

Office of the Special Inspector General for Afghanistan Reconstruction

December 5, 2013

The Honorable Charles T. Hagel Secretary of Defense

General Lloyd J. Austin III Commander, U.S. Central Command

General Joseph F. Dunford, Jr. Commander, U.S. Forces–Afghanistan and Commander, International Security Assistance Force

This letter is to inform you that the Special Inspector General for Afghanistan Reconstruction (SIGAR) Office of Special Projects is starting a review of the terminated G222 (C-27A) aircraft program.¹

In 2008, the Department of Defense (DOD) initiated a program to provide 20 G222s to the Afghan Air Force (AAF). The G222s are twin propeller military transport aircraft built in Italy. In January 2013, the DOD Inspector General (DODIG) reported that the G222 Project Management Office (PMO) and the North Atlantic Treaty Organization (NATO) Training Mission– Afghanistan/Combined Security Transition Command – Afghanistan (NTM-A/CSTC-A) did not properly manage the effort to obtain the spare parts needed to keep the aircraft flightworthy.²

Despite spending at least \$486.1 million in acquisition and sustainment costs on the program, DODIG reported that the aircraft flew only 234 of the 4,500 required hours from January through September 2012. The DODIG also concluded that an additional \$200 million in Afghanistan Security Forces Funds might have to be spent on spare parts for the aircraft to meet operational requirements, noting that several critical spare parts for the aircraft were unavailable.

In December 2012, the Program Executive Office (PEO) for Air Force Mobility Programs at the Air Force Life Cycle Management Center notified the contractor that it would not issue a follow-on sustainment contract. As a result, the mission capability rates and flying hours of the aircraft were negatively impacted. In March 2013, the PEO also indicated that the AAF would use an alternate aircraft to meet its long-term medium airlift requirement, effectively ending ending the G222 program.

¹ The C-27A is a modified G222 airframe manufactured by Alenia Aermacchi in Italy. However, the DOD refers to the modified airframe provided to the AAF as the G222.

² DODIG-2013-040, "Critical Information Needed to Determine the Cost and Availability of G222 Spare Parts," January 31, 2013. The Council of Inspectors General for Integrity and Efficiency (CIGIE) recognized this DODIG audit for an Audit Award for Excellence on October 15, 2013.

In November 2013, I visited Afghanistan and met with Brigadier General John Michel, Commanding General for the NATO Air Training Command–Afghanistan, who explained what went wrong with the G222 program and shared the results of a "lessons learned" review designed to help prevent similar mistakes in the future.

Despite the actions taken by the NATO Air Training Command–Afghanistan, Congress remains interested in, why DOD purchased aircraft that apparently could not be sustained and what will happen to the G222s currently sitting unused at the Kabul International Airport and in Ramstein Air Force Base Germany. Therefore, SIGAR is launching a review of the terminated G222 aircraft program in response to these congressional concerns and the need to ensure that the U.S. government does not repeat the mistakes made throughout this nearly half billion dollar program.

Per our agency procedures, we coordinated this notification with other oversight bodies, and obtained information on completed and ongoing audits related to our proposed objectives. We appreciate that supporting this oversight project will require the time and attention of agency staff, and we will try to avoid duplicative requests for information and meetings.

The enclosure provides information on the objectives and planned work for this review. Please notify the appropriate individuals of this review. We would appreciate if arrangements could be made to conduct an entrance conference during the week of December 22, 2013. Please contact my Director (Acting) of Special Projects, Jerry W. Clark, at 703-545-5965 or at jerry.w.clark50.civ@mail.mil if you have any additional questions and to make these arrangements.

Sincerely,

John F. Sopko Special Inspector General for Afghanistan Reconstruction

Enclosure

cc:

Lieutenant General Mark A Milley Commander, International Security Assistance Force Joint Command

Major General Kevin R. Wendel Commanding General, Combined Security Transition Command-Afghanistan

Brigadier General John Michel Commanding General for the NATO Air Training Command-Afghanistan

The Honorable Jamie E. Morin Assistant Secretary of the Air Force (Financial Management and Comptroller)

OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION (SIGAR) NOTIFICATION OF SPECIAL PROJECT

SUBJECT

Lessons Learned Review of the G222 (C-27A) Aircraft Program

SPECIAL PROJECT CODE

SIGAR-SP-19

BACKGROUND

The drawdown of United States and coalition military forces from Afghanistan by December 2014 requires the successful transition of military responsibilities to the Afghan National Security Forces. Senior U.S. leaders have noted that providing close air support, evacuating the wounded, and resuppling military units are only possible in Afghanistan with aircraft, but the Afghan Air Force (AAF) has encounted many challenges establishing air capabilities to assume the duties previously provided by coalition forces.

In September 2008, the U.S. Air Force contracted with Alenia North America³ to provide 20 G222 (C-27A) aircraft to the AAF. On January 31, 2013, the Department of Defense Inspector General (DODIG) reported that the G222 Project Management Office (PMO) and the North Atlantic Treaty Organization (NATO) Training Mission–Afghanistan/Combined Security Transition Command – Afghanistan (NTM-A/CSTC-A) did not properly manage the effort to obtain the spare parts needed to keep the aircraft flightworthy Despite spending \$486.1 million on the program, DODIG reported that the aircraft flew only 234 of the 4,500 required hours from January through September 2012. The DODIG also concluded that an additional \$200 million in Afghanistan Security Forces Funds might have to be spent on spare parts for the aircraft to meet operational requirements, noting that several critical spare parts for the aircraft were unavailable. In December 2012, the Program Executive Office for Air Force Mobility Programs at the Air Force Life Cycle Management Center notified the contractor that it would not issue a follow-on sustainment contract. The Program Executive Office also indicated that the AAF would use an alternate aircraft to meet its long-term medium airlift requirement, effectively ending the G222 program in March 2013.

Since then, the NATO Air Training Command – Afghanistan (NATC-A) conducted a "lessons learned" exercise that outlines many of the problems experienced by the G222 program. This exercise, along with the other reviews completed by DODIG and NATC-A, can provide a basis for analyzing the challenges that led to the termination of the program and help prevent similar mistakes from reoccurring in other major major AAF purchases.

OBJECTIVES

SIGAR will:

- 1. Review the decision to provide 20 G222s to the AAF.
- 2. Determine the total amount spent to procure, operate, sustain, and dispose of the G222s.
- 3. Review future plans (disposal or otherwise) for the G222s.
- 4. Evaluate what processes and controls have been put in place to prevent similar challenges from affecting future AAF purchases.

³ A subsidiary of Alenia Aermacchi.

ANTICIPATED LOCATIONS TO BE VISITED

We plan to conduct fieldwork in Washington, DC, and possible locations in Afghanistan.

SIGAR CONTACTS

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- Nicolaus R. Heun, Senior Analyst, 703-545-6111, nicolaus.r.heun.civ@mail.mil