

February 2009

SECURING,
STABILIZING, AND
DEVELOPING
PAKISTAN'S BORDER
AREA WITH
AFGHANISTAN

Key Issues for
Congressional
Oversight



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Abbreviations

ATA	Department of State's Antiterrorism Assistance
CENTCOM	U.S. Central Command
CSF	Coalition Support Funds
DEA	Drug Enforcement Administration
ESF	USAID's Economic Support Fund
FATA	Federally Administered Tribal Areas
FBI	Federal Bureau of Investigation
FCR	Frontier Crimes Regulations
FY	fiscal year
GDP	Gross Domestic Product
IMF	International Monetary Fund
INL	Department of State's Bureau of International Narcotics and Law Enforcement
NWFP	North West Frontier Province
OPDAT	Department of Justice's Office of Overseas Prosecutorial Development, Assistance and Training
USAID	U.S. Agency for International Development

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United States Government Accountability Office
Washington, DC 20548

February 23, 2009

Congressional Requesters

Since 2002, destroying the terrorist threat and closing the terrorist safe haven along Pakistan's border with Afghanistan have been key national security goals. The United States has provided Pakistan, an important ally in the war on terror, with more than \$12.3 billion for a variety of activities, in part to address these goals. About half of this amount has been to reimburse Pakistan for military-related support, including combat operations in and around the Federally Administered Tribal Areas (FATA). Despite 6 years of U.S. and Pakistani government efforts, al Qaeda has regenerated its ability to attack the United States and continues to maintain a safe haven in Pakistan's FATA. As the United States considers how it will go forward with efforts to assist Pakistan in securing, stabilizing, and developing its FATA and Western Frontier bordering Afghanistan, it is vital that efforts to develop a comprehensive plan using all elements of national power be completed and that continued oversight and accountability over funds used for these efforts are in place. As such, we have enclosed a series of issue papers for your consideration.¹ These papers focus on U.S. efforts in Pakistan's FATA and the Western Frontier and are largely based on GAO reports, briefings, and testimonies provided to Congress in 2008.

In 2008, we issued three products and delivered two testimonies before Congress on Pakistan covering various aspects of U.S. efforts to combat terrorism in the FATA.² In summary, we reported that:

¹GAO plans to issue similar issue papers on Iraq (March 2009) and Afghanistan (April 2009).

²GAO, *Combating Terrorism: Increased Oversight and Accountability Needed over Pakistan Reimbursement Claims for Coalition Support Funds*, [GAO-08-806](#) (Washington, D.C.: June 24, 2008); *Combating Terrorism: U.S. Oversight of Pakistan Reimbursement Claims for Coalition Support Funds*, [GAO-08-932T](#) (Washington, D.C.: June 24, 2008); *Combating Terrorism: U.S. Efforts to Address the Terrorist Threat in Pakistan's Federally Administered Tribal Areas Require a Comprehensive Plan and Continued Oversight*, [GAO-08-820T](#) (Washington, D.C.: May 20, 2008); *Preliminary Observations on the Use and Oversight of U.S. Coalition Support Funds Provided to Pakistan*, [GAO-08-735R](#) (Washington, D.C.: May 6, 2008); *Combating Terrorism: The United States Lacks Comprehensive Plan to Destroy the Terrorist Threat and Close the Safe Haven in Pakistan's Federally Administered Tribal Areas*, [GAO-08-622](#) (Washington, D.C.: Apr. 17, 2008).

-
- The United States had not met its national security goals to destroy terrorist threats and close the safe haven in Pakistan's FATA;
 - The United States lacked a comprehensive plan to meet these goals that included all elements of national power—diplomatic, military, intelligence, development assistance, economic, and law enforcement support—called for by various national security strategies and Congress, as well as key components we have previously reported as being needed to improve the effectiveness of plans involving multiple departments; and
 - Increased oversight and accountability was needed over Pakistan's reimbursement claims for Coalition Support Funds (CSF).

Based on our work, we made recommendations to the National Security Advisor and the Director of the National Counterterrorism Center relating to the development of a comprehensive plan to combat the terrorist threat in the FATA, and to the Department of Defense (Defense) on the improvement of oversight of CSF reimbursements to Pakistan.

Responsiveness to our recommendation to develop a comprehensive plan has varied. For example, officials from Defense and the U.S. Agency for International Development (USAID) generally concurred with our April 2008 recommendations on the need to develop a comprehensive plan using all elements of national power to combat the terrorist threat and close the terrorist safe haven. The Department of State (State) asserted that a comprehensive plan exists, while the Office of the Director of National Intelligence and the National Counterterrorism Center stated in their April 2008 comments, as well as in an August 2008 follow-up letter, that plans to combat terrorism exist.³ We do not assert that the United States lacks individual agency plans to destroy the terrorist threat in the FATA; rather, we found that there was no comprehensive plan that integrated the combined capabilities of Defense, State, USAID, the intelligence community, and others, and included key components we called for in our report to meet U.S. national security goals in Pakistan. As of January 2009, neither the National Security Council, the National Counterterrorism Center, nor Defense, State, or USAID, has produced for our review a comprehensive plan as recommended in our April 2008 report. Defense concurred with the recommendations in our June 2008 CSF report on accountability over CSF reimbursements. In response,

³The National Security Council provided no comments.

Defense issued new guidance and traveled to Pakistan to begin working with Pakistani and U.S. Defense officials to implement this guidance.

The enclosures that follow provide background information on Pakistan; the status of U.S. government efforts to develop a comprehensive plan; and information on the goals, funding, and current status of U.S. efforts to use various elements of national power (i.e., military, law enforcement, development and economic assistance, and diplomacy) to combat terrorism in Pakistan. The scope of this report does not include the plans, goals, operations, activities, and accomplishments of the intelligence community. Included in these enclosures are oversight issues for Congress and the new administration to consider. The final enclosure discusses oversight and accountability issues relating to U.S. funds or assistance provided to Pakistan.

These enclosures incorporate updated information from agency program documents through February 2009 as well as budget information through fiscal year 2008. We discussed the updated status of our prior findings and recommendations with Departments of Defense, State, Justice, and USAID officials involved in efforts to meet national strategic goals in the FATA and Western Frontier, as well as the status of the U.S. effort to implement the various elements of national power. We conducted this performance audit from August 2008 through February 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.

We requested comments from the National Security Council, the Office of the Director of National Intelligence, Defense, Justice, State, and USAID. The National Security Council and the Office of the Director of National Intelligence did not provide comments. We received technical comments from Defense, Justice, State, and USAID, which we incorporated throughout the report where appropriate.

We are sending copies of this report to Members of Congress, cognizant congressional committees, the President and Vice President of the United States, and executive branch agencies. The report also is available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact Charles Michael Johnson at (202) 512-7331 or johnsoncm@gao.gov. In addition to the contact named above, Steve Sebastian, Director; Hynek Kalkus, Assistant Director; Roger Stoltz, Assistant Director; Edward J. George; Claude Adrien; David W. Hancock; Cara Bauer; Janice Friedeborn; Karen Deans; and Mark Dowling made key contributions to this report. Contact points for our Office of Congressional Relations and Public Affairs can be found on the last page of this report.

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

Gene L. Dodaro
Acting Comptroller General of the United States

Enclosures

Congressional Requesters

The Honorable Howard Berman
Chairman

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

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

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

The Honorable Tom Harkin
The Honorable Robert Menendez
United States Senate

The Honorable Mike Pence
House of Representatives

Enclosure I: Pakistan Facts and Figures

Located in southern Asia, bordering the Arabian Sea, between India on the east, Iran and Afghanistan on the west, and China on the north, Pakistan's area is about 300,600 square miles, which is slightly less than twice the size of California (see fig. 1). It is divided into four provinces, the North West Frontier Province (NWFP), Punjab, Sindh, and Balochistan, as well as the FATA. The entire Pakistani/Afghan border, known as the Durand Line, is 1,640 miles of difficult, widely differentiated terrain, from the southern deserts of Balochistan to the northern mountain peaks of the NWFP.

The FATA is a tribal belt administered by the Pakistani government consisting of seven tribal agencies (Khyber, Kurram, North and South Waziristan, Mohmand, Bajaur, and Orakzai). Its area is approximately 10,500 square miles, roughly the same size as the state of Maryland. The FATA shares a 373-mile border with Afghanistan.

Figure 1: Pakistan and the FATA



Sources: GAO; USAID and Map Resources (maps).

Demographics and Development Indicators

Pakistan's population is estimated at roughly 170 million. Pakistan's largest ethnic groups include Punjabi (45 percent), Pashtun (15 percent), Sindhi (14 percent), Siraiki (8 percent), Mohajirs (8 percent), and Balochi (4 percent). Some ethnic groups predominantly populate specific regions, such as the Pashtun along both sides of the border with Afghanistan. Several languages are spoken in Pakistan, the most common being Punjabi (48 percent). Urdu and English are the official languages spoken in Pakistan. About 38 percent of the population is under age 15, and Pakistanis have a life expectancy of about 64 years. Islam is the predominant religion—75 percent of the population are Sunni and 20 percent are Shi'a.

Economy

Pakistan's principal natural resources are arable land, water, and energy reserves. Agriculture accounts for about 21 percent of Pakistan's gross domestic product (GDP) and employs about 42 percent of the labor force. The most important crops are cotton, wheat, rice, sugarcane, fruits, and vegetables, which together account for more than 75 percent of the value of total crop output. Pakistan exports rice, fish, fruits, and vegetables and imports vegetable oil, wheat, and cotton. Pakistan is a net food importer and the economic prominence of agriculture has declined since independence, when its share of GDP was around 53 percent. Pakistan's manufacturing sector accounts for about 25 percent of GDP. Cotton textile production and apparel manufacturing are Pakistan's largest industries, accounting for about 70 percent of total exports. Pakistan has extensive energy resources, including natural gas, oil, coal, and hydroelectric power potential. According to State officials, however, these energy resources are not fully exploited. For instance, domestic gas and petroleum production totals only about half the country's energy needs.

The World Bank considers Pakistan a low-income country and it is among the largest recipients of World Bank financial assistance. In fiscal year 2007, World Bank support to Pakistan totaled \$985 million, making it the seventh largest borrower in the world. Pakistan's economy also contends with structural problems and corruption.¹ Pakistan's macroeconomic situation deteriorated significantly because of large price increases in key

¹The Heritage Foundation's *2008 Index of Economic Freedom* ranked Pakistan's economy 93rd out of 157 countries. The index identified restrictive trade policies, a heavy fiscal burden, weak property ownership protections, and limited financial freedoms as issues. Corruption is another serious problem; in 2007, Berlin-based Transparency International placed Pakistan 138th out of 179 countries in its annual ranking of world corruption levels.

commodities such as oil and food. In November 2008, the IMF's Executive Board approved a \$7.6 billion loan for Pakistan to support its program to stabilize and rebuild the economy while expanding its social safety net to protect the poor. The loan is intended to enable the government to address economic concerns such as bringing down both the inflation rate and the budget deficit, while increasing expenditures on the poor through such measures as targeted electricity subsidies.

The FATA and the Pakistan-Afghan Border

The FATA, where al Qaeda and other militants have succeeded in establishing safe havens, has an estimated population of 3.1 million, and is characterized by harsh geography, poor education, and scarce infrastructure. The FATA is the poorest, least developed part of Pakistan. Literacy is only 17 percent, compared to the national average of 56 percent, and among women it is 3 percent. Annual per capita income is roughly \$250—half the national average. About 60 percent of households live beneath the poverty line. There is little employment in the industrial sector. The FATA's forbidding terrain, as shown in figure 2, further serves to isolate tribal communities from markets, health and education services, and many outside influences.

Figure 2: Village in the FATA



Source: GAO.

The FATA is governed by an administrative system and a judicial system different from the rest of Pakistan—the Frontier Crimes Regulations (FCR) of 1901, codified under British rule. Because Pakistan retained the colonial administrative and legal structures of the British, the FATA populations are legally separate from and unequal to other Pakistani citizens. Examples of differences under the FCR include the following:

- FATA residents do not have access to national political parties, and political parties are forbidden from extending their activities into the FATA.
- The FATA is under the direct executive authority of the president of Pakistan. Laws framed by the National Assembly of Pakistan do not apply in the FATA unless so ordered by the president, who is empowered to issue regulations for the tribal areas.
- FATA residents do not have the right to legal representation, to present material evidence, or to cross-examine witnesses in Pakistan’s judicial

system. Those convicted of crimes are denied the right of appeal in Pakistan's courts.

- The president's representatives to the FATA, who are called political agents, can punish an entire tribe for crimes committed on the tribe's territory by issuing fines, making arrests, implementing property seizures, and establishing blockades.

Some believe that the FCR is a culturally acceptable recognition of the tribal structure of the FATA, where the population is ethnically different from the majority of Pakistan's citizens, and precludes forced assimilation and that removing the FCR without a replacement mechanism that is accepted by the indigenous population has the potential to create a vacuum that could result in negative consequences. An announcement by Pakistani Prime Minister Yousaf Raza Gillani proposing the repeal of the FCR drew mixed reactions from tribesmen and political leaders, some of whom called for amendments to the FCR, rather than its repeal.

U.S. Funding to Pakistan

Since fiscal year 2002, the United States has provided Pakistan with approximately \$12.3 billion in assistance and reimbursements. Table 1 provides a breakdown of U.S. funds for Pakistan from fiscal year 2002 to 2008, broken out by elements of national power—military, law enforcement, diplomacy, development assistance, economic, and intelligence—that the administration's national security strategies and Congress have recognized are needed to address the terrorist threat emanating from the FATA.² Greater details for these elements of national power are provided in the following enclosures.

²Intelligence funding is covert and was not included in this report.

Enclosure I: Pakistan Facts and Figures

Table 1: U.S. Funding to Pakistan by Element of National Power, FY 2002-2008

Dollars in thousands

Element of national power ^a	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total	Percentage
Military	\$1,464,911	\$1,473,183	\$781,928	\$1,273,037	\$1,218,435	\$1,095,315	\$1,387,543	\$8,694,352	70.4%
Law enforcement	100,725	31,700	36,400	40,200	46,220	31,327	31,547	318,119	2.6%
Development & Economic	662,899	258,262	303,538	404,733	677,477	542,277	445,194	3,294,380	26.7%
Diplomacy ^b	3,486	3,957	6,811	5,869	9,144	8,735	1,497 ^c	39,499	0.3%
Total	\$2,232,021	\$1,767,102	\$1,128,677	\$1,723,839	\$1,951,276	\$1,677,654	\$1,865,781	\$12,346,350	

Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

^aThese elements of national power are based on National Strategies and other national security documentation. To classify the funding we relied on State budget documents and consultations with State Director of Foreign Assistance, and made judgments based on the nature of many of the programs funded. We combined the Development and Economic elements due to the similar nature of the programs funded. These figures do not include normal operating costs, such as salaries of U.S. government officials.

^bTo capture the diplomatic element of national power we combined programmatic State Public Diplomacy from the State Operations account with State Education and Cultural Exchange programs in Pakistan.

^cState did not provide GAO with FY 2008 State Education and Cultural Exchange funding.

Enclosure II: The United States Needs to Develop a Comprehensive Plan

In our April 2008 report, we reported that the U.S. government had not met its national security goals to destroy terrorist threats and close the safe haven in the FATA and had not developed a comprehensive plan reflecting the integration of multiple U.S. government agencies' efforts for meeting U.S. national security goals in Pakistan's FATA,¹ as called for by the National Strategy for Combating Terrorism (2003), the independent 9/11 commission (2004), and as mandated by congressional legislation (2007).² We also reported that the U.S. embassy in Pakistan has had no Washington-supported, comprehensive plan to combat terrorism and close the terrorist safe haven in the FATA. We concluded that a comprehensive plan to combat terrorism was needed. We noted that this plan should include, among other things, the various elements of national power and clear goals, objectives, priorities, and milestones in order to help ensure the continuity of effort and allow Congress and the American public to assess progress and ensure accountability of U.S. efforts in Pakistan's FATA and Western Frontier.

Prior Recommendations and Agency Responses

To address the lack of a comprehensive plan, we recommended that the National Security Advisor and the Director of the National Counterterrorism Center, in consultation with the Secretaries of Defense and State, and the Administrator of USAID, the intelligence community, and other executive departments as deemed appropriate, implement the congressional mandate to develop a comprehensive plan. We also recommended that the comprehensive plan include all elements of national power—diplomatic, military, intelligence, development assistance, economic, and law enforcement support—called for in the Intelligence Reform Act, the Implementing Recommendations of the 9/11 Commission Act of 2007, and components that we have previously reported as being needed to improve the effectiveness of plans involving multi-departmental efforts to combat terrorism. Specifically, we recommended that the plan should

- place someone directly in charge of this multi-department effort to improve accountability;

¹GAO, *Combating Terrorism: The United States Lacks Comprehensive Plan to Destroy the Terrorist Threat and Close the Safe Haven in Pakistan's Federally Administered Tribal Areas*, [GAO-08-622](#) (Washington, D.C.: Apr. 17, 2008).

²Implementing the Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53, sec. 2042).

- articulate a clear strategy to implement the national security goal to destroy terrorists and close the safe haven in the FATA;
- clarify roles and responsibilities of each department;
- provide guidance on setting funding priorities and providing resources;
- require a monitoring system; and
- provide periodic reports to Congress on the progress and impediments.

In written responses to our report, Defense and USAID concurred with the recommendation that a comprehensive plan should be developed; State asserted that a comprehensive plan existed; the NSC provided no comments; while the Office of the Director of National Intelligence and the National Counterterrorism Center stated that plans to combat terrorism exist. During a May 20, 2008, hearing before the Senate Foreign Relations Committee, the Deputy Secretary of State also indicated plans exist for a variety of efforts underway to assist Pakistan in combating terrorism, but he acknowledged that more can be done to integrate plans to focus on the threat along the Afghanistan-Pakistan border. The Deputy Secretary of State also indicated that efforts were underway to revisit the U.S. plans to focus on the key components suggested in our April 2008 report. The Office of the Director of National Intelligence noted in an August 2008 response to our request for a status update on the development of a comprehensive plan that it continues to disagree that the United States lacks plans to combat terrorism in Pakistan's FATA. The Director also noted that the United States has a multi-faceted strategy, with short- and long-term elements to increase the capability of Pakistani security forces to confront terrorist groups. We do not assert that the United States lacks individual plans; rather, we did not find nor were we provided a comprehensive plan that integrated the combined capabilities of Defense, State, USAID, the intelligence community, and others, and included key components we called for in our report to meet U.S. national security goals in Pakistan. As of January 2009, neither the National Security Council, the National Counterterrorism Center, nor Defense, State, or USAID has produced for our review an integrated comprehensive plan as recommended in our April 2008 report.

Efforts Underway to Improve Interagency Coordination

Since the release of our report in April 2008, the U.S. embassy in Islamabad has taken steps to coordinate the various efforts of Defense, USAID, and State to implement their department-specific efforts focused on combating terrorism in the FATA and Western Frontier. In addition, the embassy, in conjunction with State headquarters, was working to build support in Washington, D.C., for the need for a more comprehensive approach to combating terrorism, including greater integration of U.S. and Pakistani efforts in the FATA. State also continued to collect information on Defense, USAID, and State activities in the FATA, and added new objectives under the diplomatic element of national power, including (1) increased cross-border dialogue with Afghanistan, and (2) a public diplomacy objective intended to undermine the ideological foundation of extremism and bolster the image of the Pakistan government in the FATA.

State has staffed three new coordinator positions—one at State in Washington, D.C., and one each for the U.S. embassies in Pakistan and Afghanistan—intended to improve coordination among U.S. programs on each side and across the Pakistan–Afghanistan frontier. Their goals include (1) increasing interagency communications at the working level and (2) integrating elements of U.S. strategy into a comprehensive effort along the border. In addition, an Afghan-Pakistan Border Working Group was convened in July 2008 and has met seven times as of December 18, 2008. It includes representatives from the National Security Council; the Departments of State, Defense, Treasury, and Commerce; USAID, and the U.S. Trade Representative.

Oversight Questions

As the United States moves forward in its efforts to address the terrorist threat and close the safe haven, the following oversight issues should be addressed:

- What progress has been made in developing a comprehensive plan, as called for by the Intelligence Reform and Terrorism Prevention Act of 2004 and the Implementing the Recommendations of the 9/11 Commission Act of 2007?
- What obstacles or impediments have prevented the completion of a comprehensive plan?
- Are there sufficient resources devoted by the various agencies toward completing the development of a comprehensive plan to address U.S. national security goals in the FATA?

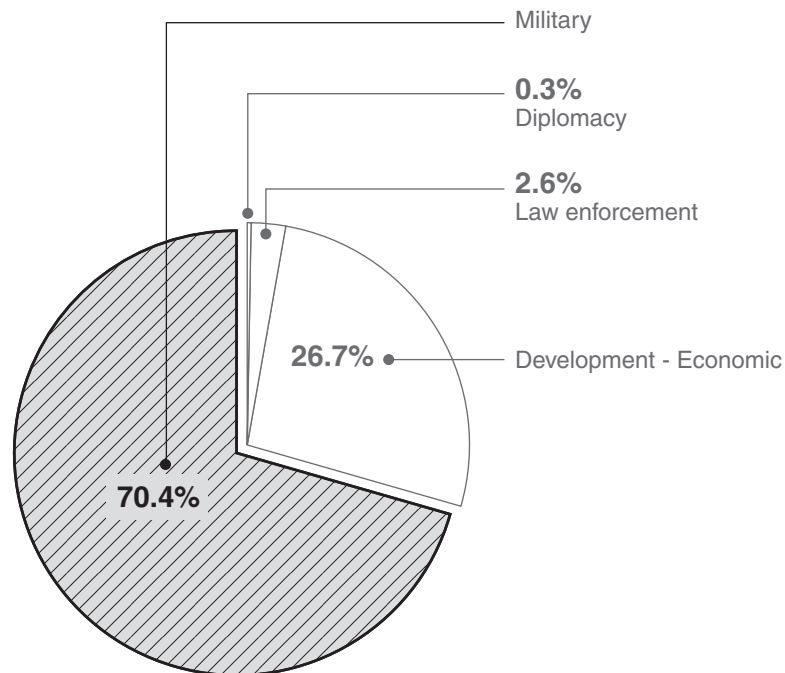
**Enclosure II: The United States Needs to
Develop a Comprehensive Plan**

-
- How well are the various agencies coordinating their efforts in developing a comprehensive plan and what interagency agreements, if any, have been reached?

Enclosure III: Use of Military Element of National Power

The United States has relied primarily on the use of the military element of national power to address national security-related priorities in Pakistan, providing about \$8.7 billion in military-related reimbursements and assistance since 2002. As figure 3 shows, the military element of national power has accounted for about 70 percent of U.S. funds devoted to addressing the U.S. strategic goals in Pakistan. This enclosure provides information on the U.S. military-related funding and programs for Pakistan including status of the U.S. Security Development Plan for FATA and the Western Frontier. It also highlights several oversight issues for Congress and the new administration to consider.

Figure 3: Percentage of Funding Devoted to Military Activities



Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Note: Funding figures do not include normal operating costs, such as salaries of U.S. government officials or funding for covert activities.

Table 2 indicates the amount and sources of U.S. military-related funding to Pakistan.

Table 2: U.S. Military-Related Funding to Pakistan, FY 2002-2008

Dollars in thousands

Funding source		FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
State	Foreign Military Financing	\$75,000	\$224,500	\$74,560	\$298,800	\$297,000	\$297,000	\$297,570	\$1,564,430
	International Military Education and Training	894	990	1,384	1,885	2,037	1,992	2,325	11,507
	Peacekeeping Operations	220,000	0	0	0	850	700	750	222,300
Defense	CSF Reimbursements	1,169,017	1,246,571	705,278	963,925	861,604	731,772	900,600	6,578,767
	Counterterrorism Fellowship Funding	0	1,122	706	727	744	998	816	5,113
	Counternarcotics Funding	0	0	0	7,700	28,700	49,100	54,700	140,200
	Section 1206 Funding	0	0	0	0	27,500	13,753	55,782	97,035
	Frontier Corps Train and Equip Authority	0	0	0	0	0	0	75,000	75,000
Total		\$1,464,911	\$1,473,183	\$781,928	\$1,273,037	\$1,218,435	\$1,095,315	\$1,387,543	\$8,694,352

Source: GAO analysis of budget documents provided by the State Director of Foreign Assistance.

Note: Funding figures in this table do not include normal operating costs, such as salaries of U.S. government officials.

U.S. Military-Related Programs in Pakistan

Coalition Support Funds Used to Reimburse Pakistan for Military Operations: CSF payments have been used since fiscal year 2002 to reimburse the Pakistani government for incremental costs (i.e., costs above and beyond normal operating costs) incurred in direct support of U.S. military operations associated with the war on terror.¹ CSF has reimbursed a broad range of Pakistani military operations, including navy support for maritime patrols and interdiction operations; air force support for combat air patrols, reconnaissance and close air support missions, airlift support, and air traffic control; army military operations in the FATA; and increased management requirements at the Pakistan Joint Staff Headquarters. These activities include Operation Al Mizan, a major deployment of the Pakistani army to combat al Qaeda, Taliban, and other

¹CSF is used to reimburse 27 coalition allies, of which Pakistan is the largest recipient.

militants in the North West Frontier Province and the FATA that began in 2001 and has continued in various phases to date. The goal of this operation was to intercept militants attempting to escape the U.S. invasion of Afghanistan by fleeing into Pakistan. According to Defense, Pakistan has deployed over 100,000 army and paramilitary troops in support of this operation, incurred more than 1,400 casualties, and killed hundreds of al Qaeda, Taliban, and other terrorists. According to Defense, CSF is critical to ensure Pakistan's continued support of U.S. efforts to combat terrorism. Defense officials stated that without CSF or a similar mechanism to reimburse Pakistan for its support, Pakistan could not afford to deploy military forces along the Pakistan-Afghanistan border.

Foreign Military Financing Program: Foreign Military Financing is the second-largest source of military-related funding provided to Pakistan, superseded only by CSF reimbursements. Foreign Military Financing has been used to provide grants for the acquisition of U.S. defense equipment to enable key allies to improve their defense capabilities and to foster closer military relationships between the United States and recipient nations. Pakistan has used Foreign Military Financing to purchase military equipment, such as Cobra helicopters, Harris radios, and upgrades to its F-16 fighter aircraft.

International Military Education and Training, Regional Defense Counterterrorism Fellowship Program, and Peacekeeping Operations: Both the International Military Education and Training and the Regional Defense Counterterrorism Fellowship Program provide training to foreign military and related civilian personnel. The International Military Education and Training program specifically allows these personnel to train at various U.S. military war colleges in the United States. The Regional Defense Counterterrorism Fellowship Program provides education and training to the same foreign personnel, but concentrates on counterterrorism activities intended to bolster the capacity of friendly foreign nations to detect, monitor, and interdict or disrupt the activities of terrorist networks. Additionally, Peacekeeping Operations funding is currently used by State to engage the Pakistan Ministries of Foreign Affairs and Defense to develop plans to increase Pakistan's capacity for conducting international peace support operations.

Security Development Plan: Defense's Security Development Plan, which seeks to enhance the counterinsurgency capacity of Pakistani security forces in FATA and the Western Frontier, has three objectives: (1) to secure Pakistan's border with Afghanistan, (2) to deny terrorists a safe haven in the FATA, and (3) to create a security environment that

allows economic development and political reform to begin. The plan encompasses Defense's initiatives in the FATA and the Western Frontier to achieve these goals and is funded through several sources: Counternarcotics, Section 1206, and Frontier Corps Train and Equip Authority. According to Defense officials, Defense Counternarcotics funding can be used to support counterterrorism efforts in Pakistan due to the nexus between terrorism and drug trafficking along the Pakistan-Afghanistan border. Section 1206 funds are used to build the capacity of foreign military forces to conduct counterterrorism operations or support U.S. military operations. The Frontier Corps Train and Equip Authority is an authority created in the fiscal year 2008 National Defense Authorization Act that allows Defense to provide assistance to enhance the ability of the Frontier Corps to conduct counterterrorism operations along the Pakistan-Afghanistan border. The plan calls for annual investments of around \$200 million through 2012. The centerpiece of the plan, according to Defense officials, is the expansion, training, and equipping of the Pakistan Frontier Corps, a paramilitary force that has previously experienced deficiencies in training and equipment.² The goal is to turn the Frontier Corps into a local security force capable of supporting Pakistan's counterinsurgency operations and providing sufficient security to allow for investments in local governance and economic development to yield results.

Training and Equipping of the Frontier Corps

The Security Development Plan seeks to assist the Pakistani government in establishing 16 new Frontier Corps units of about 650 personnel each capable of counterinsurgency operations. However, a deteriorating security environment has delayed the completion of a training center in the NWFP that was to be used to train Frontier Corps units. Defense expects that the facility will not be operational until early 2009.

As the additional Frontier Corps units proceed through training, Defense plans to supply each trainee with equipment needed to carry out their counterinsurgency efforts, such as helmets and protective vests. Defense is also currently supplying mobility equipment—pickup trucks, water trucks, ambulances, motorcycles—to existing Frontier Corps units already deployed to address existing mobility deficiencies. See figure 4 for an example of the mobility challenges posed by the mountainous terrain in the FATA.

²Beginning in 2007, responsibilities for training the Frontier Corps in the FATA shifted from State to Defense as part of Defense's Security Development Plan.

Figure 4: Frontier Corps Checkpoint in the FATA



Source: GAO.

Enhancement of Pakistani Military's Helicopter Capability

The Security Development Plan is also intended to support the maintenance and re-servicing of Pakistani army helicopters used for counter-insurgency operations in the FATA and Western Frontier, including Bell 412s, Cobra gunships, and MI-17 troop transports. Bell 412s are utility helicopters used primarily for command and control functions in the border region where there is rough terrain. These helicopters are also used for administrative airlift and have been equipped with door guns to use in the provision of security for Pakistani army convoy movements. Cobra gunships are used in the FATA to support ground forces with missiles, rockets, and guns. MI-17s are heavy-lift helicopters used to move commando units in and out of combat operations, including for medical evacuation (see fig. 5). According to Defense officials, these MI-17s are reaching their 1,500 flight hour marks, at which point they must go through mandatory re-servicing. Defense plans to enhance the operational readiness of all three helicopter types by providing initial maintenance and developing long-term sustainment programs. According to Defense officials, the MI-17s are particularly important for the air mobility of the Special Services Group Quick Reaction Squadron, a Pakistani army commando unit that conducts targeted counterterrorism missions in the

FATA and elsewhere. Under the Security Development Plan the Special Services Group Quick Reaction Squadron is being provided with night vision equipment as well as air assault training and tactics.

Figure 5: MI-17 Troop Transport



Source: Defense.

Border Coordination Centers

Finally, the Security Development Plan includes the establishment of six Border Coordination Centers to integrate border security operations. Their mission is to coordinate friendly forces and coordinate the interdiction of terrorists and others. Each center is to be staffed with officers from Afghanistan, Pakistan, and coalition forces, and will possess communications and surveillance capabilities intended to provide tactical intelligence to military forces on both sides of the border. The first center in Torkham, Afghanistan, became operational in October 2008. A second center is under construction in Afghanistan. Defense plans for the third and fourth Border Coordination Centers to be located on the Pakistan side of the border. The locations for the centers, however, have not been finalized with the Pakistani government.

The Security Development Plan May Face Funding Shortfall in Fiscal Year 2009

Defense estimated that around \$230 million would be required to fully support the Security Development Plan initiatives in fiscal year 2009. In fiscal year 2009, the plan received a total of \$62.5 million (\$37.5 million in counternarcotics funding and \$25 million in Frontier Corps Train and Equip Authority funding). As a result, Defense's Security Development Plan faces a shortfall of approximately \$167.5 million, about 73 percent of its funding goal for fiscal year 2009. As of December 2008, no existing security assistance funds have been re-directed toward the Security Development Plan. Defense officials stated that without dedicated long-term funding, implementation of the Security Development Plan may be hampered, and the training and equipping of the Frontier Corps could slow down by March 2009.

Oversight Questions

- To what extent do the U.S.-funded Pakistani military efforts align with the U.S. national security goals in Pakistan's FATA and Western Frontier? What are future U.S. plans and strategies for this area?
- What have been the results of the U.S. investment of about \$8.7 billion toward military efforts to address the terrorist threat and close the safe haven in Pakistan?
- To what extent do the U.S.-funded Pakistani military efforts assist in securing and stabilizing regions for development projects to be undertaken in the FATA and Western Frontier? How is Defense measuring the Pakistani military's adoption and success at implementing an effective counterinsurgency doctrine to accomplish military goals and to allow for economic development?
- What has the Security Development Plan accomplished to date and what are future objectives?
- How is the Security Development program coordinated with other U.S. efforts? For example, how has Defense's effort to train and equip the Frontier Corps built on prior State efforts under the Border Security Program to train and equip the Frontier Corps?
- Given the shortfall in funding noted by Defense officials to fully implement the Security Development Plan in fiscal year 2009, how does Defense envision funding the remainder of the Security Defense Plan? What effect does the current funding situation have on planning and implementation?
- What measures does the United States have in place to assess the readiness and capability of Frontier Corps units that have been trained and

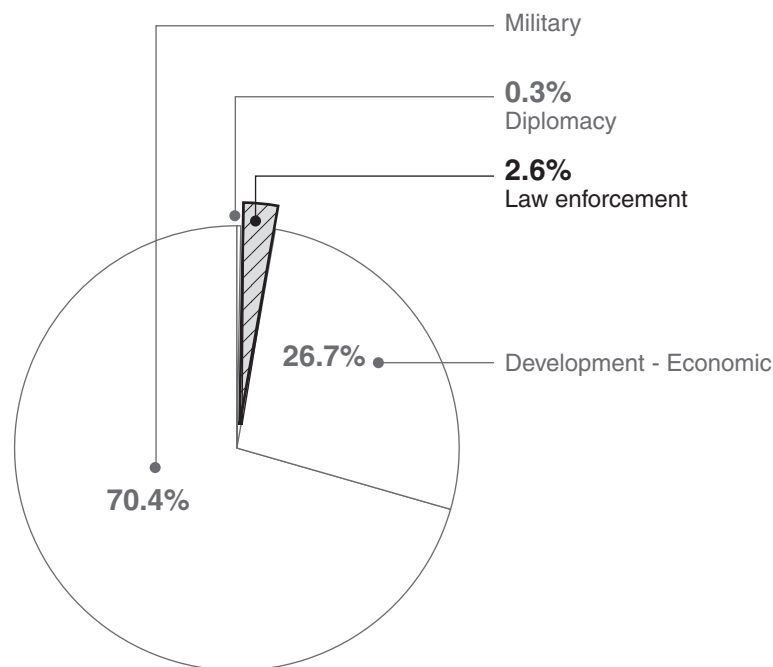
equipped under the U.S.-funded Security Development Plan?

- What is the level of oversight and accountability controls over equipment provided to the Frontier Corps?

Enclosure IV: Use of Law Enforcement Element of National Power

The United States has used the law enforcement element of national power to address national security-related priorities in Pakistan, providing about \$318 million in law enforcement-related assistance since 2002. As figure 6 shows, the law enforcement element of national power has accounted for about 3 percent of U.S. funds devoted to addressing the U.S. national security goals in Pakistan. This enclosure provides information on U.S. government agency efforts to provide law enforcement-related assistance to Pakistan, including the efforts of the Departments of State, Justice, and Treasury that relate to the training and equipping of law enforcement entities, improving law enforcement access, and combating terrorist financing. It also highlights several oversight issues for Congress and new administration to consider.

Figure 6: Percentage of Funding Devoted to Law Enforcement Activities



Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Note: Funding figures do not include normal operating costs, such as salaries of U.S. government officials or funding for covert activities.

Table 3 indicates the amount of U.S. law enforcement-related assistance to Pakistan. This funding is provided through the State Department's International Narcotics and Law Enforcement and Nonproliferation, Anti-terrorism, Demining, and Related Programs accounts. According to State,

it also provides a small amount of operational support for law enforcement agencies.

Table 3: U.S. Law Enforcement-Related Funding to Pakistan, FY 2002-2008

Dollars in thousands								
Funding source	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
International Narcotics and Law Enforcement	\$90,625	\$31,000	\$31,500	\$32,200	\$37,620	\$21,350	\$21,822	\$266,117
Nonproliferation, Anti-terrorism, Demining, and Related Programs	10,100	700	4,900	8,000	8,600	9,977	9,725	52,002
Total	\$100,725	\$31,700	\$36,400	\$40,200	\$46,220	\$31,327	\$31,547	\$318,119

Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

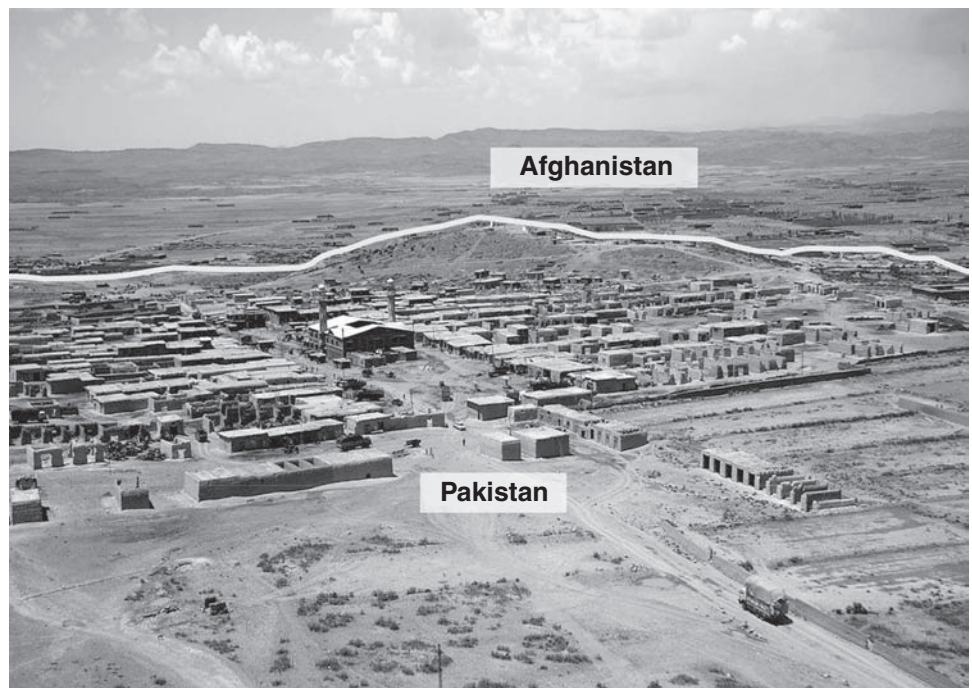
Note: Funding figures in this table do not include normal operating costs, such as salaries of U.S. government officials.

State's Border Security Program Focused on the FATA

State's Bureau of International Narcotics and Law Enforcement (INL) assists foreign nations in developing their law enforcement capacity. INL has three general assistance efforts in Pakistan: (1) the Border Security Program, (2) the counternarcotics program, and (3) law enforcement reform, which includes training and capacity building focused on the judicial system and rule of law programs.¹ INL funding from fiscal year 2002 through 2008 totaled about \$266 million. The Border Security Program and the counternarcotics program are intended to support and expand Pakistan's law enforcement capacity to secure the Afghan border and frontier regions against terrorists, narcotics traffickers, and other criminal elements. Figure 7 shows a community that spans both sides of the border.

¹The counternarcotics program focuses on eliminating poppy cultivation, inhibiting further cultivation, interdicting smugglers, building Pakistan government capacity, providing infrastructure for alternative livelihood, and reducing domestic demand. The program relies on law enforcement, air support, and judicial reform, which are bolstered by complimentary INL programs: the Border Security Program and the Law Enforcement Program. INL initiated law enforcement reform in fiscal year 2003, working mainly through the Department of Justice to focus on training and leadership/management development.

Figure 7: Village Spanning Both Sides of the Pakistan-Afghanistan Border



Source: Pakistan Military Operations Directorate.

The Border Security Program is State's primary law-enforcement effort to build the capacity of the Pakistani government to identify and arrest al Qaeda and Taliban terrorists and other criminals in Pakistan's border region with Afghanistan. State launched the Border Security Program shortly after the attacks of 9/11 to help the government of Pakistan better secure its western border and coast against exploitation by terrorists, drug traffickers, and other criminals and support bilateral cooperation with the government of Afghanistan. The Border Security Program's goals also include arresting criminals operating in the border region through combined use of ground forces and the Air Wing, expanding Pakistan's road and bridge network, constructing forts, outposts, and pickets for border security forces, and integrating modern law enforcement training techniques to enhance border security. The Border Security Program is a key law enforcement element of the U.S. embassy's strategy in the FATA, with efforts that include:

- improving law enforcement access within the FATA through road and outpost construction,

- providing training and equipment to law enforcement agencies operating in the FATA, and
- supplying technical and material support to law enforcement agencies operating on the western border.

Under the program, the United States has provided funding and assistance to Pakistan's Ministry of Interior; the Anti-Narcotics Force; the Frontier Corps in the FATA, NWFP, and Balochistan; and others.² It has also provided funds for the maintenance, support, and operating expenses of the Border Security Program-established Ministry of Interior Air Wing based in Quetta, Balochistan. The Air Wing, with three fixed-wing surveillance aircraft and nine Huey II helicopters, was intended to permit monitoring and interception of terrorists, drug traffickers, and other criminals operating in remote areas.³

Border Security Program Accomplishments

According to State, the Border Security Program has made progress toward many of its program goals. Program accomplishments cited by State include Pakistan's detaining roughly 600 suspected al Qaida and/or Taliban personnel, in part because of Border Security Program assistance. In addition, State indicates that the program helped Pakistan extend its authority into autonomous tribal border areas for the first time and substantially increased drug seizures. Reported progress on other efforts includes:

- construction of 137 of 176 planned outposts;
- construction of 113 of 370 planned kilometers of fully paved border security roads, and 2 of 18 bridges;
- provision of 2,496 vehicles and motorcycles, 1,012 night vision goggles and binoculars, 4,338 pieces of communications equipment, 1,824 bulletproof jackets, and 2,850 bulletproof helmets; and
- completion of 500 kilometers of gravel roads intended to extend the authority of the Pakistan government into previously inaccessible areas in

²The Border Security Program also provided funding to the Frontier Constabulary; the Federal Investigation Agency; the coast guard; and the Customs Department.

³State indicates that the Air Wing has the best operational rate of any helicopter unit in Pakistan and is the country's only nighttime-capable air unit. According to Defense, the operational rate was supported by civilian contractors for some maintenance.

the FATA and open these areas up to the mainstream economy, as illustrated in figure 8.

Figure 8: State/INL-Funded Road in the FATA Next to a Highway



Source: GAO.

Border Security Program Faces Implementation and Monitoring Challenges

Program managers in Washington and Pakistan have raised concerns about the implementation and impact of this program. For example, since 2005 the pace of road and bridge construction, as well as monitoring efforts, has slowed because Pakistan cannot guarantee the security of the work crews or U.S. end-use monitors; the security situation has caused the roads, bridges, and outpost construction efforts to be shut down for months or even years, as in the Waziristans since 2005. Additionally, U.S. trainers increasingly face security restrictions on conducting training at locations in the NWFP according to State officials. As a result, some training scheduled for the NWFP has been either postponed or moved to secondary locations near Islamabad.

Monitoring of the Border Security Program has been hampered by the deteriorating security situation in FATA and the NWFP, which has restricted travel in the last 3 years. State officials told us that this limits

their ability to monitor road construction progress in two of the seven FATA agencies, North and South Waziristan. According to State, in 2007, all monitoring visits to the FATA were cancelled for security reasons. In some instances, Pakistani officials were asked to bring the Border Security Program-supplied equipment to safer locations for inspection by embassy staff.

Other U.S. Government Law Enforcement Training Efforts in Pakistan

State also provides law enforcement training in Pakistan through its Antiterrorism Assistance (ATA) program. ATA's objectives are to provide partner nations with counterterrorism training and equipment, improve bilateral ties, and increase respect for human rights. ATA assistance generally consists of (1) training courses on tactical and strategic counterterrorism issues and (2) grants of counterterrorism equipment, such as small arms, bomb detection equipment, vehicles, and computers. ATA provides training primarily through contract employees and interagency agreements with other U.S. law enforcement agencies. According to our February 2008 report on ATA, Pakistan was the third largest recipient of ATA funding in the world.⁴

State has also funded law enforcement-related training activities carried out by Department of Justice agencies. In August 2002, the Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP) initiated an assistance program to increase the capacity of the Pakistan law enforcement agencies to combat major internal criminal activities and terrorist threats. ICITAP training has primarily been targeted to address three specific needs: (1) building training capacity by training institutional staff and assisting in revision of core curricula, (2) improving investigative skills and capability through training in crime scene processing and basic criminal investigation, and (3) improving management and leadership ability through training in modern police management practices. The ICITAP program in Pakistan encompasses three major areas of responsibility: (1) border security, (2) law enforcement reform, and (3) the Automated Fingerprint Identification System. According to Justice, the program has developed and presented more than 150 training programs in both the border security and law enforcement reform areas.

⁴See GAO, *Combating Terrorism: State Department's Antiterrorism Program Needs Improved Guidance and More Systematic Assessments of Outcomes*, [GAO-08-336](#) (Washington, D.C.: Feb. 29, 2008).

In addition, Justice has one representative in Islamabad from the Criminal Division's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT). OPDAT's mission is to develop and administer technical and developmental assistance designed to enhance the capabilities of foreign justice sector institutions and their law enforcement personnel to combat terrorism and other types of crime. According to Justice, an OPDAT assessment led to the placement of a Justice Resident Legal Advisor at the U.S. Embassy in 2006 to assist Pakistan in legal reforms. Since then, the Advisor has worked to improve Pakistan's anti-money laundering legislation, and monitored terrorism prosecutions and the government's closure of Islamic charities linked to terrorist organizations. According to Justice, funding for OPDAT activities comes from State INL funds.

The Drug Enforcement Administration (DEA) and the Federal Bureau of Investigation (FBI) both have mandates to assist host nations, such as Pakistan, combat threats emanating from criminal activities, including those associated with illicit drugs and terrorist activities. DEA has offices in Islamabad and Peshawar intended to target drug-related threats to American citizens. Although it has not been given the specific goal to assist foreign nations to combat terrorism, in response to the 9/11 terrorist attacks, it has expanded its intelligence capabilities and information sharing, and instituted a formal procedure to query its in-country sources on terrorist-related information, which is then shared with the FBI and other agencies involved with efforts to fight terrorism. According to DEA officials, DEA cannot access the FATA; however, DEA can query its in-country sources on terrorist-related information when they leave the FATA. DEA training has been focused on improving the counter-narcotics capabilities of their Pakistani counterparts.

The FBI operates a Legal Attaché office in Islamabad, Pakistan. The office is intended to (1) coordinate international investigations with their foreign nation colleagues; (2) cover international leads for domestic U.S. investigations; (3) link U.S. and international resources in critical criminal and terrorist areas to protect Americans at home and abroad; and (4) coordinate FBI training, including counterterrorism classes, for police in their geographic regions. The FBI has also provided terrorist financing and money laundering training to Pakistan's law enforcement agencies. It also reported providing other types of training, including post-blast crime scene instruction and training related to the prevention, interdiction, and investigation of terrorist acts.

The U.S. embassy also coordinates efforts by State, Justice, Treasury, and Homeland Security to assist Pakistan identify and disrupt terrorist financing. For terrorist financing, the embassy, working with representatives from the FBI's Legal Attache office and the Department of Homeland Security, provided the Pakistani government technical assistance to develop an anti-money laundering law and helped create a financial intelligence unit to implement the law and reduce sources of terrorist financing. Treasury provided Pakistan assistance on its draft money laundering legislation to ensure it meets minimum international standards. Nonproliferation, Anti-terrorism, Demining, and Related Programs provides the bulk of the funding for interagency assistance for counterterrorism financing programs in Pakistan, with additional support provided by International Narcotics and Law Enforcement funds.

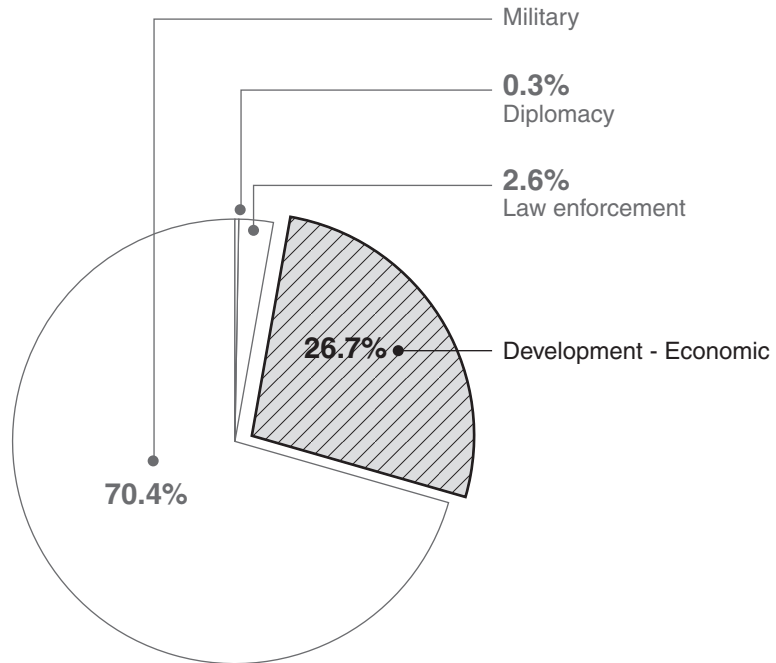
Oversight Questions

- What performance indicators are in place to measure progress toward the U.S. law enforcement goals in Pakistan's FATA and Western Frontier? What progress has been made through the various law enforcement efforts? What are the desired end states, and what are the expected time frames for completion?
- Given that several U.S. agencies are involved in various law enforcement activities in Pakistan, how well are law enforcement efforts in Pakistan coordinated among the various U.S. agencies?
- How effectively is the experience and expertise of the Department of Justice, its components, and others being used?
- To what extent are U.S. agencies working along the Afghanistan and Pakistan border sharing information on potential terrorists, drug traffickers, and other criminals?
- What are the anticipated costs of fully implementing the Border Security Program? What accountability measures are built into the Border Security Program to ensure U.S. funds are used as intended? How has State determined whether the Government of Pakistan deployed Border Security Program assets as intended?

Enclosure V: Use of Development and Economic Assistance Elements of National Power

The United States has used development and economic assistance to address national security-related priorities in Pakistan, providing about \$3.3 billion in related activities since 2002. As figure 9 shows, the development and economic assistance elements of national power have accounted for about 27 percent of U.S. funds devoted to addressing the U.S. strategic goals in Pakistan. The development and economic needs of Pakistan are considerable. Pakistan is one of the world's poorest countries and ranks near the bottom of several development indicator categories, such as literacy; nutrition; and infant, child, and maternal mortality (see encl. I for additional information on Pakistan's development indicators). As such, development and economic assistance are two key elements of national power vital to U.S. efforts to address terrorism and close the safe haven in Pakistan. This enclosure provides information on U.S. development and economic policy assistance to Pakistan, including development assistance for Pakistan's underdeveloped areas, direct budget support to enhance Pakistan's macroeconomic stability, and use of economic policy to assist Pakistan to achieve economic prosperity. It also highlights several oversight issues for Congress and the new administration to consider.

Figure 9: Percentage of Funding Devoted to Development and Economic Assistance Activities



Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Note: Funding figures do not include normal operating costs, such as salaries of U.S. government officials or funding for covert activities.

Table 4 indicates the amount and sources of U.S. development and economic-related funding to Pakistan.

Enclosure V: Use of Development and Economic Assistance Elements of National Power

Table 4: USAID Development and Economic Funding to Pakistan, FY 2002-2008

Dollars in thousands

Funding source	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
Child Survival and Health Programs Fund	\$14,000	\$15,600	\$25,600	\$21,000	\$28,100	\$22,385	\$29,816	\$156,501
Development Assistance	10,000	34,500	49,400	29,000	37,500	95,327	29,757	285,484
Economic Support Fund (ESF) ^a	615,000	188,000	200,000	297,600	337,100	388,673	347,165	2,373,538
Other ^b	23,899	20,162	28,538	57,133	274,777	35,892	38,456	478,857
Total	\$662,899	\$258,262	\$303,538	\$404,733	\$677,477	\$542,277	\$445,194	\$3,294,380

Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Note: Funding figures in this table do not include normal operating costs, such as salaries of U.S. government officials.

^aAbout two-thirds of ESF was provided directly to the Pakistani government for debt relief, balance of payments, and direct budget support.

^bOther categories of funding include International Disaster and Famine Assistance; Public Law 480, Title II (Emergency Food Aid); Migration and Refugee Assistance; Human Rights and Democracy Funding; Department of Agriculture's McGovern-Dole International Fund for Education and Child Nutrition Program; Department of Agriculture's Food for Progress; Overseas Humanitarian and Civic Aid; Foreign Assistance Act section 506(a)(2) drawdown; and Emergency Response Fund.

USAID activities in Pakistan have been funded from Child Survival and Health Assistance, Development Assistance, and ESF. These funds are intended to help improve the lives of ordinary Pakistanis; lay the groundwork for the country's sustained economic growth; and strengthen social, political, and economic institutions. A stated goal of these efforts in Pakistan is also to alleviate the conditions that breed extremism while demonstrating that the United States' interest in Pakistan extends beyond the war on terror to concern for the Pakistani people as a whole. State is also supporting legislation for Reconstruction Opportunity Zones intended to promote trade and economic development. This legislation was not passed in the 110th Congress.

U.S. Development and Economic Assistance Programs

USAID's development programs have been organized into strategic objectives covering health, governance, education, and economic growth. In 2005, following the 7.6 magnitude earthquake in the northwestern part of Pakistan, USAID also began providing emergency relief and earthquake reconstruction assistance funded from the accounts detailed in table 4. In addition, the United States provides direct budget support through ESF, as well as economic policy assistance to Pakistan, including efforts to establish Reconstruction Opportunity Zones.

Health—USAID’s Health Program has focused on improving maternal and newborn health services, enhancing the accessibility and availability of family planning products, preventing the spread of major infectious diseases, and increasing access to safe drinking water (see fig. 10). For example, USAID’s Pakistan Safe Drinking Water and Hygiene Promotion Project supports the Pakistani government’s effort to install more than 6,000 water filtration plants, with the aim of providing clean drinking water.

Figure 10: Beneficiaries of a USAID Health Project



Source: USAID.

Governance—USAID’s Democracy and Governance Program was intended to assist Pakistan’s parliamentary institutions improve electoral processes and advance the decentralization process. For example, USAID’s Pakistan Legislative Strengthening Project has trained hundreds of members of parliament on rules of procedure, the committee system, law drafting, and budget review.

Education—USAID’s Education Program has supported projects to reform and revitalize Pakistan’s education system, including educational assistance to young children (see fig. 11). Education received the most development funding because the United States and Pakistan deemed it critical to

improving the quality of life for the citizenry. For example, according to USAID, its Strengthening Teacher Education in Pakistan initiative is intended to improve teacher education through the development of national standards for teacher certification and accreditation.

Figure 11: Beneficiaries of a USAID/Pakistan Education Project



Source: USAID.

Economic growth—USAID’s Economic Growth Program has sought to increase incomes and employment in Pakistan. The program focuses on expanding access to credit, improving the competitiveness of Pakistani small- and medium-sized enterprises through technical assistance, improving agricultural practices, and catalyzing development in energy. For example, according to USAID, its Developing Financial Services for Communities without Credit Program worked with the Khushhali Bank to disburse 356,361 micro-loans (average size approximately \$200) in various districts, totaling more than \$63 million and including 2,531 loans in FATA worth \$429,450.

Earthquake reconstruction—On October 8, 2005, a 7.6 magnitude earthquake struck Pakistan, killing 74,000, injuring 70,000, and rendering more than 2.8 million people homeless. Focusing on immediate humanitarian needs, U.S. assistance provided emergency shelter, relief supplies, and medical help. Emergency relief efforts were followed by a

USAID program to enable people to return home and rebuild their lives. In October 2006, USAID commenced a 4-year, \$200 million Earthquake Reconstruction Program, through which it is constructing schools and healthcare facilities, improving education and health services, and enhancing economic well being by restoring livelihoods and expanding employment and enterprise opportunities.

Economic Support Funds Used for Emergency Economic Assistance to Pakistan—Although Economic Support Funds are used for a variety of U.S. programs in Pakistan, nearly \$1.6 billion of these funds have been provided for direct budget support to the government of Pakistan via Emergency Economic Assistance, as shown in table 5. According to USAID, initially these funds provided balance of payments, budget support, and debt relief to the government of Pakistan during a time of economic hardship and political strain associated with Pakistan’s participation in the Global War on Terror. Beginning in fiscal year 2005, these funds were direct grants for the government’s health, education, clean drinking water and earthquake reconstruction initiatives. Following the announcement of a State of Emergency in Pakistan in November 2007, the fiscal year 2008 ESF committed for direct budget support to Pakistan was transferred into USAID-managed development programs. According to USAID officials, the fiscal year 2009 ESF commitment that would have gone to Emergency Economic Assistance will also be projectized.

Table 5: ESF-Funded Emergency Economic Assistance to Pakistan, FY 2002-2008

FY	ESF level	Objective of Emergency Economic Assistance
2002	\$600 million	Balance of payments and direct budget support grant
2003	188 million	Debt relief
2004	200 million	Debt relief
2005	200 million	Direct budget support grant to help Pakistan meet macroeconomic stability objectives and increase spending on human capital and private-sector development objectives
2006	200 million	Direct budget support grant to help Pakistan meet macroeconomic stability objectives and increase spending on human capital, specifically in education, health, and clean drinking water sectors
2007	200 million	Direct budget support grant to help Pakistan meet macroeconomic stability objectives and increase spending on human capital, specifically in education, health, clean drinking water, and earthquake reconstruction
2008	200 million	This funding was transferred into USAID development projects and was not used for Emergency Economic Assistance.

Source: USAID.

Economic Policy Assistance—The embassy’s objectives in economic policy includes encouraging the Pakistani government to promote structural reforms that further liberalize the economy and increase economic opportunities in underserved areas, such as the FATA. In addition, they include efforts to reduce the government’s role in economic activity through privatization of state-owned enterprises, improve the efficiency of the financial sector, and increase the transparency of fiscal and monetary policies. In addition, the embassy planned to help Pakistan develop and strengthen its national export control system, expand trade, and eliminate trade barriers.

U.S. Efforts to Support Pakistan’s Sustainable Development Plan for the FATA

The use of development assistance in the FATA was not prominent in the United States’ efforts in Pakistan until March 2006, when the President of Pakistan requested that the United States adopt a more comprehensive approach to combating the terrorist threat in the FATA. Following these discussions, Pakistan proposed a Sustainable Development Plan that focuses on providing economic development and extending the influence of the Pakistani government in the FATA. USAID provided technical assistance to the Pakistani government’s Sustainable Development Plan and has based its development activities in the FATA on this plan. The U.S. development activities include capacity building for the FATA institutions needed to plan, manage, and monitor development projects; efforts to build community and government relations; funding for health and education services; and efforts to increase employment and economic growth. The United States has pledged \$750 million between 2007 and 2011 toward the Pakistani government’s \$2 billion, 9-year Sustainable Development Plan.

As of December 2008, according to USAID, its efforts in support of Pakistan’s Sustainable Development Plan have led to numerous results, including the following:

- The \$43 million FATA Capacity Building Program has provided administrative and management training for 340 staff from FATA development agencies, procured \$1.7 million worth of computer and networking equipment, and started the development of a monitoring and evaluation system.
- The \$300 million Livelihoods Program has benefited over 10,000 youth through short-term cash for work programs, enrolled over 800 youth in vocational training and scholarship programs, and enrolled 350 youth in literacy and life skills programs.

- The \$15.4 million education programs have trained over 360 education staff in areas such as school management, financial management, training of trainers, and educational planning. In addition, 58 primary, middle, and high schools have been constructed and furnished in the FATA.
- The \$16.7 million health programs have conducted 1,824 Child Health Days that provided more than 207,821 children and 19,000 mothers with medical care and vaccinations. In addition, the programs provided training for 1,321 health providers in newborn and child health care.

U.S. Considering Establishment of Reconstruction Opportunity Zones in Pakistan

During the 110th Congress, bills were introduced in both the House and the Senate for Reconstruction Opportunity Zones in Afghanistan and Pakistan; neither bill was the subject of committee or floor action.¹ The proposed legislation was intended to provide economic incentives to address the widespread poverty and unemployment that, according to State, provide fertile ground for violent extremism in Afghanistan and the border region of Pakistan. By granting duty-free treatment to a wide array of goods produced in areas designated by the president as Reconstruction Opportunity Zones, the act was intended to promote investment and employment while giving local populations a stake in a more stable and prosperous future. The proposal included duty-free treatment for certain non-textile, textile, and apparel products for a period of 15 years. The Reconstruction Opportunity Zones eligible areas would be the entire territory of Afghanistan and the border region of Pakistan, which would include the FATA, the earthquake affected areas of Azad Jammu and Kashmir, parts of Balochistan, and the North West Frontier Province including Peshawar.

Oversight Questions

- To what extent is development and economic assistance to be included in future U.S. plans for addressing the terrorist threat and closing the terrorist safe haven in Pakistan's FATA and Western Frontier?
- How has USAID coordinated its plans to carry out development projects in Pakistan's FATA and Western Frontier with the Pakistani government and what efforts are made to ensure that regions are secured before development projects are undertaken?

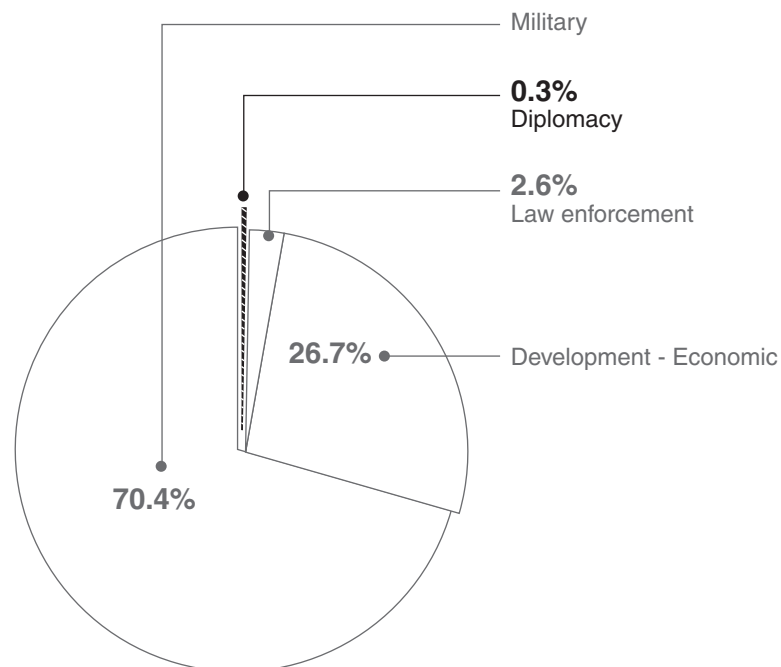
¹Afghanistan-Pakistan Security and Prosperity Enhancement Act, H.R. 6387, 110th Congress, and Afghanistan and Pakistan Reconstruction Opportunity Zones Act of 2008, S. 2776, 110th Congress.

- How much of the development and economic assistance funding has been expended? How much of the development and economic assistance has Pakistan used to support health and education initiatives? What are the development and economic assistance priorities going forward and what are the projected future funding requirements?
- What are the cost and benefits to the United States of implementing Reconstruction Opportunity Zones?
- What performance indicators are in place to measure progress toward the U.S. development and economic assistance goals in Pakistan and its FATA and Western Frontier? What do the indicators show to date?
- How are USAID's activities in support of Pakistan's Sustainable Development Plan coordinated with State, Defense, Pakistan government, and other development activities to combat terrorism in the FATA?
- What challenges, if any, do USAID and others working on behalf of the U.S. face in implementing development projects in FATA and Western Frontier, and what are the United States' contingency plans for mitigating these challenges?

Enclosure VI: Use of the Diplomatic Element of National Power

The United States has used, to a limited extent, the diplomatic element of national power to address national security-related priorities in Pakistan, providing about \$39 million in related activities since 2002. As figure 12 shows, the diplomatic element of national power has accounted for less than 1 percent of U.S. funds devoted to addressing the U.S. strategic goals in Pakistan. This enclosure provides information on U.S. public diplomacy efforts in Pakistan and the FATA. It also highlights several oversight issues for the Congress and new administration to consider.

Figure 12: Percentage of Funding Devoted to Diplomatic Activities



Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Note: Funding figures do not include normal operating costs, such as salaries of U.S. government officials or funding for covert activities.

Table 6 indicates the amount of U.S. public diplomacy-related funding to Pakistan.

Table 6: State Public Affairs Funding to Pakistan, FY 2002 to 2008

Dollars in thousands

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
Funding to Pakistan	\$3,486	\$3,957	\$6,811	\$5,869	\$9,144	\$8,735	\$1,497 ^a	\$39,499

Source: GAO analysis of budget documents provided by State Director of Foreign Assistance.

Notes: Funding figures in this table do not include normal operating costs, such as salaries of U.S. government officials. Data includes State Public Diplomacy program funding and State Education and Cultural Exchange programs in Pakistan, but does not include funding for the Fulbright exchange program, which is funded by USAID and included in our development and economic funding table.

^aState did not provide FY 2008 Education and Cultural Exchange funding.

In November 2008, we identified public diplomacy as one of the key issues demanding urgent attention and continuing oversight by the new Congress and administration to ensure our nation's security and well-being.¹ State leads public diplomacy efforts overseas, but other agencies such as Defense and USAID also seek to influence foreign public opinion through their public diplomacy and humanitarian relief efforts.

U.S. Embassy Plans for Diplomacy

According to the U.S. embassy in Pakistan, its public diplomacy efforts span a broad range of embassy objectives, including efforts to promote democracy and human rights, economic development, and regional security in Pakistan. The embassy uses its exchange and visitor programs in an effort to expose Pakistani opinion makers to the United States, as illustrated in figure 13.

¹See GAO, 2009 Congressional and Presidential Transition, http://www.gao.gov/transition_2009/index.php.

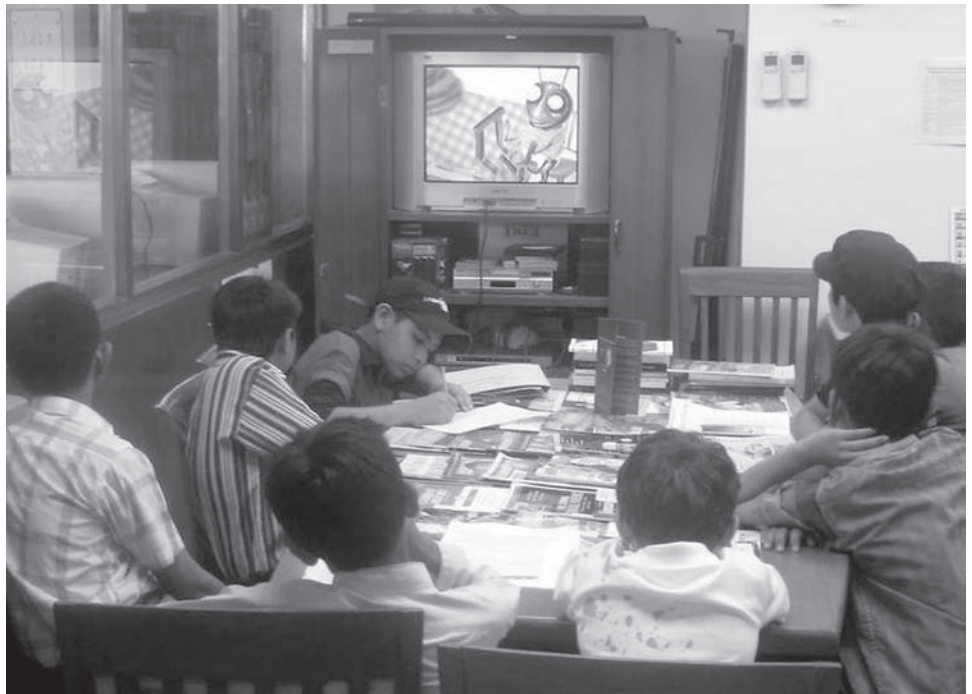
Figure 13: Pakistani Exchange Students' Pre-Departure Orientation



Source: Department of State.

In addition, the embassy seeks to enhance its engagement with the public through the Lincoln Corner program. The program provides American books, Internet access, and other material, as well as space to conduct programs for education, seminars, round tables, and language training, with or without American involvement, as seen in figure 14. It also utilizes a visiting speaker's program and enhanced public speaking engagements for mission personnel to educate the Pakistani public about U.S. policies and programs. State provided GAO numerous examples of public diplomacy efforts in Pakistan, such as student exchanges, press coverage, and training initiatives.

Figure 14: Lincoln Corner Children Gathering to Gain a Better Understanding of American Culture



Source: Department of State.

Diplomacy Efforts for the FATA

According to State, the embassy plans to use public diplomacy to undermine the ideological underpinnings of extremism while bolstering the image of the Pakistani national government. The U.S. embassy included public diplomacy efforts toward its objective of preventing terrorist acts and denying a safe haven for terrorists. The embassy has used Pakistani government and local aid workers to implement and publicize U.S. supported projects in an effort to extend the authority of Pakistan's national government into the FATA, a key objective of the Pakistani and U.S. effort in the FATA. In addition, the embassy planned to deploy a variety of public diplomacy programs including speakers, scholarships, exchanges, and Lincoln Corner programs to reinforce other U.S. objectives in NWFP and Balochistan.

The U.S. government initiated a number of programs for the FATA for fiscal year 2008:

- **English Scholarship Program:** The State Department awarded multiple grants to higher education institutions in NWFP to conduct English language training for students from the FATA and surrounding areas for a period of 2 years.
- **Youth Radio Drama Program:** The State Department, through the Peshawar Consulate, awarded a grant to a U.S. institution to develop a radio drama program for broadcast in NWFP and FATA, the aim of which was to train and support moderate local voices. Through this grant, a team of trainers traveled to Peshawar to work with journalism and mass communications students from two area universities. The trainers provided training in script development and radio acting and helped the students to produce serial dramas highlighting real-life problems confronting residents in the FATA. This program was broadcast in Pashto on local radio stations.
- **Radio and Television Training Program:** The State Department provided a grant to a U.S. higher education institution to work with a higher education institution in the NWFP on television and radio broadcast training.
- **International Visitor Leadership Programs:** Two International Visitor Leadership Programs specifically targeted the FATA region. One was a program for tribal and community leaders from Pakistan's border region. A second program, with an emphasis on Advancing Peace through Community Problem Solving, targeted community leaders from both the Afghan and Pakistan border areas.
- **Small Grants Program for the FATA and NWFP:** Through the Peshawar Consulate, post provided small grants to support locally initiated civic education programs.
- **Sports Initiative:** The State Department awarded a grant to a local organization to encourage initiatives where sports can assist in creating a platform for post-conflict, peace-building and development by facilitating and equipping 150 youth sport teams with sports goods and establishing a sports network. The initiative directly involves 150 teams of cricket, football, and volleyball, more than 20,000 indirect beneficiaries (spectators), and provides recreational facilities for youth teams.
- **Social Awareness and Educational TV and Radio Programs:** The State Department awarded a grant to a higher education institution for the development of a series of radio and TV programs in Pashto, Urdu, and

English designed to educate residents and promote tolerance through moderate messaging.

- **International Women of Courage Awards:** The State Department conferred an International Women of Courage Award on a community activist from the FATA for her work to empower the voice and role of women in traditional communities of the region.

State officials said that U.S. public diplomacy efforts in Pakistan have been historically hampered by a lack of funding, staffing, and the security environment. State officials characterized public diplomacy funding to Pakistan as “woefully under-funded” to counter Pakistani perceptions of U.S. policies in Pakistan. They also said that Pakistani public diplomacy efforts were “very understaffed” given the number of people in Pakistan (170 million), the number of media outlets, and the grave national security concerns that Pakistan represented. State officials said that there were eight officials with public diplomacy responsibilities for Pakistan, and two of these have other responsibilities. By contrast, they said, the U.S. mission in Afghanistan has seven full-time Americans engaged in public diplomacy efforts for a population of around 30 million people and a less complex media environment than Pakistan. State officials said that the lack of funding and staffing is one reason the United States has been unable to counter the public perception that terrorist attacks in Pakistan are caused by U.S. efforts to combat terrorism in the FATA. For example, a June 2008 Pakistan-wide public opinion poll released by the New America Foundation found negative views held by Pakistanis of the United States and its policies in Pakistan. According to the poll, more than half (52 percent) blamed the United States when asked who was most responsible for the violence that is occurring in Pakistan today, while 8 percent blamed al Qaeda fighters.

State public diplomacy officials said that there has been a recent increase in interest in expanding public diplomacy efforts in Pakistan. In August 2008, State’s Office of the Under Secretary for Public Diplomacy and Public Affairs began to develop a list of potential public diplomacy activities intended to reaffirm the U.S. commitment to Pakistan as a key ally and counter the view that the United States is a threat to Islam. State officials estimated the potential cost of these proposed initiatives, still pending approval, at about \$29 million.

Oversight Questions

- How do State's diplomacy priorities align with the overall U.S. strategy for combating terrorism emanating from Pakistan's border area?
- To what extent have diplomacy efforts been, or will they be, integrated with other efforts, such as development assistance, to combat terrorism in Pakistan's FATA and Western Frontier? What are the projected scope, priorities, and future funding requirements for diplomacy programs?
- What have been the results of U.S. diplomacy efforts in Pakistan? What performance measures are, or will be, included to assess progress?
- How have the worsening security situation and limited funding and resources devoted to U.S. diplomacy efforts impacted planning and implementation of State's public diplomacy efforts?
- What steps have been taken, among the U.S. government agencies, to coordinate public diplomacy and strategic communications activities in Pakistan?

Enclosure VII: Oversight and Accountability of CSF and Other Funds Provided to Pakistan

As noted earlier, the U.S. government has provided Pakistan more than \$12.3 billion for military, law enforcement, development and economic assistance, and diplomacy efforts to secure, stabilize, and develop Pakistan, and particularly the FATA and Western Frontier. Where audits have been completed covering about \$5.7 billion in military and development assistance, GAO and the Defense and USAID inspectors general have raised accountability and oversight concerns, such as the ability of the U.S. government to work with the Pakistani government to validate the use of U.S. funds.¹ Going forward, the U.S. government's plans for training and equipping Pakistan security forces in FATA and the Western Frontier call for annual investments of around \$200 million per year from fiscal year 2009 through 2012. Additionally, the United States has committed \$750 million for development efforts in the FATA over 5 years (fiscal years 2007 through 2011), and legislation currently under consideration, if passed, could provide billions more in development assistance to Pakistan over a 5-year period.² Given the oversight and accountability deficiencies that we and the inspectors general have previously identified, as well as the number of U.S. programs and activities that remain unaudited, continued congressional oversight and agency monitoring efforts are needed to help ensure U.S. funding is used as intended. This enclosure highlights our previous findings relating to the need for increased oversight and accountability of Pakistan's CSF reimbursement claims, prior recommendations for enhancing oversight, and efforts undertaken by Defense to improve the oversight and accountability of the CSF reimbursement process.

¹Department of Defense Inspector General, *Financial Management: Coalition Support Funds*, D-2004-045 (Washington, D.C.: Jan. 16, 2004). This is a classified report. USAID, *Audit of Selected Activities under USAID/Pakistan's Basic Health Program*, Audit Report No. 5-391-07-005-P (May 23, 2007) and USAID, *Audit of USAID/Pakistan's Education Sector Reform Assistance Program*, Audit Report No. 5-391-08-004-P (Mar. 28, 2008). The office of the Chief Financial Officer for USAID has since issued a memorandum stating that final action is complete for all four of the recommendations to the 2007 Health Programs audit (5-391-07-005-P).

²Enhanced Partnership with Pakistan Act of 2008, S. 3263, 110th Congress.

Previously Reported Deficiencies in Oversight and Accountability of CSF

We previously reported in June 2008 that Defense did not consistently apply its existing CSF oversight guidance. While Defense generally conducted macro-level analytical reviews called for in its guidance, such as determining whether the cost is less than that which would be incurred by the United States for the same service, for a large number of reimbursement claims, Defense did not obtain detailed documentation to verify that claimed costs were valid, actually incurred, or correctly calculated. For example, as of May 2008, Defense paid over \$2 billion in Pakistani reimbursement claims for military activities covering January 2004 through June 2007 without obtaining sufficient information that would enable a third party to recalculate these costs.

We also found that Defense may have reimbursed costs that (1) were not incremental, (2) were not based on actual activity, or (3) were potentially duplicative. For example, Defense paid an average of more than \$19,000 per vehicle per month for Pakistani navy reimbursement claims. These claims appeared to contain duplicative charges for a fleet of fewer than 20 passenger vehicles. We also found that additional oversight controls were needed. For example, Defense had no guidance to verify currency conversion rates used by Pakistan, which if performed would enhance Defense's ability to monitor for potential over-billings. In addition, Defense's 2003 guidance did not specifically task the Office of the Defense Representative (ODRP) in the U.S. embassy with attempting to verify Pakistani military support and expenses.

Prior Recommendations Regarding Oversight of CSF

To improve oversight of CSF payments to Pakistan, our June 2008 report made the following five recommendations to the Secretary of Defense:

- Consistently implement existing criteria to disallow or defer Pakistani claims that do not include the documentation needed to verify the claims.
- Define and formalize the roles and responsibilities of ODRP.
- Clarify guidance for Comptroller analysis of cost fluctuations.
- Develop and apply criteria to evaluate currency exchange rates to ensure that the U.S. government is not overpaying for Pakistan operations.
- Work with the government of Pakistan to develop procedures to allow ODRP or other U.S. representatives to conduct greater oversight of CSF use in Pakistan, including the potential use of onsite inspections.

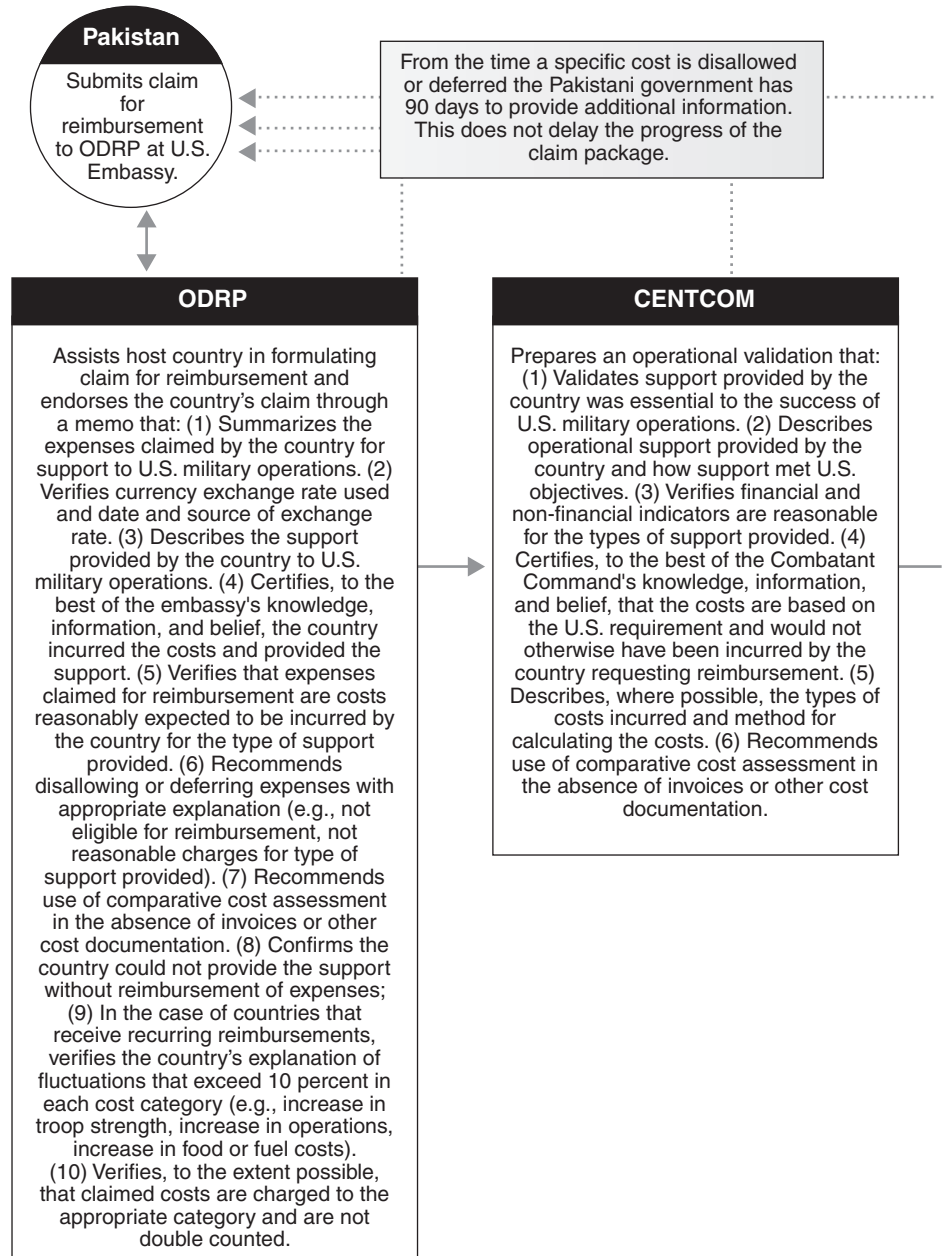
Efforts Undertaken to Improve Oversight and Accountability of CSF

Defense concurred with our recommendations and has taken steps to address them. In June 2008, the Defense Comptroller issued formal guidance that, among other things, clarified the roles and responsibilities of Defense representatives at U.S. embassies. The guidance also added a requirement for the Defense Comptroller to analyze cost fluctuations that exceed 10 percent in each cost category and note changes in operational tempo, force strength, or cost elements that may have contributed to the change. The guidance also required that reimbursement requests provide costs in local currency, convert costs to the U.S. dollar equivalent, and indicate the effective date of and the exchange rate used.

To help ensure consistent implementation of its guidance, in the case of Pakistan, Defense staff from the Comptroller and U.S. Central Command (CENTCOM) visited Islamabad to conduct discussions on the administration and processing of CSF reimbursement claims with ODRP and Pakistani military representatives. The U.S. delegation spent several days in August 2008 discussing changes to the CSF claims approval process with Pakistani military officials, including a joint examination of the May 2008 claim.

As a result of these discussions, Defense agreed to: (1) provide Pakistan a set of revised guidelines on CSF administrative procedures; (2) provide Pakistan a revised format for the submission of Pakistan's June 2008 claim and all future CSF claims; and (3) return to Pakistan every 6 months beginning in February 2009 to discuss new CSF issues, provide training on CSF administrative processing requirements and revisit unresolved issues. Pakistani officials agreed to: (1) provide additional documentation and cost methodology information for the May 2008 claim; (2) provide a monthly operational summary of Pakistani army, air force, and navy actions in support of U.S. military operations; (3) provide feedback on the proposed submission format within 30 days of receipt; and (4) beginning with the May 2008 claim, provide additional information or documentation for all disputed claims within 90 days to substantiate claims deferred or disallowed by ODRP, CENTCOM, or the Defense Comptroller. However, the Pakistani military was reluctant to provide costs in rupees due to the long processing time on previous CSF reimbursements. According to Defense officials, the Pakistani officials worried that they would be significantly under-compensated due to inflationary pressure on their national currency. In addition, Defense would not agree to pay for certain Pakistani requests, such as equipment depreciation or injury compensation for Pakistani soldiers. As of December 2008, these remaining issues had not been fully resolved. Figure 15 provides an illustration of the revised CSF oversight process.

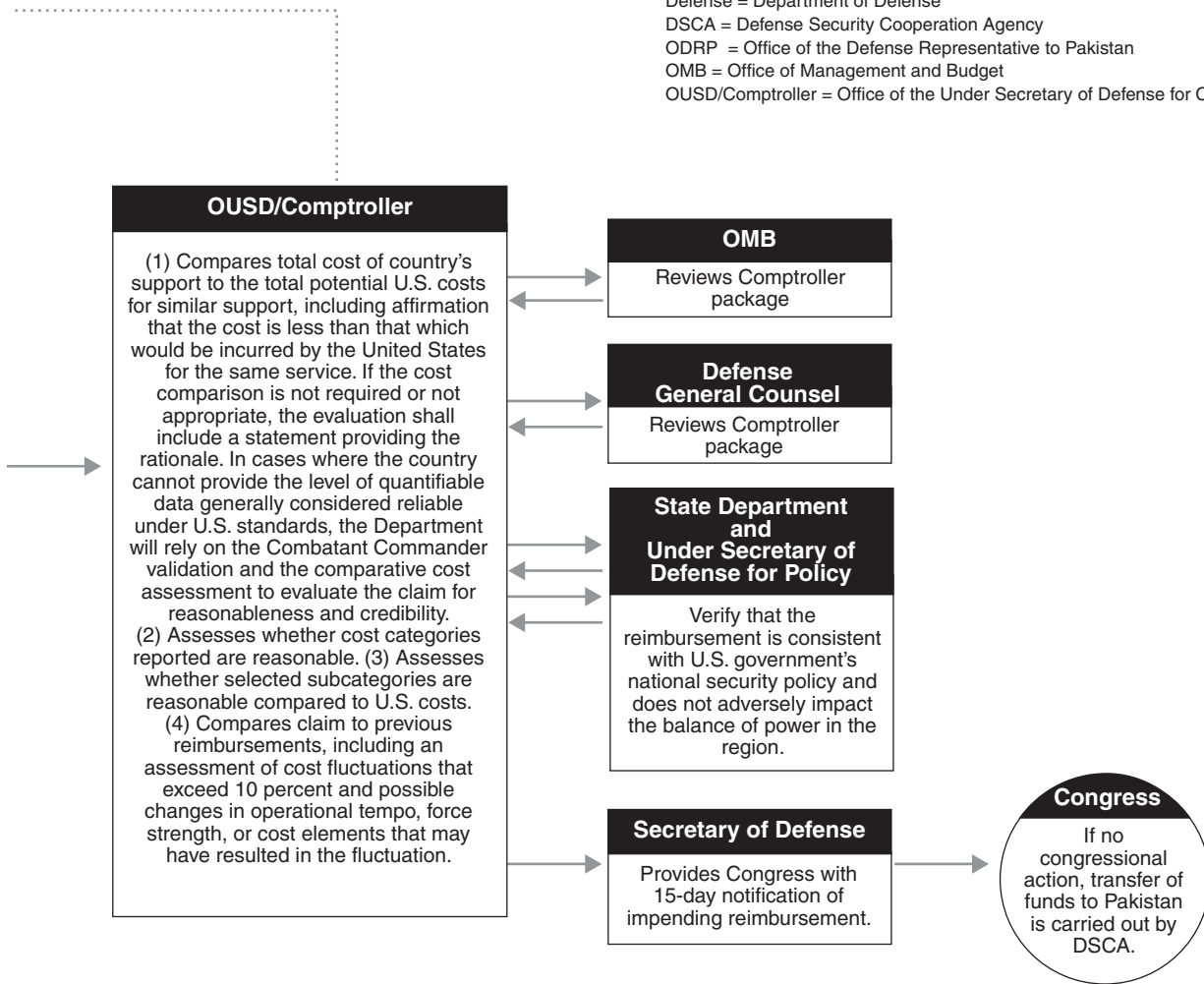
Figure 15: Revised CSF Oversight Process



**Enclosure VII: Oversight and Accountability
of CSF and Other Funds Provided to Pakistan**

Legend

CENTCOM = United States Central Command
 Defense = Department of Defense
 DSCA = Defense Security Cooperation Agency
 ODRP = Office of the Defense Representative to Pakistan
 OMB = Office of Management and Budget
 OUSD/Comptroller = Office of the Under Secretary of Defense for Comptroller



Source: GAO analysis of Defense documentation and discussions with Office of the Undersecretary of Defense for Comptroller.

While we recognize Defense is taking various steps to strengthen oversight of CSF claims, the extent to which Defense is consistently implementing this new guidance cannot be determined until the more recent Pakistan reimbursement claims are fully processed. Furthermore, Defense's ability to improve oversight over the CSF program will depend upon the cooperation of the Pakistani government.

Oversight Questions

- Given that over \$12 billion in U.S. assistance and reimbursements has been provided Pakistan, what oversight and accountability controls are now in place by the various U.S. agencies to oversee the use of U.S. funds? To what extent have the various agencies adequately implemented oversight and accountability controls?
- What are the challenges to ensuring funds are used towards U.S. national security goals in Pakistan? What steps have U.S. agencies taken, or do they plan to take, to address these challenges and to ensure that funds are used as intended?
- To what extent have the various U.S. agencies devoted sufficient resources for oversight of U.S. funds and efforts in Pakistan? How are resource requirements determined and to what extent do they include staff with appropriate skills (such as auditing, accounting, and program evaluation)?
- Given limited ability to collect first-hand data on the use of U.S. funds in Pakistan and the need, in some cases, to rely on the Pakistani government for sufficient documentation to support reimbursement claims, what has been the level of cooperation between U.S. agencies and their counterparts in the Pakistani government to ensure oversight and accountability over U.S. funds?

Related GAO Products

Combating Terrorism: Increased Oversight and Accountability Needed over Pakistan Reimbursement Claims for Coalition Support Funds. [GAO-08-806](#). Washington, D.C.: June 24, 2008.

Combating Terrorism: U.S. Efforts to Address the Terrorist Threat in Pakistan's Federally Administered Tribal Areas Require a Comprehensive Plan and Continued Oversight. [GAO-08-820T](#). Washington, D.C.: May 20, 2008.

Preliminary Observations on the Use and Oversight of U.S. Coalition Support Funds Provided to Pakistan. [GAO-08-735R](#). Washington, D.C.: May 6, 2008.

Combating Terrorism: The United States Lacks Comprehensive Plan to Destroy the Terrorist Threat and Close the Safe Haven in Pakistan's Federally Administered Tribal Areas. [GAO-08-622](#). Washington, D.C.: April 17, 2008.

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

Securing, Stabilizing, and Rebuilding Iraq: GAO Audits and Key Oversight Issues. [GAO-08-231T](#). Washington, D.C.: May 24, 2007.

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