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## GOVERNANCE

### KEY ISSUES & EVENTS

U.S.-Taliban peace talks resumed this quarter following their September 2019 suspension.

Afghan election authorities released preliminary results for the September 2019 presidential election that showed President Ashraf Ghani in the lead.

The Asia Foundation released its annual Survey of the Afghan People, reporting that 64% of respondents believed reconciliation between the Afghan government and the Taliban is possible.

This quarter, President Donald J. Trump publicly announced the restart of U.S.-Taliban talks, declaring on a Thanksgiving Day visit to Bagram Air Base, “The Taliban wants to make a deal.”<sup>205</sup> President Trump had suspended U.S. peace talks with the Taliban on September 7, 2019, after nine rounds of negotiations.<sup>206</sup> At Bagram this quarter, President Trump reiterated that he had suspended the talks because the Taliban killed a U.S. soldier. Calling for a cease-fire, President Trump said the United States would stay in Afghanistan until “we have a deal or we have total victory.” On January 22, 2020, President Trump told President Ashraf Ghani that the Taliban needed to produce a “significant and lasting reduction in violence” to facilitate meaningful negotiations.<sup>207</sup>

On December 22, Afghanistan’s Independent Election Commission (IEC) released the long-delayed preliminary results from the September 28 presidential election. According to the preliminary figures, President Ghani received 923,868 votes (50.64%), Chief Executive Abdullah received 720,990 votes (39.52%), and Gulbuddin Hekmatyar received 70,242 votes (3.85%).<sup>208</sup> The head of the IEC said the totals could change as the results are subject to a review by the Electoral Complaints Commission (ECC). If President Ghani’s votes fall below 50% plus one vote and no other candidate receives a majority, the IEC said there will be a run-off.<sup>209</sup>

## U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE

As of December 31, 2019, the United States had provided more than \$34.96 billion to support governance and economic development in Afghanistan. Most of this funding, nearly \$20.85 billion, was appropriated to the Economic Support Fund (ESF) administered by the State Department (State) and the U.S. Agency for International Development (USAID).<sup>210</sup>

Starting this quarter, SIGAR will report on counternarcotics in this section. Since counternarcotics is a crosscutting issue that depends on a variety of reconstruction activities, please see Appendix B for the consolidated list of counternarcotics reconstruction funding.

## SURVEY OF THE AFGHAN PEOPLE RELEASED

In December, the Asia Foundation released its annual *Survey of the Afghan People*, which found that 36% of their randomly selected respondents believe Afghanistan is going in the right direction (up from 33% the previous two years but still significantly below the high of 58% in 2013). A national sample of 17,812 Afghan respondents aged 18 years and above were surveyed face-to-face across all 34 provinces from July 11 to August 7, 2019. According to the Asia Foundation, the margin of error is +/- 1.16% with a 95% confidence interval. Unless otherwise noted, results from the survey referenced in this report are from the randomly selected respondents that represented 89% of the Asia Foundation's sample.<sup>211</sup> As shown in Figure 3.41, the Asia Foundation's findings represent the views of randomly sampled Afghans living in districts occupied by about 77% of Afghanistan's population.<sup>212</sup>



**U.S. Special Representative** for Afghanistan Reconciliation Zalmay Khalilzad updates President Ashraf Ghani on the progress in U.S.-Taliban peace talks. (Afghan government photo)

## RECONCILIATION AND REINTEGRATION

### U.S.-Taliban Talks Resume

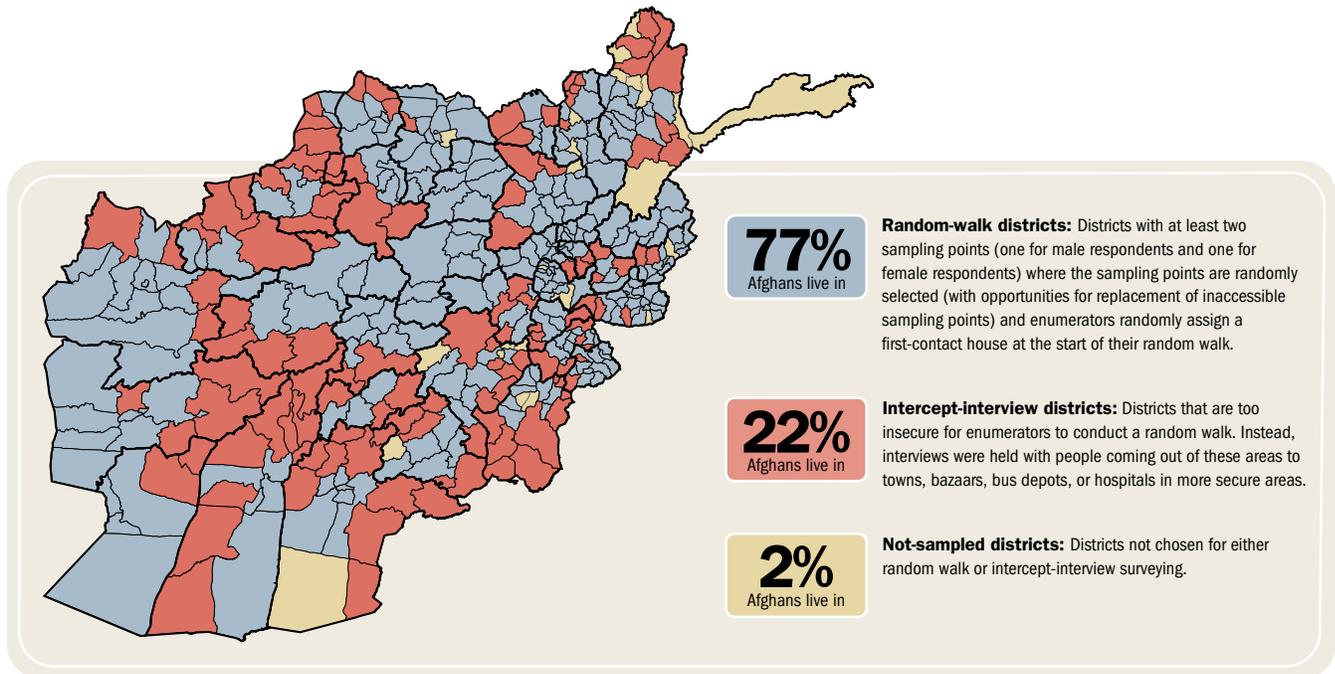
This quarter, President Trump confirmed that U.S. and Taliban representatives had restarted peace talks following their suspension in September 2019. President Trump called for a cease-fire and said the United States would stay in Afghanistan “until such time as we have a deal or we have total victory.”<sup>213</sup>

A day before President Trump's remarks, the Taliban released an American and an Australian professor, both of whom had been held hostage by the Taliban since August 2016. According to State, the Taliban viewed the hostage release as a goodwill gesture. The Taliban also released 10 Afghan prisoners and the Afghan government released three Taliban prisoners.<sup>214</sup>

On December 7, talks restarted between the U.S. and the Taliban in Doha, Qatar. According to State, the discussion was focused on a reduction of violence that would lead to intra-Afghan negotiations and a cease-fire.<sup>215</sup> The talks paused on December 12 following an attack on a medical facility

FIGURE 3.41

## 2019 SURVEY OF THE AFGHAN PEOPLE (DISTRICTS BY SURVEY METHOD)



Source: SIGAR analysis of The Asia Foundation's 2019 Afghan Survey Data (downloaded 12/19/2019) and USFOR-A, response to SIGAR data call, 2/15/2018.

under construction near Bagram Air Field. U.S. Special Representative for Afghanistan Reconciliation Zalmay Khalilzad tweeted that he expressed outrage about the attack to the Taliban negotiators, saying they must demonstrate their desire for peace.<sup>216</sup>

On December 30, the Taliban posted a message on Twitter acknowledging the senior leadership was actively considering a U.S. proposal to reduce the scope and intensity of violence in Afghanistan prior to signing the draft U.S.-Taliban agreement, State said.<sup>217</sup>

On January 1, 2020, U.S. Ambassador to Afghanistan John R. Bass said in an interview that the United States, in its negotiations with the Taliban, was not insisting on a nation-wide cease-fire. Instead, the goal was a reduction in violence—observable by everyday Afghans—that covers international and Afghan security forces.<sup>218</sup>

On January 13, 2020, President Ghani's spokesperson called on the Taliban to agree to a cease-fire, saying, "without a cease-fire, there would be no peace talks [with the Afghan government]."<sup>219</sup> This same spokesman expressed the Afghan government's preference for a cease-fire over a reduction in violence, saying a reduction of violence does not have an established definition and is therefore impractical.<sup>220</sup> U.S. Special Representative for

### Afghan perceptions of reconciliation

According to the Asia Foundation's 2019 survey, 64% of respondents believed that reconciliation between the Afghan government and the Taliban is possible (a significant increase over the 53.5% who believed this in 2017). When it comes to offering assistance to former insurgents, 81% of respondents either strongly agreed or somewhat agreed (up from 69% in 2018). Almost half of respondents, 48.6%, say they feel sufficiently represented in the peace talks. Male respondents are more likely to feel represented than female respondents (51.8% vs. 45.4%). The sense of representation is higher among more-educated respondents.

Source: The Asia Foundation, Afghanistan in 2018: A Survey of the Afghan People, 12/4/2018, p. 5; The Asia Foundation, A Survey of the Afghan People: Afghanistan in 2019, 12/2/2019, pp. 171, 173–174.

Afghanistan Reconciliation Zalmay Khalilzad has called for reduced violence to pave the way for intra-Afghan negotiations. On January 22, 2020, President Trump told President Ashraf Ghani that the Taliban needed to produce a “significant and lasting reduction in violence” to facilitate meaningful negotiations.<sup>221</sup>

A more comprehensive discussion of State’s perspectives on the peace talks is presented in the classified addendum of this report.

## PRESIDENTIAL ELECTIONS

### Preliminary Election Results Released Two Months Late

On December 22, 2019, the Afghan government’s Independent Election Commission (IEC) released the long-delayed preliminary results from the September 28 presidential election.<sup>222</sup> The IEC originally planned to release the preliminary results on October 19, followed by final results on November 7, and to hold a run-off between the top two candidates (if no candidate received more than 50% of the finalized results) on November 23, 2019.<sup>223</sup>

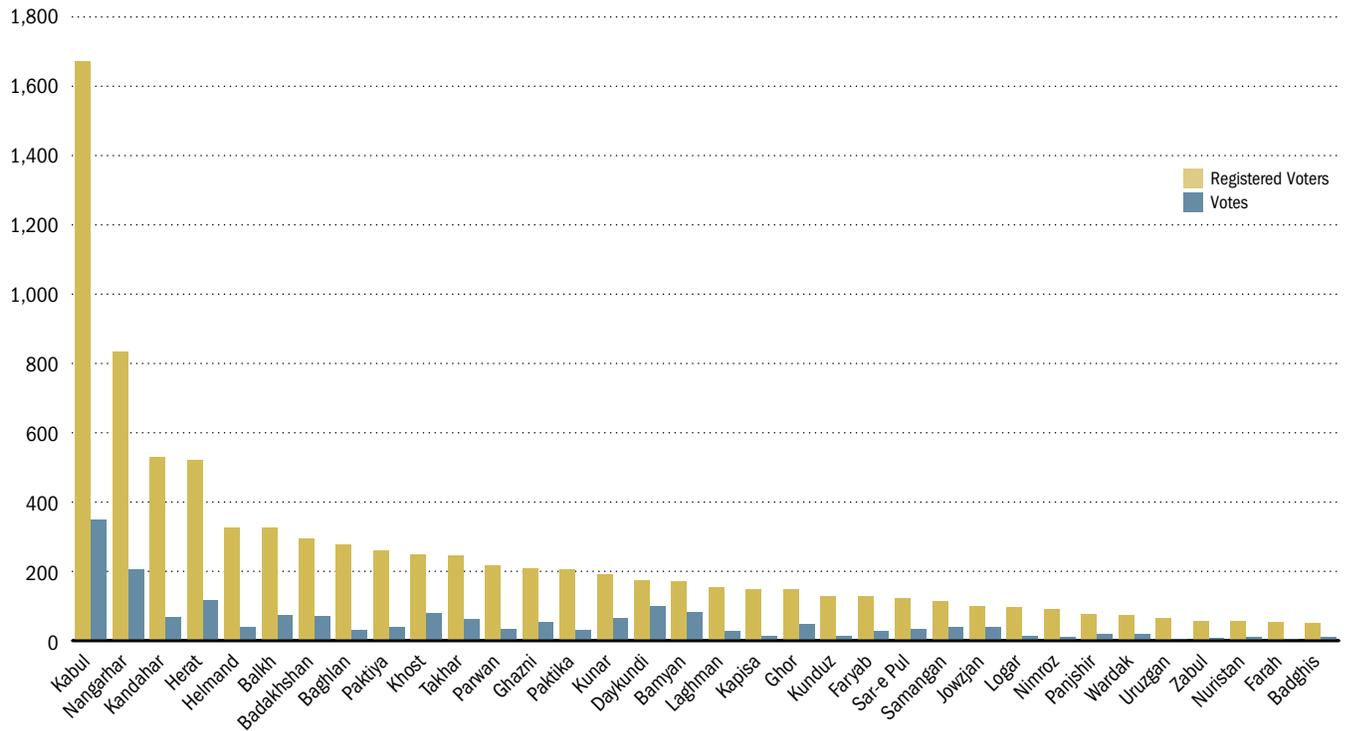
According to the preliminary figures, the top three candidates were President Ghani with 923,868 votes (50.64%), Chief Executive Abdullah with 720,990 votes (39.52%), and Gulbuddin Hekmatyar with 70,242 votes (3.85%).<sup>224</sup> While announcing the preliminary results, the head of the IEC said the outcome could change subject to a review by the Electoral Complaints Commission (ECC). If President Ghani’s results fall below 50% plus one vote of the final total and no other candidate achieves a majority, there will be a run-off.<sup>225</sup> U.S. Ambassador to Afghanistan John R. Bass reiterated the IEC’s caution about the preliminary nature of the results, tweeting that “many steps remain before final election results are certified.”<sup>226</sup> The ECC received approximately 16,500 complaints, with 8,000 filed by Chief Executive Abdullah’s campaign and 3,000 by President Ghani’s campaign.<sup>227</sup> On January 14, 2020, the ECC said it had rejected almost 10,000 of the complaints for lack of evidence. Further, the ECC ordered recounts for 5,315 polling stations.<sup>228</sup>

Commenting on the low voter turnout, Ambassador Bass said, “In our political culture, [such a victory with less than one million votes in a country of 30 million people] is not a commanding mandate. That is not a signal that a large majority of the people support whoever that person is.” Ambassador Bass called on the eventual winner to exhibit humility and govern inclusively.<sup>229</sup>

Of the 5,373 planned polling centers for the presidential election, only 4,678 opened on election day; most of the remainder were closed due to insecurity, the UN Secretary-General reported.<sup>230</sup> However, the IEC included only the preliminary results from 4,540 polling centers.<sup>231</sup>

FIGURE 3.42

VOTER REGISTRATION AND TURNOUT BY PROVINCE (THOUSANDS)



Note: See Appendix F “Low Election Turnout Across the Board” for details on this analysis.

Source: SIGAR analysis of IEC preliminary results data compiled by Colin Cookman, downloaded from [https://github.com/colincookman/afghanistan\\_presidential\\_election\\_2019](https://github.com/colincookman/afghanistan_presidential_election_2019) on 12/25/2019 and USFOR-A, response to SIGAR data call, 2/15/2018.

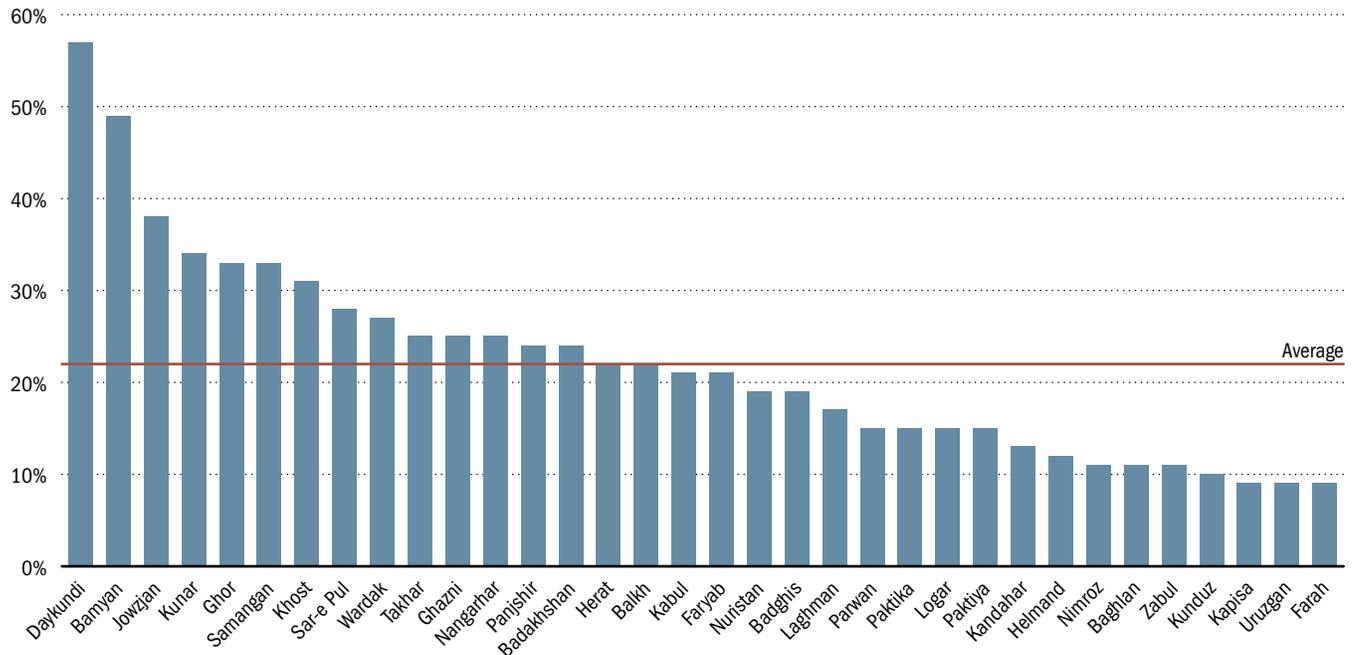
## Low Election Turnout Across the Board

Only 21.84% (1,824,401) of Afghanistan’s more than eight million registered voters cast ballots in the September election. Figure 3.42 shows the total number of registered voters per province compared to the reported voter turnout. Kabul and Nangarhar Provinces stand out for having the largest number of both registered voters and recorded votes (representing between them approximately 30% of both registrations and votes nationwide).<sup>232</sup>

However, these two relatively urbanized provinces saw only average levels of turnout as a percent of registered voters. Instead, as Figure 3.43 on the following page shows, the more rural, minority Hazara-dominated Daykundi (56.69%) and Bamyan Provinces (48.52%) had the highest voter turnout as a percent of registered voters per province.<sup>233</sup> For more discussion on the urban/rural divide, see Appendix F Methodological Notes of this report.

FIGURE 3.43

## PROVINCE-LEVEL TURNOUT AS PERCENT OF REGISTERED VOTERS



Note: See Appendix F “Low Election Turnout Across the Board” for details on this analysis.

Source: SIGAR analysis of IEC preliminary results data compiled by Colin Cookman, downloaded from [https://github.com/colincookman/afghanistan\\_presidential\\_election\\_2019](https://github.com/colincookman/afghanistan_presidential_election_2019) on 12/25/2019.

## Candidates and Protesters Demand Only Biometrically Validated Votes Be Counted

According to the IEC, one of the reasons for the delay in announcing the preliminary results was a dispute over the audit and recounting of votes from 8,225 polling stations (representing the equivalent of approximately 29% of the polling stations reported in the IEC’s preliminary results) that either lacked biometric data or showed other discrepancies.<sup>234</sup>

Chief Executive Abdullah Abdullah and many of the minor presidential candidates claimed that approximately 29% of the to-be-audited polling stations lacked biometric data. These candidates said the IEC should immediately invalidate the votes from these stations as the IEC had already said it would only count biometrically verified votes. Most of the presidential candidates did not want the audit and recount to proceed without a commitment from the IEC that it would invalidate some 300,000 votes that the candidates said were either registered outside of official polling hours, were initially quarantined, or had evidence of duplication (duplicate photos, voter registration numbers, or fingerprints). On November 13, the IEC suspended its audit and recount in 14 provinces for five days following protests by Abdullah’s supporters.<sup>235</sup>

After the IEC and the protesting candidates failed to reach a compromise, the IEC resumed its audit and recount, and the protesting candidates continued their boycott. Abdullah’s supporters halted the process again in seven provinces.<sup>236</sup> On December 13, Abdullah asked his supporters to allow the IEC to proceed with their recount, saying this showed his “goodwill” despite his continued refusal to accept the hundreds of thousands of votes he said were fraudulent.<sup>237</sup>

Many candidates and their supporters appear to have pinned their hopes for a fair election on the implementation of biometric voter-verification technologies. As the UN Secretary-General reported, political reactions and maneuvering regarding biometric voter verification are at the center of the post-electoral controversies.<sup>238</sup> According to USAID, while all candidates and the election-management bodies agree that only biometrically processed votes should be counted, they disagree over how to determine which votes are biometrically processed.<sup>239</sup>

## U.S. Funding Support to Elections

The Afghan government estimated that the presidential elections would cost \$149 million, with the Afghan government committing \$90 million and donors providing the remaining \$59 million through the United Nations Development Programme (UNDP). According to the UN Secretary-General, these elections were the first primarily funded by the Afghan government since 2001.<sup>240</sup>

The U.S. government provided financial support to Afghan parliamentary and presidential elections in 2018 and 2019 through a grant of up to \$79 million to the UNDP. Through this grant, UNDP provides support to Afghanistan’s electoral management bodies, the IEC and the ECC.<sup>241</sup>

As shown in Table 3.11, USAID had two active elections-related programs this quarter, the largest of which is support to the UNDP.<sup>242</sup>

USAID has the three-year, \$18.2 million cooperative agreement with the Consortium for Elections and Political Process Strengthening (CEPPS)—representing the International Foundation for Electoral Systems, the International Republican Institute, the National Democratic Institute, and Internews—to support domestic Afghan election observation of the 2018 parliamentary elections, the 2019 presidential elections, and to promote longer-term electoral reforms.<sup>243</sup> CEPPS’ local partners trained and planned to field 7,109 observers to cover all polling centers in the 2019 presidential election, but reportedly fielded only some 6,800 domestic observers covering 79% of open polling centers.<sup>244</sup>

TABLE 3.11

USAID ELECTION-RELATED PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 1/11/2020
Electoral Support Activity (ESA)	5/20/2015	12/31/2019	\$78,995,000	\$59,955,399
Strengthening Civic Engagement in Elections in Afghanistan Activity (SCEEA)	8/9/2018	8/8/2021	18,253,000	9,295,886

Source: USAID, response to SIGAR data call, 1/13/2020.

“[What] concerns me is the number of people in this [Afghan] society, but particularly here in Kabul, who have a sense of entitlement about the flow of financial resources from the international community, from other governments, from taxpayers in democratic societies that will come to Afghanistan. They seem to expect that we will continue to provide hundreds of millions of dollars in funding regardless of whether it is spent well, regardless of whether it achieves the intended results because we have done so in the past.”

—*U.S. Ambassador to Afghanistan,*  
*John Bass*

Source: ToloNews, “US Amb. Bass: Take Opportunity for Peace, Fight Corruption,” 1/1/2020.



**Outgoing U.S. Ambassador** to Afghanistan John R. Bass offering his thoughts after receiving an award from President Ashraf Ghani. (Afghan government photo)

## MUTUAL ACCOUNTABILITY

### Afghanistan Compact

This quarter, State said there were no updates on the Afghan government’s progress in meeting the Afghanistan Compact’s benchmarks for reform because the Afghan government and the U.S. Embassy had suspended the periodic Compact meetings until after the election.<sup>245</sup>

The U.S. and Afghan governments announced the launch of the Afghanistan Compact in 2017.<sup>246</sup> The Compact is an Afghan-led initiative designed to demonstrate the government’s commitment to reforms. The Afghan government appears to face no direct financial consequences if it fails to meet the Afghanistan Compact reform commitments. Instead, the principal motivation for the Afghan government officials tasked with achieving the Compact benchmarks appears to be avoiding embarrassment, State said.<sup>247</sup>

## U.S. ASSISTANCE TO THE AFGHAN GOVERNMENT BUDGET

### Summary of Assistance Agreements

With regard to the security aid that makes up the vast majority of current U.S.-funded assistance to the Afghan government, participants in the NATO Brussels Summit on July 11, 2018, committed to extend “financial sustainment of the Afghan forces through 2024.” The public declaration

did not specify an amount of money or targets for the on-budget share of assistance.<sup>248</sup>

Prior to that, the United States and other international participants confirmed their intention to provide \$15.2 billion between 2017 and 2020 in support of Afghanistan's economic development priorities at the Brussels Conference in October 2016.<sup>249</sup> Then at the November 2018 Geneva Conference on Afghanistan, international donors reaffirmed their intention to provide \$15.2 billion for Afghanistan's development priorities up to 2020 and to direct continuing but gradually declining financial support to Afghanistan's social and economic development up through 2024.<sup>250</sup>

According to the UN Secretary-General, this quarter, the UN began coordinating with the Afghan government to prepare for a 2020 ministerial conference to determine donor funding up to 2024. While a conference host has not yet been identified, the UN hopes donors will maintain their development investments until 2024.<sup>251</sup>

At the November 2018 Geneva Conference on Afghanistan, the Afghan government proposed that donors commit to delivering 60% of aid **on-budget**.<sup>252</sup> However, international donors committed only to continue channeling aid on-budget "as appropriate" with no specific target.<sup>253</sup>

At the 2019 Civilian Assistance Review conducted by the U.S. and the Afghan governments, USAID officials said that the planned reduction in **off-budget** U.S.-funded development projects will not be redirected toward more on-budget assistance. According to USAID, the Afghan government lacks the systems, procedures, and controls required to manage additional U.S. on-budget funds.<sup>254</sup> However, Afghanistan's minister of finance, in closing the review, recommended that USAID limit its off-budget projects to 10 programs only and phase out its use of contractors. Further, he recommended that donors set benchmarks for the Afghan government which, if achieved, would result in funds being delivered to the Afghan government.<sup>255</sup> The minister's latter proposal resembles the structure of USAID's New Development Partnership program (which ended in July 2018 after USAID provided the Afghan government with \$380 million in benchmark-based incentive funds<sup>256</sup>) and the World Bank's current Incentive Program Development Policy Grant program (described in more detail below).

As shown in Table 3.12 on the following page, USAID's active, direct bilateral-assistance programs have a total estimated cost of \$75 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).<sup>257</sup>

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**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.)

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

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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.

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TABLE 3.12

USAID ON-BUDGET PROGRAMS					
Project/Trust Fund Title	Afghan Government On-Budget Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 1/11/2020
<b>Bilateral Government-to-Government Projects</b>					
Textbook Printing and Distribution	Ministry of Education	9/15/2017	12/31/2019	\$75,000,000	–
<b>Multi-Donor Trust Funds</b>					
Afghanistan Reconstruction Trust Fund (ARTF) (current award)*	Multiple	3/31/2012	6/30/2020	2,700,000,000	\$2,395,686,333
Afghanistan Infrastructure Trust Fund (AITF)	Multiple	3/7/2013	3/6/2023	153,670,184	153,670,184

\*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 \$3,767,677,528.

Source: USAID, response to SIGAR data call, 1/13/2020.

## Civilian On-Budget Assistance

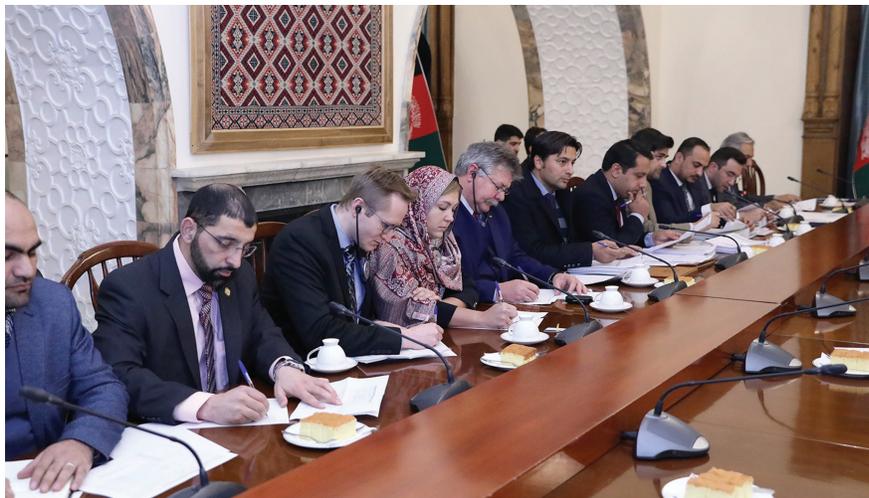
USAID has provided on-budget civilian assistance in two ways: bilaterally to Afghan government entities, and through contributions to two multidonor trust funds, the World Bank-administered ARTF and the Asian Development Bank-administered AITF.<sup>258</sup> According to USAID, all bilateral-assistance funds are deposited in separate bank accounts established by the Ministry of Finance (MOF) for each program.<sup>259</sup>

The ARTF provides funds to the Afghan government's operating and development budgets in support of Afghan government operations, policy reforms, and national-priority programs.<sup>260</sup> The AITF coordinates donor assistance for infrastructure projects.<sup>261</sup>

As of September 2019, the United States remains the largest cumulative donor to the ARTF (30.2% of actual contributions paid in, as distinct from pledged); the next-largest donor is the United Kingdom (17.2% of actual contributions paid in).<sup>262</sup>

Following the April 2018 release of SIGAR's audit that criticized the World Bank's lack of transparency and failure to share ARTF-related reporting with donors,<sup>263</sup> SIGAR has observed a marked increase in the volume of ARTF-related documents provided to USAID by the World Bank. According to USAID, the World Bank has increased its sharing of reports with ARTF donors, improving its relationship with them. USAID said the increased flow of ARTF documents has allowed USAID to better inform and involve its technical offices in ARTF meetings and initiatives.<sup>264</sup>

When the World Bank and the Afghan government disagree about the eligibility of certain ARTF expenditures, the World Bank requests a refund from the Afghan government. Since 2014, the World Bank has sought refunds in 15 cases, with three refunds presently outstanding. The World Bank has reportedly told the MOF that it will prevent the Afghan government from accessing \$30 million in incentive funds if the outstanding



**SIGAR Investigative Analyst Jordan Schurter** attending a meeting of the National Procurement Commission chaired by President Ghani. (Afghan government photo)

refunds are not processed.<sup>265</sup> Following a fiduciary review of its concluded Education Quality Improvement Program (EQUIP II), the World Bank reported that the Ministry of Finance refunded \$2.2 million in EQUIP II funds that violated their World Bank rules. Further, the World Bank received and is validating approximately 90% of the previously missing Ministry of Education documentation associated with \$28.9 million in EQUIP II costs that the fiduciary review could not locate.<sup>266</sup>

The World Bank is currently partnering with the Afghan civil-society organization Integrity Watch Afghanistan (IWA) on community-based monitoring in Kabul, Kapisa, Nangarhar, Herat, and Bamyan Provinces. According to the World Bank, while the community-based monitoring data is not specific to their education or health programs, the IWA reporting is helpful for understanding challenges that are not otherwise communicated through conventional implementer reporting. The health care-related problems IWA identified in these provinces include: shortfalls or low quality of medicine, health centers residing in low-quality rented facilities, no drinking water, no waiting rooms, and low salaries for health workers. For education-related problems, IWA reported: a lack of school books, improperly designed or no school facilities, schools in rented facilities that necessitate frequent relocations with each new lease, and absence of standard toilets. The World Bank has requested that ministries implementing their programs share information on schools currently under construction with IWA to facilitate community monitoring of these ongoing projects.<sup>267</sup>

### **ARTF Recurrent-Cost Window**

The ARTF recurrent-cost window supports operating costs, such as Afghan government non-security salaries and operation and maintenance expenses.

### **INTEGRITY WATCH AFGHANISTAN A PARTNER FOR OVERSIGHT**

SIGAR has collaborated with the Afghan civil society organization Integrity Watch Afghanistan (IWA) on inspections of over 500 different facilities in 28 provinces across Afghanistan. While IWA only has approximately 95 paid staff, they have a network of volunteers in the provinces and districts that extends the organization's reach. In partnering with SIGAR over the past five years, IWA has used its work with SIGAR to increase its capacity and status as the lead civil society voice on corruption in Afghanistan.

The recurrent-cost window is also the vehicle for channeling reform-based incentive funds, such as the Incentive Program Development Policy Grant (IP DPG).<sup>268</sup>

As of September 2019, the ARTF recurrent-cost window has cumulatively provided the Afghan government approximately \$2.6 billion for wages, \$600 million for operations and maintenance costs, \$1.1 billion in incentive program funds, and \$762 million in ad hoc payments since 2002.<sup>269</sup>

## **U.S. provided \$60 million in ARTF incentive funds despite announcing intention to withhold these funds**

In December 2019, USAID provided \$60 million in ARTF incentive funds despite a State Department statement on September 19, 2019, that the U.S. government would withhold that amount due to the Afghan government's failure to meet unspecified benchmarks for transparency and accountability in public financial management.<sup>270</sup>

The \$60 million in question were incentive funds tied to two Incentive Program Development Policy Grant (IP DPG) public financial-management-related benchmarks that were not due until November 15, 2019. These benchmarks required the Afghan government to: (1) publish fortnightly revenue reports on its website and (2) publish the minutes of the meetings of the cash-management committee.<sup>271</sup>

In November 2019, the World Bank told donors that the IP DPG benchmarks (including the two IP DPG benchmarks USAID said were associated with the \$60 million in incentive funds) were complete and that the Afghan government's supporting evidence had been translated and verified by the Bank.<sup>272</sup> In total, USAID has provided \$210 million to support the 2019 IP DPG.<sup>273</sup>

## **World Bank reconsiders teacher training and other “soft” development efforts**

A recent review of the World Bank's former Education Quality Improvement Program (EQUIP II) project revealed a number of fiduciary risks in the design, implementation, and monitoring of teacher training, according to the Bank. These findings have implications for other “soft” development activities that do not leave behind tangible assets that can be readily verified.<sup>274</sup> (EQUIP II was an ARTF-funded project that ran from 2008 to 2017 that aimed to increase equitable access to quality basic education.<sup>275</sup>) The World Bank accordingly has decided to reduce its exposure by significantly scaling back its support to teacher training in the EQUIP II follow-on program, even as it recognizes Afghanistan's continued “critical” need for a well-trained teaching force.<sup>276</sup>

Although the project exceeded its targets in the number of teachers trained, the World Bank now questions the impact of its \$108 million teacher-training effort. According to World Bank monitoring data, EQUIP

II trained hundreds of thousands of teachers through a consortium of 10 nongovernmental organizations. Further, a third-party evaluation conducted during EQUIP II's implementation produced largely positive conclusions.<sup>277</sup> (While the World Bank deployed a third-party monitor for EQUIP II, this monitoring was limited to school construction and did not extend to either physical monitoring or verification of teacher training.<sup>278</sup>)

However, the World Bank now acknowledges that the impact of this large-scale training is unclear: there was no rigorous assessment of teacher competency, and no impact evaluation was conducted to measure the effectiveness of this large-scale training. When the Bank did conduct objective testing of a sample of the allegedly trained teachers in 2017, it found that more than half the sample scored at or below the equivalent of grade 2 (unable to subtract double digits or divide double digit with single digit). The teachers tested also performed poorly in a battery of questions designed to test their instructional skills, with only one in three able to assess student learning properly.<sup>279</sup>

As a result of these reflections, the World Bank now recognizes that projects involving soft characteristics (such as all forms of training, distribution of perishable items such as seeds or feed in agriculture projects or consumables in health projects) are particularly at risk. The low capacity of recipient-government monitoring systems and the World Bank's own inability to conduct field visits exacerbates these risks.<sup>280</sup> The World Bank has also concluded that the Afghan government's own audit arrangements, at least as it related to EQUIP II, were often inadequate to identify risks and issues associated with the program and report on their resolutions.<sup>281</sup>

## On-Budget Assistance to the ANDSF

Approximately 71% of total U.S. on-budget assistance goes toward the requirements of the Afghan security forces.<sup>282</sup>

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).<sup>283</sup>

According to DOD, most of the ASFF appropriation is not on-budget because it is spent on equipment, supplies, and services for the Afghan security forces using DOD contracts.<sup>284</sup> UNDP administers LOTFA primarily to fund Afghan National Police salaries and incentives.<sup>285</sup> The Combined Security Transition Command-Afghanistan (CSTC-A) provides direct-contribution funding to the Ministry of Finance (MOF), which allots it incrementally to the MOD and MOI.<sup>286</sup>

For Afghan fiscal year (FY) 1398 (December 2018–December 2019), CSTC-A planned to provide the Afghan government up to the equivalent of \$707.5 million to support the MOD and \$137.3 million to support the MOI.<sup>287</sup>

# GOVERNANCE



**President Ashraf Ghani** and Lt. Gen. E. John Deedrick Jr., Commander, Combined Security Transition Command - Afghanistan, meet at the presidential palace. (Afghan government photo)

As of November 1, CSTC-A had provided the Afghan government the equivalent of \$523.6 million to support the MOD for FY 1398. Almost all of these funds (92%) paid for salaries.<sup>288</sup> Additionally, as of November 1, CSTC-A had provided the equivalent of \$133.1 million to support the MOI. Of these funds, none were delivered via the LOTFA.<sup>289</sup> With less than two months left in the Afghan fiscal year, the MOD and MOI spent approximately 74% of the wages and salaries CSTC-A had budgeted for these ministries.<sup>290</sup>

CSTC-A has reduced its involvement in the LOTFA over the past few years. In 2016, for example, the United States contributed \$114.40 million to LOTFA, but only \$1.04 million in 2018.<sup>291</sup> According to CSTC-A, their reduced LOTFA contributions allow other donors (such as those that are prohibited by their governments from providing funds directly to the Afghan government) to contribute to the MOI costs through the UNDP-administered fund.<sup>292</sup> CSTC-A told SIGAR that it plans to continue contributing to LOTFA and participating in LOTFA management at current levels.<sup>293</sup>

For Afghan fiscal year (FY) 1399 (December 2019–December 2020), CSTC-A plans to provide 4% (or approximately \$34 million) less in combined on-budget assistance to the MOD and MOI than it budgeted for 1398.<sup>294</sup> The combined MOD and MOI wages and salaries for 1399 represents a reduction of 2.4% (or approximately \$15 million) compared to the amount CSTC-A budgeted for wages and salaries in 1398.<sup>295</sup> According to CSTC-A,

some of its planned reductions were the result of MOD and MOI failures to fully execute CSTC-A funds for purchasing goods and services and assets.<sup>296</sup>

## **CSTC-A declines to adequately describe conditions for on-budget assistance**

Over the past year, SIGAR has sought to understand CSTC-A's evolving perspective on the effectiveness of conditioning their approximately \$809.5 million in planned on-budget assistance to the MOD and MOI on the performance of the ministries in the next Afghan fiscal year. CSTC-A has made clear (and SIGAR has reported) that CSTC-A is no longer issuing commitment letters that outline certain predefined conditions that could result in reduced funding if the MOD or MOI fail to meet the conditions.<sup>297</sup>

Previously, CSTC-A viewed the commitment-letter conditions as a means to drive behavior change in the MOD and MOI by ensuring these institutions complied with various Afghan legal regulations, the Afghanistan Compact, and the U.S.-Afghanistan Strategic Partnership Agreement. The first commitment letters were implemented in 2014. As the commander of CSTC-A at that time, Major General Todd Semonite, told SIGAR, this was a reaction to his observation that “in 2013, we had no conditions” for on-budget funds to support the MOD and MOI. CSTC-A would apply financial and nonfinancial penalties (levers) when it observed noncompliance with commitment-letter conditions.<sup>298</sup>

CSTC-A now says that while it reserves the right to financially penalize the Afghan security forces, it believes financial incentives are a more effective tool.<sup>299</sup>

However, CSTC-A has declined to give specifics as to how its alternative incentive-based, positive-reinforcement approach to conditionality actually works. When asked for examples of positive Afghan government behaviors that prompted the provision of incentives, CSTC-A said only that it did not apply any penalties and that its partners are reliable.<sup>300</sup> When asked to provide a list of any financial penalties or incentives, CSTC-A replied that it had focused over the last year on “building reliable partners within [the Afghan government] and the ANDSF. Through these partnerships, we have adopted an overall approach of incentivizing our reliable partners to accomplish our combined goals.”<sup>301</sup> When asked for documentation for the incentive-based approach, CSTC-A provided none.<sup>302</sup>

SIGAR's principal interest in this matter is in ensuring that Congress is informed of CSTC-A's approach to conditionality and of any evidence for the efficacy of this approach. Given CSTC-A's failure to provide documentation or detail for its new approach, SIGAR observed that CSTC-A's current approach appears more ad hoc than the previous predefined conditionality articulated in commitment letters. CSTC-A disagreed with this observation and asked that SIGAR remove any discussion of conditionality from this report until CSTC-A officials have the chance to discuss the issue in depth with SIGAR.<sup>303</sup>

# GOVERNANCE

SIGAR recently initiated an audit of CSTC-A's use and enforcement of conditionality to improve accountability and transparency in the Afghan National Defense and Security Forces.<sup>304</sup> CSTC-A's responses so far to this audit have similarly been of limited value to proper oversight.

## NATIONAL GOVERNANCE

### Civil Society and Media

As shown in Table 3.13, USAID funds programs to support broader human and institutional capacity building of civil-society organizations and the media.

TABLE 3.13

USAID CAPACITY-BUILDING PROGRAMS AT THE NATIONAL LEVEL				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 1/11/2020
Afghan Civic Engagement Program (ACEP)	12/4/2013	2/15/2020	\$79,120,000	\$78,812,355
Rasana (Media)	3/29/2017	3/28/2020	9,000,000	7,271,735

Source: USAID, response to SIGAR data call, 1/13/2020.

The Afghan Civic Engagement Program's (ACEP) goal is to promote civil-society and media engagement that enables Afghan citizens to influence policy, monitor government accountability, and serve as advocates for political reform. Starting in June 2018, ACEP's goals included expanding civic and voter education and engagement for the scheduled parliamentary and presidential elections.<sup>305</sup> ACEP has awarded \$9.9 million in grants to local institutions and civil-society organizations (CSO). Its current portfolio includes an additional \$1.9 million in grants.<sup>306</sup>

This past quarter, ACEP implemented a peace campaign, "We Choose Peace," to highlight the benefits of tolerance, national unity, and engaging minorities, marginalized populations, and traditionally under-engaged populations. The campaign also highlights the cost of these groups' exclusion from the peace process at the community level. ACEP's campaign included delivering printed flyers and posters to 28 provincial capitals, FM radio broadcasts by ACEP members, and creating a peace-focused Facebook page to inform more people about the culture of peace.<sup>307</sup>

USAID's \$9 million Rasana program 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 training for the protection of journalists, and (4) expanding the outreach of media through small grants for content production in underserved areas.<sup>308</sup>

## SUBNATIONAL GOVERNANCE

### 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 3.14 summarizes total program costs and disbursements to date.

TABLE 3.14

USAID SUBNATIONAL (PROVINCIAL AND MUNICIPAL) PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 1/11/2020
Strong Hubs for Afghan Hope and Resilience (SHAHAR)	11/30/2014	5/29/2020	\$72,000,000	\$61,154,020
Initiative to Strengthen Local Administrations (ISLA)	2/1/2015	7/30/2020	48,000,000	41,465,542
Citizens' Charter Afghanistan Project (CCAP)*	3/31/2012	6/30/2020	N/A	67,111,625

Note: \*This includes USAID contributions to ARTF with an express preference for the Citizens' Charter Afghanistan Project.

Source: USAID, response to SIGAR data call, 1/13/2020.

### 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.<sup>309</sup>

According to USAID, ISLA saw improvement in a core problem: the poor integration of provincial priorities into Afghanistan's national budget plans. For the Afghan fiscal year (FY) 1398 (December 2018–December 2019), ISLA found that 14.2% of community-proposed provincial development-plan (PDP) projects from 16 ISLA-supported provinces found their way into the national budget plan.<sup>310</sup>

As of January 18, 2020, the Afghan government reported approximately \$62 million in expenditures for development projects that shared the same code and province as those PDP-proposed projects included in the Afghan national budget.<sup>311</sup>

### Strong Hubs for Afghan Hope and Resilience

The objective of the \$72 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.<sup>312</sup>

As of September 2019, 14 SHAHAR-supported municipalities reported a 12% increase in total revenues collected for Afghan fiscal year (FY) 1398 (December 2018–December 2019) compared to the same period of time in the prior year. The total revenue collected by these municipalities was the approximately equivalent of \$21.2 million.<sup>313</sup>

## **Citizen’s Charter Afghanistan Project**

In October 2018, USAID began explicitly contributing a portion of its ARTF funds to the Citizen’s Charter Afghanistan Project (CCAP) for the first time since the program began in 2016. Prior to that, other donors were funding CCAP through the ARTF. USAID requested that \$34 million of its \$300 million contribution to the World Bank’s ARTF be spent on CCAP. According to the Afghan government, CCAP is the centerpiece of the government’s national inclusive development strategy for rural and urban areas. CCAP works through Community Development Councils (CDC) to implement community projects. CCAP defines a suite of minimum basic services for each community covering health, education, and a choice of infrastructure investments (such as road access, electricity, or small-scale irrigation for rural communities).<sup>314</sup>

Both the World Bank and Afghan government have proposed expanding CCAP in the event of peace.<sup>315</sup> As of December 2019, the Afghan government reported 12,565 CDCs have been elected across the country (out of a total 37,601 envisioned).<sup>316</sup>

## **RULE OF LAW AND ANTICORRUPTION**

### **Summary of Rule of Law and Anticorruption Programs**

As shown in Table 3.15, the United States supports a number of active rule-of-law and anticorruption programs in Afghanistan.

### **Support to the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC)**

On September 19, State announced that the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) is “incapable of being a partner in the international effort to build a better future for the Afghan people.” As a result, State said the United States would stop providing funding to the MEC by the end of 2019.<sup>317</sup> USAID decided to end its funding to the MEC in December 2019 after concluding that the challenges faced by the MEC would not be overcome. Further, USAID said it saw no evidence that the Afghan government was institutionalizing the MEC, despite its commitments to do so.<sup>318</sup>

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TABLE 3.15

<b>RULE OF LAW AND ANTICORRUPTION PROGRAMS</b>					
<b>Project Title</b>	<b>Start Date</b>	<b>End Date</b>	<b>Total Estimated Cost</b>	<b>Cumulative Disbursements, as of 1/11/2020</b>	
Assistance for Development of Afghan Legal Access and Transparency (ADALAT)	4/18/2016	4/17/2021	\$68,163,468	\$28,472,147	
Afghanistan's Measure for Accountability and Transparency (AMANAT)	8/23/2017	8/22/2022	31,986,588	6,279,720	
Corrections System Support Program (OASIS CSSP) Option Year 2*	6/1/2019	5/31/2022	14,703,987	3,292,947	
Justice Sector Support Program OASIS Contract*	8/28/2017	8/28/2022	34,112,566	21,410,179	
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	12/31/2019	2,883,000	2,883,000	

\*Disbursements as of 12/18/2019.

Source: State, INL, response to SIGAR data call, 12/18/2019; USAID, response to SIGAR data call, 1/13/2020.

## **Afghanistan's Measure for Accountability and Transparency (AMANAT)**

In August 2017, USAID awarded the contract for the \$32 million Afghanistan's Measure for Accountability and Transparency (AMANAT) program to support the Afghan government's efforts to reduce and prevent corruption in government public services.<sup>319</sup> According to USAID, AMANAT supports select Afghan government institutions with technical assistance to plan for and implement recommended procedural reforms.<sup>320</sup>

Over the past year, AMANAT has provided training to the Supreme Audit Office (SAO) to help enable the SAO in conducting professional audits.<sup>321</sup> Recently, the World Bank told donors that only 44 of the SAO's nearly 200 auditors have a twelfth grade education. Further, while the SAO is legally independent, the SAO has relied heavily on international firms to provide technical assistance to meet international standards for auditing World Bank projects.<sup>322</sup> In the wake of the World Bank's in-depth fiduciary review of the EQUIP II program (see pages 102–103 of this report), the World Bank appears to have lost confidence in the SAO's work. According to the World Bank, the SAO carried out the independent annual external audits of EQUIP II over the life of the project. Although these audits sometimes reported serious observations, the SAO always expressed an unqualified (that is, positive) audit opinion on the financial statements of EQUIP II.<sup>323</sup>

## **Assistance for the Development of Afghan Legal Access and Transparency (ADALAT)**

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.<sup>324</sup> ADALAT collaborates with the Ministry of Justice (MOJ) Department of the Huquq (“rights”). Huquq offices provide citizens the opportunity to settle civil cases within the formal system before beginning a court case.<sup>325</sup> ADALAT’s efforts to increase demand for quality legal services includes providing grants to (1) civil-society organizations to promote legal awareness and legal rights, and (2) private universities to prepare future “practical problem-solvers” within formal and traditional dispute resolution institutions.<sup>326</sup>

## SIGAR SPECIAL PROJECT

Based on Department of Justice concerns about the slow implementation of the Case Management System (CMS), SIGAR issued a review this quarter that sought to determine whether: (1) case files input into CMS by the Attorney General’s Office were complete; (2) seized and forfeited assets are being safeguarded and tracked in CMS; and (3) progress is being made implementing CMS nationwide.

This quarter, SIGAR found that mandatory fields were complete for 20 of the 25 cases reviewed, while five to seven of the eight mandatory fields were blank in the other five cases. SIGAR also reviewed 87 closed cases processed by the Attorney General’s Office that involved seized or forfeited cash and drugs valued at about \$1.75 million, plus a number of other assets to include weapons and vehicles whose value could not be determined. The review found that there was no information in CMS tracking the location or disposition of these assets, and that the Justice Attaché was unaware of any safeguards that existed in the Afghan government to prevent the seized and forfeited assets from being stolen.

## Justice Sector Support Program (JSSP)

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 \$34 million. The previous JSSP contract, which began in 2010, cost \$280 million. JSSP provides technical assistance to Afghan justice-sector institutions to: (1) build the capacity of justice institutions to be professional, transparent, and accountable; (2) assist the development of statutes that are clearly drafted, constitutional, and the product of effective, consultative drafting processes; and (3) support 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.<sup>327</sup>

JSSP advises various Afghan government offices on how to use its Case Management System (CMS). 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 a convicted criminal’s confinement.<sup>328</sup> As of November 31, 2019, the CMS had recorded 497,100 criminal cases and 100,077 civil cases.<sup>329</sup>

In a November 2019 audit, SIGAR heard from Attorney General’s Office (AGO) that it has instructed central and provincial AGO offices since May 2016 not to process any cases without recording them in CMS. Despite this progress, SIGAR found that different Afghan agencies displayed varying levels of CMS familiarity and utilization.<sup>330</sup>

## Continuing Professional Development Support (CPDS)

In February 2018, State launched the \$8 million Continuing Professional Development Support (CPDS) program. According to State, CPDS responds 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.<sup>331</sup>

According to the recent reporting, CPDS has developed a data-collection tool to measure the change in workplace behavior of graduates from CPDS-funded training courses. CPDS evaluators are visiting participants at their place of work, interviewing and observing participants (and speaking to

supervisors when available), and evaluating documents in case files using the data-collection tool. According to CPDS, case-file documents should demonstrate whether prosecutors, defense counsel, and judges are applying key concepts and knowledge learned during the training courses.<sup>332</sup> As of the latest reporting, CPDS has collected data from 450 participants in 17 provinces.<sup>333</sup>

## Corrections System Support Program (CSSP)

State's Corrections System Support Program (CSSP) provides mentoring and advising support, training assistance, leadership capacity-building initiatives, infrastructure assistance and nationwide case management for correctional facilities.<sup>334</sup>

## Anticorruption

On International Anti-Corruption Day, U.S. Ambassador to Afghanistan, John Bass declared that the fight against corruption in Afghanistan has not received the attention, focus, and determination from Afghans as it deserves. Later, at the December 15 event, he said that corruption in Afghanistan is the most troubling and frustrating issue for U.S. elected leaders and threatens the continued financial support from the international community. He said Afghans too often refuse to accept responsibility for corruption and instead place the blame for corruption on someone else. He called for action before it is too late to salvage donor confidence.<sup>335</sup> SIGAR observers reported that most of the audience (including President Ghani, the Supreme Court chief justice, speakers of parliament, and ministers) were silent following the Ambassador's speech.

At the same anticorruption event, President Ghani ordered the minister of interior to arrest General Zemarai Paikan, the former chief of the Afghanistan National Civil Order Police, who was convicted in December 2017 in absentia of murder and abuse of power and sentenced to five years and two months confinement. As of April 2019, CSTC-A told SIGAR that the Paikan case set a bad precedent as he was living comfortably and unconcerned about his apprehension despite being sentenced for serious felonies. SIGAR has not been able to determine whether the general was arrested following President Ghani's order.<sup>336</sup>

## Anti-Corruption Justice Center

In May 2016, President Ghani announced the establishment of a specialized anticorruption court, the Anti-Corruption Justice Center (ACJC). At the ACJC, elements of the Major Crimes Task Force (MCTF) investigators, AGO prosecutors, and judges work to combat serious corruption. The ACJC's jurisdiction covers major corruption cases in any province involving senior officials (up to the deputy minister), generals, and colonels, or cases involving substantial monetary losses. Substantial losses are defined



**Ambassador John R. Bass**, on the occasion of International Anti-Corruption Day, warning senior Afghan government officials of the risks in not addressing impunity and curbing rampant corruption. (State Department photo)

The international community cannot care more about [corruption] than Afghans do. It will not care more than Afghans.

If you do not make progress addressing impunity and curbing rampant corruption, you will not hear my government, and other governments, speaking louder and more urgently about this issue.

You will hear silence. And Afghanistan will receive much less support.

—U.S. Ambassador to Afghanistan,  
John Bass

## Afghan perceptions of corruption

According to the Asia Foundation's survey, 81.5% of Afghan respondents in 2019 said corruption is a "major problem" in Afghanistan, the same as 2018. When it comes to corruption being a major problem in the respondent's daily life, 67.9% agreed this was the case (2.7% lower than the response in 2018). Overall, 91% of respondents believe corruption is a problem in their daily lives, down from 93% who said so in 2018.

Source: The Asia Foundation, Afghanistan in 2018: A Survey of the Afghan People, 12/4/2018, p. 5; The Asia Foundation, A Survey of the Afghan People: Afghanistan in 2019, 12/2/2019, pp. 142–144.

as a minimum of five million afghani—approximately \$73,000—in cases of bribes, money laundering, selling of historical or cultural relics, illegal mining, and appropriation of Afghan government property; or a minimum of 10 million afghani—approximately \$146,000—in cases of embezzlement.<sup>337</sup>

According to the UN Secretary-General, there was no significant progress this quarter in executing the 127 ACJC arrest warrants and summonses issued before the Geneva Ministerial Conference on Afghanistan of November 2018.<sup>338</sup> As SIGAR reported in a November 2019 audit, the Afghan government executed only 14 of the 48 warrants, and only 41 of the 79 summonses resulted in individuals appearing before the ACJC.<sup>339</sup>

On January 15, 2020, the ACJC appellate court reduced the sentences of the former IEC and ECC election commissioners from five years each to two and a half years. The commissioners were found guilty of improperly modifying the vote results in the 2018 parliamentary election.<sup>340</sup>

In November, the Afghan government issued its Joint Action Plan for Improving Detection and Prosecution of Corruption Cases. According to the authors, this plan responds to problems such as the delays in serving summonses and arrest warrants for corruption cases.<sup>341</sup> The action plan calls for the MOI to develop an operational plan to fully implement the outstanding summonses and warrants and report on its progress.<sup>342</sup>

## Afghanistan Security Forces

According to CSTC-A, the largest area of corruption (in monetary terms) in the Afghan security forces remains fuel-related. CSTC-A also observed that other supplies it provides the Afghan security forces are also subject to theft, fraud, bribery, extortion, and embezzlement.<sup>343</sup>

In previous reporting, CSTC-A highlighted the personal interest shown by the ministers of defense and interior in removing corrupt actors from their respective ministries.<sup>344</sup> While CSTC-A said the overall trend for removing corrupt actors over the past year has been positive, this quarter CSTC-A saw a noticeable decrease in removals in the period leading up to the presidential election. CSTC-A believes the slowdown is due to MOD and MOI officials waiting for the election results before removing influential corrupt actors who are connected to national political leaders. CSTC-A hopes that MOD and MOI will resume removing corrupt officials once a new government is established.<sup>345</sup>

When asked to describe any specific or significant anti- or countercorruption activities taken by MOD or MOI senior leaders this quarter that CSTC-A attributes to U.S. train, advise, and assist efforts, CSTC-A responded that they observed the following:<sup>346</sup>

- Improvements were made to the MOD Inspector General (MOD IG) professional education with the initiation of a new basic IG course and plans for additional basic and advanced courses in 2020.

## SIGAR AUDIT

In November, SIGAR released a Congressionally directed update of its 2018 assessment on Afghan government's progress toward achieving anticorruption reforms. SIGAR found that the Afghan government has made progress in meeting its anticorruption strategy benchmarks since May 2018. However, serious challenges remain to fighting corruption. Without the political will to address these challenges, including resource shortfalls at anticorruption institutions, the seeming impunity of powerful individuals, and declining activity at the corruption courts, transformative change will remain elusive.

- An MOD working group was established to meet monthly to discuss and coordinate cases and persons of interest, discuss challenges, and develop solutions to combat corruption. According to CSTC-A, it is abundantly clear that the new working group is paying off, as there was a lively discussion resulting in both coordination and the call for action on processing cases and jurisdictional issues.

Among the MOD and MOI elements tasked with reducing corruption, CSTC-A highlighted the work of MOD IG for uncovering issues at the Afghan National Army Recruiting Command (ANAREC). Following an MOD IG inspection of this command, the minister of defense ordered the MOD Criminal Investigation Directorate (MOD CID) to investigate alleged criminal activities of central- and provincial-level leadership.<sup>347</sup>

The MOD appears to see the MOD CID (newly established in June 2019) as the principal countercorruption mechanism for the MOD, CSTC-A said.<sup>348</sup> According to CSTC-A, the MOD CID is an independent entity, as it reports directly to the defense minister and does not fall under the chain of command of corps commanders.<sup>349</sup> As of November 2019, the MOD CID reported that it was investigating 59 cases, with most (20) related to neglect of duty. Cases the MOD CID considered important that were recently referred to Afghan judicial authorities included a murder, a missing weapon, suspected connection to the enemy, and stealing and selling military boots.<sup>350</sup>

## COUNTERNARCOTICS

### Ministry of Counter Narcotics Dissolved

President Ashraf Ghani issued a presidential decree in January 2019 dissolving the Ministry of Counter Narcotics (MCN) and establishing a committee to oversee the transition of the MCN's duties to other ministries.<sup>351</sup> State did not provide any information on why the Afghan government chose to dissolve the MCN.<sup>352</sup> This quarter, the State Department reported that MCN dissolution is complete and that former MCN employees have been transferred to other Afghan government entities. Two hundred and twenty authorized positions were transferred to the MOI's Counter Narcotics Police of Afghanistan's (CNPA) National Interdiction Unit (NIU); 47 to the Ministry of Public Health; and 50 to the Ministry of Agriculture, Irrigation, and Livestock. Additionally, a presidential decree in June 2019, based on the recommendation of the Attorney General's Office (AGO) stipulated that the MCN facilities should be transferred to the AGO, but State said the fate of the MCN facilities is not yet finalized.<sup>353</sup>

This quarter, the State Department reported that its Bureau of International Narcotics and Law Enforcement Affairs (INL) operates under

### Counternarcotics Strategy Update

On September 17, 2018, the Senate Caucus on International Narcotics Control requested that SIGAR conduct a review of the U.S. government's current counternarcotics efforts in Afghanistan. As part of that review, the caucus asked SIGAR to determine the status of the Department of State-led interagency *U.S. Counternarcotics Strategy for Afghanistan* and State's revision of, or plans to revise, this strategy. SIGAR found that State has not revised, and has no plans to revise, the 2012 *U.S. Counternarcotics Strategy for Afghanistan*. State officials told SIGAR that the department now follows the administration's August 2017 *Strategy in Afghanistan and South Asia* (South Asia strategy). Those officials also stated that the South Asia strategy serves as overall guidance for U.S. strategic priorities in Afghanistan and counternarcotics efforts. SIGAR has been unable to obtain any South Asia strategy documents, but reviewed President Trump's speech concerning the strategy. In the speech, President Trump did not mention narcotics. More information on SIGAR's ongoing review of the counternarcotics strategy is available in the Oversight section on p. 20.

the U.S. 2017 South Asia Strategy, not the 2012 Counternarcotics Strategy (CN) created with the now-defunct MCN.<sup>354</sup> State INL said it was not able to provide information about how the South Asia Strategy differs from the 2012 CN Strategy.<sup>355</sup> Afghan government officials informed SIGAR that the MOI will now review and prepare an updated counternarcotics plan.<sup>356</sup>

Finally, the annual opium surveys previously conducted by the MCN and the United Nations Office on Drugs and Crime (UNODC) will henceforth be done in partnership between the UNODC and the Afghanistan National Statistics and Information Authority.<sup>357</sup> UNODC has yet to release its 2019 survey, but based on UNODC's 2018 report, Afghan farmers devoted more land to opium-poppy cultivation in 2017 than at any time since the UNODC began monitoring. In 2018, opium-poppy cultivation declined somewhat due to drought, but was still the second highest year on record.<sup>358</sup>



**Members of the National Interdiction Unit (NIU)** attend a ceremony at the U.S. Embassy honoring their fallen and wounded colleagues. (State Department photo)

## Afghan Counter Narcotics Police Organization and Funding

The State Department's INL provides support to specialized units within the Counter Narcotics Police of Afghanistan (CNPA).<sup>359</sup> The CNPA leads Afghan law-enforcement personnel in counternarcotics efforts. The CNPA, authorized at 2,632 personnel, are located in all 34 provinces and comprise regular police as well as specialized units. Specialized units include three major components including the U.S.-supported National Interdiction Unit (NIU) and Sensitive Investigative Unit (SIU), and the UK-supported Intelligence and Investigation Unit (IIU).<sup>360</sup> Additionally, the U.S.-supported Technical Investigative Unit (TIU) provides support to these components.<sup>361</sup>

This quarter, DEA Acting Administrator Uttam Dhillon and Ambassador John Bass presented the DEA Purple Heart Award to eight DEA-trained officers killed and five wounded in a terrorist attack on Aug. 6, 2019, in Kabul. Another officer honored was killed and one wounded during a firefight with Taliban-affiliated drug traffickers on Jan. 9, 2019. In a press release, the DEA said the fallen and injured officers worked closely with the DEA on important investigations that resulted in the seizure of tons of drugs and chemicals. They dismantled laboratories and destroyed drug trafficking organizations closely tied to terrorist acts.<sup>362</sup>

The NIU conducts interdiction operations and seizures, serves arrest warrants, and executes search warrants in high-threat environments. The NIU receives mentoring from DEA and NATO Special Operations Component Command-Afghanistan, including U.S. Special Forces. The NIU typically maintains forward-based personnel in Kandahar, Kunduz, and Herat.<sup>363</sup>

The SIU's mission is to identify significant drug-trafficking organizations operating in Afghanistan and dismantle them through the Afghan criminal-justice system. The SIU receives mentoring from the DEA and consists of handpicked personnel who are thoroughly vetted.<sup>364</sup> The SIU also has four officers responsible for administrative management of court orders

obtained by SIU investigators to conduct Afghan judicially authorized wire intercepts.<sup>365</sup>

The Technical Investigative Unit (TIU) is an individual component of the CNPA that consists of 100 translators who work within the Judicial Wire Intercept Platform (JWIP). The JWIP is a State-funded project to provide technical systems associated with the wiretap program and is executed by DEA through an interagency agreement with State. JWIP supports DEA operations as well as SIU and NIU investigations.<sup>366</sup>

Other Afghan law-enforcement elements such as the special operations General Command of Police Special Units execute high-risk arrests and operations including counterterrorism, counternarcotics, and counter-organized crime. The Afghan Uniform Police and Afghan Border Police (ABP) also participate in counternarcotics activities.<sup>367</sup>

The Special Mission Wing (SMW) is a rotary- and fixed-wing aircraft force that supports NIU missions as well as counterterrorism missions conducted by Afghan special security forces. The SMW is the only Afghan National Defense and Security Forces organization with night-vision, rotary-wing air assault, and fixed-wing intelligence-surveillance-reconnaissance capabilities. The SMW structure consists of assault squadrons in Kabul, Kandahar, and Mazar-e Sharif.<sup>368</sup> Since its establishment in 2012, the SMW has been used to conduct counterterrorism and counternarcotics missions. In recent years, counterterrorism missions have dominated. Most recently, only 2% of the SMW's 341 unilateral sorties from October through November 2019 were in support of CN missions.<sup>369</sup>

## **U.S. Funding for Afghan Counternarcotics Elements**

INL estimates that it funds approximately \$21 million per year in operations and maintenance for the NIU, SIU, and other INL programming. Costs directly attributable to NIU and SIU include \$6 million for two years of JWIP (not including other costs DEA may incur), \$9.6 million for two years of other interagency agreement support, and \$825,000 per year for NIU salary supplements. Salary supplements are used to attract and retain the most qualified and highly trained officers to the specialized units. A graduated scale of supplements is provided to all NIU officers, from police officers to unit commanders.<sup>370</sup>

## **Interdiction Results**

Between October 1 and December 13, 2019, DOD reported that U.S.-supported interdiction activities by Afghan security forces included eight operations resulting in 11 detentions and seizures of 989 kilograms (kg) (2,176 lbs) of opium, 100 kg (220 lbs) of heroin, and 1,020 kg (2,244 lbs) of hashish. No precursor chemicals or methamphetamines were seized by

# GOVERNANCE

TABLE 3.16

INTERDICTION RESULTS, FISCAL YEARS 2011–2020											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>1</sup>	TOTAL
Number of Operations	624	669	518	333	270	196	157	198	138	8	<b>3,111</b>
Detainees	862	535	386	442	394	301	152	274	177	11	<b>3,534</b>
Hashish seized (kg)	182,213	183,776	37,826	19,088	24,785	123,063	227,327	42,842	145,976	1,020	<b>987,916</b>
Heroin seized (kg)	10,982	3,441	2,489	3,056	2,859	3,532	1,975	3,242	3,315	100	<b>34,991</b>
Morphine seized (kg)	18,040	10,042	11,067	5,925	505	13,041	106,369	10,127	1,759	–	<b>170,950</b>
Opium seized (kg)	98,327	70,814	41,350	38,379	27,600	10,487	24,263	23,180	13,612	989	<b>349,001</b>
Precursor chemicals seized (kg)	122,150	130,846	36,250	53,184	234,981	42,314	89,878	22,863	81,182	–	<b>813,648</b>
Methamphetamine <sup>2</sup> (kg)	50	N/A	N/A	N/A	N/A	9	30	86	734	–	<b>909</b>
Amphetamine (kg)	N/A	N/A	N/A	N/A	N/A	17	N/A	N/A	1,990	–	<b>2,007</b>

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.

<sup>1</sup> Results for period 10/1/2019–12/13/2019.

<sup>2</sup> In crystal or powder form.

Source: DOD(CN), response to SIGAR data call, 12/18/2019.

Afghan security forces during this period.<sup>371</sup> Table 3.16 contains interdiction results provided by DOD.

Despite the strong performance of Afghan specialized units and their improved capabilities over the years, the number of drug seizures and arrests they conduct have minimal impact on the country's opium-poppy cultivation and production. For example, total opium seizures over the years since FY 2008 are equivalent to approximately 8% of the country's 6,400 metric tons of opium production for the single year of 2018, as reported by UNODC.<sup>372</sup>

DOD said the poor security situation continues to hinder the access of government forces in areas where the drug trade is concentrated, particularly in southern regions of the country where most of the opium is grown, and where drug products are transported, processed, and sold.<sup>373</sup>

## Eradication Update

### Governor-Led Eradication

State INL reported that the Governor-Led Eradication (GLE) program is transitioning from being managed by the MCN to the MOI, and that the CNPA will be the future implementer of independent Afghan eradication and GLE.<sup>374</sup> Under the GLE program, which began in 2005, INL reimbursed provincial governors \$250 toward the eradication costs of every UNODC-verified hectare of eradicated poppy.<sup>375</sup> Obligated funds for GLE amount to \$6.9 million since 2008, and the Administration has requested future funding for eradication in its most recent budget request.<sup>376</sup> The dissolution of the MCN interrupted the planning and execution of eradication in 2019.<sup>377</sup> This

quarter, INL reported that the MOI now has taken over eradication planning for spring 2020.<sup>378</sup>

Last quarter, INL informed SIGAR that its May 2015 opium-poppy eradication agreement with the MCN is no longer in force due to the dissolution of the MCN. Once a new Afghan administration is in place and MOI takes full charge of counternarcotics planning, INL said that the Afghan government and INL may consider implementing a new memorandum of understanding (MOU) on opium-poppy eradication.<sup>379</sup> According to INL, because the CNPA recently took over eradication responsibilities, INL believes that the CNPA would likely agree to new eradication implementing instructions to include a follow-on MOU to continue the program, but that it is not yet possible to say what will happen during the upcoming season.<sup>380</sup>

## REFUGEES AND INTERNAL DISPLACEMENT

According to State, on October 25, the Pakistan government formally extended the validity of Afghan citizen cards until December 31, 2019. Cardholders (of which there are approximately 878,000) are allowed to temporarily reside in Pakistan, but are not given refugee status or permanent residency.<sup>381</sup>

### Afghan Refugees

As of December 28, 2019, the UNHCR reported that 8,072 refugees have voluntarily returned to Afghanistan in 2019. The majority (6,062) of these refugee returns were from Pakistan.<sup>382</sup>

The voluntary repatriation of registered refugees in 2019 is low compared to previous years. According to State, the primary factors attracting refugees to return are the desire to reunite with families and relatives and employment opportunities in Afghanistan; the primary push factors are strict border-entry requirements and the loss of livelihoods in their hosting countries.<sup>383</sup>

### Undocumented Afghan Migrant Returnees

As of December 7, the International Organization of Migration (IOM) reported that 451,073 undocumented Afghans returned from Iran and 19,140 undocumented Afghan migrants returned from Pakistan in 2019.<sup>384</sup>

According to State, the desire to return home to reunite with family and economic opportunities were the primary factors for migration to Afghanistan.<sup>385</sup>

### Conflict-Induced Internal Displacement

Compared to the same period last year, the number of conflict-induced internally displaced persons recorded by the UN Office for the Coordination of Humanitarian Affairs (OCHA) in 2019 is 20% higher, perhaps reflecting

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**Refugees:** persons who are outside their country of origin for reasons of feared persecution, conflict, generalized violence, or other circumstances that have seriously disturbed public order and, as a result, require international protection. According to the UNHCR, refugees have the right to safe asylum and should receive at least the same rights and basic help as any other foreigner who is a legal resident.

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**Migrants:** persons who change his or her country of usual residence, irrespective of the reason for migration or legal status. According to the UN, there is no formal legal definition of an international migrant.

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Source: United Nations, "Refugees and Migrants: Definitions," 2019; UNHCR, "Protecting Refugees: questions and answers," 2/2002.

an intensification of the conflict. As of December 18, conflicts in 2019 had induced 427,043 Afghans to flee their homes. The office recorded 356,297 displaced persons in the same period last year.<sup>386</sup>

## WOMEN'S ADVANCEMENT

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.”<sup>387</sup> According to USAID, Promote aims to strengthen women’s participation in civil society, boost female participation in the economy, increase the number of women in decision-making positions within the Afghan government, and help women gain business and management skills.<sup>388</sup> Table 3.17 show the current Promote programs.

According to USAID, of the 68,026 total Promote beneficiaries, 23,455 unique Promote beneficiaries have found employment. Of these, 1,619 have been hired by the Afghan government and 12,422 have secured permanent employment in the private sector. There are also 9,414 Promote beneficiaries holding private-sector internships.<sup>389</sup>

Following five years of implementation, Promote’s Women’s Leadership Development (WLD) program ended in October 2019.<sup>390</sup> WLD aimed to contribute to Promote’s objective of creating a critical mass of women in mid- to upper-management levels in the economy, civil society, and government who would be prepared to take actions to improve the lives of girls and women at all levels.<sup>391</sup> To advance this objective in line with WLD’s contractual obligation to equip 18,000 women with “advanced skills, leadership acumen and self-confidence to compete successfully for high ranking positions,” WLD trained and graduated 20,801 students from its 12-week-long, more senior leadership course. (WLD had a second training course for literate women who had not yet completed secondary school.)<sup>392</sup> WLD intended the more senior leadership course to facilitate graduate entry to and advancement in decision-making positions in social, political, and economic sectors.<sup>393</sup>

The impacts of WLD’s training on contributing to a mid- to upper-management level critical mass are, however, difficult to determine even with the conclusion of the program. According to WLD in 2017, most trainees who secured jobs following graduation filled junior positions with the prospect of gaining a leadership position years in the future.<sup>394</sup> The fact the program mostly targeted entry-level job candidates for its more senior-level leadership courses would make determining program impacts at mid- to upper-management levels impossible without a follow-on assessment years in the future.

Promote’s Women in the Economy (WIE) program recently helped fund a women-only passenger service. This project aims to help women learn

# GOVERNANCE

TABLE 3.17

USAID GENDER PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 1/11/2020
Promote: Women in the Economy	7/1/2015	6/30/2020	\$71,571,543	\$56,032,942
Promote: Women's Leadership Development	9/23/2014	9/22/2019	41,959,377	41,352,545
Promote: Women in Government	4/21/2015	4/20/2020	37,997,644	35,172,327
Promote: Women's Rights Groups and Coalitions	9/2/2015	9/1/2020	29,534,401	21,854,213
Promote: Rolling Baseline and End-line Survey	2/21/2017	10/20/2020	7,577,638	5,784,730
Combating Human Trafficking in Afghanistan	1/11/2016	8/31/2020	7,098,717	6,962,858
Gender Based Violence (GBV)	7/9/2015	7/8/2020	6,667,272	6,667,272
Countering Trafficking in Persons (CTIP) II - Empowerment and Advocacy to Prevent Trafficking	1/10/2018	1/9/2020	1,483,950	1,298,950
Promote: Scholarships	3/4/2015	3/3/2020	1,247,522	1,247,522

Source: USAID, response to SIGAR data call, 1/13/2020.

how to drive, get their driving license, and then get a full-time job as mini-van drivers. As of August 2019, there are four female drivers. The shuttle service is currently providing free transport for university students and staff in Balkh Province. According to WIE, the beneficiaries are satisfied with this initiative.<sup>395</sup>

WIE also supported a 10-episode television series, *Roya*, that aimed to encourage women to want to work and encourage families to support their female family members who desire to work outside the house. To determine impact, WIE commissioned focus-group surveys of approximately 150 equally apportioned male and female respondents from Afghanistan's major urban areas. Almost all respondents reportedly agreed that the show reflected real life in Afghanistan. Female respondents reported that the show gave them specific strategies to use in their own lives when faced with obstacles like those faced by women in the show. Male participants appreciated the use of comedy to address societal issues and benefited from watching a female experience. Nearly all of the focus group respondents (97%) supported women working outside the home, significantly more than the 76% of randomly selected respondents to the Asia Foundation's 2019 survey who agreed with this statement.<sup>396</sup>