

**OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR AFGHANISTAN RECONSTRUCTION**

INSPECTION OF MAHMOOD RAQI TO NIJRAB ROAD

PROJECT IN KAPISA PROVINCE:

**CONTRACT REQUIREMENTS MET;
BUT SUSTAINABILITY CONCERNS EXIST**



October 2, 2009



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
400 Army Navy Drive
Arlington, Virginia 22202

October 2, 2009

MEMORANDUM FOR: Commander, United States Forces-Afghanistan

Commander, Combined Joint Task Force-82

SUBJECT: SIGAR Inspection Report 09-02: Mahmood Raqi to Nijrab Road Construction
Project in Kapisa Province: Contract Requirements Met, But Sustainability
Concerns Exist

This report provides observations, findings and recommendations from the inspection that the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) conducted of the Mahmood Raqi to Nijrab Road Construction Project in Kapisa Province in June and August 2009. The inspection was conducted under the authority of Public Law 110-181 and the Inspector General Act of 1978, as amended.

The inspection focused on the design and construction work which is still ongoing relating to this project, which is funded with \$6.6 million from the Commander's Emergency Response Program. This report includes one recommendation that focuses on sustainability issues of this project.

A summary of our report is on page ii. When preparing the final report, we considered written comments submitted by USFOR-A, and incorporated information provided from these comments, as appropriate. Copies of these comments are included in Appendix C of this report.

Very respectfully,

A handwritten signature in black ink, appearing to read "Guy Sands-Pingot", is located below the "Very respectfully," text.

Guy Sands-Pingot
Assistant Inspector General for Inspections
Office of the Special Inspector General for Afghanistan Reconstruction



SIGAR

Special Inspector General for Afghanistan Reconstruction

Summary of Report: SIGAR Inspection 09-02

October 2, 2009

Inspection of Mahmood Raqi to Nijrab Road Project in Kapisa Province: Contract Requirements Met; But Sustainability Concerns Exist

What SIGAR Inspected –

SIGAR conducts inspections of Afghanistan reconstruction projects to determine whether U.S. funds are being used appropriately, contract terms are met, adequate oversight is provided, and the project will be sustained following turnover to Afghan authorities.

The United States, through the US Agency for International Development (USAID) and the Department of Defense, committed about \$1.7 billion for road construction projects in Afghanistan between fiscal years 2002 and 2007. Of that amount, over \$800 million of Commanders' Emergency Response Program (CERP) funds have been obligated for transportation network construction projects during fiscal years 2005 through 2009, which represents 63% of the total CERP funds allocated for that period.

As part of its reconstruction oversight mission, SIGAR inspected an asphalt road construction project worth nearly \$6.6 million being built with CERP funds that will connect the Kapisa Provincial capital, Mahmood Raqi, with the remote eastern district of Nijrab. The project was developed by the Kapisa Provincial Reconstruction Team (PRT). At the time of the inspection the project was approximately 60% complete.

What SIGAR Found –

During inspections of three sections of the road, SIGAR did not find any shortcomings in the Afghan contractor's compliance with the contract requirements—including project design, schedule, cost, and quality. The contractor is generally adhering to Afghan road construction standards to grade and widen the road to meet alignment and road width requirements and construct bridges, culverts, ditches, and road shoulders.

Project sustainability issues, however, were not adequately addressed and represent a key area of concern. Afghan officials conceded that they do not have the equipment, materials, personnel or expertise needed to maintain the paved road. The heavy traffic currently using the road could seriously undermine the load-bearing abilities of the road sooner than the expected life of 5 years, unless an effective repair and maintenance program is implemented. PRT officials and USFOR-A have concurred that although the GIRoA agreed to sustain the road during the development of the project, the Ministry of Public Works in Kapisa Province does not have the capability to sustain this road. As a result, the U.S. investment is at risk.

What SIGAR Recommends –

That USFOR-A continue coordination with the U.S. Agency for International Development (USAID) to include this road in the expanding Operation and Maintenance Program to develop capacity for repairing and maintaining roads at the provincial level. SIGAR further recommends that the Kapisa PRT and other appropriate U.S. authorities, in partnership with the Kapisa Provincial Ministry of Public Works, develop a sustainability plan for providing the level of preventative maintenance and repair needed to sustain the road.



The road from Mahmood Raqi to Nijrab before construction, April 2009 (Photo provided by SIGAR)



The road to Nijrab during construction, August 2009 (Photo provided by SIGAR)

Table of Contents

Inspection Objectives -	1
Project Background -	1
Contract and Costs	3
Contract Requirements and Standards	3
SIGAR Inspection Findings -	4
Adherence to Cost and Schedule Requirements	4
Adherence to Road Construction Standards	5
Earthwork Removal and Placement (Grading and Widening)	6
Bridge, Culvert, Ditch, and Road Shoulder Construction	6
Adherence to Quality Control Requirements	7
Sustainability Remains a Key Concern	8
Conclusions -	9
Recommendation -	9
Agency Comments -	9
Appendix A – Scope and Methodology	11
Appendix B – Abbreviations and Acronyms	12
Appendix C – Comments from U.S. Forces-Afghanistan	13
SIGAR Mission and Contact Information -	17

Inspection Objectives

SIGAR conducts inspections of Afghanistan reconstruction projects to determine whether U.S. funds are being used appropriately, contract terms are met, adequate oversight is provided, and the project will be sustained following turnover to Afghan authorities.

SIGAR reviewed project documents and conducted an on-site inspection of a road being constructed to connect the Kapisa Provincial Capital, Mahmood Raqi, with the isolated Nijrab district in the east. The specific purpose of this inspection was to determine whether road construction was in compliance with the design, schedule, cost and quality requirements described in the construction contract awarded by the Kapisa Provincial Reconstruction Team (PRT) in January 2009.

SIGAR performed this work between June and August 2009 and conducted on-site inspections of the road construction on June 21 and August 12, 2009. Details on our inspection scope and methodology are provided in Appendix A.

Project Background

Since 2002, the United States, through the US Agency for International Development (USAID) and the Department of Defense, has committed over \$1.7 billion for road construction projects in Afghanistan. Of that amount, over \$800 million has been obligated for transportation network construction projects during fiscal years 2005 through 2009 using Commanders' Emergency Response Program (CERP) funds representing 63% of the total CERP funds allocated for that period.

The construction project that SIGAR inspected in Kapisa Province is an example of the type of provincial road project that have made use of that funding in recent years. Prior to this project, the roads in Kapisa Province were mostly unpaved. The several kilometers of this road that were paved with asphalt had fallen into disrepair. Erosion and washouts left the surface uneven and rutted with numerous potholes. During months of heavy precipitation in the winter and spring, the paved and unimproved sections of



Site Photo 1: Example of a flooded portion of the road prior to construction. The road was subsequently leveled and re-paved. (Photo provided by Kapisa PRT)



Site Photo 2: Another part of the road as it existed prior to the start of construction. This section has since been repaired and a box culvert was constructed to divert water away from the road. (Photo provided by Kapisa PRT)

road flooded and turned to mud (see photos 1 and 2). In the higher elevations and colder sections of the province, the roads experienced ice and snow accumulations that left steep uphill sections largely impassable and dangerous for traffic. In the hot, dry months of summer and early autumn, traffic on the roadway was subjected to swirling clouds of dust that at times limited visibility to less than 3 feet. These hazards were accentuated by several sections of the road with hairpin turns to accommodate the steep grades and sections where the road narrowed to less than one lane wide.

In 2008, the Kapisa PRT developed a construction plan in coordination with Afghan government authorities. According to PRT officials, the road construction project, when completed, will serve to open a vulnerable district to commerce. Goods, services, and people will be able to move freely between the isolated parts of the province and the more developed areas. In addition, the road will serve to link the Provincial capital, Mahmood Raqi, with one of its most remote areas. The map below illustrates the route of the road from its start point at the Mahmood Raqi Traffic Circle to its end point at the Nijrab Radio Station. (See Figure 1).

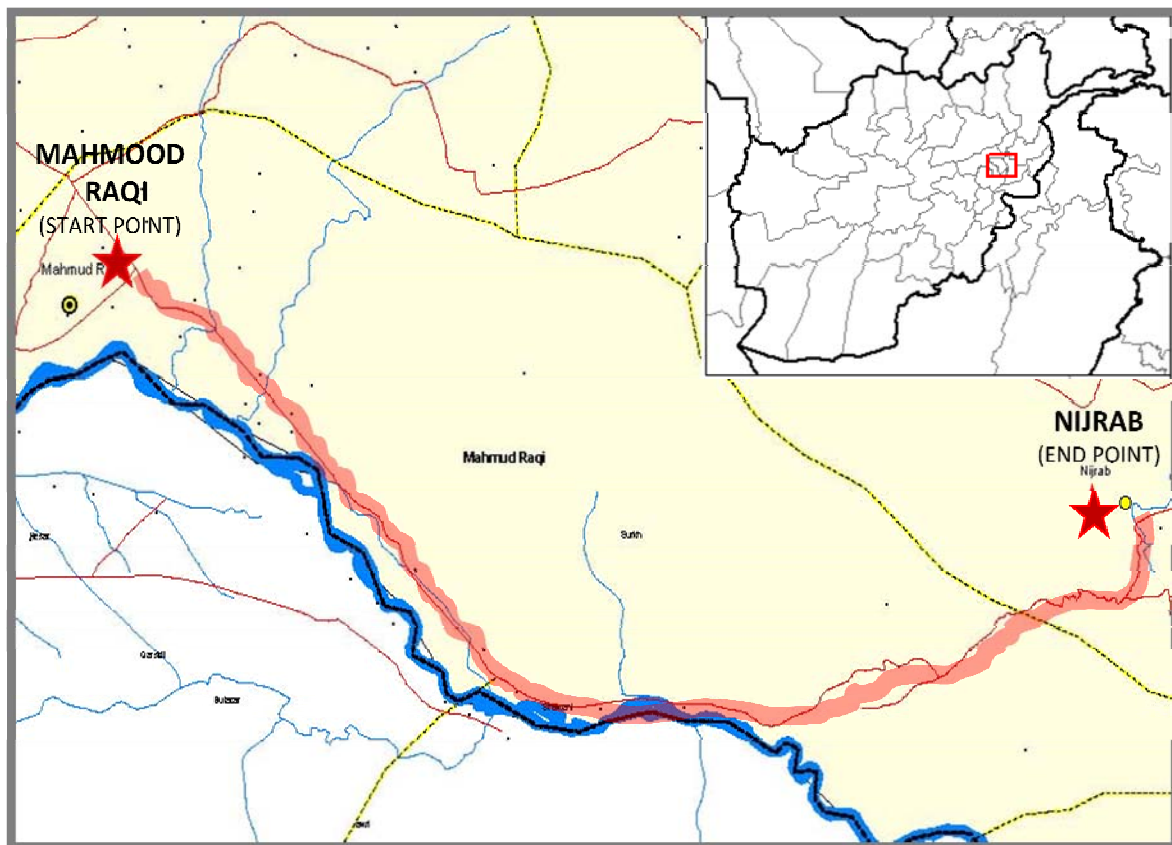


Figure 1: Route of Mahmood Raqi to Nijrab Road is highlighted in light red in the map above. The inset map of Afghanistan shows Kapisa Province outlined in the red box. (Source: SIGAR)

Before work started, this project was coordinated and approved by the Afghan Ministry of Public Works at both the provincial and national level. In accordance with the Commander's Emergency Response Program (CERP) guidance, the Afghan provincial Director of Public Works had agreed to maintain the road when completed.

Contract and Costs

The Mahmood Raqi to Nijrab Road construction project is funded through CERP and administered by the Kapisa PRT with assistance from Department of Defense contracting staff located at Bagram Air Field. The project was proposed in late 2008 as a part of a larger program of thirteen CERP-funded asphalt-surfaced road projects managed by the Kapisa PRT.

On January 10, 2009, a firm fixed price contract was awarded to a local Afghanistan firm to build the 28.5 kilometer road for \$6.6 million. The contract construction period was 270 days from the Notice to Proceed date of February 11, 2009. As of August 15, 2009, the project was approximately 60 percent complete, according to project records.¹

Contract Requirements and Standards

Based on the Statement of Work and other contract requirements,² the major expectations and tasks identified for this project included the following:

- The project completion date is November 2009 at a total cost of \$6.6 million.
- The finished road sub-grade and asphalt pavement construction must meet the minimum depth standards set by the Afghanistan Ministry of Public works and referenced in the contract.³ The entire road must be at least two lanes wide and meet the minimum lane and shoulder width standards which is 7 meters of pavement.
- The existing surface will be graded and widened as necessary to improve horizontal and vertical road alignment, including the minimization of hairpin turns and elimination of bottlenecks. Existing material will be removed to reach suitable soils for the sub-grade as necessary.⁴
- The concrete used to construct bridges, culverts, ditches and road shoulders must meet industry standards for concrete mixtures⁵.

The contract required the implementation of adequate quality control systems to help ensure that project design, schedule, cost, and quality standards are met. The contract also includes a warranty that holds the contractor responsible to repair any section of the road that structurally fails in the first year following project completion.

¹ Of the 13 road construction projects currently underway in Kapisa Province, the Mahmood Raqi to Nijrab Road Project is the closest to completion.

² At the time of the SIGAR inspection there were no modifications made to the contract.

³ At the request of the Afghan Ministry of Public Works, the road project follows the Ministry's 5-year pavement life standard for provincial-level road construction.

⁴ Sub-grade refers to the earth material underneath the constructed pavement layers (which will include the select aggregate sub-base and asphalt base). It will be initially cleared and compacted. It may refer to soil brought in to raise the elevation prior to constructing the road.

⁵ A culvert is a covered channel usually constructed from reinforced concrete that carries or diverts water under a road, or through an embankment.

SIGAR Inspection Findings

As of the date of the inspection, SIGAR found that the road construction is on schedule, within original cost estimates and being performed using acceptable quality control procedures on the part of the contractor. However, SIGAR found that the Kapisa Province Ministry of Public Works (MoPW) lacks the capacity to maintain the completed road. Although the Kapisa PRT obtained assurances from the MoPW that it would sustain the project following handover, the Ministry does not currently have the required equipment, material, or personnel to maintain paved roads. Further, it is expected that the road will be subjected to above-average traffic demands and vehicle usage once it is open for commercial traffic based upon SIGAR's observations of current usage of the completed portion of the road which is the only means of transport in the area.

As a part of its inspection of this project, SIGAR evaluated the following areas of interest.

Adherence to Cost and Schedule Requirements

SIGAR found no cost overruns, and the project is on schedule to meet the required completion date in November 2009. The completion date was revised based on input provided by SIGAR which found that although the Notice to Proceed Memorandum specified that the contractor had 270 days to complete work on the project, the contract specified 365 days for the performance period. SIGAR brought this discrepancy to the attention of the PRT's Project Payment Officer who has adjusted the contract to reflect the correct period to be 270 days as stated in the Notice to Proceed Memorandum.

Completed work inspected by SIGAR met the construction standards required by the Statement of Work as defined in the contract. These construction standards are published by the Afghan Ministry of Public Works and the Afghan Ministry of Rural Rehabilitation and Development. The contract also includes as references technical manuals published by the American Association of State Highway and Transportation Officials and the American Society for Testing and Materials that are used as standards for material suitability, testing and performance.



Site Photo 3: A view of the Mahmood Traffic circle facing west along the road to Nijrab in April 2009 shortly after the project's earth work phase commenced. The photo shows the road's sub-grade layer being compacted with a vibratory drum roller. (Photo provided by Kapisa PRT)

Adherence to Road Construction Standards

The project is being built to standards set by the Afghan Ministry of Public Works which establishes three major categories for paved roads within Afghanistan. These roads are designated to be national, provincial or local. The standards establish the dimensions, depths, and materials to be used for construction of roads throughout Afghanistan. According to the Ministry, provincial roads built to these standards should be able to sustain at least 5 years of traffic use without major damage as long as routine maintenance is performed to repair cracks and small potholes that usually follow winter weather. Additionally, the road construction contract requires that the entire road be at least two lanes wide. In general the work reviewed by SIGAR appeared to meet these standards.

Aggregate Sub-Base Course: The Statement of Work required the contractor to prepare the road's sub-base layer using crushed aggregate material that is "durable and sound, free from lumps and balls of clay, organic matter, objectionable coatings, and other foreign material." According to the daily progress reports submitted to the PRT by the contractor and reviewed by SIGAR, the PRT's quality control representative was satisfied that the material used for the sub-base met the standards required in the Statement of Work. The documentation provided by the contractor and accepted by the PRT also indicates that the work required for the placement of the sub-base had been accomplished.

Asphalt Binder (Base) Course: The Statement of Work required the contractor to place an asphalt binder (base) course with a thickness of 6 cm and width of 7 m to be in accordance with the Afghan Ministry of Public Work's road construction standards. SIGAR spot checked the base course construction and found that thickness and width of the binder course appeared to conform to these standards.

Asphalt Wear Course: The Statement of Work required the contractor to place the asphalt wear course with a thickness of 4 cm and width of 7 m laid from the middle of the road.



Site Photo 4: Placement of the asphalt wear course with proper traffic control measures by having a signalman present and traffic cones. (Photo provided by Kapisa PRT)



Site Photo 5: Newly placed asphalt wear course with vibratory drum rollers performing compaction. (Photo taken by SIGAR)

Earthwork Removal and Placement (Grading and Widening)

At the time of the SIGAR final on-site visit, the PRT reported that nearly all earthwork removal and placement had been completed and road alignment requirements were met. SIGAR's visual inspection of four randomly selected locations along the length of the road indicated that such work had been completed.

Bridge, Culvert, Ditch, and Road Shoulder Construction

A total of 26 slab culverts, 29 box culverts, and 3 pipe culverts were to be repaired, constructed or extended as specified in the Survey and Assessment Plan prepared by the contractor. Additionally, 9 causeways (ranging from 25 to 40 meters in length) were to be constructed to align and straighten the previously curved and constricted roadway. The plan also required the repair and resurfacing of 5 existing bridges with spans ranging from 5 to 40 meters. Construction of a new 16 meter long bridge was also required. According to the contractor's daily progress reports, masonry construction and repair work stood at approximately 70% completed as of early August. SIGAR judged the level of workmanship and quality control of the masonry work to be adequate based on a review of quality assurance reports submitted by the PRT, on-site inspections of several culverts, bridge and causeway sites and a review of photo documentation provided by the PRT. SIGAR also found no major deficiencies in design or construction of the culverts and bridge work.



Site Photo 6: A view of the exposed and compacted sub-grade soil layer as the road was being cut and widened in Arokhi village section of the road. (Photo provided by Kapisa PRT)



Site Photo 7: A view of the road being graded after the ground was filled in order to make the shoulders wider and level. (Photo provided by Kapisa PRT)



Site Photo 8: A rebar and wood formwork prepared to construct one of the 26 slab culverts required by the design plan. (Photo provided by Kapisa PRT)



Site Photo 9: The wing walls of a stone masonry foundation for one of the 29 box culverts required by the project design plan. Of note are workers properly curing the cement mortar in the upper left hand corner of the photograph in order to allow it to develop its bonding strength. (Photo provided by Kapisa PRT)

Adherence to Quality Control Requirements

SIGAR reviewed project documentation to determine whether established quality control standards as defined and monitored by the contractor's Quality Control Plan (QCP) and the PRT's Quality Assurance Program (QAP) were met. In accordance with the contractor's QCP and the PRT's QAP, the daily progress



Site Photo 10: The asphalt base course being rolled (compacted) immediately after being placed on the prepared aggregate sub-base course following the application of the prime coat. Of note is the use of 2 types of rollers as specified in the SOW—a pneumatic tire roller (PTR) and a steel roller which together allow the newly surfaced road top to fully compact and bond the various layers together. (Photo provided by Kapisa PRT)



Site Photo 11: During the SIGAR on-site visit to the road, the PRT Quality Assurance Representative discussed an unfinished edge of asphalt as well as the requirement for compaction and placement of gravel shoulders which the contractor still needed to perform. (Photo provided by Kapisa PRT)

reports contain test results; deficiencies noted and corrected; equipment utilized and material received on site; and work accomplished by location, by activity, and by whom. The reports also provide photographic evidence of work performed. Based on this review, interviews, an analysis of geospatial imagery and on-site inspections, SIGAR found that the quality control requirements are being met and that the documentation conforms to the standards issued by U.S. Forces Afghanistan (USFOR-A).

Sustainability Remains a Key Concern

The Provincial Ministry of Public Works reported to SIGAR that it lacked the capacity to implement a program to repair and maintain the road following handover. To gain this capability, the Ministry reported that it would need adequate road repair equipment, materials and personnel with technical expertise in the maintenance of asphaltic concrete roads.

Based on SIGAR's observations, the heavy traffic, including overweight trucks and armored vehicles currently using the road, could seriously reduce the lifetime of the road, expected to be 5 years, unless an effective repair and maintenance program is implemented. Although the local authorities agreed to maintain the road during the development of the project, PRT officials and USFOR-A have concurred that the Kapisa Province Ministry of Public Works does not currently have the capability to effectively maintain this road and will not have the capability for some time. Depending on the deterioration of the road surface from traffic, without effective repairs and maintenance, the U.S. investment of \$6.6 million is at risk. PRT officials acknowledged that these road sustainability requirements were not fully anticipated in the original contract's scope of work.

In its management comments responding to the draft SIGAR report, USFOR-A referred to a US Agency for International Development program that is specifically designed to develop solutions to the problem of sustaining and maintaining recently constructed roads in Afghanistan. While it acknowledges that



Site Photo 12: A view of the Mahmood Raqi to Nijrab Road looking northwest towards Mahmood Raqi from a location near the 18 kilometer mark of the 28 kilometer road taken in early August 2009 with the Panjshir River to the left of the photo. The progress of the project can be seen as the road turns and bends northeast into the Nijrab District as shown by the orange line. (Photo provided by Kapisa PRT)

the USAID Management and Operations Program is designed to provide support primarily to the national highway system rather than at provincial and local levels, USFOR-A further reported, however, that USAID was extending this program to “two initial pilot provinces, Parwan and Paktya (which would be the first to have) provincial-level Road Maintenance Units”. SIGAR acknowledges that this program could have a future impact on issues identified in this inspection, although this particular project is not (yet) slated for inclusion in the expansion of the USAID pilot project to maintain improved road reconstruction projects.

Conclusions

SIGAR’s inspection of completed and on-going work found the level of construction to date was in general compliance with requirements specified in the contract.

SIGAR found that the project’s sustainability is in question due to the demands which will be placed on the road and the inability of the local Afghan authorities to maintain improved roads due to a lack of proper equipment, material, personnel and expertise. This lack of follow-on capacity to repair and maintain the road on the part of the local Afghan authorities places the United States’ investment of \$6.6 million for this road reconstruction project at risk.

Recommendation

SIGAR recommends that USFOR-A continue coordination with the U.S. Agency for International Development (USAID) to include this road in the expanding Management and Operation Program to develop capacity for repairing and maintaining roads at the provincial level. This recommendation includes, but is not limited to, providing information through the Combined Information Data Network Exchange (CIDNE) system to permit USAID visibility of and access to details of this project.

SIGAR further recommends that the Kapisa PRT and other appropriate U.S. authorities, in partnership with the Kapisa Provincial Ministry of Public Works, develop a sustainability plan for providing the level of preventative maintenance and repair needed to sustain the significant investment made by the United States, which may involve the U.S. Agency for International Development (USAID) plans for expanding the road Management and Operation Program to develop capacity for repairing and maintaining roads at the provincial level.

Agency Comments

US Forces-Afghanistan (USFOR-A) provided a written response to a draft of this report which is included at Appendix C. In its response, USFOR-A partially concurred with the information presented in the report. Based upon USFOR-A’s comments, SIGAR has revised the recommendation in this report.

In its comments, USFOR-A stated that the use of CERP funds to provide for the maintenance and sustainment of projects such as the Mahmood Raqi to Nijrab Road is not allowed under the Department of Defense Financial Management Regulation, Volume 12, Chapter 27. SIGAR acknowledges that use of CERP funds for such purposes under existing provisions of the Financial Management Regulation is

prohibited. However, the Financial Management Regulation also states that sustainability is one of the key performance metrics that should be considered when projects are being developed.

To facilitate the sustainability of this \$6.6 million project, SIGAR originally recommended that US authorities, in partnership with the Kapisa Provincial Ministry of Public Works, develop an updated road use analysis based on actual road usage. SIGAR stated that this new analysis should include all classes and types of vehicles—both civilian and military—that are anticipated to make use of the road once it is completed. SIGAR further recommended that the Kapisa PRT in partnership with the Kapisa Provincial Ministry of Public Works, develop a sustainability plan for providing the level of preventative maintenance and repair needed to sustain this and other roads. This would facilitate the second part of SIGAR's recommendation, to have the PRT work with the Kapisa provincial government to develop an effective sustainment plan that would take into account the level and type of preventative maintenance and repair needed over the course of the life of the road. Currently, no such plan exists.

SIGAR partially revised its initial recommendation, since after review of USFOR-A's comments, SIGAR does not believe an additional road usage analysis would serve a useful purpose and would not be an effective use of additional CERP funds. SIGAR is maintaining the second portion of its recommendation, however, since an effective sustainment plan would assist in maintaining this infrastructure investment.

In its general comments on the draft report, USFOR-A expressed concern that SIGAR had characterized the road project as being constructed expressly for the direct or indirect use of the U.S., coalition or other supporting military personnel which, if true, would violate existing CERP guidelines. USFOR-A also questioned SIGAR's observation that the road usage analysis did not take into account the effect of current and future usage of the road by heavy military vehicles.

SIGAR acknowledges that this project was originally developed to serve the immediate humanitarian and emergency needs of the Afghan people and not for the express purpose of benefiting U.S. or other coalition military requirements. SIGAR notes, however, that civilian and military vehicles will make use of this road, to include those of the Afghan National Security Forces in the same way other roads throughout Afghanistan are used by U.S., coalition and ISAF forces. Accordingly, we changed the language of this report to ensure that no confusion exists as to the original purpose of the construction of this road as a CERP-funded project built for immediate humanitarian and civilian purposes.

Finally, USFOR-A requested that SIGAR recommend that the Defense Financial Management Directive be revised to permit the broader use of CERP funds in Afghanistan for follow-on activities, such as sustainment of CERP projects. This is a request that SIGAR will take under advisement for future consideration as it further expands its body of oversight work in the area of CERP-funded infrastructure projects.

SIGAR believes that this project highlights the wider issue of the need on the part of Afghan authorities to have the capacity to maintain and sustain infrastructure projects that are being built through CERP funds.

(This report was conducted under the SIGAR Inspection Project Code SIGAR-00 3-1a)

Appendix A- Scope and Methodology

SIGAR performed this inspection from June to August 2009 in accordance with Quality Standards for Inspections issued by the Council of the Inspectors General on Integrity and Efficiency.

SIGAR:

- Reviewed contract documentation including:
 - Contract W914BN-09-R-RP05 issued by the Bagram Joint Contracting Center on 12 January 2009; relevant purchase orders, invoices, and vouchers; the Statement of Work with required specifications and accompanying documentation.
 - Documentation prepared and presented by the contractor dealing with the construction.
- Reviewed the Survey and Assessment Plan including design drawings and specifications, PRT quality assurance reports and records, construction progress photographs and other documentation.
- Interviewed current and previous PRT Commanders and other knowledgeable members of the PRT staff; the contractor and foreman and officials from the Kapisa Provincial Ministry of Public Works Roads and the Transport Inspector.
- Conducted on-site inspections of the road on June 19 and August 12, 2009. Personnel from the Kapisa PRT, including the current and previous PRT Engineer and members of their staff accompanied SIGAR inspectors during these visits. Four areas of the road were observed.

Appendix B – Abbreviations and Acronyms

CERP	Commander's Emergency Response Program
ISAF	International Security Assistance Force
PRT	Provincial Reconstruction Team
QAP	Quality Assurance Program
QAR	Quality Assurance Representative
QCP	Quality Control Plan
SIGAR	Special Inspector General for Afghanistan Reconstruction
USFOR-A	United States Forces-Afghanistan
USAID	United States Agency for International Development

Appendix C – Comments from US Forces-Afghanistan



HEADQUARTERS
UNITED STATES FORCES-AFGHANISTAN
KABUL, AFGHANISTAN
APO AE 09356

USFOR-A DCDR-S

15 September 2009

MEMORANDUM FOR Special Inspector General for Afghanistan Reconstruction, 400 Army Navy Drive, Arlington, VA 22202

SUBJECT: USFOR-A Response to Draft Report: Inspection of Mahood Ragi to Nijrab Road Project In Kapisa Province: Contract, Requirements Met, But Sustainability Concerns Exist (SIGAR Inspection 09-2).

1. Reference Final – Draft Report SIGAR Inspection-09-2, Special Inspector General for Afghanistan Reconstruction, subject same as above.
2. This memorandum formally responds to recommendations within the draft report. USFOR-A continues to improve oversight and control measures put in place to manage and execute the Commander's Emergency Response Program (CERP). In our response, you will find evidence from a number of sources identifying findings that the Government of the Islamic Republic of Afghanistan (GIROA) may be incapable of maintaining and/or sustaining many of the projects built through the efforts of international aid programs and reconstruction organizations.
3. In executing our mission in Afghanistan, we will continue to strive for a balance between static inaction and dynamic reconstruction efforts that move the Afghanistan people forward at a rate that is self sustainable by GIROA.

4. Point of contact for this action is USFOR-A, Col Lawrence Brumfield, DSN: 318-237-1678.

USFOR-A Response to Draft Report 09-2

JOHN A. MACDONALD
Major General, USA
Deputy Commander, Support
United States Forces- Afghanistan

**SIGAR DRAFT REPORT – (Undated)
SIGAR 09 Inspection 09-2**

**US FORCES-AFGHANISTAN COMMENTS
TO THE DRAFT REPORT**

RECOMMENDATION

SIGAR recommends that the Kapisa PRT and other appropriate U.S. authorities, in partnership with the Kapisa Provincial Ministry of Public Works, develop an updated road use analysis and written sustainability plan that will provide the level of preventative maintenance and repair needed to sustain the significant investment made by United States.

USFOR-A RESPONSE: USFOR-A partially concurs with information provided in this report.

The lack of GIRoA ability to sustain infrastructure projects has been thoroughly documented:

From **GAO-08-689**:

- The United States and other international donors have committed billions of dollars toward road reconstruction in Afghanistan to promote economic and social development as well as security and stability. While some have noted that reconstructed roads contribute positively to economic and social conditions in Afghanistan, there is currently little evidence based on sound impact assessments that these projects have resulted in expected benefits. Moreover, without a sustainable road maintenance program, newly constructed roads will ultimately deteriorate, expected benefits will not materialize, and the billions of dollars spent on road reconstruction would be wasted.
- Additionally, due to lack of coordination among Afghan ministries involved in the transportation sector, it is not clear whether or when the Afghan government will be able to assume greater responsibility for its road construction and maintenance activities. Improvements in efforts to assess, maintain, and document road reconstruction projects are necessary for USAID and Defense to provide better assurance that their efforts will achieve U.S. and Afghan government road reconstruction goals.

From **GAO-09-476T**:

- The United States and other international partners have undertaken numerous infrastructure and development projects with the Afghan National Development Strategy as their guiding document. As of December 2008, the United States has provided nearly \$9 billion of for economic and social development projects. However, the Afghan government lacks the resources and capacity to sustain these projects.
- To be effective over the long term, infrastructure programs will need to be designed and implemented with an accompanying stream of operational and maintenance funding.
- U.S. Strategies should assess the risk that the Afghan government will not be able to maintain U.S.-funded infrastructure investments due to a lack of financial resources or technical capacity. The national development plan is not financially viable without donor assistance.

From SIGIR Hard Lessons (Iraq):

- The failure to pursue capacity-building efforts alongside infrastructure construction led to a crisis in sustainability that continues to this day. The deterioration of poorly maintained infrastructure projects after transfer to Iraqi control could end up constituting the largest source of waste in the U.S. reconstruction program.

When USFOR-A reviews a road project we require a written document from a GIRoA official agreeing to sustain and maintain the project. This letter is normally provided by a provincial level official of the Ministry of Public Works (MoPW) rather than a national level official. Although these letters are not very detailed they do signal intent of commitment on the part of GIRoA. However, once the road needs work, good intent is overcome by reality.

We recently received a request for CERP funds to repair a road that had been improved and paved by USAID in Zabul province. When we questioned why MoPW was not repairing the road, we were informed that for the entire province of Zabul, the MoPW had six unskilled workers and no operable equipment. As stated in the report MoPW "told SIGAR that the Ministry lacks adequate road repair equipment, materials, and personnel to provide required maintenance because it is only resourced to maintain unimproved roads." We have made efforts in the past to build capacity by buying the provinces equipment and training them to use it. Nonetheless, they are no more capable of maintaining the expensive equipment than they are the roads. As a result, the equipment either falls into disrepair or disappears.

For over a year now, USAID has been implementing a program to maintain the critical road infrastructure of Afghanistan and with this program has also been focusing on long-term solutions for this issue.

The USAID Operation and Maintenance (O&M) Program has five distinct components.

- Maintenance and repair of reconstructed roads
- Capacity building of private sector in performance-based O&M contracts
- Training and capacity building of the GIRoA in management and implementation of the O&M program
- Legislative and technical support to GIRoA to stand up a Road Authority and Road Fund to manage and fund the road sector in Afghanistan
- Technical assistance to the transport sector Inter-Ministerial Committee

The "brick and mortar" works of this program are part of the first point. The program was initially stood up with only the USAID-funded roads included in O&M. This includes over 1500 km of regional and national highways. As part of the expansion of this program, USAID is bringing in another 2000 km of highways through cost-sharing with the Asian Development Bank (ADB). Additionally, through coordination with the USFOR-A CERP Board, the Regional Commands, and various PRTs, USAID sees a need and an opportunity for expanding this national program to the provincial level. Accordingly, USAID is preparing two initial pilot provinces, Parwan and Paktya, to be the first provincial-level Road Maintenance Units. Further expansion is expected with pilots in the South, North, and West regional commands and

ultimately all the provinces. Funding sources and cost-sharing opportunities will be explored with stakeholders including CERP. The goal is to incorporate all the provinces within the next year and all the pilots within the next 3-6 months.

This is still not a GIRoA solution. It is a USAID solution dependent on international donors.

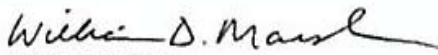
DoD Financial Management Regulation Volume 12 Chapter 27 (CERP Guidance) Paragraph 270204.F requires the Commander to ensure that upon completion the project ownership is transferred to an appropriate authority of the country's government prepared to sustain the project. The evidence is overwhelming that Afghanistan cannot sustain the projects we complete. There is an unwritten obligation to make progress with respect to reconstruction efforts. We continue to build and meet the sustainment requirement of the FMR by gracefully expecting GIRoA to one day be able to fulfill its share of the bargain by maintaining the projects they said they would when transferred to them.

GENERAL COMMENTS ON THE REPORT

1. (U) Page 2. SIGAR states that "the road will serve to link Bagram Air Field with the PRT's forward operating base which serves as coalition forces' major military installation in Kapisa province." DoD Financial Management Regulation Volume 12 Chapter 27 (CERP Guidance) Paragraph 270301.A stipulates that appropriated funds made available for CERP shall not be used for direct or indirect benefit to US, coalition, or supporting military personnel. If military usage had been part of the project purpose during the approval process, the project would clearly not be eligible for CERP funds. Later in the report (pages 8 and 9) SIGAR finds fault in that the road usage analysis did not take into account traffic of heavy military vehicles. The CIDNE project file makes no mention of a military use. USFOR-A J9 does not know the basis of SIGAR's conclusion or how the conclusion was reached that the road was constructed for military use.



REVIEWED BY:
Lawrence A. Brundidge
Col, USAF
Command Inspector General
DSN: (318) 237-4172



PREPARED BY:
William Marsh
Captain, USN
USFOR-A J9
DSN: (318) 237-4272

SIGAR Mission and Contact Information

SIGAR Mission: The mission of the Special Inspector General for Afghanistan Reconstruction is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- Improve effectiveness of the overall reconstruction strategy and its component programs;
- Improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- Improve contracting and contract management processes;
- Prevent fraud, waste, and abuse; and
- Advance U.S. interests in reconstructing Afghanistan.

Obtaining Copies of SIGAR Reports and Testimonies:

To obtain copies of SIGAR documents at no cost, go to SIGAR's web-site (www.sigar.mil). SIGAR posts all released reports, testimonies, and correspondence on its web-site.

To Report Fraud, Waste, and Abuse in Afghanistan Reconstruction Programs:

To help prevent fraud, waste, and abuse by reporting allegations of fraud, waste, abuse, mismanagement, and reprisal contact SIGAR's Hotline:

- Web: www.sigar.mil/fraud
- Email: hotline@sigar.mil
- Phone DSN Afghanistan (only): 318-237-2575
- Phone International (toll free in U.S.): +1-866-329-8893
- Phone DSN U.S. and International: 312-664-0378
- U.S. Fax: +1-703-604-0983

Public Affairs:

Public Affairs Officer

- Phone: 703-602-8742
- Email: PublicAffairs@sigar.mil
- Mail: SIGAR Public Affairs
400 Army Navy Drive
Arlington, VA 22202