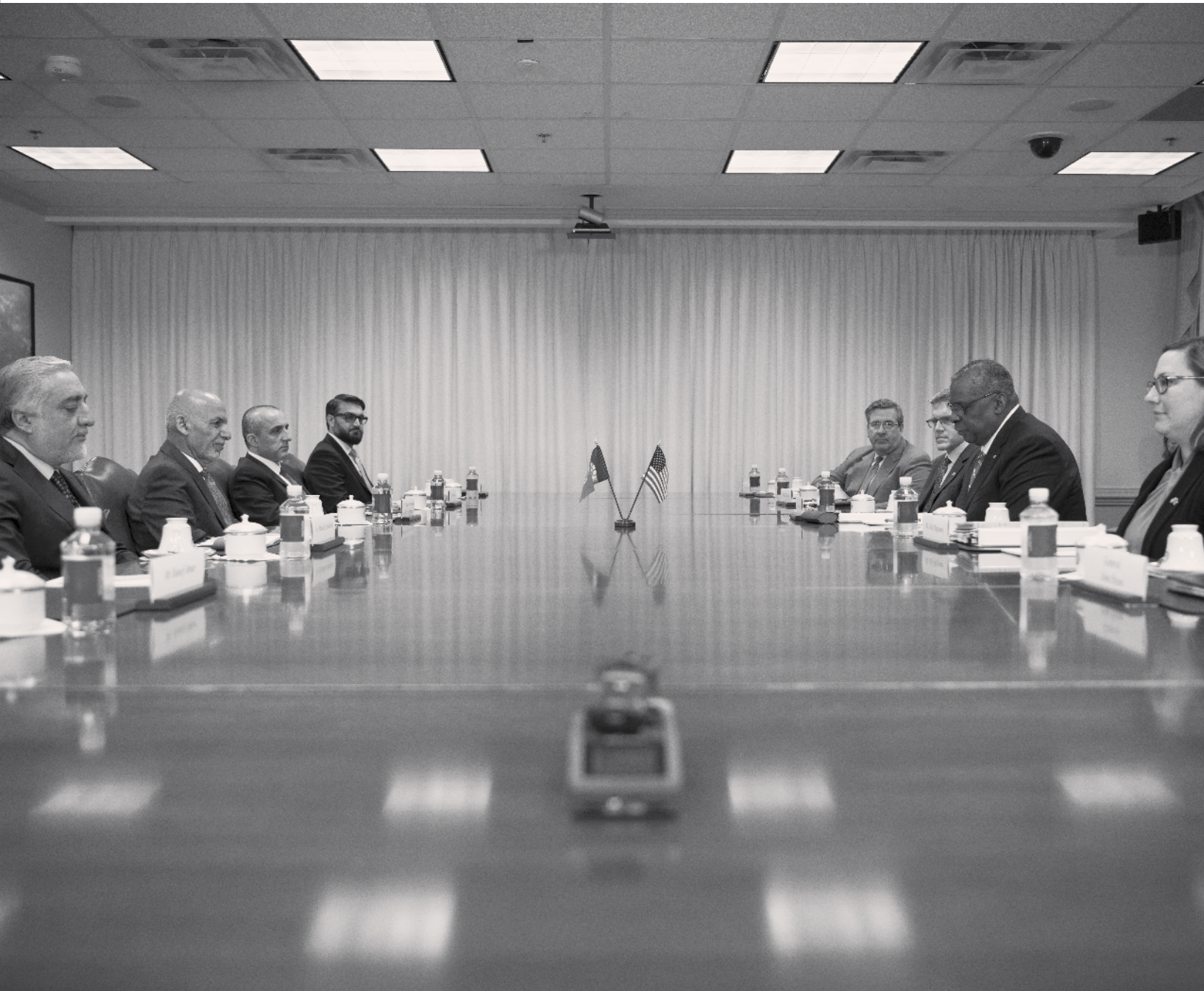


# 2 RECONSTRUCTION UPDATE



## RECONSTRUCTION UPDATE CONTENTS

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**Photo on previous page**

Secretary of Defense Lloyd J. Austin III, second from right, meets with President Ashraf Ghani, second from left, and High Council for National Reconciliation Chairman Abdullah Abdullah, left, at the Pentagon in late June 2021. (DOD photo by Sgt. Taryn Escott, USMC)



## RECONSTRUCTION IN BRIEF

Section 2 of this quarterly report summarizes the key events of the reporting period as well as the programs and projects concerning Afghanistan reconstruction across four areas: Funding, Security, Governance, and Economic and Social Development

### U.S. AND COALITION FORCES WITHDRAW AS THE AFGHAN GOVERNMENT FACES A SECURITY CRISIS

- NATO's Resolute Support Mission significantly reduced its presence in Afghanistan as U.S. and international forces withdrew.
- General Austin Scott Miller, NATO Resolute Support Mission and U.S. Forces-Afghanistan (USFOR-A) commander, transferred responsibility of USFOR-A to CENTCOM commander General Kenneth F. McKenzie on July 12, 2021.
- Combined Security Transition Command-Afghanistan's mission to train, advise, and assist the Afghan forces ended and transitioned to providing "over-the-horizon" security assistance as the new Defense Security Cooperation Management Office-Afghanistan.
- The Taliban launched an offensive against the Afghan National Defense and Security Forces, overrunning numerous district centers, but continued to avoid attacking U.S. and Coalition forces.

### BIDEN COMMITS TO CONTINUED ASSISTANCE

- President Biden committed to "maintaining significant humanitarian and development assistance" to Afghanistan following the U.S. and Coalition troop withdrawal.
- The Taliban seized a string of key border crossings with the potential to deny the Afghan government significant customs revenue.
- Afghanistan has struggled with a third wave of the COVID-19 pandemic as infection rates skyrocketed by around 2,400%.
- The Afghan government's domestic revenues have increased by 22.6% over the first six months of the current fiscal year versus the same period of the previous year, but remain below pre-pandemic levels.

### PEACE TALKS REMAIN STALLED

- Talks between the Afghan government and the Taliban remained stalled this quarter.
- Three-day ceasefires declared by the Afghan government and Taliban for the Eid al-Fitr religious holiday failed to have an enduring effect.

### 2020 INCREASE IN OPIUM-POPPY CULTIVATION

- UNODC reports a 37% increase in 2020 opium-poppies cultivation over 2019.
- The southwestern region, to include Helmand and Kandahar Provinces, accounted for the largest portion of national cultivation.

### U.S. RECONSTRUCTION FUNDING

- Cumulative appropriations for reconstruction and related activities in Afghanistan since FY 2002 rose to \$144.98 billion in the quarter.
- Of the \$120.32 billion (83% of total) appropriated to the eight largest active reconstruction funds, about \$6.68 billion remained for possible disbursement.
- DOD's latest *Cost of War Report*, dated March 31, 2021, said its cumulative obligations for Afghanistan, including U.S. warfighting and reconstruction, had reached \$837.3 billion. Cumulative Afghanistan reconstruction and related obligations reported by State, USAID, and other civilian agencies reached \$49.6 billion.
- The Costs of War Project at Brown University's Watson Institute estimated Afghanistan war costs at \$2.26 trillion, far in excess of DOD's estimate. The Costs of War Project includes DOD and civilian agency costs in Afghanistan and Pakistan, a portion of DOD costs since 9/11 above a baseline amount, veterans' medical and disability costs, and interest costs on war-related borrowing.

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## 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 June 30, 2021, the United States government had appropriated or otherwise made available approximately \$144.98 billion in funds for reconstruction and related activities in Afghanistan since FY 2002. Total Afghanistan reconstruction funding has been allocated as follows:

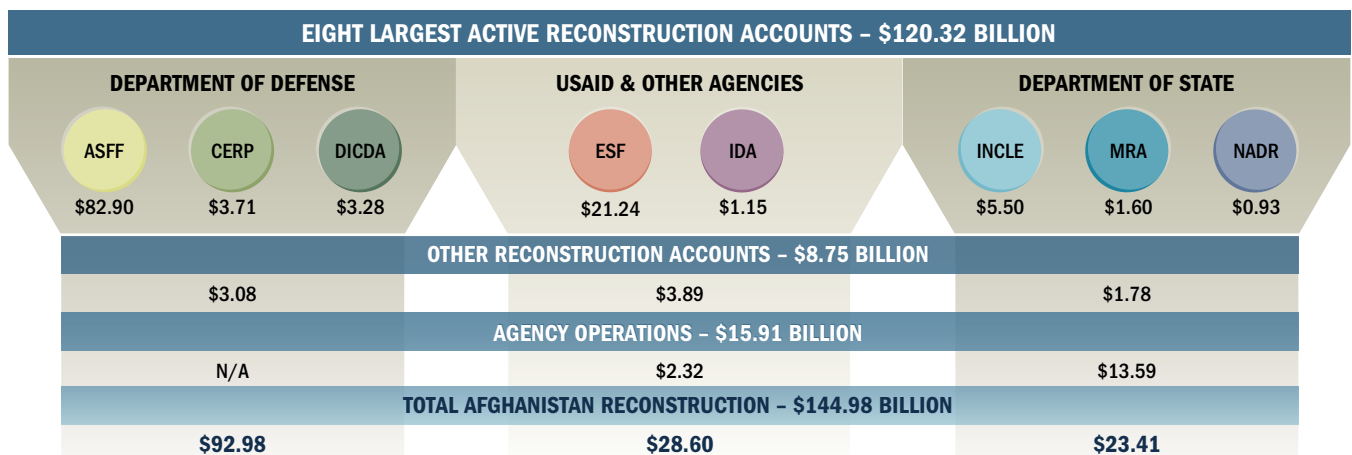
- \$88.61 billion for security (including \$4.60 billion for counternarcotics initiatives)
- \$36.29 billion for governance and development (including \$4.37 billion for counternarcotics initiatives)
- \$4.18 billion for humanitarian aid
- \$15.91 billion for agency operations

Figure 2.1 shows the eight largest active U.S. funds that contribute to these efforts. SIGAR previously reported on the nine largest active funds, but one of these funds, the Public Law 480 Title II account, is no longer used to provide food aid to Afghanistan, so has been removed from this section of SIGAR's reporting.

**ASFF:** Afghanistan Security Forces Fund  
**CERP:** Commanders' Emergency Response Program  
**DICDA:** Drug Interdiction and Counter-Drug Activities  
**ESF:** Economic Support Fund  
**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 2.1

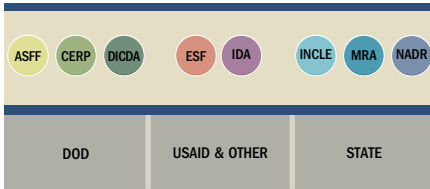
U.S. APPROPRIATIONS SUPPORTING AFGHANISTAN RECONSTRUCTION EFFORTS (\$ BILLIONS)



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 eight largest active U.S. funds represents nearly 83.0% (nearly \$120.32 billion) of total reconstruction assistance to Afghanistan since FY 2002. Of this amount, more than 91.8% (nearly \$110.46 billion) has been obligated, and more than 89.1% (more than \$107.22 billion) has been disbursed. An estimated \$6.41 billion of the amount appropriated for these funds has expired and will therefore not be disbursed.

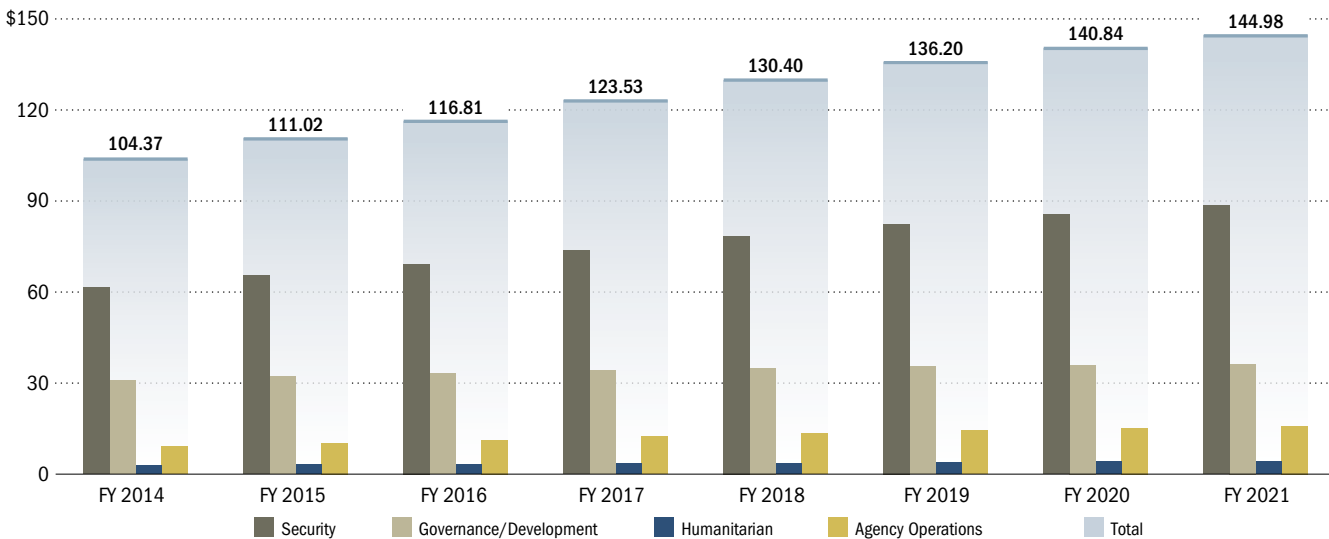
## U.S. RECONSTRUCTION FUNDING FOR AFGHANISTAN

As of June 30, 2021, cumulative appropriations for reconstruction and related activities in Afghanistan totaled approximately \$144.98 billion, as shown in Figure 2.2. This total comprises four major categories of reconstruction and related funding: security, governance and development, humanitarian, and agency operations. Approximately \$8.97 billion of these funds support counternarcotics initiatives that crosscut the categories of security (\$4.60 billion) and governance and development (\$4.37 billion). For complete information regarding U.S. appropriations, see Appendix B.

President Donald J. Trump signed the Consolidated Appropriations Act, 2021 (H.R. 133) into law on December 27, 2020, providing appropriations for all agencies active in Afghanistan, including the Departments of Defense, State, and Justice; the U.S. Agency for International Development; the U.S. Agency for Global Media; the U.S. International Development Finance Corporation; and SIGAR. Three appropriations were specifically targeted for Afghanistan, consisting of the Afghanistan Security Forces Fund (ASFF), the Commanders' Emergency Response Program (CERP), and the SIGAR appropriation, together totaling \$3.10 billion. In the quarter ending June 30, 2021, State and Congress agreed through the Section 653(a)

FIGURE 2.2

### CUMULATIVE APPROPRIATIONS BY FUNDING CATEGORY AS OF JUNE 30, 2021 (\$ 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

process to allocate FY 2021 appropriated foreign assistance funding to specific countries and accounts, including \$282.50 million to Afghanistan for five accounts, principally the Economic Support Fund (ESF) and International Narcotics Control and Law Enforcement (INCLE) account. These two actions, combined with \$0.76 billion from other Congressional and agency actions, make up the FY 2021 appropriations of \$4.14 billion through June 30, 2021, as shown in Figure 2.3. Additional funds will become available for Afghanistan reconstruction during the next quarter of FY 2021.

Since 2002, the United States has provided nearly \$17.28 billion in on-budget assistance to the government of Afghanistan. This includes nearly \$11.31 billion provided to Afghan government ministries and institutions, and nearly \$5.97 billion to three multilateral 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 2.1 shows U.S. on-budget assistance disbursed to the Afghan government and multilateral trust funds, and Table 2.6 on page 46 shows the increasing share of U.S. civilian sector assistance being provided to multilateral institutions.

TABLE 2.1

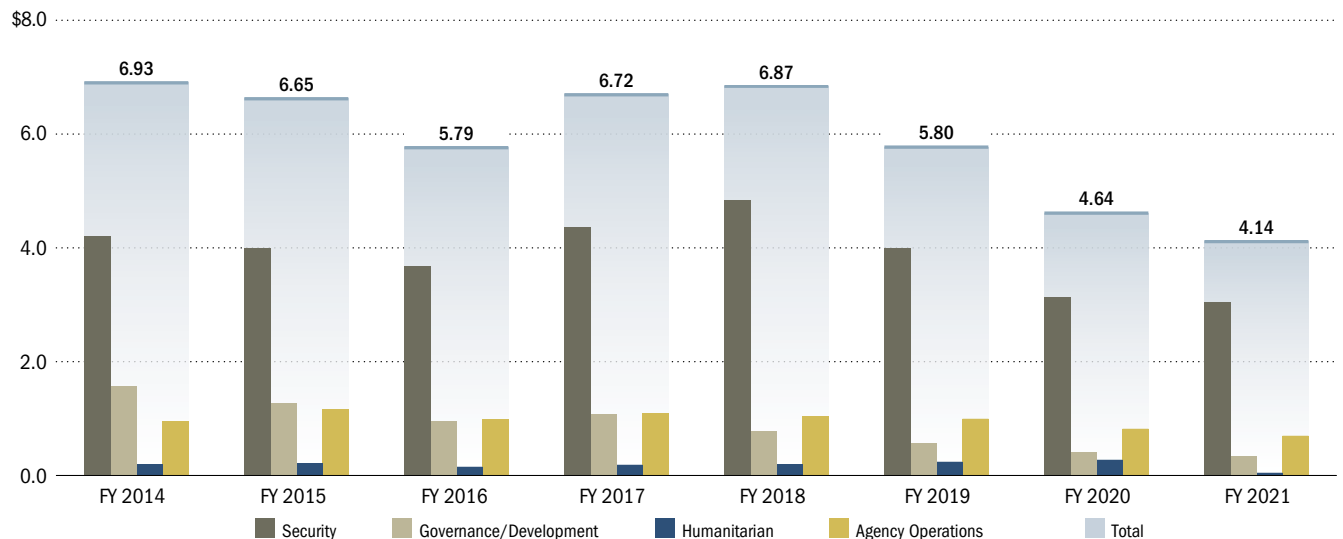
<b>U.S. ON-BUDGET ASSISTANCE TO AFGHANISTAN SINCE 2002 (\$ MILLIONS)</b>	
	Disbursements
<b>Total On-Budget Assistance</b>	<b>\$17,275.44</b>
<b>Government-to-Government</b>	<b>11,309.66</b>
DOD	10,447.68
USAID	776.79
State	85.19
<b>Multilateral Trust Funds</b>	<b>5,965.77</b>
ARTF	4,127.68
LOTFA	1,684.42
AITF	153.67

Note: Numbers have been rounded.

Source: USAID, response to SIGAR data call, 7/14/2021; State, response to SIGAR data call, 10/18/2018; DOD, response to SIGAR data call, 7/23/2021; World Bank, ARTF: Administrator's Report on Financial Status as of April 20, 2021 (end of 4th month of FY 1400), accessed 7/10/2021; UNDP, LOTFA Receipts 2002–2021 (Combined Bilateral and MPTF), updated 6/30/2021, in response to SIGAR data call, 7/8/2021.

FIGURE 2.3

## 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

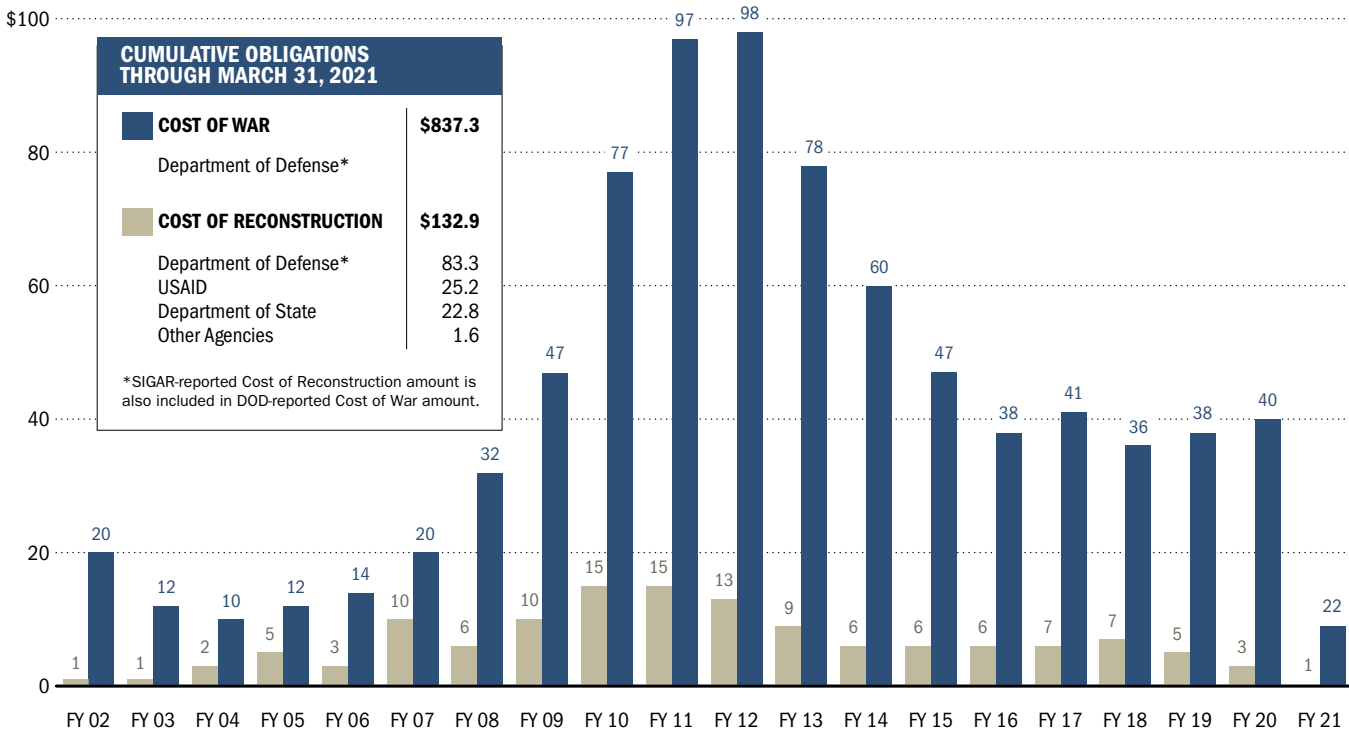
DOD's latest *Cost of War Report*, dated March 31, 2021, said its cumulative obligations for Operation Enduring Freedom and Operation Freedom's Sentinel in Afghanistan, including U.S. warfighting and reconstruction, had reached \$837.3 billion.<sup>1</sup> DOD and SIGAR jointly provide oversight for security-related reconstruction funding amounting to \$83.3 billion of this amount. State, USAID, and other civilian agencies report cumulative obligations of \$49.6 billion for Afghanistan reconstruction, which when added to the DOD amount results in \$132.9 billion obligated for Afghanistan reconstruction through that date, as shown in Figure 2.4. These reconstruction costs equal approximately 16% of all funds obligated by DOD for Afghanistan since 2001.

### Costs of War Project Sees Higher Costs than DOD

A nongovernmental estimate of U.S. costs for the 20-year war in Afghanistan is more than double DOD's calculation.

FIGURE 2.4

AFGHANISTAN COST OF WAR AND RECONSTRUCTION, ANNUAL AND CUMULATIVE OBLIGATIONS FY 2002 TO FY 2021 Q2 (\$ BILLIONS)



Note: Numbers have been rounded. Cumulative obligations reported by DOD for the Cost of War through March 31, 2021, differ markedly from cumulative appropriations through June 30, 2021, 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 March 31, 2021. Obligation data shown against year funds obligated. SIGAR analysis of annual obligation of reconstruction accounts as presented in SIGAR, Quarterly Report to the United States Congress, 4/30/2021. Obligation data shown against year funds appropriated.



# STATUS OF FUNDS

The Costs of War Project sponsored by the Watson Institute at Brown University recently issued *U.S. Costs to Date for the War in Afghanistan, 2001–2021*, putting total costs at \$2.26 trillion.<sup>2</sup>

The Watson Institute's independently produced report builds on DOD's \$933 billion Overseas Contingency Operations (OCO) budgets and State's \$59 billion OCO budgets for Afghanistan and Pakistan. Unlike the DOD *Cost of War Report*, the Watson report adds what it considers to be Afghanistan-related costs of \$433 billion above DOD baseline costs, \$296 billion in medical and disability costs for veterans, and \$530 billion in interest costs on related Treasury borrowing.

SIGAR takes no position on the reasonableness on the Watson report's assumptions or the accuracy of its calculations.

## AFGHANISTAN RECONSTRUCTION FUNDING PIPELINE

Since 2002, Congress has appropriated more than \$144.98 billion for reconstruction and related activities in Afghanistan, of which nearly \$120.32 billion was appropriated to the eight largest active reconstruction accounts. As of June 30, 2021, approximately \$6.68 billion of the amount appropriated to the eight largest active reconstruction funds remained for possible disbursement, as shown in Table 2.2 and Figure 2.5.

TABLE 2.2

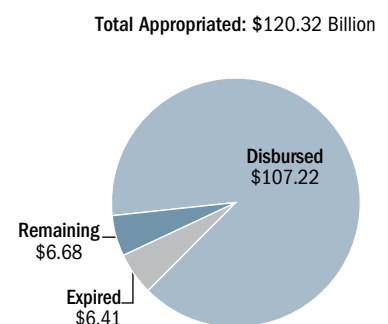
<b>CUMULATIVE AMOUNTS APPROPRIATED, OBLIGATED, DISBURSED, AND REMAINING FY 2002 TO JUNE 30, 2021 (\$ BILLIONS)</b>				
	<b>Appropriated</b>	<b>Obligated</b>	<b>Disbursed</b>	<b>Remaining</b>
Afghanistan Security Forces Fund (ASFF)	\$82.90	\$76.19	\$75.20	\$4.01
Economic Support Fund (ESF)	21.24	20.03	18.34	2.02
International Narcotics Control and Law Enforcement (INCLE)	5.50	5.16	4.69	0.57
Commanders' Emergency Response Program (CERP)	3.71	2.29	2.29	0.00
Drug Interdiction and Counter-Drug Activities (DICDA)	3.28	3.28	3.28	0.00
Migration and Refugee Assistance (MRA)	1.60	1.60	1.56	0.03
International Disaster Assistance (IDA)	1.15	1.12	1.06	0.06
Non-Proliferation, Antiterrorism, Demining, and Related (NADR)	0.93	0.79	0.79	0.00
<b>Total Eight Largest Active Accounts</b>	<b>120.32</b>	<b>110.46</b>	<b>107.22</b>	<b>6.68</b>
Other Reconstruction Funds	8.75			
Agency Operations	15.91			
<b>Total</b>	<b>\$144.98</b>			

Note: Numbers have been rounded. The amount remaining reflects the total disbursement potential of the eight largest active reconstruction accounts after deducting approximately \$6.41 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 is less than \$50 million; for Agency Operations the amount can not be determined from the data provided by the agencies but is most often less than the most recent annual appropriation.

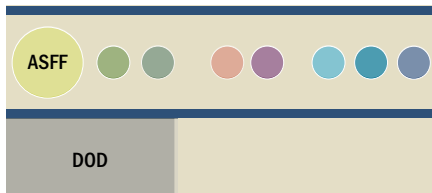
Source: SIGAR analysis of appropriation laws and obligation and disbursement data provided by DOD, State, and USAID, 7/19/2021.

FIGURE 2.5

**STATUS OF APPROPRIATED FUNDS, EIGHT LARGEST ACTIVE ACCOUNTS AS OF JUNE 30, 2021 (\$ BILLIONS)**



# STATUS OF FUNDS



## ASFF FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

**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.

## 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 has been the Combined Security Transition Command-Afghanistan (CSTC-A); this quarter CSTC-A transitioned to the Qatar-based Defense Security Cooperation Management Office-Afghanistan (DSCMO-A).

President Donald J. Trump signed the Consolidated Appropriations Act, 2021, into law on December 27, 2020, which under Division C-Department of Defense Appropriations Act, 2021, provided an appropriation of \$3.05 billion for ASFF FY 2021 and a **rescission** of \$1.10 billion for ASFF FY 2020. This funding decrease for ASFF FY 2020 reduced the original appropriation from \$4.20 billion to an adjusted appropriation of \$3.10 billion, as shown in Figure 2.6.<sup>3</sup>

As of June 30, 2021, cumulative appropriations for ASFF stood at nearly \$82.90 billion, with more than \$76.19 billion having been obligated, and more than \$75.20 billion disbursed, as shown in Figure 2.7. DOD reported that cumulative obligations increased by nearly \$900.29 million during the quarter ending June 30, 2021, and that cumulative disbursements increased by nearly \$778.15 million.<sup>4</sup>

FIGURE 2.6

ASFF APPROPRIATED FUNDS BY FISCAL YEAR  
(\$ BILLIONS)

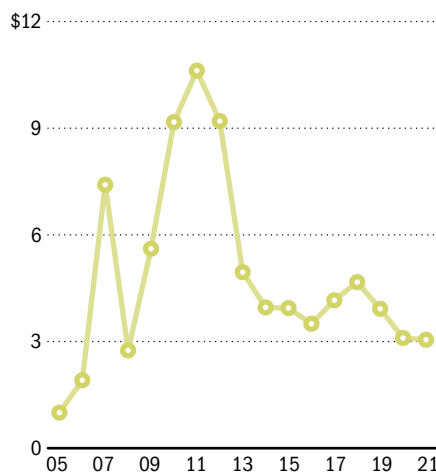
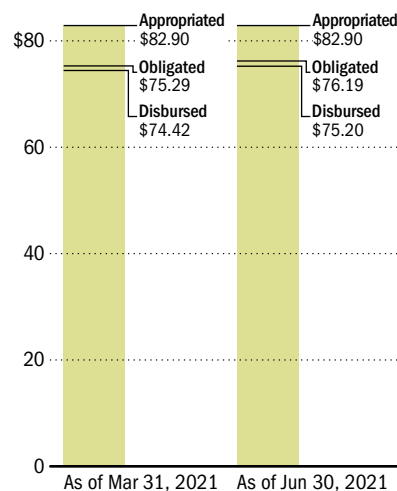


FIGURE 2.7

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, \$178 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, \$396 million from FY 2019 in Pub. L. No. 116-93, and \$1.10 billion from FY 2020 in Pub. L. No. 116-260.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2021," 7/16/2021; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2021," 4/16/2021; Pub. L. Nos. 116-260, 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

## ASFF Budget Categories

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), and Related Activities (primarily Detainee Operations).

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 ANA and ANP 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 shown in Figure 2.8, ASFF disbursements for the new AAF and ASSF BAGs, amounting to \$1.78 billion and \$0.88 billion, respectively, over the FY 2019 to FY 2021 period through June 30, 2021, together account for \$2.67 billion or 47% of total disbursements of \$5.73 billion over this period.

Funds for each BAG are further allocated to four **subactivity groups** (SAGs): Sustainment, Infrastructure, Equipment and Transportation, and Training and Operations. As shown in Figure 2.9, ASFF disbursements of \$37.69 billion for ANDSF Sustainment constituted 50% of total cumulative ASFF expenditures of \$74.68 billion through June 30, 2021.

**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 2.8

**ASFF DISBURSEMENTS BY BUDGET ACTIVITY GROUP, OLD (FY 2005 TO FY 2018) AND NEW (FY 2019 TO FY 2021 Q3) (\$ BILLIONS)**

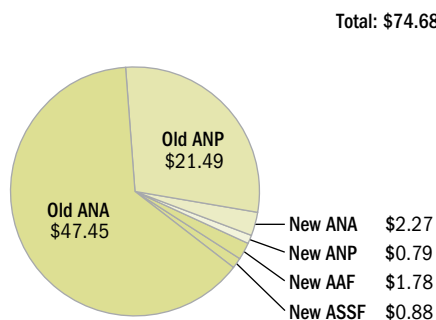
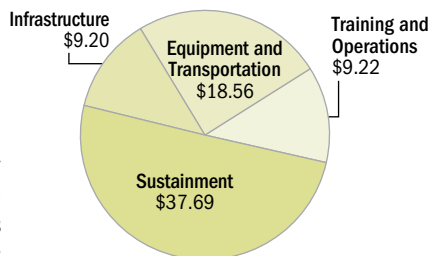


FIGURE 2.9

**ASFF DISBURSEMENTS BY SUBACTIVITY GROUP FY 2005 TO FY 2021 Q3 (\$ BILLIONS)**



Note: Numbers have been rounded. ASFF Disbursements by Budget Activity Group and Subactivity Group both exclude disbursements for Related Activities and undistributed disbursements, amounting to \$0.53 billion, that are included in total ASFF disbursements of \$75.20 billion as presented in Figure 2.7.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2021," 7/16/2021.

# STATUS OF FUNDS

**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.

Source: DOD, response to SIGAR data call, 1/23/2020.

## ASFF Budgeting Requirements

The annual DOD appropriation act sets forth a number of ASFF budgeting requirements. Prior to the obligation of newly appropriated funds for ASFF, a **Financial and Activity Plan (FAP)** with details of proposed obligations must be approved by the DOD Afghanistan Resources Oversight Council (AROC), concurred by the Department of State, and notified to the Congressional defense committees. Thereafter, 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, the DOD is required to notify Congress prior to obligating funds for any new projects or transfer of funds between budget subactivity groups in excess of \$20 million.<sup>5</sup>

The DOD's execution of its spending plans for the ASFF FY 2020 and ASFF FY 2021 appropriations based on FAP 20-3 and FAP 21-1, notified to Congress in the quarter ending March 31, 2021, is presented below in Table 2.3. The details of DOD's budgets for the ASFF FY 2020 and ASFF FY 2021 appropriations, and for the President's Budget Request for the ASFF FY 2022 appropriation, are presented on the opposite page in Table 2.4.

TABLE 2.3

<b>ASFF FY 2020 AND ASFF FY 2021 BUDGET EXECUTION THROUGH JUNE 30, 2021 (\$ MILLIONS)</b>						
<b>Budget Activity Groups</b>	<b>ASFF FY 2020</b>			<b>ASFF FY 2021</b>		
	<b>Budget (FAP 20-3)</b>	<b>Obligations</b>	<b>Disbursements</b>	<b>Budget (FAP 21-1)</b>	<b>Obligations</b>	<b>Disbursements</b>
Afghan National Army	\$1,257.18	\$902.96	\$739.96	\$994.15	\$158.42	\$137.14
Afghan National Police	439.25	312.32	260.29	448.38	45.62	13.67
Afghan Air Force	988.83	943.37	840.96	818.05	293.87	59.13
Afghan Spec. Sec. Forces	414.73	293.96	242.32	787.03	177.77	43.37
<b>Total</b>	<b>\$3,099.98</b>	<b>\$2,452.62</b>	<b>\$2,083.52</b>	<b>\$3,047.61</b>	<b>\$675.67</b>	<b>\$253.30</b>

Note: Numbers have been rounded. The ASFF FY 2020 budget reflects the \$1.10 billion rescinded from the account in the Department of Defense Appropriation Act, 2021, enacted on December 27, 2020. Totals exclude undistributed obligations and disbursements.

Source: DOD, AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2021, 7/16/2021; and Afghanistan Security Forces Fund (ASFF), Financial and Activity Plan, Fiscal Year 2020, 20-3, March 2021, and Afghanistan Security Forces Fund (ASFF), Financial and Activity Plan, Fiscal Year 2021, 21-1, January 2021, 4/8/2021.

## NATO ANA Trust Fund

The NATO-managed Afghan National Army (ANA) Trust Fund (NATF) has contributed nearly \$1.70 billion to ASFF for specific projects funded by donor nations through June 30, 2021; ASFF has returned nearly \$456.94 million of these funds following the cancellation or completion of these projects. DOD has disbursed more than \$1.16 billion of NATF-contributed funds through ASFF through June 30, 2021.<sup>6</sup> These amounts are not reflected in the U.S. government-funded ASFF obligation and disbursement numbers presented in Figures 2.6 and 2.7 on page 30.

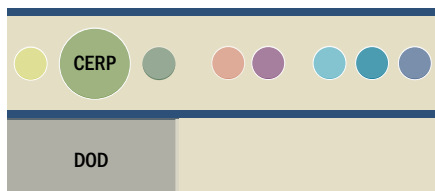
# STATUS OF FUNDS

TABLE 2.4

<b>ASFF FY 2020 BUDGET, ASFF FY 2021 BUDGET, AND ASFF FY 2022 PRESIDENT'S BUDGET REQUEST</b> (\$ MILLIONS)			
	<b>ASFF FY 2020 Budget (FAP 20-3, March 2021)</b>	<b>ASFF FY 2021 Budget (FAP 21-1, January 2021)</b>	<b>ASFF FY 2022 President's Budget Request (May 2021)</b>
<b>Afghanistan Security Forces Fund, Total</b>	<b>\$3,099.98</b>	<b>\$3,047.61</b>	<b>\$3,327.83</b>
<b>Afghan National Army, Total</b>	<b>1,257.18</b>	<b>994.15</b>	<b>1,110.23</b>
Sustainment, Total	1,132.53	963.57	1,053.67
Personnel	413.93	561.69	539.82
Ammunition	93.69	46.12	52.15
Communications and Intelligence	121.94	70.40	99.58
Petroleum, Oil, and Lubricants	146.24	76.59	146.59
All Other	356.73	208.77	215.54
Infrastructure, Total	37.91	0.22	1.82
Equipment and Transportation, Total	52.88	4.70	22.91
Training and Operations, Total	33.86	25.66	31.84
<b>Afghan National Police, Total</b>	<b>439.25</b>	<b>448.38</b>	<b>517.33</b>
Sustainment, Total	384.40	392.98	440.63
Petroleum, Oil, and Lubricants	80.00	57.05	109.32
All Other	304.40	335.93	331.30
Infrastructure, Total	6.13	448.00	0.00
Equipment and Transportation, Total	13.44	28.03	38.55
Training and Operations, Total	35.27	26.92	38.15
<b>Afghan Air Force, Total</b>	<b>988.83</b>	<b>818.05</b>	<b>758.34</b>
Sustainment, Total	555.86	537.76	562.06
Personnel	19.70	41.56	30.83
Ammunition	46.63	65.80	45.56
Petroleum, Oil, and Lubricants	48.23	37.83	29.60
Aircraft Contracted Support	425.77	370.00	422.77
All Other	15.53	22.59	33.30
Infrastructure, Total	3.44	0.00	0.00
Equipment and Transportation, Total	56.28	45.98	26.60
Aircraft	50.84	40.00	21.40
Other Equipment and Tools	5.44	5.98	5.20
Training and Operations, Total	373.25	234.30	169.68
<b>Afghan Special Security Forces, Total</b>	<b>414.73</b>	<b>787.03</b>	<b>941.93</b>
Sustainment, Total	305.68	597.90	685.18
Aircraft Sustainment	159.52	260.14	247.58
Personnel	68.61	132.30	130.54
All Other	77.55	205.46	307.06
Infrastructure, Total	9.91	1.53	0.00
Equipment and Transportation, Total	71.98	18.69	78.98
Training and Operations, Total	27.15	168.91	177.77

Source: DOD, ASFF FAP 20-3 and ASFF FAP 21-1, response to SIGAR data call, 4/8/2021; ASFF FY 2022 President's Budget Request, response to SIGAR data call, 7/7/2021.





## CERP FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

## COMMANDERS' EMERGENCY RESPONSE PROGRAM

The Commanders' 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 restricted to small projects whose cost may not exceed \$500,000.<sup>7</sup>

The Department of Defense Appropriations Act, 2021, decreased the annual appropriation for CERP from \$5.00 million in FY 2020 to \$2.00 million in FY 2021, bringing total cumulative funding to more than \$3.71 billion. House Report 116-453 accompanying the Appropriations Act states that "the Committee believes that after nearly two decades the time has come to wind down this program [CERP]. The Committee directs the Secretary of Defense to transition activities to the Afghanistan Security Forces and other agencies of the United States government, as appropriate, and to phase out this program during fiscal year 2021."<sup>8</sup>

Notably, CERP annual appropriations had equaled or exceeded \$400.00 million per year during the FY 2008–FY 2012 period, as shown in Figure 2.10, and nearly \$1.12 billion in appropriations from this period were realigned to other Operation 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 June 30, 2021, as shown in Figure 2.11.<sup>9</sup>

FIGURE 2.10

CERP APPROPRIATIONS BY FISCAL YEAR  
(\$ MILLIONS)

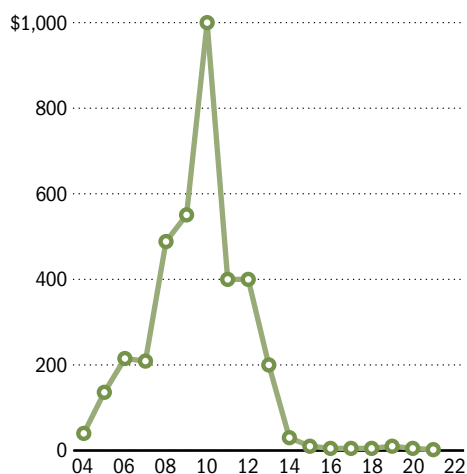
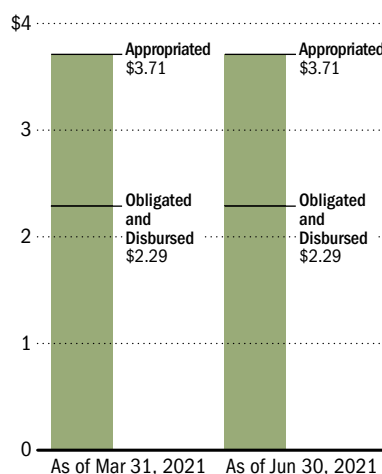


FIGURE 2.11

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.

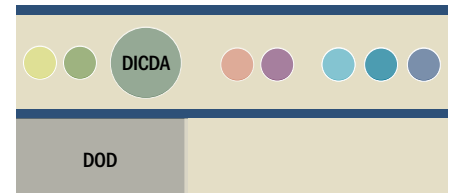
Source: DOD, response to SIGAR data call, 7/19/2021 and 4/19/2021; OMB, response to SIGAR data call, 1/4/2013; Pub. L. Nos. 115-141, 115-31, 114-113, 113-235, 113-76, 113-6, 112-74, and 112-10.

## DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

The Drug Interdiction and Counter-Drug Activities (DICDA), Defense appropriation provided funding for efforts intended to stabilize Afghanistan by combating the drug trade and related activities. The DOD Counterdrug group allocated 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 was 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 supporting in-country counterdrug activity.<sup>10</sup>

The DOD Counterdrug group allocated modest amounts of funding to Afghanistan programs in recent years as the number of counterdrug missions performed by the SMW decreased, falling from \$118.01 million in FY 2018 to \$10.18 million in FY 2019 and \$24.30 million in FY 2020.

The Department of Defense Appropriations Act, 2021, provided no DICDA Overseas Contingency Operations (OCO) funding for FY 2021, a departure from historical practice and a decrease of \$153.00 million from the FY 2020 enacted level. The DOD Counterdrug group has no plans to fund activities in Afghanistan in FY 2021, and the appropriation for FY 2021 stands at zero, as shown in Figure 2.12.<sup>11</sup> Cumulative amounts appropriated and transferred from the Central Transfer Account remain unchanged between September 30, 2020, and June 30, 2021, at \$3.28 billion, as shown in Figure 2.13.<sup>12</sup>



### DICDA FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

FIGURE 2.12

**DICDA APPROPRIATIONS BY FISCAL YEAR**  
(\$ MILLIONS)

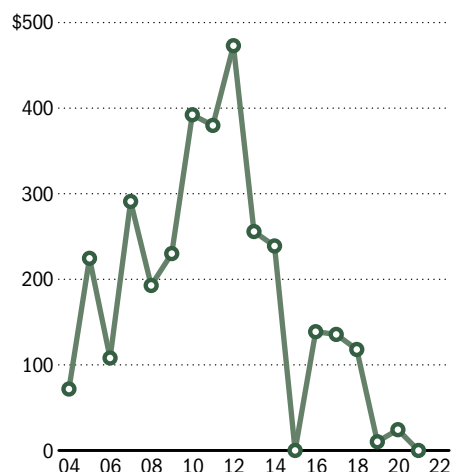
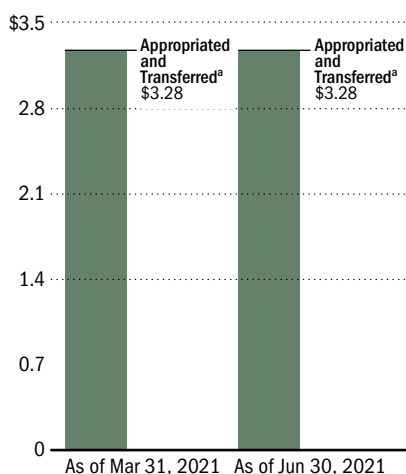


FIGURE 2.13

**DICDA FUNDS, CUMULATIVE COMPARISON**  
(\$ BILLIONS)

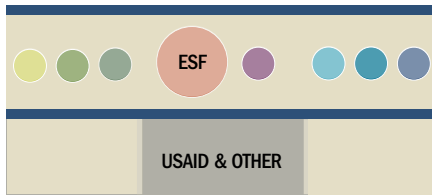


Note: Numbers have been rounded. DOD reprogrammed \$125.13 million out of FY 2015 DICDA and \$122.18 million out of FY 2019 DICDA due to requirements for the Afghanistan Special Mission Wing being funded from the ASFF instead of DICDA.

\* DOD reprograms all DICDA funds to the military services and defense agencies for obligation and disbursement.

Source: DOD, response to SIGAR data call, 7/9/2021 and 4/9/2021; OSD Comptroller, 15-23 PA: Omnibus 15 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.<sup>13</sup>

The ESF was allocated \$136.45 million for Afghanistan for FY 2021 through the Section 653(a) consultation process that was concluded between State and the U.S. Congress in the quarter ending June 30, 2021. This allocation represents a 32% decrease from the \$200.00 million that was allocated through the Section 653(a) process for FY 2020, which itself represented a 43% decrease from the \$350.00 million that was allocated in FY 2019, as shown in Figure 2.14 below. While these annual declines in allocations appear steep, actual disbursements from ESF have remained above allocated levels in recent years, as shown in Table 2.6 on page 46 due to the utilization of relatively high levels of undisbursed balances from prior-year appropriations. Also of note, the President's Budget Request for FY 2022 foreign assistance appropriations includes \$250.00 million allocated to ESF for Afghanistan.<sup>14</sup> Cumulative appropriations for the ESF now stand at nearly \$21.24 billion, of which nearly \$20.03 billion had been obligated but only slightly more than \$18.34 billion had been disbursed as of June 30, 2021, as shown in Figure 2.15 below.<sup>15</sup>

FIGURE 2.14

**ESF APPROPRIATIONS BY FISCAL YEAR**  
(\$ BILLIONS)

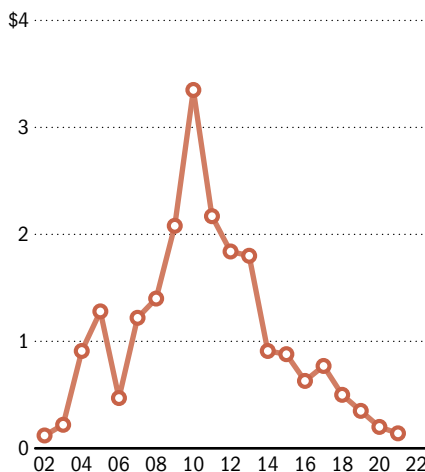
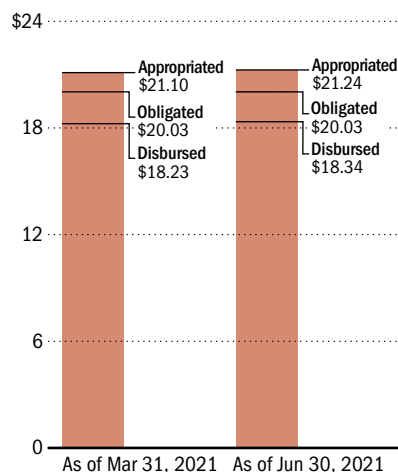


FIGURE 2.15

**ESF FUNDS, CUMULATIVE COMPARISON**  
(\$ BILLIONS)



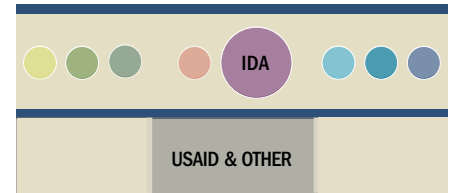
Note: Numbers have been rounded. Data reflects the following transfers from AIF to the ESF: \$101 million for FY 2011, \$179.5 million for FY 2013, and \$55 million for FY 2014. FY 2016 ESF for Afghanistan was reduced by \$179 million and put toward the U.S. commitment to the Green Climate Fund.

Source: USAID, response to SIGAR data call, 7/14/2021 and 4/13/2021; State, response to SIGAR data call, 7/2/2021, 7/13/2020, 1/3/2020, 10/5/2018, 10/11/2017, 5/4/2016, 10/20/2015, 4/15/2015, and 4/15/2014.

## INTERNATIONAL DISASTER ASSISTANCE

USAID's Bureau of Humanitarian Assistance (BHA), created through the combination of its Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) in June 2020, administers International Disaster Assistance (IDA) funds. BHA is responsible for leading and coordinating the U.S. government response to disasters overseas, and obligates funding for emergency food-assistance projects when there is an identified need and local authorities lack the capacity to respond. BHA works closely with international partners such as the United Nations Children's Fund (UNICEF), the UN's World Food Programme (WFP), and the UN's World Health Organization (WHO) to deliver goods and services to assist conflict- and disaster-affected populations in Afghanistan.<sup>16</sup>

USAID reported more than \$1.15 billion in IDA funds had been allocated to Afghanistan from 2002 through June 30, 2021, with obligations of nearly \$1.12 billion and disbursements of more than \$1.01 billion reported as of that date. USAID obligated nearly \$177.84 million in IDA funds in FY 2020, the highest level of IDA obligations that it has recorded in Afghanistan.<sup>17</sup> Figure 2.16 presents annual appropriations of IDA funds to Afghanistan. Figure 2.17 presents cumulative appropriations, obligations, and disbursements.



### IDA FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

FIGURE 2.16

**IDA APPROPRIATIONS BY FISCAL YEAR**  
(\$ MILLIONS)

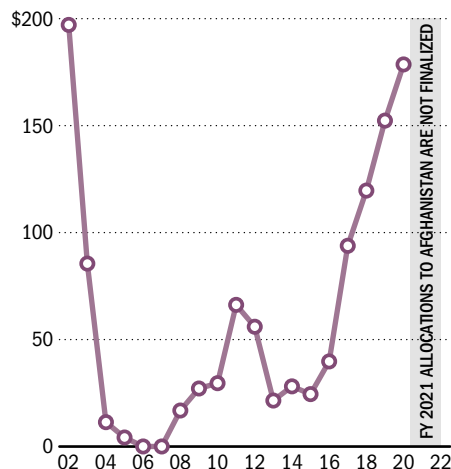
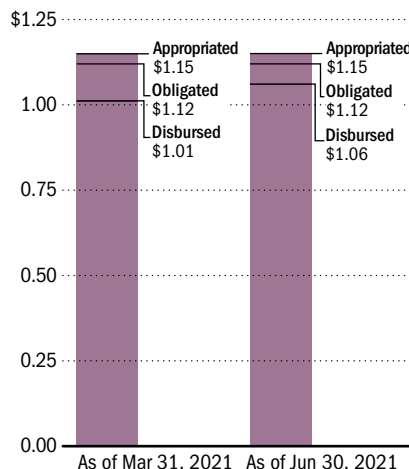


FIGURE 2.17

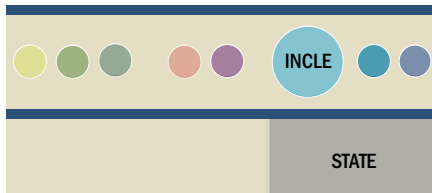
**IDA FUNDS, CUMULATIVE COMPARISON**  
(\$ BILLIONS)



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

Source: USAID, response to SIGAR data call, 7/14/2021 and 4/13/2021.

# STATUS OF FUNDS



## INCLE FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

## 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.<sup>18</sup>

The INCLE account was allocated \$82.20 million for Afghanistan for FY 2021 through the Section 653(a) consultation process that was concluded between State and the U.S. Congress in the quarter ending June 30, 2021. This allocation represents a 7% decrease from the \$88.00 million that was allocated through the Section 653(a) process for FY 2020, which itself was relatively flat from the \$87.80 million that was allocated in FY 2019, as shown in Figure 2.18 below.<sup>19</sup> Actual disbursements from INCLE have remained at or above allocated levels in recent years, as shown in Table 2.6 on page 46, due to the utilization of relatively high levels of undisbursed balances from prior-year appropriations. Cumulative funding for INCLE stands at more than \$5.50 billion, of which more than \$5.16 billion has been obligated and more than \$4.69 billion has been disbursed as of June 30, 2021, as shown in Figure 2.19.<sup>20</sup>

FIGURE 2.18

**INCLE APPROPRIATIONS BY FISCAL YEAR**  
(\$ MILLIONS)

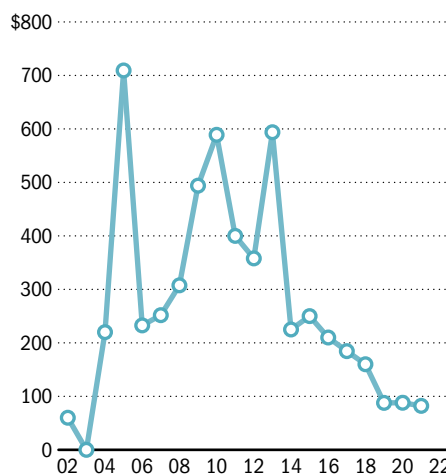
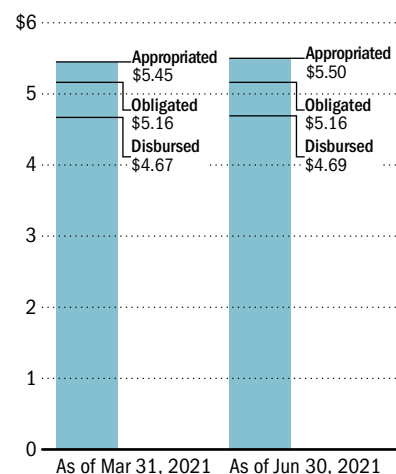


FIGURE 2.19

**INCLE FUNDS, CUMULATIVE COMPARISON**  
(\$ BILLIONS)



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

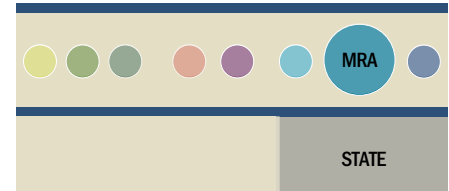
Source: State, response to SIGAR data call, 7/9/2021, 7/2/2021, and 4/19/2021.



## 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.<sup>21</sup>

The MRA allocation for Afghan refugees, internally displaced persons, and returnees has increased for the past two fiscal years, rising from nearly \$77.19 million in FY 2018 to more than \$86.69 million in FY 2019 and nearly \$100.53 million in FY 2020, as shown in Figure 2.20. Allocations for the nine months of FY 2021 ending June 30, 2021, have reached \$51.80 million, with supplemental obligations of \$19.00 million provided from the American Rescue Plan Act, 2021. Cumulative appropriations since FY 2002 have totaled more than \$1.60 billion through June 30, 2021, with cumulative obligations and disbursements reaching nearly \$1.60 billion and more than \$1.56 billion, respectively, on that date, as shown in Figure 2.21.<sup>22</sup>



### MRA FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

FIGURE 2.20

**MRA APPROPRIATIONS BY FISCAL YEAR**  
(\$ MILLIONS)

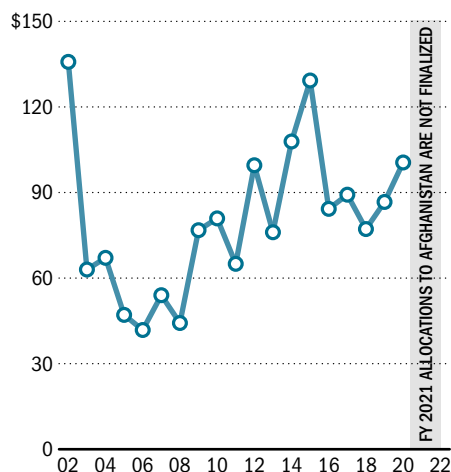
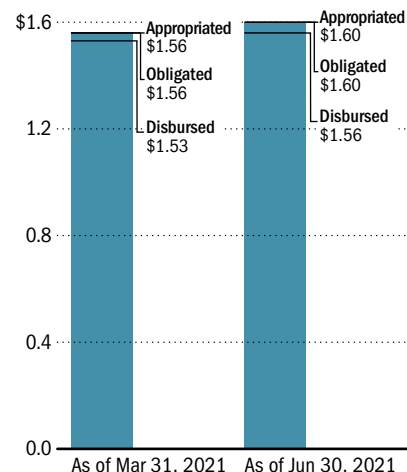


FIGURE 2.21

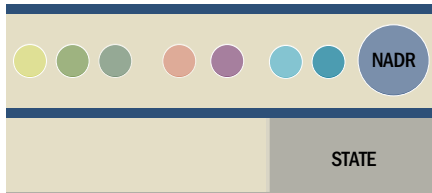
**MRA FUNDS, CUMULATIVE COMPARISON**  
(\$ BILLIONS)



Note: Numbers have been rounded. Data may include interagency transfers. MRA balances include funds provided from the Emergency Refugee and Migration Assistance (ERMA) Fund of \$25.00 million in FY 2002 and \$0.20 million in FY 2009 (obligated and disbursed), and funds from the American Rescue Plan Act, 2021, appropriated to supplement MRA funds, of \$19.00 million obligated and \$14.10 million disbursed through June 30, 2021. All other MRA balances shown have been allocated from the annual Migration and Refugee Assistance appropriation.

Source: State, response to SIGAR data call, 7/13/2021, 7/9/2021, and 4/9/2021.

# STATUS OF FUNDS



## NADR FUNDS TERMINOLOGY

**Appropriations:** Total monies available for commitments

**Obligations:** Commitments to pay monies

**Disbursements:** Monies that have been expended

## 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.<sup>23</sup> 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.<sup>24</sup>

The NADR account was allocated \$45.80 million for Afghanistan for FY 2021 through the Section 653(a) consultation process that was concluded among State and the U.S. Congress in the quarter ending June 30, 2021. This allocation represents an increase of 19% from the \$38.50 million that was allocated through the Section 653(a) process for FY 2020, which itself was relatively flat from the \$38.30 million that was allocated in FY 2019, as shown in Figure 2.22. Figure 2.23 shows that the cumulative total of NADR funds appropriated and transferred rose from \$881.34 million at March 31, 2021, to \$927.14 million at June 30, 2021.<sup>25</sup>

FIGURE 2.22

**NADR APPROPRIATIONS BY FISCAL YEAR**  
(\$ MILLIONS)

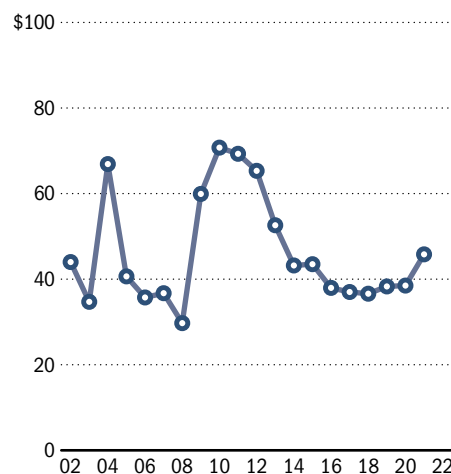
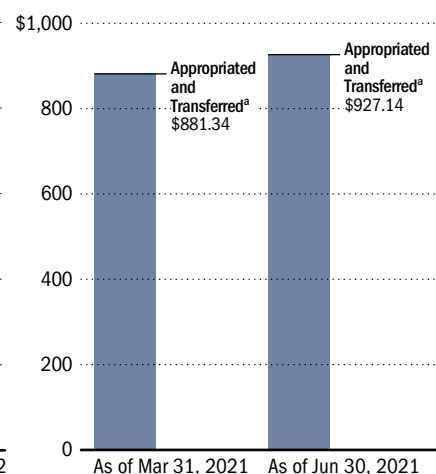


FIGURE 2.23

**NADR FUNDS, CUMULATIVE COMPARISON**  
(\$ MILLIONS)



Note: Numbers have been rounded.

<sup>a</sup> 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, 7/2/2021, 7/13/2020, 1/3/2020, and 10/5/2018.

## INTERNATIONAL RECONSTRUCTION FUNDING FOR AFGHANISTAN

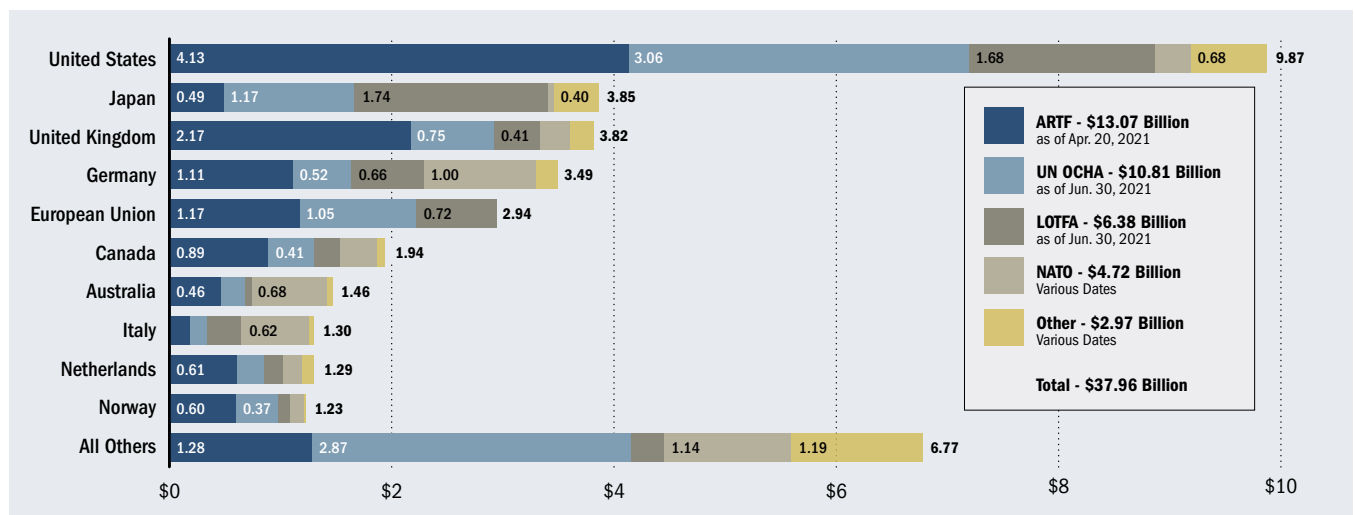
The international community provides significant funding to support Afghanistan relief and reconstruction efforts through multilateral institutions. These institutions include multilateral trust funds; United Nations and nongovernmental humanitarian assistance organizations; two multilateral development finance institutions, the World Bank Group and the Asian Development Bank (ADB); two special purpose United Nations organizations: the UN Assistance Mission in Afghanistan (UNAMA) and the UN Development Programme (UNDP); and the NATO Resolute Support Mission.

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

These four multilateral trust funds, as well as the humanitarian assistance organizations reported by the UN's Office for the Coordination of Humanitarian Affairs (UN OCHA), the NATO Resolute Support Mission, and UNAMA all report donor or member contributions for their Afghanistan programs, as shown in Figure 2.24.

FIGURE 2.24

**CUMULATIVE CONTRIBUTIONS BY 10 LARGEST DONORS AND OTHERS TO MULTILATERAL INSTITUTIONS IN AFGHANISTAN (ARTF, UN OCHA-REPORTED PROGRAMS, LOTFA, NATO ANATF, NATO RSM, UNAMA, AND AITF) SINCE 2002 (\$ BILLIONS)**

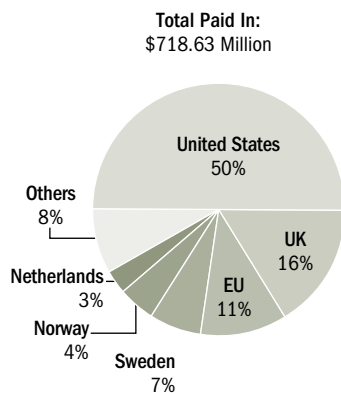


Note: Amounts under \$350 million are not labeled. Numbers may not add due to rounding. "NATO" consists of NATO ANA Trust Fund contributions of \$3.45 billion through May 31, 2021 and NATO member assessments for Resolute Support Mission costs of \$1.27 billion for 2015–2019 (2020 and 2021 remain unaudited). "Other" consists of UN member assessments for UNAMA costs of \$2.38 billion for 2007–2020, and AITF contributions of \$0.59 billion at 12/31/2020.

Source: World Bank, ARTF: Administrator's Report on Financial Status as of April 20, 2021 (end of 4th month of FY 1400) at [www.artf.af](http://www.artf.af), accessed 7/10/2021; UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 6/30/2021; UNDP, LOTFA Receipts 2002–2021, 6/30/2021, response to SIGAR data call, 7/8/2021; NATO, Afghan National Army (ANA) Trust Fund, Status of Contributions Made as of 31 May 2021, at [www.nato.int](http://www.nato.int), accessed 7/10/2021; NATO, IBAN Audits of Allied Command Operations and Cost Share Arrangements for Military Budgets, at [www.nato.int](http://www.nato.int) and [web.archive.org/web/20150910123523/http://www.nato.int](http://web.archive.org/web/20150910123523/http://www.nato.int), accessed 7/16/2021; ADB, AITF 2020 Annual Report, response to SIGAR data call, 5/26/2021; State, UNAMA approved budgets and notified funding plans, in response to SIGAR data calls, 2/19/2021 and 7/13/2020; UN, Country Assessments, at [www.un.org/en/ga/contributions/scale](http://www.un.org/en/ga/contributions/scale), accessed 10/9/2020.

FIGURE 2.25

## ARTF CONTRIBUTIONS BY DONOR, AFGHAN FY 1399 (PERCENT)



Note: Percentages may not add to 100% due to rounding. "Others" includes nine national government donors.

Source: World Bank, ARTF: Administrator's Report on Financial Status as of April 20, 2021 (end of 4th month of FY 1400) at [www.artf.af](http://www.artf.af), accessed 7/10/2021.

Cumulative contributions to these seven organizations since 2002 have amounted to \$37.96 billion, with the United States contributing \$9.87 billion of this amount. The World Bank and the ADB are funded through general member assessments that cannot be readily identified as allocated to Afghanistan. These two institutions have collectively made financial commitments of \$12.1 billion to Afghanistan since 2002, as discussed in the sections that follow.

## 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 April 20, 2021, the World Bank reported that 34 donors had paid in more than \$13.07 billion. Figure 2.24 shows the three largest donors over this period as the United States, the United Kingdom, and the European Union. Figure 2.25 shows that these three were also the largest donors to the ARTF for Afghan FY 1399 (December 21, 2019–December 20, 2020). The ARTF received paid in contributions of \$718.63 million in Afghan FY 1399, which represents an 8% decrease from the \$780.38 million it received in Afghan FY 1398.<sup>26</sup>

Contributions to the ARTF are divided into two funding channels, the Recurrent Cost (RC) Window and the Investment Window. As of April 20, 2021, according to the World Bank, more than \$6.05 billion of ARTF funds had been disbursed to the Afghan government through the RC Window, including the Recurrent and Capital Cost Component, to assist with recurrent costs such as civil servants' salaries.<sup>27</sup> To ensure that the RC Window receives adequate funding, donors to the ARTF may not "preference" (earmark) more than half of their annual contributions.<sup>28</sup>

The Investment Window supports development programs. As of April 20, 2021, according to the World Bank, more than \$6.19 billion had been committed through the Investment Window, and nearly \$5.20 billion had been disbursed. The Bank reported 32 active projects with a combined commitment value of more than \$2.51 billion, of which more than \$1.52 billion had been disbursed.<sup>29</sup>

## 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 more than \$10.81 billion to humanitarian-assistance organizations from 2002 through June 30, 2021, as reported by OCHA. OCHA-led annual humanitarian-response plans and emergency appeals for Afghanistan accounted for more than \$7.15 billion, or 66.1% of these contributions. The United States, Japan, and the European Union have been the largest contributors to humanitarian assistance organizations in Afghanistan since

# STATUS OF FUNDS

2002, as shown in Figure 2.24; while the United States, United Kingdom, and the European Union were the largest contributors in 2020, when the international community contributed \$744.56 million to these organizations, as shown in Figure 2.26. 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 2.5.<sup>30</sup>

TABLE 2.5

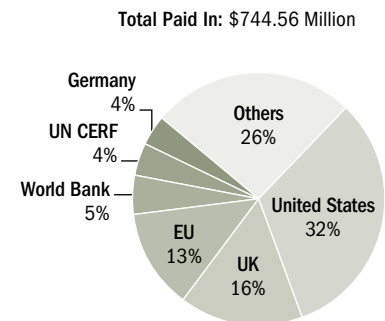
<b>LARGEST RECIPIENTS OF HUMANITARIAN ASSISTANCE FOR AFGHANISTAN UN OFFICE FOR THE COORDINATION OF HUMANITARIAN AFFAIRS (OCHA) CUMULATIVE RECEIPTS, 2002 TO JUNE 30, 2021 (\$ MILLIONS)</b>	
<b>Largest Recipients</b>	<b>Receipts</b>
<b>United Nations Organizations</b>	
World Food Programme (WFP)	\$3,285.65
United Nations High Commissioner for Refugees (UNHCR)	1,260.31
United Nations Children's Fund (UNICEF)	587.02
United Nations Mine Action Service (UNMAS)	337.22
International Organization for Migration (IOM)	285.89
Food and Agricultural Organization (FAO)	252.49
Office for the Coordination of Humanitarian Affairs (UN OCHA)	148.21
World Health Organization (WHO)	159.06
<b>Nongovernmental Organizations</b>	
International Committee of the Red Cross	796.60
Norwegian Refugee Council	201.24
HALO Trust	119.16
Save the Children	116.58
ACTED (formerly Agency for Technical Cooperation and Development)	102.77
<b>All Other and Unallocated</b>	<b>3,162.10</b>
<b>Total Humanitarian Assistance Reported by OCHA</b>	<b>\$10,814.30</b>

Note: Numbers may not add due to rounding.

Source: UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 6/30/2021.

FIGURE 2.26

## UN OCHA-COORDINATED CONTRIBUTIONS BY DONOR, CALENDAR YEAR 2020 (PERCENT)



Note: Percentages may not add to 100% due to rounding. "Others" includes 23 national governments and 14 other entities. UN CERF refers to the UN's Central Emergency Response Fund.

Source: UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 6/30/2021.

## 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).<sup>31</sup> Beginning in 2015, UNDP divided LOTFA support between two projects: Support to Payroll Management (SPM) and MOI and Police Development (MPD).

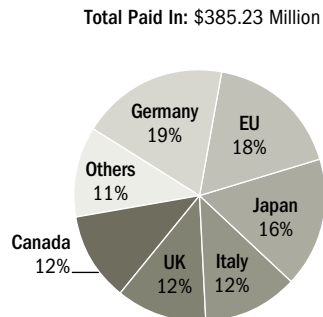
The SPM project has aimed to develop the capacity of the Afghan government to independently manage all nonfiduciary aspects of its payroll



# STATUS OF FUNDS

FIGURE 2.27

## LOTFA CONTRIBUTIONS BY DONOR, CALENDAR YEAR 2020 (PERCENT)



Note: Numbers may not add due to rounding. "Others" includes the United States, 10 other countries, and the UNDP that made contributions to the two LOTFA funds.

Source: UNDP, LOTFA Receipts 2002–2021 (Combined Bilateral and MPTF), updated 6/30/2021, in response to SIGAR data call, 7/8/2021.

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 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 alongside the original LOTFA.<sup>32</sup>

Donors have paid in nearly \$6.38 billion to the two LOTFA funds from 2002 through June 30, 2021. The new LOTFA MPTF has raised nearly \$362.72 million, with the UK and Canada its largest donors. Figure 2.24 shows the two LOTFA funds' largest donors to have been the United States and Japan on a cumulative basis. Figure 2.27 shows the largest donors to the two LOTFA funds in 2020. The United States has significantly reduced its support to LOTFA since 2018, with annual contributions ranging between \$0.95 million and \$8.84 million for the original LOTFA and no funds for the LOTFA MPTF.<sup>33</sup>

## Contributions to the NATO Resolute Support Mission

NATO members are assessed annual contributions for the NATO Civil Budget, Military Budget, and Security Investment Program based on audited program costs and agreed annual cost-sharing formulas. The NATO Military Budget includes Allied Command Operations (ACO) whose largest cost component is the NATO Resolute Support Mission (RSM) in Afghanistan. NATO has assessed member contributions of \$1.27 billion for costs of the Resolute Support Mission from 2015, the first year of the mission, through 2019, the most recent year for which ACO audited statements detailing RSM costs have been made publicly available. The United States share of commonly funded budgets has ranged from 22.20% to 22.14% over the 2015 to 2019 period, resulting in contributions of \$281.87 million. Figure 2.24 shows the United States, Germany, and the United Kingdom as the largest contributors to the costs of the NATO Resolute Support Mission.<sup>34</sup>

Although all international troops operating under the aegis of RSM are to withdraw from Afghanistan in 2021, NATO has indicated that RSM will enter a "new chapter" there, focusing on financial support and out-of-country training to Afghan security forces, a diplomatic presence in Kabul, and funding for operation of Hamid Karzai International Airport.<sup>35</sup>

## Contributions to the NATO ANA Trust Fund

The NATO-managed Afghan National Army (ANA) Trust Fund (NATF) supports the Afghan National Army and other elements of the Afghan National

Defense and Security Forces through procurements by the Afghanistan Security Forces Fund (ASFF) and the NATO Support and Procurement Agency (NSPA).<sup>36</sup> The Fund has received contributions from 25 of the 30 current NATO members, including the United States, and from 12 other Coalition partners totaling nearly \$3.45 billion through May 31, 2021.<sup>37</sup> Figure 2.24 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.<sup>38</sup>

## World Bank Group in Afghanistan

The World Bank's International Development Association (IDA) has committed nearly \$5.3 billion for development, emergency reconstruction projects, and eight budget support operations in Afghanistan from 2002 through February 3, 2021. This support consists of over \$4.8 billion in grants and \$436 million in no-interest loans known as "credits." The Bank, as of February 3, 2021, has 12 active IDA-only projects (\$940 million) and 15 active projects jointly funded with the ARTF with a combined commitment value of nearly \$1.2 billion from IDA.

In addition, the International Finance Corporation (IFC) maintains a committed portfolio valued at over \$300 million and its Multilateral Investment Guarantee Agency (MIGA) has a gross exposure exceeding \$116 million on projects in Afghanistan.<sup>39</sup>

The United States is the World Bank Group's largest shareholder, with ownership stakes of 10–25% of shares in the IDA, IBRD, MIGA, and IFC.<sup>40</sup>

## Asian Development Bank in Afghanistan

The Asian Development Bank (ADB) has committed over \$6.41 billion for 168 development projects and technical-assistance programs in Afghanistan from 2002 through June 2021. This support has consisted of \$5.43 billion in grants (of which the Asian Development Fund, or ADF, provided \$4.33 billion, and the ADB provided \$1.10 billion in co-financing), \$0.872 billion in concessional loans, and \$111.2 million in technical assistance. ADB has provided \$2.67 billion for 20 key road projects, \$2.12 billion to support energy infrastructure, and \$1.08 billion for irrigation and agricultural infrastructure projects, and \$190 million for the health and PSM sectors. The United States and Japan are the largest shareholders of the ADB, with each country holding 15.57% of total shares.<sup>41</sup>

The ADB manages the Afghanistan Infrastructure Trust Fund (AITF), a multidonor 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 \$590.54 million from the NATO ANA Trust Fund, Canada, Germany, Japan, the United Kingdom, and the United States, and had disbursed \$331.05 million through December 31, 2020.<sup>42</sup>

# STATUS OF FUNDS

## United Nations Assistance Mission in Afghanistan

The United Nations Assistance Mission in Afghanistan (UNAMA) is a political UN mission established at the request of the government of Afghanistan. UNAMA maintains its headquarters in Kabul and an extensive field presence across Afghanistan, and is organized around its development and political affairs pillars. The Department of State has notified the U.S. Congress of its annual plan to fund UNAMA along with other UN political missions based on mission budgets since FY 2008. The U.S. contribution to UNAMA, based on its fixed 22.0% share of UN budgets and funded through the Contribution to International Organizations (CIO) account, has totaled \$523.45 million from FY 2008 through FY 2021. Other UN member governments have funded the remainder of UNAMA's budget of \$2.38 billion over this period.<sup>43</sup>

## Share of U.S. Civilian Assistance Provided to Multilateral Institutions

The United States provides significant financial support to the numerous multilateral institutions that are active in the civilian sector in Afghanistan. As the international donor community, including the United States, has reduced its physical presence in Afghanistan, the relative importance of these multilateral institutions compared to donors' assistance missions in Afghanistan has increased. The share of U.S. civilian assistance provided to multilateral institutions can be seen in Table 2.6 to have increased in recent years, with over 50% of its assistance disbursed in 2018 and 2020 from the

TABLE 2.6

SHARE OF U.S. CIVILIAN ASSISTANCE PROVIDED TO MULTILATERAL INSTITUTIONS, 2014–2020 (\$ MILLIONS)							
	2014	2015	2016	2017	2018	2019	2020
<b>U.S. Contributions to Civilian Sector Multilateral Institutions</b>							
Afghanistan Reconstruction Trust Fund (ARTF)	\$433.47	\$275.95	\$261.03	\$185.40	\$400.00	\$240.00	\$360.00
UN OCHA-Reported Programs (UN OCHA)	171.17	168.51	149.72	113.52	190.90	212.44	240.63
UN Assistance Mission in Afghanistan (UNAMA) and AITF	43.17	41.79	49.35	80.98	36.12	32.72	30.28
<b>Total</b>	<b>\$647.81</b>	<b>\$486.25</b>	<b>\$460.10</b>	<b>\$379.90</b>	<b>\$627.02</b>	<b>\$485.16</b>	<b>\$630.91</b>
<b>Disbursements from the Principal U.S. Civilian Sector Assistance Accounts</b>							
Economic Support Fund (ESF)	\$986.37	\$1,234.07	\$1,091.06	\$878.51	\$555.49	\$1,118.59	\$631.20
International Narcotics Control and Law Enforcement (INCLE)	443.89	310.15	265.28	232.94	147.07	196.76	148.27
International Disaster Assistance (IDA) and Title II	88.65	79.94	63.81	49.88	102.09	100.32	170.43
Migration and Refugee Assistance (MRA)	94.54	96.95	90.35	119.20	82.97	84.47	96.89
Non-Proliferation, Antiterrorism, Demining & Related (NADR)	43.20	43.50	37.96	37.00	35.60	38.30	38.50
Contributions to International Organizations (CIO)	43.17	41.79	41.35	40.31	36.12	32.72	30.28
<b>Total</b>	<b>\$1,699.82</b>	<b>\$1,806.40</b>	<b>\$1,589.81</b>	<b>\$1,357.84</b>	<b>\$959.34</b>	<b>\$1,571.16</b>	<b>\$1,115.57</b>
<b>U.S. Civilian Assistance Provided to Multilateral Institutions/ Total Disbursements from U.S. Civilian Assistance Accounts</b>	<b>38.1%</b>	<b>26.9%</b>	<b>28.9%</b>	<b>28.0%</b>	<b>65.4%</b>	<b>30.9%</b>	<b>56.6%</b>

Note: Numbers may not add due to rounding. Calendar year reporting is used for UN OCHA, UNAMA, AITF, ESF, IDA, MRA, and CIO; Afghan fiscal year reporting is used for ARTF; and U.S. fiscal year reporting is used for Title II and NADR. The Principal U.S. Civilian Sector Assistance Accounts presented above exclude DOD civilian sector accounts (CERP, AIF, and TFBSO) and a group of civilian agency accounts that were active in the FY 2014 to FY 2020 period (JMET, DA, GHP CCC, USAID-Other, HRDF, ECE, DFC, USAGM, DEA, and TI) but whose combined annual disbursements only approximate \$50.00 million per year. (See Appendix B to this report for additional information.)

Source: SIGAR analysis of the SIGAR Quarterly Report to the United States Congress, 1/30/2021, 1/30/2020, 1/30/2019, 1/30/2018, 1/30/2017, 1/30/2016, 1/30/2015, 1/30/2014, and 1/30/2013.

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principal civilian-sector assistance accounts being provided to the principal civilian-sector multilateral institutions covered in Figure 2.24. Table 2.7 provides additional details on the sources of U.S. funding for the multilateral assistance programs and organizations active in Afghanistan.

TABLE 2.7

## 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
Afghanistan Infrastructure Trust Fund (AITF)	ESF
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)	GHP, 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)	GHP, ESF, and IDA
Nongovernmental Organizations (NGOs) <sup>a</sup>	ESF, IDA, MRA, and NADR
NATO Resolute Support Mission (RSM)	Army O&M <sup>b</sup>
The Asia Foundation (TAF)	SFOPS TAF <sup>b</sup> , ESF, and INCLE
UN Development Programme (UNDP)	ESF and INCLE
UN Assistance Mission in Afghanistan (UNAMA)	CIO <sup>b</sup>
World Bank Group (IBRD, IDA, IFC, and MIGA)	Treasury IP <sup>b</sup>
Asian Development Bank (ADB and ADF)	Treasury IP <sup>b</sup>

<sup>a</sup> State and USAID have requested that SIGAR not disclose the names of NGOs with whom they contract in Afghanistan, and have cited various authorities that underlie their requests. State has cited OMB Bulletin 12-01, Collection of U.S. Foreign Assistance Data (2012), which provides an exemption to federal agency foreign assistance reporting requirements "when public disclosure is likely to jeopardize the personal safety of U.S. personnel or recipients of U.S. resources." USAID has cited the Federal Funding Accountability and Transparency Act (FFATA) of 2006, (Pub. L. No. 109-282), which provides a waiver to federal agency contractor and grantee reporting requirements when necessary "to avoid jeopardizing the personal safety of the applicant or recipient's staff or clients." The so-called FFATA "masking waiver" is not available for Public International Organizations (PIOs). Both State and USAID provide "branding waivers" to NGOs with whom they contract in Afghanistan.

<sup>b</sup> The Army O&M, SFOPS TAF, CIO, and Treasury IP accounts provide funding to organizations that are active in Afghanistan. All other accounts provide programmatic funding to organizations that are active in Afghanistan.

Note: Army O&M refers to the Support of Other Nations subaccount in the Operation & Maintenance, Army account in the Department of Defense appropriation; SFOPS TAF refers to The Asia Foundation account in the Department of State, Foreign Operations, and Related Programs (SFOPS) appropriation; and Treasury IP refers to the International Programs account in the Department of the Treasury appropriation.

Source: DOD, response to SIGAR data call, 1/18/2019; State, responses to SIGAR data call, 7/14/2021, 1/13/2021, 4/17/2020, 4/9/2020, and 8/21/2019; Department of Defense, FY 2022 President's Budget, Exhibit O-1, at <https://comptroller.defense.gov>, accessed 7/17/2021; SFOPS Congressional Budget Justification, FY 2021, at [www.state.gov/cj](http://www.state.gov/cj), accessed 1/15/2021; Treasury, response to SIGAR data call, 4/20/2020; UNDP, response to SIGAR data call, 4/5/2020; USAID, response to SIGAR data calls, 1/10/2021, 4/3/2020, and 1/13/2020; and USAID, Afghanistan-Complex Emergency Fact Sheet #4 FY 2017 at [www.usaid.gov](http://www.usaid.gov), accessed 4/9/2020.

