priority audience of “18-35 [year-old] social media active users in the following interest groups: politics; human rights; activism.”

The House Foreign Affairs Committee found mixed results in terms of networks effectively reaching these self-identified target audiences. As an example, take the case of VOA Persian:

By most all accounts, VOA Persian has been successful. USAGM reports that VOA Persian hosts the largest digital audience for website activity at VOA, and is the third and fourth most popular VOA language service on Facebook and Instagram.

The service is also taking advantage of geo-targeting tools to reach specific audiences in priority Middle East countries for the United States. In some cases, it’s using geographic coordinates.

Still, there is room for improvement. VOA Persian identified its target audience as “Persian-speaking urban, educated demographic in major cities in Iran and neighboring countries (Afghanistan, Iraq, Turkey) and major Iranian diaspora centers (France, Great Britain, Germany). It has defined a “priority audience” as “18 to 35 year-old Persian speakers in Iran and Persian Gulf.” This is “important because 70 percent of Iranian population is under 35.”

Yet in the committee’s review of more than 4,000 VOA Persian Facebook ads over a two-year period, VOA Persian consistently targeted audiences ranging 13 to 65 years of age. Not one ad was targeted specifically to the 18-35 year-old range identified by VOA Persian as its “priority audience.”

The committee also identified more than 260 Smith-Mundt violations by VOA Persian since 2016. These illegal ads accounted for roughly six percent VOA Persian’s total output. Alarming, Smith-Mundt violations at VOA Persian continued after the July 19, 2018 *New York Times* report and increased efforts by USAGM to ensure U.S. international broadcaster compliance with the law. See attachments for a spreadsheet breaking out all VOA Persian Facebook ads from a seven-day period (August 27 – September 3, 2018). Of the 18 ads launched in the period, 11 wrongfully targeted U.S.

audiences⁶. USAGM reports that the staffer who committed these violations has been permanently removed from these duties.

CONCLUSIONS

Insufficient network management of digital media advertising and a lack of clear policy guidance and enforcement from USAGM resulted in the illegal dissemination of ads to U.S. audiences.

USAGM's Smith-Mundt Task Force has recognized the shortfalls in guidance pertaining to managing digital content that led to hundreds of violations over a two-year period. The USAGM Smith-Mundt Task Force is both supporting and requiring networks' development of policies to comply with the law. In addition, USAGM should encourage that new guidance that directs digital and editorial staff to take responsibility for spot checking both content and distribution of ads.

The taxpayer is funding an enormous investment in U.S. international broadcasting. As networks increasingly utilize digital tools, it is incumbent on the overarching agency, USAGM, to strengthen the networks by updating guidance and improving communication among all entities to ensure best practices. Failure to do so is likely to undermine Congressional support for U.S. future international broadcasting.

Beyond simple compliance with the law, networks need to make better use of taxpayer resources by thinking more strategically in their digital media advertising. With all the noise and distraction on digital media today, simply "boosting" posts to current followers of networks in broad target regions should not be viewed as an effective means of advertising.

Networks should be thinking more about *who* they want to reach with advertising and constantly assessing whether they are succeeding in doing so. Data on weekly reach of target segments is currently an **optional** indicator for networks to provide. USAGM should make this a **required** indicator.

The committee appreciates the responsiveness and professionalism of USAGM management and staff throughout this extensive process. The next Chairman and Ranking Member of the Foreign Affairs Committee should continue to work with USAGM to track these issues and encourage a more effective presence for U.S. international broadcasters online.

⁶ See Attachment III for spreadsheet detailing VOA Persian Facebook ads from August 27, 2018 through September 3, 2018.

APPENDIX I

U.S.-Funded Broadcaster Directed Ads to Americans

New York Times

By Kevin Roose

July 19, 2018

A broadcasting organization backed by the federal government has used Facebook to target ads at United States citizens, in potential violation of longstanding laws meant to protect Americans from domestic propaganda.

Radio Free Europe/Radio Liberty, which typically broadcasts to audiences in Europe, Asia and the Middle East, bought several ads on Facebook in recent days that were targeted at users in the United States. The ads included several human-interest stories about Russia and a graphic about NATO's popularity. As with other state-funded media organizations, Radio Free Europe/Radio Liberty is mostly restricted by law from promoting its content in the United States except on request.

The ads that ran on the organization's Facebook page were uncovered by a Syracuse University researcher, Jennifer M. Grygiel, who was able to view them because of a recent policy change by Facebook. In May, the social network began displaying more information about ads on its platform, including about where the ads were targeted and the buyers.

It is unclear how many people saw the advertisements, or for how long the broadcaster has been directing them to Americans. The organization, which is overseen by a person appointed during the Obama administration, said in a statement that it had purchased the ads, as well as ads in 14 other countries, to reach Facebook users who spoke specific languages.

After being contacted by The New York Times, Radio Free Europe/Radio Liberty pulled down the ads.

Nasserie Carew, a spokeswoman for the Broadcasting Board of Governors, the agency that oversees state-funded media organizations, said in a statement that Radio Free Europe/Radio Liberty had “ceased the practice” of targeting ads at people in the United States after her group’s management had discussions with the broadcaster.

None of the B.B.G. networks should be distributing or promoting our content domestically in order to develop or grow domestic audiences,” Ms. Carew said. Radio Free Europe/Radio Liberty, she said, tries to target English speakers. Some citizens in repressive countries use tools that route their internet traffic through United States servers to view foreign content, she said, which can make them appear to be Americans. But she said that the ads should not have been targeted at people in the United States.

She added that the B.B.G. recently appointed a chief technology officer “due to the complexity of working on different social media platforms.”

Radio Free Europe/Radio Liberty, which has its headquarters in Prague, was formed during the Cold War as a counterforce to Soviet propaganda programs. The organization has continued to promote American interests abroad, though it says a firewall prevents United States government officials from determining its coverage. It operates in 20 countries, with more than 600 employees and a budget of nearly \$120 million last year, according to its [website](#).

In recent years, critics have [accused](#) Radio Free Europe/Radio Liberty and Voice of America of being dysfunctional and slow to adapt to a changing media environment. Last month, the organization was [fined](#) by a Moscow court for failing to comply with Russian foreign agent laws.

As with all affiliates of the Broadcasting Board of Governors, Radio Free Europe/Radio Liberty is governed by the Smith-Mundt Act, a 1948 law that banned government-funded media outlets from disseminating their content inside the United States. The law was [amended](#) in 2014 to allow state-funded media organizations to distribute their content “upon request” to American viewers.

In June, the White House [announced plans](#) to nominate Michael Pack, a conservative activist with ties to Stephen K. Bannon, the former presidential adviser, to lead the B.B.G. The organization has been [led since 2015](#) by John F. Lansing, a former cable news executive.

One post promoted by Radio Free Europe/Radio Liberty’s Facebook page showed a graphic with approval numbers for NATO around the world. It included the caption: “The majority of people surveyed in Greece and Turkey have unfavorable views of NATO.” The ad ran on July 13, just after President Trump criticized numerous NATO members at a summit meeting in Brussels.

Another ad showed a video of an emerging Russian sport called “Swamp Football,” a soccer-like game played in knee-high mud. The caption read, “The World Cup has just finished, but these Russians are reinventing football.” The video was a [clip](#) from Current Time TV, a Russian-language show that airs primarily in Europe. Current Time TV began airing in 2016 as an alternative to Kremlin-controlled outlets that critics say have promoted misinformation and propaganda abroad.

A third ad, which ran on the broadcaster’s Facebook page in early July, showed Russian soccer fans celebrating the country’s World Cup victory over Spain.

None of these posts was labeled a political ad by Facebook's algorithm. Because they were not categorized as political ads, the amount spent on them was not disclosed, and they do not appear in Facebook's ad archive.

Facebook has faced mounting pressure to stamp out propaganda and misinformation on its platform. But the steps it has taken to increase transparency around ads have been hampered by problems, such as an algorithm that has at times [wrongly flagged ads](#) by small businesses as being political in nature. Unlike YouTube, which [began](#) labeling videos published by state-funded media outlets earlier this year, Facebook's ad transparency policy does not differentiate state-funded media from independent media.

"State-funded media is inherently political — it should all be documented in Facebook's political ad database," said Professor Grygiel, who discovered the broadcaster's domestic ads. "I hope that Congress will review this, and I hope Facebook will change their policies and product."

Rob Leathern, Facebook's director of product management for ads, said that the company was looking at offering more details about pages that run ads, including country information.

Two ads that ran on the broadcaster's page were labeled political ads. One, a post about an anti-tank missile system given to Ukraine by the United States, was targeted mainly at users in Britain and the former Soviet republic of Georgia. The other, a sponsored story about a Russian lawmaker who warned World Cup attendees against having sex with tourists during the tournament, was targeted at users in Europe.

Both ads were taken down by Facebook because they did not come from an account that had gone through an authorization process to post political ads.

Weston R. Sager, a lawyer with firm Gallagher, Callahan & Gartrell who has [written](#) about anti-propaganda laws, said that it was disturbing to see government-funded news agencies targeting Facebook ads at Americans, no matter their content.

“I’m concerned that we’re seeing the beginning of government efforts to try to influence public opinion in the United States through the B.B.G. and its affiliate entities,” Mr. Sager said. “It’s one thing to read a tweet by Donald Trump. It’s another to receive a very polished news story from an organization that holds itself out as objective and fact-based.”



One Hundred Fifteenth Congress
U.S. House of Representatives
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515
www.foreignaffairs.house.gov

APPENDIX II

September 6, 2018

Mr. John Lansing
CEO
Broadcasting Board of Governors
330 Independence Avenue, S.W.
Washington, DC 20237

Dear Mr. Lansing:

I am writing to request data related to the U.S. Agency for Global Media (USAGM) grantees and Voice of America's (VOA) use of paid social media advertising. Regular Committee oversight of publicly available information raises serious questions about the strategy, effectiveness and legality of USAGM activities.

I strongly support the USAGM mission of providing objective, accurate and timely news to people in countries where a free press does not exist. In today's digital age, it is critical that the USAGM use tools – including social media – to fulfill this mission.

That said, the Committee's review of USAGM activities identified a number of concerns, including:

- **Potential Smith-Mundt Act violations.** At least six VOA ads in the Facebook archive appear to have exclusively targeted users in Washington, DC. At least one of these ads was run after the committee's initial inquiry to the USAGM on July 24, during which we were assured that USAGM "has convened a task force...to strengthen existing guidelines and provide clear instructions...on social media."
- **Questionable content.** Recent VOA ads run in the Democratic Republic of the Congo promoted Ukrainian woodcutter contests and animal beauty pageants. Radio Free Europe/Radio Liberty (RFE/RL) promoted content around the time of the World Cup on racial issues, which appears to have been missing important context, and ultimately may have reinforced extremist views.

- **Apparent breakdowns across USAGM networks.** Despite the USAGM's initial findings, questionable advertising extends across USAGM networks, from RFE/RL to VOA, VOA Macedonian and VOA Persian.

Enclosed, please find screenshots of several ads the Committee finds concerning.

While advertising reviewed by the Committee undoubtedly represents a small portion of USAGM grantee and VOA budgets, the ads do raise important, broader questions about USAGM strategy and management. It is critical that every taxpayer dollar be spent effectively, efficiently, and in accordance with U.S. law.

To assist the Committee's oversight of the issue, and provide perspective beyond the small portion of ads currently available in public archives, please provide the following:

1. All data relating to the grantees and VOA's social media advertising from January 2016 to present, to include copies of all ads as well as all corresponding data – including number of impressions and clicks, amount spent, and ad targeting information that details geolocation, gender, interests, language, age, etc.
2. All documents and communications pertaining to USAGM's policy for social media advertising from January 2016 to present.
3. Provide the social media budgets for the grantees and VOA from January 2016 to present, including the actual value of each procurement for ads and actual expenditures.
4. All documents referring or relating to criteria, polling, or focus groups used to target USAGM audiences for advertising from January 2016 to present.

Please provide the requested information as soon as possible, but no later than 5 p.m. on September 21, 2018.

Please contact Kristen Gilley (Kristen.Gilley@mail.house.gov) on the Foreign Affairs Committee staff should you have any questions related to this request. Thank you for your attention to this matter.

Sincerely,



EDWARD R. ROYCE
Chairman

Enclosures

APPENDIX

Ad Performance



VOA - Глас на Америка
Sponsored

Ред Бул, скок во вода од височина во Швајцарија #vbasocial



Ред Бул скок во вода од височина во
Швајцарија

WWW.GLASNAAMERIKA.COM

running, we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down.

Ad Performance

Inactive

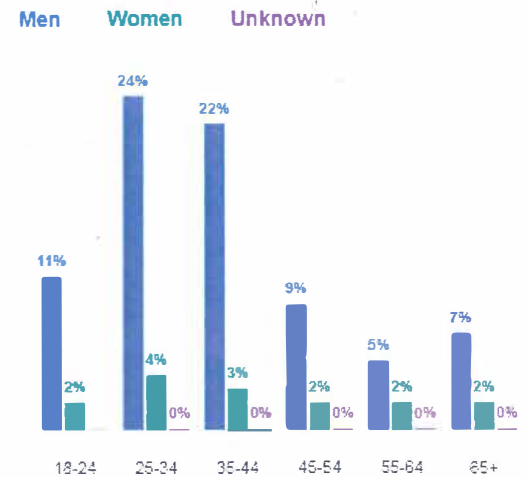
Aug 8, 2018 - Aug 15, 2018

1K - 5K
Impressions

<\$100
Money spent (USD)

Audience Breakdown

Age and Gender



Location



APPENDIX

Ad Performance



VOA - Глас на Америка
Sponsored

Дали зад опозициските условувања за амнестија на сторителите во крвавиот инцидент на 27 април 2017, всушност, се крие обид за избегнување на кривична одговорност на обвинетите високи функционери на ВМРО-ДПМНЕ?

Повеќе на: <https://mk.voanews.com/a/voa-macedonian-vmro-dpmne-amnesty/4490881.html>



running, we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down.

Ad Performance

● Inactive

Jul 20, 2018 - Jul 27, 2018

1K - 5K

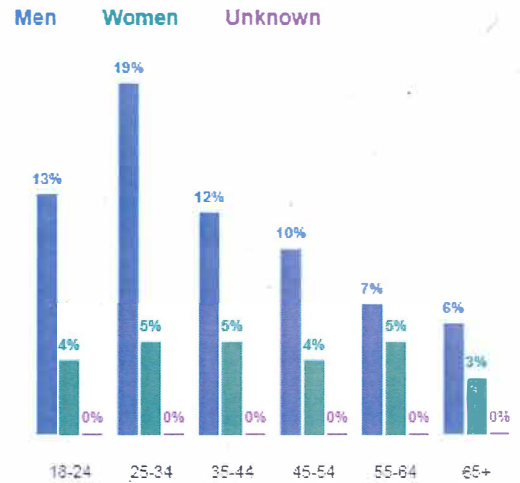
Impressions

<\$100

Money spent (USD)

Audience Breakdown

Age and Gender



Location



APPENDIX

Ad Performance



ጭሉይ ምድላው ፥ ቀዳማይ ሚኒስትር አብይ ኢሉመድ ምስ ኢትዮጵያዊያንን ትውልደ ኢትዮጵያዊያንን አብ ኣሜሪካ



ጭሉይ ምድላው ፥ ቀዳማይ ሚኒስትር አብይ ኢሉመድ ምስ ኢትዮጵያዊያንን ትውልደ ኢትዮጵያዊያንን አብ ኣሜሪካ

running, we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down.

Ad Performance

● Inactive

Jul 28, 2018 - Jul 30, 2018

<1K

Impressions

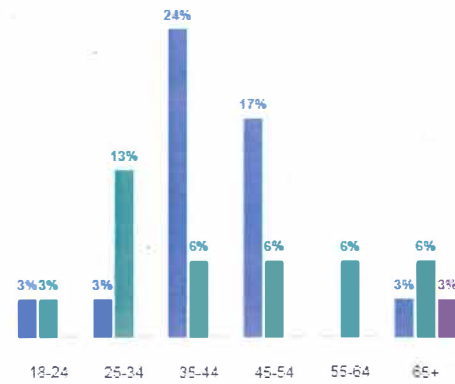
<\$100

Money spent (USD)

Audience Breakdown

Age and Gender

Men Women Unknown



Location

District of Columbia



APPENDIX

Ad Performance



በፕላንቲንግ ኢሳያስ አፈወርቂ ዝምራሕ ጉጅለ ልሁኽ ኤርትራ ናብ ከተማ ሃዋሳ በጌተም አለው።

ፕረ. ኢሳያስ ከተማ ሃዋሳ ኣብ ዝበጽሑሉ እዋን ድሙቕ አቀባበል ተፈርሖም ኣሎ።

ፕረዚደንት ኢሳያስ ናብ ኢንጃነሪንግ ፓርክ ከተማ ሃዋሳ ዑደት የካይዱ ምሕላምም ሓላፊ ቤት ጽሕፈት ቀ/ሚ ፍጹም አረፓ ኣብ ዘውጽኦም ናይ ትዊተር መልእኽቲ ገሊጾም።



running, we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down.

Ad Performance

● Inactive

Jul 14, 2018 - Jul 16, 2018

<1K

Impressions

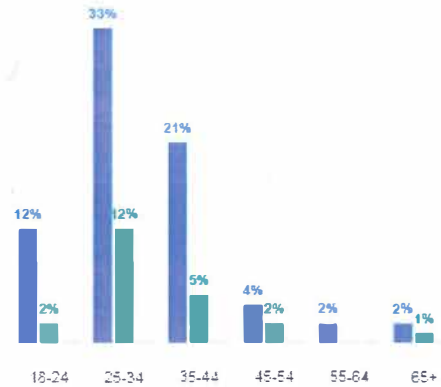
<\$100

Money spent (USD)

Audience Breakdown

Age and Gender

Men Women Unknown



Location

District of Columbia 100%

APPENDIX

Ad Performance



VOA - Глас на Америка
Sponsored

Официјално врачена поканата за НАТО

Мини-церемонијата се одржа на финишот на дводневниот самит на кој шефовите на држави и влади на 29-те земји на Алијансата решија Македонија да го почне процесот на станување 30-та полноправна на Алијансата.



Официјално врачена поканата за НАТО

running, we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down

Ad Performance

● Inactive

Jul 12, 2018 - Jul 19, 2018

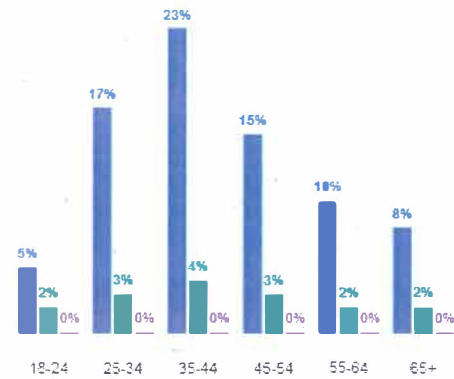
1K - 5K
Impressions

<\$100
Money spent (USD)

Audience Breakdown

Age and Gender

Men Women Unknown



Location



APPENDIX

Ad Performance

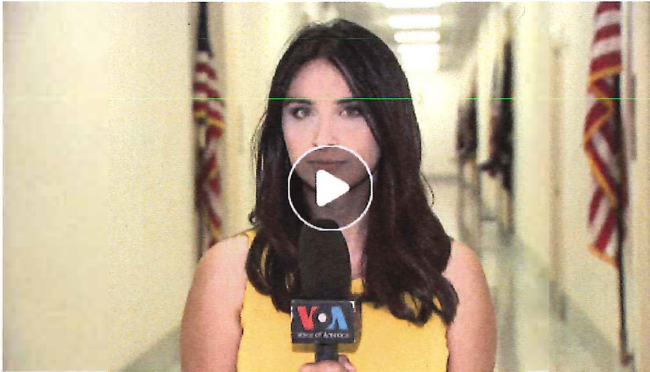


VOA - Глас на Америка
Sponsored

Вратата на НАТО за Македонија е отворена сега, утре можеби нема

Повеќе: <https://mk.voanews.com/a/macedonia-nato-congressman-/4486220.html>

Автор: Милена Ѓорѓиевска



Вратата на НАТО за Македонија е отворена сега, утре можеби нема

running. we determined that the ad was related to politics and issues of national importance and required the label. The ad was taken down.

Ad Performance

● Inactive

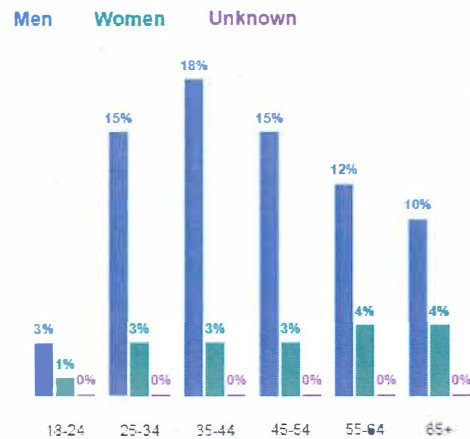
Jul 17, 2018 - Jul 20, 2018

1K - 5K
Impressions

<\$100
Money spent (USD)

Audience Breakdown

Age and Gender



Location

District of Columbia 100%

Ad Performance

VOA Persian
Sponsored

سفیر آمریکا در اسرائیل: رسانه‌های لیبرال از حملات در برابر ترامپ حمایت می‌کنند

به نوشته فریدمن، مراسم گشایش یک رویداد زیبا و برجسته بود و صدها میلیون نفر ناظر رویداد بودند اما به نظر می‌رسد توفیق مراسم افتتاح سفارت به مذاق رسانه‌های لیبرال خوش نیامد. آنها این موفقیت دیپلماتیک پرزیدنت ترامپ را بر ندانیدند. چشم‌انداز برایشان قابل تحمل نبود. پس حملات به نجات شان آمد. این جماعت اویشت که در سطح بین‌المللی گروه تروریستی شناخته شده اند طی شش هفته گذشته در غزه آشوب به پا کرده اند. قصاصات میانه‌نمایی از یک رویداد برجسته بود.

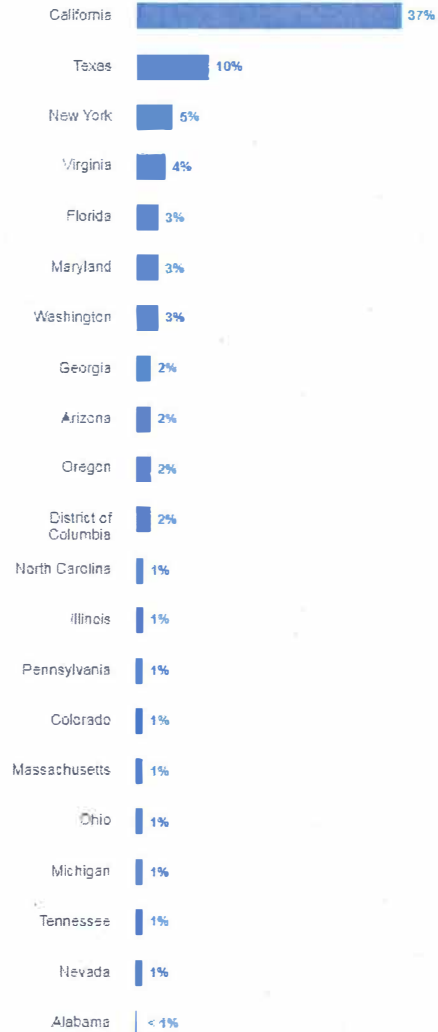


سفیر آمریکا در اسرائیل: رسانه‌های لیبرال از حملات در برابر ترامپ حمایت می‌کنند

دیوید فریدمن سفیر آمریکا در اسرائیل در مصحبی که در فاکس تیوز منتشر شده، با حمله به آنچه «رسانه‌های لیبرال»، گزارشگران رسانه‌های

IR.VOANEWS.COM

Location



APPENDIX

Ad Performance

VOA Persian
Sponsored

نشست اندیشکده هادسن درباره نتایج انتخابات عراق؛ نقش سیاه و قلم ملیمائی

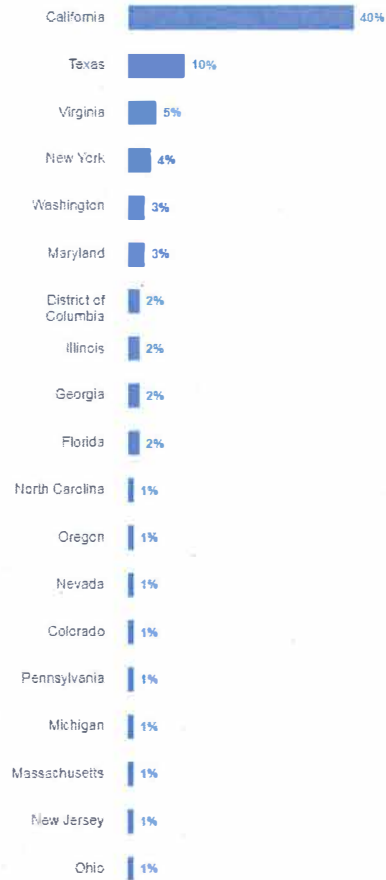


نشست اندیشکده هادسن درباره نتایج انتخابات عراق؛ نقش سیاه و قلم ملیمائی

در این نشست «جیمز جفری» سفیر سابق آمریکا در عراق، «میکل پرچنت» کنشگر ارشد اندیشکده هادسن، «احمد خالد مجینار» از مؤسسه

IR.VOANEWS.COM

Location



APPENDIX III

Reach	Impressions	Result Type	Ends	Starts	Countries	Cities	Gender	Age Min	Age Max
0	0	Landing Page Views	2018-08-28	2018-08-27	US			13	65
0	0	video_10_sec_watched_actions	2018-08-28	2018-08-27	US			13	65
1387	1431	Post Engagement	2018-08-28	2018-08-27	US			13	65
0	0	video_10_sec_watched_actions	2018-08-28	2018-08-27	US			13	65
900	903	Landing Page Views	2018-08-28	2018-08-27	US			13	65
926	936	Landing Page Views	2018-08-28	2018-08-27	US			13	65
1481	1512	Landing Page Views	2018-08-28	2018-08-27	US			13	65
1027	1059	Post Engagement	2018-08-28	2018-08-27	US			13	65
1799	1825	Landing Page Views	2018-08-28	2018-08-27	US			13	65
1520	1554	Landing Page Views	2018-08-28	2018-08-27	US			13	65
		Landing Page Views	2018-08-28	2018-08-27				18	65
0	0	Landing Page Views	2018-08-28	2018-08-27	US			13	65
		Landing Page Views	2018-08-28	2018-08-27				18	65
		video_10_sec_watched_actions	2018-08-28	2018-08-27				18	65
		Landing Page Views	2018-09-04	2018-09-03				18	65
		Landing Page Views	2018-09-04	2018-09-03				18	65
		video_10_sec_watched_actions	2018-09-04	2018-09-03				18	65
		Landing Page Views	2018-09-04	2018-09-03				18	65

Reach	Impressions	Result Type	Ends	Starts	Countries	Cities	Gender	Age Min	Age Max
788	1041	Post Engagement	2017-07-04	2017-07-03		Washington, District of Columbia, United States		13	65
0	0	Post Engagement	2017-07-05	2017-07-04		Washington, District of Columbia, United States		13	65
797	952	Post Engagement	2017-07-05	2017-07-04		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-06	2017-07-05		Washington, District of Columbia, United States		13	65
1192	1216	Post Engagement	2017-07-06	2017-07-05	KZ, BY, RU, UA			23	57
533	565	Post Engagement	2017-07-06	2017-07-05		Washington, District of Columbia, United States		13	65
343	403	Post Engagement	2017-07-06	2017-07-05		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-07	2017-07-06	GE, AZ, KZ, MD, BY, AM, UZ, KG, TJ, IL, RU, BG, CZ, LT, DE, UA, EE, LV			21	64
512	548	Post Engagement	2017-07-07	2017-07-06		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-07	2017-07-06	KZ, BY, RU, UA			23	57
488	530	Post Engagement	2017-07-07	2017-07-06		Washington, District of Columbia, United States		13	65
1079	1121	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
647	662	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
187	194	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
567	587	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
298	309	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
184	188	Post Engagement	2017-07-08	2017-07-07		Washington, District of Columbia, United States		13	65
	501	Post Engagement	2017-07-09	2017-07-08		Washington, District of Columbia, United States		13	65
512	540	Post Engagement	2017-07-11	2017-07-10		Washington, District of Columbia, United States		13	65
	969	Post Engagement	2017-07-11	2017-07-10		Washington, District of Columbia, United States		13	65
309	316	Post Engagement	2017-07-11	2017-07-10		Washington, District of Columbia, United States		13	65
482	492	Post Engagement	2017-07-11	2017-07-10		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-12	2017-07-11	GE, AZ, KZ, MD, BY, AM, UZ, KG, TJ, IL, RU, BG, CZ, LT, DE, UA, EE, LV			21	64
0	0	Post Engagement	2017-07-13	2017-07-12		Washington, District of Columbia, United States		21	65
595	719	Post Engagement	2017-07-13	2017-07-12		Washington, District of Columbia, United States		13	65
447	460	Post Engagement	2017-07-14	2017-07-13		Washington, District of Columbia, United States		13	65
561	567	Post Engagement	2017-07-14	2017-07-13		Washington, District of Columbia, United States		13	65
607	613	Post Engagement	2017-07-14	2017-07-13		Washington, District of Columbia, United States		13	65
352	357	Post Engagement	2017-07-14	2017-07-13		Washington, District of Columbia, United States		13	65
277	286	Post Engagement	2017-07-14	2017-07-13		Washington, District of Columbia, United States		13	65
323	331	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
426	435	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
287	316	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
363	374	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
323	331	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
426	435	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
287	316	Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-15	2017-07-14		Washington, District of Columbia, United States		13	65
		Post Engagement	2017-07-17	2017-07-16	GE, AZ, KZ, MD, BY, AM, UZ, KG, TJ, IL, RU, BG, CZ, LT, DE, UA, EE, LV			21	64
		Post Engagement	2017-07-18	2017-07-17	GE, AZ, KZ, MD, BY, AM, UZ, KG, TJ, IL, RU, BG, CZ, LT, DE, UA, EE, LV			21	64
		Post Engagement	2017-07-18	2017-07-17	GE, AZ, KZ, MD, BY, AM, UZ, KG, TJ, IL, RU, BG, CZ, LT, DE, UA, EE, LV			21	64
		3-Second Video Views	2017-07-18	2017-07-17	US, GE, AZ, MD, CA, RU, LT, UA, EE, LV			18	65