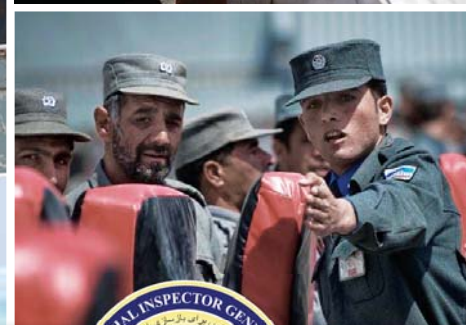


SIGAR

Special Inspector General for
Afghanistan Reconstruction

JULY 30,
2009



QUARTERLY REPORT TO THE UNITED STATES CONGRESS



SIGAR

Special Inspector General for Afghanistan Reconstruction

The National Defense Authorization Act (P.L. 110-181) established the Special Inspector General for Afghanistan Reconstruction (SIGAR).

SIGAR's mission is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds and by keeping the Congress, as well as the Secretaries of State and Defense, currently informed of reconstruction progress and weaknesses. Afghanistan reconstruction includes any major contract, grant, agreement, or other funding mechanism entered into by any department or agency of the U.S. government that involves the use of amounts appropriated, or otherwise made available for the reconstruction of Afghanistan with any private entity to: build or rebuild physical infrastructure in Afghanistan; establish or re-establish political or societal institutions of Afghanistan; provide products or services to the people of Afghanistan.^a

^aP.L. 110-181 "National Defense Authorization Act for FY 2008," 1/28/2008.

Cover Captions (clockwise):

An Afghan girl sits outside at her elementary school in Bamyan Province. (SIGAR photo)

An Afghan laborer works on the construction site of a new police academy in Bamyan Province. (SIGAR photo)

Afghans post campaign signs in preparation for the upcoming presidential and provincial council elections, the first run by Afghanistan's Independent Election Commission since the Taliban was overthrown. (UN photo)

Afghan National Police recruits participate in entry-level training at the Central Training Center in Kabul. U.S. forces play a role in training recruits, who attend an eight-week program of instruction. (DoD photo)



**SPECIAL INSPECTOR GENERAL
FOR AFGHANISTAN RECONSTRUCTION**

July 30, 2009

It is with pleasure that I am submitting to the Congress the fourth quarterly report of the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR). This report, which complies with the requirements outlined in Section 1229 of P.L. 110-181, documents SIGAR's progress since the April 30, 2009, quarterly report. It also provides an update on the status of reconstruction programs in Afghanistan, for which funding since 2002 totals approximately \$38 billion.

SIGAR has made significant progress this quarter. We issued three audit reports and one inspection report and have seven additional audits and four inspections well under way. Our office also initiated preliminary inquiries into 23 allegations of fraud, waste, and abuse. As of the end of July, we increased our staff from 32 to 44, and we expect to hire 7 more professionals by the end of August. With 11 auditors, 7 inspectors, and 4 investigators currently on board, SIGAR has increased its capacity to provide oversight of reconstruction programs. In addition, I made two trips to Afghanistan and met with officials from the U.S. Embassy, the international community, and the Government of the Islamic Republic of Afghanistan (GIROA), including President Hamid Karzai, all of whom are involved in reconstruction efforts.

The people of Afghanistan and the international community are focused on supporting the upcoming presidential and provincial council elections and improving security. The August 20 elections—the second since the Taliban was removed from power and the first conducted by Afghanistan's Independent Election Commission (IEC)—are an important milestone in Afghanistan's journey toward establishing a representative government that answers to the needs of its citizens. The United States has committed significant resources to supporting the electoral process, and SIGAR is making the use of these resources an oversight priority.

In July, SIGAR provided one report to the U.S. Ambassador to Afghanistan, with a recommendation to help strengthen Afghanistan's electoral institutions' capacity to manage elections. Following the August elections, SIGAR will issue an audit report on the extent to which U.S. and international assistance was used effectively and another report identifying lessons learned that could facilitate future elections. We also will produce a report assessing the participation of women in the elections.

More than half of all reconstruction dollars have been allocated to build the Afghan National Security Forces (ANSF). SIGAR's audit examining the ability of the Combined Security

Transition Command - Afghanistan (CSTC-A) to monitor contractor performance found that CSTC-A, which is responsible for the training program, did not have the mechanisms in place to ensure funds were managed effectively and spent wisely. The Commanding General of CSTC-A concurred with our recommendations and is acting to establish proper contract management and oversight processes. We are currently examining the controls and accountability mechanisms for the Commander's Emergency Response Program (CERP) and will complete our audit during the next quarter.

This quarterly report is divided into four sections. Section 1 discusses recent developments pertaining to reconstruction. Section 2 describes SIGAR's completed, ongoing, and planned work. Section 3 provides an overview of the status of the reconstruction program under the three pillars—security; governance, rule of law, and human rights; and economic and social development—identified in the Afghanistan National Development Strategy (ANDS). Although the U.S. agencies involved in rebuilding Afghanistan provided most of the information in this section, SIGAR also drew on official documents, independent studies, and reports by international organizations to compile as complete a picture as possible of the reconstruction effort in Afghanistan. Section 4 offers a summary of work done by other oversight agencies.

The Congress recently passed a bill that increased SIGAR funding and also provided a more expedient hiring authority. On behalf of my office, I thank the Congress for providing the financial resources for SIGAR to successfully conduct oversight of the expanding reconstruction program. My observations have led me to conclude that strong oversight of this program is critical to achieving U.S. goals in Afghanistan.

Very respectfully,

A handwritten signature in black ink, appearing to read "Arnold Fields". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Arnold Fields
Major General, USMC (Ret.)
Special Inspector General for Afghanistan Reconstruction

ISLAMIC REPUBLIC OF AFGHANISTAN



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Nangarhar Provincial Reconstruction Team

An Afghan engineer talks with U.S. Air Force Capt. Paul Frantz during a visit by the Nangarhar provincial reconstruction team (PRT) to a local metal-working shop. The team is responsible for helping the Government of the Islamic Republic of Afghanistan (GIROA) improve security and governance and for promoting reconstruction in Nangarhar Province. The PRT assesses community needs and then builds schools, government centers, roads, medical capability, and basic infrastructure throughout Nangarhar; it also mentors Afghan government officials and security forces to provide the Afghan people with the state representation and security they need. (U.S. Air Force photo, SSgt Joshua T. Jasper)

1 AFGHANISTAN OVERVIEW



“Within Afghanistan, we must help grow the economy, while developing alternatives to the drug trade by tapping the resilience and the ingenuity of the Afghan people. We must support free and open national elections later this fall, while helping to protect the hard-earned rights of all Afghans. And we must support the capacity of local governments and stand up to corruption that blocks progress.”

—*U.S. President Barack Obama*¹

AFGHANISTAN OVERVIEW

The U.S. reconstruction mission in Afghanistan has expanded significantly since the last quarterly report of the Special Inspector General for Afghanistan Reconstruction (SIGAR) to Congress. U.S. President Barack Obama signed the Supplemental Appropriation for FY 2009 (P.L. 111-32), raising the U.S. commitment to rebuild Afghanistan to over \$38 billion. This legislation also provided the additional funding SIGAR needs this year to conduct its oversight mission. The administration's FY 2010 budget request likely will bring the investment in Afghanistan's reconstruction close to \$50 billion. As the funding to rebuild Afghanistan increases, so will the demand for oversight, which is critical, not only to prevent fraud, waste, and abuse, but also to ensure the reconstruction program is as successful and cost-efficient as possible.

Two strategies—the Afghanistan National Development Strategy (ANDS) and the new U.S. government policy for stabilizing Afghanistan—provide the framework for the U.S. reconstruction effort in Afghanistan and the work of SIGAR. During this quarter the United States began executing its new strategy, which emphasizes inter-agency coordination, international cooperation, and the integration



Special Inspector General for Afghanistan Reconstruction Arnold Fields sat down with Bamyan Provincial Governor Habiba Sorabi during his July 2009 visit to Afghanistan. Sorabi is the first female governor of any Afghan province. Efforts to improve gender equality in Afghanistan are one of the focuses of the U.S. reconstruction effort. (SIGAR photo)

“The U.S. has no favorite candidate; our stance is neutral on the outcome. We are encouraging the Afghans to determine the issues, demand that candidates explain the programs, and vote for the future in an electoral process that is credible, secure, and inclusive. These elections can show continued evolution toward a government that reflects and responds to Afghan popular will.”

—Ambassador Richard C. Holbrooke, *Special Representative for Afghanistan and Pakistan*²

of security and development assistance to promote a more capable, accountable, and effective government in Afghanistan. In addition to deploying more troops to improve security, the U.S. government also began recruiting more civilian experts to expand provincial reconstruction teams (PRTs), district support teams, and the U.S. diplomatic presence in the provinces.

Over the past quarter, the United States has focused on five key reconstruction issues: elections, security, corruption, international coordination, and the relationship between Afghanistan and Pakistan. SIGAR has completed work in two of these areas and has ongoing work in four of them. SIGAR’s mandate does not include assistance to Pakistan. However, SIGAR will be examining the effect of cross-border programs, when they are implemented, on reconstruction in Afghanistan.

ELECTIONS

The United States views the August 20, 2009, presidential and provincial council elections—the second in Afghanistan since the Taliban was removed from power, and the first to be conducted by the Independent Election Commission (IEC) of Afghanistan—as a critical step toward developing a government that is accountable to its citizens.³ U.S. and international funding has been provided to help Afghanistan build the institutional capacity to conduct not only these elections but also future elections. Because of the importance attached to elections, SIGAR is conducting a comprehensive audit that will produce four separate reports about aspects of the election process.

SIGAR provided the first report, containing a recommendation for strengthening the capacity of Afghanistan’s electoral institutions to manage elections, to the U.S. Ambassador to Afghanistan in July. SIGAR will issue the following additional reports over the next several months: 1) an assessment of the extent to which U.S. and international assistance was used effectively to support these elections and to develop a sustainable election process; 2) an analysis of the lessons learned, to improve the process for future elections; and 3) and an evaluation of the participation of women in these elections.

The U.S. government has provided approximately \$120 million to the United Nations (UN) for elections support.⁴ The UN Development Programme’s Enhancing Legal and Electoral Capacity for Tomorrow (UNDP-ELECT), the office managing and coordinating international donor support, including that from the United States, has budgeted \$224 million to support the elections. USAID is funding separate election-related projects through a number of local monitoring groups, as well as through non-governmental organizations (NGOs) such as the International Republican Institute, the National Democratic Institute, and the International Foundation for Electoral Systems.

AFGHANISTAN OVERVIEW

Voter Registration and Election Safeguards

All Afghan citizens who voted in the 2004 and 2005 elections can use their registration cards for the upcoming elections. The IEC also conducted a four-phase voter-registration campaign between October 2008 and February 2009 to allow Afghan citizens who had lost their registration cards, moved within the country, or become eligible to vote after 2005 to register. The IEC recently re-opened the registration period for an additional 20 days in all 34 provinces. According to the IEC, more than 4.5 million people, about 38% of whom are women, have registered in the past eight months. Approximately 17 million voter cards are now in circulation.

A number of safeguards are in place to protect the integrity of the 2009 elections, according to the IEC. Specifically, the IEC is planning to carefully track and control the movement of sensitive materials, including ballots; use numbered seals to close ballot boxes; and mark voters' fingers with indelible ink to prevent individuals from voting more than once.

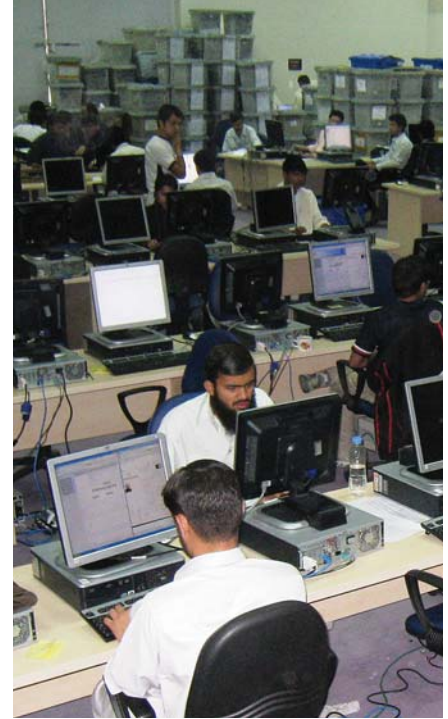
Security for the Elections

Primary responsibility for providing security for the elections rests with the Afghan National Security Forces (ANSF), backed by the International Security Assistance Force (ISAF). A Joint Security Planning Group was established to streamline planning among the ANSF, the ISAF, the Combined Security Transition Command - Afghanistan (CSTC-A), the IEC, and the UN. This planning group is addressing issues concerning candidate security, the secure distribution of election materials, the establishment of provincial operations command centers, and security for polling sites.

SECURITY

Security continues to pose a major challenge to the reconstruction effort in Afghanistan. The UN reported an increased number of security incidents, especially in the southern and eastern parts of Afghanistan, over the past three months. The situation in Kandahar, where insurgents attacked the provincial council headquarters and the governor's compound in separate incidents in April and May this year, has caused particular concern.⁵ During this reporting period the United States began deploying additional troops to improve security in the troubled provinces in the south and east, bordering Pakistan.

At the same time, the United States also took important steps toward achieving its primary strategic goal to build Afghan National Army (ANA) and Afghan National Police (ANP) forces capable of ultimately assuming full responsibility for the security of the country. Of the approximately \$5 billion provided for Afghanistan reconstruction in P.L. 111-32, more than \$3.6 billion will go to train and equip the ANSF. This money will be used to accelerate efforts to build a 134,000-strong ANA and an ANP force of 86,800 by 2011. More than half of the \$38 billion



U.S. and international groups are providing aid to Afghanistan for elections support in the run-up to the August 20, 2009, presidential and provincial elections—the first orchestrated by Afghanistan's Independent Election Commission since the Taliban was overthrown. (SIGAR photo)

AFGHANISTAN OVERVIEW



ANA Maj. Gen. Mohammad Dawran thanks U.S. Air Force MSgt Richard Woods, director of the senior leaders maintenance course, for explaining a storyboard depicting an Afghan deployment. Dawran, commander of the Afghan National Army Air Corps, is visiting the installation to learn more about the Air Education and Training Command's air advisor course. (U.S. Air Force photo, SSgt Nathan G. Bevier)

in reconstruction dollars appropriated since 2002 has been allocated for building the ANA and ANP.

CSTC-A, in conjunction with the Government of the Islamic Republic of Afghanistan (GIROA), and U.S. coalition partners, is the joint command responsible for the management of U.S. programs to develop the ANSF. Because of the importance the United States attaches to the training mission, SIGAR's first audit reviewed CSTC-A's management of a \$404 million contract to provide training and training support for the ANSF in 17 locations throughout Afghanistan. The audit found CSTC-A did not have the capability to ensure U.S. funds were managed properly and spent wisely.

CSTC-A concurred with the findings of the audit and responded that it was acting to establish proper contract management and oversight processes. In July, SIGAR learned that a team of contract specialists from the Defense Contract Management Agency had arrived in Afghanistan to deal with the issues raised in the audit. On July 17, 2009, the CSTC-A commander informed SIGAR that, as a result of the issues raised in the audit report, the contract specialists were conducting a review of the contract management and oversight for all CSTC-A contracts funded by the ASFF.

CORRUPTION

The United States and its partners in the international community continue to be concerned about public corruption in Afghanistan. Afghan officials, includ-

AFGHANISTAN OVERVIEW

ing President Hamid Karzai, have asked SIGAR to help them reduce corruption. SIGAR cannot provide anticorruption training to the Afghans, but it can provide an independent and objective assessment of capabilities and assistance to reduce corruption. SIGAR has two audits under way to evaluate the GIROA's capacity at the national and provincial levels to establish the internal controls and the accountability measures needed to deter corruption. These audits are assessing U.S. and international efforts to develop the GIROA's capacity to deter corruption. They are also examining how Afghan officials at the national and local levels control and account for the flow of funds. SIGAR will publish the first in a series of findings later this year.

INTERNATIONAL COOPERATION

The U.S. strategy for Afghanistan and Pakistan emphasizes increasing international dialogue and integrating international assistance. Since announcing the strategy earlier this year, the United States has participated in several international conferences that focused on stabilizing Afghanistan. Each of these meetings endorsed the central role that the UN Assistance Mission to Afghanistan (UNAMA) has in coordinating international aid to Afghanistan. U.S. officials say they are working with the international donor community—increasingly, under the auspices of UNAMA—to develop a common framework to guide and integrate international aid to Afghanistan.⁶

In his recent report to the UN Security Council, the UN Secretary-General said donor coordination has improved, in part as a result of greater international consensus on reconstruction objectives. He noted that the Joint Control



U.S. and international assistance is expanding access to education and health care for Afghan children, including girls. (SIGAR photo)

AFGHANISTAN OVERVIEW



Special Inspector General for Afghanistan Reconstruction Arnold Fields visits a women's prison, where young children are allowed to stay with their incarcerated mothers. One of the goals of the ANDS is to reform the prison system and create better facilities for women and children. (SIGAR photo)

Monitoring Board (JCMB), which was established in 2006 to coordinate international assistance with the GIRA, has also made progress.⁷ Over the past three months, JCMB has approved police reform measures, adopted a new agricultural development strategy, and established priorities for private sector development.⁸

International coordination of projects is essential to maximize the impact of reconstruction dollars. SIGAR has begun a series of sector audits to examine the degree to which projects have been coordinated across U.S. government agencies, as well as with other international donors. The first of these audits is evaluating assistance to the energy sector. SIGAR will issue this report in the next quarter.

The 26 provincial reconstruction teams (PRTs)—12 led by the United States and 14 by coalition allies—play an important role in the international effort to stabilize and rebuild Afghanistan. In June 2009, SIGAR attended the second annual PRT conference, which brought together the civilian and military leadership of the North Atlantic Treaty Organization (NATO) and non-NATO members of ISAF to improve international coordination of reconstruction projects. SIGAR is inspecting the management and operational capabilities of all the PRTs in Afghanistan. It began this series of inspections with the PRT in Farah Province and will issue a report during the next quarter. SIGAR is currently inspecting the Parwan-Kapisa PRT, which is located at the Bagram Air Base.

AFGHANISTAN OVERVIEW

THE AFGHANISTAN-PAKISTAN STRATEGY

Because U.S. decision-makers believe conditions and events in Pakistan have an impact on developments in Afghanistan, they are encouraging greater cooperation between the two countries and seeking increased assistance for Pakistan as well as Afghanistan.⁹ In May, the United States brought the military and civilian leaders of Afghanistan and Pakistan together to discuss greater regional cooperation. As a result of these trilateral consultations, Pakistan and Afghanistan pledged to reach a trade agreement by the end of the year, open two additional border posts, increase cooperation in the agricultural sector, and accelerate cross-border infrastructure projects. These developments will likely affect reconstruction programs on the Afghan side of the border.

INTER-AGENCY COORDINATION


SIGAR is coordinating its audits, inspections, and investigations with other inspectors general and audit agencies through several forums. The Southwest Asia Joint Planning Group meets every three months and prepares quarterly reports on audit and inspection activities in Southwest Asia, including Afghanistan. A newly formed sub-group of the Southwest Asia Joint Planning Group meets periodically to discuss ongoing and planned work in Afghanistan and Pakistan. This planning group seeks to prevent duplication of effort and ensure that all important oversight issues are being addressed. Finally, SIGAR participates in meetings held every three weeks at the U.S. Forces - Afghanistan (USFOR-A) headquarters to coordinate oversight activities in Afghanistan.

SIGAR investigators and attorneys also collaborate closely with their law-enforcement colleagues in other U.S. government agencies. SIGAR is a member of the International Contract Corruption Task Force (ICCTF), the principal organization coordinating federal criminal and civil cases that involve procurement fraud and corruption related to U.S. government spending in Southwest Asia.

An Afghan reporter speaks with women about the importance of having radios and listening to the news. (U.S. Army photo, SPC Phoebe R. Allport)

2 SIGAR OVERSIGHT





“To ensure that our programs operate according to the highest standards of effectiveness and integrity, we are committed to supporting the efforts of the Congressionally-mandated Special Inspector General for Afghan Reconstruction (SIGAR), as well as the Government Accountability Office (GAO) and State, USAID, and DoD Inspectors General.”

—*Ambassador Richard C. Holbrooke,
Special Representative for
Afghanistan and Pakistan*¹⁰

AUDITS

SIGAR issued three audit reports this quarter and has seven other audits under way. These audits cover a spectrum of reconstruction issues, including contract oversight, program management, and contractor performance, as well as reconstruction activities to improve security, foster good governance, and support economic development. Two of the audits were initiated recently to examine the U.S. and international efforts to strengthen the Afghan government's capacity at the national and provincial levels to establish internal controls and provide the accountability that is critical to preventing corruption.

SIGAR believes that an important part of its oversight mission is to identify issues in real time and bring them to the attention of implementing agencies, so they can make immediate program adjustments to improve the effectiveness of the reconstruction program. In this spirit, SIGAR provided the U.S. Embassy in Kabul with a report recommending measures to strengthen Afghanistan's capacity to conduct elections. An audit examining the funding and implementation of programs related to the August 20, 2009, presidential and provincial council elections will be completed after the elections. SIGAR will also issue a report assessing the participation of women in the election process.

The three audit reports issued during this quarter identified problems with contract oversight, information management, and capacity building.

COMPLETED AUDIT REPORTS

Contract Oversight Capabilities of the Defense Department's Combined Security Transition Command - Afghanistan (CSTC-A) Need Strengthening, SIGAR Audit 09-1

More than half of all U.S. reconstruction dollars provided for Afghanistan since 2002 have gone into training, equipping, and deploying the Afghan National Security Forces (ANSF). The Combined Security Transition Command - Afghanistan (CSTC-A), in conjunction with the Government of the Islamic Republic of Afghanistan (GIRoA) and U.S. coalition partners, is the joint

command responsible for the management of U.S. programs to develop the ANSF, which includes the Afghan National Army (ANA) and the Afghan National Police (ANP).

SIGAR's review of CSTC-A's management of a \$404 million contract to provide training and training support for the ANSF in 17 locations throughout Afghanistan found that although CSTC-A is responsible for the management of the training programs for the ANSF, it does not have the capability to ensure that U.S. funds are managed effectively and spent wisely. At the time of the audit, CSTC-A had only one contracting officer's technical representative (COTR) located in Afghanistan to provide contract oversight. That official had limited contracting experience and training, and had been unable to make field visits to monitor contractor performance.

Because a lack of oversight increases the likelihood that training funds may not be used as intended, SIGAR recommended that CSTC-A strengthen its oversight capabilities. Specifically, SIGAR suggested CSTC-A:

- obtain management staff who have the qualifications and training to conduct contract oversight work
- develop a program for contract oversight that includes visits to the field where the contractor is providing services

CSTC-A concurred with the findings of the audit and responded that it was acting to establish proper contract management and oversight processes. CSTC-A also said it viewed SIGAR's audit as a mechanism to help it obtain the resources required to monitor the contract effectively. In July, during a follow-up visit to CSTC-A, SIGAR learned that a team of contract specialists from the Defense Contract Management Agency had arrived in Afghanistan to conduct a review of the contract management and oversight for all CSTC-A contracts funded through the ASFF.

UN Action Urged To Strengthen Afghanistan Capacity To Support Future Elections, SIGAR Audit 09-2

SIGAR issued a letter report on July 6, 2009, related to the preparation and conduct of presidential and provincial council elections. Public distribution of the letter report is limited until after the August 2009 elections.

Management Information Systems Available to Reconstruction Decision-Makers in Afghanistan, SIGAR Audit 09-3

SIGAR's review of the management information systems of the key U.S. agencies and commands in Afghanistan found that no single management

information system provides full and accurate information of all finished, ongoing, and planned reconstruction activities. Having this information would help decision-makers to plan, coordinate, monitor, and report on reconstruction activities, and, if necessary, take corrective action. The lack of an integrated management information system increases the risk that U.S. resources may be wasted either through duplication of effort or because projects are in conflict with each other.

Five agencies and commands—the Department of State (DoS), the U.S. Agency for International Development (USAID), U.S. Forces - Afghanistan (USFOR-A), CSTC-A, and the U.S. Army Corps of Engineers' Afghanistan Engineer District—play major roles in the implementation of U.S.-funded reconstruction programs in Afghanistan. While each of these organizations said it uses established information systems for financial and accounting purposes, SIGAR found the availability and use of information systems for project management varied significantly and did not allow agencies and commands to easily share information about projects. Instead, most sharing of information between the agencies and commands occurred at periodic meetings and through ad hoc reports and presentations. Senior representatives from the main U.S. entities operating in Afghanistan agreed they would all benefit if they had access to a system that provided a common operating picture of the status of reconstruction projects.

USAID, at the direction of the National Security Council Deputies Committee in late 2008, completed a study in June 2009 assessing the feasibility of a joint information management system for reconstruction activities. The USAID study provided recommendations that could form the basis for a broader coordinated effort to develop a robust system to share information on the reconstruction effort in Afghanistan. However, additional work, coordinated among the key U.S. implementing agencies, is now needed to jointly develop an integrated management information system for Afghanistan reconstruction activities.

SIGAR has recommended the reconstruction stakeholders appoint an executive agent to coordinate the development of an integrated information system that takes into account the various systems currently used to collect reconstruction data and also identifies the resources needed to implement and sustain a new system.

ONGOING AUDITS

Agencies' Management Oversight, Procedures, and Practices for Reconstruction Funds and Projects

SIGAR is conducting individual audits of implementing agencies' capacity to provide oversight of the reconstruction funds that have been allocated to them. The first of these audits examine CSTC-A's contract oversight capability. The second is examining how USAID provides oversight of contracts for Afghanistan reconstruction. Auditors are reviewing USAID's current contract files as well as prior work done by the Government Accountability Office (GAO), the USAID Office of the Inspector General (USAID OIG), and the Commission on Wartime Contracting concerning USAID contract oversight and project requirement issues.

Contractor Performance and Agency Oversight of U.S. Government Contracts in Afghanistan with Louis Berger Group

SIGAR auditors are reviewing the contracts that U.S. agencies have with the Louis Berger Group. The audit, which is assessing the agencies' oversight of the contractor as well as contractor performance, is scheduled for completion during the third quarter of 2009.

U.S. and International Donor Programs To Assist Afghanistan's Energy Sector

SIGAR has begun its program to assess the overall management and effectiveness of the U.S. and international effort in various reconstruction sectors. This audit, which is focusing on programs to rebuild Afghanistan's energy sector, seeks to identify U.S. and international goals for the reconstruction and sustainment of Afghanistan's energy sector. It will determine what performance metrics are being used to track and measure outcomes rather than outputs and examine the degree to which reconstruction programs in the energy sector support objectives established in the Afghanistan National Development Strategy (ANDS). SIGAR auditors are also assessing the coordination between U.S. and international agencies, and the degree to which Afghans have participated in the design and implementation of projects. This report will be completed during the next quarter.

Controls and Accountability for the Commander's Emergency Response Program (CERP)

SIGAR auditors are examining the management controls and procedures in place to ensure that the Commander's Emergency Response Program (CERP) funds are properly accounted for as well as used to support program objectives and mission strategies.

Review of U.S. Assistance for the Preparation and Conduct of Presidential and Provincial Council Elections in Afghanistan

SIGAR is conducting a multi-part evaluation of the election process in Afghanistan. In the first part, auditors are assessing the U.S. and international assistance provided for the presidential and provincial council elections scheduled to take place on August 20, 2009. SIGAR is examining the effectiveness of the programs to prepare for the elections in several areas, including voter registration, voter education, polling center security, ballot box integrity, and vote-counting procedures. This audit will be released after the elections.

As noted above, SIGAR believes an important part of its mission is to make the overall reconstruction program more effective. Therefore, SIGAR has already delivered a report to the U.S. Embassy both to provide information to implementing agencies and to allow them to make real-time adjustments to increase program effectiveness. After the elections, SIGAR will also issue a report assessing the participation of women in the electoral process.

Later this year, SIGAR will issue an audit report that identifies lessons learned that may be applied to future elections.

Review of Oversight and Anticorruption Capabilities and Performance of the Afghan Central Government; U.S. and Other Donor Efforts To Strengthen the Capabilities; and Funds That May Be at Risk

Recognizing that corruption has become a very serious issue affecting the reconstruction effort, SIGAR is conducting an audit of U.S. and international assistance to the GIROA at the national level, to establish internal controls and provide the accountability needed to combat corruption. This audit also will evaluate the ability of selected Afghan ministries to control and account for the flow of funds. It seeks to identify the funds at risk in certain ministries, assess the U.S. and international efforts to develop Afghan capacity to fight corruption, and provide recommendations to strengthen the internal controls and accounting mechanisms needed to ensure the effective and transparent management of government funds. SIGAR plans to publish a series of reports on this issue. The first will be released in the next quarter.

Review of Accountability and Anticorruption Capabilities and Performance of Afghan Provincial Governments; U.S. and Other Donor Efforts to Strengthen the Capabilities; and Funds That May Be at Risk

Whereas the preceding audit is assessing the anticorruption assistance and capabilities in the central government, this audit is examining the capacity of Afghan officials at the provincial level to apply internal controls and account for funds under their control. SIGAR is evaluating both U.S. and international efforts to improve provincial government internal controls and accountability, which are critical to preventing corruption. It is also assessing options to strengthen the capacity at the provincial level to implement internal controls and other anticorruption measures.

SIGAR plans to produce multiple reports, each one focusing on a province. The first report will be issued later this year.

INSPECTIONS

SIGAR issued one inspection report and initiated four inspections—two of PRTs and two of infrastructure projects—during this reporting period. The inspection of the Khowst City Power System identified several issues, including a high turnover of personnel involved in reconstruction projects that has resulted in a loss of institutional knowledge about projects, inadequate quality assurance and quality control measures, and insufficient training for Afghan operators to sustain projects.

COMPLETED INSPECTIONS

Improvements to the Khowst City Power System, SIGAR Inspections 09-1

At the request of the Khowst provincial and city governments, the Khowst PRT initiated a \$1.6 million project, funded by CERP, to improve the Khowst City Power System. The PRT divided the project into two contracts. The first contract, valued at \$575,000, was to repair the existing power plant (Power Plant 1), build a second power plant (Power Plant 2), purchase and install three new 500-kW generators at Power Plant 1, and relocate an existing 400-kW generator to Power Plant 2. The second contract, valued at slightly more than \$1 million, was to expand the underground electric grid within the city of Khowst. Collectively, the two projects were to add 1.5 MW to the local grid



The three new 500-kW generators at the Khowst Power Plant as they appeared during the SIGAR inspection visit on May 16, 2009. Of these three new generators, only two are operational; the third is awaiting replacement parts. (SIGAR photo)

SIGAR OVERSIGHT

and provide increased access to power for the residents and businesses of Khowst.

SIGAR conducted the inspection in May 2009 after a preliminary site visit earlier this year raised concerns about safety and sustainability issues at Power Plant 1. SIGAR found that the expansion of the electrical distribution system had been successfully completed in compliance with the second contract. However, SIGAR identified several issues relating to the first contract that needed to be addressed. These issues concern plant safety, quality assurance, and sustainability:

- The statements of work provided to the contractors did not include internationally accepted construction codes for the contractors to follow. The PRT did not include the installation of any safety equipment, such as that needed to fight fires, in the project's statement of work.
- The contractor did not fully comply with the terms of the contract, using sub-standard building materials in some areas.
- The PRT did not provide the quality assurance needed to ensure that the contractor met the technical requirements specified in the statement of work.
- A key mechanism needed to synchronize the newly installed generators failed shortly after the project was turned over to the Afghan authorities. Unable to repair the synchronizer mechanism, the plant operator bypassed it and wired two of the generators directly to the power distribution panel. As a result, two of the generators were running constantly and one of the newly installed generators was out of commission at the time of the inspection.
- The military's rotation schedule meant that the PRT experienced a complete turnover of its military personnel every nine months. During these rotations, the PRT claimed that some records and documents were lost. Consequently, SIGAR found the PRT had a limited institutional memory about this reconstruction project.

SIGAR made the following recommendations and the PRT commander concurred with them. The PRT should:

- identify and correct the safety and technical deficiencies at the power plants
- assign qualified personnel to provide oversight of the follow-on CERP projects to correct the safety hazards and technical deficiencies of the Khowst Power System
- provide training and mentoring of local power plant management and personnel to build capacity so that long-term maintenance and sustainability of the Khowst Power System are addressed
- review its other CERP projects to determine whether it is providing adequate project oversight and adequate training and mentoring to build capacity for long-term project sustainment



A 400-kV distribution panel as rewired by Afghan plant operators at Khowst Power Plant 1. (SIGAR photo)



A rusted fuel tank resting on rocks is used as the fuel reservoir for Khowst City Power Plant 2 instead of the two new 6,000-liter fuel tanks that should have been installed in accordance with the project design. (SIGAR photo)

The PRT commander concurred with SIGAR's findings and recommendations and said the PRT had procured additional CERP funding to address deficiencies in the Khowst City Power System.

CURRENT INSPECTIONS

Operations and Management Inspections of the Provincial Reconstruction Teams

SIGAR has initiated a program of inspections of the management and operational capabilities in Afghanistan. The PRTs' principal mission is to strengthen local governance and foster economic development; they play a key role in the international effort to stabilize Afghanistan. They also help coordinate the reconstruction effort in the provinces, not only between U.S. agencies but also with the international community and the local Afghan authorities. Of the 26 PRTs, 12 are led by the United States and 14 are led by other countries that are also part of the International Security Assistance Force (ISAF). SIGAR has conducted one PRT inspection and will issue a report during the next quarter. It has begun a second PRT inspection and plans to complete two others in 2009.

These inspections seek to determine whether the PRT is:

- staffed at levels that allow it to conduct its mission
- staffed with inter-agency representation at appropriate levels of seniority and experience
- appropriately equipped, resourced, and trained to accomplish its mission
- coordinating reconstruction efforts with inter-agency partners, Afghan authorities, and other stakeholders
- executing the U.S. government's quality assurance program for projects for which the PRT is responsible
- creating and maintaining appropriate files and documentation for projects for which it is responsible
- complying with established guidelines, procedures, and policies required to ensure an effective handover and transfer of tasks to successive PRT staff

Operations and Management Inspection of the Farah PRT

SIGAR began its series of inspections of the operations and management of the PRTs throughout Afghanistan in Farah, a western province that borders Iran. SIGAR selected the Farah PRT for its first inspection because of its remote location and unique command-and-control relationship with ISAF.

SIGAR sought to determine whether the PRT was adequately resourced and staffed to execute programs to improve security, foster good governance, and support economic development.

The Farah PRT was created in late 2004 and became operational in early 2005 under direct U.S. military command. Italy, a coalition partner in ISAF, assumed responsibility for the Regional Command West in 2005 and took over operational control of the PRT at that time. Administrative control of the PRT, however, remained with the U.S. military. Farah is one of two U.S.-led PRTs that reports to a non-U.S. command.

The Farah PRT, unlike other PRTs, also has been assigned a number of tasks not related to reconstruction. They include managing an isolated forward operating base (FOB) and local airfield, as well as administering a large area that houses numerous agencies and organizations that are not under the control of the PRT. Only 15% of the more than 600 residents on the base fall under the authority of the PRT commander. SIGAR will issue this report during the next quarter.

Operations and Management Inspection of the Parwan-Kapisa PRT

SIGAR has commenced an inspection of management aspects of the Parwan-Kapisa PRT, which is located at the Bagram Air Base. The report will be completed later this year.

INFRASTRUCTURE INSPECTIONS

While in Farah Province, SIGAR conducted two inspections of U.S.-funded infrastructure projects and will issue final reports during the next quarter. The first is a \$1.75 million CERP project to build a bridge (the Tojg Bridge) across the Farah River at a crossing point about 37 miles southwest of the city of Farah. SIGAR is assessing whether the project, which began in September 2007 and is about 30% complete, is being built to contract specifications.

The second inspection is of a joint project implemented by the Farah PRT and USAID to refurbish broadcast facilities to expand the coverage of Radio Television Afghanistan, the state-run media organization. The PRT used CERP funds to repair the facilities and USAID funds to rebuild the transmission towers. A complete report assessing whether the project fulfilled the terms of the contract, functions as intended, and is sustainable will be issued next quarter.

PLANNED INSPECTIONS

SIGAR has notified USAID that it will inspect the \$259 million Kabul Power Plant. This USAID-funded project was designed to build a power plant and switching station that could deliver 105 MW of power to the people of Kabul. USAID reports that it has obligated \$237 million to date. The GIRoA has provided \$20 million for this project.¹¹

SIGAR will review the documents used to establish the requirements for U.S. funding of the Kabul Power Plant, all relevant contracts, statements of work, and task orders, as well as the contractor's quality control records and the U.S. government's quality assurance records.

SIGAR is planning two other infrastructure inspections, one of an ANP training center and the other of a hydroelectric power plant.

THE SIGAR HOTLINE

The SIGAR hotlines in Afghanistan and the United States received 30 calls reporting issues and complaints during this reporting period. SIGAR evaluates each call that concerns reconstruction activities in Afghanistan. Of these, SIGAR has referred three complaints to other agencies for investigation.

SIGAR has launched a media campaign to inform people in Afghanistan about its hotline/complaints reporting service. SIGAR distributed about 1,500 posters in English, Dari, and Pashtu to Afghan government offices, international organizations, PRT commanders, and USFOR-A. Radio Free Afghanistan, the Armed Forces Network, and Voice of America ran public service announcements about the hotline in English, Dari, and Pashtu. In addition, the Inspector General discussed the hotline in his interviews with Afghan media during his recent trip to Afghanistan.

INVESTIGATIONS

During this reporting period, SIGAR initiated preliminary inquiries into 23 allegations of fraud, waste, and abuse related to Afghanistan reconstruction activities. The areas of inquiry include possible shipping fraud, weapons accountability, fuel procurements, and heavy-equipment leases. SIGAR investigators are also evaluating allegations of contractor misconduct, including false claims and overpayments.

Remedies for resolving cases involving fraud, waste, and abuse include not only criminal and civil prosecution but also administrative actions (federal procurement contract remedies and suspensions/debarments). The Department of Justice (DoJ) has directed prosecutors to consider all remedies. SIGAR has met with the DoJ Civil Attorney and the Army's Procurement Fraud Branch to ensure civil remedies and suspension and debarment actions are considered and pursued to the maximum extent possible in appropriate cases.

THE INTERNATIONAL CONTRACT CORRUPTION TASK FORCE (ICCTF)

SIGAR investigators are working closely with the ICCTF, the principal organization coordinating federal cases that involve contract fraud and corruption related to U.S. government spending in Southwest Asia. As of June 30, 2009, the ICCTF had 25 open "Afghanistan Procurement Fraud" cases. Five of these were initiated in 2009.

The ICCTF reports to the International Sub-Committee of DoJ's National Procurement Fraud Task Force. Other members of the ICCTF are:

- Federal Bureau of Investigation (FBI)
- DoD DCIS
- U.S. Army Criminal Investigation Command's (CID) Major Procurement Fraud Unit
- Naval Criminal Investigative Service (NCIS)
- Air Force Office of Special Investigations (AFOSI)
- DoS, Office of the Inspector General (DoS OIG)
- USAID OIG
- Special Inspector General for Iraq Reconstruction (SIGIR)

In Afghanistan, the ICCTF has offices in Kabul, Bagram, and Kandahar. Each member of the ICCTF deploys agents to these combined offices to work jointly on investigations in Afghanistan. In addition to doing casework, the

SIGAR OVERSIGHT

agents are also conducting fraud awareness briefings and risk assessments. The ICCTF enables the investigative agencies to share their respective expertise, leverage their resources, and minimize duplication of effort, not only in Afghanistan but throughout the world.

During this reporting period, SIGAR worked with colleagues in the ICCTF on cases involving fraud and corruption. These cases are at various stages of investigation and prosecution. For example:

- In cooperation with military authorities, SIGAR investigated allegations that an active-duty soldier had accepted bribes for directing reconstruction contracts. This case has been referred to the Army Staff Judge Advocate. A courts martial prosecution under the Uniform Code of Military Justice may result.
- SIGAR is reviewing complaints concerning an Afghan government official allegedly involved in influence-peddling.

Afghanistan reconstruction cases currently being prosecuted include:

- Two DoD contractors and their company were charged variously with bribery and conspiracy related to U.S. Army Corps of Engineers contracts. The case is being investigated by the ICCTF and prosecuted by DoJ's Antitrust Division. The indictment was filed on May 6, 2009. Trial is scheduled for September 2009.
- DoJ's Criminal Division Fraud Section is prosecuting a case emanating from the Rehabilitation of Economic Facilities Program, in which a security contractor is charged with submitting inflated expenses to the prime contractor which, ultimately, were submitted to the U.S. government. USAID is the lead investigative agency. Trial is set for September 2009.

SIGAR BUDGET

The Supplemental Appropriation for FY 2009 (P.L. 111-32), signed by the U.S. president in June, provided \$7.2 million to SIGAR over two years to address the organization's budget shortfall. SIGAR had submitted a request for this amount to the Office of Management and Budget to be included in the supplemental appropriation. With the additional funding, SIGAR's budget for FY 2009 totals \$23.2 million. The supplemental funding allows SIGAR to hire an additional 25 full-time equivalents (FTEs) as well as locally employed staff (interpreters). This staff is critical to SIGAR's mission to conduct independent audits, inspections, and investigations of the reconstruction program in Afghanistan. See Table 2.1 for a SIGAR funding summary.

SIGAR STAFF

Since its last quarterly report to Congress, SIGAR has significantly enhanced its capacity to conduct oversight, increasing the number of federal employees on its staff from 32 to 44.¹² SIGAR expects to hire an additional three auditors, one inspector, two investigators, and one information technology manager by the end of August 2009.

TABLE 2.1


SIGAR FUNDING SUMMARY (\$ MILLIONS)						
Appropriation	Public Law	Appropriated	Made Available	Expires	Amount	
Supplemental Appropriations for Fiscal Year 2008, HR2642	P.L. 110-252	6/30/2008	6/30/2008	9/30/2009	\$2.0	
Supplemental Appropriations for Fiscal Year 2008, HR2642	P.L. 110-252	6/30/2008	10/1/2008	9/30/2009	\$5.0	
Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009	P.L. 110-329	9/30/2008	9/30/2008	9/30/2010	\$9.0	
Supplemental Appropriations for Fiscal Year 2009, HR2346	P.L. 111-32	6/24/2009	6/24/2009	9/30/2010	\$7.2	
TOTAL					\$23.2	

Kunar Construction Center Graduates

Graduates of the Kunar Construction Center (funded jointly by USAID and CERP) in eastern Afghanistan received formal vocational training in carpentry, masonry, electrical work, and painting. (USAID photo)

3 RECONSTRUCTION UPDATE





“As an Afghan-owned blueprint for the development of Afghanistan in all spheres of human endeavor, the ANDS will serve as our nation’s...roadmap for the long-desired objective of Afghanization, as we transition towards less reliance on aid and an increase in self-sustaining economic growth.”

—*Afghan President Hamid Karzai, describing the Afghanistan National Development Strategy*¹³

RECONSTRUCTION UPDATE

Since 2002, the United States has provided over \$38 billion for the reconstruction of Afghanistan. Two strategies—the Afghanistan National Development Strategy (ANDS) and the new U.S. strategy for Afghanistan—provide the framework for the U.S. reconstruction effort. The ANDS, developed in consultation with the international community, establishes benchmarks under three reconstruction pillars: security; governance, rule of law, and human rights; and economic and social development. In addition, the ANDS identifies six issues—regional cooperation, counter-narcotics, anticorruption, gender equality, capacity development, and environment—that cut across all three pillars. The Government of the Islamic Republic of Afghanistan (GIROA) adopted the ANDS in 2008, and the United States is committed to helping Afghanistan achieve the ANDS objectives.

This section provides an update on the status of U.S. and international funding for the reconstruction of Afghanistan, as well as an update on reconstruction efforts made under each of the three pillars. The sub-section on funding examines how funds set aside for reconstruction have been apportioned among U.S. implementing agencies then describes activities under each of the three pillars of



The construction of Jurm School, a USAID-funded school construction project, has created jobs for Afghan men. (USAID photo, Ben Barber)

the ANDS. The sub-section on security focuses on U.S. efforts to train the Afghan National Security Forces (ANSF). The sub-section on governance, rule of law, and human rights sets the stage for the upcoming presidential and provincial council elections and describes anticorruption efforts. The last sub-section, which describes the activities undertaken to promote economic and social development, includes an update on counter-narcotic efforts.

The information presented in this section incorporates U.S. government agencies' data and information, official reports, congressional testimony, and other public sources. SIGAR has not independently verified the data. All sources are identified in the endnotes.

THE AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)

GIRoA adopted the ANDS in 2008, after two years of consultations with a broad range of Afghans as well as with the international community. Building on the 2006 Afghanistan Compact, the ANDS describes reconstruction objectives under three pillars—security; governance, rule of law, and human rights; and economic and social development—and establishes benchmarks for achieving the goals. It also identifies six cross-cutting issues—regional cooperation, counter-narcotics, anticorruption, gender equality, capacity building, and environmental management—that need to be addressed as part of the overall development strategy.

The ANDS establishes priorities for five years (2008–2013) in the three pillars, described below. Figure 3.1 will be used to highlight the pillars and cross-cutting issues throughout this section.

Security

The primary goal is to stabilize, with the help of the International Security Assistance Force (ISAF), all regions of the country and increase the capability of the ANSF to provide for Afghanistan's security by 2010. This includes expanding the ANSF—the Afghan National Army (ANA) and Afghan National Police (ANP)—and ensuring that they represent and are accountable to the people of Afghanistan. In addition, the GIRoA seeks to strengthen its law-enforcement capacity at both the central and provincial levels, increase its coordination and intelligence-sharing with neighbors to reduce narcotic trafficking, and clear 70% of the area contaminated by land mines and unexploded ordnance.

Governance, Rule of Law, and Human Rights

The ANDS emphasizes strengthening government institutions at the central and sub-national levels to improve the delivery of public services and protect the rights of all citizens. The long list of goals in this pillar includes reforming the

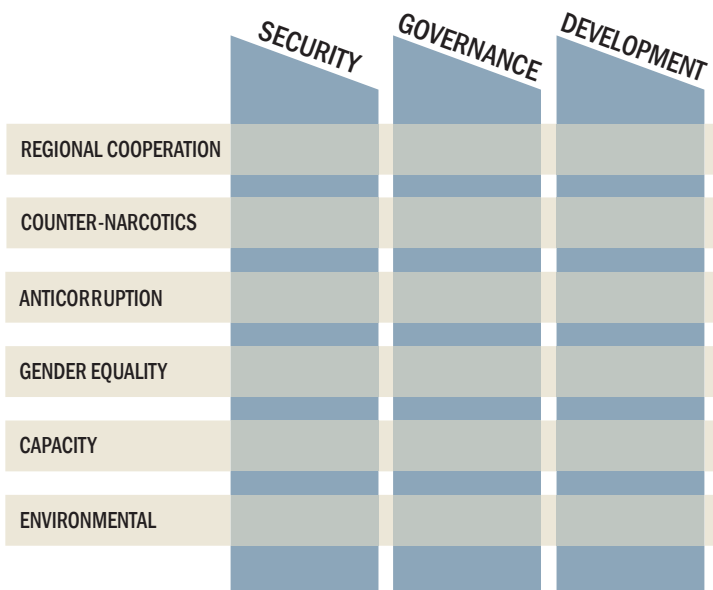
justice sector and restructuring the civil service to ensure a fiscally sustainable public administration. It also puts a high priority on developing the capacity of the Afghanistan Independent Electoral Commission (IEC) to conduct elections, implementing a national plan to expand female participation in governance, reforming oversight procedures to prevent corruption, and repairing courts and prisons.

Economic and Social Development

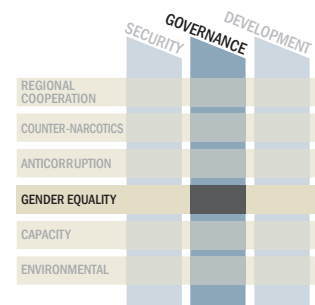
The ANDS goal is to reduce poverty by expanding the private sector while progressively eliminating the criminal economy. Private sector growth depends on expanding the country's infrastructure in the critical areas of electricity, transportation, and water management. At the same time, the ANDS calls for training and education programs to build capacity in both the public and private sectors.

FIGURE 3.1

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)



Graphic Symbol: The graphic below represents the three pillars of the ANDS and the six cross-cutting issues affecting them. Throughout this section, the pillar or cross-cutting issue under discussion is highlighted in the margins.



“The ability to implement the projects and programs included in the ANDS depends upon the resources that will be available.”

—*Afghanistan National
Development Strategy*

STATUS OF FUNDS

STATUS OF FUNDS

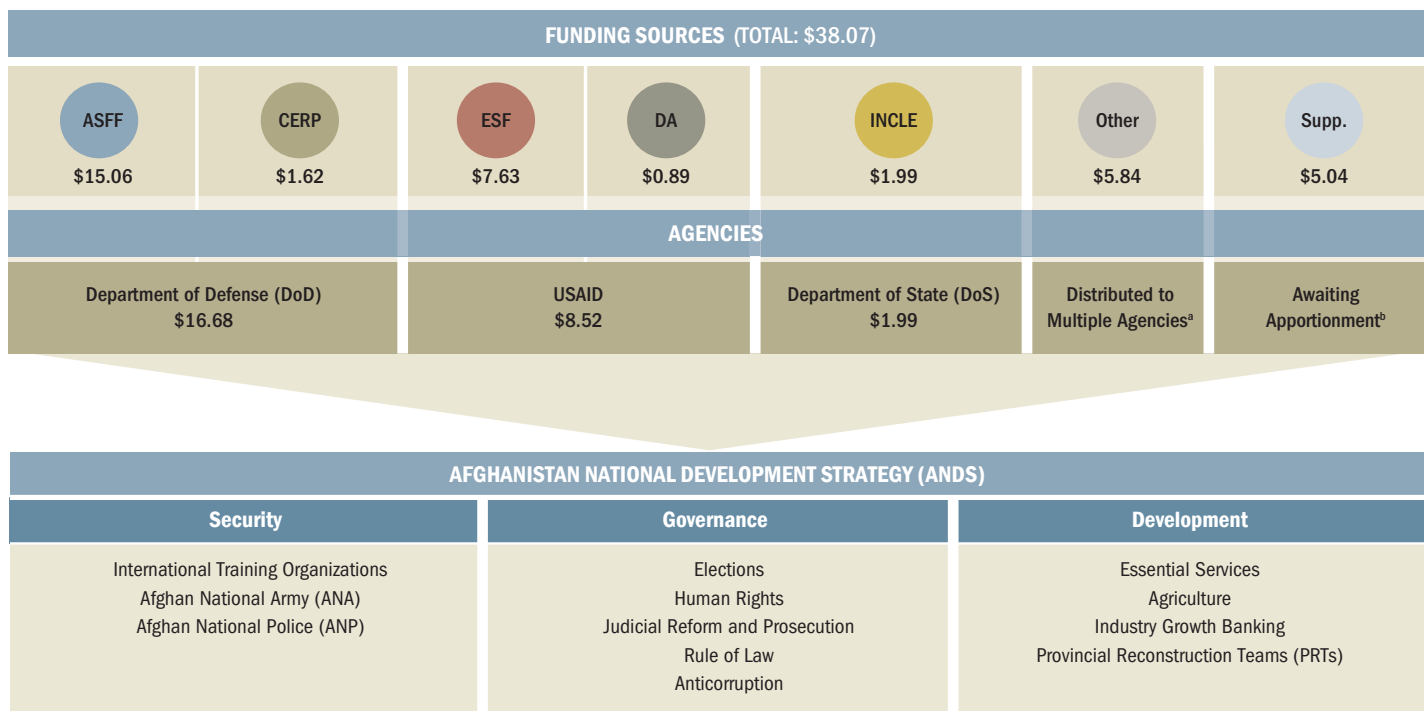
On June 24, 2009, the President of the United States signed the FY 2009 Supplemental Appropriations Act, providing an additional \$5.04 billion for the reconstruction of Afghanistan, including \$3.6 billion for the Afghan security forces.¹⁴ Including this recent appropriation, the United States has provided approximately \$38 billion in relief and reconstruction assistance to Afghanistan.

U.S. RECONSTRUCTION FUNDING FOR AFGHANISTAN

Since the United States and its partners overthrew the Taliban in 2001, the U.S. Congress has passed several major appropriation bills to finance efforts to rebuild Afghanistan. The Office of Management and Budget (OMB) has apportioned the money to several agencies that are responsible for implementing U.S. reconstruction efforts in Afghanistan. Figure 3.2 provides an overview of the major U.S. funds contributing to Afghanistan reconstruction efforts.

FIGURE 3.2

U.S. FUNDS SUPPORTING AFGHANISTAN RECONSTRUCTION EFFORTS (\$ BILLIONS)



Note: Numbers affected by rounding. ^a DoJ, DoD, DoS, U.S. Treasury, USDA, USAID, and other agencies. ^b Supplemental passed as of 6/24/2009.

Sources: DoD, responses to SIGAR data call, 7/10/2009 and 7/13/2009. USAID, response to SIGAR data call, 7/9/2009. DoS, response to SIGAR data call, 7/2/2009. DoJ/DEA, response to SIGAR data call, 7/8/2009. DoS, responses to SIGAR data call, 7/10/2009 and 7/13/2009. USDA, response to SIGAR data call, 4/7/2009. OMB, responses to SIGAR data call, 9/30/2008 and 7/16/2009.

STATUS OF FUNDS

● **Afghanistan Security Forces Fund (ASFF): \$15.06 billion¹⁵**

Administered by the Department of Defense (DoD), the ASFF provides support for the training and equipping of the Afghan National Security Forces (ANSF).¹⁶

● **Commander’s Emergency Response Program (CERP): \$1.62 billion¹⁷**

Administered by DoD, CERP funds enable local U.S. commanders in Afghanistan (and Iraq) to support programs and projects that provide assistance at a local level.¹⁸

● **Economic Support Fund (ESF): \$7.63 billion¹⁹**

Administered by the U.S. Agency for International Development (USAID), the ESF provides the largest amount of U.S. assistance for democracy and capacity-building programs in Afghanistan.²⁰

● **Development Assistance (DA): \$0.89 billion²¹**

Managed by USAID, DA programs support economic progress and social stability in developing countries.²²

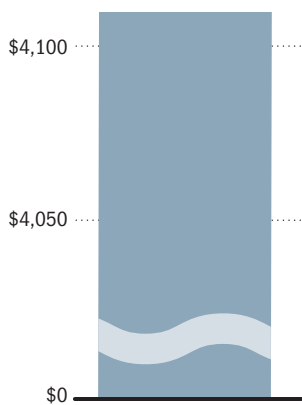
● **International Narcotics Control and Law Enforcement Fund (INCLE): \$1.99 billion²³**

Managed by the Department of State (DoS) Bureau of International Narcotics and Law Enforcement (INL), INCLE and other INL-managed funds focus primarily on supporting law enforcement and counter-narcotics programs.²⁴

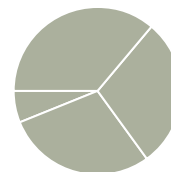
● **Other Funding: \$5.84 billion²⁵**

Additional reconstruction funding is managed by DoD, DoS (including INL), USAID, and the Department of Justice (DoJ) Drug Enforcement Agency (DEA).²⁶

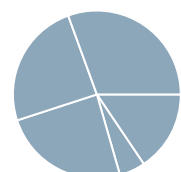
Graphic Symbol: This report deals with many funds and projects ranging from millions to billions of dollars. To provide an accurate graphical representation of these numbers, some bar graphs appear with a break (a wavy line) to indicate a jump between zero and a higher number.



Graphic Symbol: Because this report details funding in both millions and billions of dollars, it uses a visual cue to distinguish the two units. Dollars reported in millions are represented in brown, and dollars reported in billions are depicted in blue.



Pie chart in Millions



Pie chart in Billions

AFGHANISTAN SECURITY FORCES FUND (ASFF)

The DoD Combined Security Transition Command-Afghanistan (CSTC-A) uses Afghanistan Security Forces Fund monies to provide the Afghan National Security Forces (ANSF) with equipment, training, sustainment, counter-insurgency, and infrastructure development.²⁷

Status of Funds

As of June 30, 2009, nearly all of the \$15.06 billion in funds made available for the ASFF have been obligated (\$14.90 billion). Approximately \$14.69 billion (more than 97% of funds available for the ASFF) has been disbursed.²⁸ Figure 3.3 depicts funds made available to the ASFF by fiscal year.

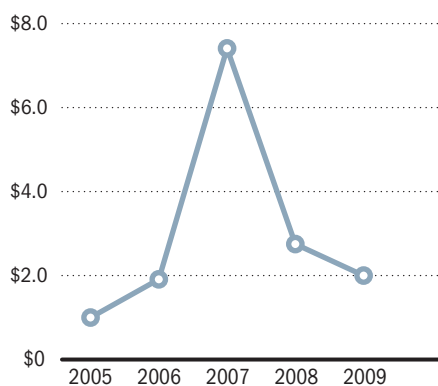
Since February 28, 2009, DoD has disbursed more than \$1.93 billion in ASFF monies, and obligated an additional \$2.07 billion.²⁹ Figure 3.4 compares the status of funds for the second quarter (as of February 28, 2009) to the status of funds for the third quarter (as of June 30, 2009).

ASFF Budget Activities

The ASFF is divided into three budget activities: defense forces, interior forces, and related activities.³⁰ As shown in Figure 3.5, a majority of the ASFF funds have been disbursed for defense forces, specifically for sustainment, infrastructure, training and operations, and equipment and transportation activities for the Afghan National Army (ANA). Similarly, the ASFF monies disbursed for interior forces support the same activity groups for the Afghan National Police (ANP).³¹

FIGURE 3.3

ASFF AVAILABLE FUNDS BY FISCAL YEAR
(\$ BILLIONS)

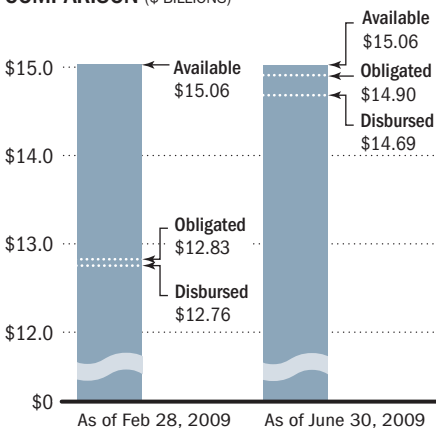


Notes: Numbers affected by rounding. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified.

Source: DoD, response to SIGAR data call, 7/10/2009.

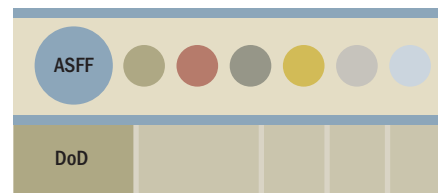
FIGURE 3.4

ASFF FUNDS, PERIOD-TO-PERIOD
COMPARISON (\$ BILLIONS)



Notes: Data may include inter-agency transfers. Numbers affected by rounding. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified.

Sources: DoD, responses to SIGAR data call, 2/28/2009 and 7/10/2009.



ASFF FUND TERMINOLOGY

DoD reported ASFF funds as available, obligated, or disbursed.³²

Available: Total monies available for commitments

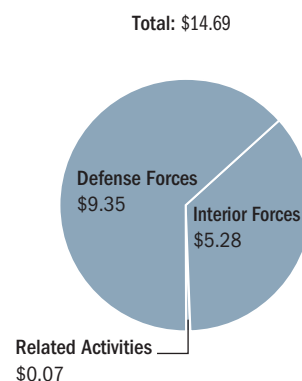
Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.5

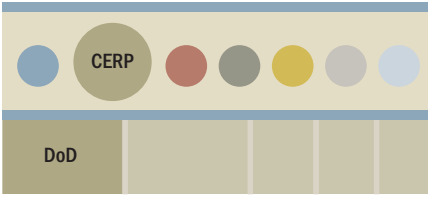
ASFF DISBURSEMENTS BY BUDGET
ACTIVITY, FY 2005-2009

(\$ BILLIONS)



Notes: Numbers affected by rounding and are as of 6/30/2009. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified.

Source: DoD, response to SIGAR data call, 7/10/2009.



CERP FUND TERMINOLOGY

DoD reported CERP funds as funded, obligated, or disbursed.³³

Funding: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

COMMANDER'S EMERGENCY RESPONSE PROGRAM (CERP)

CERP funds enable U.S. commanders in Afghanistan to respond to urgent humanitarian relief and reconstruction requirements in their areas of responsibility by supporting programs that will immediately assist the local population. CERP is intended to be used for small-scale projects under \$500,000 per project. Projects over \$2 million are permitted, but require approval from commanders, U.S. Central Command (CENTCOM), or their designees.³⁴

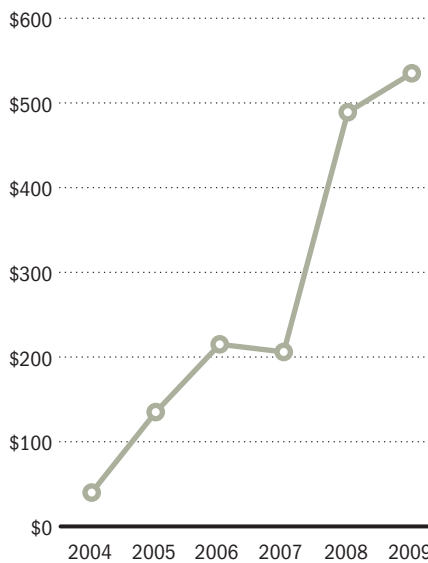
Status of Funds

Since FY 2004, CENTCOM³⁵ has funded nearly \$1.62 billion for CERP in Afghanistan, including almost \$0.54 billion in FY 2009. As of June 30, 2009, approximately \$1.45 billion in CERP funding has been obligated, and nearly \$0.81 billion (50% of funded amounts) has been disbursed.³⁶ Figure 3.6 depicts CERP funding by fiscal year.

This quarter (between April 1, 2009, and June 30, 2009), DoD disbursed nearly \$0.13 billion in CERP funds and obligated almost \$0.21 billion.³⁷ Figure 3.7 compares CERP funded, obligated, and disbursed funds for the second quarter (as of March 31, 2009) and the third quarter (as of June 30, 2009).

FIGURE 3.6

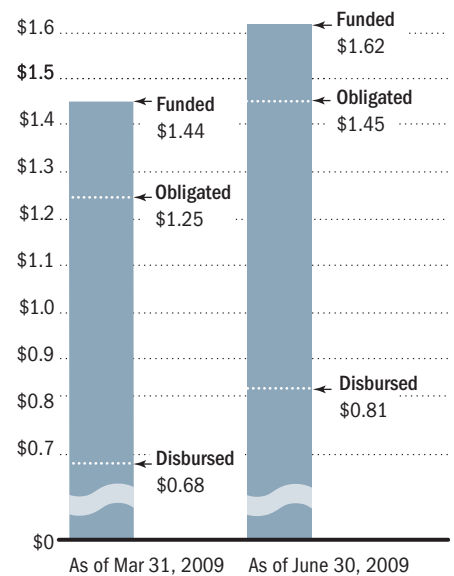
CERP FUNDING BY FISCAL YEAR
(\$ MILLIONS)



Notes: Data may include inter-agency transfers. Numbers affected by rounding. CERP funding terms (funded, obligated, disbursed) reported as provided by DoD except as specified.
Source: DoD, response to SIGAR data call, 7/13/2009.

FIGURE 3.7

CERP FUNDS, PERIOD-TO-PERIOD COMPARISON
(\$ BILLIONS)



Notes: Numbers affected by rounding. CERP funding terms (funded, obligated, disbursed) reported as provided by DoD except as specified.

Sources: DoD, responses to SIGAR data call, 7/13/2009 and 7/14/2009.

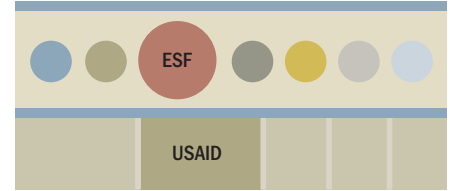
ECONOMIC SUPPORT FUND (ESF)

ESF programs advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. Programs range from supporting counter-terrorism to bolstering a nation's private sector, to assisting in the development of effective, accessible, independent legal systems for a more transparent and accountable government.³⁸

Status of Funds

Since 2002, the Congress has appropriated approximately \$7.57 billion to ESF programs for Afghanistan. Of this amount, approximately \$6.09 billion has been obligated and \$4.17 billion disbursed (nearly 55% of the appropriated amount).³⁹ Figure 3.8 shows ESF appropriations by fiscal year. Figure 3.9 shows ESF appropriations by fiscal year.

Since February 28, 2009, USAID has disbursed approximately \$454 million and obligated more than \$88 million.⁴⁰ Figure 3.9 depicts appropriations, obligations, and disbursements for ESF.



ESF FUND TERMINOLOGY

USAID reported ESF funds as appropriated, obligated, or disbursed.⁴¹

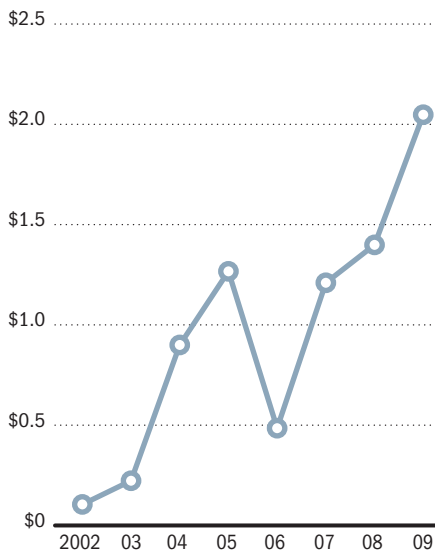
Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.8

ESF APPROPRIATIONS BY FISCAL YEAR
(\$ BILLIONS)

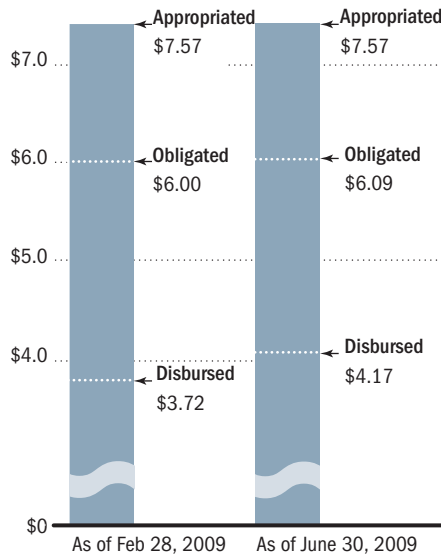


Notes: Data may include inter-agency transfers. Numbers affected by rounding. ESF funding terms (appropriated, obligated, disbursed) reported as provided by USAID except as specified.

Source: USAID, response to SIGAR data call, 7/9/2009.

FIGURE 3.9

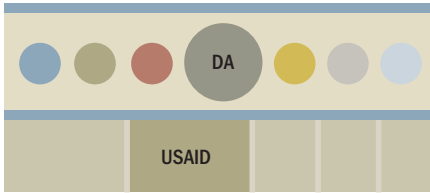
ESF FUNDS, PERIOD-TO-PERIOD COMPARISON
(\$ BILLIONS)



Notes: Data may include inter-agency transfers. Numbers affected by rounding. ESF funding terms (appropriated, obligated, disbursed) reported as provided by USAID except as specified.

Sources: USAID, responses to SIGAR data call, 2/28/2009 and 7/10/2009.

STATUS OF FUNDS



DA FUND TERMINOLOGY

USAID reported DA funds as appropriated, obligated, or disbursed.⁴²

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

DEVELOPMENT ASSISTANCE (DA)

Primarily managed by USAID, DA programs are designed to advance sustainable, broad-based economic progress and social stability in developing countries, including Afghanistan.⁴³ DA funds finance long-term projects to provide humanitarian assistance, address environmental issues, improve governance, and promote socioeconomic development.⁴⁴

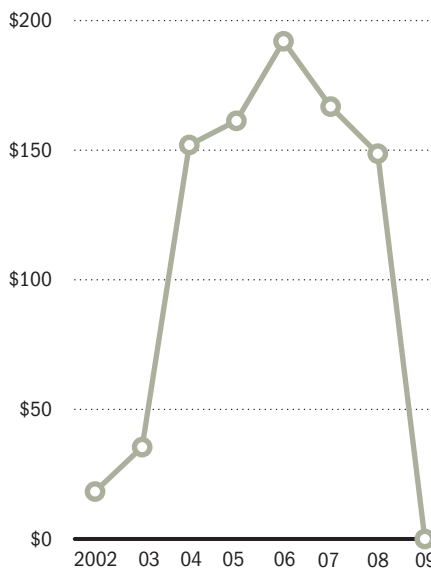
Status of Funds

As of June 30, 2009, approximately \$890 million in DA funds has been provided for Afghanistan.⁴⁵ USAID has obligated nearly \$883 million of these funds.⁴⁶ Of this amount, almost \$674 million (nearly 76% of DA funds) has been disbursed.⁴⁷ Figure 3.10 shows DA appropriations by fiscal year.

Since February 28, 2009, USAID has disbursed more than \$44 million in DA funds for Afghanistan and obligated almost \$8.6 million.⁴⁸ USAID has reported that 2008 disbursements were affected by delayed receipt of funds; the majority of funds were not released to USAID until late August and mid-September.⁴⁹ Figure 3.11 depicts appropriated, obligated, and disbursed DA funds.

FIGURE 3.10

DA APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

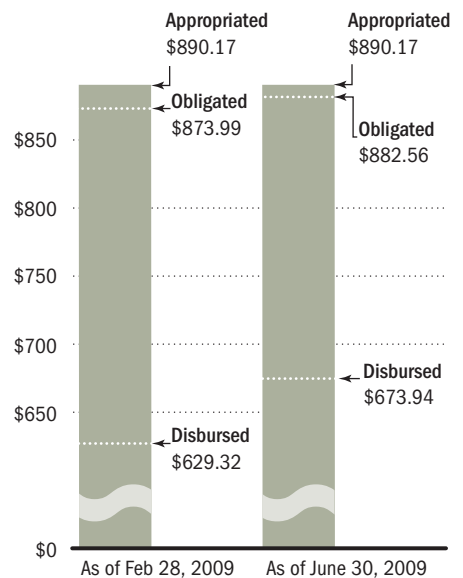


Notes: Data may include inter-agency transfers. Numbers affected by rounding. DA funding terms (appropriated, obligated, disbursed) reported as provided by USAID except as specified.

Source: USAID, response to SIGAR data call, 7/9/2009.

FIGURE 3.11

DA FUNDS, PERIOD-TO-PERIOD COMPARISON
(\$ MILLIONS)



Notes: Numbers affected by rounding. ESF funding terms (appropriated, obligated, disbursed) reported as provided by USAID except as specified.

Source: USAID, response to SIGAR data call, 7/9/2009.

STATUS OF FUNDS

BUREAU OF INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT AFFAIRS (INL)

INL is a branch of DoS responsible for overseeing projects and programs designed to combat narcotics trafficking and drug production. INL manages INCLE, which supports rule of law and interdiction; poppy eradication and demand reduction; and public information. INL also receives funding from other agencies, primarily DoD, to support counter-narcotics programs in Afghanistan.⁵⁰

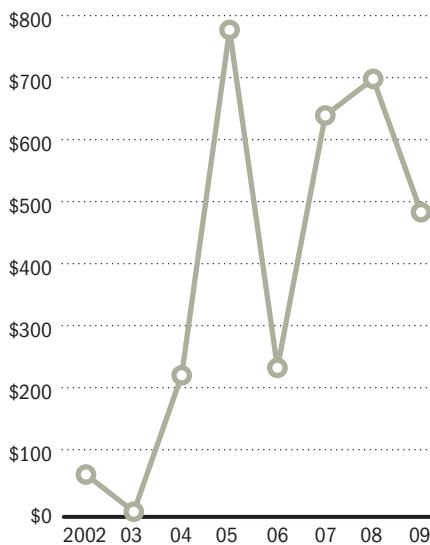
Status of Funds

As of June 30, 2009, approximately \$3.11 billion was allotted for INL programs in Afghanistan. Of this amount, INL obligated approximately \$2.88 billion and liquidated \$2.10 billion (more than 67% of funds allotted).⁵¹ Figure 3.12 shows INL allotments by fiscal year.

Since March 10, 2009, INL was allotted an additional \$270 million. During the same period, INL obligated more than \$368 million and liquidated more than \$295 million.⁵² Figure 3.13 shows allotted, obligated, and liquidated INL funds (including INCLE) for the second quarter (as of March 10, 2009) and the third quarter (as of June 30, 2009).

FIGURE 3.12

INL ALLOTMENTS BY FISCAL YEAR (\$ MILLIONS)

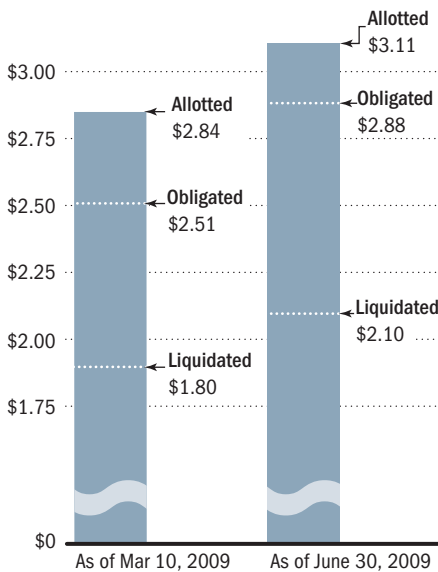


Notes: Data may include inter-agency transfers. Numbers affected by rounding. INL funding terms (allotted, obligated, liquidated) reported as provided by DoS and INL except as specified.

Sources: DoS, responses to SIGAR data call, 7/2/2009 and 7/15/2009.

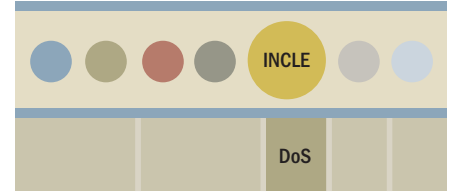
FIGURE 3.13

INL FUNDS, PERIOD-TO-PERIOD COMPARISON (\$ BILLIONS)



Notes: Numbers affected by rounding. INL funding terms (allotted, obligated, liquidated) reported as provided by DoS and INL except as specified.

Sources: DoS, responses to SIGAR data call, 7/2/2009 and 7/15/2009.



INL FUND TERMINOLOGY

INL reported INCLE and other INL funds as allotted, obligated, or liquidated.⁵³

Allotments: Total monies available for commitments

Obligations: Commitments to pay monies

Liquidations: Monies that have been expended

STATUS OF FUNDS

INL Programs

INL funds are divided into several program groups: police, counter-narcotics, rule of law/justice, and other programs. Police programs have the largest amount of liquidations (\$1,178 million or 56% of liquidations), followed by counter-narcotics programs (\$769 million or nearly 37% of liquidations).⁵⁴

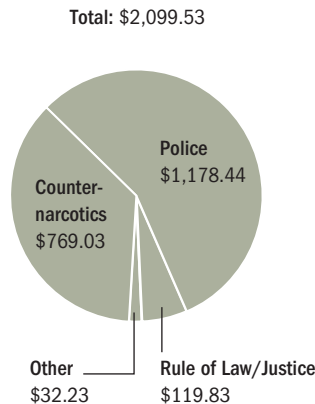
Figure 3.14 shows liquidations by program for INL (including INCLE).

INCLE

The majority of INCLE funds are used to support police, counter-narcotics, and rule of law and justice programs. As of June 30, 2009, approximately \$1.99 billion has been allotted to INCLE, almost \$1.78 billion has been obligated and nearly \$1.48 billion has been liquidated.⁵⁵

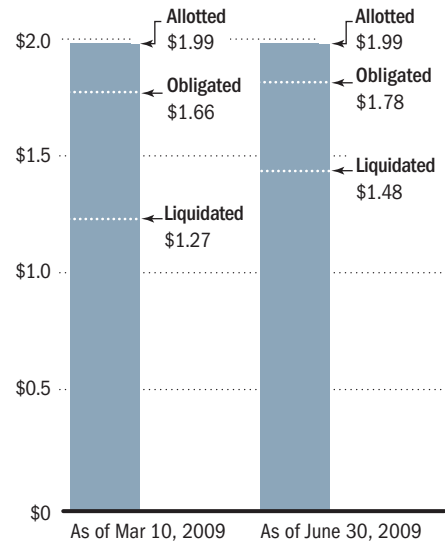
Figure 3.15 depicts INCLE allotments, obligations, and liquidations for the second quarter (as of March 10, 2009) and for the third quarter (as of June 30, 2009).

FIGURE 3.14
TOTAL INL LIQUIDATIONS BY PROGRAM,
FY 2002-2009 (\$ MILLIONS)



Notes: Data may include inter-agency transfers. Numbers affected by rounding. INL funding terms (allotted, obligated, liquidated) reported as provided by DoS and INL except as specified.
Source: DoS, response to SIGAR data call, 7/14/2009.

FIGURE 3.15
INCLE FUNDS, PERIOD-TO-PERIOD
COMPARISON (\$ BILLIONS)



Notes: Data may include inter-agency transfers. Numbers affected by rounding. INL funding terms (allotted, obligated, liquidated) reported as provided by DoS and INL except as specified.
Sources: DoS, responses to SIGAR data call, 3/19/2009 and 7/10/2009.

GOVERNMENT OF AFGHANISTAN FUNDS

The Government of the Islamic Republic of Afghanistan (GIROA) also provides funds for reconstruction efforts, in addition to its operating expenses. The GIROA Ministry of Finance (MOF) is responsible for the management and execution of the budget, which includes Afghan funds for reconstruction efforts.⁵⁶ MOF also is accountable for international funds when they are routed through government ministries. USAID reported that the GIROA faces challenges in its financial management, particularly anticorruption performance, procurement systems, and budget execution rates.⁵⁷

Domestic Budget and Budget Execution

The GIROA budget for 2008–2009 is an estimated \$7.3 billion. The budget is broken into two categories: the \$2.4 billion core budget (including operating and development budgets) and the \$4.9 billion external budget.⁵⁸ Figure 3.16 provides a breakdown of GIROA budget amounts.

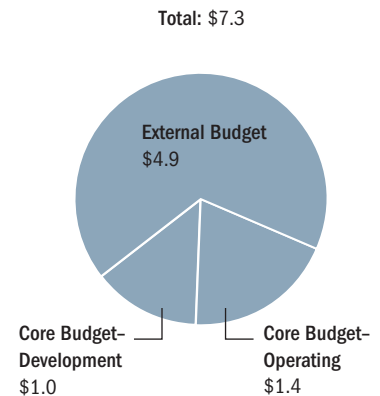
- **Core Budget - Operating**—The GIROA has provided \$1.4 billion for its operating budget, composed primarily of recurrent costs, such as government salaries. Budget execution for this section of the GIROA budget has reached 100%.⁵⁹
- **Core Budget - Development**—The GIROA also budgeted \$1 billion for development in the areas of governance, infrastructure, agriculture, economic reform, and private sector development. The GIROA currently executes approximately 50% of its development budget each year. According to the U.S. Treasury (Treasury), the GIROA has trouble executing its development budget because of low capacity in the ministries and continuing security challenges.⁶⁰
- **External Budget**—For FY 2009, Afghanistan’s external budget was approximately \$4.9 billion. The GIROA’s external budget is composed primarily of security expenses, though some development funding is included. Afghanistan’s entire external budget is dependent on international assistance.⁶¹

Domestic Revenue

For 2008–2009, Treasury reported Afghanistan’s revenue as approximately \$978 million—nearly 41% of its \$2.4 billion core budget.⁶² Figure 3.17 depicts the sources of domestic revenue for the GIROA. Treasury reported that the GIROA relies on external revenue to fund almost 60% of its core budget, plus its entire external budget.⁶³

FIGURE 3.16

GIROA BUDGET, 2008–2009 (\$ BILLIONS)

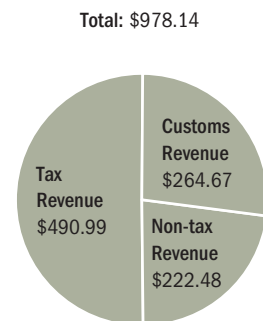


Note: Numbers affected by rounding.

Source: U.S. Treasury, response to SIGAR data call, 7/9/2009.

FIGURE 3.17

GIROA DOMESTIC REVENUE, 2008–2009 (\$ MILLIONS)



Note: Numbers affected by rounding.

Source: U.S. Treasury, response to SIGAR data call, 7/9/2009.

STATUS OF FUNDS

Blocked Funds

During Taliban rule (prior to December 31, 2001), \$264 million was blocked or frozen in U.S. bank accounts pursuant to sanctions against the Taliban; this represents the valuation of 703,000 ounces of gold held by the Central Bank of Afghanistan with the U.S. Federal Reserve, according to Treasury. Following the U.S.-led military campaign, the Afghan Interim Authority established control over Afghanistan. The United States returned blocked Taliban assets to the Afghan Interim Authority between February and April 2002. Treasury reported that funds were not vested by the U.S. government.⁶⁴

INTERNATIONAL DONORS

At the Paris Conference in June 2008, Afghanistan presented the ANDS and requested \$50.1 billion over five years to support the ANDS initiatives. The \$50.1 billion included \$14 billion to improve infrastructure, \$14 billion to build the ANSF, \$4.5 billion for agriculture and rural development, and additional funding for other programs.⁶⁵

The international community pledged approximately \$21 billion, less than half of the requested amount. The donors cited a relative lack of transparency in the GIROA as the main reason for lower donations.⁶⁶

According to Treasury, the \$21 billion international pledge represents a significant sum considering the GIROA's capacity to absorb funding and execute projects. Treasury recommends an increased focus on effective and efficient expenditure of the money currently pledged to Afghanistan before further funding is solicited.⁶⁷

Afghanistan Reconstruction Trust Fund

In addition to Paris Conference pledges, the international community contributes monies to international institutions and trust funds that manage reconstruction programs in Afghanistan.⁶⁸

For example, the World Bank manages the Afghanistan Reconstruction Trust Fund (ARTF). Between March 22, 2008, and March 21, 2009, 19 international countries pledged \$627 million to Afghanistan reconstruction efforts through the fund; a similar amount was pledged between March 22, 2007, and March 21, 2008. Since its inception in 2002, international donors have contributed approximately \$3 billion to the ARTF.⁶⁹ Table 3.1 depicts funding pledges to the ARTF between March 22, 2008, and March 21, 2009.

STATUS OF FUNDS

TABLE 3.1

CONTRIBUTIONS TO THE ARTF (MARCH 22, 2008–MARCH 21, 2009) (\$ MILLIONS)		
Main Contributors	Total Pledges	Paid Funds as of May 2009
United States	\$151.50	\$1.50
United Kingdom	\$100.24	\$0.00
Netherlands	\$50.15	\$0.00
Canada	\$45.69	\$16.34
Norway	\$43.30	\$11.32
Germany	\$34.47	\$0.00
Spain	\$34.47	\$0.00
Sweden	\$17.11	\$0.00
European Commission/European Union	\$16.81	\$0.00
Australia	\$14.99	\$14.99
Others	\$17.45	\$0.00
Total	\$526.18	\$44.15

Source: World Bank, "ARTF: Administrator's Report on Financial Status," 5/21/2009.

“Security in all parts
of the country is essential for
effective governance, private
sector development, economic
growth, poverty reduction,
and the safeguarding of
individual liberty.”

—*Afghanistan National
Development Strategy*

SECURITY

FUNDING SUMMARY

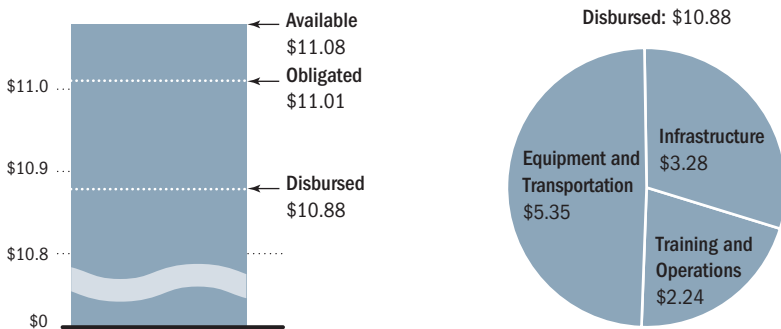
The U.S. Department of Defense (DoD) reported that of the \$15.06 billion available for the Afghanistan Security Forces Fund (ASFF) between FY 2005 and June 30, 2009, \$11.08 billion has been made available for training and operations, infrastructure, and equipment and transportation for the Afghan National Security Forces (ANSF), which comprises the Afghan National Army (ANA) and the Afghan National Police (ANP).⁷⁰ This sum represents roughly 33.6% of the \$33.03 billion in U.S. reconstruction funds made available for Afghanistan.⁷¹ During the same period, \$11.01 billion has been obligated and \$10.88 billion has been disbursed for the ANSF. More than 49% was disbursed for equipment and transportation, while the remaining available funds were split, with 30.2% going to infrastructure and 20.6% going to training and operations.⁷² See Figure 3.18 for details on the status of ASFF funds for ANSF training and operations, infrastructure, and equipment and transportation.

DoD-Funded Contracts

DoD reported that a total of \$1.91 billion has been expended during the period from January 1 through June 30, 2009, against \$4.28 billion obligated under active U.S.-funded contracts in Afghanistan.⁷³ These contracts funded projects including construction, foreign military sales, operation and maintenance, the ANA, and the ANP. See Figure 3.19 for additional details on contract obligations and expenditures.

FIGURE 3.18

STATUS OF ASFF FUNDS FOR ANSF TRAINING AND OPERATIONS, INFRASTRUCTURE, AND EQUIPMENT AND TRANSPORTATION, FY 2005–2009 (\$ BILLIONS)



Notes: Numbers affected by rounding and are as of June 30, 2009. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified.
Source: DoD, response to SIGAR data call, 7/10/2009.

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)

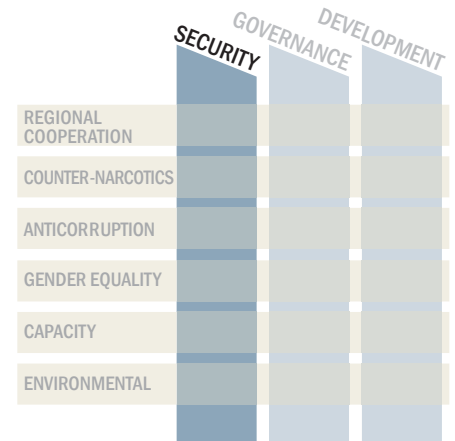
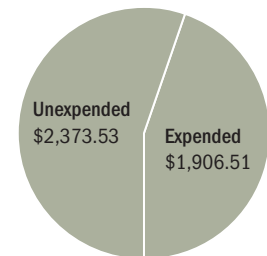


FIGURE 3.19

CSTC-A CONTRACT OBLIGATIONS AND EXPENDITURES, JANUARY 1–JUNE 30, 2009 (\$ MILLIONS)

Total Obligations: \$4,280.04



Notes: Numbers affected by rounding. Unexpended obligations may include unreported expenditures.
Source: CSTC-A, response to SIGAR data call, 7/1/2009.

“There can be no government without an army, no army without money, no money without prosperity, and no prosperity without justice and good administration.”

—*Ibn Qutayba, notable 9th-century Islamic scholar; reflecting on the importance of security to the prosperity and development of a country*⁷⁴

Programs

Approximately \$1.94 billion in contract awards has been obligated for the ANA. Of this amount, \$199.80 million has been obligated for ANA operations and maintenance programs. The ANA received approximately 45.4% of the total reported contract obligations. In comparison, \$1.42 billion in contract awards has been obligated for the ANP, representing 33% of total reported contract obligations.⁷⁵ See Figure 3.20 for additional details on contract obligations by program.

Contract Types

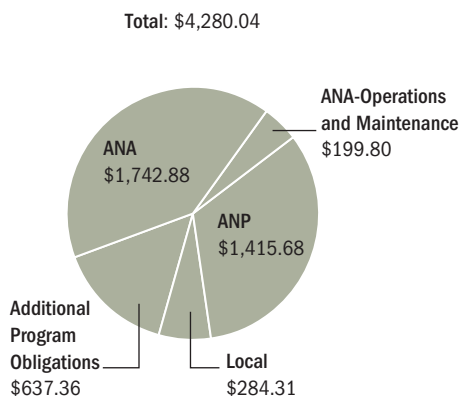
Approximately \$1.47 billion in contract awards has been obligated for construction contracts, representing 34.4% of total reported contract awards. The next largest category, not including “Additional Program Obligations,” was foreign military sales, which accounted for \$419.46 million, or 9.8%, of the total reported contract awards. See Figure 3.21 for additional details on contract obligations by contract type.⁷⁶

TRAINING THE ANSF

Security is a prerequisite for stability and development in Afghanistan. Training the ANSF to provide this security is a top priority for the United States.⁷⁷ This section focuses on the U.S. efforts to train and equip the ANSF.

FIGURE 3.20

CSTC-A CONTRACT OBLIGATIONS BY PROGRAM, JANUARY 1–JUNE 30, 2009
(\$ MILLIONS)



Notes: Numbers affected by rounding. Additional Program Obligations represents obligations for 1-story and 2-story programs and obligations for which a program type was not provided.

Source: CSTC-A, response to SIGAR data call, 7/1/2009.

FIGURE 3.21

CSTC-A CONTRACT OBLIGATIONS BY CONTRACT TYPE, JANUARY 1–JUNE 30, 2009
(\$ MILLIONS)



Notes: Numbers affected by rounding. “Contract type” represents the data call category “Fund Type/Type Contract.” O&M includes “FMS, O&M” and “O&M OBAN GWOT.” Additional contract obligations represents obligations for which a contract type was not provided.

Source: CSTC-A, response to SIGAR data call, 7/1/2009.

Background

In December 2001, participants at the United Nations (UN) Talks on Afghanistan (the Bonn Conference) committed to helping the Government of the Islamic Republic of Afghanistan (GIROA) establish and train a new Afghan security force.⁷⁸ In early 2006, the GIROA and the international community met during the London Conference on Afghanistan and agreed to continue the efforts of the North Atlantic Treaty Organization–led (NATO) **International Security Assistance Force (ISAF)** and the U.S.-led **Operation Enduring Freedom (OEF)** to develop a fully functional ANA and ANP.⁷⁹ The Afghanistan Compact also specified several benchmarks and timelines for achieving security goals. These benchmarks became the basis for security targets of the ANDS.⁸⁰ These original ANDS targets are summarized in Table 3.2. The GIROA has made progress toward these goals and updated the targets to reflect changing conditions. For example, as of May 2009, the target ANA force size was 134,000 troops by December 2011, compared with 80,000 troops by the end of 2010, as specified in the original ANDS.⁸¹ In addition, on March 27, 2009, the President of the United States announced a new strategy for Afghanistan. According to the President, this strategy includes increasing U.S. military forces in Afghanistan and shifting the emphasis of the U.S. mission to training and increasing the size of the ANSF.⁸²

International Security Assistance Force (ISAF):

An international coalition formed as a result of the Bonn Conference and designed to assist the GIROA in securing and rebuilding Afghanistan⁸³

Operation Enduring Freedom (OEF):

The U.S.-led operation conducting counter-terrorism combat missions and training the ANSF⁸⁴

TABLE 3.2

ANDS PILLAR I: SECURITY		
Projected Date	Target	Description
End 2010	Afghan National Army	The ANA will achieve and surpass a milestone of 80,000 troops (plus 6,600 in training), and it will ensure that 75% of field battalions and brigades are capable of conducting independent operations (with the addition of some external enablers and air support).
	Removing Unexploded Ordnance	The land area contaminated by mines and unexploded ordnance will be reduced by 70%.
3/20/2011	Disarmament of Illegal Armed Groups	All illegal armed groups will be disbanded in all provinces.
2012	Removing Unexploded Ordnance	Ninety percent of all known areas contaminated by mines and explosive remnants of war will be cleared.
2013	Removing Unexploded Ordnance	All emplaced anti-personnel mines will be cleared.
	Counter-narcotics	By 2013, areas under poppy cultivation will be reduced by half compared with 2007 levels.
End 2013	Afghan National Police	The Ministry of Interior will achieve a target strength of 82,180 professional policemen (including Afghan Border Police).

Notes: This table summarizes the information in the ANDS. Please see the ANDS in Appendix J of the October 2008 SIGAR Quarterly Report for additional details. These original targets have been provided for historical context and may have changed since they were published.

Source: GIROA, "Afghanistan National Development Strategy," 6/2008, pp. 4, 6.

Training Organizations

Since 2002, the United States and the international community, in partnership with the GIROA, have trained the ANA and ANP. The United States, through the Combined Security Transition Command-Afghanistan (CSTC-A), leads the international ANSF training efforts in conjunction with NATO's ISAF and the European Union Police Mission in Afghanistan (EUPOL).⁸⁵

Combined Security Transition Command-Afghanistan

CSTC-A is a joint-service coalition organization under the control of the U.S. Central Command (CENTCOM). It has personnel from the United States, the United Kingdom, Canada, Poland, Albania, Germany, France, and Romania. Its mission, which began as the Office of Military Cooperation - Afghanistan in 2002, has evolved and currently is to help the Ministry of Interior (MOI) and the Ministry of Defense (MOD) develop and manage the ANSF so it can combat insurgency, establish and maintain the rule of law, and achieve security and stability in Afghanistan.⁸⁶ CSTC-A evolved from two prior organizations. See Figure 3.22 for a timeline of this evolution.

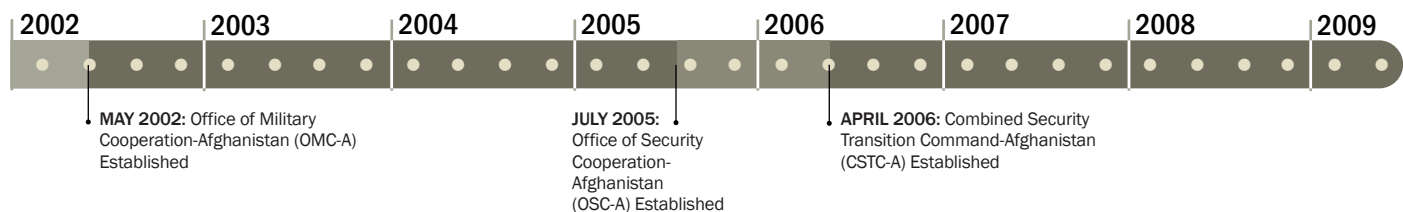
Under the operational control of CSTC-A are the Combined Joint Task Force Phoenix (CJTF Phoenix) and five Afghan Regional Security Integration Commands (ARSICs).⁸⁷

COMBINED JOINT TASK FORCE PHOENIX

CJTF Phoenix is a joint task force that trains and mentors the ANSF to prepare the ANA and ANP to conduct independent security operations that create stability in Afghanistan.⁸⁸

FIGURE 3.22

THE EVOLUTION OF CSTC-A



Sources: DoS and DoD, Inspectors General, Interagency Assessment of Afghanistan Police Training and Readiness, 11/2006, p. 9. DoD, DefenseLINK, "Afghanistan Unit Takes on New Mission, Name," 7/13/2005, www.defenselink.mil/news/newsarticle.aspx?id=16650, accessed 7/7/2009. CSTC-A, "Combined Security Transition Command-Afghanistan, Fact Sheet," 5/21/2008, p. 1.

AFGHAN REGIONAL SECURITY INTEGRATION COMMANDS

ARSICs are regional commands attached to each of the five ANA corps located across Afghanistan. The North, South, East, West, and Central ARSICs support the CSTC-A mission.⁸⁹

INTERNATIONAL SECURITY ASSISTANCE FORCE

Following the Bonn Conference, the ISAF was created to help the Afghan Transitional Authority secure Kabul and support the national reconstruction effort.⁹⁰ NATO assumed leadership of the ISAF in 2003, after six-month national rotations by (1) the United Kingdom, (2) Turkey, and (3) Germany and the Netherlands.⁹¹ In 2003, when NATO took command, the ISAF had about 5,000 troops.⁹² The U.S. Department of State (DoS) reported that as of June 2009, the ISAF had expanded to about 61,000 troops from 42 countries.⁹³ The ISAF helps develop the ANSF through training, mentoring, and equipment donations. In addition, it collects, catalogues, and destroys illegal weapons and ordnance.⁹⁴

European Union Police Mission in Afghanistan

In 2007, EUPOL replaced the German Police Project Office, which had taken the lead on police training in April 2002.⁹⁵ Nineteen European Union (EU) member states plus Canada, Croatia, New Zealand, and Norway support the EU police mission to establish an effective civil police force that interacts appropriately with the wider criminal justice system under Afghan ownership.⁹⁶



ANA soldiers in a squad leader's class listen to a lesson by Kabul Military Training Center NCO Instructors at Camp Zafar in Herat. (ISAF photo)

THE AFGHAN NATIONAL ARMY

History

On December 1, 2002, Afghan President Hamid Karzai issued a decree that created the ANA. This all-volunteer army is composed of soldiers from all of Afghanistan's ethnic groups.⁹⁷

Mission

The mission of the ANA is to maintain the stability of the country, defend its sovereignty, and contribute to regional security, while maintaining its regional and ethnic balance and continuing to develop its reputation as a respected, accountable, and professional force.⁹⁸

Organization

The ANA falls under the MOD. MOD and the ANA are made up of several components, including the MOD and general staff, sustaining institutions, intermediate command staff, combat forces, and Afghan National Army Air Corps (ANAAC) personnel.⁹⁹ See Table 3.3 for descriptions of these components.

The ANA combat forces are divided into five corps. A typical corps contains one or more brigades and is organized into the structure depicted in Figure 3.23.¹⁰⁰ The ANA corps are located in different regions of Afghanistan. See Figure 3.24 for a map with the locations of the corps.

TABLE 3.3

MOD AND ANA COMPONENTS		
Component	Description	Authorized Personnel
Ministry of Defense and General Staff	MOD is responsible for developing, fielding, and ensuring the operational readiness of the ANA. MOD develops strategic plans to defend Afghanistan. The general staff implements MOD policies and guidance for the ANA.	3,246
Sustaining Institutions	Support facilities installation and management, acquisitions, logistics, communications support, regional military intelligence offices, detainee operations, medical	1,519
Intermediate Command Staff	command, ANA training and recruiting commands, military police, and the Headquarters Support and Security Brigade. ^a	15,484
Combat Forces	Conducts the ANA's operations.	66,406
Air Corps	Supports the ANA and ANP through attack air support, medical evacuation, and presidential transport.	3,412
Other ^b	—	13,408
Total		103,475

Notes: Authorized Personnel numbers appear as reported in the June 2009 DoD report, "Progress toward Security and Stability in Afghanistan."

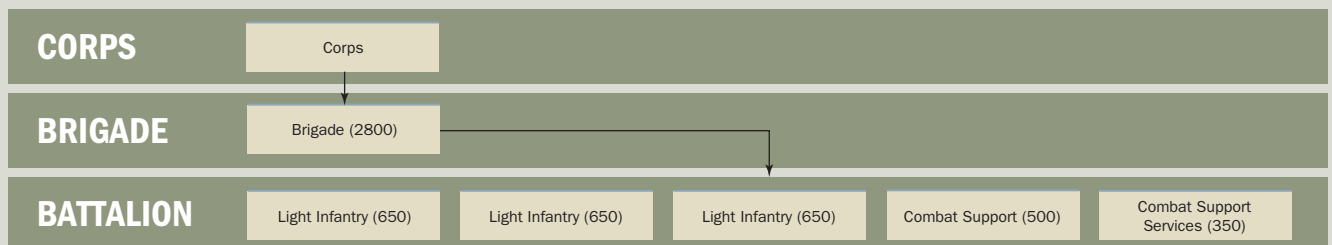
^a An ANA unit that performs specialist tactical and ceremonial missions.

^b "Other" includes data for Detainee Operations, CN Infantry Kandak, and TTHS.

Source: GAO, "Afghanistan Security, Further Congressional Action May Be Needed To Ensure Completion of a Detailed Plan To Develop and Sustain Capable Afghan National Security Forces," Report GAO-08-661, 6/2008, pp. 19, 54. DoD, "Progress toward Security and Stability in Afghanistan," 6/2009, p. 26.

FIGURE 3.23

ORGANIZATION OF A TYPICAL ANA CORPS



Note: A corps has one or more brigades. A brigade has five battalions. Actual ANA corps organizations may differ from the one presented here.

Source: GAO, "Afghanistan Security, Further Congressional Action May Be Needed To Ensure Completion of a Detailed Plan To Develop and Sustain Capable Afghan National Security Forces," Report GAO-08-661, 6/2008, p. 7.

BACKGROUND

FIGURE 3.24

ANA CORPS AND ANAAC REGIONAL LOCATIONS



Sources: GAO, "Afghanistan Security, Further Congressional Action May Be Needed To Ensure Completion of a Detailed Plan To Develop and Sustain Capable Afghan National Security Forces," Report GAO-08-661, 6/2008, p. 22. CSTC-A, "Fact Sheet Afghan National Army," 3/15/2009. The Long War Journal, "Afghan National Security Forces Order of Battle," www.longwarjournal.org/multimedia/ANSF%2000Bpage3-ANSF.pdf, accessed 6/21/2009.

Troop Levels

DoD reported that as of May 2009, the ANA had 86,558 troops, comprising 74 battalions. DoD predicts that the ANA will grow to its target of 134,000 troops by December 2011.¹⁰¹

THE AFGHAN NATIONAL ARMY

Overview of ANA Training

Basic Warrior Training Course: The initial training recruits receive upon entry to the ANA¹⁰²

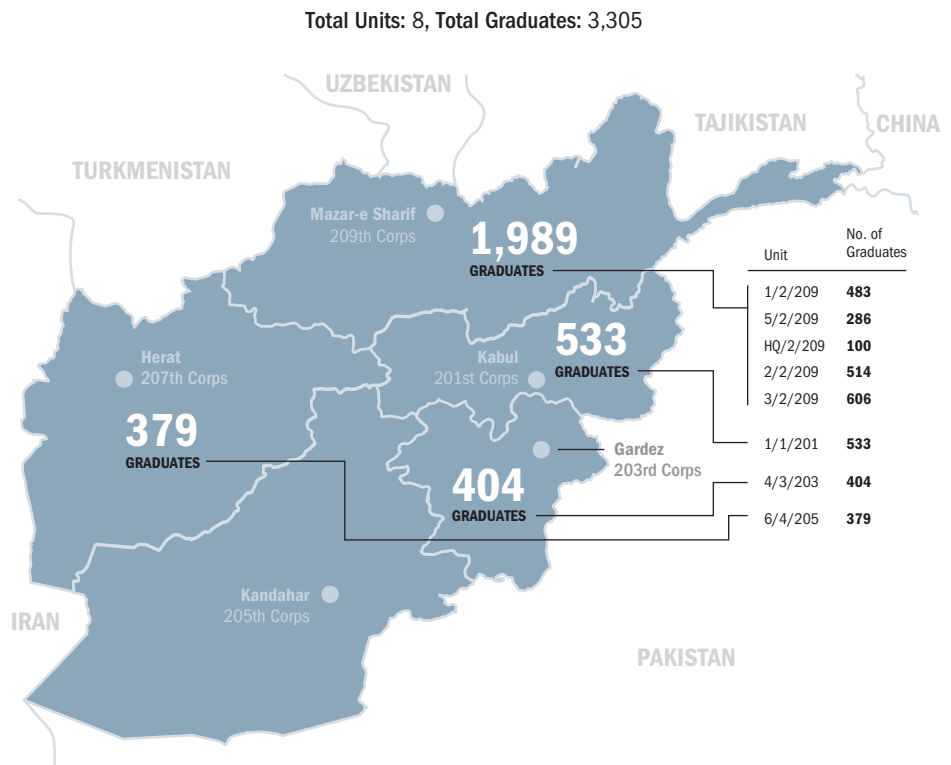
Advanced Combat Training: The branch-specific training soldiers receive to strengthen their capabilities¹⁰³

New recruits take the **Basic Warrior Training Course** at the Kabul Military Training Center, where they are taught by Afghan trainers with international support. This course establishes basic standards to provide uniformity across ANA training. Soldiers also receive branch-specific **Advanced Combat Training**. Once a unit is fielded, its soldiers receive 60 days of individual and collective training before combat operations.¹⁰⁴

According to DoD, each Afghan unit is accompanied by a U.S. Embedded Training Team or a NATO-ISAF Operational Mentoring and Liaison Team. These teams advise ANA unit leadership and provide direct access to U.S. and NATO-ISAF resources. These teams also assess ANA units, identifying strengths, development opportunities, and gaps that may exist.¹⁰⁵

FIGURE 3.25

UNIT TRAINING WITHIN ANA TRAINING COMMAND, JANUARY 1–JUNE 27, 2009



Source: CSTC-A, response to SIGAR data call, 7/1/2009.

Training Status

CSTC-A reported that 25,712 ANA troops graduated from programs within the Afghan National Army Training Command (ANATC) between January 1 and June 27, 2009. Of this total, nearly 82% graduated from Soldier Courses. See Figure 3.26 for individual training graduates by course category.¹⁰⁶

CSTC-A reported that between January 1 and June 27, 2009, eight units comprising 3,305 troops graduated from ANATC unit training programs. More than half of these units, representing 1,989 graduates, were fielded to the 209th Corps in Mazar-e Sharif. See Figure 3.25 for additional details on where these units were fielded.¹⁰⁷

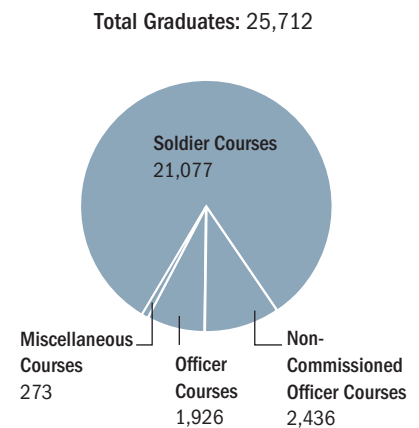
ANA Readiness

The MOD uses a readiness reporting system that provides a metrics-based analytical and decision-support tool to improve ANA readiness. Each unit is evaluated to determine its ability to conduct operations and assigned one of four **Capability Milestone (CM)** ratings that reflects the unit's capabilities. Units capable of conducting primary operations with little or no assistance might be rated at CM1 while newly formed units that are not capable of conducting primary operational missions might be rated at CM4. The units are evaluated on a monthly basis so that the ANA forces can be managed effectively.¹⁰⁸

- CM1 describes a unit, agency, staff function, or installation that is capable of conducting primary operational missions. Depending on the situation, units may require specific assistance from international partners.
- CM2 describes a unit, agency, staff function, or installation that is capable of conducting primary operational missions with routine assistance from, or reliance on, international community support.
- CM3 describes a unit, agency, staff function, or installation that is capable of partially conducting primary operational missions, but still requires assistance from, and is reliant on, international community support.
- CM4 describes a unit, agency, staff function, or installation that is formed, but not yet capable of conducting primary operational missions. It may be capable of undertaking portions of its operational mission, but only with significant assistance from, and reliance on, international community support.¹⁰⁹

FIGURE 3.26

INDIVIDUAL TRAINING WITHIN ANA TRAINING COMMAND, JANUARY 1-JUNE 27, 2009

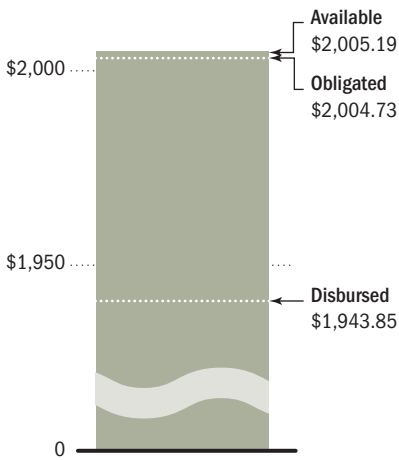


Source: CSTC-A, response to SIGAR data call, 7/1/2009.

Capability Milestone (CM): DoD criteria for assessing ANA and ANP progress in manning, training, and equipping their forces. CMs range from the most capable, CM1, to the least capable, CM4.¹¹⁰

FIGURE 3.27

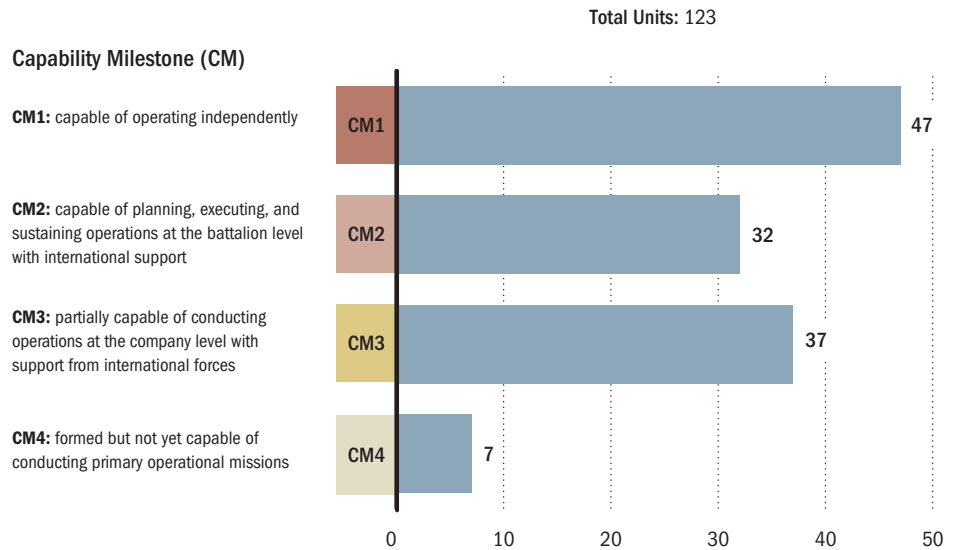
STATUS OF ASFF FUNDS FOR ANA INFRA-STRUCTURE, FY 2005–2009 (\$ MILLIONS)



Notes: Numbers affected by rounding and are as of 6/30/2009. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified. Source: DoD, response to SIGAR data call, 7/10/2009.

FIGURE 3.29

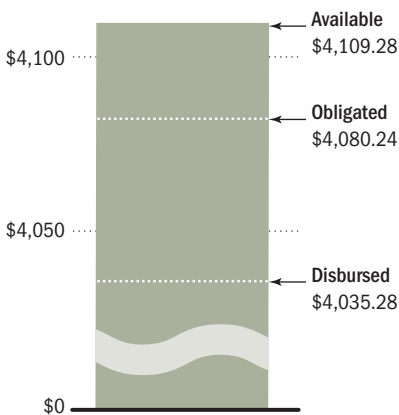
ANA CAPABILITY MILESTONE RATINGS (ANA UNITS)



Note: May not include fire support, close air support, and MEDEVAC. Source: DoD OSD, response to SIGAR data call, 7/8/2009. Numbers as of 5/23/2009.

FIGURE 3.28

STATUS OF ASFF FUNDS FOR ANA EQUIPMENT AND TRANSPORTATION, FY 2005–2009 (\$ MILLIONS)



Notes: Numbers affected by rounding and are as of June 30, 2009. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified. Sources: DoD, response to SIGAR data call, 7/10/2009.

CSTC-A reported that as of May 23, 2009, 47 ANA units, out of 123 rated, were assessed at CM1.¹¹¹ See Figure 3.29 for a summary of ANA CM ratings.

Infrastructure Status

DoD reported that as of June 30, 2009, \$2.01 billion has been made available to the ASFF for ANA infrastructure. Of this amount, \$2.00 billion has been obligated and \$1.94 billion has been disbursed.¹¹² Figure 3.27 depicts the status of ASFF funds for ANA infrastructure.

Equipment and Transportation Status

DoD reported that as of June 30, 2009, \$4.11 billion has been made available to the ASFF for ANA equipment and transportation. Of this amount, \$4.08 billion has been obligated and \$4.04 billion has been disbursed.¹¹³ Figure 3.28 depicts the status of ASFF funds for ANA equipment and transportation.

Challenges

Attacks

DoD reported on the number of attacks against the ANA from October 2006 through June 20, 2009. This data covered attacks in 30 of Afghanistan's 34 provinces.

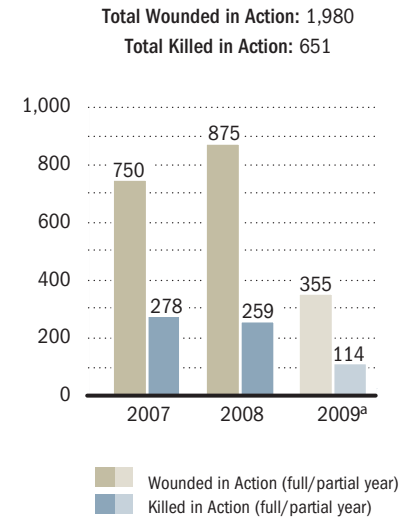
Since October 2006, the ANA has come under 1,277 attacks across Afghanistan. In 2009, the ANA came under 192 attacks across 21 provinces. The most attacks took place in three neighboring provinces—Helmand, Kandahar, and Zabul—all of which border Pakistan. Attacks in these provinces made up 50.0% of all the attacks in 2009 and 51.7% of all attacks since October 2006.¹¹⁴ See Figure 3.30 for the attacks on the ANA by province and year.

Casualties

Since 2007, 1,980 ANA soldiers have been wounded in action and 651 have been killed in action. From January 1 through June 22, 2009, 355 ANA soldiers were wounded in action and 114 were killed in action.¹¹⁵ See Figure 3.31 for a yearly comparison of ANA casualties.

FIGURE 3.31

ANA CASUALTIES, 2007-2009

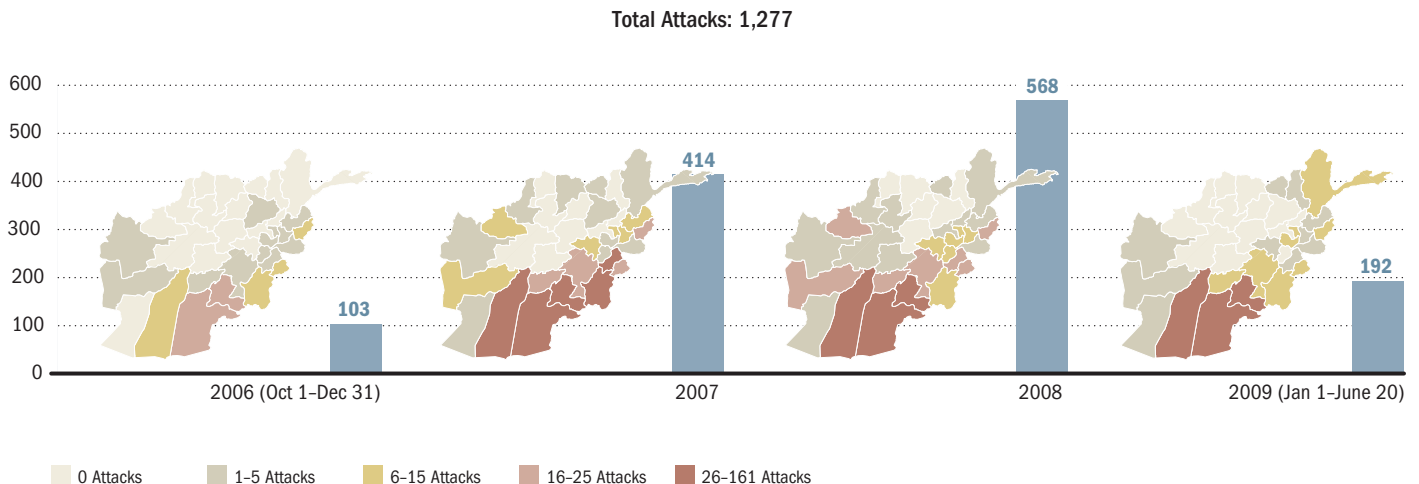


Note: ^a Numbers are as of 6/22/2009.

Source: CSTC-A, response to SIGAR data call, 7/1/2009.

FIGURE 3.30

ATTACKS ON THE ANA BY PROVINCE, OCTOBER 2006-JUNE 20, 2009



Notes: This data does not necessarily represent a measure of a province's security. For example, a province with no attacks could mean that the ANA experienced no attacks or that its presence and missions in the province were different than in other provinces. Multiple casualties could occur per attack.

Source: CSTC-A, response to SIGAR data call, 7/1/2009.

THE AFGHAN NATIONAL POLICE

History

In 2002, Germany led the effort to rebuild the ANP.¹¹⁶ In 2005, the United States took over as lead nation for reforming the ANP. In 2007, the European Union began its EUPOL mission.¹¹⁷

Goal

The international goal is to create an effective, well-organized, multi-ethnic, and professional police force that can provide a stable rule of law.¹¹⁸

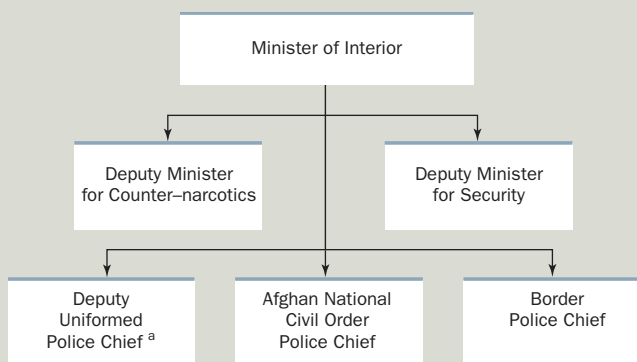
Organization

The ANP falls under the Ministry of Interior (MOI). The MOI and ANP comprise several components, including the MOI, the Afghan Uniformed Police (AUP), the Afghan Border Police (ABP), the Afghan National Civil Order Police (ANCOP), and the Counter-narcotics Police of Afghanistan (CNPA). See Table 3.4 and Figure 3.32 for descriptions of these components.

ANP training takes place at the Central Training Center in Kabul and at one of seven Regional Training Centers.¹¹⁹ See Figure 3.33 for the locations of these training centers.

FIGURE 3.32

ORGANIZATION OF MOI AND ANP



Note: The graphic has been simplified to illustrate the components in the table below and does not show the full organizational structure of the MOI.

^a The ANP regional commanders report to the deputy uniformed police chief.

Sources: DoD, "Progress toward Security and Stability in Afghanistan," June 2009, p. 26. GAO, "Afghanistan Security, U.S. Programs To Further Reform Ministry of Interior and National Police Challenged by Lack of Military Personnel and Afghan Cooperation," Report GAO-09-280, 3/2009, p. 36.

TABLE 3.4

MOI AND ANP COMPONENTS		
Component	Description	Authorized Personnel
MOI	Responsible for enforcing the rule of law.	5,059
Afghan Uniformed Police	Assigned to police districts and provincial and regional commands; duties include patrols, crime prevention, traffic duties, and general policing.	47,384
Afghan Border Police	Provides broad law enforcement capability at international borders and entry points.	17,621
Afghan National Civil Order Police	Specialized police force trained and equipped to counter civil unrest and lawlessness.	5,365
Counter-narcotics Police of Afghanistan	Law enforcement agency charged with reducing narcotics production and distribution in Afghanistan.	2,519
Other	—	8,852
Total		86,800

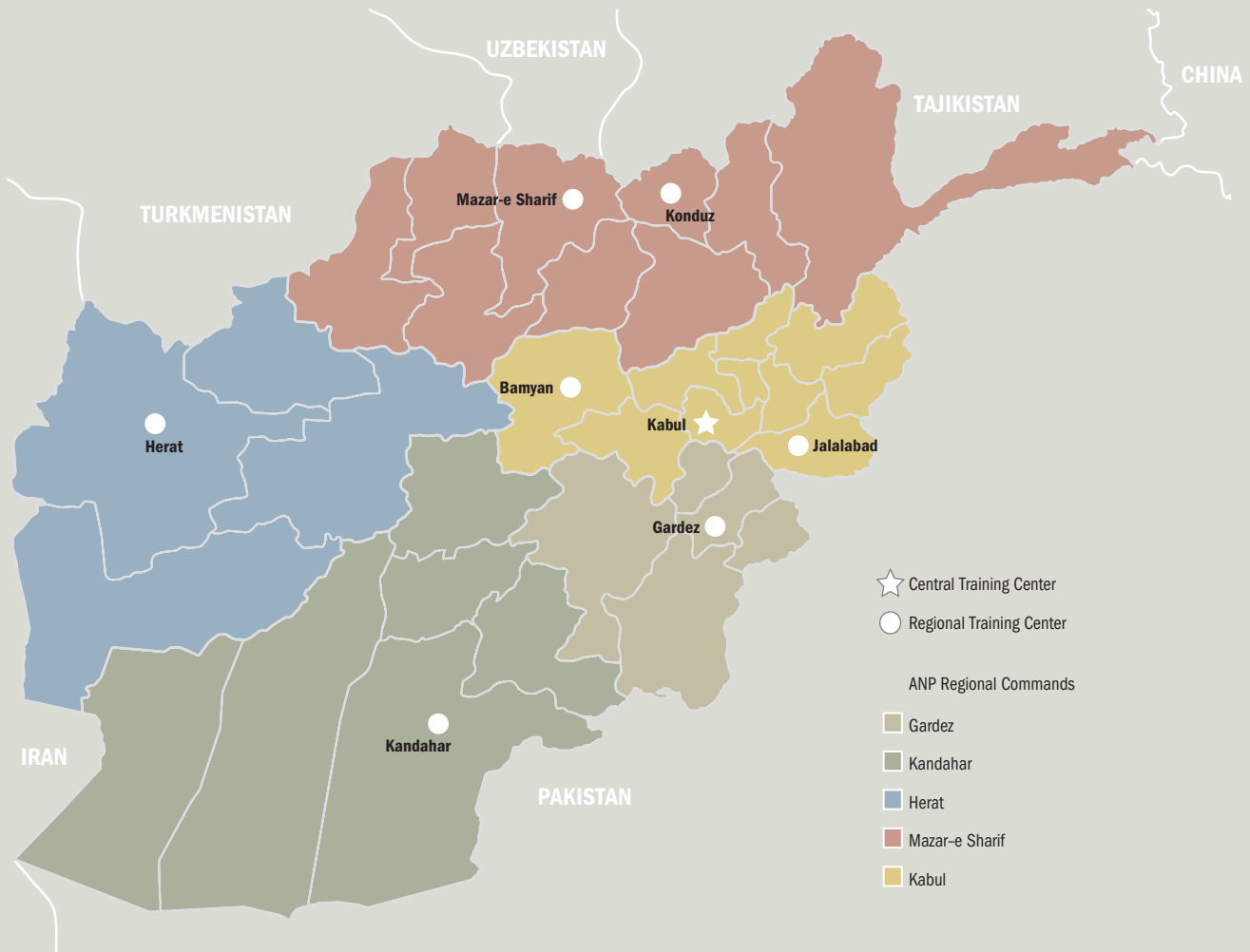
Note: Authorized Personnel numbers appear as reported in the June 2009 DoD report, "Progress toward Security and Stability in Afghanistan."

Source: GAO, "Afghanistan Security, U.S. Programs To Further Reform Ministry of Interior and National Police Challenged by Lack of Military Personnel and Afghan Cooperation," Report GAO-09-280, 3/2009, p. 35. DoD, "Progress toward Security and Stability in Afghanistan," 6/2009, p. 26.

BACKGROUND

FIGURE 3.33

ANP TRAINING CENTERS



Source: CSTC-A, "Fact Sheet Afghan National Police," 3/15/2009, p. 1.

Police Levels

DoD reported that as of May 2009, the ANP stood at 81,509 personnel. DoD reported that in April 2009, the **Joint Coordination and Monitoring Board (JCMB)** approved an increase in ANP target end-strength to 86,800.¹²⁰

Joint Coordination and Monitoring Board (JCMB): The entity established by the GIRoA and the international community that is responsible for coordinating international assistance efforts in Afghanistan¹²¹

THE AFGHAN NATIONAL POLICE

Overview of ANP Training

In 2002, Germany took the lead for developing the ANP.¹²² It created a three-year training program for police officers and a one-year training program for non-commissioned officers (NCOs). A year later, the Department of State Bureau of International Narcotics and Law Enforcement Affairs (INL) began a police training mission to address concerns about the slow progress of the German program.¹²³ The INL constructed the Central Police Training Center for Police in Kabul as well as several regional training centers (RTCs).¹²⁴

In 2005, the Office of Military Cooperation - Afghanistan (renamed CSTC-A in 2006) took over as the lead for developing the ANP.¹²⁵ The INL is responsible for managing the task order for the civilian police training and mentoring mission, which is directed by CSTC-A. Civilian police advisors deployed by the INL provide training and mentoring to the ANP at seven INL-operated regional training centers, a central training center located in Kabul, and field locations located across Afghanistan's 34 provinces.¹²⁶ To date, the United States has invested more than \$6.2 billion in the ANP and MOI.¹²⁷



Members of the Afghan National Police prepare for their graduation in Maidan Shar, Wordak Province. (U.S. Army photo, SGT Joshua LaPere)

Training Status

CSTC-A reported that 20,898 ANP personnel were trained in 2008 and another 6,548 were trained between January and May 2009.¹²⁸ The ANP is assessed against the same Capability Milestones as the ANA. As of May 23, 2009, 24 of the 559 ANP units that have been rated were assessed at CM1.¹²⁹ See Figure 3.34 for a summary of ANP CM ratings.

Infrastructure Status

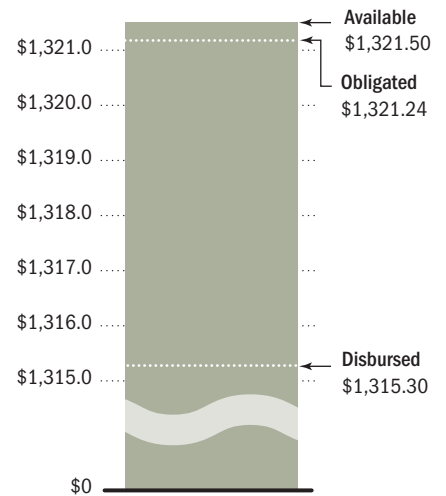
DoD reported that as of June 30, 2009, \$1.34 billion has been made available to ASFF for ANP infrastructure. Of this amount, nearly all the funds have been obligated and disbursed.¹³⁰

Equipment and Transportation Status

DoD reported that as of June 30, 2009, \$1.32 billion has been made available to the ASFF for ANP equipment and transportation. Of this amount, nearly all has been obligated and disbursed.¹³¹ Figure 3.35 depicts the status of ASFF funds for ANP equipment and transportation.

FIGURE 3.35

STATUS OF ASFF FUNDS FOR ANP EQUIPMENT AND TRANSPORTATION, FY 2005-2009 (\$ MILLIONS)

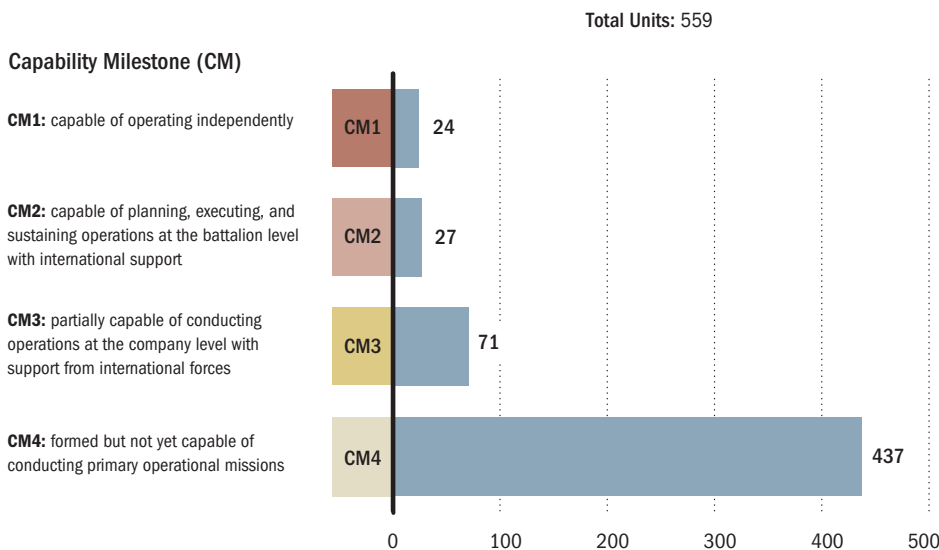


Notes: Numbers affected by rounding and are as of June 30, 2009. ASFF funding terms (available, obligated, disbursed) reported as provided by DoD except as specified.

Source: DoD, response to SIGAR data call, 7/10/2009.

FIGURE 3.34

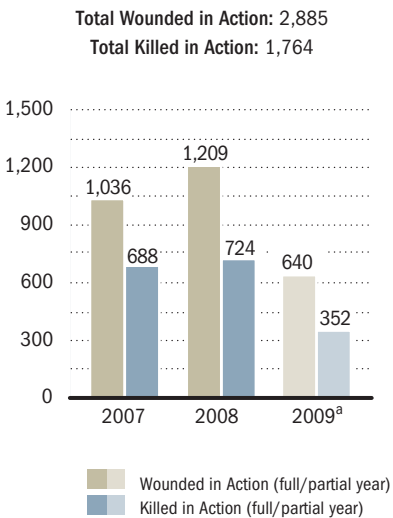
ANP CAPABILITY MILESTONE RATINGS (ANP UNITS)



Source: DoD OSD, response to SIGAR data call, 7/8/2009. Numbers as of 5/23/2009.

FIGURE 3.36

ANP CASUALTIES, 2007-2009



Source: CSTC-A, response to SIGAR data call, 7/1/2009.

Challenges

Attacks

DoD reported on the number of attacks against the ANP from October 2006 through June 20, 2009. This data covered attacks in 32 of Afghanistan's 34 provinces.

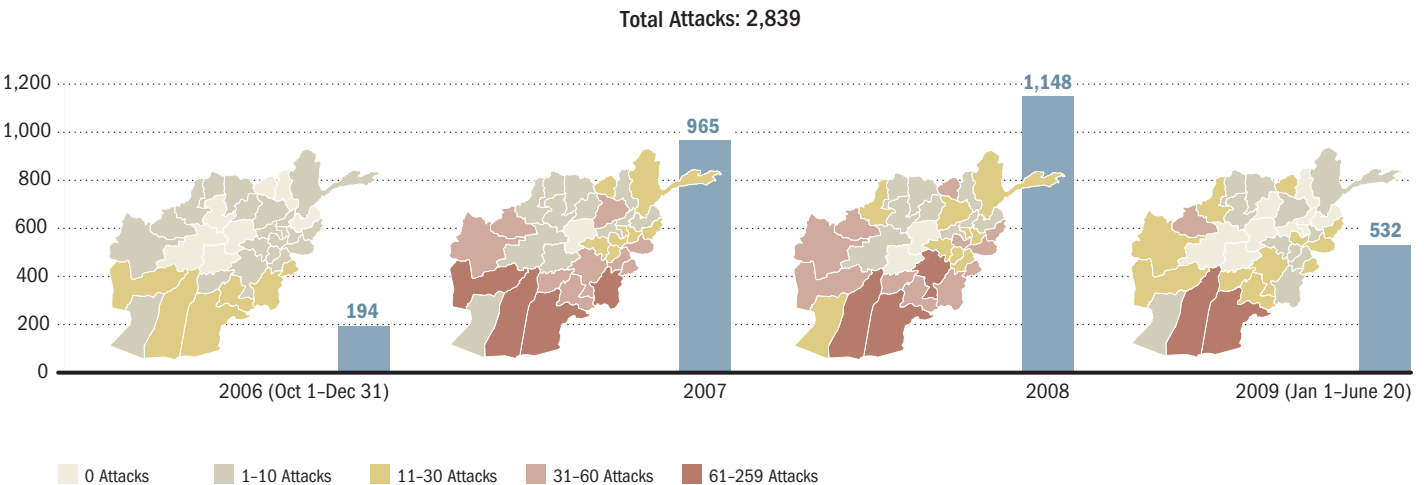
Since October 2006, the ANP has come under 2,839 attacks across Afghanistan. In 2009, the ANP came under 532 attacks across 25 provinces. Most attacks took place in two neighboring provinces—Kandahar and Helmand—both of which border Pakistan. Attacks in these provinces made up 42.1% of all the attacks in 2009 and 31.1% of all attacks since October 2006.¹³² See Figure 3.37 for the attacks on the ANP by province and year.

Casualties

Since 2007, 2,885 ANP personnel have been wounded in action and 1,764 have been killed in action. From January 1 through June 22, 2009, 640 ANP personnel were wounded in action and 352 were killed in action.¹³³ See Figure 3.36 for a comparison of yearly ANA casualties.

FIGURE 3.37

ATTACKS ON THE ANP BY PROVINCE, OCTOBER 2006-JUNE 20, 2009



Notes: This data does not necessarily represent a measure of a province's security. For example, a province with no attacks could mean that the ANP experienced no attacks or that its presence and missions in the province were different than in other provinces. Multiple casualties could occur per attack.

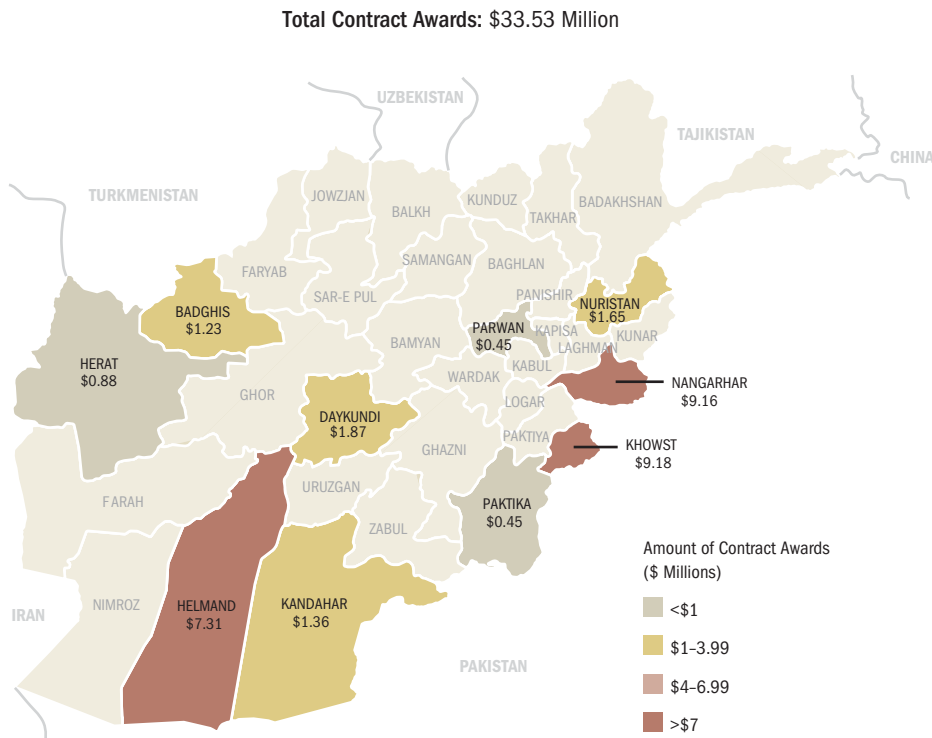
Source: CSTC-A, response to SIGAR data call, 7/1/2009.

Security Concerns

CSTC-A reported that it cancelled 28 ANP construction projects for security reasons. Of these, one contract was terminated for convenience and 27 projects were de-scoped from existing contracts. The awarded amounts on these contracts totaled \$33.53 million.¹³⁴ As illustrated in Figure 3.38 these security concerns affected projects in all regions of Afghanistan except for the northern region.

FIGURE 3.38

ANP PROJECTS CANCELLED DUE TO SECURITY CONCERNS (\$ MILLIONS)



Note: Numbers affected by rounding.

Source: CSTC-A, response to SIGAR data call, 7/1/2009.

“The goal of the Governance, Rule of Law, and Human Rights Pillar is to strengthen democratic processes and institutions and extend human rights, the rule of law, delivery of public services and government accountability.”

—*Afghanistan National Development Strategy: Governance, Rule of Law & Human Rights*

GOVERNANCE, RULE OF LAW, AND HUMAN RIGHTS

OVERVIEW

This section addresses Afghanistan’s recent developments in the areas of governance, rule of law, and human rights. During this reporting period, the people of Afghanistan and the international community were preparing for the August 20, 2009 presidential and provincial council elections. The United States considers these elections to be an important milestone on Afghanistan’s road to improved governance. As U.S. President Barack Obama noted in a press release dated June 16, 2009, the United States “support[s] the right of the people of Afghanistan to choose their leaders.”¹³⁵

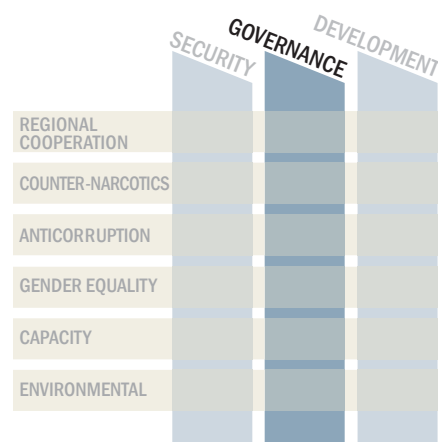
August 20, 2009 Elections

Afghanistan’s Independent Election Commission (IEC) is responsible for conducting the August 20, 2009, elections with support from the Government of the Islamic Republic of Afghanistan’s (GIROA’s) Ministry of Interior (MOI) and Ministry of Defense (MOD), and international security forces.¹³⁶ As of May 9, 2009, Afghanistan had 41 presidential candidates, including two women.¹³⁷ To win the presidential election, a candidate must receive a majority of votes, at least 50% plus one.¹³⁸ If any candidate fails to receive 50% plus one or more valid votes, a second-round (run-off) election will be held.¹³⁹ The candidate who accrues the most votes is declared the winner.¹⁴⁰ Some 3,324 individuals, including 342 women, are contesting 420 seats in 34 provincial council elections.¹⁴¹

Unlike the 2004 democratic elections, the international community’s role is primarily advisory. Under the authority of United Nations (UN) Security Council Resolution 1806, dated March 20, 2008, the international community is supporting the elections through the UN Assistance Mission in Afghanistan (UNAMA), which designated the UN Development Programme’s Enhancing Legal and Electoral Capacity for Tomorrow (UNDP/ELECT) project to coordinate international assistance for the election process.¹⁴² The United States has contributed \$120 million to UNDP/ELECT to support the elections.¹⁴³

The U.S. Agency for International Development (USAID) is funding separate elections-related activities through a number of local monitoring groups in Afghanistan, as well as U.S. non-governmental organizations (NGOs), such as the International Republican Institute (IRI), the National Democratic Institute,

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)



Adopted on March 20, 2008, UN Security Council Resolution 1806 affirmed the UN’s commitment to Afghanistan’s journey to achieving “sovereignty, independence, territorial integrity and national unity.”¹⁴⁵ Resolution 1806 further supports the GIROA and the Afghan people in their efforts to “strengthen the foundations of sustainable peace and constitutional democracy.”¹⁴⁶

The United States “seeks an enduring partnership with the Afghan people, not with any particular Afghan leader...enabling the newly elected president and other officials to deliver governance, security, justice, and economic opportunity to all Afghans.”

—U.S. President Barack Obama¹⁴⁷

and the International Foundation for Electoral Systems.¹⁴⁴ According to the U.S. Department of Defense (DoD), the United States is focused on ensuring the integrity of the election process.¹⁴⁸ The GIRoA is leading the election-planning security efforts, with U.S. Forces - Afghanistan (USFOR-A) and the International Security Assistance Force (ISAF) playing supporting roles.¹⁴⁹ DoD reported that the following guidelines should be a priority for all stakeholders in the elections process:

- security and transportation access for presidential candidates
- the presence of the necessary international observers with the appropriate logistical support
- freedom for the media and the press to report on the election
- security and logistical support for IEC, including the IEC Election Complaints Commission
- adequate security preparations
- implementation of a strategic communications plan¹⁵⁰

Election Challenges

Security

According to the UN, the minister of Interior’s most immediate priorities include providing security in principal cities and along highways on Election Day and ensuring the 2009 elections are conducted in a free, fair, and transparent manner.¹⁵¹ MOI is responsible for assigning specially trained law-enforcement officials knowledgeable in election procedures to properly maintain security during the election.¹⁵² The Afghan National Army (ANA) and the Afghan National Police (ANP), with peripheral support from the International Security Assistance Force (ISAF), are responsible for election security.¹⁵³

USAID announced plans to support the IEC’s mission to implement anticorruption measures to safeguard the August elections.¹⁵⁴ The IEC issued an official publication describing individual responsibilities for securing polling stations, identifying authorized persons permitted in the polling centers, and establishing the role of the international military on Election Day.¹⁵⁵

Anti-fraud Protections

Voters who registered in the 2004 and 2005 elections will be able to re-use their registration cards in the August elections.¹⁵⁶ In November 2008, the IEC launched a voter-registration campaign targeting individuals who had lost their registration cards, relocated within the country, or became eligible to vote since 2005.¹⁵⁷ The IEC completed four phases of voter registration between November 2008 and February 2009.¹⁵⁸ The UN estimated a total of 4.5 million Afghans, with approximately 38% being women, registered to vote during this period (see Figure 3.39).¹⁵⁹ Notably, the UN reported that 546,533 of the new registered voters live in some of the most volatile provinces.¹⁶⁰

INDEPENDENT ELECTION COMMISSION

The IEC is responsible for setting policy, overseeing, and administering the election.¹⁶¹ The IEC is composed of a board of seven commissioners, appointed by the president.¹⁶² The IEC Secretariat is headed by a chief electoral officer.¹⁶³

Although the Afghanistan Constitution stipulated that elections be held 30 to 60 days before the expiration of the president's term, which was supposed to end on May 22, the IEC postponed elections to August 20, 2009, to encourage a greater voter turnout.¹⁶⁴ The international community endorsed the postponement, agreeing that additional time was needed to ensure the maximum number of Afghans would have the opportunity to participate in the elections.¹⁶⁵ In response to protests over the postponement, the president of Afghanistan issued a decree on February 28, 2009, requesting the IEC to ensure elections were held in accordance with all relevant articles of the Constitution.¹⁶⁶ The IEC published a statement affirming its selection of August 20 as the election date.¹⁶⁷

Relevant Afghan Constitutional Provisions

Article 156 of the Afghanistan Constitution vests exclusive authority to the IEC to manage and oversee all elections.¹⁶⁸

Article 157 of the Afghanistan Constitution identifies the IEC as the entity responsible for monitoring implementation of the articles of the Constitution for uniformity and consistency.¹⁶⁹

Presidential Eligibility

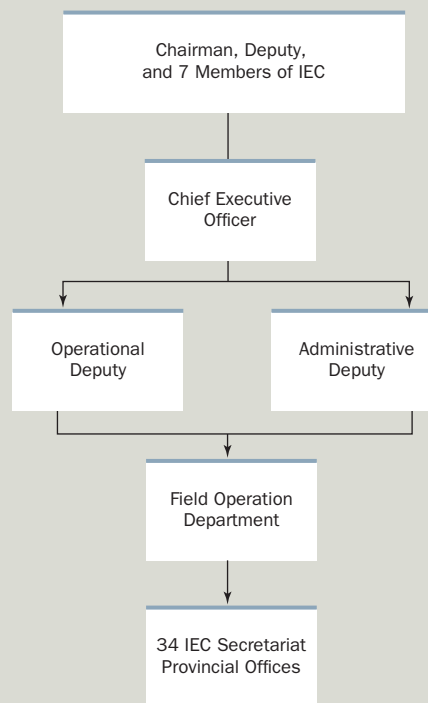
Article 62 of the Afghanistan Constitution sets forth the eligibility criteria for presidential candidates.¹⁷⁰ To qualify as president, a candidate must:

- be a citizen of Afghanistan, Muslim, and born of Afghan parents
- be at least 40 years old on the day of candidacy
- never have been convicted of a crime
- be independent of a non-official military force
- have not served more than two terms in office.¹⁷¹



An Afghan citizen places his ballot in a box after he voted in the country's first parliamentary elections in 2005. (U.S. Army photo, SPC Jason R. Krawczyk)

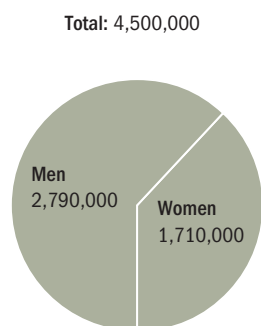
STRUCTURE OF INDEPENDENT ELECTION COMMISSION



Source: IEC, "IEC Structure," www.iec.org.af/content.asp?id=structure, accessed 7/17/2009.

FIGURE 3.39

NUMBER OF REGISTERED VOTERS, NOVEMBER 2008–FEBRUARY 2009



Note: Numbers affected by rounding and are estimates.

Source: Report of the UN Secretary-General, “The Situation in Afghanistan and Its Implications for International Peace and Security,” 6/23/2009, p. 2.

Agents (political party and candidate agents, hereafter agents), are accredited members of political parties or representatives of independent candidates. Political parties and candidates must be registered by the IEC to nominate agents.¹⁷²

Observers can be either domestic or international observers. Elections observers are representative of domestic and international organizations that are registered and accredited by the IEC.¹⁷³

The IEC has taken action to prevent multiple ballot casting. IEC announced that accredited **agents** and election **observers** would be used to ensure that the entire electoral process would be conducted in accordance with all laws, regulations, and international standards.¹⁷⁴ According to IEC, all voters must prove their identity in advance of receiving a paper ballot.¹⁷⁵ Each voter will have the right to vote in secrecy, and upon receiving a ballot each voter’s finger will be dipped in indelible ink.¹⁷⁶

Following the closing of all polling locations, each polling station has been instructed to count the ballots and seal the original tallies in a “tamper-evident bag” to transfer to the national tallying center in Kabul.¹⁷⁷ The IEC will conduct a fraud investigation if there is any evidence that the tamper-evident bag was compromised.¹⁷⁸ Following resolution of all fraud investigations or rectified errors, the IEC will certify the results.¹⁷⁹

Afghan Public Opinion Poll

The IRI recently reported that only 21% of Afghans surveyed characterize the political landscape in Afghanistan’s regions as stable and peaceful.¹⁸⁰ According to the IRI, the objective of the poll was to gauge Afghan public opinion and use the information in support of Afghanistan’s elections process.¹⁸¹ Almost half of the respondents stated that Afghanistan’s stability has declined over the past year.¹⁸²

The IRI poll was conducted May 3–16, 2009.¹⁸³ According to the IRI, trained professionals conducted in-person interviews to collect the information used in the poll report.¹⁸⁴ Respondents from all 34 provinces participated.¹⁸⁵

GOVERNANCE

Background

The GIRoA faces intense international scrutiny in anticipation of the country’s second democratic elections since the Taliban regime was removed from power.¹⁸⁶ The elections for the president and provincial officials will be the first GIRoA-orchestrated election in Afghanistan’s history.¹⁸⁷

Since January 2004, Afghanistan has achieved significant accomplishments, notably, the adoption of a new constitution and its first democratic elections—in accordance with the Constitution—marking a new direction in Afghanistan’s government structure.¹⁸⁸ However, USAID noted that factors such as Afghanistan’s limited national and local government capacity, limited prosecution of high-level corruption activities, and struggles in operating transparent and accountable government support classifying Afghanistan as a developing country.¹⁸⁹ According to the World Bank governance ranking index, Afghanistan’s percentile ranking in 2003 ranged from 1.4 to 8.7, compared with a range of 0.5 to 11.1 in 2008.¹⁹⁰ Afghanistan’s governance score in 2003, prior to the 2004 elections, was very low for each of the six governance indicators.¹⁹¹ In 2008, both Afghanistan’s governance score in each of the six governance indicators and its percentile rankings

increased slightly.¹⁹² See Table 3.5 for Afghanistan’s governance performance ranking.

Afghanistan’s governance scores during the period between 2003 and 2008 provide insight into its progress over the past five years in achieving and sustaining a free and fair democracy. The ANDS describes the GIROA’s roadmap over the next five-year period between 2008 and 2013.¹⁹³

The Afghanistan National Development Strategy

The ANDS identifies governance, rule of law, and human rights as one of its three pillars.¹⁹⁴ This pillar is designed to:

- support democratic processes and institutions
- improve human rights and the rule of the law
- augment delivery of public services and government accountability¹⁹⁵

The ANDS references a 2000 World Bank assessment that Afghanistan’s governance capacity fell in the bottom 1% of all countries.¹⁹⁶ According to the ANDS, establishing a stable Islamic constitutional democracy with three independent and effective branches of government, all imbued with accountability and transparency, is an important vision for the GIROA.¹⁹⁷ Part of that vision is having the GIROA strengthen both its formal and its informal governance structure, with the immediate goal of creating an efficient and stable democratic political environment.¹⁹⁸

The ANDS builds upon the vision and the GIROA’s commitment, adopting specific benchmarks articulated in the Afghanistan Compact.¹⁹⁹ According to the Compact, “democratic governance and the projection of human rights constitute the cornerstone of sustainable political progress in Afghanistan.”²⁰⁰ To achieve this objective, the GIROA will identify candidates for public service

TABLE 3.5

WORLD BANK GOVERNANCE INDICATORS, PERCENTILE RANKING				
Governance Indicators	2003 Percentile Ranking (0–100)	2003 Governance Score (-2.5–+2.5)	2008 Percentile Ranking (0–100)	2008 Governance Score (-2.5–+2.5)
Voice and Accountability	8.7	-1.45	11.1	-1.26
Political Stability	3.4	-2	1	-2.64
Government Effectiveness	7.6	-1.26	8.5	-1.31
Regulatory Quality	2.4	-1.79	3.9	-1.58
Rule of Law	1.4	-1.76	0.5	-2.01
Control of Corruption	1.5	-1.62	1.4	-1.64

Note: Higher value indicates better governance ratings.

Source: World Bank, “Governance Indicators: Afghanistan,” <http://info.worldbank.org/governance/wgi/index.asp>, accessed 7/16/2009.

BACKGROUND

HISTORICAL BACKGROUND OF AFGHANISTAN'S POLITICAL LANDSCAPE

The formal name of Afghanistan is the Islamic Republic of Afghanistan (Dowlat-e Eslami-ye-Afghanistan).²⁰¹ The acronym for the Government of the Islamic Republic of Afghanistan is GIRoA.²⁰² Following the execution of the Treaty of Rawalpindi, Afghanistan secured independence from the British Empire on August 19, 1919.²⁰³ Afghans celebrate August 19 as their National (Independence) Day.²⁰⁴

During the 19th century, both Great Britain and Russia vied for control of Afghanistan, for its strategic location in the heart of central Asia and access to the Himalayan Mountains leading to India.²⁰⁵ During this period, Great Britain discovered—at the cost of significant casualties and financial loss—that the Afghans' reputation as ferocious and resilient warriors was well-earned.²⁰⁶ Toward the end of the 20th century, the Union of Soviet Socialist Republics (Soviet Union), the successor to the Russian Empire, experienced the same lesson before withdrawing Soviet troops in defeat.²⁰⁷

From 1919 through 2001, Afghanistan's governmental structure existed in various forms, including a constitutional monarchy, an unelected regime, tribal warlords, and a radical Islamic authority.²⁰⁸ In 1933, Mohammad Zahir Shah was installed as Afghanistan's

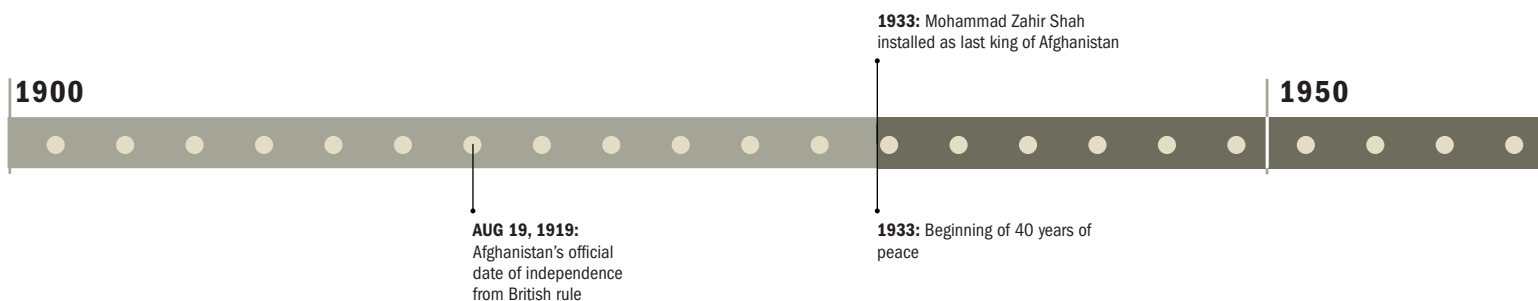
last king.²⁰⁹ Zahir Shah's reign lasted 40 years.²¹⁰ During this period, Afghanistan maintained its neutrality during World War II and enjoyed several decades of internal peace.²¹¹ In 1964, Zahir Shah amended the monarchy requirements in Afghanistan's Constitution.²¹²

In 1973, Mohammad Daoud staged a coup d'état against Zahir Shah.²¹³ Daoud, Zahir Shah's cousin and brother-in-law, declared himself president and prime minister.²¹⁴ Under Daoud's leadership, the economy declined.²¹⁵ By 1978, a communist faction had ousted Daoud.²¹⁶

Various tribal groups continued competing for control of Afghanistan until the Soviet Union's invasion with 80,000 troops in 1979.²¹⁷ The Soviet Union installed Babrak Karmal as president.²¹⁸ Mujahedeen guerrillas, composed of different factions throughout the country, launched a decade-long guerrilla war against the Karmal administration and Soviet occupation.²¹⁹ The war resulted in thousands of casualties, the collapse of the Afghan economy, and the creation of 5 to 6 million refugees.²²⁰ The mujahedeen enjoyed combined support from Pakistan and the United States, which directly contributed to victory over the Soviets.²²¹ In 1989, the Soviet Union agreed to withdraw from Afghanistan.²²²

The mujahedeen's military success was short-lived, as a civil war between the various factions ensued.²²³ From 1992 through 1996, various political alliances jockeyed to become the leading political and military authority in Afghanistan.²²⁴ In 1994, the Pashtun Taliban (Taliban), an Islamic fundamentalist group, leveraging

POLITICAL EVOLUTION OF AFGHANISTAN



Source: LOC, "Country Profile: Afghanistan," 8/2008, p. 3, <http://lcweb2.loc.gov/frd/cs/profiles/Afghanistan.pdf>, accessed 7/17/2009.

BACKGROUND

public disenchantment with the previous ruling parties, emerged as a strong political force.²²⁵

By 1996, the Taliban's military, economic, and social control extended over most of Afghanistan.²²⁶ The Taliban, relying on strict Islamic principles, enacted a repressive regime that alienated many Afghans.²²⁷ For example, the Taliban "imposed rigid Muslim fundamentalist structures, closed girls' schools, prohibited women from working, and required men to grow beards."²²⁸

Post-Taliban Governance

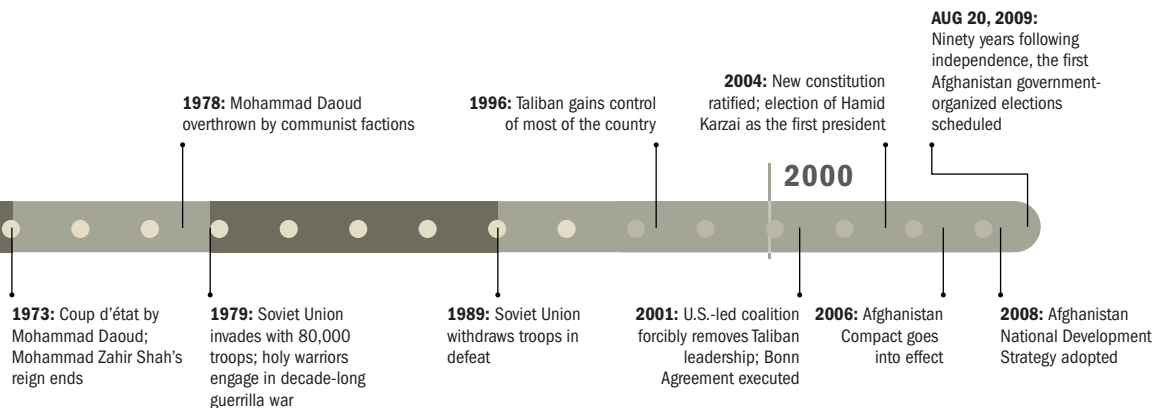
In 2001, a U.S.-led coalition, under the authority of the Bonn Conference, removed the Taliban leadership after it failed to respond to international pressure to surrender terrorist suspects who were using Afghanistan as a safe harbor.²²⁹ As part of the Bonn Agreement, the international community transferred power to an Afghanistan Interim Authority on December 22, 2001.²³⁰ The Bonn Agreement mandated that an Emergency Loya Jirga be convened within six months to lead Afghanistan until free and fair elections could be held.²³¹ The Loya Jirga met between June 10, 2002, and June 20, 2002, when it granted the Transitional Authority 18 months to hold a second national Loya Jirga to draft a new Afghan Constitution and 24 months to hold national elections.²³²

On January 4, 2004, the Constitutional Loya Jirga adopted Afghanistan's new Constitution, which provided protections for private property, a market economy, and the foundation for a democratic regime.²³³ Afghanistan

held "free and fair democratic elections for president, the National Assembly, and the Provincial Councils" in October 2004.²³⁴ Approximately 77% of all eligible voters, including women, participated.²³⁵ On October 9, 2004, Hamid Karzai was elected president of Afghanistan.²³⁶



Members of the Nangarhar PRT and Chaparhar Police Mentor Team meet with village elders at a school in Terelay Village. (U.S. Air Force photo, Capt. Dustin Hart)



“Improving governance is essential to the attainment of the Government’s national vision and the establishment of a stable and functioning society.”

—*Afghanistan National Development Strategy: Governance, Rule of Law, & Human Rights*

Elected in October 2004, Hamid Karzai is the current president of Afghanistan.²³⁷ As president, he is the leader of the executive branch, serves as the commander-in-chief of the armed forces, and is the head of state.²³⁸ The president of Afghanistan serves a five-year term.²³⁹ The president’s term expires on May 22 of the fifth year subsequent to the previous election.²⁴⁰

The Wolesi Jirga comprises 249 representatives and the Meshrano Jirga comprises 102 members.²⁴¹ The allocation of the Wolesi Jirga seats is calculated based on the distribution of the population geographically, and its members are elected by the people of Afghanistan.²⁴² The provincial councils, district councils, and the president appoint the 102 members of the Meshrano Jirga.²⁴³ The National Assembly acts as the highest legislative body.²⁴⁴

on the basis of merit and skill.²⁴⁵ This change in philosophy marks the beginning of “a more effective, accountable and transparent administration at all levels of government.”²⁴⁶ Another objective discussed in the Compact is implementing “measurable improvements in fighting corruption, upholding justice and the rule of law, and promoting respect for the human rights of all Afghans.”²⁴⁷

As shown in Figure 3.40, the GIROA is composed of three branches of government: executive, legislative, and judiciary.²⁴⁸ Progress toward building sufficient capacity within each branch varies. The GIROA faces many challenges—such as high levels of corruption, an ineffective and poorly defined justice system, and security deficiencies that could potentially derail the GIROA’s forward momentum.²⁴⁹

For the executive branch, ensuring the upcoming elections occur without incident has been the primary focus over the past quarter. The August 2009 elections represent an important milestone in the development of Afghanistan’s political independence. According to DoD, the development of Afghanistan’s governance capacity is progressing slowly.²⁵⁰ The elections, an important governance objective, are significant to achieving the benchmarks for governance articulated in the Afghanistan Compact and adopted in the ANDS.²⁵¹ The GIROA projects that successful completion of free and fair elections will improve the parliamentary and legislative processes.²⁵²

Within the legislative branch, the National Assembly made some progress this year.²⁵³ For example, the National Assembly passed a mortgage law and a private investment law, two much-needed laws intended to encourage economic development.²⁵⁴ The National Assembly also made progress on legislation regulating water usage, the mining industry, and oil and gas production.²⁵⁵ Despite some progress in key areas, the overall performance of the National Assembly has been poor because of absenteeism and the inability to pass routine legislation.²⁵⁶ Notably, the Wolesi Jirga failed to reach a quorum on more than half of its business days during 2008, limiting its effectiveness on any given day.²⁵⁷ On days when a quorum was reached, it was unable to sustain a quorum the entire day.²⁵⁸

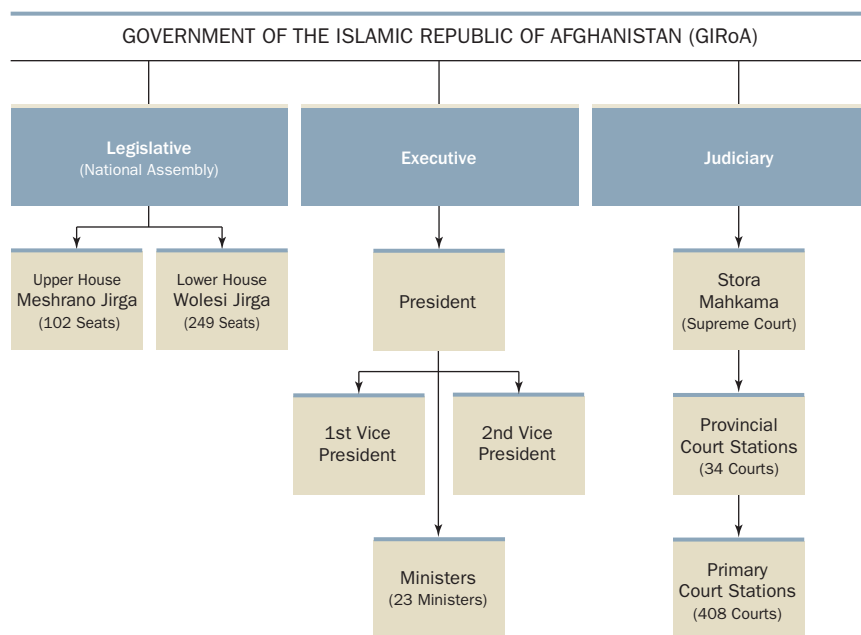
DoD reported that the U.S. and the international community continue to build the capacity of the judicial system in Afghanistan consistent with the ANDS rule-of-law objectives.²⁵⁹ The GIROA, with support from U.S. Department of Justice (DoJ) senior legal advisors, has increased the number of narcotics prosecutions under the Central Narcotics Tribunal (CNT) and Criminal Justice Task Force (CJTF) in Kabul.²⁶⁰ Over a six-month period, DoD reported that the combined efforts of CJTF and the CNT resulted in the following:²⁶¹

- investigation of 188 separate cases involving 201 suspects
- conviction of 113 suspects in district primary court; conviction of 189 suspects in appellate court
- handing over 503 individuals for incarceration

According to the ANDS, strengthening public administration includes providing support for provincial and district governance capacity-building.²⁶² USAID’s

FIGURE 3.40

AFGHANISTAN GOVERNMENT BRANCHES



Sources: Afghanistan Constitution, Chapter III (The President), Chapter IV (The Government), Chapter V (The National Assembly), Chapter VII (The Judiciary), 1/4/2004; Economist Intelligence Unit, Ltd., Afghanistan Country Profile 2008, p. 7.

“One of the objectives of the Afghanistan Compact is to establish a permanent civil and voter registry using a single national identification document by the end of 2009.”

—*The Afghanistan Compact: Elections*

The president of Afghanistan and the bicameral National Assembly, defined in the 2004 Constitution, are elected and appointed positions.²⁶⁸ The National Assembly consists of two chambers: the lower chamber, Wolesi Jirga (House of the People), and the upper chamber, Meshrano Jirga (House of Elders).²⁶⁹

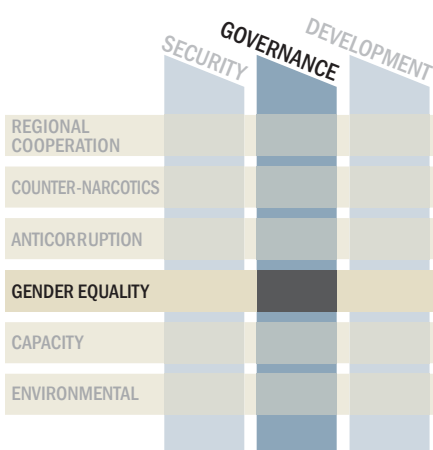
Local Governance and Community Development (LGCD) program, in alignment with the ANDS, provides mentors to provincial governors and line ministries and organizes small, community-led development activities to strengthen sub-national governance.²⁶³ USAID’s Afghan Municipal Strengthening Program’s (AMSP) objectives are to improve existing governance procedures for municipalities.²⁶⁴

Other programs focus on electricity, water, and sanitation services on a cost-recovery basis, and a large, new municipal governance program is in the final approval stages.

Human Rights

Another objective discussed in the Afghanistan Compact and subsequently adopted in the ANDS is implementing “measurable improvements in fighting corruption, upholding justice and the rule of law and promoting respect for the human rights of all Afghans.”²⁶⁵ Consistent with the ANDS, reducing the number of human rights violations is an important priority for the GIROA.²⁶⁶ According to DoD, improvements in human rights protection have been minimal.²⁶⁷

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)



“Basic human rights and freedom are essential to building a strong free market economy in addition to being essential for any democracy.”

—*Afghanistan National Development Strategy: Human Rights*

The UN Secretary-General reported that Afghanistan continues to encounter noteworthy human-rights challenges, attributed to decades of decline from weak governance, pervasive corruption, extreme poverty, and discriminatory laws and practices against women and girls.²⁷⁰

Gender Equality Issues

According to the ANDS, promoting gender equality by reversing historic discrimination against women is one of six cross-cutting areas.²⁷¹ The gender equality cross-cutting strategy articulates a roadmap to:

- change the treatment of women in society
- improve their social and economic status
- increase their access to development opportunities

As defined in the ANDS, “gender equality” is when both women and men enjoy their individual rights and can equally contribute to and enjoy the benefits of development, and each is free to pursue a full and satisfying life.²⁷² Progress in achieving gender equality continues to pose a challenge. The ANDS identifies three important priorities to achieving gender equality:

- achieve the gender-specific benchmarks identified in the Afghanistan Compact (see Table 3.6)
- achieve all gender commitments described in each of the ANDS sectors
- create basic institutional capacities within the ministries and other government agencies related to gender integration²⁷³

In March 2009, the president of Afghanistan signed the Shi’a Personal Status Bill into law.²⁷⁴ The United States has concerns that the Shi’a Personal Status law violates the Afghanistan Constitution by permitting husbands the right to legally rape their wives.²⁷⁵ DoD reported that in response to continued international and domestic protests, enforcement of the Shi’a Personal Status law would be suspended pending the president of Afghanistan’s review.²⁷⁶

Refugees

Over the past three decades, more than 6 million Afghans have become refugees, seeking international protection from neighboring countries such as the Islamic Republic of Pakistan and the Islamic Republic of Iran.²⁷⁷ The UN High Commissioner for Refugees (UNHCR) estimated that 25% of the world’s refugee populations are displaced Afghans.²⁷⁸

According to UNHCR, Afghan refugees are dispersed in 69 countries.²⁷⁹ The trend of Afghans fleeing the country is changing, however. In 2008, UNHCR estimated that more than 250,000 Afghan refugees returned home, bringing the number of Afghan refugees who have returned since 2002 to more than 5 million, approximately one-fifth of Afghanistan’s population.²⁸⁰ The GIRoA, in the ANDS, estimates that an additional 3 million Afghan refugees continue to live in the Islamic Republics of Iran and Pakistan, which strains relations between the

TABLE 3.6

ANDS GENDER EQUALITY BENCHMARKS	
Target Date	Afghanistan Compact Benchmarks
End 2010	National Action Plan for Women will be fully implemented.
End 2010	National Action Plan will be in line with Afghanistan's Millennium Development Goals.
End 2010	Female participation in all Afghan governance institutions will be strengthened.
End 2010	Prisons will have separate facilities for women.
End 2010	Net enrollment in primary school for girls will be at least 60%.
End 2010	Number of female teachers will be increased by 50%.
End 2010	35% of students enrolled in universities will be women (out of 100,000 students targeted).
End 2010	Using public and private support, 150,000 men and women will receive training in marketable skills.
End 2010	Number of female-headed households that are chronically poor will be reduced by 20%.
End 2010	Employment rates for women will be increased by 20%.

Note: The ANDS adopted the benchmarks and timelines from the Afghanistan Compact.

Source: GfRoa, The Afghanistan Compact, 2/2006, Annex 1, pp. 6–11.

GfRoA and its neighbors.²⁸¹ As shown in Figure 3.41, 2.1 million Afghans fled to Pakistan and 900,000 Afghans fled to Iran.

The ANDS presents a modified sector strategy that targets the remaining 3 million Afghans.²⁸² Under this revised strategy, the GfRoA projects that even with the implementation of specific programs focused on reintegrating refugees and internally displaced persons (IDPs), a significant population will still remain in Pakistan and Iran through 2013.²⁸³ The GfRoA estimates as many as 1 million Afghans or as few as 400,000 Afghans may voluntarily or forcibly return to Afghanistan.²⁸⁴

JUDICIAL REFORM AND PROSECUTION

Judicial System

Five U.S. agencies are involved with building Afghanistan's justice system: the Department of State (DoS) Bureau for International Narcotics and Law Enforcement (INL), DoJ, USAID, the Drug Enforcement Administration (DEA), and DoD. INL carries primary responsibility for justice reform in Afghanistan.²⁸⁵

USAID has reported that Afghans are wary of a formal justice system. Their concerns relate to the integrity of the investigators, prosecutors, and judges, "who are often part of the problem rather than the solution."²⁸⁶ The ANDS describes the GfRoA's vision for the judiciary system to become an impartial and independent justice system that guarantees the security of life, religion, property,

“The ANDS strategic objective with respect to refugees, returnees, and IDPs is to efficiently manage their voluntary return and their reintegration into productive participation in society.”

—*Afghanistan National Development Strategy*

FIGURE 3.41

DISTRIBUTION OF AFGHAN REFUGEES IN ISLAMIC REPUBLICS OF IRAN AND PAKISTAN



Note: Numbers are affected by rounding.

GOVERNANCE

family and reputation, with respect for liberty, equality before the law, and access to justice for all.²⁸⁷

When amended in 2004, the Constitution adopted three significant reforms to the Afghanistan judicial system.²⁸⁸ Pursuant to Article 116 of the Constitution, (1) the judiciary acts as an “independent organ of the State,” (2) the Supreme Court is identified as the head of a unified judicial system, and (3) the Constitution is the guiding authority interpreting the law.²⁸⁹ According to the ANDS, the GIRoA must install a legal framework consistent with the Constitution for civil, criminal, and commercial law by the end of 2010 (Table 3.7).²⁹⁰

The ANDS describes Afghanistan’s justice system as a combination of civil law and Islamic Sharia-based law that has evolved over time.²⁹¹ Within the non-urban areas, the ANDS identifies the customary legal system as based on traditional tribunals.²⁹² The ANDS further describes a customary system based on the principles of apology, forgiveness, and reconciliation.²⁹³

Similarly, each Afghan province has committed to installing functioning institutions of justice by the end of 2010.²⁹⁴ Until that time, the GIRoA intends to continue focusing on reforming key institutions of justice, such as the Ministry of Justice (MOJ), the judiciary, the Attorney General’s Office (AGO), MOI, and the National Directorate of Security to improve professionalism, credibility, and integrity.²⁹⁵

U.S. Support for Justice Reform and Prosecution

According to the Compact, judicial reformation in Afghanistan is a priority for both the GIRoA and the international community.²⁹⁶ The Afghan judiciary is composed of one Supreme Court, 34 provincial court stations, and 408 primary court stations dispersed throughout 400 locations.²⁹⁷ Independent judicial power is conferred on the Supreme Court, the highest court in Afghanistan.²⁹⁸

TABLE 3.7

ANDS RULE OF LAW BENCHMARKS	
Target Date	Afghanistan Compact Benchmark
End 2010	Pursuant to the Constitution, implement legal framework, including civil, criminal and commercial law established and distributed to all judicial and legislative institutions.
End 2010	Each province will have a fully operational and functioning institution of justice.
End 2010	Reformation of oversight procedures relating to corruption, lack of due process and miscarriage of justice will be completely implemented.
End 2010	Reformation of key justice institutions (MOJ, Judiciary, AGO, MOI, and the National Directorate of Security) to strengthen professionalism, credibility, and integrity.
End 2010	Justice infrastructure will be rehabilitated to provide for separate facilities for men and women.

Notes: The role of the justice sector in the government’s development strategy is to ensure improved integrity, performance, and infrastructure of Afghanistan’s justice institutions.

Source: GIRoA, “The Afghanistan National Development Strategy,” 6/2008, p. 65.

In May 2005, supporting Afghanistan's judicial reform initiatives, INL developed a justice reform program for Afghanistan incorporating the following principles:

- Reconstruction in Afghanistan cannot succeed without a functioning criminal justice system to enforce the rule of law.
- The long-term effectiveness of the Afghan police program depends on a functioning criminal justice system.
- Counter-narcotics law enforcement efforts need to be accelerated and bolstered to effectively tackle the drug problem.²⁹⁹

According to INL, these guiding principles are the foundation of the GIRoA's counter-narcotics justice system.³⁰⁰ INL manages several programs to improve the administration of justice in Afghanistan.

INL's Justice Programs

The Counter-narcotics Justice program is part of the five-pillar counter-narcotics strategy, to which INL and DoJ provide funding, to establish a specialized task force for prosecuting narcotics cases. The program team includes six senior federal prosecutors, two to three criminal investigators, and members from the U.S. Marshals Service (USMS).³⁰¹ The Special Operations Group (SOG) of the USMS is not funded by INL or INL's mission.³⁰²

INL also provides financial support to DoJ to conduct training and mentoring for Afghan prosecutors and police investigators within the CJTF.³⁰³ Since 2007, the USMS Special Operations Group (SOG), funded separately from INL, assisted the Afghan judiciary with providing court security in Kabul.³⁰⁴ In response to the chief justice's assassination several months ago, the USMS provides security for judiciary members.³⁰⁵ According to DoJ, the USMS also conducts training activities pertaining to the operations of the Counter-narcotics Justice Center (CNJC).³⁰⁶ The CNJC began operations on May 1, 2009, according to INL.³⁰⁷ INL reported that the CNJC will support GIRoA's continuous interdiction efforts.³⁰⁸ The CNJC includes detention facilities and office space for prosecutors and judges as well as support facilities for occupants, such as dining and sleeping facilities.³⁰⁹

DoJ reported that the number of security personnel trained or mentored and their achievements are the tools SOG uses to measure its own accomplishments.³¹⁰ SOG has mentored or trained 160 personnel and provided a total of 810 hours of training.³¹¹ As of June 30, 2009, DoJ reported there have been no breaches of security or no reported attacks on CNJC.³¹²

In addition to the activities of the USMS, DoJ's criminal division and DEA provided limited assistance to judiciary security efforts.³¹³ According to DoJ, the criminal division assisted in the acquisition of armored vehicles used for judicial security.³¹⁴

The Justice Sector Support Program (JSSP), launched as a pilot program in 2005, is the INL's comprehensive approach to criminal justice reform. The JSSP provides support to the Afghan justice sector, including mentoring and training for MOJ, the AGO, and other relevant justice institutions.³¹⁵

The Attorney General's Office assistance section (AGOAS) provided assistance to the Attorney General to draft the AGO's development strategy. The AGOAS is an independent component of the JSSP. In conjunction with MOI, it established the MOI-AGO Commission to improve coordination between the police force and prosecutors.³¹⁶

The Access to Justice and Integration Section (AJIS) partnered with MOJ to establish the Independent National Legal Training Center (INLTC) and to draft a charter establishing INLTC as the exclusive entity to certify prospective prosecutors and defense attorneys, as well as members of the Afghan Bar Association. The AJIS also is an independent component of JSSP. In 2008, the AJIS provided training and mentoring to more than 1,100 Afghan justice personnel.³¹⁷

The Corrections System Support Program (CSSP), established in 2006, is structured to support the Afghan Central Prison Directorate to provide training, capacity building, and infrastructure support. CSSP has more than 30 advisors deployed in various areas.³¹⁸ In partnership with the University of Washington School of Law, the INL established a legal education program providing financial means for Afghan law professors to learn English as well as earn a degree or certificate.³¹⁹

Counter-narcotics Justice System

Afghanistan's Counter-Narcotics Justice System is composed of three main divisions: the CJTF, the CNT, and the CNJC, all based in Kabul.³²⁰ CJTF is responsible for investigating and prosecuting counter-narcotics cases in Afghanistan. CNT, which has authority over all counter-narcotics-related crimes meeting certain criteria amounts (such as possession of 2 kg of heroin, 10 kg of opium, 50 kg of hashish, and precursor chemicals), presides over both counter-narcotics-related crimes and drug-related corruption.³²¹ CNJC is the venue for all trials.³²² CNJC opened its doors on May 1, 2009.³²³ It serves as a secure facility for holding and prosecuting major narcotics offenders.³²⁴ DoD provided financial assistance for the construction of this facility.³²⁵

As shown in Table 3.8, the JSSP regional program provides support to the Afghan judiciary. Strengthening the judiciary through mentoring supports GIRoA's vision for improving the justice sector of Afghanistan is consistent with the benchmarks set forth in the ANDS.³²⁶ INL reported that JSSP Advisors, through the JSSP program, mentored provisional chief prosecutors and criminal investigation divisions in 15 provinces throughout Afghanistan.³²⁷ Figure 3.42 shows the provinces in which Afghan judiciary members receive mentoring and training support.

TABLE 3.8

INL JUSTICE AND RULE OF LAW PROGRAMS (\$ MILLIONS)		
Program Name	Description	Funds Allotted
JSSP	Supports the Afghan justice sector	\$132.5
CSSP	Supports the Afghan corrections system, including training with MOJ and Central Prisons' Directorate	\$88.4
Counter-narcotics Justice and Anticorruption	Supports CJTF, Anticorruption Unit, and CNT	\$7.0
Justice Integration	Supports local and national NGOs including U.S. Institute of Peace	\$2.0
Judicial Security	Supports improvements to judicial security for CNT and to assist MOJ	\$2.0
Justice Trust Fund Support	Provides salary support for justice sector	\$10.0
Legal Education and Access to Justice	Supports additional education of Afghan legal professionals and the Afghan general public on developments in the Afghan legal sector	\$5.0
Justice Infrastructure	Supports development of justice sector infrastructure	\$10.6
Corrections Infrastructure	Supports development of corrections system infrastructure	\$15.0
Total		\$272.5

Notes: Numbers affected by rounding. INL funding terms (allotted) reported as provided by INL except as specified.
Sources: INL, responses to SIGAR data call, 7/2/2009 and 7/7/2009.

Consistent with programs established to improve the rule of law, Afghanistan is committed to rehabilitating its justice infrastructure (such as prisons), including erecting separate facilities for women and juveniles.³²⁸ According to DoD, Afghanistan's prison population increased by 21% in 2008.³²⁹ The United States is considering a prison reform strategy, drafting standard operating procedures, and reviewing prisoners' sentences and conditions to ensure that prisoners' rights are protected.³³⁰ After a review of more than 4,000 prisoners' case files, 89 inmates were identified as eligible for release.³³¹

USAID reported that most Afghans believe corruption exists in the formal justice system and have little confidence in justice being properly adjudicated.³³² Instead of resolving conflict through the formal judicial system, some Afghans, particularly those who reside outside city limits, use community dispute resolution venues such as local tribunals.³³³

FIGURE 3.42

INL JSSP, MENTORING PRESENCE BY PROVINCE



Source: INL, response to SIGAR data call, 7/2/2009.

RULE OF LAW

Since 2002, the U.S. Congress has appropriated \$76 million for programs to strengthen rule of law in Afghanistan.³³⁶ Table 3.9 depicts the status of DEA funds appropriated.

Counter-narcotics Rule of Law

Counter-narcotics rule-of-law initiatives are divided between **interdiction** and **law enforcement** (which supports training and support programs for police and other law enforcement) and justice reform and prosecution (which works to enhance the Afghan justice system and its capabilities).³³⁷

Interdiction Programs work to develop Afghanistan's ability to arrest and prosecute command-and-control elements of drug organizations; this will support Afghanistan's capacity to disrupt and dismantle drug trafficking organizations.³³⁴

Law Enforcement Programs work to enhance Afghanistan's capacity to arrest, prosecute, and process drug traffickers and corrupt officials.³³⁵

Interdiction and Law Enforcement

INL reported that the United States provides approximately \$200 million per year in support to counter-narcotics interdiction and law enforcement through DoD, DEA, and INL.³³⁸

Operation Data and Intelligence Collection and Exchange

In 2008, Operation Data and Intelligence Collection and Exchange (DICE) tracked the movement of a precursor chemical for heroin—acetic anhydride—across Europe, East Asia, and the Middle East. Operation DICE identified trafficking patterns, uncovering previously unknown sources and trading countries.³³⁹ INL reported that the GIRoA identified acetic anhydride as having “no legitimate use” in the country.³⁴⁰ Plant-based drugs, including cocaine, morphine, and heroin, require “precursor chemicals” (chemicals mixed with the plants to

TABLE 3.9

DEA FUNDS, FY 2002–2009 (\$ MILLIONS)			
Appropriation	Actual	Obligated	Disbursed
FY 2002	\$0.58	\$0.58	\$0.58
FY 2003	\$2.87	\$2.74	\$2.74
FY 2004	\$3.72	\$3.27	\$3.27
FY 2005	\$16.77	\$12.30	\$12.30
FY 2006	\$23.66	\$21.27	\$21.08
FY 2007	\$15.79	\$15.79	\$10.26
FY 2007 (Supplemental)	\$4.59	\$4.89	\$4.72
FY 2008	\$18.20	\$13.28	\$8.97
FY 2008 (Supplemental)	\$22.39	\$12.73	\$9.17
FY 2009	\$18.80	\$6.62	\$3.35
Total	\$127.37	\$93.47	\$76.44

Notes: This table represents funding from FY 2001 through FY 2009. Numbers are affected by rounding. DoJ-DEA funding terms (actual, obligated, and disbursed) reported as provided by DoJ except as specified. Source: DoJ, response to SIGAR data call, 7/7/2009.

create drugs) for production. The U.S. counter-narcotics strategy includes targeting illicit commercial use of precursor chemicals.³⁴¹ According to INL, regulation of precursor chemicals such as acetic anhydride is considered a serious challenge for Afghanistan because Afghanistan is the source of 93% of the world’s opium poppies and the location of an increasingly high percentage of heroin production.³⁴²

ANTICORRUPTION EFFORTS

Afghanistan faces many challenges in combating corruption in multiple facets of its reconstruction efforts, such as implementing strategies for training security forces, promoting democracy through free and fair elections, and fostering economic development through legal means.³⁴³ According to the Afghanistan Compact and the ANDS, anticorruption is a key cross-cutting issue.³⁴⁴ As shown in Table 3.10 the ANDS describes the GIROA’s commitment to controlling corruption using the Afghanistan Compact anticorruption benchmarks. Specifically, the GIROA recognizes that corruption in the judicial, financial management, and service-delivery responsibilities of government significantly affects the power of government in a fundamental way.³⁴⁵

USAID defines corruption as “the abuse of public position for private gain.”³⁴⁶ USAID reported that pervasive corruption in Afghanistan undermines successful implementation of security, economic development, and state- and democracy-building initiatives.³⁴⁷ Finding a delicate balance between diverse local practices and preventing widespread corruption is imperative for establishing the GIROA’s authority, according to USAID.³⁴⁸

The past 30 years of international and regional conflicts have destabilized Afghanistan’s government institutions and fragmented the country. Existing anti-corruption laws need to be strengthened to define the conduct that is prohibited and the associated punishment, as a deterrent. For example, USAID noted that

“The United States, our international partners, and most importantly, the Afghans, must work to reduce corruption and strengthen the rule of law. Without real progress on these issues, success will be very difficult to achieve.”

—U.S. Ambassador
to Afghanistan
Karl W. Eikenberry³⁵³

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)

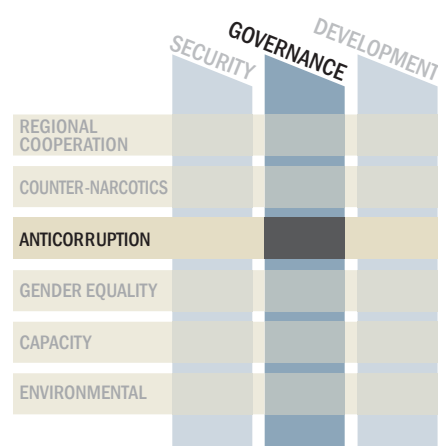


TABLE 3.10

ANDS ANTICORRUPTION BENCHMARKS		
Target Date	Cross-cutting issue	Benchmark
End 2010	Anticorruption	In accordance with Article 50 of the Constitution, citizens will have unlimited right of access to information from GIROA offices.
End 2010	Anticorruption	The GIROA will increase the number of arrests and prosecutions of drug traffickers and corrupt officials.
End 2013	Anticorruption	The GIROA will significantly reduce corruption in the judiciary and government in the areas of security, customs, civil administration, and municipalities.

Source: GIROA, “The Afghanistan National Development Strategy,” 6/2008, p. 72.

the Law on the Campaign against Bribery and Official Corruption fails to define prohibited conduct, such as bribing, illegally recommending, requesting, and lobbying.³⁴⁹ USAID reported that the GIROA needs to strengthen the application, coordinate and streamline certain provisions, and modify the practices of its existing anticorruption laws and policies to prevent corruption.³⁵⁰

The Capacity Development Program works closely with the minister of finance and the Independent Administrative Reform and Civil Service Commission to modernize financial and human resource management.

The Office of the President/Support for the Center of Government (OoP/SCoG) supports basic public-administration capacity development throughout the OoP for financial management, information technology, and other critical capacity development.

The Afghanistan Rule-of-Law Program (AROLP) provides training for more than 1,000 judges; support for development of systems for case management, tracking, and open information for courts; and support for developing a code of ethics for judges.³⁵⁴

Anticorruption Programs

USAID assists the GIROA in its effort to strengthen the transparency, accountability, and effectiveness of the critical functions of Afghanistan's national and sub-national governments.³⁵¹ According to USAID, efforts to circumvent corruption are directed to core governance and rule-of-law capacity programs dedicated to improving transparency and accountability within the critical aspects of government.³⁵² The Capacity Development Program, Office of the President/Support for the Center of Government (OoP/SCoG), and the Afghanistan Rule-of-Law Program (AROLP) are designed to foster transparency, accountability, and effectiveness in circumventing corruption activities.³⁵⁵

USAID identified other U.S. government agencies that also provide substantive assistance to supporting Afghanistan's anticorruption efforts.³⁵⁶ DoS, through its Economic Section, provide policy guidance to the central ministers in developing and strengthening the GIROA's anticorruption efforts. USAID reported that the political and political-ministry sections of DoS work closely with Afghan ministries and the National Assembly in addressing anticorruption issues.³⁵⁷ The U.S. Treasury (Treasury), according to USAID, also has provided mentoring support to MOF in providing public financial management reform to ensure transparency in the use of public funds.³⁵⁸

With assistance from INL, the Anticorruption Unit (ACU) in the AGO was established.³⁵⁹ According to INL, the ACU is a 15-member team of investigative prosecutors specially selected by the Attorney General to investigate and prosecute corruption cases nationwide.³⁶⁰ The JSSP Advisors and the INL-funded DoJ prosecutors provide mentoring services.³⁶¹ The Attorney General has teamed with the international community to develop a new vetting process for current and future prosecutors in the ACU.³⁶²

High Office of Oversight for the Implementation of the Anticorruption Strategy

The High Office of Oversight for the Implementation of the Anticorruption Strategy (HOO) opened its Kabul headquarters in July 2008.³⁶³ According to USAID, establishing HOO—a new, dedicated anticorruption agency—is a significant achievement for the GIROA.³⁶⁴ In this capacity, HOO will focus its resources on preventing corruption as well as disseminating more information to the public relating to the processes and costs of government ministries and departments.³⁶⁵

According to the UN Secretary-General, one of HOO's primary responsibilities is to host regular meetings with the president, the Supreme Court, the Attorney General, and MOJ.³⁶⁶ USAID reports that, as a relatively new organization, HOO will be responsible for oversight and reporting for the Afghan government using guidance articulated in the UN Convention against Corruption (UNCAC).³⁶⁷

According to USAID, HOO is responsible for the following functions:

- strategy
- oversight
- prevention
- complaints
- case tracking
- asset registration
- public outreach

USAID provides technical assistance to HOO for institutional establishment and provides staff training and other assistance to prevent corruption within HOO.³⁶⁸ According to USAID, efforts to combat corruption in Afghanistan target core governance and rule-of-law capacity development.³⁶⁹ The GIRoA, through its ministries and agencies, will collaborate with HOO to identify areas of vulnerability to corruption and methods to promote integrity.³⁷⁰ HOO's mission, according to USAID, will be focused on orchestrating Afghanistan's anticorruption efforts in a sustained and coordinated fashion.³⁷¹ SIGAR plans to assess the capabilities and the performance of HOO as part of its oversight activities.

The UN Convention against Corruption (UNCAC), enacted on September 29, 2003, set forth a detailed, comprehensive, and multidisciplinary approach for the "prevention, investigation, and prosecution of systemic corruption." The UNCAC includes 71 articles addressing topics such as public reporting, preventing money-laundering, and criminal enforcement. It also recommended preventive anticorruption policies and practices that a sovereign nation can implement through its own governance mechanisms.³⁷²

“The ANDS strategic objective is to enable the private sector to lead Afghanistan’s development within a competitive market-based economy in which the Government is the policy maker and regulator of the economy, not its competitor.”

—*Afghanistan National Development Strategy: Economic and Social Development*

ECONOMIC AND SOCIAL DEVELOPMENT

OVERVIEW

According to the Afghanistan National Development Strategy (ANDS), privatization and foreign investment are critical to economic and social development in Afghanistan. Other areas of focus include reliable access to electricity, water resource management, and safe and integrated transportation.³⁷³ This section focuses on progress in Afghan economic and social development, highlights Afghan counter-narcotics efforts, and provides an update on provincial reconstruction teams (PRTs).

Despite U.S. and other international investments in development programs, Afghanistan continues to face large-scale economic challenges. Living standards in Afghanistan remain among the lowest in the world.³⁷⁴ Investment is deterred by weak institutions and enforcement.³⁷⁵ In addition, the drug trade continues to inhibit all attempts by the Government of the Islamic Republic of Afghanistan (GIROA) to enhance development initiatives and stability.³⁷⁶

KEY ECONOMIC INDICATORS

The ANDS stresses the importance of bolstering the economic development of Afghanistan. Some key indicators for that development include an effective banking system, a growing gross domestic product (GDP), a steady currency, and low unemployment.

Banking

In 2004, the GIROA legislature passed a banking law, formalizing the Afghan banking structure. Since then, banking assets have increased steadily. As of March 2009, the U.S. Treasury (Treasury) estimated that banking assets were approximately \$2.41 billion, and capital totaled approximately \$355 million. In the past year, banking assets have increased by 66% and deposits have increased by 69%.³⁷⁷

The Afghan banking system includes two state-owned banks, eight Afghan-owned banks, and seven foreign-owned banks. The three largest banks are Kabul, Azizi, and Pashtany. These three banks account for more than 50% of Afghan banking assets. Kabul and Azizi are both privately owned, and Pashtany is a state-owned bank.³⁷⁸

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)

	SECURITY	GOVERNANCE	DEVELOPMENT
REGIONAL COOPERATION			
COUNTER-NARCOTICS			
ANTICORRUPTION			
GENDER EQUALITY			
CAPACITY			
ENVIRONMENTAL			

The under-development of the banking sector, combined with high banking commission rates, have discouraged Afghans from using formal banking channels, according to the United Nations (UN). In the absence of a developed banking structure, many Afghans rely on hawala, an informal financial system, to move money domestically and abroad.³⁷⁹

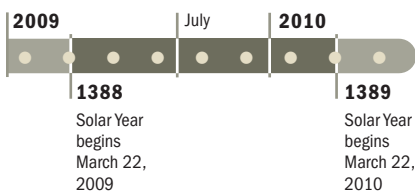
Practitioners of hawala (known as hawaladars) are based primarily in Kabul, at the money market exchange. The hawaladars provide customers with financial services including money exchange transactions, funds transfers, micro-finance, trade finance, and deposit taking. They also provide traders with financial services, such as currency conversions, international and domestic money transfers, and deposit-taking services.³⁸⁰ Treasury reports that several domestically owned banks in Afghanistan have a background in hawala.³⁸¹

Solar Calendar: Each solar year (SY) starts on March 22 and lasts until March 21 the following year. By the solar calendar, July 2009 falls within SY 1388.³⁸²

The Afghan central bank, Da Afghanistan Bank, operates on the **solar calendar** timeframe, while commercial banks use the Gregorian calendar, which is commonly used by U.S. and international commercial financial institutions and central banks. Da Afghanistan Bank had planned to coordinate a unified timeframe for the Afghan banking system by June 2008 but has determined it would be impractical. The International Monetary Fund (IMF) reported that the central bank has reached an understanding with commercial banks to collaborate on key data points.³⁸⁴ Figure 3.43 shows the overlap between solar and Gregorian calendar years.

FIGURE 3.43

COMPARISON OF SOLAR YEAR TO GREGORIAN CALENDAR YEAR



Source: USAID, response to SIGAR data call, 7/2/2009.

In Afghanistan, “licit GDP” acknowledges the existence of a large illicit (illegal) revenue, especially through poppy production.³⁸³

Gross Domestic Product

Both real and nominal GDP in Afghanistan are expected to experience growth in 2009. Treasury reported that estimates of Afghanistan’s GDP vary widely, primarily because of data limitations within the country. Treasury uses the IMF’s GDP estimates to track GDP spending. Services, including financial and telecommunications companies, are the largest contributors to GDP. Agricultural production (including wheat) is the second-largest provider, followed by the manufacturing industry.³⁸⁵ Table 3.11 shows both nominal and real GDP estimates between 2002 and 2010.

GDP does not account for the sizable opium-production industry; some estimates indicate the opium trade could be as large as the licit economy.³⁸⁶

Stability of Afghan Currency

Afghanistan’s currency is the Afghani (AFA).³⁸⁷ As of July 1, 2009, Da Afghanistan Bank reported the exchange rate at approximately 50 AFAs to one U.S. dollar.³⁸⁸ The IMF reported that the AFA remained broadly stable throughout 2008; it depreciated slightly as compared with the U.S. dollar but appreciated in trade-weight terms. Da Afghanistan Bank has tried to maintain the value of the AFA by fostering the market for capital notes and establishing an electronic registry.³⁸⁹

Employment

The ANDS states that in order to reduce the high poverty rate in Afghanistan, the country will have to make progress toward increasing employment opportunities.³⁹⁰ In 2008, Afghanistan’s unemployment rate was estimated to be 40%, one of the highest in the world; out of 199 ranked countries (1 being the lowest unemployment rate), Afghanistan ranked 185.³⁹¹

TABLE 3.11

AFGHANISTAN GDP GROWTH ESTIMATES								
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Nominal GDP (\$ billions)	4	4.4	5.4	6.5	7.7	9.7	11.7	13.4
Real GDP Growth (% change, year on year)	–	15.1	8.8	16.1	8.2	12.1	3.4	9

Notes: Numbers are affected by rounding. Both 2008/2009 and 2009/2010 numbers are estimates.
Source: U.S. Treasury, response to SIGAR data call, 7/10/2009.

From a labor force of approximately 15 million Afghans, 80% are employed in agriculture, 10% in industry, and 10% in services.³⁹²

ESSENTIAL SERVICES

Energy

The main ANDS goals for the energy sector include the construction of a reliable, affordable energy system and increased privatization with oversight by the GIROA. With these goals in mind, the ANDS anticipates the next steps in energy development will be the expansion of services and maintenance of competitive pricing for all but the poorest customers. The expansion process will be the responsibility of donor-funded projects, while the privatization will be the responsibility of the GIROA.³⁹³

The United States has provided support for energy development through the Economic Support Fund (ESF), managed by the U.S. Agency for International Development (USAID), and the Commander's Emergency Response Program (CERP).³⁹⁴ Several large-scale electricity projects are under way, including the expansion of the North-East Power System,³⁹⁵ the Kabul Power Plant,³⁹⁶ and a \$3.75 million award to support data and technical assistance to the Ministry of Energy and Water. In addition, the Darunta Hydroelectric Power Plant Rehabilitation (supported with \$9.86 million in U.S. funds), is in progress for Nangarhar Province.³⁹⁷

A recent agreement with neighboring Uzbekistan has allowed for the completion of an electric transmission line across the northern border of Afghanistan. With this line completed, the United Nations (UN) Secretary General reported a "nearly full restoration" of power to parts of Kabul.³⁹⁸

Education

With support from international donors, the GIROA has reported improved access to education throughout Afghanistan. In 2008, approximately 52,200 students were involved in higher education, and approximately 6 million children attended school,³⁹⁹ including almost 2 million girls. Under the Taliban, fewer than 1 million children were in school and girls were not permitted to attend.⁴⁰⁰

With the influx of students into Afghan schools, the ANDS goals focus on increasing the quality of available education. To support this goal, increased teacher training and support are planned within the educational structure.⁴⁰¹

During the Taliban regime, approximately 80% of Afghan schools were damaged or destroyed. The United States has supported the construction and refurbishment of more than 680 schools in Afghanistan. Through USAID, more than 60 million textbooks have been distributed.⁴⁰²

Water

The ANDS stresses the need for improved efficiency in water management as a crucial component of development in the water sector. As such, the ANDS recommends a departure from project-by-project work toward an integrated water resources management (IWRM) program, which will focus on improved storage facilities, recharge basins, multi-purpose dams, and irrigation systems.⁴⁰³

Since the release of the ANDS, Afghanistan has developed an IWRM that outlines a series of detailed goals for the water sector. USAID reported that IWRM is an internationally accepted approach to water development programming. Afghan IWRM priorities include:⁴⁰⁴

- development of multi-purpose dams, which provide irrigation systems, flood control, water supplies, and power
- improvement of rural, municipal, and urban water supplies, and sanitation systems

At a June 2009 donor conference in Paris, the GIRoA presented a \$5.3 billion spending plan for its water sector.⁴⁰⁵ The United States continues to provide support for Afghan water and sanitation development.⁴⁰⁶

Although there has been some progress in providing water to the Afghan people, less than a fourth of the population has continuous access to potable water. Since 2001, the UN Children’s Fund (UNICEF) has reported steady improvements in the delivery of clean water. People living in remote areas, however, continue to have trouble gaining access to safe water.⁴⁰⁷

The lack of sewer systems and sanitation affects more than health; it also can affect educational opportunities. According to UNICEF, a lack of gender-specific latrines prevents many girls from attending school. UNICEF is supporting the GIRoA’s efforts to provide schools with access to drinking water and gender-specific latrines.⁴⁰⁸

Health Care

USAID has defined the health status of Afghans as “among the worst in the world,”⁴⁰⁹ and the ANDS states that “by all measures, the people of Afghanistan suffer from poor health.”⁴¹⁰ The ANDS identifies a list of challenges to the health of the Afghan people:⁴¹¹

- insufficient funding for key programs
- limited sustainability plans when donor funding is completed
- insufficient training for health workers
- limited qualified female health workers for rural areas
- large rural population with limited accessibility to health care facilities
- under-utilization of health services, especially preventive services
- inconsistent levels of health care service quality
- security concerns in some provinces preventing safe access to health care
- limited infrastructure to provide low-cost health care for poor households
- limited infrastructure to support and regulate private-sector pharmacy care



An Afghan man receives medical treatment at a medical capabilities (MEDCAP) health cooperative. (U.S. Marine Corps photo)

The GfR0A is focusing on specific challenges described in the ANDS. They include reducing the maternal mortality rate by 15%, reducing the under-5 mortality rate by 20%, and reducing the infant mortality rate by 20% from 2000 levels.⁴¹²

USAID reports that two of the three goals (mortality rate goals for under-5 and infants) have been achieved,⁴¹³ and overall health conditions for Afghans are improving.⁴¹⁴ Between 2001 and 2007, tuberculosis case detection rates doubled (from 29% in 2001 to 64% in 2007).⁴¹⁵ Table 3.12 shows some of the indicators of improvement.

USAID reports that all Afghan provinces currently have access to health care; however, many rural areas are still between two and four hours' walk from medical care. The internationally recognized travel distance for adequate access to health care is two hours or less.⁴¹⁶

Table 3.13 depicts ways USAID is supporting development in the health care sector.

In addition to USAID projects, Afghanistan's health care sector receives U.S. support from the Department of Health and Human Services (HHS) and the Department of Defense (DoD). Additional health care funding is provided by the World Bank, the European Commission, the **Japan International Cooperation Agency (JICA)**, the French government, the **Asian Development Bank**, the Italian government, privately funded non-governmental organizations (NGOs), and other international governments through provincial reconstruction teams (PRTs).⁴¹⁷ For more on PRTs, see the PRT discussion in this section.

The **Japan International Cooperation Agency (JICA)** is an international development group working with developing nations including Mexico, Pakistan, Turkey, and Afghanistan.⁴¹⁸

The **Asian Development Bank** is an international development finance institution supporting poverty eradication and quality-of-life programs for developing countries in Asia and the Pacific.⁴¹⁹

TABLE 3.12

IMPROVEMENT INDICATORS FOR HEALTH CARE IN AFGHANISTAN	
ANDS Objective	Improvement Indicator as of July 2009
Between 2003 (SY 1982) and 2015 (SY 1394), under-5 mortality will drop 50%.	Under-5 mortality has dropped 26% (191 deaths per 1,000 live births).
By March 2010 (end of SY 1389), infant mortality will drop 20%.	Infant mortality has dropped 22% (129 deaths per 1,000 live births).
By March 2010 (end of SY 1389), 90% of Afghans will have access to health care.	More than 80% of Afghans have access to health care, compared with 8% in 2002.
By March 2010 (end of SY 1389), 100% of under-5 children will be vaccinated against vaccine-preventable diseases.	More than 90% of children under 5 have been vaccinated against polio.

Sources: GfR0A, "Afghanistan National Development Strategy," 6/2008, pp. 111-112; USAID, response to SIGAR data call, 7/2/2009; USAID, response to SIGAR vetting, 7/16/2009; USAID, "USAID: Afghanistan," www.usaid.gov, accessed 6/9/2009.

TABLE 3.13

USAID ONGOING SUPPORT FOR HEALTH CARE PROGRAMS IN AFGHANISTAN		
Activity	Description	Estimated Start-Completion Dates
Polio Eradication Project	USAID supports UNICEF's Polio Eradication Project, which coordinates national immunization days and door-to-door vaccinations for children. This project is ongoing. In 2006, more than 7 million children received polio vaccinations.	Ongoing
Capacity Development for the Private Health Care Sector (COMPRI-A)	USAID supports the Communication for Behavior Change: Expanding Access to Private Sector Health Products and Services in Afghanistan (COMPRI-A) Project, which works to increase health care capacity through public information, increased access to reproductive health care and child survival, and coordination between private and public health services.	2/2006-3/2010
Tech-Serve	USAID's "Tech-Serve" program works to bolster the Ministry of Public Health management information system. The program aids the Ministry of Public Health in monitoring its health clinics and provides assistance in ordering and delivering medicines used by more than 350 health clinics and 3,800 health posts.	7/2006-6/2010
Health Services Support Project (HSSP)	HSSP assists non-governmental organizations (NGOs) in implementing services to improve management at Afghan health clinics. The goals of the project include improving systems that support service delivery quality; increasing the number of health care providers, especially for women in rural and underserved areas; and supporting positive health care behavior in Afghan families and communities.	7/2006-9/2010

Source: USAID, "Programs: Health," <http://afghanistan.usaid.gov>, accessed 7/3/2009.

Transportation

The main transportation goal described by the ANDS requires that Afghanistan build and maintain a safe, integrated transportation network within the country. The transportation system should be low-cost and fairly reliable to encourage the movement of people and goods. The ANDS also adopted three milestone transportation goals from the Afghanistan Compact:⁴²⁰

- **The Ring Road:** A well-maintained, modern road system throughout Afghanistan, including connecting roads leading out of the country, and a sustainable road maintenance system by SY 1387 (2008–2009)
- **Airport Reconstruction:** Full International Civil Aviation Organization compliance for Kabul International Airport and Herat Airport, as well as runway repairs and upgrades for regional airports by SY 1389 (2010–2011)
- **Border Management:** A series of trade and transit agreements with neighboring countries, making it easier to move between Afghanistan and bordering nations by SY 1389 (2010–2011)



Pavement is laid on the Kabul-Kandahar Road, part of the Ring Road. (USAID photo)

USAID is overseeing the Ring Road project, which is working to rehabilitate the Afghan roadway system. When completed, approximately 60% of Afghans will live within 50 km of the Ring Road.⁴²¹ As of September 2008, more than 1,650 miles of road had been constructed or rehabilitated with support by USAID.⁴²² According to USAID, the following contributions were pledged to support the national Ring Road system:⁴²³

- **Japan:** contributing funds for 116 km
- **Saudi Arabia:** contributing funds for 115 km
- **United States:** contributing funds for 326 km and security, de-mining, design, and construction management for Saudi Arabia's 115 km

In June 2009, Bost Airstrip was opened as the only commercial airstrip in southern Afghanistan. Located in Helmand Province, Bost Airstrip is 2,000 m in length and will primarily support light aircraft; it previously served as a military airstrip. Commercial passenger aircraft were expected to start using Bost Airstrip in July 2009. The airstrip was constructed by USAID in partnership with the Afghan Ministry of Transportation and Civil Aviation (MoTCA).⁴²⁴ As of 2008, Afghanistan had 50 airports, including 14 with paved runways and 36 with unpaved runways.⁴²⁵

INDUSTRY GROWTH

Afghanistan's industry is based primarily on agriculture. In addition to subsistence crop production, Afghanistan grows food crops for commercial use, including wheat, grapes, apricots, and pomegranates, and industrial crops, including cotton, tobacco, madder, castor beans, and sugar beets. Afghanistan also has many natural resources, including natural gas, petroleum, coal, and copper; however, instability in the country and rugged terrain have made it difficult to exploit these resources.⁴²⁶

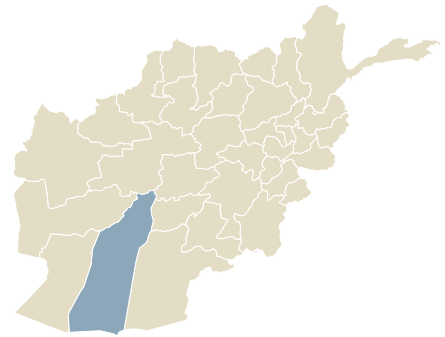
Agriculture

The main agricultural goal for Afghanistan, as defined by the ANDS, is to use development in this sector to create a livelihood for the rural poor.⁴²⁷ An estimated 80% of Afghans make their living through farming or herding. Approximately 12% of Afghanistan's land is arable, but only 6% is currently cultivated.⁴²⁸

The ANDS provides a two-part strategy to develop the agriculture sector: the Comprehensive Agriculture and Rural Development (CARD) initiative, and the Agricultural and Rural Development Zone (ARDZ). The CARD initiative is focused on reducing poverty through economic regeneration⁴²⁹ and private-sector development by enabling farmers and agribusiness.⁴³⁰ CARD priorities are varied, depending on regional needs, but the overall theme is to support the most impoverished and vulnerable part of Afghanistan: the rural poor. The ARDZ represents the GIROA's strategy to expand commercial activities to improve agricultural productivity.⁴³¹

The United States provides support for provincial efforts to improve agricultural development. In April 2009, construction began on the Helmand Agriculture Center, an agribusiness industrial park supported by USAID. Located in the southern province of Helmand, the center is expected to create approximately 2,500 jobs in manufacturing, processing, services, and site maintenance.⁴³²

HELMAND PROVINCE Location of Bost Airstrip



Source: UNODC, "World Drug Report 2009," 6/24/2009.

NATURAL GAS IN AFGHANISTAN

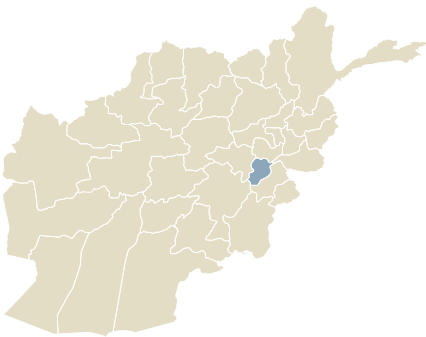
Between 1967 and 1989, natural gas sales accounted for approximately \$300 million in annual exports revenue—about 56% of overall Afghan exports; however, approximately 90% of this revenue was used to pay import costs and debts to the Soviet Union. In 1989, when Soviet troops withdrew from Afghanistan, the natural gas fields were capped in an attempt to prevent sabotage by the mujahedeen. Regional instability and the loss of trading partners following the collapse of the Soviet Union have made it difficult for Afghanistan to reactivate the fields, as reported by USDA in January 2009.

Drought

Below-normal rainfall and snowfall in the winter of 2007–2008 resulted in a serious drought for Afghanistan. The drought impaired 2008–2009 wheat seed availability, causing wheat production to fall by 55% from the previous year and barley production by 67%.⁴³³ Despite UN and GIRoA efforts to control price inflation, the U.S. Department of Agriculture (USDA) reported that wheat prices climbed to an average of 200% higher than normal levels in most Afghan markets.⁴³⁴

Although Afghanistan has a sufficiently varied agricultural economy to accommodate the shortage of wheat, USAID reports that the loss of a staple grain product caused concern that civil unrest might arise without access to wheat. With consideration for the upcoming presidential election, the GIRoA and international donors provided extra support to bolster wheat production. USAID provided \$60 million for agricultural vouchers for increased production in Afghanistan. Estimates indicate the next wheat crop will be the highest of the past 30 years.⁴³⁵

LOGAR PROVINCE
Location of Aynak Copper Mining



Source: UNODC, "World Drug Report 2009," 6/24/2009.

Mining

The ANDS goal for the mining sector is to encourage private investment and development. The anticipated results of mine industry growth include increased government revenue and improved employment opportunities. To encourage privatization, the ANDS expects the Afghan Ministry of Mines (MOM) to transition from a producer of products to an overseer of private industry.⁴³⁶ However, as of July 8, 2009, the ministry still described itself as involved in the "research, exploration, development, exploitation, and processing of minerals and hydrocarbons."⁴³⁷

In May 2008, MOM signed a contract with China to allow the mining of Aynak copper. Through negotiation, the ministry was able to convince China to agree to conduct exploration, exploitation, process, smelting, and cathodic infiltration within the borders of Afghanistan, instead of transporting the raw product back to China for processing. According to MOM, this contract will keep expertise in the country and provide increased infrastructure in the mined province (Logar), which, in turn, will encourage the development of primary and secondary schools and regional markets.⁴³⁸ The ANDS states that it is crucial for MOM to use the Aynak copper contract to attract further investment in the mining sector.⁴³⁹

COUNTER-NARCOTICS

The ANDS recognizes counter-narcotics as a cross-cutting issue, meaning that it infiltrates all three pillars of reconstruction: security; governance, rule of law, and human rights; and economic and social development. Counter-narcotics programs are designed to promote four goals:⁴⁴⁰

- disruption of the drug trade
- strengthening and diversification of legal rural livelihoods
- reduction of demand for illicit drugs and improved treatment for drug addicts and users
- strengthening of government institutions to fight drugs

According to the U.S. Government Accountability Office (GAO), “The drug trade has undermined virtually every aspect of the Afghan government’s effort to build political stability, economic growth, rule of law, and its capacity to address internal security problems.”⁴⁴¹ Illegal trafficking also provides funding for the Taliban and other anti-government groups.⁴⁴² Afghanistan continues to produce more than 90% of the world’s opium through the cultivation of poppies.⁴⁴³ Poppies are the source of opium, a key ingredient in heroin and multiple other opioids, including morphine.⁴⁴⁴

As of 2008, approximately 2.4 million Afghans were involved in opium production—about 10% of Afghanistan’s population.⁴⁴⁵

According to the U.S. Department of State (DoS) Bureau of International Narcotics and Law Enforcement (INL), if opium were a legal product, it would have made up approximately 7% of Afghanistan’s 2008 GDP—a significant drop from 2007 (12%).⁴⁴⁶ Table 3.14 shows the change in opium **farm-gate value** in the past three years.

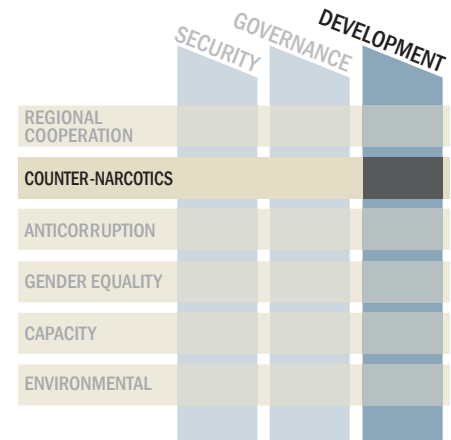
Approximately 98% of poppy cultivation is concentrated in the southern provinces, where the Taliban and insurgency continue to hold sway.⁴⁴⁷ The UN Office of Drugs and Crime (UNODC) estimates that 22 Afghan provinces will be “poppy-free” in 2009—an additional four provinces from 2008 (Badakhshan, Baghlan, Faryab, and Herat).⁴⁴⁸ A province is defined as “poppy-free” when it has fewer than 100 **hectares (ha)** of land used in opium cultivation.⁴⁴⁹ Figure 3.45 shows poppy cultivation across Afghan provinces.

TABLE 3.14

OPIUM PRODUCTION IN RELATION TO AFGHAN GDP			
Year	Licit GDP	Total Farm-Gate Value	Opium Farm-Gate Value as a Percentage of GDP
2008	\$10.2 billion	\$730 million	7%
2007	\$8.2 billion	\$1.0 billion	12%
2006	\$6.9 billion	\$0.76 billion	11%

Source: DoS, response to SIGAR data call, 7/2/2009.

AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY (ANDS)



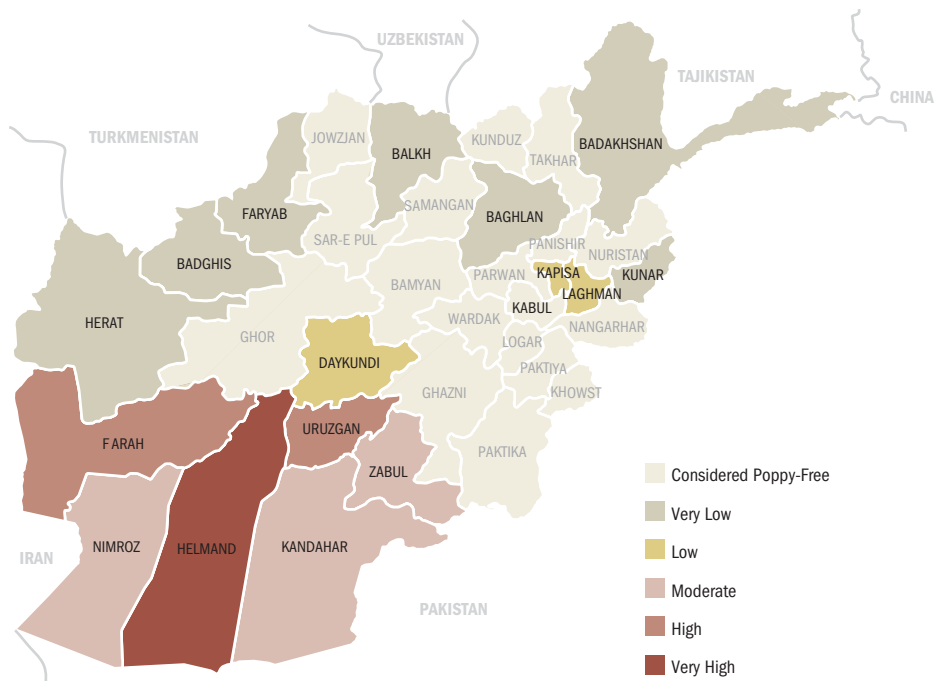
Farm-gate value refers to the value of the product before shipping, or at the farm’s gate.

One hectare (ha) is equivalent to approximately 2.471 acres of land.⁴⁵⁰

According to INL, no legal poppy farms exist in Afghanistan.⁴⁵¹

FIGURE 3.45

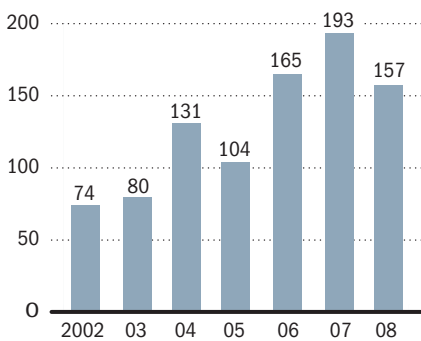
POPPY CULTIVATION LEVELS BY PROVINCE



Source: UNODC, "World Drug Report 2009," 6/24/2009, p. 191.

FIGURE 3.44

AFGHAN POPPY CULTIVATION BY YEAR (THOUSANDS OF HECTARES)



Note: Numbers affected by rounding and are UN estimates.
Source: UNODC, "World Drug Report," 6/24/2009.

In 2008, Afghan opium production dropped 19% from the previous year, as reported by UNODC.⁴⁵² Figure 3.44 depicts opium production year by year between 2002 and 2008.

U.S. Efforts in Counter-narcotics

As of July 2, 2009, the United States had the largest international counter-narcotics footprint in Afghanistan.⁴⁵³ In FY 2009, the United States expended almost \$172 million for Afghan counter-narcotics efforts.⁴⁵⁴

Alternative Development Programs

According to INL, alternative development programs seek to encourage mainstream economic and political growth outside of poppy production, either through the production of alternative crops or with non-agricultural labor.⁴⁵⁵ USAID reported that improved availability of off-farm jobs and opportunities to sell legal crops increase the likelihood that farmers will shift away from growing poppies.⁴⁵⁶

THE ROLE OF THE POPPY IN DRUG PRODUCTION

Approximately \$8.5 million has been allotted to INL for alternative development programs. INL has expended almost all of those funds (\$8.45 million).⁴⁵⁷ Some of the programs instituted to encourage alternative development include:⁴⁵⁸

- development of orchards and other perennial crops
- development of roads to increase rural access to markets
- improved access to storage facilities for crops
- increased enforcement of anticorruption efforts on roadways
- enhanced agricultural output processing (for example, grain mills to grind wheat into flour)
- development of agri-technology (for example, greenhouses to extend crop growing seasons)

Approximately one week after the opium poppy loses its flower petals, sap is produced in the flowers' seed pods; this sap is opium latex. The sap is allowed to dry (becoming opium gum) and then sold to an intermediary or directly to a trafficker, who mixes it with chemicals to produce opium, morphine (either crude or partially purified), heroin, or white heroin (heroin hydrochloride). Increasingly, drug production is done in country.⁴⁶⁰

Table 3.15 describes the regional work USAID has done to promote alternative development.

USAID is implementing a new alternative development program called Incentives Driving Economic Alternatives for North, East, and West (IDEA-NEW). The program will replace Alternative Development Programs North and East. USAID reported that IDEA-NEW is expected to focus on “poppy-prone provinces” in the east. Southern provinces are covered by a separate alternative development initiative, which received additional funding in July 2009.⁴⁵⁹

TABLE 3.15

REGIONAL USAID PROGRAMS IN COUNTER-NARCOTICS			
Regional USAID Program	USAID Program Description	Dates of Operation	Status
Alternative Development Program North (ADP North)	Worked to shift the region's economy from illicit to licit agricultural production through assistance to current and potential opium poppy producers and communities. This USAID team focused on three main components: cash-for-work, formation of and support for sustainable enterprises (on-farm production, agro-processing businesses, and marketing support), and enhancing the investment environment in targeted areas with improved infrastructure (roads, bridges, irrigation systems, private/public institutional support and capacity building, and business services). The program gave special consideration to including women in project activities.	2005-February 2009	Complete
Alternative Development Program Northwest	Aims to combat the economic dependence of Balkh, Jawzjan, Farah, and Ghor on opium production, processing, and trade. Through this program, USAID hopes to help communities to create sustainable employment opportunities through legal means. Anticipated program goals include a bolstered infrastructure with increased local employment opportunities for landless laborers, poor farmers, widows, and others susceptible to opium production, processing, or trade; and increased opportunities for groups to start or expand local businesses; work for growing local enterprises; or raise farm or firm revenue through a range of marketing, processing, and business development improvements.	2008-2010	Ongoing

Sources: DoS, response to SIGAR data call, 7/2/2009; USAID, response to SIGAR vetting, 7/16/2009.

Continued on next page

TABLE 3.15 (CONTINUED)

REGIONAL USAID PROGRAMS IN COUNTER-NARCOTICS			
Regional USAID Program	USAID Program Description	Dates of Operation	Status
Alternative Development Program East	Provided support for accelerated regional economic growth and alternative income sources for those dependent on the poppy production industry in Nangarhar, Laghman, Kunar, and Nuristan provinces. USAID reported that this program made progress in meeting its objectives by supporting entrepreneurship in horticulture, livestock, staple crops, business services, gender and micro-enterprise, and capacity-building initiatives. The program placed particular emphasis on the creation of women-owned enterprises.	2005–March 2009* *Program was extended to June 2009 to overlap with a new program started in March 2009.	Complete
Alternative Development Program Southern Region	Provides counter-narcotics services for Helmand, Kandahar, and Uruzgan provinces. USAID plans to rehabilitate 300 km of gravel-compacted farm-to-market roads; build 40 km of cobblestone roads; complete a 250-km irrigation canal improvement for 65,000 hectares of farmland; rebuild the Lashkar Gar electrical sub-station to improve electrical access for 8,000 families and businesses; establish 14 veterinary field units; establish a commercial feed mill; distribute animal feed to more than 20,000 farmers and improved vegetable seeds to more than 30,000 farmers; and provide technical training for extension workers, para-vets, and farmer co-ops and associations.	2005–2009	Ongoing

Sources: DoS, response to SIGAR data call, 7/2/2009; USAID, response to SIGAR vetting, 7/16/2009.

Alternative development programs seek to overcome motivating factors for the opium trade. Some of the reasons farmers choose to grow poppies over other crops include:⁴⁶¹

- ease of obtaining credit to grow crops
- ease of sale of product
- ease of storage (opium does not spoil)



Poppy plants dry in Helmand Province. (U.S. Marine Corps photo, LCpl James Purschwitz)

Additionally, poppy crops are low-risk. The crops are drought- and pest-tolerant, and drug lords have organized mutual assurance societies, providing farmers with insurance should poppy eradication teams destroy their crops.⁴⁶² INL points out that some farmers sell opium in addition to subsistence crops—because the crop is easy to sell and highly lucrative, it provides the farmers with additional cash without inhibiting their ability to grow food crops.⁴⁶³

A UNODC study released in January 2009 identified additional motivating factors. The survey asked village headmen in Afghanistan to identify their primary reasons for growing poppies. Across Afghanistan, UNODC reported that more than 50% of the headmen listed the higher sale price as their reason. Deterrents to growing poppies varied by location. In the southern and western regions where 98% of Afghanistan’s opium poppies are grown, the rising price of wheat was the largest deterrent to poppy crops (22% of responders). In the other regions, more than 50% listed pressure from government authorities as their main deterrent.⁴⁶⁴

Public Information

Public information projects focus on providing information to Afghans about counter-narcotics. Information campaigns and activities are conducted by the GIRoA with support from the United States.⁴⁶⁵ Table 3.16 outlines some of INL's projects to discourage opium production and disbursement.

Poppy Elimination and Eradication

According to INL, poppy cultivation fell by 19% in 2008, after two years of record production.⁴⁶⁶ The number of households involved in the opium trade fell by 28%, as reported by DoS.⁴⁶⁷ INL attributed this decrease to several issues, including poor weather conditions, the falling value of opium relative to other crops, and improved governance and security.⁴⁶⁸

INL reported that poppy eradication programming (in which poppy fields are sought out and destroyed) will be phased out in 2009, and resources will be focused on agriculture, interdiction, and public information programs. However, the United States will continue to support the Good Performers Initiative, which provides incentives to provincial governors and governments that are successful in reducing and eliminating poppy cultivation in their areas.⁴⁶⁹ The United States will also continue to support Governor-led Eradication (GLE), which reimburses provincial governments for eradication of poppy crops. GLE reimbursements are made on the basis of poppy eradication that has been verified by the Afghan Ministry of Counter-narcotics and UNODC. In 2009, provincial governments were paid at the rate of \$135.00 per ha of verified eradicated crops. The United Kingdom has funded, and continues to fund, eradication efforts.⁴⁷⁰

TABLE 3.16

U.S. PUBLIC INFORMATION PROJECTS IN AFGHANISTAN	
Program Type	Description
New Media	In coordination with Voice of America (VOA), this program sends text messages and robo-calls with counter-narcotics messages and news updates to approximately 130,000 Afghan cell phone users.
Broadcast	Also in coordination with VOA, this program supports a twice-weekly radio news package on counter-narcotics. The broadcast is aired on various Afghan radio stations in both Dari and Pashtu, and also in spots on Afghan television.
Direct Engagement	This program supports Counter-narcotics Advisory Team (CNAT) initiatives in seven Afghan provinces (Helmand, Farah, Kandahar, Uruzgan, Balkh, Badakhshan, and Nangarhar). Each CNAT team is implementing counter-narcotics activities, including Mothers Against Drugs (MAD), an addicted women's sewing project, school visits and contests, and farmers' workshops.
Live Theater	This program operates with support from Equal Access. It provides Counter-narcotics Mobile Theater, which travels between the seven CNAT provinces (listed above), performing dozens of live shows and conducting youth workshops.

Source: DoS, response to SIGAR data call, 7/2/2009.

UNODC reported that opium cultivation in 2008 vastly outweighed world demand. With market prices responding slowly to economic conditions, UNODC believes a large percentage of opiates (including opium, heroin, and morphine) has been withheld from the market and is being stored somewhere. As part of poppy elimination and eradication, UNODC reported that these stockpiles are “a time bomb for public health and global security.”⁴⁷³

Afghan Counter-narcotics Efforts

In response to the continuing challenges of drug trafficking, Afghanistan established the Afghan National Drug Control Strategy, which focuses on eight areas of development:⁴⁷⁴

- public information outreach
- alternative development
- law enforcement
- justice sector reform
- demand reduction
- international and regional engagement
- institution building
- eradication

These areas correspond to the ANDS pillars of security; governance, rule of law, and human rights; and economic and social development.⁴⁷⁵

International Counter-narcotics Efforts

The United Kingdom and UN also are large-scale contributors to the counter-narcotics effort.⁴⁷⁶

In keeping with the Bonn Agreement, the United Kingdom was the leader in counter-narcotics assistance until 2006. In the past three years, the United Kingdom provided more than \$480 million to rule of law and counter-narcotics programming in Afghanistan. This funding supported capacity development programming in the Ministry of Counter-narcotics, program planning and development, and equipment, including tractors and wheat seed.⁴⁷⁷

The UN also has a large counter-narcotics presence in Afghanistan, especially through UNODC. On June 24, 2009, UNODC released its 2009 “World Drug Report.”⁴⁷⁸ The report provided statistics on the progress made in Afghanistan this past year.⁴⁷⁹ Since 2006, INL has contributed \$7.94 million to UNODC for counter-narcotics-related projects in Afghanistan.⁴⁸⁰

PROVINCIAL RECONSTRUCTION TEAMS (PRTs)

PRTs were created to help improve stability in Afghanistan by increasing the GIROA’s ability to govern and deliver critical public services to Afghan citizens.⁴⁸¹ As of July 2009, there were 26 PRTs in Afghanistan, 12 of which are managed by the United States.⁴⁸² Table 3.17 provides an overview of PRTs across the country.

U.S.-managed **PRTs** are interim organizations used to coordinate diplomatic, economic, reconstruction, and counter-insurgency efforts between the various U.S. agencies, such as DoS, DoD, and USDA in Afghanistan.⁴⁷¹

In 2002, the U.S.-led coalition established the first PRTs in Afghanistan as part of Operation Enduring Freedom (OEF). PRTs initially supported security and reconstruction efforts throughout the provinces as well as efforts to build trust and confidence among the local residents. Since then, the PRT mission in Afghanistan has expanded to include supporting local governance operations and improving community development.⁴⁷²

The International Security Assistance Force (ISAF) oversees the military component of all PRTs in Afghanistan and provides guidance; however, the civilian component of each PRT, including those managed by the United States, has discretion to develop the structure and size of its PRT support.⁴⁸³

Most teams are composed of a PRT commander and at least one representative from DoS, USAID, and USDA.⁴⁸⁴ Examples of PRT activities include development, reconstruction, monitoring, and reporting on ongoing projects and local conditions.⁴⁸⁵

PRTs sponsor initiatives to support local development. For example, a growing number of PRTs are incorporating agribusiness development teams (ADTs) into their provincial work.⁴⁸⁶ Members of ADTs are usually U.S. National Guardsmen, often from farm states, with experience in farming, livestock, and cultivating natural resources. ADT members use these skills to advise rural development initiatives. In Nangarhar Province, the ADT has more than 70 active projects with a value of approximately \$5.6 million, including:⁴⁸⁷

- building grain mills
- introducing new wheat seed
- developing canning and juicing factories for harvested vegetables and fruits
- building cool-storage facilities to store harvested crops operated by solar panels
- overseeing micro-slaughter facilities to increase sanitization of livestock meat
- launching veterinary clinics focused on de-worming the livestock
- advising with reforestation projects
- increasing the crop yield for commercial use
- operating cold- and warm-water fish hatcheries

TABLE 3.17

PRTs BY MANAGING COUNTRY	
PRT Run By	Province
Canada	Kandahar
Czech Republic	Logar
Germany	Badakhshan
Germany	Kunduz
Hungary	Baghlan
Italy	Herat
Lithuania	Ghor
New Zealand	Bamyan
Norway	Faryab
Spain	Badghis
Sweden	Balkh
The Netherlands	Uruzgan
Turkey	Wardak
United Kingdom	Helmand
United States	Farah
United States	Ghazni
United States	Khowst
United States	Kunar
United States	Laghman
United States	Nangarhar
United States	Nuristan
United States	Paktika
United States	Paktiya
United States	Panishir
United States	Zabul
United States, supporting efforts by South Korea	Parwan

Source: USAID, "Provincial Reconstruction Teams," accessed 7/17/2009; ISAF, "International Security Assistance Force: Facts and Figures," 6/15/2009.

Paktiya Provincial Reconstruction Team

U.S. Army Capt. Megan O'Conner, a Paktiya PRT civil affairs team chief, reviews the plans for an addition to the new provincial prison during a visit to the site in Gardez City. (DoD photo, Fred W. Baker III)

4 OTHER AGENCY OVERSIGHT



OTHER AGENCY OVERSIGHT

Each quarter, the Special Inspector General for Afghanistan Reconstruction (SIGAR) requests updates from other government agencies on the number of oversight activities completed and the number of ongoing oversight activities currently being performed. The following agencies are currently performing oversight activities in Afghanistan and providing results to SIGAR:

- Department of Defense Office of Inspector General (DoD OIG)
- Department of State Office of Inspector General (DoS OIG)
- Government Accountability Office (GAO)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

COMPLETED OVERSIGHT ACTIVITIES

Table 4.1 provides a list of completed oversight projects as of June 30, 2009. Six projects were completed this quarter.

TABLE 4.1

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF JUNE 30, 2009			
Agency	Project Number	Date Issued	Project Title
DoD OIG	D-2009-075	5/21/2009	Afghanistan Security Forces Fund Phase III-Accountability for Weapons Distributed to the Afghanistan National Army
DoD OIG	D-2009-076	4/14/2009	Afghanistan Security Forces Fund Phase III-U.S. Army Corps of Engineers Real Property Accountability
GAO	GAO-09-615	5/18/2009	Military Operations: Actions Needed to Improve Oversight and Interagency Coordination for the Commander's Emergency Response Program in Afghanistan
GAO	GAO-09-473SP	4/21/2009	Afghanistan: Key Issues for Congressional Oversight
USAID OIG	5-306-09-004-P	6/8/2009	USAID/Afghanistan's Land Titling and Economic Restructuring Project
USAID OIG	5-306-09-003-P	5/11/2009	USAID/Afghanistan's Local Governance and Community Development Project in Southern and Eastern Regions of Afghanistan

ONGOING OVERSIGHT

As of June 30, 2009, there were 22 oversight activities in progress. They are broken out by agency. The descriptions appear as they were submitted to SIGAR, with these mechanical changes for consistency with the preceding sections of this report: acronyms and abbreviations in place of repeated complete names; standardized capitalization, hyphenation, and preferred spellings; and third-person instead of first-person construction.

Department of Defense Office of Inspector General

In May 2009, the DoD OIG, on behalf of the member DoD and Federal oversight agencies, issued an update to the statutorily required Comprehensive Oversight Plan for Southwest Asia, including the additional FY 2009 statutorily required oversight.

The Comprehensive Oversight Plan for Southwest Asia includes the individual oversight plans of the inspectors general for the DoD, DoS, and USAID; the Special Inspector General for Iraq Reconstruction; and the SIGAR. It also includes the oversight work of the Army Audit Agency, Naval Audit Service, Air Force Audit Agency, and Defense Contract Audit Agency because of the major contributions they make to improve the efficiency and effectiveness of support to the military. The comprehensive plan was expanded beyond the statutorily mandates to include other functional areas that [DoD OIG] believe[s] are germane to supporting operations in Southwest Asia, including Operation Enduring Freedom (OEF), such as contract administration and management, reset of equipment, financial management, and reconstruction support effort. In addition, the update issued in May 2009 includes the Commander, U.S. Central Command's request for DoD OIG and the Service Audit Agencies to review asset accountability within Southwest Asia.

The DoD OIG-led Southwest Asia Joint Planning Group coordinates and de-conflicts federal and DoD OCO-related oversight activities. The Group held its ninth meeting in May 2009.

During the third quarter of FY 2009, the DoD OIG expanded its Southwest Asia presence, deploying additional auditors and investigators to Iraq and Afghanistan. The additional staff support the increased oversight workload required by statutory requirements, Congressional requests, senior DoD and military officials requests, and as [DoD OIG] determine[s] based on high risks and challenges in the operations. [The] field offices in Qatar, Iraq, Kuwait, and Afghanistan enhance [the] ability to provide audit, inspection, and investigative support to DoD operations in support to OCO.

During FY 2009, the DoD OIG completed and ongoing OEF-related oversight activities addressed the following areas:

- the use and accountability of Afghanistan Security Forces Funds
- accountability of property
- contract administration

Oversight Activities

INTERAGENCY AUDIT ON DOD OBLIGATIONS AND EXPENDITURES OF FUNDS PROVIDED TO THE DEPARTMENT OF STATE FOR THE TRAINING AND MENTORING OF THE AFGHAN NATIONAL POLICE

(PROJECT NO. D2009-D000JB-0230.000, INITIATED JUNE 5, 2009)

The inspectors general of the DoD and DoS are performing this joint audit in response to a congressional request. [The] objective is to review the status of Afghanistan Security Forces Fund (ASFF) money that the DoD has provided to the DoS for the training of the Afghan National Police (ANP). Specifically, the DoD OIG will review a copy of the contract, appropriate task orders, statements of work, and any contract or task order modifications for training and mentoring to ensure they comply with all relevant federal regulations and meet the needs of the DoD. Further, [they] will review copies of contractor invoices to ensure that claimed costs are allowable, allocable, and reasonable for the services received. The DoSOIG will be assisting on this audit and will be assessing the staffing, training, contract management, and contract effectiveness of the civilian police trainers.

ASSESSMENT OF U.S. AND COALITION PLANS TO TRAIN, EQUIP, AND FIELD THE AFGHAN NATIONAL SECURITY FORCES

(PROJECT NO. D2009-D00SPO-0113.000, INITIATED FEBRUARY 3, 2009)

SPO is determining whether U.S. government, coalition, Afghan Ministry of Defense, and Afghan Ministry of Interior goals, objectives, plans, and guidance to train, equip, and field the expanded Afghan National Army (ANA) and the ANP are prepared, issued, operative, and relevant. The draft report is being prepared.

ASSESSMENT OF THE ACCOUNTABILITY AND CONTROL OF ARMS, AMMUNITION, AND EXPLOSIVES (AA&E) PROVIDED TO THE SECURITY FORCES OF AFGHANISTAN

(PROJECT NO. D2009-D00SPO-0148.000, INITIATED FEBRUARY 3, 2009)

SPO is determining whether the current accountability and control of U.S.-supplied AA&E provided to the Afghan National Security Forces (ANSF) is adequate and effective. In addition, [SPO] will follow up on the status of the implementation of recommendations made during our initial assessment of the accountability and control of AA&E in Afghanistan (see DoD OIG Report No. SPO-2009-001, "Assessment of Arms, Ammunition, and Explosives Control and Accountability; Security Assistance; and Sustainment for the Afghan National Security Forces," October 24, 2008). The draft report is being prepared.

ASSESSMENT OF U.S. AND COALITION EFFORTS TO DEVELOP THE MEDICAL SUSTAINMENT CAPABILITY OF THE AFGHAN NATIONAL SECURITY FORCES

(PROJECT NO. D2009-D00SPO-0115.000, INITIATED DECEMBER 17, 2008)

SPO is determining whether U.S. government, coalition, Afghan Ministry of Defense, and Afghan Ministry of Interior goals, objectives, plans, and guidance to develop and sustain the current and projected ANSF health care system are issued and operative; previous DoD OIG recommendations regarding developing and sustaining the ANSF health care system have been implemented (see DoD OIG Report No. SPO-2009-001, “Assessment of Arms, Ammunition, and Explosives Control and Accountability; Security Assistance; and Sustainment for the Afghan National Security Forces,” October 24, 2008); and ongoing efforts to develop an enduring health care system for the ANSF are effective. The draft report is being prepared.

COMBATANT COMMAND HUMANITARIAN ASSISTANCE AND DISASTER RELIEF OPERATIONS

(PROJECT NO. D2009-D000JA-0085.000, INITIATED NOVEMBER 13, 2008)

The DoD OIG is evaluating the ability of the Combatant Commands to plan and execute Humanitarian Assistance and Disaster Relief operations, to include support for OEF.

REANNOUNCEMENT OF THE AUDIT OF FUNDS APPROPRIATED FOR AFGHANISTAN AND IRAQ PROCESSED THROUGH THE FOREIGN MILITARY SALES TRUST FUND

(PROJECT NO. D2007-D000FD-0198.001, INITIATED OCTOBER 10, 2008)

Based on observations during audit fieldwork under the originally announced project (D2007-D000FD-0198.000), the DoD OIG determined an additional project was required to separately discuss relevant issues identified during [the] fieldwork. Accordingly, the DoD OIG addressed the transfer of funds to the FMS Trust Fund and the collection of administrative fees from these funds in Report No. D-2009-063. Under the second announced project (D2007-D000FD-0198.001), the DoD OIG is determining whether the funds appropriated for the security, reconstruction, and assistance of Afghanistan and Iraq and processed through the Foreign Military Sales Trust Fund are being properly managed. However, the DoD OIG has reduced the sub-objectives to determining whether the appropriated funds transferred into the Foreign Military Sales Trust Fund are properly accounted for, used for the intended purpose, and properly reported in DoD financial reports.

UPDATE – SUMMARY REPORT ON CHALLENGES IMPACTING OPERATIONS IRAQI FREEDOM AND ENDURING FREEDOM REPORTED BY MAJOR OVERSIGHT ORGANIZATIONS BEGINNING FY 2003 THROUGH FY 2008

(PROJECT NO. D2008-D000JC-0274.000, INITIATED AUGUST 28, 2008)

The DoD OIG is preparing a summary of contracts, funds management, and other accountability issues identified in audit reports and testimonies that discuss mission critical support to Operations Iraqi Freedom and Enduring Freedom from FY 2003 through FY 2008. The first DoD OIG summary report, D-2008-086, focused on reports and testimonies issued from FY 2003 through FY 2007. The DoD OIG will update the information from the prior summary report, Report No. D-2008-086, to include the status of recommendations made in all FY 2003 through FY 2007 reports regarding Operations Iraqi Freedom and Enduring Freedom. In addition, the DoD OIG will include finding and recommendation information for FY 2008 audit reports and determine the trends indicated by that information.

CONTRACTS SUPPORTING THE DOD COUNTER NARCOTERRORISM PROGRAM

(PROJECT NO. D2008-D000AS-0255.000, INITIATED JULY 31, 2008)

The DoD OIG is determining whether contracts supporting the DoD counter narcoterrorism program were properly managed and administered. Specifically, the DoD OIG will determine whether the contracts complied with Federal and DoD policy.

DISTRIBUTION OF FUNDS AND THE VALIDITY OF OBLIGATIONS FOR MANAGEMENT OF THE AFGHANISTAN SECURITY FORCES FUND-PHASE III

(PROJECT NO. D2007-D000LQ-0161.002, INITIATED DECEMBER 10, 2007)

The DoD OIG is conducting the third phase of a multiphase audit in response to Public Law 109-234, which directed the inspector general to provide oversight of Afghanistan Security Forces. A series of reviews under this third phase is planned to determine whether organizations in Southwest Asia that the U.S. Central Command assigned with the responsibility for managing the ASFF properly accounted for the goods and services purchased for the Afghanistan Security Forces using the ASFF and whether the goods and services were properly delivered to the Afghanistan Security Forces. Report D-2009-031, "Distribution of Funds and the Validity of Obligations for the Management of the Afghanistan Security Forces Fund," December 29, 2008, addresses Afghanistan Security Forces funded real property construction listed on contracts awarded by Air Force Center for Engineering and the Environment. Report D-2009-075, "Afghanistan Security Forces Fund Phase III - Accountability for Weapons Distributed to the Afghanistan National Army," April 14, 2009, addresses accountability

OTHER AGENCY OVERSIGHT

for weapons distributed to the Afghanistan National Army. Report D-2009-076, “Afghanistan Security Forces Fund Phase III - U.S. Army Corps of Engineers Real Property Accountability,” May 21, 2009, addresses U.S. Army Corps of Engineers real property accountability.

Department of State Office of Inspector General - Middle East Regional Office (DoS OIG MERO)

Oversight Activities

AFGHANISTAN NATIONAL POLICE TRAINING AND MENTORING PROGRAM (JOINT W/DODIG)

(PROJECT NO. 09-MERO-3009, INITIATED JUNE 2009)

Objectives - To provide an overall review and summary of the requirements, provisions, and costs of the ANP Training and Mentoring Program contract; objectives of the contracts and task orders, what indicators have been established to measure performance; and how the DoS administered the contract to oversee DynCorp’s performance and costs of the contract. Assess the status of contract records, management controls, costs, and value of this contract to the mission of the DoS and DoD.

EFFECTIVENESS OF COUNTER NARCOTICS PROGRAMS IN AFGHANISTAN

(PROJECT NO. 09-MERO-3004, INITIATED APRIL 2009)

Objectives - To assess U.S. efforts to plan and manage counter-narcotics activities in Afghanistan, including an analysis of (1) U.S. obligations and expenditures, (2) results of assistance projects, (3) assistance coordination mechanisms and strategy, and (4) major obstacles that affect the achievement of U.S. goals.

PERSONAL SECURITY DETAIL (WPPS) CONTRACTS – AFGHANISTAN, (UNITED STATES TRAINING CENTER (USTC))

(PROJECT NO. 09-MERO-3005, INITIATED MARCH 2009)

Objectives - To review the requirements and provisions of the WPPS contract; objectives of the contracts and task orders, what indicators have been established to measure performance; and how the Department administered the contract to oversee United States Training Center’s (formerly Blackwater) of the WPPS contract.

DIPLOMATIC SECURITY (DS) MANAGEMENT OF WPPS – AFGHANISTAN

(PROJECT NO. 09-MERO-3006, INITIATED MARCH 2009)

Objectives - To review what studies and needs assessments were conducted by the Bureau of Diplomatic Security to determine PPS requirements in Afghanistan and what mechanisms are in place to ensure personal protective services assets are utilized in an efficient and effective manner.

Government Accountability Office (GAO)

During the last quarter, GAO issued a special product (GAO-09-473SP) that identified and highlighted several oversight issues relating to U.S. efforts in Afghanistan for the 111th Congress and new administration. This special publication highlighted key issues for consideration in developing oversight agendas and determining the way forward in securing and stabilizing Afghanistan. It also identified improvements that were needed as well as many obstacles that affect success and should be considered in program planning and implementation. For most of the U.S. efforts in the past, GAO found the need for improved planning, including the development of coordinated interagency plans that include measurable goals, specific time frames, cost estimates, and identification of external factors that could significantly affect efforts in key areas such as building the ANSF. GAO also concluded that several existing conditions, such as worsening security; shortages in mentors and trainers; the lack of a coordinated, detailed interagency plan; and the limited institutional capacity of the Afghanistan government continue to create challenges to the U.S. efforts to assist with securing, stabilizing, and rebuilding Afghanistan. GAO noted that significant oversight will be needed to help ensure visibility over the cost and progress of these efforts. GAO suggested areas for additional oversight on the following topics:

- U.S. and international commitments
- Security environment
- U.S. forces and equipment
- ANSF
- Counternarcotics efforts
- Economic development
- Government capacity
- Accountability for U.S. provided weapons
- Oversight of contractor performance

Oversight Activities

AFGHAN WATER SECTOR: REVIEW OF U.S. EFFORTS TO ASSIST WITH THE DEVELOPMENT OF THE AFGHAN WATER SECTOR

(PROJECT NO. 320680, INITIATED MAY 8, 2009)

Scope focused on U.S. efforts to assist Afghanistan in achieving the Afghanistan National Development Strategy (ANDS) goal of supplying clean potable water, sanitation, and crop irrigation services in Afghanistan.

OTHER AGENCY OVERSIGHT

REVIEW OF U.S. ALTERNATIVE DEVELOPMENT AND GOOD PERFORMER INITIATIVE PROGRAM IN AFGHANISTAN

(PROJECT NO. 320662, INITIATED MARCH 16, 2009)

Focused on funding, goals, results, coordination efforts, and efforts to mitigate any challenges.

AGENCY OVERSIGHT OF CONTRACTORS MANAGING AND ADMINISTERING OTHER CONTRACTS OR GRANTS IN IRAQ AND AFGHANISTAN

(PROJECT NO. 120812, INITIATED FEBRUARY 19, 2009)

This review will focus on DoD, DoS, and USAID efforts to effectively oversee contractors performing management or administration functions for other contracts or grants with performance in Iraq/Afghanistan.

AFGHAN COUNTERNARCOTICS

(PROJECT NO. 320657, INITIATED JANUARY 29, 2009)

Review of U.S. efforts to assist with interdiction, eradication, judicial, and public information campaign efforts.

CONTRACTING IN AFGHANISTAN/IRAQ

(PROJECT NO. 120790, INITIATED NOVEMBER 25, 2008)

This review will identify the number and value of contracts, numbers of contractors performing in country, and numbers of contractor personnel killed or wounded.

U.S. Agency for International Development Office of Inspector General (USAID OIG)

Oversight Activities

AUDIT OF SELECTED POWER SECTOR ACTIVITIES FUNDED UNDER USAID/AFGHANISTAN'S INFRASTRUCTURE AND REHABILITATION PROGRAM

Objective: Evaluate whether USAID/Afghanistan's main goals for critical power sector activities under the Afghanistan Infrastructure and Rehabilitation Program are being achieved, and what has been the impact.

AUDIT OF USAID/AFGHANISTAN'S BUILDING EDUCATION SUPPORT SYSTEMS FOR TEACHERS PROJECT

Objective: Evaluate whether USAID/Afghanistan's Building Education Support Systems for Teachers project is achieving its main goals.

OTHER AGENCY OVERSIGHT

USAID/AFGHANISTAN’S SCHOOL AND HEALTH CLINIC BUILDINGS COMPLETED UNDER THE SCHOOLS AND CLINICS CONSTRUCTION AND REFURBISHMENT (SACCARP) PROGRAM

Objective: Determine whether the school and health clinic buildings completed under the program are being used for their intended purposes, and measure the impact of the program on the provision of educational and health services to the people of Afghanistan.

USAID/AFGHANISTAN’S AFGHAN CIVILIAN ASSISTANCE PROGRAM

Objective: Determine whether USAID/Afghanistan’s humanitarian assistance services provided through the Afghan Civilian Assistance Program are on target to assist eligible beneficiaries under the program, and to evaluate the impact.

OTHER AGENCY INVESTIGATIONS

SIGAR regularly coordinates with other government agencies conducting investigations in Afghanistan, to monitor the progress of those investigations. As of June 30, 2009, there were 42 investigators located at various sites working on 48 open cases.

Table 4.2 provides a summary of ongoing oversight activities performed by other government agencies as of June 30, 2009.

TABLE 4.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF JUNE 30, 2009			
Agency	Project Number	Date Initiated	Project Title
DoD OIG	D2009-D000JB-0230.000	6/5/2009	Interagency Audit on DoD Obligations and Expenditures of Funds Provided to Department of State for the Training and Mentoring of the Afghan National Police
DoD OIG	D2009-D00SPO-0113.000	2/3/2009	Assessment of U.S. and Coalition Plans to Train, Equip, and Field the Afghan National Security Forces
DoD OIG	D2009-D00SPO-0148.000	2/3/2009	Assessment of the Accountability and Control of Arms, Ammunition, and Explosives Provided to the Afghan National Security Forces
DoD OIG	D2009-D00SPO-0115.000	12/17/2008	Assessment of U.S. and Coalition Efforts to Develop the Medical Sustainment Capability of the Afghan National Security Forces
DoD OIG	D2009-D000JA-0085.000	11/13/2008	Combatant Command Humanitarian Assistance and Disaster Relief Operations
DoD OIG	D2007-D000FD-0198.001	10/10/2008	Re-announcement of the Audit of Funds Appropriated for Afghanistan and Iraq Processed Through the Foreign Military Sales Trust Fund
DoD OIG	D2008-D000JC-0274.000	8/28/2008	Update – Summary Report on Challenges Impacting Operations Iraqi Freedom and Enduring Freedom Reported by Major Oversight Organizations Beginning FY 2003 through FY 2008
DoD OIG	D2008-D000AS-0255.000	7/31/2008	Contracts Supporting DoD Counter Narcoterrorism Program

(continued on next page)

OTHER AGENCY OVERSIGHT

TABLE 4.2 (CONTINUED)

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF JUNE 30, 2009			
Agency	Project Number	Date Initiated	Project Title
DoD OIG	D2007-D000LQ-0161.002	12/10/2007	Distribution of Funds and the Validity of Obligations for Management of the Afghanistan Security Forces Fund-Phase III
DoS OIG MERO	09-MERO-3009	June 2009	Afghanistan National Police Training and Mentoring Program (Joint w/DODIG)
DoS OIG MERO	09-MERO-3004	April 2009	Effectiveness of Counter Narcotics Programs in Afghanistan
DoS OIG MERO	09-MERO-3005	March 2009	Personal Security Detail (WPPS) Contracts - Afghanistan, (United States Training Center (USTC))
DoS OIG MERO	09-MERO-3006	March 2009	Diplomatic Security (DS) Management of WPPS - Afghanistan
GAO	320680	5/8/2009	Afghan Water Sector: Review of U.S. Efforts to Assist with the Development of the Afghan Water Sector
GAO	320662	3/16/2009	Review of U.S. Alternative Development and Good Performer Initiative Program in Afghanistan
GAO	120812	2/19/2009	Agency Oversight of Contractors Managing and Administering Other Contracts or Grants in Iraq and Afghanistan
GAO	320657	1/29/2009	Afghan Counternarcotics
GAO	120790	11/25/2008	Contracting in Afghanistan/Iraq
USAID OIG	Not provided	Not provided	Audit of Selected Power Sector Activities Funded Under USAID/Afghanistan's Infrastructure and Rehabilitation Program
USAID OIG	Not provided	Not provided	Audit of USAID/Afghanistan's Building Education Support Systems for Teachers Project
USAID OIG	Not provided	Not provided	USAID/Afghanistan's School and Health Clinic Buildings Completed Under the Schools and Clinics Construction and Refurbishment (SACCARP) Program
USAID OIG	Not provided	Not provided	USAID/Afghanistan's Afghan Civilian Assistance Program

Defense Criminal Investigative Service (DCIS)

The DCIS continues to conduct criminal investigations in support of DoD OCO efforts. In addition, the DCIS continues to address Southwest Asia Theater criminal activity through its offices in Southwest Asia; Wiesbaden, Germany; and CONUS task force investigations focusing on public corruption and fraud in the Southwest Asia Theater. Special Agents will occasionally travel to the Middle East as necessary from Germany and the United States in furtherance of the DCIS investigative mission. Investigations primarily involve procurement fraud and public corruption. As of June 30, 2009, DCIS has 38 agents working cases involving Afghanistan. Of those 38 agents, 3 agents are deployed to Afghanistan.

Investigations

During the third quarter of FY 2009, a DCIS joint case resulted in a conviction of former contractor involved in the theft of more than 48 truckloads of fuel, valued at more than \$800,000. They were diverted for sale outside Bagram airfield between May and September 2006.

During the third quarter of FY 2009, a DCIS investigation regarding contracting at Bagram Airfield resulted in two U.S. military officials pleading guilty

OTHER AGENCY OVERSIGHT

to various bribery, fraud and conspiracy charges relating to DoD contracts in Afghanistan. A third military official pleaded guilty to receiving stolen property, which was obtained through the bribery conspiracy. In addition, four DoD contractors and four affiliated contracting companies were indicted for their roles in paying bribes to the military officials and otherwise defrauding the United States.

Table 4.3 lists the number of ongoing and closed cases to date, as well as the number of investigators working those cases.

OTHER AGENCY INSPECTIONS

Ongoing Inspections

SIGAR also coordinates with other agencies conducting inspections in Afghanistan. During the previous quarter, DoS OIG initiated two investigations, as described in Table 4.4.

TABLE 4.3

INVESTIGATIVE ACTIVITIES: OTHER AGENCY INVESTIGATIONS					
Agency	Number of Investigators in Afghanistan	Total Number of Investigators	Open Cases	Closed Cases	Total Cases
Defense Criminal Investigative Service	3	38	46	10	56
DoS OIG	0	4	2	0	2
Total	3	42	48	10	58

TABLE 4.4

ONGOING INSPECTION ACTIVITIES: OTHER AGENCY INSPECTIONS				
Agency	Project Number	Date Initiated	Project Title	Objective
DoS OIG	09-ISP-3051	April 2009	De-mining Programs in Afghanistan	To evaluate the implementation and effectiveness of de-mining programs in Afghanistan.
DoS OIG	09-ISP-3059	April 2009	Review of Radio Deewa	To review and determine whether policy and program goals of Radio Deewa are being effectively achieved and to provide analysis and recommendations for systemic improvements in policy implementation and program management.

The Official Seal of the SIGAR

The Official Seal of the SIGAR represents the coordination of efforts between the United States and Afghanistan to provide accountability and oversight in reconstruction activities. The phrase along the top side of the seal's center is in Dari and, translated into English, means "SIGAR." The phrase along the bottom side of the seal's center is in Pashtu and as translated into English, has the same meaning.

APPENDICES AND ENDNOTES



APPENDIX A CROSS-REFERENCE OF REPORT TO STATUTORY REQUIREMENTS

This appendix cross-references the pages of this report to the quarterly reporting and related requirements under SIGAR’s enabling legislation, the National Defense Authorization Act for Fiscal Year 2008, P.L. No. 110-181, § 1229 (Table A.1).

TABLE A.1

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER P.L. NO. 110-181, § 1229			
Public Law Section	SIGAR Enabling Language	SIGAR Action	Section
Supervision			
Section 1229(e)(1)	The Inspector General shall report directly to, and be under the general supervision of, the Secretary of State and the Secretary of Defense	Report to the Secretary of State and the Secretary of Defense	All sections
Duties			
Section 1229(f)(1)	OVERSIGHT OF AFGHANISTAN RECONSTRUCTION. — It shall be the duty of the Inspector General to conduct, supervise, and coordinate audits and investigations of the treatment, handling, and expenditure of amounts appropriated or otherwise made available for the reconstruction of Afghanistan, and of the programs, operations, and contracts carried out utilizing such funds, including—	Review appropriated/ available funds Review programs, operations, contracts using appropriated/ available funds	All sections
Section 1229(f)(1)(A)	The oversight and accounting of the obligation and expenditure of such funds	Review obligations and expenditures of appropriated/ available funds	Section 2, SIGAR Oversight Section 3, Funding
Section 1229(f)(1)(B)	The monitoring and review of reconstruction activities funded by such funds	Review reconstruction activities funded by appropriations and donations	Section 2, SIGAR Oversight
Section 1229(f)(1)(C)	The monitoring and review of contracts funded by such funds	Review contracts using appropriated and available funds	Note 1
Section 1229(f)(1)(D)	The monitoring and review of the transfer of such funds and associated information between and among departments, agencies, and entities of the United States, and private and nongovernmental entities	Review internal and external transfers of appropriated/ available funds	Appendix B

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER P.L. NO. 110-181, § 1229			
Public Law Section	SIGAR Enabling Language	SIGAR Action	Section
Section 1229(f)(1)(E)	The maintenance of records on the use of such funds to facilitate future audits and investigations of the use of such fund[s]	Maintain audit records	Section 2, SIGAR Oversight Appendix C Appendix D
Section 1229(f)(1)(F)	The monitoring and review of the effectiveness of United States coordination with the Governments of Afghanistan and other donor countries in the implementation of the Afghanistan Compact and the Afghanistan National Development Strategy	Monitoring and review as described	Section 2, Audits
Section 1229(f)(1)(G)	The investigation of overpayments. . .and any potential unethical or illegal actions of Federal employees, contractors, or affiliated entities, and the referral of such reports, as necessary, to the Department of Justice. . .	Conduct and reporting of investigations as described	Section 2, Investigations
Section 1229(f)(2)	OTHER DUTIES RELATED TO OVERSIGHT.— The Inspector General shall establish, maintain, and oversee such systems, procedures, and controls as the Inspector General considers appropriate to discharge the duties under paragraph (1)	Establish, maintain, and oversee systems, procedures, and controls	All sections
Section 1229(f)(3)	DUTIES AND RESPONSIBILITIES UNDER INSPECTOR GENERAL ACT OF 1978.— In addition, . . .the Inspector General shall also have the duties and responsibilities of inspectors general under the Inspector General Act of 1978	Duties as specified in Inspector General Act	All sections
Section 1229(f)(4)	COORDINATION OF EFFORTS.— The Inspector General shall coordinate with, and receive the cooperation of, each of the following: (A) the Inspector General of the Department of Defense, (B) the Inspector General of the Department of State, and (C) the Inspector General of the United States Agency for International Development	Coordination with the inspectors general of DoD, State, and USAID	Section 4, Other Agency Oversight
Federal Support and Other Resources			
Section 1229(h)(5)(A)	ASSISTANCE FROM FEDERAL AGENCIES.— Upon request of the Inspector General for information or assistance from any department, agency, or other entity of the Federal Government, the head of such entity shall, insofar as is practicable and not in contravention of any existing law, furnish such information or assistance to the Inspector General, or an authorized designee	Expect support as requested	All sections

Continued on next page

APPENDICES

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER P.L. NO. 110-181, § 1229			
Public Law Section	SIGAR Enabling Language	SIGAR Action	Section
Reports			
Section 1229(i)(1)	<p>QUARTERLY REPORTS.—</p> <p>Not later than 30 days after the end of each fiscal-year quarter, the Inspector General shall submit to the appropriate committees of Congress a report summarizing, for the period of that quarter and, to the extent possible, the period from the end of such quarter to the time of the submission of the report, the activities during such period of the Inspector General and the activities under programs and operations funded with amounts appropriated or otherwise made available for the reconstruction of Afghanistan. Each report shall include, for the period covered by such report, a detailed statement of all obligations, expenditures, and revenues associated with reconstruction and rehabilitation activities in Afghanistan, including the following –</p>	<p>Report – 30 days after the end of each calendar quarter</p> <p>Summarize activities of the inspector general</p> <p>Detailed statement of all obligations, expenditures, and revenues</p>	All sections Appendix B
Section 1229(i)(1)(A)	Obligations and expenditures of appropriated funds	Obligations and expenditures of appropriated funds	Section 3, Funding Appendix B
Section 1229(i)(1)(B)	A project-by-project and program-by-program accounting of the costs incurred to date for the reconstruction of Afghanistan, together with the estimate of the Department of Defense, the Department of State, and the United States Agency for International Development, as applicable, of the costs to complete each project and each program	<p>Project-by-project and program-by-program accounting of costs</p> <p>List unexpended funds for each project or program</p>	Section 3, Funding
Section 1229(i)(1)(C)	Revenues attributable to or consisting of funds provided by foreign nations or international organizations to programs and projects funded by any department or agency of the United States Government, and any obligations or expenditures of such revenues	Revenues, obligations, and expenditures of donor funds	Section 3, Funding
Section 1229(i)(1)(D)	Revenues attributable to or consisting of foreign assets seized or frozen that contribute to programs and projects funded by any U.S. government department or agency, and any obligations or expenditures of such revenues	Revenues, obligations, and expenditures of funds from seized or frozen assets	Section 3, Funding
Section 1229(i)(1)(E)	Operating expenses of agencies or entities receiving amounts appropriated or otherwise made available for the reconstruction of Afghanistan	Operating expenses of agencies or any organization receiving appropriated funds	Section 3, Funding Appendix B

Continued on next page

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER P.L. NO. 110-181, § 1229			
Public Law Section	SIGAR Enabling Language	SIGAR Action	Section
Section 1229(i)(1)(F)	In the case of any contract, grant, agreement, or other funding mechanism described in paragraph (2) ^a (i) The amount of the contract or other funding mechanism; (ii) A brief discussion of the scope of the contract or other funding mechanism; (iii) A discussion of how the department or agency of the United States Government involved in the contract, grant, agreement, or other funding mechanism identified and solicited offers from potential contractors to perform the contract, grant, agreement, or other funding mechanism, together with a list of the potential individuals or entities that were issued solicitations for the offers; and (iv) The justification and approval documents on which was based the determination to use procedures other than procedures that provide for full and open competition	Describe contract details	Note 1
Section 1229(i)(3)	PUBLIC AVAILABILITY. — The Inspector General shall publish on a publically-available Internet website each report under paragraph (1) of this subsection in English and other languages that the Inspector General determines are widely used and understood in Afghanistan	Publish report as directed	www.sigar.mil Dari and Pashtu in process
Section 1229(i)(4)	FORM. — Each report required under this subsection shall be submitted in unclassified form, but may include a classified annex if the Inspector General considers it necessary	Publish report as directed	All sections

Note 1: This information is not included in this quarterly report. The list of contracts is available at www.sigar.mil.

^a Covered “contracts, grants, agreements, and funding mechanisms” are defined in paragraph (2) of Section 1229(i) of P.L. No. 110-181 as being—

“any major contract, grant, agreement, or other funding mechanism that is entered into by any department or agency of the United States Government that involves the use of amounts appropriated or otherwise made available for the reconstruction of Afghanistan with any public or private sector entity for any of the following purposes:

To build or rebuild physical infrastructure of Afghanistan.
To establish or reestablish a political or societal institution of Afghanistan.
To provide products or services to the people of Afghanistan.”

APPENDICES

APPENDIX B U.S. GOVERNMENT APPROPRIATED FUNDS (\$ MILLIONS)

This table lists appropriated funds by project, per year, for Afghanistan reconstruction efforts.

U.S. FUNDING SOURCES	AGENCY	TOTAL
Afghan Security Forces Fund (ASFF)	DoD	15,059.53
Commander's Emergency Response Program (CERP)	DoD	1,619.14
Economic Support Fund (ESF)	USAID	7,625.62
Development Assistance (DA)	USAID	890.17
International Narcotics Control & Law Enforcement (INCLE)	DoS	1,991.28
Total - Primary Funding Sources		27,185.75
OTHER FUNDING SOURCES:		
Drug Interdiction & Counter-Drug Activities, (DoD CN)	DoD	1,056.72
Afghanistan Freedom Support Act (AFSA)	DoD	550.00
Train & Equip (DoD)	DoD	440.00
PL 480 Title II	USAID	673.80
Child Survival & Health (CSH + GHAI)	USAID	389.67
Disaster Assistance (IDA)	USAID	291.89
Transition Initiatives (TI)	USAID	28.00
Commodity Credit Corp (CCC)	USAID	22.50
Freedom Support Act (FSA)	USAID	5.00
Foreign Military Financing (FMF)	DoS	1,058.51
Migration and Refugee Assistance (MRA)	DoS	502.23
Non-Prolif, Antiterrorism, Demining, & Related (NADR)	DoS	297.06
Voluntary Peacekeeping (PKO)	DoS	69.34
Emergency Refugee & Migration Assistance (ERMA)	DoS	25.20
International Military Education and Training (IMET)	DoS	6.85
Food for Progress	USDA	109.49
416(b) Food Aid	USDA	95.18
Food for Education	USDA	50.49
Emerson Trust	USDA	21.60
Provincial Reconstruction Team Advisors	USDA	5.70
Drug Enforcement Administration (DEA)	DoJ	127.37
Treasury Technical Assistance	DoT	5.71
NDAAs Section 1207 Transfer	Other	9.90
Total - Other Funding Sources		5,842.20
Total Funding to Agencies		33,027.95
SUPPLEMENTAL FUNDING:		
Afghan Security Forces Fund (ASFF)	DoD	3,606.90
Economic Support Fund (ESF)	USAID	861.00
International Narcotics & Law Enforcement (INCLE)	DoS	133.00
Non-Prolif, Antiterrorism, Demining, & Related (NADR)	DoS	12.00
Other	Other	427.10
Total - Supplemental Funding		5,040.00
		38,067.95

Notes: Numbers affected by rounding. Data may include inter-agency transfers. Funding is based on agency-reported data for monies made available for Afghanistan reconstruction. If an agency did not report monies made available, funding is based on agency-reported obligation or expenditure data. If an agency did not report obligation or expenditure data, funding is based on OMB allocations.

Sources: DoD, responses to SIGAR data call, 7/10/2009 and 7/13/2009. USAID, response to SIGAR data call, 7/9/2009. DoS/INL, response to SIGAR data call, 7/2/2009. DoJ/DEA, response to SIGAR data call, 7/8/2009. DoS, responses to SIGAR data call, 7/10/2009 and 7/13/2009. USDA, response to SIGAR data call, 4/7/2009. OMB, responses to SIGAR data call, 9/30/2008 and 7/16/2009.

APPENDICES

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	0.00	0.00	0.00	995.00	1,908.13	7,406.40	2,750.00	2,000.00
	0.00	0.00	40.00	134.00	215.00	208.81	486.33	535.00
	117.51	239.29	896.64	1,240.58	473.39	1,210.71	1,399.51	2,048.00
	18.30	42.54	153.51	169.18	191.18	166.81	148.65	0.00
	60.00	0.00	220.00	709.28	232.65	251.74	307.57	210.04
	195.81	281.83	1,310.15	3,248.04	3,020.36	9,244.47	5,092.07	4,793.04
	0.00	0.00	71.80	224.54	108.05	290.97	189.62	171.73
	0.00	165.00	135.00	250.00	0.00	0.00	0.00	0.00
	0.00	0.00	150.00	290.00	0.00	0.00	0.00	0.00
	159.50	46.10	49.20	56.60	60.00	60.00	177.00	65.40
	7.52	49.68	31.00	38.00	41.45	100.77	63.02	58.23
	197.09	85.00	9.80	0.00	0.00	0.00	0.00	0.00
	7.92	7.26	11.22	1.60	0.00	0.00	0.00	0.00
	7.30	1.33	0	0.00	0.00	0.00	13.02	0.85
	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00
	57.00	191.00	413.71	396.80	0.00	0.00	0.00	0.00
	135.77	63.00	67.10	47.10	41.80	54.00	43.46	50.00
	44.00	34.70	63.77	36.62	18.22	36.58	26.63	36.55
	23.94	9.90	20.00	15.50	0.00	0.00	0.00	0.00
	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	0.18	0.33	0.60	0.80	0.79	1.14	1.62	1.40
	0.00	4.96	9.08	30.10	23.24	9.47	20.55	12.09
	46.46	14.14	34.58	0.00	0.00	0.00	0.00	0.00
	0.00	9.27	6.12	10.02	25.08	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	21.60	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
	0.58	2.87	3.72	16.77	23.66	20.38	40.59	18.80
	0.70	1.00	1.00	1.00	0.62	1.39	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	9.90	0.00
	712.96	685.54	1,082.70	1,415.45	342.91	574.70	607.00	420.95
	908.77	967.37	2,392.84	4,663.48	3,363.27	9,819.17	5,699.07	5,213.99
								3,606.90
								861.00
								133.00
								12.00
								427.10
								5,040.00
	908.77	967.37	2,392.84	4,663.48	3,363.27	9,819.17	5,699.07	10,253.99

APPENDIX C

SIGAR AUDITS

Completed Audits

SIGAR has completed three audits as of July 30, 2009, listed in Table C.1.

Ongoing Audits

SIGAR has seven ongoing audits as of July 30, 2009, listed in Table C.2.

TABLE C.1

SIGAR COMPLETED AUDITS, AS OF 7/30/2009			
Agency	Audit Number	Date Issued	Report Title
SIGAR	SIGAR Audit 09-1	5/2009	Contract Oversight Capabilities of the Defense Department's Combined Security Transition Command - Afghanistan (CSTC-A) Need Strengthening
SIGAR	SIGAR Audit 09-2	7/2009	UN Action Urged to Strengthen Afghanistan Capacity To Support Future Elections
SIGAR	SIGAR Audit 09-3	7/2009	Management Information Systems Available to Reconstruction Decision-Makers in Afghanistan

TABLE C.2

SIGAR ONGOING AUDITS, AS OF 7/30/2009		
Agency	Date Initiated	Report Title
SIGAR	March 2009	Agencies' Management Oversight, Procedures, and Practices for Reconstruction Funds and Projects
SIGAR	March 2009	Contractor Performance and Agency Oversight of U.S. Government Contracts in Afghanistan with Louis Berger Group
SIGAR	April 2009	U.S. and International Donor Programs to Assist Afghanistan's Energy Sector
SIGAR	April 2009	Controls and Accountability for Commander's Emergency Response Program (CERP)
SIGAR	April 2009	U.S. Assistance for the Preparation and Conduct of Presidential and Provincial Council Elections in Afghanistan
SIGAR	July 2009	Afghan Central Government Oversight and Anti-Corruption Capacity
SIGAR	July 2009	Afghan Provincial Government Oversight and Anti-Corruption Capacity

APPENDIX D

SIGAR INSPECTIONS

Completed Inspections

SIGAR has completed one inspection as of July 30, 2009, as listed in Table D.1.

Ongoing Inspections

SIGAR has initiated four inspections as of July 30, 2009, as listed in Table D.2.

Planned Inspections

SIGAR has three inspections planned to commence before December 31, 2009, as listed in Table D.3.

TABLE D.1

SIGAR COMPLETED INSPECTIONS, AS OF 6/30/2009				
Agency	Report Number	Date Issued	Project Name	Assessment Type
SIGAR	SIGAR 09-02-1	7/2009	Improvements to the Khowst City Power System	Infrastructure

TABLE D.2

SIGAR ONGOING INSPECTIONS, AS OF 7/30/2009				
Agency	Date Initiated	Project Name	Assessment Type	
SIGAR	6/9/2009	Management and Operations Aspects of the Farah Provincial Reconstruction Team	Management	
SIGAR	6/9/2009	Farah Radio/TV Studio Infrastructure Project	Infrastructure	
SIGAR	6/9/2009	Tojg Bridge Project	Infrastructure	
SIGAR	6/16/2009	Management and Operations Aspects of the Kapisa-Parwan PRT	Management	

TABLE D.3

SIGAR PLANNED INSPECTIONS, AS OF 7/30/2009				
Agency	Estimated Start Date	Project Name	Assessment Type	
SIGAR	August 2009	Kabul 105 MW Power Plant and Switching Station Construction	Infrastructure	
SIGAR	September 2009	Construction of Afghan National Police JRCC (Joint Readiness Coordination Center) in Kandahar	Infrastructure	
SIGAR	December 2009	Darunta Hydroelectric Power Plant Rehabilitation	Infrastructure	

APPENDIX E

SIGAR HOTLINE

Reported Complaints

Of the 38 complaints received, SIGAR has 24 complaints under review and has dismissed 11, as listed in Table E.1.

The majority of complaints that SIGAR received were made by telephone, as listed in Table E.2.

TABLE E.1

STATUS OF SIGAR HOTLINE COMPLAINTS, AS OF 6/30/2009			
Status	SIGAR Afghanistan	SIGAR DC	Total
Assigned/Open	0	0	0
Under Review	18	6	24
Referred Out	3	0	3
Dismissed	11	0	11
Completed	0	0	0
Total			38

TABLE E.2

METHODS USED TO SUBMIT COMPLAINTS, AS OF 6/30/2009			
Method of Submission	SIGAR Afghanistan	SIGAR DC	Total
Calls Received	32	1	33
Email/Web site	0	4	4
Walk-in	0	0	0
Written (Not E-mail)	0	1	1
Total			38

APPENDIX F

ACRONYMS AND DEFINITIONS

This section contains all of the abbreviations and acronyms found in the SIGAR Quarterly Report to the Congress.

TABLE F.1

SIGAR ACRONYMS AND DEFINITIONS	
ACRONYM	DEFINITION
ADF	Asian Development Fund
ADT	agribusiness development team
AGO	Attorney General's Office
AGOAS	Attorney General's Office Assistance Section
AJIS	Access to Justice and Integration
AMSP	Afghan Municipal Strengthening Program
ARDZ	Agricultural and Rural Development Zone
ARSIC	Afghan Regional Security Integration Command
ARTF	Afghanistan Reconstruction Trust Fund
BWT	Basic Warrior Training
CARD	Comprehensive Agriculture and Rural Development
CERP	Commander's Emergency Response Program
CJTF	Criminal Justice Task Force
CJTF Phoenix	Combined Joint Task Force Phoenix
CNAT	Counter-Narcotics Advisory Team
CNJC	Counter-Narcotics Justice Center CJTF Phoenix Combined Joint Task Force Phoenix ARSIC Afghan Regional Security Integration Command
CNT	Central Narcotics Tribunal
COMPRI-A	Communication for Behavior Change: Expanding Access to Private Sector Health Products and Services in Afghanistan
CSSP	Corrections Systems Support Program
DAD	Development Assistance Database
DFR	donor financial review
DICE	Data and Intelligence Collection and Exchange
DoN	Department of the Navy
EIT	Embedded Training Team
EUPOL	European Union Police Mission
GWOT	Global War on Terror
HHS	Department of Health and Human Services
HMMWV	high-mobility, multi-purpose wheeled vehicle
HOO	High Office of Oversight for the Implementation of the Anticorruption Strategy
HSSP	Health Services Support Project
IDA	International Development Association
IDEA-NEW	Incentives Driving Economic Alternatives for North, East, and West

Continued on next page

APPENDICES

TABLE F.1 (CONTINUED)

SIGAR ACRONYMS AND DEFINITIONS	
ACRONYM	DEFINITION
IET	initial entry training
INLTC	Independent National Legal Training Center
IRI	International Republican Institute
IRP	Infrastructure and Rehabilitation Program (USAID)
JCMB	Joint Coordination and Monitoring Board
JICA	Japanese International Cooperation Agency
JSSP	Justice Sector Support Program
LBG/B&V	Louis Berger Group/Black & Veatch Joint Venture
LGCD	Local Governance and Community Development
MAD	Mothers Against Drugs
MoF	Ministry of Finance
MoTCA	Ministry of Transportation and Civil Aviation
NCO	non-commissioned officer
NGO	non-governmental organization
NSP	National Solidarity Program
OCO	Overseas Contingency Operations
OEF	Operation Enduring Freedom
OIF	Operation Iraqi Freedom
OMB	Office of Management and Budget
OMLT	Operational Mentoring and Liaison Team
ONE-NET	Outside the Continental United States Navy Enterprise Network
OoP	Office of the President (Afghanistan)
PRGF	Poverty Reduction and Growth Facility
PSC	private security contractor
RTC	Regional Training Center
RUF	rules for the use of force
SCoG	Support for the Center of Government
SOG	special operations group
UNCAC	United Nations Convention Against Corruption
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
USDA	U.S. Department of Agriculture
USMS	U.S. Marshals Service
VOA	Voice of America
VTT	Validation Tracking Team

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