SIGAR

Special Inspector General for Afghanistan Reconstruction

OCT 30 2018

QUARTERLY REPORT TO THE UNITED STATES CONGRESS

The National Defense Authorization Act for FY 2008 (Pub. L. No. 110-181) established the Special Inspector General for Afghanistan Reconstruction (SIGAR).

SIGAR's oversight mission, as defined by the legislation, is to provide for the independent and objective

- conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available for the reconstruction of Afghanistan.
- leadership and coordination of, and recommendations on, policies designed to promote economy, efficiency, and effectiveness in the administration of the programs and operations, and to prevent and detect waste, fraud, and abuse in such programs and operations.
- means of keeping the Secretary of State and the Secretary of Defense fully and currently informed about problems and deficiencies relating to the administration of such programs and operation and the necessity for and progress on corrective action.

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.

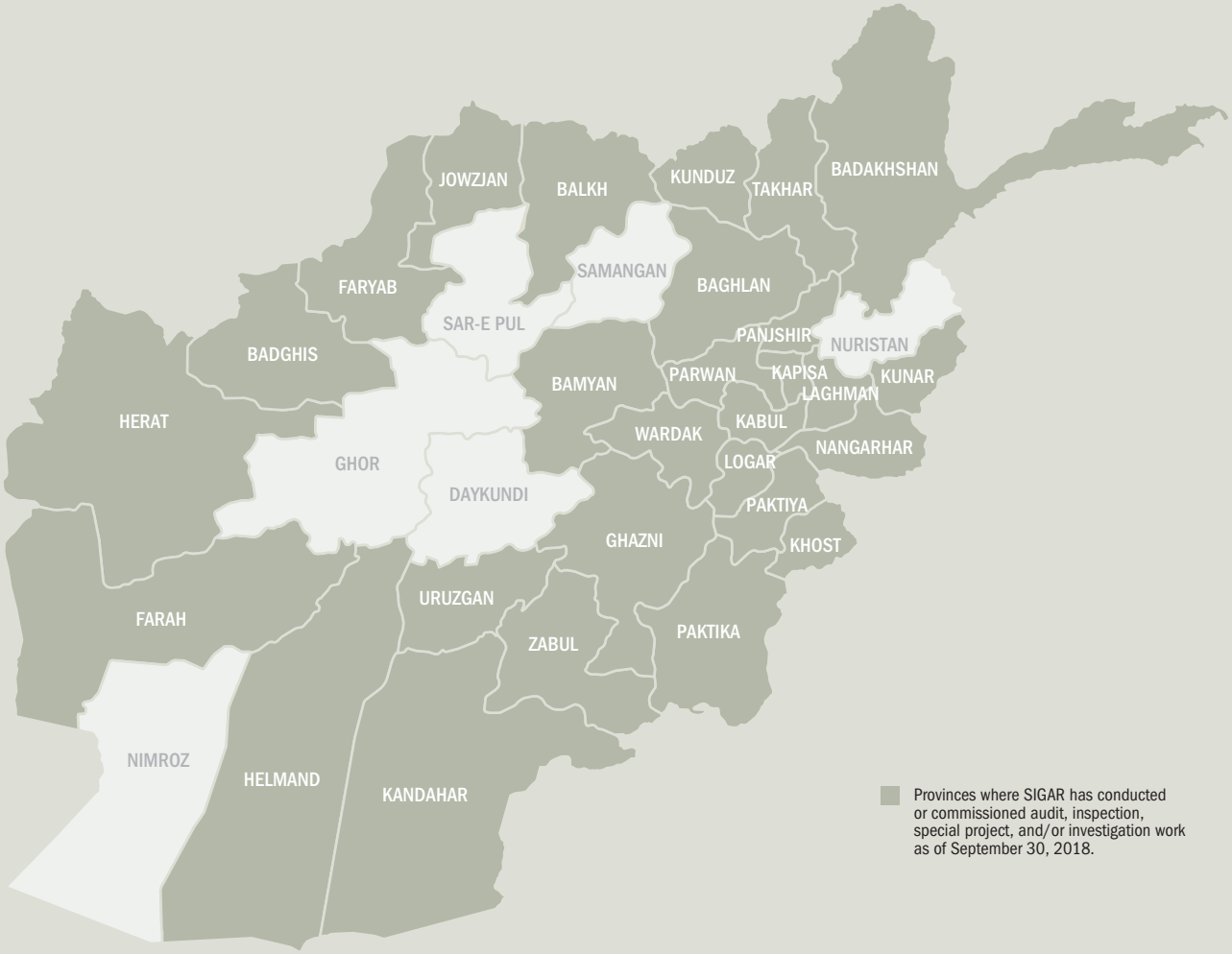
As required by the National Defense Authorization Act for FY 2018 (Pub. L. No. 115-91), this quarterly report has been prepared in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

Source: Pub.L. No. 110-181, "National Defense Authorization Act for FY 2008," 1/28/2008, Pub. L. No. 115-91, "National Defense Authorization Act for FY 2018," 12/12/2017.

(For a list of the congressionally mandated contents of this report, see Appendix A.)

Cover photo:
An Afghan boy plays in the ruins of a 13th century house on the outskirts of Mazar-e Sharif.
(AFP photo by Farshad Usyan)

PUBLISHED IN ACCORDANCE WITH THE CIGIE QUALITY STANDARDS FOR INSPECTION AND EVALUATION.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Provinces where SIGAR has conducted or commissioned audit, inspection, special project, and/or investigation work as of September 30, 2018.

SPECIAL INSPECTOR GENERAL FOR
AFGHANISTAN RECONSTRUCTION

I am pleased to submit to Congress and the Secretaries of State and Defense, SIGAR's 41st quarterly report on the status of reconstruction in Afghanistan.

As this report was going to press, U.S. Army General Austin Scott Miller, commander of the NATO-led Resolute Support mission and of United States Forces-Afghanistan, escaped unharmed from an October 18, 2018, attack that killed Kandahar's police and intelligence chiefs and gravely wounded its provincial governor. The attack came two days before parliamentary elections were held in all provinces except for Ghazni and Kandahar. It was a reminder of the violence that continues to torment Afghanistan and the difficulty of imposing security anywhere in that long-troubled country. SIGAR will be monitoring the situation.

Section 1 discusses SIGAR's recently released Lessons Learned Program report entitled *Counternarcotics: Lessons from the U.S. Experience in Afghanistan*, which this quarter prompted the U.S. Senate Caucus on International Narcotics Control to request that SIGAR "conduct a thorough review of the U.S. government's current counternarcotics efforts in Afghanistan." Those efforts have cost U.S. taxpayers more than $8 billion since 2002, yet Afghanistan's opium crisis is worse than ever. The country remains the world's leading producer of opium, with production hitting an all-time high last year. In addition to increasing the human misery associated with drug abuse, Afghanistan's narcotics industry helps finance the insurgency, supports criminal networks, fosters public corruption, and undermines the Afghan state. Although this poison contributes a minimal amount to the narcotics epidemic in the United States, Afghanistan's deadly crop is the largest source of street heroin in Europe and Canada.

Despite its importance, and with an international ministerial conference set to meet in Switzerland in November to advance Afghanistan's reform and development, counternarcotics seems to have fallen completely off the U.S. agenda. While the Afghan government is working on a new regional drug strategy, the United States is not. The State Department's new "Integrated Country Strategy" for Afghanistan no longer includes counternarcotics as a priority, but instead apparently subsumes the issue into general operations there. Meanwhile, the U.S. military says it has no counternarcotics mission in Afghanistan, and the United States Agency for International Development (USAID) says it will not plan, design, or implement new programs to address opium-poppy cultivation. The consequences of these decisions will be part of the scope of the new, Senate-requested review of U.S. counternarcotics efforts that SIGAR has agreed to perform.

As I reported last quarter, in the Joint Explanatory Statement from the Conference Report (H. Rept. 115-863) to accompany H.R. 5515, the John S. McCain National Defense Authorization Act for Fiscal Year 2019, conferees noted that they are disappointed by DOD's lack of transparency about its efforts in Afghanistan. Despite that Congressional concern, DOD this quarter classified even more data for this quarterly report concerning the Afghan National Defense and Security Forces (ANDSF), including the number of women in the forces.

SIGAR published two performance audit reports this quarter. These audits examined USAID's $216 million Promoting Gender Equity in National Priority Programs (Promote) and DOD's ability to assess, monitor, and evaluate advisors assigned to the Ministries of Defense and Interior.

According to USAID, Promote is the largest program the United States has ever undertaken to advance women. Yet, SIGAR found that after three years and $89.7 million spent, USAID has not fully assessed the extent to which Promote has improved the status of women in Afghanistan.

SIGAR completed eight financial audits of U.S.-funded contracts to rebuild Afghanistan covering a range of topics, including the Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation; USAID's Initiative to Strengthen Local Administrations Project; and the Department of

the Air Force's construction of the Afghan Ministry of Defense headquarters facility. These financial audits identified $3 million in questioned costs as a result of internal-control deficiencies and noncompliance issues. To date, SIGAR's financial audits have identified more than $414.6 million in questioned costs.

SIGAR also published two inspection reports. These reports examined the construction, use, and maintenance of the Marshal Fahim National Defense University and the Afghan National Police women's compound at the Ministry of Interior headquarters.

This quarter, SIGAR's Office of Special Projects issued three products, on USAID-funded education facilities in Parwan Province, on DOD Commander's Emergency Response Program-funded bridges in Baghlan Province, and on State-funded Good Performers Initiative Program operations in Takhar Province.

During the reporting period, SIGAR investigations resulted in one arrest, five convictions, four sentencings, a civil settlement of nearly $295,000, and $2,000 in criminal fines. To date, SIGAR investigations have resulted in a cumulative total of 132 criminal convictions. Criminal fines, restitutions, forfeitures, civil settlements, and U.S. government cost savings and recoveries total approximately $1.5 billion.

Of special significance, on September 24, 2018, Adam Doost, the former owner of a now-defunct marble mining company in Afghanistan, was found guilty after a seven-day trial by a federal jury for his role in defrauding the Overseas Private Investment Corporation (OPIC), a U.S. government agency, and defaulting on a $15.8 million loan. SIGAR led the four-year investigation of this case with assistance from the FBI.

This quarter, SIGAR's suspension and debarment program referred three individuals and two entities for suspension or debarment based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States. These referrals bring the total number of individuals and companies referred by SIGAR since 2008 to 905, encompassing 505 individuals and 400 companies to date.

My staff and I look forward to working together with Congress and other stakeholders to make reconstruction more efficient and effective, and to continue to save U.S. taxpayer dollars in Afghanistan.

Respectfully,

John F. Sopko
Special Inspector General for Afghanistan Reconstruction

This report summarizes SIGAR's oversight work and updates developments in the four major sectors of reconstruction efforts in Afghanistan from July 1 to September 30, 2018.* It also includes an essay on the ongoing counternarcotics fight in Afghanistan. During this reporting period, SIGAR published 15 audits, inspections, reviews, and other products assessing U.S. efforts to build the Afghan security forces, improve governance, facilitate economic and social development, and combat the production and sale of narcotics. During the reporting period, SIGAR criminal investigations resulted in one arrest, five convictions, four sentencings, a civil settlement of nearly $295,000, and $2,000 in criminal fines.

SIGAR OVERVIEW

AUDITS AND INSPECTIONS

This quarter, SIGAR published two performance audits, eight financial audits, and two inspection reports.

The **performance audit reports** examined:

- The performance and sustainment of USAID's $216 million Promoting Gender Equity in National Priority Programs (Promote)
- DOD's ability to assess, monitor, and evaluate advisors assigned to the Ministries of Defense and Interior

The **financial audit reports** identified more than $3 million in questioned costs as a result of internal-control deficiencies and noncompliance issues.

The **inspection reports** found:

- Phase I construction of the Marshal Fahim National Defense University generally met contract requirements, but noncompliant fire doors and inadequate maintenance place building occupants at risk.
- U.S. Army Corps of Engineers-contracted construction of the Afghan National Police women's compound at the Ministry of Interior headquarters generally met contract requirements, but use and maintenance remain concerns.

SPECIAL PROJECTS

This quarter, SIGAR's Office of Special Projects wrote three reviews expressing concern on a range of issues including:

- USAID-supported schools in Parwan Province
- CERP-funded bridges in Baghlan Province
- Six Good Performers Initative projects in Takhar Province

* As provided in its authorizing statute, SIGAR may also report on products and events occurring after September 30, 2018, up to the publication date of this report. Unless otherwise noted, all afghani-to-U.S. dollar conversions used in this report are derived by averaging the last three months of exchange-rate data available through Da Afghanistan Bank (www.dab.gov.af). Data as of September 26, 2018.

A DOD-funded pedestrian bridge crosses a river in Baghlan Province. (SIGAR photo)

LESSONS LEARNED

SIGAR's Lessons Learned Program has four projects in development, three of which were initiated this quarter: U.S. and coalition responsibilities for security-sector assistance, U.S. government support to elections, monitoring and evaluation of reconstruction contracting, and reintegration of ex-combatants.

INVESTIGATIONS

During the reporting period, SIGAR investigations resulted in one arrest, five convictions, four sentencings, a civil settlement of nearly $295,000, and $2,000 in criminal fines. SIGAR initiated 11 new cases and closed 14, bringing the total number of ongoing investigations to 177. SIGAR's suspension and debarment program referred three individuals and two entities for suspension or debarment based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States.

Investigations highlights include:

- A former owner of a marble mining company was convicted for defrauding the U.S. and defaulting on a $15.8 million loan.
- Three high-ranking Ministry of Interior officials were convicted and sentenced for embezzlement.
- A U.S. contractor was sentenced for conspiracy to defraud the U.S.
- A U.S. contractor employee was convicted for theft and sale of U.S. government property.
- A SIGAR investigation resulted in the arrest of a French citizen in Afghanistan.
- A SIGAR investigation resulted in a $294,800 civil settlement.

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"No counterdrug program undertaken [2002–2017] by the United States, its coalition partners, or the Afghan government resulted in lasting reductions in poppy cultivation or opium production."

—*SIGAR Lessons Learned Program*

Source: SIGAR, *Counternarcotics: Lessons from the U.S. Experience in Afghanistan*, SIGAR 18-52-LL, 6/2018.

1 HIGH COST, LOW RETURN ON KEY NARCOTICS FIGHT

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Afghan farmers tend poppy plants in Nangarhar Province.
(AFP photo by Noorullah Shirzada)

HIGH COST, LOW RETURN ON KEY NARCOTICS FIGHT

From 2002 through September 2018, the United States has committed an average of more than $1.5 million a day to help the Afghan government combat narcotics.[1] As of September 30, 2018, U.S. counternarcotics-related appropriations for that purpose had reached $8.88 billion.[2]

The United States has compelling reasons to engage in this costly effort, as the U.S. Senate's Caucus on International Narcotics Control has explained:

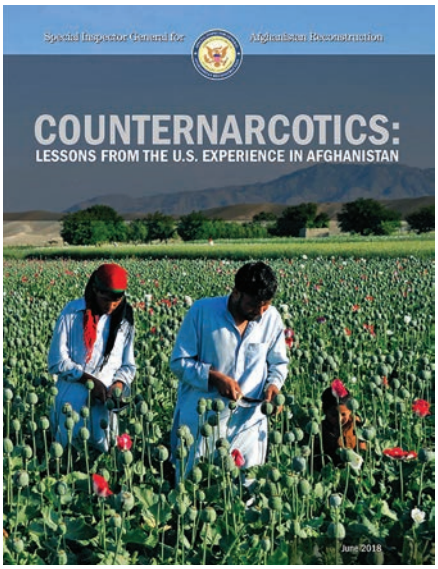
> The illegal drug trade contributes to nearly every major challenge Afghanistan faces. It funds the insurgency, fuels corruption, and poses a serious public health challenge in Afghanistan and beyond . . . The Afghan drug trade is a cross-cutting problem that impacts all U.S. efforts in Afghanistan.[3]

Despite the importance of the threat narcotics pose to reconstruction and despite massive expenditures for programs including poppy-crop eradication, drug seizures and interdictions, alternative-livelihood support, aviation support, and incentives for provincial governments, the drug trade remains entrenched in Afghanistan, and is growing.

The United Nations Office on Drugs and Crime (UNODC) has reported that Afghan opium poppy cultivation "increased sharply to an unprecedented record high of 328,000 hectares from an estimated 201,000 hectares in 2016."[4] A hectare is about 2.5 acres. The 328,000-hectare opium cultivation area is equivalent to 1,266 square miles, or 20 times the land area of Washington, DC.

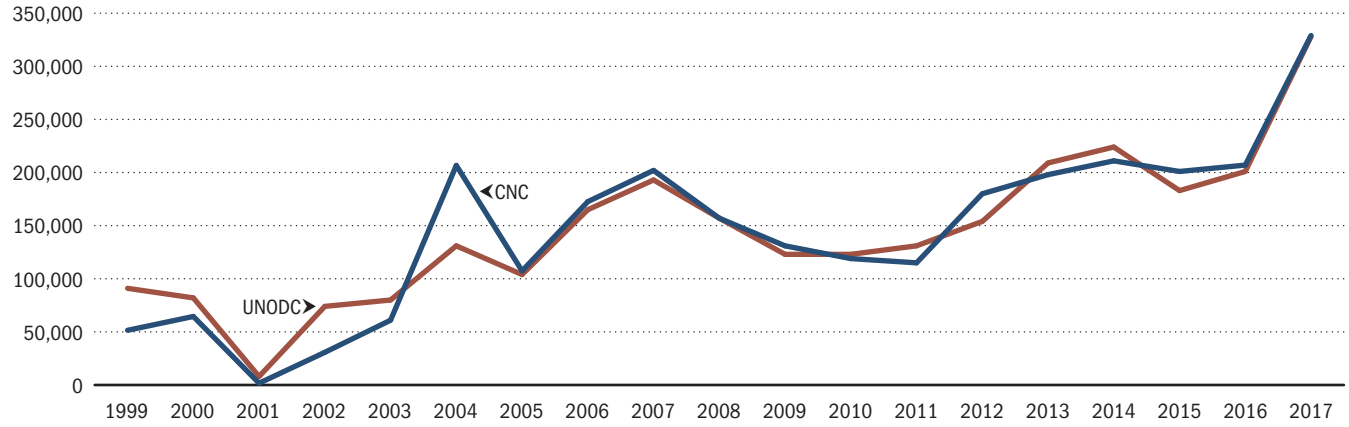
Likewise, the 2017 poppy cultivation level is more than *four times* the 74,000 hectares reported by the UNODC for 2002, the first full year of the U.S. intervention in Afghanistan.[5]

Opium's economic impact in Afghanistan has also ballooned. The UNODC estimates that in 2017 alone, the poppy crop generated approximately $1.4 billion for Afghan farmers, plus billions more for refiners and traffickers within the country, making the total value of the 2017 opium production at $4.1 billion to $6.6 billion.[6] While there is "great uncertainty" about the estimates, the UNODC reckons that opium accounts for the equivalent of 19% to 32% of Afghanistan's gross domestic product.[7]



Cover of the SIGAR Lessons Learned Program report on counternarcotics. (SIGAR photo)

AFGHANISTAN TOTAL POPPY CULTIVATION ESTIMATES, 1999–2017 (HECTARES)



Note: UNODC = UN Office on Drugs and Crime, CNC = Crime and Narcotics Center

Source: UNODC, *Afghanistan Opium Survey 2017: Cultivation and Production,* 11/2017, p. 13; CIA, Crime and Narcotics Center, data provided to SIGAR, 10/2015, 3/2017, and 3/2018.

Tragically, opium cultivation alone—i.e., not counting processing, transporting, or marketing it—may provide the equivalent of up to 590,000 full-time jobs.[8] That number greatly exceeds the 352,000 target strength of Afghanistan's army and police forces.

The monetary proceeds of the Afghan opium sector are a major source of income to farmers in the desperately poor country, but the cash flow also fills the purses of the Taliban insurgents who continue in their efforts to topple the internationally recognized government based in Kabul. In February of this year, Deputy Secretary of State John Sullivan told the Senate Foreign Relations Committee that some 65% of Taliban revenues are derived from narcotics.[9] The Department of Defense (DOD) noted this year that "it's plausible the Taliban now place greater emphasis on narcotics as a primary source of revenue" than previously, but opinions vary on the extent of narcotics revenue flowing to the insurgency.[10]

What does all of this signify? "To put it bluntly," as SIGAR has repeatedly stressed, "these numbers spell failure."[11]

Failure in the counternarcotics effort in Afghanistan entails more than a waste of U.S. taxpayers' money. As UNODC noted earlier this year, "The illicit economy discourages private and public investment by fueling insecurity, violence and insurgency—all factors that create a conducive environment for illicit drug cultivation and production. The illegal economy thus creates a vicious cycle that is hard to break."[12] In addition, as SIGAR has explained in congressional testimony, "The narcotics trade is poisoning the Afghan financial sector and fueling a growing illicit economy. This,

Children weeding a poppy field. (OSDR photo)

in turn, is undermining the Afghan state's legitimacy by stoking corruption [and] nourishing criminal networks."[13]

The failure also flouts a mandate of the Afghan constitution, which provides that "The state shall prevent . . . cultivation and smuggling of narcotics."[14]

SIGAR has repeatedly cited the narcotics economy—along with pervasive corruption and persistent insurgency—as an existential threat to the Afghan state, and to the U.S. mission in the country. But State's 2018 Integrated Country Strategy for Afghanistan does not list counternarcotics as a mission objective or a priority.[15] The U.S. Agency for International Development (USAID), the chief conduit for nonsecurity-related programming in Afghanistan, informed SIGAR in spring 2018 that it would not plan, design, or implement any new programs addressing opium-poppy cultivation, but would instead focus on helping licit Afghan enterprises link to domestic and international markets, and would coordinate with State's Bureau of International Narcotics and Law Enforcement (INL) on alternative-development programs.[16] State has indicated that counternarcotics is now being integrated throughout the components of the current South Asia strategy. And while the U.S. military conducts air strikes against opium-processing labs in Afghanistan, DOD characterizes these strikes as "counter-threat revenue" rather than counternarcotics operations.[17]

The long record of failure in counternarcotics programs and the grave risks that drug-related threats pose to the Afghan state created the need for

Farmers in a blooming poppy field. (David Mansfield photo)

a deep review and a systematic harvesting of lessons for improved efforts in Afghanistan and elsewhere.

Responding to that need for answers and best practices, SIGAR recently published another in its series of lessons-learned reports, *Counternarcotics: Lessons from the U.S. Experience in Afghanistan*, to this critical topic.[18]

WHAT'S SIGNIFICANT ABOUT THIS REPORT?

The Lessons Learned Program (LLP) report was released during its debut event at the New America policy and research institution in Washington, DC, in June.

Inspector General John F. Sopko's remarks at the event described the 223-page report as "the most comprehensive, independent government assessment of counternarcotics programs in Afghanistan."[19] More than two and a half years of work went into it, including interviews with more than 80 current and former officials, academics, and researchers with many years of on-the-ground experience in Afghanistan. The report also reflects LLP staff's review of previously unpublished official documents and the use of geospatial imagery to provide visual evidence of the extent and impact of hundreds of counternarcotics projects in Afghanistan.

One of the more striking uses of the geospatial-imagery research was to identify changes in poppy cultivation over successive years in select areas. Some of the sequenced images showed increases in opium-poppy cultivation in the wake of eradication campaigns or rural development initiatives, and of increases in areas ostensibly under Afghan government control.

Farmer displays a poppy seed pod prior to the scarring that releases the narcotic resin. (UNODC photo)

The LLP report includes an extensive narrative of counternarcotics strategies and programs, findings of fact, lessons learned, and recommendations for action by Congress and the Administration.

The single most portentous sentence in the report may be one that occurs on the first page of its introduction:

> Our analysis reveals *no counterdrug program* undertaken by the United States, its coalition partners, or the Afghan government resulted in lasting reductions in poppy cultivation or opium production—and, without a stable security environment, there was little possibility of success.[20] [Emphasis added.]

The LLP report cautions, however, that the failure to suppress opium production in Afghanistan is not solely a function of flawed counternarcotics efforts, but also stems from lack of security, a poor economy, and deficiencies in the wider reconstruction effort.[21]

Those critical points fueled a vigorous panel discussion at the New America debut venue.[22] LLP's project lead for the counternarcotics report, Kate Bateman, said two key features of the document were its use of geospatial imagery and the emphasis it places on integrating counternarcotics efforts into broader goals. The narcotics problem "impacts every part of the U.S. reconstruction effort," Bateman said, "and yet, for years, the issue of counternarcotics has often been . . . relegated as a side project and not well integrated into the United States' broader security, governance, and development goals." For example, she said, irrigation projects are good for

Lanced poppy seed capsules showing opium resin. (David Mansfield photo)

agriculture in general, but it's helpful to know whether increased irrigation is bolstering poppy cultivation.

New America Vice President Peter Bergen, who led the session, called the report "a very thorough piece of work." Former U.S. Ambassador to Afghanistan Ronald Neumann agreed with the report, saying it demonstrates the problem of planning strategies and making decisions with incomplete information, and conducting programs whose planners will no longer be in country to observe and modify them. The need is for "a learning culture" that reacts to failures and adjusts approaches, Neumann said, but "We have a bureaucratic and a political culture that is designed to make that sort of adjustment as difficult as possible."

Neumann also commended the report for stressing the role of security as part of counternarcotics strategy: "We're going to have to make enormous progress in security" before real progress against narcotics can be made, as well as cracking down on corruption and providing "certainty of justice" for offenders.

Doug Wankel, a former chief of intelligence and operations with the Drug Enforcement Administration and former director of the U.S. Embassy Kabul's Counter Narcotics Task Force, said "It's very valuable to have this report . . . We can learn from it." Wankel echoed Ambassador Neumann's comment about the need for security, rule of law, and anticorruption measures, adding that progress against narcotics also requires "a functioning state" committed to change.

"The real tragedy of the last 17 years," Wankel said, "that may soon become a crisis is that Afghanistan now has become the largest per-capita

user of opiates in the world." He said he had met with two Afghan ministers who told him there may be four million drug users in Afghanistan, including three million opiate users, perhaps accounting for a quarter of the country's rural households. (That would be broadly consistent with UN figures indicating that 11% of the Afghan population would test positive from one or more drugs, and that 30.6% of households sampled tested positive for some form of illicit drug.)[23]

WHAT DOES THE LLP REPORT COVER?

SIGAR's LLP report lays the groundwork for its findings, lessons, and recommendations with a narrative that traces U.S. counternarcotics strategies and programs in Afghanistan since 2002. It analyzes programs according to four "strands" of effort: interdiction and counterdrug law enforcement, poppy eradication, alternative development to offer farmers livelihoods not based on illicit drugs, and mobilizing Afghan political and institutional support for counternarcotics activity. The four strands comprised a variety of programs:[24]

- **Interdiction and Counterdrug Law Enforcement**
  - » Seizure of illegal narcotics
  - » Destruction of drug production facilities
  - » Arrest and prosecution of those who traffic drugs
  - » Intelligence collection and operations to trace, freeze, or confiscate proceeds from the drug trade
  - » Support to Afghan units and institutions that carry out interdiction and counterdrug law enforcement activities
- **Eradication**
  - » Physical destruction of a standing opium crop, done manually or by spraying herbicides
  - » Support to Afghan and contractor eradication forces, as well as payments, reimbursement, and assistance for conducting eradication
- **Alternative Development**
  - » Development assistance intended to reduce dependence on poppy cultivation, contribute to rural economic development, and provide licit alternative livelihood opportunities
- **Mobilization of Afghan Political Support and Institution Building**
  - » Programs to build institutional capacity at the ministerial and provincial levels
  - » Programs to increase political will to reduce opium production, including development assistance as a reward for local reductions in poppy cultivation
  - » Programs to raise public awareness of the costs of involvement in cultivation, production, trade, and consumption of illicit drugs

Workers dry residue from chemically treated opium to make morphine base. (DEA Museum photo)

The report identifies numerous problems with counternarcotics programs in Afghanistan. Problems included conducting eradication and development in insecure areas, eliciting Afghan government and popular opposition with proposals to eradicate poppy fields by aerial spraying, eradicating crops without providing opportunities for legal income, failure to develop accurate data and comprehensive indicators of progress, and failure to address corruption and poor capacity within the Afghan justice system.[25]

To cite one example of corruption within Afghan officialdom, a combined DEA and Counter Narcotics Police of Afghanistan raid in 2005 found more than nine metric tons of opium in the offices of the then governor of Helmand Province, Sher Mohammed Akhundzada. "Afghan government actors, including at the highest levels," the report says, "have played a role in the drug trade, serving as facilitators and collecting payments from traffickers."[26]

In 2010, the FBI-mentored Major Crimes Task Force of the Afghan government arrested Mohammed Zia Salehi, an aide to then President Hamid Karzai, on corruption charges. The outraged president ordered the seizure of all files related to the arrest and began to dismantle the law-enforcement infrastructure that had been established, including wiretaps, polygraphs, and presence of DOJ personnel mentoring Afghan staff, causing DEA to become increasingly reluctant to invest resources in an environment where its agents could not develop cases.[27]

The report also describes unintended consequences of U.S.-funded programs. For example, the Helmand Food Zone project involved distributing

wheat seed and fertilizer to persuade farmers to forego growing poppy. But poppy cultivation is seven times more labor intensive than wheat: workers need to scar and collect sap from each poppy bud. As landowners switched from poppy to wheat, they hired fewer laborers and made fewer sharecropping or rental agreements. This deprived many poor, landless people of work and caused many to lose their homes. Some responded by moving into desert areas and growing poppy, expanding cultivation to areas where none had taken place before.[28]

Problems also manifested at higher levels of our government. The LLP report notes that the U.S. State Department produced four counternarcotics strategies between 2005 and 2012 that presumed coordinated efforts by State, DOD, USAID, and DEA. However, State and its INL branch had no authority to direct other agencies to provide the inputs called for in the strategies. The strategies called for a multi-agency, multi-pronged, coordinated approach that never achieved adequate alignment or coordination.[29] Meanwhile, as SIGAR has regularly noted in its quarterly reports, State has no successor plan to the 2012 strategy—a potentially serious weakness given the great reductions in U.S. military and civilian presence in Afghanistan since 2011. As noted, Embassy Kabul's new Integrated Country Strategy does not explicitly address counternarcotics as a priority.

The many difficulties and disappointments in the U.S. counternarcotics effort were not unique to that activity. The LLP report notes:

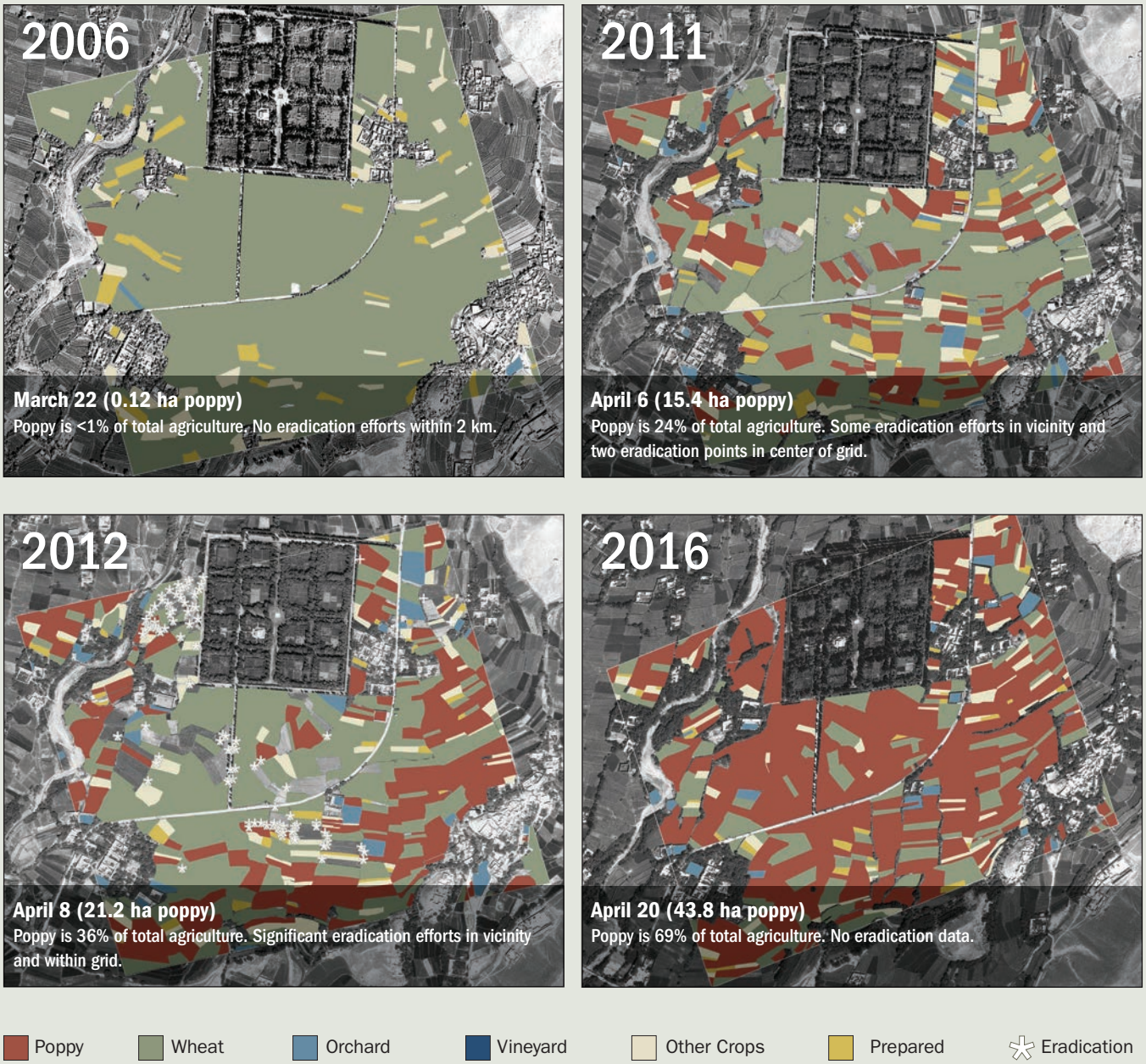
> Counternarcotics policies and programs suffered from many of the same obstacles that dogged the wider reconstruction effort: persistent insecurity, corruption, and weak rule of law; lack of consensus among senior policymakers; changing strategies and priorities; uneven coordination among U.S. agencies, Afghan stakeholders, and Coalition partners; stove-piping of issues and goals; short-term metrics poorly suited to long-term efforts; unreliable data on funding levels, program outcomes, and conditions on the ground; and a weak understanding of the local Afghan political and socioeconomic context.[30]

WHAT LESSONS EMERGE FROM THE PAST 16 YEARS?

The LLP report distills 11 lessons from the U.S. experience with counternarcotics programs and policies during the reconstruction effort in Afghanistan to date. A few are Afghanistan-specific. All aim to shape and strengthen U.S. counterdrug policies and programs.[31] The lead lesson concerns the need for a whole-of-government U.S. counternarcotics strategy to coordinate involved agencies' activities around shared, long-term goals.

In settings like Afghanistan, illicit drug crops may form a backbone of the economy. U.S. and host-nation efforts to combat the drug trade may risk impoverishing or alienating rural populations. Drug-related corruption may touch many parts of the host-nation government, at all levels. U.S. security,

CROP MAPPING FOR A DISTRICT IN NANGARHAR PROVINCE



Note: Crop mapping shows significant growth of poppy in areas that were targeted by eradication, with poppy cultivation rising from less than 1% of the total land in 2006 to 69% in 2016.

Source: SIGAR visualization of imagery provided by MDA Information Systems LLC. For the original imagery, see figure A.12 in Appendix A in the LLP report, *Counternarcotics: Lessons from the U.S. Experience in Afghanistan*.

development, and governance efforts must therefore account for how the drug trade can impact their efforts, as well as how those efforts may impact the drug trade, and act in a coordinated way in seeking lasting results.

Another important lesson is the need for overall direction. Unity of effort is critical to prevent duplicative and wasteful programs. SIGAR has concluded from its review of the Afghan experience that only the U.S. ambassador, as chief of mission, has sufficient authority over all agencies in country—generally excluding active military personnel—to direct those agencies toward shared counternarcotics goals.[32] Unless the ambassador and U.S. military commander agree on counternarcotics goals, and coordinate efforts and resources to achieve these goals, their efforts are likely to be disjointed and ineffective. A unified effort is also important to enable U.S. agencies to coordinate with the host-nation government and other donors. If the ambassador is unable to dedicate sufficient attention to lead the implementation of a counternarcotics strategy, the United States should reconsider whether it should be funding and administering a large-scale counterdrug effort.

Meanwhile, the goals of a U.S. counternarcotics strategy should be aligned with and integrated into the larger security, development, and governance objectives of the United States and the host nation. In Afghanistan, the counterdrug effort was often justified as a means to weaken insurgent groups and strengthen the Afghan government. However, counternarcotics programs were commonly implemented and assessed independent of these strategic goals. This led to programs that were at times out of sync with U.S. objectives or unrealistic given the security situation in the country.

For example, if applying only a counternarcotics lens (i.e., seeking to stem the drug trade), investigating and arresting any illicit drug trafficker would appear to be as worthwhile as investigating and arresting traffickers connected to an insurgency or corrupt government officials engaged in the drug trade. But if the policy guidance is that counternarcotics activities should support larger U.S. security and governance goals, then the insurgency-connected trafficker and corrupt official become higher-priority targets.

These and other lessons in the LLP report lay the groundwork for recommendations to Congress and the Executive Branch.[33]

WHAT OUGHT TO BE DONE?

The 13 recommendations in the SIGAR LLP report begin with three that are specific to Afghanistan.

The first of these is foundational: The U.S. government should finalize a revised counternarcotics strategy for Afghanistan. This strategy should prioritize efforts to disrupt drug-related financial flows to insurgent and

Afghan police use sticks to eradicate a poppy field near the city of Qalat, Zabul Province. (Resolute Support photo by 1st Lt. Brian Wagner)

terrorist groups, promote licit livelihood options for rural communities, and combat drug-related corruption within the Afghan government.

SIGAR believes the new, revised U.S. counternarcotics strategy should focus on:

(1) disrupting insurgent and terrorist groups' financing from the drug trade, informed by a robust understanding of how these networks operate at local levels;

(2) advancing the development of viable alternative livelihoods in more secure rural areas, to include steps to ensure development assistance programs do not inadvertently contribute to drug production; and

(3) combating drug-related corruption within the Afghan government.

In support of the first and third goals, U.S. agencies should continue to assist and mentor the small, specialized Afghan counterdrug units that are trusted partners. These units are an important starting point for improving Afghan police, investigative, and prosecutorial capacity. All the above measures fit within and advance larger U.S. security, development, and governance goals.

Levels of opium-poppy cultivation remain an important indicator of progress, or lack thereof, against the Afghan drug trade. However, given the current security situation, the entrenched nature of the drug trade, and limited mobility of U.S. and international actors in Afghanistan, it is not realistic to expect U.S. efforts to substantially reduce poppy cultivation.

Furthermore, an overemphasis on cultivation levels skews policymakers' attention toward measures, like eradication, that may produce

short-term results, but do little to address the underlying causes of cultivation and drug production and may even undermine broader U.S. goals. Thus, the United States should not establish a near-term goal to reduce overall levels of poppy cultivation.

The second Afghanistan-specific recommendation is that the U.S. Director of National Intelligence should produce an annual assessment of how much funding the Afghan insurgency obtains from the drug trade and the extent of the insurgency's direct involvement in that trade.

The funding the drug trade provides to insurgent and terrorist groups has been one of the key justifications for the U.S. counternarcotics effort in Afghanistan, yet there is limited consensus on the extent and nature of these financial flows. U.S. government officials publicly cite estimates of how much money insurgent groups obtain from the drug trade, but these estimates differ, and official statements rarely acknowledge the uncertainty around the figures. A better understanding of insurgent financing from the Afghan drug trade is critical to designing effective, sustainable efforts to cut off that financing.

The recommended intelligence assessment should provide a consensus estimate of the amount of money from Afghan drug cultivation, production, and trafficking that is going to insurgent and terrorist groups. The assessment should detail how intelligence agencies calculate the consensus estimate, and how insurgent groups get that money. This assessment should inform and support ongoing U.S. military and civilian efforts to cut off insurgent financing from the drug trade. With this assessment, policymakers and implementers would be better equipped to judge whether counter-threat finance efforts, such as air strikes on drug labs, are likely to impose significant costs on insurgent groups.

The third Afghanistan-specific recommendation, in view of ongoing U.S. military operations and the significant numbers of U.S. forces still in country, is that civilian leaders should coordinate counternarcotics efforts closely with the commander of United States Forces-Afghanistan (USFOR-A).

The State Department, through the U.S. ambassador, should remain the lead coordinator for U.S. counternarcotics efforts in Afghanistan, but those efforts should also be integrated into military campaign and operational plans. Many counterdrug programs in Afghanistan were reliant on the security and support provided by U.S. or international Coalition forces. Until the United States transitions to a more traditional diplomatic and security presence in Afghanistan, the leadership of the U.S.-led, NATO-supported Operation Resolute Support and of USFOR-A will have significant influence over resources and factors that make U.S. counternarcotics efforts possible.

Additionally, U.S. programs to counter the drug trade can have significant effects on the security environment and stabilization goals. So

counternarcotics efforts should be integrated into Resolute Support and USFOR-A plans to more effectively ensure that counternarcotics programming is aligned with broader security goals, and to prevent duplicative or contradictory efforts.

The report's eight general recommendations for Congress and the Executive Branch include strengthening reporting requirements for counterdrug programs, requiring certification that viable alternative-livelihood options are in place for local people before money is obligated for opium-eradication programs, assessing the impact that development programs might have on illicit drug production, and giving USAID primary responsibility for designing development programs in drug-producing countries. These and other recommendations could be expected to improve outcomes both in Afghanistan and in other countries where illicit drugs are a target of governmental concern. Full discussions are presented in the LLP report.

CONCLUSION

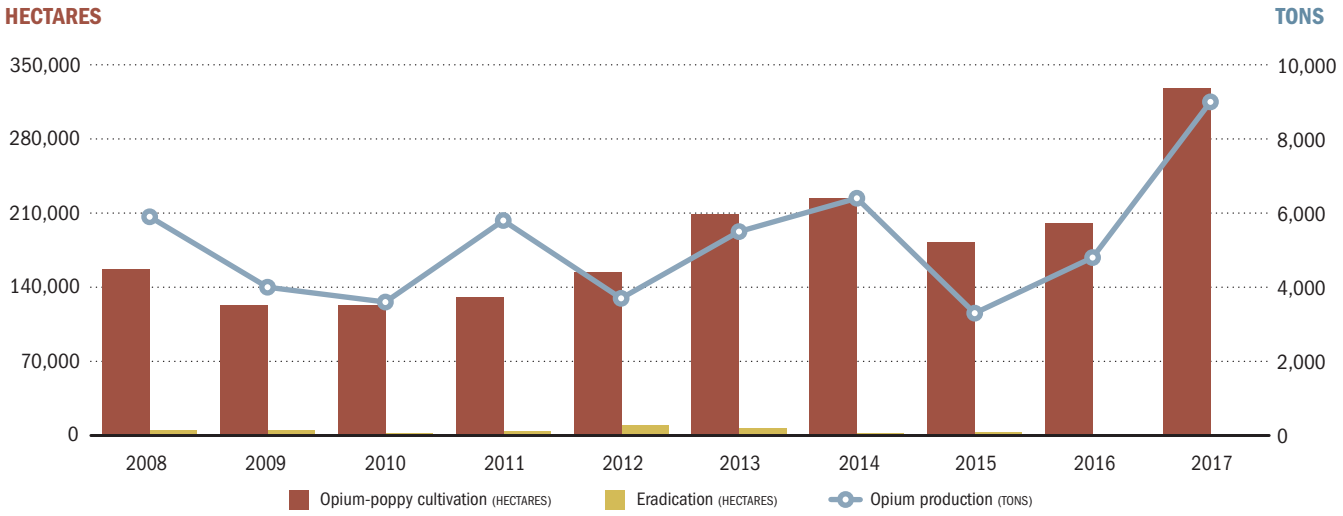
SIGAR's Lessons Learned Program report on counternarcotics operations in Afghanistan makes for sobering and frustrating reading. The details of its narrative and findings reveal an array of deficiencies in strategy formulation, program design, coordination of effort, monitoring and evaluation of outcomes, and adjustment to changing conditions.

In one sense, this should not be surprising. The United States has been waging a presidentially declared "war on drugs" for almost 50 years: President Richard Nixon announced it in July 1971.[34] But commentators and researchers commonly deem that war a failure.[35] The Centers for Disease Control reported earlier this year that U.S. deaths from drug overdoses continue to rise, setting an estimated record high of approximately 72,000 overdose deaths in 2017.[36] Another indicator of the scope of the domestic challenge is the U.S. Senate's 99–1 vote in September 2018 approving a new, $8.4 billion package of 70 bills addressing the opioid epidemic in this country.[37]

The fight against narcotics in Afghanistan presents even greater obstacles than the stateside struggle: entrenched and pervasive corruption within Afghan institutions, the deficiencies of the Afghan security and law-enforcement entities, the general poverty that makes poppy cultivation economically attractive to farmers, and the presence of an active insurgency with powerful incentives to protect its narcotics revenues.[38] (Afghan opioids, however, largely flow to markets other than the United States.[39])

The LLP report has already drawn a strong response from the U.S. Senate's Caucus on International Narcotics Control. On September 17, 2018, caucus chairman Senator Charles Grassley of Iowa and co-chair Senator Diane Feinstein of California wrote to Inspector General Sopko that they

AFGHAN OPIUM-POPPY CULTIVATION, ERADICATION, AND PRODUCTION SINCE 2008



Source: UNODC, *World Drug Report 2016*, 5/2016, Annex, vii, ix, xii; UNODC, *Afghanistan Opium Survey 2017: Cultivation and Production*, 11/2017, pp. 5–6, 64–70.

were "especially concerned" about the LLP report's findings about lack of priority for counternarcotics efforts among U.S. and Afghan officials and the lack of success in reducing opium cultivation and production. The Senators asked SIGAR to "conduct a thorough review of the U.S. government's current counternarcotics efforts in Afghanistan, including the effectiveness of the current airstrike campaign and the effects of money laundering and corruption on counternarcotics efforts."[40]

SIGAR is following up on that Senate request, and will also be tracking the status of the recommendations offered in the LLP report.

The United States must learn from its experience over the past 16 years for two key reasons: First, to avoid failure and wasted resources in the fight against narcotics in Afghanistan, which may lead to that country descending into a narco-terrorist state; and second, to help the United States and other donor countries facing drug-related challenges. We hope that SIGAR's LLP report can help improve the odds of success in both instances.

"One of the most consistent failures SIGAR has identified in all of our work has been the lack of coherent, whole-of-government strategies to address challenges facing the reconstruction effort."

—*Inspector General John Sopko*

Source: SIGAR, Inspector General John Sopko, Speech at the University of Ottawa, 9/19/2018.

2 SIGAR OVERSIGHT

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Inspector General Sopko and SIGAR staff on a recent inspection of the U.S.-funded Marshal Fahim Defense University in Kabul. Accompanying the IG are members of his movement team from the State Department's Diplomatic Security Service who provide vital support for SIGAR's oversight work in Afghanistan. (SIGAR photo by Alexandra Hackbarth)

SIGAR OVERSIGHT ACTIVITIES

This quarter, SIGAR issued 15 products. SIGAR work to date has identified approximately $2.1 billion in savings for the U.S. taxpayer.

SIGAR published two performance audit reports this quarter. These audits examined USAID's $216 million Promoting Gender Equity in National Priority Programs and DOD's ability to assess, monitor, and evaluate advisors assigned to the Ministries of Defense and Interior.

SIGAR completed eight financial audits of U.S.-funded contracts to rebuild Afghanistan. These financial audits covered a range of topics including the Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation; USAID's Initiative to Strengthen Local Administrations Project; and the Department of the Air Force's construction of the Afghan Ministry of Defense headquarters facility. These financial audits identified more than $3 million in questioned costs as a result of internal-control deficiencies and noncompliance issues. To date, SIGAR's financial audits have identified more than $414.6 million in questioned costs, interest, and other amounts payable to the U.S. government.

SIGAR also published two inspection reports. These reports examined the construction, use, and maintenance of Phase I of the Marshal Fahim National Defense University and the Afghan National Police women's compound at the Ministry of Interior headquarters.

This quarter, SIGAR's Office of Special Projects issued three products, on USAID-funded education facilities in Parwan Province, CERP-funded bridges in Baghlan Province, and State INL-funded projects in Takhar Province as part of the Good Performers Initiative.

During the reporting period, SIGAR investigations resulted in one arrest, five convictions, four sentencings, a civil settlement of nearly $295,000, and $2,000 in criminal fines. SIGAR initiated 11 new cases and closed 14, bringing the total number of ongoing investigations to 177.

This quarter, SIGAR's suspension and debarment program referred three individuals and two entities for suspension or debarment based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States. These referrals bring the total number of individuals and companies referred by SIGAR since 2008 to 905, encompassing 505 individuals and 400 companies to date.

COMPLETED PERFORMANCE AUDIT REPORTS

- Audit 18-69-AR: Promoting Gender Equity in National Priority Programs (Promote): USAID Needs to Assess this $216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them
- Audit 19-03-AR: Afghanistan National Defense and Security Forces: DOD Lacks Performance Data to Assess, Monitor, and Evaluate Advisors Assigned to the Ministries of Defense and Interior

COMPLETED FINANCIAL AUDIT REPORTS

- Financial Audit 18-66-FA: USAID's Afghanistan Engineering Support Program: Audit of Costs Incurred by Tetra Tech EM Inc.
- Financial Audit 18-68-FA: USAID's Strengthening Political Entities and Civil Society Program: Audit of Costs Incurred by the National Democratic Institute for International Affairs
- Financial Audit 18-71-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Facility: Audit of Costs Incurred by Gilbane Federal
- Financial Audit 18-72-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 1: Audit of Costs Incurred by Janus Global Operations LLC
- Financial Audit 18-73-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 2: Audit of Costs Incurred by Janus Global Operations LLC
- Financial Audit 18-74-FA: USAID's Eastern Provinces Monitoring Under the Monitoring Support Project: Audit of Costs Incurred by the QED Group LLC
- Financial Audit 18-75-FA: USAID's Initiative to Strengthen Local Administrations Project: Audit of Costs Incurred by ARD Inc.
- Financial Audit 19-01-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Support and Security Brigade Expansion: Audit of Costs Incurred by Gilbane Federal

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COMPLETED INSPECTION REPORTS

- Inspection Report 18-76-IP: Marshal Fahim National Defense University: Phase I Construction Generally Met Contract Requirements, but Non-Compliant Fire Doors and Inadequate Maintenance Place Building Occupants at Risk
- Inspection Report 19-04-IP: Afghan National Police Women's Compound at the Ministry of Interior Headquarters: Construction Generally Met Requirements, but Use and Maintenance Remain Concerns

COMPLETED SPECIAL PROJECTS REPORTS

- Review 18-67-SP: Schools in Parwan Province, Afghanistan: Observations from Site Visits at 14 Schools
- Review 18-70-SP: Bridges in Baghlan Province, Afghanistan: Six of Eight Bridges Constructed or Rehabilitated by DOD Remain in Generally Good, Usable Condition; Two Appeared to Have Structural Issues Needing Attention
- Review 19-02-SP: State Department's Good Performers Initiative: Status of Six Completed Projects in Takhar Province

Afghan women attend a Promote class workshop. (USAID photo)

AUDITS

SIGAR conducts performance and financial audits of programs and projects connected to the reconstruction effort in Afghanistan. Since its last report to Congress, SIGAR has issued two performance audits and eight financial audits. This quarter, SIGAR has 11 ongoing performance audits and 39 ongoing financial audits.

Performance Audit Reports Published

SIGAR published two performance audit reports this quarter. These audits examined USAID's $216 million Promoting Gender Equity in National Priority Programs and DOD's ability to assess, monitor, and evaluate advisors assigned to the Ministries of Defense and Interior. A list of completed and ongoing performance audits can be found in Appendix C of this quarterly report.

Performance Audit 18-69-AR: Promoting Gender Equity in National Priority Programs

USAID Needs to Assess This $216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them

In July 2013, the U.S. Agency for International Development (USAID) announced the five-year, $216 million Promoting Gender Equity in National Priority Programs (Promote). According to USAID, Promote capitalizes on the previous investment in education for Afghan women and girls. The program's goal is to improve the status of more than 75,000 young women in all levels of society.

In 2014, the USAID Mission for Afghanistan (USAID/Afghanistan) awarded three indefinite delivery/indefinite quantity contracts to Chemonics International Inc., Tetra Tech ARD, and Development Alternatives Inc. to implement Promote. Subsequently, the agency awarded the contractors task orders for the program's four components: Women's Leadership Development, Women in Government, Women in the Economy, and Women's Rights Groups and Coalitions (Musharikat), which focuses on women in civil society. According to USAID, Promote is the agency's largest single investment globally to advance women.

SIGAR found that after three years and $89.7 million spent, USAID/Afghanistan has not fully assessed the extent to which Promote is meeting its overarching goal of improving the status of more than 75,000 young women in Afghanistan's public, private, and civil society sectors. Instead of assessing the overall program, USAID/Afghanistan measures the performance of the four individual components. As of September 30, 2017, only one component—Musharikat—was meeting its performance indicator targets. Promote's achievements have been mixed due to factors within and outside of USAID/Afghanistan's control.

USAID/Afghanistan fulfilled some oversight requirements, but did not conduct timely or consistent reviews of the contractors' performance or

maintain complete contract records. Also, USAID/Afghanistan has not demonstrated whether Promote's results are sustainable.

SIGAR made three recommendations to USAID: conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance; provide written guidance and training to contracting officer's representatives on maintaining records in a consistent, accurate manner; and conduct a new sustainability analysis for the program.

Performance Audit 19-03-AR: Afghanistan National Defense and Security Forces

DOD Lacks Performance Data to Assess, Monitor, and Evaluate Advisors Assigned to the Ministries of Defense and Interior

According to DOD, one of the United States' main goals in Afghanistan is to create well-trained, equipped, and sustainable Afghan National Defense and Security Forces (ANDSF) that are capable of securing the country. To achieve this goal, DOD, through United States Forces-Afghanistan (USFOR-A), works with other members of NATO and the international community through the NATO Resolute Support (RS) train, advise, and assist mission. The mission provides advisors to the Afghan Ministries of Defense (MOD) and Interior (MOI) to improve their resource management, procurement, logistics, maintenance capabilities, and overall sustainability.

Although the advising effort at the MOD and MOI is one of DOD's primary missions in Afghanistan, SIGAR found that DOD does not know whether the advisors assigned to the MOD and MOI are meeting goals and milestones because it has not assessed, monitored, or evaluated their efforts, as required by its own guidance. In addition, DOD cannot track any progress at the MOD and MOI because the advising goals and rating systems used to measure progress toward meeting goals have frequently changed.

Moreover, DOD cannot assess the performance of contract advisors because its two current contracts with DynCorp, valued at $421 million, do not have measurable performance standards against which to assess the contractor's performance. SIGAR also found that DOD reassigns personnel to advising duties once they are in Afghanistan, but does not track these reassignments, despite its own requirements to monitor the resources applied to security-cooperation efforts. Finally, SIGAR found that DOD does not ensure that all uniformed personnel complete advisor training before deploying to Afghanistan, despite a CENTCOM requirement that all advisors attend training.

SIGAR made three recommendations to DOD to comply with its security-cooperation policies: incorporate measureable performance standards into its current and future ministerial advising contracts, implement a mechanism to accurately identify and track all personnel advising at the MOD and MOI, and ensure that all uniformed U.S. personnel receive advisor-specific training before deploying to Afghanistan to be advisors at the MOD and MOI.

COMPLETED PERFORMANCE AUDITS

- Audit 18-69-AR: Promoting Gender Equity in National Priority Programs (Promote): USAID Needs to Assess this $216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them
- Audit 19-03-AR: Afghanistan National Defense and Security Forces: DOD Lacks Performance Data to Assess, Monitor, and Evaluate Advisors Assigned to the Ministries of Defense and Interior

NATO advisor oversees ANA marksmanship training. (Resolute Support photo)

Financial Audits

SIGAR launched its financial-audit program in 2012, after Congress and the oversight community expressed concerns about oversight gaps and the growing backlog of incurred-cost audits for contracts and grants awarded in support of overseas contingency operations. SIGAR competitively selects independent accounting firms to conduct the financial audits and ensures that the audit work is performed in accordance with U.S. government auditing standards. Financial audits are coordinated with the federal inspector-general community to maximize financial-audit coverage and avoid duplication of effort.

SIGAR has 39 ongoing financial audits with $1.1 billion in auditable costs, as shown in Table 2.1. A list of completed and ongoing financial audits can be found in Appendix C of this quarterly report.

This quarter, SIGAR completed eight financial audits of U.S.-funded contracts to rebuild Afghanistan. These audits help provide the U.S. government and the American taxpayer reasonable assurance that the funds spent on these awards were used as intended. The audits question expenditures that cannot be substantiated or are potentially unallowable.

SIGAR issues each financial-audit report to the funding agency that made the award(s). The funding agency is responsible for making the final determination on questioned amounts identified in the report's audit findings. Since the program's inception, SIGAR's financial audits have identified more than $414.6 million in questioned costs and $364,373 in unremitted interest on advanced federal funds or other revenue amounts payable to the government. As of September 30, 2018, funding agencies had disallowed about $27.9 million in questioned amounts, which are subject to collection. It takes time for funding agencies to carefully consider audit findings and recommendations. As a result, final disallowed-cost determinations remain to be made for several of SIGAR's issued financial audits. SIGAR's financial audits have also identified and communicated 405 compliance findings and 432 internal-control findings to the auditees and funding agencies.

TABLE 2.1

SIGAR'S FINANCIAL AUDIT COVERAGE ($ BILLIONS)

121 completed audits	$7.06
39 ongoing audits	1.11
Total	**$8.17**

Note: Numbers have been rounded. Coverage includes auditable costs incurred by recipients of U.S.-funded Afghanistan reconstruction contracts, grants, and cooperative agreements.

Source: SIGAR Audits and Inspections Directorate.

Questioned amounts: the sum of potentially unallowable questioned costs and unremitted interest on advanced federal funds or other revenue amounts payable to the government.

Questioned costs: costs determined to be potentially unallowable. The two types of questioned costs are ineligible costs (violation of a law, regulation, contract, grant, cooperative agreement, etc., or an unnecessary or unreasonable expenditure of funds) and unsupported costs (those not supported by adequate documentation or proper approvals at the time of an audit).

Financial Audits Published

This quarter, SIGAR completed eight financial audits of U.S.-funded contracts to rebuild Afghanistan. These audits identified more than $3 million in questioned costs because of internal-control deficiencies and noncompliance issues, such as billing for work outside of the period of performance and for ineligible travel costs.

Financial Audit 18-66-FA: USAID's Afghanistan Engineering Support Program

Audit of Costs Incurred by Tetra Tech EM Inc.

On November 9, 2009, USAID awarded a cost-plus-fixed-fee, five-year task order for $62,984,016 to Tetra Tech EM Inc. (Tetra Tech) to implement

the Afghanistan Engineering Support program. The program provides the USAID Mission for Afghanistan's Office of Infrastructure, Engineering, and Energy with engineering support to help build safe, long-lasting, and energy-efficient facilities. The agency modified the task order 25 times, increasing the total cost to $97 million and extending the period of performance to November 8, 2016.

SIGAR's financial audit, performed by Castro & Company LLC (Castro), reviewed $25,079,922 in expenditures and fixed fees charged to the task order from November 9, 2015, through November 8, 2016. Castro found three deficiencies in Tetra Tech's internal controls and four instances of noncompliance with the terms and conditions of the task order. Because of these internal-control deficiencies and instances of noncompliance, Castro identified $91,133 in questioned costs.

Financial Audit 18-68-FA: USAID's Strengthening Political Entities and Civil Society Program

Audit of Costs Incurred by the National Democratic Institute for International Affairs

On July 6, 2013, USAID awarded the National Democratic Institute for International Affairs (NDI) a three-year, $18 million, cooperative agreement to implement the Strengthening Political Entities and Civil Society program. The program's objectives were to get political and civil society groups to engage the public in the political process. USAID modified the cooperative agreement 10 times, decreasing the estimated cost to $17.8 million, but the agreement's end date did not change.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed $1.7 million charged to the cooperative agreement from October 1, 2015, through July 5, 2016. Crowe identified three material weaknesses and one significant deficiency in NDI's internal controls, and four instances of noncompliance with the terms and conditions of the cooperative agreement. Because of these internal-control deficiencies and instances of noncompliance, Crowe identified $1,129 in interest due to USAID. Crowe did not identify any questioned costs.

Financial Audit 18-71-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Facility

Audit of Costs Incurred by Gilbane Federal

On April 21, 2009, the 772nd Enterprise Sourcing Squadron, in support of the Air Force Center for Engineering and the Environment, issued a cost-plus-fixed-fee task order for $48,739,238 to Innovative Technical Solutions Inc. (ITSI) to build the Afghan Ministry of Defense's headquarters facility. After 14 modifications, the task order's funding increased to $107,343,542, and the period of performance was extended from October 11, 2011, to December 30, 2014. In 2010, Gilbane Federal (Gilbane) acquired ITSI, and in 2012, the Air Force Center for

COMPLETED FINANCIAL AUDITS

- Financial Audit 18-66-FA: USAID's Afghanistan Engineering Support Program: Audit of Costs Incurred by Tetra Tech EM Inc.
- Financial Audit 18-68-FA: USAID's Strengthening Political Entities and Civil Society Program: Audit of Costs Incurred by the National Democratic Institute for International Affairs
- Financial Audit 18-71-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Facility: Audit of Costs Incurred by Gilbane Federal
- Financial Audit 18-72-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 1: Audit of Costs Incurred by Janus Global Operations LLC
- Financial Audit 18-73-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 2: Audit of Costs Incurred by Janus Global Operations LLC
- Financial Audit 18-74-FA: USAID's Eastern Provinces Monitoring Under the Monitoring Support Project: Audit of Costs Incurred by the QED Group LLC
- Financial Audit 18-75-FA: USAID's Initiative to Strengthen Local Administrations Project: Audit of Costs Incurred by ARD Inc.
- Financial Audit 19-01-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Support and Security Brigade Expansion: Audit of Costs Incurred by Gilbane Federal

Engineering and the Environment reorganized into the Air Force Civil Engineer Center.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed $5,880,740 charged to the task order from November 30, 2013, through December 30, 2014. Crowe identified seven material weaknesses and three significant deficiencies in Gilbane's internal controls, and 11 instances of material noncompliance with the terms and conditions of the task order and applicable regulations. Because of these internal-control deficiencies and instances of noncompliance, Crowe identified $2,450,895 in total questioned costs.

Financial Audit 18-72-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 1

Audit of Costs Incurred by Janus Global Operations LLC

On July 30, 2014, the U.S. Army Corps of Engineers (USACE), through the U.S. Army Engineering and Support Center, awarded Sterling Operations Inc. (Sterling) a 33-month, $249 million task order to implement Phase II of the Afghanistan-Wide Mine, Battle Area, and Range Clearance operation. The operation was divided into Efforts 1 and 2. Effort 1's objectives were to conduct technical and nontechnical surveys, and mine, battle area, and range clearance. USACE modified the task order nine times, increasing the value of Effort 1 from $70.9 million to $156.8 million and extending the period of performance from December 31, 2015, to May 1, 2018. In May 2016, Sterling changed its name to Janus Global Operations LLC.

SIGAR's financial audit, performed by Castro & Company LLC (Castro), reviewed $43,601,698 charged to the task order from January 1, 2016, through May 1, 2017. Castro did not identify any internal-control deficiencies or instances of noncompliance with the terms of the task order and applicable laws and regulations. Accordingly, Castro did not identify any questioned costs.

Financial Audit 18-73-FA: Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation–Phase II, Effort 2

Audit of Costs Incurred by Janus Global Operations LLC

On July 30, 2014, USACE, through the U.S. Army Engineering and Support Center, awarded Sterling Operations Inc. (Sterling) a 33-month, $249 million task order to implement Phase II of the Afghanistan-Wide Mine, Battle Area, and Range Clearance operation. The operation was divided into Efforts 1 and 2. Effort 2's objectives were to conduct subsurface, battle area, range, and mine clearance. USACE modified the task order 11 times, decreasing the value of Effort 2 from $178.1 million to $170.9 million, and extending its period of performance from May 1, 2017, to May 1, 2018. In May 2016, Sterling changed its name to Janus Global Operations LLC.

SIGAR's financial audit, performed by Castro & Company LLC (Castro), reviewed $106,787,213 charged to the task order from December 1, 2015, through December 1, 2017. Castro did not identify any internal-control deficiencies or any instances of noncompliance with the terms of the task order and applicable laws and regulations. Accordingly, Castro did not identify any questioned costs.

Financial Audit 18-74-FA: USAID's Eastern Provinces Monitoring Under the Monitoring Support Project

Audit of Costs Incurred by The QED Group LLC

On July 27, 2015, USAID awarded a $29,080,209 cost-plus-fixed-fee task order to the QED Group LLC (QED) to implement Eastern Provinces Monitoring under the Monitoring Support Project (MSP). QED was required to provide additional data on the MSP's implementation to help USAID Mission for Afghanistan's technical teams compare monitoring information and make management decisions on the project's performance. The period of performance was from July 27, 2015, to July 26, 2020, with a three-year option period. USAID modified the task order three times, but did not change its amount or period of performance.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed $5,861,322 in expenditures and fixed fees charged to the task order from July 27, 2015, through July 26, 2017. Crowe found one material weakness and two significant deficiencies in QED's internal controls, and four instances of noncompliance with the terms and conditions of the task order and applicable laws and regulations. Because of these internal-control deficiencies and instances of noncompliance, Crowe identified a total of $14,405 in questioned costs.

Financial Audit 18-75-FA: USAID's Initiative to Strengthen Local Administrations Project

Audit of Costs Incurred by ARD Inc.

On February 1, 2015, USAID awarded a five-year cost-plus-fixed-fee contract for $62,364,687 to Tetra Tech ARD to support the Initiative to Strengthen Local Administrations (ISLA) project. The project's purpose was to improve the Afghan government's provincial governance in fiscal and development planning, citizen representation, and delivery of public services. USAID modified the contract four times, including updating the contractor's name from Tetra Tech ARD to ARD Inc. (ARD). None of the modifications affected the contract's period of performance or the total estimated amount.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed $9,356,162 charged to the contract from October 1, 2016, through September 30, 2017. Crowe identified one deficiency in ARD's internal controls and one instance of noncompliance with the terms and conditions

of the contract and applicable regulations. Crowe did not identify any questioned costs.

Financial Audit 19-01-FA: Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Support and Security Brigade Expansion, Phase II

Audit of Costs Incurred by Gilbane Federal

On September 8, 2011, the Air Force Center for Engineering and the Environment issued a cost-plus-fixed-fee task order for $16,456,710 to Innovative Technical Solutions Inc. (ITSI) to construct Phase II of the Afghan Ministry of Defense Headquarters Support and Security Brigade. After nine modifications, the task order funding increased to $35,288,805, and the period of performance was extended from September 7, 2013, to September 30, 2015. In 2010, Gilbane Federal (Gilbane) acquired ITSI, and in 2012, the Air Force Center for Engineering and the Environment reorganized into the Air Force Civil Engineer Center.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed $11,672,885 charged to the task order from November 30, 2013, through September 30, 2015. Crowe identified five material weaknesses and five significant deficiencies in Gilbane's internal controls, and nine instances of material noncompliance with the terms and conditions of the task order and applicable regulations. Because of these internal-control deficiencies and instances of noncompliance, Crowe identified $534,792 in total questioned costs.

INSPECTIONS

Inspection Reports Published

This quarter, SIGAR published two inspection reports. These reports examined the construction, use, and maintenance of Phase I of the Marshal Fahim National Defense University and the Afghan National Police women's compound at the Ministry of Interior headquarters. A list of completed and ongoing inspections can be found in Appendix C of this quarterly report.

COMPLETED INSPECTION REPORTS

- Inspection Report 18-76-IP: Marshal Fahim National Defense University: Phase I Construction Generally Met Contract Requirements, but Non-Compliant Fire Doors and Inadequate Maintenance Place Building Occupants at Risk
- Inspection Report 19-04-IP: Afghan National Police Women's Compound at the Ministry of Interior Headquarters: Construction Generally Met Requirements, but Use and Maintenance Remain Concerns

Inspection Report 18-76-IP: Marshal Fahim National Defense University

Phase I Construction Generally Met Contract Requirements, but Non-Compliant Fire doors and Inadequate Maintenance Place Building Occupants at Risk

In September 2008, the Air Force Civil Engineering Center (AFCEC) awarded the first of four contracts to construct facilities at the Afghan National Army's Marshal Fahim National Defense University (MFNDU) in Kabul, Afghanistan. AFCEC awarded a $70.2 million contract to AMEC Earth & Environmental Incorporated (AMEC E&E), an American company,

ANA soldiers stand in formation at the Marshal Fahim National Defense University. (SIGAR photo)

to design and construct 85 buildings, support facilities, and other structures for MFNDU Phase I. After 18 contract modifications, the contract's value increased by $24.5 million to $94.7 million.

The modifications included increasing security for the facility during construction, as well as adding equipment for classroom buildings. Between August 8 and December 19, 2011, AFCEC accepted the MFNDU Phase I construction and transferred the completed Phase I buildings, supporting facilities, and other structures to the Combined Security Transition Command-Afghanistan (CSTC-A). By December 2011, CSTC-A had transferred all of Phase I to the Ministry of Defense. The final warranty period for Phase I expired in December 2012.

Although the Phase I construction generally met contract requirements, and most of the facilities are being used, SIGAR found that AMEC E&E failed to install certified fire doors in 14 buildings as required by the contract. Further, SIGAR found recurring maintenance issues in all of the buildings, including broken or missing door-locking assemblies in 20 of the 38 buildings and empty or counterfeit fire extinguishers in 19 buildings. SIGAR also found that the water-treatment plant, which cost $1.8 million, had not been used since 2015 due to maintenance issues, and that untreated wastewater was being discharged towards a nearby village. This untreated wastewater can spread disease and contaminate drinking-water sources, which may create health hazards for local residents. The MFNDU facility manager told SIGAR that the budget to purchase equipment and supplies for repairs is not sufficient to maintain the facilities. Because the Afghan government is now responsible for operating and maintaining the MFNDU, SIGAR made no recommendations in this report.

Inspection Report 19-04-IP: ANP Women's Compound at the Ministry of Interior Headquarters

Construction Generally Met Requirements, but Use and Maintenance Remain Concerns

On September 15, 2015, the U.S. Army Corps of Engineers (USACE) awarded a $3 million firm-fixed-price contract to Afghan Construction Companies Umbrella (ACCU) to design and build an Afghan National Police women's compound at the Ministry of Interior (MOI) headquarters in Kabul. The project included construction of multiple facilities, including a barrack, childcare center, conference center, administration building, fitness center, laundry facility, and a perimeter wall with entrance gates. After four contract modifications, the contract's price rose to $3.1 million. On July 8, 2017, USACE transferred the completed project to CSTC-A, which, in turn, transferred the project to the MOI on August 24, 2017.

SIGAR found that ACCU generally constructed the women's compound according to contract requirements. However, SIGAR also found seven construction deficiencies that USACE did not detect during the construction or the contract's warranty period. For example, ACCU substituted carbon dioxide fire extinguishers in 17 locations where dry chemical fire extinguishers were required, putting occupants at greater risk if certain types of fires occur, and did not install thumb latches on the inside of 47 doors to rooms in the barrack. In addition, SIGAR identified four items that were installed but not operating properly. SIGAR advised USACE of these deficiencies and nonoperable items, and USACE directed ACCU to correct them. As of August 28, 2018, ACCU had corrected all seven deficiencies and the four nonoperable items. SIGAR also found that USACE did not consistently enforce all elements of its three-phase quality control inspection process, reducing its ability to oversee ACCU and enforce contract compliance. Finally, SIGAR found that the ANP women's compound is being used but not at full capacity. With a few minor exceptions, the compound is being maintained, but the lack of a maintenance contract raises concerns about the compound's maintenance in the long term.

SIGAR recommended that the USACE Commanding General and Chief of Engineers enforce requirements for USACE personnel to adhere to the organization's three-phase quality assurance inspection process, including requiring the contractor to conduct all meetings during the preparatory and initial phases for each of the definable features of work under the contract, and document the minutes of those meetings.

Status of SIGAR Recommendations

The Inspector General Act of 1978, as amended, requires SIGAR to report on the status of its recommendations. This quarter, SIGAR closed 18 recommendations contained in seven audit and inspection reports. These reports

contained recommendations that resulted in the recovery of $35,862 in ineligible or unsupported contract costs paid by the U.S. government.

From 2009 through September 2018, SIGAR published 304 audits, alert letters, and inspection reports, and made 899 recommendations to recover funds, improve agency oversight, and increase program effectiveness.

SIGAR has closed 758 of these 899 recommendations, more than 84%. Closing a recommendation generally indicates SIGAR's assessment that the audited agency has either implemented the recommendation or has otherwise appropriately addressed the issue. In some cases where the agency has failed to act, SIGAR will close the recommendation as "Not Implemented"; this quarter SIGAR closed nine recommendations in this manner. In some cases, these recommendations will be the subject of follow-up audit or inspection work.

SIGAR is also required to report on any significant recommendations from prior reports on which corrective action has not been completed. This quarter, SIGAR continued to monitor agency actions on 141 open recommendations. Fifty-seven of these recommendations have been open more than 12 months; these remain open because the agency involved has not yet produced a corrective-action plan that SIGAR believes would resolve the identified problem, or has otherwise failed to appropriately respond to the recommendation(s).

For a complete list of open recommendations see www.sigar.mil.

SPECIAL PROJECTS

SIGAR's Office of Special Projects was created to quickly obtain and access information necessary to fulfill SIGAR's oversight mandates; examine emerging issues; and deliver prompt, actionable reports to federal agencies and the Congress. Special Projects reports and letters focus on providing timely, credible, and useful information to Congress and the public. The directorate is made up of a team of analysts supported by investigators, lawyers, subject-matter experts, and other specialists who can quickly and jointly apply their expertise to emerging problems and questions. The team conducts a variety of assessments, producing reports on all facets of Afghanistan reconstruction.

This quarter, SIGAR's Office of Special Projects issued three reports: USAID-funded education facilities in Parwan Province, CERP-funded bridges in Baghlan Province, and State INL-funded projects in Takhar Province. Of the three reports issued by Special Projects, in accordance with CIGIE blue book standards, one report had a total of two recommendations. Both are closed as implemented. A list of Special Projects completed this quarter can be found in Appendix C of this quarterly report.

COMPLETED SPECIAL PROJECTS REPORTS

- Review 18-67-SP: Schools in Parwan Province, Afghanistan: Observations from Site Visits at 14 Schools
- Review 18-70-SP: Bridges in Baghlan Province, Afghanistan: Six of Eight Bridges Constructed or Rehabilitated by DOD Remain in Generally Good, Usable Condition; Two Appeared to Have Structural Issues Needing Attention
- Review 19-02-SP: State Department's Good Performers Initiative: Status of Six Completed Projects in Takhar Province

USAID-funded high school for girls in Parwan Province. (SIGAR photo)

Review 18-67-SP: Schools in Parwan Province, Afghanistan

Observations from Site Visits to 14 Facilities

This report is the seventh in a series that discusses SIGAR findings from site visits at 14 schools built or rehabilitated by USAID in Afghanistan. SIGAR found that all 14 schools were open and in generally usable condition, but there may be problems with staffing and with student and teacher attendance at several of the schools. SIGAR also found that some schools have structural deficiencies (such as damaged walls, leaking roofs, and/or holes in windows) that may affect student safety and the delivery of education.

To help ensure the accuracy of Ministry of Education (MOE) and USAID reporting on the number of students and teachers enrolled and attending classes at schools in Parwan Province, SIGAR recommended that USAID share the results of this review with the Afghan government and advise the MOE to investigate the two schools with the lowest observed levels of attendance. In addition, to help ensure that students and teachers in Parwan Province are able to attend schools that are safe and provide a minimum level of required utilities, SIGAR recommended that USAID share the results of this review with the Afghan government and advise the MOE to fix structural and other deficiencies that may negatively impact the delivery of education.

In response to these recommendations, USAID states that (1) it will inform the appropriate authorities within the MOE of the schools identified by SIGAR that lack water, have poor sanitation conditions, or show signs of structural damage and safety hazards, (2) USAID stated it would alert the MOE and the Parwan Provincial Education Director of the observed low attendance rates in the schools that SIGAR identified.

CERP-funded 70-meter long bridge in Baghlani Jadid District, Baghlan Province. (SIGAR photo)

Review 18-70-SP: Bridges in Baghlan Province, Afghanistan

Six of Eight Bridges Constructed or Rehabilitated by DOD Remain in Generally Good, Usable Condition; Two Appeared to Have Structural Issues Needing Attention

This report discusses the results of SIGAR's review of eight DOD-funded bridges in Baghlan Province, Afghanistan that were constructed or rehabilitated using funds from the Commander's Emergency Response Program (CERP) between 2008 and 2013. SIGAR found that the location information maintained in DOD systems was generally accurate, with seven of the eight bridges reviewed within one kilometer of their recorded coordinates. However, one bridge was more than 18 kilometers from its recorded coordinates.

SIGAR also found that six of the eight bridges were in generally good, usable condition, and all eight were identified as "very useful" by community members and an Afghan government official SIGAR interviewed. Two of the bridges appeared to be inadequately maintained, in need of repair, and potentially pose a safety hazard. SIGAR issued two alert letters to DOD to inform the Afghan government of the bridges' conditions.

Review 19-02-SP: Good Performers Initiative: Status of Six Completed Projects in Takhar Province

Four of Six Projects Are Maintained and Used as Intended: Two Projects (Hostel Buildings) Are Unusable

The six Good Performers Initiative (GPI) projects examined in this report were funded by the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL). SIGAR conducted the site visits as part of an ongoing effort to verify the location and operating conditions of facilities built, refurbished, or funded by the U.S. as part of the reconstruction effort in Afghanistan. SIGAR found that INL's reported geospatial coordinates for the six projects were each within one kilometer from the actual project location. Additionally, SIGAR found that the two hostel building projects had missing and broken furniture, a general lack of facility maintenance and sanitation, and nonoperational dining facilities. Site visits to the four other projects indicated problems, such as a lack of clean water or well-maintained toilets, but each was functioning and fulfilling its intended purpose.

GPI-funded irrigation system in Warsaj District, Takhar Province. (SIGAR photo)

LESSONS LEARNED

SIGAR's Lessons Learned Program was created to identify lessons and make recommendations to Congress and executive agencies on ways to improve current and future reconstruction efforts. To date, the program has published five reports. Four projects are in development, three of which were initiated this quarter: U.S. and coalition responsibilities for security-sector assistance, U.S. government support to elections; monitoring and evaluation of reconstruction contracting; and reintegration of ex-combatants.

The published lessons-learned reports and their companion interactive versions are posted on SIGAR's website, www.sigar.mil.

Divided Responsibilities for Security Sector Assistance

Initiated in March 2018, this report will complement *Reconstructing the Afghan National Defense and Security Forces: Lessons from the U.S. Experience in Afghanistan*, published in September 2017, and examine how the U.S. government divided security sector assistance tasks among itself and its external partners, including NATO and non-NATO countries. It will look at how the Departments of Defense, State, and Justice, and other key U.S. government stakeholders selected, prepared, and deployed U.S. personnel to train, advise, assist, and equip the ANDSF and the Afghan Ministries of Defense and Interior. Additionally, this project will examine how the United States sought to leverage NATO and non-NATO partners, as well as how the U.S. government monitored and tracked the impact of these efforts on overall ANDSF goals.

Elections

Initiated in July 2018, this report will look at Afghanistan's five elections since 2001, as well as the preparations for the sixth and seventh elections in 2018 and 2019, respectively, in order to: (1) examine Afghanistan's electoral framework and the challenges posed by trying to enact reforms before, during, and after elections; (2) identify challenges and best practices in U.S. efforts to support the Afghan government as it prepared for, administered, and addressed disputes in the aftermath of elections; and (3) identify lessons and make recommendations to U.S. agencies on how to best support future elections in Afghanistan.

Reintegration

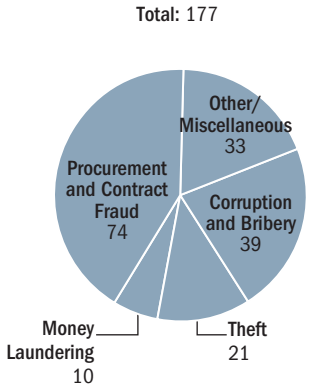
Also initiated in July 2018, this report will examine the four reintegration programs undertaken in Afghanistan since 2003 to assess how these programs functioned, the key challenges to their effectiveness, and best practices that can inform future reintegration efforts there. The report will also examine the current context in Afghanistan to assess the constraints, opportunities, and risks the situation presents for a renewed reintegration effort.

Monitoring and Evaluation of Contracting

Initiated in September 2018, this report will examine the use of monitoring and evaluation (M&E) tools and systems in Afghanistan since 2001 to: (1) assess how effective M&E systems have been in holding implementing partners accountable, supervising their work, measuring progress, and designing future programs; (2) determine the contributions and influence of executive agencies, Congress, and other stakeholders on contracting outcomes through their requirements for accountability; and (3) identify a set of best practices in order to draw lessons and make recommendations to U.S. agencies on how to use M&E to improve contracting outcomes in Afghanistan and other contingency situations. The report will look at reconstruction contracting activities of USAID, State, and DOD.

FIGURE 2.1

SIGAR INVESTIGATIONS: NUMBER OF OPEN INVESTIGATIONS, AS OF OCTOBER 5, 2018



Source: SIGAR Investigations Directorate, 10/5/2018.

INVESTIGATIONS

During the reporting period, SIGAR investigations resulted in one arrest, five convictions, four sentencings, a civil settlement of nearly $295,000, and $2,000 in criminal fines. SIGAR initiated 11 new cases and closed 14, bringing the total number of ongoing investigations to 177, as seen in Figure 2.1.

To date, SIGAR investigations have resulted in a cumulative total of 132 criminal convictions. Criminal fines, restitutions, forfeitures, civil settlements, and U.S. government cost savings and recoveries total approximately $1.5 billion.

Former Owner of Marble Mining Company Convicted for Defrauding the U.S. and Defaulting on a $15.8 Million Loan

On September 24, 2018, Adam Doost, the former owner of a now-defunct marble mining company in Afghanistan, was found guilty by a federal jury for his role in defrauding the Overseas Private Investment Corporation (OPIC), a U.S. government agency, and defaulting on a $15.8 million loan.

After a seven-day trial, Doost was convicted of three counts of major fraud against the United States, eight counts of wire fraud, four counts of false statements on loan applications or extensions, and five counts of money laundering. Sentencing is scheduled for December 14, 2018.

The evidence admitted at trial showed that in February 2010, while working at his company, Equity Capital Mining LLC, Doost, along with his brother, obtained a $15.8 million loan from OPIC for the development, maintenance, and operation of a marble mine in western Afghanistan. The loan proceeds were paid directly from OPIC to the alleged vendors, who provided equipment for the mine, as reported to OPIC by Doost or his consultant.

Doost was required to deal with these companies in arms-length transactions or, to the extent any transactions were other than at arms-length, he was required to report to OPIC any affiliation he had with a vendor. Instead, Doost falsely informed OPIC that he had no affiliation with any of the vendors with whom he dealt, when in fact he had financial relationships with several of them. The evidence further showed that Doost's business partner was listed on the bank accounts for a number of these vendors and, upon receiving money from OPIC into the respective accounts, significant amounts of this money were then transferred to companies and individuals with whom Doost was associated, or to pay debts Doost owed. For example, Doost's consultant received a commission of $444,000 for his purported consulting services with the first of three disbursements from OPIC, yet $40,000 was transferred from the consultant's account to a Doost company in California.

The evidence at trial further showed that when the time came for Equity Capital Mining LLC to repay the loan to OPIC, Doost provided purported reasons to OPIC why it was not able to make those repayments at a time when Doost had sufficient funds. Ultimately, Doost and his brother failed to repay any of the principal on the OPIC loan, paying only a limited amount of interest, and ultimately defaulted on the loan.

SIGAR, with assistance from the FBI, investigated the case.

Three High-Ranking Ministry of Interior Officials Convicted and Sentenced for Embezzlement Scheme

On September 26, 2018, the Anti-Corruption Justice Center (ACJC) Primary Court convicted a high-ranking MOI official, Major General Mohammad Anwar Kohistani, for misuse of authority and embezzling over 109,398,000

Major General Mohammad Anwar Kohistani on the day of his arrest. (MOI photo)

afghani (approximately $1.7 million) and sentenced him to 11 years in prison. Kohistani's co-conspirators, Mohammad Amin, MOI Procurement Officer at the Police Cooperative Fund, and Ghulam Ali Wahadat, MOI Deputy Minister, were convicted and sentenced to 13 months and three years in prison, respectively.

In 2016, the Inspector General of the MOI requested SIGAR's assistance in investigating the director of the MOI Police Cooperative Fund, Major General Kohistani, and the MOI Police Cooperative Fund. A joint investigation by SIGAR and ACJC prosecutors uncovered significant evidence of fraud and abuse of the Cooperative Fund by Kohistani. In November 2017, ACJC prosecutors outlined numerous violations in a report to the Afghan Attorney General's Office (AGO) and requested Kohistani's arrest and prosecution. On January 15, 2018, Kohistani was arrested by Major Crimes Task Force investigators and charged with embezzlement.

U.S. Contractor Sentenced for Conspiracy to Defraud the U.S.

On July 25, 2018, in the Middle District of Florida, James Barber, the owner of Effects Analytics LLC, was sentenced to 36 months' probation and ordered to pay a $2,000 fine.

In 2012, a $249 million U.S. Army contract was awarded to Leonie Industries LLC (Leonie), for face-to-face public opinion polling in Afghanistan. In exchange for confidential government information, Barber offered a $25,000 kickback to an employee of Leonie, Jeremy Serna, who was assigned to work the contract. Serna stole the requested information and provided it to Barber, who used it to negotiate and obtain a subcontract award from Leonie. Additionally, Barber offered Serna employment with ORB International, a United Kingdom public opinion polling company. Serna was sentenced for theft of government property on January 24, 2018.

The investigation was conducted by SIGAR, Defense Criminal Investigative Service (DCIS), and U.S. Army Criminal Investigation Command (CID), with assistance from the Defense Finance and Accounting Service.

U.S. Contractor Convicted for Theft and Sale of U.S. Government Property

On July 18, 2018, in the District of Arizona, Michael D. Gilbert was convicted of one count of theft of government property, two counts of unauthorized sale, conveyance and disposition of government property, and one count of interstate transportation of stolen property.

Gilbert was an employee of PAE, a U.S. government contractor, and served as an escort for the Department of State at Kandahar Air Field (KAF). Gilbert also served as the point of contact for the State Foreign Excess Property program, through which usable government property no longer needed by the original user was reallocated to other government users.

Gilbert stole and shipped approximately 40 boxes of government property from KAF to relatives in Florida. While on home leave in Arizona, Gilbert drove to Florida to transfer the items to his home. Gilbert shipped additional boxes of government-owned items directly to his home. Some of the items shipped were subsequently sold for personal gain.

SIGAR and State OIG investigated this matter.

SIGAR Investigation Results in $294,800 Civil Settlement

On July 9, 2018, a federal civil settlement was entered into by the U.S. DOJ, Southern District of Illinois United States Attorney's Office, and Liberty Global Logistics LLC (LGL), by which LGL will pay the U.S. government $294,800 for breach of contract claims with U.S. Transportation Command (USTRANSCOM).

An investigation was initiated after USTRANSCOM reported that LGL submitted invoices for security services which allegedly were never provided. USTRANSCOM had received a Request for Equitable Adjustment (REA) from LGL requesting payment for convoy security services related to the transportation of military cargo to various military bases in Afghanistan. However, USTRANSCOM identified several security call signs used as verification that security was provided by the Afghanistan Public Protection Force that were false. The investigation determined at least 33 false call signs were submitted to LGL by its subcontractors and which LGL included in the invoices submitted to USTRANSCOM for payment during 2016 and 2017.

The investigation was conducted by SIGAR, Naval Criminal Investigative Service, DCIS, and CID.

Investigation Results in Arrest of French Citizen in Afghanistan

On September 5, 2018, as a result of a joint SIGAR/Afghan Major Crimes Task Force (MCTF) investigation, Michel LeMaire, a French citizen, was arrested in Kabul by members of MCTF and is currently incarcerated pending Afghan judicial proceedings.

An investigation was initiated based upon allegations from Afghan Diamond Logistics Services Company (ADLSC), that an individual identifying himself as James Woods represented himself as an American procurement officer for Mercy Corps and awarded two fictitious subcontracts for the delivery of fuel and beverages to Camp Camelot, in Kabul. ADLSC was never paid for approximately $752,864 worth of goods delivered to Camp Camelot.

Woods was later identified as Michel LeMaire. LeMaire was implicated as one of the orchestrators of the criminal scheme. The investigation identified numerous, additional victims of LeMaire. MCTF reported the investigative findings to the AGO and requested LeMaire's arrest and prosecution. SIGAR

collaborated on several occasions with AGO prosecutors to further the execution of arrest warrants for LeMaire.

Suspensions and Debarments

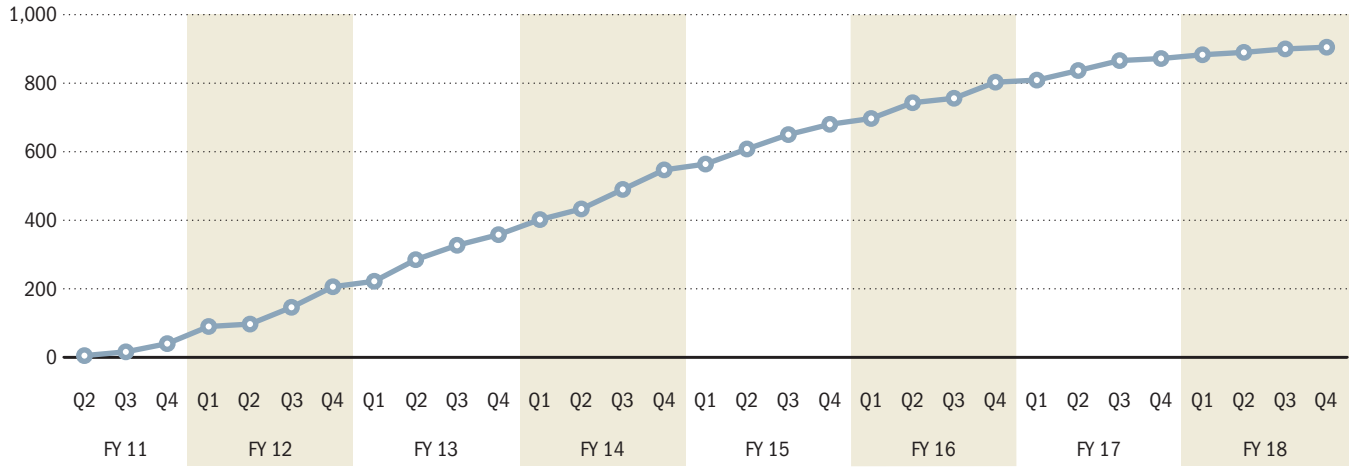
This quarter, SIGAR's suspension and debarment program referred three individuals and two entities for suspension or debarment based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States. These referrals bring the total number of individuals and companies referred by SIGAR since 2008 to 905, encompassing 505 individuals and 400 companies to date, as shown in Figure 2.2.

As of the end of September 2018, SIGAR's efforts to utilize suspension and debarment to address fraud, corruption, and poor performance in Afghanistan have resulted in a total of 136 suspensions and 538 finalized debarments/special-entity designations of individuals and companies engaged in U.S.-funded reconstruction projects. An additional 23 individuals and companies have entered into administrative compliance agreements with the U.S. government in lieu of exclusion from contracting since the initiation of the program. During the fourth quarter of 2018, SIGAR's referrals resulted in five debarments. An additional 10 individuals and companies are currently in proposed debarment status, awaiting final adjudication.

Suspensions and debarments are an important tool for ensuring that agencies award contracts only to responsible entities. SIGAR's program addresses three challenges posed by U.S. policy and the contingency

FIGURE 2.2

SIGAR INVESTIGATIONS: CUMULATIVE REFERRALS FOR SUSPENSION AND DEBARMENT, Q2 FY 2011–Q4 FY 2018



Note: For a comprehensive list of finalized suspensions, debarments, and special entity designations, see Appendix D.

Source: SIGAR Investigations Directorate, 10/5/2018.

contracting environment in Afghanistan: the need to act quickly, the limited U.S. jurisdiction over Afghan nationals and Afghan companies, and the vetting challenges inherent in the use of multiple tiers of subcontractors. SIGAR continues to look for ways to enhance the government's responses to these challenges through the innovative use of information resources and investigative assets both in Afghanistan and the United States.

SIGAR makes referrals for suspensions and debarments—actions taken by U.S. agencies to exclude companies or individuals from receiving federal contracts or assistance because of misconduct—based on completed investigations that SIGAR conducts or participates in. In most cases, SIGAR's referrals occur in the absence of acceptance of an allegation for criminal prosecution or remedial action by a contracting office and are therefore the primary remedy to address contractor misconduct.

In making referrals to agencies, SIGAR provides the basis for a suspension or debarment decision by the agency as well as all of the supporting documentation needed for an agency to defend that decision should it be challenged by the contractor at issue. Based on the evolving nature of the contracting environment in Afghanistan and the available evidence of contractor misconduct and/or poor performance, SIGAR at times has found it necessary to refer individuals or companies on multiple occasions for consideration by agency suspension and debarment officials.

OTHER SIGAR OVERSIGHT ACTIVITIES

Inspector General Sopko Addresses OECD Anti-Corruption Task Team Meeting

On October 26, 2018, Inspector General Sopko spoke in Copenhagen, Denmark, at the Organization for Economic Co-operation and Development (OECD) Special Consultation Meeting on joint donor responses to corruption hosted by the Anti-Corruption Task Team of the OECD's Development Assistance Committee's Network on Governance. IG Sopko shared his experiences of working on anticorruption efforts in Afghanistan in support of the meeting's objective to allow senior field staff to share their experiences of managing joint donor responses to corruption, with particular emphasis on new and innovative strategies that have worked in a variety of country contexts.

Inspector General Sopko Addresses International Corruption Hunters Alliance

On October 25, 2018, Inspector General Sopko spoke at the fourth biennial meeting of the World Bank Group's International Corruption Hunters Alliance (ICHA) in Copenhagen, Denmark. The meeting brought together senior officials, heads of corruption-investigating bodies, and prosecuting

OTHER SIGAR OVERSIGHT ACTIVITIES

- Inspector General Sopko Addresses OECD Anti-Corruption Task Team Meeting
- Inspector General Sopko Addresses International Corruption Hunters Alliance
- Deputy Inspector General Aloise Speaks at the University of Denver's Korbel School of International Relations, Denver, Colorado
- Inspector General Sopko Addresses the University of Ottawa, Ontario, Canada
- Deputy Inspector General Aloise Meets with NATO Partners in Vicenza and Rome, Italy

authorities from over 100 countries. IG Sopko spoke on the issue of "Corruption, Fragility, and Security: Preventing Harm and Managing Risks," and shared examples of SIGAR's work in Afghanistan in an effort to better protect international development financing designated for countries affected by conflict, where corruption risks are high, and significant security concerns often impede oversight. The objective of the event was to provide ICHA members and practitioners with tools and case studies to allow them to achieve results while properly managing risks to donors operating in challenging environments.

Deputy Inspector General Aloise Speaks at the University of Denver's Korbel School of International Studies, Denver, Colorado

On September 20, 2018, Deputy Inspector General Gene Aloise spoke to the University of Denver's Korbel School of International Studies. Aloise explained SIGAR's unique mission in Afghanistan, described the role of oversight in evidence-based policymaking, and explained how problems with sustainability and agency coordination have hurt reconstruction efforts.

IG Spoko speaks to students at the University of Ottawa. (SIGAR photo)

Inspector General Sopko Addresses the University of Ottawa, Ontario, Canada

On September 19, 2018, IG Sopko addressed the University of Ottawa and spoke about the challenges facing policymakers in Afghanistan. His remarks, "Lessons Learned from American Stabilization and Reconstruction Efforts in Afghanistan," discussed key findings and recommendations identified by SIGAR's Lessons Learned Program, including the effects of politically driven timelines, counterproductive personnel policies, and how the U.S. and its Coalition partners unwittingly contributed to corruption.

Deputy Inspector General Aloise Meets with NATO Partners in Vicenza and Rome, Italy

In September 2018, Deputy IG Aloise and James Cunningham, security lead analyst for LLP, met with NATO partners in Vicenza and Rome, Italy, at the NATO Stability Police Centre of Excellence, Centre of Excellence for Stability Police Units, European Gendarmerie Forces, Carabinieri Headquarters, and the NATO Security Force Assistance Centre of Excellence.

The Carabinieri commanding general expressed to Deputy IG Aloise his hope that SIGAR will: (1) advocate for U.S. support of the NATO Stability Police Concept which is under review at NATO HQ and (2) support the Carabinieri's training program for the Afghan National Police which is currently being held up due to funding issues. The Carabinieri are in Iraq training the national police, but cannot do the same in Afghanistan without a formal tasking from NATO headquarters. Deputy IG Aloise told the commanding general that SIGAR will look into the issues and will potentially

have discussions with General Joseph F. Dunford, the Chairman of the Joint Chiefs of Staff, upon arriving back in Washington, DC.

The NATO Centres of Excellence for Stability Police and Security Force Assistance further expressed hope that the United States will assume the role as deputy director for both organizations in the future.

Deputy IG Aloise and James Cunningham meet with Carabinieri officials in Vicenza, Italy. (NATO photo)

SIGAR IMPACT ON FY 2019 DEFENSE AUTHORIZATION LAW

On August 13, 2018, President Trump signed the National Defense Authorization Act (NDAA) for fiscal year 2019 into law. The Act contains provisions based on recommendations from SIGAR's Lessons Learned report *Reconstructing the Afghan National Defense and Security Forces: Lessons from the U.S. Experience in Afghanistan* (SIGAR 17-62-LL). One provision of the new NDAA requires that during the development and planning of a program to build the capacity of the national security forces of a foreign country, the Secretary of Defense and Secretary of State shall jointly consider political, social, economic, diplomatic, and historical factors, if any, of the foreign country that may impact that effectiveness of the program. Another provision modifies existing law regarding assessing, monitoring, and evaluating security-cooperation programs to require incorporating lessons learned from any security-cooperation programs and activities of the Department of Defense carried out on or after September 11, 2001.

SIGAR BUDGET

SIGAR is fully funded through FY 2019 at $54.9 million under the Consolidated Appropriations Act, 2018. The budget supports SIGAR's oversight activities and products by funding SIGAR's Audits and Inspections, Investigations, Management and Support, and Research and Analysis Directorates, as well as the Special Projects Team and the Lessons Learned Program.

SIGAR STAFF

SIGAR's staff count remained steady since the last report to Congress, with 193 employees on board at the end of the quarter. Of that total, 28 SIGAR employees were at the U.S. Embassy Kabul and two others were at Bagram Airfield. SIGAR employed five Afghan nationals in its Kabul office to support the Investigations and Audits Directorates. In addition, SIGAR supplements its resident staff with personnel assigned to short-term temporary duty in Afghanistan. This quarter, SIGAR had 17 employees on temporary duty in Afghanistan for a total of 190 days.

“The Afghans are committed to securing their people as the country moves forward to conduct its first parliamentary elections in eight years, later this month. The taste for peace and reconciliation remains strong following this summer’s cease-fire, and we continue to see local reconciliation initiatives around the country.”

—*General Joseph Votel*

Source: DOD, "Department of Defense Press Briefing by General Joseph Votel via teleconference from Tampa, Florida," 10/4/2018.

3 RECONSTRUCTION UPDATE

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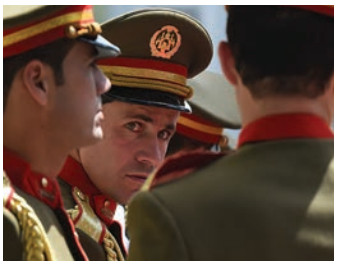
Photo on previous page

Afghan troops form up for the arrival of U.S. Secretary of Defense James N. Mattis at the Presidential Office Building in Kabul, September 7, 2018, for meetings with Afghan officials. (DOD photo by Lisa Ferdinando)



RECONSTRUCTION IN BRIEF

Section 3 of this quarterly report summarizes the key events of the reporting period as well as programs and projects concerning Afghanistan reconstruction across five sectors: Funding, Security, Governance, Economic and Social Development, and Counternarcotics.

ELECTIONS HELD FOR THE LOWER HOUSE OF PARLIAMENT

- The Afghan government held the **long-delayed elections** for the lower house of parliament on **October 20 and 21, 2018**.
- **All provinces but Ghazni and Kandahar** participated in the election.
- Approximately **2,500 candidates competed for 249 seats** in the lower house of parliament.
- The **announced first-ever election** for district councils was **not held**.
- **At least 10 of the parliamentary candidates were killed** prior to the election.

"TOUGH FIGHT" KEEPS THE ANDSF FROM IMPROVING SECURITY THIS QUARTER

- **General Austin Scott Miller**, the new commander of U.S. forces in Afghanistan, **escaped a Taliban attack unharmed on October 18**. General Abdul Raziq, Kandahar's police chief, and Kandahar's intelligence chief were both killed, and the provincial governor was wounded.
- In a major assault on **Ghazni City** over five days in mid-August, the **Taliban killed at least 100 ANDSF personnel and 150 civilians**.
- Though the exact numbers are classified, Resolute Support said that the average number of **ANDSF casualties from May 1 to October 1, 2018, is the greatest it has ever been** during like periods.
- As of July 2018, the **Afghan government's control or influence of Afghanistan's districts fell to the lowest level (55.5%)** since SIGAR began receiving the data in November 2015. The Afghan government controls or influences districts in which **about 65% of the population** lives, unchanged since October 2017.
- The ANDSF had **312,328 personnel in July 2018** (not including civilians), down 1,914 personnel since last quarter and down 8,827 personnel since the same period last year.

DROUGHT STRIKES LARGE SWATHS OF AFGHANSTAN

- A drought has displaced more than **263,000 Afghans** in 2018.
- **Economic growth** for 2018 exclusive of opium is projected to be just 2.4%, while growth inclusive of the opium economy was 7.2% in 2017.
- Through the first two quarters of 2018, **licit exports grew by 33%**, compared to the same period last year.
- **Three major mining contracts** were signed by the Afghan government, but the legality of two of the contracts has been questioned by NGOs.

NO NEW U.S. COUNTERNARCOTICS STRATEGY

- The U.S. government will not issue a new, **stand-alone counternarcotics strategy** for Afghanistan.
- The **Afghan government is developing a new regional drugs strategy** with support from the United Nations Office on Drugs and Crime (UNODC).
- The United States has **appropriated $8.88 billion** for counternarcotic efforts since 2002.

FUNDING AS OF SEPTEMBER 30, 2018

- **Cumulative appropriations** for reconstruction and related activities in Afghanistan since FY 2002 totaled approximately **$132.07 billion**, of which $112.12 billion, or **84.9%**, was appropriated to the seven major reconstruction funds.
- Of the amount appropriated to the **seven major funds** since FY 2002, approximately **$11.79 billion** remained to be disbursed.
- The **cumulative appropriations** for reconstruction increased by **$5.77 billion** during the quarter ending September 30, primarily because (1) the **DOD Appropriations Act, 2019**, signed into law on September 28, appropriated **$4.93 billion** to two DOD reconstruction accounts for FY 2019; and (2) State and Congress agreed during the quarter on the allocation of foreign assistance account funds for Afghanistan for two reconstruction accounts managed by State and USAID totaling **$0.70 billion** for FY 2018.

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STATUS OF FUNDS

To fulfill SIGAR's legislative mandate, this section details the status of U.S. funds appropriated, obligated, and disbursed for reconstruction activities in Afghanistan. As of September 30, 2018, the United States had appropriated approximately $132.07 billion for reconstruction and related activities in Afghanistan since FY 2002. This amount includes $4.93 billion appropriated through the Department of Defense Appropriations Act, 2019, enacted into law on September 28, 2018, and providing funds for FY 2019. This total has been allocated as follows:

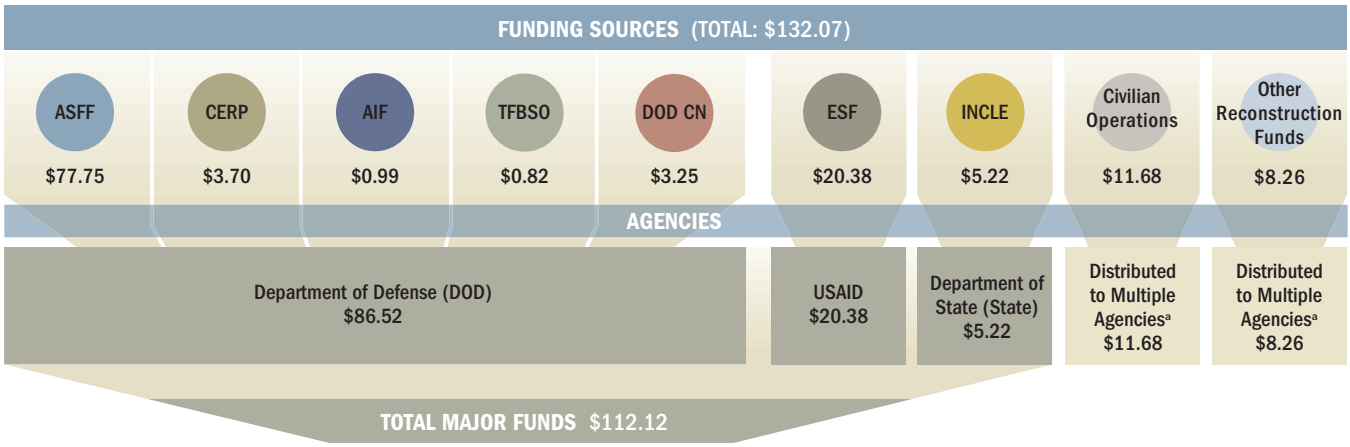
- $83.14 billion for security ($4.57 billion for counternarcotics initiatives)
- $33.72 billion for governance and development ($4.31 billion for counternarcotics initiatives)
- $3.52 billion for humanitarian aid
- $11.68 billion for civilian operations

Figure 3.1 shows the major U.S. funds that contribute to these efforts.

ASFF: Afghanistan Security Forces Fund
CERP: Commander's Emergency Response Program
AIF: Afghanistan Infrastructure Fund
TFBSO: Task Force for Business and Stability Operations
DOD CN: DOD Drug Interdiction and Counter-Drug Activities
ESF: Economic Support Fund
INCLE: International Narcotics Control and Law Enforcement

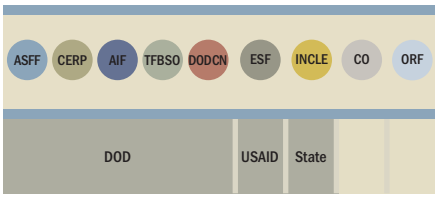
FIGURE 3.1

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



Note: Numbers have been rounded.
[a] Multiple agencies include DOJ, State, DOD, USAID, Treasury, USDA, DEA, BBG, and SIGAR. See Appendix B for these agency appropriations.

Source: DOD, response to SIGAR data call, 10/18/2018, 10/15/2018, 10/8/2018, 10/12/2017, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data call, 10/19/2018, 10/5/2018, 1/10/2018, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012, and 6/27/2012; Treasury, response to SIGAR data call, 7/10/2018; OMB, response to SIGAR data call, 1/31/2018, 4/16/2015, 7/14/2014, 7/19/2013, and 1/4/2013; USAID, response to SIGAR data call, 10/19/2018, 10/15/2018, 10/15/2010, 1/15/2010, and 10/9/2009; DEA, response to SIGAR data call, 9/21/2018, 6/30/2018, and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.



The amount provided to the seven major U.S. funds represents more than 84.9% (over $112.12 billion) of total reconstruction assistance in Afghanistan since FY 2002. Of this amount, nearly 89.1% (over $99.88 billion) has been obligated, and over 84.6% (nearly $94.91 billion) has been disbursed. An estimated $5.43 billion of the amount appropriated for these funds has expired.

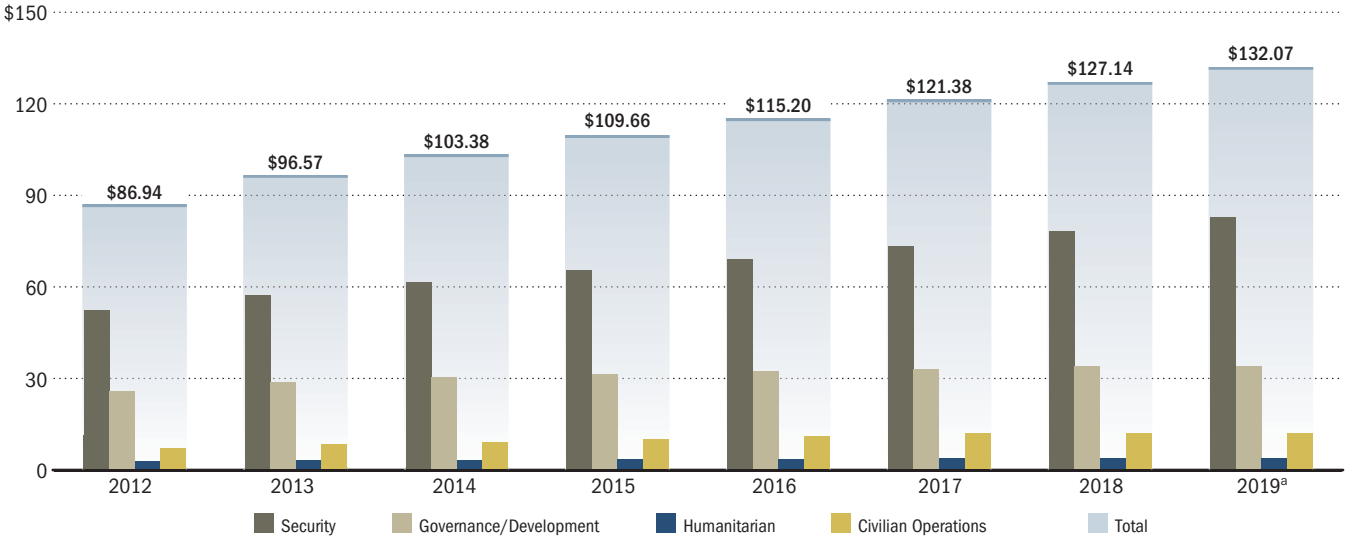
U.S. RECONSTRUCTION FUNDING FOR AFGHANISTAN

As of September 30, 2018, cumulative appropriations for reconstruction and related activities in Afghanistan totaled approximately $132.07 billion, as shown in Figure 3.2. This total can be divided into four major categories of reconstruction and related funding: security, governance and development, humanitarian, and oversight and operations. Approximately $8.88 billion of these funds support counternarcotics initiatives which crosscut both the security ($4.57 billion) and governance and development ($4.31 billion) categories. For complete information regarding U.S. appropriations, see Appendix B.

President Donald J. Trump signed the Consolidated Appropriations Act, 2018, on March 23, funding the U.S. government through the end of the fiscal year. The final allocations for the global foreign assistance accounts, principally the Department of State-managed International Narcotics Control and Law Enforcement (INCLE) account and the USAID-managed Economic Support Fund (ESF), were made to specific countries

FIGURE 3.2

CUMULATIVE APPROPRIATIONS BY FUNDING CATEGORY AS OF SEPTEMBER 30, 2018 ($ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed $1 billion from FY 2011 ASFF, $1 billion from FY 2012 ASFF, and $178 million from FY 2013 ASFF to fund other DOD OCO requirements. DOD reprogrammed $230 million into FY 2015 ASFF. ASFF data reflects the following rescissions: $1 billion from FY 2012 in Pub. L. No. 113-6, $764.38 million from FY 2014 in Pub. L. No. 113-235, $400 million from FY 2015 in Pub. L. No. 114-113, $150 million from FY 2016 in Pub. L. No. 115-31, and $100 million for FY 2017 in Pub. L. No. 115-141. DOD transferred $101 million from FY 2011 AIF, $179.5 million from FY 2013 AIF, and $55 million from FY 2014 AIF to the ESF to fund infrastructure projects implemented by USAID.
[a] The Department of Defense Appropriations Act, 2019, was signed into law on September 28, 2018.

Source: DOD, response to SIGAR data call, 10/18/2018, 10/15/2018, 10/8/2018, 10/12/2017, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data call, 10/19/2018, 10/5/2018, 1/10/2018, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012, and 6/27/2012; Treasury, response to SIGAR data call, 6/25/2018; OMB, response to SIGAR data call, 1/31/2018, 4/16/2015, 7/14/2014, 7/19/2013, and 1/4/2013; USAID, response to SIGAR data call, 10/19/2018, 10/15/2018, 10/15/2010, 1/15/2010, and 10/9/2009; DEA, response to SIGAR data call, 9/21/2018 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

including Afghanistan in the quarter ending September 30. At the end of the quarter, on September 28, President Trump signed the Department of Defense Appropriations Act, 2019, into law, providing specific appropriation amounts for the Afghanistan Security Forces Fund (ASFF) and the Commander's Emergency Response Program (CERP) for FY 2019. These appropriations totaled $4.93 billion and are presented in Figure 3.3 for FY 2019.

Since 2002, the United States has provided nearly $14.10 billion in on-budget assistance to the government of Afghanistan. This includes about $9.05 billion to Afghan government ministries and institutions, and about $5.05 billion to three multinational trust funds—the World Bank's Afghanistan Reconstruction Trust Fund (ARTF), the United Nations Development Programme's Law and Order Trust Fund (LOTFA), and the Asian Development Bank's Afghanistan Infrastructure Trust Fund (AITF). Table 3.1 shows U.S. on-budget assistance disbursed to the Afghan government and multilateral trust funds.

TABLE 3.1

U.S. ON-BUDGET ASSISTANCE TO AFGHANISTAN, SINCE 2002 ($ MILLIONS)

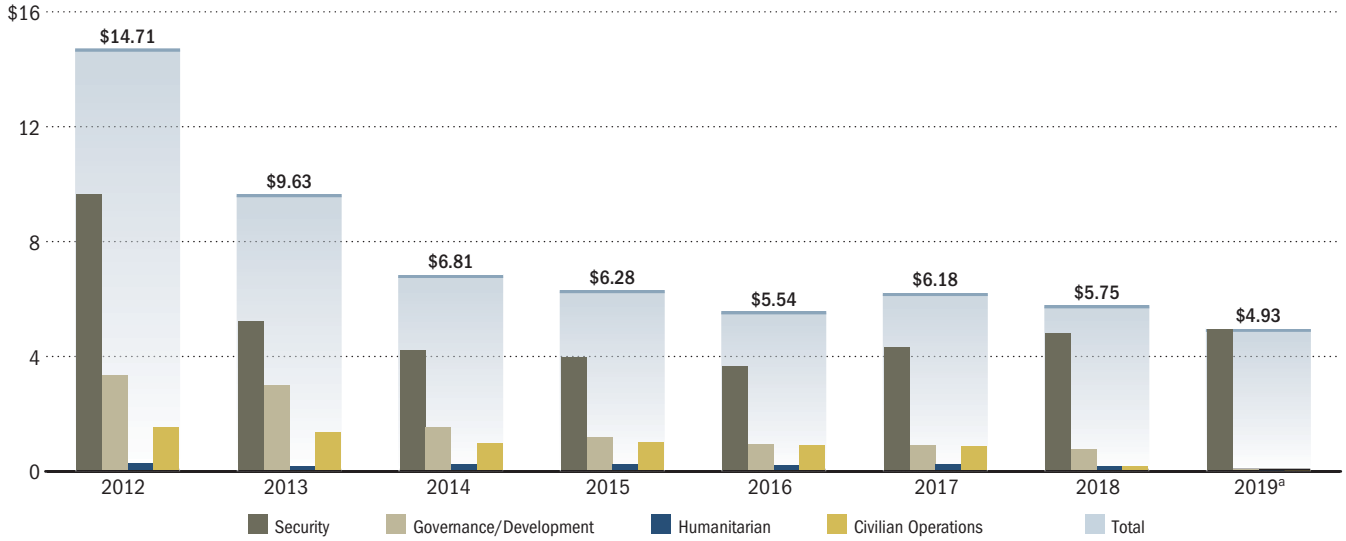
Government-to-Government	
DOD	$8,277
State	85
USAID	684
Multilateral Trust Funds	
LOTFA	$1,669
ARTF	3,228
AITF	154

Note: Numbers have been rounded. Figures reflect amounts the United States has disbursed in on-budget assistance to Afghan government entities and multilateral trust funds.

Source: USAID, response to SIGAR data call, 10/16/2018; State, response to SIGAR data call, 10/18/2018; DOD, response to SIGAR data call, 10/19/2018; World Bank, *ARTF: Administrator's Report on Financial Status as of July 22, 2018 (end of 7th month of FY 1397)*, accessed 10/21/2018; UNDP, *LOTFA Receipts 2002–2018*, 10/19/2018.

FIGURE 3.3

APPROPRIATIONS BY FISCAL YEAR, AMOUNT, AND CATEGORY ($ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed $1 billion from FY 2011 ASFF, $1 billion from FY 2012 ASFF, and $178 million from FY 2013 ASFF to fund other DOD OCO requirements. DOD reprogrammed $230 million into FY 2015 ASFF. ASFF data reflects the following rescissions: $1 billion from FY 2012 in Pub. L. No. 113-6, $764.38 million from FY 2014 in Pub. L. No. 113-235, $400 million from FY 2015 in Pub. L. No. 114-113, $150 million from FY 2016 in Pub. L. No. 115-31, and $100 million for FY 2017 in Pub. L. No. 115-141. DOD transferred $101 million from FY 2011 AIF, $179.5 million from FY 2013 AIF, and $55 million from FY 2014 AIF to the ESF to fund infrastructure projects implemented by USAID.
[a] The Department of Defense Appropriations Act, 2019, was signed into law on September 28, 2018.

Source: DOD, response to SIGAR data call, 10/18/2018, 10/15/2018, 10/8/2018, 10/12/2017, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data call, 10/19/2018, 10/5/2018, 1/10/2018, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012, and 6/27/2012; Treasury, response to SIGAR data call, 6/25/2018; OMB, response to SIGAR data call, 1/31/2018, 4/16/2015, 7/14/2014, 7/19/2013, and 1/4/2013; USAID, response to SIGAR data call, 10/19/2018, 10/15/2018, 10/15/2010, 1/15/2010, and 10/9/2009; DEA, response to SIGAR data call, 9/21/2018 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

AFGHANISTAN RECONSTRUCTION FUNDING PIPELINE

Since 2002, Congress has appropriated nearly $132.07 billion for reconstruction and related activities in Afghanistan. Of this amount, $112.12 billion (84.9%) was appropriated to the seven major reconstruction funds, as shown in Table 3.2.

FIGURE 3.4

STATUS OF APPROPRIATED FUNDS ($ BILLIONS)

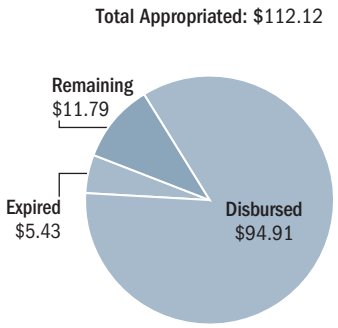


TABLE 3.2

CUMULATIVE AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED FY 2002–2019 ($ BILLIONS)

	Appropriated	Obligated	Disbursed	Remaining
Afghanistan Security Forces Fund (ASFF)	$77.75	$68.62	$67.58	$7.44
Commander's Emergency Response Program (CERP)	3.70	2.29	2.28	0.01
Afghanistan Infrastructure Fund (AIF)	0.99	0.78	0.76	0.02
Task Force for Business & Stability Operations (TFBSO)	0.82	0.75	0.65	0.00
DOD Drug Interdiction and Counter-Drug Activities (DOD CN)	3.25	3.25	3.25	0.00
Economic Support Fund (ESF)	20.38	19.23	16.16	3.45
International Narcotics Control & Law Enforcement (INCLE)	5.22	4.96	4.23	0.86
Total Seven Major Funds	112.12	**$99.88**	**$94.91**	**$11.79**
Other Reconstruction Funds	8.26			
Civilian Operations	11.68			
Total	**$132.07**			

Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds after deducting approximately $5.4 billion that expired without being obligated. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 10/23/2018.

As of September 30, 2018, approximately $11.79 billion of the amount appropriated to the seven major reconstruction funds remained for possible disbursement, as shown in Figure 3.4. These funds will be used to train, equip, and sustain the Afghan National Defense and Security Forces (ANDSF); complete on-going, large-scale infrastructure projects, such as those funded by the AIF and ESF; combat narcotics production and trafficking; and advance the rule of law, strengthen the justice sector, and promote human rights.

The total amount remaining to be disbursed increased by $5.77 billion during the quarter ending September 30, primarily because (1) the Department of Defense Appropriations Act, 2019, signed into law on September 28, appropriated $4.93 billion to the Afghanistan Security Forces Fund (ASFF) and the Commander's Emergency Response Program (CERP) for FY 2019; and (2) the Department of State and Congress agreed during the quarter through the Section 653(a) consultation process on the allocation of foreign assistance accounts for Afghanistan for the International

Narcotics Control and Law Enforcement (INCLE) account and the Economic Support Fund (ESF) totaling $0.70 billion for FY 2018.

Congress appropriated more than $20.26 billion to the seven major reconstruction funds for fiscal years 2014 through 2017: $5.63 billion for FY 2014, $5.03 billion for FY 2015, $4.49 billion for FY 2016, and $5.11 billion for FY 2017. Of the combined total, more than $3.11 billion remained for possible disbursement, as of September 30, 2018, as shown in Table 3.3 and Figure 3.5.

TABLE 3.3

FY 2014–2017 AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED
($ MILLIONS)

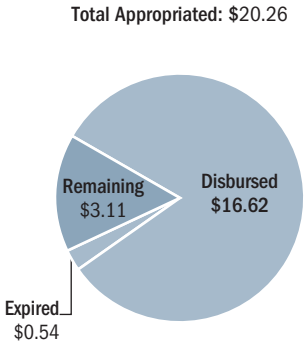
	Appropriated	Obligated	Disbursed	Remaining
ASFF	$15,566.65	$15,206.77	$14,643.21	$608.73
CERP	50.00	16.02	15.13	0.89
AIF	144.00	130.23	118.38	11.85
TFBSO	122.24	103.70	86.00	17.70
DOD CN	513.33	513.33	513.33	0.00
ESF	3,022.17	2,988.00	956.90	1,913.93
INCLE	845.00	864.51	284.91	556.13
Total Seven Major Funds	**$20,263.39**	**$19,822.55**	**$16,617.87**	**$3,109.23**

Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds after deducting approximately $536 million that expired without being obligated. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 10/23/2018.

FIGURE 3.5

STATUS OF APPROPRIATED FUNDS, FY 2014–2017 ($ BILLIONS)



Congress appropriated more than $10.38 billion to five of the seven major reconstruction funds for FY 2018 and FY 2019. Of that amount, more than $7.33 billion remained for possible disbursement, as of September 30, 2018, as shown in Table 3.4 and Figure 3.6.

TABLE 3.4

FY 2018–2019 AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED
($ MILLIONS)

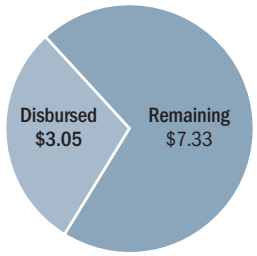
	Appropriated	Obligated	Disbursed	Remaining
ASFF	$9,586.82	$3,241.99	$2,923.02	$6,663.80
CERP	15.00	5.00	3.01	11.99
DOD CN	121.54	121.54	118.01	3.54
ESF	500.00	0.00	0.00	500.00
INCLE	160.00	7.58	6.95	153.05
Total Major Funds	**$10,383.36**	**$3,376.11**	**$3,050.98**	**$7,332.38**

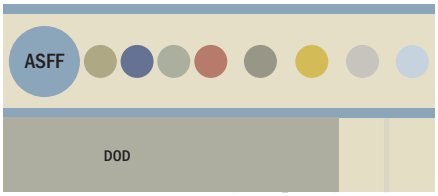
Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 10/23/2018.

FIGURE 3.6

STATUS OF APPROPRIATED FUNDS, FY 2018–2019 ($ BILLIONS)





ASFF FUNDS TERMINOLOGY

DOD reported ASFF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

AFGHANISTAN SECURITY FORCES FUND

Congress created the Afghanistan Security Forces Fund (ASFF) to provide the ANDSF with equipment, supplies, services, training, and funding, as well as facility and infrastructure repair, renovation, and construction.[41] The primary organization responsible for building the ANDSF is the Combined Security Transition Command-Afghanistan (CSTC-A).[42] A financial and activity plan must be approved by the Afghanistan Resources Oversight Council (AROC) before ASFF funds may be obligated.[43]

The Consolidated Appropriations Act, 2018, enacted on March 23, appropriated nearly $4.67 billion for the ASFF for FY 2018, increasing total cumulative funding to more than $72.83 billion. President Donald J. Trump subsequently signed into law the Department of Defense Appropriations Act, 2019, on September 28, providing an additional appropriation for the ASFF of $4.92 billion for FY 2019, as shown in Figure 3.7. As of September 30, 2018, cumulative appropriations for ASFF reached $77.75 billion, with more than $68.62 billion in funding having been obligated, and nearly $67.58 billion having been disbursed, as shown in Figure 3.8.[44]

DOD reported that cumulative obligations increased by more than $1.08 billion during the quarter ending September 30, 2018, and cumulative disbursements increased by more than $1.16 billion.[45]

FIGURE 3.7

ASFF APPROPRIATED FUNDS BY FISCAL YEAR
($ BILLIONS)

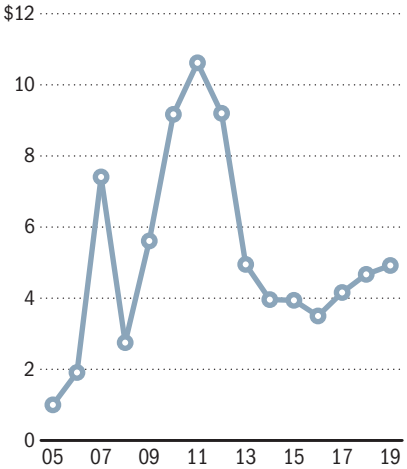
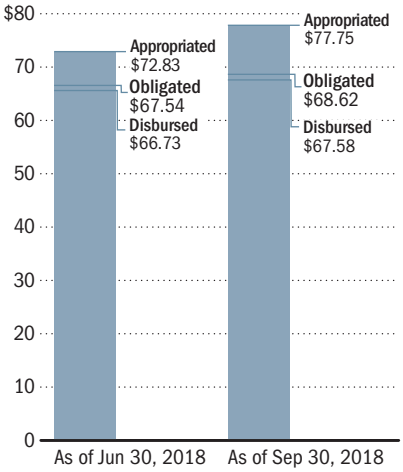


FIGURE 3.8

ASFF FUNDS, CUMULATIVE COMPARISON
($ BILLIONS)



Note: Numbers have been rounded. Data reflects reprogramming actions and rescissions. DOD reprogrammed $1 billion of FY 2011, $1 billion of FY 2012, and $178 million of FY 2013 out of the ASFF to fund other DOD requirements. DOD reprogrammed $230 million into FY 2015 ASFF. Pub. L. No. 115-141 rescinded $100 million from FY 2017. Pub. L. No. 115-31 rescinded $150 million from FY 2016. Pub. L. No. 113-6 rescinded $1 billion from FY 2012. Pub. L. No. 113-235 rescinded $764.38 million from FY 2014. Pub. L No. 114-113 rescinded $400 million from FY 2015.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2018," 7/17/2018; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, and 113-6; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016.

ASFF BUDGET ACTIVITIES

DOD allocated funds to three budget activity groups within the ASFF through September 30, 2018:

- Defense Forces (Afghan National Army, ANA)
- Interior Forces (Afghan National Police, ANP)
- Related Activities (primarily Detainee Operations)

Funds for each budget activity group are further allocated to four sub-activity groups: Sustainment, Infrastructure, Equipment and Transportation, and Training and Operations.[46] The AROC must approve the requirement and acquisition plan for any service requirements in excess of $50 million annually and any non-standard equipment requirement in excess of $100 million.[47]

As of September 30, 2018, DOD had disbursed nearly $67.58 billion from ASFF. Of this amount, nearly $45.99 billion was disbursed for the ANA, and nearly $21.24 billion was disbursed for the ANP; the remaining $388.74 million was directed to related activities such as detainee operations. The combined total—$67.61 billion—is about $36.44 million higher than the cumulative total reported as disbursed due to an accounting adjustment which arises when there is a difference between the amount of disbursements or collections reported to the Defense Finance and Accounting Service and the Department of the Treasury.[48]

As shown in Figure 3.9, the largest portion of the funds disbursed for the ANA—more than $22.22 billion—supported ANA troop sustainment. Of the funds disbursed for the ANP, the largest portion—nearly $9.18 billion—also supported sustainment of ANP forces, as shown in Figure 3.10.[49]

Budget Activity Groups: categories within each appropriation or fund account that identify the purposes, projects, or types of activities financed by the appropriation or fund

Subactivity Groups: accounting groups that break down the command's disbursements into functional areas

Source: DOD, *Manual 7110.1-M Department of Defense Budget Guidance Manual*, accessed 9/28/2009; Department of the Navy, *Medical Facility Manager Handbook*, p. 5, accessed 10/2/2009.

FIGURE 3.9

ASFF DISBURSEMENTS FOR THE ANA BY SUBACTIVITY GROUP, FY 2005–SEPTEMBER 30, 2018 ($ BILLIONS)

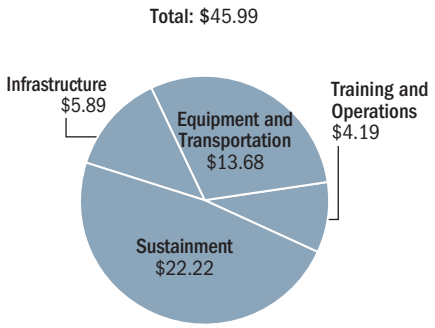
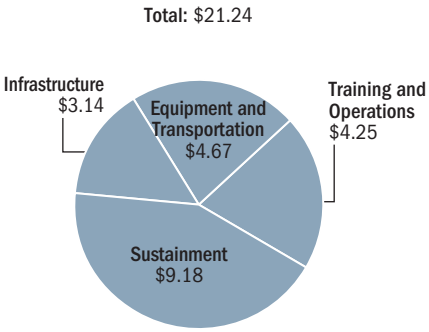


FIGURE 3.10

ASFF DISBURSEMENTS FOR THE ANP BY SUBACTIVITY GROUP, FY 2005–SEPTEMBER 30, 2018 ($ BILLIONS)



Note: Numbers have been rounded.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018.

New ASFF Budget Activity Groups for FY 2019

The DOD ASFF budget request for FY 2019, submitted to Congress in February 2018, restructures the Afghan National Army (ANA) and Afghan National Police (ANP) budget activity groups (BAGs) to better reflect the ANDSF force structure and new budget priorities. In FY 2018 and previous years, all costs associated with the Afghan Air Force (AAF) fell under the ANA BAG and costs for the Afghan Special Security Forces (ASSF) were split between the ANA and ANP BAGs. Table 3.5 below presents the FY 2019 budget request for the ANA, ANP, AAF, and ASSF by their separate BAGs, and Table 3.6 on the opposite page compares the FY 2018 and FY 2019 budget requests when presented on a basis comparable to the original FY 2018 budget request.[50]

NATO ANA Trust Fund

The DOD ASFF budget requests for FY 2018 and FY 2019 present planned contributions by the NATO ANA Trust Fund (NATF) to ASFF for administration by the DOD. The NATF has received contributions from 33 NATO members and other partners (but not the U.S.) to support the ANDSF with a focus on the ANA.[51] The NATF has contributed nearly $1.50 billion to ASFF for the completion of specific projects funded by donor nations through September 30, 2018, and ASFF has returned $366.8 million of these funds following the cancellation or completion of these projects. Not all of the $2.4 billion in donated funds received by the NATF are forwarded to ASFF for execution; approximately 40% of these funds are executed through the NATO Support and Procurement Agency (NSPA).[52]

TABLE 3.5

ASFF BUDGET REQUEST FOR FY 2019 BY NEW BUDGET ACTIVITY GROUPS ($ MILLIONS)

Budget Sub-Activity Group	Afghan National Army	Afghan Air Force	Afghan Special Security Forces	Afghan National Police	Total
Sustainment	$1,554.3	$932.3	$353.7	$537.6	**$3,377.9**
Infrastructure	137.7	30.4	43.1	43.0	**254.2**
Equipment and Transportation	71.9	572.3	151.8	14.6	**810.6**
Training and Operations	165.1	267.2	153.4	171.2	**756.9**
Total	**$1,929.0**	**$1,802.1**	**$702.0**	**$766.3**	**$5,199.5**

Note: Numbers have been rounded.

Source: Office of the Secretary of Defense, Department of Defense Budget, Justification for FY 2019 Overseas Contingency Operations (OCO), Afghanistan Security Forces Fund (ASFF), February 2018.

TABLE 3.6

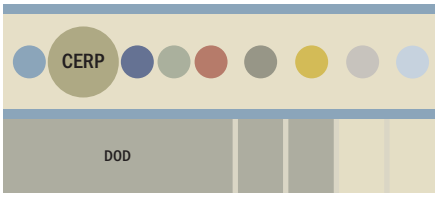
ASFF BUDGET REQUESTS FOR FY 2018 AND FY 2019 ($ MILLIONS)

DOD ASFF Budget Request Line items	FY 2018 Budget Request (Former Basis[1])	FY 2019 Budget Request (Comparable Basis[1])
Total U.S.-Funded Portion of ASFF	**$4,937.5**	**$5,199.5**
Afghan National Army, Total	**3,771.8**	**4,310.2**
Sustainment, Total	**2,660.9**	**2,744.8**
Personnel	540.3	743.0
Ammunition and Ordnance[2]	200.0	298.1
Air Force Sustainment[3]	936.1	875.0
Petroleum, Oil, and Lubricants[4]	185.6	244.9
Vehicles Sustainment	176.8	89.3
All Other	685.9	494.5
Equipment and Transportation, Total	**684.8**	**754.9**
Air Force Equipment and Transportation	533.7	570.0
Vehicles	142.0	95.0
All Other	9.1	89.9
Training and Operations, Total	**405.1**	**584.5**
Air Force Training	184.8	263.3
Other Training	218.4	282.6
All Other	2.0	38.6
Infrastructure, Total	**21.0**	**206.1**
Afghan National Police, Total	**1,165.8**	**889.2**
Sustainment, Total	**955.6**	**613.1**
Personnel and Forces	306.1	123.2
Logistics	128.6	202.2
Facilities	109.3	118.3
All Other	411.6	169.3
Equipment and Transportation, Total	**76.0**	**55.7**
Training and Operations, Total	**94.6**	**172.3**
Infrastructure, Total	**39.6**	**48.1**
Total NATO ANA Trust Fund-Funded Portion of ASFF[5]	**$367.0**	**$397.3**
Afghan National Army	**323.3**	**N/A**
Afghan National Police	**43.7**	**N/A**

Note: Numbers have been rounded.
[1] The budget request for FY 2019 presents the Afghan Air Force (AAF) and Afghan Special Security Forces (ASSF), the newly created Budget Activity Groups (BAGs), as if combined with the Afghan National Army (ANA) and Afghan National Police (ANP) on a comparable basis to the budget request for FY 2018.
[2] Ammunition and Ordnance combines several line items for Air Force and Combat Forces.
[3] Air Force Sustainment minus Air Force Personnel, Ammunition and Ordnance, and Petroleum, Oil, and Lubricants.
[4] Petroleum, Oil, and Lubricants for Air Force and Logistics.
[5] The FY 2019 budget request for the NATO ANA Trust Fund is not allocable between the ANA and ANP as presented.

Source: Office of the Secretary of Defense, Department of Defense Budget, Justification for FY 2019 Overseas Contingency Operations (OCO), Afghanistan Security Forces Fund (ASFF), February 2018.

The Consolidated Appropriations Act, 2018, enacted on March 23, 2018, appropriated $4,666.8 million for ASFF, or $270.7 million below the FY 2018 budget request, and the Department of Defense Appropriations Act, 2019, enacted on September 28, 2018, appropriated $4,920.0 million for ASFF, or $279.5 million below the FY 2019 budget request.



CERP FUNDS TERMINOLOGY

DOD reported CERP funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/14/2010.

COMMANDER'S EMERGENCY RESPONSE PROGRAM

The Commander's Emergency Response Program (CERP) enables 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. Funding under this program is intended for small projects that are estimated to cost less than $500,000 each.[53] CERP-funded projects may not exceed $2 million each.[54]

The Consolidated Appropriations Act, 2018, appropriated $5.0 million for CERP for FY 2018, and the Department of Defense Appropriations Act, 2019, doubled the appropriation to $10.0 million for FY 2019, increasing total cumulative funding to more than $3.70 billion.[55] Of this amount, DOD reported that nearly $2.29 billion had been obligated, of which more than $2.28 billion had been disbursed as of September 30, 2018.[56] Figure 3.11 shows CERP appropriations by fiscal year, and Figure 3.12 provides a cumulative comparison of amounts appropriated, obligated, and disbursed for CERP projects.

FIGURE 3.11

CERP APPROPRIATIONS BY FISCAL YEAR
($ MILLIONS)

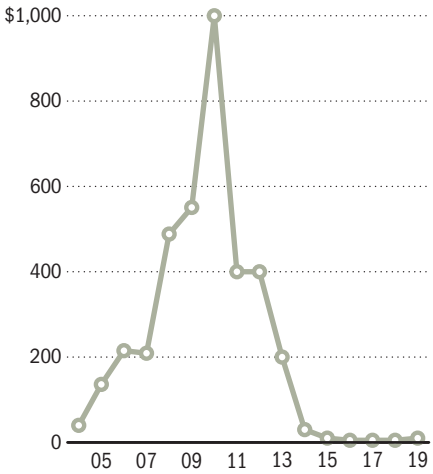
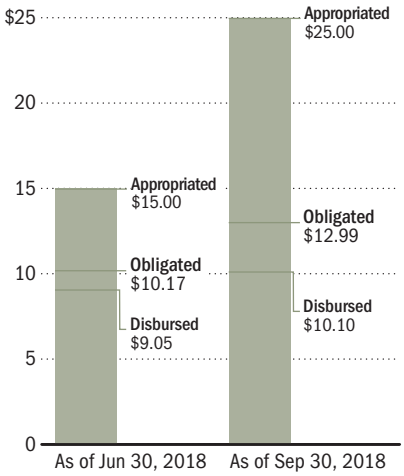


FIGURE 3.12

CERP FUNDING ACTIVITY, FY 2016–2019
($ MILLIONS)



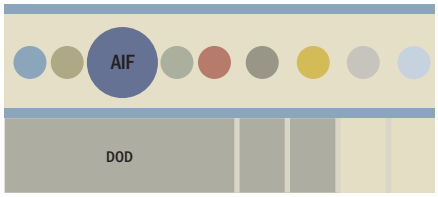
Note: Numbers have been rounded. Data may include interagency transfers. Analysis includes data from a draft DOD financial report because the final version had not been completed when this report went to press.

Source: DOD, response to SIGAR data call, 10/15/2018 and 7/11/2018; OMB, response to SIGAR data call, 1/4/2013; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10.

AFGHANISTAN INFRASTRUCTURE FUND

The AIF was established in FY 2011 to pay for high-priority, large-scale infrastructure projects that support the U.S. civilian-military effort. Congress intended for projects funded by the AIF to be jointly selected and managed by DOD and State. Each AIF-funded project is required to have a plan for its sustainment and a description of how it supports the counterinsurgency strategy in Afghanistan.[57] The AIF received appropriations from FY 2011 through FY 2014. Although the AIF no longer receives appropriations, up to $50 million of funds appropriated under the Overseas Contingency Operations/Global War on Terror title may be used to complete these projects. DOD has only once used non-AIF monies to complete an AIF project, transferring $3.38 million of FY 2017 ASFF funds to complete Phase One of the Northeast Power System Arghandi-to-Gardez transmission line project.[58]

The AIF received cumulative appropriations of over $1.32 billion; however, $335.50 million of these funds were transferred to the ESF for USAID's power transmission lines projects, bringing the cumulative amount remaining in the AIF to $988.50 million.[59] Figure 3.13 shows AIF appropriations by fiscal year. As of September 30, 2018, nearly $784.16 million of total AIF funding had been obligated, and nearly $760.13 million had been disbursed, as shown in Figure 3.14.[60]



AIF FUNDS TERMINOLOGY

DOD reported AIF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2012.

FIGURE 3.13

AIF APPROPRIATIONS BY FISCAL YEAR
($ MILLIONS)

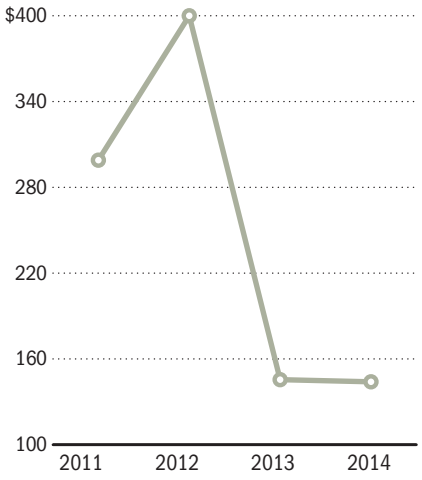
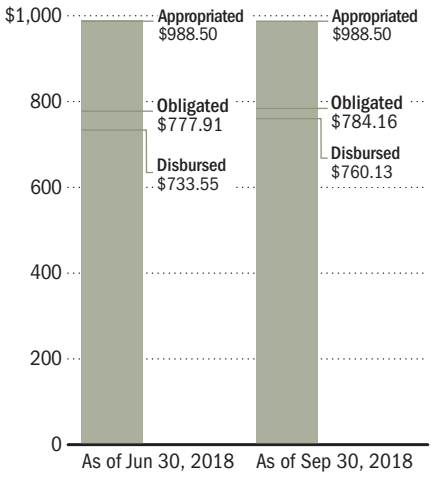


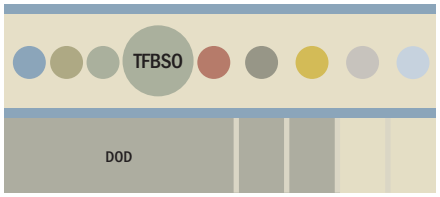
FIGURE 3.14

AIF FUNDS, CUMULATIVE COMPARISON
($ MILLIONS)



Note: Numbers have been rounded. Data reflects the following transfers from AIF to USAID's Economic Support Fund: $101 million for FY 2011, $179.5 million for FY 2013, and $55 million for FY 2014.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2018," 7/17/2018; Pub. L. Nos. 113-76, 113-6, 112-74, and 112-10.



TFBSO FUNDS TERMINOLOGY

DOD reported TFBSO funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

TASK FORCE FOR BUSINESS AND STABILITY OPERATIONS

In 2010, the TFBSO began operations in Afghanistan aimed at stabilizing the country and countering economically motivated violence by decreasing unemployment and creating economic opportunities for Afghans. TFBSO authorities expired on December 31, 2014, and the TFBSO concluded its operations on March 31, 2015. TFBSO projects included activities intended to facilitate private investment, industrial development, banking and financial system development, agricultural diversification and revitalization, and energy development.[61]

Through September 30, 2018, the TFBSO had been appropriated more than $822.85 million since FY 2009. Of this amount, nearly $751.61 million had been obligated and more than $648.92 million had been disbursed.[62] Figure 3.15 displays the amounts appropriated for the TFBSO by fiscal year, and Figure 3.16 provides the cumulative amount of funds appropriated, obligated, and disbursed for the TFBSO and its projects.

FIGURE 3.15

TFBSO APPROPRIATIONS BY FISCAL YEAR ($ MILLIONS)

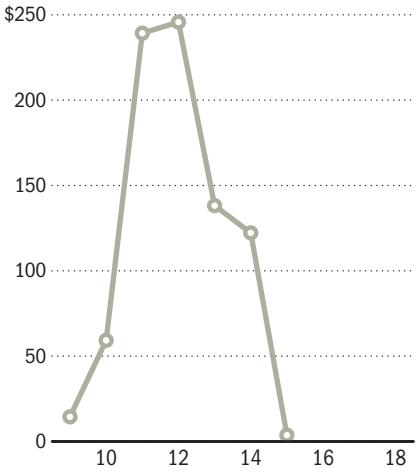
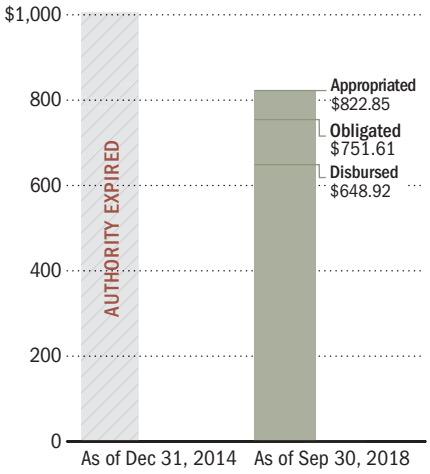


FIGURE 3.16

TFBSO FUNDS, CUMULATIVE APPROPRIATED, OBLIGATED, AND DISBURSED ($ MILLIONS)



Note: Numbers have been rounded. TFBSO authorities expired on December 31, 2014. Of the $822.85 million appropriated the TFBSO, $366.05 million was from the Operations and Maintenance, Army, account to pay for the sustainment of U.S. assets, civilian employees, travel, security, and other operational costs; all FY 2015 funding was from this account.

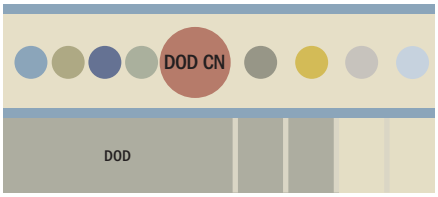
Source: DOD, response to SIGAR data calls, 10/18/2018, 10/12/2017, 7/17/2017, and 10/4/2011; Pub. L. Nos. 113-76, 113-6, 112-74, 112-10.

DOD DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

The DOD Drug Interdiction and Counter-Drug Activities (DOD CN) fund supports efforts to stabilize Afghanistan by combating the drug trade and related activities. DOD uses the DOD CN to provide assistance to the counternarcotics effort by supporting military operations against drug traffickers; expanding Afghan interdiction operations; and building the capacity of Afghan law-enforcement bodies—including the Afghan Border Police—with specialized training, equipment, and facilities.[63]

DOD CN funds are appropriated by Congress to a single budget line for all military services. DOD reprograms the funds from the Counter-Narcotics Central Transfer Account (CTA) to the military services and defense agencies, which track obligations of the transferred funds. DOD reported DOD CN accounts for Afghanistan as a single figure for each fiscal year.[64]

DOD reported that DOD CN received more than $121.54 million for Afghanistan for FY 2018, bringing cumulative funding for DOD CN to more than $3.25 billion since FY 2004. Of this amount, more than $2.99 billion had been transferred to the military services and defense agencies for DOD CN projects, as of September 30, 2018.[65] Figure 3.17 shows DOD CN appropriations by fiscal year, and Figure 3.18 provides a cumulative comparison of amounts appropriated and transferred from the DOD CN CTA.



DOD CN FUNDS TERMINOLOGY

DOD reported DOD CN funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

FIGURE 3.17

DOD CN APPROPRIATIONS BY FISCAL YEAR
($ MILLIONS)

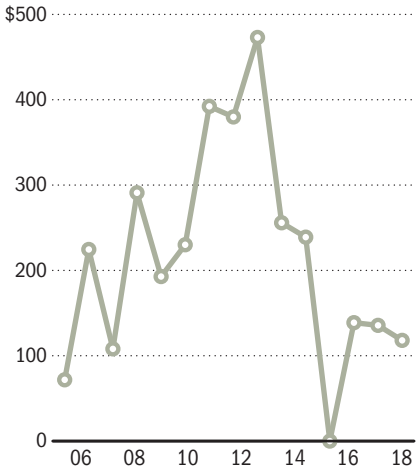
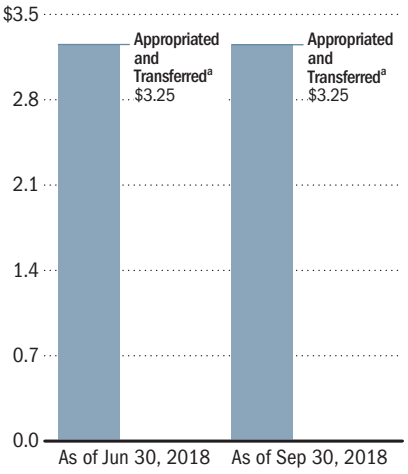


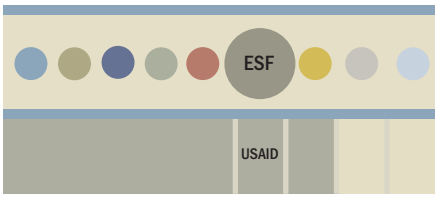
FIGURE 3.18

DOD CN FUNDS, CUMULATIVE COMPARISON
($ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed $125.13 million out of FY 2015 DOD CN due to several requirements for the Afghanistan Special Mission Wing being funded from the ASFF instead of DOD CN.
[a] DOD reprograms all DOD CN funds to the military services and defense agencies for obligation and disbursement.

Source: DOD, response to SIGAR data calls, 10/8/2018 and 7/9/2018; OSD Comptroller, 15-23 PA: Omnibus 2015 Prior Approval Request, 6/30/2015, p. 42.



ESF FUNDS TERMINOLOGY

USAID reported ESF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: USAID, response to SIGAR data call, 4/15/2010.

ECONOMIC SUPPORT FUND

Economic Support Fund (ESF) programs advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. ESF programs support counterterrorism; bolster national economies; and assist in the development of effective, accessible, independent legal systems for a more transparent and accountable government.[66]

The ESF was allocated $500.00 million for Afghanistan for FY 2018 through the Section 653(a) consultation process between Congress and the Department of State concluding in the quarter ending September 30, 2018. This allocation brings cumulative funding to more than $20.38 billion, including amounts transferred from AIF to the ESF for USAID's power transmission lines projects. Of this amount, nearly $19.23 billion had been obligated, of which nearly $16.16 billion had been disbursed.[67] Figure 3.19 shows ESF appropriations by fiscal year.

USAID reported that cumulative obligations increased by more than $774.85 million for the quarter ending September 30, 2018, and cumulative disbursements increased by more than $133.40 million over the quarter.[68] Figure 3.20 provides a cumulative comparison of the amounts appropriated, obligated, and disbursed for ESF programs over the past two quarters.

FIGURE 3.19

ESF APPROPRIATIONS BY FISCAL YEAR
($ BILLIONS)

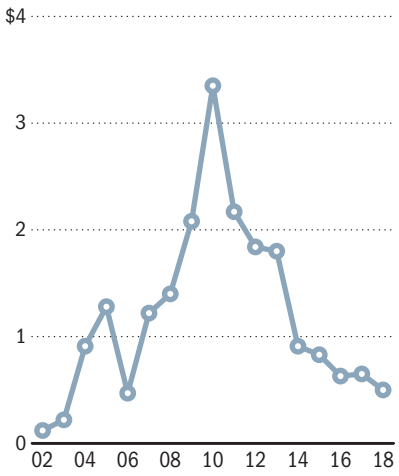
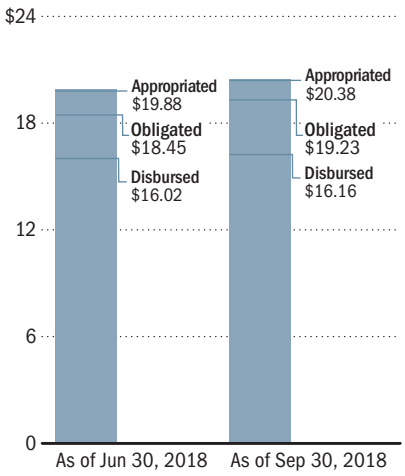


FIGURE 3.20

ESF FUNDS, CUMULATIVE COMPARISON
($ BILLIONS)



Note: Numbers have been rounded. Data reflects the following transfers from AIF to the ESF: $101 million for FY 2011, $179.5 million for FY 2013, and $55 million for FY 2014. FY 2016 ESF for Afghanistan was reduced by $179 million and put toward the U.S. commitment to the Green Climate Fund.

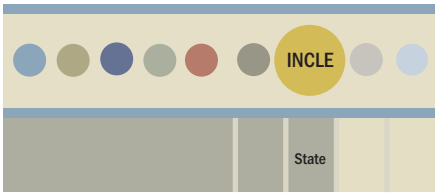
Source: USAID, response to SIGAR data calls, 10/15/2018 and 7/9/2018; State, response to SIGAR data calls, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, and 4/15/2014.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The U.S. Bureau of International Narcotics and Law Enforcement Affairs (INL) manages the International Narcotics Control and Law Enforcement (INCLE) account which funds projects and programs for advancing the rule of law and combating narcotics production and trafficking. INCLE supports several INL program groups, including police, counternarcotics, and rule of law and justice.[69]

The INCLE account was allocated $160.00 million for Afghanistan for FY 2018 through the Section 653(a) consultation process between Congress and the Department of State concluding in the quarter ending September 30, 2018. This allocation brings cumulative funding to more than $5.22 billion, of which over $4.96 billion has been obligated and nearly $4.23 billion has been disbursed. Figure 3.21 shows INCLE appropriations by fiscal year.

State reported that cumulative obligations as of September 30, 2018, increased by $166.31 million and cumulative disbursements increased by nearly $59.06 million over amounts reported last quarter.[70] Figure 3.22 provides a cumulative comparison of amounts appropriated, obligated, and disbursed for INCLE.



INL FUNDS TERMINOLOGY

INL reported INCLE and other INL funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: State, response to SIGAR data call, 4/9/2010.

FIGURE 3.21

INCLE APPROPRIATIONS BY FISCAL YEAR
($ MILLIONS)

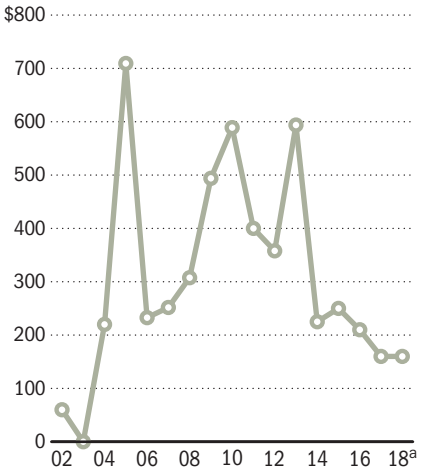
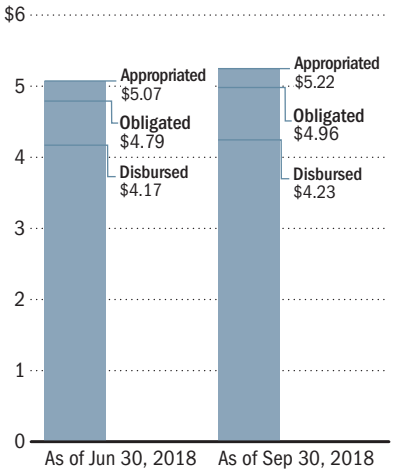


FIGURE 3.22

INCLE FUNDS, CUMULATIVE COMPARISON
($ BILLIONS)



Note: Numbers have been rounded. Data may include interagency transfers.

[a] FY 2018 figure reflects amount made available for obligation under continuing resolutions. The FY 2018 allocation for Afghanistan had not been determined.

Source: State, response to SIGAR data call, 10/19/2018, 7/10/2018, and 10/10/2017.

INTERNATIONAL RECONSTRUCTION FUNDING FOR AFGHANISTAN

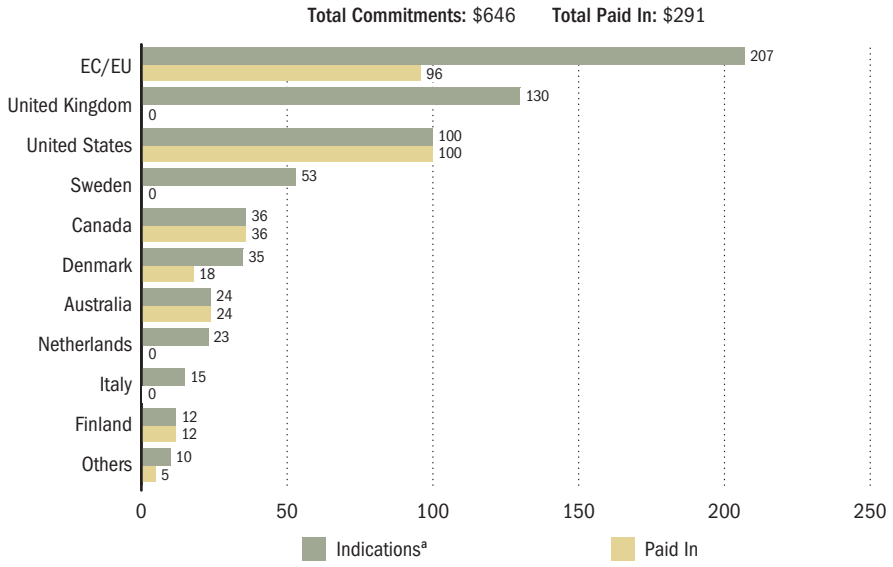
In addition to assistance provided by the United States, the international community provides a significant amount of funding to support Afghanistan relief and reconstruction efforts. Most of the international funding provided is administered through trust funds. Contributions provided through trust funds are pooled and then distributed for reconstruction activities. The two main trust funds are the Afghanistan Reconstruction Trust Fund (ARTF) and the Law and Order Trust Fund for Afghanistan (LOTFA).[71]

Contributions to the Afghanistan Reconstruction Trust Fund

The largest share of international contributions to the Afghan operational and development budgets comes through the ARTF. From 2002 to July 22, 2018, the World Bank reported that 34 donors had pledged more than $11.00 billion, of which nearly $10.65 billion had been paid in.[72] According to the World Bank, donors had indicated contributions of $646.11 million to the ARTF for Afghan fiscal year 1397, which runs from December 22, 2017, to December 21, 2018.[73] Figure 3.23 shows the 10 largest donors to the ARTF for FY 1397. Contributions are recorded as indicated when written notification is received from the ARTF partners indicating intent to contribute a specified amount.

FIGURE 3.23

ARTF CONTRIBUTIONS FOR FY 1397 BY DONOR AS OF JULY 22, 2018 ($ MILLIONS)



Note: Numbers have been rounded. FY 1397 = 12/22/2017–12/21/2018.

[a] Contributions are recorded as indicated when written notification is received from the ARTF partners indicating intent to contribute a specified amount.

Source: World Bank, *ARTF: Administrator's Report on Financial Status as of July 22, 2018 (end of 7th month of FY1397)*, p. 1.

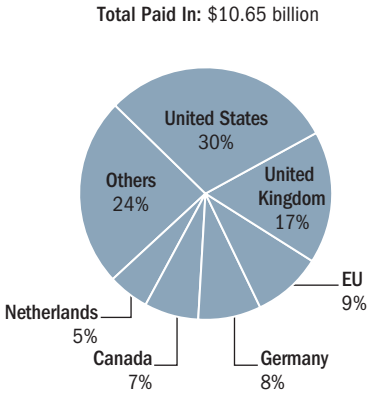
As of July 22, 2018, the United States had indicated and paid in over $3.23 billion since 2002.[74] The United States and the United Kingdom are the two biggest donors to the ARTF, together contributing 47% of its total funding, as shown in Figure 3.24.

Contributions to the ARTF are divided into two funding channels—the Recurrent Cost (RC) Window and the Investment Window.[75] As of July 22, 2018, according to the World Bank, nearly $4.99 billion of ARTF funds had been disbursed to the Afghan government through the RC Window to assist with recurrent costs such as salaries of civil servants.[76] The RC Window supports the operating costs of the Afghan government because the government's domestic revenues continue to be insufficient to support its recurring costs.[77]

The Investment Window supports the costs of development programs. As of July 22, 2018, according to the World Bank, over $5.19 billion had been committed for projects funded through the Investment Window, of which more than $4.3 billion had been disbursed. The World Bank reported 36 active projects with a combined commitment value of more than $3.85 billion, of which nearly $2.97 billion had been disbursed.[78]

FIGURE 3.24

DONOR CONTRIBUTIONS TO ARTF, 2002–JULY 22, 2018 (PERCENT)



Note: "Others" includes 28 donors.

Source: World Bank, *ARTF: Administrator's Report on Financial Status as of July 22, 2018 (end of 7th month of FY 1397).*

Contributions to the Law and Order Trust Fund for Afghanistan

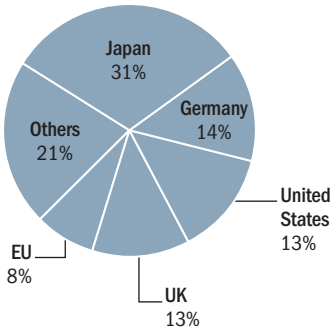
The United Nations Development Programme (UNDP) administers the LOTFA to pay ANP salaries and build the capacity of the Ministry of Interior (MOI).[79] Since 2002, donors have paid in nearly $5.34 billion to the LOTFA through October 7, 2018. The United States had paid in nearly $1.67 billion since the fund's inception. Japan, the fund's second-largest donor, had paid in over $1.52 billion. Although the United States remains the largest donor, its contributions to the LOTFA have decreased since 2016. Through October 7, 2018, the United States had contributed only $1.04 million to the LOTFA for 2018.[80] Figure 3.25 shows the five largest donors to the LOTFA since 2016.

On July 1, 2015, UNDP divided LOTFA support into two projects: the Support to Payroll Management (SPM) project and the MOI and Police development (MPD) project. The SPM project aims to develop the capacity of the Afghan government to independently manage all non-fiduciary aspects of its pay budget for the ANP and Central Prisons Directorate (CPD) staff.[81] While capacity building is an important aspect of the SPM project, almost 99% of SPM project funding goes toward ANP and CPD staff remuneration.[82] The MPD project, which ended June 30, 2018, focused on institutional development of the MOI and police professionalization of the ANP. UNDP is designing successor projects in consultation with MOI and expects to launch them soon.[83]

At the end of 2017, UNDP and MOI agreed to extend the SPM project through December 31, 2018.[84] From July 1, 2015, through March 31, 2018, UNDP had expended nearly $1.18 billion on the SPM project. Of this amount, more than $1.16 billion was transferred to the MOF to pay for ANP and CPD staff. In addition, more than $40.50 million had been expended on the MPD project through March 31, 2018.[85]

FIGURE 3.25

DONOR CONTRIBUTIONS TO LOTFA, 2016–OCTOBER 7, 2018 (PERCENT)



Note: Numbers have been rounded. EU = European Union. UK = United Kingdom. "Others" includes 27 donors. Since 2002, 32 donors have paid in a total of $5.34 billion.

Source: UNDP, response to SIGAR data call, 10/19/2018.

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SECURITY

KEY ISSUES AND EVENTS

This quarter, Defense Secretary James Mattis described the security situation in Afghanistan as a "tough fight," as the Afghan National Defense and Security Forces (ANDSF) faced pressure from the Taliban along multiple fronts.[86] Regarding the progress toward the goal of reconciliation between the Taliban and Afghan government, Secretary Mattis said in September, "We're getting two different messages from [the Taliban]. They've increased their violence in some parts of the country, not in all parts of course. But they've also shown an increased interest in reconciliation. We'll have to see which way it goes."[87] While still commander of United States Forces-Afghanistan (USFOR-A), General John Nicholson said "the Taliban are fighting in order to increase their leverage in the [reconciliation] negotiation and to maintain their cohesion."[88]

U.S. Army General Austin Scott Miller succeeded General Nicholson as commander of USFOR-A and NATO's Resolute Support (RS) mission on September 2, 2018. (Screenshot from DOD video)

The last few months saw several discouraging developments. After accepting a three-day ceasefire in June, the Taliban rejected Afghan President Ashraf Ghani's August 19, 2018, offer of a second ceasefire.[89] The Taliban instead continued conducting offensive operations, including a high-profile attack on October 18 targeting an election-security meeting between General Miller, Kandahar Province police chief General Abdul Raziq, and provincial intelligence chief General Abdul Momin, at the provincial governor's compound in Kandahar. General Miller escaped the attack unharmed, but General Raziq and General Momin were killed. As of the publication of this report, provincial governor General Zalmay Wesa, 404th Police Zone commander General Nabi Elham, and three U.S. citizens were reportedly wounded and receiving medical treatment. The Taliban immediately claimed responsibility for the attack and said that General Miller and General Raziq were their main targets. Former Afghan intelligence chief Amrullah Saleh called the incident a "pan-Afghan loss," adding that General Raziq had been "an architect of stability" who had established "deep political networks" for the government in a province surrounded by insurgent threats.[90]

On August 10, the Taliban conducted their second major assault on a provincial capital this year on Ghazni City in Ghazni Province. Like last quarter's siege of Farah City, the fighting in Ghazni lasted five days until the insurgents were finally expelled from the city by Afghan commandos

"These attacks in cities bring great hardship on the Afghan people. The Taliban repeatedly claim not to cause civilian casualties, but their actions show otherwise."

—General John Nicholson

Source: DOD, "Department of Defense Press Briefing by General Nicholson via Teleconference from Kabul, Afghanistan," 8/22/2018.

supported by American air power. International media outlets reported that at least 100 ANDSF and 150 civilians were killed. However, official reporting on the offensive was initially sparse: much of the communications infrastructure in Ghazni was destroyed by the Taliban, leaving the question of who controlled the city uncertain for days.[91] Afghan defense officials released their account of the events in Ghazni, along with initial casualty figures, in a press conference in Kabul on August 13, and Resolute Support (RS) issued its press statement on August 17.[92] While American officials did not confirm the casualty figures reported in the media, they said that the Taliban ultimately lost more fighters than the ANDSF and that they failed to achieve their major objectives.[93]

In addition to Ghazni, the Taliban maintained pressure on the ANDSF this quarter by overrunning smaller Afghan military bases in Faryab, Baghlan, and elsewhere.[94] By late September, media reports that ANDSF casualties had increased in recent months spurred questions for Department of Defense (DOD) officials, with Secretary Mattis responding that he could not confirm reported numbers of 30–40 ANDSF personnel killed per day but that "they sound about right." In early October, General Joseph Votel, Commander of U.S. Central Command, confirmed that ANDSF casualties this year had increased compared to last year.[95] When SIGAR asked RS to comment on the issue, they responded, "From the period of May 1 to the most current data as of October 1, 2018, the average number of casualties the ANDSF suffered is the greatest it has ever been during like periods. May was the most active month, accounting for 26% of all casualties during this five month period. The preponderance of casualties during this time period came as a result of either checkpoint operations (52%) or patrolling (35%). Trends indicate that the number of checkpoint casualties is increasing while the number of patrol casualties is decreasing."[96] SIGAR has reported ANDSF casualty figures in the classified annex of its quarterly reports since RS classified them in September 2017 at the request of the Afghan government.

Other unclassified data show the ANDSF made minimal or no progress in pressuring the Taliban over the quarter. RS-provided data showed that the ANDSF failed to gain greater control or influence over districts, population, and territory this quarter. While the districts, territory, and population under insurgent control or influence also decreased slightly, the districts, territory, and population "contested"—meaning under neither Afghan government nor insurgent control or influence—increased. Notably, Afghan government control or influence of its districts reached the lowest level (55.5%) since SIGAR began tracking district control in November 2015. The Afghan government controls or influences districts in which about 65% of the population lives, unchanged since October 2017.[97]

The ANDSF also struggled to maintain its personnel strength this quarter. The ANDSF's July 2018 strength of 312,328 personnel—comprising 194,017

in the Afghan National Army (ANA) and 118,311 in the Afghan National Police (ANP)—was the lowest strength reported for comparable periods since 2012. ANDSF strength decreased by 1,914 personnel since last quarter and by 8,827 personnel since the same period last year.[98] This puts the ANDSF at roughly 40,000 personnel, or 11%, below their target strength of 352,000.[99] According to DOD, ANDSF attrition is due to a number of factors, including personnel being killed in action, going absent without leave, or declining to reenlist.[100]

However, counterterror efforts against Islamic State's affiliate in Afghanistan, Islamic State Khorasan (IS-K) scored some successes this quarter. In early August, 250 IS-K militants surrendered to Afghan security forces in Jowzjan Province, a development that General Nicholson described as "eliminat[ing] one of the three pockets of ISIS in Afghanistan."[101] Then on August 25, U.S. forces conducted an air strike against IS-K in Nangarhar Province that killed their leader, Abu Saad Orakzai, to further disrupt IS-K's command-and-control and attack-planning capabilities.[102]

American forces in Afghanistan also suffered losses this quarter. Three U.S. military personnel were killed in action (KIA) and one U.S. soldier was killed in non-hostile circumstances in Afghanistan from July 18, 2018, through October 15, 2018.[103] For more information on U.S. military casualties in Afghanistan this quarter, see page 81.

"The Afghan army has taken severe casualties over the last year and a half. They've stayed in the field fighting."

—*Secretary James Mattis*

Source: DOD, "Secretary Mattis Media Availability at the Pentagon," 9/24/2018.

ANDSF Data Classified or Not Publicly Releasable

USFOR-A newly classified or marked unreleasable the following data:

- Exact ANDSF female personnel assigned and authorized strength (rounded figures are unclassified)
- All information about ANA and ANP attrition

USFOR-A continued to classify or restrict from public release in accordance with classification guidelines or based on other restrictions placed by the Afghan government:

- ANDSF casualties, by force element and total
- Corps- and zone-level ANA and ANP authorized and assigned strength
- All performance assessments for the ANA, ANP, Ministry of Defense (MOD), and Ministry of Interior (MOI)
- Information about the operational readiness of ANA and ANP equipment
- Information about the Special Mission Wing (SMW), including the number and type of airframes in the SMW inventory, the number of pilots and aircrew, the percent-breakdown of counternarcotics and counterterrorism missions flown, and the operational readiness (and associated benchmarks) of SMW airframes
- The detailed methodology DOD uses to calculate revenue denied to the insurgency as a result of counter-threat finance air strikes

- Reporting on anticorruption efforts by the MOI (unclassified but not publicly releasable)
- Reporting on the status of the ANDSF's progress on security-related benchmarks of the Afghanistan Compact (unclassified but not publicly releasable)

SIGAR continues to urge transparency in data relating to the security aspects of Afghanistan reconstruction. A classified annex to this report will cover the classified and nonreleasable data.

U.S. RECONSTRUCTION FUNDING FOR SECURITY

As of September 30, 2018, the U.S. Congress had appropriated more than $83.14 billion to support the ANDSF, including amounts appropriated for FY 2019. This accounts for 63% of all U.S. reconstruction funding for Afghanistan since fiscal year (FY) 2002.[104] Of the $4.67 billion appropriated for the ASFF for FY 2018, $3.24 billion had been obligated and $2.42 billion disbursed as of September 30, 2018.[105]

In 2005, Congress established the Afghan Security Forces Fund (ASFF) to build, equip, train, and sustain the ANDSF, which comprises all forces under the MOD and MOI. Additionally, ASFF supports the Afghan Local Police (ALP), which falls under the authority of the MOI although it is not included in the 352,000 authorized ANDSF force level that donor nations have agreed to fund. Most U.S.-provided funds supporting the ANDSF are channeled through the ASFF and obligated by either the Combined Security Transition Command-Afghanistan (CSTC-A) or the Defense Security Cooperation Agency.[106]

On August 13, President Donald J. Trump signed the FY 2019 National Defense Authorization Act (NDAA) into law.[107] The FY 2019 NDAA includes a different authorized ASFF funding breakdown than in previous years: rather than separating the funds by authorization for the Afghan MOD and MOI, the fund is separated into four categories, the ANA, ANP, Afghan Air Force (AAF), and Afghan Special Security Forces (ASSF).[108]

Key changes in NDAA authorizations for the ASFF from FY 2018 to FY 2019 include:[109]

- $1.9 billion less in total ANA funds, though most of this is accounted for in the $1.8 billion in funds now designated for the AAF (previously ANA and AAF were combined into an MOD category)
- $116.7 million more funding for ANA infrastructure
- $428 million less funding for ANP sustainment (which includes salaries, incentive pay, and non-payroll-related expenses such as electricity)
- $61.4 million less for ANP equipment funds
- $87.3 million more funding for ANP training
- $702 million in funds designated for the ASSF (previously these funds would have been designated for MOD and MOI)

On September 28, President Trump signed the FY 2019 Department of Defense and Labor, Health and Human Services, and Education Appropriations Act and Continuing Appropriations Act.[110] The act appropriated $4.9 billion for the ASFF in FY 2019, about $280 million less than the $5.2 billion authorized by the NDAA, yet a 5% or $250 million increase over FY 2018 levels.[111]

According to DOD, the majority of ASFF funds are executed using DOD contracts to equip, train, and sustain the ANDSF. Another major use of ASFF is for ANA and ALP salaries, which are paid via accounts at Afghanistan's central bank. The Ministry of Finance then transfers funds to the MOD and MOI based on submitted requests.[112] However, unlike the ANA, the ANP's personnel costs are paid through the United Nations Development Programme's multidonor Law and Order Trust Fund for Afghanistan (LOTFA), to which the United States has historically been the largest contributor.[113]

DISTRICT, POPULATION, AND TERRITORIAL CONTROL

This quarter, Afghan government control or influence of its districts reached the lowest level (55.5%) since SIGAR began tracking district control in November 2015, while control or influence over the population has remained the same since October 2017 (65.2%).[114] The control of Afghanistan's districts, population, and territory overall became more contested this quarter, with both the Afghan government and the insurgency losing districts and land area under their control or influence.[115] For more information on how RS assesses government and insurgent control and influence, please see SIGAR's April 2016 *Quarterly Report to the United States Congress*.[116]

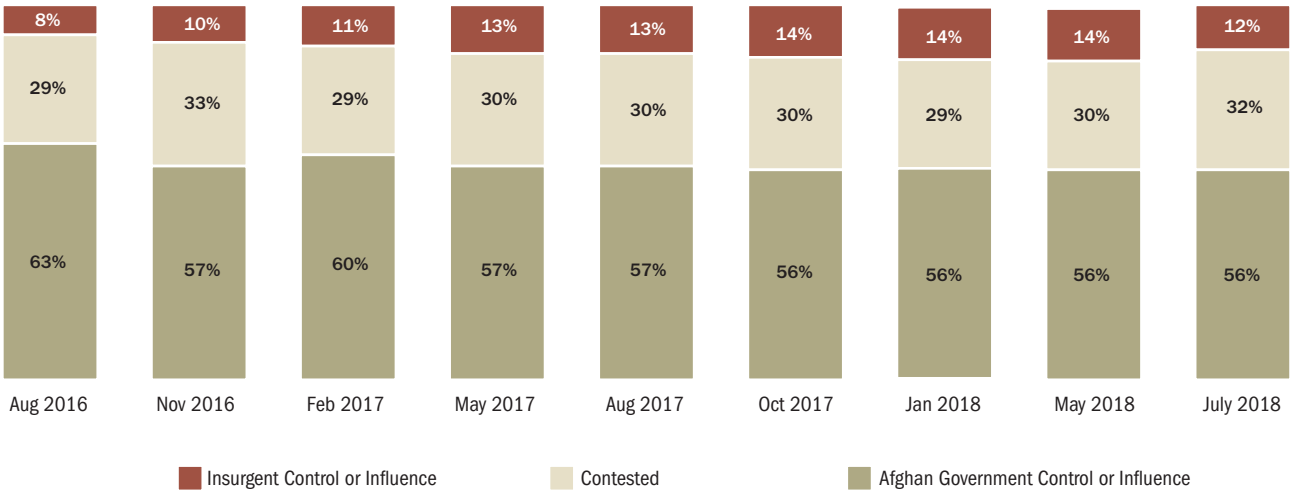
District Control

According to RS, using Afghanistan's 407 districts as the unit of assessment, as of July 31, 2018, there were 226 districts under Afghan government control (75) or influence (151), 55.5% of the total number of districts. This represents a slight decline since last quarter (0.7 percentage points) and the same period last year (1.2 points). Insurgent control or influence of Afghanistan's districts also decreased: there were 49 districts under insurgent control (10) or influence (39). This is a decrease of seven districts since last quarter (1.7 percentage points) and five from same period last year (1.2). Therefore, 12% of Afghanistan's districts are now reportedly under insurgent control or influence.[117] The number of contested districts—controlled or influenced by neither the Afghan government nor the insurgency—increased by 10 since last quarter to 132 districts, meaning that 32.4% of Afghanistan's districts are now contested.[118]

Since SIGAR began receiving district-control data in November 2015, Afghan government control and influence over its districts has declined by

FIGURE 3.26

HISTORICAL DISTRICT CONTROL IN AFGHANISTAN



Note: Component numbers may not add to 100 because of rounding.

Source: RS, response to SIGAR data call, 11/27/2015, 1/29/2016, 5/28/2016, 8/28/2016, 11/15/2016, 2/20/2017, 5/15/2017, 8/28/2017, 10/15/2017, 3/22/2018, 6/22/2018, and 9/19/2018; RS, response to SIGAR vetting, 1/16/2018.

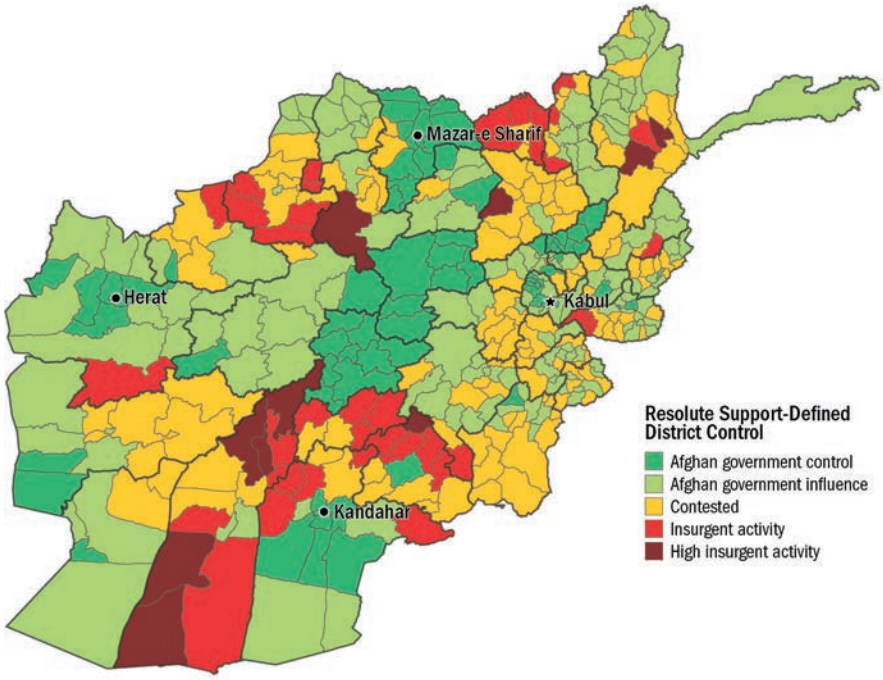
about 16 percentage points; contested districts have increased by about 11 points; and insurgent control or influence has risen by 5.5 points.[119] A limited historical record of district control is shown in Figure 3.26.

RS identified the provinces with the largest percentage of insurgent-controlled or -influenced districts as Uruzgan Province, with four of its six districts and 53% of the population under insurgent control or influence; Kunduz Province (five of seven districts, 62% of the population); and Helmand Province (nine of 14 districts, 56% of the population). The numbers of districts in each of these provinces that are under insurgent control or influence are all unchanged for the last three quarters. RS noted that the provincial centers of all of Afghanistan's provinces are under Afghan government control or influence.[120]

As seen in Figure 3.27, RS provided a map showing Afghan government and insurgent control or influence by district. While the assessment categories in the RS narrative assessment ("insurgent control" or "insurgent influence") are slightly different than those in the map ("insurgent activity" and "high insurgent activity") RS explained that the change was not due to adopting new methodology for district-control assessments, but was adopted only for the map to make it unclassified and publicly releasable. For the other district-control data, as included above, RS used the original terms.[121]

FIGURE 3.27

CONTROL OF AFGHANISTAN'S 407 DISTRICTS AS OF JULY 31, 2018



Note: A district is assigned its district-stability level based on the overall trend of land-area/population control of each district as a whole. The district stability levels listed in the key of this map do not correspond exactly to the categories used in RS's September 2018 narrative response for district control (i.e. High Insurgent Activity vs. Insurgent Control).

Source: RS, response to SIGAR data call, 9/19/2018.

Population Control

As with district measures, the Afghan government's control or influence over the population showed no improvement since last quarter but showed a slight improvement since last year (one percentage point). According to RS, as of July 31, 2018, about 65% of the population (21.7 million of an estimated 33.3 million total) lived in areas under Afghan government control or influence, the same percentage as the last two quarters. However, this figure represents a 1.5 percentage-point increase in population under government control or influence compared to the same period last year. The insurgency controlled or influenced areas where 10.5% of the population (3.5 million people) lived, a 1.2 percentage-point decrease since last quarter. The population living in contested areas increased to 8.1 million people, a 1.2 percentage-point increase since last quarter.[122] The goal of the Afghan government is to control or influence territory in which 80% of the population (26.6 million people) live by the end of 2019.[123]

"There has not been a significant change one way or the other with respect to population control."

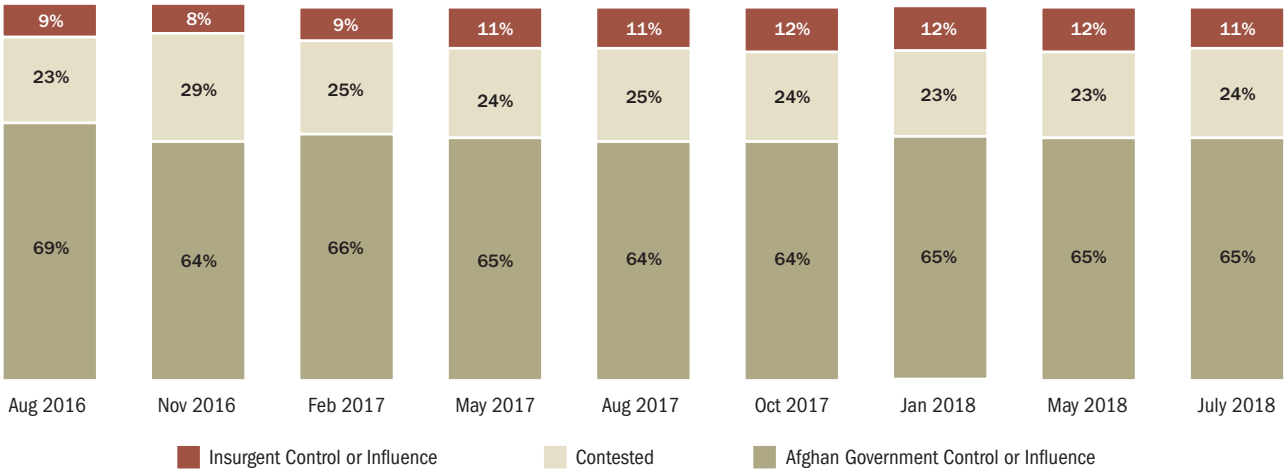
—*General John Nicholson*

Source: DOD, "Department of Defense Press Briefing by General Nicholson via Teleconference from Kabul, Afghanistan," 8/22/2018.

As seen in Figure 3.28, since SIGAR began receiving population-control data in August 2016, the overall trend has shown a decrease in the Afghan population living in areas under government control or influence (by about four percentage points), a fluctuation of the population living in contested areas from roughly 23% to 29%, and an increase in people living in areas under insurgent control or influence (by about two points).[124]

FIGURE 3.28

HISTORICAL POPULATION CONTROL IN AFGHANISTAN



Note: Component numbers may not add to 100 because of rounding.

Source: RS, response to SIGAR data call, 8/28/2016, 11/15/2016, 2/20/2017, 5/15/2017, 8/28/2017, 10/15/2017, 3/22/2018, 6/22/2018, and 9/19/2018. RS, response to SIGAR vetting, 1/16/2018.

TABLE 3.7

GOVERNMENT AND INSURGENT CONTROL WITHIN AFGHANISTAN AS OF JULY 31, 2018

Control Status	Districts		Population		Territory	
	Number	%	In Millions	%	Sq Km	%
GOVERNMENT						
Control	75	18%	11.4	34%	106,000	16%
Influence	151	37%	10.3	31%	258,000	40%
CONTESTED	132	32%	8.1	24%	165,000	26%
INSURGENT						
Control	10	2%	0.5	2%	37,000	6%
Influence	39	10%	3.0	9%	78,000	12%
Total	**407**	**100%**	**33.3**	**100%**	**644,000**	**100%**

Note: Sq Km = square kilometers. Component numbers may not add to 100 because of rounding. Territory figures have been rounded by RS.

Source: RS, response to SIGAR data call, 9/19/2018; RS, response to SIGAR vetting, 10/11/2018; SIGAR, analysis of RS-provided data, 9/2018.

Territorial Control

Shown in Table 3.7, RS reported that the Afghan government controlled or influenced 364,000 square kilometers (56%) of Afghanistan's total land area of roughly 644,000 square kilometers, down about two percentage points since last quarter. The insurgency controlled or influenced 115,000 square kilometers (18%) of the total land area, also down 1.5 points since last quarter. The remaining 165,000 square kilometers (26%) was contested by the government and insurgents, a 3.5 percentage-point increase since last quarter.[125]

Violent Events and District Stability

SIGAR conducted an analysis of violent-event data from Armed Conflict Location & Event Data Project (ACLED), which records district-level data of violent incidents across Afghanistan. SIGAR overlays its ACLED analysis with the RS-provided district-stability data (which is a snapshot reflecting district stability as of July 31, 2018) and has chosen the date range of May 16, 2018, to July 31, 2018, accordingly. The results are presented in map form in Figure 3.29 on the following page.

SIGAR's analysis found that there were 1,792 violent events in Afghanistan from May 16, 2018, to July 31, 2018. About 8.3% of ACLED-recorded incident-days were in districts assessed as Afghan government-controlled (as of July 31), 26.9% were in districts assessed as Afghan government-influenced, 47.4% were in districts assessed as contested, 16.6% were in districts assessed as having insurgent activity, and 0.8% were in districts assessed as having high levels of insurgent activity.[126]

What is ACLED?

The Armed Conflict Location & Event Data Project (ACLED) is "a disaggregated conflict collection, analysis, and crisis-mapping project" funded by the State Department. The project collects the dates, actors, types of violence, locations, and fatalities of all political violence and protest events across Africa, South Asia, South East Asia, and the Middle East reported in open, secondary sources.

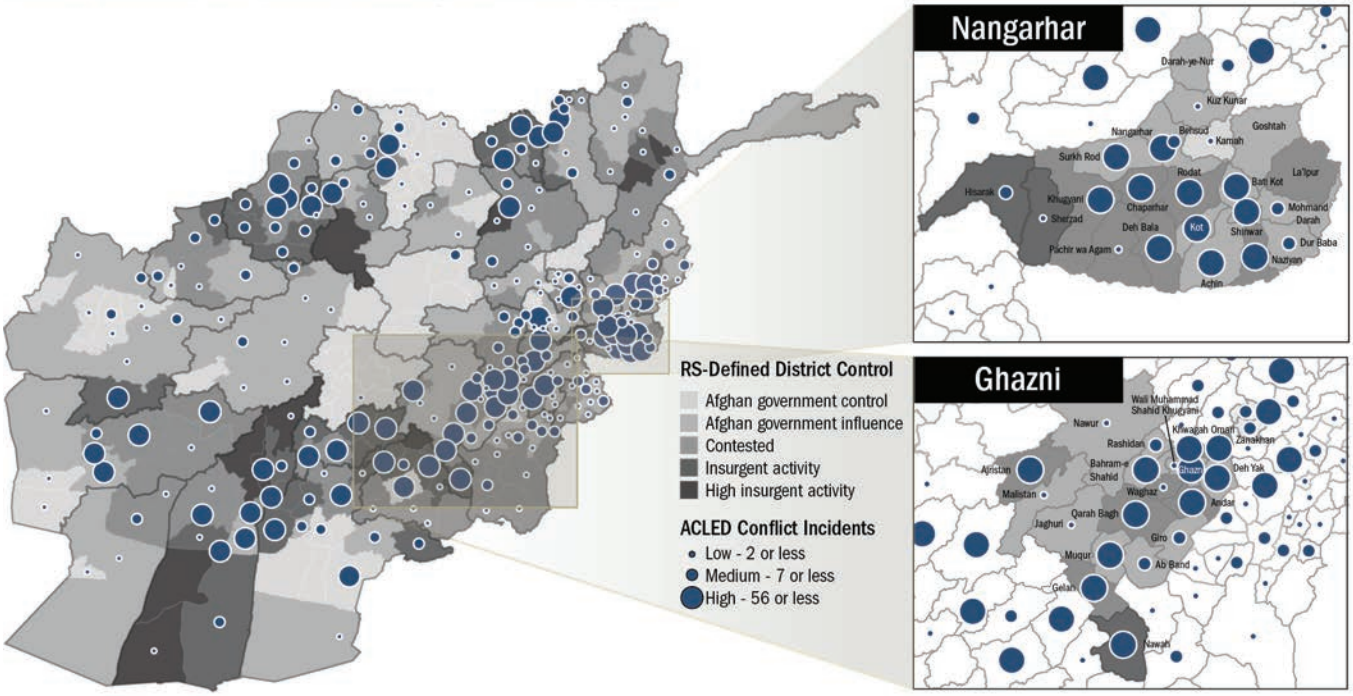
ACLED codes the event data it collects as "violent events" or "nonviolent events." It defines a violent event as "a single altercation where often force is used by one or more groups toward a political end, although some nonviolent instances—including protests and strategic developments—are included in the dataset to capture the potential pre-cursors or critical junctures of a violent conflict."

The types of violent events ACLED codes include: (1) Battle–No Change in Territory, (2) Battle–Non-State Actor Overtakes Territory, (3) Battle–Government Regains Territory, (4) Violence against Civilians, and (5) Remote Violence (such as bombings, IED attacks, mortar and missile attacks, etc.).

Source: ACLED, "About ACLED: What is ACLED?", "ACLED Methodology," and "Armed Conflict Location & Event Data Project (ACLED) Codebook, Version 8 (2017)," pp. 6–8, accessed online on 7/10/2018, available at https://www.acleddata.com/.

FIGURE 3.29

POLITICAL CONFLICT AND DISTRICT CONTROL, MAY 16–JULY 31, 2018



Note: The district map was adapted from the 2012 Afghan Geodesy and Cartography Head Office (AGCHO) shapefile that included 399 districts. Adjustments, some approximate, were made to data for districts that were whole in AGCHO's 399-district set but that were split in RS's 407-district set. See R.L. Helms, District Lookup Tool, https://arcg.is/1bOjGv accessed 10/14/2018, for differences amongst district sets. This 407-district set was used to aggregate RS-provided district control data and Armed Conflict Location and Event Data Project (ACLED) incident data. SIGAR used ArcGIS Pro 2.2 for this analysis and all layers were projected to UTM 42N. ACLED data showing political conflict and protest data between 5/16/2018 and 7/31/2018 was used in order to match RS's district-control reporting period. ACLED data was sorted to the district-level by using a geo-precision code of 1 or 2 and incidents were summed. This left 1,792 district-level incidents for analysis. To create the map, incidents were categorized into three classes using the quantile method. The quantile method produces an equal number of observations per class to facilitate comparative analysis, but the interval of the class must therefore be variable.

Source: RS, response to SIGAR data call, 9/19/2018; ACLED, South Asia 2016-Present dataset, 5/16/2018–7/31/2018, accessed online on 10/14/2018, available at https://www.acleddata.com/; SIGAR, analysis of ACLED and RS-provided data, 10/2018.

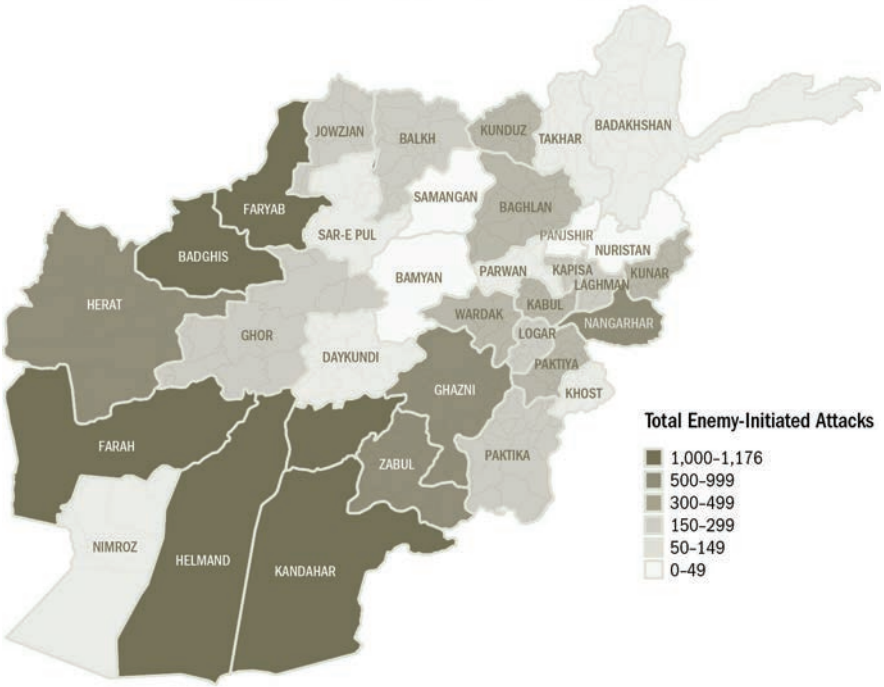
As the zoomed-in areas of Figure 3.29 show, when looking only at districts coded as under Afghan government control or influence, Nangarhar Province had the highest number of violent events occur within those districts (129 events in 7 districts), followed by Ghazni Province (101 events in 4 districts), and Kabul Province (46 events in one district). Ghazni District experienced 48 security incidents during the period, all of which occurred before the Taliban's offensive on its capital city between August 10–15.[127]

Enemy-Initiated Attacks

For the first time, SIGAR this quarter requested data from RS on enemy-initiated attacks (EIA) in Afghanistan. According to RS, from January 1 to August 15, 2018, there were 13,940 enemy-initiated attacks throughout Afghanistan, with 8,435 of them occurring last quarter from April 15 to August 15, 2018.[128]

FIGURE 3.30

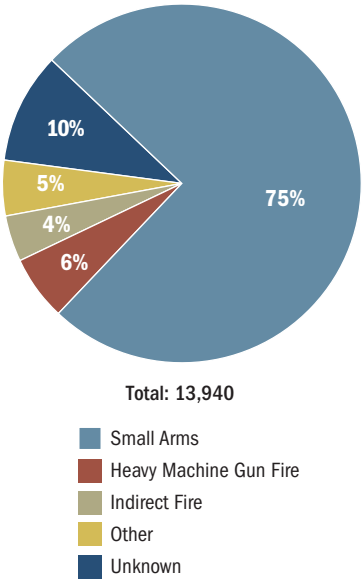
ENEMY-INITIATED ATTACKS BY PROVINCE, JANUARY 1–AUGUST 15, 2018



Source: RS, response to SIGAR data call, 9/19/2018; RS, response to SIGAR vetting, 10/22/2018.

FIGURE 3.31

ENEMY-INITIATED ATTACKS BY ATTACK TYPE, JANUARY 1–AUGUST 15, 2018



Source: RS, response to SIGAR data call, 9/19/2018; RS, response to SIGAR vetting, 10/22/2018.

Figure 3.30 shows that most of the attacks that have occurred since January 1, 2018, (7,473, or 54%), occurred in seven of Afghanistan's 34 provinces; Badghis, Farah, Faryab, Ghazni, Helmand, Kandahar, and Uruzgan. The most violent province in terms of EIA was Faryab, with 1,176 EIA, followed closely by Farah (1,145) and Uruzgan (1,096) Provinces.[129]

Figure 3.31 shows that the most common method of attack in the EIA this year was small-arms fire (75% of EIA), followed by unknown causes of EIA (10%), heavy machine-gun fire (6%), and indirect fire (4%).[130]

For RS's full data of EIA by province, see Appendix G at www.sigar.mil. SIGAR will continue to monitor EIA to track trends over time.

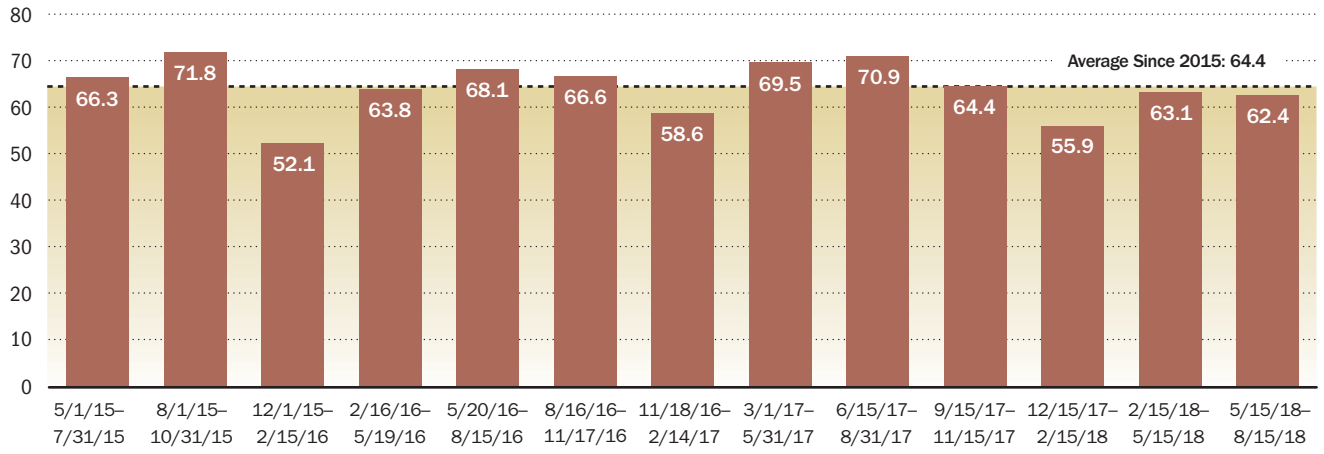
UNITED NATIONS SECURITY REPORTING

Security Incidents Decline; Suicide Attacks and Air Strikes Rise

According to the Secretary-General of the United Nations, security incidents across the country decreased since last year, but suicide attacks

FIGURE 3.32

AVERAGE DAILY SECURITY INCIDENTS BY UN REPORTING PERIOD SINCE 2015



Note: UN reporting periods are occasionally inconsistent, leading to some gaps in data.

Source: UN, *The situation in Afghanistan and its implications for international peace and security*, reports of the Secretary-General, 6/10/2015, p. 4; 9/1/2015, p. 4; 12/10/2015, p. 5; 3/7/2016, p. 6; 6/10/2016, p. 4; 9/7/2016, p. 5; 12/13/2016, p. 4; 3/3/2017, p. 4; 6/15/2017, p. 4; 9/15/2017, p. 4; 12/15/2017, p. 5; 2/27/2018, p. 5; 6/6/2018, p. 5; 9/10/2018, p. 5; SIGAR, analysis of UN-provided data, 9/2018.

Security incidents: reported incidents that include armed clashes, improvised explosive devices, targeted killings, abductions, suicide attacks, criminal acts, and intimidation.

Source: SIGAR, analysis of the Report of the Secretary-General, *The situation in Afghanistan and its implications for international peace and security*, 12/9/2014.

and AAF and Coalition air strikes increased notably. The UN reported 5,800 security incidents between May 15, 2018, and August 15, 2018, a 10% decrease from the same period in 2017. The decline in security incidents during this period may be partially attributed to the Afghan government and the Taliban's Eid-al Fitr ceasefires that occurred in June. During the week that included the holiday, the UN recorded a total of 285 incidents, the lowest number recorded since the 2014 transition of security authority to the Afghan government.[131]

As reflected in Figure 3.32, the reporting period saw an average of 62.4 incidents per day, a more than eight incident-per-day decrease compared to roughly the same period in 2017 (70.9). For the third consecutive quarter, the daily average number of security incidents over the reporting period remained lower than the daily average of 64.4 incidents over roughly the last three years. According to the UN, armed clashes continued to cause the most security incidents (61%). However, the UN continued to report significant increases in suicide attacks and air strikes, up 38% and 46% respectively since the same period in 2017.[132]

As in previous quarters, the UN said the eastern, southern, and southeastern regions of Afghanistan experienced the most security incidents during the reporting period. This quarter, incidents occurring in these three regions accounted for 67% of the national total, compared to 82% of the total last quarter. However, the UN noted concerns about the "deteriorating

security conditions in the north" of the country due to an observed increase in ground engagements in Balkh, Faryab, and Jowzjan Provinces. During the reporting period, the Taliban succeeded in capturing three district centers in Faryab Province. Additionally, the surrender of more than 250 IS-K fighters to government forces in Jowzjan Province allowed the Taliban to further consolidate its position in that province. The UN said they recorded 17% more security incidents in northern Afghanistan in the first half of 2018 than the same period in 2017.[133]

UNAMA: Civilian Deaths at Record High for Second Consecutive Quarter

The United Nations Assistance Mission in Afghanistan (UNAMA) issued its quarterly update on civilians in armed conflict, which reported 8,050 civilian casualties (2,798 deaths and 5,252 injuries) from January 1 through September 30, 2018.[134]

As seen in Figure 3.33, UNAMA documented more civilian deaths in the first nine months of 2018 than they had during the same nine-month reporting period since 2014. While the number of civilian deaths from January 1–September 30, 2018, increased by 5% compared to the same period in 2017, the number of injuries decreased by 3%, which kept the overall number of civilian casualties roughly on par with the high level of casualties over the same period in 2017.[135]

Similar to the last two quarters, improvised explosive device (IED) attacks (suicide, complex, and non-suicide IED attacks) by antigovernment elements continued to be the primary cause of civilian casualties. UNAMA said that the combined use of suicide and non-suicide IEDs caused 45% of all civilian casualties in the first nine months of 2018. Ground engagements

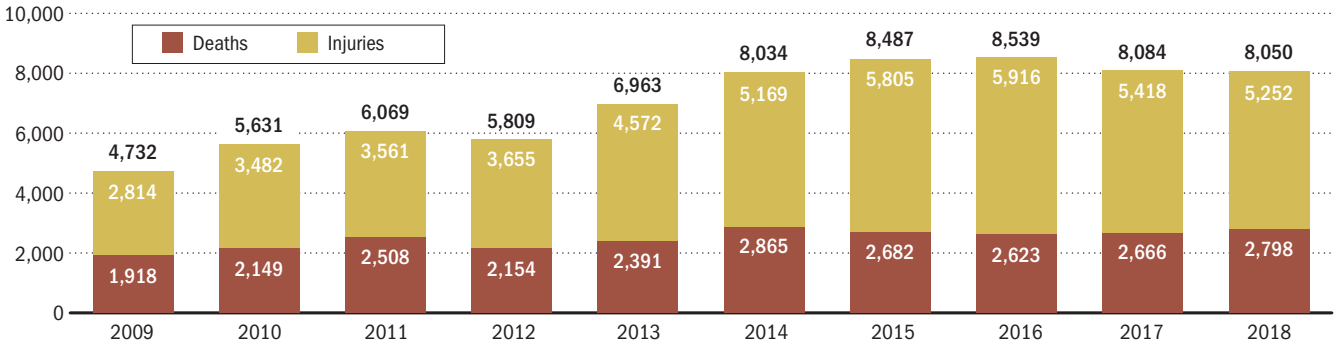
UNAMA Collection Methodology

According to UNAMA, data on civilian casualties are collected through "direct site visits, physical examination of items and evidence gathered at the scene of incidents, visits to hospital and medical facilities, still and video images," reports by UN entities, and primary, secondary, and third-party accounts. Information is obtained directly from primary accounts where possible. Civilians whose noncombatant status is under "significant doubt," based on international humanitarian law, are not included in the figures. Ground engagement casualties which cannot be definitively attributed to either side, such as those incurred during crossfire, are jointly attributed to both parties. UNAMA includes an "other" category to distinguish between these jointly attributed casualties and those caused by other events, such as unexploded ordnance or cross-border shelling by Pakistani forces. UNAMA's methodology has remained largely unchanged since 2008.

Source: UNAMA, *Protection of Civilians in Armed Conflict*, 3/6/2018, i–ii; 1/2010, p. 35; 2/11/2009, pp. 4–5; and 8/2015, p. 4.

FIGURE 3.33

UNAMA CIVILIAN CASUALTIES: JANUARY THROUGH SEPTEMBER, 2009–2018

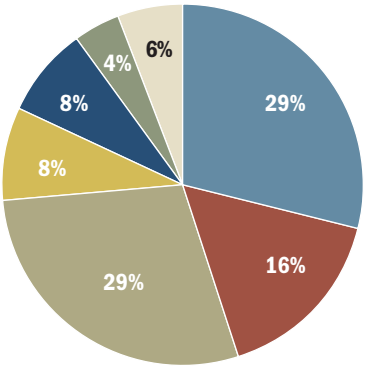


Note: This chart also appears in UNAMA's report.

Source: UNAMA, *Quarterly Report on the Protection of Civilians in Armed Conflict: 1 January to 30 September 2018*, 10/10/2018, p. 1.

FIGURE 3.34

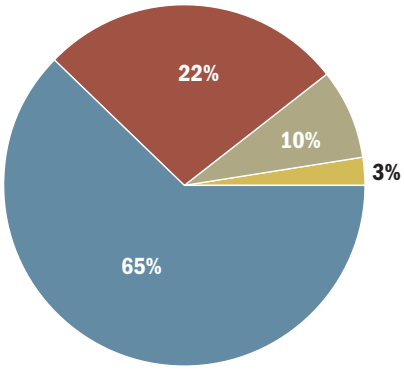
UNAMA: CIVILIAN CASUALTIES BY INCIDENT TYPE



Total: 8,050

- Suicide and Complex Attacks - 2,343
- Non-Suicide IEDs - 1,291
- Ground Engagements - 2,311
- Targeted/Deliberate Killings - 668
- Aerial Operations - 649
- Explosive Remnants of War - 337
- Other - 451

UNAMA: CIVILIAN CASUALTIES BY PARTIES TO THE CONFLICT



Total: 8,050

- Antigovernment Elements - 5,243
- Progovernment Forces - 1,753
- Jointly Attributed - 833
- Other - 221

Note: The reporting period for this data is January 1–September 30, 2018. These charts also appear in UNAMA's report.

Source: UNAMA, *Quarterly Report on the Protection of Civilians in Armed Conflict: 1 January to 30 September 2018*, 10/10/2018, pp. 2, 3.

were the second leading cause of civilian casualties, accounting for 29% of the total. UNAMA reported that the increase in civilian casualties caused by suicide and complex attacks by antigovernment elements offset decreases in civilian casualties from other incident types, such as the 18% reduction in casualties caused during ground engagements and the 32% decrease from targeted and deliberate killings.[136]

UNAMA attributed 65% of this year's casualties through September to antigovernment elements, 22% to progovernment forces, 10% to both pro- and antigovernment forces, and 3% to other actors. Notably, UNAMA recorded 649 civilian casualties (313 deaths and 336 injuries) due to aerial operations by progovernment forces from January 1 to September 30, 2018, a 39% increase in civilian casualties from aerial operations since the same period in 2017. This year's figures reflect a record number of civilian casualties caused by this incident type since UNAMA began recording civilian-casualty data in 2009. UNAMA said that air-strike casualties, together with "a significant increase in civilian casualties from search operations" offset the 17% decrease in civilian casualties from ground fighting by

U.S. Air Strikes

According to U.S. Air Forces Central Command (AFCENT), the United States conducted 4,429 air strikes in Afghanistan in the first eight months of 2018. The number of strikes this year already surpasses the total number carried out during 2017 (4,361) and is more than three times the total carried out during 2016. AFCENT reported the greatest number of air strikes in July (746) and August (715) of this year.

Source: AFCENT, "AFCENT Airpower Summary," 8/31/2018, p. 3.

Election-Related Violence

UNAMA recorded 366 civilian casualties (126 deaths and 240 injuries) from election-related violence between January 1 and September 30, 2018. Most of these casualties (more than 250) came from two IED attacks on April 22 and May 6 in Kabul and Khost Provinces. Antigovernment elements perpetrated election-related violence during the voter registration period through the use of IEDs, suicide attacks, and targeted killings. They mainly targeted national ID distribution centers, voter registration sites, and election personnel, including elections workers and ANP officers providing security to election-related sites.

UNAMA noted that many of the planned polling centers for the parliamentary elections scheduled in October 2018 and presidential elections in April 2019 are located in schools, health clinics, and mosques. Attacks on such facilities can lead to more civilian deaths and injuries and have a negative impact on access to education, health, and on the freedom of religion. UNAMA said it is also concerned with the increased targeting of electoral candidates. In one recent example, a parliamentary candidate in Kandahar, well-known in his community as a civil-society activist and outspoken critic of corrupt politicians, was shot and killed by Taliban militants on September 25. As of October 18, ten election candidates have been killed while campaigning for office over the last two months.

Source: UNAMA, *Quarterly Report on the Protection of Civilians in Armed Conflict: 1 January to 30 September 2018*, 10/10/2018, p. 8; *Washington Post*, "U.S. commander in Afghanistan survives deadly attack at governor's compound that kills top Afghan police general," 10/18/2018.

progovernment forces. For UNAMA's full breakdown of civilian casualties by incident type and parties to the conflict, see Figure 3.34.[137]

IS-K Continues to Inflict Heavy Casualties

UNAMA continued to report a record-high number of civilian casualties caused by suicide and complex attacks by antigovernment elements, more than half of which they attributed to IS-K. As it did last quarter, UNAMA expressed "extreme concern" over the doubling of civilian casualties in Nangarhar Province, where IS-K continues to operate.[138]

IS-K continues to deliberately and indiscriminately target civilians and has claimed responsibility for several high-profile attacks this quarter. According to ACLED, the group claimed 14 attacks targeting Afghan security forces or civilians from July 16 to October 1, 2018, inflicting an estimated 96 fatalities, a decrease of 10 attacks and 46 fatalities compared to the previous period (May 1–July 15, 2018).[139] Two things likely contributed to the decrease in IS-K attacks this quarter: first, in early August, 250 IS-K militants surrendered to Afghan security forces in Jowzjan Province; second, on August 25, U.S. forces killed IS-K's leader Abu Saad Orakzai in an air strike in Nangarhar Province. He was the third IS-K commander killed in just over two years.[140]

RS Civilian Casualty Data

For the first time, SIGAR this quarter requested detailed civilian-casualty data from RS. From January 1 through August 15, 2018, RS recorded 5,588

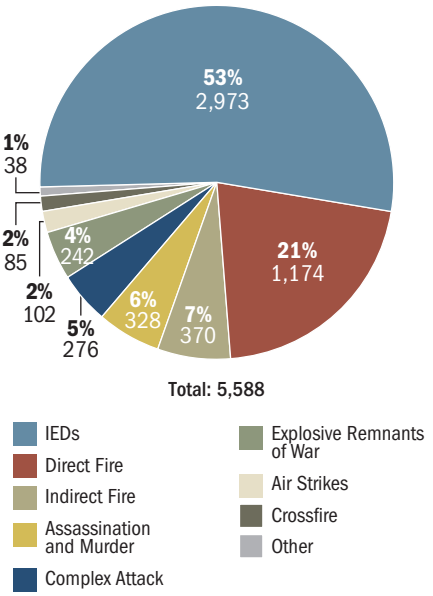
RS Collection Methodology

According to DOD, the RS Civilian Casualty Management Team relies primarily upon operational reporting from RS's Train, Advise, and Assist Commands (TAACs), other Coalition force headquarters, and ANDSF reports from the Afghan Presidential Information Command Centre to collect civilian-casualty data.

Source: DOD, *Enhancing Security and Stability in Afghanistan*, 12/2017, p. 27.

FIGURE 3.35

RS: CIVILIAN CASUALTIES BY INCIDENT TYPE



Note: The reporting period for this data is January 1–August 15, 2018. Casualties include dead and wounded.

Source: RS, response to SIGAR data call, 9/19/2018.

civilian casualties in Afghanistan, with the highest number of casualties occurring in January (875), April (801), and June (777).[141] As seen in Table 3.8, RS reported that the provinces with the highest number of civilian casualties by far were Kabul (1,225) and Nangarhar Provinces (935), which together accounted for 38.7% of total casualties nationwide.[142]

While RS's overall civilian-casualty data is difficult to compare accurately with UNAMA's due to their different reporting periods and methodologies, one key difference, is easily discernable. When examining both data sets' casualty figures by incident type, particularly air strikes, it is clear that RS's data reflects far fewer civilian casualties than UNAMA's. As seen in Figure 3.35, from January 1 through August 15, RS recorded a total of 102 civilian casualties due to U.S. (29 casualties) and AAF (73) air strikes, less than a sixth of the 649 reported by UNAMA through September 30, 2018.[143]

RS recorded no civilian casualties due to U.S. or Afghan air strikes during their operations to counter the Taliban's assault on Ghazni in August, and only two U.S. air-strike casualties during the Taliban assault on Farah in May. In both of these incidents, RS reported that U.S. and Afghan forces conducted many air strikes: in Ghazni alone, RS said U.S. forces conducted 32 air strikes from August 10–13 (which killed over 220 Taliban fighters).[144] Conversely, as of October 7, UNAMA reported that it verified 210 civilian casualties (69 deaths and 141 injured) occurring in Ghazni City between August 10 and 15, the majority of which they attributed to ground fighting between Taliban and progovernment forces, but also from progovernment aerial operations.[145]

U.S. AND COALITION FORCES IN AFGHANISTAN

According to DOD, as of June 2018, approximately 14,000 U.S. military personnel were serving in Afghanistan as part of Operation Freedom's Sentinel (OFS), the same number reported for the last three quarters. This number does not include an additional 816 DOD civilian personnel and 10,457 U.S. citizens who serve as contractors in Afghanistan.[146] Of the 14,000 U.S. military personnel, 8,475 U.S. personnel are assigned to the NATO RS mission to train, advise, and assist Afghan security forces, unchanged since last quarter.[147] The remaining U.S. military personnel support the OFS mission through air operations, training the Afghan special forces, and conducting counterterror operations.[148]

As of September 2018, the RS mission included roughly 7,754 military personnel from NATO allies and non-NATO partner nations, bringing the current total of RS military personnel to 16,229 (the same as last quarter). The United States contributes the most troops to the RS mission, followed by Germany (1,300 personnel) and Italy (895).[149]

CSTC-A Change of Command

In addition to the change in the RS and USFOR-A command, CSTC-A also changed commands this quarter. On October 12, U.S. Army Lieutenant General James Rainey succeeded Major General Robin Fontes as CSTC-A commander.

Source: *Stars and Stripes*, "Rainey Takes the Lead of Key Coalition Command in Afghanistan," 10/12/2018.

TABLE 3.8

RS-REPORTED CIVILIAN CASUALTIES: JANUARY–AUGUST 15, 2018

Province	Population	Total Casualties	Casualties Per Thousand
Nangarhar	1,864,582	935	0.50
Kunar	551,469	214	0.39
Paktiya	677,465	259	0.38
Logar	481,271	137	0.28
Helmand	1,112,152	290	0.26
Laghman	552,694	143	0.26
Uruzgan	429,415	109	0.25
Khost	704,149	169	0.24
Farah	620,552	135	0.22
Kabul	5,452,652	1,225	0.22
Faryab	1,226,475	247	0.20
Kapisa	540,051	92	0.17
Zabul	374,440	57	0.15
Kandahar	1,512,293	206	0.14
Kunduz	1,237,001	169	0.14
Paktika	532,953	73	0.14
Baghlan	1,120,511	151	0.13
Wardak	729,983	92	0.13
Ghazni	1,507,262	176	0.12
Badghis	607,825	63	0.10
Nuristan	173,222	18	0.10
Herat	2,326,261	219	0.09
Nimroz	202,488	17	0.08
Balkh	1,633,048	111	0.07
Ghor	845,018	48	0.06
Parwan	817,955	53	0.06
Jowzjan	656,187	36	0.05
Samangan	475,655	26	0.05
Takhar	1,208,745	55	0.05
Badakhshan	1,165,960	30	0.03
Sar-e Pul	690,566	23	0.03
Panjshayr	187,856	4	0.02
Daykundi	561,651	6	0.01
Bamyan	549,243	0	0.00
Grand Total	**33,329,050**	**5,588**	

Source: RS, response to SIGAR data call, 9/19/2018.

U.S. Forces Casualties

According to DOD, three U.S. military personnel were killed in action (KIA) and one U.S. soldier was killed in non-hostile circumstances in Afghanistan from July 18, 2018, through October 15, 2018. On October 4, U.S. Army Specialist James Slape was killed in Helmand Province as a result of wounds sustained from an IED. On September 4, Army Staff Sergeant Diobanjo Sanagustin died from a non-combat related injury at Bagram Air Field, Afghanistan. On September 3, Command Sergeant Major Timothy Bolyard, of 3rd Squadron, 1st Security Force Assistance Brigade (SFAB), was killed and another U.S. soldier was wounded in eastern Afghanistan as a result of an apparent insider attack. The attack illustrates the significant risks SFAB advisors take in working closely with their forward-operating Afghan counterparts. Army Staff Sergeant Reymund Transfiguracion died on August 12 of wounds sustained when an IED detonated near him while he was conducting combat patrol operations in Helmand Province. DOD is currently investigating these incidents.[150]

As of October 15, 2018, a total of 37 U.S. military personnel were KIA (17 in non-hostile circumstances) and 328 military personnel were wounded in action (WIA) since the start of Operation Freedom's Sentinel

on January 1, 2015. Since the beginning of the Afghan war in October 2001, 2,401 U.S. military personnel have died (1,881 KIA and 520 of non-hostile deaths) and 20,422 were WIA.[151]

Insider Attacks on U.S. Forces

USFOR-A reported that from January 1 to August 26, 2018, ANDSF personnel turned on Coalition personnel in one confirmed "green-on-blue" insider attack (which does not include the above-mentioned apparent insider attack on September 3). One U.S. soldier was killed and two were wounded during the confirmed attack. All three were assigned to the 1st SFAB, which is assigned to advise and assist ANDSF personnel below the corps level. The same period last year saw six confirmed green-on-blue insider attacks that killed three U.S. military personnel and wounded 10.[152]

USFOR-A emphasized last quarter that as the SFAB mission began, USFOR-A shifted personnel and resources to support screening of all SFAB partner brigades within the ANA and ANP. This new requirement was implemented while the screening requirements and processes for Coalition conventional bases throughout Afghanistan remained in place. For more information on USFOR-A's green-on-blue mitigation policies, see SIGAR's January 2018 *Quarterly Report to the United States Congress*.[153]

Updates on Developing Essential Functions of the ANDSF, MOD, and MOI

Highlights for each RS functional area reported to SIGAR this quarter include:

- **Rule of Law (ROL):** According to ROL, the MOD identified and reported six cases believed to be gross violations of human rights (GVHR) after using the legal criteria ROL had provided. While no DOD determination has yet been made regarding the credibility of the allegations, MOD legal officials believed there were sufficient grounds to formally investigate all six cases. These cases included two allegations of rape or sexual assault (both alleged victims were female ANA personnel), two cases of assault and battery or cruel treatment, one case involving cruel treatment and extrajudicial killing, and one case involving bacha bazi. RS Legal Affairs noted that "while [they] appreciate [MOD] reporting on crimes that [MOD] believe meet the criteria, not all allegations rise to the level of a GVHR for DOD Leahy Law vetting purposes."[154]

  As of August 22, 2018, MOD investigations of three cases have been completed. One of the cases was dismissed without further action, and the remaining two cases were referred for adjudication by court-martial. One of these two cases has been adjudicated, resulting in a conviction and a one-year sentence. ROL said that if insufficient

Bacha bazi: When men, including some government officials and security forces, use young boys for social and sexual entertainment. There are reports that some law-enforcement officials, prosecutors, and judges accept bribes from or use their relationships with perpetrators of bacha bazi to allow them to escape punishment.

Leahy Laws: The Leahy laws prohibit U.S. funding of units of foreign forces that commit gross violations of human rights.

Source: State, *Trafficking in Persons Report*, 6/30/2016, p. 66; SIGAR, Evaluation Report 17-47-IP: *Child Sexual Assault in Afghanistan*, p. 2.

progress is made on open GVHR cases in the coming months, financial penalties will be applied to both ministries. MOD reported to ROL that as of late August, 24% of ANA personnel have received unit-level human rights training.[155]

- **MAG-I STRATCOM:** MAG-I reported a number of strategic-communications successes for MOI this quarter. MOI created a weekly Strategic Communication Working Group chaired by the MOI's chief of staff and attended by senior representatives from many of the major MOI directorates (Religious and Cultural Affairs, Public Affairs, Gender and Human Resources, and the office of the Deputy Minister for Security). The working group also developed structural and process changes required to institutionalize sustainable strategic communication within the MOI.

  In addition, Minister of Interior Wais Barmak had two major engagements with the media that MAG-I STRATCOM felt were successful in informing and building trust with the Afghan public. The first was a media roundtable in early August to discuss the ANP's efforts to provide security to voter-registration sites across Afghanistan and its plans to provide security for polling sites during the October elections. The second was his participation at a joint press conference, with Minister of Defense Tariq Shah Bahrami, on the status of the battle for Ghazni in mid-August.

  MAG-I STRATCOM identified the following challenges for MOI strategic and tactical communications: (1) vertical coordination and synchronization of communications from tactical (ANP) to strategic (MOI headquarters) levels; (2) access to accurate operational reporting due to insurgents destroying communication infrastructure; (3) message coordination between MOI and USFOR-A/RS advisors, particularly in fast-paced, crisis situations; and (4) poor leadership, with concerns about the efficacy and professionalism of the MOI spokesman.[156]
- **MAG-D STRATCOM:** MAG-D STRATCOM reported no MOD strategic-communications challenges this quarter, but highlighted a few areas of progress. The MOD appointed a new civilian official as director of strategic communications. They also developed a marketing-communications recruiting plan (radio, TV, and billboard advertisements), specifically for the new ANA Territorial Force.[157]
- **Force Development (FD-AIAT):** FD-AIAT reported "notable accomplishments" with the Afghan Training and Education Enterprise in three broad areas: enhancement of systems approach to ANA training, refining existing doctrine, and providing Afghan command and institutional staff the means to develop training and doctrine programs in MOD academies and branch schools. FD-AIAT identified three key challenges to these efforts: (1) resources and efforts went to field units rather than professional military-education institutions; (2) human

New NATO Command Center Planned

NATO is planning to replace temporary structures at its headquarters in Kabul with hardened, permanent structures. According to RS officials, a contract to build a large, concrete command-and-control center on the compound is out for bidding. The planned three-story, 120,000-square-foot concrete building would require hundreds of personnel living and working at the current headquarters to relocate to other nearby bases while construction is under way. According to a NATO procurement document, the complex is expected to have more than 800 workspaces, but further details are unavailable until the bidding and design phase of the project are completed.

Source: *Stars and Stripes*, "NATO Base in Kabul is Building More amid Open-Ended US Commitment," 9/17/2018.

resource and career-path management continued to perform poorly; and (3) poor leadership was responsible for the poor sustainment of trainees, a lack of an operational readiness cycle, ineffective collective training, and corruption.[158]

- **Force Development (FD-PIAT):** FD-PIAT reported that 62 female ANP personnel graduated from the first large-scale training course for female police at Balkh Regional Training Center, demonstrating that the ANP can successfully train female police in Afghanistan.[159]
- **Resource Management (RM):** RM reported that it reviewed and analyzed MOD's internal processes to streamline emergency and urgent procurements, which are awaiting approval from the National Procurement Commission. Emergency and urgent procurements are defined as goods, works, or services that exceed roughly $28,000 per event limit where there is an imminent threat to health, welfare, safety, or damage to property. Final approval for these items and services lies with the Minister of Defense with concurrence from CSTC-A.[160]
- **Transparency, Accountability, and Oversight (TAO):** TAO reported that MOD IG has begun the process for coordinating next year's annual inspection plan, developed a plan to create one central complaint center, and restructured its Training and Education branch to include five permanent instructors and course developers. MOI IG submitted its first budget request for years 2019–2021, hired subject-matter experts in quality control, and initiated a plan to reorganize for better efficiency and independence. TAO also reported that the permanent MOD and ANA general staff inspectors general have not yet been appointed, posing a critical barrier to the decision making process of both organizations.[161]
- **Operational Sustainment (OS):** OS-Logistics reported that the National Maintenance Strategy Ground Vehicle Support Contract, which began full operation on December 29, 2017, has delivered substantial maintenance support to the ANDSF. The contractor completed maintenance on 2,224 ANA vehicles and 9,203 ANP vehicles during the period, and oversaw maintenance conducted by the ANDSF on 1,046 vehicles by the ANA (32% of total ANA vehicle fleet) and 249 vehicles by the ANP (2.6% of total ANP vehicle fleet). The ANA's central workshop is also reported to have established inventories for their weapons- and communications-repair divisions, reducing repair wait times for equipment. OS-Medical reported that it has recruited 60 nurses, 30 physicians, and 17 specialty physicians to fill the ANP Hospital's open billets. Additionally, 20,000 tons of scrap metal from ANDSF sites have been disposed of through an MOD-established contract generating revenue for the Afghan government, and the MOI has demilitarized 518 vehicles this year.[162]
- **CJ3/5/7:** MOD produced its Strategic Planning Guidance and MOI produced the annual Strategic Planning Directive during this period,

improving their ability to develop strategic documents and planning initiatives. Pursuant to MOI's first strategic goal to strengthen public order and ensure security, a total of 13,000 Afghan National Civil Order Police (ANCOP) personnel have been transferred to MOD and redesignated as the Afghan National Civil Order Forces (ANCOF), while the remaining 2,200 ANCOP personnel in MOI have been redesignated as Anti-Riot Police Forces. The transfer was designed to improve command and control and unity of effort, and resulted in redefined tasks and the loss of police powers for ANCOF.[163]

- **Intelligence TAA:** Six of eight planned ScanEagle systems, which are unmanned aerial vehicles that perform reconnaissance, have been fielded to MOD. These six systems are fully operational: the ScanEagle schoolhouse (training center) was recently relocated to Kandahar Airfield (KAF) and has one system, and the other five systems are located with the ANA Corps. The two remaining ScanEagle systems are scheduled for fielding to the 207th and 209th Corps in November 2018 and April 2019, respectively. To support enemy targeting, Intelligence TAA has also shared the current CENTCOM list of over 40,000 no-strike entities with MOD in order to reduce collateral damage from kinetic strikes. MOD Intelligence TAA also reported that the National Military Intelligence Center has created a new intelligence, surveillance, and reconnaissance (ISR) module showing the location, maintenance status, and operational tracking for all ANA ISR assets. The ANA is currently training personnel to operate Wolfhounds, which are backpacked, low-level voice-intercept radios, to listen to and locate insurgent hand-held radios. The training and certification of Wolfhound operators within the ANA increased from 20% capacity last quarter to 40% capacity in September 2018. Intelligence TAA anticipates readiness will increase through further personnel training in October and November.[164]
- **Gender Integration Advisory Office:** This quarter RS Gender Integration Advisory Office reported that the MOI issued an updated human resource manual and a revised gender policy to address sexual harassment but they did not take into consideration recommended policy changes provided by the MOI Human Rights, Women's Affairs and Children Directorate. RS said that MOI's Human Resource Manual and Gender Policy lack the necessary roles, responsibilities, processes, and confidentiality requirements to be effectively implemented throughout the ministry. In addition, the MOD approved its sexual-harassment policy in April 2018, but the policy was subsequently reviewed by RS Rule of Law advisors who recommended changes. A working group recently convened to finalize a substantive policy, which is slated to be approved and signed by the Minister of Defense in October.[165]

Counterthreat-Finance: Disrupting Insurgent Revenue Streams

USFOR-A have carried out interdiction missions against drug trade-related targets as part of a broader military effort targeting insurgents' revenue generation.[166] According to U.S. government officials, as of early August, air strikes have hit approximately 200 counter-revenue targets, of which 129 were drug-related. The strikes represent a small percentage of the targets hit in the intensified air campaign launched last November under President Trump's South Asia strategy.[167]

The counterthreat-finance strikes are not explicitly intended to curtail the opium trade but to disrupt financing for particular insurgent leaders to make reconciliation more attractive.[168] Between March and July 31, 2018, the Afghan Air Force destroyed four narcotics production facilities, independently from the U.S. counterthreat-finance (CTF) campaign.[169] Coalition forces struck 34 CTF targets between July 1 and September 30, 2018—all targets were narcotics-production facilities. According to USFOR-A, the campaign remains effective at destroying the enemy's resources and causing it to make tactical changes to avoid strikes.[170]

According to DOD, the air campaign has denied the Taliban about $46 million in revenue so far, although USFOR-A told SIGAR that exact quantities and values for narcotics labs and storage facilities destroyed during air strikes cannot be assessed.[171] DOD admitted that their estimates of revenue denied to the enemy are imperfect because, as they have stated in multiple press briefings, no ground verification takes place to weigh and assess the amounts of the precursors or products actually destroyed by a strike. According to DOD, the numbers represent a sufficient and consistent measure of performance (not effect, which is measured in intelligence reports).[172]

SIGAR has raised concerns in previous reports about DOD estimates of revenue denied from destroyed narcotics and the potential for civilian casualties associated with the campaign. DOD's methodology assigns values to the narcotics-production facilities and a uniform 20% tax rate applied to the total value to determine the potential revenue to the Taliban. It does not account for the various production stages along the opium value chain, nor for the variations in regional tax rates because, according to DOD, these measures would unnecessarily complicate and introduce inconsistencies in the measure of performance.[173] According to David Mansfield, an expert on Afghanistan's opium industry, heroin profits and taxes are not as large as U.S. forces estimate and bombing drug labs will have a negligible effect on Taliban revenues.[174] According to DOD, however, Mr. Mansfield's views are contradicted by CIA classified assessments based on intelligence reviews and the costly changes observed in the tactics, techniques, and procedures of drug-trafficking organizations. USFOR-A reports that no confirmed civilian casualties have resulted from the counter-revenue campaign strikes while 29 civilian casualties were reported by DOD from other coalition air

strikes and 73 from Afghan Air Force air strikes between January 1 and August 15.[175]

AFGHAN SECURITY MINISTRIES AND THE ANDSF

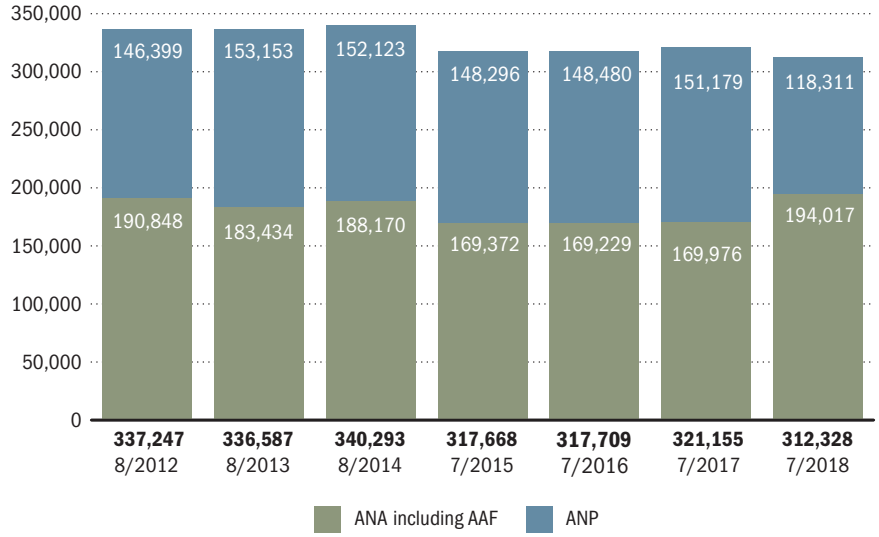
ANDSF Strength Declines

USFOR-A reported that the actual, assigned strength of the ANDSF as of July 31, 2018, (not including civilians) was 312,328 personnel, which includes 194,017 personnel in the ANA and AAF and 118,311 in the ANP.[176] As shown in Figure 3.36, ANDSF strength this quarter is the lowest it has been in the third quarter of the year since 2012. The ANDSF strength decreased by 1,914 personnel since last quarter and by 8,827 personnel since the same period last year.[177]

According to DOD, the ANDSF's total authorized (goal) end strength in July was 352,000 personnel, including 227,374 ANA and 124,626 ANP personnel, but excluding 30,000 Afghan Local Police, who fall under MOI oversight.[178] Seen in Table 3.9 on the next page, this puts the ANDSF at only

FIGURE 3.36

THIRD QUARTER ANDSF ASSIGNED STRENGTH SINCE 2012



Note: ANA = Afghan National Army; AAF = Afghan Air Force; ANP = Afghan National Police; ANDSF = Afghan National Defense and Security Forces. These figures do not include civilian personnel. ANP and Total ANDSF figures do not include "standby" personnel, generally reservists, or personnel not in service while completing training. The change in the individual strengths of the ANA and ANP from 2017 to 2018 is due to the transfer of two force elements from the MOI to MOD. However, this change did not impact the overall strength of the ANDSF.

Source: CSTC-A response to SIGAR data call, 9/6/2012, 10/1/2012, 10/1/2013, 10/6/2014, 9/11/2015, 8/30/2016, and 9/19/2018 and response to SIGAR vetting, 10/9/2016, 10/11/2016, and 10/11/2018; OSD-P, response to SIGAR vetting, 10/17/2018; SIGAR, analysis of CSTC-A-provided data, 10/2018.

TABLE 3.9

ANDSF ASSIGNED AND AUTHORIZED STRENGTH, AS OF JULY 31, 2018

ANDSF Component	Authorized Strength	Assigned Strength	% of Target Authorization	Difference Between Assigned and Authorized	Difference
ANA including AAF	227,374	194,017	85.3%	(33,357)	(14.7%)
ANP	124,626	118,311	94.9%	(6,315)	(5.1%)
ANDSF Total without Civilians	**352,000**	**312,328**	**88.7%**	**(39,672)**	**(11.3%)**

Note: ANDSF = Afghan National Defense and Security Forces; ANA = Afghan National Army; AAF = Afghan Air Force; ANP = Afghan National Police.

Source: DOD, *Enhancing Security and Stability in Afghanistan,* 6/2018, p. 40; USFOR-A, response to SIGAR data call, 9/19/2018; SIGAR, analysis of USAFOR-A-provided data, 9/2018.

88.7% of its authorized strength, down from 91.2% during the same period in 2017.[179]

ANDSF Casualties – Data Classified

USFOR-A continues to classify ANDSF casualty data at the request of the Afghan government.[180] SIGAR's questions about ANDSF casualties can be found in Appendix E of this report. ANDSF casualties are reported in the classified annex.

Insider Attacks on the ANDSF Increase

Since responsibility for security began transitioning to the Afghan government in 2014, "green-on-green" insider attacks in which ANDSF personnel are attacked from within their own ranks, sometimes by an insurgent infiltrator, have consistently been a severe problem.[181] According to USFOR-A, there were 23 reported green-on-green insider attacks against ANDSF personnel from May 17 to August 26, 2018, bringing this year's total to 56 insider attacks. This is an increase of eight attacks compared to roughly the same period in 2017.[182]

The ANDSF incurred 42 casualties (28 killed and 14 wounded) as a result of this quarter's insider attacks, and a total of 121 ANDSF casualties (85 killed and 36 wounded) from January 1 to August 26, 2018. Though there have been more attacks so far in 2018 compared to the same period in 2017, last year's attacks were more lethal (97 ANDSF were killed and 50 were wounded).[183]

ANDSF Force Element Performance – Data Classified

USFOR-A continues to classify ANDSF performance assessments. SIGAR's questions about ANDSF performance can be found in Appendix E of this report. ANDSF performance assessments are reported in the classified annex.

This quarter, the Government Accountability Office (GAO) released an audit (GAO-19-116) on ANDSF capabilities. The key findings of the report include: the ANDSF have improved some fundamental capabilities, such as high-level operational planning, but continue to rely on U.S. and Coalition support to fill several important capability gaps; DOD has initiatives to address some of these ANDSF capability gaps, such as country-wide vehicle maintenance and training efforts, yet other capabilities (such as logistics) may take several more years to develop to a self-sustaining level; while DOD has firsthand information on the AAF and the Afghan Special Security Forces' abilities to operate and maintain U.S.-purchased equipment, it has little reliable information on the equipment proficiency of conventional ANDSF units, with DOD relying on the latter's self assessments; and DOD's lack of reliable information on conventional forces' equipment operations-and-maintenance abilities adds to the uncertainty and risk in assessing the progress of DOD efforts in Afghanistan.[184] For more information about this and other U.S. government oversight agency reports on Afghanistan, see Section 4.

Ministry Performance Assessments – Data Classified

USFOR-A continues to classify MOD and MOI performance assessments. SIGAR's questions about the ministries' performance can be found in Appendix E of this report. MOI and MOD performance assessments are reported in the classified annex.

AHRIMS and APPS

The MOD and MOI, with RS assistance, are implementing and streamlining several systems to accurately manage, pay, and track their personnel—an effort DOD expects will greatly improve protection of U.S. funds. The United States pays the ANA and ALP personnel costs through unilateral ASFF funds but it pays ANP personnel costs by contributing to the multilateral LOTFA.[185]

The Afghan Human Resource Information Management System (AHRIMS) contains data that includes the name, rank, education level, identification-card number, and approved positions to align with each ANDSF service member. AHRIMS contains all the approved positions within the MOD and the MOI with each position linked to a unit, location, and duty title. The Afghan Personnel Pay System (APPS) is currently being fielded and when fully implemented, will integrate AHRIMS data with compensation and payroll data to process authorizations, record unit-level time and attendance data, and calculate payroll amounts.[186] The AHRIMS (and in future, APPS) data is also used to provide background information on ANDSF personnel to assist with assignment, promotions and other personnel actions.[187]

As USFOR-A has reported previously, three ongoing efforts aim to ensure that accurate personnel data exist in AHRIMS to support the migration

to APPS: (1) "slotting" or matching a person to an authorized position; (2) "data cleansing" or correcting and completing key personnel data; and (3) the personnel asset inventory, which is a continuous process of physically counting personnel and correcting the employment status of personnel retired, separated, or killed in action.[188]

This quarter, CSTC-A reported that the MOD became "fully mission capable" in APPS on July 30, 2018, meaning that the APPS system has been delivered, and the MOD has the ability to fully employ the system and maintain it to meet their operational needs. However, as of August 22, 2018, only 75.1% of ANA personnel (including civilians) met minimum data-input requirements to be paid via APPS. The total force slotted in APPS as of the same date was 78.3%. According to CTSC-A, the ANA continues to biometrically enroll and slot personnel into the APPS system to increase these figures.[189]

CSTC-A also reported that the MOI are expected to become fully mission capable in APPS by November 30, 2018. As of August 22, 44.9% of ANP personnel (including ALP members and civilian employees) met minimum data-input requirements to be paid via APPS, and 74.5% of the force was slotted in APPS. The ANP completed APPS training for all ANP Zone and Provincial Headquarters personnel and continues to biometrically enroll and slot personnel.[190]

Afghanistan Compact – Not Publicly Releasable

Much of the detailed data about Afghanistan Compact progress is unclassified but not releasable to the public. SIGAR's questions about the Compact can be found in Appendix E of this report and information about the Compact is reported in the classified annex.

AFGHAN NATIONAL ARMY

As of September 30, 2018, the United States had obligated $46.7 billion and disbursed $46.0 billion of ASFF funds to build, train, equip, and sustain the ANA.[191]

ANA Strength – Some Data Classified

USFOR-A continues to classify unit-level ANA authorized-strength figures. Detailed assigned- and authorized-strength information appear in the classified annex to this report. SIGAR's questions about ANA strength can be found in Appendix E of this report.

According to DOD, the ANA's total authorized (goal) end strength was 227,374.[192] USFOR-A reported that the actual, assigned strength of the ANA and AAF as of July 31, 2018, (not including civilians) was 194,017 personnel, a decrease of 2,273 personnel since last quarter. This quarter's ANA strength represents a 24,041-person increase from the same period last year, but this

figure is skewed due to the transfer of 30,689 personnel from two MOI force elements (ANCOP and ABP) to MOD.[193] When adjusting for that transfer, the ANA lost 6,648 personnel compared to the same period last year.[194]

The ANA's 194,017 personnel consisted of 85,361 soldiers, 73,364 non-commissioned officers, and 35,292 officers. This put the ANA at 85.3% of its authorized strength in July 2018, or 33,357 personnel short of their goal strength. This is a one percentage point drop since last quarter, and about a two-point fall from the 87.2% one year prior.[195]

ANA Attrition – Data Classified

This quarter, USFOR-A classified all ANA attrition information; last quarter it provided limited attrition information. SIGAR's questions about ANA attrition can be found in Appendix E. A detailed analysis of attrition by ANA force element is provided in the classified annex to this report.

ANA Sustainment

As of September 30, 2018, the United States had obligated $22.8 billion and disbursed $22.2 billion of ASFF for ANA sustainment.[196]

CSTC-A reported that the total amount expended for on-budget ANA sustainment requirements thus far for Afghan FY 1397 (beginning December 21, 2017) was $495.5 million through August 17, 2018, the vast majority of which was expended on ANA salaries and incentive pay ($395.2 million, of which roughly $158.9 million was for incentive pay). This is an increase of about $29.1 million in salaries and incentive payments compared to the same period last year.[197]

Roughly $100.3 million was spent on nonpayroll sustainment requirements, the costliest of which were energy-generating equipment ($23.4 million), office equipment and computers ($17.6 million), and construction of non-building structures ($10.5 million). This amount reflects a $66.1 million increase in nonpayroll expenses compared to the same period last year.[198]

CSTC-A said this quarter that the funding required for ANA base salaries, bonuses, and incentives for FY 2019 is estimated at $735.9 million (an increase from last quarter's estimate of $651.6 million), but noted that the U.S. contribution to ANA personnel sustainment over the next few years is contingent on congressional appropriations.[199]

ANA Equipment and Transportation

As of September 30, 2018, the United States had obligated and disbursed $13.7 billion of ASFF for ANA equipment and transportation.[200]

Seen in Table 3.10 on the following page, CSTC-A reported that the highest-cost items of equipment provided to the ANA this quarter included 10 aircraft (valued at a total of $35.5 million), 16 HMMWVs (humvees) valued at a total of $3.6 million, and other equipment (valued at a total of about $1.4 million).[201] As shown in Table 3.11 on the following page, several

Cargo trucks (left) awaiting transfer to the ANDSF at the Gear Lot. (Gear International photo)

TABLE 3.10

MAJOR EQUIPMENT ITEMS PROVIDED TO ANA, JULY–SEPTEMBER 2018

Equipment Type	Equipment Description	Units Issued in Quarter	Unit Cost*	Total Cost*
Aircraft	UH-60A Helicopter	5	$4,000,000	$20,000,000
Aircraft	MD-530 Helicopter	5	3,100,000	15,500,000
Vehicle	M115A2 HMMWV (Humvee)	8	256,000	2,048,000
Vehicle	M115A1 HMMWV (Humvee)	8	192,000	1,536,000
Weapon	M2 Machine Gun	100	12,500	1,250,000
Other	5 KW Generator	10	18,800	188,000
Total Cost of Equipment				**$40,522,000**

Note: *Figures were rounded by CSTC-A.

Source: CSTC-A, response to SIGAR data call, 10/5/2018 and response to SIGAR vetting, 10/16/2018.

TABLE 3.11

VEHICLES ISSUED TO THE ANDSF, AUGUST 1–OCTOBER 3, 2018

Vehicle Type	Received Afghanistan	Issued to Afghan Army	Issued to Afghan Police	Vehicles Not Yet Issued (as of Oct 3, 2018)*
M1151 HMMWV	66	8	87	214
M1152 HMMWV	0	8	106	293
Cargo Truck (MTV International)	48	0	62	605
1200 Gallon Water Tanker	15	0	1	78
1200 Gallon Fuel Tanker	11	0	0	40
Flatbed Wrecker Truck	0	0	13	0
Wrecker Truck	0	0	5	13
Forklift Truck	3	0	0	3
40 Foot Trailer	11	0	0	11

Note: * This is not an exhaustive accounting of vehicles not yet issued to the ANDSF. This figure includes vehicles ready for issue, vehicles waiting for repair, and vehicles waiting for inspection.

Source: SIGAR, analysis of Gear International, "Gear International Daily Overview Report 03-OCT-2018," 10/3/2018.

hundred ASFF-funded vehicles were received in Afghanistan, issued to the ANA or ANP, or have yet to be issued to the ANA or ANP this quarter. SIGAR will continue tracking the status of these vehicles in future reports.

ANA Equipment Operational Readiness – Data Classified

USFOR-A continues to classify data on ANA equipment readiness. SIGAR's questions about ANA equipment readiness can be found in Appendix E of this report. ANA equipment readiness is reported in the classified annex.

ANA Infrastructure

The United States had obligated and disbursed $5.9 billion of ASFF for ANA infrastructure projects as of September 30, 2018.[202]

TABLE 3.12

MAJOR ANA INFRASTRUCTURE PROJECTS

Project Description	Project Location	Agency / Contractor	Estimated Cost	Estimated Completion Date
Awarded Projects				
Special Operations Brigade North Forward Operating Center, Camp Pratt	Mazar-e Sharif, Balkh Province	USACE / Builtek Construction	$25,353,848	2/26/2021
Afghan National Army Special Operations Corps, Corps Headquarters	Pul-e Charkhi, Kabul Province	USACE / Builtek Construction	4,993,449	11/1/2020
Forward Operating Center, Camp Julien	Darulaman, Kabul Province	MAKRO Mechanics	2,298,703	2/28/2019
Ongoing Projects				
Marshal Fahim National Defense University, Phase II	Kabul, Kabul Province	Macro Vantage Levant JLT	72,462,207	12/31/2017
Northern Electrical Interconnect at Camp Shaheen	Marmal, Balkh Province	USACE / Venco-Imtiaz Construction Company	27,692,414	10/21/2019
Special Operations Brigade North Forward Operating Command, Camp Pratt	Mazar-e Sharif, Balkh Province	USACE / Builtek Construction	25,353,848	2/26/2021
Completed Projects				
ANA Electrical System Repair at North Hamid Karzai International Airport AAF Airbase	Kabul, Kabul Province	USACE / Road & Roof Construction Company	1,173,048	7/11/2018
Third Well Construction for the Special Mission Wing at Kandahar Airfield	Kandahar, Kandahar Province	USACE / Assist Consultants Inc.	679,998	8/14/2018
Planned Projects				
Afghan Air Force Aviation Enhancement, Mazar-e Sharif Airfield	Mazar-e Sharif, Balkh Province	TBD	37,904,173	N/A
Afghan Air Force Aviation Enhancement, Kandahar Airfield	Kandahar, Kandahar Province	TBD	27,000,000	N/A
New 8th Special Operations Kandak at Forward Operating Base Shank	Logar Province	TBD	9,742,320	N/A

Note: All data is as of August 25, 2018. Marshal Fahim National Defense University's Phase II is pending completion because the necessary replacement of fire doors has not yet been resolved.

Source: CSTC-A, response to SIGAR data call, 9/19/2018 and response to SIGAR vetting, 10/11/2018.

CSTC-A reported that the estimated annual facilities-sustainment costs for all ANA facility and electrical generator requirements will be roughly $68 million—the same as last quarter. According to CSTC-A, as of August 25, 2018, the United States completed 454 ANA infrastructure projects in Afghanistan valued at a total cost of $5.4 billion.[203]

CSTC-A reported that two projects were completed this quarter, costing $1.9 million. Another 37 projects (valued at $221.6 million) were ongoing, four projects were awarded (valued at $32.9 million), and 24 projects (valued at $307.9 million) were being planned.[204] See Table 3.12 for a description of the highest-value awarded, ongoing, completed, and planned ANA infrastructure projects.

Included in the projects described above are eight Women's Participation Program (WPP) projects valued at a total of $13.9 million, three projects in the planning phase ($4.4 million), and five ongoing projects ($9.5 million).[205] See Table 3.13 on the next page for a description of these projects.

Women's Participation Program: An initiative that seeks to advance and promote women's participation in Afghan security institutions. The program promotes safe and secure facilities, proper equipment, training, and opportunities for women to increase their membership in the ANDSF.

Source: OSD-P, response to SIGAR vetting, 4/15/2016.

TABLE 3.13

MAJOR ANA WPP INFRASTRUCTURE PROJECTS

Project Description	Project Location	Estimated Cost	Estimated Completion Date
Awarded Projects			
Women's Training Center in Kabul*	Kabul, Kabul Province	$2,605,200	11/1/2019
Daycare and Kitchen at Camp Zafar	Herat, Herat Province	1,014,000	TBD
Female Tactical Platoon Facility at Camp Scorpion*	Kandahar, Kandahar Province	805,200	TBD
Ongoing Projects			
Women's Facilities at Marshal Fahim National Defense University*	Kabul, Kabul Province	5,278,818	11/30/2018
Women's Facilities at North Hamid Karzai International Airport Afghan Air Force Airbase*	Kabul, Kabul Province	1,537,747	12/8/2018
Women's Barracks at South Hamid Karzai International Airport / Afghan Air University	Kabul, Kabul Province	1,143,739	1/1/2019

Note: * Projects are being funded through the multilateral NATO ANA Trust Fund, not through unilateral U.S. ASFF funds. All data is as of August 25, 2018.

Source: CSTC-A, response to SIGAR data call, 9/19/2018.

ANA and MOD Training and Operations

As of September 30, 2018, the United States had obligated $4.3 billion and disbursed $4.2 billion of ASFF for ANA, AAF, and MOD training and operations.[206]

At the request of DOD, SIGAR will await the completion of the Government Accountability Office's (GAO) forthcoming audit on the cost of ASFF-funded ANDSF training contracts before reporting on the status of those contracts.[207] For more information about this and other GAO audits related to Afghanistan, see Section 4.

Afghan Air Force

As of August 31, 2018, the United States has appropriated approximately $6.4 billion to support and develop the AAF from FY 2010 to FY 2018, with roughly $1.4 billion appropriated in FY 2018, no change since last quarter.[208] A large portion of these funds ($715.1 million) is earmarked for AAF sustainment costs. According to DOD's FY 2018 budget-justification document, the $1.4 billion includes $709.8 million for the second year of the ANDSF Aviation Modernization (AAM) plan which includes the transition from Russian-manufactured helicopters to U.S.-manufactured UH-60 Black Hawk helicopters.[209]

Also as of August 31, nearly $3.9 billion has been obligated for the AAF in FYs 2010–2018, with roughly $107 million of those funds obligated in FY 2018, unchanged since last quarter. The majority of the funding obligated since FY 2010 continues to be for sustainment items, which account for 42.8% of obligated funds, followed by equipment and aircraft at 38.5%.[210]

As seen in Table 3.14 on page 97, the AAF's current inventory of aircraft, as of September 3, 2018, includes:[211]

- 47 Mi-17 helicopters (25 unavailable, three more than last quarter)
- 29 MD-530 helicopters (one unavailable, same as last quarter)
- 24 C-208 utility airplanes (one unavailable, same as last quarter)
- 4 C-130 transport airplanes (one unavailable)
- 20 A-29 light attack airplanes (all available, one more than last quarter)
- 19 UH-60 utility helicopters (all available, three more than last quarter)

TAAC-Air reported this quarter that the AAF received five MD-530s and three UH-60s, and also successfully returned three of its Mi-17s to service from overhaul or heavy repair.[212] Several aircraft have been purchased for the AAF but not yet fielded, including nine A-29s, 10 AC-208s, and 41 UH-60s.[213] According to DOD, the current near-term schedule for aircraft delivery to Afghanistan is two UH-60s per month, five MD-530s per quarter, and seven AC-208s by spring 2019, with three AC-208s remaining in the United States for AAF training. Further deliveries are currently being planned. The final four A-29s to be delivered to the AAF are scheduled to arrive at Moody Air Force Base for AAF training by March 2019. DOD noted that the delivery schedules could vary depending on factors such as availability of trained air crews and maintainers to conduct operations and changes in requirements for numbers of aircraft needed to support training activities.[214]

According to TAAC-Air, the AAF's training for the A-29, C-208, and MD-530 platforms is on track to produce the required number of aircrew. The aircrew for the C-208 and MD-530 become qualified directly out of the initial pilot-training courses that take place outside of Afghanistan. Currently, A-29 training is in the United States, but this is programmed to change by the end of 2020, with DOD and the MOD considering options for a long-term plan for A-29 training beyond 2020. TAAC-Air said the current UH-60 training program is taxing the aircraft-utilization limits to train, season, and upgrade aircrew to create full crews.[215]

Five aircraft-qualification classes to train pilots on how to operate the UH-60 and two mission-qualification classes to train pilots and crews on employing the UH-60 for its specific missions have been completed, progressing on track with the UH-60 growth plan. Training is projected to remain on track if aircraft and crews continue to arrive as anticipated. UH-60 aircrew training will be on pace with aircraft delivery for one year, but is capped at up to 64 pilots and special-mission operators. Training of aircraft commanders (pilot in command) will determine how many full crews are established. According to TAAC-Air, a complete UH-60 crew is a pilot in command, a co-pilot, and two special mission operators (four personnel total). The current projection is to have 17 UH-60 aircrews trained within the next year, in line with the schedule for FY 2019 UH-60 aircraft

delivery. The training for new AC-208 aircrew is just beginning, and TAAC-Air said that it is too early to assess that effort.[216]

AAF Task Availability and Operations

The task availability rate is defined as the number of aircraft serviceable and ready to be tasked, for combat or training, compared to the number of aircraft in the operational fleet (excluding those in depot). For example, if a 12-aircraft fleet has five serviceable aircraft, two aircraft in the maintenance depot, and five in other status, this calculation yields a 50% task availability (i.e., five of the 10 airframes not undergoing maintenance) for that aircraft type. Task availability is a capabilities-based measurement for senior leadership mission planning, rather than a measurement of how contractors are performing in maintaining AAF aircraft.[217] TAAC-Air has gathered enough data on UH-60 flight hours, sorties, and performance to determine a task-availability benchmark this quarter, which they determined is 75%, the same benchmark as for the A-29 and C-208 airframes.[218] According to TAAC-Air, as of July 31, 2018, only one AAF airframe (the C-208) failed to meet its task availability benchmark with an average task availability of 64.2% from May through July 2018.[219]

According to TAAC-Air, the AAF flew an average of roughly 3,165 hours per month this quarter (May 1 to July 31, 2018), a 39% increase in the average amount of hours flown per month last quarter and a 12% increase compared to the same period last year. The Mi-17 continued to fly the most hours of any airframe, an average of 966 hours per month this reporting period, followed by the MD-530 at 806 average hours per month. This was an increase compared to the Mi-17's 816-hour average and the MD-530's 598-hour average reported last quarter.[220] USFOR-A said its flight-hours data include all hours flown by the airframes, whether for operations, maintenance, training, or navigation.[221]

Of the six AAF airframes, only two airframes (the Mi-17 and C-130) significantly exceeded their recommended flight hours, the same as last quarter. The Mi-17 flew an average of 966 hours this reporting period versus a recommended 550 hours (176% of recommended) and the C-130 flew an average of 116 hours versus a recommended 75 hours (155% of).[222] The Mi-17 flew 30.5% of the total hours flown by any AAF aircraft from May through July, a roughly five percentage-point decrease from the 35.7% of the AAF's total hours the Mi-17 flew last quarter.[223]

This quarter, USFOR-A reported that the AAF flew 11,199 sorties from May 1, 2018, through July 31, 2018, the most sorties the AAF has reported flying since SIGAR began tracking this data in March 2017. A sortie is defined as one takeoff and one landing. There were an average of 3,733 sorties per month this quarter, with the most sorties (3,990) flown in July 2018. This is a 28% increase from the 2,917 average sorties per month reported last quarter and a 34% increase in average sorties per month reported last

year.[224] As in previous quarters, the Mi-17 flew the greatest number of sorties (5,564) followed by the C-208 (2,184).[225]

Personnel Capability

TAAC-Air provided the following information on how many fully mission-qualified, or certified mission-ready (CMR) aircrew and pilots the AAF has for each of its airframes, which can be seen in Table 3.14. For more information about the specific training involved for crew members attaining CMR status, please see SIGAR's April 2017 *Quarterly Report to the United States Congress*.[226]

TABLE 3.14

AFGHAN AVIATION SUMMARY, AS OF SEPTEMBER 2018

AIRCRAFT	Usable	Total	Command Pilot	Co-Pilots	Other Aircrew
A-29	12	12	15	N/A	0
Mi-17	22	47	25	33	7
UH-60	19	19	9	15	24
MD-530	29	30	34	25	0
C-130	3	4	8	4	14
C-208	23	24	19	11	3

Note: Only qualified pilots and aircrew are listed in this table. "Other Aircrew" includes loadmasters, flight engineers, and special mission operators and vary by airframe. These figures do not include the aircraft or personnel for the Special Mission Wing, which are classified.

Source: TAAC-Air, response to SIGAR data call, 9/19/2018 and response to SIGAR vetting, 10/3/2018; SIGAR, analysis of TAAC-Air-provided data, 10/2018.

TAAC-Air also provided for the first time information on AAF maintenance personnel and their training requirements. They said fully mission-capable AAF maintainers must undergo two to three years of training, which includes 36 weeks of English-language training, two to three months of academics, and six to 12 months of on-the-job training, with some gaps between training. Table 3.15 on the following page for the current number of authorized and assigned AAF maintenance personnel by airframe and other maintenance function, as well as the projected authorizations for AAF maintenance personnel for 2023. As of September 3, 2018, the AAF's 1,246 assigned maintenance personnel were at 73.9% of their authorized strength of 1,686. Kabul Airbase has the most maintenance personnel by far (703), followed by Kandahar (316). Kabul had the highest percentage of maintenance personnel against its authorization (85.9%) and Mazar-e Sharif had the lowest (48.2%). In terms of maintenance positions, the AC-208 and the Maintenance Operations teams had the most personnel against their authorization, at 90.6% and 90.4% respectively. The C-130 (13.3%) and Maintenance Staff (20.2%) teams had the least staff against their authorizations.[227] SIGAR will continue to track AAF maintenance personnel for future quarterly reports.

TABLE 3.15

AAF MAINTENANCE PERSONNEL STRENGTH, AS OF SEPTEMBER 2018

	2018 AUTHORIZED STRENGTH					2018 ASSIGNED STRENGTH					2023 PROJECTED AUTHORIZATIONS				
Maintenance Positions	**Kabul**	**Kand**	**MeS**	**Shind**	**Total**	**Kabul**	**Kand**	**MeS**	**Shind**	**Total**	**Kabul**	**Kand**	**MeS**	**Shind**	**Total**
A-29	59	64	0	0	123	56	30	0	0	86	59	67	83	0	**209**
AC-208	57	7	0	0	64	54	4	0	0	58	72	81	62	0	**215**
C-208	50	50	0	44	144	49	36	0	38	123	48	55	37	36	**176**
C-130	15	0	0	0	15	2	0	0	0	2	15	0	0	0	**15**
MD-530	85	102	0	0	187	85	52	0	0	137	76	163	117	0	**356**
Mi-17	0	50	0	4	54	0	35	0	3	38	0	0	0	0	**0**
UH-60	75	79	0	42	196	0	22	0	37	59	105	143	67	42	**357**
UH-60 FFF	0	0	0	0	0	0	0	0	0	0	78	75	68	0	**221**
Maintenance Operations	416	154	50	123	743	415	120	25	112	672	305	224	176	107	**812**
Munitions Squadron	33	31	0	12	76	28	16	0	10	54	45	44	36	12	**137**
Maintenance Staff	28	30	6	20	84	14	1	2	0	17	24	31	21	17	**93**
Total	**818**	**567**	**56**	**245**	**1,686**	**703**	**316**	**27**	**200**	**1,246**	**827**	**883**	**667**	**214**	**2,591**

Note: All personnel listed above are trained and fully mission-capable. The locations on the table refer to AAF airbases. Kand = Kandahar, MeS = Mazar-e Sharif, and Shind = Shindand. Maintenance Operations = non-mechanical functions like quality assurance, analysis, plans, scheduling, documentation, training, and logistics; Munitions Squadron = a squadron that stores, maintains, inspects, assembles, and issues aircraft munitions; Maintenance Staff = staff that handle command, support, and finance; FFF= Fixed Forward Firing.

Source: TAAC-Air, response to SIGAR data call, 9/19/2018 and response to SIGAR vetting, 10/5/2018, 10/11/2018, and 10/22/2018.

TAAC-Air said this quarter that despite beginning to assign some maintainers to the UH-60, UH-60 maintenance operations are currently conducted by contract and the AAF has no organic UH-60 maintenance capability at this time. The qualification of MD-530 maintainers lags behind delivery of those aircraft, while A-29 maintainer qualification is meeting or exceeding delivery, and AC-208 maintainer-training methodology and qualification-output goals are still being determined.[228]

The Special Mission Wing – Data Classified

NSOCC-A continued to classify most of the data on the Special Mission Wing (SMW). SIGAR's questions on this data can be found in Appendix E of this report and information about the SMW is reported in the classified annex.

AFGHAN NATIONAL POLICE

As of September 30, 2018, the United States had obligated $21.6 billion and disbursed $21.2 billion of ASFF funds to build, train, equip, and sustain the ANP.[229]

ANP Strength – Some Data Classified

USFOR-A continued to classify unit-level ANP authorized-strength figures. Detailed assigned-and authorized-strength information appears in the classified annex to this report. SIGAR's questions about ANP strength can be found in Appendix E of this report.

According to DOD, the ANP's total authorized (goal) end strength was 124,626, a considerable decrease from the 157,000 personnel authorized in 2016 and 2017. DOD reported in June that this was due to the transfer of the majority of ABP and ANCOP personnel from MOI to MOD. DOD said that while there was a 20% reduction in MOI's total force size, the MOI headquarters "did not reduce at commensurate levels."[230]

The assigned, or actual, strength of the ANP, as of July 31, 2018, was 118,311 personnel, including 24,229 officers, 35,424 noncommissioned officers, and 58,658 patrolmen. This figure represents an increase of 359 personnel since last quarter, but a 32,868-person decrease since July 2017, most of which was due to the transfer of 30,689 ANCOP and ABP personnel to MOD. After adjusting for that transfer, the ANP lost 2,179 personnel compared to the same period last year.[231]

The ANP was at 94.9% (or 6,315 personnel below) its authorized strength in July 2018, down from 96.3% of its authorized strength one year prior.[232]

ANP Attrition – Data Classified

USFOR-A classified all ANP attrition information this quarter, unlike last quarter when limited attrition information was provided. SIGAR's questions about ANP attrition can be found in Appendix E. A detailed analysis of attrition by ANP force element is provided in the classified annex to this report.

ANP Sustainment

As of September 30, 2018, the United States had obligated $9.4 billion and disbursed $9.2 billion of ASFF for ANP sustainment.[233]

According to CSTC-A, the total estimated annual ANP salary and incentive costs for FY 2018 will be $140.1 million to be paid via LOTFA, a multilateral fund to which the United States has only contributed $1 million so far this year. Separately, the United States will pay an estimated $42.1 million to fund salaries and incentives for the ALP, a roughly $4.5 million decrease from last quarter's estimate.[234]

CSTC-A reported this quarter that the total on-budget amount expended for ANP sustainment requirements thus far for Afghan FY 1397 (beginning December 21, 2017) was $65.4 million through August 17, 2018, the majority of which were spent on ANP salaries and incentives and non-payroll-related expenses such as electricity and fuel. CSTC-A disbursed $33.6 million of these funds in salary and incentive pay (mostly for the ALP), $27.8 million for services (such as electricity, fuel, and natural gas), and roughly

Afghan Special Police recruits practice close quarters battle drills during training at the Special Police Training Center, near Kabul, Afghanistan, July 18. (NATO photo by LaShawn Sykes)

$4 million for assets (such as land, infrastructure improvements, and communications equipment).[235]

ANP Equipment and Transportation

As of September 30, 2018, the United States had obligated and disbursed $4.7 billion of ASFF for ANP equipment and transportation.[236]

Seen in Table 3.16, CSTC-A reported that the highest-cost items of equipment provided to the ANP this quarter included nearly 300 vehicles (valued at a total of $55.1 million) and weapons and other equipment (valued at a total of about $3.1 million).[237]

TABLE 3.16

MAJOR EQUIPMENT ITEMS PROVIDED TO ANP, JULY–SEPTEMBER 2018

Equipment Type	Equipment Description	Units Issued in Quarter	Unit Cost*	Total Cost*
Vehicle	M115A1 HMMWV (Humvee)	109	$192,000	$20,928,000
Vehicle	M115A2 HMMWV (Humvee)	89	256,000	22,784,000
Vehicle	Medium Tactical Vehicle	81	140,000	11,340,000
Weapon	PKM Machine Gun	600	4,200	2,520,000
Weapon	Night Vision Device	299	2,100	627,900
Other	Winch	10	3,700	37,000
Total Cost of Equipment				**$58,236,900**

Note: * Figures were rounded by CSTC-A.

Source: CSTC-A, response to SIGAR data call, 10/5/2018, and response to SIGAR vetting, 10/16/2018.

Equipment Operational Readiness – Data Classified

This quarter, USFOR-A continued to classify data concerning the ANP's equipment readiness. The questions SIGAR asked about ANP equipment readiness can be found in Appendix E of this report. ANP equipment readiness is reported in the classified annex.

ANP Infrastructure

The United States has obligated $3.2 billion and disbursed $3.1 billion of ASFF for ANP infrastructure projects as of September 30, 2018.[238]

CSTC-A reported that the estimated annual facilities-sustainment costs for all ANP facility and generator requirements will be roughly $71.7 million—the same as last quarter. According to CSTC-A, as of August 25, 2018, the United States completed 766 ANP infrastructure projects in Afghanistan costing $3.0 billion.[239]

CSTC-A reported that three projects were completed this quarter, costing $3.1 million; 16 projects were ongoing (valued at $81.3 million); one project was awarded (valued at $32.8 million); and four projects were being planned (valued at $144.1 million).[240] Table 3.17 on the following page lists the highest-value awarded, ongoing, completed, and planned ANP infrastructure projects.

Included in the projects described above are 17 Women's Participation Program (WPP) projects valued at $147.5 million. Two projects were being planned (roughly $70 million), 12 are ongoing projects ($74.4 million), and three have been completed ($3.1 million).[241]

ANP Training and Operations

As of September 30, 2018, the United States had obligated $4.4 billion and disbursed $4.2 billion of ASFF for ANP and MOI training and operations.[242]

At the request of DOD, SIGAR will await the completion of GAO's forthcoming audit on the cost of ASFF-funded ANDSF training contracts before reporting on the status of those contracts.[243] For more information about this and other GAO audits related to Afghanistan, see Section 4.

Afghan Local Police

ALP members, known as "guardians," are usually local citizens selected by village elders or local leaders to protect their communities against insurgent attack, guard facilities, and conduct local counterinsurgency missions. While the ANP's personnel costs are paid via the LOTFA, only DOD funds the ALP, including both personnel and other costs. Funding for the ALP's personnel costs is provided directly to the Afghan government.[244] Although the ALP is overseen by the MOI, it is not counted toward the ANDSF's authorized end strength.[245]

As of July 21, 2018, the NATO Special Operations Component Command-Afghanistan (NSOCC-A) reported that according to the ALP Staff Directorate,

TABLE 3.17

MAJOR ANP INFRASTRUCTURE PROJECTS

Project Description	Project Location	Agency / Contractor	Estimated Cost	Estimated Completion Date
Awarded Projects				
Women's Participation Program (WPP) Police Town, Phase II	Kabul, Kabul Province	USACE / Macro Vantage Levant DMCC	$32,831,000	3/31/2021
Ongoing Projects				
WPP Police Town, Phase I	Kabul, Kabul Province	USACE / Macro Vantage Levant DMCC	23,646,225	11/23/2018
WPP Police Town, Phase II	Kabul, Kabul Province	USACE / Macro Vantage Levant DMCC	32,831,000	3/31/2021
WPP Women's Facilities at Kabul Police Academy	Kabul, Kabul Province	USACE / Macro Vantage Levant DMCC	7,072,803	6/23/2019
Completed Projects				
Daycare for the Afghan Border Police Regional Training Center, Zone 301 Headquarters	Nangarhar, Jalalabad Province	USACE / Assist Consultants Inc.	837,006	5/28/2018
Daycare for the ANP Regional Training Center, Zone 301 Headquarters	Nangarhar, Jalalabad Province	USACE / State Women Corporation	1,232,874	7/31/2018
Daycare and Barracks for the Afghan Uniform Police Provincial Headquarters in Panjshir	Panjshir, Panjshir Province	USACE / Assist Consultants Inc.	1,016,006	7/15/2018
Planned Projects				
WPP Police Town, Phase III	Kabul, Kabul Province	TBD	30,000,000	6/30/2021
WPP Police Town, Phase IV	Kabul, Kabul Province	TBD	40,000,000	8/30/2021

Note: All data are as of August 25, 2018. All WPP Police Town projects listed above are being funded through the multilateral NATO ANA Trust Fund, not through unilateral U.S. ASFF funds. The estimated cost of the two WPP Police Town projects in the planning phase are rough estimates based upon recent contract awards. CSTC-A did not report the Afghan Border Police daycare to SIGAR last quarter due to an unexpectedly early completion of the project.

Source: CSTC-A, response to SIGAR data call, 9/19/2018.

the ALP has roughly 28,000 guardians on hand, roughly 24,000 of whom are trained, about 5,000 untrained, and about 100 in training. The ALP's strength declined by roughly 1,000 personnel since last quarter, as did the number of trained personnel, with the number of untrained personnel increasing by about 1,000. However, the percentage of the force that is untrained increased this quarter to 17%, up three percentage points since last quarter.[246]

When asked about the large number of untrained personnel, NSOCC-A said the ALP receive a four-week training course covering basic weapons use, human rights, and logistics and supplies, which is taught at the ANP's Regional Training Centers. NSOCC-A said the ALP has the most personnel killed in action of any unit in Afghanistan because they fight in locations without significant backup. For example, ALP will lose (killed in action, absent, contract ended) approximately 3,000 trained personnel over a three-month period. During the same time period, they will hire approximately 5,000 new personnel, all of whom require training. NSOCC-A said even if the training centers are full for the year, there probably will not be an appreciable increase in the number or percentage of ALP personnel trained, due to the number of losses and new recruits.[247]

This quarter, NSOCC-A reported on the ALP's continuing efforts to enroll personnel in APPS, to transition ALP salary payments to an electronic funds-transfer (EFT) process, and to inventory materiel. According to NSOCC-A, as of August 9, 2018, roughly 70% of ALP have been slotted into APPS, a substantial decrease from the 80% reported last quarter.[248]

NSOCC-A reported no change to the estimated $90 million of ASFF needed to fund the ALP for FY 2018 (assuming an ALP force authorization of 30,000 personnel).[249]

WOMEN IN THE ANDSF – SOME DATA CLASSIFIED

RS classified the exact strength data for female personnel in the ANDSF this quarter. A detailed analysis of female ANDSF personnel strength is provided in the classified annex to this report. SIGAR's questions about women in the ANDSF can be found in Appendix E. For rounded strength figures, see Table 3.18.

RS's Gender Integration Advisory Office reported efforts to recruit women for the ANA are currently on hold. MOD is not actively recruiting women for the ANA while the ministry is working to create a dedicated force-development plan that will allow the ANDSF to conduct targeted recruiting of qualified women in the future. There are no lieutenant positions open at this time to either men or women, leaving no vacancies for newly trained recruits. Therefore, if women are recruited with no vacant positions, they go straight into the inactive reserve. Personnel assigned to the inactive reserve are no longer paid now that APPS is officially online. RS said the ANA recruiting goal will be 200 women per quarter once recruiting resumes. It is anticipated that the ratio for female recruits will be somewhere near 30–40% officers to 70–60% NCOs.[250]

TABLE 3.18

ANDSF FEMALE PERSONNEL, ROUNDED ASSIGNED STRENGTH, AS OF JULY 2018

	Officers	Non-commissioned Officers	Soldiers/ Patrolmen	Cadets	Total
ANP	800	1,200	1,200	0	**3,200**
ANA	600	400	200	100	**1,300**
Total					**4,500**
Afghan Air Force (AAF)					
AAF	60	20	10	10	**100**
Afghan Special Security Forces (ASSF)					
ANP	10	80	10	0	**100**
ANA	10	10	10	0	**30**

Note: The AAF strength is included in the ANA's total strength number. The ASSF numbers are included in the ANP and ANA numbers, respectively.

Source: RS Gender Integration Advisory Office, response to SIGAR data call, 9/19/2018.

The ANP is also minimally recruiting women as the MOI works to realign targets for female recruitment by rank due to pending tashkil changes to allow for career progression. RS said that current ANP recruitment efforts are focused, for the time being, on recruiting women to attend the Sivas Police Training Academy course in Turkey in October 2018.[251] RS commented generally that focusing on recruiting numbers alone fails to capture the challenge of identifying valid personnel requirements, training needs, and career progression opportunities before placing an emphasis on recruitment.[252]

Separately, the Gender Integration Advisory Office reported that as of August 29, 2018, there are 76 female cadets in training at the Afghan National Military Academy (ANMA). There are also 42 ANDSF women currently attending the Afghan Armed Forces Academy of Medical Sciences (Afghan Army Medical School), who are receiving broad exposure and hands-on training in combat casualty, ethics, leadership, operational medicine, intensive care/critical care medicine, general medicine, surgery, pediatric, obstetrics, geriatrics, and anesthesia.[253]

When asked this quarter how RS uses the funds authorized by Congress in the NDAA for women in the ANDSF, they responded that funds are primarily used for: the construction of facilities to recruit and retain women and to ensure their safety, incentive pay for female ANDSF personnel, public awareness campaigns to recruit women to work in the ANDSF, and the procurement of training and education classes (both domestic and international) for the professional development of ANDSF female personnel.[254]

ANDSF MEDICAL AND HEALTH CARE

As of August 28, 2018, the total cost of CSTC-A-procured medical items for the ANDSF since the beginning of the Afghan fiscal year (December 21, 2017) was $29.5 million. The highest-cost items included, the intravenous (IV) solutions Ringer's Lactate Solution (475,000 units costing $1.4 million) and sodium chloride (465,000 units costing $301,000); IV pumps (machines used to administer and monitor the IV fluids being given to a patient, 275 units costing $617,000), and amoxicillin (4 million units costing $406,000) and ceftriaxone (1 million units costing $908,000), both antibiotics used to treat bacterial infections.[255]

As of August 17, 2018, there were 881 physicians (a 43-person decrease since May 2018), and 2,469 other medical staff (a 225-person decrease) in the ANDSF health care system. Of the non-physician staff, 714 were nurses and 379 were medics. The remaining medical staff include dental, medical administration, bio-environmental and preventive medicine, laboratory, and radiology staff. A number of medical positions in the ANDSF remained unfilled, including 92 physician positions (9.5% of those required) and 699 other medical positions (22.1%).[256]

CSTC-A reported this quarter that in response to an increase in tashkil positions, the Office of the Surgeon General (OTSG) ordered the "aggressive" recruitment of qualified medical personnel from the civilian sector for the ANDSF. The Surgeon General took pride in the quality of his recruits and said most of the nurses were Kabul Medical University graduates. The OTSG had also recruited physicians from some of the best hospitals in Kabul, such as the French Medical Institute for Children. OTSG anticipates the full complement of new recruits will be available by March 2019. The delay is primarily due to a backlog of available seats in the Officer Basic Course.[257] According to CSTC-A, the new hires will be reflected in the ANDSF medical personnel strength once the recruits finish their training.[258]

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GOVERNANCE

KEY ISSUES AND EVENTS

Elections for 249 seats in the lower house of parliament were held on October 20–21, 2018, in all provinces except Ghazni and Kandahar. Voting was delayed in those two provinces due to security challenges. As this report went to print, officials planned to hold the election in Kandahar Province a week later, following the October 18 assassination of the province police and intelligence chiefs. Afghan media cited the minister of interior saying that 17 civilians and 11 members of the Afghan security forces were killed in 192 election-day security incidents. Also, at least 10 of the approximately 2,500 parliamentary candidates were killed prior to the election. The Afghan government plans to announce the preliminary results on November 10. The first-ever elections for district councils, originally scheduled for October 20, did not occur because, according to USAID, an insufficient number of candidates were nominated to hold competitive elections in a majority of districts in the country. The plan for the district council elections remains unclear.[259]

President Ashraf Ghani showing his dyed finger after casting his vote in the October 2018 parliamentary elections. (Afghanistan Presidential Palace photo)

According to State, the 2018 parliamentary and 2019 presidential elections are the first Afghan-led and -conducted elections. These are the first elections in which the Afghan government has funded the electoral operations. According to the UN, this represents a significant step toward the sustainability of the elections and Afghan national ownership of the electoral process.[260] The most recent elections were the 2014 presidential and provincial council elections and the 2010 election for the lower house of parliament.[261]

On August 12, the Afghan government and the United Nations (UN) officially began preparing for the November 28 Geneva Ministerial Conference on Afghanistan. The conference will see the introduction of a new set of accountability parameters, the Geneva Mutual Accountability Framework. This new framework will likely replace the 24 SMART Self-Reliance through Mutual Accountability Framework (SMAF) indicators that covered 2017 through 2018. The SMART SMAF articulated a number of Afghan government reform targets, but did not define financial consequences for failing to meet these goals. According to the UN Secretary-General, the conference takes place at "a critical juncture," halfway between the 2016 Brussels Conference on Afghanistan and the next donor pledging conference, expected to be held in 2020.[262]

U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE

As of September 30, 2018, the United States had provided nearly $33.72 billion to support governance and economic development in Afghanistan. Most of this funding, more than $20.38 billion, was appropriated to the Economic Support Fund (ESF) administered by the State Department (State) and the U.S. Agency for International Development (USAID).

ELECTIONS

An honor guard escorts the body of parliamentary candidate Abdul Jabar Qahraman who was killed on October 17. (Afghanistan Presidential Palace photo)

On October 20–21, 2018, the long-delayed parliamentary elections were held in all provinces but Ghazni and Kandahar. According to USAID, the parliamentary election in Ghanzi will be held in conjunction with the April 2019 presidential election. On election day, President Ashraf Ghani was quoted in Afghan media saying the election in Kandahar Province would be held one week after the other 32 provinces. He said this delay was at the request of the people of Kandahar following the October 18 assassination of their provincial police and intelligence chiefs.[263] The last national parliamentary elections were held in 2010 and, despite the constitutional limits of a five-year term, the mandated 2015 elections were not held until this quarter.[264] District council elections that were scheduled to take place alongside the parliamentary elections were not held. According to USAID, district council elections were not held because an insufficient number of candidates were nominated to hold competitive elections in a majority of districts in the country. Further, USAID said the Afghan government did not make an official announcement to formalize the postponement.[265]

According to the State Department, credible parliamentary elections in 2018 and presidential elections in 2019 are critical for demonstrating that the Afghan government is "inclusive" and has the necessary political coherence to achieve and implement a peace settlement. As Principal Deputy Assistant Secretary, Bureau of South and Central Asian Affairs, Ambassador Alice Wells testified in June 2018, the U.S. government believes timely, transparent, and credible elections could sap support for the insurgency.[266] Conversely, protracted and politically motivated disputes over electoral results could make it more difficult for the Afghan government to claim it is inclusive, USAID said.[267]

TABLE 3.19

USAID ELECTION-RELATED PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Electoral Support Activity (ESA)	5/20/2015	12/31/2019	$78,995,000	$12,215,918
Strengthening Civic Engagement in Elections in Afghanistan Activity (SCEEA)	8/9/2018	8/8/2021	14,000,000	491,676
Global Elections and Political Transitions Program	1/1/2018	12/30/2018	222,445	205,773

Source: USAID, response to SIGAR data call, 10/15/2018.

Despite hope in the transformative power of legitimate elections, State acknowledges that elections in Afghanistan have always been "sensitive" events.[268] As State described the situation in September, the 2018 parliamentary and 2019 presidential elections are "both a threat and an opportunity given [Afghanistan's present] political fragility."[269] Further, the UN Secretary-General recently warned that "while timely and credible technical preparations [for elections] are essential, they cannot, by themselves, solve political concerns."[270]

U.S. Funding Support to Elections

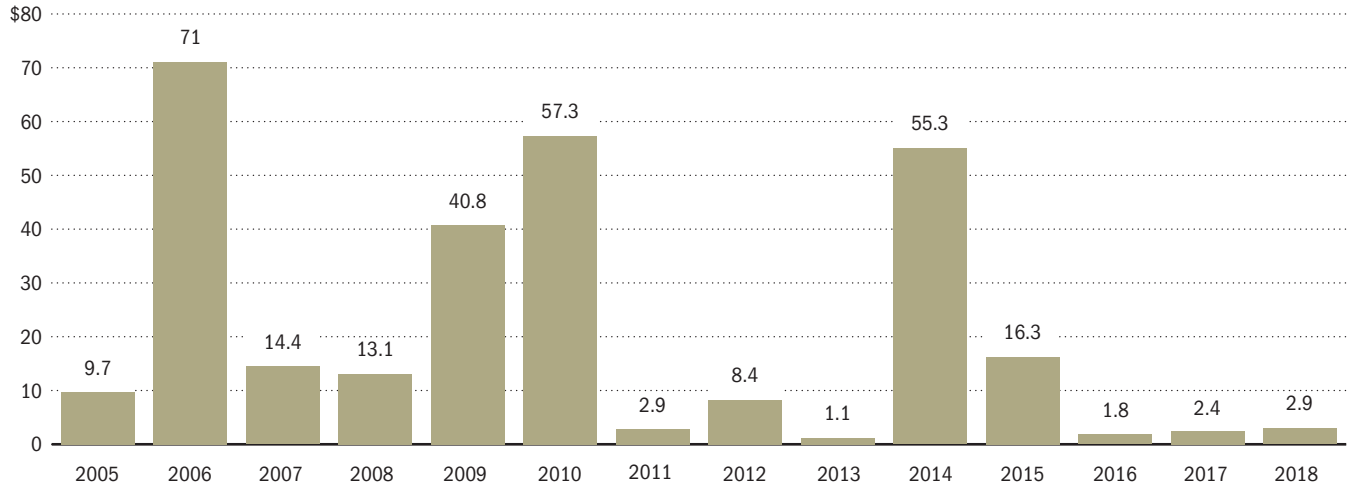
As shown in Table 3.19, the U.S. government is primarily supporting Afghan elections in 2018 and 2019 through a grant of up to $79 million to the United Nations Development Programme's (UNDP) Election Support Activity. Through this grant, UNDP provides support to Afghanistan's electoral management bodies—the Independent Election Commission (IEC) and the Electoral Complaint Commission (ECC).[271]

As of April 2018, the UNDP had expended over $834 million on electoral assistance for three rounds of presidential and provincial council elections (2004, 2009, and 2014) and two parliamentary elections (2005 and 2010). The United States, European Union, and the United Kingdom were the three largest donors for these efforts.[272] As shown in Figure 3.37, USAID has disbursed $298 million to UNDP for elections-related programs since 2005.[273]

On August 8, USAID signed a three-year, $14 million cooperative agreement with the Consortium for Elections and Political Process Strengthening

FIGURE 3.37

USAID DISBURSEMENTS TO UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) ELECTIONS-RELATED PROGRAMS ($ MILLIONS)



Source: SIGAR, analysis of USAID response to SIGAR data call, 10/15/2018.

(CEPPS) to support domestic Afghan observation of the 2018 parliamentary elections, the 2019 presidential elections, and to promote longer term electoral reforms. According to USAID, this program will improve the understanding and application of international standards for elections monitoring among domestic observers, enhance coordination among Afghan civil-society organizations (CSOs) on election observation, and improve the engagement of CSOs and agents of candidates with election-management bodies. CEPPS has awarded more than $600,000 to five domestic observation groups, which planned to field approximately 6,600 observers in 33 provinces for the October 2018 parliamentary elections. Elections in the remaining province, Ghazni, did not occur. Two organizations were also planned to monitor the campaign period, with 230 long-term observers covering the pre- and post-election periods.[274]

RECONCILIATION AND REINTEGRATION

Peace Efforts with the Taliban

The U.S. and Afghan governments agree that the best way to ensure lasting peace and security in Afghanistan is through reconciliation and a sustainable political settlement with the Taliban.[275] According to State, the U.S. Embassy has augmented its staffing, both in Kabul and in the field, and created an integrated system with military and intelligence counterparts to take advantage of openings to peace. State aims to support Afghan-led efforts to reduce violence, including at a grassroots level, and promote development.[276]

Last quarter, the Afghan government announced a temporary halt to offensive operations against the Taliban.[277] The Taliban eventually reciprocated and, on June 15, began a three-day ceasefire with the Afghan government.[278]

According to State, the three-day overlapping ceasefires created hope that a peace process was imminent. However, the Taliban did not respond to either President Ghani's June 16 offer to extend the three-day ceasefire or his August 19 call for a joint ceasefire starting over Eid al-Adha.[279] Ghani's proposed August–November ceasefire was conditional on the Taliban announcing a reciprocal ceasefire. According to the UN Secretary-General, the Taliban did not formally respond.[280]

State says that while the Taliban continue to publicly claim that they support a peaceful solution to the Afghan war, they have not yet agreed to peace talks with the Afghan government and continue to publicly demand direct negotiations with the United States.[281]

On September 4, Secretary of State Michael R. Pompeo told reporters that former Ambassador Zalmay Khalilzad would be State's lead for reconciliation efforts in Afghanistan, saying this would be his "singular mission statement." Ambassador Khalilzad, in his role as Special Representative for Afghanistan Reconciliation, traveled to Afghanistan, Pakistan, the United

Special Representative for Afghanistan Reconciliation Zalmay Khalilzad spoke with political and civil-society figures during his visit to Kabul this quarter. (State photo)

Arab Emirates, Qatar, and Saudi Arabia this quarter to coordinate and lead U.S. efforts to bring the Taliban to the negotiating table. Ambassador Khalilzad previously served as the U.S. ambassador to Afghanistan, Iraq, and the UN. Ambassador Khalilzad was born in the Afghan city of Mazar-e Sharif and during his time as U.S. Ambassador, helped draft Afghanistan's constitution.[282]

Ambassador Zalmay Khalilzad was appointed Special Representative for Afghanistan Reconciliation this quarter. Special Representative Khalilzad previously served as the U.S. ambassador to Afghanistan, Iraq, and the UN. He was born in the Afghan city of Mazar-e Sharif and during his time as U.S. Ambassador, helped draft Afghanistan's constitution.

This quarter, State reported that there were many reports of groups of insurgent fighters across the country who reportedly seek to demobilize and reconcile with the government but are unsure of how to proceed. Further, these groups reportedly fear retribution from other fighters if they move forward with those initiatives.[283]

Fear of retribution appears to be an enduring challenge in the absence of an overarching peace agreement. According to the Afghan government, there is some evidence that many reintegrees experienced severe personal security threats during previous reintegration efforts.[284] A UN-sponsored evaluation of previous peace efforts in Afghanistan found that 225 out of nearly 11,000 claimed reintegrees were killed. The evaluators recounted how a prominent Taliban leader was assassinated after his attempt to reconcile. Additionally, at least one insurgent commander seemed to imply that he directed 150 potential reintegrees to not participate in the formal reintegration process for fear of having their identities exposed and becoming more prominent targets for retribution.[285]

Implementation of the Peace Agreement with Hezb-e Islami Gulbuddin

In September 2016, the Afghan government finalized a peace agreement with Gulbuddin Hekmatyar's Hezb-e Islami Gulbuddin (HIG) insurgent group.[286] When the peace deal with HIG was announced, some, including President Ghani, expressed hope that reconciling with Hekmatyar could facilitate a broader peace.[287] According to State, however, the peace agreement with HIG thus far has had no definitive impact on the reconciliation calculations of other resistance groups, including the Taliban. Nevertheless, State considers the peace agreement with HIG an important precedent that will influence other armed groups, particularly leaders who see that Hekmatyar has emerged as an influential political leader.[288]

This quarter, the UN Secretary-General reported that the Afghan government made limited progress implementing its peace agreement with HIG. On July 25, HIG representatives met with NATO Resolute Support to discuss a list of 59 prisoners HIG proposed for release. According to the UN, these prisoners remain in custody as there are insufficient guarantees that they would not rejoin the insurgency. Also in July, representatives from Afghan government security institutions discussed future HIG prisoner releases and land allocation, as well as the possible effect of a recent wave of security-sector retirements on HIG-affiliated security personnel.[289]

U.S. Support to Peace and Reconciliation

State provided $3.9 million to the UNDP to support reconciliation, including the activities of the High Peace Council (HPC), in September 2017. While this support was originally intended to last only through 2017, the initial pilot was extended to October 30, 2018.[290] State plans to disburse an additional $6 million before September 30.[291]

According to State, these funds have supported the HPC to build consensus for peace throughout the country and develop Afghanistan's institutional capacity to facilitate reconciliation. HPC activities include outreach activities at the national, provincial, and district levels to assess social attitudes toward reconciliation, document challenges, mobilize support for reconciliation, and develop the capacity to facilitate reconciliation.[292]

Regional Dynamics for Peace

On May 14, the Afghan and Pakistani governments agreed to the Afghanistan-Pakistan Action Plan for Peace and Solidarity (APAPPS). According to the Afghan and Pakistani governments, APAPPS provides a framework to strengthen mutual trust and deepen interaction in all spheres of bilateral engagements.[293]

The inaugural APAPPS meeting was held on July 22 in Islamabad, Pakistan. According to State, a joint bilateral gathering of religious scholars was planned for September 6 in Islamabad, but Pakistan cancelled the meeting.[294] In late September, however, the HPC announced that it was still in talks with Pakistani religious scholars on the matter.[295]

AFGHANISTAN COMPACT

In August 2017, the U.S. and Afghan governments announced the launch of the "Afghanistan Compact." The Afghanistan Compact is an Afghan-led initiative designed to demonstrate the government's commitment to reforms.[296] The Afghan government does not appear to face any direct financial consequences if it fails to meet the Afghanistan Compact reform commitments.[297]

For more information on the Afghanistan Compact, see pages 122–123 of SIGAR's April 30, 2018, *Quarterly Report to the United States Congress*.

This quarter, State attributed the following governance-related Afghan government actions to the pressure created by the Afghanistan Compact and the upcoming Geneva Ministerial Conference on Afghanistan scheduled for November 2018 (according to the UN, the Geneva Ministerial Conference on Afghanistan will be "crucial in measuring results against the $15.2 billion committed by the international community for Afghanistan in 2016"):[298]

- The Kabul Bank Receivership informed State that recent progress in collecting debtor payments and seizing assets was solely attributable to pressure from the Compact. This quarter, DOJ reported that the AGO has made some progress seizing assets submitted as collateral by

Kabul Bank debtors. According to DOJ, money and asset recovery is approximately 48% of total estimated losses.[299]

- The Afghan government reported that it has registered the assets of 13,600 Afghan government officials to meet its obligations under the Compact. According to DOJ, these reports have not been verified.[300]
- The first-ever Special Court was formed to hear the corruption case of former Minister of Communications and Information Technology Abdul Razaq Wahidi. According to DOJ, Wahidi was suspended from his post on January 2, 2017, based on allegations of nepotism, overpayments, illegally contracted workers, embezzlement, and misappropriation of tax revenue. Further, DOJ said the Attorney General's Office (AGO) substantiated these allegations in an investigation that concluded in February 2017. Although Wahidi was tried by the Special Court, the two-year-old case is still pending since it was returned back to the AGO.[301]
- The AGO started investigating the individuals named in the Farooqi Report on fuel-related corruption. According to DOJ, the investigation that produced this report in October 2015 uncovered collusion, price fixing, and bribery related to bids for fuel contracts totaling nearly $1 billion. The investigation concluded that crimes were committed and specific individuals should be prosecuted, including a former minister who was a Ghani supporter.[302] DOJ says that no charges have yet been filed in this case.[303]
- The Afghan government passed an important amendment to the Access to Information Law and created a monetary awards system for individuals who advance anticorruption reform.
- The AGO introduced an Anti-Corruption Justice Center referral mechanism for corruption cases.
- A whistleblower protection law was drafted and nearly adopted in September. An anticorruption law that meets international standards likewise failed to win approval. However, according to State, the Afghan Ministry of Justice said that these two laws were approved by presidential decree on September 5, 2018. This anticorruption law calls for the creation of a commission to prevent corruption and coordinate and monitor the government's fight against corruption. One of the commission's functions will be developing and monitoring the progress of anticorruption strategies and policies. These strategies and policies would require the approval of the High Council for Rule of Law and Anti-Corruption that is chaired by President Ghani. Further, the commission will register and assess the assets of Afghan government authorities and high ranking officials.[304]

On-budget assistance: encompasses donor funds that are aligned with Afghan government plans, included in Afghan government budget documents, and included in the budget approved by the parliament and managed by the Afghan treasury system. On-budget assistance is primarily delivered either bilaterally from a donor to Afghan government entities, or through multidonor trust funds. (DOD prefers the term "direct contributions" when referring to Afghanistan Security Forces Fund (ASFF) monies executed via Afghan government contracts or Afghan spending on personnel).

Off-budget assistance: encompasses donor funds that are excluded from the Afghan national budget and not managed through Afghan government systems.

Source: SIGAR, *Quarterly Report to the United States Congress*, 7/30/2014, p. 130; Ministry of Finance, "Aid Management Policy for Transition and Beyond," 12/10/2012, p. 8; State, response to SIGAR vetting, 1/14/2016; DOD, OSD-P, response to SIGAR vetting, 1/15/2018.

U.S. ASSISTANCE TO THE AFGHAN GOVERNMENT BUDGET

Summary of Assistance Agreements

At the Brussels Conference in October 2016, the United States and other international participants confirmed their intention to provide $15.2 billion between 2017 and 2020 in support of Afghanistan's development priorities.[305] Although the United States did not commit to a specific amount, then-Secretary of State John Kerry promised to work with Congress to provide civilian assistance at or near the 2016 levels through 2020.[306]

In several conferences since the 2010 Kabul Conference, the United States and other international donors have supported an increase to 50% in the proportion of civilian development aid delivered on-budget through the Afghan government or multidonor trust funds to improve governance, cut costs, and align development efforts with Afghan priorities.[307]

While USAID does not feel that it is necessarily committed to the 50% on-budget target, it says the agency will provide on-budget assistance to honor the U.S. government's international commitments coming out of the 2012 Tokyo and 2016 Brussels Conferences on Afghanistan.[308]

As shown in Table 3.20, USAID's active, direct bilateral-assistance programs have a total estimated cost of $392 million. USAID also expects to contribute $2.7 billion to the Afghanistan Reconstruction Trust Fund (ARTF) from 2012 through 2020 in addition to $1.37 billion disbursed under the previous grant agreement between USAID and the World Bank (2002–2011). USAID has disbursed $154 million to the Afghanistan Infrastructure Trust Fund (AITF).[309]

TABLE 3.20

USAID ON-BUDGET PROGRAMS

Project/Trust Fund Title	Afghan Government On-Budget Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Bilateral Government-to-Government Projects					
Power Transmission Expansion and Connectivity Project (PTEC)	Da Afghanistan Breshna Sherkat (DABS)	1/1/2013	12/31/2018	$316,713,724	$183,695,904
Textbook Printing and Distribution	Ministry of Education	9/15/2017	12/31/2019	75,000,000	-
Multi-Donor Trust Funds					
Afghanistan Reconstruction Trust Fund (ARTF) (current award)*	Multiple	3/31/2012	7/31/2019	1,900,000,000	1,475,686,333
Afghanistan Reconstruction Trust Fund (ARTF) (New Development Partnership)**	Multiple	9/1/2015	7/31/2019	800,000,000	380,000,000
Afghanistan Infrastructure Trust Fund (AITF)	Multiple	3/7/2013	3/6/2023	153,670,184	153,670,184

Note:
* USAID had a previous award to the ARTF that concluded in March 2012 and totaled $1,371,991,195 in disbursements. Cumulative disbursements from all ARTF awards are currently $3,227,677,528.
** USAID formally ended the New Development Partnership on July 11, 2018.

Source: USAID, response to SIGAR data call, 10/15/2018.

On July 11, 2018, participants in the NATO Brussels Summit committed to extend "financial sustainment of the Afghan forces through 2024." The public declaration did not specify an amount of money.[310]

Civilian On-Budget Assistance

USAID delivers on-budget civilian assistance in two ways: bilaterally to Afghan government entities, and through contributions to two multidonor trust funds, the ARTF and the AITF.[311] According to USAID, all bilateral-assistance funds are deposited in separate bank accounts established by the Ministry of Finance (MOF) for each program.[312]

The ARTF, administered by the World Bank, provides funds to the Afghan government's operating and development budgets in support of Afghan government operations, policy reforms, and national-priority programs.[313] The AITF, administered by the Asian Development Bank, coordinates donor assistance for infrastructure projects.[314] According to USAID, the majority of on-budget funding has been and will continue to be directed through the multidonor trust funds, particularly the ARTF.[315] As of July, the United States remains the largest cumulative donor to the ARTF (30.3% of actual, as distinct from pledged, contributions) with the next-largest donor being the United Kingdom (16.9% of actual contributions).[316]

The ARTF recurrent-cost window supports operating costs, such as Afghan government non-security-related salaries. As of July, the ARTF recurrent-cost window has cumulatively provided the Afghan government $2.6 billion for wages, $600 million for operations and maintenance costs, $1.1 billion in incentive program funds, and $703 million in ad hoc payments since 2002.[317]

In July, the World Bank updated ARTF donors on its efforts to increase the physical verification of Afghan civil servants. The ARTF Monitoring Agent (MA) is responsible for verifying physical presence of a random sample of civil servants as part of the expenditure validation process for the ARTF recurrent-cost window. However, the World Bank reported that the MA has been unable to reach a significant portion (40–50%) of the selected civil servants because the MA contract did not cover deploying agents to remote and/or insecure locations. As a short-term remedy, the World Bank directed its ARTF Supervisory Agent (SA) to collaborate with the MA. The MA claimed it was unable to reach 2,401 civil servants spread over 25 provinces. According to the World Bank, the SA was able to verify 1,524 (70.9%) of the civil servants as being physically present and 541 (25.2%) as not being physically present. Insecurity prevented the SA from accessing the sites for 224 (9%) of the randomly selected civil servants.[318]

New Development Partnership

Effective March 1, 2018, but not formally communicated until July 11, 2018, USAID canceled its August 2015 memorandum of understanding with the Ministry of Finance for the $800 million New Development

An Afghan Air Force finance technician demonstrates what he learned during the AAF's first Microsoft Excel training class. (Photo by Staff Sgt. Jared Duhon)

Partnership (NDP).[319] According to USAID, they ended the NDP because (1) the Afghan government requested that donors consolidate and align their incentive-based development assistance programs and (2) the World Bank modified their ARTF Incentive Program to better align with USAID's development objectives in Afghanistan.[320]

In the August 2015 agreement, the U.S. and Afghan governments proposed 40 development results that the Afghan government would be expected to achieve. The Afghan government was to receive $20 million through U.S. funds provided via the ARTF's recurrent-cost window for achieving each development result.[321]

USAID's last disbursement for NDP was in November 2017, bringing the total NDP disbursements to $380 million of the planned $800 million set aside to encourage Afghan government achievement of the NDP development results.[322]

On-Budget Assistance to the ANDSF

More than 60% of total U.S. on-budget assistance goes toward the requirements of the Afghan security forces.[323] The U.S. Department of Defense (DOD) provides on-budget assistance to the Afghan government through direct contributions from the Afghanistan Security Forces Fund (ASFF) to the Afghan government to fund a portion of Ministry of Defense (MOD) and Ministry of Interior (MOI) requirements, and through ASFF contributions to the multidonor Law and Order Trust Fund for Afghanistan (LOTFA). According to DOD, most of the ASFF appropriation is spent on equipment, supplies, and services for the Afghan security forces using DOD contracts.[324] LOTFA is administered by the UNDP and primarily funds Afghan National Police salaries and incentives.[325] Direct-contribution funding is provided to the MOF, which allots it incrementally to the MOD and MOI, as required.[326]

The U.S. Combined Security Transition Command-Afghanistan (CSTC-A) monitors and formally audits the execution of those funds. The aim is to assess ministerial capability and to ensure proper controls and compliance with documented accounting procedures and provisions of annual commitment letters used to enforce agreements with the Afghan government.[327]

For Afghan fiscal year (FY) 1397 (December 2017–December 2018), DOD plans to provide the Afghan government the equivalent of $779.5 million to support the MOD and $156.3 million to support the MOI.[328]

As of August 17, CSTC-A provided the Afghan government the equivalent of $468 million to support the MOD for FY 1397. The majority of these funds (80%) was for salaries.[329]

Additionally, as of August 17, CSTC-A provided the equivalent of $62.8 million to support the MOI. Of these funds, $1 million was delivered via the UNDP-managed LOTFA, while $61.8 million was provided directly to the Afghan government.[330]

CSTC-A reports that it did not apply any conditions-based penalties this quarter. According to CSTC-A, this decision was due to the Afghan security forces undertaking offensive operations.[331] This follows CSTC-A's previous decision to not apply penalties in the final quarter of FY 1396 and the first quarter of FY 1397.[332] Despite not applying penalties, CSTC-A reports that it held several meetings this quarter to review the status of commitment letter conditions that they say the Afghan government "must meet in order to execute funding in support of defense and security requirements."[333]

Regardless, CSTC-A did identify a number of commitment-letter-defined conditions that the MOD and MOI have failed to satisfy. Both the MOD and MOI failed to provide CSTC-A with required information on gross violations of human rights, personnel accountability, and monthly fuel and ammunition usage. Further, MOD and MOI did not meet their required network cybersecurity standards. Contrary to their agreement with CSTC-A, MOD continues to grant promotions without using the required promotion boards, and has been deficient in developing plans to recruit and train females.[334]

In 2015, LOTFA donors and the Afghan government agreed to the terms for the transition of LOTFA's nonfiduciary payroll-management functions to the Afghan government.[335] This quarter, CSTC-A reported that it still does not believe the MOI payroll system should be transferred from UNDP to MOI management. CSTC-A said that it will reevaluate this position when the MOI meets the minimum set of conditions to take over the payroll system.[336]

NATIONAL GOVERNANCE

Capacity-Building Programs

As shown in Table 3.21, USAID capacity-building programs seek to improve Afghan government stakeholders' ability to prepare, manage, and account for on-budget assistance. These programs also provide general assistance to support broader human and institutional capacity building of Afghan government entities such as civil-society organizations and the media.[337]

Civil Society and Media

The Afghan Civic Engagement Program's (ACEP) goal is to promote civil-society and media engagement that enables Afghan citizens to influence

TABLE 3.21

USAID CAPACITY-BUILDING PROGRAMS AT THE NATIONAL LEVEL

Project Title	Afghan Government Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Afghan Civic Engagement Program (ACEP)	N/A	12/4/2013	12/4/2019	$79,120,000	$65,326,541
Rasana (Media)	N/A	3/29/2017	3/28/2020	9,000,000	3,280,600

Source: USAID, response to SIGAR data call, 10/15/2018.

policy, monitor government accountability, and serve as advocates for political reform.[338] In July, USAID approved the extension and modification of ACEP to focus its civil-society organization (CSO) support on civic and voter education for the 2018 and 2019 elections.[339]

This past quarter, ACEP facilitated meetings of the Civil Society Election Coordination Group (CECG), providing a platform for civil society to engage with the electoral management bodies and other Afghan government and international stakeholders. According to ACEP, the CECG has developed into an effective platform for civil society to raise concerns on security, women's participation, voter registration, and national identification card distribution.[340] Additionally, two of ACEP's Kabul-based CSO partners Free and Fair Election Forum of Afghanistan (FEFA), and Transparent Election Foundation of Afghanistan (TEFA), carried out elections-related activities during the quarter. For example, FEFA reported that it monitored the work of the Electoral Complaints Commission, while TEFA reported holding advocacy and public-awareness meetings in a number of provinces.[341]

In March 2017, USAID launched the $9 million Rasana program. According to USAID, Rasana, which means "media" in Dari, provides support to women journalists and women-run or women-owned media organizations. The program has four program areas: (1) support and training for women journalists, (2) investigative journalism initiatives, (3) advocacy and

TABLE 3.22

COMPARISON OF RESOLUTE SUPPORT-DEFINED DISTRICT CONTROL AND USAID THIRD-PARTY MONITORING DISTRICT-ACCESSIBILITY ASSESSMENTS (JULY 2018) BY PERCENT AND COUNT

BY PERCENT OF DISTRICTS	USAID Third-Party Monitor Accessibility		
Resolute Support-defined district control (as of July 31, 2018)	**Limited Permissibility**	**Partially Permissive**	**Permissive**
Afghan government control	5.48%	15.07%	79.45%
Afghan government influence	18.79%	45.64%	35.57%
Contested	40.00%	41.54%	18.46%
Insurgent activity	64.86%	27.03%	8.11%
High insurgent activity	80.00%	20.00%	0%
BY NUMBER OF DISTRICTS	**USAID Third-Party Monitor Accessibility**		
Resolute Support-defined district control (as of July 31, 2018)	**Limited Permissibility**	**Partially Permissive**	**Permissive**
Afghan government control	4	11	58
Afghan government influence	28	68	53
Contested	52	54	24
Insurgent activity	24	10	3
High insurgent activity	8	2	0

Note: How to read the table showing percent: The percentages represent the percent of districts within a given Resolute Support-defined category that fall in a particular USAID third-party monitor-defined permissibility category. For example, in the row labeled "Afghan government control," 5.48% percent of districts assessed by Resolute Support as being under Afghan government control are assessed by USAID's third-party monitor as having only limited permissibility. Put another way, four of the 73 districts Resolute Support assessed as being under government control were also considered by the USAID third-party monitor as having only limited permissibility.
There are eight more districts identified in Resolute Support's dataset than in the USAID third-party monitoring datasets. There are 407 districts in Resolute Support's dataset and 399 districts in USAID's third-party monitor's dataset. The additional districts in the Resolute Support dataset were dropped from this comparison.

Source: RS, DCOS-SSP, AAG, response to SIGAR data call, 9/20/2018; USAID, OAPA, response to SIGAR data call, 9/19/2018.

training for the protection of journalists, and (4) expanding the outreach of media through small grants for content production in underserved areas.[342]

This past quarter, Rasana-supported journalists issued investigative reports on challenges to female access to education and health services in Khost, Nangarhar, and Logar Provinces. Another Rasana-supported media outlet published a report on the crimes of a local commander Daykundi Province that both elicited public reaction as well as threats to the journalists involved.[343]

SUBNATIONAL GOVERNANCE

USAID's method for ensuring that its programming does not legitimize the Taliban first requires identifying which areas are Taliban-controlled. To identify Taliban-controlled areas, USAID relies primarily on open-source data, as well as monthly maps generated by a USAID third-party monitor. The July 2018 assessments show the level of permissibility for third-party monitoring by district on a declining scale of access from "permissive" (34.59% of districts) to "partially permissive" (36.34% of districts) to "limited permissibility" (29.07% of districts).[344]

As shown in Table 3.22, there are some differences between USAID's third-party assessment of accessibility and Resolute Support's assessment of district stability. For example, USAID third-party monitors reported that they were able to access or partially access 93 districts Resolute Support assessed as being actively contested by insurgents or having insurgent activity. Additionally, USAID third-party monitors reported having only limited permissibility (the lowest accessibility rating) in 32 districts Resolute Support assessed as either under Afghan government control or influence. USAID reported that it had decided against collecting data specifically on the question of Taliban control and legitimacy, believing the costs to be prohibitive and the alternative data sources sufficient.[345]

USAID says that the monthly accessibility estimates reflect the permissibility on the date that the third-party monitor attempted travel to the area. These assessments can vary, as permissibility on one day may be different the next day. Therefore, USAID believes that it is not easy to compare the third-party monitoring accessibility with Resolute Support's assessment of district stability.[346]

Provincial and Municipal Programs

USAID has two subnational programs focused on provincial centers and municipalities: the Initiative to Strengthen Local Administrations (ISLA) and Strong Hubs for Afghan Hope and Resilience (SHAHAR) programs. Table 3.23 on the following page summarizes total program costs and disbursements to date.

TABLE 3.23

USAID SUBNATIONAL (PROVINCIAL AND MUNICIPAL) PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Strong Hubs for Afghan Hope and Resilience (SHAHAR)	11/30/2014	11/29/2019	$62,000,000	$47,319,072
Initiative to Strengthen Local Administrations (ISLA)	2/1/2015	1/31/2020	48,000,000	29,819,019

Source: USAID, response to SIGAR data call, 10/15/2018.

Initiative to Strengthen Local Administrations

The $48 million ISLA program is meant to enable the Afghan government to improve provincial governance in the areas of fiscal and development planning, representation of citizens, and enhanced delivery of public services. ISLA aims to strengthen subnational systems of planning, operations, communication, representation, and citizen engagement, leading to services that more closely respond to all citizens' needs in health, education, security, justice, and urban services.[347]

According to USAID, one of the key provisions of the Afghan government's provincial budget policy is to link the provincial development plans (PDP) with the Afghan budget.[348]

According to ISLA, of the 2,126 projects proposed in the PDPs of the 16 ISLA-supported provinces, 233 (11%) were ultimately reflected in the FY 1397 national budget. Besides the PDP-proposed projects, the 16 ISLA-supported provinces had an additional 1,245 projects contained in the national budget that were apparently not derived from the PDPs. The PDPs were the source of only 16% of the total number of projects associated with the 16 ISLA-supported provinces.[349]

This quarter, SIGAR examined expenditures of the PDP-proposed and non-PDP-proposed projects ISLA identified as being reflected in the FY 1397 national budget. For the first seven months of 1397, PDP-proposed projects had expenditures equivalent to approximately $13 million. Non-PDP-proposed projects, however, had expenditures equivalent to approximately $142 million. The Ministry of Public Works spent the most in these two categories, reportedly spending $6 million on PDP-proposed projects and $54 million on non-PDP-proposed projects.[350]

Strong Hubs for Afghan Hope and Resilience

The objective of the $62 million SHAHAR program is to create well-governed, fiscally sustainable Afghan municipalities capable of meeting the needs of a growing urban population. SHAHAR partners with municipalities to, among other things, deliver capacity-building for outreach and citizen consultation, improved revenue forecasting and generation, and budget formulation and execution.[351]

SHAHAR's geographic coverage has decreased significantly, from 20 province municipalities in the first two years of the program, to five municipalities in its current fourth year (Kabul, Kandahar, Herat, Mazar-e Sharif, and Jalalabad).[352] According to USAID, the four remaining municipalities house the majority of Afghanistan's urban population and an increased number of refugee returnees.[353]

RULE OF LAW AND ANTICORRUPTION

Rule of Law and Anticorruption Programs

The United States has assisted the formal and informal justice sectors through several mechanisms. These include State's Justice Sector Support Program (JSSP) and Justice Training Transition Program (JTTP). These and other rule-of-law and anticorruption programs are shown in Table 3.24.

USAID has a cooperation arrangement with the UK's Department for International Development to fund the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC). USAID funds the MEC's monitoring, analysis, and reporting activities, including its vulnerability-to-corruption assessments.[354]

State's Justice Sector Support Program is the largest rule-of-law program in Afghanistan. JSSP was established in 2005 to provide capacity-building support to the Afghan justice system through training, mentoring, and advisory services. The current JSSP contract began in August 2017 and has an estimated cost of $26 million. The previous JSSP contract, which began in 2010, cost $280 million.[355] JSSP provides technical assistance to the Afghan justice-sector institutions through (1) building the capacity of justice institutions to be professional, transparent, and accountable; (2) assisting the

TABLE 3.24

RULE OF LAW AND ANTICORRUPTION PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Assistance for Development of Afghan Legal Access and Transparency (ADALAT)	4/15/2016	4/14/2021	$68,163,468	$15,767,252
Afghanistan's Measure for Accountability and Transparency (AMANAT)	8/23/2017	8/22/2022	31,986,588	1,351,626
Corrections System Support Program (OASIS CSSP)*	6/1/2017	5/31/2022	25,187,257	11,627,857
Justice Sector Support Program OASIS Contract**	8/28/2017	8/28/2022	26,044,546	8,098,117
Continuing Professional Development Support (CPDS)**	2/6/2018	4/6/2020	7,938,401	7,938,401
Delegated Cooperation Agreement (DCAR) with the Department for International Development (DFID) for Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC)	5/19/2015	8/31/2020	4,600,000	2,000,000

Note:
* Disbursements as of 10/15/2018.
** Disbursements as of 9/21/2018.

Source: State, INL, response to SIGAR data call, 9/21/2018 and 10/17/2018; USAID, response to SIGAR data call, 10/15/2018.

development of statutes that are clearly drafted, constitutional, and the product of effective, consultative drafting processes; and (3) supporting the case-management system so that Afghan justice institutions work in a harmonized and interlinked manner and resolve cases in a transparent and legally sufficient manner.[356]

In March, JSSP received a Supreme Court request to generate a list of individuals who would benefit from a presidential-pardon decree scheduled for June 2018. JSSP generated a list of those who may be eligible for relief from their sentence and presented this list to the Attorney General's Office (AGO) and the Administrative Office of the President. The committee issued final pardon lists after comparing their internally generated lists to the data JSSP provided, and the presidential-pardon decree was issued.[357]

In February, State launched the $8 million Continuing Professional Development Support (CPDS) program. According to State, CPDS will respond to an urgent need by the Afghan government to train legal professionals on the newly revised penal code and build the organizational capacity of the nascent professional training departments of Afghan legal institutions.[358]

In April 2016, USAID launched the $68 million Assistance for the Development of Afghan Legal Access and Transparency (ADALAT) program. ADALAT aims to (1) increase the effectiveness and reach of the formal justice sector, (2) strengthen the linkages between the formal and traditional justice sectors, and (3) increase citizen demand for quality legal services.[359]

This quarter, ADALAT completed an initial draft of the *Huquq* Reference Manual and shared it with Ministry of Justice (MOJ) leadership for comments and feedback.[360] (*Huquq* offices are part of the MOJ and provide Afghan citizens an opportunity to settle civil cases within the formal system before being brought into the court system.[361]) Additionally, ADALAT reported this quarter that the program has improved its relationship with the Supreme Court following USAID's approval of an ADALAT-proposed study tour in Jordan. According to ADALAT, the Supreme Court had refused all senior-level meetings with ADALAT personnel following the cancelation of the previous year's ADALAT-sponsored study tours for the Supreme Court.[362]

In August 2017, USAID awarded the Afghanistan's Measure for Accountability and Transparency (AMANAT) contract to support the Afghan government's efforts to reduce and prevent corruption in government public services. As of the end of June 2018, AMANAT was still primarily focused on project startup.[363]

Afghan Correctional System

As of July 31, 2018, the General Directorate of Prisons and Detention Centers (GDPDC) incarcerated 28,555 males and 752 females, while the

MOJ's Juvenile Rehabilitation Directorate (JRD) incarcerated 539 male and 33 female juveniles. These incarceration totals do not include detainees held by any other Afghan governmental organization, as State's Bureau of International Narcotics and Law Enforcement Affairs (INL) does not have access to their data.[364]

Overcrowding is a persistent, substantial, and widespread problem within GDPDC facilities for adults, despite stagnant prison population numbers. As of July 31, the total male provincial-prison population was at 179% of capacity, as defined by the International Committee of the Red Cross's (ICRC) minimum standard of 3.4 square meters per inmate. The total female provincial-prison population was at 97% of the ICRC-recommended capacity. The JRD's juvenile-rehabilitation centers' population was at 42% of ICRC-recommended capacity.[365]

According to State, the major corrections-related accomplishments this quarter were the Afghan government's employing nine social workers in police stations across Kabul and the Afghan government's continued control of provincial prisons despite major insurgent attacks. The State-supported social workers assist judges to consider alternative sanctions for juvenile offenders. State hopes that such alternative sanctions will help alleviate prison overcrowding and financial burdens.[366]

Anticorruption

As of its most recent report in June, DOJ views the situation in Afghanistan as "consistent with a largely lawless, weak, and dysfunctional government" with many corruption cases languishing due to the lack of political will—rather than capacity—of the Afghan government.[367] For the period covering April to June 2018 (the latest data available), DOJ reports that there was no significant progress in the major corruption cases that are tracked by the U.S. Embassy.[368]

This quarter, State reported that it has prioritized a number of corruption-related Afghanistan Compact benchmarks. The new priority benchmarks include: executing Anti-Corruption Justice Center (ACJC) warrants, prosecuting high-profile corruption cases, implementing the State-supported Case Management System (CMS), and collecting on Kabul Bank cases.[369] The latest DOJ assessment of these matters is described in the following sections on the Attorney General's Office and the ACJC.

SIGAR AUDIT

As directed by the Consolidated Appropriations Act, 2018, SIGAR will submit an updated assessment of the Afghan government's implementation of its national anticorruption strategy to Congress next year that includes an examination of whether the Afghan government is making progress toward achieving its anticorruption objectives.

Attorney General's Office

According to DOJ, the Afghan attorney general has a poor record of prosecuting powerful and influential corrupt actors. Additionally, the attorney general has failed to respond to repeated DOJ and U.S. Embassy appeals to prosecute stalled corruption cases. DOJ concludes that the attorney general's performance is deficient, his accomplishments are lacking, and he fails to cooperate with the U.S. Embassy on anticorruption matters.[370]

In its most recent report to State, DOJ said that the attorney general has misled U.S. officials on the progress of anticorruption reform efforts.[371] For example, when DOJ requested information to verify the attorney general's public statements that the Attorney General's Office (AGO) had arrested and convicted a number of their prosecutors for corruption, no proof was provided.[372] As further evidence, DOJ cited the attorney general's optimism that "everyone was happy" with the AGO's progress (as of February 2018) in responding to the recommendations made by the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) in their 2017 vulnerability to corruption assessment of the AGO.[373]

According to DOJ, at the time of these statements the MEC was rather critical of the AGO's efforts (contrary to the attorney general's characterization offered to U.S. officials).[374] In an August 2018 update, however, the MEC reported that the AGO had made "remarkable improvements" in the implementation of the MEC's recommendations compared to earlier in the year. The "striking improvements" the MEC identified included construction of AGO offices, new training programs, the preparation of job descriptions for AGO prosecutors, and improved monitoring of AGO prosecutor performance.[375]

Among the stalled cases, DOJ cited the Kabul Bank case as one of particular concern. In 2014, the Afghan Supreme Court ordered the AGO to pursue prosecutions of 16 individuals, investigate 227 additional suspects, and seize assets. DOJ reports that none of these actions have taken place. According to DOJ, the Afghan government is "double-dealing" in publicly promising to take action on the Kabul Bank case but privately reporting to U.S. Embassy officials that the attorney general has no intention to pursue further action. DOJ does note, however, that the AGO has made some progress seizing assets submitted as collateral by Kabul Bank debtors. According to DOJ, money and asset recovery is approximately 48% of total estimated losses.[376]

AGO resistance to implementing the State-funded Case Management System (CMS) is another area of DOJ concern. CMS is an online database that tracks the status of criminal cases in Afghanistan, across all criminal justice institutions, from the moment a case is initiated to the end of confinement. According to DOJ, the attorney general has criticized CMS as a foreign-owned system when discussing the matter with largely Afghan government audiences. When meeting with U.S. officials, the attorney general has promised that the system would be functional by mid-2018. As of June, however, DOJ reported that the AGO was nowhere near a nationwide CMS functionality. DOJ believes that the motive for the attorney general's resistance to implementing CMS is "a concern that more transparency will shine a light on his unproductive, corrupt, and patronage-laden office."[377]

Anti-Corruption Justice Center

In May 2016, President Ghani announced the establishment of a specialized anticorruption court, the Anti-Corruption Justice Center (ACJC).[378] At the ACJC, elements of the Major Crimes Task Force (MCTF) investigators, AGO prosecutors, and judges work to combat serious corruption.[379] The ACJC's jurisdiction covers major corruption cases committed in any province involving senior officials or substantial monetary losses of a minimum of five million afghani (approximately $73,000).[380]

According to DOJ, the ACJC is attempting to placate donors by pursuing a number of low-level corruption cases, rather than the high-level corruption cases that are its mandate.[381] CSTC-A agrees that the ACJC appears to be increasingly focused on low-level defendants instead of senior Afghan government officials. As evidence for this conclusion, CSTC-A said the ACJC has tried only four general officers in 2018.[382]

DOJ reported that State officials have told ACJC officials that the lack of ACJC productivity is an obstacle to U.S. support. According to DOJ, ACJC officials reportedly responded to this critique with requests for additional donor assistance. DOJ described the ACJC as being insufficiently mission-focused, saying it instead "frets, stews over slights, snipes at other colleagues, and has a perpetual sense of entitlement."[383] Further, DOJ reported that the ACJC has an estimated 100 prosecutors covering 158 cases, a caseload of approximately 1.5 cases per prosecutor.[384] DOJ's concerns regarding the ACJC appear to be broadly shared as the UN Secretary-General observed that international partners have expressed their concern about the declining performance of the ACJC.[385]

As of June, DOJ reports that the ACJC has over 120 outstanding warrants. Further, the MOI's failure to enforce high-level warrants has become a matter of concern to the U.S. Embassy that could become a discussion topic at the upcoming Geneva Ministerial Conference on Afghanistan in November 2018.[386]

Since its establishment in 2016, the ACJC has handled 38 cases involving 152 accused persons. According to the UN, 71 people have been convicted and imprisoned after a final decision by the Supreme Court in 24 cases.[387]

According to CSTC-A, the ACJC has adjudged fines (including fines, restitution, compensation, and confiscation) totaling 7,063,000 afghani (equivalent to approximately $100,000), $352,000, and 299,500 Pakistani rupees (equivalent to approximately $2,300). Of these fines, the ACJC has told CSTC-A that the following amounts have been paid to the AGO: 96% of the fines levied in afghanis, 80% of the fines in dollars, and all of the fines in Pakistani rupees.[388]

On September 26, 2018, the ACJC primary court convicted the former director of the MOI Police Cooperative Fund, Major General Mohammad Anwar Kohistani, for misuse of authority and embezzling over 109,398,000 afghani (approximately $1.7 million) and sentenced him to 11 years in prison.

In March 2016, the MOI IG requested SIGAR's assistance with investigating Kohistani and allegations of fraud and embezzlement involving the MOI Police Cooperative Fund. The MOI Police Cooperative Fund was a retirement fund for Afghan police officers employed by the MOI. The investigation, conducted jointly by SIGAR and prosecutors of the AGO assigned to the ACJC, uncovered significant evidence of embezzlement, fraud, and abuse of the Cooperative Fund perpetrated by Kohistani.

Afghanistan Security Forces

According to CSTC-A, corruption persists within the Afghan security forces. CSTC-A attributes the ongoing, cyclic corruption challenge to Afghan government officials who enable corrupt actors and inhibit judicial remedies.[389]

According to DOD, "corruption remains the top strategic threat to the legitimacy and success of the Afghan government."[390]

The most common corrupt behaviors CSTC-A has identified are associated with fuel, food, "ghost" or nonexistent soldiers, extortion, narcotics, illicit mining, bribery, and the misuse, theft, or illegal sale of Afghan government property.[391]

This quarter, SIGAR requested copies of the quarterly MOD and MOI counter- and anti-corruption assessments mandated in the 1397/1398 commitment letters. According to the commitment letters, these assessments are high priority strategic planning and performance requirements. CSTC-A did not provide copies of either assessment. Instead, CSTC-A only reported that both MOD and MOI met the unspecified anti- and counter-corruption standards.[392]

In December 2017, the new MOI strategic policy identified combating corruption as one of the ministry's objectives. However, as of August 2018, CSTC-A reports MOI has yet to define how it will monitor and evaluate progress against this objective.[393]

Security Ministry Inspectors General

CSTC-A provides training, advice, and assistance to the inspectors general (IG) for the MOD (MOD IG) and MOI (MOI IG). When asked for its assessment of the quality of MOD IG and MOI IG inspection reports, CSTC-A commented primarily on stylistic and formatting issues. For example, CSTC-A observed that MOD IG reports are inconsistently formatted and lack full descriptions of inspection results and recommendations for corrective actions. Regarding MOI IG reports, CSTC-A commented favorably on the detail and recommendations in reports.[394]

SIGAR asked CSTC-A for examples of actions taken by senior MOD and MOI leadership during the quarter in response to the issues identified in these reports. Previously, the CSTC-A element that partners with MOD IG and MOI IG suggested that SIGAR pursue this line of inquiry because it, too, is interested in learning the answer.[395]

The CSTC-A elements that advise senior officials of the MOD and MOI reported that no actions were taken during the quarter in response to issues identified in MOD IG and MOI IG reports. Instead, these CSTC-A elements explained this lack of action by saying that they employ "a holistic [train, advise, and assist] methodology rather than focusing on single issues/topics."[396]

Major Crimes Task Force

The Major Crimes Task Force (MCTF) is an elite MOI unit chartered to investigate corruption by senior government officials and organized criminal networks, and high-profile kidnappings committed throughout Afghanistan.[397]

In a break from previous quarters, CSTC-A was more critical in their assessment of the MCTF this quarter. CSTC-A reported that the MCTF does not appear to be the lead Afghan government investigative agency for high profile corruption crimes, as intended. Instead, the MCTF appears to be focusing on low-level cases. CSTC-A reports that MCTF investigators are not the best qualified, with some investigators possibly being assigned to the MCTF as a form of patronage. Further, MCTF leadership and investigators are increasingly subject to political and corruption crimes.[398]

DOJ also expressed concerns with the MCTF this quarter, saying that the MCTF is plagued by both corruption and a high polygraph failure rate. DOJ was reportedly informed of the findings of an Afghan government investigation into the MCTF that revealed corruption by members of the force, including a former director.[399] (In 2016, U.S. military mentors to the MCTF reported that this former director received his appointment thanks to coalition support in the face of parliamentary and MOI opposition. Further, these mentors praised the former director as exemplifying "outstanding leadership" at the time.)[400]

REFUGEES AND INTERNAL DISPLACEMENT

Afghan Refugees

According to State, the Proof of Registration (POR) cards which confer refugee status to 1.4 million Afghans in Pakistan were set to expire on September 30. While State has been informed there are plans to extend the validity of the POR cards through June 30, 2019, the announcement on September 11 to dissolve Pakistan's Ministry of States and Frontier Regions could complicate this effort.[401]

However, in a move State called unprecedented, Pakistan's newly elected Prime Minister Imran Khan publicly pledged to offer Pakistani citizenship to Afghans and Bangladeshis born in Pakistan. State has no details regarding how and when this plan would be implemented.[402]

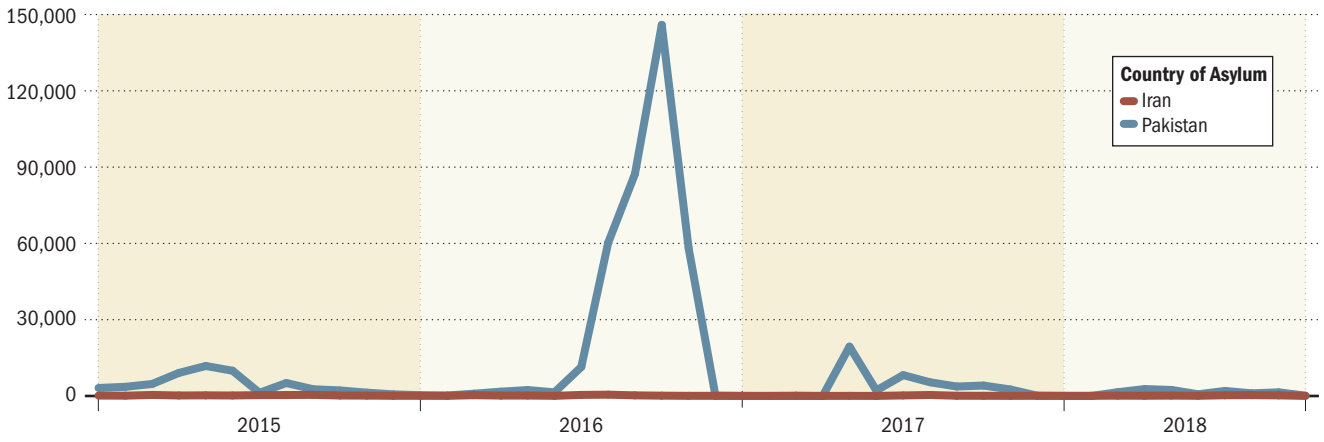
As of September 26, the United Nations High Commissioner for Refugees (UNHCR) reported that 13,084 refugees have voluntarily returned to Afghanistan in 2018. The majority (11,557) of these refugee returns were from Pakistan.[403] As shown in Figure 3.38 on the following page, far fewer refugees have returned to Afghanistan this quarter than the high in October 2016.[404]

Undocumented Afghan Returnees

As shown in Figure 3.39 on the following page, as of September 22, IOM reported that 552,071 undocumented Afghans returned from Iran and 25,153 undocumented Afghans returned from Pakistan in 2018. So far, 577,224 undocumented Afghans have returned in 2018.[405] According to State, the number of undocumented Afghan returns from Iran is at an all-time high.

FIGURE 3.38

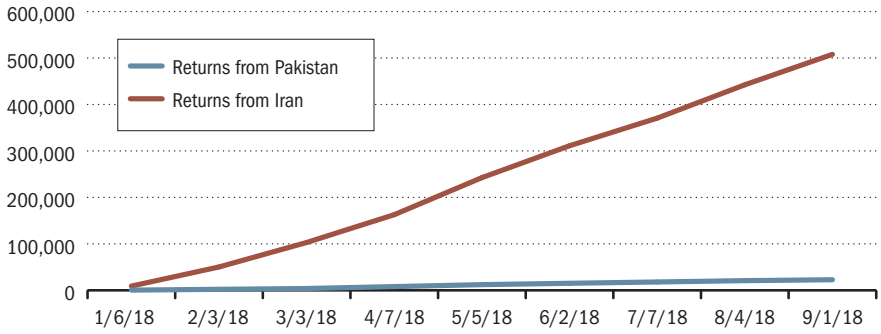
AFGHAN REFUGEES RETURNING TO AFGHANISTAN (SINCE JANUARY 2015)



Source: SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2015," 1/1/2018; SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2016," 11/8/2017; SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2017," 9/12/2018; and SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2018," 10/3/2018.

FIGURE 3.39

CUMULATIVE NUMBER OF UNDOCUMENTED RETURNEES IN 2018



Source: IOM, "Weekly Situation Report," 9/22/2018; IOM, "Weekly Situation Report," 8/4/2018; IOM, "Weekly Situation Report," 7/7/2018; IOM, "Weekly Situation Report," 6/2/2018; IOM, "Weekly Situation Report," 5/5/2018; IOM, "Weekly Situation Report," 4/7/2018; IOM, "Weekly Situation Report," 3/3/2018; IOM, "Weekly Situation Report," 2/2/2018.

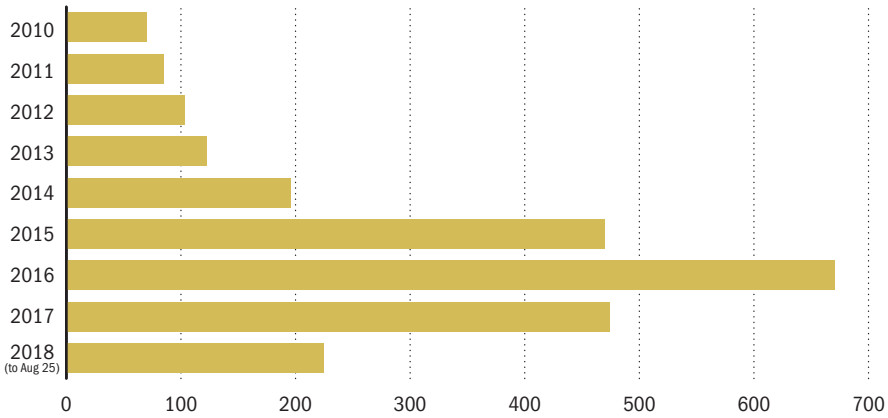
State believes that 96% of the returnees are economic migrants leaving Iran because of the collapse of the value of Iran's currency and resulting decrease in demand for unregulated labor.[406]

Internal Displacement

As shown in Figure 3.40, there has been less conflict-induced internal displacement this year than in 2017. According to the UN Office for the Coordination of Humanitarian Affairs (OCHA), as of August 25, the conflicts

FIGURE 3.40

CONFLICT-INDUCED DISPLACEMENTS OF PERSONS (THOUSANDS)



Source: UN OCHA, "Afghanistan: Conflict Induced Displacements in 2017 - Snapshot," 6/18/2017; UN, OCHA, "Afghanistan - Conflict Induced Displacements in 2017," 2/2/2018; UN, OCHA, "Afghanistan - Conflict Induced Displacements in 2018," 9/16/2018.

of 2018 had induced 225,166 people to flee. The office recorded 276,544 persons in the same period last year.[407] In addition to conflict-induced internal displacement, OCHA reported that 216,574 people are displaced due to the drought, as of October 8.[408]

As shown in Figure 3.41 on the following page, of the conflict-induced internally displaced persons recorded so far this year, 33.4% reported being displaced from districts Resolute Support recorded as under Afghan government influence (as of July 2018), 40.4% were from districts that are contested, and 25.1% were from districts with insurgent activity.[409]

Afghan Asylum Seekers in Europe

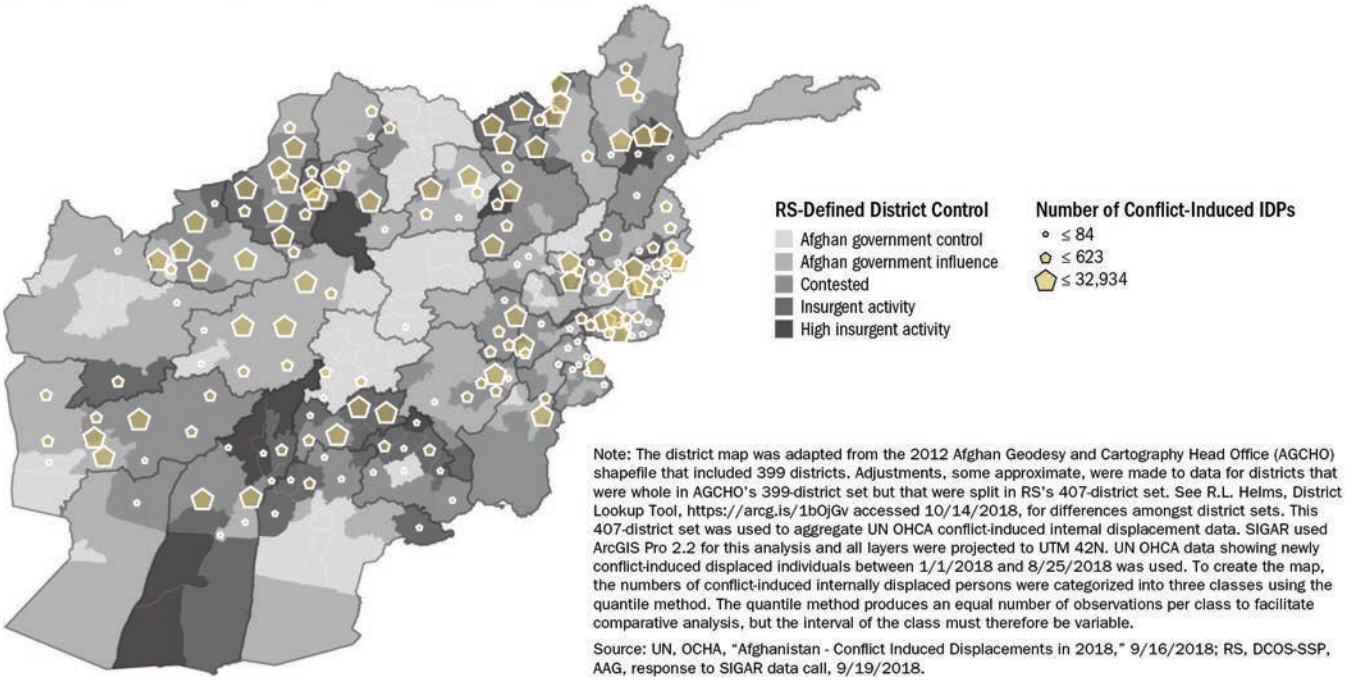
Eurostat, the statistical office of the European Union (EU), reported 19,640 first-time Afghan asylum seekers in the EU in the first eight months of 2018. As shown in Figure 3.42 on the following page, the number of first-time Afghan asylum seekers to the EU has decreased significantly since the high point in 2015/2016.[410] The Afghanistan Analysts Network said that stronger border controls and tightened asylum laws in Europe are the primary cause for the decrease in the number of Afghan asylum seekers.[411]

GENDER

In July 2013, then-USAID Administrator Rajiv Shah described the Promote partnership in a public speech as "the largest investment USAID has ever made to advance women in development," which over five years "will reach over 75,000 Afghan women directly helping them to achieve

FIGURE 3.41

2018 CONFLICT-INDUCED INTERNALLY DISPLACED PERSONS (IDP) BY DISTRICT

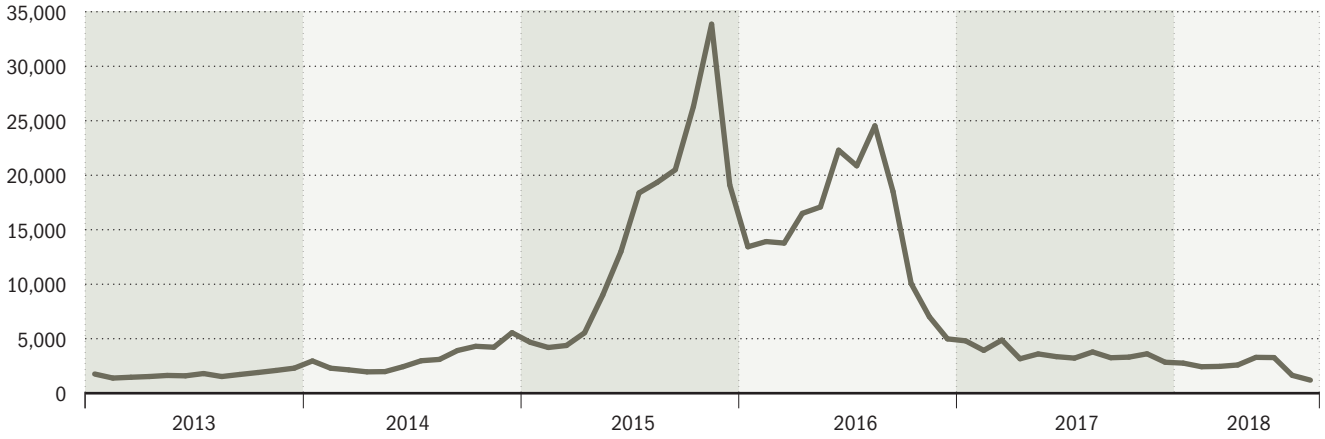


Note: The district map was adapted from the 2012 Afghan Geodesy and Cartography Head Office (AGCHO) shapefile that included 399 districts. Adjustments, some approximate, were made to data for districts that were whole in AGCHO's 399-district set but that were split in RS's 407-district set. See R.L. Helms, District Lookup Tool, https://arcg.is/1b0jGv accessed 10/14/2018, for differences amongst district sets. This 407-district set was used to aggregate UN OHCA conflict-induced internal displacement data. SIGAR used ArcGIS Pro 2.2 for this analysis and all layers were projected to UTM 42N. UN OHCA data showing newly conflict-induced displaced individuals between 1/1/2018 and 8/25/2018 was used. To create the map, the numbers of conflict-induced internally displaced persons were categorized into three classes using the quantile method. The quantile method produces an equal number of observations per class to facilitate comparative analysis, but the interval of the class must therefore be variable.

Source: UN, OCHA, "Afghanistan - Conflict Induced Displacements in 2018," 9/16/2018; RS, DCOS-SSP, AAG, response to SIGAR data call, 9/19/2018.

FIGURE 3.42

FIRST-TIME AFGHAN ASYLUM APPLICANTS TO THE EUROPEAN UNION (2013 THROUGH AUGUST 2018, BY MONTH)



Source: EUROSTAT, "Asylum and first time asylum applicants by citizenship, age and sex, monthly data (rounded)," 9/26/2018.

TABLE 3.25

USAID GENDER PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Promote: Women in the Economy	7/1/2015	6/30/2019	$71,571,543	$36,932,365
Promote: Women's Leadership Development	9/23/2014	9/22/2019	41,959,377	34,461,150
Promote: Women in Government	4/21/2015	4/20/2020	37,997,644	25,173,091
Promote: Women's Rights Groups and Coalitions	9/2/2015	9/1/2020	29,534,401	14,894,553
Promote: Rolling Baseline and End-line Survey	2/21/2017	10/20/2020	7,577,638	3,138,336
Combating Human Trafficking in Afghanistan	1/11/2016	1/10/2019	7,098,717	4,850,707
Gender Based Violence (GBV)	7/9/2015	7/8/2020	6,667,272	6,667,272
Promote: Economic Empowerment of Women in Afghanistan	5/8/2015	5/7/2018	1,500,000	1,485,875
Countering Trafficking in Persons (CTIP) II - Empowerment and Advocacy to Prevent Trafficking	1/10/2018	1/9/2020	1,483,950	356,521
Promote: Scholarships	3/4/2015	3/3/2020	1,247,522	1,247,522

Source: USAID, response to SIGAR data call, 10/15/2018.

leadership roles in all parts of society from business to academia and in politics and public policy."[412]

USAID has since said Shah's characterization "is not accurate [as] it did not come from the [Promote] design documents or the [USAID] Gender Office. Promote does not promise leadership roles in politics."[413] USAID has committed $280 million to Promote.[414] Table 3.25 shows the current Promote programs.

As of September 19, USAID reports that 3,907 female Promote beneficiaries have secured permanent employment. According to USAID, the Women in Leadership program has benefited 22,520 females. Of these, 715 have been subsequently hired by the Afghan government, 533 have been hired by nongovernmental organizations, and 271 have been hired in the private sector. The Women in the Economy program has benefited 24,393, with 2,900 of these beneficiaries hired for permanent positions. The Women in Government program has benefited 3,901 women, with 178 hired for permanent positions in the government.[415]

According to USAID, if one combines the number of beneficiaries of leadership training, civil service training and internships, civil society advocacy work and economic growth activities, Promote has benefited over 50,000 women in over 30 provinces.[416]

This quarter, USAID reports that Promote, in partnership with the Ministry of Education (MOE), trained 122 teaching instructors. These instructors are planned to train 2,500 woman teachers. In addition, Promote plans train an additional 2,500 women who will have guaranteed positions with the MOE.[417]

SIGAR AUDIT

This quarter, SIGAR released a performance audit of Promote that assessed contract compliance, program performance, and implementation challenges for the five Promote programs. The audit found that, after three years and $89.7 million spent, USAID/Afghanistan has not fully assessed the extent to which Promote is meeting its overarching goal of improving the status of more than 75,000 young women in Afghanistan's public, private, and civil society sectors. For more information, see Section 2.

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ECONOMIC AND SOCIAL DEVELOPMENT

KEY ISSUES AND EVENTS

A severe drought continued to affect large swaths of Afghanistan this quarter, contributing to significant internal displacement, according to the United Nations.[418] The UN said that as of September 9, 2018, the drought had displaced about 275,000 people in 2018—52,000 more than the ongoing conflict had displaced over the period.[419] While the gap between conflict-induced displacement and drought-induced displacement later narrowed, more than 263,330 people had been displaced in 2018 due to the drought, as of October 14, 2018, compared to 254,796 displaced due to conflict, according to the UN. In May 2018, the UN estimated that approximately 2.2 million Afghans would be affected by the drought, which it had previously called the worst in decades.[420]

According to the USAID-funded Famine Early Warning Systems Network (FEWS NET), the drought has resulted in atypically high levels of acute food insecurity (meaning that many Afghans do not have access to adequate nutrition), which is likely to increase in the coming months. FEWS NET said the northwestern provinces of Badghis and Faryab, which border Turkmenistan, have been the worst-affected areas.[421] USAID has reported it expected a 2.5 million metric ton (MMT) wheat-harvest deficit for 2018, against a total need of 6 MMT.[422] USAID expected this year's wheat harvest yield to be just 3.5 MMT—even lower than the 2017 yield of 4.2 MMT, which was already 57% below the then five-year average.[423] On September 23, 2018, USAID announced it would provide $43.8 million to the UN's World Food Programme to provide food assistance to drought-affected Afghans.[424]

The World Bank continued to report subdued economic growth projections this quarter, with growth likely to dip to 2.4% in 2018, down slightly from 2.7% in 2017. Building momentum in the economy would be difficult within the current context of violence and uncertainty related to parliamentary and presidential elections, prevailing drought conditions, and declining business confidence, according to the Bank. The Bank pointed to recent survey results suggesting that the percentage of Afghans living under the national poverty line (defined as the cost of covering basic needs, which was approximately $1 per person, per day in 2016–2017) had increased from 38% in 2011–2012 to 55% in 2016–2017. Overall, available indicators, including new business registrations, measurements of business sentiment, and

continued violence, suggested that economic momentum may have slowed in the first half of 2018.[425]

In a more recent assessment of the Afghan economy, the International Monetary Fund (IMF) offered a similar perspective, projecting a 2.3% growth rate in 2018. Like the Bank, the IMF noted this was lower than last year's estimated 2.7% pace. The World Bank estimated population growth in 2017 at 2.5%, implying that, with the projected low economic growth rate, licit per capita income could either stagnate or decrease in 2018. The IMF ascribed the drop in economic growth rate to deteriorating security conditions, political uncertainty, and the ongoing drought. However, the IMF commended Afghan authorities for their sound macroeconomic management despite challenging circumstances.[426]

Former Kabul Bank chairman Sherkhan Farnood died in Bagram Prison this quarter. Farnood was serving time for his role in embezzling more than $900 million in cash and assets from Kabul Bank, which nearly collapsed in 2010.[427] Revelations of the fraud led Afghan depositors to withdraw approximately $500 million over the course of a few days, putting Afghanistan on the verge of a financial crisis. While Kabul Bank was placed into conservatorship shortly after its near-collapse, asset recoveries have since stalled. A 2016 report from the United States Institute for Peace said that the crisis symbolized the "pervasive corruption and impunity that have threatened the legitimacy of the Afghan government."[428] Afghan officials from the Kabul Bank Receivership, established to manage the bank's bad assets, believe that Farnood's death could adversely affect efforts to recover the stolen funds.[429] DOJ said that, according to the KBR, Farnood had provided a list of "227 names and areas" where he had distributed the $467 million he owed, implying that collecting on his debt would be difficult following his death.[430]

SIGAR analysis showed that the Afghan government's aggregate domestic revenues grew by approximately 4%, year-on-year, over the first seven months of Fiscal Year (FY) 1397 (December 22, 2017–December 21, 2018).[431] Afghanistan's Ministry of Finance classifies domestic revenues into sustainable and one-off categories.[432] During the period, a large, nearly AFN 4 billion (approximately $55.5 million) transfer of funds to Afghanistan's central bank was classified as a one-off transfer. This transfer reduced aggregate revenues, which include both sustainable and one-off transactions. However, because this transfer was categorized as a one-off, sustainable domestic revenues (which do not include one-off transactions) grew by the higher rate of 8.6% over the first seven months of FY 1397, year-on-year.[433] Both the aggregate and sustainable domestic revenue growth rates, while positive, were lower than in recent years.[434] Expenditures, meanwhile, grew by nearly 5%.[435]

Sustainable Domestic Revenues: According to Afghanistan Ministry of Finance (MOF) officials, these are revenues like customs, taxes, and non-tax fees. Multilateral institutions such as the World Bank and the IMF use reports of these revenues to judge the Afghan government's fiscal performance.

One-Off Domestic Revenues: These are nonrecurring revenues arising from one-time transfers of funds, such as central bank profits, to the Afghan government. The IMF excludes central bank transfers from its definition of domestic revenues for the purpose of monitoring Afghanistan's fiscal performance under its Extended Credit Facility arrangement with the government.

Source: SIGAR, communications with MOF officials, 8/21/2017; SIGAR, communications with IMF officials, 9/7/2017.

U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE AND ECONOMIC AND SOCIAL DEVELOPMENT

As of September 30, 2018, the U.S. government has provided approximately $33.72 billion to support governance and economic and social development in Afghanistan since 2002. Most of these funds—nearly $20.38 billion—were appropriated to USAID's Economic Support Fund (ESF). Of this amount, $19.23 billion has been obligated and $16.16 billion has been disbursed.[436]

Although USAID's forthcoming Country Development Cooperation Strategy (CDCS), which will define the agency's mid-term development approach to Afghanistan, remained unfinalized this quarter, the agency signed its latest multiyear assistance agreement with the Afghan government on September 6, 2018. The agreement details the agency's strategic Development Objectives (DOs) for Afghanistan as well as intended results, among other information.[437] Per the articles of the agreement, which extends to December 31, 2023, the agency intends its assistance to accelerate private-sector-driven, export-led economic growth (DO 1); advance social gains in health, education, and gender equality (DO 2); and increase the Afghan government's accountability to its citizens (DO 3).[438] USAID plans to spend approximately $2.5 billion in order to achieve these objectives.[439]

The CDCS is also linked to the updated U.S. Integrated Country Strategy (ICS) for Afghanistan, released in late September 2018. According to the ICS, the U.S. policy goal in Afghanistan is to prevent any further attacks on the United States by terrorist groups that enjoy support or safe haven in Afghanistan. Accomplishing this policy objective, the ICS said, would not be possible without a growing Afghan economy. One goal of the U.S. mission in Afghanistan, therefore, is to create economic prosperity in Afghanistan by advancing private-sector-led export growth and job creation and by bolstering social gains in health, education, and women's empowerment.[440]

Development Objectives (DOs): correspond to specific development challenges that a mission aims to address. A Country Development Cooperation Strategy cannot have more than four DOs. DOs are typically the most ambitious results to which a USAID Mission in a particular country (e.g., the USAID/Afghanistan Mission), in conjunction with its development partners, can contribute.

Source: USAID, ADS Chapter 201: Program Cycle Operational Policy, 5/24/2018, p. 29.

USAID initially expected to complete its new Country Development Cooperation Strategy by the summer of 2018. However, as of October 11, 2018, the strategy was not yet finalized.

Source: USAID, response to SIGAR data call, 9/19/2018 and 12/21/2017; USAID, OAPA, response to SIGAR vetting, 10/11/2018.

ECONOMIC PROFILE

Spurred by high levels of donor spending, a large international military presence, and the recovery typically seen in post-conflict situations, Afghanistan's economic growth rate averaged close to double digits for the first decade of reconstruction. Since the 2014 security transition and drawdown of foreign troop strength, however, growth has been substantially more muted, even with continuing high levels of foreign assistance.[441] While Afghanistan is in the midst of a modest recovery, with growth rising to 2.7% in 2017 following 1.3% growth in both 2014 and 2015, the World Bank said in August 2017 that the momentum appeared to be at risk.[442] Echoing the Bank, the IMF projected a 2.3% growth rate in 2018, which was lower than the Fund's 2.7% growth estimate for 2017.[443] Lower levels of business confidence, the ongoing drought, and the apparent slowing of economic

SIGAR has reported previously that the World Bank, IMF, and others exclude the value of opium production from their reported GDP estimates. However, accounting for Afghanistan's economic output (and by extension its economic growth rate) without considering opium production provides an incomplete picture of the Afghan economy.

In contrast to multilateral institutions, since 2015–2016, Afghanistan's National Statistics and Information Authority (NSIA) has reported the country's GDP and GDP growth rates with two figures: one that includes, and one that excludes the opium economy. Due to what the United Nations Office on Drugs and Crime (UNODC) described as "record-high" opium production in 2017, Afghanistan's total economy, including the opium sector, grew by a robust 7.2% in 2017, according to the NSIA, compared to 2.9% excluding opium.

With limited visibility into the opium sector, the NSIA appears to only account for the farm-gate value of opium and therefore does not include the value added through refinement and trafficking. Thus, the NSIA may understate opium's contribution to the Afghan economy. Extrapolating from UNODC estimates, the net value of the total opium economy in 2017—which includes value added during production and trafficking but excludes the value of imported precursor substances—was $3.9–6.3 billion, the equivalent of 19.1–30.5% of GDP.

Source: SIGAR, *Quarterly Report to the United States Congress*, 7/30/2018, p. 149; NSIA, Afghanistan Statistical Yearbook 2017–2018, p. 110; UNODC, *Afghanistan opium survey 2017 Challenges to sustainable development, peace and security*, 5/2018, pp. 13–14.

activity collectively represented obstacles to growth, according to the Bank, which pointed to the results of a recent survey suggesting that the number of Afghans living below the national poverty line had risen from 38% in 2011–2012 to 55% in 2016–2017.[444] The IMF added that, among other factors, deteriorating security conditions rendered the current environment even more challenging.[445]

The current state of the Afghan economy, however, is not without its bright spots. As SIGAR reported last quarter, data from Afghanistan's National Statistics and Information Authority (formerly the Central Statistics Organization) showed that exports of goods increased by 28% from 2016 to 2017, driven in part by the initiation of an air corridor with India that resulted in higher sales of Afghan fruit, according to the Asian Development Bank.[446] The World Bank added that the resolution of border issues with Pakistan, which had slowed trade between the two countries, also played a role.[447] Nevertheless, despite the lower growth rate of imports, the merchandise trade deficit still widened in 2017, as SIGAR has reported previously.[448] The World Bank said merchandise exports remained low in absolute terms at the equivalent of 6% of Afghanistan's gross domestic product (GDP), reflecting simultaneously the prospect of both additional near-term growth from a low base and a long road ahead to reducing the country's wide trade deficit, which the Bank said was equal to 40% of GDP in 2017.[449]

Fiscal Outlook: Recent Improvement is Fragile

The Afghan government's revenue gains have been quite strong in recent years.[450] The World Bank and the International Monetary Fund (IMF) concur.[451] In August 2018, the Bank said that Afghanistan's revenue performance was now at a record high.[452] The Bank added that recent improvements in revenue performance were the result of better tax and customs administration and enforcement (with the average value of customs declarations for imports trending higher), as well as new fees and charges that led to increases in non-tax revenues.[453] Overall, the Bank said, revenues had risen to 12.3% of GDP in 2017, which was higher than the previous 11.7% peak of 2011–2012.[454] Given modest expenditure growth in 2017, all of this reflects an encouraging trend line.[455]

Nevertheless, the Bank said that while revenue growth has been strong for the last several years, it is now slowing (see SIGAR's analysis of current revenues and expenditures in the next subsection) and noted that revenue growth over the first half of 2018 barely exceeded the rate of inflation.[456] Both the IMF and the Afghan government echoed their assessments that fiscal risks persisted this year, exacerbated by the parliamentary elections (which occurred this month) and presidential elections slated for April 2019. In May 2018, Afghan authorities pointed to downside revenue risks that coincided with the last election year (2014), which resulted in a sharp decline in revenue performance.[457] The Afghan government also

pointed to risks associated with uncertainty surrounding economic growth as well as precarious security conditions.[458] Thus, overall, Afghanistan's fiscal outlook remained fragile this quarter.

Government Revenues and Expenditures: Revenue Gains Continue at Slower Pace

SIGAR analysis showed that the Afghan government's aggregate domestic revenues grew by approximately 4%, year-on-year, over the first seven months of Fiscal Year (FY) 1397 (December 22, 2017–December 21, 2018).[459] Afghanistan's Ministry of Finance categorizes domestic revenues into sustainable and one-off categories (see page 134 for definitions of these terms).[460] During the period, a large, nearly AFN 4 billion (approximately $55.5 million) transfer of funds to Afghanistan's central bank that reduced overall revenues was classified as a one-off transaction. Because this transfer reduced aggregate revenues, sustainable domestic revenues (which do not include one-off transactions) grew by the higher rate of 8.6% over the first seven months of FY 1397, year-on-year.[461]

Both the aggregate and sustainable domestic revenue growth rates, while positive, were lower than in recent years.[462] The World Bank expected revenue growth to slow in 2018. According to the Bank, revenue gains from recent improvements in administration and enforcement are nearing exhaustion. The Bank said that revenue increases over the first six months of 2018 only slightly exceeded the rate of inflation.[463]

Recent revenue data showed that customs duties and taxes continued to represent the largest component of domestic revenues (21.7% through the first seven months of FY 1397), followed by sales taxes (18.9%), administrative fees (18.1%), and income taxes (15.2%).[464] Approximately 11.0% of revenues were classified as "Miscellaneous" through FY 1397 Month 7, precluding a line-item analysis of year-on-year changes in individual revenue categories.[465] According to MOF officials, the "Miscellaneous" category is sometimes used as a catch-all category for uncategorized revenues prior to the MOF's reconciliation.[466]

SIGAR analysis showed that expenditures, meanwhile, grew by approximately 4.9% over the same time period.[467] Wages and salaries constituted the largest share of expenditures (57.1% over the first seven months of FY 1397), consistent with recent trends.[468] The World Bank projected expenditures to grow by just over 5% in 2018, reflecting expected increases to security and development spending.[469] Table 3.26 on the following page shows a comparison of expenditures over the first seven months of FY 1397, compared to the first seven months of FY 1396.

Trade

In 2017, Afghanistan's merchandise trade deficit remained quite high at the equivalent of 33.6% of GDP, widening from the 2016 figure of 31.6%. The

TABLE 3.26

EXPENDITURES, FIRST SEVEN MONTHS, AFGHAN FISCAL YEARS 1396 AND 1397 COMPARED (IN AFGHANIS)

Category	1396 (Through Month 7)	1397 (Through Month 7)	% Change
Wages and Salaries[a]	AFN 95,449,436,844	AFN 98,993,358,639	3.7%
Goods and Services[b]	33,283,817,205	29,515,462,068	(11.3%)
Subsidies, Grants, and Social Benefits[c]	14,000,008,398	14,612,484,103	4.4%
Acquisition of Assets[d]	21,725,266,139	29,177,193,628	34.3%
Interest and Repayment of Loans[e]	847,494,365	1,068,861,212	26.1%
Total	**AFN 165,306,022,951**	**AFN 173,367,359,650**	**4.9%**

Note:
a Compensation of government employees.
b Includes: (1) payments to private firms in return for goods and/or services, and (2) payments to other government units or agencies in return for services performed.
c Includes: (1) expenditures made to entities in return for development assistance and promotional aid, or reimbursement for losses caused by equalization of commodity tariffs, price controls, and other similar purposes that are not repayable; (2) grants to other government units for which unequal value is provided in return; and (3) social assistance benefits not covered by social security.
d Expenditures related to the purchase, improvement, or construction of assets.
e Interest, principal payments, and fees related to government debt.

Source: SIGAR analysis of USAID-provided AFMIS data exported 9/17/2018; SIGAR analysis of USAID-provided AFMIS data exported 1/8/2018; Government of Afghanistan, MOF, *Chart of Account Guide Fiscal Year: 1397*, Version 1, "Object Exp Long Des," 1/7/2018.

country's services trade deficit also rose recently, from the equivalent of 4.2% of GDP in 2016 to 5.6% in 2017. The deficit continues to be financed almost entirely by donor inflows.[470] While USAID plans to accelerate Afghanistan's economic growth by increasing the country's exports, the World Bank expected the trade balance to remain relatively unchanged in the mid-term.[471]

Exports by air have been growing at an impressive rate, albeit from a low base, supporting the proposition that Afghanistan can rapidly grow its exports. USAID said the country's air exports had grown by 70% over the last two full years, from $230 million in 2015 to $391 million in 2017.[472]

While encouraging, many barriers to trade persist. Afghanistan's landlocked geography, poor infrastructure, institutional deficits, and ongoing conflict all threaten trade expansion. The IMF said being landlocked introduces other challenges: import and export costs and delays are higher for landlocked countries than for those with coastlines. For Afghanistan, high energy costs and low levels of access to electricity, land, and finance also pose obstacles.[473]

To address these challenges, in addition to its recent, aggressive expansion of air corridors, Afghanistan has signed various bilateral and regional trade agreements with neighboring countries. For example, although geopolitical factors have inhibited its full implementation, a transit trade agreement between Afghanistan and Pakistan allows the countries to leverage one another's transit corridors. According to the IMF, transit trade represents an opportunity to turn Afghanistan's landlocked geography into a comparative advantage. Meanwhile, the agreement between Iran and India to develop the Chabahar seaport in southeastern Iran has

the potential to open up further Afghan trade with India, which in turn hopes to use the port to transit Indian goods through Afghanistan into Central Asia.[474]

Export and Import Data

Afghanistan continued its strong recent record of export growth in goods this quarter. Through the first two quarters of FY 2018, exports grew by 33%, year-on-year, which represented a slight acceleration over the growth rate of 28% from 2016 to 2017, though growth in the second quarter of 2018 slowed to 18%.[475] Through two quarters, India remained the number-one destination for Afghan export goods, 45% of which flowed to India over that period. While Pakistan was a distant second, taking in 34% of Afghan products through the first two quarters, exports to Afghanistan's oft-contentious neighbor surged from the first to the second quarter, growing at 34%, perhaps reflecting de-escalating border tensions that have affected licit trade volume between the two countries. Exports to India, meanwhile, dropped dramatically from the first to the second quarter of FY 2018 by 42%. This decrease was driven in part by a 45%—or more than $15 million—decrease in exports of *asefetida* (also known as "devil's dung"), a fetid gum resin used as flavoring in Indian cooking.[476] While coal was Afghanistan's number-two export in the second quarter of 2018, agricultural products continued to dominate the list of the country's top exports, constituting nine of the top 10 merchandise exports in the first quarter of 2018 and eight out of the top 10 in the second.[477]

Nevertheless, even with lower growth in Afghan imports of goods, the merchandise trade deficit for FY 2018 was approximately $3.4 billion through the first two quarters of the year, signaling that from a low base, even dramatic increases in exports have little material effect on shoring up Afghanistan's trade balance, which is financed primarily by foreign aid.[478] Through the first two quarters of 2018, the majority of imported products (approximately 66%) originated in five countries: Pakistan (16.1%), Iran (15.6%), China (14.0%), Kazakhstan (11.3%), and Uzbekistan (9.2%).[479] Afghanistan's number-one import through the first two quarters of 2018 was wheat flour.[480]

Iran Sanctions Could Affect the Afghan Economy, but Full Impact Not Yet Clear

In May, President Donald J. Trump announced that the U.S. was withdrawing from the Joint Comprehensive Plan of Action (JCPOA)—more commonly known as the "Iran Nuclear Deal" of 2015—that lifted sanctions on Iran in return for Iran's limiting its nuclear-power activity to ensure that it is unable to produce nuclear weapons. According to Secretary of State Michael R. Pompeo, the President withdrew from the Iran deal because it failed to guarantee the safety of the American people.[481]

This quarter, State provided an assessment of how the Iran sanctions could affect Afghanistan's economy. While the renewed sanctions have not yet been fully applied—those most significant to Afghanistan, affecting Iran's ports and crude oil exports, are scheduled to take effect on November 5, 2018—State said that remittances to Afghanistan from Iran have dropped sharply to "almost zero," the consequence of a precipitous slide in the Iranian rial. The loss of remittance incomes to families already suffering from the ongoing drought will represent a significant challenge to local economies and communities in western Afghanistan, according to State. Iran's currency collapse has also significantly increased returns of Afghan migrant workers from Iran. State said that Afghanistan's western region would be stressed by the need to reintegrate the 500,000-plus returnees (compared to 230,000 in 2017), exacting a heavy economic toll and adding to less-stable western provinces' social-support systems.[482]

While the Afghan and Indian governments hope the U.S. will grant a sanctions waiver for the Chabahar Port in southeastern Iran, State reported that, according to Afghanistan Chamber of Commerce and Industry officials, the volume of goods destined for Afghanistan by way of Chabahar and Iran's Bandar-e-Abbas ports had dropped considerably in recent months.[483] The Chabahar port is hardly the only issue at stake: State also emphasized that fuel products, which will also be subject to sanctions, make up the lion's share of Afghanistan's imports from Iran. According to State, approximately 40% of Afghanistan's official fuel imports come from Iran, with estimates of unofficial imports likely raising that figure above 50%. State said that if fully reimposed, sanctions could eliminate Afghanistan's fuel imports from Iran. However, State added, fully applied sanctions would likely push trade underground, with higher levels of illicit trade in both fuel and steel.[484]

As State detailed, Afghanistan is already experiencing some repercussions as a result of renewed U.S. sanctions. Nevertheless, with potential waivers for fuel, steel, and Chabahar still under review, it is not yet clear what the final effects of U.S. sanctions will be. As of October 15, 2018, State said it was still reviewing how its Iran sanctions policy will be implemented.[485]

BANKING AND FINANCE

Afghanistan's financial sector consists of 15 banks. Three banks are state-owned; of the remaining 12, nine are private and three are foreign commercial-bank branches.[486] The banking sector remains vulnerable to adverse shocks due to poor asset quality, capital shortfalls, and management deficiencies at several banks. However, Afghan financial institutions have recently been reducing their exposure to risk.[487] By the end of 2017, the ratio of nonperforming loans to gross loans was at the lowest level seen since the beginning of 2015, according to data presented by the IMF.

The ratio of adversely classified loans (loans that banks doubt will be repaid) to gross loans, meanwhile, dropped dramatically from the third to the fourth quarter of 2017, while the ratio of regulatory capital to risk-weighted assets climbed from 2016 to 2017, before leveling off in the first quarter of 2018.[488]

Nevertheless, access to credit in Afghanistan remains minimal: asset-to-deposit ratios remain exceedingly high—74% at the end of 2017—reflecting weak intermediation of credit from banks to the country's private sector. In 2017, the value of intermediated credit in Afghanistan was the equivalent of 3.3% of GDP, down from approximately 3.6% in 2016. According to the World Bank, weak confidence was continuing to inhibit credit demand, with current economic conditions limiting the number of feasible projects.[489]

Treasury Technical Assistance: Additional Third-Country Meetings/Training Sessions Under Consideration

In March 2015, the U.S. Treasury's Office of Technical Assistance (OTA) signed an agreement with Afghanistan's MOF to develop and execute technical-assistance and capacity-building programs aimed at strengthening the government's public financial management. OTA also aims to help the government of Afghanistan provide better oversight of its financial sector. President Ghani requested OTA renew its engagement with the Afghan government in 2014 to assist with budget reforms, among other activities.[490] OTA's current work in Afghanistan is funded through an interagency agreement with USAID that expires in September 2019.[491]

During the reporting period, Treasury said that all travel to Kabul had been on hold as a result of security concerns. While OTA advisors were able to engage in limited remote-advising work—for example by supporting Afghanistan's Fiscal Performance Improvement Plan, a reform program designed to strengthen public financial management—it was unable to pursue other technical advisory work such as efforts to help the Afghan government improve how it costs new policy initiatives for budgeting purposes.[492] Because security concerns have affected OTA's ability to deliver training on-site in Kabul, OTA is exploring the option of more frequently conducting training in other venues such as Baku, Azerbaijan. For example, in late August, Treasury delivered a problem bank resolution workshop organized in conjunction with the U.S. Department of Commerce to Afghan counterparts in Baku. OTA said that even when advisors have been able to travel to Kabul, U.S. Embassy security protocols required for Afghan counterparts to enter the Embassy compound have proved onerous, introducing bureaucratic obstacles to holding multiday meetings.[493]

Problem bank resolution: a process through which authorities resolve a situation in which a financial institution is in danger of failing. Examples include deposit payoffs and purchase and assumption (P&A) transactions. In a P&A transaction, a healthy institution agrees to purchase some or all of the assets, and to assume some or all of the liabilities, of a failed institution. Effective resolution is believed to foster stable financial systems.

Source: FDIC, *Resolutions Handbook*, 12/23/2014, pp. 5–6; IMF, "Bank Resolution Powers and Tools," 10/20/2016, p. 5.

Kabul Bank Theft: Substantive Progress Remains Elusive

Due to embezzlement and fraud by a handful of politically connected individuals and entities, Kabul Bank—a systemically important Afghan financial

institution—nearly collapsed in September 2010.[494] The Afghan government subsequently organized an $825 million bailout (an amount equivalent to approximately 5%–6% of GDP), rendering the scam one of the largest banking catastrophes in the world, relative to GDP.[495] The aftermath of the scandal exposed an elaborate fraud and money-laundering scheme orchestrated by Kabul Bank founder Sherkhan Farnood (who died while serving time in Bagram Prison this quarter), chief executive officer Khalilullah Ferozi, and other key shareholders and administrators. According to a 2016 report from the United States Institute of Peace (USIP), years later, the legacy of Kabul Bank remains a striking symbol of the extensive corruption and criminality that undermine the Afghan government's legitimacy.[496] The U.S. Department of Justice (DOJ) has referred to the scandal as "one of the most notorious fraud cases in Afghan history."[497] Every quarter, SIGAR requests an update from relevant agencies on Kabul Bank Receivership (KBR) efforts to recover funds stolen from the Kabul Bank. The KBR was established to manage Kabul Bank's bad assets.[498]

Both DOJ and State reported that, overall, Kabul Bank debtors (i.e. those responsible for the stolen funds) still owe just over $594 million, unchanged from last quarter.[499] However, State reported that, according to the KBR, approximately $1.6 million has been recovered since May 2018.[500] State said that recent debtor payments had been made "under significant Compact pressure"—referring to the Afghanistan Compact, initiated in August 2017 with the intent of prioritizing Afghan government commitments and measuring progress against key benchmarks, including Kabul Bank repayment agreements.[501] DOJ confirmed that the U.S. Embassy has been demanding progress through periodic Compact meetings.[502]

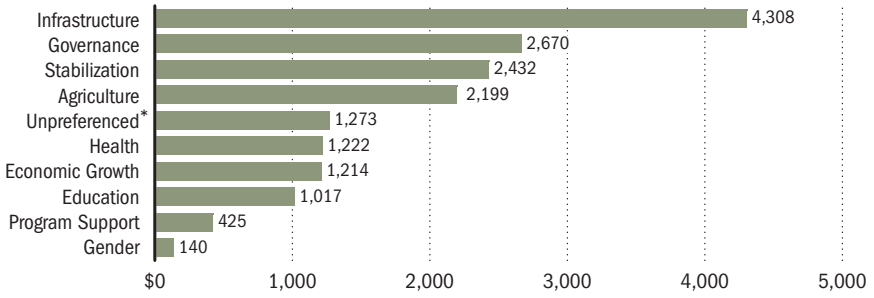
Additionally, DOJ reported that President Ghani issued a new decree this quarter ordering that the market value of borrowers' collateral and assets be determined and that a public announcement be made to sell those collateral and assets. Nevertheless, DOJ added that it does not believe the Afghan government possesses the political will to move forward on Kabul Bank asset recoveries, despite having the capacity to do so.[503]

U.S. ECONOMIC AND DEVELOPMENT SUPPORT

Most assistance from the Economic Support Fund goes toward USAID's development programs. According to the agency's recently signed, $2.5 billion assistance agreement with the Afghan government that extends through December 31, 2023, USAID aims to render Afghanistan a more inclusive, economically viable, and self-reliant country with which the U.S. government can better partner in its national-security strategy.[504] USAID hopes to achieve this end state through programming that accelerates private sector-driven and export-led economic growth, advances social gains, and increases the Afghan government's accountability to its citizens.[505]

FIGURE 3.43

USAID DEVELOPMENT ASSISTANCE, CUMULATIVE DISBURSEMENTS, AS OF SEPTEMBER 30, 2018
($ MILLIONS)



Note: USAID Mission-managed funds. Numbers are rounded. USAID gender programs are presented as a separate category this quarter. Reclassification of some projects from other categories (such as economic growth) to the new gender category reduced some previously reported cumulative disbursements. Agriculture programs include alternative development. Infrastructure programs include power, roads, extractives, and programs that build health and education facilities. Office of Financial Management activities (e.g. audits and pre-award assessments) included under Program Support funds. Additional Office of Financial Management activities added due to increased data coverage.
* Unpreferenced funds are U.S. contributions to the ARTF that can be used for any ARTF-supported initiatives.

Source: SIGAR analysis of USAID, response to SIGAR data call, 10/15/2018; SIGAR analysis of World Bank, ARTF, *Administrator's Report on Financial Status*, as of July 22, 2018.

USAID is developing its first Country Development Cooperation Strategy (CDCS) for Afghanistan. The CDCS will articulate how USAID plans to support the new U.S. South Asia strategy. USAID expected the CDCS to be completed this summer.[506] However, USAID said this quarter that the new strategy had not yet been finalized.[507] Figure 3.43 shows USAID assistance by sector.

Natural Resources Remain an Under-Tapped Source of Government Revenue and Economic Growth

Afghanistan is endowed with a plethora of natural resources. These include rare earth elements, gold, chromite, copper, talc, sulfur, lead, iron, coal, construction stone, and natural gas, among others. Yet, despite this potential wealth and the presence of numerous mines, most of the resources have yet to be extracted. While some efforts have been made to mine iron, gold, copper and other minerals, thus far neither donors nor the Afghan government have been able to facilitate large-scale extraction.[508]

According to evaluators of USAID's now-concluded flagship mining program—the Mining Investment and Development for Afghan Sustainability project—the extractives sector is the "country's best, and perhaps only" option to generate the level of economic growth that would support inclusive job creation (i.e., job creation where economic benefits are distributed among most Afghans as opposed to only a few).[509] However, in 2017 mining contributed only 0.97% of added value to the country's licit GDP. Including

the opium economy, value-added from the mining sector was even lower: 0.92% of GDP.[510] The Afghan government believes that underdeveloped infrastructure, declining commodity prices, and ongoing security challenges all hinder progress in this important sector.[511]

Though licit mining languishes, illegal mining—broadly defined—has flourished in Afghanistan. According to USIP, most mineral extraction in the country is either illicit or unregulated. While some local communities have operated for decades under informal agreements brokered before the current regulatory regime took effect, the Taliban and various criminal networks control other sites.[512]

U.S. Support to Afghanistan's Extractives Sector Remains Limited

There appeared to be renewed interest in developing Afghanistan's extractives sector following President Trump's August 2017 announcement of a new South Asia strategy, as SIGAR reported last year.[513] Following that announcement, President Trump met with Afghan President Ashraf Ghani on the sidelines of the United Nations (UN) General Assembly in New York where they discussed, among other topics, how American companies could rapidly develop Afghanistan's rare-earth minerals to lower the costs of U.S. assistance and render Afghanistan more self-reliant.[514] Those discussions were widely reported by U.S. media, generating speculation that the United States would pursue a reinvigorated effort to develop the country's extractives sector.[515]

No subsequent meeting occurred during the UN General Assembly held this quarter: President Ghani canceled a planned trip to New York to attend the assembly.[516] Thus, nearly one year after the Trump administration made the decision to recommit to Afghanistan, U.S. extractives-sector programming, as measured by direct U.S. funding of extractives-related programs, remains relatively small-scale. USAID has interagency agreements with the Department of Commerce to provide legal assistance to the sector. The agency also has an agreement with the United States Geological Survey (USGS) to provide technical advisory services, but these represent the only current U.S.-led initiatives to develop Afghanistan's natural resources.[517]

SIGAR INVESTIGATION

On September 24, 2018, Adam Doost, the former owner of a now-defunct marble mining company in Afghanistan, was found guilty by a federal jury for his role in defrauding the Overseas Private Investment Corporation (OPIC), a U.S. government agency, and defaulting on a $15.8 million loan. Doost obtained the loan in February 2010 while working at his company, Equity Capital Mining LLC. The loan from OPIC was to help fund the development, maintenance, and operation of a marble mine in western Afghanistan. SIGAR led the four-year investigation, with assistance from the FBI. For more, see p. 35 of this report.

Some Movement on Previous DOD-Facilitated Mining Tenders, but Legality of Two Contracts is Questioned

DOD is no longer involved in Afghanistan's extractives sector and has no authority or funding to support extractives projects.[518] In the past, DOD pursued the development of the sector through the Task Force for Business and Stability Operations (TFBSO), which sought to reduce violence, enhance stability, and support economic normalcy in Afghanistan through strategic business and economic activities.[519] TFBSO was a temporary organization with a nontraditional mission whose funding ended in 2014.[520]

TFBSO sought to develop Afghanistan's mining sector through a $51 million obligation originally intended to facilitate the award of between eight and 12 large-scale mining contracts to international companies. TFBSO officials and contractors said they overestimated the speed at which the Ministry of Mines and Petroleum could work and underestimated the resistance from other ministries. Nevertheless, four contracts were advanced to the point that they only needed the Afghan government's signature. The Afghan government refused to sign any of these contracts because of political concerns surrounding mining contracts.[521]

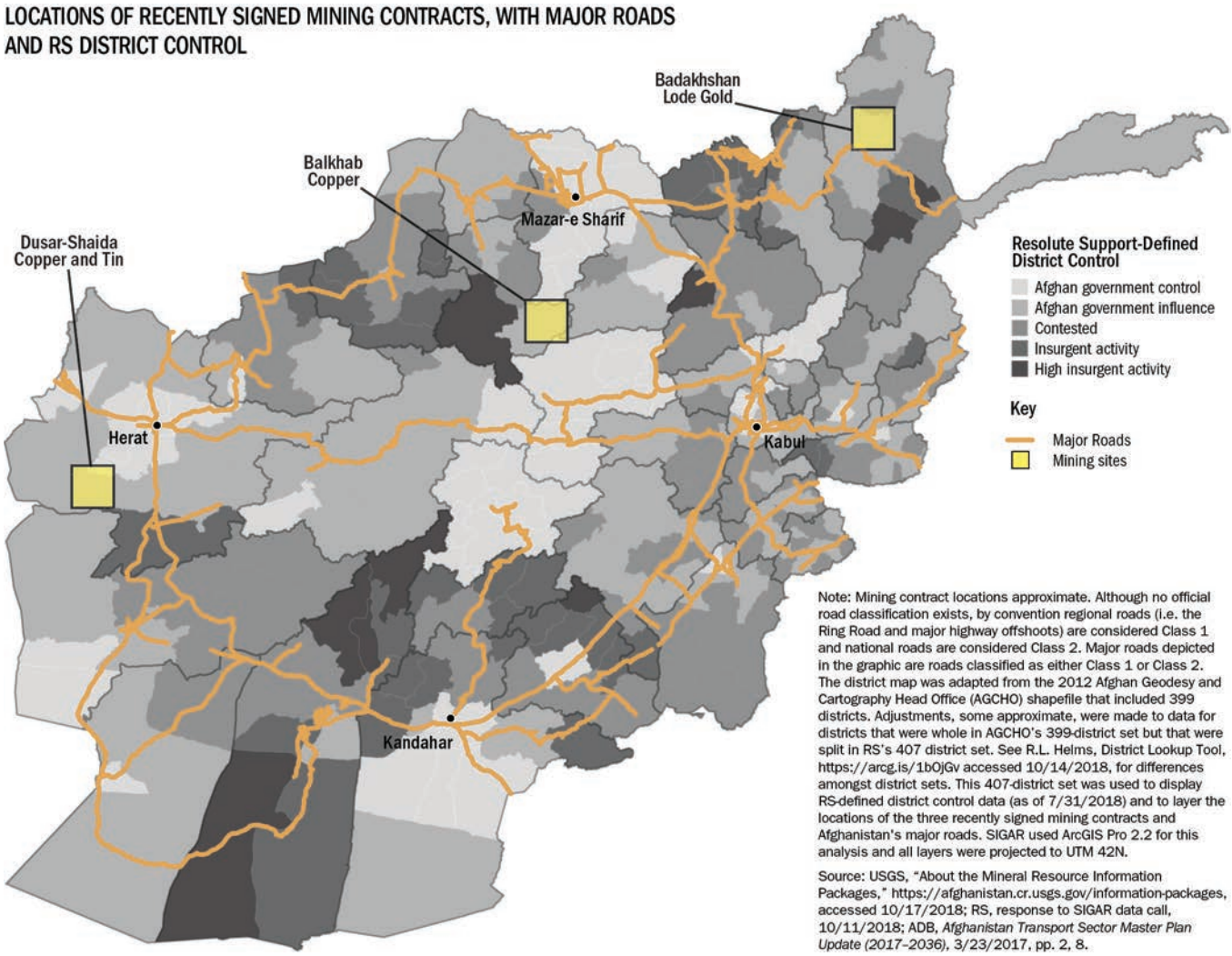
However, both DOD and State indicated this quarter there had been recent movement on these stalled contracts.[522] According to State, the Afghan government recently approved a contract for the Shaida copper mine, located in Herat Province.[523] Of the four contracts, Shaida was the highest-valued ($433 million) and was expected to deliver more than $1.3 billion to the Afghan government over the lifetime of the project, according to consultant projections from November 2012.[524] Although these were older, inherently imprecise estimates (particularly given that exploration activity had not yet been initiated), State said the $1.3 billion figure could be achievable, based on a final negotiated contract royalty rate of 7.1% and the potential to extract an estimated $18 billion in commercial copper.[525] State said that an environmental-impact assessment and other necessary processes would take an estimated two to three years to complete before any extraction activities could begin.[526]

Two other TFBSO-related contracts that had previously been stalled—one for the Balkhab copper mine in Sar-e Pul and Balkh Provinces and the other for a gold mine in Badakhshan—were also signed this quarter.[527] According to State, the Afghan Gold and Minerals Company (AGMC) is the majority stakeholder in the Balkhab contract. AGMC is a consortium of international investors backed by London financier Ian Hannam, former BHP Billiton chief executive Chip Goodyear, and former Afghan Minister of Urban Development Sadat Naderi. AGMC's joint venture, the Turkish-Afghan Mining Company, in which the Turkish mining firm Eti Gümüs has a majority stake, is developing the mine in Badakhshan.[528]

However, State added that both the Sar-e Pul/Balkh and Badakhshan contracts had received heavy scrutiny due to the involvement of Naderi.[529] According to Global Witness, a nongovernmental organization (NGO) that aims to expose corruption and human rights abuses, Naderi, who resigned from his position as minister in June 2018, is the president of the Afghan Krystal mining company, which the NGO referred to as a "major partner" in both contracts (while State said that Naderi was no longer a majority stakeholder in either project, he still holds ownership stakes in both). According to Global Witness, the 2014 Afghan mining law set a five-year "cooling off" period before a former minister or his or her direct relatives are permitted to hold a mining contract. Naderi's sister, Farkhunda Zahra

FIGURE 3.44

LOCATIONS OF RECENTLY SIGNED MINING CONTRACTS, WITH MAJOR ROADS AND RS DISTRICT CONTROL



Note: Mining contract locations approximate. Although no official road classification exists, by convention regional roads (i.e. the Ring Road and major highway offshoots) are considered Class 1 and national roads are considered Class 2. Major roads depicted in the graphic are roads classified as either Class 1 or Class 2. The district map was adapted from the 2012 Afghan Geodesy and Cartography Head Office (AGCHO) shapefile that included 399 districts. Adjustments, some approximate, were made to data for districts that were whole in AGCHO's 399-district set but that were split in RS's 407 district set. See R.L. Helms, District Lookup Tool, https://arcg.is/1bOjGv accessed 10/14/2018, for differences amongst district sets. This 407-district set was used to display RS-defined district control data (as of 7/31/2018) and to layer the locations of the three recently signed mining contracts and Afghanistan's major roads. SIGAR used ArcGIS Pro 2.2 for this analysis and all layers were projected to UTM 42N.

Source: USGS, "About the Mineral Resource Information Packages," https://afghanistan.cr.usgs.gov/information-packages, accessed 10/17/2018; RS, response to SIGAR data call, 10/11/2018; ADB, *Afghanistan Transport Sector Master Plan Update (2017–2036)*, 3/23/2017, pp. 2, 8.

Naderi, is currently serving as an advisor for UN affairs to President Ghani. Nevertheless, according to Global Witness, Naderi has challenged the law's applicability on the grounds that he was not a minister when the Afghan Krystal mining company was named as a preferred bidder in 2012. Global Witness, however, emphasized that revisions to the law occurred while Naderi was serving as a minister and that downward revisions to the royalty rates on the contracts amounted to a renegotiation of the deals.[530] Centar Ltd., meanwhile, an investment firm founded by Hannam that participated in the signing of the contracts in Washington, DC, on October 5, 2018, said the deal was negotiated "in strict adherence to Afghan law and international standards," according to the *New York Times*.[531]

While lack of security and infrastructure make mining difficult in Afghanistan, Centar told the *Financial Times* it will provide for its own security and emphasized that the copper concession in Sar-e Pul and Balkh was located near a major rail hub in Mazar-e Sharif (see Figure 3.44 for a map depicting the three mining sites).[532] According to State, Afghanistan's Office of the President made great effort this quarter to secure approval for the contracts.[533]

At this time, SIGAR is drawing no conclusions regarding the legality of these two contracts. However, SIGAR will be examining the contracts and other matters through an ongoing audit assessing the Afghan government's progress in implementing its anticorruption strategy.

Agriculture: A Key Component of Both the Licit and Illicit Economy

The World Bank has called agriculture a "pillar of economic development and national security in Afghanistan."[534] More than half of the rural labor force works in the agricultural sector, which employs about 40% of Afghans overall. Historically, agriculture has made substantial contributions to Afghanistan's economic growth.[535]

In 2017, however, agriculture's contribution to economic growth showed a darker side, with opium production reaching a new peak. While the Bank projected the value of licit agriculture in 2018 at 18% of GDP, the United Nations Office on Drugs and Crime estimated the value of the opium economy to be the equivalent of 20–30% of licit GDP.[536] Reflecting the spectacular (approximately 90%) growth of opium production in 2017, Afghanistan's National Statistics and Information Authority reported that GDP growth inclusive of the opium economy was 7.2%.[537]

Thus, the World Bank's characterization of agriculture as a pillar of national security requires a major caveat—SIGAR has reported that opium-poppy cultivation has undermined security goals by providing a major revenue source for the insurgency, eroding Afghan government legitimacy, and exacting an enormous human and financial toll.[538]

Afghanistan Suffers "Worst Drought in Decades"

A severe drought continued to affect large swaths of Afghanistan this quarter, contributing to ongoing waves of internal displacement, according to the UN.[539] Testifying to the scale of the natural disaster, the UN said that as of September 9, 2018, the drought had displaced about 275,000 people in 2018—52,000 more than the ongoing conflict during the same time period.[540] While the gap between conflict-induced displacement and drought-induced displacement later narrowed, more than 263,330 people had been displaced in 2018 due to the drought, as of October 14, 2018, compared to 254,796 displaced due to conflict, according to the UN.[541]

The scale of the natural disaster remained severe: As of May 2018, the UN estimated that approximately 2.2 million Afghans would be affected.[542] The

In its response to SIGAR's requests for information this quarter, USAID downplayed the effects of the drought, describing it as "localized." While it is true that the drought is not affecting all areas of Afghanistan, this seems to minimize the scale of the natural disaster. USAID's internal humanitarian update stated that Afghanistan's 2018 drought continued to "intensify in the north, west, and central highlands, adding acute new pressures to rural Afghan communities already strained by years of war and poverty."

For example, USAID previously pointed out that the 2018 wheat harvest was likely to yield just 3.5 million metric tons (MMT), resulting in a projected deficit of 2.5 MMT for this year. USAID added the drought would likely have ripple effects on Afghan pastoralists who depend on rangelands, increasing food insecurity. However, the drought may not have significant implications for USAID's agricultural programs, which generally focus on irrigated crops that do not directly rely on rain.

Source: USAID, response to SIGAR data call, 9/19/2018; USAID, *Humanitarian Update #19*, 9/15/2018, p. 1; USAID, response to SIGAR vetting, 4/10/2018; USAID, OAG, response to SIGAR vetting, 10/11/2018.

UN previously called the drought the worst in decades.[543] According to the USAID-funded Famine Early Warning Systems Network (FEWS NET), the drought has resulted in atypically high levels of acute food insecurity (meaning that many Afghans do not have access to adequate nutrition), which was likely to increase in the coming months. FEWS NET said the northwestern provinces of Badghis and Faryab, which border Turkmenistan, have been the worst-affected areas.[544] The extent of anticipated food insecurity appeared high: USAID previously reported it expected a 2.5 million metric ton (MMT) wheat harvest deficit for 2018, against a total need of 6 MMT.[545] On September 23, 2018, USAID announced it would provide $43.8 million to the UN's World Food Programme to provide food assistance to drought-affected Afghans.[546]

USAID Assistance to the Ministry of Agriculture, Irrigation, and Livestock

According to USAID's recently signed four-year assistance agreement with the Afghan government, licit agriculture will remain an area of particular focus for the agency. USAID programs aim to support Afghan agribusinesses to develop competitive value chains, strengthen public and private agricultural service delivery, and increase the productivity of key agricultural crops. As in other sectors, USAID's support for agribusinesses will be oriented on firms that have the potential to serve as anchors for key value chains—that is, on businesses that can best put investment capital to use, generate both supply and demand along value chains, and benefit from international partnerships.[547]

Since 2002, USAID has disbursed nearly $2.2 billion to improve agricultural production, increase access to markets, and develop income alternatives to growing poppy for opium production.[548] Pages 175–183 of this quarterly report discuss USAID's agriculture alternative-development programs. USAID's active agriculture programs have a total estimated cost of $444 million and can be found in Table 3.27.

Agricultural Development Fund Update: USAID Extends Technical Assistance by Four Months, but Sustainability Still in Question

SIGAR remains concerned this quarter about the sustainability of an Afghan credit facility to which USAID has provided funding and technical assistance. Given the centrality of agriculture to the Afghan economy and the difficulties Afghan farmers faced in accessing credit, USAID established the Agricultural Development Fund (ADF) in July 2010 through a $100 million grant to the Ministry of Agriculture Irrigation and Livestock (MAIL). The purpose of the ADF, which remains active, is to provide credit to agribusinesses, commercial farmers, and processors and exporters of agricultural products.[549] Initially managed by USAID through its $50 million Agricultural

TABLE 3.27

USAID ACTIVE AGRICULTURE PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Strengthening Watershed and Irrigation Management (SWIM)	12/7/2016	12/6/2021	$87,905,437	$9,453,159
Regional Agriculture Development Program (RADP North)	5/21/2014	5/20/2019	78,429,714	56,906,996
Commercial Horticulture and Agriculture Marketing Program (CHAMP)	2/1/2010	12/31/2019	71,292,850	57,322,706
Afghan Value Chains - Livestock Activity	6/6/2018	6/5/2021	55,672,170	778,367
Afghanistan Value Chains - High-Value Crops	8/2/2018	8/1/2023	54,958,860	0
RADP East (Regional Agriculture Development Program-East)	7/21/2016	7/20/2021	28,126,111	9,022,776
Grain Research and Innovation (GRAIN)	3/13/2017	9/30/2022	19,500,000	7,305,193
Promoting Value Chain - West	9/20/2017	9/19/2020	19,000,000	1,703,361
ACE II (Agriculture Credit Enhancement II)	6/23/2015	6/30/2019	18,234,849	15,171,274
Catalyzing Afghan Agricultural Innovation	5/28/2018	5/27/2023	8,000,000	176,578
SERVIR	9/14/2015	9/30/2020	3,100,000	1,538,075
Total			**$444,219,991**	**$159,378,486**

Source: USAID, response to SIGAR data call, 10/15/2018.

Credit Enhancement (ACE) project, the ADF was transferred to the Afghan government in 2015.[550] Since the conclusion of ACE, a follow-on program—the Agricultural Credit Enhancement Phase-II (ACE-II) project—has been providing technical assistance to the ADF.[551]

For several quarters now, SIGAR has documented what appear to be significant sustainability challenges at the ADF.[552] The financial performance of the ADF has suffered due to the prevailing political, economic, and security conditions, which according to ACE-II project implementers has contributed to a more prolonged time frame "required for the ADF to achieve . . . operating sustainability, one of its primary objectives."[553] Additionally, in early 2016, the ADF changed its loan write-off policy so that only loans that are overdue by more than 1,095 days (three years) are counted as losses. The new policy significantly lengthened the period of time after which loans were counted as losses, deviated substantially from Afghan central bank (Da Afghanistan Bank or DAB) standards, and altered the definition of a key indicator used to assess the performance of USAID's assistance to the ADF. The ADF is not a bank and is thus not regulated by DAB.[554]

This quarter SIGAR learned that USAID had approved a four-month, no-cost extension (NCE) for ACE-II that extended the contract's period of performance to October 31, 2018.[555] The purpose of the NCE is to continue USAID's support of the ADF's transition to an independent agricultural finance institution. However, according to the agency's implementing partners, the NCE's scale, in conjunction with the brief period of performance

SIGAR learned this quarter that independent auditor Deloitte recommended that the Agricultural Development Fund (ADF), established by USAID, strengthen its due diligence process and closely monitor overdue loans to reduce risk of defaults. This recommendation echoes what SIGAR has reported for several quarters: that despite high levels of loan losses and loan-loss provisions, the ADF changed its loss policy to count as losses only those nonperforming loans overdue by more than 1,095 days (three years), which contrasts sharply with the current Afghanistan central bank standard of 360 days.

Source: USAID, *Agricultural Credit Enhancement II (ACE-II) Program Monthly Report No. 37, July 2018*, 8/13/2018, p. 4; SIGAR, *Quarterly Report to the United States Congress*, 7/30/2018; USAID, *Agricultural Credit Enhancement II (ACE-II) Program Quarterly Report: Q2-FY 2018 January–March, 2018*, 4/30/2018, p. 37.

remaining, could impact ACE-II's ability to retain staff for the remainder of the project.[556]

SIGAR also learned that Deloitte, an independent auditor, had prepared draft 2017 financial statements for the ADF. Deloitte noted that while income rose by 15% to AFN 153.4 million (~$2.1 million), loan-loss provisions for the year were substantial: AFN 65.3 million (~$907,000). Moreover, despite the fact that the ADF was intended to facilitate access to credit by loaning funds to agribusinesses, the majority of the increase in income was due to interest earned by placing surplus funds with financial institutions rather than through the ADF's loan portfolio.[557] While this could be interpreted as a positive sign of healthy liquidity, it may simultaneously signal that the ADF is not meeting its original intent to inject much-needed credit into the agricultural sector.

Deloitte also highlighted that the present ADF loan-loss provision policy—which differs from DAB loan-classification criteria, as SIGAR has emphasized for several quarters now—"could be problematic," according to the project's most recently available monthly report. Deloitte recommended that the ADF strengthen its due-diligence process and closely monitor overdue loans to reduce risk of defaults.[558]

SIGAR SPECIAL PROJECT

A SIGAR Special Project released in September 2018 reported the results of site inspections conducted at eight DOD-funded bridge projects in Baghlan Province. SIGAR found that the location information for the bridges maintained in DOD systems was generally accurate. SIGAR also found that six of the eight bridges were in generally good, usable condition. Additionally, all eight were identified as "very useful" by community members and an Afghan government official. Two of the bridges, however, appeared to have significant structural issues that could pose a risk to people using the bridge. As a result, SIGAR issued two alert letters and USFOR-A notified the appropriate Afghan authorities. For more, see p. 32 of this report.

ESSENTIAL SERVICES AND DEVELOPMENT

The United States has provided reconstruction funds to increase the electricity supply, build roads and bridges, and construct and improve health and education facilities in Afghanistan since 2002.[559] This section addresses key developments in U.S. efforts to improve the government's ability to deliver these essential services, focusing specifically on ongoing projects intended to increase access to electricity in Afghanistan.

Power Supply: Lack of Access to Electricity Remains a Key Challenge

According to USAID, only about 30% of Afghans had access to grid-based electricity, as of August 2017.[560] Lack of access constitutes a crucial barrier to progress on a wide range of development indicators, including poverty reduction, education, health, livelihoods, and food security, according to the World Bank.[561]

USAID has said that lack of reliable, available, and affordable power represents a fundamental constraint to economic growth. While comprehensive data on the current set of challenges Afghan businesses face as a consequence of low electricity access is unavailable, the agency pointed to the results of the World Bank's 2014 Enterprise Survey for Afghanistan, which showed that 66% of private enterprises reported that limited access to electricity represented a major constraint. At that time, 70% of businesses experienced significant electricity outages and attributed an average of 10%

in annual sales losses due to such outages.[562] USAID said that data from Afghanistan's Chamber of Commerce showed the situation may have grown worse in more recent years, with Kabul-based factory owners reporting they receive only eight hours of power per day, and with outages causing $200–$1,000 in losses due to damaged materials and equipment per outage.[563]

Overall, many enduring challenges in the power sector remain, according to USAID. Those challenges include insufficient supply to meet growing demand, Afghanistan's heavy (80%) dependence on electricity imports, and weak sector governance.[564]

U.S. Power-Sector Assistance: Large-Scale Projects to Expand the National Power Grid Predominate

Large capital projects represent the majority of the U.S. government's current work in the Afghan power sector. A top priority has been expanding and connecting islanded power grids, with both USAID and DOD working to connect Afghanistan's Northeast Power System (NEPS) with its southeastern counterpart, the Southeast Power System (SEPS).[565] USAID is funding the construction of a 511-kilometer transmission line connecting the two networks and improvements to SEPS. DOD, meanwhile, has funded a significant expansion of NEPS, the expansion and improvement of infrastructure associated with SEPS, and a bridging solution for power in Kandahar City, designed to provide power to key industrial parks to buy time for other infrastructure to be built.[566]

Both DOD and USAID power-infrastructure projects are funded through the Afghanistan Infrastructure Fund (AIF), with monies appropriated by Congress in FYs 2011–2014. USAID is also using the Economic Support Fund to cover the costs of some projects.[567] No additional AIF monies have been appropriated since FY 2014.[568] However, up to $50 million of Title IX Overseas Contingency Operations (OCO) funds appropriated in later acts may be used to complete these projects.[569]

DOD has completed the majority of its AIF power-infrastructure projects. Only two remain: a single project encompassing both the improvement of three substations in SEPS (which is now complete) and the construction of a transmission line from Sangin to Lashkar Gah in Afghanistan's restive Helmand Province; as well as the construction of transmission lines from Paktiya Province to Khost Province. Approximately $186.4 million has been obligated for those two projects, of which $156.0 million has been disbursed, signaling that these projects are close to completion. In total, $599.6 million has been obligated for DOD's AIF-funded power infrastructure projects (including $141.7 million for the aforementioned Kandahar Power Bridging Solution project), with $561.4 million disbursed.[570]

As SIGAR reported in April 2018, USAID recently faced significant challenges in completing its large energy-sector projects, moving nearly $400 million of previously on-budget power-sector funds off-budget. The

TABLE 3.28

USAID ACTIVE POWER-INFRASTRUCTURE PROJECTS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursement, as of 9/30/2018
Power Transmission Expansion and Connectivity (PTEC)	1/1/2013	12/31/2020	$316,713,724	$183,695,904
Contributions to the Afghanistan Infrastructure Trust Fund (AITF)	3/7/2013	3/6/2023	153,670,184	153,670,184
Engineering Support Program	7/23/2016	7/22/2019	125,000,000	48,988,595
Kandahar Solar Project	2/23/2017	8/25/2019	10,000,000	1,000,000
Design and Acquisition of SEPS Completion and NEPS-SEPS Connector	3/7/2018	3/7/2019	917,680	503,142
Total			**$606,301,588**	**$387,857,825**

Note: PTEC end date reflects USAID's anticipated end date for the project. Because some PTEC contracts have not yet been awarded, the project's final total estimated cost will likely be higher than the reported amount.

Source: USAID, response to SIGAR data call, 10/15/2018; USAID, OI, "Status of USAID-funded Power Projects," 7/24/2018.

Large-scale economic development projects in Afghanistan often face significant delays. For example, a SIGAR audit released in October 2017 found that three power-sector projects funded with Fiscal Year 2011 Afghanistan Infrastructure Fund monies were incomplete and up to five years behind their original schedule.

Source: SIGAR, *Afghanistan Infrastructure Fund: Agencies Have Not Assessed Whether Six Projects That Began in Fiscal Year 2011, Worth about $400 million, Achieved Counterinsurgency Objectives and Can Be Sustained*, SIGAR 18-10-AR, 10/2017, ii.

move resulted from the agency's conclusion that Afghanistan's national utility, Da Afghanistan Breshna Sherkat (DABS), lacked sufficient procurement and oversight capacity, rendering the utility unable to manage the on-budget monies.[571]

Cumulatively, USAID has disbursed more than $1.5 billion in Economic Support Funds to build power plants, substations, and transmission lines, and provide technical assistance in the power sector since 2002.[572] The agency's active power-infrastructure programs have a total estimated cost of more than $606 million and are listed in Table 3.28.

USAID Project to Construct 10 MW Solar Power Plant in Kandahar Faces 12-Month Delay

In August 2017, USAID initiated a $10 million project to help construct a 10 megawatt (MW) solar power plant near Kandahar City. The agency's $10 million contribution represented an incentive payment to encourage private investment in the project, with India-based contractor Dynasty Oil and Gas Ltd. covering the remaining $10 million cost to construct the plant. Under a 15-year power purchase agreement with DABS, Dynasty plans to sell energy to Afghanistan's national utility to increase power supply in what remains a volatile area of the country. DABS, in turn, committed to constructing a 6.5 km transmission line to connect the plant to the national grid. According to USAID, the plant, when complete, will be the first privately built and operated power plant of this capacity in Afghanistan. During a September 2017 groundbreaking ceremony, DABS chief executive officer Amanullah Ghalib said the plant will be "an important step toward solving the critical shortage of power in Kandahar."[573]

Although USAID intended the project to serve as a model for future private investment in Afghanistan's power sector, the agency informed SIGAR

USAID broke ground on its 10 MW solar power plant project in Kandahar on September 24, 2017. (USAID photo)

this quarter that the project was significantly delayed. USAID's contract with Dynasty was modified to extend the period of performance by one year to August 26, 2019, from the original completion date of August 26, 2018.[574] USAID said the delay was due to land-encumbrance issues encountered at the beginning of the activity as well as an issue with the customs-duty exemption for materials imported through Karachi, Pakistan.[575] According to USAID, the land-encumbrance issues included the need to relocate public properties located on the site and to adjust to a new site location established by DABS.[576]

As a result of the significant delay, USAID modified the contract to provide payment of $1 million to Dynasty in June 2018 rather than disbursing an initial payment of $2 million upon "cold commissioning" (completed but not yet generating) of the first two MW of power. The purpose of the payment was to provide cash flow to Dynasty to cover port demurrage charges (fees assessed when cargo remains at a port for too long) incurred as a result of the customs-duty exemption issue, with critical materials such as photovoltaic panels being held in the Port of Karachi.[577] SIGAR will continue to report on progress on the 10 MW solar-power plant.

SIGAR provides a comprehensive update on the status of Afghanistan's power sector this quarter. The following pages include an inserted, two-sided map that presents both existing and planned power infrastructure. One side provides an overall picture of the country's power-infrastructure projects, including those funded by multilateral institutions such as the Asian Development Bank. The other side shows the current status of projects funded directly by the U.S. A PDF version of the map is posted at www.sigar.mil.

CURRENT STATUS OF AFGHANISTAN'S POWER SECTOR

Every year, the Asia Foundation conducts its *Survey of the Afghan People*, which provides a sweeping look at the current state of affairs in Afghanistan, as viewed from the perspective of Afghans. Respondents to the Foundation's latest (2017) survey reported they considered lack of access to electricity to be the third-biggest problem in their local area, behind only unemployment and security. Despite the many initiatives aimed at expanding the national electrical grid, the Asia Foundation said, only 12.2% of Afghans reported their electricity supply had improved in 2017, a drop from 13.9% in 2016. Approximately 43.3%, meanwhile, said their supply had deteriorated—the same proportion as in 2016. The survey also asked respondents whether they thought the country was headed in the right or wrong direction. When it came to Afghans' responses to this question, the Asia Foundation noted, the strongest predictor of optimism was whether Afghans believed conditions within their own households had improved on a range of factors, one of which was access to electricity. Overall, in each of the surveys over the period of more than a decade (from 2006 through 2017), access to electricity rated as one of the top three issues that Afghans faced locally, its ranking fluctuating among the top three slots.[578]

The centrality of electricity to Afghanistan's development has led the United States to devote considerable attention and resources to increasing availability of electricity by expanding the transmission grid and tapping into supplies from Central Asian countries. Those efforts have ranged from large power-infrastructure projects to technical assistance for Afghanistan's state-owned utility, Da Afghanistan Breshna Sherkhat. USAID, which has said that lack of access to reliable and affordable power represented a fundamental constraint to economic growth, has cumulatively spent more than $1.5 billion on the power sector.[579] DOD, meanwhile, which once said that sufficient electricity supply was key to building Afghans' confidence in their government (but is now simply completing projects that were started during the high water mark of the U.S. commitment), has disbursed more than $561 million to expand and rehabilitate Afghanistan's Northeast Power System (NEPS) and Southeast Power System (SEPS).[580]

Despite the substantial expenditure of resources, the vision of significantly expanded electricity access has been difficult to realize. Over the years, SIGAR has consistently documented the many challenges associated with the effort, which have ranged from insufficient security to land disputes. Such challenges have significantly delayed the completion of these ambitious projects. For example, in 2017, a SIGAR audit found that three power-sector projects funded with FY 2011 Afghanistan Infrastructure Fund (AIF) monies were incomplete and up to five years behind their original schedules (based on early schedule estimates developed before the projects began).[581] Through two ongoing audits—one focusing on USAID's $870 million Power Transmission Expansion and Connectivity project, which among other goals, aims to improve Afghanistan's transmission system, and the other on DOD and USAID efforts to expand power generation at the Kajaki Dam, a key component of SEPS—SIGAR continues to focus on the question of whether U.S.-funded efforts to expand electricity access are achieving their objectives.[582]

Currently, these projects stand at varying degrees of completion. DOD reported that it has only two power-infrastructure projects remaining. While one aims to rehabilitate three substations and construct a transmission line within SEPS, the other seeks to further expand NEPS.[583] DOD further reported that all four completed power-infrastructure projects aimed at permanently expanding electricity access (as opposed to providing power temporarily, as did its provision of diesel fuel to generators that powered two industrial parks in Kandahar City) had been transferred to the Afghan government, with the exception of two substations. Moreover, transmission lines transferred to DABS were energized, according to DOD, meaning that they were operational and in use (though to what extent was not

clear).[584] However, SIGAR has previously documented that transferred infrastructure may not operate as intended. For example, SIGAR found that because the U.S. Army Corps of Engineers did not complete contractually required testing of the NEPS III system, consisting of transmission lines and substations in Parwan and Kapisa Provinces, it had no assurance that the system could be operated safely or could fulfill the project's goal of providing one million Afghans access to electricity.[585]

For its part, USAID said it had completed only one of its three power-infrastructure projects, the construction of a transmission line and substations from Arghandi to Ghazni. USAID reported that the transmission line was energized (though again, to what extent was not clear). Two of the agency's power-infrastructure projects remains ongoing: one aims to connect NEPS with SEPS via a transmission line extending from Ghazni to Kandahar, and the other seeks to further expand SEPS. Both of those projects were expected to be completed in 2020.[586] See the enclosed map (which can be found at www.sigar.mil) for a detailed status update of U.S.-funded power-sector projects.

Multilateral organizations (to which the United States contributes) have also invested heavily in Afghanistan's power sector. As of May 2018, the Asian Development Bank (ADB) had cumulatively committed nearly $2.2 billion of grant assistance to develop distribution systems and domestic generation, promote institutional reforms, support energy imports for urgent electricity needs, and develop a large renewable program.[587] ADB is funding an initiative known as TUTAP, named for the project's five participating countries: Turkmenistan, Uzbekistan, Tajikistan, Afghanistan, and Pakistan. The objective of the TUTAP project is to provide Afghanistan power-transmission connectivity with neighboring countries, in order to improve Afghanistan's electricity supply and, pending connectivity with Pakistan, the ability to transmit power from its northern neighbors to Pakistan. The project's two-way lines would also be used to cover seasonal power shortages.[588] According to State, the first phase of TUTAP is currently supplying Afghanistan with 350 MW of power from Uzbekistan as well as varying levels from Tajikistan. The second phase of the project, however, is still under procurement.[589]

For its part, as of April 2018, the World Bank carried a nearly $500 million energy-sector portfolio in Afghanistan. The Bank's most ambitious project is the Central Asia South Asia Electricity Transmission and Trade Project, more commonly known as CASA-1000. CASA-1000 aims to construct more than 1,200 kilometers of transmission lines spanning four countries—the Kyrgyz Republic, Tajikistan, Afghanistan, and Pakistan—in order to transmit excess summer hydro-power energy from Central Asia to energy-poor South Asia. The total cost of the project is estimated at nearly $1.2 billion, of which $356.5 million in World Bank funding will go to Afghanistan. Construction on the project is expected to commence in the second quarter of 2019.[590] Both CASA-1000 and TUTAP are part of a broader effort called the East-Central-South Asia Regional Electricity Market (E-CASAREM), which envisions a shared energy market and increased energy trade.[591]

According to DOD, the results of surveys such as the Asia Foundation's typically improve markedly in areas that benefit from new projects. DOD pointed out that many donor projects, whether funded directly by the U.S. or through multilateral organizations, are not yet complete, implying that more time will be required before the effects of power-infrastructure work can be fully assessed.[592] However, the significant delays associated with these projects, considered within the context of precarious security conditions and political uncertainty, raise the important question of just when those effects can or will be achieved. The enclosed map (also posted at www.sigar.mil) provides a comprehensive picture of existing and planned power-sector projects in Afghanistan.

ECONOMIC GROWTH

Afghanistan ranked 183rd of 190 economies in the World Bank's *Doing Business 2018* report on regulatory quality and efficiency, unchanged from last year's ranking.[593] Since the 2017 report, Afghanistan has substantially increased the cost of starting a business at incorporation. Entrepreneurs are now required to pay the business license fee for three years, raising the cost from the equivalent of 19.9% to 82.3% of Afghanistan's income per capita (the average income earned per person in the country).[594] As a result, Afghanistan's rank for starting a business declined significantly, from 42nd last year to 107th this year. Afghanistan remains nearly last in dealing with construction permits (185), getting electricity (163), registering property (186) and enforcing contracts (181). It remains second-worst (189) in protecting minority investors. Its best score was for getting credit (105).[595]

USAID has cumulatively disbursed over $1.2 billion for economic-growth programs in Afghanistan.[596] USAID's active economic-growth programs have a total estimated cost of $109 million and can be found in Table 3.29.

TABLE 3.29

USAID ACTIVE ECONOMIC-GROWTH PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Multi-Dimensional Legal Economic Reform Assistance (MELRA)	2/7/2018	2/6/2023	$19,990,260	$477,799
Extractive Technical Assistance by USGS	1/1/2018	12/31/2022	18,226,206	979,204
Afghanistan Investment Climate Program	3/27/2015	3/26/2020	13,300,000	4,990,433
Commercial Law Development Program	3/1/2014	9/30/2019	13,000,000	9,759,661
Goldozi Project	4/5/2018	4/4/2022	9,718,763	382,251
Livelihood Advancement for Marginalized Population (LAMP)	5/27/2018	5/25/2022	9,491,153	8,889
Establishing Kabul Carpet Export Center (KCEC)	6/6/2018	6/5/2021	9,416,507	581,000
Rebranding Afghanistan: Creating Jobs, Changing Perceptions, Empowering Women	11/2/2015	11/1/2018	4,800,000	4,500,000
Trade Show Support (TSS) Activity	6/7/2018	12/6/2020	3,999,174	697,367
Unspecified USAID Subsidy	Not provided	Not provided	2,163,000	0
Afghanistan International Bank Guarantee Agreement	9/27/2012	9/27/2020	2,000,000	520,800
Development Credit Authority (DCA) with FINCA, OXUS, and First Microfinance Banks	9/25/2014	9/24/2020	1,958,000	0
Afghanistan Loan Portfolio Guarantee	9/27/2017	9/26/2023	665,820	0
Reduce Disaster Risks through Mitigation	Not provided	Not provided	150,000	150,000
Total			**$108,878,883**	**$23,047,404**

Note: SIGAR previously listed USAID's Women in the Economy (WIE) project under economic growth given its cross-cutting intent. This quarter, however, SIGAR breaks out USAID's gender programming separately.

Source: USAID, response to SIGAR data call, 10/15/2018.

USAID's Afghanistan Jobs Creation Program: Three Awards So Far

Initiated in June 2017 through a solicitation for concept papers, USAID's Afghanistan Jobs Creation Program (AJCP) has two goals: to generate revenue and sustainable jobs by supporting Afghanistan's value-chain development, and to support trade promotion and facilitate Afghan businesses in increasing exports.[597] The program intends to fund multiple awards—with the value of individual grants ranging from $2 million–$10 million—to be implemented within the next five years. The shared funding ceiling for all projects is $96 million.[598]

This quarter, USAID said that its Office of Economic Growth had awarded three grants thus far.[599] One was a $9.5 million grant for the Livelihood Advancement for Marginalized Populations project (awarded in May 2018), which aims to create sustainable jobs for internally displaced Afghans, returnees, and some local households in three target urban areas in Afghanistan.[600] Through the second award, the $9.7 million Goldozi (Dari for embroidery) Project (awarded in April 2018), USAID intends to improve the skills of, and increase market access for 15,000 women in and around Kabul. The intent is to increase the commercial potential of the embroidered products they make.[601] AJCP's third and most recent (June 2018) award is intended to establish the Kabul Carpet Export Center (KCEC). The $9.4 million KCEC seeks to address obstacles to Afghanistan's carpet exports by increasing access to capital for the purchase of wool, improving packaging and export processing, and connecting Afghanistan's carpet industry to global markets.[602]

These projects are too early in their implementation phases to assess. However, because AJCP is designed to achieve quantifiable objectives—for example, the Goldozi Project includes a performance indicator expressing the number of new jobs created as a result of U.S. government assistance, to be reported quarterly—SIGAR will continue to track tangible outcomes as these projects progress, as well as the methodology behind such metrics.[603]

EDUCATION

Prior to the U.S.-led military intervention of 2001, decades of intermittent conflict had devastated Afghanistan's education system. While the current war continues, donors have generally highlighted Afghanistan's progress in the education sector as a success story. Although figures vary, the total number of children currently enrolled in school recently rose to 9.2 million, according to USAID, which relies on data from Afghanistan's Ministry of Education (MOE). That number represents a dramatic increase over the some one million students who were enrolled in school in 2002.[604] In FY 1396—which roughly corresponds to the year 2017—about 8.95 million

SIGAR SPECIAL PROJECT

A SIGAR Special Project released in August 2018 reported the results of site inspections at 14 USAID-supported schools in Parwan Province. SIGAR found that all 14 schools were open and in generally usable condition. However, SIGAR also found that there may be problems with student and teacher attendance and staffing at several of the schools. For more, see p. 32 of this report.

The Taliban periodically disrupt the education system in Afghanistan. In early July 2018, the insurgent group reportedly closed nearly 40 schools in Logar Province. According to the United Nations, there were 47 Taliban attacks (including threats) against schools and education-related personnel in Afghanistan from April to June 2018.

However, although SIGAR is unable to verify them, other reports paint a more complicated portrait of negotiation and compromise between the Afghan government and its adversary. A June 2018 report published by the Overseas Development Institute (ODI), a UK think tank, found that Taliban officials emphasized the extent to which they worked with, rather than against, the Afghan government when it came to issues of education (though the report also framed the relationship as one of cooptation). According to the ODI report, "In Taliban areas teachers turned up to work, children attended class, books and supplies did not go missing and there was more order in the classroom. Beyond that, however, not a great deal has actually changed."

Source: *Pajhwok Afghan News*, "Taliban shut 39 schools in Logar," 7/7/2018; UN, *The situation in Afghanistan and its implications for international peace and security*, report of the Secretary-General, 9/10/2018, p. 8; Overseas Development Institute, *Life under the Taliban shadow government*, 6/2018, pp. 5, 12, 14, 32.

students were enrolled in grades 1–12, according to the MOE.[605] However, the MOE counts students who have been absent for up to three years as enrolled because, it says, they might return to school.[606] The number of students actually *attending* school is therefore generally considered to be much lower.

Many Afghan children do not enroll in school at all, or drop out. The United Nations Children's Fund (UNICEF) took aim at quantifying the scope of this issue in June 2018, estimating that about 3.7 million children were out of school, about 2.2 million of whom were girls. To generate its findings, UNICEF used data from the 2013–2014 *Afghanistan Living Conditions Survey* (ALCS), published by Afghanistan's National Statistics and Information Authority (NSIA), among other data sources that were not published recently, but which presumably were the best available at the time of the analysis.[607] Due to the data lag, the number of children out of school today may be even higher.[608]

The NSIA said gains in the education sector may be stagnating. The 2016–2017 ALCS results showed that net attendance ratios, which express the number of students in a given age cohort as a percentage of the total number of children in that cohort, for children of primary-school age (56%), secondary-school age (36%), and tertiary-school age (10%) in the 2016–2017 survey were approximately the same as they were in the 2013–2014 ALCS. This may reflect that gains in education are more difficult now that many children are already in school, according to the NSIA.[609] Both adult and youth literacy rates—35% and 54%, respectively, according to the 2016–2017 results—were also stagnant.[610]

Numerous other challenges plague the education sector. They include insecurity, shortages of school buildings and textbooks, rural access issues, poor data reliability, and the alleged appointment of teachers on the basis of cronyism and bribery.[611]

USAID Education Programs Focus on Increasing Access, Improving Quality, and Improving Systems

According to the recently signed assistance agreement between USAID and the Afghan government (which covers the agency's aid priorities and goals through December 31, 2023), advancing social gains, including gains in education, represents one of the agency's three Development Objectives (DOs; see page 135 for a definition).[612] USAID aims to increase Afghans' access to education, improve the quality and relevance of education in the country, and enhance the management capacity of Afghanistan's educational systems.[613]

USAID has disbursed over $1 billion for education programs in Afghanistan, as of September 30, 2018.[614] USAID's active education programs have a total estimated cost of $500 million and can be found in Table 3.30.

TABLE 3.30

USAID ACTIVE EDUCATION PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Afghanistan University Support and Workforce Development Program	1/1/2014	9/30/2019	$93,158,698	$77,618,812
Increasing Access to Basic Education and Gender Equality	9/17/2014	12/31/2019	77,402,457	77,402,457
Textbook Printing and Distribution II	9/15/2017	12/31/2019	75,000,000	0
Afghans Read Program (ARP)	4/4/2016	4/3/2021	69,547,810	22,988,772
Support to the American University of Afghanistan (AUAF)	8/1/2013	11/29/2019	64,400,000	57,407,245
Strengthening Education in Afghanistan (SEA II)	5/19/2014	9/30/2020	44,835,920	28,047,880
Let Girls Learn Initiative and Girls' Education Challenge Programme (GEC)	6/29/2016	6/28/2021	25,000,000	5,000,000
Capacity Building Activity at the Ministry of Education	2/1/2017	1/31/2022	23,212,618	7,395,829
Afghanistan's Global Partnership for Education	10/11/2012	6/30/2019	15,785,770	10,836,711
Assessment of Learning Outcomes and Social Effects in Community-Based Edu.	1/1/2014	12/31/2018	6,288,391	6,251,143
Financial and Business Management Activity with AUAF	7/5/2017	1/4/2019	4,384,058	1,527,821
PROMOTE Scholarships PAPA	3/4/2015	3/3/2020	1,247,522	1,247,522
Total			**$500,263,244**	**$295,724,192**

Source: USAID, response to SIGAR data call, 10/15/2018.

USAID's USWDP Project: Labor Market Outcomes are Unclear but Show Some Encouraging Signs

USAID's five-year, $91.9 million Afghanistan University Support and Workforce Development Program (USWDP) assists the Ministry of Higher Education (MOHE) and 11 public universities with implementing strategies designed to improve educational quality and labor market outcomes for students. The project also strengthens the management of the partner universities and links universities and potential public and private sector employers. Activities include providing staff training and resources to the MOHE, improving the administrative capacity of the MOHE and partner universities, and providing scholarships for faculty members at public universities to upgrade their qualifications.[615]

Because one of USWDP's goals is to assist the MOHE with implementing programs that ensure employment opportunities for students, one of the project's performance indicators attempts to track the number of individuals with new or better employment following completion of workforce development programs that receive U.S. government assistance. In the project's latest quarterly report, which covers activities conducted from April through June 2018, implementers acknowledge that tracking this indicator represents a "formidable task" in a place like Afghanistan. The implementers added, "USWDP cannot provide the exact number of people who

have *better* employment opportunities." As a result, tracking is conducted through sample surveys and "other less elaborate means of communication with the graduated students."[616]

The results of a recent survey of 256 USWDP graduates and 264 non-USWDP graduates attempted to tease out the effects of the project on the labor-market outcomes of former students, such as employment status and wages. The survey sought data from each of the 12 months prior to the time labor-market outcome data was collected. The results indicated that USWDP graduates were *less* likely to be employed than their non-USWDP counterparts (although the employment gap between the two groups narrowed over time). However, despite the fact that non-USWDP alumni were more likely to be employed, among alumni and non-alumni who were employed, the annual wages of USWDP graduates in the sample were on average AFN 58,000 (approximately $806) higher than their non-USWDP counterparts.[617]

It is difficult to know how to interpret these results, which point to mixed conclusions regarding the project's effectiveness in advancing this particular indicator. On the one hand, USWDP alumni may be more selective in their job searches than non-USWDP alumni, a possible explanation advanced by implementers in the project's most recent quarterly report.[618] Yet, without more conclusive evidence that this is the case, higher levels of unemployment among USWDP graduates—particularly in a labor market reportedly experiencing a glut of supply—may not be an encouraging sign.

HEALTH

Since 2001, health outcomes in Afghanistan have improved substantially despite the country's lack of security. USAID views these improvements as a significant development success, although precise estimates regarding the extent of that success are elusive due to data-quality limitations (see highlight on the next page). According to UN estimates, maternal mortality rates declined by 64% from 2000 to 2015, from 1,100 deaths per 100,000 live births in the former year to 396 in the latter. Concurrently, the under-5 child-mortality rate fell from 137 to 91 deaths per 1,000 live births—a drop of 34%. Newborn-mortality rates fell by 32% over the same time period.[619]

Nevertheless, in early 2018 the World Bank emphasized there was still significant room for improvement.[620] Afghanistan's newborn-mortality rate, for example, still ranks the second-highest among those of 31 low-income countries. Meanwhile, the total number of newborn deaths in 2016—about 46,000—places Afghanistan tenth highest among all countries, according to estimates from the UN. Afghanistan has a lower population than the other nine countries in the top 10. With a population 58% larger than Afghanistan's, Tanzania reported approximately the same number of newborn deaths in 2016.[621]

ASSESSING MATERNAL MORTALITY: A REPRESENTATIVE CASE OF DATA LIMITATIONS IN DEVELOPING-COUNTRY CONTEXTS

One metric used by USAID and multilateral organizations to assess progress in Afghanistan's health sector is the country's maternal-mortality rate (MMR), defined as the number of pregnancy-related deaths (i.e. caused in some way by the pregnancy) per 100,000 live births (including pregnancy-related deaths occurring up to 42 days following birth).[622] Reducing the maternal mortality rate has been a key objective for USAID's health-sector programming.[623]

A reduction in the MMR from 1,000 deaths per 100,000 live births in the year 2000 to 396 in 2015 (according to the United Nations), if true, would represent a remarkable achievement.[624] However, data limitations pose obstacles to assessing success. For example, as SIGAR reported in a January 2017 audit, some USAID public documents cited a decrease in Afghanistan's MMR from 1,600 to 327 deaths per 100,000 live births between 2002 and 2010. However, the baseline survey used to determine the 2002 MMR of 1,600 maternal deaths per 100,000 live births was extremely limited in coverage.[625]

Specifically, the baseline survey, conducted by the U.S. Centers for Disease Control and Prevention and by the United Nations Children's Fund, was performed in only four of the 360 districts that existed in Afghanistan in 2002. Furthermore, according to the author of the report, ultimately only data from three of the four districts were used in the survey's estimate. One district (Ragh, located in Badakhshan Province, which borders Tajikistan, China, and Pakistan in Afghanistan's northeast), where the rate was significantly higher, was deemed an outlier. While the agency did not mention these limitations in its external reporting on progress made in Afghanistan's health-care sector—despite the fact that USAID's own internal documentation did—no other baseline data was available at that time, as SIGAR reported.[626]

It is therefore difficult to know how much progress has been achieved. On the one hand, the exclusion of the data from Ragh in the 2002 survey reduced the sample size, rendering the survey results potentially more anecdotal. On the other hand, including the results from Ragh, where maternal mortality was substantially higher (6,500 deaths per live births) in baseline data actually would have made USAID's achievements seem even more impressive (by increasing the baseline figure and providing more room to claim subsequent reductions).[627]

However, setting baselines aside, the current maternal mortality figures, such as the UN estimate of 396 deaths per 100,000 live births in 2015, may underrepresent the true number.[628] The 2015 Afghanistan Demographic and Health Survey, for example, estimated the pregnancy-related mortality (PRM) ratio at 1,291 deaths per 100,000 live births.[629] While the PRM is technically a different measure than the MMR in that it includes all deaths occurring during (or within 42 days after) child birth regardless of the cause of death, the magnitude of this figure may provide some cause for concern. However, the survey said its PRM estimate appeared to be high in light of findings from other data sources and the expected relationship between maternal mortality and overall adult mortality. In particular, the survey said, the share of adult female pregnancy-related deaths appeared to be overestimated.[630]

A recent *New York Times* article pointed to discrepancies in maternal-mortality figures as evidence that the U.S. government "misleads the public on Afghanistan."[631] SIGAR emphasized in its January 2017 audit of USAID health-sector programs that the agency should have disclosed existing data limitations.[632] But it is also true that those limitations, combined with data points produced using different methodologies and incomplete baseline estimates—resulting from the paucity of available data early on in the U.S. effort—make it inherently difficult to quantify progress.[633]

Thus, while the consensus seems to be that U.S., international, and multilateral investment has had positive—and perhaps significantly positive—effects on Afghanistan's health sector, it is difficult to quantify the magnitude of those effects, as Afghanistan's maternal-mortality rate demonstrates.[634]

The Taliban sometimes disrupt health-care service delivery, as the insurgent group did one year ago when it shut down nearly all of the health facilities in Uruzgan Province. However, although SIGAR cannot independently verify them, some reports indicate that the Taliban and the Afghan government more often cooperate in health-care sector.

For example, a June 2018 report published by the Overseas Development Institute (ODI), a UK think tank, found that when problems with the Taliban emerge, health providers usually resolve them through shuras. The report also noted that most government officials and NGO workers did not believe that the Taliban impeded access to health care. Instead, "most pointed to government interference and corruption and occupation of and theft from clinics by Afghan security forces and militias as being more problematic than Taliban interventions."

Source: *New York Times*, "Afghan Province, Squeezed by Taliban, Loses Access to Medical care," 9/23/2017; Overseas Development Institute, *Life under the Taliban shadow government*, 6/2018, p. 17.

Insecurity impacts health-care delivery. According to the UN, there were 12 attacks against health facilities and workers from April through June 2018, although this represented a decrease of four attacks compared to the previous reporting period. The majority of these attacks were carried out by armed groups (which include unspecified antigovernment elements and the Islamic State in addition to the Taliban). However, nearly the same number of attacks (four) were attributed to progovernment forces (which include international troops, the Afghan National Defense and Security Forces, and progovernment militias) as to the Taliban.[635]

USAID Health Programming Intended to Advance Gains Made Since 2002

One of USAID's three Development Objectives (DOs; see page 135 for a definition) specified in the agency's recently signed assistance agreement with the Afghan government (which covers the agency's aid priorities and goals through December 31, 2023) is advancing social gains, including gains in Afghanistan's health outcomes.[636] USAID believes that continuing to improve health outcomes will help achieve stability by bolstering Afghans' confidence in the government's capacity to deliver services.[637]

USAID said that improving health-care delivery will increase the population's support for the government because "healthy people and healthy communities are the bedrock of a peaceful and stable nation." USAID said that, among other refinements to its health-sector strategy, it may expand its private-sector engagement in the health sector, as well as a focus on improving health outcomes in urban and population centers specifically.[638] The majority of Afghans—approximately three in four—live in rural areas.[639]

U.S. on- and off-budget assistance to Afghanistan's health sector totaled more than $1.2 billion as of July 9, 2018.[640] USAID's active health programs have a total estimated cost of $269 million, and are listed in Table 3.31.

System Enhancement for Health Action Yields Some Encouraging Results, but Carries Risk Rating of "Substantial"

The World Bank's System Enhancement for Health Action in Transition project (SEHAT), which concluded on June 30, 2018, aimed to expand the coverage, quality, and scope of health-care services, particularly to Afghans living below the poverty line in project areas. As of July 22, 2018, donors had provided $440.3 million for the program.[641] The project also sought to strengthen the MOPH to integrate its health-services contracting unit and develop uniform performance-monitoring and contracting-management systems.[642] SEHAT, which funded basic primary health-care services, provided support to more than 2,000 facilities across Afghanistan.[643] As of July 2018, the United States, through USAID, had provided approximately one-half ($218.7 million) of total funding for the project, paid through the World Bank-administered Afghanistan Reconstruction Trust Fund.[644]

TABLE 3.31

USAID ACTIVE HEALTH PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursement, as of 9/30/2018
Initiative for Hygiene, Sanitation, and Nutrition (IHSAN)	5/11/2016	5/10/2021	$75,503,848	$15,751,094
Helping Mothers and Children Thrive (HEMAYAT)	1/7/2015	1/6/2020	60,000,000	44,887,206
Disease Early Warning System Plus (DEWS Plus)	7/1/2014	6/30/2022	41,773,513	26,466,332
Health Sector Resiliency (HSR)	9/28/2015	9/27/2020	27,634,654	14,698,173
Medicines, Technologies and Pharmaceuticals Services (MTaPS)	9/20/2018	9/20/2023	20,000,000	0
Enhance Community Access, Use of Zinc, Oral Rehydration Salts for Management of Childhood Diarrhea	7/21/2015	7/20/2020	13,000,000	13,000,000
Challenge Tuberculosis	1/1/2015	9/29/2019	15,000,000	10,589,395
Sustaining Health Outcomes through the Private Sector (SHOPS) Plus	10/11/2015	9/30/2020	12,000,000	3,880,752
Global Health Supply Chain Management (GHSCM-PSM)	4/20/2015	4/19/2020	2,343,773	1,343,772
Global Health Supply Chain Quality Assessment	1/2/2015	12/31/2019	1,500,000	1,500,000
Global Health Supply Chain-Procurement and Supply Management-HIV/AIDS Task Order #1	4/20/2015	4/19/2020	176,568	176,568
Total			**$268,932,356**	**$132,293,292**

Source: USAID, response to SIGAR data call, 10/15/2018.

SIGAR reviewed SEHAT's latest Implementation Status and Results Report (ISR) this quarter. Much of the data provided in the ISR reviewed by SIGAR was current as of June 1, 2018. With only 30 days remaining before closeout at the time the ISR was published, data provided in the ISR likely provides a very good sense of whether SEHAT eventually met its project development objectives by the project end-date.[645]

SEHAT's latest ISR noted that the project had surpassed three of its six major performance indicators. As of June 1, 2018, SEHAT had expanded coverage of the Pentavalent vaccine, which provides immunization against five life-threatening diseases (tetanus, hepatitis B, pertussis, diphtheria, and Hib influenza) and is administered in three doses, to 59.6% of children between 12 and 23 months old in Afghanistan's lowest income quintile, up from a baseline of 28.9% in June 2012. The target for this indicator, to be achieved by June 30, 2018, was 60.0%.[646] The project had also expanded treatment of acute malnutrition for children under five years old from a baseline value of 24% to 77% of those children, a figure that was well above the project's target of 55%.[647] Finally, SEHAT helped increase the number of births attended by skilled health professionals from a baseline of 429,305 in November 2013 to 890,240 as of June 1, 2018. This latter figure was more than 107% above the project baseline and just over 57% more than SEHAT's target of 566,683.[648]

SIGAR AUDIT

A SIGAR audit of the World Bank's Afghanistan Reconstruction Trust Fund released in April 2018 found that the World Bank did not provide clear support or justification for performance and progress ratings it gave certain projects. The audit was based on a review of six development projects that accounted for more than $2.25 billion in spending.

These results are impressive. Nevertheless, with only 30 days remaining before project closeout, SEHAT had not yet achieved end targets for the additional three of its six major indicators. In particular, SEHAT was lagging significantly on expanding the use of contraceptives, and was 10 percentage points (33%) below its end-program target of 30%. According to the data presented in the ISR, the contraceptive prevalence rate had increased by only half a percentage point from a June 2012 baseline value of 19.5%.[649] Moreover, while SEHAT appeared to have made progress on improving the quality of health care from a baseline value of 55% (assessed via a balanced scorecard) to 63.5% as of December 31, 2017, progress remained 6.5 percentage points (or 9.3%) shy of the project's end target of 70%.[650] Finally, as of December 31, 2017, SEHAT had not achieved accreditation of the MOPH's procurement department, which was part of an effort to strengthen the ministry's fiduciary systems.[651]

Despite SEHAT's achievement of only half of its key performance indicators, a World Bank review that examined SEHAT's progress through June 1, 2018, (30 days before project closeout) claimed that the project was on track to achieve its development objectives. With respect to SEHAT's goal of expanding the use of contraceptives, the report stated that the project's 30% target was "very ambitious," implying that the 20% figure (of June 1, 2018) reflected in the latest ISR was satisfactory despite the fact that it did not differ materially from the project baseline of 19.5%.[652] While SEHAT's final ISR assigned a risk rating of "Substantial" to the project—meaning there was a substantial likelihood that the project's development objectives could be impacted by political and governance factors such as reversed political decisions—SEHAT was "on track" to achieve its development objectives, according to the ISR. The ISR rated progress against the project's development objectives as "Satisfactory" despite the fact that the project had met (or was close to meeting) only three of its six development objective indicators thirty days before project closeout.[653] While SEHAT is now closed, the World Bank approved the $600 million Sehatmandi project in March 2018. Sehatmandi has similar objectives.[654]

Polio: Number of Confirmed Cases in 2018 Continues to Rise

Pakistan and Afghanistan, which share a 1,500-mile border, are the only two countries in which polio remains endemic or "usually present," according to the Centers for Disease Control.[655] Large-scale population movements between the two countries increase the risk of cross-border transmission, and a fatwa issued by the Pakistani Taliban targeting polio workers complicates vaccination outreach.[656] The Taliban have falsely referred to polio-vaccination drops as "poison," and began targeted killings of polio workers in June 2012—one year after the U.S. military raid that killed Osama bin Laden in Abbottabad, Pakistan.[657] (Media reports that SIGAR cannot confirm indicate that Pakistani doctor Shakil Afridi

assisted the Central Intelligence Agency in tracking bin Laden down while leading a hepatitis B vaccination campaign. The association between the campaign and the May 2011 bin Laden raid reportedly set back polio-vaccination efforts.)[658]

As of October 11, 2018, the total number of confirmed polio cases in 2018 was 15.[659] As of September 25, 2018, the total number of confirmed polio cases worldwide was 19, meaning that Afghanistan accounted for nearly 80% of all confirmed cases in the current year.[660] The current figure for Afghanistan represented a fairly dramatic increase of five cases over the course of the last few months alone.[661] According to the United Nations Children's Fund and the World Health Organization, there were 13 officially reported cases in 2017—unchanged from 2016.[662] However, UNAMA reported that the total number of cases in Afghanistan in 2017 was 14, as of February 27, 2018.[663] USAID previously informed SIGAR it expected the number of polio cases to rise in 2018.[664] SIGAR has echoed the agency's concerns.[665]

It now appears inevitable that the number of confirmed polio cases in Afghanistan in 2018 will be higher than in the previous two years.

This quarter, USAID reported that several worrisome developments have contributed to the recent rise in the number of confirmed cases. Among them were the growing number of provinces and districts with local bans on house-to-house vaccination and increasing vaccination refusals in accessible areas.[666]

As of August 31, 2017, (which was the most recent data provided to SIGAR), USAID had obligated about $28.5 million and disbursed about $28.4 million for polio-eradication efforts in Afghanistan since 2003.[667]

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COUNTERNARCOTICS

KEY ISSUES AND EVENTS

The Fiscal Year (FY) 2019 Defense Appropriations Bill provides $153 million for drug interdiction and counterdrug activities associated with the Global War on Terror under the Overseas Contingency Operations title, a decrease of $43 million from FY 2018 enacted levels.[668] It was signed into law on September 28, 2018.[669]

The Afghan government, backed by the United Nations Office on Drugs and Crime (UNODC), is working on a new regional drugs strategy to address the country's dramatic rise in opium cultivation and production.[670]

According to the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL), the United States will not issue a separate counternarcotics strategy that had been under review since 2014. Instead, INL said counternarcotics is interwoven throughout the U.S. Administration's comprehensive South Asia strategy. The goal of the South Asia strategy is to create conditions for a political process to achieve a lasting, Afghan-led peace. INL programs address the problems created by cultivation, trafficking, and use of Afghan opiates. INL will support the published Afghan counternarcotics strategy (the 2015 *National Drug Action Plan*).[671]

As of August 2018, counterthreat-finance operations targeting the Taliban's revenue streams have destroyed 200 drug-related targets and denied the Taliban approximately $46 million in revenue, according to Department of Defense (DOD) statements to the *Wall Street Journal*.[672] More information is available on pages 86–87 of this report.

During the quarter, DOD reported seizures of 257 kilograms (kg) of opium, 918 kg of morphine, 1,404 kg of heroin, 7,210 kg of hashish, and 7,000 kg of precursor chemicals. A kilogram is about 2.2 pounds. Afghan specialized units conducted 24 operations, compared to 17 operations reported last quarter.[673] According to the Afghan Counter Narcotics Justice Center (CNJC), Kabul and Nangarhar Provinces had the most "high-level" cases of smuggling and drug-trafficking between July 22 and August 22, 2018. The CNJC sentenced 79 individuals during that one-month period on drug trafficking cases, with sentences ranging from one to 20 years.[674] Two Afghan heroin traffickers arrested in Thailand and extradited were convicted in U.S. federal court and sentenced to 15 years and 10.9 years,

Precursor chemical: a substance that may be used in the production, manufacture, and /or preparation of narcotic drugs and psychotropic substances.

Source: UNODC, *Multilingual Dictionary of Precursors and Chemicals*, 2008, viii.

respectively, for conspiring to import large quantities of heroin into the United States.[675]

To encourage farmers to cultivate licit crops and promote the export of Afghan goods, USAID helped facilitate the second annual "Passage to Prosperity" trade show in Mumbai, India, in September. About 200 Afghan businesses and industry leaders, including women entrepreneurs, participated in the four-day event. This year, at least 166 confirmed deals and more than 600 memoranda of understanding were signed. Last year, the event resulted in $27 million dollars in contracts between Afghan and Indian businesses.[676]

U.S. RECONSTRUCTION FUNDING FOR COUNTERNARCOTICS

As of September 30, 2018, the United States has provided $8.88 billion for counternarcotics (CN) efforts in Afghanistan since 2002. Congress appropriated most CN funds for Afghanistan through the Department of Defense Drug Interdiction and Counter-Drug Activities (DOD CN) Fund ($3.25 billion), the Afghan Security Forces Fund (ASFF) ($1.31 billion), the Economic Support Fund ($1.44 billion), and a portion of the State Department's International Narcotics Control and Law Enforcement (INCLE) account ($2.33 billion).[677]

ASFF is primarily used to develop the Afghan National Army and Police, including the Counter Narcotics Police of Afghanistan (CNPA) and the Special Mission Wing (SMW), which support the counternarcotics efforts of the Ministries of Defense (MOD) and Interior (MOI).[678]

SIGAR AUDIT

An ongoing financial audit is examining the Pacific Architects and Engineers Inc. (PAE) $68.2 million contract for law-enforcement program operations and support services in Kabul. The audit is examining $32.4 million in costs incurred over the period of March 7, 2016, to March 18, 2017. The INL contract provides support services to specialized narcotics law-enforcement units within the CNPA; and support to the CNJC, including operations, maintenance, and life and mission support to seven international-zone locations in Kabul.

INTERDICTION AND ERADICATION

The seriousness of Afghanistan's narcotics problem is underscored by its prohibition in the country's Constitution under Article 7: "The state shall prevent all kinds of terrorist activities, cultivation and smuggling of narcotics, and production and use of intoxicants."[679] The Afghan government's goals in its national drug action plan are to:

- decrease opium poppy cultivation,
- decrease production and trafficking of opiates, and
- reduce domestic demand for narcotics while increasing treatment provisions for users.

To achieve these goals, the Afghan government uses law-enforcement entities to disrupt and dismantle drug production and trafficking organizations. Eradication campaigns are enacted to discourage poppy cultivation. Alternative-livelihood options are also explored and strengthened to decrease poppy cultivation.[680]

No Separate U.S. Government Counternarcotics Strategy, but Interagency Efforts Continue

The State Department said a stand-alone strategy would not necessarily improve coordination. Though the Counter Narcotics Working Group has not met since September 2017, according to State, coordination of U.S. government counternarcotics efforts in Afghanistan continues. INL hosts an annual counternarcotics workshop in Kabul. Counter Narcotics Justice Center prosecutors, and Ministry of Interior narcotics investigators participate in recurring anti-money laundering training. The U.S. Embassy in Kabul and USFOR-A conduct monthly counter-threat finance group meetings. Multiple U.S. agencies regularly participate in other counternarcotics and counterthreat working groups in Washington and Kabul.[681]

Composition of the Afghan Counter Narcotics Police

The Counter Narcotics Police of Afghanistan (CNPA), comprising regular narcotics police and specialized units, leads counternarcotics efforts by Afghan law-enforcement personnel. The CNPA, authorized at 2,596 personnel, are located in all 34 provinces. Specialized units include the Sensitive Investigation Unit (SIU), the National Interdiction Unit (NIU), and the Intelligence and Investigation Unit (IIU).[682] A U.S. special forces team mentors the Afghan specialized units.[683] The IIU was supported and mentored by the United Kingdom until 2016.[684]

The Afghan Ministry of Interior and the NATO Combined Security Transition Command-Afghanistan agreed to increase the authorized staffing level of the NIU by 250 personnel this quarter; the total NIU force ceiling is now 786.[685] The Afghan Uniform Police and Afghan Border Police (ABP) also participate in counternarcotics activities.[686] The ABP collaborate closely with the counternarcotics elements of the Anti-Crime Police and Ministry of Finance, national and international intelligence agencies, as well as border police of neighboring states.[687] In December 2017, a majority of the ABP was transferred from the Ministry of Interior to the Ministry of Defense and renamed the Afghan Border Force.[688]

In addition, the General Command of Police Special Units conducts high-risk operations against terrorism, narcotics, and organized crime.[689] The NIU and SIU conduct interdiction operations that target senior narcotics traffickers. The NIU maintains forward-based personnel in Kandahar, Kunduz, and Herat Provinces.[690] The Technical Investigative Unit (TIU) is an individual component consisting of 100 translators who work within the Joint Wire Intercept Platform in support of SIU/NIU investigations. Another SIU component has four officers responsible for administrative management of court orders obtained by SIU investigators to conduct Afghan judicially authorized intercepts.[691]

U.S. Funding for Afghan Counternarcotics Elements

INL estimates that it funds approximately $26 million per year for operations and maintenance for the NIU and SIU. Costs directly attributable to NIU and SIU include $2.47 million in support of the Joint Wire Intercept Platform program under an interagency agreement with the U.S. Drug Enforcement Administration (DEA) and $425,000 per year for NIU salary supplements. SIU supplements are funded by DEA.[692] Salary supplements are used to attract and retain the most qualified and highly trained officers to the specialized units. Supplements are provided to all NIU officers, from police officers to unit commanders. Supplement amounts are based on rank.[693]

DOD provided $675,000 for equipment to the NIU for 2017 and $1 million for equipment to be delivered in 2019.[694]

Interdiction Results

INL reported that between April 1 and June 30, 2018, the National Interdiction Unit (NIU) and Sensitive Investigation Unit (SIU) seized 12,708 kilograms (kg) of morphine, 5,129 kg of opium, 677 kg of heroin, as well as 5,504 liters of chemicals and 16,100 kg of chemicals. NIU and SIU conducted 15 operations during the period and detained 47 people.[695] Separately, DOD reported this quarter that most interdiction activities occurred in the south and southwest regions of the country. Interdiction activities include routine patrols and searches of vehicles and individuals. Afghan operations between July 1 and September 17, 2018, resulted in 58 detentions and the following seizures:[696]

- 257 kg of opium
- 918 kg of morphine
- 1,404 kg of heroin
- 7,210 kg of hashish
- 7,000 kg of chemicals

Between July and September, the U.S. special forces unit assigned to mentor the NIU was reassigned to counterterrorism operations and no anti-money laundering or counternarcotics financing operations occurred during that time period. A new unit was assigned to the NIU in September 2018.[697]

Since 2016, INL has funded capacity building for the CNPA's Precursor Control Unit (PCU) staff through a UNODC training program. The PCU is a specialized unit devoted to combating the burgeoning precursor problem.[698] Though precursor chemical seizures were declining for several years, they increased significantly in 2016, which the UN said indicated a potential increase of in-country drug production.[699] Cooperation between the PCU and UNODC's Container Control Programme resulted in the August 2018 seizure of seven metric tons of acetic anhydride, a main precursor chemical used to produce heroin from opium.[700]

TABLE 3.32

INTERDICTION RESULTS, FISCAL YEARS 2009–2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[1]	Total[2]
Number of Operations	282	263	624	669	518	333	270	190	156	141	3,582
Detainees	190	484	862	535	386	442	394	301	152	197	3,992
Hashish seized (kg)	58,677	25,044	182,213	183,776	37,826	19,088	24,785	123,063	227,327	42,017	1,165,169
Heroin seized (kg)	576	8,392	10,982	3,441	2,489	3,056	2,859	3,532	1,975	2,397	39,976
Morphine seized (kg)	5,195	2,279	18,040	10,042	11,067	5,925	505	13,041	106,369	10,127	182,999
Opium seized (kg)	79,110	49,750	98,327	70,814	41,350	38,379	27,600	10,487	24,263	15,991	471,432
Precursor chemicals seized (kg)	93,031	20,397	122,150	130,846	36,250	53,184	234,981	42,314	89,878	22,663	850,403

Note: The significant difference in precursor chemicals total seizures between 2014 and 2015 is due to a 12/22/2014 seizure of 135,000 kg of precursor chemicals.
1 Results for period 10/1/2017–9/17/2018.
2 The following FY 2008 results included in the total are not indicated in the table: 136 operations; 49 detainees; 241,353 kg of hash; 277 kg of heroin; 409 kg of morphine; 15,361 kg of opium; and 4,709 kg of precursor chemicals.

Source: DOD(CN), response to SIGAR data call, 7/29/2015, 7/20/2017, and 9/24/2018.

SIGAR has repeatedly written about the billions of dollars spent on counternarcotics efforts and the modest or limited impact of U.S. government programs aimed at addressing expanding opium cultivation in Afghanistan and the illicit opium trade. Though seizures for certain narcotics and chemicals have risen this quarter, they had a negligible impact on the country's overall potential opium production as shown in Table 3.32. For instance, aggregate opium seizures for the past 10 years accounted for about 5% of Afghanistan's opium production in 2017 (9,000 tons as reported by UNODC in 2017).[701]

New Penal Code Enforcement of Counternarcotics Provisions

The Counter Narcotics Justice Center (CNJC) prosecuted 186 cases between July and September 2018 under Afghanistan's new penal code provisions. Most of the cases adjudicated this year were for the sale and distribution of narcotics and psychotropic drugs to addicts (356 cases), followed by trafficking heroin, morphine, and cocaine (150 cases).[702]

The provinces with the highest number of high-level drug smuggling and trafficking cases in August and September were Kabul and Nangarhar.[703]

DEA told SIGAR that no high-value targets were apprehended during the quarter. DOD informed SIGAR that those apprehensions do not lead to measurable reductions in the amount of illicit finances. Rather, they increase friction and pressure on revenue streams and connected networks to prompt the enemy towards negotiations with the Afghan government.[704]

Information about counterthreat-finance operations is available in the Security section of this report beginning on page 86.

Opium's Economic Value

As reported in the Economic and Social Development section on p. 36, organizations such as the World Bank exclude opium production from their estimate of Afghanistan's GDP. According to data reported by the Ministry of Agriculture, Irrigation, and Livestock, when the farm-gate value of opium production (which does not include proceeds from in-country processing and marketing) is factored into the economy, it accounts for more than four percentage points of the reported 7.2% growth rate for 2017–2018. The Afghan National Statistics and Information Authority reports GDP growth as 2.9% excluding poppy production.

Source: GIROA National Statistics and Information Authority, *Afghanistan Statistical Yearbook 2017–18*, 8/2018, p. 110.

Eradication Results

Governor-Led Eradication

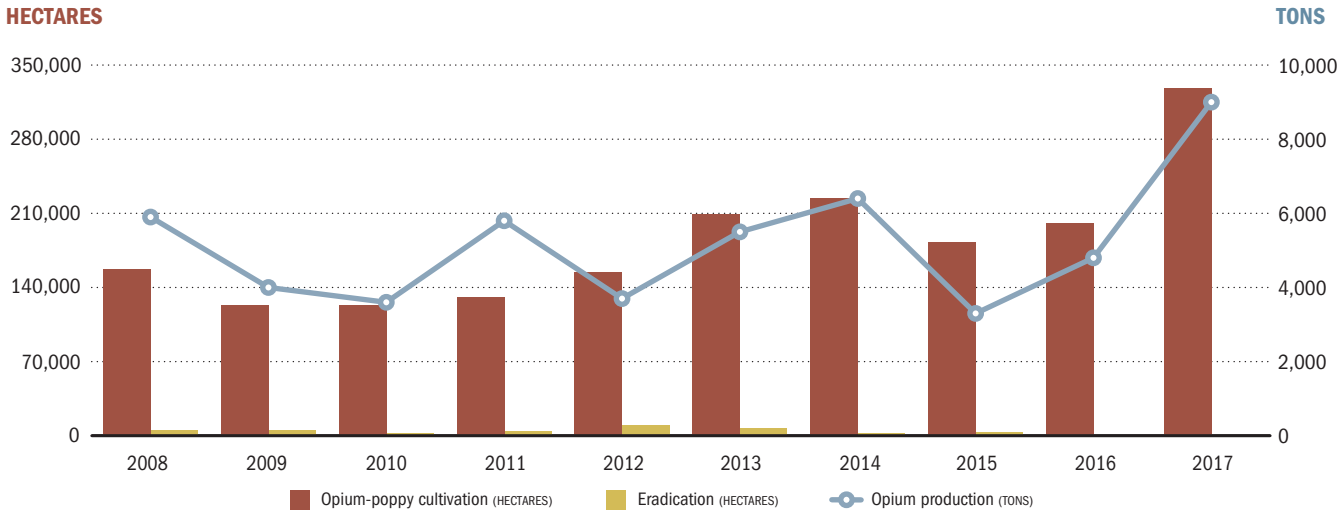
Under the Governor-Led Eradication (GLE) program, INL reimburses provincial governors $250 toward the eradication costs of every UNODC-verified hectare of eradicated poppy.[705] This quarter, INL provided $75,000 in advance payments to the Ministry of Counter Narcotics (MCN) in support of eradication activities next year in the following provinces: Badakhshan, Kabul, Kapisa, Kunar, Laghman, Nangarhar, Balkh, Jowzjan, Samangan, Sar-e Pul, Herat, and Badghis.[706]

GLE resulted in the eradication of 750 hectares in 2017 in 14 provinces, compared to 355 hectares in seven provinces in 2016.[707] INL has obligated and disbursed $6.9 million since the program's inception in 2008.[708]

As SIGAR noted in its lessons-learned report on counternarcotics, GLE used poor data to form policy options and judge the performance of provincial governors. For example, the 2007 UNODC "credible threat doctrine" assumed an annual eradication target of 25% was necessary to discourage future cultivation without any real evidence to back it up. The report also noted that eradication had no lasting impact on the opium-poppy problem. The U.S. government stopped funding large-scale eradication operations in 2010.[709] As Figure 3.45 illustrates, eradication efforts have had minimal impact on curbing opium-poppy cultivation. The cumulative total hectares eradicated between 2008 and 2017 represent only 13% of the total opium cultivation for 2017.[710]

FIGURE 3.45

AFGHAN OPIUM-POPPY CULTIVATION, ERADICATION, AND PRODUCTION SINCE 2008



Source: UNODC, *World Drug Report 2016*, 5/2016, Annex, vii, ix, xii; UNODC, *Afghanistan Opium Survey 2017: Cultivation and Production*, 11/2017, pp. 5–6, 64–70.

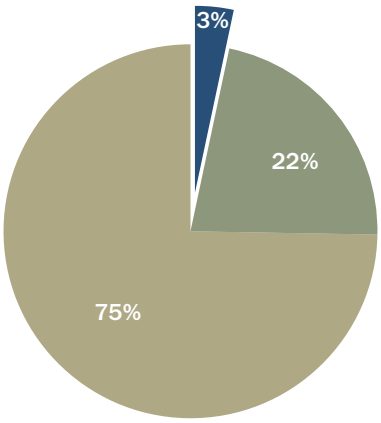
Opium Cultivation and Afghan Agricultural Area

According to Afghan government data, Afghanistan's total land area is 65,223,000 hectares. The agricultural area is 9,610,000 hectares or 15% of the total land area. Opium cultivation for 2017 at 328,000 hectares represents 3% of the agricultural area and 0.5% of the total land area. By comparison, wheat—the country's major crop for consumption—occupies 2,104,377 hectares for 2017–2018, or 22% of the agricultural area.[711] Though opium cultivation takes place on a modest portion of agricultural land, it has significant economic value. The illicit profits benefit not only drug-trafficking organizations and the insurgency, but possibly representatives of the Afghan government.[712]

Figures 3.46 illustrate opium's importance in terms of agricultural land and total land area.

FIGURE 3.46

OPIUM CULTIVATION AND AGRICULTURAL LAND, 2017–2018 (THOUSAND HECTARES)



Agricultural Area 9,610

- Opium cultivated area 328
- Wheat 2,104
- Other 7,178

Note: Agricultural area includes forests and woodlands, irrigated crops, and cultivated rainfed areas

Source: GIROA National Statistics and Information Authority, *Afghanistan Statistical Yearbook 2017–18*, 8/2018, p. 124; UNODC, *Afghanistan Opium Survey 2017: Cultivation and Production*, 11/2017, p. 8.

Good Performers Initiative

The INL-funded Good Performers Initiative (GPI) sought to incentivize provincial governors' counternarcotics and supply-reduction activities by supporting sustainable, community-led development projects in provinces that significantly reduced or eliminated poppy cultivation.

GPI projects included schools, roads, bridges, irrigation structures, health clinics, and drug treatment centers.[713] However, no new GPI projects were approved after April 30, 2016,[714] and GPI is not starting new projects.[715]

According to INL, the program was deemed "ineffectual at curbing opium cultivation" in those provinces receiving awards. MCN's inability to adequately manage the program was also a factor in INL's phasing it out.[716]

The number of poppy-free provinces increased from six at the beginning of the program in 2007 to 15 in 2013—the last year GPI funds were awarded.[717] UNODC reported that the number of poppy-free provinces decreased from 13 to 10 in 2017.[718]

As of August 31, 2018, INL reported that 290 projects valued at $126.4 million have been contracted. Of those, 281 projects have been completed and eight are still in progress. Four of the GPI projects were recontracted to bring those projects to a safe and usable condition.[719]

Ministry of Counter Narcotics Capacity Building

INL funds capacity building programs to strengthen law enforcement, drug prevention, treatment, and recovery.[720] Since 2008, INL has obligated $35.8 million and disbursed $27.7 million to build capacity at the Ministry of Counter Narcotics (MCN).[721] INL is currently implementing a skills-based training grant, an Asian University for Women (AUW) fellowship, and a Colombo Plan advisors program.[722] Under the skills-based training grant, the implementer conducted 33 trainings benefitting 119 MCN employees. Five of the 10 positions under the Colombo Plan advisors program have been filled. According to INL, MCN's capacity is improving since the arrival

Colombo Plan: Instituted as a regional intergovernmental organization to further economic and social development, it was conceived at a conference held in Colombo, Sri Lanka (then Ceylon) in 1950 with seven founding-member countries. It has since expanded to 26 member countries. INL supports the Colombo Plan's Universal Treatment Curriculum, a national level training and certification system for drug-addiction counselors aimed at improving the delivery of drug treatment services in Africa, Asia, and Latin America.

Source: Colombo Plan Secretariat website, "History," www.colombo-plan.org, accessed 7/1/2017; INL, *International Narcotics Control Strategy Report, Volume I: Drug and Chemical Control*, 3/2018, p. 19.

SIGAR SPECIAL PROJECT

SIGAR issued a report on six GPI projects in Takhar Province. The six projects were completed at a cost of about $2.7 million. SIGAR found that INL's reported geospatial coordinates for the six projects were each within one kilometer from the actual project location. Additionally, SIGAR found that two hostel building projects had missing and broken furniture, a general lack of facility maintenance and sanitation, and nonoperational dining facilities. SIGAR also found that two of the projects had problems and the other four other projects were functioning and fulfilling their intended purpose, despite minor problems. More information about the report is available in Section 2.

of these advisors this fiscal year. To date, INL has disbursed $2.1 million to the Colombo Plan for the AUW fellowship program.[723]

The MCN works on the policy and planning of alternative-livelihood programs, but not their implementation. The Ministry of Agriculture, Irrigation, and Livestock and the Ministry of Rural Rehabilitation and Development implement these programs, and can also implement MCN policy.[724]

U.S.-FUNDED DRUG DEMAND REDUCTION

INL works closely with international partners to coordinate and execute capacity building and training activities for service providers in drug prevention, treatment, and recovery.[725] The INL-funded 2015 *Afghanistan National Drug Use Survey* conservatively estimated that roughly 11% of the population would test positive for one or more drugs, including 5.3% of the urban population and 13% of the rural population. Drug use among women and children is among the highest documented worldwide, and 30.6% of households tested positive for some form of illicit drug.[726]

The United States is helping Afghanistan face this public-health crisis by funding a rural treatment program in Jowzjan Province to expand substance-abuse treatment to the hardest-hit communities.[727] INL provides additional assistance for substance-abuse treatment programs through the Colombo Plan Drug Advisory Programme, which includes residential, outpatient, and outreach programs. INL supports the Colombo Plan with training and certification of drug-addiction counselors.[728] INL also started another pilot rural treatment program in June 2017 in Jowzjan and Laghman Provinces. Its activities, however, have been delayed due to security and winter weather conditions. INL and the Colombo Plan are reviewing proposals that would combine this pilot program into another rural treatment project.[729]

Since 2015, INL has transitioned responsibility for 42 of 86 U.S.-funded drug treatment centers in Afghanistan to the Ministry of Public Health (MOPH): 14 of the centers transitioned over to the MOPH in January 2018.[730] INL provided the final draft of the transition plan to all stakeholders in September 2018 and announced the budget cuts for 2019 at INL's May 2018 stakeholders meeting in Jakarta, Indonesia.[731]

The remaining treatment centers are scheduled to transition by the end of 2019. INL reduced funding to all facilities by approximately 20% in 2015, another 15% in 2016, and another 25% in 2017.[732]

Most of the patients at the remaining treatment centers are adult males. Of the 86 facilities, 66 are residential and 20 are outpatient centers; 31 are dedicated to female patients. Among the residential treatment centers, 44 also offer home-based services. The residential treatment centers comprise 40 centers for adult males, eight for adult females, eight for children, five for adolescent males, and five for adolescent females. Twelve of the 44 home-based programs provide services to adult females.[733] INL has

obligated and disbursed approximately $150.6 million for the Colombo Plan since 2008 on drug demand reduction programs.[734]

According to INL, the demand for treatment and prevention services far exceeds the capacity of the centers, most of which have extensive waiting lists for new patients. The United States supports UNODC's global child-addiction program to develop protocols for treating opioid-addicted children, training treatment staff, and delivering services through nongovernmental organizations. The United States also funds an antidrug curriculum in Afghan schools that has trained over 1,900 teachers and reached over 600,000 students in 900 schools.[735]

During FY 2018, INL provided the following funds to various Colombo Plan drug treatment programs:

- $346,545 to the Outcome Evaluation of the Drug Treatment Programme
- $4,447,103 to the Assistance to Specialized Substance Use Disorders Treatment Facilities
- $1,457,948 to the Colombo Plan's Afghanistan Field Office Support program

INL also provided $355,271 to UNODC's Preventing Illicit Drug Use and Treating Drug Use Disorders for Children and Adolescents program.[736]

INL has developed a software tool to monitor inventory and procurement of INL-funded drug treatment centers (DTC). In September, INL used the tool to monitor DTCs in Kabul.[737]

SIGAR AUDIT

An ongoing SIGAR audit of INL's drug treatment programs in Afghanistan is examining the extent to which INL and its implementers: (1) developed strategies and assessed program achievements; (2) conducted required oversight, and identified and addressed program challenges; and (3) incorporated sustainment into the programs. More information is found in Section 2 of this report.

ALTERNATIVE DEVELOPMENT

Boost Alternative Development Intervention Through Licit Livelihoods

INL launched this alternative-development project in August 2016. BADILL is expected to follow through on INL's commitments to those provinces most affected by GPI's cancellation.[738]

According to INL, BADILL takes a community-based, alternative-development approach, rather than the GPI's incentive-based approach. The GPI program targeted provincial leadership by providing a political incentive for top-down poppy reduction, and employed a general development approach. BADILL is working directly with small farmers to increase productivity and employment opportunities.[739] INL expects that this approach will render the program more effective than GPI.

BADILL is implemented in the following provinces: Helmand, Uruzgan, Nimroz, Samangan, Jowzjan, Takhar, Bamyan, Wardak, Parwan, Panjshir, Paktiya, Paktika, and Nangarhar. The main activities between April and June 2018 were the distribution of agricultural equipment, extension services, trainings, and marketing support in the north to nearly 2,300

Joint MAIL, MCN, and UNODC Monitoring Mission to Sarkhrood District, Nangarhar Province. (INL photo)

beneficiaries. The establishment of new orchards and greenhouses in Helmand, Nimroz, and Uruzgan increased the total area of orchards created under BADILL to 172 hectares and total greenhouses to six. Poultry and dairy inputs, such as wire mesh for windows, feeders and drinkers, butter-churning equipment, and ventilators were distributed to increase poultry and dairy production.[740]

Drought had an acute impact in Bamyan, Helmand, and Uruzgan Provinces, where all or most of the seedlings and saplings died. Unexpected snowfall compounded the damage in Bamyan, as did excessive irrigation in Helmand and Uruzgan. Excessive irrigation occurs when all the stored rain water is used because farmers fear no more rainfall will occur. Training will now be provided explaining the detriment of excessive irrigation and how to store rainwater for proper irrigation. Farmers were supplied with new seedlings and saplings to replace the ones killed by the drought.[741]

In Takhar, the drought affected the availability of grazing land, resulting in underweight livestock and low milk production. Agricultural yields were lower than the previous year in Samangan and Jowzjan, and farmers lost their entire first crop in Bamyan.[742]

Community-Based Agriculture and Rural Development

INL has additional alternative development projects under the Community-Based Agriculture and Rural Development (CBARD) program. The projects are implemented by the United Nations and aim to improve household income while reducing dependency on illicit poppy

A master trainer provides training on quality milk production and processing in Kalfgan District, Takhar Province. (INL photo)

cultivation for selected communities.[743] Irrigation infrastructure is an important component of the CBARD program. SIGAR's counternarcotics lessons learned report found evidence, based on Geographic Information System (GIS) imagery, that some US-funded irrigation improvement projects have inadvertently contributed to greater opium-poppy cultivation. In that light, the report concluded that it is important that CBARD projects incorporate risk-mitigation strategies—particularly in areas with a history of opium-poppy cultivation—to ensure that irrigation projects do not lead to more cultivation of poppy, and are instead contributing to licit high-value crops.[744]

Table 3.33 provides the funding amounts and project duration dates. All funds have been disbursed.

TABLE 3.33

COMMUNITY-BASED AGRICULTURE AND RURAL DEVELOPMENT (CBARD)

Project Title	Start Date	End Date	Implementing Partner	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
CBARD-East	11/2017	12/2020	UNDP	$22,128,683	All funds disbursed
CBARD-West	11/2016	4/2020	UNDP	24,368,607	All funds disbursed
Total				**$46,497,290**	**$46,497,290**

Source: INL, response to SIGAR vetting, 1/13/2017 and 1/12/2018; State, INL, *Letter of Agreement with UNDP*, 11/09/2017; INL, response to SIGAR data call, 9/21/2018.

CBARD-West

CBARD-West introduces and strengthens community-based local production and marketing of traditional high-value crops in 70 communities of Farah and Badghis Provinces. The project aims to directly benefit an estimated 33,240 households. In addition to supporting local farmers with field schools, CBARD-West will develop, and strengthen existing public and private agribusiness infrastructure in the areas of irrigation, transportation, and agricultural value-chain facilities.[745]

During the third quarter of FY 2018, the project trained 575 people, including 130 women, on business development, project monitoring and implementation, and the concept of value-chain and agribusiness development. The trainings are expected to increase the local beneficiaries' capacity to establish businesses, monitor projects, and work on high-value crops. Furthermore, 279 households reportedly benefitted from various program-funded infrastructure, including greenhouses, raisin-drying houses, and irrigation.[746]

The infrastructure will increase income and improve accessibility to markets, according to the United Nations Development Programme (UNDP). The irrigation infrastructures help protect 806 hectares and irrigate 2,276 hectares of land which improves access and water management. Approximately 6,500 households are said to benefit from these efforts.[747]

CBARD-East

CBARD-East introduces and strengthens community-based local production and marketing of traditional high-value crops in 100 communities of Nangarhar Province. The program started in January 2018 and will assess alternative livelihoods in communities with high rates of opium cultivation. It aims to directly benefit an estimated 28,500 households. CBARD-East supports local farmers with field schools, strengthens public and private agribusiness infrastructures in value-chain facilities, irrigation, and transportation. As of June 2018, CBARD-East has established 46 hectares of orchards, begun construction of 195 greenhouses, trained women in kitchen gardening, and identified 16 additional crop irrigation projects. An estimated 1,900 hectares will be irrigated and approximately 13,450 households will benefit from these infrastructures. [748]

The program prioritized recruitment of female staff and highly encouraged female applicants to apply for project employment openings. However, due to the remoteness and security status of the project, no female candidates have expressed interest. Currently, two out of the 21 recruited staff members are female.[749] According to UNDP, security, community traditions, and the location of the target provinces present challenges in working with women. CBARD-East will address this challenge by establishing kitchen gardens and home-based greenhouses to ensure women's involvement in the production of high-value crops.[750]

The 230 greenhouses, constructed in two different sizes for on and off-season vegetable production, are within the home premises or near their homes for cultural reasons. According to INL, the use of greenhouses allows greater participation of women. In greenhouses, women are trained in off-season vegetable cultivation and post-harvest management of fruits and vegetables. Overall, 20% of beneficiaries on CBARD project activities are women. The project aims to empower women to play an important role in all aspects of agricultural production. According to INL, women account for a majority of the workforce in the livestock and poultry sectors, and approximately half of the workforce in the farming and horticulture sectors.[751]

Afghanistan Value Chains Programs

These programs will cover the regions previously targeted by now-inactive Regional Agricultural Development (RADP) programs.[752] Table 3.34 provides program value, duration and expenditures to date.

TABLE 3.34

AFGHANISTAN VALUE CHAINS (AVC)

Project Title	Start Date	End Date	Implementing Partner	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
AVC-Livestock	6/9/2018	6/8/2021	DAI	$34,714,295	$778,367
AVC-Crops	8/2/2018	8/1/2021	DAI	33,482,672	0
Total				**$68,196,967**	**$778,367**

Source: USAID, response to SIGAR data call, 10/15/2018.

Afghanistan Value Chains–Crops

USAID awarded the $33.5 million Afghanistan Value Chains-Crops (AVC-C) contract to DAI Global LLC in August 2018. The program's goals are to reverse market failures, strengthen linkages, spur growth and job creation for men, women, and youth along value chains for fruit, nuts, high-value horticulture, spices, and medicinal crops. Activities are designed around "anchor firms" and important value-chain service providers such as financial institutions, shipping and transport companies, and management consultant firms.[753] According to USAID, anchor firms have the willingness and potential to create systemic change in their value chain, with benefits that go beyond the individual firm. USAID has spent no funds as of September 30, 2018.[754]

Value chain: the range of goods and services necessary for an agricultural product to move from the farm to the final customer or consumer. It encompasses the provision of inputs, actual on-farm production, post-harvest storage and processing, marketing, transportation, and wholesale and retail sales.

Source: USAID, response to SIGAR vetting, 4/12/2015.

Afghanistan Value Chains–Livestock

DAI Global LLC is the implementer for Afghanistan Value Chains-Livestock (AVC-L). USAID awarded the three-year $34.7 million contract in June 2018. AVC-L will work with anchor firms in the poultry, small ruminants,

dairy products, and other livestock value-chains.[755] USAID defines anchor firms as those with a willingness and potential to create systemic change in their value chain, with benefits that go beyond the individual firm. During the quarter, the implementer performed startup activities, such as recruitment and procurement. Project staff conducted meetings with Ministry of Agriculture, Irrigation, and Livestock staff, other USAID-funded project staff, stakeholders, and other donors.[756] Total disbursements as of September 30, 2018, are $778,367.[757]

Promoting Value Chains–Western Afghanistan

The program is implemented by the Food and Agriculture Organization (FAO). The Promoting Value Chains-Western (PVC-W) Afghanistan project aims to promote inclusive growth and create jobs in the agriculture sector by strengthening the capabilities of producers and private enterprises. To achieve this goal, the project aims to:[758]

- increase wheat productivity
- improve production and productivity of high-value crops
- enhance technology utilization in the livestock industry
- build institutional capacity at provincial and district levels

The first year of the project will focus on Herat Province with activities to begin in Badghis, Farah, and Nimroz Provinces in year two. Fifteen project districts were identified based on the presence of production and processing facilities for targeted crops, accessibility, and security.[759] The rapid value-chain assessment conducted in the fall of 2017 identified constraints and areas where interventions are needed. For example, packaging, quality control, and market linkages were identified as constraints to all value chains and contamination was identified for some high-value crops such as saffron and pistachios.[760] Private-sector beneficiaries were also selected for a project innovation fund (PIF).

The PIF is a source of co-financing for selected agribusinesses and enterprises. USAID hopes to stimulate investments in private agribusinesses that develop and promote new markets and sales for agricultural inputs, wheat, high-value crops, and dairy products. The PIF's intent is to improve business performance by addressing some of the key barriers to production and marketing, as well as support farmer and producer groups in adopting and using new technologies and equipment. The first group of PIF-supported projects has not received final approval, as of October 11.[761] As of September 30, 2018, USAID has disbursed $1.7 million.[762]

Afghanistan is experiencing a severe drought—the worst in decades—displacing over 250,000 people in the west, according to the UN Office for Humanitarian Affairs.[763] USAID contributed $43.8 million to support food assistance to drought victims in September.[764] According to USAID, PVC-W has not experienced any problems because of the drought. USAID reports

that its agricultural activities do not focus on farm-level production, but on the higher levels of value-chains.[765] More information on the drought is available in the Economic and Social Development section on pages 147–148.

Commercial Horticulture and Agricultural Marketing Program

The Commercial Horticulture and Agricultural Marketing Program (CHAMP) works with leading Afghan processing and export firms to enhance the supply chain, marketing, and export promotion of Afghan fruits and nuts. CHAMP supports traders through its trade offices in India, United Arab Emirates, and Kazakhstan to boost Afghan agricultural exports.[766] USAID increased the program's contract from $56.3 million to $71.3 million in May 2018.[767]

During the April to June months, CHAMP facilitated loans in collaboration with the Agriculture Development Fund totaling $1.5 million to four Afghan exporters. CHAMP reported the export of 1,335 metric tons of saffron, dried fruits, nuts and seeds valued at $3.6 million to international markets.[768]

In July, CHAMP facilitated a "Made in Afghanistan: Nature's Best" event in New Delhi, India. According to USAID, Afghan traders signed $68 million worth of contracts for high-value agricultural products. Shabana Trading Company, one of five women-owned agribusinesses, signed a $1.38 million contract for raisins and figs.[769] As of September 30, 2018, USAID has disbursed $57.3 million.[770]

Kandahar Food Zone

The Kandahar Food Zone (KFZ) concluded August 30, 2018. The five-year, $45.4 million program addressed the drivers of poppy cultivation. In its early years, KFZ collaborated closely with the MCN and conducted capacity-building trainings for the ministry in its Kabul and Kandahar offices. The program also conducted assessments, planned canal rehabilitations to increase access to affordable irrigation water, and implemented vocational trainings tied to alternative development. SIGAR will report on KFZ next quarter after submission and approval of the program's final report.[771]

As of September 30, 2018, USAID has disbursed $45.1 million.[772]

Regional Agricultural Development Program

USAID's Regional Agricultural Development Program (RADP) is intended to help Afghan farmers achieve more inclusive and sustainable economic growth. RADP projects are ongoing in the eastern and northern regions of Afghanistan. The projects focus on strengthening the capacity of farmers to improve the productivity of wheat, high-value crops, and livestock. Using a value-chain approach, these projects work with farmers and agribusinesses to overcome obstacles hindering production, processing, sales, and overall development of agricultural value chains.[773]

SIGAR AUDIT

SIGAR announced a financial audit of USAID's RADP-South program in October 2018. SIGAR will examine the $63.2 million contract with Chemonics International Inc. for costs incurred during the January 1, 2016, to November 20, 2017.

TABLE 3.35

USAID REGIONAL AGRICULTURAL DEVELOPMENT PROGRAM (RADP)

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
RADP-South*	10/7/2013	10/6/2017	$111,414,339	$108,468,215
RADP-North	5/21/2014	5/20/2019	78,429,714	56,906,996
RADP-West*	8/10/2014	10/25/2016	65,629,170	26,394,196
RADP-East	7/21/2016	7/20/2021	28,126,111	9,022,776
Total			**$283,599,334**	**$200,792,183**

Note: * Denotes inactive programs. Afghanistan Value Chains-Crops and Afghanistan Value Chains-Livestock programs target the regions previously served by the inactive RADP programs.

Source: USAID, response to SIGAR data call, 10/15/2018.

As shown in Table 3.35, USAID funding for all RADP programs, targeting various regions of the country amounts to approximately $283.6 million and USAID has spent $200.8 million as of September 30, 2018.

RADP-East

The five-year, $28.1 million RADP-East program seeks to expand sustainable economic growth through the agriculture sector in eight provinces: Ghazni, Kapisa, Laghman, Logar, Nangarhar, Parwan, Wardak, and Kabul. Its goal is to increase the sale of agricultural goods by at least $57 million by the end of the program.[774]

Between April and June 2018, RADP-E awarded five new grants, facilitated the participation of Afghan agribusinesses to the July Afghanistan-India Trade show in New Delhi and the September "Passage to Prosperity" trade show in Mumbai. The program conducted technical training for 67 poultry farmers, as well as technical working groups and meetings for provincial stakeholders. Besides the security challenge, the program faced some difficulties due to insufficient air-cargo space, a lack of domestic vendors, and a lack of agribusinesses in some of the targeted provinces.[775] A total of $178,500 worth of agricultural goods were exported to international markets by two Afghan firms. The program created 700 full-time employment opportunities during the same period.[776] USAID uses documents from the Afghan Chamber of Commerce and Industry as the source for the sales results it reports. It notes that reported amounts are higher due to the common practice of underinvoicing, in which exporters report lower figures on their invoices to reduce taxes due to the Afghan government. As of September 30, 2018, USAID has disbursed $9 million for RADP-East.[777]

RADP-North

RADP-North extends food and economic security for rural Afghans of six provinces: Badakhshan, Baghlan, Balkh, Jowzjan, Kunduz, and Samangan. Activities strengthen farmers' capacity through improved production in the wheat, high-value crop, and livestock value chains.[778] The $78.4 million five-year program is in its final year.[779]

During the April to June 2018 period, laser-land-levelling unit operators contracted with approximately 160 farmers to level 914 *jeribs* (a jerib is 500 square meters) in Balkh and Jowzjan. One thousand women were trained in hygiene and nutrition in four provinces and agribusinesses that participated in the international trade shows exported more than 339 tons of dried fruit and nuts to countries in Europe and Asia. The program established 20 new veterinary field units staffed by one doctor of veterinary medicine and 19 paravets in all provinces.[780] The program supported female noodle producers who participated in exhibitions held by the Ministry of Agriculture Irrigation and Livestock in Mazar-e Sharif. Samangan women bakers continued production to meet demand for the Eid festival.[781]

To adapt to the drought conditions in the north, RADP-N has been conducting additional trainings on animal health and nutrition so that participants in the livestock value-chain can better care for their animals.[782] As of September 30, 2018, USAID has disbursed $56.9 million.[783]

Paraveterinarian or paravet: a community-based animal health worker who provides initial diagnosis and basic treatment of animals.

Source: A. Catley, T. Leyland, et al., "Para-veterinary professionals and the development of quality, self-sustaining community-based services," *Revue scientifique et technique* (International Office of Epizootics), 2004, pp. 225–226, 229–230.

4 OTHER AGENCY OVERSIGHT

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Marine Corps Capt. Kimberly Sonntag holds a U.S. flag as she rides a CH-47 Chinook helicopter to Operating Base Fenty, Dec. 24, 2017. (DOD photo by Petty Officer 1st Class Dominique A. Pineiro, U.S. Navy)

OTHER AGENCY OVERSIGHT

SIGAR's enabling legislation requires it to keep the Secretary of State and the Secretary of Defense fully informed about problems relating to the administration of Afghanistan reconstruction programs, and to submit a report to Congress on SIGAR's oversight work and on the status of the U.S. reconstruction effort no later than 30 days after the end of each fiscal quarter. The statute also instructs SIGAR to include, to the extent possible, relevant matters from the end of the quarter up to the submission date of its report.

Each quarter, SIGAR requests updates from other agencies on completed and ongoing oversight activities. This section compiles these updates. Publicly available copies of completed reports are posted on the agencies' respective websites.

The descriptions appear as submitted, with minor changes to maintain consistency with other sections of this report: acronyms and abbreviations in place of full names; standardized capitalization, punctuation, and preferred spellings; and third-person instead of first-person construction.

These agencies perform oversight activities in Afghanistan and provide results to SIGAR:

- Department of Defense Office of Inspector General (DOD OIG)
- Department of State Office of Inspector General (State OIG)
- Government Accountability Office (GAO)
- U.S. Army Audit Agency (USAAA)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

COMPLETED OVERSIGHT ACTIVITIES

Table 4.1 on the following page lists the six oversight reports related to Afghanistan reconstruction that participating agencies completed this quarter.

U.S. Department of Defense Office of Inspector General

During this quarter, DOD OIG released one report related to Afghanistan reconstruction.

TABLE 4.1

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2018

Agency	Report Number	Date Issued	Report Title
DOD OIG	DODIG-2018-139	7/23/2018	DOD Management of the Enhanced Army Global Logistics Enterprise Maintenance Contract in Afghanistan
GAO	GAO-18-499	7/12/2018	Foreign Assistance: Better Guidance for Strategy Development Could Help Agencies Align Their Efforts
GAO	GAO-18-509	7/24/2018	Improvised Threats: Warfighter Support Maintained, but Clearer Responsibilities and Improved Information Sharing Needed
GAO	GAO-18-662SU	9/20/2018	Afghan Defense and Security Forces' Equipment and Capability
GAO	GAO-18-573C	9/26/2018	U.S. Advising Efforts in Afghanistan
USAAA	A-2018-0075-IEX	7/30/2018	Overtime Pay and Entitlements for Deployed Civilians

Source: DOD OIG, response to SIGAR data call, 9/19/2018; State OIG, response to SIGAR data call, 9/20/2018; GAO, response to SIGAR data call, 9/20/2018; USAID OIG, response to SIGAR data call, 9/20/2018; USAAA, response to SIGAR data call, 9/20/2018.

DOD Management of the Enhanced Army Global Logistics Enterprise Maintenance Contract in Afghanistan

DOD OIG determined that Army Contracting Command-Afghanistan did not monitor contractor performance of certain critical requirements or monitor contractor costs to ensure that vehicles and weapons were maintained in accordance with contract requirements. As a result, the Army does not have reasonable assurance that the Enhanced Army Global Logistics Enterprise–Afghanistan contractor complied with certain critical requirements of the contract.

Without engaging with customers, the contracting officer representatives were unable to identify customer dissatisfaction with contractor maintenance turnaround time.

In addition, without consistent contractor oversight, the administrative contracting officer could not provide the procuring contracting officer with sufficient evidence to accurately rate the contractor's performance and potentially assess any reductions of the fee payable to the contractor for noncompliance with contract requirements.

Furthermore, the Army does not have reasonable assurance that costs billed, valued at $77.8 million, were allowable in accordance with the terms of the contract.

U.S. Department of State Office of Inspector General-Middle East Regional Operations

State OIG completed no audits related to Afghanistan reconstruction this quarter.

Government Accountability Office

During this quarter, GAO released four reports related to Afghanistan reconstruction.

Foreign Assistance: Better Guidance for Strategy Development Could Help Agencies Align Their Efforts

Many foreign assistance strategies related to health, security, and democracy assistance that GAO reviewed at least partially addressed key elements GAO identified that help ensure the strategies are aligned. Prior work has found that consistently addressing these elements, related to interagency coordination, strategic integration, and assessment of progress, is important for, among other things, better managing fragmentation in strategic planning. However, some strategies did not address these elements:

- **Interagency coordination:** Twenty-three percent of the strategies (12 of 52) did not address agencies' roles and responsibilities, and 38% (20 of 52) did not identify specific interagency coordination mechanisms.
- **Strategic integration:** Twenty-one percent of the strategies (11 of 52) did not address linkages with other related strategies, and 25% (13 of 52) did not address linkages with higher- or lower-level strategies.
- **Assessment of progress toward strategic goals:** Twenty-one percent of the strategies (11 of 52) did not include milestones and performance indicators, and 21% (11 of 52) did not outline plans for monitoring and evaluation.

The six agencies implementing most U.S. foreign assistance do not have consistent guidance for strategy development that could help ensure their strategies address these key elements. Some agencies' guidance addresses many of the elements but does not apply to all of their foreign assistance strategies, while other agencies have no such guidance. The Department of State (State) plays a significant role in interagency coordination. By collaborating with other agencies to establish guidance that addresses the key elements GAO identified, State could help the agencies improve their ability to align future strategies and identify and manage fragmentation in foreign assistance planning.

GAO recommends that State lead an effort to establish, in collaboration with the five other agencies, guidance for developing foreign assistance strategies that addresses the key elements GAO identified related to interagency coordination, strategic integration, and assessment of progress. State concurred with GAO's recommendation.

Improvised Threats: Warfighter Support Maintained, but Clearer Responsibilities and Improved Information Sharing Needed

The Department of Defense (DOD) established the Joint Improvised Explosive Device Defeat Organization in 2006 to lead and coordinate the department's counter-improvised explosive device (IED) efforts. In response to a congressional mandate, DOD renamed this entity the Joint

Improvised-Threat Defeat Organization (JIDO) and placed it under the Defense Threat Reduction Agency (DTRA) in 2016. Since that point, JIDO has transferred personnel and pay systems, funding, and staff functions to DTRA, and identified additional, longer-term transition activities that will take several years to complete, such as workforce colocation. Plans for these transition activities reflect all nine key practices GAO identified for implementing mergers and organizational transformations, such as setting goals and timelines. JIDO also identified efficiencies achieved through the transition in areas such as research and training.

JIDO maintained warfighter support during its transition under DTRA. Officials from across DOD stated that they were satisfied with JIDO's level of support during the transition and that JIDO continued to provide a range of warfighter support such as personnel and rapidly fielded materiel. However, GAO identified two challenges to JIDO's efficiency and effectiveness:

(1) Unclear responsibilities: DOD has not clarified which categories of threats JIDO is responsible for countering and what authorities JIDO has for countering them. According to DTRA and JIDO officials, clarifying these issues would help JIDO plan, program, and coordinate its responsibilities.

(2) Incomplete information sharing: JIDO lacks processes to ensure it routinely obtains permission to share research project information and submits it to DOD's designated information sharing repository, as required. As a result, information on less than one-third of JIDO's research projects is included, according to DOD. This limits the ability of other research organizations to leverage JIDO's expertise and increases the risk of redundant or fragmented research.

GAO is making four recommendations including that DOD clarify the categories of threats JIDO is responsible for countering and JIDO's corresponding authorities, as well as establish processes for obtaining permission to share research project information and submitting it to DOD's information sharing repository. DOD concurred with all of the recommendations and cited actions it plans to take to address them.

Afghan Defense & Security Forces' Equipment and Capability

This report discusses what has been reported about Afghan forces' capabilities and capability gaps, DOD information on Afghan forces' ability to operate and maintain U.S.-purchased equipment, and the extent to which DOD considers Afghan forces' input and meets their needs in identifying equipment requirements.

Advise and Assist Lessons Learned

This classified report addressed the following questions: (1) What are current U.S. advising requirements and strategy in Afghanistan, and to what extent, if any, has this changed under the Resolute Support Mission?

(2) What actions are the services taking to meet the additional advisor requirement for Afghanistan, and what challenges, if any, are they experiencing?

U.S. Army Audit Agency

During this quarter, the USAAA released one report related to Afghanistan reconstruction.

Overtime Pay and Entitlements for Deployed Civilians

USAAA audited overtime and foreign entitlements paid to deployed U.S. Army Materiel Command (AMC) civilians to verify overtime was effectively managed and downrange entitlements were accurately paid. During FY 2016, AMC paid about $48.4 million in overtime and foreign entitlements. The report is protectively marked as For Official Use Only.

U.S. Agency for International Development Office of the Inspector General

USAID OIG completed no audits related to Afghanistan reconstruction this quarter.

ONGOING OVERSIGHT ACTIVITIES

As of September 30, 2018, the participating agencies reported 18 ongoing oversight activities related to reconstruction in Afghanistan. The activities reported are listed on the following page in Table 4.2 on the next page and described in the following sections by agency.

U.S. Department of Defense Office of Inspector General

DOD OIG has five ongoing projects this quarter that relate to reconstruction or security operations in Afghanistan.

Audit of Army Oversight of National Afghan Trucking Services 3.0 Contract

The DOD OIG is determining whether the Army provided oversight of the National Afghan Trucking Services 3.0 contract.

Audit of the National Maintenance Strategy Contract in Afghanistan

The DOD OIG is determining if the Army developed the National Maintenance Strategy-Ground Vehicle Systems contract requirements to meet user needs to maintain and sustain the Afghan National Defense and Security Forces' vehicles.

TABLE 4.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2018

Agency	Project Number	Date Initiated	Project Title
DOD OIG	D2018-D000JB-0187.000	7/30/2018	Audit of Army Oversight of National Afghan Trucking Services 3.0 Contract
DOD OIG	D2018-D000RG-0170.000	6/25/2018	Audit of the National Maintenance Strategy Contract in Afghanistan
DOD OIG	D2018-DISPA2-0112.000	5/3/2018	Evaluation of Theater Linguist Support for Operation Freedom's Sentinel
DOD OIG	D2018-D000RJ-0135.000	4/30/2018	Audit of the Afghan Personnel and Pay System
DOD OIG	D2017-D000PT-0186.000	9/6/2017	Military Facilities Evaluation Follow-Up Kandahar Air Field Afghanistan
State OIG	17AUD09	9/25/2017	Audit of the Invoice Review Process for Overseas Contingency Operations (OCO) Contracts–Bureau of International Narcotics and Law Enforcement Affairs
State OIG	17AUD065	6/15/2017	Audit of the Bureau of International Narcotics and Law Enforcement Affairs (INL) Aviation Program
State OIG	18AUD038	3/15/2018	Audit of Embassy Kabul Physical Security Features
State OIG	18SEP044	12/20/2017	Evaluation of Camp Eggers Guard Housing Contract Termination
State OIG	18ISP031	3/10/2018	Inspection of the Bureau of Democracy, Human Rights, and Labor (DRL)
State OIG	18AUD066	9/20/2018	Audit of the Office of Overseas Buildings Operations Construction and Commissioning of Staff Diplomatic Apartments in Kabul, Afghanistan
State OIG	18AUD076	7/15/2018	Lessons Learned from Audits of Contracting Officer Representative Responsibility for Overseeing Invoices for Overseas Contingency Operations Contracts
State OIG	TBD	9/31/2018	Audit of DOS Selection and Management of Contracting Officer's Representatives in Afghanistan
GAO	102266	8/15/2017	DOD Vendor Vetting
GAO	102793	6/18/2018	Afghanistan Security Forces Fund
GAO	103012	9/6/2018	Afghan Defense and Security Forces
USAID OIG	FF1C0216	5/11/2016	Audit of USAID/Afghanistan's New Development Partnership
USAID OIG	8F1C0217	8/9/2017	Follow-Up Audit of USAID's Multi-Tiered Monitoring Strategy in Afghanistan

Source: DOD OIG, response to SIGAR data call, 9/19/2018; State OIG, response to SIGAR data call, 9/20/2018; GAO, response to SIGAR data call, 9/20/2018; USAID OIG, response to SIGAR data call, 9/20/2018; USAAA, response to SIGAR data call, 9/20/2018.

Evaluation of Theater Linguist Support for Operation Freedom's Sentinel

The DOD OIG is determining if U.S. Central Command and U.S. Army Intelligence Security Command have developed and implemented processes for satisfying Commander U.S. Forces Afghanistan and Operation Freedom's Sentinel contract linguist requirements.

Audit of the Afghan Personnel and Pay System

The DOD OIG originally announced this audit on April 30, 2018 and then reannounced the audit on May 21, 2018 with a new objective. The DOD OIG is determining whether DOD's planning and implementation of the Afghan Personnel and Pay System will accurately pay and track Afghan forces.

Military Facilities Evaluation Follow-Up Kandahar Air Field Afghanistan

The DOD OIG is determining whether U.S. military-occupied facilities supporting Operation Freedom's Sentinel comply with DOD health

and safety policies and standards regarding electrical-distribution and fire-protection systems.

U.S. Department of State Office of Inspector General-Middle East Regional Operations

State OIG has eight ongoing projects this quarter related to Afghanistan reconstruction.

Audit of Embassy Kabul Physical Security Features

The audit will examine Embassy Kabul physical security features.

Inspection of the Bureau of Democracy, Human Rights, and Labor

This is an inspection of the Bureau of Democracy, Human Rights, and Labor.

Evaluation of Camp Eggers Guard Housing Contract Termination

This is an evaluation of the Camp Eggers guard-housing contract termination.

Audit of Bureau of International Narcotics and Law Enforcement Affairs Invoice Review Process

This is an audit of the Bureau of International Narcotics and Law Enforcement Affairs' invoice review process for overseas contingency operations.

Audit of Bureau of International Narcotics and Law Enforcement Affairs Aviation Program

This is an audit to determine whether the Bureau of International Narcotics and Law Enforcement Affairs is administering its aviation program, including key internal controls (including those for inventory management, aviation asset usage, aircraft maintenance, and asset disposal), in accordance with federal requirements and department guidelines.

Audit of the Office of Overseas Buildings Construction and Commissioning of Staff Diplomatic Apartments

The is an audit of the Office of Overseas Buildings Operations construction and commissioning of the Staff Diplomatic Apartment-2 and Staff Diplomatic Apartment-3 in Kabul, Afghanistan.

Lessons Learned from Audits of Contracting Officer Representative Responsibility for Overseeing Invoices for Overseas Contingency Operations Contracts

This is a review of lessons learned from audits of the role of contracting officer representatives in overseeing invoices for Overseas Contingency Operations contracts.

Audit of DOS Selection and Management of Contracting Officer's Representatives in Afghanistan

This is an audit of the State Department selection and management process for contracting officer's representatives in Afghanistan.

Government Accountability Office

GAO has three ongoing projects this quarter related to Afghanistan reconstruction.

DOD Vendor Vetting

As DOD increasingly relies on contractors to provide support for the activities it conducts across the world, vetting vendors to preemptively identify those who support criminal, terrorist, or other sanctioned organizations is a key component to ensuring the security of U.S. forces and weapon systems. Prior GAO work on operational contract support has highlighted the need for DOD to improve its efforts to vet vendors, including the need for DOD to develop comprehensive guidance about the standard of contractor screening that combatant commands should employ.

GAO will review the extent to which DOD and its geographic combatant commands developed guidance on vendor vetting; the extent to which DOD and its geographic combatant commands established and are implementing vendor vetting processes, including information systems involved in vendor vetting; the extent to which DOD have internal controls in place to ensure that the information used to make determinations of vendor risk is complete, accurate, and timely, including appeals processes, if any, available to vendors; and attempt to identify what challenges, if any, DOD faces regarding vendor vetting.

Afghanistan Security Forces Fund

The Afghanistan Security Forces Fund (ASFF) was created for DOD to provide assistance to the security forces of Afghanistan to include the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation and construction, and funding. The Senate Appropriations Committee has expressed concerns about the costs of training contracts awarded under ASFF, citing recent reports from both SIGAR and other auditing agencies that found deficiencies that resulted in tens of millions of dollars potentially lost to fraud, waste, and abuse.

GAO will review DOD's Afghanistan Security Force Fund (ASFF) training contracts to include researchable questions on the budgets, funding sources and transactions for all ASFF training contracts during FYs 2017–2019 and the extent to which DOD has processes and procedures to ensure that ASFF training contracts' pricing and costs are reasonable.

Afghan Defense And Security Forces

Since 2002, the United States, with assistance from the North Atlantic Treaty Organization and other coalition nations, has worked to train, equip, and develop the capability of the Afghan National Defense and Security Forces (ANDSF). In January 2015, ANDSF formally assumed security responsibilities for all of Afghanistan. The United States continues to train and equip ANDSF to develop a force that can protect the Afghan people and contribute to regional and international security. A House report associated with the FY 2017 National Defense Authorization Act cited concerns about the security situation in Afghanistan and included a provision for GAO to review U.S. assistance to ANDSF, including weapons and equipment and the ANDSF's capacity to operate and maintain such items.

GAO will review what is known about ANDSF's capacity to operate and maintain U.S.-purchased equipment, and identify any ANDSF capability gaps.

U.S. Army Audit Agency

This quarter the USAAA has no ongoing audits related to Afghanistan reconstruction.

U.S. Agency for International Development Office of Inspector General

This quarter USAID OIG has two ongoing audits related to reconstruction initiatives.

Follow-Up Audit of USAID's Multi-Tiered Monitoring Strategy in Afghanistan

The objectives of this audit are to determine the extent to which USAID has used its multi-tiered monitoring strategy in Afghanistan to manage projects and to serve as the basis for informed decision making. The entrance conference was held August 9, 2017.

Audit of USAID/Afghanistan's New Development Partnership

The objectives of this audit are to determine if USAID/Afghanistan has adopted internal policies and procedures to adequately verify the achievement of New Development Partnership (NDP) indicators contained in the July 25, 2015, NDP results framework; and if USAID/Afghanistan has adequately verified the achievement of completed indicators under the NDP for any payments made to date.

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The Official Seal of SIGAR

The official seal of SIGAR represents the coordination of efforts between the United States and Afghanistan to provide accountability and oversight of reconstruction activities. The phrases in Dari (top) and Pashto (bottom) on the seal are translations of SIGAR's name.

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, Pub. L. No. 110-181, § 1229 (Table A.1), and the National Defense Authorization Act for Fiscal Year 2018, Pub. L. No. 115-91, §1521. (Table A.2)

TABLE A.1

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER PUB. L. NO. 110-181, § 1229

Public Law Section	SIGAR Enabling Language	SIGAR Action	Report Section
Purpose			
Section 1229(a)(3)	To provide for an independent and objective means of keeping the Secretary of State and the Secretary of Defense fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for progress on corrective action.	Ongoing; quarterly report	Full report
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	Full report
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 subsections (A) through (G) below.	Review appropriated/available funds Review programs, operations, contracts using appropriated/available funds	Full report
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	SIGAR Oversight 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	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

Continued on the next page

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER PUB. L. NO. 110-181, § 1229			
Public Law Section	**SIGAR Enabling Language**	**SIGAR Action**	**Report 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	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	Audits
Section 1229(f)(1)(G)	The investigation of overpayments such as duplicate payments or duplicate billing 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 to ensure further investigations, prosecutions, recovery of further funds, or other remedies	Conduct and reporting of investigations as described	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	Full report
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	Full report
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, DOS, and USAID	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	Full report
Section 1229(h)(5)(B)	REPORTING OF REFUSED ASSISTANCE — Whenever information or assistance requested by the Inspector General is, in the judgment of the Inspector General, unreasonably refused or not provided, the Inspector General shall report the circumstances to the Secretary of State or the Secretary of Defense, as appropriate, and to the appropriate congressional committees without delay.	None reported	N/A

Continued on the next page

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER PUB. L. NO. 110-181, § 1229			
Public Law Section	**SIGAR Enabling Language**	**SIGAR Action**	**Report Section**
Reports			
Section 1229(i)(1)	QUARTERLY REPORTS — 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 –	Report – 30 days after the end of each calendar quarter Summarize activities of the Inspector General Detailed statement of all obligations, expenditures, and revenues	Full report Appendix B
Section 1229(i)(1)(A)	Obligations and expenditures of appropriated/donated funds	Obligations and expenditures of appropriated/donated funds	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	Project-by-project and program-by-program accounting of costs. List unexpended funds for each project or program	Funding Note 1
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	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	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	Funding Appendix B
Section 1229(i)(1)(F)	In the case of any contract, grant, agreement, or other funding mechanism described in paragraph (2)*— (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

Continued on the next page

TABLE A.1 (CONTINUED)

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER PUB. L. NO. 110-181, § 1229			
Public Law Section	**SIGAR Enabling Language**	**SIGAR Action**	**Report Section**
Section 1229(i)(3)	PUBLIC AVAILABILITY – The Inspector General shall publish on a publicly 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 at www.sigar.mil Dari and Pashto translation in process	Full report
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	Full report
Section 1229(j)(1)	Inspector General shall also submit each report required under subsection (i) to the Secretary of State and the Secretary of Defense.	Submit quarterly report	Full report

Note 1: Although this data is normally made available on SIGAR's website (www.sigar.mil), the data SIGAR has received is in relatively raw form and is currently being reviewed, analyzed, and organized for future SIGAR use and publication.
* Covered "contracts, grants, agreements, and funding mechanisms" are defined in paragraph (2) of Section 1229(i) of Pub. 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."

TABLE A.2

CROSS-REFERENCE TO SIGAR QUARTERLY REPORTING REQUIREMENTS UNDER PUB. L. NO. 115-91, §1521			
Public Law Section	**NDAA Language**	**SIGAR Action**	**Report Section**
Section 1521(e)(1)	(1) QUALITY STANDARDS FOR IG PRODUCTS.—Except as provided in paragraph (3), each product published or issued by an Inspector General relating to the oversight of programs and activities funded under the Afghanistan Security Forces Fund shall be prepared— (A) in accordance with the Generally Accepted Government Auditing Standards/Government Auditing Standards (GAGAS/GAS), as issued and updated by the Government Accountability Office; or (B) if not prepared in accordance with the standards referred to in subparagraph (A), in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency (commonly referred to as the "CIGIE Blue Book").	Prepare quarterly report in accordance with the Quality Standards for Inspection and Evaluation, issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE), commonly referred to as the "CIGIE Blue Book," for activities funded under the Afghanistan Security Forces Fund.	Section 1 Reconstruction Update Funding
Section 1521(e)(2)	(2) SPECIFICATION OF QUALITY STANDARDS FOLLOWED.—Each product published or issued by an Inspector General relating to the oversight of programs and activities funded under the Afghanistan Security Forces Fund shall cite within such product the quality standards followed in conducting and reporting the work concerned.	Cite within the quarterly report the quality standards followed in conducting and reporting the work concerned. The required quality standards are quality control, planning, data collection and analysis, evidence, records maintenance, reporting, and follow-up.	Inside front cover Appendix A

APPENDIX B

U.S. FUNDS FOR AFGHANISTAN RECONSTRUCTION

Table B.1 lists funds appropriated for Afghanistan reconstruction by agency and fund per year, and Table B.2 lists funds appropriated for counternarcotics initiatives, as of September 30, 2018.

TABLE B.2

COUNTERNARCOTICS ($ MILLIONS)

Fund	Cumulative Since FY 2002
ASFF	$1,311.92
DOD CN	3,254.00
ESF	1,444.84
DA	77.72
INCLE	2,325.87
DEA[a]	463.65
Total	**$8,878.00**

Table B.2 Note: Numbers have been rounded. Counternarcotics funds cross-cut both the Security and Governance & Development spending categories; these funds are also captured in those categories in Table B.1. Figures represent cumulative amounts committed to counternarcotics initiatives in Afghanistan since 2002. Intitatives include eradication, interdiction, support to Afghanistan's Special Mission Wing (SMW), counternarcotics-related capacity building, and alternative agricultural development efforts. ESF, DA, and INCLE figures show the cumulative amounts committed for counternarcotics intiatives from those funds. SIGAR excluded ASFF funding for the SMW after FY 2013 from this analysis due to the decreasing number of counterternarcotics missions conducted by the SMW.

[a] DEA receives funding from State's Diplomatic & Consular Programs account in addition to DEA's direct line appropriation listed in Appendix B.

Table B.2 Source: SIGAR analysis of counternarcotics funding, 10/21/2018; State, response to SIGAR data call, 10/19/2018; DOD, response to SIGAR data call, 10/8/2018 and 3/8/2016; USAID, response to SIGAR data call, 10/16/2018; DEA, response to SIGAR data call, 9/21/2018.

TABLE B.1

APPROPRIATIONS BY AGENCY AND FUND ($ MILLIONS)

Fund	Agency	Cumulative Since FY 2002	FY 2002–07
Security			
Afghanistan Security Forces Fund (ASFF)	DOD	$77,752.18	$10,309.53
Train & Equip (DOD)	DOD	440.00	440.00
Foreign Military Financing (FMF)	State	1,059.14	1,059.14
International Military Education and Training (IMET)	State	18.33	4.35
Voluntary Peacekeeping (PKO)	State	69.33	69.33
Afghanistan Freedom Support Act (AFSA)	DOD	550.00	550.00
Drug Interdiction & Counter-Drug Activities (DOD CN)	DOD	3,254.00	695.36
Total - Security		**83,142.98**	**13,127.71**
Governance & Development			
Commander's Emergency Response Program (CERP)	DOD	3,704.00	600.00
Afghanistan Infrastructure Fund (AIF)	DOD	988.50	0.00
Task Force for Business and Stability Operations (TFBSO)	DOD	822.85	0.00
Economic Support Fund (ESF)	USAID	20,382.27	4,229.19
Development Assistance (DA)	USAID	886.50	735.07
Child Survival & Health (CSH + GHAI)	USAID	555.13	270.82
Commodity Credit Corp (CCC)	USAID	34.95	8.80
USAID (other)	USAID	53.73	5.50
Non-Proliferation, Antiterrorism, Demining & Related (NADR)	State	804.54	258.69
Provincial Reconstruction Team Advisors	USDA	5.70	0.00
Treasury Technical Assistance	Treasury	4.65	3.23
International Narcotics Control & Law Enforcement (INCLE)	State	5,220.86	1,473.67
Drug Enforcement Administration (DEA)	DOJ	254.23	67.97
Total - Governance & Development		**33,717.91**	**7,652.95**
Humanitarian			
Pub. L. No. 480 Title I Program	USDA	5.00	5.00
Pub. L. No. 480 Title II Programs	USAID	1,095.68	436.65
Disaster Assistance (IDA)	USAID	821.48	298.30
Transition Initiatives (TI)	USAID	37.54	32.58
Migration & Refugee Assistance (MRA)	State	1,260.33	408.80
Emergency Refugee & Migration Assistance (ERMA)	State	25.20	25.00
Food for Progress	USDA	109.49	76.85
416(b) Food Aid	USDA	95.18	95.18
Food for Education	USDA	50.49	50.49
Emerson Trust	USDA	22.40	0.00
Total - Humanitarian		**3,522.79**	**1,428.85**
Civilian Operations			
Oversight		536.30	2.50
Other		11,148.54	879.33
Total - Civilian Operations		**11,684.84**	**881.83**
Total Funding		**$132,068.52**	**$23,091.35**

Table B.1 Note: Numbers have been rounded. DOD reprogrammed $1 billion from FY 2011 ASFF, $1 billion from FY 2012 ASFF, and $178 million from FY 2013 ASFF to fund other DOD OCO requirements. DOD reprogrammed $230 million into FY 2015 ASFF. ASFF data reflects the following rescissions: $1 billion from FY 2012 in Pub. L. No. 113-6, $764.38 million from FY 2014 in Pub. L. No. 113-235, $400 million from FY 2015 in Pub. L. No. 114-113, and $150 million from FY 2016 in Pub. L. No. 115-31. DOD transferred $101 million from FY 2011 AIF, $179.5 million from FY 2013 AIF, and $55 million from FY 2014 AIF to the ESF to fund infrastructure projects implemented by USAID.

[a] FY 2018 figure reflects amount made available for obligation under continuing resolutions.

Table B.1 Source: DOD, response to SIGAR data call, 10/18/2018, 10/15/2018, 10/8/2018, 10/12/2017, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data call, 10/19/2018, 10/5/2018, 1/10/2018, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012 and 6/27/2012; Treasury, response to SIGAR data call, 6/25/2018; OMB, response to SIGAR data call, 1/31/2018, 4/16/2015, 7/14/2014, 7/19/2013 and 1/4/2013; USAID, response to SIGAR data call, 10/19/2018, 10/15/2018, 10/15/2010, 1/15/2010, and 10/9/2009; DEA, response to SIGAR data call, 9/21/2018 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts September 2018," 10/18/2018; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019[a]
2,750.00	5,606.94	9,166.77	10,619.28	9,200.00	4,946.20	3,962.34	3,939.33	3,502.26	4,162.72	4,666.82	4,920.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1.66	1.40	1.76	1.56	1.18	1.42	1.50	1.05	0.86	0.80	0.80	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
192.81	230.06	392.27	379.83	472.99	255.81	238.96	0.00	138.76	135.61	121.54	
2,944.47	**5,838.40**	**9,560.80**	**11,000.67**	**9,674.16**	**5,203.44**	**4,202.80**	**3,940.38**	**3,641.88**	**4,299.12**	**4,789.16**	**4,920.00**
488.33	550.67	1,000.00	400.00	400.00	200.00	30.00	10.00	5.00	5.00	5.00	10.00
0.00	0.00	0.00	299.00	400.00	145.50	144.00	0.00	0.00	0.00	0.00	
0.00	14.44	59.26	239.24	245.76	138.20	122.24	3.72	0.00	0.00	0.00	
1,399.51	2,077.48	3,346.00	2,168.51	1,836.76	1,802.65	907.00	831.90	633.27	650.00	500.00	
149.43	0.40	0.30	0.00	0.00	0.35	0.00	0.95	0.00	0.00	0.00	
63.04	58.73	92.30	69.91	0.00	0.25	0.01	0.06	0.00	0.00	0.00	
10.77	4.22	4.22	3.09	0.38	0.00	0.00	0.00	0.00	1.95	1.52	
21.96	2.81	3.45	6.25	7.10	1.84	0.80	0.82	2.91	0.29	0.00	
29.72	59.92	70.74	69.30	65.32	52.60	43.20	43.50	37.96	37.00	36.60	
0.00	5.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0.75	0.47	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	
307.56	493.90	589.00	400.00	357.92	593.81	225.00	250.00	210.00	160.00	160.00	
40.59	18.88	19.20	18.70	18.70	17.00	18.70	9.05	3.31	11.03	11.11	
2,511.66	**3,287.62**	**5,184.47**	**3,673.99**	**3,331.93**	**2,952.39**	**1,490.96**	**1,149.99**	**892.44**	**865.28**	**714.23**	**10.00**
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
154.73	73.01	58.13	112.55	59.20	46.15	65.97	53.73	26.65	4.69	4.22	
16.84	27.13	29.61	66.23	56.00	21.50	28.13	24.50	39.78	93.84	119.64	
0.00	0.75	0.84	1.08	0.62	0.32	0.83	0.49	0.04	0.00	0.00	
44.25	76.79	80.93	65.00	99.56	76.07	107.89	129.27	84.27	81.15	6.35	
0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
20.55	12.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
22.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
258.77	**189.97**	**169.51**	**244.85**	**215.38**	**144.04**	**202.82**	**207.99**	**150.74**	**179.68**	**130.21**	**0.00**
14.30	25.20	34.40	37.20	59.00	58.70	62.65	68.60	62.37	55.74	55.65	
435.51	1,065.86	1,761.70	905.10	1,424.75	1,272.24	852.45	909.50	795.20	782.07	64.83	
449.81	**1,091.06**	**1,796.10**	**942.30**	**1,483.75**	**1,330.94**	**915.10**	**978.10**	**857.57**	**837.80**	**120.47**	
6,164.70	**10,407.05**	**16,710.87**	**15,861.81**	**14,705.22**	**9,630.81**	**6,811.67**	**6,276.46**	**5,542.63**	**6,181.88**	**5,754.07**	**4,930.00**

APPENDIX C

SIGAR WRITTEN PRODUCTS*

SIGAR Audits

Completed Performance Audits

SIGAR completed two performance audits during this reporting period.

COMPLETED SIGAR PERFORMANCE AUDIT REPORTS AS OF SEPTEMBER 30, 2018

Report Identifier	Report Title	Date Issued
SIGAR 19-03-AR	Afghanistan National Defense and Security Forces: DOD Lacks Performance Data to Assess, Monitor, and Evaluate Advisors Assigned to the Ministries of Defense and Interior	10/2018
SIGAR 18-69-AR	Promoting Gender Equity in National Priority Programs (Promote): USAID Needs to Assess This $216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them	9/2018

New Performance Audits

SIGAR initiated two performance audits during this reporting period.

NEW SIGAR PERFORMANCE AUDITS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Initiated
SIGAR 131A	U.S. Support for the American University of Afghanistan	9/2018
SIGAR 130A	Anti-Corruption Strategy Update	8/2018

Ongoing Performance Audits

SIGAR had 10 ongoing performance audits during this reporting period.

ONGOING SIGAR PERFORMANCE AUDITS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Initiated
SIGAR 129NS	DABS Evaluation	7/2018
SIGAR 128A	U.S. Agency for International Development's Power Transmission Expansion and Connectivity Project	7/2018
SIGAR 127A	Department of Defense's Efforts to Train and Equip the Afghan National Army with ScanEagle Unmanned Aerial Vehicles	7/2018
SIGAR 126A	MOD/MOI Anti-Corruption Efforts	7/2018
SIGAR 125A	USAID Food Assistance	7/2018
SIGAR 124A	Afghan Business Taxes Assessed on U.S. Government Contractors	4/2018
SIGAR 123A	Department of State's Efforts to Support and Transition Drug Treatment Programs in Afghanistan	11/2017
SIGAR 120A	Afghan Air Force's Ability to Operate and Maintain U.S.-Provided Aircraft	3/2017
SIGAR 119A	U.S. Army Corps of Engineers' Local National Quality Assurance Program	3/2017
SIGAR 115A	U.S. Government Efforts to Increase the Supply, Quantity, and Distribution of Electric Power from the Kajaki Dam	4/2016

* As provided in its authorizing statute, SIGAR may also report on products and events occurring after September 30, 2018, up to the publication date of this report.

Completed Financial Audits

SIGAR completed eight financial audit reports during this reporting period.

COMPLETED SIGAR FINANCIAL AUDIT REPORTS AS OF SEPTEMBER 30, 2018

Report Identifier	Report Title	Date Issued
SIGAR 19-01-FA	Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Support and Security Brigade Expansion: Audit of Costs Incurred by Gilbane Federal	10/2018
SIGAR 18-75-FA	USAID's Initiative to Strengthen Local Administrations Project: Audit of Costs Incurred by ARD Inc.	9/2018
SIGAR 18-74-FA	USAID's Eastern Provinces Monitoring Under the Monitoring Support Project: Audit of Costs Incurred by the QED Group LLC	9/2018
SIGAR 18-73-FA	Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation – Phase II, Effort 2: Audit of Costs Incurred by Janus Global Operations LLC	9/2018
SIGAR 18-72-FA	Department of the Army's Afghanistan-Wide Mine, Battle Area, and Range Clearance Operation – Phase II, Effort 1: Audit of Costs Incurred by Janus Global Operations LLC	9/2018
SIGAR 18-71-FA	Department of the Air Force's Construction of the Afghan Ministry of Defense Headquarters Facility: Audit of Costs Incurred by Gilbane Federal	9/2018
SIGAR 18-68-FA	USAID's Strengthening Political Entities and Civil Society Program: Audit of Costs Incurred by the National Democratic Institute for International Affairs	9/2018
SIGAR 18-66-FA	USAID's Afghanistan Engineering Support Program: Audit of Costs Incurred by Tetra Tech EM Inc.	8/2018

New Financial Audits

SIGAR initiated five new financial audits during this reporting period.

NEW SIGAR FINANCIAL AUDITS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Initiated
SIGAR-F-163	John Snow Inc. - Contraceptive Procurement	10/3/18
SIGAR-F-162	New York University - Assessment of Learning Outcomes and Social Effects in Community-Based Education	10/3/18
SIGAR-F-161	KNCV Tuberculosis Foundation - Challenge Tuberculosis	10/3/18
SIGAR-F-160	Chemonics International Inc. - Regional Agriculture Development Program - South (RADP-South)	10/3/18
SIGAR-F-159	Da Afghanistan Breshna Sherkat (DABS) - Power Transmission Expansion and Connectivity (PTEC)	10/3/18

Ongoing Financial Audits

SIGAR had 34 financial audits in progress during this reporting period.

ONGOING SIGAR FINANCIAL AUDITS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Initiated
SIGAR-F-158	ITF Enhancing Human Security - Various Demining Projects	6/2018
SIGAR-F-157	Demining Agency for Afghanistan (DAFA) - Various Demining Projects	6/2018
SIGAR-F-156	International Rescue Committee - Supporting Livelihoods and Protection for Afghan Returnees, Internally Displaced People (IDPS) and Vulnerable Host Communities	6/2018

Continued on the next page

ONGOING SIGAR FINANCIAL AUDITS AS OF SEPTEMBER 30, 2018 (CONTINUED)

Project Identifier	Project Title	Date Initiated
SIGAR-F-155	Stanford Law School - Bureau of International Narcotics and Law Enforcement Affairs (INL) program operations and support services in Kabul, Afghanistan.	6/2018
SIGAR-F-154	Science and Engineering Services LLC - Utility Helicopter Program Office (UHPO) UH-60A Enhanced Phase Maintenance Inspection (PMI) Program Afghanistan	6/2018
SIGAR-F-153	Leidos Innovations Corporation (previously Lockheed Martin) - Non-Standard Rotary Wing Aircraft (NSRWA) Contractor Logistics Sustainment (CLS), Afghanistan	6/2018
SIGAR-F-152	Management Sciences for Health - Strengthening Pharmaceutical Systems (SPS)	5/2018
SIGAR-F-151	Michigan State University - Grain Research and Innovation (GRAIN)	5/2018
SIGAR-F-150	Tetra Tech Inc. - Engineering Support Program	5/2018
SIGAR-F-149	AECOM International Development (AECOM) - Strengthening Watershed and Irrigation Management (SWIM)	5/2018
SIGAR-F-148	Development Alternatives Inc. - Women in the Economy (WIE)	5/2018
SIGAR-F-147	Aga Khan Foundation U.S.A. - Multi-Input Area Development Global Development Alliance (MIAD-GDA)	5/2018
SIGAR-F-146	Creative Associates International Inc. - Afghanistan Workforce Development Program (AWDP)	5/2018
SIGAR-F-145	FHI 360 - Initiative for Hygiene, Sanitation, and Nutrition (IHSAN)	5/2018
SIGAR-F-144	Development Alternatives Inc. - Assistance to Legislative Bodies of Afghanistan (ALBA)	5/2018
SIGAR-F-143	The Asia Foundation - Ministry of Women's Affairs Organizational Restructuring and Empowerment (MORE)	5/2018
SIGAR-F-142	Bridge Contract to Provide and Coordinate Operational Support for INL's Afghan Civilian Advisor Support (ACAS), Camp Gibson and Camp Falcon on the INL Strip Mall in Afghanistan	1/2018
SIGAR-F-141	International Narcotics and Law Enforcement Program's Operations and Support Services in Kabul, Afghanistan, Non-Chief of Mission	1/2018
SIGAR-F-140	Afghanistan Ministry of Interior and Afghan National Police Mentoring, Training, and Logistics Support Requirement	3/2018
SIGAR-F-139	Law Enforcement Professionals Program	3/2018
SIGAR-F-138	Afghanistan University Support and Workforce Development Program	1/2018
SIGAR-F-137	Strong Hubs for Afghan Hope and Resilience (SHAHAR)	1/2018
SIGAR-F-136	Regional Agriculture Development Program (RADP North)	1/2018
SIGAR-F-135	Strengthening Education in Afghanistan (SEA II)	1/2018
SIGAR-F-134	Women's Leadership Development (WLD)	1/2018
SIGAR-F-133	Technical Assistance to Ministry of Public Works	1/2018
SIGAR-F-132	Capacity Building and Change Management Program II (CBCMP-II)	1/2018
SIGAR-F-131	Helping Mothers and Children Thrive (HEMAYAT)	1/2018
SIGAR-F-130	Implement INL CSSP and Modernize Justice	8/2017
SIGAR-F-129	Support to Mobile Security Teams	8/2017
SIGAR-F-126	Afghanistan Trade and Revenue Project (ATAR)	8/2017
SIGAR-F-123	Sheberghan Gas Development Project	8/2017

Continued on the next page

ONGOING SIGAR FINANCIAL AUDITS AS OF SEPTEMBER 30, 2018 (CONTINUED)		
Project Identifier	**Project Title**	**Date Initiated**
SIGAR-F-122	Afghanistan Agriculture Extension Project I (AAEP-II)	8/2017
SIGAR-F-120	Sheberghan Gas Generation (SGG)	8/2017

SIGAR Inspections

Completed Inspections

SIGAR completed two inspection reports during this reporting period.

COMPLETED SIGAR INSPECTION REPORTS AS OF SEPTEMBER 30, 2018		
Product Identifier	**Report Title**	**Date Issued**
SIGAR 19-04-IP	Afghan National Police Women's Compound at the Ministry of Interior Headquarters: Construction Generally Met Requirements, but Use and Maintenance Remain Concerns	10/2018
SIGAR 18-76-IP	Marshal Fahim National Defense University: Phase I Construction Generally Met Contract Requirements, but Non-Compliant Fire Doors and Inadequate Maintenance Place Building Occupants at Risk	9/2018

Ongoing Inspections

SIGAR had 16 ongoing inspections during this reporting period.

ONGOING SIGAR INSPECTIONS AS OF SEPTEMBER 30, 2018		
Project Identifier	**Project Title**	**Date Initiated**
SIGAR-I-058	Inspection of the ANA NEI in Pul-e Khumri	10/2018
SIGAR-I-057	Inspection of the ANA TAAC Air JAF I Demo/New Structure	10/2018
SIGAR-I-056	Inspection of the Women's Compound at ANP RTC Herat	10/2018
SIGAR-I-055	Inspection of the AIF Kajaki Dam Tunnel	10/2018
SIGAR-I-054	Inspection of the Women's Compound at the Afghan National Police Regional Training Center–Jalalabad	4/2018
SIGAR-I-053	Inspection of the Ghulam Khan Road	4/2018
SIGAR-I-052	Inspection of the North East Power System Project Phase 1: Transmission Lines Between Arghandi and Pul-e Alam and Substation at Pul-e Alam	10/2017
SIGAR-I-051	Inspection of the Power Transmission Expansion and Connectivity Project Power Substations at Ghazni and Sayadabad	10/2017
SIGAR-I-050	Inspection of Construction and Utility Upgrades for the ANA Garrison at South Kabul International Airport	9/2017
SIGAR-I-048	Inspection of the Power Transmission Expansion and Connectivity Project Transmission Line Between Arghandi and Ghazni	9/2017
SIGAR-I-045b	Inspection of the Marshal Fahim National Defense University – Phase 3	2/2017
SIGAR-I-044	Inspection of the Zarang Border Crossing Point	2/2017
SIGAR-I-043	Inspection of the Kang Border Patrol Company Headquarters	2/2017
SIGAR-I-042	Inspection of the Wardak Prison	2/2017
SIGAR-I-034	Inspection of Construction for the Afghan National Army's Ground Forces Command, Garrison Support Unit, and Army Support Command	8/2015
SIGAR-I-033a	Inspection of Afghan National Army Camp Commando – Phase III	7/2015

SIGAR Special Projects

Completed Special Projects Reports

SIGAR completed three special projects reports during this reporting period.

COMPLETED SIGAR SPECIAL PROJECTS REPORTS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Issued
SIGAR 19-02-SP	State Department's Good Performers Initiative: Status of Six Completed Projects in Takhar Province	10/2018
SIGAR 18-70-SP	Bridges in Baghlan Province, Afghanistan: Six of Eight Bridges Constructed or Rehabilitated by DOD Remain in Generally Good, Usable Condition; Two Appeared to Have Structural Issues Needing Attention	9/2018
SIGAR 18-67-SP	Schools in Parwan Province, Afghanistan: Observations from Site Visits at 14 Schools	8/2018

SIGAR Lessons Learned Program

Ongoing Lessons Learned Projects

SIGAR has four ongoing lessons-learned projects this reporting period.

ONGOING SIGAR LESSONS LEARNED PROJECTS AS OF SEPTEMBER 30, 2018

Project Identifier	Project Title	Date Initiated
SIGAR LL-12	Reintegration	8/2018
SIGAR LL-11	U.S. Support for Elections	9/2018
SIGAR LL-10	Contracting	8/2018
SIGAR LL-09	U.S. and Coalition Responsibilities for Security Sector Assistance	3/2018

APPENDIX D

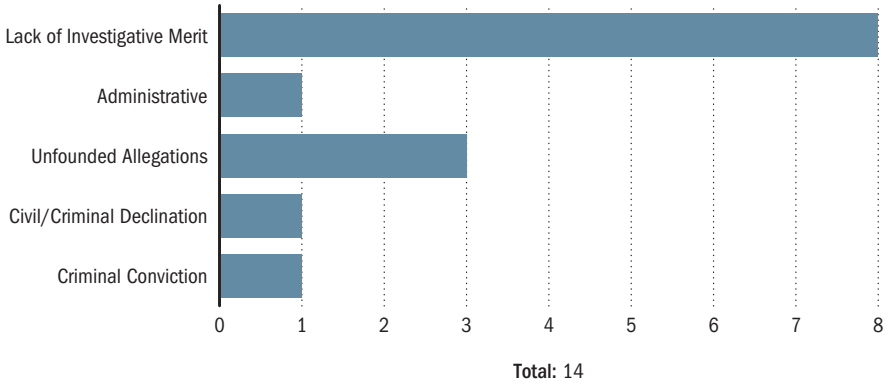
SIGAR INVESTIGATIONS AND HOTLINE

SIGAR Investigations

This quarter, SIGAR opened 11 new investigations and closed 14, bringing the total number of ongoing investigations to 177. Of the closed investigations, most were closed due to lack of investigative merit or unfounded allegations, as shown in Figure D.1. Of the new investigations, most were related to theft, or procurement or contract fraud, as shown in Figure D.2.

FIGURE D.1

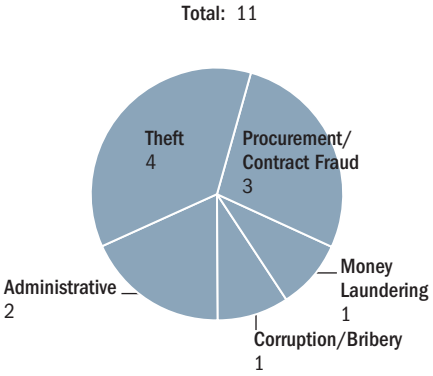
SIGAR'S CLOSED INVESTIGATIONS, JULY 1–SEPTEMBER 30, 2018



Source: SIGAR Investigations Directorate, 10/5/2018.

FIGURE D.2

SIGAR NEW INVESTIGATIONS, JULY 1–SEPTEMBER 30, 2018



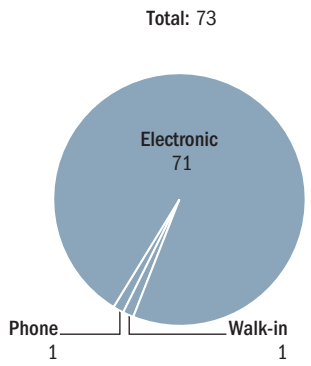
Source: SIGAR Investigations Directorate, 10/5/2018.

SIGAR Hotline

The SIGAR Hotline received 73 complaints this quarter, as shown in Figure D.3. In addition to working on new complaints, the Investigations Directorate continued its work this quarter on complaints received prior to July 1, 2018. This quarter, the directorate processed 171 complaints, most of which are under review or were closed, as shown in Figure D.4.

FIGURE D.3

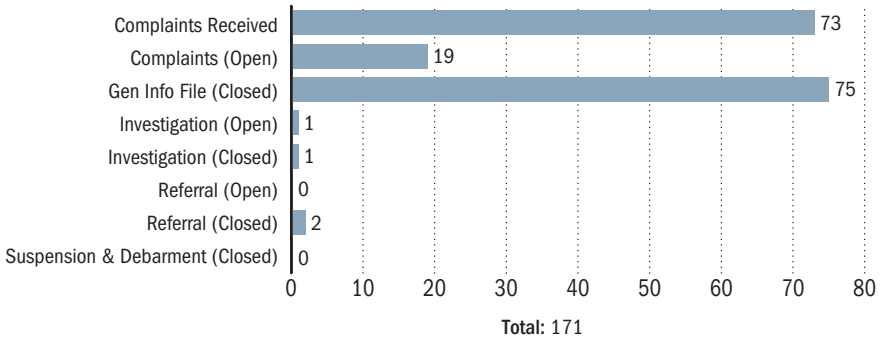
SOURCE OF SIGAR HOTLINE COMPLAINTS, JULY 1–SEPTEMBER 30, 2018



Source: SIGAR Investigations Directorate, 10/4/18.

FIGURE D.4

STATUS OF SIGAR HOTLINE COMPLAINTS: JULY 1–SEPTEMBER 30, 2018



Source: SIGAR Investigations Directorate, 10/4/2018.

SIGAR SUSPENSIONS AND DEBARMENTS

Table D.1 is a comprehensive list of finalized suspensions, debarments, and special entity designations relating to SIGAR's work in Afghanistan as of September 30, 2018. *SIGAR lists its suspensions, debarments and special entity designations for historical purposes only*. For the current status of any individual or entity listed herein as previously suspended, debarred or listed as a special entity designation, please consult the System for Award Management, www.sam.gov.

Entries with an asterisk indicate that the individual or entity was subject to two final agency actions by an agency suspension and debarment official, resulting in a suspension followed by final debarment following the resolution of a criminal indictment or determination of non-responsibility by agency suspension and debarment official. Final debarment was imposed following criminal conviction in U.S. Federal District Court and/or final determination by agency suspension and debarment official regarding term of debarment.

TABLE D.1

SPECIAL ENTITY DESIGNATIONS, SUSPENSIONS, AND DEBARMENTS AS OF SEPTEMBER 30, 2018

Special Entity Designations

Arvin Kam Construction Company	Noh-E Safi Mining Company	Saadat, Vakil
Arvin Kam Group LLC d.b.a. "Arvin Kam Group Security," d.b.a. "Arvin Kam Group Foundation," d.b.a. "Arvin Global Logistics Services Company"	Noor Rahman Company	Triangle Technologies
Ayub, Mohammad	Noor Rahman Construction Company	Wasim, Abdul Wakil
Fruzi, Haji Khalil	Nur Rahman Group, d.b.a. "NUCCL Construction Company," d.b.a. "RUCCL Rahman Umar Construction Company," d.b.a. "Rahman Trading and General Logistics Company LLC"	Zaland, Yousef
Muhammad, Haji Amir	Rahman, Nur, a.k.a. "Noor Rahman, a.k.a. "Noor Rahman Safa"	Zurmat Construction Company
Haji Dhost Mohammad Zurmat Construction Company	Rhaman, Mohammad	Zurmat Foundation
Jan, Nurullah		Zurmat General Trading
Khan, Haji Mohammad Almas		Zurmat Group of Companies, d.b.a. "Zurmat LLC"
		Zurmat Material Testing Laboratory

Suspensions

Al-Watan Construction Company	Elham, Yaser, a.k.a. "Najibullah Saadullah"	Autry, Cleo Brian
Basirat Construction Firm	Everest Faizy Logistics Services	Chamberlain, William Todd
Naqibullah, Nadeem	Faizy Elham Brothers Ltd.	Cook, Jeffrey Arthur
Rahman, Obaidur	Faizy, Rohullah	Harper, Deric Tyron
Robinson, Franz Martin	Hekmat Shadman General Trading LLC	Walls, Barry Lee, Jr.
Aaria Middle East	Hekmat Shadman Ltd., d.b.a. "Hikmat Shadman, Ltd."	International Contracting and Development
Aaria Middle East Company LLC	Hikmat Shadman Construction and Supply Company	Sobh, Adeeb Nagib, a.k.a. "Ali Sobh"
Aftech International	Hikmat Shadman Logistics Services Company, d.b.a. "Hikmat Shadman Commerce Construction and Supply Company," d.b.a. "Hikmat Shadman Commerce Construction Services"	Stallion Construction and Engineering Group
Aftech International Pvt. Ltd.	Saif Hikmat Construction Logistic Services and Supply Co.	Wazne Group Inc., d.b.a. "Wazne Wholesale"
Albahar Logistics	Shadman, Hikmatullah, a.k.a. "Hikmat Shadman," a.k.a. "Haji Hikmatullah Shadman," a.k.a. "Hikmatullah Saadulah"	Wazne, Ayman, a.k.a. "Ayman Ibrahim Wazne"
American Aaria Company LLC		Green, George E.
American Aaria LLC		Tran, Anthony Don
Sharpway Logistics		Vergez, Norbert Eugene
United States California Logistics Company		Bunch, Donald P.
Brothers, Richard S.		Kline, David A.
Rivera-Medina, Franklin Delano		

Debarments

Farooqi, Hashmatullah	McCabe, Elton Maurice	Atal, Waheed
Hamid Lais Construction Company	Mihalczo, John	Daud, Abdulilah
Hamid Lais Group	Qasimi, Mohammed Indress	Dehati, Abdul Majid
Lodin, Rohullah Farooqi	Radhi, Mohammad Khalid	Fazli, Qais
Bennett & Fouch Associates LLC	Safi, Fazal Ahmed	Hamdard, Mohammad Yousuf
Brandon, Gary	Shin Gul Shaheen, a.k.a. "Sheen Gul Shaheen"	Kunari, Haji Pir Mohammad
K5 Global	Espinoza-Loor, Pedro Alfredo	Mushfiq, Muhammad Jaffar
Ahmad, Noor	Campbell, Neil Patrick*	Mutallib, Abdul
Noor Ahmad Yousufzai Construction Company	Navarro, Wesley	Nasrat, Sami
Ayeni, Sheryl Adenike	Hazrati, Arash	National General Construction Company
Cannon, Justin	Midfield International	Passerly, Ahmaad Saleem
Constantino, April Anne	Moore, Robert G.	Rabi, Fazal
Constantino, Dee	Noori, Noor Alam, a.k.a. "Noor Alam"	Rahman, Atta
Constantino, Ramil Palmes	Northern Reconstruction Organization	Rahman, Fazal
Crilly, Braam	Shamal Pamir Building and Road Construction Company	Roshandil, Mohammad Ajmal
Drotleff, Christopher	Wade, Desi D.	Saber, Mohammed
Fil-Tech Engineering and Construction Company	Blue Planet Logistics Services	Safi, Azizur Rahman
Handa, Sdiharth	Mahmodi, Padres	Safi, Matiullah
Jabak, Imad	Mahmodi, Shikab	Sahak, Sher Khan
Jamally, Rohullah	Saber, Mohammed	Shaheed, Murad
Khalid, Mohammad	Watson, Brian Erik	Shirzad, Daulet Khan
Khan, Daro	Abbasi, Shahpoor	Uddin, Mehrab
Mariano, April Anne Perez	Amiri, Waheedullah	Watson, Brian Erik

* Indicate that the individual or entity was subject to two final agency actions by an agency suspension and debarment official, resulting in a suspension followed by final debarment following the resolution of a criminal indictment or determination of non-responsibility by agency suspension and debarment official.

TABLE D.1 (CONTINUED)

SPECIAL ENTITY DESIGNATIONS, SUSPENSIONS, AND DEBARMENTS AS OF SEPTEMBER 30, 2018 (CONTINUED)

Debarments (continued)

Wooten, Philip Steven*	Wazir, Khan	Hightower, Jonathan
Espinoza, Mauricio*	Akbar, Ali	Khan, Noor Zali, a.k.a. "Wali Kahn Noor"
Alam, Ahmed Farzad*	Crystal Construction Company, d.b.a. "Samitullah Road Construction Company"	Saheed, a.k.a. "Mr. Saheed;" a.k.a. "Sahill;" a.k.a. "Ghazi-Rahman"
Greenlight General Trading*	Samitullah (Individual uses only one name)	Weaver, Christopher
Aaria Middle East Company LLC*	Ashna, Mohammad Ibrahim, a.k.a. "Ibrahim"	Al Kaheel Oasis Services
Aaria Middle East Company Ltd. – Herat*	Gurvinder, Singh	Al Kaheel Technical Service
Aaria M.E. General Trading LLC*	Jahan, Shah	CLC Construction Company
Aaria Middle East*	Shahim, Zakirullah a.k.a. "Zakrullah Shahim", a.k.a. "Zikrullah Shahim"	CLC Consulting LLC
Barakzai, Nangialai*	Alyas, Maiwand Ansunullah a.k.a. "Engineer Maiwand Alyas"	Complete Manpower Solutions
Formid Supply and Services*	BMCSC	Mohammed, Masiuddin, a.k.a. "Masi Mohammed"
Aaria Supply Services and Consultancy*	Maiwand Haqmal Construction and Supply Company	Rhoden, Bradley L., a.k.a. "Brad L. Rhoden"
Kabul Hackle Logistics Company*	New Riders Construction Company, d.b.a. "Riders Construction Company," d.b.a. "New Riders Construction and Services Company"	Rhoden, Lorraine Serena
Yousef, Najeebullah*	Riders Constructions, Services, Logistics and Transportation Company	Royal Super Jet General Trading LLC
Aaria Group*	Riders Group of Companies	Super Jet Construction Company
Aaria Group Construction Company*	Domineck, Lavette Kaye*	Super Jet Fuel Services
Aaria Supplies Company Ltd.*	Markwith, James*	Super Jet Group
Rahimi, Mohammad Edris*	Martinez, Rene	Super Jet Tours LLC, d.b.a. "Super Jet Travel and Holidays LLC"
All Points International Distributors Inc.*	Maroof, Abdul	Super Solutions LLC
Hercules Global Logistics*	Qara, Yousef	Abdullah, Bilal
Schroeder, Robert*	Royal Palace Construction Company	Farmer, Robert Scott
Helmand Twinkle Construction Company	Bradshaw, Christopher Chase	Mudiyanselage, Oliver
Waziri, Heward Omar	Zuhra Productions	Kelly, Albert, III
Zadran, Mohammad	Zuhra, Niazai	Ethridge, James
Afghan Mercury Construction Company, d.b.a. "Afghan Mercury Construction & Logistics Company"	Boulware, Candice a.k.a. "Candice Joy Dawkins"	Fernridge Strategic Partners
Mirzali Naseeb Construction Company	Dawkins, John	AISC LLC*
Montes, Diyana	Mesopotamia Group LLC	American International Security Corporation*
Naseeb, Mirzali	Nordloh, Geoffrey	David A. Young Construction & Renovation Inc.*
Robinson, Franz Martin	Kieffer, Jerry	Force Direct Solutions LLC*
Smith, Nancy	Johnson, Angela	Harris, Christopher*
Sultani, Abdul Anas a.k.a. "Abdul Anas"	CNH Development Company LLC	Hernando County Holdings LLC*
Faqiri, Shir	Johnson, Keith	Hide-A-Wreck LLC*
Hosmat, Haji	Military Logistic Support LLC	Panthers LLC*
Jim Black Construction Company	Eisner, John	Paper Mill Village Inc.*
Arya Ariana Aryayee Logistics, d.b.a. "AAA Logistics," d.b.a. "Somo Logistics"	Taurus Holdings LLC	Shroud Line LLC*
Garst, Donald	Brophy, Kenneth Michael*	Spada, Carol*
Mukhtar, Abdul a.k.a. "Abdul Kubar"	Abdul Haq Foundation	Welventure LLC*
Noori Mahgir Construction Company	Adajar, Adonis	World Wide Trainers LLC*
Noori, Sherin Agha	Calhoun, Josh W.	Young, David Andrew*
Long, Tonya*	Clark Logistic Services Company, d.b.a. "Clark Construction Company"	Woodruff and Company
Isranuddin, Burhanuddin	Farkas, Janos	Borcata, Raul A.*
Matun, Navidullah, a.k.a. "Javid Ahmad"	Flordeliz, Alex F.	Close, Jarred Lee*
Matun, Wahidullah	Knight, Michael T., II	Logistical Operations Worldwide*
Navid Basir Construction Company	Lozado, Gary	Taylor, Zachery Dustin*
Navid Basir JV Gagar Baba Construction Company	Mijares, Armando N., Jr.	Travis, James Edward*
NBCC & GBCC JV	Mullakhiel, Wadir Abdullahmatin	Khairfullah, Gul Agha
Noori, Navid	Rainbow Construction Company	Khalil Rahimi Construction Company
Asmatullah, Mahmood, a.k.a. "Mahmood"	Sardar, Hassan, a.k.a. "Hassan Sardar Inqilab"	Momand, Jahanzeb, a.k.a. "Engineer Jahanzeb Momand"
Khan, Gul	Shah, Mohammad Nadir, a.k.a. "Nader Shah"	Yar-Mohammad, Hazrat Nabi
Khan, Solomon Sherdad, a.k.a. "Solomon"	Tito, Regor	Walizada, Abdul Masoud, a.k.a. "Masood Walizada"
Mursalin, Ikramullah, a.k.a. "Ikramullah"	Brown, Charles Phillip	Alizai, Zarghona
Musafer, Naseem, a.k.a. "Naseem"	Sheren, Fasela, a.k.a. "Sheren Fasela"	Aman, Abdul
Ali, Esrar	Anderson, Jesse Montel	Anwari, Laila
Gul, Ghanzi	Charboneau, Stephanie, a.k.a. "Stephanie Shankel"	Anwari, Mezhgan
Luqman Engineering Construction Company, d.b.a. "Luqman Engineering"		Anwari, Rafi
Safiullah, a.k.a. "Mr. Safiullah"		Arghandiwal, Zahra, a.k.a. "Sarah Arghandiwal"
Sarfarez, a.k.a. "Mr. Sarfarez"		Azizi, Farwad, a.k.a. "Farwad Mohammad Azizi"
		Bashizada, Razia
		Coates, Kenneth

TABLE D.1 (CONTINUED)

SPECIAL ENTITY DESIGNATIONS, SUSPENSIONS, AND DEBARMENTS AS OF SEPTEMBER 30, 2018 (CONTINUED)

Debarments (continued)

Gibani, Marika
Haidari, Mahboob
Latifi, Abdul
McCammon, Christina
Mohibzada, Ahmadullah, a.k.a. "Ahmadullah Mohebzada"
Neghat, Mustafa
Qurashi, Abdul
Raouf, Ashmatullah
Shah, David
Touba, Kajim
Zahir, Khalid
Aryubi, Mohammad Raza Samim
Atlas Sahil Construction Company
Bab Al Jazeera LLC
Emar-E-Sarey Construction Company
Muhammad, Pianda
Sambros International, d.b.a. "Sambros International Ltd." d.b.a. "Sambros-UK JV"
Sambros JV Emar-E-Sarey Construction Company, d.b.a. "Sambros JV ESCC"
Antes, Bradley A.
Lakeshore Engineering & Construction Afghanistan Inc., d.b.a. "Lakeshore General Contractors Inc."
Lakeshore Engineering Services Inc.
Lakeshore Engineering Services/Toltest JV LLC
Lakeshore Toltest – Rentenbach JV LLC
Lakeshore Toltest Corporation, d.b.a. "Lakeshore Group," d.b.a. "LTC Newco d.b.a. "LTC CORP Michigan," d.b.a. "Lakeshore Toltest KK"
Lakeshore Toltest Guam LLC
Lakeshore Toltest JV LLC
Lakeshore Toltest RRCC JV LLC
Lakeshore/Walsh JV LLC
LakeshoreToltest METAG JV LLC
LTC & Metawater JV LLC
LTC Holdings Inc.
LTC Italia SRL
LTC Tower General Contractors LLC
LTCCORP Commercial LLC
LTCCORP E&C Inc.
LTCCORP Government Services - OH Inc.
LTCCORP Government Services Inc.
LTCCORP Government Services-MI Inc.
LTCCORP O&G LLC
LTCCORP Renewables LLC
LTCCORP Inc.
LTCCORP/Kaya Dijbouti LLC
LTCCORP/Kaya East Africa LLC
LTCCORP/Kaya Romania LLC
LTCCORP/Kaya Rwanda LLC
LTCORP Technology LLC
Toltest Inc., d.b.a. "Wolverine Testing and Engineering," d.b.a. "Toledo Testing Laboratory," d.b.a. "LTC," d.b.a. "LTC Corp," d.b.a. "LTC Corp Ohio," d.b.a. "LTC Ohio"
Toltest/Desbuild Germany JV LLC
Veterans Construction/Lakeshore JV LLC
Afghan Royal First Logistics, d.b.a. "Afghan Royal"
American Barriers
Arakozia Afghan Advertising
Dubai Armored Cars
Enayatullah, son of Hafizullah
Farhas, Ahmad
Inland Holdings Inc.
Intermaax, FZE
Intermaax Inc.
Karkar, Shah Wali
Sandman Security Services
Siddiqi, Atta
Specialty Bunkering
Spidle, Chris Calvin
Vulcan Amps Inc.
Worldwide Cargomasters
Aziz, Haji Abdul, a.k.a. "Abdul Aziz Shah Jan," a.k.a. "Aziz"
Castillo, Alfredo, Jr.
Abbasi, Asim
Muturi, Samuel
Mwakio, Shannel
Ahmad, Jaweed
Ahmad, Masood
A & J Total Landscapes
Aryana Green Light Support Services
Mohammad, Sardar, a.k.a. "Sardar Mohammad Barakzai"
Pittman, James C., a.k.a. "Carl Pittman"
Poaipuni, Clayton
Wiley, Patrick
Crystal Island Construction Company
Bertolini, Robert L.*
Kahn, Haroon Shams, a.k.a. "Haroon Shams"*
Shams Constructions Limited*
Shams General Services and Logistics Unlimited*
Shams Group International, d.b.a. "Shams Group International FZE"*
Shams London Academy*
Shams Production*
Shams Welfare Foundation*
Swim, Alexander*
Norris, James Edward
Afghan Columbia Constructon Company
Ahmadi, Mohammad Omid
Dashti, Jamsheed
Hamdard, Eraj
Hamidi, Mahrokh
Raising Wall Construction Company
Artemis Global Inc., d.b.a. "Artemis Global Logistics and Solutions," d.b.a. "Artemis Global Trucking LLC"
O'Brien, James Michael, a.k.a. "James Michael Wienert"
Tamerlane Global Services Inc., d.b.a. "Tamerlane Global LLC," d.b.a. "Tamerlane LLC," d.b.a. "Tamerlane Technologies LLC"
Sherzai, Akbar Ahmed*
Jean-Noel, Dimitry
Hampton, Seneca Darnell*
Dennis, Jimmy W.
Timor, Karim
Wardak, Khalid
Rahmat Siddiqi Transportation Company
Siddiqi, Rahmat
Siddiqi, Sayed Attaullah
Umbrella Insurance Limited Company
Taylor, Michael
Gardazi, Syed
Smarasinghage, Sagara
Security Assistance Group LLC
Edmondson, Jeffrey B.*
Montague, Geoffrey K.*
Ciampa, Christopher*
Lugo, Emanuel*
Bailly, Louis Matthew*
Kumar, Krishan
Marshal Afghan American Construction Company
Marshal, Sayed Abbas Shah
Masraq Engineering and Construction Company
Miakhil, Azizullah
Raj, Janak
Singh, Roop
Stratton, William G
Umeer Star Construction Company
Zahir, Mohammad Ayub
Peace Thru Business*
Pudenz, Adam Jeff Julias*
Green, Robert Warren*
Mayberry, Teresa*
Addas, James*
Advanced Ability for U-PVC*
Al Bait Al Amer*
Al Iraq Al Waed*
Al Quraishi Bureau*
Al Zakoura Company*
Al-Amir Group LLC*
Al-Noor Contracting Company*
Al-Noor Industrial Technologies Company*
California for Project Company*
Civilian Technologies Limited Company*
Industrial Techniques Engineering Electromechanically Company*
Pena, Ramiro*
Pulsars Company*

TABLE D.1 (CONTINUED)

SPECIAL ENTITY DESIGNATIONS, SUSPENSIONS, AND DEBARMENTS AS OF SEPTEMBER 30, 2018 (CONTINUED)

Debarments (continued)

San Francisco for Housing Company
Sura Al Mustakbal*
Top Techno Concrete Batch*
Albright, Timothy H.*
Insurance Group of Afghanistan
Ratib, Ahmad, a.k.a. "Nazari"
Jamil, Omar K.
Rawat, Ashita
Qadery, Abdul Khalil
Casellas, Luis Ramon*
Saber, Mohammad a.k.a. "Saber," a.k.a. "Sabir"
Zahir, Shafiullah Mohammad a.k.a. "Shafiullah," a.k.a. "Shafie"
Achiever's International Ministries Inc., d.b.a. "Center for Achievement and Development LLC"
Bickersteth, Diana
Bonview Consulting Group Inc.
Fagbenro, Oyetayo Ayoola, a.k.a. "Tayo Ayoola Fagbenro"
Global Vision Consulting LLC
HUDA Development Organization
Strategic Impact Consulting, d.b.a. "Strategic Impact KarKon Afghanistan Material Testing Laboratory"
Davies, Simon
Gannon, Robert, W.
Gillam, Robert
Mondial Defence Systems Ltd.
Mondial Defense Systems USA LLC
Mondial Logistics
Khan, Adam
Khan, Amir, a.k.a. "Amir Khan Sahel"
Sharq Afghan Logistics Company, d.b.a. "East Afghan Logistics Company"
Hafizullah, Sayed; a.k.a. "Sadat Sayed Hafizullah"; a.k.a. "Sayed Hafizullah Delsooz"
Sadat Zohori Construction and Road Building Company; d.b.a. "Sadat Zohori Cons Co."
Abdullah, Son of Lal Gul
Ahmad, Aziz
Ahmad, Zubir
Aimal, Son of Masom
Ajmal, Son of Mohammad Anwar
Fareed, Son of Shir
Fayaz Afghan Logistics Services
Fayaz, Afghan, a.k.a. "Fayaz Alimi," a.k.a. "Fayaz, Son of Mohammad"
Gul, Khuja
Habibullah, Son of Ainuddin
Hamidullah, Son of Abdul Rashid
Haq, Fazal
Jahangir, Son of Abdul Qadir
Kaka, Son of Ismail
Khalil, Son of Mohammad Ajan
Khan, Mirullah
Khan, Mukamal
Khoshal, Son of Sayed Hasan
Malang, Son of Qand
Masom, Son of Asad Gul
Mateen, Abdul
Mohammad, Asghar
Mohammad, Baqi
Mohammad, Khial
Mohammad, Sayed
Mujahid, Son of Abdul Qadir
Nangiali, Son of Alem Jan
Nawid, Son of Mashoq
Noorullah, Son of Noor Mohammad
Qayoum, Abdul
Roz, Gul
Shafiq, Mohammad
Shah, Ahmad
Shah, Mohammad
Shah, Rahim
Sharif, Mohammad
Waheedullah, Son of Sardar Mohammad
Wahid, Abdul
Wais, Gul
Wali, Khair
Wali, Sayed
Wali, Taj
Yaseen, Mohammad
Yaseen, Son of Mohammad Aajan
Zakir, Mohammad
Zamir, Son of Kabir
Rogers, Sean
Slade, Justin
Morgan, Sheldon J.*
Dixon, Regionald
Emmons, Larry
Epps, Willis*
Etihad Hamidi Group; d.b.a. "Etihad Hamidi Trading, Transportation, Logistics and Construction Company"
Etihad Hamidi Logistics Company; d.b.a. "Etihad Hamidi Transportation, Logistic Company Corporation"
Hamidi, Abdul Basit; a.k.a. Basit Hamidi
Kakar, Rohani; a.k.a. "Daro Khan Rohani"
Mohammad, Abdullah Nazar
Nasir, Mohammad
Wali Eshaq Zada Logistics Company; d.b.a. "Wali Ashqa Zada Logistics Company"; d.b.a. "Nasert Nawazi Transportation Company"
Ware, Marvin*
Belgin, Andrew
Afghan Bamdad Construction Company, d.b.a. "Afghan Bamdad Development Construction Company"
Areeb of East Company for Trade & Farzam Construction Company JV
Areeb of East for Engineering and General Trading Company, Limited, d.b.a. "Areeb of East LLC"
Areeb-BDCC JV
Areebel Engineering and Logisitcs - Farzam
Areebel Engineering and Logistics
Areeb-Rixon Construction Company LLC, d.b.a. "Areeb-REC JV"
Carver, Elizabeth N.
Carver, Paul W.
RAB JV
Ullah, Izat; a.k.a. "Ezatullah"; a.k.a. "Izatullah, son of Shamsudeen"
Saboor, Baryalai Abdul; a.k.a. "Barry Gafuri"
Stratex Logistic and Support, d.b.a. "Stratex Logistics"
Jahanzeb, Mohammad Nasir
Nasrat, Zaulhaq, a.k.a. "Zia Nasrat"
Blevins, Kenneth Preston*
Banks, Michael*
Afghan Armor Vehicle Rental Company
Hamdard, Javid
McAlpine, Nebraska
Meli Afghanistan Group
Badgett, Michael J.*
Miller, Mark E.
Anderson, William Paul
Kazemi, Sayed Mustafa, a.k.a. "Said Mustafa Kazemi"
Al Mostahan Construction Company
Nazary, Nasir Ahmad
Nazanin, a.k.a. "Ms. Nazanin"
Ahmadzai, Sajid
Sajid, Amin Gul

APPENDIX E

SIGAR DATA CALL QUESTIONS THAT RECEIVED CLASSIFIED OR UNCLASSIFIED BUT NOT PUBLICLY RELEASABLE RESPONSES

Every quarter, SIGAR sends U.S. implementing agencies in Afghanistan a list of questions about their programs. This quarter, United States Forces-Afghanistan (USFOR-A) classified, or designated unclassified, but not publicly releasable, its responses to the **bolded** portions of 13 questions (the same as last quarter) from SIGAR's data call (below). As authorized by its enabling statute, SIGAR will publish a classified annex containing the classified and publicly unreleasable data.

SECURITY	
Question ID	**Question**
Oct-Sec-01	1. Please provide the following information on ANA strength as of the latest available date: **a. the most recent three ANA APPS month-end reports with "as of" dates on each.** b. please complete the attached ANA Strength spreadsheets. There are two. One for unclassified strength data **(e.g. authorized strength broken out separately from assigned strength if authorized is unclassified by itself) and one for classified. (Attachment Sec-01.xls, Sec-01a.xls)** c. total number of officers, NCOs, and enlisted personnel within the ANA. **d. monthly attrition rates for the last three months for the ANA by Corps, Division, SOF, and AAF with "as of" dates provided.** **2. Please provide an unclassified description of general ANA attrition trends over the last quarter.** 3. Please provide rounded strength figures for the ANA, AAF, and ANA and AAF civilians only if you are unable to provide any data in the unclassified Sec-01 spreadsheet. 4. Please detail any changes to the Afghan Program of Record that have been approved during the quarter, along with the estimated costs associated with acquisition, training, and sustainment.
Oct-Sec-04	On the ANDSF's performance: a. Now that the SFABs have been pushed below the Corps and Zone level, what has changed about the extent to which U.S. forces have visibility into the ANDSF units/pillars tactical and operational readiness and tactical effectiveness? **b. Please provide a recent unclassified assessment of the ANDSF elements at the Corps and Zone level as well as below if possible. The assessment can be general or anecdotal, but please cover key performance areas such as reporting, training, planning, operational readiness, and leadership.** **c. Please provide a recent, classified comprehensive assessment of the ANDSF Corps and Zones via SIPR. We will provide examples of these assessments via NIPR/SIPR.** **d. Please provide the latest "ANDSF Operational Overview" PowerPoint slides (given to us via SIPR last quarter in response to Jul-Sec-04c)**
Oct-Sec-07	Please provide the following information on women in the ANDSF: **a. How many women serve in each of the following ANDSF pillars: ANA, AAF, ANP, and ASSF (please break down ANA vs. ANP ASSF), as of the latest available date? Of that total, how many women are soldiers, NCOs, and officers?** b. How many females are cadets at the Afghan National Military Academy? How many females are in training at the Afghan Army Medical School and what skills are they being trained in? c. If any changes since last quarter, what is the current target/goal for recruiting women into the ANA and ANP overall and by category of officer, NCO, and enlisted? d. Please provide rounded figures for the total number of women serving in the ANDSF, as well as for each force element (ANA, ANP, AAF, ASSF) only if the exact amount cannot be provided in an unclassified format. e. Please provide information about how the funds specifically allocated by Congress in the 2018 NDAA (minimum $10,000,000 and goal $41,000,000) to recruit, train, and protect ANDSF women are being used.

Continued on the next page

SECURITY	
Question ID	**Question**
Oct-Sec-08	1. Please provide the following information on ANP strength as of the latest available date: **a. the most recent three ANP PERSTAT month-end reports with "as of" dates on each.** b. please complete the attached ANP Strength spreadsheets. There are two. One for unclassified strength data (**e.g. authorized strength broken out separately from assigned strength if authorized is unclassified by itself) and one for classified. (Attachment Sec-08.xls, Sec-08a.xls)** c. total number of officers, NCOs, and enlisted personnel within the ANP. **d. monthly attrition rates for the last three months for the entire ANP and by ANP component with "as of dates" included. (see example attached for how we would like the data presented)** **2. Please provide an unclassified description of general ANP attrition trends over the last quarter.** 3. Please provide rounded strength figures for the ANP, including each pillar only if you are unable to provide any data in the unclassified Sec-08 spreadsheet.
Oct-Sec-14	Please provide an update on the Afghan Local Police program, including: a. the current number of ALP members and current number of ALP members that are fully trained (include "as of" date) b. estimate of likely Fiscal Year 2018 costs to support and sustain the ALP at target strength (30,000) and capability c. retention and attrition for ALP members. **d. ALP casualty figures from the last quarter.** e. an update to the ALP reform status and district assessment findings f. What percentage of the ALP force is registered in: AHRIMS, APPS, EFT, and Mobile Money. What is currently being done to ensure ALP enrollment in these programs increases?
Oct-Sec-18	Please provide the following information on the Ministry assessment system and processes: **a. Please provide a recent, unclassified assessment of the MOD and MOI as well as the date of the assessments. Please generally characterize how the MOD and MOI are progressing toward their benchmarks for the new PMR.** **b. Please provide a copy of the most recent classified, comprehensive MOD/MOI assessments via SIPR with an 'as of' date. If there is more detailed classified information about how each ministry is progressing toward its PMR benchmarks, please provide it.**
Oct-Sec-23	Please provide information on insider attacks against Coalition Forces and ANDSF casualties, including: a. the number of insider attacks against U.S. military personnel from February 10, 2018 to the latest possible date. b. the number of U.S. military personnel wounded or killed from insider attacks from February 10, 2018 to the latest possible date. c. the number of insider attacks against ANDSF from February 10, 2018 to the latest possible date. d. the number of ANDSF personnel wounded or killed as a result of insider attacks from February 10, 2018 to the latest possible date. **e. the number of ANDSF personnel killed and wounded from February 10, 2018 to the latest possible date.** f. What is RS/USFOR-A doing to mitigate green-on-green attacks (against ANDSF personnel)? What type of training are the ANA and ANP undergoing in this regard? Is the Coalition providing TAA to NDS and other Afghan intel entities to vet ANA and ANP personnel the way they are vetted for interaction with Coalition personnel to prevent green-on-blue attacks (against Coalition personnel)?
Oct-Sec-26	Regarding USG support to the Special Mission Wing (SMW): a. Please provide a recent comprehensive unclassified update of the SMW as of the latest possible date. **b. Please identify each type of aircraft in the SMW inventory and the number of each.** **c. Please provide the number of aircraft purchased but not yet fielded.** d. Please complete the attached ANDSF spreadsheet/SMW tab, or provide the applicable data. (Sec-26 tab in "ANDSF Personnel, Equip, Funding Spreadsheet") **e. What percentage of the SMW sorties are in support of counternarcotics? of counterterrorism? or, counternexus (CN & CT)?** **f. How many aircrew members does the SMW currently have, by crew position and airframe? Please break out their level of mission qualification (e.g. Certified Mission Ready (night-vision qualified), the daytime equivalent, etc.):** **1) Mi-17 Pilots and Pilot Trainers** **2) Mi-17 Flight Engineers** **3) Mi-17 Crew Chiefs** **4) PC-12 Pilots** **5) PC-12 Mission System Operators** **g. Please provide the operational readiness rate of the SMW and what the achievement benchmarks are in this area.** **h. How many and what type of aircraft maintainers are needed for the SMW? How many of them are currently assigned / authorized? How long will it take to train these personnel to become fully mission capable?** i. Provide the cost of aircraft maintenance being paid with ASFF or money from other countries.

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SECURITY	
Question ID	**Question**
Oct-Sec-40	**a. Please provide the ANA Corps' equipment operational readiness (OR) rates.** **b Please provide the goal OR rate for each ANA corps, and the reasoning for that OR benchmark.** **c. If the OR rate is below the benchmark for some corps, please explain why for each corps and what actions are being taken to support the ANDSF to increase the OR rate.** **d. Please provide the OR rate or similar metric for the ANP by zone, including the benchmark OR rates by zone. If the rates are below benchmark, please explain why by zone.** **e. Please provide a general, unclassified assessment of equipment readiness for both the ANA and the ANP.**
Oct-Sec-55	**Please provide a copy of the most recent NATO RS Periodic Mission Review (PMR) and / or the Commander's Assessment prepared for the PMR.**
Oct-Sec-56	**Regarding the security benchmarks matrix for the Afghanistan Compact:** **1. Please provide:** **a. an unclassified description of those milestones expected to be completed over the quarter by both MOD and MOI** **b. which of those milestones were completed or not** **c. a number of total completed milestones versus the number expected to be completed over the quarter.**
Oct-Sec-61	**1. Provide a spreadsheet documenting all concluded ANDSF offensive operations conducted during the quarter (each concluded operation should be its own row). For our purposes, an operation involves (1) at least one ANA kandak or (2) a combination of units from at least two Afghan security entities (MOI, MOD, and/or NDS). For each operation, we request the following information:** **a. the district in which the operation primarily occurred (District name)** **b. the province in which the operation primarily occurred (Province name)** **c. any additional districts in which the operation occurred (District name(s))** **d. the start date of the operation (YYYY-MM-DD)** **e. the end date of the operation (YYYY-MM-DD)** **f. whether AAF A-29s or AC-208 provided direct support during the operation (Yes/No)** **g. whether AAF MD-530s, UH-60, or Mi-17 provided direct support during the operation (Yes/No)** **h. whether ANASOC MSFVs provided direct support during the operation (Yes/No)** **i. whether the operation involved ANA units (Yes/No)** **j. whether the operation involved MOI units (Yes/No)** **h. whether the operation involved NDS units (Yes/No)** **k. whether the operation involved ANASOC units (Yes/No)** **l. whether the operation involved elements from an outside MOD geographically defined command (i.e. 201, 203, 205, 207, 209, or 215 Corps or 111 Division). For example, in 2015, 215th Corps received support from the neighboring 205th and 207th Corps for their operations in northern Helmand Province. Since 205th and 207th Corps did not normally have responsibilities in Helmand Province, this instance would be coded "Yes." (Yes/No)** **m. whether the operation involved elements from an outside MOI geographically defined command (i.e. 101, 202, 303, 404, 505, 606, 707, or 808 Zones) (Yes/No)** **n. whether the operation was enabled by U.S. or Coalition air support (Yes/No)** **o. whether the operation was enabled by U.S. or Coalition ground support (Yes/No)** **p. whether any U.S. or Coalition military aircraft provided medical evacuation support (Yes/No)**

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GOVERNANCE	
Question ID	**Question**
Jul-AC-05	1. Please describe the methods and data CSTC-A uses to asses the current state of ANDSF corruption and patronage networks. a. What is CSTC-A's assessment of the current state of ANDSF corruption and patronage networks? b. Please provide the number, rank, unit, and a summary of sentencing for MOD and MOI personnel that have been tried by court martial during the reporting period for crimes related to misappropriation or corruption. 2. Please describe how CSTC-A assess the effectiveness of MOI IG and MOD IG efforts: a. (For MOI-MAG and MOD-MAG) Describe actions taken during the quarter by senior MOD and MOI officials in response to MOD IG- and MOI IG-identified issues. Do senior MOD and MOI officials appear to b. (TAO) Describe the quality of MOD IG and MOI IG inspections reports, including the statements of assurance. 3. Please provide any minutes, handouts, slides, or additional materials provided to participants of the MOD and MOI Anti-Corruption Planning Group as well as any other anti-corruption forums/meetings in which CSTC-A EF2 participates. The MOD and MOI Anti-Corruption Planning Groups were defined in the 1395 MOD and MOI commitment letters as being included in the MOD and MOI Anti-Corruption Plans. If these forums do not exist, but another forum exists that carries out a similar function, please provide the requested materials that relate to the alternative forums. **4. Please provide copies of any MOI IG and MOD IG inspection or audit reports (or summaries if the reports are not available) involving U.S.-funded efforts that have been made available to CSTC-A (EF 2) this quarter. (Since these documents are Afghan government in origin, provide an Afghan government point of contact--preferably email--with whom we can consult for the public releasability of information contained in these items).** **5. Provide copies of the following items (if generated or updated during the quarter) (Since many of these documents are Afghan government in origin, provide an Afghan government point of contact--preferably email--with whom we can consult for the public releasability of information contained in these items):** **a. MOI IG and MOD IG monthly status of investigations reports** **b. MOI Transparency, Accountability, and Law Enforcement (TALE) and MOD CAC meeting agendas and outcome reports** **c. MOD and MOI Counter Corruption Policies** d. Any monitoring and evaluation data (including indicator definition, baselines, collection methodology, and progress to date) related to Objective 2.2 (Strengthen transparency and accountability to combat corruption in the MoIA and ANP) defined in the December 2017 MoIA Strategic Policy

APPENDIX F

RESOLUTE SUPPORT-DEFINED STABILITY DATA FOR AFGHANISTAN'S 407 DISTRICTS AS OF JULY 31, 2018

For more information on how Resolute Support defines district stability, see the February 2018 Addendum of the January 30, 2018 quarterly report at www.sigar.mil.

UNCLASSIFIED

Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Badakhshan	Arghanj Khwah	GIROA Influence	730.9	20,492
Badakhshan	Argo	GIROA Influence	1,054.1	110,991
Badakhshan	Baharak	Contested	323.5	36,413
Badakhshan	Darayim	GIROA Influence	560.6	75,718
Badakhshan	Darwaz-e Bala	GIROA Influence	1,335.2	27,926
Badakhshan	Darwaz-e Pa'in	GIROA Influence	1,223.8	33,696
Badakhshan	Faizabad	GIROA Influence	493.8	73,334
Badakhshan	Ishkashim	Contested	1,133.5	16,925
Badakhshan	Jurm	Insurgent Activity	1,227.0	47,141
Badakhshan	Khash	Contested	255.2	46,438
Badakhshan	Khwahan	GIROA Influence	735.3	21,415
Badakhshan	Kiran wa Munjan	Contested	5,218.8	12,245
Badakhshan	Kishim	Contested	769.8	102,022
Badakhshan	Kohistan	GIROA Influence	492.2	20,597
Badakhshan	Kuf Ab	GIROA Influence	1,418.3	28,214
Badakhshan	Raghistan	Contested	1,297.3	49,750
Badakhshan	Shahr-e Buzurg	GIROA Influence	977.1	65,393
Badakhshan	Shighnan	GIROA Influence	3,529.4	35,084
Badakhshan	Shiki	Contested	620.0	31,670
Badakhshan	Shuhada	Contested	1,557.6	43,300
Badakhshan	Tagab	Contested	1,399.9	35,260
Badakhshan	Tashkan	GIROA Influence	843.0	36,945
Badakhshan	Wakhan	GIROA Influence	10,946.0	19,402
Badakhshan	Warduj	High Insurgent Activity	886.8	27,332
Badakhshan	Yaftal-e Sufla	GIROA Influence	602.9	66,118
Badakhshan	Yamgan	High Insurgent Activity	1,761.0	31,831
Badakhshan	Yawan	GIROA Influence	441.5	40,294
Badakhshan	Zaybak	Contested	1,620.5	10,014
Badghis	Ab-e Kamari	GIROA Influence	1,804.5	91,537
Badghis	Ghormach	Insurgent Activity	1,952.2	67,762

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UNCLASSIFIED

Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Badghis	Jawand	GIROA Influence	7,130.5	99,794
Badghis	Muqur	Contested	1,258.5	33,260
Badghis	Murghab	Contested	4,455.9	120,964
Badghis	Qadis	Contested	3,451.0	116,589
Badghis	Qal'ah-ye Now	GIROA Control	656.8	77,919
Baghlan	Andarab	GIROA Influence	1,019.9	33,013
Baghlan	Baghlan-e Jadid	Contested	2,596.4	217,377
Baghlan	Burkah	Contested	835.7	65,778
Baghlan	Dahanah-ye Ghori	High Insurgent Activity	1,453.4	73,690
Baghlan	Deh-e Salah	Contested	453.2	38,395
Baghlan	Doshi	Contested	1,942.5	88,384
Baghlan	Firing wa Gharu	Contested	240.5	20,731
Baghlan	Gozargah-e Nur	Contested	417.2	12,664
Baghlan	Khinjan	Contested	1,016.6	33,771
Baghlan	Khost wa Firing	Contested	1,890.1	79,035
Baghlan	Khwajah Hijran	Contested	653.2	30,106
Baghlan	Nahrin	Contested	983.8	87,001
Baghlan	Pul-e Hisar	Contested	888.6	35,112
Baghlan	Pul-e Khumri	Contested	532.6	266,998
Baghlan	Talah wa Barfak	Contested	2,879.5	38,456
Balkh	Balkh	GIROA Control	540.6	152,743
Balkh	Chahar Bolak	Contested	515.7	101,866
Balkh	Chahar Kent	GIROA Control	1,076.4	54,531
Balkh	Chimtal	Contested	1,809.5	116,238
Balkh	Dehdadi	GIROA Control	258.7	83,940
Balkh	Dowlatabad	GIROA Control	1,643.0	130,488
Balkh	Kaldar	GIROA Control	831.1	14,088
Balkh	Khulm	GIROA Control	3,009.4	89,532
Balkh	Kishindeh	GIROA Control	1,181.7	60,419
Balkh	Marmul	GIROA Control	560.9	14,086
Balkh	Mazar-e Sharif	GIROA Control	28.1	458,987
Balkh	Nahr-e Shahi	GIROA Control	1,144.6	97,873
Balkh	Shahrak-e Hairatan	GIROA Control	82.1	10,646
Balkh	Sholgarah	GIROA Control	1,790.8	144,102
Balkh	Shor Tepah	GIROA Control	1,457.9	49,394
Balkh	Zari	GIROA Control	833.5	54,115
Bamyan	Bamyan	GIROA Control	1,797.3	101,519
Bamyan	Kahmard	GIROA Control	1,407.3	45,291
Bamyan	Panjab	GIROA Control	1,888.7	85,939
Bamyan	Sayghan	GIROA Control	1,732.1	30,258
Bamyan	Shaybar	GIROA Control	1,298.4	36,712

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UNCLASSIFIED

Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Bamyan	Waras	GIROA Control	2,975.8	136,654
Bamyan	Yakawlang	GIROA Control	6,778.6	112,870
Daykundi	Gayti	GIROA Control	1,461.6	43,803
Daykundi	Gizab	GIROA Control	3,672.2	83,470
Daykundi	Ishtarlay	GIROA Control	1,349.8	60,117
Daykundi	Kajran	GIROA Control	1,840.2	43,004
Daykundi	Khedir	GIROA Control	1,551.0	56,032
Daykundi	Mir Amor	GIROA Control	2,382.8	77,982
Daykundi	Nili	GIROA Control	549.2	51,027
Daykundi	Sang-e Takht	GIROA Control	1,923.1	63,336
Daykundi	Shahristan	GIROA Control	1,954.1	82,880
Farah	Anar Darah	GIROA Influence	10,618.7	34,876
Farah	Bakwah	Contested	2,435.7	44,327
Farah	Bala Boluk	Contested	5,531.6	89,478
Farah	Farah	GIROA Influence	3,443.8	142,134
Farah	Gulistan	Contested	7,051.6	54,002
Farah	Khak-e Safed	Contested	1,842.0	37,477
Farah	Lash-e Juwayn	GIROA Control	5,422.2	35,022
Farah	Pur Chaman	Contested	6,441.2	65,649
Farah	Pusht-e Rod	Contested	433.3	51,271
Farah	Qal'ah-ye Kah	GIROA Influence	3,549.7	38,539
Farah	Shayb Koh	GIROA Control	2,794.1	27,777
Faryab	Almar	Insurgent Activity	1,589.2	91,080
Faryab	Andkhoy	GIROA Influence	376.8	49,754
Faryab	Bal Chiragh	Contested	1,126.4	62,592
Faryab	Dowlatabad	Contested	2,728.7	61,554
Faryab	Gurziwan	Insurgent Activity	1,868.3	94,558
Faryab	Khan-e Chahar Bagh	GIROA Influence	942.3	28,408
Faryab	Khwajah Sabz Posh	Contested	556.5	68,113
Faryab	Kohistan	Insurgent Activity	2,308.8	68,924
Faryab	Maimanah	GIROA Influence	147.5	105,495
Faryab	Pashtun Kot	Contested	2,689.4	229,639
Faryab	Qaisar	Insurgent Activity	2,545.0	179,682
Faryab	Qaram Qol	GIROA Influence	1,068.9	21,522
Faryab	Qurghan	GIROA Influence	811.3	63,624
Faryab	Shirin Tagab	Contested	1,961.4	101,530
Ghazni	Ab Band	GIROA Influence	1,005.4	34,496
Ghazni	Ajristan	Contested	1,602.1	37,127
Ghazni	Andar	Contested	708.7	156,449
Ghazni	Bahram-e Shahid (Jaghatu)	GIROA Influence	653.8	45,049
Ghazni	Deh Yak	GIROA Influence	723.6	61,282

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UNCLASSIFIED

Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Ghazni	Gelan	Contested	1,110.8	72,312
Ghazni	Ghazni	GIROA Influence	359.6	203,282
Ghazni	Giro	GIROA Influence	885.1	45,977
Ghazni	Jaghuri	GIROA Influence	2,092.7	213,819
Ghazni	Khwajah 'Omari	Contested	209.1	23,865
Ghazni	Malistan	GIROA Influence	1,780.2	102,279
Ghazni	Muqer	GIROA Influence	866.4	62,853
Ghazni	Nawah	Insurgent Activity	1,665.6	37,200
Ghazni	Nawur	GIROA Influence	5,219.1	118,818
Ghazni	Qarah Bagh	Contested	1,646.4	185,049
Ghazni	Rashidan	GIROA Influence	387.9	22,441
Ghazni	Waghaz	Contested	391.7	46,844
Ghazni	Wali Muhammad Shahid Khugyani	GIROA Influence	140.8	22,296
Ghazni	Zanakhan	Contested	301.7	15,824
Ghor	Chaghcharan	GIROA Influence	7,715.7	169,835
Ghor	Chahar Sadah	Contested	1,296.8	32,450
Ghor	Do Lainah	GIROA Influence	4,597.1	45,123
Ghor	Dowlatyar	GIROA Influence	1,701.1	43,073
Ghor	La'l wa Sar Jangal	GIROA Control	3,878.0	139,412
Ghor	Pasaband	GIROA Influence	4,550.1	118,507
Ghor	Saghar	GIROA Control	2,657.6	43,264
Ghor	Shahrak	GIROA Influence	4,340.7	74,517
Ghor	Taywarah	GIROA Influence	3,667.4	114,694
Ghor	Tulak	GIROA Influence	2,708.1	64,143
Helmand	Baghran	High Insurgent Activity	3,156.3	80,844
Helmand	Dishu	High Insurgent Activity	9,118.5	23,989
Helmand	Garm Ser	Insurgent Activity	16,654.6	111,611
Helmand	Kajaki	Insurgent Activity	1,957.0	90,479
Helmand	Lashkar Gah	GIROA Influence	2,000.0	136,760
Helmand	Marjah	Insurgent Activity	2,718.2	75,272
Helmand	Musa Qal'ah	High Insurgent Activity	1,719.6	74,458
Helmand	Nad 'Ali	Contested	3,168.0	71,271
Helmand	Nahr-e Saraj	Contested	1,535.8	143,591
Helmand	Nawah-ye Barakzai	GIROA Influence	625.2	121,479
Helmand	Now Zad	High Insurgent Activity	4,072.6	63,368
Helmand	Reg-e Khan Neshin	High Insurgent Activity	7,361.0	25,447
Helmand	Sangin	Insurgent Activity	516.8	73,926

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Helmand	Washer	Contested	4,617.2	19,657
Herat	Adraskan	GIROA Influence	9,979.0	67,627
Herat	Chisht-e Sharif	GIROA Influence	2,506.4	29,463
Herat	Farsi	GIROA Influence	2,040.2	38,391
Herat	Ghorian	GIROA Influence	7,328.1	111,316
Herat	Gulran	GIROA Influence	6,099.6	118,089
Herat	Guzarah	GIROA Control	2,656.9	181,985
Herat	Herat	GIROA Control	83.3	507,284
Herat	Injil	GIROA Control	1,392.6	389,267
Herat	Karukh	GIROA Control	1,994.5	82,446
Herat	Kohsan	GIROA Control	2,234.7	67,707
Herat	Kushk	GIROA Influence	2,885.3	155,666
Herat	Kushk-e Kuhnah	GIROA Influence	1,660.8	56,876
Herat	Obeh	GIROA Influence	2,623.4	94,805
Herat	Pashtun Zarghun	GIROA Influence	1,898.0	125,058
Herat	Shindand	Insurgent Activity	6,995.8	225,454
Herat	Zindah Jan	GIROA Control	2,524.7	74,827
Jowzjan	Aqchah	GIROA Influence	155.7	96,004
Jowzjan	Darzab	Insurgent Activity	478.4	61,471
Jowzjan	Faizabad	Contested	1,180.6	51,171
Jowzjan	Khamyab	GIROA Influence	869.8	17,002
Jowzjan	Khanaqa	GIROA Influence	488.0	30,117
Jowzjan	Khwajah Do Koh	GIROA Influence	2,076.9	32,809
Jowzjan	Mardian	GIROA Influence	707.3	47,475
Jowzjan	Mingajik	GIROA Influence	882.1	53,406
Jowzjan	Qarqin	GIROA Influence	1,234.6	31,213
Jowzjan	Qush Tepah	Insurgent Activity	881.4	30,444
Jowzjan	Shibirghan	GIROA Influence	2,165.2	205,075
Kabul	Bagrami	GIROA Control	279.5	77,652
Kabul	Chahar Asyab	GIROA Influence	257.4	47,078
Kabul	Deh-e Sabz	GIROA Influence	461.5	63,317
Kabul	Farzah	GIROA Control	89.6	30,074
Kabul	Gul Darah	GIROA Control	75.7	26,670
Kabul	Istalif	GIROA Control	109.4	38,810
Kabul	Kabul	GIROA Control	349.9	4,592,173
Kabul	Kalakan	GIROA Control	74.9	43,220
Kabul	Khak-e Jabar	GIROA Influence	584.7	18,139
Kabul	Mir Bachah Kot	GIROA Control	65.8	62,461
Kabul	Musahi	GIROA Influence	110.4	29,089
Kabul	Paghman	GIROA Influence	361.2	156,639
Kabul	Qarah Bagh	GIROA Influence	208.6	91,409

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Kabul	Sarobi	GIROA Influence	1,309.1	70,235
Kabul	Shakar Darah	GIROA Control	317.6	105,686
Kandahar	Arghandab	GIROA Control	547.2	60,187
Kandahar	Arghistan	GIROA Influence	3,899.4	43,493
Kandahar	Daman	GIROA Control	4,109.4	40,979
Kandahar	Dand	GIROA Control	289.0	241,354
Kandahar	Ghorak	Insurgent Activity	1,485.7	12,174
Kandahar	Kandahar	GIROA Control	482.0	492,757
Kandahar	Khakrez	Insurgent Activity	1,647.5	28,520
Kandahar	Maiwand	Insurgent Activity	2,852.1	73,291
Kandahar	Ma'ruf	Insurgent Activity	3,184.6	40,952
Kandahar	Mya Neshin	Insurgent Activity	894.6	18,651
Kandahar	Nesh	Contested	1,281.0	17,702
Kandahar	Panjwa'i	GIROA Control	5,962.1	109,824
Kandahar	Registan	GIROA Influence	13,562.3	8,547
Kandahar	Shah Wali Kot	Contested	3,279.4	55,032
Kandahar	Shorabak	GIROA Influence	4,173.7	17,105
Kandahar	Spin Boldak	GIROA Control	5,688.1	142,728
Kandahar	Zharey	GIROA Influence	673.9	108,997
Kapisa	Alah Say	Contested	302.5	48,021
Kapisa	Hisah-e Awal-e Kohistan	GIROA Influence	88.0	84,120
Kapisa	Hisah-e Dowum-e Kohistan	GIROA Influence	53.0	56,842
Kapisa	Koh Band	GIROA Control	150.1	28,839
Kapisa	Mahmud-e Raqi	GIROA Influence	184.4	92,443
Kapisa	Nejrab	GIROA Influence	581.3	130,625
Kapisa	Tagab	Contested	522.2	99,161
Khost	Bak	GIROA Influence	170.5	27,925
Khost	Gurbuz	Contested	358.5	35,033
Khost	Jaji Maidan	GIROA Influence	328.2	29,902
Khost	Khost	GIROA Influence	491.2	175,829
Khost	Manduzai	GIROA Influence	114.4	68,017
Khost	Musa Khel	Contested	426.7	50,003
Khost	Nadir Shah Kot	Contested	333.6	41,578
Khost	Qalandar	GIROA Influence	157.0	12,285
Khost	Sabari	Contested	413.5	88,747
Khost	Shamul	GIROA Influence	171.6	18,452
Khost	Sperah	Contested	491.7	29,056
Khost	Tanai	GIROA Influence	428.7	71,664
Khost	Terayzai	Contested	397.4	55,658
Kunar	Asadabad	GIROA Control	84.7	42,155

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Kunar	Bar Kunar	GIROA Influence	168.8	25,262
Kunar	Chapah Darah	Contested	600.4	39,792
Kunar	Dangam	Contested	203.2	22,584
Kunar	Darah-ye Pech	Contested	549.3	67,116
Kunar	Ghaziabad	GIROA Influence	561.1	23,773
Kunar	Khas Kunar	GIROA Influence	365.2	44,139
Kunar	Marawarah	Contested	147.2	25,251
Kunar	Narang	GIROA Influence	189.3	36,668
Kunar	Nari	GIROA Influence	537.1	34,076
Kunar	Nurgal	GIROA Influence	307.9	38,956
Kunar	Sar Kani	GIROA Influence	198.3	34,213
Kunar	Shigal wa Sheltan	Contested	439.1	37,218
Kunar	Tsowkey	Contested	245.2	45,679
Kunar	Watahpur	Contested	252.4	34,587
Kunduz	Aliabad	Contested	416.2	61,133
Kunduz	Chahar Darah	Insurgent Activity	1,213.8	91,207
Kunduz	Dasht-e Archi	Insurgent Activity	861.3	103,049
Kunduz	Imam Sahib	Insurgent Activity	1,598.9	293,481
Kunduz	Khanabad	Insurgent Activity	1,074.9	194,035
Kunduz	Kunduz	Contested	616.3	406,014
Kunduz	Qal'ah-ye Zal	Insurgent Activity	2,120.3	88,082
Laghman	Alingar	GIROA Influence	818.0	129,639
Laghman	Alisheng	GIROA Influence	670.1	89,307
Laghman	Bad Pash	Contested	288.9	8,738
Laghman	Dowlat Shah	Contested	741.9	41,568
Laghman	Mehtar Lam	GIROA Control	430.0	164,073
Laghman	Qarghah'i	GIROA Influence	886.6	119,369
Logar	Azrah	GIROA Influence	760.7	25,367
Logar	Baraki Barak	Contested	272.9	109,638
Logar	Charkh	Contested	286.3	55,409
Logar	Kharwar	Contested	467.3	32,796
Logar	Khoshi	GIROA Influence	436.3	30,289
Logar	Muhammad Aghah	Contested	1,050.3	95,555
Logar	Pul-e 'Alam	Contested	1,121.2	132,217
Nangarhar	Achin	GIROA Influence	466.6	128,557
Nangarhar	Bati Kot	GIROA Influence	152.6	96,936
Nangarhar	Behsud	GIROA Influence	311.0	123,831
Nangarhar	Chaparhar	Contested	231.2	77,068
Nangarhar	Darah-ye Nur	GIROA Influence	258.5	49,816
Nangarhar	Deh Bala	Contested	384.8	50,366
Nangarhar	Dur Baba	GIROA Influence	279.2	29,125

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Nangarhar	Goshtah	GIROA Influence	521.3	34,054
Nangarhar	Hisarak	Insurgent Activity	669.2	38,772
Nangarhar	Jalalabad	GIROA Control	23.6	274,929
Nangarhar	Kamah	GIROA Control	229.5	96,101
Nangarhar	Khugyani	Contested	675.8	164,212
Nangarhar	Kot	GIROA Influence	173.1	61,498
Nangarhar	Kuz Kunar	GIROA Influence	290.2	70,180
Nangarhar	La'lpur	Contested	463.0	23,912
Nangarhar	Mohmand Darah	GIROA Influence	259.1	61,243
Nangarhar	Naziyan	Contested	215.4	21,818
Nangarhar	Pachir wa Agam	Contested	466.9	53,125
Nangarhar	Rodat	Contested	356.4	84,921
Nangarhar	Sherzad	Insurgent Activity	466.0	82,113
Nangarhar	Shinwar	GIROA Influence	87.6	67,817
Nangarhar	Surkh Rod	GIROA Influence	384.6	174,188
Nimroz	Chahar Burjak	GIROA Influence	20,879.6	32,223
Nimroz	Chakhansur	GIROA Influence	9,877.8	29,648
Nimroz	Delaram	Contested	2,064.1	8,310
Nimroz	Kang	GIROA Influence	1,160.0	25,478
Nimroz	Khash Rod	Contested	5,782.5	31,852
Nimroz	Zaranj	GIROA Control	1,191.4	74,977
Nuristan	Barg-e Matal	GIROA Influence	1,717.3	19,327
Nuristan	Do Ab	Contested	564.2	9,471
Nuristan	Kamdesh	GIROA Influence	1,222.8	31,580
Nuristan	Mandol	Contested	2,040.6	24,876
Nuristan	Nurgaram	GIROA Influence	978.3	32,887
Nuristan	Parun	GIROA Influence	1,426.8	16,916
Nuristan	Wama	Contested	281.5	13,859
Nuristan	Waygal	Insurgent Activity	755.8	24,306
Paktika	Bermal	Contested	1,297.3	44,818
Paktika	Dilah	Contested	1,531.3	31,725
Paktika	Giyan	Contested	224.5	42,287
Paktika	Gomal	Contested	4,069.1	9,809
Paktika	Jani Khel	Contested	988.6	30,217
Paktika	Mota Khan	GIROA Influence	422.9	31,296
Paktika	Nikeh	Contested	122.0	15,574
Paktika	Omnah	Contested	461.6	15,079
Paktika	Sar Rowzah	GIROA Influence	671.7	28,634
Paktika	Sarobi	GIROA Influence	301.7	15,439
Paktika	Sharan	GIROA Control	536.9	62,800
Paktika	Terwo	Contested	1,423.0	2,678

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Paktika	Urgun	GIROA Influence	511.2	69,437
Paktika	Wazah Khwah	Contested	1,759.0	28,701
Paktika	Wur Mamay	Contested	3,183.4	4,414
Paktika	Yahya Khel	Contested	348.1	21,673
Paktika	Yosuf Khel	GIROA Influence	522.5	17,432
Paktika	Zarghun Shahr	GIROA Influence	473.6	37,218
Paktika	Ziruk	Contested	213.8	23,722
Paktiya	Ahmadabad	GIROA Influence	416.3	34,283
Paktiya	Dand Patan	Contested	205.6	32,458
Paktiya	Dzadran	GIROA Influence	503.1	44,786
Paktiya	Gardez	GIROA Influence	707.9	105,981
Paktiya	Jaji	Contested	602.5	78,903
Paktiya	Jani Khel	Contested	145.0	43,632
Paktiya	Lajah Ahmad Khel	GIROA Influence	197.5	37,049
Paktiya	Lajah Mangal	GIROA Influence	225.3	15,026
Paktiya	Mirzakah	GIROA Influence	201.6	22,020
Paktiya	Sayyid Karam	Contested	249.8	58,468
Paktiya	Shwak	GIROA Influence	107.0	6,915
Paktiya	Tsamkani	GIROA Influence	301.2	63,520
Paktiya	Zurmat	Contested	1,413.8	134,424
Panjshayr	Abshar	GIROA Control	516.4	16,394
Panjshayr	Bazarak	GIROA Control	344.6	22,285
Panjshayr	Darah	GIROA Control	195.7	15,398
Panjshayr	Khinj	GIROA Control	684.3	49,100
Panjshayr	Parian	GIROA Control	1,420.8	18,519
Panjshayr	Rukhah	GIROA Control	163.5	28,876
Panjshayr	Shutul	GIROA Control	226.1	13,704
Panjshayr	Unabah	GIROA Control	178.4	23,580
Parwan	Bagram	GIROA Control	360.3	130,678
Parwan	Charikar	GIROA Influence	267.4	227,236
Parwan	Jabal us Saraj	GIROA Influence	116.5	78,784
Parwan	Koh-e Safi	Contested	579.8	38,407
Parwan	Salang	GIROA Control	520.0	31,761
Parwan	Sayyid Khayl	Contested	45.9	56,652
Parwan	Shaykh 'Ali	GIROA Influence	920.2	31,342
Parwan	Shinwari	GIROA Influence	721.3	51,960
Parwan	Siahgird Ghorband	GIROA Influence	894.6	120,519
Parwan	Surkh-e Parsa	Contested	1,163.8	50,616
Samangan	Aibak	GIROA Influence	1,489.2	128,943
Samangan	Darah-ye Suf-e Bala	GIROA Influence	2,890.3	79,077
Samangan	Darah-ye Suf-e Pa'in	Contested	1,341.4	71,742

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Samangan	Fayroz Nakhchir	GIROA Control	1,185.3	16,617
Samangan	Hazrat-e Sultan	GIROA Influence	1,486.0	72,670
Samangan	Khuram wa Sar Bagh	GIROA Control	2,135.0	49,538
Samangan	Ruy Do Ab	GIROA Influence	2,385.4	57,068
Sar-e Pul	Balkhab	GIROA Influence	2,977.7	63,437
Sar-e Pul	Gosfandi	Contested	1,092.3	70,542
Sar-e Pul	Kohistanat	High Insurgent Activity	6,164.6	101,170
Sar-e Pul	Sangcharak	Contested	1,060.7	126,005
Sar-e Pul	Sar-e Pul	GIROA Influence	2,053.2	196,543
Sar-e Pul	Sayad	Contested	1,335.2	68,628
Sar-e Pul	Sozmah Qal'ah	Contested	583.9	64,241
Takhar	Baharak	Contested	243.3	47,249
Takhar	Bangi	Contested	603.0	45,833
Takhar	Chah Ab	Contested	759.2	98,569
Takhar	Chal	GIROA Influence	326.1	32,622
Takhar	Darqad	Insurgent Activity	366.5	33,461
Takhar	Dasht-e Qal'ah	Contested	328.8	41,659
Takhar	Farkhar	GIROA Influence	1,255.4	58,899
Takhar	Hazar Sumuch	GIROA Influence	345.7	25,019
Takhar	Ishkamish	Insurgent Activity	798.8	75,778
Takhar	Kalafgan	GIROA Influence	473.7	43,567
Takhar	Khwajah Bahawuddin	Contested	212.7	29,338
Takhar	Khwajah Ghar	Insurgent Activity	387.2	83,599
Takhar	Namak Ab	GIROA Influence	547.4	14,862
Takhar	Rustaq	GIROA Influence	1,862.4	198,752
Takhar	Taloqan	GIROA Influence	847.8	275,579
Takhar	Warsaj	GIROA Influence	2,697.9	47,444
Takhar	Yangi Qal'ah	Insurgent Activity	261.5	56,515
Uruzgan	Chinartu	Insurgent Activity	1,013.7	32,993
Uruzgan	Chorah	Insurgent Activity	2,020.2	47,551
Uruzgan	Deh Rawud	Contested	1,642.6	76,291
Uruzgan	Khas Uruzgan	Insurgent Activity	2,599.3	70,781
Uruzgan	Shahid-e Hasas	Insurgent Activity	1,858.4	74,174
Uruzgan	Tarin Kot	Contested	1,762.1	127,625
Wardak	Chak-e Wardak	Contested	1,110.5	105,641
Wardak	Daymirdad	Contested	956.4	38,655
Wardak	Hisah-e Awal-e Behsud	GIROA Influence	1,573.4	46,777
Wardak	Jaghatu	Contested	599.1	57,041
Wardak	Jalrayz	Contested	1,092.5	66,474
Wardak	Maidan Shahr	GIROA Influence	246.4	49,827

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Province	District	May 2018 Assessment	Area [km2] (Landscan)	Population (Landscan 2016)
Wardak	Markaz-e Behsud	GIROA Influence	3,344.9	148,585
Wardak	Nerkh	Contested	561.9	73,717
Wardak	Sayyidabad	Contested	1,094.8	143,266
Zabul	Arghandab	Insurgent Activity	1,507.0	41,240
Zabul	Atghar	Contested	502.2	10,986
Zabul	Daychopan	Insurgent Activity	1,640.4	49,159
Zabul	Kakar	High Insurgent Activity	1,081.7	30,837
Zabul	Mizan	Contested	1,118.4	17,234
Zabul	Now Bahar	Insurgent Activity	1,264.1	23,674
Zabul	Qalat	GIROA Control	1,836.2	44,477
Zabul	Shah Joy	Insurgent Activity	1,718.6	73,158
Zabul	Shamulzai	Contested	2,889.3	32,256
Zabul	Shinkai	Contested	2,289.2	29,227
Zabul	Tarnek wa Jaldak	Contested	1,502.7	22,192

Note: GIROA = Government of the Islamic Republic of Afghanistan

Source: RS, response to SIGAR data call, 9/19/2018.

APPENDIX G

ENEMY-INITIATED ATTACKS BY PROVINCE

This quarter, RS provided SIGAR data on enemy-initiated attacks at the provincial level. See pages 74–75 for the data in map form and a corresponding analysis. The data below covers the period of January 1–August 15, 2018.

Province	Enemy Initiated Attacks
Badakhshan	118
Baghdis	1,011
Baghlan	302
Balkh	265
Bamiyan	3
Daykundi	53
Farah	1,145
Faryab	1,176
Ghazni	956
Ghor	227
Helmand	1,086
Herat	779
Jowzjan	183
Kabul	411
Kandahar	1,004
Kapisa	162
Khost	76

Continued in the next column

Province	Enemy Initiated Attacks
Kunar	371
Kunduz	392
Laghman	244
Logar	275
Nangarhar	510
Nimroz	83
Nuristan	38
Paktika	243
Paktiya	332
Panjshir	0
Parwan	139
Samangan	31
Sar-e Pul	125
Takhar	115
Uruzgan	1,096
Wardak	379
Zabul	610
Total	**13,940**

Source: RS, response to SIGAR data call, 9/19/2018 and response to SIGAR vetting, 10/22/2018.

APPENDIX H

ABBREVIATIONS AND ACRONYMS

ACRONYM OR ABBREVIATION	DEFINITION
AABIS	Afghan Automated Biometric Identification System
AAEP	Afghanistan Agriculture Extension Project
AAF	Afghan Air Force
AAM	ANDSF Aviation Modernization Program
ABADE	Assistance in Building Afghanistan by Developing Enterprises
ABP	Afghan Border Police
ACAP	Afghan Civilian Assistance Program
ACAS	Afghanistan Court Administration System
ACE	Agricultural Credit Enhancement
ACEP	Afghan Civic Engagement Program
ACEP	Afghan Civic Engagement Program
ACJC	Anti-Corruption Justice Center
ACLED	Armed Conflict Location & Event Data Project
AD	alternative-development
ADALAT	Assistance for Development of Afghan Legal Access and Transparency
ADF	Agricultural Development Fund
AETF-A	Air and Space Expeditionary Task Force-Afghanistan
AFCEC	Air Force Civil Engineer Center
AFMIS	Afghan Financial Management Information System
AFN	afghani (currency)
AGO	Attorney General's Office
AHRIMS	Afghan Human Resource Information Management System
AIF	Afghanistan Infrastructure Fund
AITF	Afghanistan Infrastructure Trust Fund
ALBA	Assistance to Legislative Bodies of Afghanistan
ALCS	Afghanistan Living Conditions Survey
ALP	Afghan Local Police
AMANAT	Afghanistan's Measure for Accountability and Transparency
ANA	Afghan National Army
ANASOC	ANA Special Operations Command
ANATF	ANA Territorial Force
ANCOF	Afghan National Civil Order Forces
ANCOP	Afghan National Civil Order Police
ANDSF	Afghan National Defense and Security Forces

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ACRONYM OR ABBREVIATION	DEFINITION
ANMA	Afghan National Military Academy
ANP	Afghan National Police
AO	abandoned ordnance
APAPPS	Afghanistan-Pakistan Action Plan for Peace and Solidarity
APPS	Afghan Personnel Pay System
APRP	Afghan Peace and Reintegration Program
AROC	Afghan Resources Oversight Council
ARP	Afghan Red Program
ARTF	Afghanistan Reconstruction Trust Fund
ASFF	Afghanistan Security Forces Fund
ASSF	Afghan Special Security Forces
ATAR	Afghanistan Trade and Revenue Project
AUAF	American University of Afghanistan
AUP	Afghan Uniformed Police
AUW	Asian University for Women
AWDP	Afghanistan Workforce Development Program
BADILL	Boost Alternative Development Intervention through Licit Livelihoods
BAGs	Budget Activity Groups
CAT	Combat Advisor Team
CBARD	Community-Based Agricultre and Rural Development Project
CBCMP	Capacity Building and Change Management Program
CDCS	Country Development Cooperation Strategy
CERP	Commander's Emergency Response Program
CHAMP	Commercial Horticulture and Agricultural Marketing Program
CHX	chlorhexidine
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CMR	certified mission ready
CMS	Case Management System
CN	Counternarcotics
CNCE	Counter Narcotics Community Engagement
CNJC	Counter Narcotics Justice Center
CNPA	Counter Narcotics Police of Afghanistan
COIN	counterinsurgency
COMAC	Conflict Mitigation Assistance for Civilians
CoreIMS	Core Information Management System
CPD	Central Prisons Directorate
CPDS	Continuing Professional Development Support
CPI	Corruption Perceptions Index
CRIP	Community Recovery Intensification and Prioritization
CSO	civil-society organization

Continued on the next page

ACRONYM OR ABBREVIATION	DEFINITION
CSO	Central Statistics Organization
CSSP	Corrections System Support Program
CSTC-A	Combined Security Transition Command-Afghanistan
CTA	Counter-narcotics Central Transfer Account
CTF	Counterthreat-Finance
DABS	Da Afghanistan Breshna Sherkat
DCA	Development Credit Authority
DCAR	Delegated Cooperation Agreement
DCIS	Defense Criminal Investigative Service
DEA	Drug Enforcement Administration (U.S.)
DEWS Plus	Disease Early Warning System Plus
DFID	Department for International Development
DIG	Deputy Inspector General
DLA-E	Defense Logistics Agency-Energy
DOD	Department of Defense (U.S.)
DOD CN	Department of Defense Drug Interdiction and Counter-Drug Activities fund (U.S.)
DOD OIG	Department of Defense Office of Inspector General
DOJ	Department of Justice (U.S.)
ECC	Electoral Complaint Commission
ECC-A	Expeditionary Contracting Command-Afghanistan
ECF	Extended Credit Facility
EF	essential function
EFT	electronic funds-transfer
EIA	Enemy-Initiated Attacks
EPZ	export-processing zone
ERW	explosive remnants of war
ESF	Economic Support Fund
EU	European Union
EVAW	elimination of violence against women
FAP	Financial Activity Plan
FAUAF	Friends of the American Univeristy of Afghanistan
FBI	Federal Bureau of Investigation
FEWS NET	Famine Early Warning Systems Network
FL-PTWG	Family Law-Parliamentary Technical Working Group
FY	fiscal year
GAO	Government Accountability Office (U.S.)
GCPSU	General Command of Police Special Units
GDP	gross domestic product
GDPDC	General Directorate of Prisons and Detention Centers
GEC	Girls' Education Challenge Program

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ACRONYM OR ABBREVIATION	DEFINITION
GIROA	Government of the Islamic Republic of Afghanistan
GIS	Geographic Information Systems
GLE	Governor-Led Eradication
GPI	Good Performer's Initiative
GRAIN	Grain Research and Innovation
GVHR	gross violations of human rights
HEMAYAT	Helping Mothers and Children Thrive
HIG	Hezb-e Islami Gulbuddin
HOB	High Oversight Board
HPC	High Peace Council
HQ	headquarters
HRW	Human Rights Watch
HSR	Health Sector Resiliency
ICHA	International Corruption Hunters Alliance
ICRC	International Committee of the Red Cross
IDP	Internally Displaced Persons
IEC	Independent Election Commission (Afghan)
IED	improvised explosive device
IG	inspector general
IHSAN	Initiative for Hygiene, Sanitation, and Nutrition
IMF	International Monetary Fund
IMSMA	Information Management System for Mine Action
INCLE	International Narcotics Control and Law Enforcement (U.S)
INL	Bureau of International Narcotics and Law Enforcement Affairs (U.S.)
IOM	International Organization for Migration
IR	Intermediate Result
IS-K	Islamic State-Khorasan
ISLA	Initiative to Strengthen Local Administrations Program
IWA	Integrity Watch Afghanistan
JCPOA	Joint Comprehensive Plan of Action
JES	Joint Explanatory Statement
JRD	Juvenile Rehabilitation Directorate
JSCC	Joint Security Compact Committee
JSSP	Justice Sector Support Program (State)
JTTP	Justice Training Transition Program (State)
KAF	Kandahar Air Field
KBR	Kabul Bank Recievership
KFZ	Kandahar Food Zone
kg	kilograms
KIA	Killed in Action

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ACRONYM OR ABBREVIATION	DEFINITION
kWh	kilowatt-hours
LLP	Lessons Learned Program
LOTFA	Law and Order Trust Fund for Afghanistan
LTC	Lakeshore Toltest Corporation
M&E	Monitoring and Evaluation
MAIL	Ministry of Agriculture, Irrigation and Livestock (Afghan)
MCN	Ministry of Counter-Narcotics (Afghan)
MCTF	Major Crimes Task Force
MEC	Monitoring and Evaluation Committee (Afghan)
MEDEVAC	medical evacuation
MFNDU	Marshal Fahim National Defense University
MOCI	Ministry of Commerce and Industry
MOD	Ministry of Defense (Afghan)
MOE	Minister of Education (Afghan)
MOEc	Ministry of Economy (Afghan)
MOF	Ministry of Finance (Afghan)
MOHE	Ministry of Higher Education (Afghan)
MOI	Ministry of Interior (Afghan)
MOJ	Ministry of Justice (Afghan)
MOMP	Ministry of Mines and Petroleum (Afghan)
MOPH	Ministry of Public Health (Afghan)
MOU	memorandum of understanding
MOWA	Ministry of Women's Affairs
MPD	MOI and Police Development project
MRRD	Ministry of Rural Rehabilitation and Development (Afghan)
MSP	Monitoring Support Project
NATF	NATO ANA Trust Fund
NATO	North Atlantic Treaty Organization
NDAA	National Defense Authorization Act
NDAP	National Drug Action Plan
NDP	New Development Partnership
NDS	National Directorate of Security (Afghan)
NEF	National Elections forum
NEI	Northern Electrical Interconnect
NEPS	Northeast Power System
NGO	nongovernmental organization
NIMS	National Information Management System
NIU	National Interdiction Unit (Afghan)
NSA	National Security Advisor
NSIA	National Statistics and Informarion Authority

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ACRONYM OR ABBREVIATION	DEFINITION
NSOCC-A	NATO Special Operations Component Command-Afghanistan
NSP	National Solidarity Program
NSPA	NATO Support and Procurement Agency
O&M	operations and maintenance
OCHA	Office for the Coordination of Humanitarian Affairs
OCO	Overseas Contingency Operations
OECD	Organization for Economic Co-operation and Development
OFS	Operation Freedom's Sentinel
OIG	Office of the Inspector General
OPIC	Overseas Private Investment Corporation
OR	operational readiness
OTA	Office of Technical Assistance (U.S. Treasury)
PAI	Personnel Asset Inventory
PCASS	Preliminary Credibility Assessment Screening System
PDP	Provincial Development Plans
PIAT	Police Institutional Advisory Team
PM/WRA	Bureau of Political-Military Affairs' Office of Weapons Removal and Abatement (State)
POR	proof of registration
Promote	Promoting Gender Equity in National Priority Programs
PTEC	Power Transmission Expansion and Connectivity
RADP	Regional Agriculture Development Program
RC	Recurrent Cost
REA	Request for Equitable Adjustment
RM	Resource Management
RMTC	Regional Military Training Center
ROL	Rule of Law
RS	Resolute Support
SCEEA	Strengthening Civil Engagement in Elections in Afghanistan Activity
SEPS	Southeast Power System
SFAB	Security Force Assistance Brigade
SGDP	Sheberghan Gas Development Project
SGGA	Sheberghan Gas Generation Activity
SHAHAR	Strong Hubs for Afghan Hope and Resilience
SIKA	Stability in Key Areas
SIU	Sensitive Investigative Unit (Afghan)
SMAF	Self-Reliance through Mutual Accountability Framework
SME	subject-matter expert
SMW	Special Mission Wing (Afghan)
SOF	Special Operations Forces

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ACRONYM OR ABBREVIATION	DEFINITION
SPM	Support to Payroll Management
SPRA	Support for Peace and Reconciliation in Afghanistan project
State OIG	Department of State Office of the Inspector General
SWIM	Strengthening Watershed and Irrigation Management
TAA	train, advise, and assist
TAAC	train, advise, and assist command
TEFA	Transparent Election Foundation of Afghanistan
TFBSO	Task Force for Business and Stability Operations
TIU	Technical Investigative Unit
UAE	United Arab Emirates
UN	United Nations
UNAMA	UN Assistance Mission in Afghanistan
UNCAC	United Nations Convention Against Corruption
UNDP	UN Development Programme
UNMAS	UN Mine Action Service
UNODC	UN Office on Drugs and Crime
USAAA	U.S. Army Audit Agency
USACE	U.S. Army Corps of Engineers
USAID	U.S. Agency for International Development
USAID OIG	USAID Office of the Inspector General
USCID	U.S. Army Criminal Investigation Command
USFOR-A	U.S. Forces-Afghanistan
USGS	United States Geological Survey
USIP	United States Institute of Peace
USTRANSCOM	U.S. Transportation Command
USWDP	University Support and Workforce Development Program
UXO	unexploded ordnance
VFU	Veterinary Field Unit
VSO	Village Stability Operations
WIA	Wounded in Action
WIE	Women in the Economy Project
WLD	Women's Leadership Development
WPP	Women's Participation Projects
WTO	World Trade Organization

ENDNOTES

1. SIGAR calculation on data for 16 federal fiscal years. The vast majority of these funds was spent on projects with a counternarcotics focus; a portion was appropriated for programs that included a significant counternarcotics component, but were not exclusively devoted counternarcotics.
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5. UNODC, *Afghanistan Opium Survey 2003*, 10/2003, p. 6.
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22. Descriptions of panelists' remarks in this section are based on SIGAR review of the New America video of its 6/14/2018 debut event for SIGAR's LLP CN report. A link to the video is at https://www.newamerica.org/international-security/events/counternarcotics-lessons-usexperience-afghanistan/. Accessed 7/31/2018.
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24. LLP CN, p. 3, Table 1.
25. LLP CN, pp. 163-171.
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27. LLP CN, p. 53.
28. LLP CN, p. 121.
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30. LLP CN, p. 161.
31. See LLP CN, pp. 171–178, for the full discussion.
32. 22 U.S. Code § 3927 provides that "the chief of mission to a foreign country . . . shall have full responsibility for the direction, coordination, and supervision of all Government executive branch employees in that country (except for Voice of America correspondents on official assignment and employees under the command of a United States area military commander)." The State Department's *Foreign Affairs Manual* adds an exception for "Executive branch employees on official detail to an international organization" (2 FAH-2 H-112.1, b(2).)
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An Afghan girl nestles against her mother at the Azakhel Voluntary Repatriation Center in the Nowshera District of Pakistan. (AFP photo by Abdul Majeed)

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