



SIGAR

Office of the Special Inspector General
for Afghanistan Reconstruction

June 30, 2016

The Honorable Gayle E. Smith
Administrator
U.S. Agency for International Development

Dear Administrator Smith:

I am writing to inform you of the results of recent site inspections conducted by SIGAR to verify the locations and operating conditions at 29 public health facilities in Badakhshan province, Afghanistan.¹ These facilities are supported by USAID through the World Bank-administered Afghanistan Reconstruction Trust Fund (ARTF). Previously, the Ministry of Public Health (MoPH) received funds through direct bilateral assistance from USAID to fund operations at these facilities.² SIGAR found substantial inaccuracies in the geospatial coordinates USAID previously provided for many of these 29 health facilities, and observed that not all facilities had access to electricity and drinking water. This is the third in a series of health facility reviews SIGAR is conducting in provinces throughout Afghanistan.³

All of the 29 facilities we inspected were supported by USAID's \$259.6 million Partnership Contracts for Health (PCH) program from July 2008 through June 2015. The PCH program provided funding to support the operations of approximately 600 health facilities in 13 Afghan provinces, including 79 in Badakhshan province. As you know, a key component of the PCH program in Badakhshan was the use of detailed geospatial location information—in the form of global positioning system (GPS) coordinates—to ensure health facilities were in the appropriate locations and provided the local population with needed health services. SIGAR sought to conduct site inspections at 30 of 79 facilities in Badakhshan. SIGAR was unable to locate one facility, identified as facility 2987,⁴ but was able to locate the other 29 facilities we inspected. Security conditions prohibited SIGAR from conducting site inspections of the remaining 49 facilities in Badakhshan.

Following the conclusion of the PCH program on June 30, 2015, USAID began immediately providing funding to support the same health facilities through the World Bank-administered System Enhancement for Health Action in Transition (SEHAT) program, which is scheduled to run through June 2018.⁵ The total USAID contribution to the SEHAT program is expected to be approximately \$228 million.⁶ USAID contributes funds to the ARTF, and these funds are “preferenced” (earmarked)

¹ This site visit was conducted by SIGAR's Afghan partners. Our Afghan partners conducted initial field work, including taking GPS, time, and date stamped photographs, and administering survey instruments developed by SIGAR. SIGAR analysts and engineers then analyzed the information collected in order to develop this letter.

² For the purposes of this report, the term “direct bilateral assistance” refers to funding given directly by the U.S. government to the Afghan government. This is sometimes referred to as G2G.

³ SIGAR, *Alert Letter: USAID-Supported Health Facilities in Herat*, SIGAR 16-1-SP, October 20, 2015; and SIGAR, *Review Letter: USAID-Supported Health Facilities in Kabul*, SIGAR 16-19-SP, January 5, 2016.

⁴ To encourage further Afghan cooperation with our site inspections in other provinces, and to protect sensitive identifying information of each clinic, SIGAR is using the unique facility identification number, rather than the facility names, to delineate facilities.

⁵ Service delivery in the 13 provinces supported through PCH ended on June 30, 2015. SEHAT service delivery for the previously PCH-supported provinces commenced on July 1, 2015.

⁶ USAID, *Implementation Letter Number 43-01: the Ministry of Public Health System Enhancement for Health Action in Transition (SEHAT) Program: USAID agreement to support SEHAT*, January 15, 2014.

to support the SEHAT program, specifically to support the same health care facilities in the 13 provinces where USAID previously administered its PCH program.⁷

Since 2014, my office has expressed concern regarding the oversight of facilities supported by PCH, and those concerns have continued with the administration of SEHAT. In recent months, we have issued multiple letters calling into question the accuracy of the geospatial coordinates of PCH- (now SEHAT-) supported health facilities throughout Afghanistan.⁸

In response to our letters, USAID stated that the MoPH is working to obtain more accurate location-specific information for the health facilities it supports. SIGAR requested this updated data from USAID, but an agency official stated that USAID no longer maintained such data and that obtaining it would require a specialized request to the Afghan government, which USAID was unwilling to make. Nevertheless, we maintain that accurate location-specific information, including geospatial coordinates, is critical to effective oversight. To test the accuracy of available information, SIGAR used USAID data provided in July 2015 to conduct limited site inspections and verify the location and condition of 29 USAID-supported health facilities in Badakhshan province.

At each site inspection, our team took a minimum of 34 time-, date-, and location-stamped photographs.⁹ Where possible, we also completed the following activities during the course of each site inspection:

- An overall assessment of the facility (internal and external), recording, among other information, the geospatial coordinates of the facility, whether the facility appeared to be open and operational, and whether the facility had reliable access to electricity and water, and an on-site pharmacy;
- An interview with a facility staff member; and,
- An interview with a member of the community served by the health facility.

We conducted our site inspections from November 8, 2015, through December 1, 2015. Our site inspections were limited in scope to minimize our visibility and potential impact on facility operations, and thus did not include comprehensive engineering evaluations of structures, testing of system (electrical or water) quality, or an evaluation of the quality of care being provided.

GEOSPATIAL COORDINATES FOR 12 OF 29 FACILITIES WERE MORE THAN 10 KILOMETERS FROM THE ACTUAL FACILITY LOCATION

Using the province, district, facility name, and geospatial coordinates for each facility as a starting point, we were able to confirm the existence and basic operation for 29 of the 30 facilities selected for a site inspection.¹⁰ Our site inspections revealed that the actual geospatial coordinates for 12 of

⁷ USAID, *Implementation Letter Number 43-01: the Ministry of Public Health System Enhancement for Health Action in Transition (SEHAT) Program: USAID agreement to support SEHAT*, January 15, 2014. In response to SIGAR inquiries, USAID has stated that SEHAT was intended to continue supporting the clinics previously supported by PCH.

⁸ SIGAR, *Inquiry Letter: Geospatial Coordinates for PCH Health Facilities*, SIGAR 15-67-SP, June 25, 2015; and SIGAR, *Alert Letter: PCH Health Facilities Coordinates Response*, SIGAR 15-82-SP, August 18, 2015.

⁹ Nearly all photographs contained time, date, and location stamps; however, at some locations, there were individual photographs that did not contain geospatial stamping.

¹⁰ SIGAR was unable to locate facility 2987.

the 29 facilities were more than 10 kilometers away from the coordinates provided by USAID.¹¹ Specifically, we found that:

- 12 facilities were less than 1 kilometer from the USAID coordinates;
- 5 facilities were within 1–5 kilometers from the USAID coordinates; and,
- 12 facilities were more than 10 kilometers from the USAID coordinates; one of which was more than 700 kilometers from the USAID coordinates.

In cases where the facilities were not near the coordinates provided to SIGAR, site inspectors relied on their knowledge of the area and the assistance of local residents to locate the facilities. As SIGAR has stressed previously, robust program oversight requires specific knowledge of the location where the service is provided, and accurate location-specific information is critical to ensure that the correct population is receiving the intended services. Please see Enclosure II for a list of the specific coordinates associated with each of the 29 facilities for which we performed a site inspection.¹²

Note: Due to safety and security concerns, SIGAR is withholding Enclosure II from public release.

USAID DOCUMENTATION REGARDING THE 49 CLINICS NOT INSPECTED BY SIGAR DID NOT INCLUDE ANY GEOSPATIAL-STAMPED PHOTOS OR MONITORING REPORTS

In response to our June 25, 2015, letter, USAID stated that “the lack of precise geospatial data in most cases does not interfere with our ability to effectively monitor PCH.”¹³ To support its assertion, on July 31, 2015 USAID provided us with data that the agency stated demonstrate the physical location and existence of the PCH- (now SEHAT-) supported facilities in Badakhshan province, including the 49 facilities for which security conditions prevented us from performing a site inspection. The files provided by USAID as evidence of the location and basic operations of the health facilities only include 2–4 photos for each facility, none of which included any embedded geospatial data. Generally, the files included one picture of the facility signage (including facility name and district) and another 2–3 photos purportedly depicting a building and or grounds at the health facility.

In a February email, a responsible USAID official told us:

When USAID was providing funding for PCH as a direct G2G [government-to-government] program we had responsibility for detailed information on the health facilities we were funding. Under SEHAT that responsibility lies with the World Bank and we rely on their systems to provide adequate oversight. As a program support donor, we are not in a position, nor do we desire to make the location of individual facilities our concern.

Unlike the PCH program, which provided funding to the Afghan government to support these health facilities, the SEHAT program is administered by the World Bank.¹⁴

USAID’s Automated Directive System (ADS) lists the World Bank as a Category 1 Public International Organization (PIO).^{15, 16} ADS general guidance for grants to approved PIOs states that, “...once funds

¹¹ We used the province, district, name, and geospatial coordinates for each facility provided to us by USAID in July 2015.

¹² The embedded geospatial coordinate stamps varied slightly for the photographs we took at each location, depending on where at the facility the photo was taken. For purposes of consistency, the coordinates reported in Enclosure II reflect the coordinates associated with the facility signage.

¹³ USAID, *Response to the Inquiry Letter in PCH Health Facilities Coordinates (SIGAR Inquiry Letter-15-67-SP)*, July 1, 2015.

¹⁴ USAID provides the World Bank with funding to support these health facilities through SEHAT via Afghanistan Reconstruction Trust Fund.

have been disbursed in accomplishment of a significant purpose of an award, the funds are no longer considered USAID's, and the Agency's policies and procedures ...no longer apply."¹⁷ ADS 308 also states, "In the case of general contributions, the transfer of funds to the PIO clearly constitutes a disbursement that fulfills the primary purpose of the grant – to provide funds to the PIO. As such, USAID's policies and procedures no longer apply to the funds post-disbursement..." During a February 18, 2016, teleconference with SIGAR, USAID officials added that, under SEHAT, the MoPH (not USAID) also selects which health facilities, serving which populations, receive funding and that the MoPH receives feedback regarding health facility operations from district and provincial health officials.

Nevertheless, SIGAR maintains that, given USAID's intention to contribute approximately \$228 million to the World Bank's SEHAT program, USAID should take steps to ensure that its funds are used as intended. In the case of SEHAT, that means, in part, ensuring that the correct populations are receiving intended health care services through the use of accurate GPS data. Furthermore, USAID's implementation letter with the Afghan government concerning SEHAT also establishes the monitoring and reporting structure that USAID will use to oversee SEHAT. That letter, signed by the USAID Mission Director for Afghanistan and Afghanistan's Minister of Finance and Minister of Minister of Public Health, states:

Performance monitoring by USAID will be accomplished through field visits, analysis of Health Management Information System (HMIS) data, results of baseline and follow-on household surveys...third party verification of the HMIS data....¹⁸

Maintaining accurate GPS coordinates for the health facilities it supports is one important way USAID can help ensure its field visits are successful in locating the facilities and could be another tool USAID can use when analyzing and verifying HMIS data. It is also important for USAID to maintain accurate GPS data because the SEHAT oversight reports submitted to USAID by the World Bank do not include any specific location-based information or information concerning the operational status of individual facilities.

In addition, SIGAR's analysis indicates that the data currently available to USAID regarding individual facilities supported by SEHAT is unreliable because it places health facilities in incorrect districts, provinces, or even in neighboring countries. SIGAR coordinated with the Army Geospatial Center to map the last known GPS coordinates of the 79 health facilities in Badakhshan provided by USAID to SIGAR and found troubling discrepancies. Specifically, coordinates for 28 percent of the health facilities (22 of 79) were not located in the districts listed in the most recent information available to USAID, including:

- Coordinates for three health facilities were in Takhar province, Badakhshan's neighboring province to the west.
- Coordinates for three health facilities were located in Tajikistan, Afghanistan's neighboring country to the northeast.

¹⁵ USAID, ADS 308maa, List of Public International Organizations, A Mandatory Reference for ADS 308, September 20, 2011.

¹⁶ USAID's Delegated Cooperation Secretariat, which is coordinated and supported by several entities within USAID, including the Office of General Counsel and the Office of Chief Financial Officer, uses its discretion to approve certain organizations as Category 1 PIOs based on criteria, including the quality of the PIO's past performance on U.S. government- and other donor-funded projects, copies of the PIO's most recent audited financial statements, and copies of applicable policies and procedures (for example, financial management, procurement, property management, audits, and human resources).

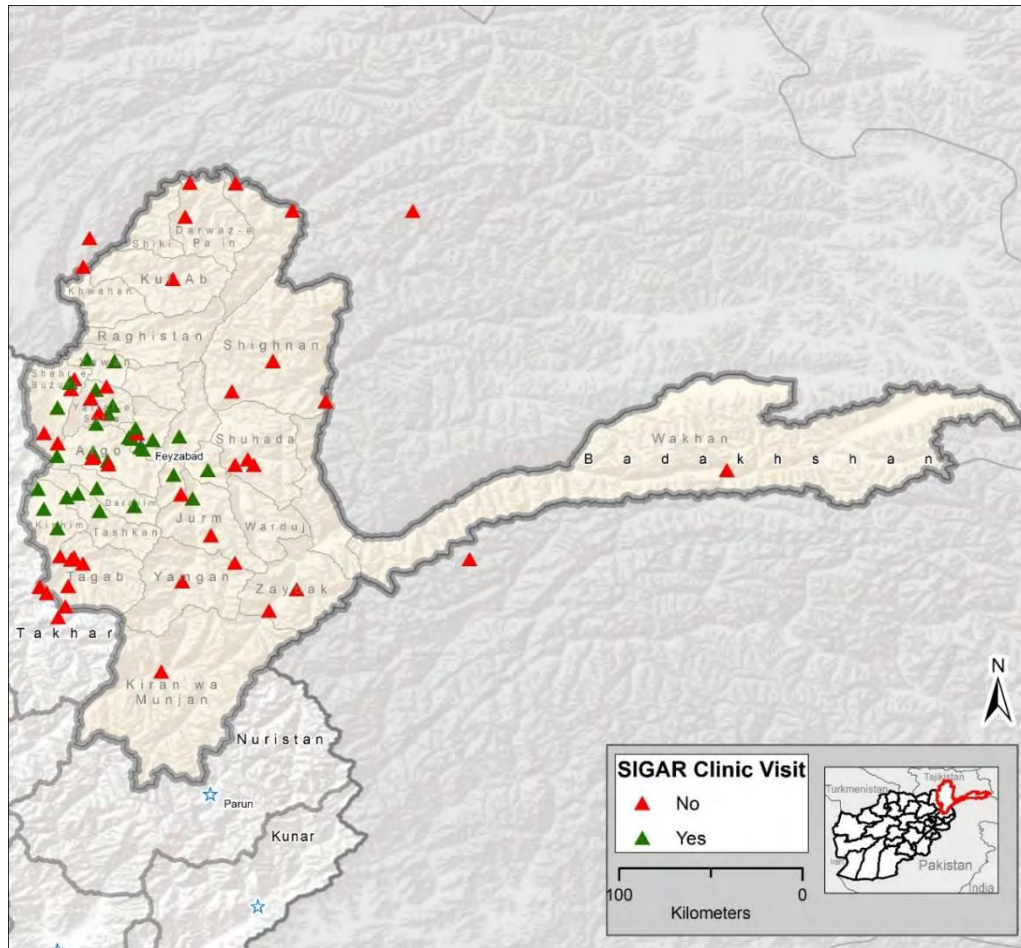
¹⁷ USAID, ADS 308, Awards to Public International Organizations, September 20, 2011.

¹⁸ USAID, *Implementation Letter Number 43-01: the Ministry of Public Health System Enhancement for Health Action in Transition (SEHAT) Program: USAID agreement to support SEHAT*, January 15, 2014, p.3.

- Coordinates for two health facilities were located in Pakistan, Afghanistan's neighboring country to the southeast.

Figure 1 shows the location of the health facilities reported by USAID to be in Badakhshan province. Green triangles indicate the 29 health facilities SIGAR visited. Red triangles indicate the 49 health facilities not visited by SIGAR.

Figure 1 - GPS Location of the 79 USAID-Supported Health Facilities in Badakhshan Province



Source: Army Geospatial Center, March 3, 2016

Notes: One facility is not mapped because the GPS coordinates provided by USAID were located too far from Badakhshan to fit on the map.

Six of the facilities not visited by SIGAR were not mapped because USAID did not provide any GPS coordinates for those facilities. SIGAR used the actual GPS coordinates obtained during our site inspections for the green triangles and mapped the red triangles using USAID-provided GPS coordinates.

OPERATIONAL CONDITIONS AT THE 29 HEALTH FACILITIES WE VISITED

Located in the Hindu Kush mountain range, Badakhshan is a largely isolated province. The topography of Badakhshan is extreme, and travel to and within the province is difficult. Villages are often remote, and many of the USAID-supported health facilities we saw were situated in austere environments.¹⁹

All 29 of the health facilities we visited appeared to be open and in use. At each location we also sought input from a community member near the facility to determine whether the facility was generally benefiting the population. Each of the 29 community members we spoke with had visited the facility for treatment—for themselves or a family member. Twenty-eight of those community members stated that the health facility was very useful for the community, while one stated the health facility was somewhat useful.

Photo 1 - Broken Window at Health Facility 1167



Source: SIGAR, November 12, 2015

Photo 2 - Possible Leaking Roof at Health Facility 1982



Source: SIGAR, November 23, 2015

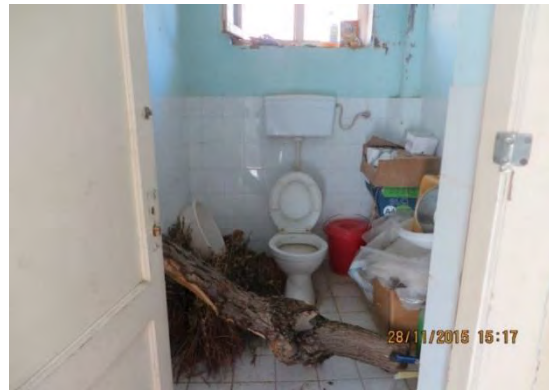
¹⁹ In addition to being a remote province, Badakhshan sits atop the Central Badakhshan and Darvaz Faults, and is prone to earthquakes. On March 1, 2016, SIGAR issued an alert letter regarding structural concerns at health care facility 1987, concerns that are exacerbated by the high likelihood that a large-amplitude ground motion from an earthquake could cause the soil presently supporting the foundation of the clinic to slide down the slope it is built upon, which would cause further damage or even the destruction of the facility. As a result, SIGAR's letter urged USAID to encourage its partners in the SEHAT program—the World Bank and the MoPH—to examine all MoPH facilities in the areas affected by the earthquakes that occurred in October and December 2015, and make appropriate repairs. See SIGAR, *Alert Letter: Structural Damage at Health Facility 1987*, SIGAR 16-19-AL, March 1, 2016.

Photo 3 - Interior Room at Health Facility 406



Source: SIGAR, November 17, 2015

Photo 4 - Interior Room at Health Facility 425



Source: SIGAR, November 28, 2015

However, we did observe some basic structural concerns at most of the facilities, such as cracked walls, leaking roofs, broken doors, and shattered windows. While, in most cases, these concerns did not appear to be negatively affecting operations or be cause for immediate action (as was the case for facility 1987), they do indicate clear concerns with sanitation and safety. For example, Photo 1 is an example of a broken window at a clinic. Photos 2, 3, and 4 show the conditions of interior rooms at three clinics.

Our site inspections revealed additional concerns with the operational condition of several facilities that suffered from poor maintenance and basic operational challenges, including a lack of reliable power and water. For example, five of the facilities appeared not to have electricity, and others did not appear to have adequate or consistent power required for proper lighting and refrigeration of some pharmaceuticals and vaccines.²⁰ Ten of the 29 facilities appeared not to have running water.

CONCLUSION

In a February 18, 2016, interview with SIGAR, USAID officials stated that the agency is not collecting data on, not asking for, and has no insight as to how the World Bank or the MoPH are tracking GPS coordinates for the health facilities supported by USAID through SEHAT. USAID officials also noted that the agency does not intend to maintain coordinates for SEHAT clinics going forward, would not submit specialized data requests to obtain updated GPS coordinates, and would instead rely on World Bank publications and the MoPH.

USAID's current position regarding its monitoring responsibilities is troubling. In previous SIGAR letters, we have repeatedly cited USAID's own contracts, Requests for Proposals, and other documents that highlight reliable project location data as a critical tool in providing effective oversight and mitigating corruption. Moreover, USAID's own signed letter for the implementation of SEHAT clearly calls for the agency to conduct site visits, and to analyze and verify HMIS data (which could include GPS location data). However, our review of World Bank reports submitted to USAID showed that the World Bank is not reporting any specific location-based information or the operational status of individual facilities to USAID. A commitment to maintaining accurate GPS data

²⁰ All 29 health facilities appeared to have pharmacies.

would help the USAID fulfill both these tasks, and help ensure that the intended communities receive needed health services.

SIGAR encourages USAID to work with the MoPH and the World Bank to confirm and update the coordinates for the 29 clinics detailed in Enclosure II—particularly those facilities that were more than 10 kilometers away from the coordinates provided by USAID. **As noted earlier, however, we are withholding Enclosure II from public release due to safety and security concerns related to location information.** We also encourage USAID to urge the World Bank and the MoPH monitoring teams and implementing partners to use cameras that are capable of producing photos with embedded geospatial data and to conduct more robust site inspections that include descriptions of facility condition and operations. Finally, we encourage USAID to request and maintain this information, in order to help ensure that its funding to improve the health of specific populations is reaching the intended communities.

SIGAR provided a draft of this letter to USAID for comment. In response, USAID stated that it informed the MoPH and World Bank about the issues we have raised in this letter. USAID's comments are reproduced in Enclosure I. USAID also provided technical comments which we have also incorporated into this document, as appropriate.

We conducted this special project in Washington, D.C.; Badakhshan, Afghanistan; and Kabul, Afghanistan from October 2015 to June 2016, in accordance with SIGAR's quality control standards. These standards require that we carry out work with integrity, objectivity, and independence, and provide information that is factually accurate and reliable. For more information on the policies and procedures and quality control standards for conducting special project work, please see SIGAR's website (www.SIGAR.mil). SIGAR performed this special project under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended. Should you or your staff have any questions about this project, please contact Mr. Matthew Dove, Director of Special Projects, at [REDACTED] or [REDACTED].

Sincerely,



John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

CC:

Donald L. "Larry" Sampler
Assistant Administrator for Afghanistan and Pakistan Affairs
U.S. Agency for International Development

Mr. Herbert B. Smith
USAID Mission Director for Afghanistan

Encl: I- USAID Agency Comments for SIGAR-16-40-SP, dated June 23, 2016
II- Realized Geospatial Coordinates for 29 Inspected Health Facilities (under separate cover)

ENCLOSURE I: USAID AGENCY COMMENTS FOR SIGAR16-40-SP, DATED 23 JUNE 2016



USAID | AFGHANISTAN
FROM THE AMERICAN PEOPLE

MEMORANDUM

DATE: June 23, 2016

TO: John F. Sopko
Special Inspector General for
Afghanistan Reconstruction (SIGAR)

FROM: Herbert Smith, USAID/Afghanistan Mission Director

SUBJECT: Mission Response to Draft SIGAR Review Letter titled
"USAID-Supported Health Facilities in Badakhshan"
(SIGAR 16-XX-SP)

REF: SIGAR Transmittal email dated 06/10/2016

USAID thanks SIGAR for the opportunity to comment on this Review Letter.

USAID welcomes the feedback that the 29 facilities that SIGAR visited provide health services to their local communities in a manner that meets or exceeds the expectation of the community members interviewed. This finding is consistent with the monitoring information we receive from the World Bank and shows that our resources continue to provide effective access to healthcare in even the most remote corners of Afghanistan.

USAID has helped the Afghans receive critical health services over the past decade and is committed to continuing those efforts. The USAID Partnership Contracts for Health (PCH) project, which ended in June 2015, provided support to the Afghan Ministry of Public Health (MoPH) to deliver basic health services to more than one million Afghans every month. The World Bank-administered System Enhancement for Health Action in Transition (SEHAT) program continues this effort.

USAID would like to highlight that the health facility identification numbers provided to SIGAR are not unique USAID identification numbers, they are the Ministry of Public Health's facility identification numbers.

U.S. Agency for International Development
Great Massoud Road

Tel: 202-216-6288 / 0700-108-001
Email: kabulusaidinformation@usaid.gov

The health facilities in Badakhshan province that were previously funded under the PCH program, including those visited by SIGAR, are now being funded through the World Bank-managed SEHAT program. USAID notes SIGAR's observations that some of these government-owned clinics have maintenance issues. SIGAR's recognition of maintenance concerns have been shared with the MoPH and the World Bank.

cc: U.S. Embassy/Kabul Coordination Directorate