

April 2009

AFGHANISTAN

Key Issues for Congressional Oversight



GAO

Accountability * Integrity * Reliability

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Abbreviations

ANA	Afghan National Army
ANDS	Afghanistan National Development Strategy
ANP	Afghan National Police
ANSF	Afghan National Security Forces (includes army and police)
CERP	Commander's Emergency Response Program
CSTC-A	Combined Security Transition Command-Afghanistan
DOD	Department of Defense
DOJ	Department of Justice
GWOT	Global War on Terrorism
ISAF	International Security Assistance Force
NATO	North Atlantic Treaty Organization
PRT	Provincial Reconstruction Team
State	Department of State
UN	United Nations
USAID	U.S. Agency for International Development

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United States Government Accountability Office
Washington, DC 20548

April 21, 2009

Congressional Committees

The United States has provided approximately \$38.6 billion in reconstruction assistance to Afghanistan and has over 35,000 troops in the country as of February 2009. Some progress has occurred in areas such as economic growth, infrastructure development, and training of the Afghan National Security Forces (ANSF), but the overall security situation in Afghanistan has not improved after more than 7 years of U.S. and international efforts. In response, the new administration plans to deploy approximately 21,000 additional troops¹ to Afghanistan this year, and has completed a strategic review of U.S. efforts in Afghanistan and Pakistan.² Based on our past work and the significance of U.S. efforts in Afghanistan to the overall U.S. counterinsurgency strategy, we have highlighted Afghanistan as an urgent oversight issue facing this Congress. This report expands on issues discussed on GAO's transition Web site, <http://www.gao.gov/media/video/gao-09-294sp>.

The government of Afghanistan, with the assistance of the international community, developed the Afghanistan National Development Strategy (ANDS), which was finalized in June 2008³, as a guiding document for achieving Afghanistan's reconstruction goals. The ANDS articulates the priorities of the government of Afghanistan as consisting of four major areas: (1) security; (2) governance, rule of law, and human rights; (3) economic and social development; and (4) counternarcotics. The United States adopted the ANDS as a guiding document for its efforts, and has also identified an end state for Afghanistan using four strategic goals: namely, that Afghanistan is: (1) never again a safe haven for terrorists and is a reliable, stable ally in the Global War on Terror (GWOT); (2) moderate and democratic, with a thriving private sector economy; (3) capable of governing its territory and borders; and (4) respectful of the rights of all its citizens. In discussing his new strategy for Afghanistan and Pakistan in

¹Seventeen-thousand of the 21,000 troops are expected to take part in combat operations and 4,000 are expected to support the training and mentoring of ANSF.

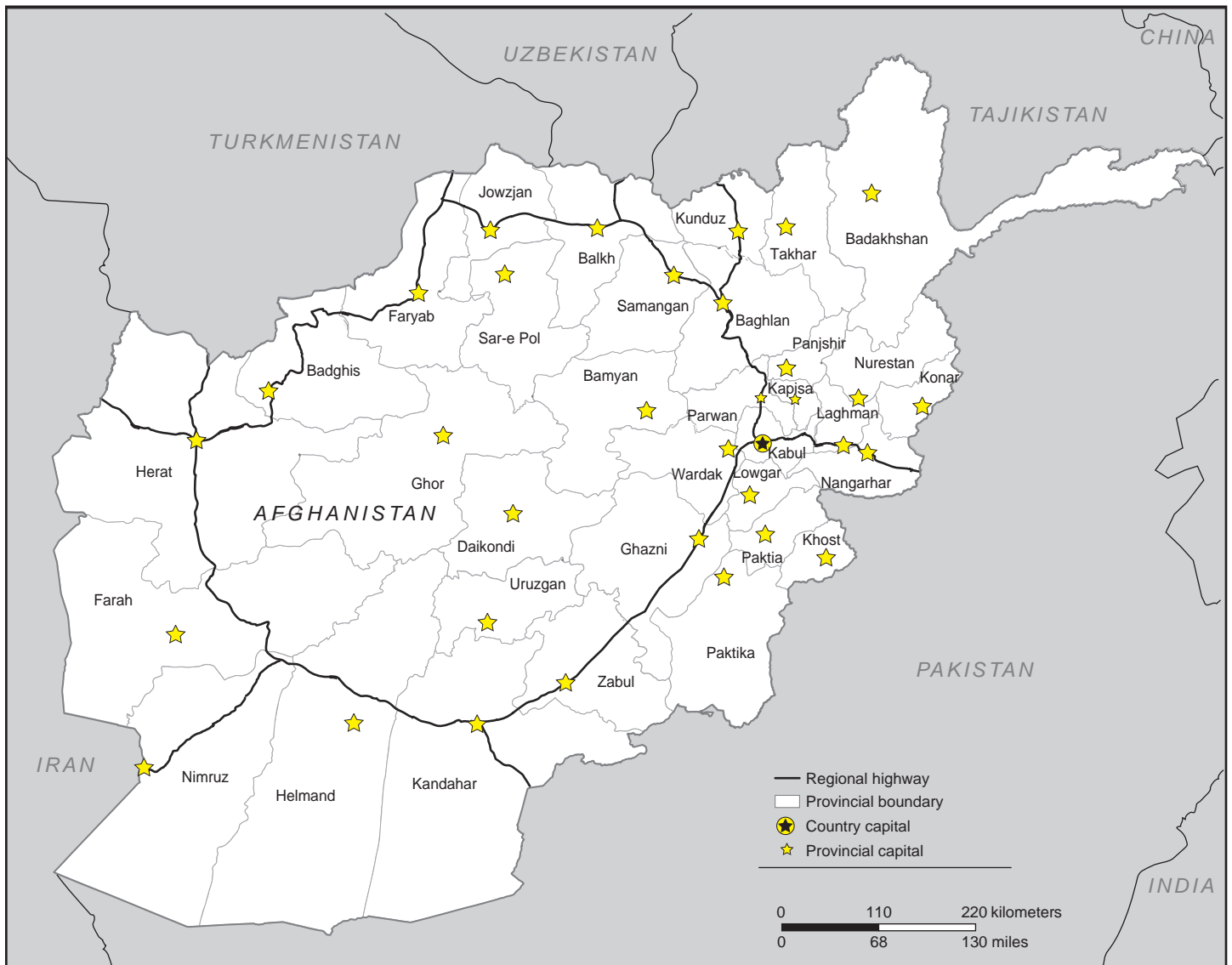
²The President announced his new strategy for Afghanistan and Pakistan on March 27, 2009. GAO has not yet had an opportunity to assess the strategy.

³Prior to the finalization of the ANDS in 2008, Afghanistan and its international partners, including the United States, used the Bonn Agreement of 2001 and the Afghanistan Compact of 2006 as guiding documents for Afghanistan's reconstruction.

March 2009, the President noted his goals were to disrupt, dismantle, and defeat al Qaeda in Pakistan and Afghanistan, and to prevent their return to either country in the future. In addition, according to Department of State (State) officials, the U.S. Embassy in Afghanistan is assembling provincial plans for security and development. Department of Defense (DOD), State, and U.S. Agency for International Development (USAID) officials have suggested that securing, stabilizing, and reconstructing Afghanistan will take at least a decade and require continuing international assistance.

Security in Afghanistan has worsened significantly in the last 3 years, impeding both U.S. and international partners' efforts to stabilize and rebuild the country. The security situation, including the overall increase in insurgent attacks from 2005 to 2008, is the result of a variety of factors including a resurgence of the Taliban in the south, the limited capabilities of Afghan security forces, a continuing and thriving illicit drug trade in the south, and the threat emanating from insurgent safe havens in Pakistan. (See fig. 1 for a map of Afghanistan and <http://www.gao.gov/media/video/gao-09-473sp> for a video of Afghanistan's rugged terrain.)

Figure 1: Map of Afghanistan



Source: GAO analysis of data from the Consultative Group for the Transport Sector and USAID; map (Map Resources).

Between fiscal years 2002 and 2009, the United States provided approximately \$38.6 billion to support Afghanistan’s reconstruction goals, which can often be characterized as construction (see table 1). Table 1 does not include funding provided for U.S. military operations in

Afghanistan.⁴ According to DOD, \$22 billion of the \$38.6 billion has been disbursed.

Table 1: U.S. Government Funding Provided in Support of Afghan Security, Stabilization, and Development, Fiscal Years 2002-2009

Dollars in millions	Fiscal Years								Total
	2002	2003	2004	2005	2006	2007	2008	2009 ^a	
Security	\$147	\$388	\$949	\$2,307	\$1,989	\$7,431	\$2,763	\$5,606	\$21,580
— Afghan National Army	86	361	719	1,633	736	4,872	1,778	4,043	14,228
— Afghan National Police	24	0	160	624	1,217	2,523	964	1,512	7,024
— Other security	37	27	70	50	36	36	21	51	328
Governance, rule of law, human rights	110	97	262	244	110	286	517	824	2,450
— Democracy/Governance	103	89	233	223	80	221	391	614	1,954
— Rule of law	7	8	29	21	30	65	126	210	496
Economic and social development	650	498	1,153	1,570	1,007	1,591	2,100	2,448	11,017
— Reconstruction	124	295	855	1,240	706	1,191	1,494	1,871	7,776
— Humanitarian/Other	526	203	298	330	301	400	606	577	3,241
Counternarcotics	40	3	126	775	420	737	617	802	3,520
— Eradication	39	0	50	257	138	177	183	202	1,046
— Interdiction	1	3	76	338	137	323	248	366	1,492
— Alternative development	0	0	0	175	140	229	181	225	950
— Other counternarcotics	0	0	0	5	5	8	5	9	32
Total	\$947	\$986	\$2,490	\$4,896	\$3,526	\$10,045	\$5,997	\$9,680	\$38,567

Source: Departments of Defense and State.

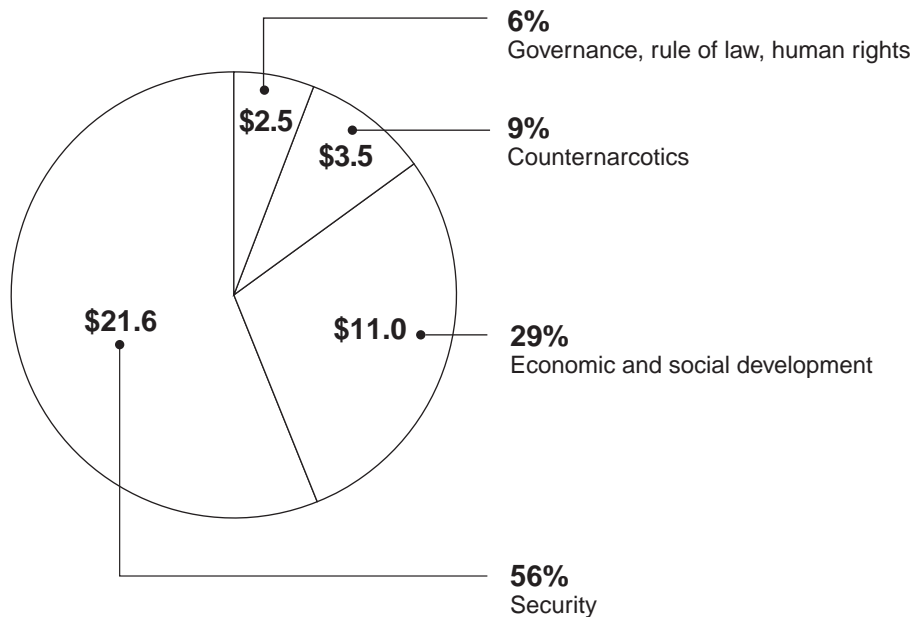
Note: Funding provided includes assistance for Afghanistan from a variety of budget accounts, such as Afghan Security Forces Funding, Economic Support Funds, and Commander's Emergency Response Funds, among others; State/USAID operations funding; and use of drawdown authority contained in legislation such as the Afghan Freedom Support Act. Relevant transfers and reprogramming also are included.

^aAccording to State, fiscal year 2009 numbers include preliminary allocations of funding received in the fiscal year 2009 Omnibus Appropriations Act, as well as preliminary funding allocations from the fiscal year 2009 supplemental request.

⁴Specific funding figures for U.S. military operations in Afghanistan do not exist because funding provided to DOD for military operations in support of the GWOT, which includes Afghanistan, is not appropriated by country or specific contingency operation. Funding for military operations covers expenses such as personnel costs of mobilized reservists; costs for housing, food, and fuel; and costs to repair and replace equipment.

As seen in figure 2, over half of the \$38.6 billion was provided to support the development of the Afghan national army and police forces. Almost a third of the funding was provided to support economic and social development efforts, such as the construction of roads and schools, and the remainder was provided to governance, rule of law, and human rights and counternarcotics programs.

Figure 2: Breakout of U.S.-Provided Support to Afghanistan



Dollar in millions

Source: GAO analysis of Departments of Defense and State data.

Since 2003, we have issued 21 reports and testimonies on U.S. efforts in Afghanistan (see app. I for a list of related GAO products). Over the course of this work we have identified improvements that were needed as well as many obstacles that affect success and should be considered in program planning and implementation. In most of the U.S. efforts in the past, we found the need for improved planning, including the development of coordinated interagency plans that include measurable goals, specific time frames, cost estimates, and identification of external factors that could significantly affect efforts in key areas such as building Afghanistan's national security forces. We also concluded that several existing conditions, such as worsening security; the lack of a coordinated, detailed interagency plan; and the limited institutional capacity of the Afghanistan

government continue to create challenges to the U.S. efforts to assist with securing, stabilizing, and rebuilding Afghanistan.

To assist the 111th Congress, enclosed is a series of papers highlighting key issues for consideration in developing oversight agendas and determining the way forward in securing and stabilizing Afghanistan.⁵ Significant oversight will be needed to help ensure visibility over the cost and progress of these efforts. The enclosures suggest areas for additional oversight on the following topics:

- U.S. and international commitments
- Security environment
- U.S. forces and equipment
- Afghan national security forces
- Counternarcotics efforts
- Economic development
- Government capacity
- Accountability for U.S. provided weapons
- Oversight of contractor performance

These papers represent an update to our May 2007 report, *Securing, Stabilizing, and Reconstructing Afghanistan: Key Issues for Congressional Oversight*, and are based on our past and continuing work. These enclosures incorporate updated information from current budget and program documents. We also discussed these topics with Department of Defense, State, Justice (DOJ), and USAID officials involved in securing, stabilizing, and reconstructing Afghanistan. We reviewed reports related to Afghanistan by cognizant Inspectors General and various research institutions, updated relevant data when possible, and performed additional data reliability assessments when necessary. Additional assessments were conducted only on data that had not been previously reported; all other data were assessed as part of our previous and ongoing work. We assessed the reliability of the U.S. government budget data for Afghanistan security, stabilization, and development by comparing data

⁵GAO recently released similar issue papers concerning Pakistan and Iraq. *Securing, Stabilizing, and Developing Pakistan's Border Area with Afghanistan: Key Issues for Congressional Oversight*, [GAO-09-263SP](#) (Washington, D.C.: Feb. 23, 2009) and *Iraq: Key Issues for Congressional Oversight*, [GAO-09-294SP](#) (Washington, D.C.: Mar. 24, 2009).

received from other agencies and asking knowledgeable officials to explain inconsistencies in the data that we found. We also assessed the reliability of DOD-supplied attack data through interviews and comparisons with similar data from other sources. The attack data reported for Afghanistan and Iraq use similar methodologies, which allowed for a comparison between both sets of data. In most cases, we determined that the data are reliable enough for our purposes, and have noted our concerns when data reliability issues have arisen. Information on our scope and methodologies, as well as data reliability assessments, can be found in the reports referenced in appendix I.

We conducted this performance audit from November 2008 through April 2009 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Appendix I contains a list of GAO products directly related to Afghanistan.

We provided a draft of this report for review and comment to DOD, DOJ, State, and USAID. Each agency informed us that they were not providing formal comments. However, each provided technical comments, which we have incorporated into the report where appropriate.

We are sending copies of this report to the congressional committees listed below. In addition, we are sending copies of this report to the President and Vice President of the United States, and executive branch agencies. The report is also available at no charge on the GAO Web site at <http://www.gao.gov>. If you have any questions, please contact, Jacquelyn L. Williams-Bridgers at (202) 512-3101 or williamsbridgersj@gao.gov, Charles Michael Johnson, Jr. at (202) 512-7331 or johnsoncm@gao.gov, or the individual(s) listed at the end of each enclosure. Contact points for our Offices of Congressional Relations and Public Affairs can be found on the last page of this report. For press inquiries, please contact Chuck Young at (202) 512-4800. Key contributors to this report are included in appendix II.

A handwritten signature in black ink that reads "Gene L. Dodaro". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Gene L. Dodaro
Acting Comptroller General of the United States

Enclosures

List of Congressional Committees

The Honorable Carl Levin
Chair
The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate

The Honorable John F. Kerry
Chair
The Honorable Richard G. Lugar
Ranking Member
Committee on Foreign Relations
United States Senate

The Honorable Joseph I. Lieberman
Chair
The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security
and Governmental Affairs
United States Senate

The Honorable Daniel K. Inouye
Chair
The Honorable Thad Cochran
Vice Chairman
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Patrick J. Leahy
Chair
The Honorable Judd Gregg
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
United States Senate

The Honorable Ike Skelton
Chair

The Honorable John M. McHugh
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Howard L. Berman
Chair

The Honorable Ileana Ros-Lehtinen
Ranking Member
Committee on Foreign Affairs
House of Representatives

The Honorable Edolphus Towns
Chair

The Honorable Darrell E. Issa
Ranking Member
Committee on Oversight and Government Reform
House of Representatives

The Honorable John P. Murtha
Chair

The Honorable C.W. Bill Young
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

The Honorable Gary L. Ackerman
Chair

The Honorable Dan Burton
Ranking Member
Subcommittee on the Middle East and South Asia
Committee on Foreign Affairs
House of Representatives

The Honorable Nita M. Lowey
Chair
The Honorable Kay Granger
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
House of Representatives

The Honorable John Tierney
Chair
The Honorable Jeff Flake
Ranking Member
Subcommittee on National Security and Foreign Affairs
Committee on Oversight and Government Reform
House of Representatives

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Background

Since 2001, the United States has worked with international partners under a United Nations mandate to assist Afghanistan in creating a safe and secure environment, in part through the International Security Assistance Force (ISAF). The United States and its allies also work through the North Atlantic Treaty Organization (NATO) to secure, stabilize, and rebuild Afghanistan.

The United States Is Allied with Partner Nations to Secure and Stabilize Afghanistan

Enclosure I: U.S. and International Commitments in Afghanistan

Issue

In 2006, the government of Afghanistan, along with the international partners, adopted the Afghanistan Compact, a political agreement outlining the international community's commitment to provide resources and support to achieve Afghanistan's security, governance, and reconstruction goals as set out in the Afghanistan National Development Strategy (ANDS). Subsequently, more than 70 nations pledged over \$57 billion in aid toward the achievement of these goals. The United States alone provided \$32 billion. United States efforts to work with NATO partners and other contributing countries present unique opportunities in Afghanistan, but also pose some challenges. In March 2009, the President announced a new U.S. strategy for Afghanistan and Pakistan.

Key Findings

U.S. forces in Afghanistan are deployed either as part of the NATO-led ISAF or Operation Enduring Freedom, which includes the Combined Security Transition Command-Afghanistan (CSTC-A) in efforts to secure and stabilize Afghanistan. In October 2008, to improve coordination of military efforts, the United States gave General David McKiernan, the commander of ISAF, command of all U.S. forces in Afghanistan.

- As of February 2009, the ISAF mission consisted of over 56,000 troops from 41 countries located throughout Afghanistan. Over half of the allies in ISAF have some form of caveat regarding the geographical or functional deployment of their forces, which can limit ISAF's ability to plan and execute operations effectively and efficiently. The most common caveats restrict certain troops from deploying to the more dangerous southern and eastern regions without approval from their nation's government. For example, German troops cannot leave their regional command and deploy outside their region without such approval. According to State, such approvals can take up to several days, limiting commanders' ability to act quickly. Another set of caveats relates to the type of ISAF operations. For example, some countries restrict forces from participating in counternarcotics or policing activities.
- The U.S.-led Operation Enduring Freedom,¹ which started October 7, 2001, is credited with removing the Taliban from power. Operation Enduring Freedom continues to combat terrorism and secure Afghanistan. The United States has several coalition partners in Operation Enduring Freedom, including the United Kingdom and Canada.
- DOD's CSTC-A, in partnership with State Department, the government of Afghanistan, and international partners, trains and equips the Afghan National Security Forces. CSTC-A works with the international community to develop a capable Afghan National Army and Afghan National Police that are intended to enhance the security and stabilization

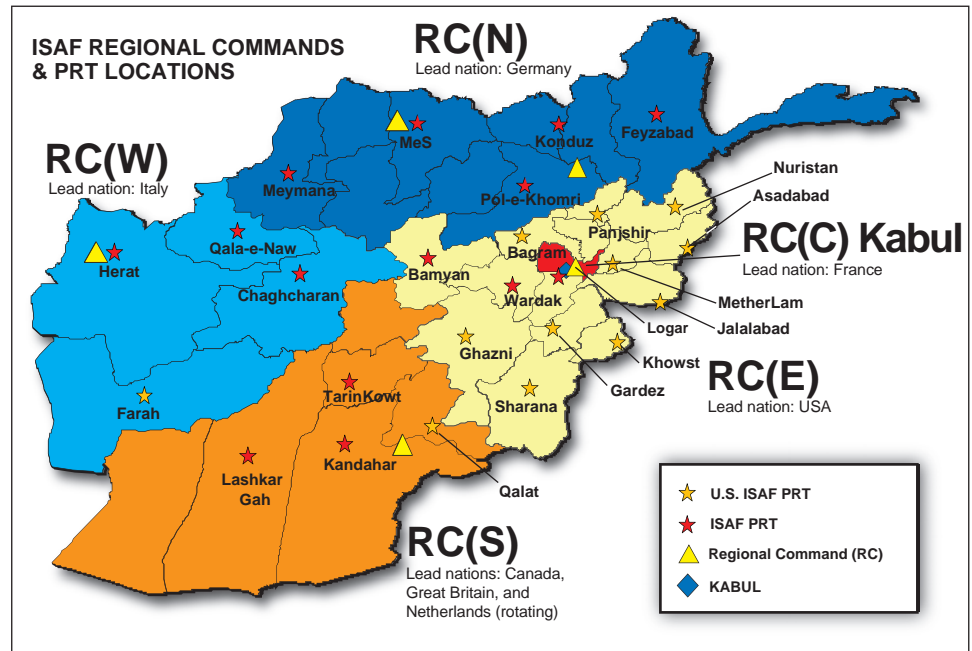
¹Operation Enduring Freedom takes place principally in Afghanistan, but also covers the Horn of Africa, the Philippines, and elsewhere.

United States and International Partners Coordinate through Provincial Reconstruction Teams to Reconstruct Afghanistan

of Afghanistan. CSTC-A also assists in developing the capacity of the Ministry of the Interior to strengthen the authority of the Afghan police.

As part of a UN mandate, the United States established Provincial Reconstruction Teams (PRT) in 2002, which were transferred to ISAF authority in 2003. PRTs consist of military officers, diplomats, and reconstruction subject matter experts working to support reconstruction efforts. The PRTs' mission is to assist the government of Afghanistan in extending its authority; facilitate the development of a stable and secure environment; and, through military presence, enable security-sector reform and reconstruction efforts. The United States leads 12 of 26 PRTs (see fig 3).

Figure 3: Map of ISAF Forces in Afghanistan



Source: International Security Assistance Force (ISAF).

The overall success of reconstruction efforts has varied widely among the donor countries due to differences in the needs and security situations of Afghanistan's regions and the capabilities of the lead nations. In April 2008, NATO agreed to focus on providing greater transparency and coordination for NATO's PRT efforts to ensure they are aligned with Afghan government priorities outlined in the ANDS.

Oversight Questions

1. To what extent does the new U.S. strategy take into account the roles and commitments of international partners?
2. How do the United States and its international partners coordinate and evaluate their efforts in Afghanistan? Has coordination among U.S. forces and with international forces improved since the creation of the unified U.S. command structure?
3. How do the national caveats placed on various ISAF forces affect ISAF's ability to provide security for Afghanistan and the operations of the PRTs?
4. How does the United States ensure accountability over its PRTs and coordinate with those run by other coalition partners?
5. What is the United States doing to assist Afghanistan in securing additional international donor commitments to secure, stabilize, and rebuild Afghanistan?

Point of Contact

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Enclosure II: Afghanistan's Security Environment

Background

Conflict has ravaged Afghanistan for decades. The Soviet Union invaded in 1979 and withdrew in 1989 after waging a prolonged war against Afghan resistance groups. By 1998, most of Afghanistan was under the control of the Taliban, under whom the country became a haven for terrorists. Following September 11, 2001, the United States and its allies forcibly removed the Taliban.

Overall Rate of Attacks in Afghanistan Increased Significantly since 2005

Issue

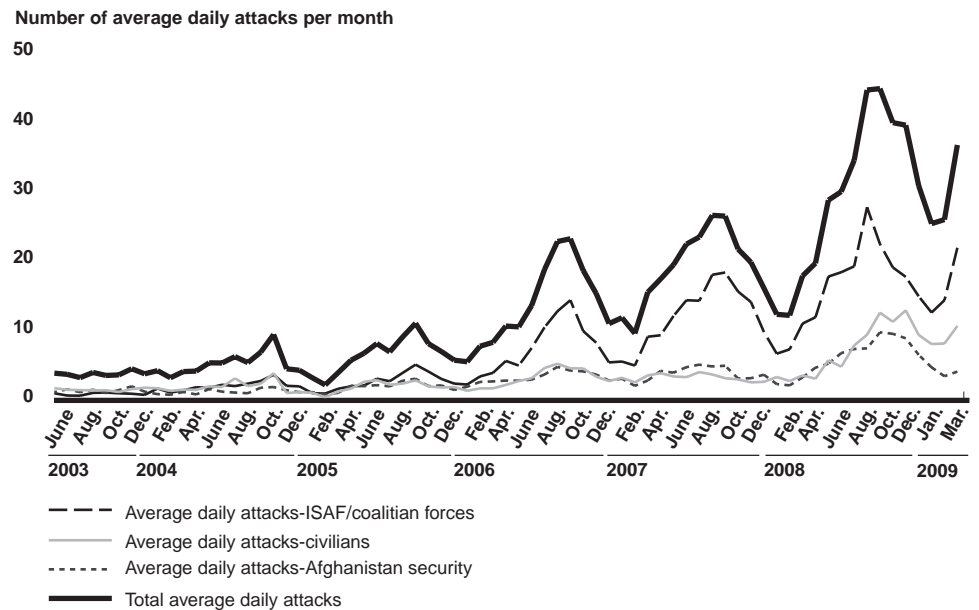
Following the removal of the Taliban regime, the United States and its international partners began creating a safe, secure democracy in Afghanistan under the auspices of the United Nations. In the early years of U.S. and allied efforts to secure, stabilize, and reconstruct Afghanistan, U.S. soldiers experienced relatively few attacks. However, since 2005 there has been an overall escalation of violence in the country that affects all aspects of U.S. and allied security and support operations in Afghanistan. This has been attributed to a variety of factors including a resurgence of the Taliban in the south, the limited capabilities of Afghan security forces, a continuing and thriving illicit drug trade in the south, and the threat emanating from insurgent safe havens in Pakistan; thus highlighting the need to work with Afghanistan and Pakistan.

Key Findings

The security situation in Afghanistan, though cyclical in nature, has deteriorated since 2005. Attacks on civilians as well as Afghan and coalition forces have increased year after year. Attacks increased from 2,388 in 2005 to 5,087 in 2006, 7,058 in 2007, and 10,889 in 2008. The majority of the violence is concentrated in the eastern and southern parts of Afghanistan where the Taliban receives funding from the opium trade and where U.S. forces operate. In 2008, insurgent activity increased dramatically, including an increase in improvised explosive device attacks, as well as attacks focused on infrastructure, development, and construction projects.

As figure 4 illustrates, the frequency of enemy-initiated attacks over the past 3 years has been seasonal with the number of attacks generally peaking during the months of June through September each year.

Figure 4: Average Daily Attacks by Type in Afghanistan, 2003-2009



Source: GAO analysis of Department of Defense data.

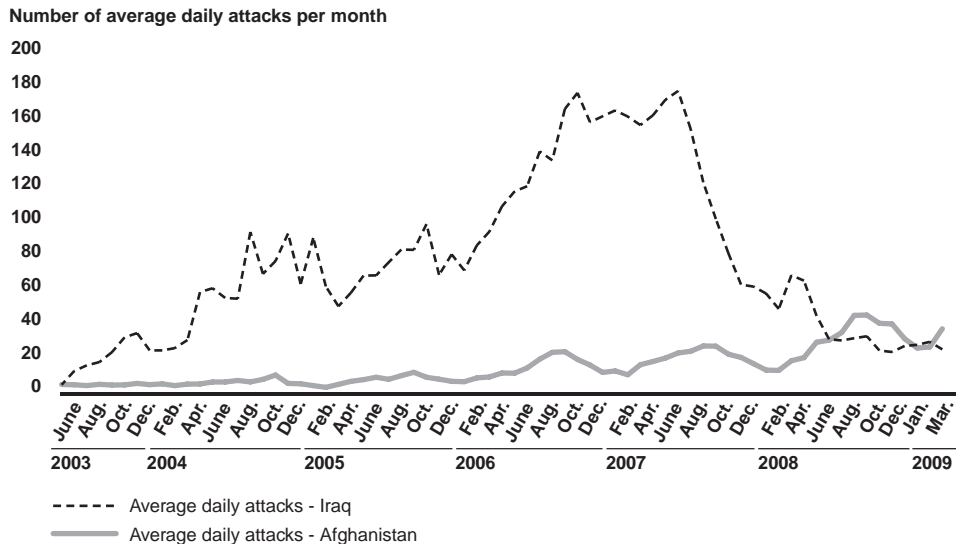
**Security Situation
Significantly Affects U.S.
Efforts in Afghanistan**

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Although never reaching the highest level of attacks in Iraq, which has a population of about 29 million, the number of attacks in Afghanistan, which has a population of about 33 million, surpassed those in Iraq for the first time in July 2008 (see fig. 5).¹

Figure 5: Average Daily Attacks in Iraq and Afghanistan, 2003-2009



Source: GAO analysis of Department of Defense data.

In early 2006, there were over 36,000 U.S. and coalition troops in Afghanistan. As of February 2009, there are over 65,000 troops with over 35,000 U.S. troops and over 30,000 other troops from more than 40 different countries in Afghanistan. The new administration has indicated that it intends to send up to approximately 21,000 U.S. troops to Afghanistan in 2009.

The increase in insurgent attacks, especially in the east and the south, has impeded security and reconstruction efforts in those regions.

- State officials reported that the development of the Afghan National Security Forces has been impeded by the security situation. For example, despite the fact that the Afghan National Army is directly charged with defeating the insurgency and terrorism, the Afghan National Police are often reassigned from their training to provide immediate help with the counterinsurgency effort, thus delaying the completion of their training.
- According to USAID, programs ranging from road reconstruction to power generation, face significant cost increases and were delayed or abandoned due to a lack of security.

Oversight Questions

1. What additional costs have resulted from security issues?
2. How do administration plans for deploying additional troops take into account regional differences in violence levels?

¹According to Defense Intelligence Agency officials, attack data in figures 4 and 5 do not include violent incidents that coalition or Afghan security forces initiated, but represent a reliable and consistent source of information that can be used to identify trends in enemy activity and the overall security situation.



Enclosure III: Deployment of U.S. Forces and Equipment to Afghanistan

Background

Since 2001, DOD has been engaged in military operations in support of the Global War on Terrorism (GWOT). These include Operation Enduring Freedom, which takes place principally in Afghanistan, but also covers the Horn of Africa, the Philippines, and elsewhere. DOD is in the process of developing its plans for future military operations in Afghanistan. As of February 2009, DOD had over 35,000 troops deployed to Afghanistan, with plans to add approximately 21,000 troops in 2009.

Availability of Personnel and Equipment May Pose Challenges to U.S. Military Operations in Afghanistan

Issue

As DOD continues to refine its plans for future military operations in Afghanistan, it will likely face an array of potential challenges related to personnel, equipment, and infrastructure. For example, the availability and training of U.S. personnel will be critical as U.S. forces are already stressed from ongoing operations and the current training capacity has been primarily focused on operations in Iraq. In addition, availability of equipment may be limited because the Army and Marine Corps have already deployed much of their equipment to Iraq, and prepositioned assets have been withdrawn to support ongoing operations. Further, the ability to transport personnel and equipment to and within Afghanistan will likely be constrained due to the limited infrastructure and difficult terrain. Given the plans to increase force levels and likely challenges posed by the lack of infrastructure and the difficulty in transporting personnel and equipment in country, future costs in Afghanistan are likely to be considerable and require billions of dollars in additional funds.

Key Findings

Given the range of likely forces in Iraq and Afghanistan, DOD may face near-term challenges in providing personnel for operations in both locations. Demands have been particularly high within certain ranks and occupational specialties. For example, officers and senior noncommissioned officers are in high demand due to increased requirements within deployed headquarters organizations and requirements for transition teams to train Iraqi and Afghan forces. The ongoing operations also have challenged DOD's ability to provide sufficient numbers of forces with certain specialized capabilities including engineering, civil affairs, transportation, and military police. If emerging requirements for Afghanistan include many of these high-demand support skills, which tend to reside in the reserve component and require longer lead times to train and deploy, DOD will likely need to use alternate approaches to meet them. These challenges could be exacerbated by the need for these forces to support the drawdown of troops in Iraq. It also will take time to adjust DOD's training capacity, focused on an urban style mission reflective of Iraq's mission requirements, to the more austere operating environment of Afghanistan with its myriad mix of languages and cultures and lack of major infrastructure, such as paved roads. While DOD has some training infrastructure and combat-tested veterans to support training for the mission in Afghanistan, its training base is not yet configured to support a large increase of forces deploying to Afghanistan, and adjustments may be needed.

Equipment availability may pose challenges for operations in Afghanistan. Army and Marine Corps officials stated they are in the process of determining equipment requirements for Afghanistan; however, final equipment needs will be based on several factors such as the type of operations, force structure, and capabilities needed. For example, Army and Marine Corps officials recently stated operations in Afghanistan may require lighter body armor and lighter Mine Resistant Ambush Protected vehicles. Geographic and environmental factors also play a role in determining equipment requirements

Limited Supply Routes May Impede Ability to Transport Supplies

for Afghanistan. For example, heavy brigade combat teams, which include tanks, may not be well suited for Afghanistan's difficult terrain. As a result, the Army is currently developing a lighter version of the Mine Resistant Ambush Protected vehicle better suited for Afghanistan. DOD also will need to reassess its requirements for intelligence, surveillance, and reconnaissance capabilities to support increased force levels in Afghanistan, given its current allocation of assets to support ongoing operations in Iraq.

Operations in Afghanistan depend on difficult and uncertain overland supply routes from neighboring countries. Since Afghanistan is landlocked, items being shipped by sea to Afghanistan currently enter through the port of Karachi, Pakistan. According to DOD, about 75 percent of the supplies delivered to U.S. troops in Afghanistan pass through land routes in Pakistan, such as the Khyber Pass. DOD officials told us that in June 2008, 44 trucks and 220,000 gallons of fuel were lost in attacks and threats on convoys. Given this context, airlift capabilities are very important; however, air operations in Afghanistan do not have a nearby location for staging and receiving (like Kuwait provides for operations in Iraq) and must depend on access to bases such as Manas, Kyrgyzstan, which is some distance away. Moreover, access to the base in Kyrgyzstan may not continue and any strategy developed for operations in Afghanistan may have to consider a regional approach for basing alternatives. Furthermore, future planning efforts are complicated by limited existing facilities, ramp space, and fuel availability, all of which may influence the rate at which forces can be received and moved forward into Afghanistan.

Future Costs in Afghanistan Could Be Considerable

As additional forces and equipment are deployed to Afghanistan, future costs could be considerable. These future costs will be affected by a number of different factors, such as the pace and duration of operations, basing and infrastructure plans, transportation and fuel requirements, and the amount of equipment to be repaired and replaced. For example, as the force in Afghanistan increases, additional personnel will likely be required to provide housing, food, and services, thus increasing contractor costs. In addition, since Afghanistan is landlocked and infrastructure is limited, transportation costs are likely to be high. DOD has reported costs of about \$124.2 billion as of December 2008 for Operation Enduring Freedom, which takes place principally in Afghanistan. However, our prior work has found numerous problems with DOD's processes for recording and reporting its GWOT costs. As the department prepares additional GWOT funding requests for military operations in Afghanistan, reliable and transparent cost information will be of critical importance in determining future funding needs.

Oversight Questions

1. What steps is DOD taking to address challenges posed by the availability of personnel and equipment, particularly in regards to high-demand units and intelligence, surveillance, and reconnaissance capabilities?
2. What efforts is DOD undertaking to secure other air and land transportation routes into Afghanistan?
3. What infrastructure requirements are needed to support and sustain additional forces and when can they be completed?
4. To what extent has DOD estimated the future costs of continued operations? What steps is DOD taking to improve its capability to provide accurate and reliable estimates of future funding needs?

Point of Contact

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Enclosure IV: Building Capable Afghan National Security Forces

Background

Since 2002, the United States has worked to develop the Afghan National Security Forces (ANSF). DOD is primarily responsible for directing U.S. efforts to develop the Afghan National Army (ANA) and, in conjunction with State, the Afghan National Police (ANP).

DOD and State Have Taken Steps to Outline Plans for the ANSF

ANSF Capabilities Improved in 2008

Issue

The goal of the Afghan National Development Strategy is to establish a nationally respected, professional, ethnically balanced ANSF that is accountable, organized, trained, and equipped to meet the security needs of the country by the end of 2010. The United States has provided over \$21 billion to develop the ANSF since 2002. Despite some progress, U.S.-led efforts to build capable ANSF continue to face significant challenges.

Key Findings

DOD, in conjunction with State, has taken steps to outline plans for completing and sustaining the ANSF. We recommended in 2005, and reaffirmed in 2007 and 2008, that such plans should include clearly defined objectives and performance measures, milestones for achieving these objectives, future funding requirements, and a strategy for sustaining results achieved. In 2008, Congress mandated that DOD and State provide a long-term strategy and budget for strengthening the ANSF and a long-term plan for sustaining the ANSF. In response, DOD, in conjunction with State, reported on its strategy and efforts to complete and sustain the ANSF. These reports include most of the elements we called for and provide a baseline to assess progress of the ANSF. However, DOD did not include long-term funding requirements, which are particularly urgent given the recent decision to increase the ANA from 80,000 to 134,000 and the potential costs of sustaining the ANSF.

Some progress has been made since our June 2008 report¹ on U.S. efforts to build capable Afghan security forces. In April 2008, only 2 ANA and 0 ANP units were assessed by DOD as fully capable of conducting primary missions. As Table 2 shows, in December 2008, there were 18 ANA and 18 ANP units assessed by DOD as fully capable.

Table 2: DOD Assessment of ANSF Capabilities, as of December 2008

ANSF Units	Fully capable	Capable with support	Partially capable	Not capable	Units not formed or not reporting ^a
ANA units	18	26	26	2	Not available
ANP units	18	16	22	317	Not available

Source: U.S. Department of Defense.

^aA unit categorized as “not formed or not reporting” is either a planned unit or unit in basic training.

¹*Afghanistan Security: U.S. Efforts to Develop Capable Afghan Police Forces Face Challenges and Need a Coordinated, Detailed Plan to Help Ensure Accountability*, GAO-08-883T (Washington, D.C.: June 18, 2008).

Efforts to Train and Equip the ANSF Face Several Challenges

U.S. efforts to build Afghan forces that can lead security operations have faced challenges in several key areas, including recruiting and retaining qualified personnel, training in critical functions, and reforming the ANP. As of November 2008, the ANA had over 79,000 and the ANP over 75,000 troops.

- DOD cited a shortage of U.S. trainers and coalition mentors in Afghanistan as a major impediment to providing ANSF with training needed to establish capabilities such as advanced combat skills and logistics. As of November 2008, DOD reported it had only about half of the 2,225 military personnel it needed to train the ANA. This problem is likely to be exacerbated by the planned increase in the size of the ANA. Similarly, as of November 2008, DOD had only about one-third of the 2,375 personnel it estimated it needs to staff police mentor teams, which were taken from personnel intended for ANA training. In March 2009, GAO recommended that DOD and State support creation of additional mentor teams. The new Administration indicated that the United States plans to deploy approximately 4,000 U.S. troops to train Afghan security forces in 2009.
- The ANA has had difficulty finding qualified Afghan candidates for leadership and specialty skill positions, such as logistics, medical support, and engineering, according to DOD. In addition, while DOD has reported that recruitment targets for infantry personnel have been met, both the ANA and ANP have had trouble retaining personnel.
- While some progress has been made, the ANP faces numerous challenges. Afghanistan's weak judicial system hinders effective policing and rule of law. ANP personnel continue to experience problems with corruption and insurgent attacks. The Ministry of Interior, which is responsible for managing the national police force, faces a number of problems including corruption and a lack of professional standards and internal discipline. The United States has supported recent efforts to reform the ANP's top-heavy rank structure, cutting the number of officer positions from about 17,800 to about 9,000 and reducing the number of highest ranking officers (generals and colonels) by nearly 85 percent. However, its efforts to verify the names of active ANP personnel are being impeded by a lack of cooperation by some high-ranking ANP commanders. In March 2009, GAO recommended that DOD and State consider provisioning funding for salary contributions upon verification of ANP personnel. While there had been a disparity between ANA and ANP salaries, DOD has successfully raised ANP pay rates to be on a par with the ANA.

Oversight questions

1. Given the announcement of plans to deploy 4,000 additional military trainers, what are DOD's and State's plans for utilizing the additional troops?
2. To what extent are current and proposed ANSF force levels based on analysis of Afghanistan's needs and long-term ability to sustain its forces?
3. How will the cost of sustaining the ANSF change with the Afghan army's authorized size increase beyond 80,000, and who is intended to pay for it?
4. To what extent do DOD's and State's budgets provide for sufficient funding to sustain ANSF without use of supplemental appropriations?
5. What are the plans for Afghanistan to take program and financial responsibility for its army and police?

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Background

Afghanistan has a largely agrarian economy. Afghanistan provides over 90 percent of the world's opium, which is refined into heroin in Afghanistan and other countries. Opium poppy cultivation often is forced on farmers by insurgents and generally promises greater income.

The United States Retooled Its Counternarcotics Strategy in 2007

Enclosure V: Combating Narcotics Trafficking in Afghanistan

Issue

The drug trade has undermined virtually every aspect of the Afghan government's effort to build political stability, economic growth, rule of law, and its capacity to address internal security problems. Moreover, the drug trade helps fund the insurgency of the Taliban and other antigovernment groups. Following the Taliban's removal, the United Kingdom took the international lead in counternarcotics. Since 2002, the United States has played an increasingly larger role, providing over \$3.5 billion for counternarcotics-related programs in Afghanistan, including \$950 million on programs to help farmers and farm labor find ways other than poppy cultivation to earn a living—often referred to as alternative development programs—and developing capable Afghan counternarcotics police forces.

Key Findings

The United States became more involved in counternarcotics efforts after several years of increases in opium poppy cultivation in Afghanistan. The United States developed a five-pillar counternarcotics strategy in 2004 and retooled that strategy in 2007. The five pillars of the U.S. strategy include:

- *Poppy elimination/eradication.* State has supported the Afghan government's efforts to prevent poppy planting and eradicate poppy crops if prevention fails. State has supported both the central government's Poppy Eradication Force and governor-led eradication efforts.
- *Interdiction/law enforcement.* State and DOD have assisted Drug Enforcement Administration-led efforts to build Afghan capacity to destroy drug labs, seize precursor chemicals and opiates, and arrest major traffickers. The Drug Enforcement Administration trained a National Interdiction Unit, consisting of Afghan personnel, to interdict drugs and arrest traffickers. However, the United States does not have an extradition treaty with Afghanistan, and corruption and a lack of prison space hamper efforts to prosecute and incarcerate drug traffickers.
- *Justice reform/prosecution.* State has supported the Afghan government's efforts to increase its capacity to arrest, prosecute, and punish drug traffickers and corrupt officials. As part of its efforts, State provided funds for DOJ prosecutors, who helped develop and implement a new counternarcotics law and corrections reform, and train and mentor prosecutors and judges. State also has approved funding to equip and manage a new Counter Narcotics Justice Center, which was originally scheduled to be completed in late 2006, but is not yet fully operational.
- *Public information.* State led a public information campaign to convince the Afghan people to reject poppy cultivation and trade, with a focus on person-to-person community outreach initiatives to engage local leaders.
- *Alternative development.* USAID implemented projects to provide ways other than poppy production for Afghan farmers to earn a living, and thus reduce the amount of Afghanistan's economic activity attributable to drugs.

The revised U.S. counternarcotics strategy approved in August 2007 prioritizes three areas: (1) increasing coordination between counternarcotics and counterinsurgency activities; (2) amplifying the effects of the "carrot and stick" approach to reducing poppy cultivation; and (3) fomenting the necessary political will to make lasting changes in the Afghan government.

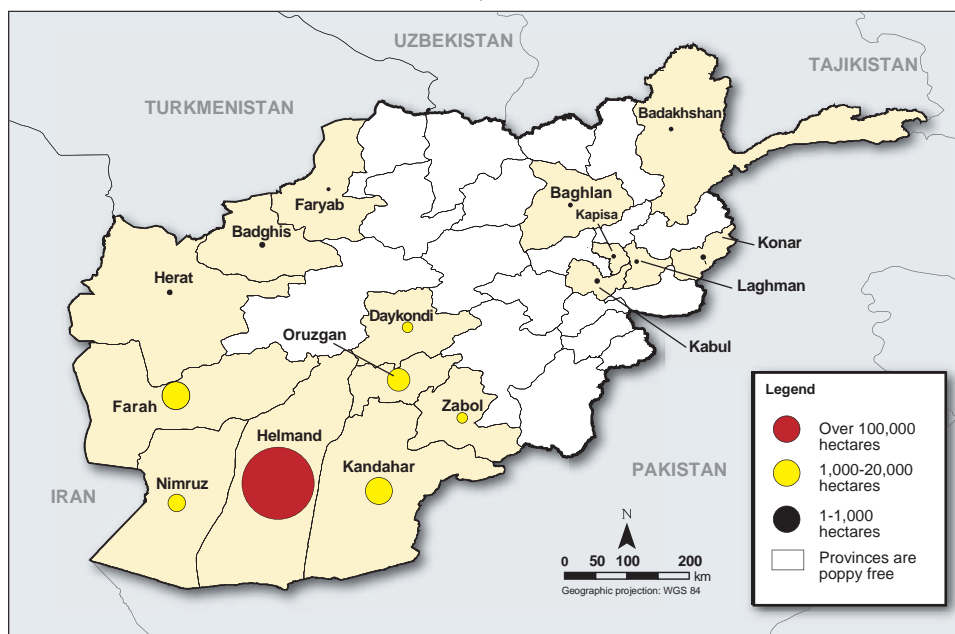
Despite Progress in Northern Afghanistan, Opium Cultivation Continues to be a Significant Problem in the South

GAO examined the 2004 strategy in its early stages of implementation and found State and USAID were making a significant effort to reduce illicit drug cultivation, production, and trafficking. However, GAO also noted that deteriorating security and difficulty fielding eradicators threatened the success of U.S. efforts. Likewise, in 2007, a joint assessment by DOD, DOJ, and State noted the strategy was reasonable and comprehensive, but security was a growing concern.

In December 2008, DOD acknowledged that global and regional terrorists finance their activities with drug money. As a result, DOD changed its rules of engagement to permit increased targeting of drug traffickers suspected of funding such terrorists. The International Security Assistance Force (ISAF) also expanded its counternarcotics role. DOD continues to support State and the Drug Enforcement Administration with police training and transport.

Since 2005, opium poppy cultivation has been reduced dramatically in northern Afghanistan, but has increased greatly in the south. In 2008, 98 percent of Afghanistan's opium was cultivated in 7 of its 34 provinces, all in the south, with one province, Helmand, accounting for 66 percent of the total (see fig. 6). The United States and the United Nations attribute the decrease in the north to strong leadership by some governors, weather, and an increase in wheat prices. Nevertheless, despite a drought-induced decrease last year, high levels of opium production continue to threaten the security and stabilization of Afghanistan.

Figure 6: Opium Poppy Cultivation, 2008



Source: Government of Afghanistan - National monitoring system implemented by United Nations Office on Drugs and Crime.

Oversight Questions

1. How has the U.S. strategy affected drug trafficking in Afghanistan? How have DOD's and ISAF's new counternarcotics policies affected efforts to secure and stabilize Afghanistan and curtail the drug trade?
2. What lessons can be learned from the decrease in poppy cultivation in northern Afghanistan?
3. To what extent is the absence of an extradition treaty between Afghanistan and the United States an impediment to counternarcotics efforts? What mechanisms exist for prosecuting and incarcerating drug traffickers?
4. What challenges, including national caveats imposed by some NATO allies, affect counternarcotic efforts?

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Enclosure VI: Economic Development of Afghanistan

Background

Afghanistan is one of the world's poorest countries and ranks near the bottom of virtually every development indicator category, including life expectancy; literacy; nutrition; and infant, child, and maternal mortality. Nearly three decades of war and extended drought have devastated many elements of Afghan society, including the economy.

United States and International Partners Have Made Some Progress in Reconstruction and Development

Issue

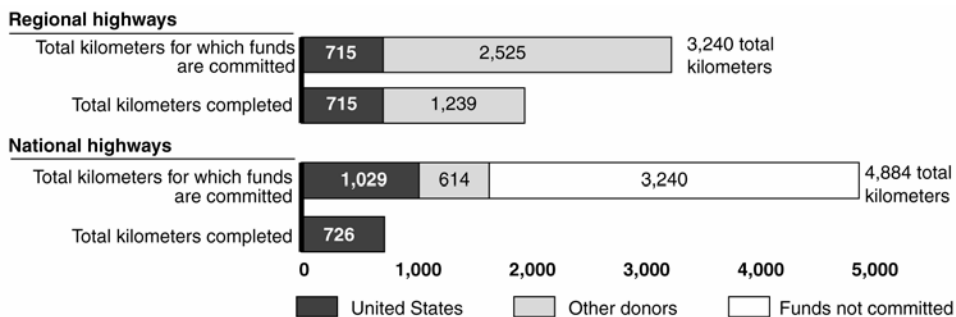
The United States and the international community have helped the government of Afghanistan stabilize and rebuild its country since the overthrow of the Taliban in 2001. Between fiscal years 2002 and 2009, the United States provided approximately \$38.6 billion to support Afghanistan's reconstruction, including over \$11 billion for economic and social development. Although U.S. efforts have made some progress in the areas of transportation, education, and health care, efforts to rebuild Afghanistan face serious challenges—in particular, the immense scale of the reconstruction needs themselves and the deteriorating security situation.

Key Findings

The United States and its international partners have undertaken numerous development projects in Afghanistan, using the Afghanistan National Development Strategy (ANDS) as their guiding document.

The United States and international donors have made some progress in improving the country's roads which may help Afghanistan promote licit crops, improve security, and broaden access to health and education (See <http://www.gao.gov/media/video/gao-09-473sp> for a video of poor Afghan road conditions and [GAO-09-626SP](#) for maps of donor-funded roads). As of February 2008, USAID has constructed or rebuilt over 2,700 kilometers of roads and highways. As figure 7 shows, the United States has completed or come close to completing its portion of commitments to build Afghanistan's highway network.

Figure 7: Status of Afghan Highways for Which Donors Have Committed Funds Since 2002



Source: GAO analysis of data from USAID, the Consultative Group for the Transport Sector, and the Road Sector Master Plan.

In July 2008, GAO recommended that USAID and DOD better assess results and conduct impact evaluations of U.S.-funded roads, and that USAID work with the Afghan government to address maintenance funding of the roads.

USAID has reported some notable successes in basic education and health care in Afghanistan. In 2008, according to USAID and the government of Afghanistan, more than 6 million children attended school in Afghanistan, including almost 2 million girls, compared with less than 1 million children and no girls under the Taliban. In September 2008, USAID reported 80 percent of the population had access to health care, up from 8 percent in 2001. Sustained improvements such as these have the potential to bolster Afghanistan's long-term economic development.

Alternative Development Programs Achieved Mixed Success

A key aspect of USAID's reconstruction efforts in Afghanistan includes the alternative development programs linked to U.S. counternarcotics efforts. Many of these programs were launched as short-term pay-for-work projects such as road rehabilitation, which were to transition into long-term development projects. However, according to USAID, though these short-term projects have achieved results, as of March 2008, many have not yet transitioned into long-term efforts. Despite some progress with these programs in some regions of Afghanistan, according to USAID, opium production in the southern provinces rose.

Use of Defense Funds for Development Projects Is Growing

Since 2004, DOD has reported obligations of over \$1 billion on what U.S. commanders in Afghanistan described as a critical weapon in the fight against the Taliban—the Commander's Emergency Response Program (CERP).¹ CERP enables local commanders to respond to urgent humanitarian relief and reconstruction needs within their areas of responsibility by carrying out programs that will immediately assist the local population. Since the program began, DOD has steadily increased its funding request, and reported CERP obligations for Afghanistan have grown from almost \$40 million in fiscal year 2004 to more than \$486 million in fiscal year 2008. Of the more than \$1.4 billion Congress appropriated for CERP thus far in fiscal year 2009, \$683 million has been allocated for the program in Afghanistan. According to DOD officials, given plans to increase force levels in Afghanistan, the size and funding of CERP also is likely to expand.

Reconstruction Efforts Are Constrained by Deteriorating Security and Lack of Capacity

The security environment and lack of Afghan capacity has hindered U.S. reconstruction efforts in Afghanistan. For example, the initial work to refurbish the Kajaki Dam power plant was stalled for almost 2 years between 2006 and 2008 due to security concerns. This power plant is a vital component of Afghanistan's power network. However, as of February 2009, repair work was again underway. Another example is road reconstruction, which, according to USAID officials, has experienced significant delays and higher costs associated with the deteriorating security situation. In an effort to address limited capacity issues, USAID provided a wide variety of training, including technical assistance and literacy training and, since 2005, has included capacity building in its contracts as part of program support. Additional information concerning Afghan government capacity is found in Enclosure VII.

Oversight Questions

1. How are reconstruction programs evaluated for effectiveness and impact?
2. How effective are programs in insecure areas? What are the development priorities in the most insecure areas? What strategies does USAID have to maintain ongoing efforts in these areas?
3. How have alternative development programs changed over time given USAID plans to transition from short-term pay-for-work projects to longer-term projects?
4. How are CERP funds being used in Afghanistan? To what extent is DOD taking steps to ensure an adequate workforce with sufficient training and expertise to manage and oversee CERP? How does DOD track CERP projects? What is the impact of increased DOD funding on reconstruction?
5. How do DOD and USAID coordinate their reconstruction projects with each other and other donors who provide assistance in the same area?

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¹In our previous work on CERP in Iraq, we identified the need for stronger management and oversight of CERP which is also applicable to Afghanistan.

Enclosure VII: Afghan Government Capacity



Background

Afghanistan is struggling to recover from decades of warfare and economic neglect. It is one of the poorest countries in the world, has a high illiteracy rate resulting from limited access to basic education, much of its population lacks basic skills, and government ministries have difficulty executing their budgets.

Afghanistan's Population Is Largely Untrained

Afghanistan Will Remain Dependent on Foreign Assistance to Maintain Government Services

Issue

According to the Afghan National Development Strategy (ANDS), capacity is the ability of individuals, institutions, and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner. Capacity development is the process by which these abilities are gained, strengthened, adapted, and maintained over time. A lack of capacity in virtually all areas remains a major constraint to Afghanistan's recovery and transformation, hindering the government's ability to bring about peace and security, eliminate corruption, develop the economy, increase the participation of women, and ensure appropriate care of the environment. Since 2002, the United States has provided nearly \$2.5 billion on democracy, governance, and rule of law in Afghanistan.

Key Findings

According to the ANDS, more than 70 percent of Afghanistan's population is illiterate. The illiteracy level poses problems in recruiting police, prosecutors, investigators, and even trained administrative staff, according to U.S. and UN officials. U.S. officials also noted that a lack of basic computer skills makes it difficult to run modern management systems. Moreover, trained staff often leave the government for better paying jobs with donor countries or nongovernmental organizations, leaving Afghan ministries with fewer adequately trained staff. For example, the United Nations provided the Afghan government with a small lab for drug testing, but had to staff and fund the lab due to a shortage of capable local staff and resources. According to U.S. officials, most development programs now include a form of capacity building. For example, USAID is strengthening literacy training and training Afghan ministries how to tender and manage contracts.

Afghanistan continues to lack the ability to cover its government expenditure plans without foreign assistance. Table 3 details the ANDS's overall funding and expenditures between 2008 and 2013 and estimated shortfalls that will require international funding and support.

Table 3: Overall Anticipated Funding and Projected Expenditures for the ANDS, 2008-2013

U.S. Dollars in Millions	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Funding						
Domestic revenue	\$887	\$1,104	\$1,351	\$1,611	\$1,911	\$6,864
Total assistance from donors	6,513	4,960	4,814	4,398	3,908	24,593
Total funding	7,400	6,064	6,165	6,009	5,819	31,457
Expenditures						
Security	3,219	2,585	2,679	2,790	2,906	14,179
Infrastructure	1,781	3,093	3,681	4,180	4,451	17,185
Agriculture and rural development	829	921	916	909	912	4,486
Education and culture	742	893	980	1,077	1,181	4,872
Good governance and rule of law	374	558	640	685	728	2,985
Health and nutrition	325	465	530	563	595	2,478
Economic governance and private sector development	237	215	230	244	260	1,186
Social protection	192	359	394	421	449	1,815
Others	205	198	185	170	157	915
Total expenditures	7,903	9,286	10,236	11,038	11,637	50,100
Total shortfall	-\$503	-\$3,222	-\$4,071	-\$5,029	-\$5,818	-\$18,643

Source: Afghanistan National Development Strategy.

Afghan Ministries Are Not Sustaining and Maintaining Development Projects and Programs

Donor assistance accounts for about 88 percent of Afghanistan's total funding during the 2008-2009 budget year; however, this assistance is expected to decline to about 67 percent of total funding by the 2012-2013 budget year. Moreover, Afghanistan's total expenditures exceed its total funding and these shortfalls are expected to increase.

Afghanistan lacks the capacity to sustain and maintain many programs and projects put in place by donors. USAID rated the capability of 14 of 19 Afghan ministries and institutions it works with as 1 or 2 on a scale of 5, with 1 representing the need for substantial assistance across all areas and 5 representing the ability to perform without assistance. While USAID noted there has been overall improvement among the ministries and institutions in recent years, none were given a rating of 5. For example, in 2008 we reported that a sustainable road maintenance program was not established, although it is a goal of the Afghan government and international donors. The Afghan government's support of this goal has been limited due to factors such as a lack of resources and a fragmented institutional organization. As a result, donors have agreed to fund road maintenance to protect their investments. The USAID Inspector General also found that an urban water and sanitation project did not ensure system operators were adequately trained or Afghan ministries with water and sanitation responsibilities had adequate plans in place to assure the financial and operational sustainability of the systems. Nevertheless, several ministries, such as the Ministries of Finance and Public Health, received ratings of 4 and have demonstrated improved capacity.

2009 and 2010 Afghanistan Elections Are Delayed Due to Limited Capacity

According to State and USAID officials, Afghanistan lacks the funds to pay for its 2009 and 2010 elections and will have to rely on donor pledges from the United States and other nations to fund them. Although Afghanistan expects to receive funding for the 2009 presidential elections, it was not sufficiently organized to hold them this spring as required by the Afghan constitution and had to delay them to August.

Pervasive Corruption Exacerbates Afghanistan's Capacity Problems

According to the ANDS, Afghanistan's capacity problems are exacerbated by government corruption, a significant and growing problem in the country. The country ranked 117 out of 159 on Transparency International's 2005 Corruption Perception Index. In 2008, Afghanistan's corruption ranking fell to 176 out of 180. Also according to the ANDS, the causes of corruption in Afghan public administration can be attributed to a series of factors such as: a lack of institutional capacity of public administration, weak legislative and regulatory frameworks, limited enforcement of laws and regulations, poor and non-merit-based qualifications of public officials, low salaries of public servants, a dysfunctional justice sector, and illegal profits through the opium trade. Furthermore, the sudden influx of donor money into a system already suffering from poorly regulated procurement practices increases the risk of corruption and waste of resources.

Oversight Questions

1. How is the United States working to develop Afghan government capacity at the appropriate central government and provincial levels?
2. How will the Afghan government sustain programs and projects put in place by foreign donors?
3. What impact will the delay in elections have on the U.S. ability to work effectively with the Afghan government?
4. What efforts has the United States made to enhance Afghan accountability and reduce corruption?

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Enclosure VIII: Accountability for U.S.- Provided Weapons in Afghanistan

Background

DOD, through its Combined Security Transition Command-Afghanistan (CSTC-A) and with State support, directs international efforts to train and equip the Afghan National Security Forces (ANSF). The U.S. Army and Navy have procured small arms and light weapons for the ANSF. CSTC-A also has obtained weapons for the ANSF from international donors.

DOD Could Not Fully Account for ANSF Weapons







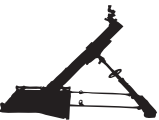
Issue

From June 2002 through June 2008, DOD obtained about 380,000 small arms and light weapons for the ANSF, including machine guns; pistols; rifles; shotguns; mortars; and launchers for missiles, rockets, and grenades. DOD and 21 donor nations reported the value of these weapons at over \$223 million. Given the unstable security conditions in Afghanistan, the risk of loss and theft of these weapons is significant. We previously reported lapses in accountability for similar arms provided to Iraqi security forces, and in August 2008, the Under Secretary of Defense for Intelligence emphasized the importance of safeguarding weapons intended for the ANSF, stating that “the security of conventional arms, ammunition, and explosives is paramount, as the theft or misuse of this material would gravely jeopardize the safety and security of personnel and installations world-wide.”

Key Findings

DOD did not establish clear guidance for U.S. personnel to follow when obtaining, transporting, and storing weapons for the ANSF, resulting in significant lapses in accountability. While DOD has accountability requirements for its own weapons, including serial number tracking and routine inventories, it did not clearly specify whether they applied to ANSF weapons under U.S. control. GAO estimates the U.S. Army and CSTC-A did not maintain complete records for about 87,000, or 36 percent, of the 242,000 U.S.-procured weapons shipped to Afghanistan (see fig. 8).

Figure 8: U.S.-Procured Weapons Shipped to Afghanistan for the ANSF, Dec. 2004-June 2008

Weapon category	Quantity shipped
 Rifles	117,163
 Pistols	62,055
 Machine guns	35,778
 Grenade launchers	18,656
 Shotguns	6,704
 Rocket-propelled grenade launchers	1,620
 Mortars and other weapon	227
Total	242,203

Source: GAO analysis of Defense data.

Despite Training Efforts, the ANSF Cannot Fully Safeguard and Account for Weapons

Continued Oversight Needed to Ensure Corrective Actions Are Taken to Improve Weapons Accountability

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For about 46,000 weapons, the Army could not provide serial numbers, and GAO estimates CSTC-A did not maintain records on the location or disposition of about 41,000 weapons with recorded serial numbers. CSTC-A also did not maintain reliable records for about 135,000 weapons it obtained for the ANSF from 21 other countries. Accountability lapses occurred throughout the supply chain and were primarily due to a lack of clear direction and staffing shortages. During our review, CSTC-A began correcting some shortcomings, but indicated its continuation of those efforts depends on its ability to address staffing shortages and other factors that have impeded its efforts.

Despite CSTC-A's training efforts, ANSF units cannot fully safeguard and account for weapons and sensitive equipment. DOD and State have deployed hundreds of trainers and mentors to help the ANSF establish accountability practices. CSTC-A's policy is not to issue equipment without verifying that appropriate supply and accountability procedures are in place. Although CSTC-A has not consistently assessed ANSF units' ability to account for weapons, mentors have reported major accountability weaknesses, which CSTC-A officials and mentors attribute to a variety of cultural and institutional problems, including illiteracy, corruption, and unclear guidance. Further, CSTC-A did not begin monitoring the end use of sensitive night vision devices until 15 months after issuing them to Afghan National Army units.

We made several recommendations to help improve accountability for weapons and other sensitive equipment DOD provides to the ANSF, including that DOD (1) establish clear accountability procedures for weapons while they are in the control and custody of the United States and direct the Army, CSTC-A, and other military organizations involved in providing these weapons to track all weapons by serial number and conduct routine physical inventories; (2) direct CSTC-A to specifically assess and verify each ANSF unit's capacity to safeguard and account for weapons and other sensitive equipment before providing such equipment, unless a specific waiver or exception is granted; and (3) devote adequate resources to CSTC-A's effort to train, mentor, and assess the ANSF in equipment accountability matters. DOD concurred with these recommendations and has taken some initial corrective action but did not state when the shortcomings we identified would be fully addressed. In March 2009, the new administration indicated that it will send about 4,000 troops to help train and support the ANSF.

Oversight Questions

1. What progress has DOD made in implementing serial number tracking and routine physical inventories of weapons intended for the ANSF?
2. To what extent has CSTC-A begun to systematically assess the ability of all ANSF units to account for weapons and other equipment and monitor progress?
3. To what extent have DOD and the ANSF accounted for weapons and other equipment provided to train and equip the ANSF?
4. What are DOD's plans for utilizing the additional 4,000 troops to assist with weapons accountability?



Background

DOD, State, and USAID have relied on contractors to support troops and civilian personnel and conduct reconstruction efforts in Afghanistan. For fiscal year 2007, DOD obligated approximately \$3.2 billion on contracts performed in Afghanistan, with State and USAID reporting obligations of \$562.5 million and \$427.5 million, respectively.

Agencies' Ability to Manage Contractors in Afghanistan Undermined by Systemic Challenges

Agencies' Capacity to Oversee Contractors Needs to Be Increased

Enclosure IX: Oversight of Contractor Performance in Afghanistan

Issue

Since the 2001 overthrow of the Taliban, contractors have played a key role in U.S. efforts to stabilize and rebuild Afghanistan. Contractors have been hired to construct roads and buildings, increase agricultural capacity, develop Afghan government ministries' management capacity, train Afghan police, maintain U.S. weapons systems, and provide security and logistical services to U.S. forces and other government personnel. As the administration plans to increase the U.S. military presence in Afghanistan and develops an overarching reconstruction strategy, it will need to determine the types and extent of contractor support required. At the same time, DOD, State, and USAID need to overcome challenges associated with the procurement, management, and oversight of contractor performance.

Key Findings

DOD's, State's, and USAID's ability to effectively manage contractors in Afghanistan has been undermined by several systemic challenges, including a failure to clearly define contract requirements and a lack of acquisition and oversight personnel with experience working in contingency operations. These challenges have contributed to higher costs, schedule delays, and operational impacts. For example:

- In September 2008, the DOD Inspector General reported that contracts for construction at a U.S. air field often did not clearly define acceptable standards for construction. This, combined with a lack of qualified oversight personnel, contributed to the U.S. government accepting poor quality buildings and projects from the contractor. The U.S. government then paid the contractor at least \$3.4 million to bring these buildings and projects up to acceptable standards. Not only did costs increase, but U.S. military units also experienced delays in receiving fully useable facilities.
- As we reported in July 2008, USAID had not completed project designs or conducted detailed assessments before awarding road construction contracts. As a result, work plans were modified during construction contributing to a \$28 million cost increase on a 326-kilometer road project linking Kandahar to Herat.
- In September 2007, the State Inspector General found that State had neither clearly defined authority and responsibility nor developed standard policies and procedures for its personnel to monitor contractor-held property. As a result, State could not determine the total quantity and costs of acquired property or whether that property, which included vehicles and weapons, was needed or received. Nevertheless, State accepted and approved \$28.4 million for payment on questionable vouchers submitted by the contractors.

The agencies' reliance on contractors in Afghanistan requires that each have a sufficient number of acquisition and contractor oversight personnel to effectively manage and oversee contractors. Our work, as well as that of others, found that as the United States increased its planned level of reconstruction in Iraq, the increased workload strained the agencies' acquisition and oversight capacity. DOD is developing new policies to improve contracting and the management of contractors in contingency operations such as Afghanistan and Iraq, but not all of these policies have been issued and the impact of those that have been issued remains to be seen. In addition,

Poor Security Environment Impacts Contract Outcomes and Oversight

Level and Nature of Contractor Support Needs to Be Assessed

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USAID acknowledged the need for and requested additional contracting personnel staff based on a recently developed strategic plan.

Afghanistan's poor security situation has contributed to U.S. funds being expended without achieving the desired program outcomes and with limited U.S. government oversight of contractors working on those projects. For example, because attacks prevented contractors from working on an Afghan road to the Kajaki dam, USAID terminated the road contract after it had spent about \$5 million on it. State and USAID officials also have reported that poor security inhibited their oversight of opium eradication projects outside Kabul and that planned oversight trips may be cancelled at any time if sufficient military personnel are not available to provide security. As in Iraq, private security contractors are being used in Afghanistan to protect U.S. officials. We have previously reported on the importance of the management and oversight of contractors.

As the number of U.S. military forces in Afghanistan increases and reconstruction efforts continue, the three agencies will need to assess the roles and responsibilities of contractor personnel. We found, for example, that DOD's increased use of contractors at deployed locations was the result of thousands of individual decisions, not a result of a strategic or deliberate planning process. Moreover, the agencies' ability to do such an assessment is hindered by their limited insight into the extent to which they rely on contractor personnel. DOD, State, and USAID could not provide complete, reliable data on the number of contractor personnel in Afghanistan for our October 2008 report. The agencies have begun using a DOD database to track contractor personnel in Afghanistan; however, DOD has acknowledged that there are weaknesses in the system for tracking personnel and it does not routinely evaluate the completeness of the data.

Oversight Questions

1. What are the desired mix, roles, and responsibilities of military, civilian, and contractor personnel in light of increased U.S. military and ongoing reconstruction efforts? What actions are needed to achieve this desired mix?
2. Do DOD, State, and USAID have adequate staff resources in Afghanistan to ensure the appropriate level of contract management and contractor oversight? Do existing staff resources have adequate training and guidance?
3. When does DOD expect it will issue and fully implement the remaining policies designed to improve contracting and the management of contractors in contingency operations? What mechanisms has DOD established to assess the effectiveness of these policies? What efforts do State and USAID have underway to improve contracting and the management of contractors in contingency operations?
4. To what extent can contractor oversight, particularly with respect to reconstruction and counternarcotics efforts, be effectively carried out in the existing Afghan security environment?
5. What framework has been established to govern and regulate the use of private security contractors in Afghanistan?
6. What actions are DOD, State, and USAID taking to improve their ability to track and identify contractor personnel in Afghanistan? To what extent do these agencies know what functions contractors are performing?

Appendix I: Related GAO Products

Iraq and Afghanistan: Security, Economic, and Governance Challenges to Rebuilding Efforts Should Be Addressed in U.S. Strategies. [GAO-09-476T](#). Washington, D.C.: March 25, 2009.

Global War on Terrorism: DOD Needs to More Accurately Capture and Report the Costs of Operation Iraqi Freedom and Operation Enduring Freedom. [GAO-09-302](#). Washington, D.C.: March 17, 2009.

Afghanistan Security: U.S. Programs to Further Reform Ministry of Interior and National Police Challenged by Lack of Military Personnel and Afghan Cooperation. [GAO-09-280](#). Washington, D.C.: March 9, 2009.

Securing, Stabilizing, and Developing Pakistan's Border Area with Afghanistan: Key Issues for Congressional Oversight. [GAO-09-263SP](#). Washington, D.C.: February 23, 2009.

Afghanistan Security: Corrective Actions Are Needed to Address Serious Accountability Concerns about Weapons Provided to Afghan National Security Forces. [GAO-09-366T](#). Washington, D.C.: February 12, 2009.

Iraq and Afghanistan: Availability of Forces, Equipment, and Infrastructure Should Be Considered in Developing U.S. Strategy and Plans. [GAO-09-380T](#). Washington, D.C.: February 12, 2009.

Afghanistan Security: Lack of Systematic Tracking Raises Significant Accountability Concerns about Weapons Provided to Afghan National Security Forces. [GAO-09-267](#). Washington, D.C.: January 30, 2009.

Provincial Reconstruction Teams in Afghanistan and Iraq. [GAO-09-86R](#). Washington, D.C.: October 1, 2008.

Contingency Contracting: DOD, State, and USAID Contracts and Contractor Personnel in Iraq and Afghanistan. [GAO-09-19](#). Washington, D.C.: October 1, 2008.

Afghanistan Reconstruction: Progress Made in Constructing Roads, but Assessments for Determining Impact and a Sustainable Maintenance Program Are Needed. [GAO-08-689](#). Washington, D.C.: July 8, 2008.

Afghanistan Security: U.S. Efforts to Develop Capable Afghan Police Forces Face Challenges and Need a Coordinated, Detailed Plan to Help Ensure Accountability. [GAO-08-883T](#). Washington, D.C.: June 18, 2008.

Afghanistan Security: Further Congressional Action May Be Needed to Ensure Completion of a Detailed Plan to Develop and Sustain Capable Afghan National Security Forces. [GAO-08-661](#). Washington, D.C.: June 18, 2008.

Questions for the Record Related to the Benefits and Medical Care for Federal Civilian Employees Deployed to Afghanistan and Iraq. [GAO-08-155R](#). Washington, D.C.: October 16, 2007.

Securing, Stabilizing, and Reconstructing Afghanistan: Key Issues for Congressional Oversight. [GAO-07-801SP](#). Washington, D.C.: May 24, 2007.

Military Operations: The Department of Defense's Use of Solatia and Condolence Payments in Iraq and Afghanistan. [GAO-07-699](#). Washington, D.C.: May 23, 2007.

Afghanistan Drug Control: Despite Improved Efforts, Deteriorating Security Threatens Success of U.S. Goals. [GAO-07-78](#). Washington, D.C.: November 15, 2006.

Afghanistan Reconstruction: Despite Some Progress, Deteriorating Security and Other Obstacles Continue to Threaten Achievement of U.S. Goals. [GAO-05-742](#). Washington, D.C.: July 28, 2005.

Afghanistan Security: Efforts to Establish Army and Police Have Made Progress, but Future Plans Need to Be Better Defined. [GAO-05-575](#). Washington, D.C.: June 30, 2005.

Afghanistan Reconstruction: Deteriorating Security and Limited Resources Have Impeded Progress; Improvements in U.S. Strategy Needed. [GAO-04-403](#). Washington, D.C.: June 2, 2004.

Foreign Assistance: Observations on Post-Conflict Assistance in Bosnia, Kosovo, and Afghanistan. [GAO-03-980T](#). Washington, D.C.: July 18, 2003.

Foreign Assistance: Lack of Strategic Focus and Obstacles to Agricultural Recovery Threaten Afghanistan's Stability. [GAO-03-607](#). Washington, D.C.: June 30, 2003.

Appendix II: GAO Contact and Acknowledgments

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