



Highlights of [GAO-08-820T](#), a testimony report to before the Subcommittee on Near Eastern and South and Central Asian Affairs, Committee on Foreign Relations, U.S. Senate

Why GAO Did This Study

Since 2002, destroying the terrorist threat and closing safe havens have been key national security goals. The United States has provided Pakistan, a key ally in the war on terror, more than \$10 billion in funds and assistance. Pakistan's Federally Administered Tribal Areas' (FATA) rugged terrain, poor economic conditions, low literacy, underdeveloped infrastructure, and undeveloped legal structure, all add to the complexity of efforts to address the terrorist threat in the FATA.

This testimony discusses the (1) progress of U.S. national security goals in the FATA, (2) status of U.S. efforts to develop a comprehensive plan, and (3) oversight of U.S. Coalition Support Funds (CSF) provided to Pakistan. The testimony is based on recent reports on the status of a comprehensive plan (GAO-08-622) and preliminary observations on the use and oversight of U.S. CSF (GAO-08-735R).

What GAO Recommends

GAO previously recommended that a comprehensive plan be developed to combat the terrorist threats and close the safe havens in the FATA. Defense and USAID concurred; State asserted that a comprehensive strategy exists, while the Office of the Director of National Intelligence stated that plans exist. In GAO's view, these plans have not been formally integrated into a comprehensive plan. The National Security Council did not comment.

To view the full product, including the scope and methodology, click on [GAO-08-820T](#). For more information, contact Charles Michael Johnson Jr. at (202) 512-7331 or johnsoncm@gao.gov.

COMBATING TERRORISM

U.S. Efforts to Address the Terrorist Threat in Pakistan's Federally Administered Tribal Areas Require a Comprehensive Plan and Continued Oversight

What GAO Found

The United States has not met its national security goals to destroy terrorist threats and close the safe haven in Pakistan's FATA. According to U.S. officials and intelligence documents, since 2002, al Qaeda and the Taliban have used Pakistan's FATA and the border region to attack Pakistani, Afghan, as well as U.S. and coalition troops; plan and train for attacks against U.S. interests; destabilize Pakistan; and spread radical Islamist ideologies that threaten U.S. interests. GAO found broad agreement that al Qaeda had established a safe haven in the FATA. A 2008 DNI assessment states that al Qaeda is now using the FATA to put into place the last elements necessary to launch another attack against America. The United States has relied principally on the Pakistani military to address its national security goals in the FATA. Of the approximately \$5.8 billion directed at efforts in the FATA border region from 2002 through 2007, about 96 percent (\$5.56 billion) was U.S. CSF, used to reimburse the Pakistani military. U.S. and Pakistani government officials recognize that relying primarily on the Pakistani military has not succeeded in neutralizing al Qaeda and preventing the establishment of a safe haven in the FATA.

The *National Strategy for Combating Terrorism (2003)*, independent 9/11 Commission (2004), and congressional legislation (2004 and 2007) called for a comprehensive plan that included all elements of national power—diplomatic, military, intelligence, development assistance, economic, and law enforcement support to address the threat in the FATA. Since 2002, the U.S. Embassy in Pakistan has not had a Washington-supported, comprehensive plan to combat terrorists and close the terrorist safe haven. In 2006, the United States and Pakistan began an effort to focus on other elements of national power beyond military. However, as of last month there was not a formally approved comprehensive plan and support from the recently elected Pakistani government was uncertain.

Continued oversight is required to ensure the development and effective implementation of a comprehensive plan and the proper use of the billions of U.S. dollars devoted to assisting Pakistan in its efforts to combat terrorism in the FATA. Preliminary results from GAO's ongoing work on the oversight of U.S. CSF indicate that Defense may have recently increased its oversight of CSF. In 2007, Defense officials at the U.S. embassy in Pakistan—the Office of the Defense Representative to Pakistan (ODRP)—began playing a larger role in overseeing CSF reimbursement claims. Furthermore, Defense recently deferred or disallowed a larger amount of Pakistani claims. For the months September 2004 – February 2007, Defense disallowed or deferred an average of just over 2 percent of the Pakistani government's CSF claims. For the most recent claims (March – June 2007) processed in February 2008, Defense disallowed or deferred over 20 percent. The extent of ODRP's oversight in the future is unclear, given that its role has not been formalized.