

3 RECONSTRUCTION UPDATE



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An Afghan Air Force lieutenant explains a weapons-system maintenance task on an A-29 light attack aircraft to a trainee at Kabul Air Wing. (U.S. Air Force photo by Staff Sgt. Jared J. Duhon)



RECONSTRUCTION IN BRIEF

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

UNITED STATES AND TALIBAN SIGN AGREEMENT

- On February 29, 2020, the United States and the Taliban signed an agreement calling for the conditions-based withdrawal of all military forces of the United States, its allies, and Coalition partners, including all non-diplomatic civilian personnel, private security contractors, trainers, advisors, and supporting services personnel, from Afghanistan within 14 months.
- In return, the Taliban agreed to prevent any group or individual, including al-Qaeda, from using the soil of Afghanistan to threaten the security of the United States and its allies and to enter into intra-Afghan negotiations.
- On the same day, the United States and the Afghan government signed a joint declaration reaffirming the strong U.S. partnership with the Afghan government, including U.S. support for Afghan security forces and continued military partnership against international terrorist groups.

TALIBAN STEPS UP ATTACKS ON ANDSF

- Prior to the signing of the U.S.-Taliban agreement, U.S., Coalition, Afghan government, and Taliban forces conducted a successful week-long “reduction in violence.”
- After the signing, Taliban attacks on the Afghan National Defense and Security Forces (ANDSF) increased, leading U.S. officials to meet with the Taliban on April 10 and 13 about reducing the level of violence.
- Resolute Support (RS) said the Taliban has not attacked U.S. or Coalition forces since the signing of the agreement.
- State said the agreement does not prohibit all Taliban attacks on, or stop U.S. defense of, ANDSF units.

FIRST PHASE OF U.S. TROOP WITHDRAWAL UNDERWAY

- U.S. forces in Afghanistan have begun withdrawing troops to leave only 8,600 in country by mid-July as part of the U.S.-Taliban agreement. If the Taliban upholds its commitments, the United States will withdraw the rest of its troops within 14 months of the agreement’s signing.

AFGHAN PRESIDENTIAL ELECTION RESULTS DISPUTED

- On February 18, Afghan election authorities released final results for the September 2019 presidential election, declaring incumbent President Ashraf Ghani the winner with 50.64% of the 1.8 million valid votes cast. Ghani’s electoral rival, former Chief Executive Abdullah Abdullah, refused to recognize the official result.
- Following March 23 meetings with Ghani and Abdullah, Secretary of State Michael R. Pompeo announced the U.S. intention to reduce its assistance to Afghanistan by as much as \$2 billion (\$1 billion in 2020 and possibly another \$1 billion in 2021), unless the two leaders form an inclusive government to participate in the peace process.

COVID-19 PANDEMIC STRIKES AFGHANISTAN

- The country’s numerous vulnerabilities—including its poverty, weak health-care system, and contiguity with hard-hit Iran—make a health crisis likely in the coming months.
- Although relatively few Afghans (770, as of April 15, 2020) have been confirmed to have the virus, limited testing means that the number of infected is likely much higher.
- Afghanistan’s domestic revenues contracted by 7.8%, year-on-year, in the first quarter of 2020. Increased border closures due to the spread of COVID-19 could adversely affect customs collections, on which the government relies for one-fifth of its revenues.
- In major urban centers, food prices are rising while up to 14.3 million Afghans face food insecurity.

U.S. RECONSTRUCTION FUNDING LARGELY UNCHANGED

- Cumulative appropriations for reconstruction and related activities in Afghanistan since FY 2002 remained largely unchanged this quarter at approximately \$137.0 billion.
- Of that total, \$118.5 billion, or 86%, was appropriated to the nine largest active reconstruction funds.
- Of the amount appropriated to the nine largest active funds since FY 2002, approximately \$9.2 billion remained to be disbursed.
- DOD’s latest *Cost of War Report*, dated September 30, 2019, said cumulative obligations for Afghanistan including warfighting by U.S. forces had reached \$776.0 billion.

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STATUS OF FUNDS

STATUS OF FUNDS

In accord with SIGAR’s legislative mandate, this section details the status of U.S. funds appropriated, obligated, and disbursed for reconstruction activities in Afghanistan. As of March 31, 2020, the United States had appropriated approximately \$137.05 billion for reconstruction and related activities in Afghanistan since FY 2002. Total Afghanistan reconstruction funding has been allocated as follows:

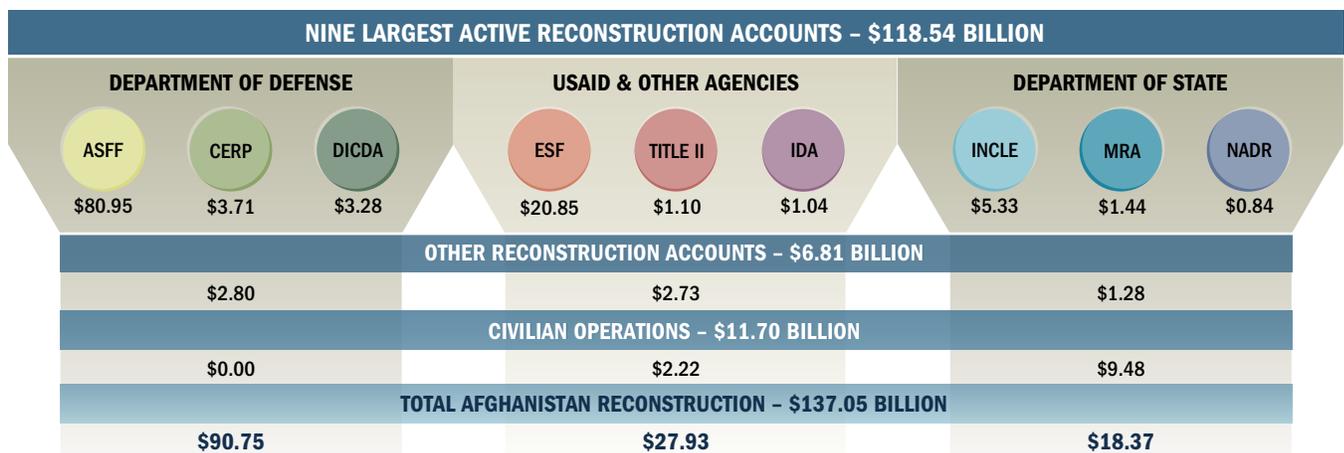
- \$86.37 billion for security (including \$4.59 billion for counternarcotics initiatives)
- \$35.06 billion for governance and development (\$4.36 billion for counternarcotics initiatives)
- \$3.92 billion for humanitarian aid
- \$11.70 billion for civilian operations

Figure 3.1 shows the nine largest active U.S. funds that contribute to these efforts. Prior to January 2019, SIGAR reported on seven major funds; the current nine-fund format reflects appropriations that have placed significant amounts in other funds.

- ASFF:** Afghanistan Security Forces Fund
- CERP:** Commander’s Emergency Response Program
- DICDA:** Drug Interdiction and Counter-Drug Activities
- ESF:** Economic Support Fund
- TITLE II:** Public Law No. 480 Title II
- IDA:** International Disaster Assistance
- INCLE:** International Narcotics Control and Law Enforcement
- MRA:** Migration and Refugee Assistance
- NADR:** Non-Proliferation, Antiterrorism, Demining, and Related Programs

FIGURE 3.1

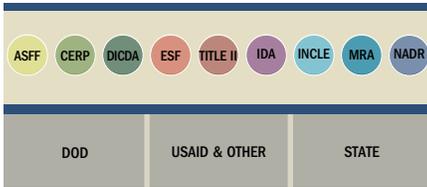
U.S. APPROPRIATIONS SUPPORTING AFGHANISTAN RECONSTRUCTION EFFORTS SINCE 2002 (\$ BILLIONS)



Note: Numbers have been rounded.

Source: Details of accounts, including sources of data, are provided in Appendix B to this report.

STATUS OF FUNDS



The amount provided to the nine largest active U.S. funds represents nearly 86.5% (more than \$118.54 billion) of total reconstruction assistance in Afghanistan since FY 2002. Of this amount, over 90.5% (more than \$107.32 billion) has been obligated, and nearly 87.3% (nearly \$103.46 billion) has been disbursed. An estimated \$5.85 billion of the amount appropriated for these funds has expired and will therefore not be disbursed.

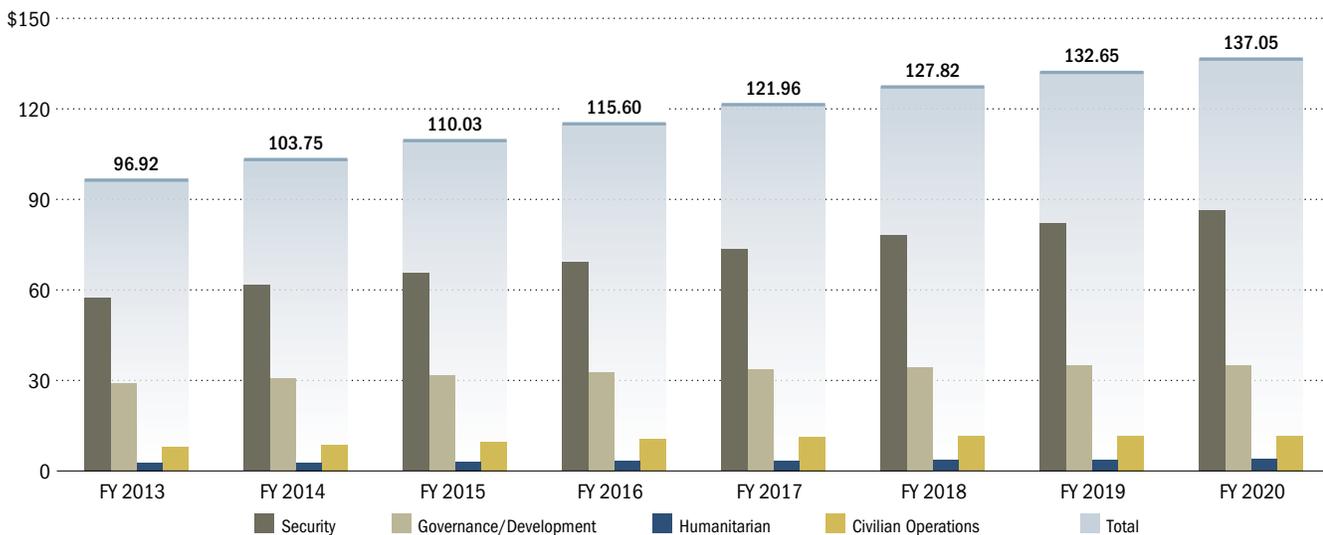
U.S. RECONSTRUCTION FUNDING FOR AFGHANISTAN

As of March 31, 2020, cumulative appropriations for reconstruction and related activities in Afghanistan totaled approximately \$137.05 billion, as shown in Figure 3.2. This total can be divided into four major categories of reconstruction and related funding: security, governance and development, humanitarian, and oversight and operations. Approximately \$8.96 billion of these funds support counternarcotics initiatives that crosscut the security (\$4.59 billion) and governance and development (\$4.36 billion) categories. For complete information regarding U.S. appropriations, see Appendix B.

President Donald J. Trump signed the Consolidated Appropriations Act, 2020 (H.R. 1158) and the Further Consolidated Appropriations Act, 2020 (H.R. 1865) into law on December 20, 2019, providing appropriations for the Departments of Defense and State, the U.S. Agency for International Development, the U.S. Agency for Global Media, the U.S. International Development Finance Corporation (formerly known as the Overseas Private Investment Corporation) and SIGAR, among others. Also last quarter, the Department of State, the U.S. Congress, and

FIGURE 3.2

CUMULATIVE APPROPRIATIONS BY FUNDING CATEGORY AS OF MARCH 31, 2020 (\$ BILLIONS)



Note: Numbers have been rounded.

Source: Details of accounts, including sources of data, are provided in Appendix B to this report.

STATUS OF FUNDS

the Office of Management and Budget agreed on the allocation of the FY 2019 appropriation for the global foreign assistance accounts to specific countries, including Afghanistan, under the Section 653(a) process. The \$4.40 billion in FY 2020 appropriations recorded through March 31, 2020, as shown in Figure 3.3, will increase when the 653(a) allocation process is completed for the FY 2020 appropriation for the global foreign assistance accounts.

Since 2002, the United States has provided more than \$15.89 billion in on-budget assistance to the government of Afghanistan. This includes nearly \$10.30 billion provided to Afghan government ministries and institutions, and more than \$5.59 billion to three multinational trust funds—the World Bank-managed Afghanistan Reconstruction Trust Fund (ARTF), the United Nations Development Programme-managed Law and Order Trust Fund for Afghanistan (LOTFA), and the Asian Development Bank-managed Afghanistan Infrastructure Trust Fund (AITF). Table 3.1 shows U.S. on-budget assistance disbursed to the Afghan government and multilateral trust funds.

TABLE 3.1

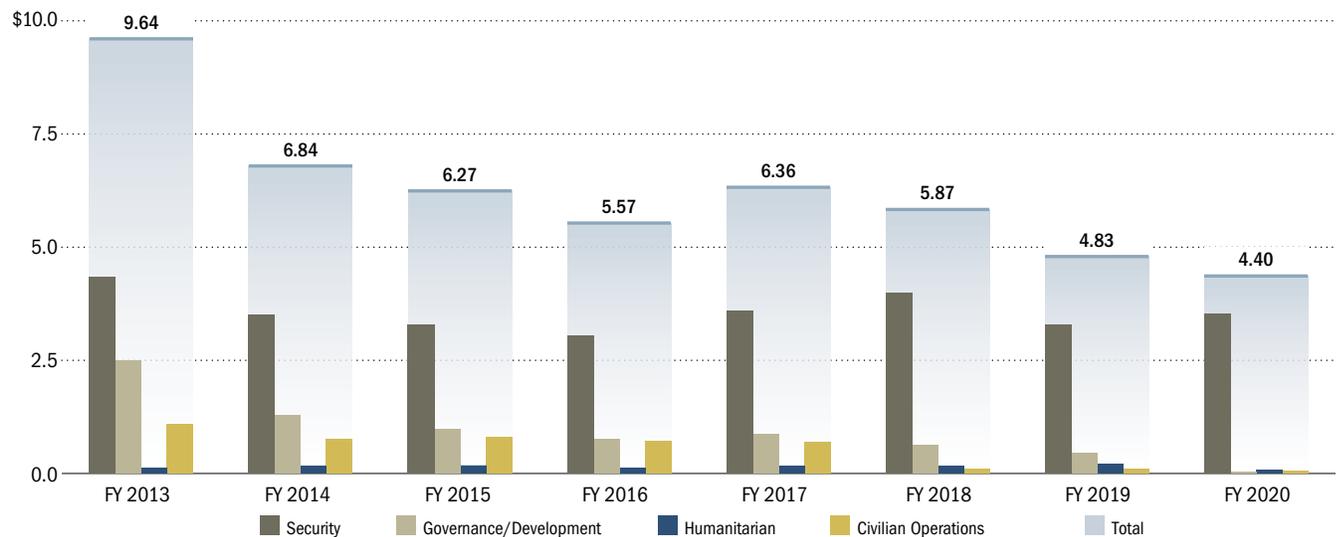
U.S. ON-BUDGET ASSISTANCE TO AFGHANISTAN SINCE 2002 (\$ MILLIONS)	
	Disbursements
Total On-Budget Assistance	\$15,891.06
Government-to-Government	10,299.67
DOD	9,457.66
USAID	756.82
State	85.19
Multilateral Trust Funds	5,591.39
ARTF	3,767.68
LOTFA	1,670.04
AITF	153.67

Note: Numbers have been rounded.

Source: USAID, response to SIGAR data call, 4/10/2020; State, response to SIGAR data call, 10/18/2018; DOD, response to SIGAR data call, 4/10/2020 and 10/19/2018; World Bank, ARTF: Administrator's Report on Financial Status as of December 21, 2019 (end of 12th month of FY 1398), accessed 4/14/2020; UNDP, LOTFA Receipts 2002–2020 and LOTFA MPTF Receipts 2002–2020, updated 4/4/2020, in response to SIGAR data call, 4/5/2020.

FIGURE 3.3

ANNUAL APPROPRIATIONS BY FUNDING CATEGORY (\$ BILLIONS)



Note: Numbers have been rounded.

Source: Details of accounts, including sources of data, are provided in Appendix B to this report.

STATUS OF FUNDS

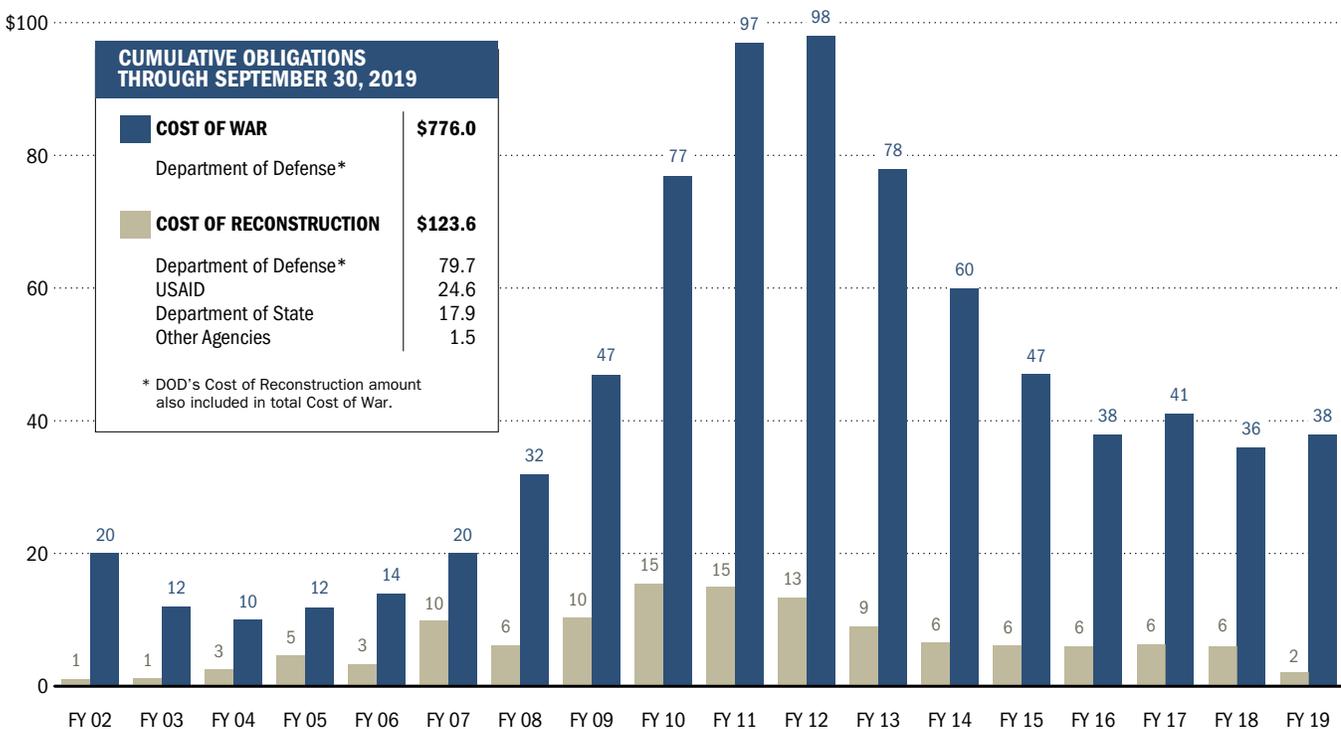
U.S. COST OF WAR AND RECONSTRUCTION IN AFGHANISTAN

Reconstruction costs for Afghanistan equal approximately 16% of all funds obligated by the Department of Defense for Afghanistan since 2001. DOD reported in its *Cost of War Report* as of September 30, 2019, that it had obligated \$776.0 billion for Operation Enduring Freedom and Operation Freedom’s Sentinel in Afghanistan, including the cost of maintaining U.S. troops in Afghanistan.³³

The comparable figures for Afghanistan reconstruction, consisting of obligations (appropriated funds committed to particular programs or projects for disbursement) of the DOD, Department of State, USAID, and other agencies was \$123.6 billion at that date. Note that the DOD contribution to the reconstruction of Afghanistan is contained in both the \$776.0 billion Cost of War and \$123.6 billion Cost of Reconstruction figures. Figure 3.4 presents the annual and cumulative costs for war and reconstruction in Afghanistan.

FIGURE 3.4

AFGHANISTAN COST OF WAR AND RECONSTRUCTION, ANNUAL AND CUMULATIVE OBLIGATIONS FY 2002 TO FY 2019 (\$ BILLIONS)



Note: Numbers have been rounded. Cumulative obligations through September 30, 2019, differ markedly from cumulative appropriations through December 31, 2019, as presented elsewhere in the Status of Funds section, because the former figures do not include unobligated appropriations and DOD Cost of War reporting lags by one quarter.

Source: DOD, Cost of War Monthly Report, Total War-related Obligations by Year Incurred, data as of September 30, 2019. Obligation data shown against year funds obligated. SIGAR analysis of annual obligation of reconstruction accounts as presented in SIGAR's Quarterly Report to the United States Congress, 10/30/2019. Obligation data shown against year funds appropriated.

STATUS OF FUNDS

AFGHANISTAN RECONSTRUCTION FUNDING PIPELINE

Since 2002, Congress has appropriated approximately \$137.05 billion for reconstruction and related activities in Afghanistan. Of this amount, over \$118.54 billion (86.5%) was appropriated to the nine largest active reconstruction accounts, as shown in Table 3.2.

As of March 31, 2020, approximately \$9.24 billion of the amount appropriated to the nine largest active reconstruction funds remained for possible disbursement, as shown in Figure 3.5. These funds will be used to train, equip, and sustain the Afghan National Defense and Security Forces (ANDSF); complete on-going, large-scale infrastructure projects, such as those funded by the AIF and ESF; combat narcotics production and trafficking; and advance the rule of law, strengthen the justice sector, and promote human rights.

TABLE 3.2

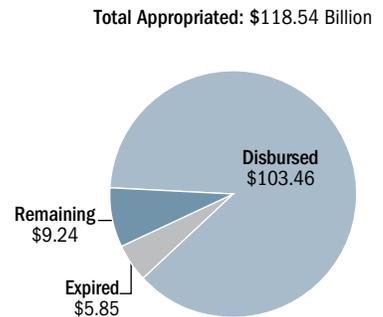
CUMULATIVE AMOUNTS APPROPRIATED, OBLIGATED, DISBURSED, AND REMAINING FY 2002 TO MARCH 31, 2020 (\$ BILLIONS)				
	Appropriated	Obligated	Disbursed	Remaining
Afghanistan Security Forces Fund (ASFF)	\$80.95	\$72.87	\$71.88	\$5.92
Economic Support Fund (ESF)	20.85	19.60	17.48	2.47
International Narcotics Control and Law Enforcement (INCLE)	5.33	5.09	4.48	0.65
Commander's Emergency Response Program (CERP)	3.71	2.29	2.29	0.00
Drug Interdiction and Counter-Drug Activities (DICDA)	3.28	3.28	3.26	0.02
Migration and Refugee Assistance (MRA)	1.44	1.43	1.42	0.01
Public Law 480 Title II Emergency (Title II)	1.10	1.10	1.10	0.00
International Disaster Assistance (IDA)	1.04	0.96	0.85	0.16
Non-Proliferation, Antiterrorism, Demining, and Related (NADR)	0.84	0.70	0.70	0.00
Total Nine Largest Active Accounts	118.54	107.32	103.46	9.24
Other Reconstruction Funds	6.81			
Civilian Operations	11.70			
Total	\$137.05			

Note: Numbers have been rounded. The amount remaining reflects the total disbursement potential of the nine largest active reconstruction accounts after deducting approximately \$5.85 billion that has expired. Expired funds equal the amount appropriated but not obligated after the period of availability for obligation has ended and thereafter includes amounts deobligated and canceled. The amount remaining for potential disbursement for Other Reconstruction Funds equals approximately \$40 million; for Civilian Operations the amount can not be determined but likely equals less than one-half of the most recent annual appropriation.

Source: SIGAR analysis of appropriation laws and obligation and disbursement data provided by DOD, State and USAID, 4/17/2020.

FIGURE 3.5

STATUS OF APPROPRIATED FUNDS, NINE LARGEST ACTIVE ACCOUNTS (\$ BILLIONS)

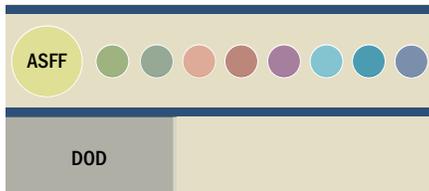


No Evidence of Cuts to Afghanistan Assistance

After President Ashraf Ghani and former Chief Executive Abdullah Abdullah failed to resolve their political impasse despite the personal intervention of Secretary of State Michael R. Pompeo, the Department of State issued a press release on March 23, 2020, stating, “We are today announcing a responsible adjustment to our spending in Afghanistan and immediately reducing assistance by \$1 billion this year. We are prepared to reduce by another \$1 billion in 2021.” The press release continued, “Should Afghan leaders choose to form an inclusive government that can provide security and participate in the peace process, the United States is prepared to support these efforts and revisit the reviews initiated today.” However, the Departments of State and Defense, and the U.S. Agency for International Development, provided no evidence in their data call responses to SIGAR containing financial data on the principal foreign assistance accounts used in Afghanistan that these cuts had yet been implemented as of March 31, 2020.

Source: State, On the Political Impasse in Afghanistan, press statement, Michael R. Pompeo, Secretary of State, 3/23/2020.

STATUS OF FUNDS



ASFF FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Financial and Activity Plan: DOD notification to Congress of its plan for obligating the ASFF appropriation, as well as updates to that plan involving any proposed new projects or transfer of funds between budget subactivity groups in excess of \$20 million, as required by the annual DOD appropriation act.

Rescission: Legislation enacted by Congress that cancels the availability of budget authority previously enacted before the authority would otherwise expire.

Reprogramming: Shifting funds within an appropriation or fund to use them for purposes other than those contemplated at the time of appropriation.

Source: GAO, Glossary of Terms Used in the Federal Budget Process, 9/2005; DOD, response to SIGAR data call, 1/23/2020.

AFGHANISTAN SECURITY FORCES FUND

Congress has created the Afghanistan Security Forces Fund (ASFF) to provide the ANDSF with equipment, supplies, services, training, and funding for salaries, as well as facility and infrastructure repair, renovation, and construction. The primary organization responsible for building the ANDSF is the Combined Security Transition Command-Afghanistan (CSTC-A). A **Financial and Activity Plan** (FAP) must be approved by the Afghanistan Resources Oversight Council (AROC), concurred in by the Department of State, and prior notification provided to the U.S. Congress before ASFF funds may be obligated.³⁴

President Donald J. Trump signed into law the Consolidated Appropriations Act, 2020, on December 20, 2019, which under Division A-Department of Defense Appropriations Act, 2020, provided an appropriation of \$4.20 billion for ASFF FY 2020 and a **rescission** of \$396.00 million for ASFF FY 2019. This decrease in the funding for ASFF FY 2019 follows a \$604.00 million reduction through **Reprogramming** Action FY 19-02 RA in May 2019, bringing the original ASFF FY 2019 appropriation of \$4.92 billion down to an adjusted appropriation of \$3.92 billion as shown below in Figure 3.6.³⁵

As of March 31, 2020, cumulative appropriations for ASFF stood at \$80.95 billion, with \$72.87 billion in funding having been obligated, and \$71.88 billion having been disbursed, as shown in Figure 3.7. DOD reported that cumulative obligations increased by more than \$814.49 million during

FIGURE 3.6

ASFF APPROPRIATED FUNDS BY FISCAL YEAR (\$ BILLIONS)

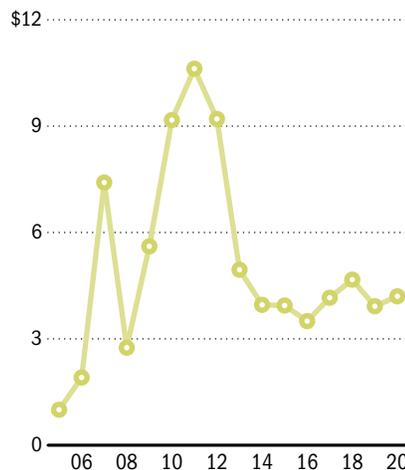
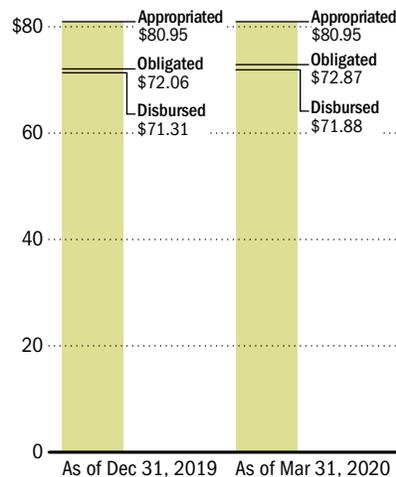


FIGURE 3.7

ASFF FUNDS, CUMULATIVE COMPARISON (\$ BILLIONS)



Note: Numbers have been rounded. Data reflects reprogramming actions and rescissions. DOD reprogrammed \$1 billion from FY 2011 ASFF, \$1 billion from FY 2012 ASFF, \$1.78 million from FY 2013 ASFF, and \$604 million from FY 2019 ASFF to fund other DOD requirements. DOD reprogrammed \$230 million into FY 2015 ASFF. ASFF data reflect the following rescissions: \$1 billion from FY 2012 in Pub. L. No. 113-6, \$764.38 million from FY 2014 in Pub. L. No. 113-235, \$400 million from FY 2015 in Pub. L. No. 114-113, \$150 million from FY 2016 in Pub. L. No. 115-31, and \$396 million from FY 2019 in Pub. L. No. 116-93.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2020," 4/15/2020; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts December 2019," 1/19/2020; Pub. L. Nos. 116-93, 115-141, 115-31, 114-113, 113-235, 113-76, and 113-6; OSD Comptroller, 16-22 PA: Omnibus 2016 Prior Approval Request, 6/30/2016.

STATUS OF FUNDS

the quarter ending March 31, 2020, and that cumulative disbursements increased by \$567.65 million.³⁶

ASFF Budget Activities

DOD budgeted and reported on ASFF by three **Budget Activity Groups** (BAGs) through the FY 2018 appropriation. These BAGs consisted of:

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

Funds for each BAG are further allocated to four **subactivity groups** (SAGs): Sustainment, Infrastructure, Equipment and Transportation, and Training and Operations. The AROC must approve the requirement and acquisition plan for any service requirements in excess of \$50 million annually and for any nonstandard equipment requirement in excess of \$100 million. In addition, DOD is required to notify Congress prior to obligating funds for any new projects or the transfer of funds between budget subactivity groups in excess of \$20 million.³⁷

As of March 31, 2020, DOD had disbursed nearly \$69.43 billion from the ASFF appropriations for FY 2005 through FY 2018. Of this amount, nearly \$47.56 billion was disbursed for the ANA, and more than \$21.47 billion was disbursed for the ANP.

As shown in Figure 3.8, the largest portion of the funds disbursed for the ANA—more than \$23.54 billion—supported ANA troop and equipment sustainment. Of the funds disbursed for the ANP, the largest portion—nearly \$9.61 billion—also supported sustainment of ANP forces, as shown in Figure 3.9.³⁸

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

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

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

FIGURE 3.8

ASFF DISBURSEMENTS FOR THE ANA BY SUBACTIVITY GROUP, FY 2005 TO FY 2018 APPROPRIATIONS THROUGH MARCH 31, 2020 (\$ BILLIONS)

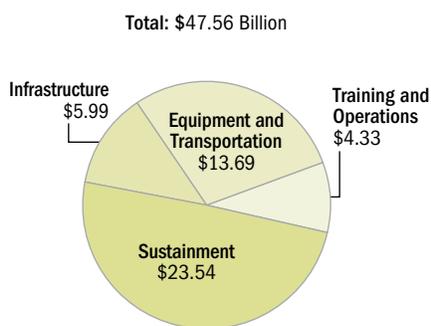
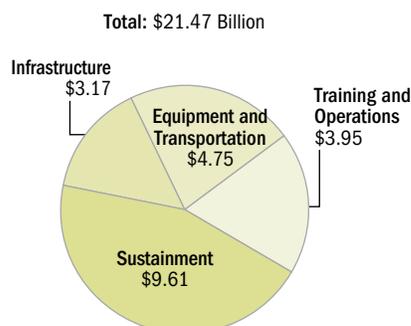


FIGURE 3.9

ASFF DISBURSEMENTS FOR THE ANP BY SUBACTIVITY GROUP, FY 2005 TO FY 2018 APPROPRIATIONS THROUGH MARCH 31, 2020 (\$ BILLIONS)



Note: Numbers have been rounded. Excludes the ASFF FY 2019 and FY 2020 appropriations, which are presented by four Budget Activity Groups, consisting of the ANA, ANP, AAF, and ASFF.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2020," 4/15/2020.

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New ASFF Budget Activity Groups for FY 2019 and FY 2020

DOD revised its budgeting and reporting framework for ASFF beginning with its ASFF budget request for FY 2019, submitted to Congress in February 2018, and with its reporting beginning on October 1, 2018. The new framework restructures the Afghan National Army (ANA) and Afghan National Police (ANP) budget activity groups (BAGs) to better reflect the ANDSF force structure and new budget priorities. In FY 2018 and previous years, all costs associated with the Afghan Air Force (AAF) fell under the ANA BAG and costs for the Afghan Special Security Forces (ASSF) were split between the ANA and ANP BAGs. Beginning with the ASFF FY 2019 appropriation, the ANDSF consists of the ANA, ANP, AAF, and ASSF BAGs, as presented below in Table 3.3.

TABLE 3.3

ASFF FY 2019 BUDGET, OBLIGATIONS, AND DISBURSEMENTS THROUGH MARCH 31, 2020 (\$ MILLIONS)			
Budget Activity Groups	Revised Budget (FAP 19-4)	Obligations	Disbursements
Afghan National Army	\$1,504.35	\$1,261.25	\$860.09
Afghan National Police	581.56	503.12	384.92
Afghan Air Force	986.85	885.71	814.31
Afghan Special Security Forces	847.24	417.34	369.36
Total	\$3,920.00	\$3,067.42	\$2,428.67

Note: Numbers have been rounded, including totals, and consequently may not match precisely. Disbursements total excludes undistributed disbursements of \$23.72 million.

Source: DOD, TAB B - FY 2019 ASFF FAP 19-4 as of 11MAR2020, 4/6/2020; AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2020, 4/15/2020.

Table 3.4 on the opposite page tracks the evolution of the ASFF FY 2019 budget beginning with Financial and Activity Plan 19-1 (FAP 19-1), which aligned the Administration's ASFF FY 2019 Budget Request of \$5.20 billion with the actual FY 2019 appropriation amount of \$4.92 billion, through the reprogramming action in May 2019, the rescission enacted in December 2019, and the realignment of budget priorities through FAP 19-2 (June 2019), FAP 19-3 (October 2019), and most recently, FAP 19-4, notified to Congress in January 2020.³⁹

NATO ANA Trust Fund

The NATO ANA Trust Fund (NATF) has contributed more than \$1.69 billion to ASFF for specific projects funded by donor nations through March 31, 2020, and ASFF has returned more than \$395.66 million of these funds following the cancellation or completion of these projects. DOD has obligated more than \$1.00 billion and disbursed more than \$864.69 million of NATF-contributed funds through ASFF through that date.⁴⁰ These amounts are not reflected in the U.S. government-funded ASFF obligation and disbursement numbers presented in Figures 3.6 and 3.7.

STATUS OF FUNDS

TABLE 3.4

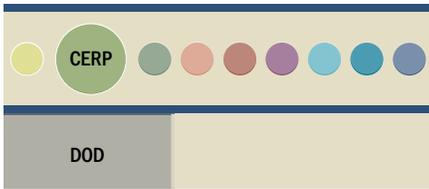
ASFF FY 2019 APPROPRIATION, REPROGRAMMING ACTION, RESCISSION, AND BUDGET REALIGNMENTS (FAP 19-2, FAP 19-3, AND FAP 19-4) (\$ MILLIONS)

	FY 2019 Appropriated (FAP 19-1)	Changes to ASFF FY 2019 Budget			Mar. 2020 Revised Budget
		May 2019 Reprogram- ming Action	Dec. 2019 Enacted Rescission	Budget Re- alignments in FAPs	
Afghanistan Security Forces Fund, Total	\$4,920.00	(\$604.00)	(\$396.00)	\$ —	\$3,920.00
Afghan National Army, Total	1,639.99	(279.00)		143.36	1,504.35
Sustainment, Total	1,274.99	(251.00)		181.92	1,205.91
Personnel	608.95	(185.79)		124.77	547.93
Ammunition	88.62	(23.73)		23.54	88.42
Communications & Intelligence	187.63	(30.62)		(12.48)	144.53
Petroleum, Oil, and Lubricants	52.23	57.75		66.18	176.15
All Other	337.57	(68.60)		(20.09)	248.88
Infrastructure, Total	137.73	(1.10)		23.63	160.26
Equipment and Transportation, Total	62.17	(5.70)		(22.93)	33.55
Training and Operations, Total	165.10	(21.20)		(39.27)	104.62
Afghan National Police, Total	726.26	(117.20)		(27.51)	581.56
Sustainment, Total	497.55	(72.17)		19.14	444.52
Petroleum, Oil, and Lubricants	105.47	(28.58)		(1.79)	75.10
All Other	392.09	(43.59)		20.93	369.43
Infrastructure, Total	42.98	(26.13)		(5.93)	10.92
Equipment and Transportation, Total	14.55	(6.60)		2.39	10.34
Training and Operations, Total	171.17	(12.30)		(43.10)	115.77
Afghan Air Force, Total	1,728.26	(71.90)	(396.00)	(273.52)	986.85
Sustainment, Total	893.17	(51.04)		(158.27)	683.86
Personnel	33.53	(21.39)		2.92	15.06
Ammunition	98.27	(26.59)		25.23	96.91
Petroleum, Oil, and Lubricants	56.40	(36.42)		36.11	56.09
Aircraft Contracted Support	692.29	32.00		(220.91)	503.38
All Other	12.69	1.35		(1.63)	12.41
Infrastructure, Total	30.35	(5.50)		(19.87)	4.98
Equipment and Transportation, Total	537.55	(6.09)	(396.00)	(74.09)	61.37
Aircraft	529.31	(5.61)	(396.00)	(66.58)	61.13
Other Equipment and Tools	8.24	(0.49)		(7.51)	0.24
Training and Operations, Total	267.19	(9.27)		(21.29)	236.63
Afghan Special Security Forces, Total	825.48	(135.90)		157.67	847.25
Sustainment, Total	476.94	(100.34)		105.13	481.74
Aircraft Sustainment	132.91	44.28		135.52	312.71
Personnel	142.66	(79.42)		3.59	66.83
All Other	201.37	(65.19)		(33.98)	102.20
Infrastructure, Total	43.13	(1.54)		(20.62)	20.97
Equipment and Transportation, Total	152.03	(34.02)		30.04	148.05
Training and Operations, Total	153.37	0.00		43.12	196.50

Note: DOD reprogrammed \$1.50 billion from various accounts, including \$604.00 million from the ASFF FY 2019 account, to the Drug Interdiction and Counter-Drug Activities, Defense (DICDA) FY 2019 account as part of Reprogramming Action FY 19-02 RA on May 10, 2019, to support Department of Homeland Security (DHS) counterdrug activities along the U.S. southern border. See SIGAR Quarterly Report to the U.S. Congress, July 30, 2019 at pages 48–49 for additional information. The Budget Realignment consists of budget changes set forth in FAP 19-2 (June 2019) exclusive of the Reprogramming Action in May 2019, FAP 19-3 (October 2019), and FAP 19-4 (January 2020) exclusive of the Rescission enacted in Pub. L. No. 116-93 in December 2019. Aircraft Contracted Support consists of the Aircraft Sustainment budget category less Ammunition and NSRWA Technical Assistance. Numbers have been rounded.

Source: DOD, Fiscal Year 2019, Afghanistan Security Forces Fund (ASFF), Line Item Detail, two versions received 1/15/2020 and 7/16/2019; and Tab B - FY 2019 ASFF FAP 19-4 as of 11Mar2020 received 4/6/2020.

STATUS OF FUNDS



CERP FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

COMMANDER'S EMERGENCY RESPONSE PROGRAM

The Commander's Emergency Response Program (CERP) enables U.S. commanders in Afghanistan to respond to urgent, small-scale, humanitarian relief and reconstruction requirements in their areas of responsibility by supporting programs that will immediately assist the local population. Funding under this program is intended for small projects estimated to cost less than \$500,000, although larger projects costing up to \$2 million may be authorized with appropriate Congressional notification.⁴¹

The Department of Defense Appropriations Act, 2020, decreased the annual appropriation for CERP from \$10.0 million in FY 2019 to \$5.0 million in FY 2020, bringing total cumulative funding to nearly \$3.71 billion. Notably, CERP annual appropriations had equaled or exceeded \$400.00 million per year during the FY 2008 to FY 2012 period, as shown in Figure 3.10, and nearly \$1.12 billion in appropriations from this period was realigned to other Operations and Maintenance, Army account requirements, or expired without being disbursed. DOD reported that CERP cumulative appropriations, obligations, and disbursements stood at approximately \$3.71 billion, \$2.29 billion, and \$2.29 billion, respectively, at March 31, 2020, as shown in Figure 3.11.⁴²

FIGURE 3.10

CERP APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

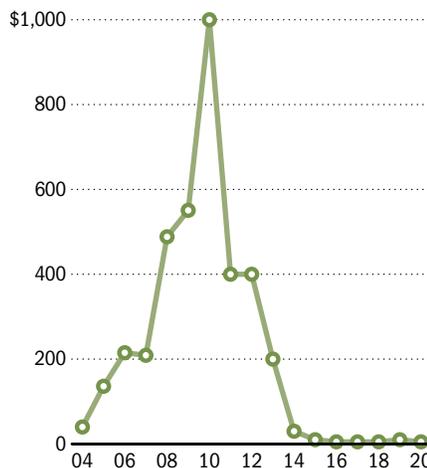
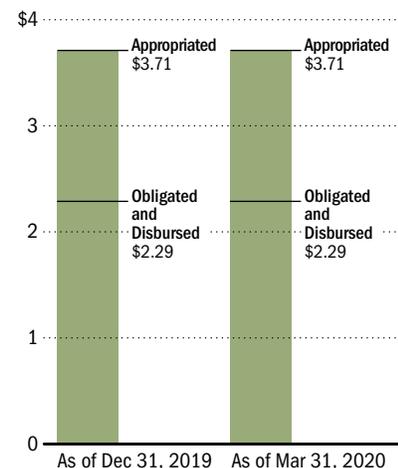


FIGURE 3.11

CERP FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



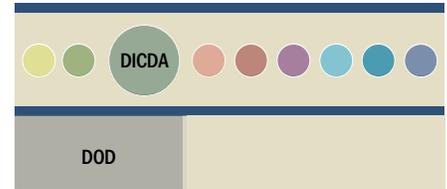
Note: Numbers have been rounded. Data may include interagency transfers. Analysis includes data from a draft DOD financial report because the final version had not been completed when this report went to press.

Source: DOD, response to SIGAR data call, 4/13/2020 and 1/17/2020; OMB, response to SIGAR data call, 1/4/2013; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, 112-10.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

The Drug Interdiction and Counter-Drug Activities (DICDA), Defense appropriation provides funding for efforts intended to stabilize Afghanistan by combating the drug trade and related activities. The DOD Counterdrug group allocates this funding to support the Counternarcotics Police of Afghanistan units (mentored by the DEA and U.S. Army Special Forces) who investigate high-value targets and conduct drug-interdiction operations. Funding is also provided to the Afghanistan Special Mission Wing (SMW) to support their fleet of rotary- and fixed-wing aircraft. The SMW's aircraft provide air mobility to conduct intelligence, surveillance, and reconnaissance operations aimed at counterdrug and counter-terrorism operations in country.⁴³

The DOD Counterdrug group reprograms appropriated DICDA funds from the Central Transfer Account (CTA) to the military services and defense agencies, which track obligations of the transferred funds. The group allocated funding to Afghanistan programs and transferred \$132.36 million to the military services in the quarter ending March 31, 2019, but withdrew \$122.18 million of these funds in the quarter ending September 30, 2019, resulting in a net transfer of \$10.18 million for FY 2019, as shown in Figure 3.12.⁴⁴ Following a transfer of \$33.81 million to Afghanistan programs in the first quarter of FY 2020, the group withdrew \$11.84 million in DICDA funds in the second quarter of FY 2020, which resulted in cumulative amounts appropriated and transferred from the CD CTA falling to \$3.28 billion at March 31, 2020, as shown in Figure 3.13.⁴⁵



DICDA FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.12

DICDA APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

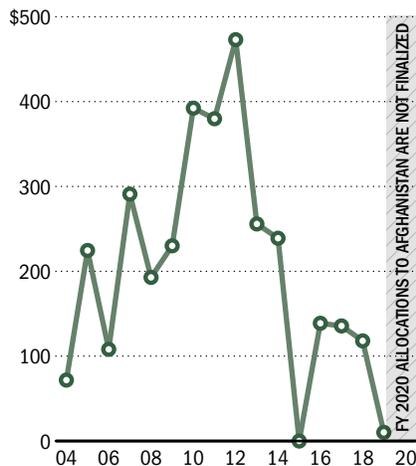
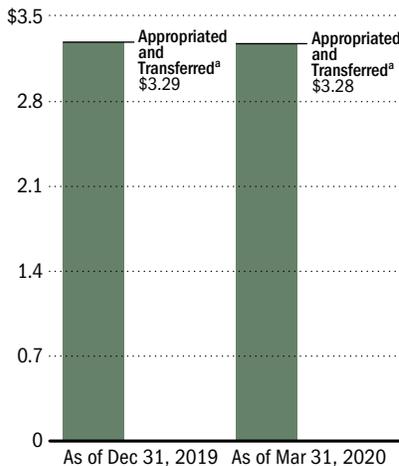


FIGURE 3.13

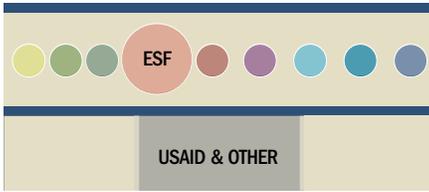
DICDA FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed \$125.13 million out of FY 2015 DICDA and \$122.18 million out of FY 2019 DICDA due to requirements for the Afghanistan Special Mission Wing being funded from the ASFF instead of DICDA.
^a DOD reprograms all DICDA funds to the military services and defense agencies for obligation and disbursement.

Source: DOD, response to SIGAR data call, 4/8/2020 and 1/10/2020; OSD Comptroller, 15-23 PA: Omnibus 2015 Prior Approval Request, 6/30/2015, p. 42.

STATUS OF FUNDS



ESF FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

ECONOMIC SUPPORT FUND

Economic Support Fund (ESF) programs are intended to advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. ESF programs support counterterrorism; bolster national economies; and assist in the development of effective, accessible, and independent legal systems for a more transparent and accountable government.⁴⁶

The ESF was allocated \$350.00 million for Afghanistan for FY 2019 through the Section 653(a) consultation process that was concluded among State, the U.S. Congress, and OMB in the quarter ending December 31, 2019. This represents a 30% reduction from the \$500.00 million allocation for FY 2018. The Section 653(a) allocations to Afghanistan for the Department of State, Foreign Operations, and Related Programs appropriation for FY 2020 enacted on December 20, 2019, have not been determined. Cumulative appropriations for the ESF stands at nearly \$20.85 billion, of which more than \$19.60 billion had been obligated and more than \$17.36 billion had been disbursed as of March 31, 2020.⁴⁷ Figure 3.14 below shows ESF appropriations by fiscal year, and Figure 3.15 shows cumulative appropriations, obligations, and disbursements as of December 31, 2019, and March 31, 2020.

FIGURE 3.14

ESF APPROPRIATIONS BY FISCAL YEAR
(\$ BILLIONS)

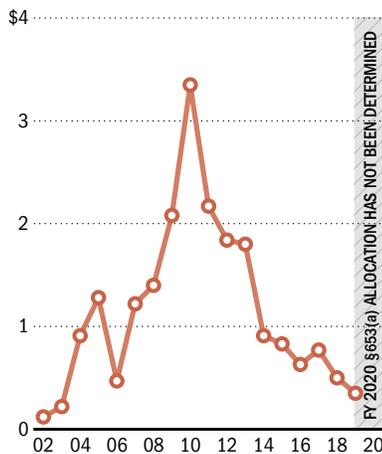
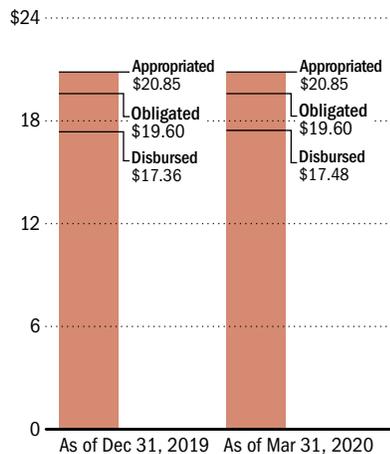


FIGURE 3.15

ESF FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



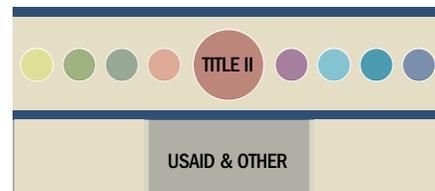
Note: Numbers have been rounded. Data reflects the following transfers from AIF to the ESF: \$101 million for FY 2011, \$179.5 million for FY 2013, and \$55 million for FY 2014. FY 2016 ESF for Afghanistan was reduced by \$179 million and put toward the U.S. commitment to the Green Climate Fund.

Source: USAID, response to SIGAR data call, 4/10/2020 and 1/13/2020; State, response to SIGAR data call, 1/3/2020, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, and 4/15/2014.

FOOD FOR PEACE: TITLE II AND IDA PROGRAMS

USAID's Office of Food for Peace (FFP) administers Public Law 480 Title II and International Disaster Assistance (IDA) account resources that are requested and appropriated on a contingency basis to meet humanitarian needs worldwide, with a focus on emergency food and nutrition assistance. Food for Peace Title II resources are authorized by the Food for Peace Act and appropriated under the Agriculture appropriations bill, while IDA resources are authorized by the Foreign Assistance Act and Global Food Security Act and appropriated under the State, Foreign Operations, and Related Programs appropriation. FFP obligates funding for emergency food-assistance projects when there is an identified need and local authorities do not have the capacity to respond.⁴⁸

FFP reports that it obligated nearly \$74.00 million in FY 2018, more than \$100.80 million in FY 2019, and \$15.50 million in the first two quarters of FY 2020 for food assistance programs in Afghanistan. All of these activities were undertaken with IDA funds except for the use of more than \$4.22 million in Title II Emergency funds in FY 2018. FFP noted that Title II funds must primarily be used for procurement of agricultural commodities in the U.S., while IDA funds can be used more flexibly for local and regional procurement of commodities, food vouchers, and cash transfers. FFP stated that current plans do not require the use of Title II resources for Afghanistan in FY 2020, but these plans may change.⁴⁹ Figure 3.16 presents annual appropriations of Title II funds, and Figure 3.17 presents cumulative appropriated and transferred funds at December 31, 2019, and March 31, 2020.⁵⁰



TITLE II FUNDS TERMINOLOGY

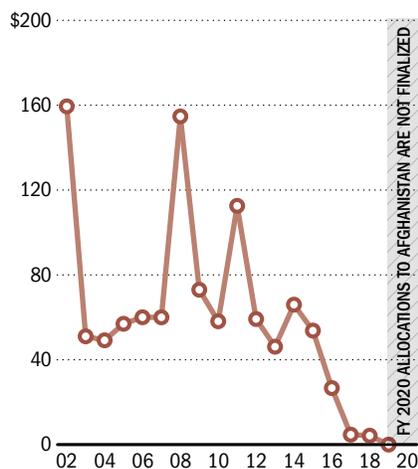
Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.16

TITLE II APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)



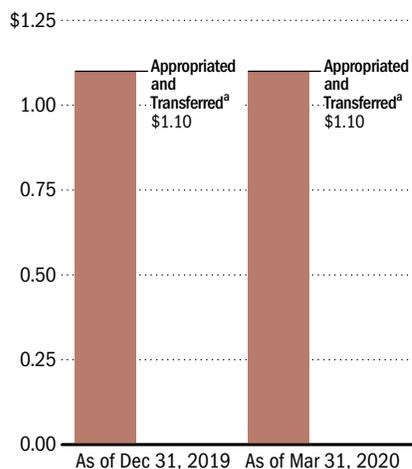
Note: Numbers have been rounded.

^a Title II Emergency account resources are requested and appropriated on a contingency basis to meet unmet humanitarian needs.

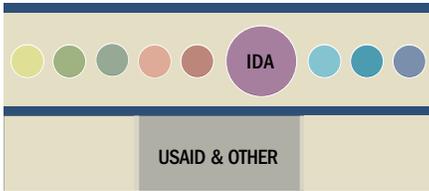
Source: USAID, response to SIGAR data call, 4/14/2020, and 1/13/2020.

FIGURE 3.17

TITLE II FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



STATUS OF FUNDS



IDA FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FOREIGN DISASTER ASSISTANCE: IDA PROGRAMS

USAID’s Office of U.S. Foreign Disaster Assistance (OFDA) teams with the Office of Food for Peace (FFP) to administer International Disaster Assistance (IDA) funds. OFDA is responsible for leading and coordinating the U.S. government response to disasters overseas. Its major programs include Relief Commodities & Logistics Support, Shelter & Settlements, Humanitarian Coordination & Information Management, Health, Protection, and WASH (water, sanitation, and hygiene). OFDA works closely with international partners such as the United Nations Children’s Fund (UNICEF), the United Nations World Health Organization (WHO), and others to deliver goods and services to assist conflict- and disaster-affected populations in Afghanistan.⁵¹

USAID reported that nearly \$1.04 billion in IDA funds had been allocated to Afghanistan from 2002 through March 31, 2020, with obligations of nearly \$962.27 million and disbursements of nearly \$846.85 million reported as of that date.⁵² Separately, OFDA reported that more than \$521.88 million in IDA funds had been awarded to its programs in Afghanistan from 2002 through March 31, 2020, with more than \$50.88 million obligated in FY 2019 and more than \$3.77 million obligated in the first two quarters of FY 2020.⁵³ Figure 3.18 presents annual appropriations of IDA funds to Afghanistan. Figure 3.19 presents cumulative appropriations, obligations, and disbursements.

FIGURE 3.18

IDA APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

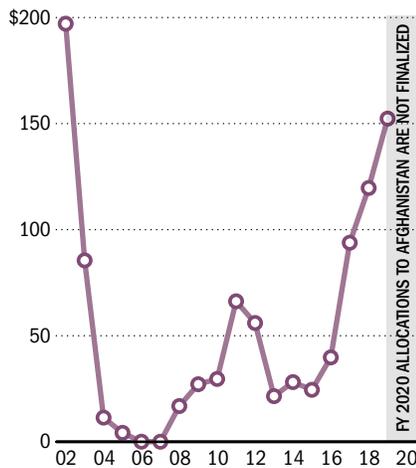
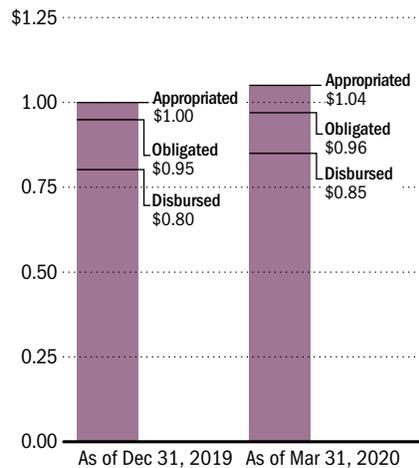


FIGURE 3.19

IDA FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



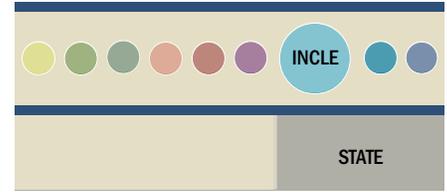
Note: Numbers have been rounded. Data may include interagency transfers.

Source: USAID, response to SIGAR data call, 4/10/2020 and 1/13/2020.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) manages the International Narcotics Control and Law Enforcement (INCLE) account which funds projects and programs for advancing the rule of law and combating narcotics production and trafficking. INCLE supports several INL program groups, including police, counternarcotics, and rule of law and justice.⁵⁴

The INCLE account was allocated \$87.80 million for Afghanistan for FY 2019 through the Section 653(a) consultation process that was concluded among State, the U.S. Congress, and OMB in the quarter ending December 31, 2019. This represents a 45% reduction from the \$160.00 million allocation for FY 2018. The Section 653(a) allocations to Afghanistan for the Department of State, Foreign Operations, and Related Programs appropriation for FY 2020 enacted on December 20, 2019, have not been determined.⁵⁵ Cumulative funding for INCLE stands at more than \$5.33 billion, of which more than \$5.09 billion has been obligated and more than \$4.48 billion has been disbursed as of March 31, 2020. Figure 3.20 shows INCLE appropriations by fiscal year, and Figure 3.21 shows cumulative appropriations, obligations, and disbursements as of December 31, 2019, and March 31, 2020.⁵⁶



INCLE FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.20

INCLE APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

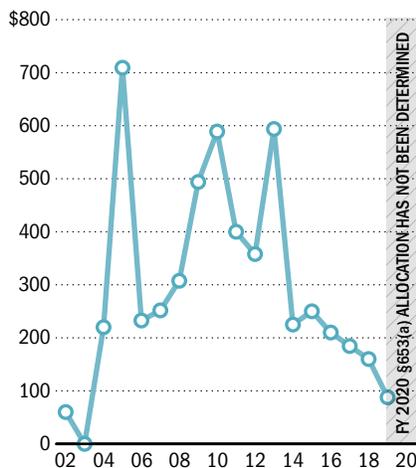
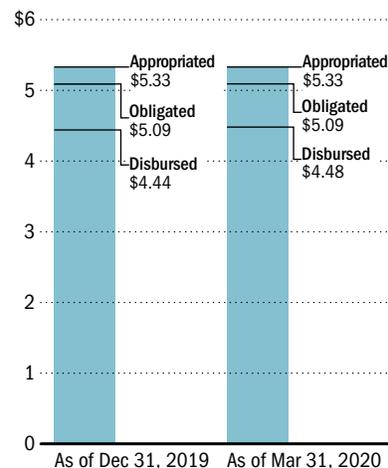


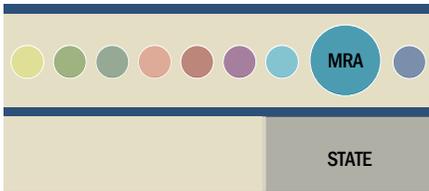
FIGURE 3.21

INCLE FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. Data may include interagency transfers.
Source: State, response to SIGAR data call, 4/15/2020, 1/10/2020, and 1/3/2020.

STATUS OF FUNDS



MRA FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

MIGRATION AND REFUGEE ASSISTANCE

The Department of State's Bureau of Population, Refugees, and Migration (PRM) administers the Migration and Refugee Assistance (MRA) account that funds programs to protect and assist refugees, conflict victims, internally displaced persons, stateless persons, and vulnerable migrants. Through MRA, PRM supports the work of the UN High Commissioner for Refugees (UNHCR), other international organizations, and various nongovernmental organizations (NGOs) in Afghanistan to support Afghan refugees throughout the region and upon their return to Afghanistan.⁵⁷

The MRA allocation for Afghan refugees, internally displaced persons, and returnees was nearly \$77.19 million for FY 2018, nearly \$85.40 million for FY 2019, but only slightly more than \$13.21 million for FY 2020 through March 31, 2020. Cumulative appropriations since 2002 have totaled nearly \$1.44 billion as of March 31, 2020, with cumulative obligations and disbursements reaching more than \$1.43 billion and nearly \$1.42 billion, respectively, on that date. Figure 3.22 shows MRA appropriations by fiscal year, and Figure 3.23 shows cumulative appropriations, obligations, and disbursements as of December 31, 2019, and March 31, 2020.⁵⁸

FIGURE 3.22

MRA APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

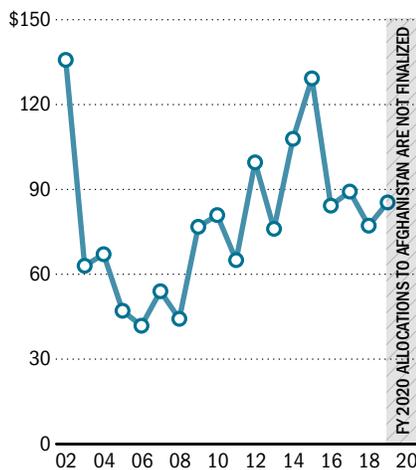
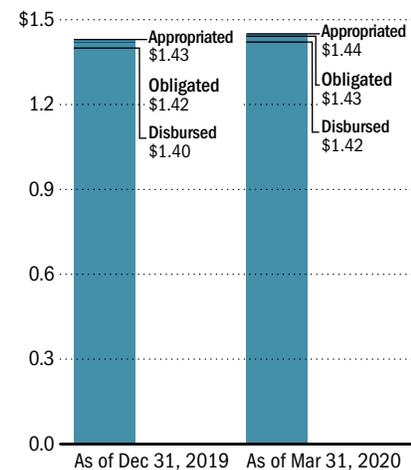


FIGURE 3.23

MRA FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



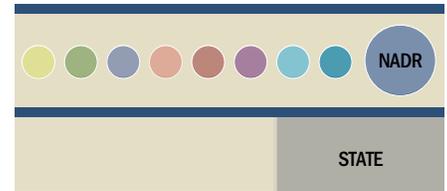
Note: Numbers have been rounded. Data may include interagency transfers.

Source: State, response to SIGAR data call, 4/14/2020 and 1/16/2020.

NONPROLIFERATION, ANTITERRORISM, DEMINING, AND RELATED PROGRAMS

The Non-Proliferation, Antiterrorism, Demining, and Related Programs (NADR) account plays a critical role in improving the Afghan government's capacity to address terrorist threats, protect its borders, and remove dangerous explosive remnants of war.⁵⁹ The majority of NADR funding for Afghanistan is funneled through two subaccounts, Antiterrorist Assistance (ATA) and Conventional Weapons Destruction (CWD), with additional funds going to Export Control and Related Border Security (EXBS) and Counterterrorism Financing (CTF). The Office of Foreign Assistance Resources makes allocated funding available to relevant bureaus and offices that obligate and disburse these funds.⁶⁰

The NADR account was allocated \$38.30 million for Afghanistan for FY 2019 through the Section 653(a) consultation process that was concluded among State, the U.S. Congress, and OMB in the quarter ending December 31, 2019. This represents a 5% increase from the \$36.6 million allocation for FY 2018. The Section 653(a) allocations to Afghanistan for the Department of State, Foreign Operations, and Related Programs appropriation for FY 2020 enacted on December 20, 2019, have not been determined. Figure 3.24 shows annual allocations to the NADR account, and Figure 3.25 shows that the cumulative total of NADR funds appropriated and transferred remained at \$842.84 million from December 31, 2019, to March 31, 2020.⁶¹



NADR FUNDS TERMINOLOGY

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

FIGURE 3.24

NADR APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

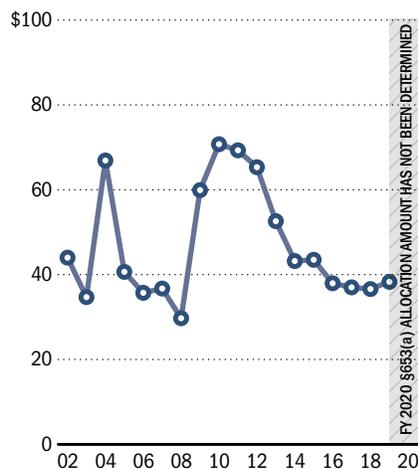
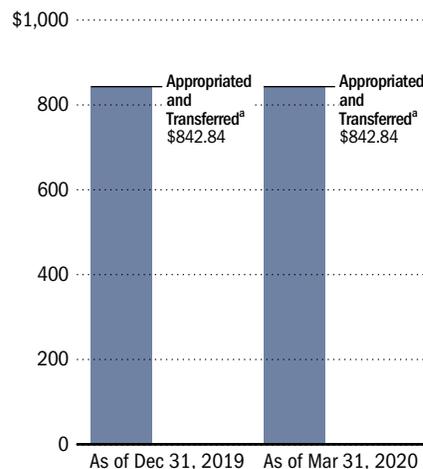


FIGURE 3.25

NADR FUNDS, CUMULATIVE COMPARISON
(\$ MILLIONS)



Note: Numbers have been rounded.

^a State and Congress agree on the country-by-country allocation of annual appropriations for the foreign assistance accounts, including NADR, through the Section 653(a) process. The Office of Foreign Assistance Resources makes allocated funding available to relevant bureaus at State that obligate and disburse these funds.

Source: State, response to SIGAR data call, 4/7/2020 and 1/3/2020.

STATUS OF FUNDS

INTERNATIONAL RECONSTRUCTION FUNDING FOR AFGHANISTAN

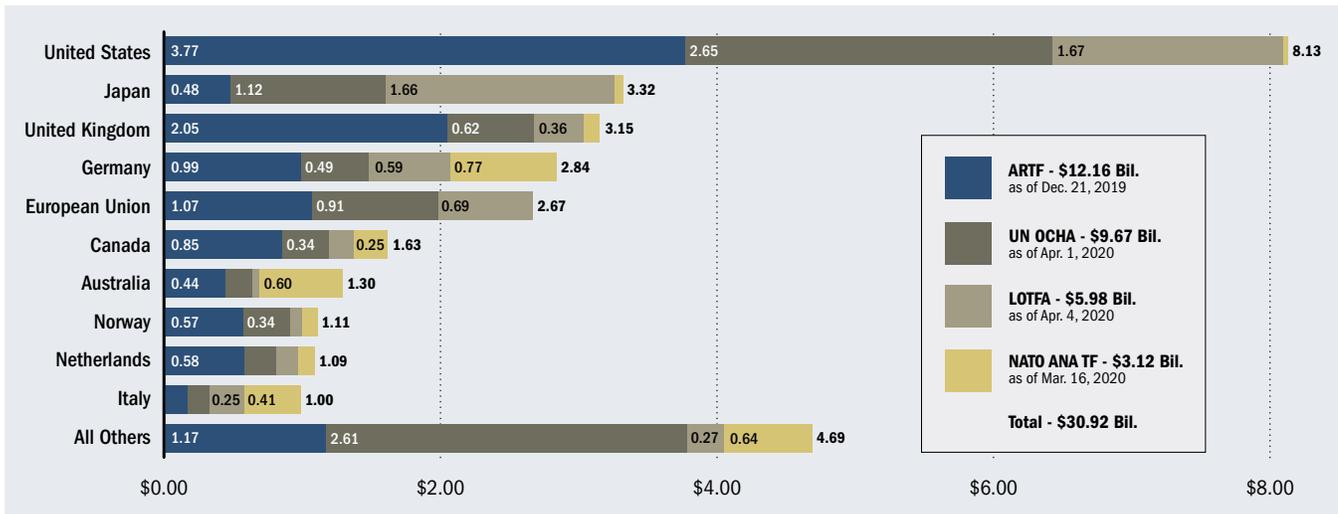
The international community provides significant funding to support Afghanistan relief and reconstruction efforts through multilateral institutions. These institutions include multilateral trust funds, United Nations and nongovernmental humanitarian assistance organizations, and two multilateral development-finance institutions, the World Bank Group and the Asian Development Bank.

The four main multilateral trust funds are the World Bank-managed Afghanistan Reconstruction Trust Fund (ARTF), the United Nations Development Programme (UNDP)-managed Law and Order Trust Fund for Afghanistan (LOTFA), the NATO-managed Afghan National Army (ANA) Trust Fund (NATO ANA Trust Fund or NATF), and the Asian Development Bank-administered Afghanistan Infrastructure Trust Fund (AITF).

The UN's Office for the Coordination of Humanitarian Affairs (OCHA) leads emergency appeals and annual or multi-year humanitarian response plans for Afghanistan, and provides timely reporting of humanitarian assistance provided by donors to facilitate funding of targeted needs.

FIGURE 3.26

CUMULATIVE CONTRIBUTIONS TO ARTF, UN OCHA-COORDINATED PROGRAMS, LOTFA, AND NATO ANA TRUST FUND SINCE 2002 BY 10 LARGEST DONORS (\$ BILLIONS)



Note: Amounts under \$250 million are not labeled. Numbers may not add due to rounding.

Source: World Bank, ARTF: Administrator's Report on Financial Status as of December 21, 2019 (end of 12th month of FY 1398) at www.artf.af, accessed 4/14/2020; UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 4/1/2020; UNDP, LOTFA Receipts 2002–2020 and LOTFA MPTF Receipts 2002–2020, updated through 4/4/2020, in response to SIGAR data call, 4/5/2020; NATO, Afghan National Army (ANA) Trust Fund, Status of Contributions Made as of 16 Mar 2020, at www.nato.int, accessed 4/10/2020.

Contributions to the Afghanistan Reconstruction Trust Fund

The largest share of international contributions to the Afghan government’s operational and development budgets comes through the ARTF. From 2002 to December 21, 2019, the World Bank reported that 34 donors had paid in nearly \$12.16 billion. Figure 3.26 shows the four largest donors over this period as the United States, the UK, the European Union, and Germany. Figure 3.27 shows that these four are also expected to be the largest donors to the ARTF for Afghan FY 1398 (December 22, 2018–December 21, 2019), as measured by paid-in and indicated contributions. The ARTF expects to receive contributions of \$907.98 million in Afghan FY 1398, marking a decline from the \$1.02 billion it received in Afghan FY 1397, when it recorded the second-highest annual amount of contributions received by the fund in its 17-year history.⁶²

Contributions to the ARTF are divided into two funding channels, the Recurrent Cost (RC) Window and the Investment Window. As of December 21, 2019, according to the World Bank, nearly \$5.06 billion of ARTF funds had been disbursed to the Afghan government through the RC Window to assist with recurrent costs such as civil servants’ salaries.⁶³ To ensure that the RC Window receives adequate funding, donors to the ARTF may not “preference” (ear-mark) more than half of their annual contributions.⁶⁴

The Investment Window supports development programs. As of December 21, 2019, according to the World Bank, more than \$5.48 billion had been committed through the Investment Window, and nearly \$4.83 billion had been disbursed. The Bank reported 30 active projects with a combined commitment value of nearly \$1.92 billion, of which more than \$1.26 billion had been disbursed.⁶⁵

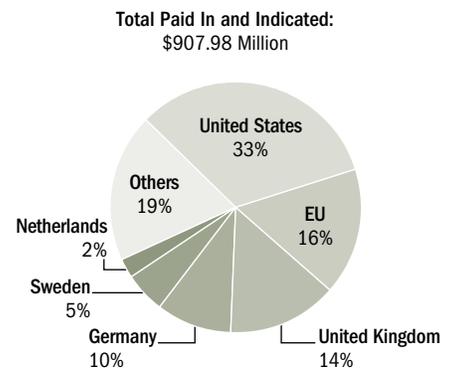
Contributions to UN OCHA-Coordinated Humanitarian Assistance Programs

The UN’s Office for the Coordination of Humanitarian Affairs (OCHA) leads emergency appeals and annual or multiyear humanitarian response plans for Afghanistan, and provides timely reporting of humanitarian assistance provided by donors to facilitate funding of targeted needs. Donors have contributed nearly \$9.67 billion to humanitarian assistance organizations from 2002 through April 1, 2020, as reported by OCHA. OCHA-led annual humanitarian response plans and emergency appeals for Afghanistan accounted for nearly \$6.25 billion, or 64.6%, of these contributions.

The United States, Japan, and the European Union have been the largest contributors to humanitarian assistance organizations in Afghanistan since 2002, as shown in Figure 3.26; while the United States, United Kingdom, and the European Union were the largest contributors in 2019, when the international community contributed \$591.77 million to these organizations, as shown in Figure 3.28. The UN World Food Programme (WFP), the UN High Commissioner for Refugees (UNHCR), the International Committee of the Red Cross, the UN Children’s Fund (UNICEF), and the UN Mine Action Service (UNMAS) have been the largest recipients of humanitarian assistance in Afghanistan, as shown in Table 3.5 on the following page.⁶⁶

FIGURE 3.27

ARTF CONTRIBUTIONS BY DONOR, AFGHAN FY 1398 (PERCENT)



Note: Percentages may not add to 100% due to rounding. “Others” includes 12 donors. Donors had paid-in \$780.38 million and indicated \$127.60 million for their FY 1398 contributions as of the report date.

Source: World Bank, ARTF: Administrator’s Report on Financial Status as of December 21, 2019 (end of 12th month of FY 1398) at www.artf.af, accessed 4/14/2020.

FIGURE 3.28

UN OCHA-COORDINATED CONTRIBUTIONS BY DONOR, CALENDAR YEAR 2019 (PERCENT)



Note: Percentages may not add to 100% due to rounding. “Others” includes 21 national governments and 12 other entities.

Source: UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 4/1/2020.

STATUS OF FUNDS

TABLE 3.5

LARGEST RECIPIENTS OF HUMANITARIAN ASSISTANCE FOR AFGHANISTAN UN OFFICE FOR THE COORDINATION OF HUMANITARIAN AFFAIRS (OCHA) CUMULATIVE RECEIPTS, 2002 TO APRIL 1, 2020 (\$ MILLIONS)	
Largest Recipients	Receipts
United Nations Organizations	
World Food Programme (WFP)	\$2,986.46
United Nations High Commissioner for Refugees (UNHCR)	1,193.54
United Nations Children's Fund (UNICEF)	491.28
United Nations Mine Action Service (UNMAS)	330.75
International Organization for Migration (IOM)	261.37
Food and Agricultural Organization (FAO)	211.87
Office for the Coordination of Humanitarian Affairs (UN OCHA)	143.35
World Health Organization (WHO)	115.01
Nongovernmental Organizations	
International Committee of the Red Cross	736.97
Norwegian Refugee Council	183.34
HALO Trust	113.31
Save the Children	106.42
All Other and Unallocated	2,793.90
Total Humanitarian Assistance Reported by OCHA	\$9,667.56

Note: Numbers may not add due to rounding.

Source: UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 4/1/2020.

Contributions to the Law and Order Trust Fund for Afghanistan

The UNDP had historically administered the LOTFA to pay ANP salaries and build the capacity of the Ministry of Interior (MOI).⁶⁷ Since 2015, UNDP had divided LOTFA support between two projects: the Support to Payroll Management (SPM) project, and the MOI and Police Development (MPD) project.

The SPM project has aimed to develop the capacity of the Afghan government to independently manage all nonfiduciary aspects of its payroll function for the ANP and Central Prisons Directorate (CPD) staff. Almost 99% of SPM project funding goes toward ANP and CPD staff remuneration.

The MPD project focused on institutional development of the MOI and police professionalization of the ANP. The project concluded on June 30, 2018.

The LOTFA Steering Committee, composed of Afghan ministries, international donors, and the UNDP, approved restructuring the fund and changing its scope of operations on November 25, 2018. The organization has

STATUS OF FUNDS

expanded its mission beyond the management of the SPM project to include the entire justice chain (police, courts, and corrections), and thereby cover all security and justice institutions, with an increased focus on anticorruption. A new multilateral trust fund, the LOTFA Multi-Partner Trust Fund (MPTF), was launched to fund this expanded mission, and donations of nearly \$197.72 million have been received from 10 donors, led by the United Kingdom, Canada, and the European Union (and without financial participation from the United States).⁶⁸

Donors have paid in nearly \$5.98 billion to the two LOTFA funds from 2002 through April 4, 2020. Figure 3.26 shows the fund's two largest donors on a cumulative basis have been the United States and Japan. Figure 3.29 shows the largest donors to the LOTFA in 2019. The United States has significantly reduced its contributions to LOTFA after donating \$114.40 million in 2016, thereafter contributing \$26.71 million in 2017, \$1.04 million in 2018, and \$0.95 million in 2019.⁶⁹

Contributions to the NATO ANA Trust Fund

The NATO ANA Trust Fund supports the Afghan National Army and other elements of the Afghan National Defense and Security Forces through procurement by the Afghanistan Security Forces Fund (ASFF) and the NATO Support and Procurement Agency (NSPA).⁷⁰ The Fund has received contributions from 24 NATO members, including the United States, and from 12 other Coalition partners totaling more than \$3.12 billion through March 16, 2020.⁷¹ Figure 3.26 shows Germany, Australia, and Italy as the three largest contributors to the fund. The United States made its first contribution in FY 2018 to support two projects under an existing procurement contract.⁷²

World Bank Group in Afghanistan

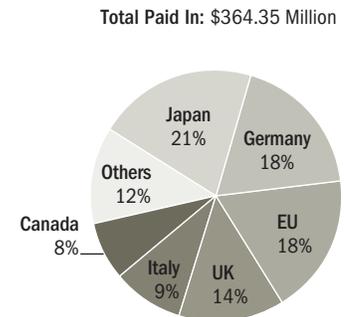
The World Bank's International Development Association (IDA) has committed over \$4.70 billion for development, emergency reconstruction projects, and budget support operations in Afghanistan from 2002 through February 2020. This support consists of over \$4.26 billion in grants and nearly \$440 million in no-interest loans known as "credits." The Bank has 11 active IDA-only projects and 15 active projects jointly funded with the ARTF with a combined commitment value of over \$1.6 billion from IDA.

In addition, the Bank's International Finance Corporation (IFC) maintains a committed portfolio valued at nearly \$240 million and its Multilateral Investment Guarantee Agency (MIGA) has a gross exposure of nearly \$120 million on projects in Afghanistan.⁷³

The United States is the World Bank Group's largest shareholder, with ownership stakes ranging between 10% and 25% of the shares in the IDA, IBRD, MIGA, and IFC.⁷⁴

FIGURE 3.29

LOTFA CONTRIBUTIONS BY DONOR, CALENDAR YEAR 2019 (PERCENT)



Note: Numbers have been rounded. "Others" includes the United States, nine other countries, and the UNDP, that made contributions to the two LOTFA funds.

Source: UNDP, LOTFA Receipts 2002–2020 and LOTFA MPTF Receipts 2002–2020, updated 4/4/2020, in response to SIGAR data call, 4/5/2020.

Asian Development Bank in Afghanistan

The Asian Development Bank (ADB) has committed over \$5.88 billion for over 150 development projects and technical assistance programs in Afghanistan from 2002 through December 2019. This support has consisted of \$4.92 billion in grants (of which the Asian Development Fund, or ADF, provided \$3.97 billion, and the ADB provided \$0.95 billion in co-financing), \$0.87 billion in concessional loans, and \$105 million in technical assistance. The ADB has provided \$2.17 billion for 20 key road projects, \$1.77 billion to support energy infrastructure, and \$879 million for irrigation and agricultural infrastructure projects. The United States and Japan are the largest shareholders of the ADB, with each country holding 15.57% of total shares.⁷⁵

The ADB administers the Afghanistan Infrastructure Trust Fund (AITF), a multi-donor platform that provides on-budget financing for technical assistance and investment principally in the transport, energy, and water management sectors. The AITF has received contributions of \$588.97 million from the NATO ANA Trust Fund, Germany, Japan, the United Kingdom, and the United States and disbursed \$288.30 million through September 30, 2019.⁷⁶

Sources of U.S. Funding for Multilateral Assistance

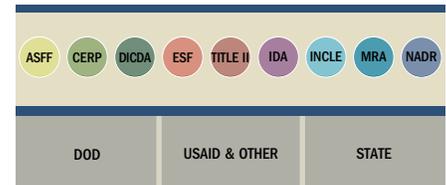
The United States provides significant financial support to multilateral institutions active in Afghanistan, and utilizes a wide range of appropriation authorities to engage with the international community. The Economic Support Fund (ESF) is the primary instrument for funding multilateral development, a number of USAID and State Department-managed accounts are used for multilateral humanitarian assistance, while the Afghanistan Security Forces Fund (ASFF), formerly the primary source of funding for multilateral security assistance, has largely yielded this role to its international partners.

The United States' annual contributions to the World Bank Group, Asian Development Bank, and the United Nations Assistance Mission in Afghanistan (UNAMA), funded by the Treasury and State departments, are fixed for the most part by international agreement and, except in the case of UNAMA, are not allocable to Afghanistan. Table 3.6 matches the multilateral assistance programs and organizations active in Afghanistan with their sources of U.S. funding.

STATUS OF FUNDS

TABLE 3.6

SOURCES OF U.S. FUNDING FOR MULTILATERAL ASSISTANCE PROGRAMS AND ORGANIZATIONS IN AFGHANISTAN	
Multilateral Assistance Programs and Organizations	Sources of U.S. Funding
Afghanistan Reconstruction Trust Fund (ARTF)	ESF
Law and Order Trust Fund for Afghanistan (LOTFA)	ASFF and INCLE
Afghan National Army (ANA) Trust Fund (NATF)	ASFF
UN OCHA Coordinated Programs	
UN World Food Programme (WFP)	IDA and Title II
UN High Commissioner for Refugees (UNHCR)	MRA
UN Children's Fund (UNICEF)	CSH, IDA, MRA, and Title II
UN Mine Action Service (UNMAS)	ESF and NADR
International Organization for Migration (IOM)	ESF, IDA, and MRA
UN Food and Agriculture Organization (FAO)	ESF and IDA
UN OCHA and its Afghanistan Humanitarian Fund	IDA
UN World Health Organization (WHO)	CSH, ESF, and IDA
HALO Trust	NADR
Save the Children	ESF and IDA
Afghanistan Infrastructure Trust Fund (AITF)	ESF
UN Assistance Mission in Afghanistan (UNAMA)	State CIO
World Bank Group (IBRD, IDA, IFC, and MIGA)	Treasury IP
Asian Development Bank (ADB and ADF)	Treasury IP



Note: State CIO refers to State's Contributions to International Organizations account; Treasury IP refers to the Treasury International Programs account.

Source: DOD, response to SIGAR data call, 1/18/2019; State, responses to SIGAR data call, 4/17/2020, 4/9/2020 and 8/21/2019; Treasury, response to SIGAR data call, 4/20/2020; UNDP, response to SIGAR data call, 4/5/2020; USAID, response to SIGAR data calls, 4/3/2020 and 1/13/2020; and USAID, Afghanistan-Complex Emergency Fact Sheet #4 FY 2017 at www.usaid.gov, accessed 4/9/2020.

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SECURITY

KEY ISSUES & EVENTS

On February 29, 2020, the United States signed an agreement with the Taliban and issued a parallel joint declaration with the Afghan government. The agreement followed a week-long “reduction in violence” (RIV) by U.S., Coalition, Afghan government, and Taliban forces.

The NATO Resolute Support (RS) mission restricted from public release enemy-initiated attacks data, a metric for tracking the levels and locations of violence in Afghanistan. Instead, RS told SIGAR that from March 1–31, “the Taliban . . . increased attacks against ANDSF to levels above seasonal norms.”

RS Commander General Austin Scott Miller and Special Representative for Afghanistan Reconciliation Zalmay Khalilzad met with Taliban leaders in Doha in mid-April about reducing the level of violence.

On February 29, 2020, the United States signed an agreement with the Taliban and issued a parallel joint declaration with the Afghan government. The agreement followed a week-long “reduction in violence” (RIV) by U.S., Coalition, Afghan government, and Taliban forces.⁷⁷

The U.S.-Taliban agreement provides for the withdrawal of all U.S. troops and associated nondiplomatic personnel from Afghanistan within 14 months, provided that the Taliban meets a number of conditions. The agreement commits the Taliban to prevent its members and other individuals or groups from using Afghan soil “to threaten the security of the United States or its allies,” and to enter into negotiations with the Afghan government to determine “the date and modalities of a permanent and comprehensive ceasefire” and to reach “agreement over the future political roadmap of Afghanistan.” The joint declaration of the United States and the Afghan government reaffirms U.S. support for the Afghan National Defense and Security Forces (ANDSF) and for continued military cooperation against international terrorist groups.⁷⁸

The NATO Resolute Support (RS) mission said that during the RIV week “the Taliban reduced violence to historic lows.”⁷⁹ After the signing of the U.S.-Taliban agreement, U.S. officials said they expected the level of Taliban attacks, and violence generally, to remain low.⁸⁰ However, almost immediately afterward, the Taliban increased attacks against the ANDSF. On March 4, RS Commander General Austin Scott Miller said the Taliban “need to

lower their violence. The agreement is fragile if the Taliban is not going to lower their violence,” and said the United States would continue to defend its Afghan partners from Taliban attacks using air strikes as necessary.⁸¹ As the Taliban continued attacking into April, General Miller met with Taliban leadership in Doha on April 10 and April 13 “as part of the military channel established in the agreement . . . about the need to reduce the violence,” and discussed both parties’ concerns over potential violations of the agreement and possible solutions to a prisoner-release dispute that has delayed the start of intra-Afghan negotiations.⁸²

This quarter, RS for the first time restricted from public release the enemy-initiated attacks (EIA) and effective enemy-initiated attacks (EEIA) data that RS uses to track the levels and locations of violence in Afghanistan. According to RS, the data is being withheld from public release because “EIA are now a critical part of deliberative interagency discussions regarding ongoing political negotiations between the U.S. and the Taliban.” Instead, RS told SIGAR that from March 1–31, “the Taliban refrained from attacks against Coalition Forces; however they increased attacks against ANDSF to levels above seasonal norms.”⁸³

Under the U.S.-Taliban agreement, the United States has committed to reducing its troop levels in Afghanistan to 8,600 within 135 days of its signing. If the Taliban meet their commitments, all U.S. troops would be withdrawn within 14 months.⁸⁴ On March 10, General Kenneth F. McKenzie Jr., commanding general of U.S. Central Command (CENTCOM), testified that the Department of Defense (DOD) has begun implementing the drawdown to 8,600 troops, but has not yet ordered reductions below that level.⁸⁵

Due to the COVID-19 pandemic, on March 20, CENTCOM issued a “stop movement” order preventing U.S. forces from deploying to their areas of responsibility (including Afghanistan) without first quarantining for 14 days. However, CENTCOM said the stop-movement order is “not expected to delay the drawdown in forces from Afghanistan as part of the U.S. agreement with the Taliban.”⁸⁶

Defense Secretary Mark Esper and General Miller have said they believe that a force of 8,600 is adequate to undertake both U.S. missions in Afghanistan outlined under Operation Freedom’s Sentinel (OFS): the unilateral U.S. counterterrorism mission and the U.S. contribution to NATO’s Resolute Support (RS) mission to train, advise, and assist (TAA) the ANDSF. Defense officials have not yet articulated how an eventual drawdown below the 8,600 level might impact both missions.⁸⁷

Substantial and continued U.S. and international financial, military and contractor support is required to sustain the ANDSF as it is currently constituted. Without support, the ANDSF will struggle to maintain and operate certain types of equipment, vehicles, and aircraft; provide consistent logistics support across the force; and root out fuel-related and other corruption across its ranks. However, DOD reported that the ANDSF has made some

recent, notable improvements in implementing systems such as the Afghan Personnel and Pay System (APPS), which accounts for ANDSF personnel and generates payroll calculations for the MOD, as well as the continuing growth and increasing capabilities of the Afghan Air Force (AAF) and the Afghan Special Security Forces (ASSF).⁸⁸

ANDSF Data Classified or Not Publicly Releasable

This quarter, RS for the first time restricted from public release all data on enemy-initiated attacks (EIA) and effective enemy-initiated attacks (EEIA).⁸⁹

USFOR-A continued to classify or otherwise restrict from public release the following types of data due to Afghan government classification guidelines or other restrictions (mostly since October 2017).⁹⁰

- ANDSF casualties, by force element and total
- most unit-level ANDSF authorized and assigned strengths
- detailed Ministry of Defense (MOD), Ministry of Interior (MOI), and ANDSF performance assessments
- information about the operational readiness of ANA and ANP equipment
- some Special Mission Wing (SMW) information, including the number and type of airframes in the SMW inventory, the number of pilots and aircrew, and the operational readiness (and associated benchmarks) of SMW airframes

Because public-health measures imposed to combat the COVID-19 pandemic inhibit the use of facilities necessary for accessing classified information, SIGAR will not publish a classified annex to this quarterly report.

U.S. Reconstruction Funding for Security

As of March 31, 2020, the U.S. Congress had appropriated roughly \$86.4 billion to help the Afghan government provide security in Afghanistan. This accounts for 63% of all U.S. reconstruction funding for Afghanistan since fiscal year (FY) 2002. Of the nearly \$4.2 billion appropriated for the Afghanistan Security Forces Fund (ASFF) in FY 2020, only about \$118.6 million had been obligated and \$3.2 million had been disbursed, as of March 31, 2020.⁹¹

Congress established the ASFF in 2005 to build, equip, train, and sustain the ANDSF, which comprises all forces under the MOD and MOI. A significant portion of ASFF money is used for Afghan Air Force (AAF) aircraft maintenance, and for ANA, AAF, ASSF, and Afghan Local Police (ALP) salaries. The ALP falls under the authority of the MOI, but is not included in the authorized ANDSF force level that donor nations have agreed to fund; only the United States and Afghanistan fund the ALP. The funding for the

ALP will expire at the end of FY 2020.⁹² The rest of ASFF is used for fuel, ammunition, vehicle, facility and equipment maintenance, and various communications and intelligence infrastructure. A detailed ASFF FY 2019 budget breakdown is presented in Table 3.4 on page 45.⁹³

ASFF monies are obligated by either CSTC-A or the Defense Security Cooperation Agency. Funds that CSTC-A provides to the Afghan government to manage (on-budget) are provided directly to the Ministry of Finance. The Ministry of Finance then transfers those funds to the MOD and MOI based on submitted funding requests.⁹⁴ While the United States funds most ANA salaries, a significant share of ANP personnel costs is paid by international donors through the United Nations Development Programme's multidonor Law and Order Trust Fund for Afghanistan (LOTFA). The United States had been, but is no longer, the largest contributor to LOTFA.⁹⁵ A discussion of on-budget (Afghan-managed) and off-budget (U.S.-managed) expenditures of ASFF is found on pages 111–112.

Violence Increases after U.S.-Taliban Deal, Despite U.S. Expectations

This quarter, U.S., Coalition, ANDSF, and Taliban forces implemented a week-long reduction in violence (RIV) beginning February 22, ahead of the February 29 signing of the U.S.-Taliban agreement and the finalization of a joint U.S.-Afghanistan declaration. The U.S.-Taliban agreement centered on the phased withdrawal of international forces, on the Taliban preventing the use of Afghan soil for attacks on the United States and its allies, and on Taliban participation in negotiations with the Afghan government.⁹⁶

RS told SIGAR that, prior to the RIV period, “In early to mid-February, the Taliban increased violence against the United States and Coalition forces.”⁹⁷ During the RIV period, U.S., Coalition, ANDSF, and Taliban forces changed their fighting posture. President Ashraf Ghani ordered the ANDSF to assume a defensive posture against the Taliban while continuing operations against other militants.⁹⁸ The State Department said “the Taliban had pledged to not undertake major attacks of any sort, including car bomb attacks, suicide bombings, rocket attacks, [and attacks using] IEDs,” and the United States agreed not to carry out air strikes against the Taliban or to raid Taliban facilities.⁹⁹ According to Secretary of State Michael R. Pompeo, the result was that the RIV period saw the lowest levels of violence of the preceding four years.¹⁰⁰

Following the RIV period and the signing of the agreement on February 29, U.S. officials said they expected the level of Taliban attacks, and violence generally, to remain low, with Secretary Pompeo saying that the Taliban had “made commitments to continue to reduce the violence level.”¹⁰¹

However, immediately after the agreement was signed, the Taliban increased attacks on ANDSF positions. After the Taliban attacked an



RS and USFOR-A Commander General Scott Miller (right) speaks at a press conference at the beginning of the reduction in violence period with Acting Minister of Interior Massoud Andarabi (left) and Acting Minister of Defense Asadullah Khaled (center). (Resolute Support photo)

ANDSF security checkpoint in Helmand Province on March 4, U.S. forces responded with their first air strike against the Taliban in 11 days.¹⁰² That same day, General Miller said the RIV had been “a start for the peace pathway, and ... the military of all sides have obligations to make sure that pathway is achievable.” He added that the United States would continue to conduct defensive air strikes in support of the ANDSF when they were attacked by the Taliban.¹⁰³

Aside from public statements made by U.S. officials and Taliban leaders, the *New York Times* reported that specifications about the level of violence, the prohibited types and targets of attacks, and other security and operational details of the U.S.-Taliban agreement are stipulated in the classified “implementing arrangements,” to which SIGAR has not received access.¹⁰⁴ The public version of the U.S.-Taliban agreement requires the Taliban to take a number of steps “to prevent any group or individual, including al-Qa’ida, from using the soil of Afghanistan to threaten the security of the United States and its allies.”¹⁰⁵

In an April 16 email to SIGAR, the State Department made it clear that it does not consider all Taliban attacks on the ANDSF a violation of the agreement, saying, “The U.S.-Taliban agreement does not prohibit all Taliban attacks against Afghan security forces, nor does it preclude the United States from acting in defense of Afghan forces.” State added that “Secretary Pompeo noted that the United States retained the right to defend Afghan government forces when attacked, a point further underscored by Ambassador Khalilzad in a March 12 interview with TOLONews and reaffirmed in the U.S.-Afghanistan Joint Declaration.”¹⁰⁶

On March 3, 2019, SIGAR’s chief of staff requested from State’s Office of Afghanistan Affairs copies of and/or access to the classified annexes to the agreement between the United States and the Taliban. The office responded that they “do not have a copy of the implementing arrangements” and noted the classified security annexes “deal with operational and security matters and distribution is restricted accordingly.” They suggested SIGAR follow up with the office of Special Representative for Afghanistan Reconciliation (SRAR), Ambassador Zalmay Khalilzad. The SRAR’s office was included on the response for additional follow-up, and SIGAR also made a direct request, but the SRAR failed to respond at the time this report was published.

Source: SIGAR, email correspondence with State, 3/3/2020 and 3/4/2020.

UNAMA vs. RS Collection Methodology

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

RS Civilian Casualty Management Team relies primarily upon operational reporting from RS’s Train, Advise, and Assist Commands (TAACs), other Coalition force headquarters, and ANDSF reports from the Afghan Presidential Information Command Centre to collect civilian-casualty data. DOD says that RS’s civilian-casualty data collection differs from UNAMA’s in that RS “has access to a wider range of forensic data than such civilian organizations, including full-motion video, operational summaries, aircraft mission reports, intelligence reports, digital and other imagery ... and other sources.”

Source: UNAMA, Protection of Civilians in Armed Conflict, 3/6/2018, i-ii; 1/2010, p. 35; 2/11/2009, pp. 4–5; and 8/2015, p. 4; DOD, Enhancing Security and Stability in Afghanistan, 12/2017, p. 27 and 6/2019, p. 27.

RS Restricts Public Release of Enemy-Initiated Attack Data

This quarter RS restricted from public release its data on enemy-initiated attacks (EIA), an important metric the command uses to track the levels and locations of violence across Afghanistan. This is the first time RS has restricted the release of this data since it began providing it to SIGAR in September 2018. RS explained its decision by saying “EIA are now a critical part of deliberative interagency discussions regarding ongoing political negotiations between the U.S. and the Taliban.” The Pentagon’s Afghanistan policy office added that after the deliberative process ends, the data could again become releasable to the public.¹⁰⁷

RS did provide the following unclassified narrative about enemy-initiated attacks during the month of March:

Between March 1 and 31, the Taliban refrained from attacks against Coalition forces; however they increased attacks against ANDSF to levels above seasonal norms.

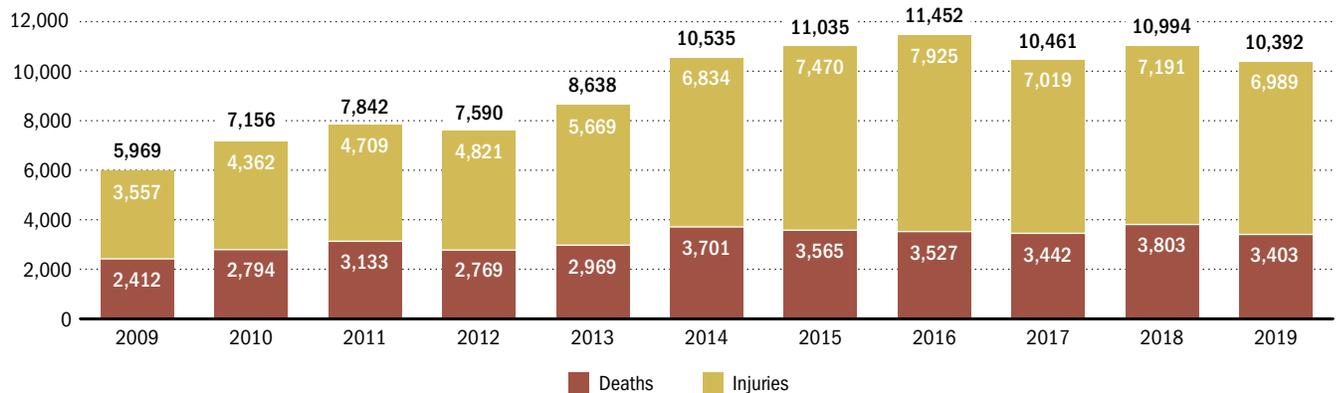
The Afghan Government maintains control of Kabul, provincial capitals, major population centers, most district centers, and most portions of major ground lines of communications (GLOCs). The Taliban contest several portions of main GLOCs, contest district centers in vicinity of Taliban strongholds, and in late March overtook Yamgan District, Badakhshan. Since the [RIV] period, the Taliban reduced violence against ANDSF in provincial capitals, likely to avoid risking the United States-Taliban agreement.¹⁰⁸

RS’s statement about the violence level from March 1–31 corresponds with the publicly available data from open sources. The *New York Times* reported on March 4 that Taliban violence against the ANDSF had increased after the signing of the U.S.-Taliban agreement, as they conducted 76 attacks across 24 Afghan provinces in four days.¹⁰⁹ The Armed Conflict Location and Event Data Project (ACLED), partly funded by the State Department, attributed 538 violent incidents to the Taliban from March 1–31, a 42% increase in incidents compared to February 2020 (which included the RIV week), and an 11% increase compared to March 2019. TOLONews also reported an increase in Taliban attacks following the signing of the U.S.-Taliban agreement (31–96 attacks per day between March 3 and April 7 versus around 70 attacks per day before the RIV), though they did not indicate the source of their data.¹¹⁰

After concluding that there had been no post-agreement reduction in Taliban attacks, on March 19, Afghanistan’s Acting Minister of Defense Asadullah Khalid ordered MOD forces “to return to [an] active defense position from [a] defensive position,” meaning they had “the right to attack the enemy where they are preparing to attack.”¹¹¹ As Taliban attacks on the ANDSF continued into early April, a USFOR-A spokesperson reported that General Miller met with Taliban leadership in Doha on April 10 and 13 “as part of the military channel established in the agreement ... about the need to reduce the violence.”¹¹²

FIGURE 3.30

UNAMA CIVILIAN CASUALTIES FROM 2009-2019



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

Source: UNAMA, Annual Report on the Protection of Civilians in Armed Conflict: 1 January to 31 December 2019, 2/22/2020, p. 5.

Civilian Casualties

SIGAR analyzes Afghan civilian-casualty data from two different sources, the United Nations Assistance Mission in Afghanistan (UNAMA) and RS. These organizations use different definitions of combatants (or noncombatants), and different methodologies to collect and assess civilian-casualty data, with RS consistently reporting fewer civilian casualties than UNAMA.¹¹³ However, comparing both sources, including the overall increase or decrease of civilian casualties, the breakdown of casualties by type, and the breakdown of casualties by party attribution, can provide helpful insights into civilian-casualty trends over similar reporting periods.

UNAMA: Civilian Casualties in 2019 Lowest Since 2013

UNAMA documented 10,392 civilian casualties (3,403 deaths and 6,989 injuries) in Afghanistan in 2019, a 5% decrease compared to 2018. As seen in Figure 3.30, 2019 was the sixth consecutive year in which over 10,000 civilian casualties were recorded in Afghanistan, though it had the lowest number of civilian casualties since 2013. UNAMA said the reduction of civilian casualties in 2019 reflected fewer casualties caused by Islamic State-Khorasan (IS-K), but more casualties caused by the Taliban and international military forces.¹¹⁴

Civilian Casualties by Parties Responsible

UNAMA continued to attribute the majority of civilian casualties (6,447, or 62%) in 2019 to antigovernment elements (47% to the Taliban, 12% to IS-K, and 3% to undetermined and other elements). The 4,904 casualties attributed to the Taliban represent a 21% increase compared to 2018, mainly

String of Defeats for IS-K

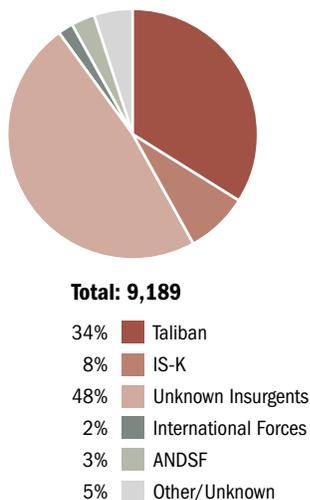
On April 4, the National Directorate of Security, Afghanistan's intelligence service, arrested and detained Abdullah Orakzai (known as Aslam Farooqi), the leader of Islamic State's affiliate in Afghanistan, Islamic State-Khorasan (IS-K).

This is the latest in a string of recent defeats for the group. According to the UN, since October 2019, over 1,400 IS-K fighters and affiliates have surrendered to the ANDSF or Coalition forces. IS-K largely lost its stronghold in Nangarhar Province in November 2019, and the group's presence has been reduced to pockets in western Kunar Province. As a result, the number of security incidents attributed to IS-K from November to February, declined considerably compared to the preceding three months and to the same period in 2019.

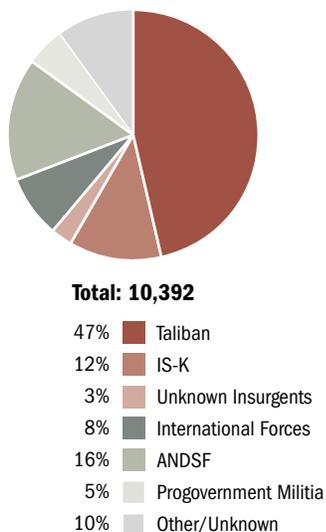
Source: Stars and Stripes, "Leader of ISIS in Afghanistan Arrested, Security Officials Say," 4/4/2020; UN, Report of the Secretary-General, The Situation in Afghanistan and its Implications for International Peace and Security," 3/17/2020, p. 6.

FIGURE 3.31

RS CIVILIAN CASUALTIES BY PARTY ATTRIBUTION



UNAMA CIVILIAN CASUALTIES BY PARTY ATTRIBUTION

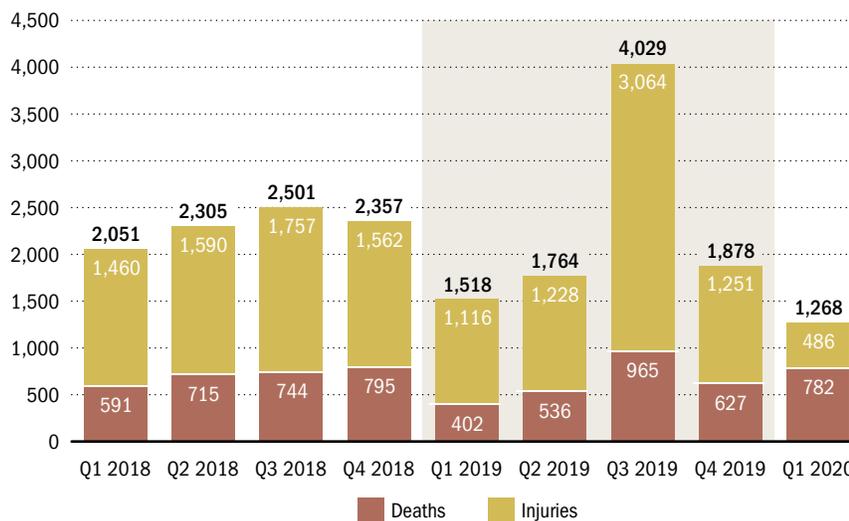


Note: Casualties include dead and wounded. "Other/unknown" for UNAMA data includes civilian casualties resulting from crossfire. "Progovernment militia" includes casualties attributed to unknown and multiple progovernment forces. "Unknown insurgent" includes casualties attributed to undetermined antigovernment elements. "Other/unknown" for RS data civilian casualties caused by undetermined elements, local militia, and the Pakistani military.

Source: RS, response to SIGAR data call, 1/7/2020; UNAMA, Annual Report on the Protection of Civilians in Armed Conflict: 1 January to 31 December 2019, 2/22/2020, p. 10; SIGAR, analysis of UNAMA and RS-provided data, 4/2020.

FIGURE 3.32

RS-REPORTED CIVILIAN CASUALTIES BY QUARTER



Source: RS, response to SIGAR data call 4/6/2020 and 1/7/2020; SIGAR, analysis of RS-provided data, 4/2020.

due to more non-suicide IED attacks. UNAMA attributed 2,933 (27%) of civilian casualties to progovernment forces (16% to the ANDSF, 8% to international military forces, 2% to progovernment armed groups, and 3% to undetermined or multiple progovernment forces). This is a 13% increase in casualties caused by progovernment forces compared to 2018, driven by international military forces' ground engagements and air strikes. (Air strikes remained at record-high levels.)¹¹⁵

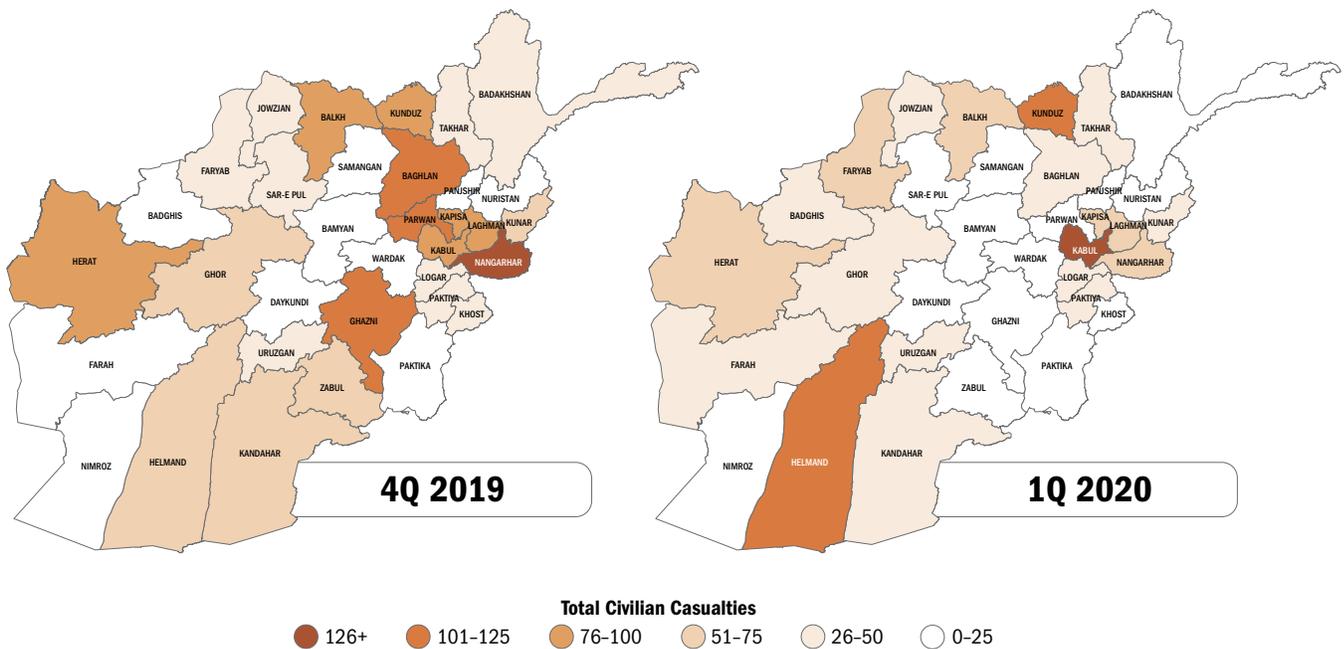
Figure 3.31 shows that UNAMA's attribution of casualties differs significantly from RS's. RS attributed 90% of the 9,189 civilian casualties it recorded in 2019 to antigovernment forces, 5% to progovernment forces, and 5% to other and unknown parties.¹¹⁶

Civilian Casualties by Incident Type

As has been the pattern in recent years, UNAMA reported the greatest number of civilian casualties in 2019 (4,336, or 42%) were caused by suicide and non-suicide improvised-explosive devices (IEDs), a 6% decrease from 2018. Ground engagements caused 29% of the civilian casualties in 2019, followed by air strikes (10%), targeted and deliberate killings (8%), explosive remnants of war (5%), search operations (3%), with the remaining 3% due to other causes.¹¹⁷ The breakdown of incident types causing civilian casualties is similar between UNAMA and RS, with the notable exception of air strikes. RS recorded that 2% of civilian casualties in 2019 were caused by air strikes.¹¹⁸

FIGURE 3.33

RS-REPORTED CIVILIAN CASUALTIES: COMPARING 4Q 2019 AND 1Q 2020



Source: RS, response to SIGAR data call, 4/6/2020 and 1/7/2020; SIGAR analysis of RS-provided data, 4/2020.

RS Reports Decline in Civilian Casualties in Early 2020

RS reported 32% fewer civilian casualties in Afghanistan this quarter (January 1–March 31, 2020) compared to last quarter (October 1–December 31, 2019), and a 16% decrease compared to last year (January 1–March 31, 2019). Figure 3.32 shows that the 1,268 civilian casualties this quarter were 610 fewer than last quarter and 250 fewer than the same period last year.¹¹⁹

RS attributed 88% of this quarter’s civilian casualties to antigovernment forces, which include the Taliban (37%), IS-K (10%), Haqqani Network (0%), and unknown insurgents (41%). Another 7% were attributed to progovernment forces (6% to ANDSF and 1% to Coalition forces), and 5% to other or unknown forces. These RS-provided percentages were similar to last quarter. However, in contrast to last quarter when improvised-explosive devices caused most civilian casualties, this quarter it was direct fire (47%), followed by improvised-explosive devices (32%), and indirect fire (6%).¹²⁰

Figure 3.33, shows that civilian casualties declined or remained the same in most provinces (23 of 34) compared to last quarter. While Nangarhar, Ghazni, and Parwan Provinces experienced the highest number of civilian casualties last quarter, this quarter, civilian casualties in these provinces declined dramatically (by an average of 83%), and Kabul, Kunduz, and

SIGAR typically analyzes Afghan civilian-casualty data from RS and UNAMA, but UNAMA did not issue a quarterly report covering early 2020 within this reporting period.

Helmand Provinces experienced the highest numbers of civilian casualties. Kabul Province suffered the most civilian casualties (208), and had one of the most substantial increases (151%) since last quarter.¹²¹

UNITED STATES FORCES-AFGHANISTAN

United States Begins Phased Troop Withdrawal

On March 2, Defense Secretary Mark Esper confirmed he ordered USFOR-A to begin a phased drawdown of U.S. troops from Afghanistan, as stipulated in the agreement signed between the United States and the Taliban on February 29.¹²² The United States has committed to drawing down its number of troops in Afghanistan to 8,600 within 135 days of the agreement's signing and to withdraw all troops within 14 months, if the Taliban meet the conditions outlined in the agreement.¹²³

On March 18, USFOR-A spokesperson Colonel Sonny Leggett confirmed that the drawdown of U.S. troops was proceeding, but did not specify how many had already been withdrawn or how many remained in country.¹²⁴ Secretary Esper said that once U.S. troops are at 8,600, “we’re going to stop, and we’ll assess the situation, not just tactically on the ground but also are all the parties living up to their obligations, their commitments? Are they acting in good faith and showing good effort?”¹²⁵

The new troop-level target is a roughly 4,000-person reduction from the 12,000–13,000 personnel reported by DOD on December 7, 2019.¹²⁶ For several months, Secretary Esper has said a force of 8,600 represents a force optimization, and can perform both U.S. missions in Afghanistan outlined under Operation Freedom’s Sentinel (OFS): the unilateral U.S. counterterrorism mission and the U.S. contribution to NATO’s RS mission to train, advise, and assist (TAA) the ANDSF.¹²⁷ Defense officials have not yet articulated how an eventual drawdown below the 8,600 level could impact both missions.

NATO’s latest reported figure for the RS mission is 16,551 Coalition military personnel as of February 2020, including 8,000 U.S. personnel and 8,551 military personnel from NATO and non-NATO partner nations.¹²⁸ Other U.S. troops in the OFS mission in Afghanistan serve in supporting roles, train Afghan special forces, or conduct air and counterterror operations.¹²⁹ These figures were published before the U.S. troop drawdown began in earnest, as well as before the commensurate drawdown of other Coalition nations’ forces, meaning that the current RS mission is likely smaller. Referring to the RS mission’s size in a meeting of NATO foreign ministers in early April, NATO Secretary General Jens Stoltenberg said “to support the peace efforts, we are reducing our presence to around 12,000 by the summer,” but “no decision for a further reduction has been taken and all of our steps will be conditions-based.”¹³⁰



A U.S. Army medical logistician stocks medical supplies at a warehouse in Bagram Airfield that will be used to protect service members, civilians, and Coalition partners from COVID-19. (U.S. Army photo)

Separate from U.S. military personnel in Afghanistan are the DOD contractors who provide essential in-country support to U.S. forces and the ANDSF. As of April 2020, 27,641 contractors were serving in Afghanistan, about 40% (11,077) of whom were third-country nationals, 39% (10,711) were U.S. citizens, and 21% (5,853) were local nationals, or more than twice the number of U.S. troops currently in country. These contractors fulfill an array of important responsibilities, with most providing logistics and maintenance support (34%), security (19%), and support for U.S. military bases (14%), and the rest providing construction, translation and interpretation, transportation, training, and other services.¹³¹

The U.S.-Taliban agreement provides that “The United States is committed to withdraw from Afghanistan all military forces of the United States, its allies, and Coalition partners, including all non-diplomatic civilian personnel, private security contractors, trainers, advisors, and supporting services personnel” within 14 months.¹³² State declined to comment publicly on the issue of whether U.S.-funded contractors and other support personnel for the ANDSF are among those to be withdrawn.¹³³ Contractors provide mission-essential support to the ANDSF in a number of areas, including some critical and costly U.S.-funded programs, such as Afghan Air Force (AAF) aircraft and ANDSF ground vehicles.¹³⁴

U.S. and Coalition Forces Casualties and Insider Attacks

This quarter (January 1–March 31, 2020), there were seven American military deaths in Afghanistan (four hostile and three non-hostile), and 11 service members injured. Two American soldiers were killed January 11 by a roadside bomb in Kandahar Province and another two were killed February 8 by a man in an ANA uniform in Nangarhar Province.¹³⁵ These bring the total number of U.S. military casualties in Afghanistan from

October 1, 2001, through April 17, 2020, to 1,909 hostile deaths (1,409 personnel killed in action, 497 died of combat wounds, and three died in other attacks), and another 530 personnel died from non-hostile causes. A total of 20,663 personnel were wounded in action.¹³⁶

This quarter's figures reflect a small increase in military deaths (three hostile and one non-hostile deaths more) over last quarter (October 1, 2019–December 31, 2019), but a significant decline in injuries (57 fewer). Compared to the same period last year (January 1, 2019–March 31, 2019), American military deaths and injuries have remained approximately the same (four hostile deaths, zero non-hostile deaths, and 13 injuries).¹³⁷

According to RS, there were no confirmed insider attacks in which ANDSF personnel attack U.S. and Coalition personnel, this reporting period (January 1–March 31, 2020). The attack that killed two U.S. Special Forces soldiers in Nangarhar Province on February 8, 2020, is under investigation as a possible insider attack.¹³⁸

Changes to U.S. and Coalition Forces' Advising Efforts

New Assessment, Monitoring, and Evaluation Method for ANDSF Performance

CSTC-A is adopting a new method for assessing, monitoring, and evaluating ANDSF performance to enable RS to “assess the people, places (units), and processes that are most vital to the viability of the ANDSF.” The new method, like the prior one, is built into the Advisor Network (ANET), the electronic system used by RS advisors to track engagements with and assess the performance and progress of their ANDSF counterparts.¹³⁹ It is slated to become available for advisor inputs in April, with baseline assessments expected to be available to CSTC-A in May 2020.¹⁴⁰

CSTC-A told SIGAR this quarter that it believes the new evaluation method will be a significant improvement over the previous, narrative-only advisor evaluations. The old narrative assessments made it difficult for advisors and RS staff and leadership to use ANET in any meaningful way because the assessments were too subjective, or lacked historical context.¹⁴¹ To increase rigor and reduce the possibility of arbitrary evaluations, the new method uses a Likert scale—a tool commonly used in surveys to measure respondents' attitudes, perceptions, or opinions, as in the common strongly agree/agree/neutral/disagree/strongly disagree rating questions.¹⁴² CSTC-A believes that using the Likert scale will generate quantifiable performance data that can reflect historical trend lines, making assessments useful for the command.¹⁴³

CSTC-A hopes this will improve U.S. and Coalition TAA efforts by focusing them on the **Top 10 Challenges and Opportunities** that must be addressed in order for the ANDSF to become “institutionally viable,” meaning effective, affordable, and sustainable. However, CSTC-A said some

The Top 10 Challenges and Opportunities are the focal point of CSTC-A's TAA efforts for the ANDSF and include:

- (1) Leader development
- (2) Reducing the number of vulnerable checkpoints
- (3) Countering corruption
- (4) Improving logistics
- (5) Improving accountability of equipment
- (6) Reducing attrition through better care of soldiers and police
- (7) Standardization of training
- (8) Better MOD and MOI budget execution
- (9) Improving processes for paying soldier and police salaries
- (10) Improving ANDSF facilities

Source: DOD, Enhancing Security and Stability in Afghanistan, 12/2019, p. 31.

objectives and efforts measured in the revamped ANET are not based solely on the Top 10 Challenges and Opportunities.¹⁴⁴ For example, progress on ANDSF gender-related efforts are not specifically identified as one of the Top 10 Challenges and Opportunities, but are included in ANET because CSTC-A sees them as “important measures that help RS understand the overall progress of the ANDSF’s manner of governance.”¹⁴⁵

This new method is the latest in a long history of DOD changing the methods it uses to assess ANDSF performance. Since 2010, U.S. and Coalition forces in Afghanistan have used at least four different methods, including the Commander’s Unit Assessment Tool (CUAT) from roughly 2010 to 2013, the Regional Command Assessment Report (RASR) from 2014 to 2015, the Monthly ANDSF Assessment Report (MAAR) from 2015 to 2016, and the security tracker for the Afghanistan Compact from late-2017 until recently. SIGAR has reported issues with each of these past systems, including that they did not provide a clear picture of ANDSF capabilities, had methodological inconsistencies that prevented identifying performance trend lines, or that data gathered on ANDSF performance using these systems became classified.¹⁴⁶

Optimizing Train, Advise, and Assist Efforts through Force Realignment

This quarter, DOD reported on RS efforts to optimize its TAA efforts and achieve unity of effort by empowering its **Ministerial Advisory Groups for Defense (MAG-D) and Interior (MAG-I)**, and by realigning the 12 branches conducting ministerial advising under the direction and guidance of the MAGs. RS advisors who routinely engage with the MOD and MOI will now coordinate efforts through the MAGs to ensure consistency when communicating with Afghan officials.¹⁴⁷

The empowered MAGs have been able to better synchronize their advisory efforts from the ministerial level down to the corps and provincial levels through a series of forums designed to increase communication and cooperation among CSTC-A, DCOS Ops, and the TAACs and Task Forces (TFs), including elements of the Security Force Assistance Brigade (SFAB) that are distributed among the TAACs and TFs. DOD reported that by the end of 2019, the TAA optimization effort had already “increased proficiency across the spectrum of warfighting functions, including helping to generate ANDSF combat and policing power, improve ANDSF accountability of personnel, ensure soldiers and police are paid, and reform logistics.”¹⁴⁸

Ministerial Advisory Groups for Defense (MAG-D) and Interior (MAG-I): U.S. or Coalition general officers who serve as the senior advisor to the Minister of Defense (MAG-D) or Minister of Interior (MAG-I). Both general officers, with their staff, coordinate and align advising efforts across the Resolute Support mission.

Source: DOD, Enhancing Security and Stability in Afghanistan, 12/2019, p. 6.

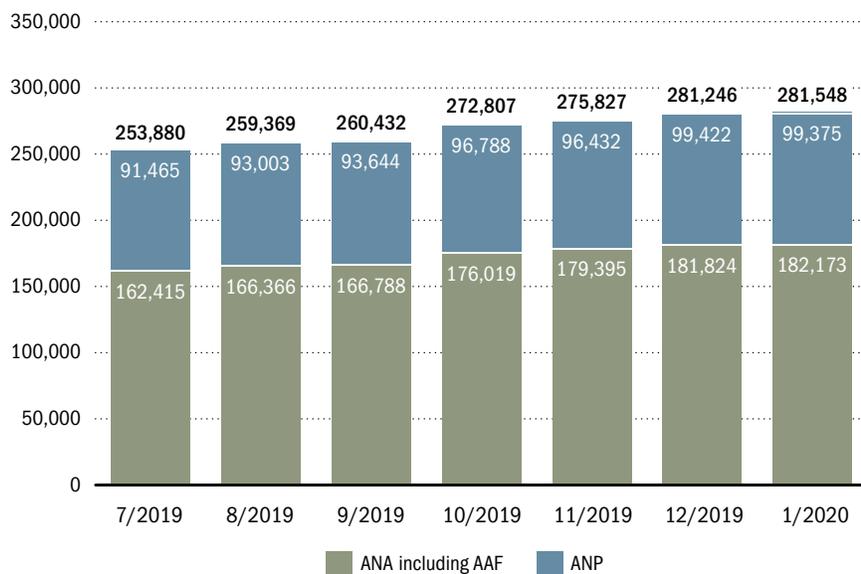
AFGHAN NATIONAL DEFENSE AND SECURITY FORCES

Reported ANDSF Force Strength Increased This Quarter

Reported ANDSF personnel strength increased by 3% since last quarter—the second consecutive quarterly increase—as Coalition and Afghan

SECURITY

FIGURE 3.34
REPORTED ANDSF ASSIGNED STRENGTH FROM APPS



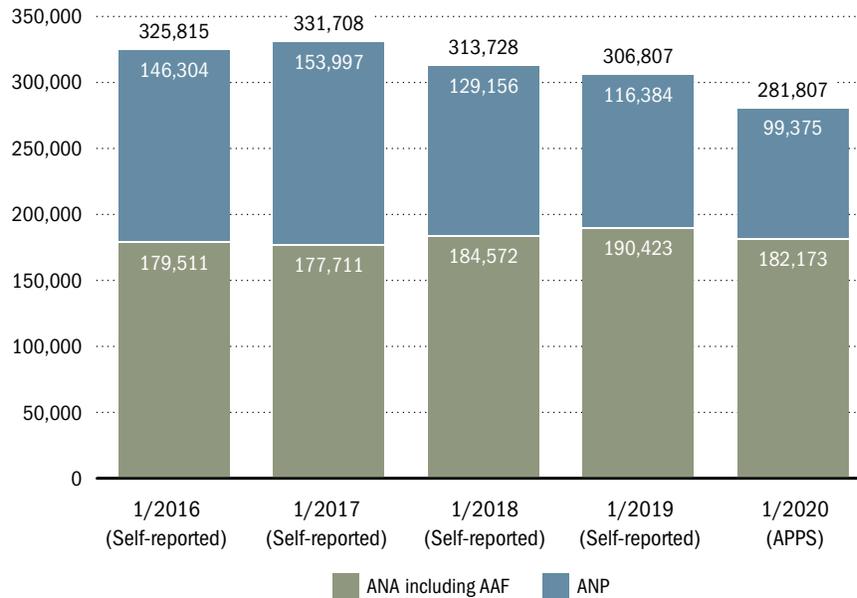
Note: This quarter's data is as of January 26, 2020. The "as of" date of the data each quarter is between the 25th and 31st of the indicated month. ANA = Afghan National Army; AAF = Afghan Air Force; ANP = Afghan National Police; ANDSF = Afghan National Defense and Security Forces. No civilians are included in the strength numbers.
Source: CSTC-A response to SIGAR data call, 3/17/2020, 12/19/2019, and 9/18/2019; SIGAR, analysis of CSTC-A-provided data, 4/2020.

counterparts continue working to more accurately determine the actual size of the force by using the Afghan Personnel and Pay System (APPS). As of January 26, 2020, CSTC-A reported 281,548 ANDSF personnel (182,173 MOD and 99,375 MOI) biometrically enrolled and eligible for pay in APPS. This does not include 7,395 civilians (3,238 MOD and 4,157 MOI) or roughly 19,000 Afghan Local Police (ALP). Figure 3.34 shows this is an increase of 8,741 personnel since last quarter's APPS-reported strength (October 2019), mainly driven by 6,154 more personnel reported in the MOD elements (ANA, Afghan Air Force, and MOD special forces).¹⁴⁹

As of December 2019, the ANDSF's total authorized strength is roughly 352,000 (227,103 MOD and 124,626 MOI) plus 30,000 ALP funded by the United States and the Afghan government. The authorized strength includes 11,663 civilians (5,790 MOD and 5,873 MOI). This quarter's ANDSF assigned strength stands at 80% (roughly 70,000 personnel short) of its 352,000 authorized strength.¹⁵⁰

According to CSTC-A, this quarter's strength numbers increased due to ongoing enrollment and personnel data-cleansing actions in APPS. CSTC-A said fluctuations will continue "until the backlog of personnel actions level off and APPS reaches 100% enrollment of the ANDSF."¹⁵¹ CSTC-A continues

FIGURE 3.35
REPORTED ANDSF ASSIGNED STRENGTH SINCE 2016



Note: This quarter's data is as of January 26, 2020. ANA = Afghan National Army; AAF = Afghan Air Force; ANP = Afghan National Police; ANDSF = Afghan National Defense and Security Forces. No civilians are included in strength numbers. ANA strength numbers include the AAF and trainees, transfers, holdees, and student personnel. ANP strength numbers do not include "standby" personnel, generally reservists, or personnel not in service while completing training. The change in strength numbers from 2019 to 2020 is due to the transition of strength reporting from ANDSF-reported figures to reporting from the Afghan Personnel and Pay System (APPS). The strength numbers reported here should not be viewed as exact: CSTC-A and SIGAR have long noted many data-consistency issues with ANDSF strength numbers, and CSTC-A always provides the caveat that it cannot validate ANDSF strength data for accuracy.

Source: CSTC-A response to SIGAR data call, 3/17/2020; SIGAR, Quarterly Report to the United States Congress, 4/30/2016, 4/30/2017, 4/30/2018, 4/30/2019; SIGAR, analysis of CSTC-A-provided data, 4/2020.

to believe that “the data provided by APPS is more accurate than data previously provided manually by the MOD and MOI.”¹⁵² According to DOD, “APPS is a major shift in the ministries’ traditional way of managing pay and personnel, and challenges are expected. APPS will take time to mature, but the current assigned-strength reporting from APPS represents another step towards improved accountability of personnel and is a reflection of continued efforts by the MOD and MOI to implement APPS.”¹⁵³

ANDSF Force Strength Remains Lower Year-on-Year

Seen in Figure 3.35, ANDSF personnel strength numbers sourced from APPS is 8% lower (roughly 25,000 personnel) than the Afghan-provided strength data reported during the same period in 2019 under the previous Afghan Human Resource Information Management System (AHRIMS). This is significant because assigned-strength numbers help inform CSTC-A’s decision-making on how much money to provide for ANDSF salary and incentive payments, as well as for certain types of equipment.¹⁵⁴

MOI and MOD Continue to Improve Personnel Accountability

MOI, MOD, and CSTC-A continue to undertake three efforts to improve the accuracy of ANDSF personnel data in APPS: (1) “slotting” or matching ANDSF personnel to authorized positions in the system, (2) “data cleansing” or correcting and completing key personnel data or deactivating entries for inactive personnel, and (3) physically accounting for personnel through site visits called personnel asset inventories (PAIs) and personnel asset audits (PAAs).¹⁵⁵

This quarter, CSTC-A reported that from November 1, 2019, to January 26, 2020, the ANA, Afghan Air Force (AAF), and ANA Special Operations Corps (ANASOC) processed 2,694 promotions, 11,540 reassignments, 7,475 initial assignments, and 10,054 separations in APPS. Separately, the ANP and ALP processed 1,007 promotions, 6,860 reassignments, 3,039 initial assignments, and 61 separations in APPS. These personnel actions resulted in a net increase in personnel for both MOD and MOI force elements (see previous section). However, CSTC-A said neither they nor the ANDSF conducted PAIs or PAAs this quarter. CSTC-A could not conduct them due to staff reductions from the force-optimization efforts described on page 73, as well as security-related travel restrictions. CSTC-A said it had no insight about why the MOD and MOI did not perform any PAIs.¹⁵⁶

SIGAR asked CSTC-A this quarter if there are any remaining exceptions to CSTC-A’s policy of paying only ANDSF personnel who are enrolled and meet the criteria to be eligible for pay in APPS. They responded that as of January 31, 2020, CSTC-A provides funds only for salaries and incentives of 3,630 MOD trainees and cadets outside of the APPS-generated payroll numbers. A technical issue in APPS has prevented these trainees and students from being slotted. CSTC-A anticipates this technical issue will be resolved by the end of June. CSTC-A also reported that for the MOD, personnel not meeting the criteria to be active and slotted in APPS have been changed to an inactive status, rather than being completely removed from the system. CSTC-A said it has deactivated 59,777 MOD and 6,539 MOI personnel records in APPS from July 1, 2018, through January 26, 2020.¹⁵⁷

CSTC-A told SIGAR there are several reasons why ANDSF personnel records are retained in APPS after an individual is deactivated. First, it is very common for soldiers and police to return after long breaks in service. Retaining all personnel records within APPS makes it easier to reintegrate returning personnel. Second, if an individual is released for misconduct and tries to rejoin or join another service, the system can flag it. Third, as in the U.S. and other militaries around the world, retaining personnel records in the system allows for future verification of an individual’s service if needed.¹⁵⁸

ANDSF Attrition – Some Data Classified

USFOR-A continued to classify detailed ANDSF attrition information this quarter because the Afghan government classifies it.¹⁵⁹ SIGAR’s questions

about ANDSF attrition can be found in Appendix E. Due to public-health measures to combat the COVID-19 pandemic, SIGAR will not publish a classified annex to this report. A detailed analysis of attrition by ANDSF force element will be provided in a future classified annex once these public-health measures are lifted.

DOD and RS have identified attrition as one of the “Top 10 Challenges and Opportunities” for building the capacity of the ANDSF.¹⁶⁰ According to DOD, personnel dropped from the rolls (DFR) account for the greatest portion of ANA and ANP attrition rates, but DFR rates for both have been improving. DOD said the most common reasons for DFRs are poor unit leadership (generally the biggest contributor), low pay or delays in pay, austere living conditions, denial of leave, and intimidation by insurgents. ANDSF advisors are tackling these problems by focusing on encouraging key reforms, leadership development, properly handling ANDSF pay, and reducing the use of checkpoints, which all have the secondary effect of improving care for soldiers and police, and reducing factors that negatively impact attrition.¹⁶¹

CSTC-A reported last quarter that the ministers of defense and interior have ordered MOD and MOI personnel to improve attrition by reducing absence without leave and increasing the re-enlisting of personnel separated from the force.¹⁶² These efforts may take time to yield results. Both MOD and MOI elements usually self-report an average quarterly attrition of about 2–3% of the force. This quarter, MOD reported 2.1% attrition, and MOI reported 2.6% attrition, both in line with usual levels of 2–3%.¹⁶³

ANDSF Casualties

USFOR-A classified all ANDSF casualty information this quarter because the Afghan government classifies it.¹⁶⁴ SIGAR’s questions about ANDSF casualties can be found in Appendix E. SIGAR will provide a detailed analysis of ANDSF casualties in a future classified annex once public-health measures related to the COVID-19 pandemic are lifted.

ANDSF Insider Attacks

According to RS, there were 17 insider attacks on the ANDSF this reporting period (January 1, 2020–March 31, 2020), resulting in 54 casualties, continuing the high levels seen last quarter.¹⁶⁵

ANDSF Performance – Some Data Classified

USFOR-A continued to classify detailed assessments of ANDSF performance because the Afghan government classifies them.¹⁶⁶ SIGAR’s questions about ANDSF performance can be found in Appendix E of this report. SIGAR will provide detailed ANDSF performance assessments in a future classified annex once public health measures to combat the COVID-19 pandemic are lifted.

Persistent advising: Defined as daily or routine engagements conducted with partnered Afghan National Defense Security Forces (ANDSF) to provide advisors the ability to build rapport and establish trust with Afghan partners. Advising engagements can be conducted through multiple methods such as by phone, walking to meet with a partner, hosting a meeting with a partner, or operations to drive or fly to advise a partner. Proximity of partnered ANDSF and security requirements determine the method and frequency of advising.

Periodic advising: Defined as targeted engagements conducted with partnered ANDSF over time to establish relationships and develop rapport. The frequency and method of engagements is determined by advised unit needs and the required method of advising. While periodic advising varies, one or two engagements per week can be considered typical. Periodic advising requires more time to establish trust and rapport between advisors and Afghan partners but enables advisors to maintain relationships across multiple ANDSF units simultaneously.

Source: USFOR-A, response to SIGAR vetting, 4/13/2020.

Checkpoints: nonpermanent positions manned by or housing 10–20 soldiers or police without logistics support or officer leadership.

Patrol bases: a fortified platoon or company position with towers, concertina wire, and other reinforcements, with a limited logistical capability for the care and feeding of soldiers assigned to the position. The construction of patrol bases have now been standardized by the MOD and is now ordered by MOD to be the standard field fortification for the ANA.

According to USFOR-A, the ANDSF this quarter “continued to build capacity to self-sustain through persistent Coalition-force advising of the ANA and ANP,” with all the ANA corps and 30% of the ANP provincial chiefs of police (PCOPs) identified as the “targeted echelons for **persistent advising**” and the other PCOPS and ANA brigades as the targeted echelon for “**periodic advising**.”¹⁶⁷

A key area of ANDSF performance improvement due to Coalition TAA this quarter was in **checkpoint** reduction, which RS has long identified as a priority. Dispersing troops among scattered checkpoints reduces overall combat power and offers targets for insurgent attacks. USFOR-A reported that the ANDSF is implementing its checkpoint-reduction plan based on intelligence estimates and analysis of enemy activity. USFOR-A says that the checkpoint-reduction plan has enhanced security in key districts while simultaneously reducing checkpoints that are less operationally important. They also said reducing the number of checkpoints has helped the ANDSF plan and execute operations to deny the enemy key terrain. These factors were “significant contributors” to higher ANDSF performance ratings.¹⁶⁸

As of late March, MOD has reduced 220 checkpoints and repositioned its soldiers into 49 newly built **patrol bases** (the new standard fortified fighting structures for the MOD) or 19 checkpoints that were improved to become patrol bases. MOI has closed approximately 197 of the 200 checkpoints initially identified as the most dangerous for their personnel. While CSTC-A said checkpoint-reduction efforts have a long way to go—the ANDSF began with over 10,000 checkpoints locations across Afghanistan—CSTC-A assesses that its TAA efforts have “resulted in a marked improvement with respect to [its checkpoint] objectives.”¹⁶⁹

The creation of Regional Targeting Teams (RTTs), an effort supported by NATO Special Operations Component Command-Afghanistan (NSOCC-A) advisors, is another development that has led to better ANDSF command-and-control capabilities at the regional level. RTTs now incorporate representatives from all regional ANDSF elements including the ANA, ANP, Afghan Special Security Forces (ASSF), and the National Directorate of Security. This has led to the ANDSF’s ability to coordinate and synchronize combat operations, increase the accuracy of operational reporting, and decrease decision-making times required to provide assets to an operation, improving their response to security crises across each region.¹⁷⁰

This quarter, NSOCC-A described the success of the Regional Targeting Team-Kabul (RTT-K), which became operational in December 2019. Like other RTTs, RTT-K synchronizes ASSF activities in Kabul and the surrounding provinces, while also working closely with Kabul Joint Command, which coordinates conventional forces’ units and missions. RTT-K delivers three key functions: (1) dynamic targeting (precision raids on high-value targets), (2) deliberate planning (large-scale security operational planning), and (3) crisis response (responding to high-profile attacks in the capital).

Source: CSTC-A, response to DOD OIG data call, 4/7/2020.

NSOCC-A said that in addition to ANA Special Operations Corps, the General Command of Police Special Units (GCPSU) have operational and intelligence staff embedded at RTT-K that get the necessary and timely support to the GCPSU'S critical National Mission Units so they can carry out their mission of responding to high-profile attacks in the capital.¹⁷¹

In terms of force-specific performance, Coalition force advisors assess that most ANA brigades demonstrated growth in “institutional viability” over the quarter, in (1) leadership development, (2) training, (3) personnel readiness, (4) attrition, and (5) sustainment. ANA brigades improved and are performing at or slightly above the “partially capable” rating in these categories. Through key leader engagements and **point-of-need advising**, USFOR-A says ANA corps leaders are implementing systems and processes to stem attrition rates, enhance personnel readiness, and improve force sustainment. The ANA's Regional Military Training Centers and the Kabul Military Training Center (KMTC) have also “played a pivotal role in leader development for young ANA officers and improving the training readiness of ANA Corps.” While these are positive developments, USFOR-A said the ANA corps are still working to fully develop their combined-arms capabilities, reduce static checkpoints, decrease response times to enemy activity, and protect areas of strategic value to the Afghan government.¹⁷²

In an example of point-of need advising, CSTC-A found issues with the methods and systems used by the ANA Recruiting Command (ANAREC) to determine recruiting goals and the number of people recruited. Analyzing the number of recruits being brought into the KMTC and the number being assigned to the ANA corps, CSTC-A found discrepancies in the figures. CSTC-A therefore identified the recruitment process, as well as some individual training centers, as a point of need for TAA.¹⁷³

Separate from the process, MOD's self-reported numbers showed the ANA had fewer recruits this quarter compared to the last one. CSTC-A identified several contributing factors, including transportation difficulties across the country during winter weather, in-processing delays at the ANAREC due to power shortages, and the suspension of the ANAREC commander and 11 of his staff following an ongoing MOD inspector-general investigation into corruption.¹⁷⁴

While Coalition advisors can provide the ANP with TAA at the provincial level, their ability to do so at lower levels remains limited. USFOR-A said the ANP continues to show increased capability. In particular, they said the ANP's Regional Training Centers “have been critical” to further professionalizing the police force and increasing the proficiency of patrolmen.¹⁷⁵

Afghan Special Security Forces

The Afghan Special Security Forces (ASSF) are the ANDSF's primary offensive forces. The ASSF include a number of elements, such as the ANA Special Operations Corps (ANASOC), the General Command Police Special

Point-of-need advising: Part of RS's mission design is to provide TAA to the “point of need,” which CSTC-A defined this quarter as “a person, place (unit), or process (or part of a process) across echelons where improvement will have an impact on the institutional viability of the ANDSF.”

Source: CSTC-A, response to SIGAR data call, 3/17/2020; CSTC-A, response to SIGAR vetting, 4/13/2020.



A commando serving in the Afghan National Army Special Operations Corps (ANASOC).

Units (GCPSU), and the Special Mission Wing (SMW). SIGAR tracks ASSF operations data because DOD has said growing the size and capabilities of the ASSF will improve the ANDSF's overall performance and allow the United States to increase the effectiveness and efficiency of its small-footprint military campaign in Afghanistan.¹⁷⁶ DOD reported in December 2019 that ASSF elements are on track to double in size by the end of 2020, a reform goal laid out for developing the force in 2016 in President Ashraf Ghani's four-year ANDSF Road Map.¹⁷⁷

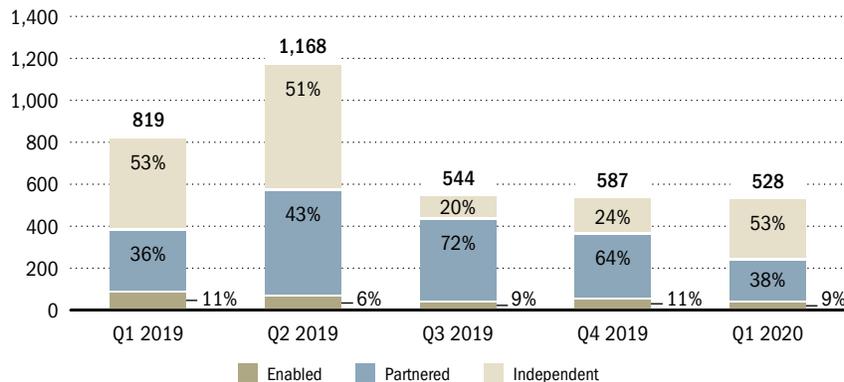
ASSF Ground Operations

This quarter, NSOCC-A reported that the ASSF conducted fewer ground operations due to decreased enemy activity during the February 22–29 reduction-in-violence period, the signing of the U.S.-Taliban agreement on February 29, and the subsequent order for MOD forces to retain a defensive posture against the Taliban (the ASSF are the primary offensive forces).¹⁷⁸ The 528 ASSF ground operations conducted this quarter (January 1–March 31, 2020) reflect a 10% decrease compared to last quarter (October 1 through December 31, 2019) and a 36% decrease compared to the same period last year. February and March saw a much lower number of operations (146 and 144 operations, respectively) than January (238).¹⁷⁹

Additionally, the number of reported Coalition-partnered or -enabled ASSF ground operations declined this quarter, and the number of operations ASSF conducted independently increased. NSOCC-A said this was at least in part because of U.S. commitments not to attack the Taliban during the RIV, and to conduct only defensive air strikes against the Taliban

FIGURE 3.36

ASSF GROUND OPERATIONS BY QUARTER



Note: Partnered = U.S. and Coalition forces partner with the ASSF during an operation; Enabled = U.S. or Coalition forces' enablers (air support, etc.) are used during an ASSF operation; Independent = ASSF conducts operation without U.S. or Coalition support.

Source: NSOCC-A, response to SIGAR data call, 4/7/2020; NSOCC-A, response to SIGAR vetting, 1/10/2020 and 1/18/2020; SIGAR, analysis of RS-provided data, 4/2020.

if they attack ANDSF units.¹⁸⁰ Figure 3.36. shows that 53% of this quarter's ASSF operations were conducted independently by the ASSF and 47% were Coalition-partnered or -enabled, compared to last quarter's 24% independent and 76% Coalition-partnered or -enabled operations.¹⁸¹ Prior to this quarter's increase in independent ASSF ground operations, NSOCC-A said independent operations had declined due to a shift in advisor focus last summer from increasing ASSF's independent operations to tackling issues with the misuse of the force.¹⁸²

ASSF Misuse

DOD reported this quarter that overall misuse of ASSF elements, which has been the main impediment to their ability to successfully carry out their missions, is declining. Misuse occurs when MOD or MOI orders the ASSF to conduct operations that are more appropriate for the conventional forces or assigns them other inappropriate tasks. Examples of misuse include using special forces to man checkpoints, hold terrain, or provide personal security for politicians or ANDSF leaders.¹⁸³

DOD said levels of misuse in the second half of 2019 were not nearly as high as the same period in 2018, and unlike other ASSF elements, the GCPSU that commands the special police, does not suffer from high levels of misuse.¹⁸⁴ Coalition advisors continue to encourage MOD and MOI to use ASSF "concepts of employment," documents that outline the intended roles, tasks, responsibilities, and relationships between the ASSF and the coordinating headquarters that make decisions about their deployment.¹⁸⁵

While misuse is generally declining, it remains an important problem. For example, NSOCC-A, the element that advises the ANASOC, told SIGAR this quarter that, in one type of misuse, about 1,200 (6%) of roughly 19,000 ANASOC commandos are currently manning checkpoints instead of conducting offensive operations. (In June 2019, about 3,000 commandos were on checkpoint duty.) An additional 2,500 commandos are currently serving in other inappropriate conventional roles, meaning that a total of at least 3,700 ANASOC commandos (around 20% of the force) are being misused.¹⁸⁶

Similarly, the NSOCC-A continues to report problems with the misuse of the Special Mission Wing (SMW), the special-operations aviation unit that supports counterterror and counternarcotics ASSF missions. Because the SMW is designed and trained to have more specialized skills than the AAF, Afghan leaders frequently task the SMW with general support missions that the AAF are meant to conduct.¹⁸⁷ The extent of the problem is apparent in the breakdown of mission sorties provided by NSOCC-A this quarter. In January and February 2020, the SMW conducted 321 sorties, nearly half of which (155, or 48%) were general support missions for ASSF and non-ASSF units outside the SMW's mission set, with the other 166 sorties were appropriate (145 counterterror, 12 counternarcotics, and nine counternexus missions, which have both a counterterror and counternarcotics purpose).¹⁸⁸

DOD said misuse or overuse persists for several reasons, including convenience, necessity, and politically motivated operational decisions. Because of misuse, the ANASOC has been unable to conduct an operational-readiness cycle (to train, refit, and rest), an important and necessary process usually undertaken during the winter to gear up for the higher operational tempo in the spring, according to ANASOC advisors.¹⁸⁹

Women in the ANDSF

According to CSTC-A, 5,270 female personnel, including 433 civilians, were enrolled in APPS as of January 26, 2020. This reported strength figure is a 16% increase compared to last quarter. CSTC-A said that as with other strength reporting, assigned-strength numbers sourced from APPS will continue to fluctuate due to ongoing enrollment and personnel-cleansing actions in the system. The majority of ANDSF women continue to serve in the MOI (3,535 personnel), with the other 1,735 in the MOD. CSTC-A also reported that in addition to the number of females reported in APPS, there are currently 29 female cadets enrolled at the National Military Academy and 15 students at Kabul Medical University.¹⁹⁰

This quarter, CSTC-A Gender Affairs reported that in recent months the GCPSU has seen advances in gender relations. A senior GCPSU officer and GCPSU Gender Director Colonel Nafisa Saba Sahar created a 90-minute documentary entitled "Special Women" highlighting leaders

SIGAR'S OVERSIGHT WORK ON FACILITIES FOR ANDSF WOMEN

From July 2015 through April 2019, DOD initiated 29 infrastructure projects to support women in the ANDSF. Since October 2018, SIGAR issued inspection reports discussing three of these projects and found that they were mostly or entirely unused. Given concerns that additional facilities built to support women in the ANDSF may also be unused, a SIGAR audit is assessing (1) the extent to which facilities DOD constructed to support women in the ANDSF are being used for their intended purposes, (2) how DOD selected its infrastructure projects to support women in the ANDSF, and (3) the extent to which DOD measured the success of its infrastructure projects to support women in the ANDSF.

and opportunities for women in the GCPSU. CSTC-A hosted the premiere of the film in February. Additionally, the Special Police Training Center concluded a noncommissioned officer course for 30 women and a female SWAT course. The GCPSU will also expand its facilities for women, approving construction of five facilities, at a cost of \$4.2 million, to be completed in 2022.¹⁹¹

Ministry Performance Assessments – Most Data Classified

USFOR-A continued to classify most information about MOD and MOI performance because it was classified by the Afghan government.¹⁹² SIGAR's questions about the ministries' performance can be found in Appendix E of this report. SIGAR will report on the MOI and MOD performance assessments in a future classified annex once public health measures related to the COVID-19 pandemic have been lifted.

This quarter, CSTC-A provided an update about its confidence in MOD and MOI leadership and improvements made in leaders' personnel management and decision-making. In line with the "Top 10 Challenges and Opportunities," CSTC-A has said leader development is the central tenet of RS efforts to create viable and sustainable ANDSF, and is crucial to success in other lines of effort.¹⁹³ This quarter, CSTC-A assessed that ministry performance remains centered on "a core group of ministerial leadership [that] provides reliable guidance and necessary influence across the ANDSF." CSTC-A believes that if the political environment in Afghanistan settles, this group will be able to expand its cohort of reliable leaders while minimizing, replacing, and removing corrupt and non-productive ANDSF personnel.¹⁹⁴

CSTC-A reported that these ministerial leaders' emphasis on improving soldier and police welfare, along with recent successes in election security, has led to their directing more independent actions by subordinate leaders.¹⁹⁵ RS advisors have noted that senior leaders within the MOD increasingly empower their assistant ministers of defense to plan strategically for the long-term structure of the force. Both the ministers of defense and interior are leading organizational improvements that have brought rapid and substantial changes in the leadership and staff. Advisors are also continuing to train and educate senior leaders on enforcing structural processes and procedures within the ANDSF to improve the operational readiness of the force.¹⁹⁶

With the implementation of critical reforms like APPS, mandatory retirements, and merit-based promotions, DOD assesses that ministerial-level focus on personnel development within the ANDSF has improved, but that more work by the ministries is required to ensure that young, educated, and qualified leaders are given opportunities to assume positions of influence.¹⁹⁷

AFGHAN NATIONAL ARMY

As of March 31, 2020, the United States had obligated roughly \$47.6 billion and disbursed about 47.6 billion of ASFF from FY 2005 through FY 2018 appropriations to build, train, equip, and sustain the ANA, AAF, and parts of the Afghan Special Security Forces (ASSF). These force elements constituted the ANA budget activity group (BAG) for reporting purposes through the FY 2018 appropriation.¹⁹⁸

ANA Sustainment Funding

As of March 31, 2020, the United States had obligated \$23.7 billion and disbursed \$23.5 billion from FY 2005 through FY 2018 ASFF appropriations for ANA, AAF, and some ASSF sustainment. These costs include salary and incentive pay, fuel, transportation services, and equipment maintenance costs, including aircraft, and other expenses.¹⁹⁹ For more details and the amount U.S. funds appropriated for ANA sustainment in FY 2019, see page 45 of this report.

During Afghan FY 1399 (December 2019–December 2020), CSTC-A plans to provide the Afghan government up to the equivalent of \$716 million to support the MOD, roughly the same amount reported the same time last year. Of this amount, approximately \$628.5 million (88%) is for salaries. As of February 21, 2020, CSTC-A had provided the Afghan government the equivalent of \$57.1 million to support the MOD thus far for FY 1399, roughly in line with the same period last year. Nearly all of these funds (98%) were to pay for salaries.²⁰⁰

ANA Equipment and Transportation

As of March 31, 2020, the United States had obligated and disbursed approximately \$13.7 billion from FY 2005 through FY 2018 ASFF appropriations for ANA, AAF, and some ASSF equipment and transportation costs.²⁰¹

Since 2018, CSTC-A has, with the exception of aircraft, stopped procuring major, high-cost equipment for the ANDSF—like high-mobility multipurpose wheeled vehicles (HMMWVs, commonly known as humvees) or entire communications systems. As a result, CSTC-A is focused on ensuring proper contractor maintenance of ANDSF equipment to increase its readiness, while building an organic ANDSF maintenance capability. CSTC-A bases equipment-replacement requirements on normal expected equipment life cycles, as determined by the acquisition process and taking into account factors such as combat losses, and replenishes consumables such as ammunition and individual equipment as needed by operational use.²⁰²

Although CSTC-A has moved away from procuring major equipment and systems, items procured in the past are still being delivered to the ANA.²⁰³ Table 3.7, lists the highest-cost items of equipment provided to the ANA this

TABLE 3.7

MAJOR EQUIPMENT ITEMS PROVIDED TO ANA				
Equipment Type	Equipment Description	Units Issued in Quarter	Unit Cost	Total Cost
Vehicle	M1151A1WB1 HMMWV (Utility Truck)	138	\$238,500	\$32,913,000
Accessory	Silvershield Electronic Vehicle Mount	9,472	1,700	16,102,400
Vehicle	M1152A1 HMMWV (Utility Truck)	15	186,729.00	2,800,935
Spare Parts	DATRON Radio Assorted Spare Parts	48	50,000	2,400,000
Accessory	Goodyear Tire	5,646	291.37	1,645,075
Accessory	Hull Armor Kit	11	145,603	1,601,633
Ammunition	Hand Grenade, Red Smoke	15,136	51.44	778,596
Accessory	Pneumatic Tire	402	1,654	664,908
OCIE	Men's Medium Shirt	10,539	38.85	409,440
Accessory	BB-LA6 Battery	1,440	277	398,880
Total				\$59,714,867

Note: The above list reflects only the 10 highest-value equipment provided to the ANA this quarter (November 16, 2019–January 31, 2020). The “unit costs” listed reflect the average costs paid for items procured under multiple Foreign Military Sales cases. OCIE = Organizational Clothing and Individual Equipment.

Source: CSTC-A, response to SIGAR data call, 3/17/2020.

quarter (November 16, 2019, through January 31, 2020), which included 153 HMMWVs (valued at \$35.7 million).²⁰⁴

ANA Equipment Operational Readiness – Data Classified

This quarter, USFOR-A continued to classify data on ANA equipment readiness because the Afghan government classifies it.²⁰⁵ SIGAR’s questions about ANA equipment readiness can be found in Appendix E of this report. SIGAR will report on ANA equipment readiness in a future classified annex once public health measures related to the COVID-19 pandemic are lifted.

ANA Infrastructure

The United States had obligated and disbursed nearly \$6 billion of ASFF appropriations from FY 2005 through FY 2018 for ANA, AAF, and some ASSF infrastructure projects as of March 31, 2020.²⁰⁶

This quarter, CSTC-A reported that the estimated annual facilities-sustainment costs funded by the United States for all ANA facility sustainment requirements continues to be \$108.8 million. Of this, \$74.7 million is provided directly to the Afghan government and \$34.1 million is spent by CSTC-A for the Afghan government.²⁰⁷

As of February 26, 2020, the United States completed a total of 483 ANA, AAF, and ANASOC infrastructure projects in Afghanistan, costing roughly \$5.5 billion.²⁰⁸ The number of completed, ongoing, and awarded projects this quarter were in line with trends reported over the last year.²⁰⁹ CSTC-A reported that five projects were completed this quarter, costing about \$33.5 million. Most of this money (\$30.5 million) was spent on the

ONGOING SIGAR AUDIT

From FY 2002 through FY 2017—the most recent year for which there is publicly available data—the U.S. government provided more than \$28 billion in defense articles and services to Afghanistan. An ongoing SIGAR audit is focused on the extent to which DOD, since the beginning of FY 2017, (1) conducted required routine and enhanced post-delivery end-use monitoring of defense articles provided to the ANDSF, and (2) reported and investigated potential end-use violations in Afghanistan and took steps to ensure corrective actions occurred, when applicable.

joint NATO-ANA Trust Fund (NATF)-ASFF funded electrical grid connection between Camp Shaheen (the ANA's 209th Corps headquarters) and the Northern Electrical Interconnect.²¹⁰ While projects connecting ANDSF facilities to the electrical grid are costly, CSTC-A views them as a long-term investment in the ANDSF's sustainability with a good return, because donors (and eventually the Afghan government) will no longer have to pay for fuel or the operations and maintenance costs associated with onsite generator-produced electricity.²¹¹

Another 29 projects at a total cost of \$214.4 million were ongoing and one project was awarded (valued at \$14.1 million), as of February 26. The highest-cost ongoing projects include a joint NATF-ASFF funded operations and life-support area for the AAF in Mazar-e Sharif (\$40.8 million), ASFF-funded renovations and additions to the ANA Parwan Prison (\$26.8 million), and an ASFF-funded kitchen for Parwan Prison (\$15.2 million). The awarded project was a rehabilitation center for Kabul National Military Hospital.²¹²

ANA Training and Operations

As of March 31, 2020, the United States had obligated and disbursed approximately \$4.3 billion of ASFF appropriations from FY 2005 through FY 2018 for ANA, AAF, some ASSF, and MOD training and operations.²¹³

This quarter, DOD reported several improvements related to ANA training efforts. The first was that the **Unified Training, Education and Doctrine Command (UTEDC)** achieved “full operational capacity” in December 2019. Over the last year, DOD said the UTEDC commander and staff have gained proficiency in logistics, accounting, and assurance processes and procedures, and the command was given independent budgetary authority. DOD said these things will improve resourcing of critical components of foundational, branch-specific training, and specialized training.²¹⁴

In another change, MOD has merged its 13 branch schools into four “capability schools,” (which focus on combat arms, combat support, combat service support, and general service). Advisors are reporting a greater effort by MOD to bolster the training pipeline into the schools. During the second half of 2019, a third of each Basic Warrior Training course directly progressed into a follow-on school for advanced training. Advisors attribute this success to high-level engagement and interest from the Minister of Defense and the Chief of General Staff. However, despite the growing numbers of soldiers attending these schools, DOD says the ANA still needs to provide soldiers with more advanced training and expertise in order to reduce casualties.²¹⁵

Corruption at the Kabul Military Training Center Worse Than Previously Reported

This quarter, CSTC-A's Counter-Corruption Advisory Group (CCAG) found that previous reports in December 2019 that conditions were improving at

Unified Training, Education and Doctrine Command (UTEDC): the entity that provides “unity of command” and coordinates all efforts related to institutional training and education and provides the MOD with an organization responsible for developing doctrine and training programs to inform activity within branch schools and professional military education institutions.

Source: DOD, *Enhancing Security and Stability in Afghanistan*, 12/2019, p. 36.



Acting Minister of Defense Asadullah Khaled meets new ANA recruits while visiting the command at Kabul Military Training Center on March 5. (Ministry of Defense photo)

the Kabul Military Training Center (KMTC), MOD's troubled main training center, were based on inaccurate information provided to MAG-D by a corrupt senior MOD official.²¹⁶

This senior official was actively attempting to cover up problems, having directed a fraudulent MOD IG investigation to obfuscate true KMTC conditions. As the CCAG further investigated KMTC criminal activity and analyzed corruption schemes, they determined that the overall KMTC assessment was worse than originally believed and reported by MAG-D. Over the last year, DOD has highlighted several problems at the KMTC that often led to recruits departing the center for their units in an unhealthy condition and without sufficient training.²¹⁷

CSTC-A said KMTC conditions had improved somewhat by early 2020 since the original CSTC-A assessments were made in July 2019, "with much more work to be done." CSTC-A reported that "despite concerted CSTC-A efforts to have the responsible [MOD] senior leader administratively removed, fired, or formally investigated by MOD," the person remains in their position and continues to be protected by the most senior [Afghan government] political leaders, facilitated by MOD loyalists.²¹⁸ DOD reported that more Coalition advisors were provided to the KMTC in the latter half of 2019 and are now co-located there. They assist the center by reevaluating the center's training program based on lessons learned in the field. The UTEDC also has a role overseeing the improvement of the KMTC's leadership, facilities, and the training program.²¹⁹

ANA Territorial Force

The Afghan National Army Territorial Force (ANA-TF) is the newest ANDSF force element and is responsible for holding terrain in permissive security environments. Falling directly under the command of the regular ANA corps, the ANA-TF is designed to be a lightly armed local security force that is more accountable to the government than local forces like the ALP. DOD says that some of the ANA-TF companies may replace conventional ANA companies, where authorizations exist, in areas where conditions are appropriate for the units to thrive. Following a final intra-Afghan peace deal, DOD assesses that the ANA-TF or similar construct may serve as a vehicle to reintegrate insurgent fighters.²²⁰

The locations of the ANA-TF's operational and planned *tolays* (companies, with a strength of up to 121 soldiers) are intended to deny the Taliban freedom of maneuver, and keep the Taliban away from urban areas and key lines of communication and transportation.²²¹ These *tolays* are currently providing local security in their areas of responsibility, so that the regular ANA forces are freed up to conduct other operations.²²²

This quarter USFOR-A reported continued progress on recruiting and establishing the ANA-TF. As of February 25, there were 83 operational ANA-TF *tolays*, with 13 more being stood up provisionally or in training. This is an increase of 13 operational *tolays* since November 29, 2019. Nine additional *tolays* are currently being planned. The ANA-TF's expansion has been rapid: in July 2019, the ANA had only 26 operational companies across Afghanistan. The ANA-TF is currently authorized for 105 *tolays*, and the Afghan government has plans to grow the ANA-TF to 121 companies during a potential third phase of ANA-TF expansion.²²³

CSTC-A also reported this quarter that the ANA-TF *tolays* largely struggled to gain full integration and acceptance from the ANA because the ANA-TF is a relatively new force element that is reliant on the regular ANA corps for leadership and supplies. CSTC-A said many ANA leaders fail to fully integrate the ANA-TF into their organizational hierarchy, but that CSTC-A's TAA efforts and resultant focus on the growing ANA-TF by MOD leadership is beginning to yield increased integration and acceptance of the program. The recent reassignment of several ANA corps commanders has led to improved utilization and integration of the ANA-TF into ANA operations.²²⁴

Based on remaining integration concerns, RS recently placed a hold on the ANA-TF expansion to allow time and space for the ANA to focus on how integrating the ANA-TF impacts the ANA's institutional viability. CSTC-A said the expansion will resume once ANA senior leadership and subordinate corps commanders address some of the programmatic and sustainment shortfalls currently affecting the ANA-TF. As the ANA-TF relies on ANA sustainment systems, the ANA-TF generally experiences the same challenges as its assigned ANA corps.²²⁵



An AAF pilot conducts a C-208 training mission with TAAC-Air over Kabul. (AFCENT photo)

AFGHAN AIR FORCE

U.S. Funding

As of February 28, 2020, the United States had appropriated approximately \$8.5 billion to support and develop the AAF (including the SMW) from FY 2010 to FY 2020. The main change since last quarter was to the FY 2019 funds allocated for the AAF. The initial appropriation budget for FY 2019 was \$1.7 billion and is now \$986.8 million, the lowest level of funding authorized for the AAF since 2016. The reduction is primarily related to a \$191 million decrease for aircraft sustainment due to lower-than-projected costs of contractor logistics support (aircraft maintenance) contracts and a \$468 million decrease in equipment costs due largely to a reduction of the required number of UH-60 aircraft.²²⁶

As in previous years, sustainment remains the costliest funding category for the AAF (65% of FY 2020 authorized funds). AAF sustainment costs primarily include contractor-provided maintenance, major and minor repairs, and procurement of parts and supplies for the AAF's in-country inventory of seven air platforms: UH-60, MD-530, and Mi-17 helicopters; A-29, C-208, and AC-208 fixed-wing aircraft; and C-130 transport aircraft.²²⁷

The United States has obligated \$5.4 billion for the AAF (including the SMW) from FY 2010 to FY 2019, as of February 28, 2020. U.S. funds can be obligated for up to two years, and roughly \$517.8 million in FY 2019 funds have been obligated (of the 986.8 million authorized). CSTC-A said

ONGOING SIGAR AUDIT

The United States has spent billions of dollars to train and equip the Afghan Air Force (AAF) and Special Mission Wing (SMW). Given the significant investment, SIGAR is conducting an audit to assess the extent to which (1) the AAF and SMW developed and implemented vetting policies and procedures that help identify corruption and potentially corrupt individuals, and (2) DOD has taken steps to ensure that the AAF and SMW recruit, train, and retain qualified personnel intended to contribute to professional and sustainable Afghan air forces.

TABLE 3.8

AAF AVIATION SUMMARY AS OF MARCH 31, 2020			
AIRCRAFT	Total Inventory	Usable/ In-Country	Authorized
Fixed Wing			
A-29	25	15	25
AC-208	10	10	10
C-130	4	2	4
C-208	23	23	23
Rotary Wing			
Mi-17	22	19	0
MD-530	48	45	48
UH-60	45	40	43
Total	177	154	153

Note: These figures do not include the aircraft for the Special Mission Wing, which are classified. The number of authorized aircraft listed here reflect revised AAF aircraft authorizations in 2019 minus combat losses to date. The AAF is phasing out its Russian-made Mi-17s. FY 2022 is the last year DOD will seek sustainment funding for the Mi-17s. Some will remain in the fleet to provide operational capability until the UH-60 capability matures and the transition to CH-47s is completed.

Source: TAAC-Air, response to SIGAR vetting, 4/17/2020; OUSD-P response to SIGAR data call, 4/9/2020; SIGAR, analysis of TAAC-Air- and OUSD-P-provided data, 4/2020.

Available aircraft: Aircraft that are “available” are located in Afghanistan and are operational or in short-term maintenance.

Source: OUSD-P response to SIGAR data call, 4/9/2020.

no FY 2020 funds have yet been obligated because it wants to use expiring FY 2019 funding first.²²⁸

Aircraft Inventory and Status

Seen in Table 3.8, as of March 31, 2020, the AAF currently has 154 available aircraft and 177 aircraft in its inventory. The table also shows the number of each aircraft type currently authorized for the AAF. These aircraft do not include those available or in the inventory of the SMW.²²⁹

TAAC-Air reported decrease of 12 **available aircraft** this quarter, and a decrease of seven aircraft in its total inventory. They said of the 12 aircraft to become unavailable for the AAF this quarter, one was a C-130 that went into depot-level maintenance; six Mi-17s became expired, were damaged, or were not returning from overhaul; one MD-530 was lost in combat; and four UH-60s were transferred to the SMW.²³⁰

AAF Operations and Readiness

The AAF decreased flight hours considerably (by almost 26%), while the readiness of four of seven of its airframes increased this quarter (January–March 2020), compared to last quarter (October–December 2019). TAAC-Air said AAF flight hours decreased this quarter due to the reduction-in-violence period, which led to a decrease in strike missions; winter weather impeding flight operations (not out of the norm); and new flight rules due to the COVID-19 pandemic, under which the AAF only conducts combat sorties, not training sorties.²³¹

All airframes except the C-208 and the MD-530 met their readiness benchmarks, a slight decline from last quarter, when only one airframe (C-208) failed to meet its readiness benchmark.²³² TAAC-Air explained that the C-208s had a large number of aircraft grounded this quarter due to a fuel-contamination issue at Kandahar Airfield at the end of January and the beginning of February, as well as long delays for repair parts, exacerbated by the pandemic conditions, which impacted several scheduled engine overhauls. The MD-530s had a safety issue that, until inspected and repaired, temporarily grounded the fleet.²³³

AFGHAN NATIONAL POLICE

As of March 31, 2020, the United States had obligated nearly \$21.7 billion and disbursed roughly \$21.5 billion of ASFF funds from FY 2005 through FY 2018 appropriations to build, train, equip, and sustain the ANP and the GCPSU. These force elements constituted the ANP budget activity group (BAG) for reporting purposes through FY 2018 appropriation.²³⁴ For more

information about what these costs include and the amount of U.S. funds appropriated for ANP sustainment in FY 2019, see page 45 of this report.

ANP Sustainment Funding

Unlike with the ANA, most ANP personnel costs (including ANP salaries) are paid by international donors through the United Nations Development Programme's multidonor Law and Order Trust Fund for Afghanistan (LOTFA).²³⁵

To support the MOI, CSTC-A plans to provide up to \$142.5 million in FY 1399, roughly the same amount reported the same time last year. Of these funds, approximately \$54.7 million (38%) is for ALP salaries, with the remaining funds for purchase of goods, services, or assets. As of February 21, 2020, CSTC-A has not yet provided funds to support MOI sustainment expenses because the MOI is using available funds previously disbursed to their Ministry of Finance account for prior-year requirements that were not fully executed. Once these funds have been exhausted, CSTC-A will begin distributing FY 1399 funding to MOI.²³⁶

ANP Equipment and Transportation

As of March 31, 2020, the United States had obligated and disbursed approximately \$4.8 billion of ASFF from FY 2005 through FY 2018 appropriations for ANP equipment and transportation costs.²³⁷

Since 2018 CSTC-A has, with the exception of aircraft, stopped procuring major, high-cost equipment for the ANDSF—like high-mobility multipurpose wheeled vehicles (HMMWVs, commonly known as Humvees) or entire communications systems. As a result, they are focused on ensuring proper contractor maintenance of ANDSF equipment to increase its readiness, while building an organic ANDSF maintenance capability. CSTC-A bases equipment-replacement requirements on normal expected equipment life cycles, as determined by the acquisition process and taking into account factors such as combat losses, and replenishes consumables such as ammunition and individual equipment as needed by operational use.²³⁸

Although CSTC-A has moved away from new procurements of major equipment and systems, items that have been procured in the past are still being delivered to the ANP.²³⁹ As seen on the following page, Table 3.9 lists the highest-cost items of equipment provided to the ANP this quarter (November 16, 2019, through January 31, 2020). Of these items, the costliest was the delivery of 388 HMMWVs (\$83.4 million).²⁴⁰

SECURITY

TABLE 3.9

MAJOR EQUIPMENT PROVIDED TO THE ANP, NOVEMBER 16–JANUARY 31, 2020				
Equipment Type	Equipment Description	Units Issued in Quarter	Unit Cost	Total Cost
Vehicle	M1151A1WB1 HMMWV (Utility Truck)	211	\$238,500	\$50,323,500
Vehicle	M1152A1 HMMWV (Truck Utility)	177	186,729	33,051,033
Accessory	Silvershield Electronic Vehicle Mount	15,232	1,700	25,894,400
Accessory	Goodyear Tire	6,033	306.50	1,849,115
Accessory	Hull Armor Kit	11	145,603	1,601,633
Accessory	20W High Frequency Transceiver System, Vehicle	106	12,027	1,274,862
Ammunition	Cartridge, .50 cal 4 Ball-1 TR linked	384,000	3.20	1,228,800
Ammunition	Cartridge, 40mm High-Explosive Dual-Purpose M430 50 Belt	72,000	15.63	1,125,360
Ammunition	Cartridge, 5.56mm Ball M855	2,782,080	0.35	973,728
Parts	150W High Frequency Transceiver System, Vehicle, Parts	19	50,000	950,000
Total Cost of Equipment			\$118,272,431	

Note: The above list reflects only the 10 highest-value equipment provided to the ANP this quarter (November 16, 2019-January 31, 2020). The "unit costs" listed reflect the average costs paid for items procured under multiple Foreign Military Sales cases.

Source: CSTC-A, response to SIGAR data call, 3/17/2020.

ANP Infrastructure

The United States had obligated and disbursed approximately \$3.2 billion of ASFF appropriations from FY 2005 through FY 2018 for ANP and some GCPSU infrastructure projects as of March 31, 2020.²⁴¹

This quarter, CSTC-A reported that the estimated annual facilities-sustainment costs funded by the United States for all ANP facility and electrical-generator requirements continue to be \$68.8 million. Of this, \$42.4 million is provided directly to the Afghan government and \$26.4 million is spent by CSTC-A for the Afghan government.²⁴²

As of March 9, 2020, the United States had completed 783 ANP infrastructure projects in Afghanistan valued at roughly \$3 billion. CSTC-A reported that one project was completed this quarter, costing \$148,000. Another six projects (valued at \$82.4 million) were ongoing and one project was awarded (valued at \$2.5 million). The number of completed and ongoing projects this quarter continued to decline compared to reporting over the last year.²⁴³ Last quarter, CSTC-A said ANP facilities needs have mostly been met, or are currently under construction, so the construction program will continue to slow, with fewer new projects reported each quarter.²⁴⁴

The highest-cost ongoing ANP infrastructure projects include a joint NATF- and ASSF-funded CCTV surveillance system in Kabul (\$33 million), an ASFF-funded GCPSU facility in Laghman Province (\$648,000), and the newly awarded GCPSU facility in Kabul (\$2.5 million).²⁴⁵

This quarter, CSTC-A reported that the MOI Facilities Directorate (MOI-FD), the entity responsible for overseeing MOI facilities, has increased its managerial capacity. MOI-FD leaders, supported by Coalition advisors, developed three training courses on the Afghan Infrastructure Database Integration System (AIDIS). AIDIS is an online database that is the system of record for MOI real property.²⁴⁶

ANP Training and Operations

As of March 31, 2020, the United States had obligated and disbursed approximately \$4 billion of ASFF appropriations from FY 2005 through FY 2018 for ANP and some GCPSU training and operations.²⁴⁷

According to DOD, the ANP are currently focused on transitioning from a semi-paramilitary security force to a more traditional police force that focuses on “community policing” and the rule of law. Over time, the Coalition has refocused its efforts away from combat training for the ANP towards community policing. As part of this transition, between June and December 2019, MOI replaced 27 out of 34 provincial chiefs of police. CSTC-A believes that while MOI has the institutional training capability to create professional police officers, “the combination of corrupt leadership within the ANP training pipeline and the ongoing conflict throughout the country hinders the MOI’s ability to transition from a paramilitary to a community policing force.”²⁴⁸

DOD also reported that Coalition advisors continue to focus at the ministerial level and that MOI has improved its strategic planning and coordination of operations across its different elements, such as the Afghan Uniform Police, Public Security Police, and Afghan Border Police.²⁴⁹

REMOVING UNEXPLODED ORDNANCE

Afghanistan is riddled with landmines and explosive remnants of war (ERW) such as live shells and bombs, according to the United Nations (UN).²⁵⁰ Although contamination includes legacy mines laid before 2001, most casualties today are caused by mines and other ERW following the arrival of international forces.²⁵¹ In recent years, casualties have been reported from ordnance exploding in areas formerly used as firing ranges by Coalition forces and UNAMA has documented a direct correlation between civilian casualties and ERW in areas following heavy fighting.²⁵² According to UN reporting from March 2020, approximately 2.5 million Afghans live within one kilometer of areas contaminated with explosive hazards that are in need of immediate clearance.²⁵³

State’s Bureau of Political-Military Affairs’ Office of Weapons Removal and Abatement (PM/WRA) manages the conventional-weapons destruction program in Afghanistan. Since FY 2002, State has allocated \$408.2 million in weapons-destruction and humanitarian mine-action assistance to

SECURITY

TABLE 3.10

DEMINEING PROGRAM PERFORMANCE METRICS, FISCAL YEARS 2010–2020						
Fiscal Year	Minefields Cleared (m ²)	AT/AP Destroyed	UXO Destroyed	SAA Destroyed	Fragments Cleared	Estimated Contaminated Area Remaining (m ²) ^a
2010	39,337,557	13,879	663,162	1,602,267	4,339,235	650,662,000
2011	31,644,360	10,504	345,029	2,393,725	21,966,347	602,000,000
2012	46,783,527	11,830	344,363	1,058,760	22,912,702	550,000,000
2013	25,059,918	6,431	203,024	275,697	10,148,683	521,000,000
2014	22,071,212	12,397	287,331	346,484	9,415,712	511,600,000
2015	12,101,386	2,134	33,078	88,798	4,062,478	570,800,000
2016	27,856,346	6,493	6,289	91,563	9,616,485	607,600,000
2017	31,897,313	6,646	37,632	88,261	1,158,886	547,000,000
2018	25,233,844	5,299	30,924	158,850	N/A	558,700,000
2019	13,104,094	3,102	26,791	162,727	N/A	657,693,033
2020 ^b	6,218,078	978	2,482	28,519	N/A	663,120,000
Total	281,307,635	79,693	1,980,105	6,295,651	83,620,528	

Note: AT/AP = antitank/antipersonnel ordnance. UXO = unexploded ordnance. SAA = small-arms ammunition. N/A = not applicable.

Fragments are reported because clearing them requires the same care as other objects until their nature is determined. There are about 4,047 square meters (m²) to an acre.

^a Total area of contaminated land fluctuates as clearance activities reduce hazardous areas while ongoing survey work identifies and adds new contaminated land in the Information Management System for Mine Action (IMSMA) database.

^b FY 2020 data covers October 1 through December 31, 2019.

Source: PM/WRA, response to SIGAR data call, 3/18/2020.

Afghanistan (an additional \$11.6 million was obligated between 1997 and 2001 before the start of the U.S. reconstruction effort). As of December 31, 2019, PM/WRA has allocated \$8.2 million in FY 2019 funds.²⁵⁴

State directly funds six Afghan nongovernmental organizations (NGOs), six international NGOs, and one Afghan government organization to help clear areas in Afghanistan contaminated by ERW and conventional weapons (e.g., unexploded mortar rounds), which insurgents can use to construct roadside bombs and other improvised explosive devices (IEDs).²⁵⁵

From 1997 through December 31, 2019, State-funded implementing partners have cleared more than 281.3 million square meters of land (108 square miles) and removed or destroyed over eight million landmines and other ERW such as unexploded ordnance (UXO), abandoned ordnance (AO), stockpiled munitions, and homemade explosives. Table 3.10 shows conventional-weapons destruction figures, FY 2010–2019.²⁵⁶

The estimated total area of contaminated land continues to fluctuate: clearance activities reduce the extent of hazardous areas, but ongoing surveys find new contaminated land. At the beginning of calendar year 2019, there were 619.3 square kilometers (239.1 square miles) of contaminated minefields and battlefields. As of December 31, 2019, the total known contaminated area was 663.1 square kilometers (253.9 square miles) in 3,974 hazard areas. PM/WRA defines a minefield as the area contaminated

by landmines; a contaminated area can include both landmines and other ERW.²⁵⁷

In 2012, the Afghan government was granted an extension until 2023 to fulfill its obligations under the Ottawa Treaty to achieve mine-free status. Given the magnitude of the problem and inadequate financial support, the country is not expected to achieve this objective.²⁵⁸ According to State, the drawdown of Coalition forces in 2014 coincided with a reduction in international donor funds to the Mine Action Programme for Afghanistan (MAPA).

From a peak of \$113 million in 2010, MAPA's budget decreased to \$51 million in 2018. The Afghan government is expected to request another 10-year extension to meet its treaty obligations. However, according to the State Department, the extension request cannot be initiated or acknowledged sooner than 18 months before April 2023—the end date of the current extension.²⁵⁹

CONFLICT MITIGATION ASSISTANCE FOR CIVILIANS

USAID's Conflict Mitigation Assistance for Civilians (COMAC) is a \$40 million, five-year, nationwide program that began in March 2018. It supports Afghan civilians and their families who have suffered losses from military operations against the Taliban or from insurgent attacks. COMAC provides assistance to Afghan civilians and their dependent family members who have experienced loss due to:²⁶⁰

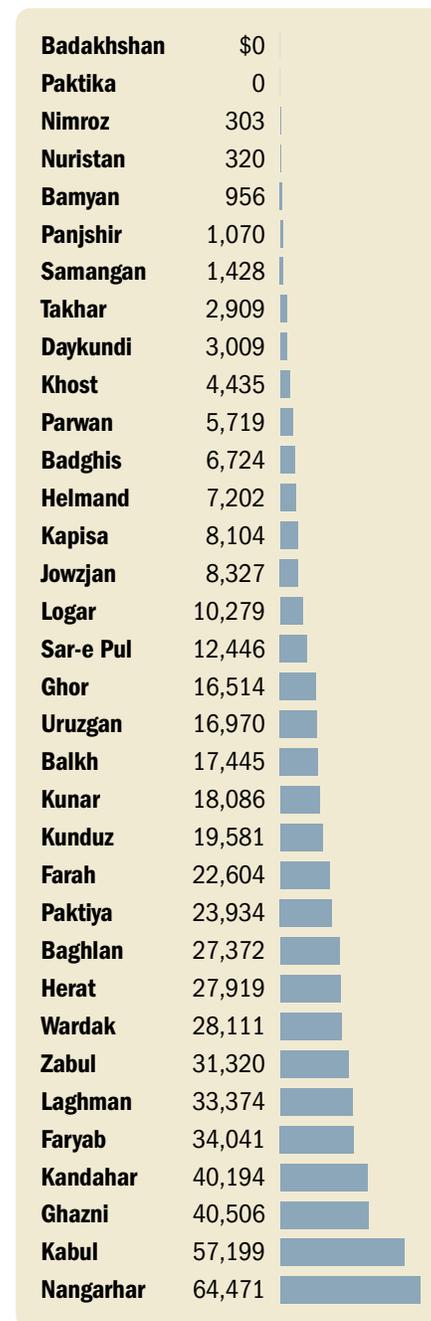
- military operations involving the U.S., Coalition, or ANDSF against insurgents, criminals, terrorists, or illegal armed groups
- landmines, improvised explosive devices (IED), unexploded ordnance, suicide attacks, public mass shootings, or other insurgent or terrorist actions
- cross-border shelling or cross-border fighting

COMAC provides in-kind goods sufficient to support families affected by conflict for 60 days. Additional assistance includes referrals for health care and livelihood service providers, and economic reintegration for families impacted by loss or injury.²⁶¹ From October 1 through December 31, 2019, COMAC provided over 3,000 immediate assistance packages, nearly 400 tailored assistance packages, and over 100 medical assistance packages, for a total program expense of \$593,000.²⁶² As seen in Figure 3.37, the provinces receiving the most assistance included Nangarhar (\$64,471), Kabul (\$57,199), and Ghazni (\$40,506) while the provinces receiving the least assistance included Bamyan (\$956), Nuristan (\$320) and Nimroz (\$303).²⁶³

As of December 31, 2019, USAID has disbursed \$11.87 million for this program.²⁶⁴

FIGURE 3.37

USAID'S CONFLICT-MITIGATION ASSISTANCE FOR CIVILIANS BY PROVINCE, FY 2020



Note: Total dollar amounts may vary slightly from actual packages delivered since some aid packages were still pending payment at the time the financial report was generated. Total assistance rounded to the nearest dollar. "Total Assistance" includes immediate assistance, tailored assistance, and medical assistance. Reporting period covers October 1, through December 31, 2019.

Source: USAID, response to SIGAR data call, 3/18/2020.

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KEY ISSUES & EVENTS

On February 29, 2020, the United States signed a U.S.-Taliban agreement and issued a joint U.S.-Afghan government declaration outlining four elements for a comprehensive and sustainable peace agreement.

Afghan election authorities released final results for the September 2019 presidential election, declaring incumbent President Ashraf Ghani the winner with 50.64% of the 1.8 million valid votes cast. Ghani's electoral rival, former Chief Executive Abdullah Abdullah, refused to recognize the official result.

Following March 23 meetings with Ghani and Abdullah, Secretary of State Michael R. Pompeo announced the U.S. intention to reduce U.S. assistance to Afghanistan by as much as \$2 billion (\$1 billion in 2020 and possibly another \$1 billion in 2021), unless the two leaders form an inclusive government to participate in the peace process.

This quarter, continued political fallout from the contested September 2019 presidential election threatened to harm the Afghan peace process.

On February 18, 2020, the Independent Election Commission (IEC) declared incumbent President Ashraf Ghani the winner of the September 28, 2019, presidential election. According to the IEC, his nearest rival, Chief Executive Abdullah Abdullah, received 39.52% of the final, certified votes.²⁶⁵

Rather than settle the matter, the IEC's declaration led to the escalation of political conflict between the two presidential candidates. Abdullah declared the final election results illegal, saying he had won the largest number of "clean votes," as opposed to what he claimed were fraudulent or irregular votes. He announced that he would form a parallel, "inclusive" government.²⁶⁶ Both Ghani and Abdullah held presidential-inauguration ceremonies.²⁶⁷

Concurrent with the election-related disputes, on February 29, 2020, U.S. and Taliban negotiators agreed to a pathway for a comprehensive peace agreement.²⁶⁸ A joint U.S.-Afghanistan declaration issued on the same day as the U.S.-Taliban agreement reaffirmed the United States' strong partnership with the Afghan government, including U.S. support for Afghan security forces and continued military partnership against international terrorist groups.²⁶⁹

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President Ashraf Ghani responds to Secretary Michael R. Pompeo's March 23, 2020, visit to Kabul, describing their talks as generally "positive and constructive." (Afghan government photo)

However, following Secretary of State Michael R. Pompeo's personal intervention on March 23 with President Ghani and Abdullah and the subsequent failure of the two leaders to resolve their political stalemate, State said it would immediately reduce U.S. assistance to Afghanistan by \$1 billion in 2020 (with another \$1 billion cut possible in 2021) unless the Afghan leaders formed an inclusive government that would participate in the peace process.²⁷⁰

The Afghan government ordered, then reversed, a significant reorganization of the Ministry of Finance (MOF). The United States Institute of Peace (USIP) reported that President Ghani directed that the ministry be stripped of its responsibilities for revenues and finance. This order, issued on February 19, reportedly removed the core functions of revenue, customs, and treasury and budget from the MOF. New entities were to be created to carry out these functions that would report to the president's office. According to USIP, this change "risks politicizing key fiscal functions and weakens accountability" and "centralizing—not curbing—corruption."²⁷¹ TOLONews, citing unnamed sources, reported that the MOF's policy functions would migrate to the Ministry of Foreign Affairs.²⁷² On April 6, the Afghan government reportedly reversed its order, which State welcomed, saying "donor confidence depends on responsible and inclusive leadership."²⁷³

U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE

As of March 31, 2020, the United States had provided nearly \$35.06 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).²⁷⁴

Since counternarcotics is a crosscutting issue that encompasses a variety of reconstruction activities, a consolidated list of counternarcotics reconstruction funding appears in Appendix B.

CONTESTED ELECTION COMPLICATES PEACE EFFORTS

Despite U.S. attempts to negotiate an inclusive agreement between Ghani and Abdullah, much of the quarter was dominated by the continuing political contest between the two men and their supporters over the post-election governing arrangements. In its prescient September 2018 Integrated Country Strategy, State foresaw that Afghanistan's electoral challenges might complicate the peace effort, as they did this quarter. State wrote at the time:²⁷⁵

Achieving, then implementing, a [peace] settlement requires basic government functionality and political coherence. Unfortunately, the forces that have historically separated Afghans continue to threaten the fractious Government of National Unity [the Ghani-Abdullah power-sharing arrangement set up after the contested 2014 presidential election]. Parliamentary and presidential elections (in fall 2018 and spring 2019, respectively) are both a threat and an opportunity given this political fragility. If they are ill-executed and lack credibility, they could undercut institutions and rule of law. If they represent an improvement over the past, then elections hold some promise of strengthening the legitimacy of the government as it negotiates peace.

As recently as March 27, State told SIGAR that it was premature to offer its assessment of the impact the elections have had on peace efforts.²⁷⁶ Nonetheless, State's public statements this quarter show its growing concern over the potential negative impact of elections-related political struggles on the peace process. For example, when intra-Afghan negotiations did not begin on time, State attributed the delay partially to the fact that the ongoing electoral crisis had prevented the naming of a national Afghan government negotiating team.²⁷⁷ Further, Secretary of State Pompeo said the "very frustrating" political crisis between Ashraf Ghani and Abdullah Abdullah had held up progress on intra-Afghan negotiations.²⁷⁸

Declaration of Final Results Begins a New Phase of Political Fights

On February 18, 2020, the Independent Election Commission (IEC) declared incumbent President Ashraf Ghani the winner of the September 28, 2019, presidential election. The IEC upheld the preliminary results that had previously been announced on December 22, 2019, showing Ghani winning 50.64% of the 1.8 million valid votes. His nearest rival, Chief Executive Abdullah Abdullah, received 39.52% of the final, certified votes.²⁷⁹

Rather than settle the matter, however, the IEC declaration escalated the political conflict. Abdullah declared the final election results illegal, said he won the largest number of what he described as "clean votes," and announced that he would form a parallel, "inclusive" government.²⁸⁰ Shortly afterward, Abdullah appointed his own acting governors in several northern provinces.²⁸¹

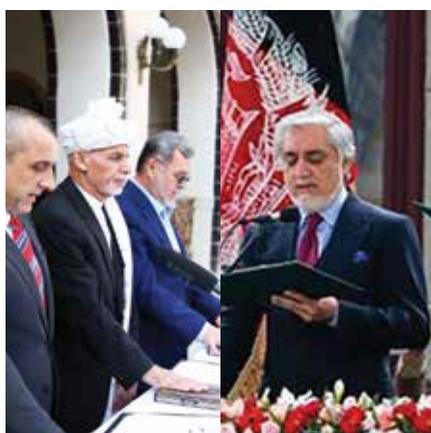
On February 25, State said it noted the IEC's announcement that Ghani had won the presidential election and admonished Afghan political leaders about "destabilizing actions," including establishing parallel government structures. Looking to move beyond the prolonged and disputed election, State said, "It is time to focus not on electoral politics, but on taking steps toward a lasting peace, ending the war with the Taliban, and finding a formula for a political settlement."²⁸²

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TABLE 3.11

USAID ELECTION-RELATED PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Electoral Support Activity (ESA)	5/20/2015	12/31/2020	\$78,995,000	\$59,955,399
Strengthening Civic Engagement in Elections in Afghanistan Activity (SCEEA)	8/9/2018	8/8/2021	18,253,000	11,144,962

Source: USAID, response to SIGAR data call, 4/10/2020.



President Ashraf Ghani (left) and Abdullah Abdullah (right), flanked by their vice presidents, at their competing inaugurations on March 9, 2020. (Afghan government and Abdullah Abdullah photo)

At the same time, State announced that President Ghani had agreed to postpone the presidential inauguration to March 9.²⁸³ U.S. officials requested this delay so Ghani and Abdullah could reach an inclusive government arrangement and agree to a team for intra-Afghan negotiations.²⁸⁴

Following meetings between the two sides facilitated by Special Representative for Afghanistan Reconciliation (SRAR) Ambassador Zalmay Khalilzad, Abdullah announced on March 5 that he had stopped appointing his own province governors. Only four days before Ghani’s planned inauguration, Abdullah told TOLONews that “any solution that is agreed on by both sides is better than two swearing-in ceremonies.”²⁸⁵

Dueling Presidential Inaugurations

Despite U.S. efforts to negotiate a last-minute deal, Kabul hosted the spectacle of two presidential inaugurations on March 9. The *New York Times* observed that senior U.S. officials, including Ambassador Khalilzad and U.S. Forces-Afghanistan (USFOR-A) Commander General Austin Scott Miller, attended Ghani’s inauguration, and snubbed Abdullah’s ceremony.²⁸⁶

Ghani and Abdullah continued their row, to the increased dismay of senior U.S. officials. On March 11, President Ghani’s spokesperson announced that Ghani had dissolved the office of chief executive, eliminating Abdullah’s government position and nullifying the power-sharing arrangement that had ended the 2014 presidential election dispute between Ghani and Abdullah.²⁸⁷ On March 18, 11 days after the dueling inaugurations, State’s Senior Bureau Official for South and Central Asian Affairs, Alice G. Wells, called on Afghan leaders to “prioritize and protect unity of the nation” and to end the governance impasse brought on by parallel governments.²⁸⁸

Election-Related Tensions Threaten Billions in U.S. Assistance

Following Secretary of State Pompeo’s visit to Kabul on March 23, State issued a statement that President Ghani and former Chief Executive Abdullah were unable to agree on an inclusive government despite Secretary Pompeo’s direct plea for compromise. This failure to compromise, State said, harmed U.S.-Afghan relations and left the United States

disappointed in the two Afghan leaders.²⁸⁹ Describing this as “a direct threat to U.S. national interests,” Pompeo announced that the United States would immediately reduce U.S. assistance to Afghanistan by \$1 billion in 2020 (with further cuts of \$1 billion possible in 2021).²⁹⁰

Secretary Pompeo initially declined to specify which funds would be affected, suggesting, at least initially, that the U.S. would continue to provide support to the Afghan security forces.²⁹¹ On March 25, however, Secretary Pompeo told reporters that the United States “is prepared to reduce security assistance” to Afghanistan.²⁹² (In a January 2018 interview, President Ghani said that Afghanistan could not support its army for more than six months without U.S. funding support and assistance.²⁹³)

In addition to funding cuts, State said it would:²⁹⁴

- initiate a review of all programs and projects to identify additional reductions;
- reconsider pledges to future donor conferences for Afghanistan; and
- not back security operations that are politically motivated, nor support political leaders who order such operations or those who advocate for or support parallel government.

Despite these dramatic threats, State offered to revisit its measures should Afghan leaders form an inclusive government that would participate in the peace process.²⁹⁵

Soon after, President Ghani announced in a televised speech that a reduction in U.S. assistance “would not have a direct impact on our key sectors.”²⁹⁶ The World Bank estimates that international grants finance 75% of Afghanistan’s public expenditures.²⁹⁷ The United States is the largest source of those grants.²⁹⁸

State continued to call for an inclusive government and governing arrangement, with Senior Bureau Official for South and Central Asian Affairs, Alice Wells, saying on April 6, “donors are frustrated and fed up by [Afghan political leaders’] personal agendas being advanced ahead of the welfare of the Afghan people.”²⁹⁹

U.S.-Taliban Agreement Signed

In the midst of these disputes over post-election governing arrangements, on February 29, 2020, Ambassador Khalilzad and Taliban Political Deputy Mullah Abdul Ghani Barader signed the “Agreement for Bringing Peace to Afghanistan between the Islamic Emirate of Afghanistan which is not recognized by the United States as a state and is known as the Taliban and the United States of America.”³⁰⁰ The agreement followed a weeklong “significant and nationwide” reduction in violence across Afghanistan.³⁰¹ The signing capped a U.S.-Taliban peace process that began in earnest in January 2019, when U.S. officials met with the Taliban in Doha, Qatar.³⁰²



Secretary of State Michael R. Pompeo briefs President Ashraf Ghani (top) and Abdullah Abdullah (bottom) on his expectations that they form an inclusive government to address Afghanistan’s many challenges and warns them of the consequences of failing to do so. (State photos)

Temporary Reduction in Violence Leads to U.S.-Taliban Agreement

After high levels of violence prompted President Trump to suspend U.S.-Taliban talks in September 2019, he challenged the Taliban to, as Deputy Special Representative for Afghanistan Reconciliation Mary Catherine (Molly) Phee described it, “show me you are willing and capable of implementing a lasting and significant reduction in violence.” Talks restarted in November 2019 leading to Taliban consultations with their military, religious, and political leadership in December 2019. Taliban negotiators returned with what Ambassador Phee characterized as a “serious” reduction-in-violence proposal supported by the movement’s leadership. Further negotiations led the two sides to agree to a seven-day reduction in violence meant to serve as a test of the Taliban’s intent, control of their forces, and their commitment to the peace process.³⁰³

The reduction in violence began on February 21. President Ghani ordered the Afghan security forces to assume a defensive posture against the Taliban while continuing operations against al-Qaeda, Islamic State-Khorasan, and other terrorist groups.³⁰⁴ For the duration of the reduction in violence, the Taliban agreed to undertake no major attacks such as car bombs, suicide bombings, rockets, or improvised explosive devices. The United States agreed not to carry out airstrikes against the Taliban or raid Taliban facilities.³⁰⁵

According to Secretary of State Pompeo, the reduction in violence period had the lowest levels of violence of the preceding four years.³⁰⁶

Parameters of the U.S.-Taliban Agreement

Following this period of reduced violence, on February 29, 2020, U.S. and Taliban negotiators agreed to a pathway for a comprehensive peace agreement.³⁰⁷ According to the parties, a comprehensive peace agreement for Afghanistan consists of four interrelated parts, including:³⁰⁸

- “Guarantees and enforcement mechanisms that will prevent the use of the soil of Afghanistan by any group or individual against the security of the United States and its allies.”
- “Guarantees, enforcement mechanisms, and announcement of a timeline for the withdrawal of all foreign forces from Afghanistan.”
- “After the announcement of guarantees for a complete withdrawal of foreign forces and timeline in the presence of international witnesses, and guarantees and the announcement in the presence of international witnesses that Afghan soil will not be used against the security of the United States and its allies, the Taliban will start intra-Afghan negotiations with Afghan sides on March 10, 2020.”
- “A permanent and comprehensive ceasefire will be an item on the agenda of the intra-Afghan dialogue and negotiations. The participants of intra-Afghan negotiations will discuss the date and modalities



Special Representative for Afghanistan Reconciliation Ambassador Zalmay Khalilzad and Taliban Political Deputy Mullah Abdul Ghani Barader shake hands after signing the U.S.-Taliban Agreement on February 29, 2020, in Doha, Qatar. (State photo)

of a permanent and comprehensive ceasefire, including joint implementation mechanisms, which will be announced along with the completion and agreement over the future political roadmap of Afghanistan.”

The Joint Declaration between the United States and Afghanistan similarly recognizes these four elements as foundational to a comprehensive and sustainable peace agreement. Both the U.S.-Taliban agreement and the Joint Declaration with the Afghan government focus on the first two of these four parts.³⁰⁹

Withdrawal of International Forces

The United States committed to a conditional withdrawal of “all military forces of the United States, its allies, and Coalition partners, including all non-diplomatic civilian personnel, private security contractors, trainers, advisors, and supporting services personnel” from Afghanistan within 14 months (ending April 29/30, 2021).³¹⁰

As the first step, the United States pledged without any stated conditions to reduce its forces to 8,600 personnel (with proportional reductions from other Coalition forces) and completely withdraw from five military bases within the first 135 days (ending July 13–14, 2020). Contingent upon the Taliban fulfilling their counterterrorism commitments, the United States, its allies, and other Coalition forces would complete the withdrawal of the remaining forces and depart from all remaining bases within the remaining nine and a half months.³¹¹

According to State, the agreement expressly commits the Taliban to enter intra-Afghan negotiations to determine the date and modalities of a permanent and comprehensive ceasefire and reach an agreement over the future political roadmap of Afghanistan.³¹² Senior U.S. administration officials clarified that the timeline in the U.S.-Taliban agreement for the withdrawal of international military forces is not conditioned on the Taliban’s achievement of any particular political outcomes associated with Afghanistan’s negotiated future (such as status of women’s rights), as ultimately it is up to the Afghan parties to determine in intra-Afghan negotiations what the political roadmap should look like. Rather, the withdrawal timeline depends on whether the Taliban fulfill their counterterrorism commitments under the agreement to prevent any group or individual, including al-Qaeda, from using Afghan soil to attack or threaten the security of the United States and its allies, and their good-faith participation in intra-Afghan negotiations commitments.³¹³ These officials further clarified that the timeline for the withdrawal of international forces is “aspirational,” dryly observing that “nothing [in Afghanistan] happens on schedule.”³¹⁴



One of the Taliban prisoners released by the Afghan government as a confidence building measure. (Afghan government photo)

Prisoner Release

The United States committed to work with “all relevant sides” on a plan to release “combat and political prisoners” as a confidence building measure with the coordination and approval of all relevant parties, including up to 5,000 Taliban prisoners and 1,000 prisoners “of the other side” (the Afghan government) by March 10, 2020 (the hoped-for start of intra-Afghan negotiations). The goal would be for the Taliban and the Afghan government then to release the remaining prisoners over the subsequent three months by June 10, 2020.³¹⁵

The Taliban, in turn, committed that prisoners released by the Afghan government would be bounded by the responsibilities set out in the agreement so that they will not pose a threat to the United States or its allies.³¹⁶

In an interview with TOLONews, Ambassador Khalilzad said the Taliban estimates that between 13,000 and 14,000 of its members are prisoners.³¹⁷

Removal of Sanctions, Noninterference in Afghanistan’s Domestic Affairs, and Economic Cooperation

Upon the start of intra-Afghan negotiations, the United States committed to initiating an administrative review of its sanctions on the Taliban, with the goal of removing those sanctions by August 27, 2020. Further, the United States committed to begin engaging with members of the United Nations Security Council and the Afghan government to remove Taliban members from the Security Council’s sanctions list, optimally with the aim of achieving this objective by May 29, 2020.³¹⁸

The United States committed to refrain from the threat or use of force against the territorial integrity or political independence of Afghanistan, or from intervening in its domestic affairs.³¹⁹

The Taliban and the United States agreed to seek positive relations. The United States said it would seek economic cooperation for reconstruction of the post-settlement Afghan Islamic government (provided such reconstruction did not interfere in the post-settlement government’s internal affairs).³²⁰

Ensuring Afghanistan Does Not Become a Threat to the United States and its Allies

The Taliban committed to preventing any group or individual, including al-Qaeda, from using the soil of Afghanistan to threaten the security of the United States and its allies. In particular, the Taliban committed to take the following steps:³²¹

- send a clear message that those who pose a threat to the security of the United States and its allies have no place in Afghanistan;
- instruct its members not to cooperate with groups or individuals that threaten the security of the United States and its allies;

- prevent such groups or individuals from recruiting, training, and fundraising, or being hosted in accordance with the commitments in the agreement;
- treat those seeking asylum or residence in Afghanistan in a manner that ensures that such persons do not pose a threat to the security of the United States and its allies; and
- not provide visas, passports, travel permits, or other legal documents to those who pose a threat to the security of the United States and its allies to enter Afghanistan.

Until the formation of a post-settlement Afghan Islamic government as determined by the intra-Afghan dialogue and negotiations, the Taliban's obligations are spatially limited to apply in areas "under their control."³²²

Joint U.S.-Afghan Government Declaration Accompanies U.S.-Taliban Agreement

The Joint Declaration between the United States and Afghanistan, negotiated in parallel and issued on the same day as the U.S.-Taliban agreement, commits to the same core elements of a comprehensive peace agreement. According to State, the joint U.S.-Afghanistan declaration reaffirmed the strong U.S. partnership with the Afghan government, including U.S. support for Afghan security forces and continued military partnership against international terrorist groups.³²³ In the same declaration, the Afghan government took note of the U.S.-Taliban agreement, calling it "an important step toward ending the war." Further, the Afghan government reaffirmed its desire to participate in intra-Afghan negotiations for a political settlement and a permanent and comprehensive ceasefire in Afghanistan.³²⁴

Whereas the U.S.-Taliban agreement included targets for the number and timing of prisoner releases, the U.S.-Afghan government declaration did not. Instead, the Afghan government agreed to participate in a U.S.-facilitated discussion with Taliban representatives on confidence building measures, to include determining the feasibility of releasing significant numbers of prisoners on both sides.³²⁵

In the joint U.S.-Afghan government declaration, the United States reaffirmed its existing commitment to seek funds on a yearly basis to support training, equipping, advising, and sustaining Afghan security forces, so that Afghanistan can independently secure and defend itself against internal and external threats.³²⁶ The parties also committed to continue positive relations, including economic cooperation for reconstruction.³²⁷

Ongoing Concerns over Post-Signing Violence

While the U.S.-Taliban Agreement does not preclude the United States from acting in defense of Afghan forces, the agreement also does not

SIGAR AUDIT

S. Rept. 116-126, accompanying the Department of State, Foreign Operations, and Related Programs Appropriations Bill, 2020 directed SIGAR to assess "the extent to which the Department of State and USAID have developed strategies and plans for the provision of continued reconstruction assistance to Afghanistan in the event of a peace agreement, including a review of any strategies and plans for monitoring and evaluating the effectiveness of such assistance and for protecting the rights of Afghan women and girls." SIGAR will initiate this work in May 2020.

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expressly prohibit all Taliban attacks against Afghan security forces, State told SIGAR.³²⁸

U.S. officials have publicly and privately pressed the Taliban to continue maintaining reduced violence levels since the agreement was signed.³²⁹ For example, on the day of the agreement's signing, Secretary of State Pompeo said that the Taliban "made commitments to continue to reduce the violence level."³³⁰ Similarly, in a background briefing to reporters before the signing, a senior administration official said that the reduction in violence would continue throughout the intra-Afghan negotiations planned in Oslo, Norway. According to the unnamed senior administration official, the durability of the continued reduction in violence would serve as a bellwether for U.S. officials tracking the implementation of the peace agreement.³³¹ A USFOR-A spokesperson also said that the Taliban had promised to reduce violence and not increase attacks.³³²

Only days after the signing, however, the Taliban announced that it had resumed military operations.³³³ According to Secretary Pompeo, President Trump told Taliban Political Deputy Barader by phone on March 3 that the Taliban had to reduce violence immediately for the peace process to proceed.³³⁴ General Miller reiterated this on March 3, saying the Taliban risked the agreement if they do not lower their violence.³³⁵ On March 4, when the Taliban attacked an Afghan security checkpoint in Helmand Province, U.S. forces retaliated with a defensive air strike (the first against the Taliban in 11 days).³³⁶ On March 10, State called the high level of post-agreement violence "unacceptable," (though they did acknowledge that the Taliban had taken steps to stop attacks against international forces and in cities).³³⁷ On March 19, Afghanistan's acting minister of defense ordered the army to assume a more active defensive posture (wherein MOD forces had "the right to attack the enemy where they are preparing to attack") after concluding that there had been no reduction in Taliban attacks.³³⁸ As reported on April 14, a Ministry of Defense spokesperson said the level of Taliban attacks remained high after they "dramatically increased" following the signing of the U.S.-Taliban Agreement.³³⁹

Despite indications that the Taliban increasingly targeted Afghan security forces following the U.S.-Taliban agreement,³⁴⁰ Secretary Pompeo said on March 23 of overall Taliban attack levels, including those targeting Resolute Support, that while not perfect, "the [post-signing] reduction in violence is real." He said U.S. forces were honoring their commitments to engage the Taliban only when attacked and that there had been no attacks on American forces since the U.S.-Taliban agreement was signed. When asked by a reporter whether the Taliban were acting inconsistently with their commitments, Secretary Pompeo said their actions were largely consistent with the agreement, particularly in reducing violence.³⁴¹

State confirmed to SIGAR that the U.S.-Taliban agreement does not preclude the United States from acting in defense of Afghan forces, nor does

it expressly prohibit all Taliban attacks against Afghan security forces.³⁴² As Secretary Pompeo said on March 23, “as long as these violence levels remain beneath the threshold, our commitment is that we’ll continue [with the force reduction].”³⁴³ In April, General Miller and Ambassador Khalilzad each met with the Taliban leaders in Doha, with Miller discussing the need to reduce violence and Khalilzad discussing the challenges in implementing the U.S.-Taliban Agreement.³⁴⁴

Disagreements Over Prisoner Release Help Delay Start of Intra-Afghan Negotiations

Intra-Afghan negotiations did not begin on March 10, as called for in the U.S.-Taliban agreement.³⁴⁵ State attributed the delay to disagreements over prisoner releases and continued political infighting in Kabul over post-election governing arrangements.³⁴⁶ On the day the U.S.-Taliban agreement was signed, President Ghani told media the prisoner issue should be a topic for government-Taliban talks, rather than a precondition for those talks.³⁴⁷

In a phone call with Reuters, a Taliban spokesperson insisted that they would only participate in intra-Afghan negotiations after the release of close to 5,000 Taliban prisoners (rather than the more flexible “up to” 5,000 prisoners called for in the U.S.-Taliban agreement).³⁴⁸ On April 9, Deutsche Welle reported that a Taliban’s spokesperson demanded the release of all prisoners saying, “let me be clear: the intra-Afghan talks won’t start until Kabul frees all our prisoners.”³⁴⁹

On March 18, Ambassador Khalilzad confirmed that no prisoners had been released despite both sides’ committing to do so. Arguing that the spread of the COVID-19 virus would complicate prisoner releases and face-to-face engagements between the parties, he said, “time is of the essence.”³⁵⁰

The first “technical” talks between the Taliban and the Afghan government on the release of prisoners occurred on March 22 over video conference. The two-hour discussion was facilitated by the U.S. and Qatari governments and, according to Ambassador Khalilzad, all sides conveyed their strong commitment to a reduction of violence, intra-Afghan negotiations, and a comprehensive and permanent ceasefire.³⁵¹ The Afghan government, through its Peace Initial Contact Group (PICG), offered to release 100 Taliban prisoners on “humanitarian grounds,” including vulnerability to COVID-19. On March 31, the planned release-by date of the 100 Taliban prisoners, the PICG met with Taliban representatives in Kabul to discuss the details.³⁵² By April 5, the Afghan government said it was still committed to implementing the humanitarian prisoner release. At the same time, the government called on the Taliban to stop committing violence, implying that the delays in the prisoner release were due to the Taliban’s continued military campaign.³⁵³

The Taliban called off prisoner talks with the Afghan government on April 7, labeling the discussions “fruitless.” The Afghan government blamed



Taliban prisoners released by the Afghan government as a confidence-building measure. (Afghan government photo)

the Taliban’s “stubbornness” in demanding the release of 15 “commanders” who were involved in “big attacks.”³⁵⁴ The next day, however, the Afghan government released 100 Taliban prisoners from the “broader list” the Taliban had provided the Afghan government.³⁵⁵ As of April 12, the Afghan government said it released 361 Taliban prisoners to advance peace and fight COVID-19.³⁵⁶ Also on April 12, the Taliban said it had released 20 government prisoners.³⁵⁷ Ambassador Khalilzad welcomed the Afghan government and Taliban prisoner releases, saying they were an “important step in the peace process and the reduction of violence.”³⁵⁸

Senior Taliban Leader Describes to Supporters in Pakistan His Vision for a Post-Settlement Governing Arrangement

According to Radio Free Europe/Radio Liberty, on March 25 in Balochistan Province, Pakistan, a senior Taliban negotiator, Mullah Fazel, told supporters that the Taliban would ultimately be victorious in establishing an Islamic Emirate led by the Taliban. Further, Fazel reportedly said that while the “Taliban or the Islamic Emirate will never become part of the Kabul [Afghan] government,” the Taliban envisioned accommodating Afghan government officials with senior positions.³⁵⁹ Whether this vision represents bravado during sensitive negotiations or a genuine expression of a unified Taliban position is unclear.

U.S. and Afghan Governments Welcome Taliban Offer of Safe Passage for Health Workers Fighting COVID-19

On April 6, Al Jazeera reported Taliban efforts to raise awareness of the COVID-19 virus, prohibiting all public gatherings and weddings, and encouraging people to pray at home instead of the mosques in some areas they claim to control. The Taliban has also reportedly offered safe passage to health workers and international organizations fighting the spread of COVID-19.³⁶⁰ State’s Senior Bureau Official for South and Central Asian Affairs Alice Wells joined the Ministry of Public Health in welcoming this news.³⁶¹ Rather than an aberration, such reports of the Taliban’s involvement in the health sector may be a continuation of their efforts to control and co-opt service delivery in areas they control. See pages 122–124 of the July 30, 2019, quarterly report for previous SIGAR reporting on Taliban involvement in public service delivery, including health care.

Afghan Government Names Its Negotiating Team

Afghanistan’s State Ministry for Peace announced the names of Ghani’s government negotiating team on March 26. Long demanded by the U.S. government, 21 members, including five women, were reportedly selected after “much deliberation and consultation with all parties and influential segments of society.” The delegation is led by Masoom Stanekzai, the former

head of the National Directorate of Security. According to TOLONews, some of the delegates were not consulted prior to their inclusion on the list.³⁶²

The delegates include several serving or former government officials, the children of influential Afghans (including the sons of former governor of Balkh Province Atta Mohammad Noor and former first vice president Abdul Rashid Dostum), religious leaders, politicians, and civil society representatives.³⁶³ Ambassador Khalilzad described the team as reflecting “the true tapestry of the nation and the instrumental role of women.”³⁶⁴

On March 28, the Taliban said they rejected the government’s negotiating team, claiming it did not represent all sides in Afghanistan.³⁶⁵ Abdullah challenged the Taliban’s claim, describing the government’s negotiating team as “inclusive” despite the unresolved election that he said had been “rigged.”³⁶⁶

MUTUAL ACCOUNTABILITY

Afghanistan Compact

This quarter State said the periodic meetings on the Afghan government’s progress toward the Afghanistan Compact’s reform benchmarks remain suspended.³⁶⁷ Last quarter State said the meetings had been suspended until the presidential election was resolved.³⁶⁸

The U.S. and Afghan governments announced the launch of the Afghanistan Compact in 2017.³⁶⁹ 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.³⁷⁰

U.S. ASSISTANCE TO THE AFGHAN GOVERNMENT BUDGET

Summary of Assistance Agreements

According to the UN Secretary-General this quarter, the UN continued coordinating with the Afghan government and donors to prepare for a 2020 ministerial conference to determine donor funding for Afghanistan up through 2024. The UN hopes donors will maintain their development investments into 2024.³⁷¹ The UN and the Finnish and Afghan governments will co-host this donor conference in Geneva in November 2020.³⁷²

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, previously committed to extend “financial sustainment of the Afghan forces through 2024.” The public declaration

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S. Rept. 116-126, accompanying the Department of State, Foreign Operations, and Related Programs Appropriations Bill, 2020 directed SIGAR to assess “the internal controls of multilateral trust funds for Afghanistan reconstruction that receive U.S. contributions, to include any third-party evaluations of the internal controls of the Afghan government ministries receiving assistance from multilateral trust funds, and SIGAR is directed to report to the Committee if access to records is restricted for programs funded with U.S. contributions.” SIGAR has initiated this work and anticipates issuing multiple public reports in early 2021, each examining a different trust fund.

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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 4/8/2020
Bilateral Government-to-Government Projects					
Power Transmission Expansion and Connectivity (PTEC)	Da Afghanistan Breshna Sherkat	1/1/2013	12/31/2023	\$316,713,724	\$256,837,540
Textbook Printing and Distribution	Ministry of Education	9/15/2017	12/31/2020	35,000,000	0
Multi-Donor Trust Funds					
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 is currently \$3,767,677,528.

Source: USAID, response to SIGAR data call, 4/10/2020.

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

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

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

did not specify an amount of money or targets for the on-budget share of assistance.³⁷³

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 through 2024.³⁷⁴

As shown in Table 3.12, USAID’s active, direct bilateral-assistance programs have a total estimated cost of \$176 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).³⁷⁵

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 Afghanistan Reconstruction Trust Fund (ARTF) and the Asian Development Bank-administered Afghanistan Infrastructure Trust Fund (AITF).³⁷⁶ According to USAID, all bilateral-assistance funds are deposited in separate bank accounts established by the Ministry of Finance (MOF) for each program.³⁷⁷

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.³⁷⁸ The AITF coordinates donor assistance for infrastructure projects.³⁷⁹

As of December 2019, the United States remains the largest cumulative donor to the ARTF (31.0% of contributions); the next-largest donor is the United Kingdom (16.9% of contributions).³⁸⁰

ARTF Recurrent-Cost Window

The ARTF recurrent-cost window supports operating costs, such as Afghan government non-security salaries and operations and maintenance expenses. The recurrent-cost window is also the vehicle for channeling reform-based incentive funds, such as the Incentive Program Development Policy Grant (IP DPG).³⁸¹

As of December 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 \$772 million in ad hoc payments since 2002.³⁸²

On-Budget Assistance to the ANDSF

Approximately 70% of total U.S. on-budget assistance goes toward the requirements of the Afghan security forces.³⁸³

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).³⁸⁴

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.³⁸⁵ The Combined Security Transition Command-Afghanistan (CSTC-A) provides direct-contribution funding to the MOF, which allots it incrementally to the MOD and MOI.³⁸⁶ UNDP administers LOTFA primarily to fund Afghan National Police salaries and incentives.³⁸⁷

This quarter CSTC-A said the Afghan government asserted they have met all of the conditions donors set to transfer police payroll from UNDP to MOI management. The LOTFA donors require an independent assessment to determine whether the conditions are indeed met. UNDP is in the process of contracting a third party to conduct the independent assessment.³⁸⁸

For Afghan fiscal year (FY) 1399 (December 2019–December 2020), CSTC-A plans to provide the Afghan government up to the equivalent of \$716 million to support the MOD. Of this amount, approximately \$628.5 million (88%) is for salaries.³⁸⁹ To support the MOI, CSTC-A plans to provide up to \$142.5 million in FY 1399. Of these funds, approximately \$54.7 million (38%) is for salaries, with the remaining funds for purchase of goods, services, or assets.³⁹⁰

As of February 21, CSTC-A had provided the Afghan government the equivalent of \$57.1 million to support the MOD for FY 1398. Almost all of

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In 2014, CSTC-A began using commitment letters signed by the command, the MOD, the MOI, and the Afghan Ministry of Finance (MOF) to establish prescribed conditions that the ministries should meet in order to receive certain funding. In April 2019, CSTC-A officials told SIGAR that the CSTC-A Commanding General “directed a review of the current Bilateral Financial Commitment Letter process and the development of a plan that will absorb the actions that the commitment letters were aiming to change into the TAA [Train, Advise, Assist] plans.” In September 2019, CSTC-A advised SIGAR that it was moving to an incentive-based approach and would no longer penalize the MOD and the MOI for failing to meet conditions. Given these changes in CSTC-A’s approach to conditionality, SIGAR is auditing the command’s use and enforcement of conditions to motivate the MOD and MOI to use funds provided by the U.S. government responsibly and as intended.

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these funds (98%) paid for salaries.³⁹¹ As of February 21, CSTC-A has provided no funds to support the MOI.³⁹²

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 4/8/2020
Afghan Civic Engagement Program (ACEP)	12/4/2013	2/15/2020	\$79,120,000	\$79,120,000
Rasana (Media)	3/29/2017	3/28/2020	9,000,000	8,069,435

Source: USAID, response to SIGAR data call, 4/10/2020.

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.³⁹³

As of March 28, Rasana assisted 662 non-state news outlets and trained 570 journalists.³⁹⁴

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 4/8/2020
Strong Hubs for Afghan Hope and Resilience (SHAHAR)	11/30/2014	5/29/2020	\$72,000,000	\$64,426,157
Initiative to Strengthen Local Administrations (ISLA)	2/1/2015	7/30/2020	48,000,000	43,734,351
Citizens' Charter Afghanistan Project (CCAP)*	3/31/2012	6/30/2020	N/A	67,111,625

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

Source: USAID, response to SIGAR data call, 4/10/2020.

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.³⁹⁵ To accomplish this, ISLA tries to enhance the institutional and human capacity of provincial line directorates and provincial development committees to ensure that local priorities are integrated into the national budgets through provincial development plans (PDPs).³⁹⁶

This quarter, USAID reported that ISLA supported 14 peace-building town hall meetings in nine provinces. Three ISLA-supported provinces completed their FY 1400 (December 2020–December 2021) provincial development plans (PDP).³⁹⁷

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.³⁹⁸

This quarter, SHAHAR organized a conference on Peacebuilding and Local Governance in Afghanistan. The primary purpose of the conference was to bring mayors, representatives of municipal advisory boards, municipal officials, and subject matter experts (researchers, journalists, and civil society advocates) together to explore how municipal authorities can prepare for a peace agreement. They were also to discuss what kinds of policy changes in the sphere of local governance might facilitate peace.

There were more than 80 participants in the conference, including 17 mayors from across the country. The assembled mayors argued for reforms that enable greater decentralization of political, fiscal, and administrative decision-making authority to mayors. According to SHAHAR, one surprising result was that mayors also advocated for more citizen participation that could limit their power. These mayors, SHAHAR reported, seemed to believe that giving citizens more power would increase their legitimacy, which the mayors believed has been missing in Afghanistan over the past 18 years.³⁹⁹

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), which began in 2016. 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).⁴⁰⁰

Both the World Bank and Afghan government have proposed expanding CCAP in the event of peace.⁴⁰¹

In February 2020, World Bank-contracted evaluators presented their findings on the relationship between CCAP and conflict and fragility. The study covered five of 123 CCAP districts⁴⁰² and included in-depth interviews with 56 "power-holders" and community council members.⁴⁰³ According to the evaluators, the program is viewed as reducing tension and resolving grievances and there is no evidence that CCAP creates conflict, although it can reshape conflict. Further, service providers must adapt day-by-day to changing conflict dynamics and are incentivized to not report deviations from rules as they prioritize the delivery of services. Insecurity may enhance cooperation around service delivery.⁴⁰⁴ On the relationship between service delivery and trust in the state, the evaluators concluded that the Taliban also use service delivery to increase their legitimacy and the most important service the Afghan government can offer is security.⁴⁰⁵ The evaluators observed that there are power struggles for CCAP-generated resources and local figures use CCAP to strengthen their positions.⁴⁰⁶

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.

Afghanistan's Measure for Accountability and Transparency (AMANAT)

In August 2017, USAID awarded the contract for 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.⁴⁰⁷ According to USAID, AMANAT supports select Afghan government institutions with technical assistance to plan for and implement recommended procedural reforms.⁴⁰⁸

As of March 28, AMANAT has trained 207 beneficiaries in corruption self-assessment methodologies and 1,941 civil society members in anticorruption.⁴⁰⁹

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TABLE 3.15

RULE OF LAW AND ANTICORRUPTION PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Assistance for Development of Afghan Legal Access and Transparency (ADALAT)	4/18/2016	4/17/2021	\$68,163,468	\$31,695,786
Afghanistan's Measure for Accountability and Transparency (AMANAT)	8/23/2017	8/22/2022	31,986,588	7,094,847
Corrections System Support Program (OASIS CSSP) Option Year*	6/1/2018	5/31/2022	19,300,987	8,349,806
Justice Sector Support Program OASIS Contract*	8/28/2017	8/27/2022	34,211,774	23,752,336
Continuing Professional Development Support (CPDS)*	2/6/2018	6/30/2020	8,640,922	7,938,401

*Disbursements as of 3/17/2020.

Source: State, INL, response to SIGAR data call, 3/17/2020; USAID, response to SIGAR data call, 4/10/2020.

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.”⁴¹⁰ 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.⁴¹¹ 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.⁴¹²

As SIGAR reported in October 2018, the Supreme Court refused all senior-level meetings with ADALAT personnel following the cancellation of the previous year’s ADALAT-sponsored study tour in Jordan.⁴¹³ One of ADALAT goals is to improve judicial inspections and discipline. According to ADALAT, the Supreme Court’s Department of Inspections (DI) is expected to regularly inspect Afghan courts and follow-up on complaints regarding judicial misconduct. As of January 2019, ADALAT’s efforts to improve judicial inspections and discipline were on hold pending an international study tour to Jordan by the members of the inspections directorate who wanted to explore international best practices on judicial inspections.⁴¹⁴

Following the completion of the eight-day study tour to Jordan in November 2019, USAID provided the following update on ADALAT’s partnership with the Supreme Court’s DI:⁴¹⁵

- Although the DI worked with ADALAT early in the project, for some time prior to the Jordan Study Tour, the DI was not especially

cooperative and the committee for reviewing judicial regulations was dissolved.

- Following the Jordan Study Tour, there was then some disagreement with the DI over the supply of material goods. USAID approved a substantial number of items for the DI per ADALAT's work plan, but the DI wanted the items before promising to reestablish the committee and committing to further amendments in regulations and the development of various protocols. ADALAT withheld the equipment until the DI committed to the various planned activities. This stalemate lasted many weeks.
- After three meetings, the DI finally agreed to commit to the various ADALAT activities prior to receipt of the equipment.
- The committee has been reestablished and has met with ADALAT twice to begin the review of disciplinary regulation for judges. The DI will work with ADALAT in year five of the program to amend the regulations for judicial discipline and inspections.

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.⁴¹⁶

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 confinement.⁴¹⁷ As of January 31, 2020, the CMS had recorded 507,726 criminal cases and 104,210 civil cases.⁴¹⁸

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.⁴¹⁹

As of January 31, 2020, the latest date for which adult prison population data is available, the General Directorate of Prisons and Detention

Centers (GDPDC) incarcerated 34,799 males and 844 females. This total does not include detainees held by any Afghan governmental organization other than the GDPDC and the Ministry of Justice’s Juvenile Rehabilitation Directorate. INL does not have access to data for other organizations.⁴²⁰

This quarter, State highlighted how six Children Support Centers (CSCs) beneficiaries continued their studies at an elite private school. All six beneficiaries were awarded scholarships to the prestigious school after receiving educational services and application assistance from CSC staff.⁴²¹

Anticorruption

The Afghan government made little progress pursuing high-profile corruption cases this quarter, DOJ said. DOJ highlighted several cases, including:

- The investigation into fuel-related corruption—uncovered in the October 2015 Farooqi Report on collusion, price fixing, and bribery related to bids for fuel contracts totaling nearly \$1 billion—is stalled because documents have not been provided to the courts.⁴²² (While DOJ did not identify the party that is not cooperating with the courts, State told SIGAR in June 2019 that the case was previously stalled because it lacked the support of President Ghani’s office.⁴²³)
- In January 2019, CSTC-A told SIGAR that its investigations, begun around October 2017, nearly ended fuel theft in the 209th Corps in northern Afghanistan.⁴²⁴ However, the continuing investigation into large-scale fuel fraud in 209th Corps is now dormant due to the MOD’s failure to cooperate.⁴²⁵
- In what DOJ labeled a positive development, the Supreme Court overturned the anticorruption court’s acquittal of former Minister of Communications and Information Technology, Abdul Razaq Wahidi, on embezzlement and nepotism charges. The anticorruption court will again try Wahidi, this time on charges of embezzling nearly \$80,000 from a Ministry of Finance project.⁴²⁶

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 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.⁴²⁷

SIGAR AUDIT

S. Rept. 116-126, accompanying the Department of State, Foreign Operations, and Related Programs Appropriations Bill, 2020 directed SIGAR to assess “the Government of Afghanistan’s implementation, resourcing, and administration of the ‘Afghanistan National Strategy for Combating Corruption’, including whether such government is making progress toward achieving its anti-corruption objectives, addressing impunity of powerful individuals, and meeting international commitments.” SIGAR has initiated this work and anticipates issuing a public report in early 2021.

According to the UN Secretary-General, the ACJC output has been low for the past two quarters. The ACJC primary court adjudicated three cases between December 1, 2019, and February 16, 2020, while the appeals court adjudicated seven cases. Since its founding in 2016, the ACJC has adjudicated cases involving 260 defendants (of whom 50 have been acquitted).⁴²⁸ Limited cooperation between law enforcement bodies has negatively affected the ACJC's work, with Afghan authorities processing only 94 of 255 outstanding arrest warrants and summonses for serious corruption cases.⁴²⁹

In February, the ACJC appellate court sentenced a former district administrator from Logar Province to 10 and a half years in prison for demanding an approximately \$190,000 bribe for settling a land dispute.⁴³⁰

Unresolved Presidential Contest Hinders Afghan Security Forces Response to Corruption

The unresolved Afghan presidential contest has hindered MOD and MOI countercorruption efforts this quarter.⁴³¹ CSTC-A reported that its current countercorruption priorities focus on reducing bribery and trainee abuse at Afghan security forces training centers, theft of CSTC-A-provided fuel, clothing, and equipment, and fraud associated with food supplies and repair parts.⁴³²

However, CSTC-A said the ministers of defense and interior are slow to take decisive action against corrupt actors out of concern for potential retribution if political fortunes should change. Senior MOD and MOI leaders have taken administrative action against corrupt actors, but CSTC-A said the transfer and reassignment of these corrupt actors is insufficient; unspecified senior Afghan political figures reportedly veto attempts to permanently remove corrupt officials.⁴³³

Despite these challenges, CSTC-A believes that the MOD is “making considerable advancements in battling corruption.” Positive developments include the replacement of several ANA corps leaders. Further, CSTC-A said the minister of defense has demonstrated his willingness to suspend those under criminal investigation while encouraging criminal investigations to continue.⁴³⁴

When asked to describe any specific and significant anti- or countercorruption activities taken by MOD or MOI senior leaders this quarter that CSTC-A attributes to their train, advise, and assist efforts, CSTC-A observed the following:⁴³⁵

- The minister of interior replaced “several” province chiefs of police who were under investigation and suspended from their position. CSTC-A reduced funding to 12 police province headquarters that had misused funds.
- The minister of interior hosted a one-day conference on leadership, accountability, and corruption with all 34 province chiefs of police.

GOVERNANCE

- The MOD legal section developed an ethics training with plans for all corps leadership to receive the training in six months.
- The MOD Criminal Investigation Directorate (MOD CID) held a basic course training for 12–15 students. During the quarter, MOD CID initiated 45 corruption investigations, with 23 investigations referred for prosecution.

Among the MOD and MOI elements tasked with combating corruption, CSTC-A provided the following assessments and updates:⁴³⁶

- MOI Inspector General (MOI IG) is improving incrementally. MOI IG raised concerns over the potential loss of 11,000 weapons and 1,000 vehicles in Helmand Province. As of March, however, after further inspections, retraining, and criminal charges, all the weapons and vehicles have been accounted for.
- Major Crimes Task Force (MCTF) effectiveness has decreased. The MCTF director benefits from “executive-level” political patronage and remains in his position despite his recommended removal since November 2019. MCTF personnel and vehicles have been repurposed for other priorities (such as assisting in election security), distracting the organization from its countercorruption mission. The MCTF also faces “internal interference.” (Further, the UN Secretary-General observed that the failure to reform the MCTF has left the ACJC without a functioning police component.⁴³⁷)
- General Directorate for Internal Security (GDIS) was previously responsible for collecting intelligence and making counterterrorism arrests. Reorganized in 2019, the GDIS now focuses primarily on countering corruption and insider threats within the MOI.
- MOD Inspector General (MOD IG) has improved its inspections capability and is seeking authorities to conduct investigations. Corps-level IG units now report to the central MOD IG, something CSTC-A hopes will improve the ability of MOD IG elements to be effective despite corrupt leaders in various ANA corps.
- Established in June 2019,⁴³⁸ the MOD CID has not yet reached full operational capability, but has already had a positive impact on reducing corruption, CSTC-A says. The interim director aggressively sought personnel (having filled 89% of its positions) and personally assesses and mentors each subordinate leader. Prior to the arrival of the interim director, CSTC-A said the organization was “leaderless and stagnant.” MOD CID has been involved in the recent arrest and suspension of ANA general officers, prompting the minister of defense to approve the suspension of some of those under investigation. Like other countercorruption bodies, CSTC-A says MOD CID faces interference from unspecified “external sources” that hinder its investigations.

COUNTERNARCOTICS

Ministry of Interior Updating Counternarcotics Plan

This quarter, State's Bureau of International Narcotics and Law Enforcement Affairs (INL) reported that Afghanistan's Ministry of Interior (MOI) is working on an updated counternarcotics plan.⁴³⁹ The MOI has taken over responsibility for counternarcotics planning following President Ashraf Ghani's order in January 2019 dissolving the Ministry of Counter Narcotics (MCN).⁴⁴⁰ State has not been able to provide any information on why the Afghan government chose to dissolve the MCN.⁴⁴¹

Last quarter, State said the MCN dissolution was complete and former MCN employees have been transferred to other Afghan government entities. One of the outstanding issues, though, was whether MCN facilities would be transferred to the Attorney General's Office (AGO), as stipulated in a June 2019 presidential decree.⁴⁴² This quarter, State reported that it "appears that former MCN facilities are transferring to the AGO," but that State was not involved in internal Afghan government decisions on these facilities and could provide no further information.⁴⁴³

2019 Afghanistan Opium Survey Release Delayed

As of March 31, 2020, the United Nations Office on Drugs and Crime (UNODC) had still not released its 2019 *Afghanistan Opium Survey*, an annual survey that tracks the extent of opium-poppy cultivation in Afghanistan and that is usually issued in the autumn. Since 2006, State INL has funded UNODC to produce the survey in partnership with Afghan government agencies. UNODC also produces a supplementary report on the socioeconomic implications of opium-poppy cultivation in Afghanistan in the spring; this report also has not been released yet. INL has so far disbursed \$17.7 million to fund this program.⁴⁴⁴

Afghan opium poppy is harvested in the spring, and UNODC has historically released the cultivation report in the following autumn. The next spring, the UNODC usually releases a socioeconomic report about the previous year's harvest. Last quarter, SIGAR reported that since the MCN has been dissolved, the annual opium surveys would no longer be produced with the MCN and that UNODC would henceforth partner with the Afghanistan National Statistics and Information Authority (NSIA).⁴⁴⁵

According to State INL, the NSIA has been in technical discussions with UNODC about a disagreement over the survey methodology used to generate the opium-poppy crop's "yield," or how much opium poppy was actually grown in Afghanistan in 2019. The most recent meeting between UNODC and NSIA occurred in Dubai on February 19, 2020, and ended without resolution. INL attended this meeting along with MOI representatives; INL reported that NSIA representatives pledged to further raise the matter with the Afghan government. Currently there is no agreed date to release

the 2019 *Afghan Opium Survey*; this delay in the autumn cultivation report could cause a delay in the spring socio-economic report.⁴⁴⁶

Afghan Counter Narcotics Police Organization and Funding

State INL provides support to specialized units within the Counter Narcotics Police of Afghanistan (CNPA).⁴⁴⁷ The CNPA leads Afghan law-enforcement personnel in counternarcotics efforts. The CNPA, authorized at 2,632 personnel through March 2020, are located in all 34 provinces and comprise regular police as well as specialized units. The CNPA's counternarcotics responsibilities include controlling precursor chemicals, airport interdiction, operating the forensic laboratory, crop eradication, and managing mobile detection teams. CNPA also coordinates with Afghan customs to stop drug trafficking.⁴⁴⁸

CNPA specialized units consist of 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).⁴⁴⁹ Additionally, the U.S.-supported Technical Investigative Unit (TIU) provides support to these components.⁴⁵⁰ This quarter, the U.S. Drug Enforcement Agency (DEA) reported that the NIU and SIU conducted a combined total of 40 DEA-mentored, partnered, or otherwise supported operations.⁴⁵¹

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 (NSOCC-A), including U.S. Special Forces. The NIU typically maintains forward-based personnel in Kandahar, Kunduz, and Herat.⁴⁵²

The SIU's mission is to identify significant drug-trafficking organizations operating in Afghanistan and dismantle them through the criminal-justice system. The SIU receives mentoring from the DEA and consists of hand-picked personnel who are thoroughly vetted.⁴⁵³ The SIU also has four officers responsible for administrative management of court orders obtained by SIU investigators to conduct Afghan judicially authorized intercepts.⁴⁵⁴

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.⁴⁵⁵

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

Kabul Counter Narcotics Police Chief Arrested on Drug-Trafficking Charges

In early February 2020, the head of Kabul's CNPA, Miyan Ahmad Ahmadi, was arrested along with five senior CNPA officers for distributing drugs and extorting drug traffickers. An MOI spokesperson described Ahmadi as one of the "leading drug peddlers and [a] mafia kingpin." Ahmadi was reportedly arrested north of Kabul while attempting to flee to Central Asia. According to DEA, none of the individuals arrested were part of the NIU or SIU. Although DEA mentors and supports the SIU, which is responsible for identifying and dismantling significant drug-trafficking organizations, DEA stated that they provided no assistance in the investigation and had no further information on it.

Source: Kabul News, "Wells Urges Law Enforcement Against Corrupt Afghan Officials," 2/8/2020; 1TVNews, "Kabul's top anti-drug police official arrested on drug charges," 2/6/2020; Anadolu Agency, "Afghanistan: Top cops selling drugs arrested;" DEA, response to SIGAR data call, 3/20/2019; State, INL, response to SIGAR data call, 3/20/2019.

counter-organized crime. The Afghan Uniform Police and Afghan Border Police (ABP) also participate in counternarcotics activities.⁴⁵⁶

The Special Mission Wing (SMW) is a rotary- and fixed-wing aircraft force established in 2012 to support NIU counternarcotics missions, as well as counterterrorism missions conducted by Afghan special security forces. In recent years, however, nearly all its missions have been to support counterterrorism support, with only about 4% of the SMW's 66 unilateral sorties from January 1 through February 29, 2020, supporting CN missions.⁴⁵⁷ 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. There is also an imagery, surveillance, and reconnaissance squadron in Kabul.⁴⁵⁸

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.⁴⁵⁹ 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.⁴⁶⁰

Interdiction Results

Between October 1, 2019, and March 13, 2020, DOD reported that U.S.-supported interdiction activities by Afghan security forces included 39 operations resulting in 70 detentions and seizures of 1,842 kilograms (kg) (4,061 lbs) of opium, 351 kg (774 lbs) of heroin, and 149,426 kg of hashish (329,428 lbs). Four kg (9 lbs) of methamphetamines were also seized; no precursor chemicals were seized by Afghan security forces during this period.⁴⁶¹ Table 3.16 contains interdiction results provided by DOD.

Despite the improved capabilities of Afghan specialized units over the years, the drug seizures and arrests they conduct have minimal impact on the country's opium-poppy cultivation and production. For example, total opium seizures 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.⁴⁶²

GOVERNANCE

TABLE 3.16

INTERDICTION RESULTS, FISCAL YEARS 2011–2020											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 ¹	TOTAL
Number of Operations	624	669	518	333	270	196	157	198	138	39	3,405
Detainees	862	535	386	442	394	301	152	274	177	70	4,077
Hashish seized (kg)	182,213	183,776	37,826	19,088	24,785	123,063	227,327	42,842	145,976	149,426	1,161,366
Heroin seized (kg)	10,982	3,441	2,489	3,056	2,859	3,532	1,975	3,242	3,315	351	43,634
Morphine seized (kg)	18,040	10,042	11,067	5,925	505	13,041	106,369	10,127	1,759	–	173,229
Opium seized (kg)	98,327	70,814	41,350	38,379	27,600	10,487	24,263	23,180	13,612	1,842	399,604
Precursor chemicals seized (kg)	122,150	130,846	36,250	53,184	234,981	42,314	89,878	22,863	81,182	–	834,045
Methamphetamine ² (kg)	50	N/A	N/A	N/A	N/A	9	30	86	734	4	913
Amphetamine (kg)	N/A	N/A	N/A	N/A	N/A	17	N/A	N/A	1,990	–	2,007

Note: The significant difference in precursor chemicals total seizures between 2014 and 2015 is due to a 12/22/2014 seizure of 135,000 kg of precursor chemicals.

¹ Results for period 10/1/2019–3/13/2020.

² In crystal or powder form.

Source: DOD(CN), response to SIGAR data call, 3/18/2020.

Eradication Update

According to State INL, the MOI's Deputy Minister for Counter Narcotics, Mohammad Hashim Urtaq, issued a report on April 7, 2020, stating that Afghan personnel under the direction of MOI have eradicated 196 hectares of opium-poppy during the current season. INL is not, however, in a position to verify these claims or to provide direct assistance to eradication performed under MOI auspices.⁴⁶³

Earlier in the quarter, INL reported that MOI representatives were planning to perform eradication, although the Afghan government had not at that point shared its eradication plans with INL. INL further reported that crop eradication has been on a long-term downward trend, in part due to opium-poppy cultivation in inaccessible or insecure areas. As of late February 2020, INL had no plans to provide direct financial support to MOI for crop eradication in 2020.⁴⁶⁴

According to INL, it was not planning to provide direct financial support because it cannot verify eradication performed under the MOI. INL said MOI has not been vetted for vulnerabilities that could adversely affect the responsible implementation of U.S. eradication assistance, as required by U.S. law. Funds that were provided prior to 2020 conformed to these requirements because INL said it worked with the MCN on eradication programming and the MCN had been vetted for vulnerabilities. INL is reviewing whether it is feasible to instead directly assist the Counter Narcotics Police of Afghanistan (CNPA) as the implementing entity for U.S.-funded opium-poppy eradication assistance. SIGAR will continue to report on these developments.⁴⁶⁵

Governor-Led Eradication

Prior to the MCN's dissolution, INL provided direct eradication assistance through the Governor-led Eradication (GLE) program. According to INL, the CPNA is now the entity implementing independent Afghan eradication and GLE.⁴⁶⁶ 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.⁴⁶⁷

This quarter, INL reported that it does not obligate funds to specific projects such as GLE, but to “lines of effort” like eradication. “Subobligations” within a line of effort can then be directed towards a specific program. These subobligated funds for GLE amount to \$6.9 million since 2008; all subobligated funding for GLE has been disbursed. Future funding for eradication is in the FY 2020 International Narcotics Control and Law Enforcement budget request. Additional funds could be subobligated to the ongoing GLE program, contingent on INL vetting of MOI and the CNPA.⁴⁶⁸

REFUGEES AND INTERNAL DISPLACEMENT

Afghan Refugees

As of March 3, the United Nations High Commissioner for Refugees (UNHCR) reported that 218 **refugees** have voluntarily returned to Afghanistan in 2020. Almost all (185) of these refugee returns were from Iran.⁴⁶⁹

According to State, UNHCR resumed refugee repatriations from Pakistan on March 2, 2020, but had to suspend these operations on March 17 after Pakistan closed its border with Afghanistan in an effort to limit the spread of the COVID-19 virus.⁴⁷⁰

Undocumented Afghan Migrant Returnees

As of April 4, the International Organization of Migration (IOM) reported that 226,316 undocumented Afghans returned from Iran and 1,833 undocumented Afghan **migrants** returned from Pakistan in 2020.⁴⁷¹ According to State, Afghan undocumented migrants had returned from Iran to avoid the COVID-19 epidemic and because of due to diminishing economic opportunities and deportations.⁴⁷²

According to IOM, fears of the COVID-19 virus spreading in Iran has led to record numbers of spontaneous returns of Afghans from Iran.⁴⁷³ For comparison, as of April 6, 2019, 100,347 undocumented Afghan migrants had returned from Iran that year.⁴⁷⁴

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.

Migrants: Persons who change their 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.

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

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 63% lower. As of March 25, conflicts in 2020 had induced 43,853 Afghans to flee their homes. The office recorded 119,759 displaced persons in the same period last year.⁴⁷⁵

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.”⁴⁷⁶ 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.⁴⁷⁷ Table 3.17 shows the current Promote programs.

According to USAID, of the 73,534 total Promote beneficiaries, 29,112 have found employment. Of these, 1,757 have been hired by the Afghan government and 16,756 have secured permanent employment in the private sector. There are also 10,599 Promote beneficiaries holding private-sector internships. (There may be double counting as Promote beneficiaries counted as interns may also be counted when they secure permanent employment.)⁴⁷⁸

This quarter, USAID reported that Promote women’s advocacy coalitions made progress in advancing the participation of women in the peace process and also participated in the 16 days against violence against women and children campaign. To date 16,058 young women have graduated from the “Forward Together” scholarship program, which offers job skills courses including kindergarten teaching, communication, finance, and health care courses.⁴⁷⁹

TABLE 3.17

USAID GENDER PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Promote: Women in the Economy	7/1/2015	6/30/2020	\$71,571,543	\$64,514,152
Promote: Women in Government	4/21/2015	4/20/2020	37,997,644	36,578,614
Promote: Women’s Rights Groups and Coalitions	9/2/2015	9/1/2020	29,534,401	22,762,184
Promote: Rolling Baseline and End-line Survey	2/21/2017	10/20/2020	7,577,638	6,349,159
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
Promote: Scholarships	3/4/2015	3/3/2020	1,247,522	1,247,522

Source: USAID, response to SIGAR data call, 4/10/2020.

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ECONOMIC AND SOCIAL DEVELOPMENT



KEY ISSUES & EVENTS

The COVID-19 pandemic spread to Afghanistan this quarter. Relatively few Afghans (770, as of April 15, 2020) have been confirmed to have the virus but, due to limited testing, the number of infected is likely much higher.

The prices of key food commodities rose dramatically in Afghan urban centers at a time when as many as 14.3 million Afghans were already experiencing some degree of food insecurity.

Afghanistan's domestic revenues contracted by 7.8%, year-on-year, in the first quarter of 2020. Increased border closures due to the spread of COVID-19 could adversely affect customs collections, on which the government relies for one-fifth of its revenues.

On March 23, 2020, the Department of State announced that due to the ongoing dispute between President Ashraf Ghani and Chief Executive Abdullah Abdullah over who won the 2019 presidential election, the United States would immediately reduce assistance to Afghanistan by \$1 billion.⁴⁸⁰ Warning that the United States was “prepared to reduce by another \$1 billion in 2021,” State said it would initiate a review of all U.S. programs and projects to identify additional reductions and reconsider future funding pledges to Afghanistan.⁴⁸¹

Qualifying the announcement, State said it was willing to “revisit the reviews” should Afghan leaders succeed in forming an inclusive government.⁴⁸² The implications of the announcement for U.S. funding are not yet clear. A previous threat last year from State to withhold \$60 million because of the Afghan government’s inability to meet unspecified reform benchmarks was never carried out.⁴⁸³

The COVID-19 pandemic spread to Afghanistan this quarter, having been identified in at least 29 provinces so far. Although relatively few Afghans (770) have been confirmed to have the virus, just 4,470 had been tested as of April 15, 2020.⁴⁸⁴ Afghanistan’s numerous unique vulnerabilities—a weak health-care system, widespread malnutrition, porous borders, massive internal displacement, proximity to Iran (where the disease has spread widely), and ongoing conflict—raise the possibility of significant social and economic disruption if the virus continues to spread in the coming months.⁴⁸⁵



USAID tweeted this public health message in Dari on April 12, 2020. The message encouraged Afghans to wash their hands, cough into their elbows, avoid touching their faces, keep a safe distance away from others, and stay at home. (USAID photo)

The Afghan government took several measures to help mitigate the spread of the disease. On March 14, it shuttered all schools for an initial one-month period through April 18.⁴⁸⁶ The government also instituted “measured lockdowns” throughout the country that closed sections of, and limited movement in, major cities.⁴⁸⁷ In Kabul, more stringent measures requiring all residents to shelter in place went into effect on April 8.⁴⁸⁸ Movement exemptions were granted for humanitarian personnel and goods.⁴⁸⁹

Whether these measures can curb the rapid transmission of the virus remains to be seen. According to the British medical journal *The Lancet*, Afghanistan’s low public awareness of COVID-19 and low health literacy, as well as cultural norms of shaking hands and hugging, community gatherings in mosques that reportedly remained largely open as of early April, paucity of masks and effective handwashing techniques are all likely to aggravate the crisis.⁴⁹⁰ Moreover, with virtually no government safety net and an average per capita income of about \$500 a year, few Afghans can afford to go without working.⁴⁹¹ According to TOLONews, movement restrictions are being disregarded by residents of Herat City—despite the fact that Herat Province has the highest number of confirmed COVID-19 cases.⁴⁹²

The United States is providing Afghanistan with more than \$18 million to support prevention, treatment, and detection.⁴⁹³ Meanwhile, the International Monetary Fund (IMF), World Bank, and the European Union have all established financing facilities that can be accessed by countries coping with the fallout of the pandemic.⁴⁹⁴ On April 2, the World Bank approved a \$100.4 million grant to help fight COVID-19 in Afghanistan by reinforcing essential health services.⁴⁹⁵ The Afghan government requested an additional \$223.0 million grant from the IMF.⁴⁹⁶ As with many other government services, any funds the Afghan government uses to respond to the virus are likely to be deployed in both government-controlled and Taliban-controlled areas. The Taliban said they were willing to cooperate with international health organizations in territory administered by the insurgency.⁴⁹⁷

So far, efforts by Afghanistan’s neighbors to block the disease’s path into (and out of) Afghanistan have been mixed. Hard-hit by COVID-19, Iran ignored requests from the Afghan government to close its borders, allowing thousands of people—more than 57,000 over a four-day period in mid-March—to continue to cross into western Afghanistan.⁴⁹⁸ Since the beginning of this year, 226,316 undocumented Afghans had returned from Iran, as of April 4, 2020, compared to 100,347 undocumented Afghan migrant returns from January 1, 2019, to April 6, 2019, according to the International Organization for Migration.⁴⁹⁹ As of April 15, Iran had recorded 74,877 cases of the virus.⁵⁰⁰

Although some commercial transport continued between Afghanistan and its Central Asian neighbors to the north, Turkmenistan, Uzbekistan, and Tajikistan, all either closed their borders to civilian movement or grounded flights to and from Afghanistan.⁵⁰¹ Meanwhile, nearly 19,000 Afghans living in Pakistan surged back into Afghanistan over a two-day period in early April. Unprepared for the volume, the Afghan government scuttled initial plans to quarantine the returnees for a period of up to three weeks. Instead, it instructed them to self-quarantine in their homes.⁵⁰²

The movement of returnees came after Pakistan initially closed its border for a two-week period in mid-March. Pakistani Prime Minister Imran Khan later announced that the Chaman-Spin Boldak border crossing point would reopen for three days to ensure the continued movement of supplies into Afghanistan. As of April 15, Pakistan's border was closed to all traffic except commercial vehicles. At the Torkham and Chaman-Spin Boldak crossing points, cargo trucks were permitted to cross three days per week. However, some humanitarian organizations are concerned about the impact that border closures could have on access to goods partially sourced in Pakistan.⁵⁰³ Given the UN's assessment that 14.3 million Afghans experienced some degree of **food insecurity** in March 2020, food imports are of particular concern.⁵⁰⁴

In a sign that food supplies may be running short (or that vendors are price-gouging), the UN's World Food Programme (WFP), in late March, recorded price spikes for key food commodities in certain heavily populated parts of Afghanistan. In eight major Afghan urban centers—including Kabul, Kandahar, and Jalalabad—prices for certain key items like wheat, wheat flour, and cooking oil increased substantially, according to the UN.⁵⁰⁵

By April 15, WFP data showed that the price of wheat flour had increased by 15–18% and the price of cooking oil by 17%. The WFP found that, simultaneously, the purchasing power of casual laborers and pastoralists had declined by 20% and 14%, respectively. Deterioration in Kabul, where the purchasing power of casual laborers fell by as much as 31%, was especially significant.⁵⁰⁶

Afghanistan's domestic revenues contracted by 7.8% over the first three months of FY 1399 (December 22, 2019, to December 21, 2020), year-on-year, SIGAR analysis showed.⁵⁰⁷ Because the Afghan government relies so heavily on customs duties and taxes—which make up approximately one-fifth of all revenues—increased border closures due to the spread of COVID-19 could adversely affect the Afghan government's fiscal position in 2020.⁵⁰⁸ Expenditures, meanwhile, ticked up by 13.5%.⁵⁰⁹ The World Bank expected Afghanistan's fiscal deficit to increase in 2020 as revenue collections stall, donor grants decline, and expenditures increase.⁵¹⁰

Food-insecure: households that either are experiencing acute malnutrition due to food consumption gaps, or are forced to deplete household assets in order to meet minimum needs.

Source: SIGAR, Quarterly Report to the United States Congress, 1/30/2020, p. 124.

U.S. SUPPORT FOR ECONOMIC AND SOCIAL DEVELOPMENT: THEORY, OBJECTIVES, AND PROSPECTS

Throughout its intervention in Afghanistan, the United States has sought to advance the Afghan economy. While the intensity and emphasis of policies and programs have changed over the years, the core U.S. belief and theory of change that a growing economy contributes to stability and security has remained constant.⁵¹¹ The U.S. government's current Integrated Country Strategy (ICS) for Afghanistan states that economic prosperity in Afghanistan depends upon the United States' ability to advance private-sector-led export growth and job creation, and to bolster gains in health, education, and women's empowerment.⁵¹²

USAID's Country Development Cooperation Strategy (CDCS) for Afghanistan is nested within the ICS.⁵¹³ The objectives of the CDCS are to:⁵¹⁴

- accelerate private-sector-driven, export-led economic growth
- advance social gains in health, education, and gender equality
- increase the Afghan government's accountability to its citizens

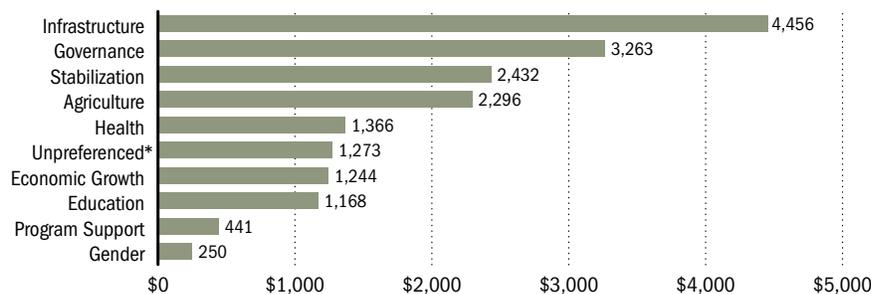
Given current circumstances, it will be very difficult to make progress towards these objectives. In December 2019, the IMF predicted that economic growth in 2020 would reach 3.5%, bolstered by recovery in the agricultural sector from a widespread drought in 2018.⁵¹⁵ However, that was before the COVID-19 outbreak crippled the global economy. While Afghanistan has far fewer confirmed cases of the disease than neighboring Iran and Pakistan, testing has so far been very limited.⁵¹⁶ According to the United Nations, Afghanistan is especially vulnerable due to its weak health-care system, poor water and sanitation infrastructure, and high malnutrition rates, among other factors.⁵¹⁷

Even with the full economic effects of COVID-19 still undetermined, other uncertainties present additional obstacles to growth. Physical insecurity remains widespread as the war rages on even after the recent deal signed between the United States and the Taliban. Moreover, tensions over the September 2019 Afghan presidential election continued to escalate this quarter: after officially losing, President Ashraf Ghani's rival Abdullah Abdullah declared a parallel government, and each held their own inauguration.⁵¹⁸

As of March 31, 2020, the U.S. government has provided approximately \$35.06 billion to support governance and economic and social development in Afghanistan since 2002. Most of these funds—nearly \$20.85 billion—were appropriated to USAID's Economic Support Fund (ESF). Of this amount, \$19.60 billion has been obligated and \$17.48 billion has been disbursed. Figure 3.38 shows USAID assistance by sector.⁵¹⁹

FIGURE 3.38

USAID DEVELOPMENT ASSISTANCE, CUMULATIVE DISBURSEMENTS, AS OF APRIL 8, 2020 (\$ MILLIONS)



Note: USAID Mission-managed funds. Numbers are rounded. USAID gender programs managed by the agency's Office of Gender are presented as a separate category. Agriculture programs include Alternative Development. Infrastructure programs include power, roads, extractives, and programs that build health and education facilities. Office of Financial Management activities (e.g. audits and pre-award assessments) included under Program Support funds.

*Unpreferred funds are U.S. contributions to the ARTF that can be used for any ARTF-supported initiatives.

Source: SIGAR analysis of USAID, response to SIGAR data call, 4/8/2020; SIGAR analysis of World Bank, ARTF, Administrator's Report on Financial Status as of December 21, 2019, 3/12/2020.

ECONOMIC PROFILE

Afghanistan remains impoverished, conflict-affected, and heavily aid-dependent. While the overall economic goal of the current U.S. strategy is to move Afghanistan from being a recipient of assistance to an enduring economic partner, donor grants totaling \$8.5 billion per year (combined security and civilian assistance) currently finance approximately 75% of total public expenditures.⁵²⁰ Afghanistan's real, licit GDP growth rate averaged just under 10% over the first decade of reconstruction, driven by donor funding and a large international troop presence. But the growth rate dropped substantially as the Afghan government assumed responsibility for the fight against the Taliban insurgency.⁵²¹

In more hopeful recent developments, the World Bank reported that the Afghan economy grew by 2.9% in 2019, catalyzed by the end of a prolonged drought and higher levels of snowfall and precipitation during the winter of 2018–2019.⁵²² However, the Bank said that higher agricultural growth was partially offset by lower growth in the industrial and services sectors.⁵²³

Despite the growth-rate increase, poverty likely worsened in 2019, the Bank added.⁵²⁴ Though favorable weather improved rural livelihoods for some Afghans, the effects were uneven, as continued internal displacement may have had adverse effects on the timing of agricultural planting.⁵²⁵ Overall, private-sector confidence remained weak in 2019, reflected in excess liquidity and stagnant loan-to-deposit ratios in the commercial banking sector.⁵²⁶

While USAID says that, in the mid-term, its programs “will help accelerate private sector-driven and export-led economic growth,” slowing export growth in 2019,⁵²⁷ compounded by the global pandemic, challenges this

Afghanistan's Economic Performance Highly Sensitive to Narcotics Trade

When illicit activity is included in Afghanistan's gross domestic product (GDP), the success or failure of the opium trade is shown to have a greater impact on growth than any other factor. The country's National Statistics and Information Authority (NSIA), which includes the opium economy in one version of its GDP figures, reported that when estimated opium production dropped by nearly 30% due to a supply surplus and a widespread drought in 2018, the Afghan economy contracted by 0.2%. That figure differs substantially from the NSIA's licit-only growth rate figure of 2.7%.

By contrast, the NSIA reported that GDP growth including the opium economy in 2017 was 7.2%, due to a nearly 90% increase in opium production. Afghanistan's licit GDP growth rate in 2017 was 2.7%, according to the Bank and IMF.

Unlike the NSIA, neither the IMF nor the World Bank consider the narcotics economy in their GDP growth estimates. However, there appears to be increasing interest from the Bank on this issue. In a March 2020 paper described by its authors as "the first ... to consider impacts [of conflict] across formal, informal, and illicit activities simultaneously," the Bank found that while violence in Afghanistan negatively impacted licit economic activity, conflict had little impact on aggregate economic activity due to the high prevalence of opium-poppy cultivation.

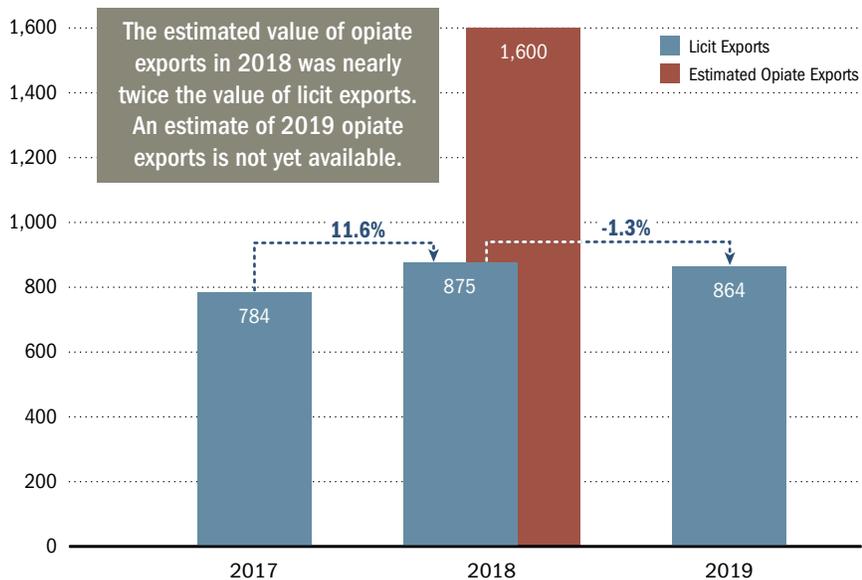
Source: NSIA, Afghanistan Statistical Yearbook 2017–2018, 8/2018, p. 110; World Bank, Afghanistan Development Update: Building Confidence Amid Uncertainty, 7/2019, p. 18; IMF, Fifth Review under the Extended Credit Facility Arrangement and Request for Modification of Performance Criteria, 5/15/2019, p. 24; SIGAR, Quarterly Report to the United States Congress, 1/30/2019, pp. 150, 152; UNODC, Afghanistan Opium Survey 2018: Cultivation and Production, 11/2018, pp. 5, 8; NSIA, "Growth-Rate-of-GDP" 6/10/2019; NSIA, Afghanistan Statistical Yearbook 2018–19, 7/2019, posted to the NSIA website 11/2019, ii; SIGAR, Quarterly Report to the United States Congress, 4/30/2019, p. 151; UNODC, Afghanistan Opium Survey 2017: Cultivation and Production, 11/2018, p. 40; World Bank, Conflict and the Composition of Economic Activity in Afghanistan, 3/2020, pp. 12, 19.

expectation. The Bank expected that Afghanistan's trade deficit would grow, with exports unable to keep pace with imports.⁵²⁸ Afghanistan's poor licit trade situation is attributable to persistent conflict, the country's landlocked geography (which significantly raises the costs of trade, relative to countries with direct access to commercial sea routes), low levels of infrastructure and institutional capacity, and limited access to electricity and finance.⁵²⁹ However, these obstacles do not preclude Afghanistan from exporting large amounts of opium, which dwarf the country's licit exports.⁵³⁰ Figure 3.39 below presents licit exports from 2017–2019 and compares them to estimated opiate exports in 2018 (an estimate for 2019 is not yet available).

Although the Bank anticipated in late-January that growth would climb to 3.3% in 2020, that was before the emergence of COVID-19, which has since brought the global economy to a veritable standstill.⁵³¹ The specter of significant economic disruption in Afghanistan due to the spread of the novel coronavirus looms large.⁵³²

FIGURE 3.39

AFGHANISTAN'S LICIT EXPORTS 2017–2019 VS. ESTIMATED OPIATE EXPORTS 2018
(USD MILLIONS)



Note: The United Nations Office on Drugs and Crime (UNODC) publishes authoritative annual estimates of opiate exports. The UNODC expresses that value as a range. The bar representing the estimated value of opiate exports in 2018 represents the midpoint (\$1.6 billion) of the 2018 range (\$1.1 billion–2.1 billion) reported by the UNODC. While the UNODC figure is technically the "value of opiates potentially available for export" rather than an estimate of the value of actual exports, it is the best figure available to express the comparison with licit exports. Notably, while the value of licit exports, denominated in afghanis, has gradually risen over the last several years, according to official figures, the estimated value of opiate exports is far more volatile. For example, in 2017, the value of opiates potentially available for export was \$4 billion–6.5 billion, according to the UNODC.

Source: SIGAR analysis of NSIA quarterly export data, 2017–2019, accessed 4/10/2020, 12/10/2019, 9/22/2019, 6/21/2019, 3/23/2019, 12/20/2018, and 9/25/2018; UNODC, Afghanistan opium survey 2018: Challenges to sustainable development, peace and security, 7/2019, p. 24; UNODC, Afghanistan opium survey 2017: Challenges to sustainable development, peace and security, 5/2018, p. 5.



USAID's Commercial Law Development Program hosted an event in Dubai for members of Afghanistan's private sector to discuss how they could contribute to the economic development of Afghanistan. (USAID photo)

Fiscal Update: Revenues Contract

Afghanistan's **sustainable domestic revenues** contracted by 7.8% over the first three months of FY 1399 (December 22, 2019, to December 21, 2020), year-on-year, SIGAR analysis showed.⁵³³ Because no **one-off revenues** were recorded in the first quarter, aggregate domestic revenues declined by the same amount.⁵³⁴ In the first three months of FY 1399, the Afghan government collected \$494.4 million (compared to \$536.2 million in the first three months of FY 1398).⁵³⁵ In recent years, aggregate annual revenues have been approximately \$2.5 billion.⁵³⁶

It was not possible to ascertain what drove the decline in the first quarter (nearly half of revenues collected had not yet been reconciled). However, a spokesman for the Ministry of Finance (MOF) attributed the contraction to “political issues” (a presumed reference to the disputed presidential election) and lower customs taxes.⁵³⁷ Because the Afghan government relies so heavily on customs duties and taxes—which make up approximately one-fifth of all revenues—increased border closures due to the spread of COVID-19 could adversely affect Afghanistan's fiscal position in 2020.⁵³⁸

The Afghan government signaled it would continue the recent trend of supplementing lagging core revenue collections (i.e. taxes) with large one-off transfers of foreign exchange profits from the central bank (DAB).⁵³⁹ In the fourth month of FY 1399, the MOF received a \$163.6 million transfer from DAB, constituting 68.0% of revenues collected in the month, as of April 12, 2020.⁵⁴⁰ While central bank profits are not an illegitimate source of revenue, they are not considered to be a sustainable source of government funding.⁵⁴¹ Figure 3.40 shows cumulative sustainable revenue gains through Month 3 of FY 1399.

Sustainable Domestic Revenues:

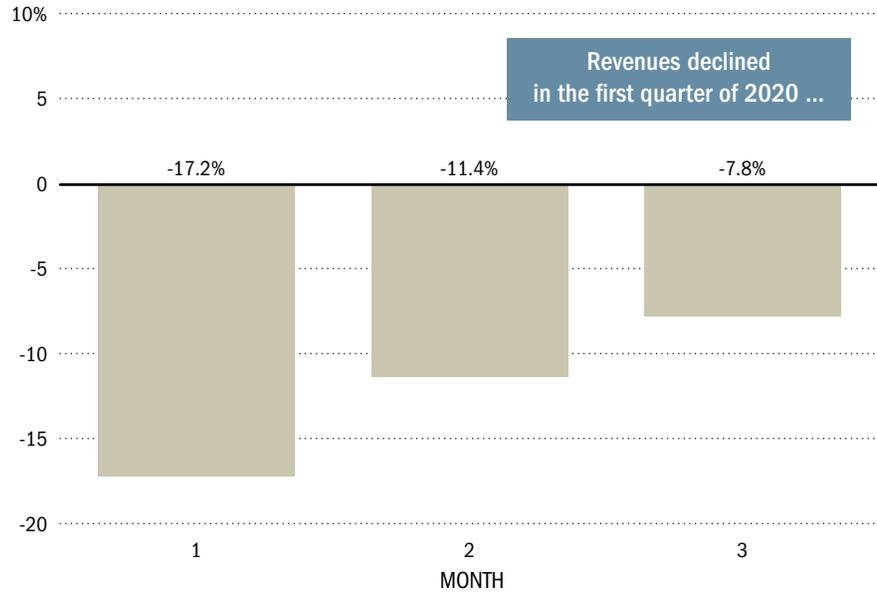
According to Afghanistan Ministry of Finance officials, these are revenues like customs, taxes, and nontax fees. Multilateral institutions such as the World Bank and the IMF use reports of these revenues to judge the Afghan government's fiscal performance.

One-Off Domestic Revenues: These are nonrecurring revenues arising from one-time transfers of funds, such as central bank profits, to the Afghan government. The IMF excludes central bank transfers from its definition of domestic revenues for the purpose of monitoring Afghanistan's fiscal performance under its Extended Credit Facility arrangement with the government.

Source: SIGAR, communications with MOF officials, 8/21/2017; SIGAR, communications with IMF officials, 9/7/2017.

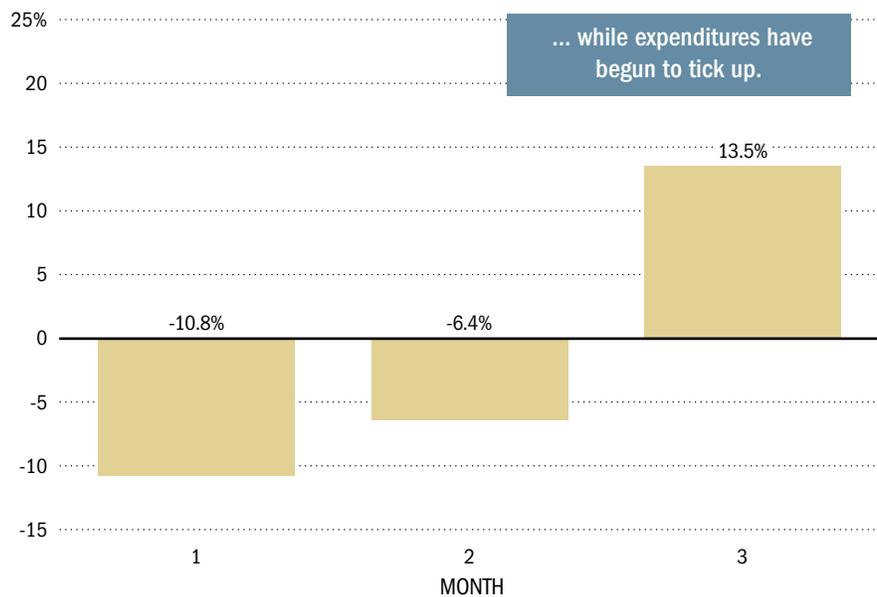
FIGURE 3.40

CUMULATIVE SUSTAINABLE REVENUE GAINS (FY 1398-1399) VERSUS SAME MONTH PRIOR YEAR



Source: SIGAR analysis of MOF-provided AFMIS data exported 4/12/2020; SIGAR analysis of MOF-provided AFMIS data exported 1/18/2020.

CUMULATIVE EXPENDITURE INCREASES (FY 1398-1399) VERSUS SAME MONTH PRIOR YEAR



Source: SIGAR analysis of MOF-provided AFMIS data exported 4/12/2020; SIGAR analysis of MOF-provided AFMIS data exported 1/18/2020.

As SIGAR emphasized in its *2019 High-Risk List*, strengthening Afghanistan's fiscal capacity will be key to sustaining the infrastructure and institutions vital to economic growth as the Afghan government is asked to take greater responsibility for its own development in the coming years.⁵⁴² The IMF is uncertain how long revenue growth will remain slow.⁵⁴³ Expenditures ticked up by 13.5% through the first quarter of FY 1399 (Figure 3.40).⁵⁴⁴ The World Bank expected Afghanistan's fiscal deficit to increase in 2020 as revenue collections stall, donor grants decline, and expenditures increase.⁵⁴⁵

ECONOMIC GROWTH

USAID's current strategy seeks to accelerate private-sector-driven, export-led growth in Afghanistan.⁵⁴⁶ To support that strategy, the agency's Office of Economic Growth aspires to:⁵⁴⁷

- tighten trade connections between Afghanistan and its neighbors
- raise the competitiveness of private Afghan enterprises by supporting export-ready firms
- create jobs through that firm-level support and by improving the enabling environment for businesses

But accelerating Afghanistan's licit economic growth rate, which is currently too low vis-à-vis its population growth to reduce poverty and improve living standards, may not be possible within the timeframe set by USAID's strategy (which covers development support through 2023).⁵⁴⁸ Still-high levels of violence, episodic but intense political uncertainty (manifest most recently in the disputed outcome of the Afghan presidential election), and now the COVID-19 pandemic are weighing down the Afghan economy.⁵⁴⁹

USAID's active economic-growth programs have a total estimated cost of \$260 million and can be found in Table 3.18.

USAID Seeks Key Performance Data from Treasury

After repeated SIGAR requests for information, USAID has asked the U.S. Treasury Department to provide key data related to a technical assistance project that concluded in September 2019.⁵⁵⁰ Treasury has not provided a final project performance report for this project despite several requests from USAID, which entered into an interagency agreement with Treasury to implement the technical assistance. The terms of the interagency agreement require Treasury to submit the report.⁵⁵¹

Signed in 2016, the \$2 million agreement between USAID and Treasury had two primary goals. The first was to strengthen Afghanistan's public financial management capacity by improving government budgeting. The second was to increase the Afghan central bank's oversight capacity by streamlining reporting processes for supervised financial entities



An Afghan entrepreneur conducts a transaction at her shop. (USAID photo)

ECONOMIC AND SOCIAL DEVELOPMENT

TABLE 3.18

USAID ACTIVE ECONOMIC-GROWTH PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA)	1/28/2020	1/27/2025	\$105,722,822	\$0
Multi-Dimensional Legal Economic Reform Assistance (MELRA)	2/7/2018	9/30/2024	29,990,258	3,371,197
Extractive Technical Assistance by USGS	1/1/2018	12/31/2022	18,226,206	6,140,781
Commercial Law Development Program	3/1/2014	9/29/2020	17,864,283	12,812,046
INVEST	9/28/2017	9/27/2020	15,000,000	6,183,392
Afghanistan Investment Climate Reform Program	3/27/2015	3/26/2022	13,300,000	6,700,793
Carpet and Jewelry Value Chains	1/31/2019	4/30/2023	9,941,606	1,922,044
Goldozi Project	4/5/2018	4/4/2022	9,718,763	3,680,110
Livelihood Advancement for Marginalized Population (LAMP)	8/1/2018	7/31/2022	9,491,153	1,455,599
Establishing Kabul Carpet Export Center (KCEC)	6/6/2018	6/5/2021	9,416,507	4,203,066
Recycling Plant Value Chain in Northern Afghanistan	6/5/2019	6/4/2023	7,250,000	350,816
Trade Show Support (TSS) Activity	6/7/2018	12/6/2020	6,921,728	5,920,518
Development Credit Authority (DCA) with Ghazanfar Bank	9/1/2018	8/30/2025	2,163,000	40,015
Afghanistan International Bank Guarantee Agreement	9/27/2012	9/27/2020	2,000,000	520,800
Development Credit Authority (DCA) with FINCA, OXUS, and First Microfinance Banks	9/25/2014	9/24/2020	1,958,000	142,100
Afghanistan Loan Portfolio Guarantee	9/27/2017	9/26/2023	665,820	732
Total			\$259,630,146	\$53,444,010

Source: USAID, response to SIGAR data call, 4/8/2020.

and improving databases where central bank enforcement actions were recorded.⁵⁵² The broad intent of the agreement was to support economic reform.⁵⁵³

In pursuit of such reform, USAID hoped for Treasury to achieve numerous “expected results.” For example, Treasury sought to improve “the capacity of the [Afghan central bank] to collect reporting data from banks and to supervis[e] these institutions.” Treasury also aimed to enhance the MOF’s “capacity to develop reliable expenditure forecasts and cost and analyze ministry programs.”⁵⁵⁴

However, according to USAID, the only metrics against which USAID and Treasury tracked progress were the “number of meetings and number of trainings with Treasury’s [Afghan] counterparts.”⁵⁵⁵ Based on these metrics alone, it is difficult to ascertain whether capacity at the MOF and the Afghan central bank actually improved as a result of Treasury’s technical assistance.⁵⁵⁶

For this reason, SIGAR has sought to better understand the project's results.⁵⁵⁷ Prompted by SIGAR's questions, USAID asked Treasury in December 2019 to provide a final performance report in accordance with the terms of its agreement.⁵⁵⁸ Approximately three weeks after its initial request for a final performance report, USAID reminded Treasury that the report was still due.⁵⁵⁹ As of March 18, 2020—nearly six months after the conclusion of the project—Treasury had still not submitted it.⁵⁶⁰ USAID reported that it “came to the conclusion that U.S. Treasury was not interested in extending the agreement; U.S. Treasury was not willing to continue to work in Afghanistan due to the complex work environment and security issues.”⁵⁶¹ However, Treasury previously told SIGAR that it was capable of providing technical assistance remotely,⁵⁶² mitigating security challenges.

USAID Awards \$105.7 Million Contract to DAI to Improve Export Competitiveness

This quarter, USAID reported that it awarded a \$105.7 million contract to Development Alternatives Incorporated (DAI) Global LLC in late-January 2020, to increase the competitiveness of Afghanistan's export-oriented businesses.⁵⁶³ The USAID project supported by the contract is the Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA).⁵⁶⁴

According to USAID, the premise of the award is that, among the “legion” of obstacles to Afghanistan's economic growth, “the constraint that matters most for the sustainable growth of Afghanistan's economy—growth in a market undistorted by massive influxes of foreign government spending—is the dismal productivity of Afghan businesses.”⁵⁶⁵ To improve that productivity, ACEBA seeks to bolster the capacity of enterprises “from the inside”—meaning “experts inside a company, walking the factory floor, even in companies well beyond urban centers.” ACEBA also plans to demonstrate to Afghan businesses owners the “benefits of modern management methods” and to facilitate “apprenticeships, internships, and sharply focused training courses.”⁵⁶⁶

As SIGAR described in its lessons-learned report on private-sector development, various U.S. agencies have been engaged in enterprise-development initiatives—including those aimed at developing more competitive domestic products—since at least 2006.⁵⁶⁷ For example, in 2006, USAID started providing direct support to enterprises by launching the Afghanistan Small and Medium Enterprise Development (ASMED) project, which provided grants and technical assistance to new and existing businesses and business associations. ASMED also supported business-development services providers, which were intended to be market-oriented companies that would provide business advisory services.⁵⁶⁸

USAID's launch of ACEBA, which raised the cost of the agency's economic growth portfolio in Afghanistan by 76%, represents a significant bet on the value of attempting to increase the competitiveness of Afghan

enterprises. Even after many years of U.S. support, Afghan firms, broadly speaking, remain uncompetitive.⁵⁶⁹ Because ACEBA is new, no performance indicator results are yet available.

Two Large Mining Contracts Canceled, State Confirms

Last quarter, SIGAR reported that two large mining contracts to develop a gold mine in Badakhshan Province and a copper mine in Sar-e Pul and Balkh Provinces were in jeopardy.⁵⁷⁰ This quarter, State reported that, to its knowledge, “these contracts were officially canceled for cause.”⁵⁷¹ State explained that the awardees, including a company called CENTAR Ltd., failed to post a contractually required \$5 million performance bond, even after the Afghan government granted two extensions. The Afghan government reportedly intends to move ahead with re-tendering the contracts.⁵⁷² In an interview with SIGAR last quarter, Brad Barnett, CEO of CENTAR Ltd., said the contracts had not yet been canceled, although press reports indicated otherwise.⁵⁷³

The Afghan government signed the mining contracts for the Badakhshan gold and Balkhab copper concessions at a ceremony at the Afghan Embassy in Washington, DC, in the fall of 2018, reviving long-held hopes at the time that Afghanistan’s extractives sector could be leveraged for the country’s economic development.⁵⁷⁴ Controversy soon followed.⁵⁷⁵ Civil society organizations (CSOs) concerned about corruption in Afghanistan’s mining sector, contended the contracts had been awarded illegally, due to the involvement of former Minister of Housing and Urban Development Sadat Naderi, whose firm held the mining license.⁵⁷⁶

AGRICULTURE

Directly employing approximately 40% of Afghanistan’s labor force and directly or indirectly supporting an estimated 80% of the total population, the agricultural sector remains the base of Afghanistan’s formal economy.⁵⁷⁷ While the sector’s importance has diminished somewhat since the U.S.-led invasion of 2001 due to the rise of the country’s services sector, it continues to be an important driver of economic growth.⁵⁷⁸ For example, the World Bank anticipated that licit agriculture would contribute approximately 0.84 percentage points (out of 2.5 percentage points) of GDP growth in 2019.⁵⁷⁹

Because of its economic significance, developing Afghanistan’s agricultural sector has long been a priority for donors. In a strategic document published in 2002, USAID said agriculture was a “cornerstone of recovery and a pillar of reconstruction for a sustainable future.”⁵⁸⁰ The agency’s current strategy states that “agriculture, the biggest driver of the Afghan economy, presents major opportunities for job creation, poverty reduction, and economic growth.”⁵⁸¹

ECONOMIC AND SOCIAL DEVELOPMENT

TABLE 3.19

USAID ACTIVE AGRICULTURE PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Strengthening Watershed and Irrigation Management (SWIM)	12/7/2016	12/6/2021	\$87,905,437	\$26,444,892
Commercial Horticulture and Agriculture Marketing Program (CHAMP)	2/1/2010	1/31/2020	71,292,850	71,285,455
Afghanistan Value Chains-Livestock Activity	6/9/2018	6/8/2021	55,672,170	12,942,803
Afghanistan Value Chains-High Value Crops	8/2/2018	8/1/2023	54,958,860	10,990,793
Agricultural Marketing Program (AMP)	1/28/2020	1/27/2023	30,000,000	0
Regional Agriculture Development Program-East (RADP-East)	7/21/2016	7/20/2021	28,126,111	17,119,029
Grain Research and Innovation (GRAIN)	3/13/2017	9/30/2022	19,500,000	9,349,610
Promoting Value Chain-West	9/20/2017	9/19/2020	19,000,000	13,009,883
Catalyzing Afghan Agricultural Innovation	5/28/2018	5/27/2023	8,000,000	2,569,772
SERVIR	9/14/2015	9/30/2020	3,100,000	1,877,059
Total			\$377,555,428	\$165,589,297

Note: CHAMP is the only project USAID continues to code as an alternative-development intervention in its financial data. All other projects are coded as agricultural interventions.

Source: USAID, response to SIGAR data call, 4/8/2020.

But as donors support the development of licit Afghan agriculture, illicit opium-poppy cultivation thrives. As many as 507,000 Afghans worked in the opium economy in 2018, including indirect employment, making the drug trade one of Afghanistan’s largest employers, according to the Afghanistan Research and Evaluation Unit, a Kabul-based think tank.⁵⁸²

Since 2002, USAID has disbursed nearly \$2.3 billion to improve licit agricultural production, increase access to markets, and develop income alternatives to growing poppy for opium production.⁵⁸³ USAID’s active agriculture programs have a total estimated cost of \$378 million and can be found in Table 3.19. Total disbursements for State’s active alternative-livelihood projects (Table 3.20)—which aim to transition opium-poppy farmers into licit agriculture—were \$79 million, as of March 3, 2020.

So Far, Mixed Performance for USAID’s AVC-HVC in FY 2020

USAID’s \$55 million Afghanistan Value Chains-High Value Crops (AVC-HVC) project is on track to meet some, but not all performance indicator targets for FY 2020.⁵⁸⁴ Described by USAID as “market-oriented,” AVC-HVC aims to promote sustainable agriculture-led economic growth. Afghanistan’s high-value crops sector contributes significantly to economic growth and employment.⁵⁸⁵ To help grow the agricultural sector, AVC-HVC attempts to build the profitability and competitiveness of individual high-value crop-related enterprises by providing business-development services and advice.⁵⁸⁶

Based on data from the first quarter (Q1), AVC-HVC is on track (or approximately so) to meet several key FY 2020 annual performance indicator

targets. For example, according to implementer Development Alternatives Incorporated (DAI) Global LLC, AVC-HVC created 437 full-time-equivalent jobs in Q1—23% of the project’s annual target. Additionally, the value of agricultural exports supported by AVC-HVC exceeded \$1.4 million—already 35% of the project’s annual target, per DAI data.⁵⁸⁷

However, through FY 2020 Q1, AVC-HVC has been less successful at facilitating new investment in the agricultural sector, achieving just 5% (\$381,187) of its annual target of \$8 million. Additionally, AVC-HVC achieved just 6% (\$324,167) of its annual target for the value of agriculture-related financing accessed as a result of project assistance (\$5 million) through Q1.⁵⁸⁸ In response to a draft of this report, USAID said, “Snapshots in quarterly increments are not a great way to judge the effectiveness of an activity like HVC.”⁵⁸⁹ Nevertheless, DAI reports progress against this indicator on a quarterly basis.⁵⁹⁰

Why the program did not spur more investment in FY 2020 Q1 is not completely clear. USAID said the Q1 results may be due to the role that growing seasons play in the agricultural sector.⁵⁹¹ But experience indicates that corruption also sometimes plays a role. For example, in October 2019, DAI reported that a \$550,000 (or 11%) deficit between the project’s FY 2019 annual target for the value of agricultural financing accessed and the actual result was due to “corruption issues for collateral registration, which delayed loan disbursements.”⁵⁹²

This quarter, DAI reported that one pending transaction was delayed “due to lack of responsiveness on the side of the Afghan firm.” DAI said it was evaluating two other potential investment transactions valued at \$6 million and \$2 million, respectively.⁵⁹³

Effectiveness of State’s CBARD-West Project May Not be Known Until 2028

A finalized midterm evaluation of State’s \$24.4 million Community-Based Agriculture and Rural Development-West (CBARD-West) project recommended periodic monitoring until 2028 to fully ascertain this alternative-livelihood project’s effectiveness.⁵⁹⁴ CBARD-West aims to strengthen local production and marketing of high-value crops (like apple, citrus, grape, and pistachio orchards) in 63 communities in Farah and Badghis Provinces, thereby accelerating Afghanistan’s licit economic growth and reducing the prevalence of illicit opium-poppy production.⁵⁹⁵ Given the maturity period of orchard crops provided to Afghan beneficiaries, the evaluation stated, “it is recommended that evaluation should continue until at least 2028, ten years after the first orchards were planted.”⁵⁹⁶

CBARD-West aims to “prove the viability” of high-value agriculture interventions as alternatives to illicit opium-poppy cultivation. But the midterm evaluation noted that the project’s implementation period was too short to fully measure the impact of these interventions “in a range of market conditions” (i.e. in varying market conditions over a long-term time horizon).⁵⁹⁷

The midterm evaluation characterized this issue as the program’s “main design weakness.”⁵⁹⁸ In response to a draft of this report, INL claimed this conclusion was “irrelevant” and added that “there is no inherent timeframe on the ‘proof of viability.’”⁵⁹⁹ Nevertheless, the fact remains that the efficacy of the project will remain in question for some time to come.

Complicating CBARD-West’s short-term effectiveness are substantial implementation challenges, including an exceptionally low survival rate for saplings provided to Afghan beneficiaries, as SIGAR reported last quarter.⁶⁰⁰ The midterm evaluation described CBARD-West as a “generally well-designed, well-run livelihoods project.” But CBARD-West’s implementer, the United Nations Development Programme (UNDP), said its ability to assess the impact of adverse weather conditions and conflict, as well as provide timely support, was limited. UNDP attributed these limitations to the remoteness of project locations, poor accessibility in times of flood, general insecurity, and weak management and coordination at local, district, and provincial levels.⁶⁰¹

State’s Bureau of International Narcotics and Law Enforcement Affairs (INL) has told SIGAR that CBARD is succeeding as “there has been a (larger) reduction on opium-poppy cultivation in the villages receiving INL funded project interventions (“treatment” villages) compared to the villages not receiving the interventions (“control” villages).” In contrast, SIGAR’s 2018 lessons-learned report on counternarcotics found that interventions like CBARD were unlikely to have a lasting impact on poppy cultivation.⁶⁰² INL’s alternative-livelihood projects are presented in Table 3.20 below.

TABLE 3.20

STATE-INL ACTIVE ALTERNATIVE-DEVELOPMENT PROJECTS			
Project Title	Start Date	End Date	Obligated and Disbursed, Cumulative, as of 3/3/2020
Community-Based Agriculture and Alternative Development-West (CBARD-West)	9/1/2016	4/30/22	\$24,368,607
Community-Based Agriculture and Alternative Development-East (CBARD-East)	11/11/17	4/30/22	22,128,683
Boost Alternative Development Intervention Through Licit Livelihoods (BADILL)	8/12/16	8/12/20	20,000,000
Community-Based Agriculture and Alternative Development-Access to International Markets (CBARD-AIM)	7/30/19	4/30/23	8,900,000
Monitoring and Impact Assessment of High-Value Agricultural Based Interventions	8/30/16	11/10/20	3,810,530
Total			\$79,207,820

Source: State, INL, response to SIGAR data call, 3/17/2020.

INFRASTRUCTURE AND ESSENTIAL SERVICES

Building out Afghanistan’s infrastructure base has been a major goal of the U.S.-led reconstruction effort. Since 2002, the U.S. has constructed education and health facilities, bridges and roads, and electricity infrastructure.⁶⁰³ USAID alone has disbursed more than \$4.4 billion for infrastructure projects.⁶⁰⁴

With the U.S. reconstruction focus shifting away from large capital projects like road construction, funding levels for infrastructure have decreased in recent years. While several high-dollar-value projects are still being implemented, State says there are no plans to bilaterally underwrite any new major infrastructure.⁶⁰⁵ This section focuses specifically on remaining U.S.-funded power-infrastructure projects.

U.S. Efforts to Expand Afghanistan's Power Grid

One of the top U.S. development priorities has been to expand and connect Afghanistan's "islanded" power grids. DOD and USAID have been working to expand Afghanistan's power grid and to connect the country's the **Northeast Power System (NEPS)** with its southeastern counterpart, the **Southeast Power System (SEPS)**.⁶⁰⁶ USAID hopes to connect the two networks with a 470-kilometer transmission line.⁶⁰⁷

At the height of the U.S.-led Afghanistan intervention (2010–2012), DOD and State justified these efforts based on the U.S. government's counter-insurgency (COIN) strategy. The strategy sought to contain the Taliban insurgency by addressing its presumed root causes. By increasing access to electricity, the logic went, the Afghan population's confidence in the Afghan government would grow as the government demonstrated it could provide essential services (such as electricity). The confidence of the population would translate into support for the Afghan government—and, reciprocally, reduce support to the insurgency.⁶⁰⁸

Although the proportion of Afghans with access to grid-based electricity rose from less than 6% in 2002 to over 30% in early 2019, according to USAID, it is unclear whether this improvement contributed to COIN outcomes.⁶⁰⁹ A 2017 SIGAR audit that examined a subset of infrastructure projects funded by Fiscal Year (FY) 2011 monies found that U.S. agencies had not assessed whether the projects had achieved their COIN objectives.⁶¹⁰

Today, these projects are justified primarily on the basis that they will materially contribute to Afghanistan's economic development.⁶¹¹ Still, USAID ties the projects to stability in its current strategy when it says that all of the strategy's development objectives "address the security and development challenges that have made Afghanistan a safe haven for terrorists and violent extremist organizations and have driven the conflict with the Taliban."⁶¹²

Remaining USAID Power-Infrastructure Projects Face Delays

USAID has five ongoing power-infrastructure projects; DOD's projects are complete. Current USAID projects include the construction of:⁶¹³

- the Salang substation, located near a strategic pass between Baghlan and Parwan Provinces (expected completion date of April 1, 2020—a date that was extended by three months this quarter to allow Afghanistan's national utility to complete contract closeout activities)

NEPS: imports electricity from Central Asia to provide power to Kabul and the communities north of Kabul.

SEPS: draws most of its power from the Kajaki Dam to provide power in the Helmand and Kandahar areas.

Source: DOD, Report on Progress Toward Security and Stability in Afghanistan, 11/2013, p. 107.

- a transmission line between Ghazni and Kandahar Provinces (19% complete, with an expected completion date of December 30, 2020)
- substations along the transmission line from Ghazni to Kandahar (expected completion date of July 30, 2023; USAID did not provide a completion percentage for this specific project, as it was awarded in the same contract as transmission lines and substations in SEPS)
- transmission lines and substations in SEPS (expected completion date of July 30, 2023; USAID did not provide a completion percentage for this specific project)
- a wind farm in Herat Province (expected completion date of December 24, 2021; construction has not yet begun)

Four of USAID's five active projects are delayed.⁶¹⁴ The Salang substation and the transmission line and substations between Ghazni and Kandahar were originally supposed to be complete by the end of 2016—meaning they are more than three years behind schedule.⁶¹⁵ USAID's work on SEPS evolved from a separate contract that was originally supposed to be complete by November 2013—meaning it is now more than six years behind schedule.⁶¹⁶

Cumulatively, USAID has disbursed more than \$1.9 billion since 2002 to build power plants, substations, and transmission lines, and to provide technical assistance in the power sector.⁶¹⁷ USAID's active power-infrastructure projects have a total estimated cost of \$829 million and are presented in Table 3.21.

TABLE 3.21

USAID ACTIVE ENERGY PROJECTS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Power Transmission Expansion and Connectivity (PTEC)	1/1/2013	12/31/2023	\$316,713,724	\$256,837,540
SEPS Completion and NEPS-SEPS Connector Substations	7/3/2019	7/30/2023	159,794,733	25,531,379
Contributions to the Afghanistan Infrastructure Trust Fund (AITF)	3/7/2013	3/6/2023	153,670,184	153,670,184
Engineering Support Program	7/23/2016	1/22/2020	125,000,000	74,867,368
25 MW Wind Farm in Herat Province	10/22/2019	12/24/2021	22,994,029	0
Design and Acquisition of SEPS Completion and NEPS-SEPS Connector	3/7/2018	6/27/2022	20,151,240	3,578,338
20M Watt Floating Solar - Naghlu	1/27/2020	7/26/2021	16,100,000	0
Kandahar Solar Project	2/23/2017	12/29/2019	10,000,000	10,000,000
Spare Parts for Tarakhil Power Plant	8/14/2019	5/31/2020	2,136,850	1,849,965
Energy Loss Management Visualization Platform Activity	1/25/2020	1/24/2022	1,579,973	0
Power Sector Governance and Management Assessment	1/12/2019	3/2/2019	567,330	567,330
Total			\$828,708,063	\$526,902,104

Source: USAID, response to SIGAR data call, 4/8/2020.

SIGAR OVERSIGHT OF AFGHANISTAN'S ENERGY SECTOR

Given the U.S. government's significant investment in Afghanistan's energy sector and the importance of available, reliable power to support the overall success of the reconstruction effort, SIGAR has focused a considerable portion of its oversight portfolio on projects and programs in the sector. SIGAR is currently performing an audit to examine the entirety of the U.S. investment in the Afghan energy sector, including efforts to improve generation, transmission, and distribution. Additionally, SIGAR has a number of ongoing inspections of key energy infrastructure projects to examine whether construction was completed in accordance with requirements and whether the constructed infrastructure is being used as intended and maintained.

USAID and DABS Focus on Independent Power Producers

USAID and Afghanistan's national power utility, Da Afghanistan Breshna Sherkat (DABS), are attempting to encourage private investment in Afghanistan's energy sector.⁶¹⁸ To do so, USAID is subsidizing the upfront capital investment of independent power producers (IPPs), thereby making such projects more attractive for the private sector.⁶¹⁹ IPPs own or operate electricity-generation facilities primarily for public use, but are not themselves electric utilities.⁶²⁰

As SIGAR reported last quarter, commercial operations at a 10-megawatt (MW) solar power plant outside Kandahar City commenced in October 2019 (one year behind schedule). USAID provided \$10 million in incentive funds to help make the project possible.⁶²¹ India-based IPP Dynasty Oil and Gas Ltd. signed a 15-year power-purchase agreement (PPA) with DABS to construct and operate the plant.⁶²²

DABS told SIGAR that it had signed a second agreement with two IPPs, 77 Construction and Solaristan, to build two additional solar plants with a total electric generating capacity of 30 MW.⁶²³ The only current USAID power-infrastructure project that is on track to meet its originally scheduled completion timeline is the newly initiated 25 MW wind farm in Herat Province—for which 77 Construction is responsible. The purpose of the wind farm is to demonstrate the commercial viability of generating “affordable, reliable, and accessible” electricity from wind resources. 77 Construction will build, own, operate on, and maintain the facility for a period of 20 years under the PPA with DABS. USAID is subsidizing more than half (\$23 million) of total upfront construction costs (\$43 million).⁶²⁴

Aside from USAID subsidies, the commercial viability of these projects is ultimately contingent on the PPAs. The IPPs make money as they sell electricity to DABS. Profit from electricity sales allows the IPPs to recover their share of upfront construction costs. Thus, whether the projects will ultimately be profitable for the private sector depends on DABS' ability to purchase electricity, which in turn hinges on DABS's financial sustainability. In the past, USAID has been skeptical of DABS's financial strength.⁶²⁵ However, DABS told SIGAR that it is currently operating at a “breaking point [sic] profit-wise” (i.e. at a “breakeven” point).⁶²⁶ SIGAR has not yet vetted this statement from DABS.

EDUCATION

Donors have generally highlighted Afghanistan's progress in the education sector as a significant achievement since the U.S.-led intervention of 2001.⁶²⁷ While there are millions more Afghan children in school today compared to the number under the Taliban, which banned girls from attending, poor data quality renders it difficult to quantify success. Figures for the number of children and youth in school vary widely.⁶²⁸ Moreover, enrollment data from Afghanistan's Ministry of Education (MOE) do not indicate current

attendance rates because the MOE counts as enrolled students who have been absent for up to three years, in the belief that they may return.⁶²⁹

In accordance with its current strategy in Afghanistan, USAID aims to increase access to, and improve the quality of, basic education for children. USAID is also seeking to build management capacity at the MOE.⁶³⁰ The agency hypothesizes that advancing gains in education will help the Afghan government gain the confidence of its citizens.⁶³¹ However, there is reason to doubt this hypothesis: Afghan-government (and by extension donor) funded education services are provided in many Taliban-controlled areas, meaning that the insurgency, too, benefits from overall improvements to Afghanistan’s education system.⁶³²

Moreover, gains in the country’s education sector have been hard to come by in recent years. Attendance rates of primary-school age children did not improve between two comprehensive surveys conducted by Afghanistan’s statistical authority (NSIA) in 2011–2012 and 2016–2017. “This is a remarkable finding, given the continuous efforts to expand primary education facilities across the country,” the NSIA commented.⁶³³

Since 2002, USAID has disbursed more than \$1.1 billion for education programs in Afghanistan, as of April 8, 2020.⁶³⁴ The agency’s active education programs have a total estimated cost of \$480 million and can be found in Table 3.22.

To Prevent Spread of COVID-19, the Afghan Government Closes All Schools

In an attempt to help curtail the spread of COVID-19, on March 14, 2020, the Afghan government announced it would close all schools for an initial one-month period through April 18, 2020.

Source: UN, OCHA, Afghanistan Brief: COVID-19 No. 16, 3/20/2020, p. 1.

TABLE 3.22

USAID ACTIVE EDUCATION PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Afghanistan University Support and Workforce Development Program	1/1/2014	9/30/2019	\$93,158,698	\$92,454,137
Support to the American University of Afghanistan (AUAF)	8/1/2013	5/31/2020	90,681,844	77,871,779
Increasing Access to Basic Education and Gender Equality	9/17/2014	12/31/2019	77,402,457	77,402,457
Textbook Printing and Distribution II	9/15/2017	12/31/2020	35,000,000	0
Afghan Children Read (ACR) Program	4/4/2016	4/3/2021	69,547,810	44,467,870
Strengthening Education in Afghanistan (SEA II)	5/19/2014	9/30/2020	44,835,920	38,517,553
Let Girls Learn Initiative and Girls’ Education Challenge Programme (GEC)	6/29/2016	6/28/2021	25,000,000	25,000,000
Capacity Building Activity at the Ministry of Education	2/1/2017	1/31/2022	23,212,618	16,313,767
Afghanistan’s Global Partnership for Education	10/11/2012	9/30/2019	15,785,770	15,782,810
Financial and Business Management Activity with AUAF	7/5/2017	7/4/2020	4,384,058	3,358,726
PROMOTE Scholarships PAPA	3/4/2015	3/3/2020	1,247,522	1,247,522
Total			\$480,256,697	\$392,416,621

Source: USAID, response to SIGAR data call, 4/8/2020.

SIGAR EVALUATION REPORT

The practice of *bacha bazi*, or “boy play,” in which authority figures sexually abuse young boys, is widespread in Afghanistan. A SIGAR report released in January 2018 found that DOD was partnering with certain Afghan security force units credibly accused of being involved in child sexual assault.

Afghanistan’s Attorney General Arrests Nine Connected to Alleged Abuse at Logar Province Schools

Afghanistan’s Attorney General’s Office (AGO) opened an investigation, and made nine arrests, related to allegations that members of a pedophile ring abused more than 500 schoolboys in Logar Province.⁶³⁵ While publicly reported figures for the number of boys abused varied, at least 165, and possibly more than 546 boys, were allegedly sexually abused by teachers, older students, authority figures, or extended family members, as SIGAR reported last quarter.⁶³⁶

The allegations were made public by the Logar Youth, Social, and Civil Institution, which said it had discovered more than 100 videos of abuse on a Facebook page.⁶³⁷ According to State, civil-society activists identified 59 suspected perpetrators.⁶³⁸ Two activists were subsequently detained by Afghanistan’s intelligence agency, the National Directorate of Security (NDS), and coerced into confessing that their accusations were untrue.⁶³⁹ Then-U.S. Ambassador to Afghanistan John Bass decried NDS tactics as “Soviet-style” and “appalling.”⁶⁴⁰ For safety reasons, both activists left the country with their families after their release.⁶⁴¹

In addition to the arrests, the ongoing investigation by the AGO had, by April 9, led to the issuance of arrest warrants for another nine suspects. State said that, so far, investigators have maintained that there was no connection between Logar educators or the Logar school system and the sexual assaults—a finding inconsistent with the activists’ research and a finding of the Afghanistan Independent Human Rights Commission. Some anecdotal information suggests that Members of Parliament and others in positions of influence have been pressuring the AGO to suspend or discontinue the investigation, State reported.⁶⁴²

USAID Reduces Funding for Textbook Procurement by \$40 Million

This quarter, USAID notified SIGAR that it reduced its funding by \$40 million for a troubled on-budget project to procure 135 million textbooks for Afghan schools. As a result, the estimated project cost fell from \$75 million to \$35 million.⁶⁴³ USAID attributed the reduction to “changes in the programming and budgetary environment.” Procurement will be limited to 49.2 million textbooks, less than half the number planned.⁶⁴⁴

As SIGAR reported in its July 2019 quarterly report, the international procurement of the first 37 million textbooks that began in late January 2018 failed due to document falsification by the selected bidder. Specifically, it was USAID’s understanding that the first-ranked bidder submitted a forged certificate from the Indian state of Uttar Pradesh confirming that the bidder had completed work similar to the specifications under the MOE’s textbook-solicitation specifications.⁶⁴⁵ Following this development, USAID appeared to be frustrated with the MOE. In a letter sent to the MOE and

the MOF in October 2019, USAID noted that the MOE had failed to satisfactorily address more than half of 17 open recommendations designed to mitigate fiduciary risk.⁶⁴⁶

It appears that USAID will no longer engage directly in textbook procurement. In a letter provided to SIGAR, USAID encouraged the MOF to explore “other mechanisms for the printing and distribution of future textbooks such as the [World Bank-administered] Afghanistan Reconstruction Trust Fund.”⁶⁴⁷

HEALTH

COVID-19 has struck Afghanistan. Relatively few Afghans (770) have been confirmed to have the virus so far, but only 4,470 Afghans had been tested as of April 15, 2020.⁶⁴⁸ Afghanistan’s numerous unique vulnerabilities—a weak health care system, widespread malnutrition, porous borders, massive internal displacement, proximity to Iran (where the disease has spread widely), and ongoing conflict—raise the possibility of significant social and economic disruption in the coming months.⁶⁴⁹ See Section 1 of this report for additional coverage of the effects of COVID-19 on Afghanistan.

Afghanistan appears to have made progress in key health indicators since 2001, but conflicting data points prevent a precise assessment of the change.⁶⁵⁰ For example, one household survey showed that Afghanistan’s under-5 mortality rate (deaths between birth and 5 years of age) was 55 per 1,000 live births in 2015. But the *CIA World Factbook* stated in 2015 that the infant mortality rate (incidence of deaths between birth and *one year* of age) was 115 per 1,000 live births.⁶⁵¹ If correct, this indicates that the broader under-5 rate would necessarily be *at least* 115 per 1,000.



Afghan volunteers prepare to sanitize public spaces in Herat. (USEK photo)

Taliban Claim Readiness to Help Fight COVID-19

Despite the Taliban’s suspicion of polio-vaccination campaigns and previous attacks on some health care workers, the insurgent group signaled a willingness to work with the Afghan government and international NGOs to combat the spread of COVID-19.

“The [Taliban] via its Health Commission assures all international health organizations and [the World Health Organization] of its readiness to cooperate and coordinate with them in combating the coronavirus,” Taliban spokesman Suhail Shaheen tweeted. A second Taliban spokesman, Zabihullah Mujahid, said the group had established approximately 100 health teams to increase awareness of the importance of hand washing and other measures. However, Mujahid added that these teams were struggling to convince rural Afghans how dangerous the virus is.

Source: Reuters, “Coronavirus makes the Taliban realise they need health workers alive not dead,” 3/18/2020; Reuters, “Afghan government announces ‘inclusive’ team for talks with Taliban,” 3/27/2020.

In Some Areas, the Taliban Coopt Afghan Government-Provided Health Services

USAID has suggested that, by bolstering Afghans' confidence in their government's capacity to deliver services, continuing to improve health outcomes will help achieve stability in Afghanistan. However, some reports (unverified by SIGAR) indicate that the Taliban coopt Afghan government health services delivered in areas under their control, thereby legitimizing their own authority rather than the Afghan government's.

Source: USAID, OAPA, Grant Agreement 306-AA-18, 9/6/2018, p. 11; Overseas Development Institute, *Life under the Taliban shadow government*, 6/2018, pp. 5, 26.

SIGAR SPECIAL PROJECT

This quarter, SIGAR released a report that summarized its findings from site visits at 269 health facilities across 10 provinces in Afghanistan. SIGAR found that although most facilities were operational and, except for one instance, included an operational pharmacy, two facilities were in potentially hazardous condition due to possible seismic activity and an explosion. Additionally, SIGAR observed that many facilities had other deficiencies including: a lack of access to utilities such as electricity or water; wall or ceiling defects; incinerators in poor condition; or a lack of resources.

Afghanistan's health outcomes remain worse than those in many other countries: Afghanistan has the lowest life expectancy (52.1 years) in the world, according to the *Factbook*.⁶⁵²

USAID has asserted, "healthy people and health[y] communities are the bedrock of a peaceful and stable nation."⁶⁵³ But, according to the World Bank, insecurity has risen even as key health indicators have ticked up.⁶⁵⁴

U.S. on- and off-budget assistance to Afghanistan's health sector totaled more than \$1.3 billion as of April 8, 2020.⁶⁵⁵ USAID's active health programs have a total estimated cost of \$290 million, and are listed in Table 3.23 on the following page.

World Bank Announces \$100.4 Million Grant to Help Afghanistan Fight COVID-19

On April 2, 2020, the World Bank approved a \$100.4 million grant to help mitigate the effects of COVID-19 in Afghanistan. The Bank will finance the grant using \$81.0 million from its International Development Association fund, which provides financing to low-income countries. The additional \$19.4 million was provided through the Bank's newly established COVID-19 Fast-Track Facility. The Bank said it would provide the funds on-budget to Afghanistan's Ministry of Public Health, which will reinforce essential healthcare services to slow the spread of the disease.⁶⁵⁶

USAID's IHSAN Project Struggles to Meet Performance Targets in FY 2020

Based on project data through the first quarter (Q1), USAID's \$75.5 million Initiative for Hygiene, Sanitation, and Nutrition (IHSAN) project appears to be off-track in meeting its FY 2020 annual performance targets.⁶⁵⁷ IHSAN aims to assist the Afghan government, civil society organizations, and the private sector to implement and scale hygiene and nutrition interventions in order to improve the health of women and young children. The project—which is implemented by Family Health International (FHI) 360 in conjunction with several other development partners—is being implemented over a five-year period (2016 to 2021).⁶⁵⁸

One of IHSAN's goals is to increase the number of open-defecation-free (ODF) communities in Afghanistan. However, thus far, just 37 communities were verified as ODF as a result of IHSAN assistance through Q1 of FY 2020. This figure represented just 2% of IHSAN's FY 2020 target of 1,800 communities.⁶⁵⁹ Additionally, just 6,245 Afghans gained access to basic sanitation services as a result of IHSAN in Q1—a mere 1% of the annual target of 629,911.⁶⁶⁰ The project was similarly lagging on several other performance indicators. For example, through Q1, IHSAN had reached just 7% of its FY 2020 target for the number of Afghan children under five reached by nutrition-specific interventions supported by the project.⁶⁶¹

ECONOMIC AND SOCIAL DEVELOPMENT

TABLE 3.23

USAID ACTIVE HEALTH PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 4/8/2020
Initiative for Hygiene, Sanitation, and Nutrition (IHSAN)	5/11/2016	5/10/2021	\$75,503,848	\$43,676,569
Helping Mothers and Children Thrive (HEMAYAT)	1/7/2015	10/6/2020	66,292,151	58,661,443
Disease Early Warning System Plus (DEWS Plus)	7/1/2014	6/30/2022	54,288,615	34,588,615
Health Sector Resiliency (HSR)	9/28/2015	9/27/2020	27,634,654	21,597,750
Medicines, Technologies and Pharmaceuticals Services (MTaPS)	9/20/2018	9/20/2023	20,000,000	29,620
Challenge Tuberculosis	1/1/2015	1/31/2020	15,700,000	15,015,849
Enhancing Community Access & Utilization of Zinc and ORS for the Management of Childhood Diarrhea	7/21/2015	7/20/2020	13,000,000	13,000,000
Sustaining Health Outcomes through the Private Sector (SHOPS) Plus	10/11/2015	9/30/2020	12,500,000	9,788,122
Central Contraceptive Procurement (CCP)	4/20/2015	4/19/2020	2,343,773	1,350,309
Global Health Supply Chain Quality Assurance (GHSC-QA)	1/2/2015	12/31/2019	1,500,000	1,348,802
TB Data, Impact Assessment and Communications Hub (TB DIAH)	9/24/2018	9/24/2023	600,000	180,419
Global Health Supply Chain Management (GHSCM-PSM)	4/20/2015	4/19/2020	176,568	176,568
4 Children	9/15/2014	9/16/2019	20,000	20,000
Total			\$289,559,609	\$199,434,067

Source: USAID, response to SIGAR data call, 4/8/2020.

FHI 360 reported various challenges during Q1 that resulted in the lagging indicators. In particular, FHI 360 reported that Afghanistan’s harsh winter interfered with project efficacy. Apparently, “people were not motivated to support project activities, such as visiting Afghan households, when temperatures were low.”⁶⁶² FHI 360 also reported that security remains an obstacle. Two staff members of one of the project’s subcontractors were killed by an unknown gunman in Ghor Province.⁶⁶³

