

Nangarhar Regional Development Plan

Bridging A Rich Past with a Bright Future



“Nangarhar Inc”

Serving the Greater Nangarhar Community through the creation of one of Central and South Central Asia's Premier Commercial Trade and Transit Hubs

AFGHANISTAN'S NANGARHAR INC

A Model for Interagency Success

Major David K. Spencer, U.S. Army

WHILE CREATING SOLUTIONS for economic development problems in Afghanistan's Nangarhar province during Operation Enduring Freedom in 2007 and 2008, the 173d Airborne Brigade Combat Team entered into a unique partnership with U.S. government interagency personnel. The result—the Nangarhar Regional Development Plan—was a transformative achievement with far-reaching implications for the counterinsurgency (COIN) effort in Afghanistan.

Its conception through interagency collaboration was equally important as a model to emulate for future success. With these and other efforts, the U.S. military is a closer partner with the U.S. interagency community than ever before. Continuing to foster these relationships will be critical to unity of effort and success in the War on Terrorism.

National Strategy

As a member of the 173d Airborne Brigade operating in the strategically important eastern region of Afghanistan (the provinces of Nangarhar, Kunar, Laghman, and Nuristan), I observed the implementation of the Government of the Islamic Republic of Afghanistan's National Development Strategy from 2007 to 2008. The national strategy, approved in interim form in January 2006 at the London Conference, used district and provincial development plans as devices to achieve the overarching strategic vision. The creation of the Afghanistan National Development Strategy and associated provincial development plans involved a series of national and sub-national consultations. Each of 16,753 (later expanded to 18,500) community development councils in Afghanistan submitted project “wish lists” to the 345 respective district development assemblies. These assemblies are vehicles at the district level designed to consolidate projects into the district development plans.¹

Formulation of the Afghanistan National Development Strategy

The projects sent to the district development assemblies were primarily poverty reduction projects and those that affected essential needs of communities (flood control projects, wells, etc).² The district assemblies took

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the top projects in each of the eight sectors of the Afghanistan National Development Strategy and created the district development plans. From these plans, the top ten projects in each sector were used to create the provincial development plans. In effect, their plans are a consolidated grass-roots driven project wish list generated by communities that did not have a regional view of the development problem. They only saw their own local problems in most cases. Although the provincial development plans state that the national strategies were taken into account, how sector strategies affect the provincial plans in a meaningful way is not clear.

The Afghan National Development Strategy embraces three visions: the political, the economic and social, and the security. Some projects affect each of these. For example, roads are extremely important in Afghanistan and cross all lines of effort. The strategy identifies six other cross-cutting examples: regional cooperation, counter-narcotics, anticorruption, gender equality, capacity development, and environmental management.³

Task Force Bayonet followed three primary lines of effort nested within its higher headquarters' mission and intent: governance, development, and security. These lines of effort were nested within the Afghanistan National Development Strategy visions, but, although the task force was well equipped to deal with security issues in its region, the brigade had to work hard to address development and governance lines of effort to complement the strategy's political and economic visions.

In developing an operational strategy, the brigade identified economic solutions as critical to overall success. Compelling arguments and data points identify the insurgency in the eastern portion of Afghanistan as one driven by economics. The numbers of ideological fighters in the region are quite low. Many people fight because they have no other way of making a living. In some cases, Provincial Reconstruction Teams (PRTs) have reduced the number of fighters simply by paying \$5.50 per day for the services of fighting-age males—50 cents more a day than the insurgents paid them.

Defeating an economic insurgency requires an economic strategy. A statement from the interim national development strategy is telling: “Ultimately, we want to move beyond dependence upon international aid and build a thriving, legal, private sector-led economy that reduces poverty and enables all Afghans to live in dignity.”⁴ The Afghan government understands that development efforts in many cases need not attempt to reduce poverty directly. The long-term solution is to build a thriving economy that will do the job. Revisions in the 2008 version of the strategy display the same logical thought process, but mark a noticeable shift to favor poverty reduction semantics. Because Afghanistan qualifies as a “heavily indebted poor country,” obtaining funding from the World Bank and International Monetary Fund requires a Poverty Reduction Strategy Paper. The Afghanistan National Development Strategy serves as this strategy paper for donor funding, but the Afghan government unfortunately uses some policies and procedures that may actually increase poverty. In the 2008 strategy document, the government took a step backward with an economic development objective to “reduce poverty [and] ensure sustainable development through a private-sector-led market economy.”⁵ Poverty reduction came to the forefront to leverage international donor money—but at the expense of truly reducing poverty in the long-term by building a thriving economy.

The Problem

If the Afghan government continues to pursue the economic strategy set forth in the Afghanistan National Development Strategy, how can the provincial development plans build a thriving, legal, private-sector-led economy? The contributors to the plan do not have the regional vision necessary to address solutions that build the critical infrastructure required to bring about long-term sustainable economic growth. The grass roots projects understandably address only the immediate needs of communities. Afghanistan's Ministry of Rural Rehabilitation and Development's National Area

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Based Development Program is currently using \$2.5 million of donor funds from the Asian Development Bank on district and provincial development plans projects in Nangarhar Province. The vast majority of the projects are gabion walls and associated check dams not designed to bring about economic growth and which are frequently washed away by floods. They are simply projects that have been identified as important to communities in the near term.

This situation highlights the major challenge in the provincial development plan construct. Top-down planning with bottom-up refinement should reshape the provincial development plans. Instead of a simple list of check dams, gabion walls, and micro-hydro projects, Task Force Bayonet worked to build the capability of district development assemblies and other Afghan government officials to draw development plans that link together projects to capture and enhance economic value chains. A comprehensive watershed management plan should lead to a dam with associated power production. Irrigation projects and agricultural development projects should increase the production of grain, leading to a grain elevator powered by the dam project while roads link all the projects together. These interconnected initiatives operating as a whole are far greater than the sum of the parts.

The Solution

In Task Force Bayonet's area of operations, the problem was clear; the difficulty lay in how to address it. The task force began operations in May 2007, and from the beginning, it was apparent that the interagency components required to address governance and development solutions were not present. Department of State, United States Agency for International Development (USAID), and U.S. Department of Agriculture positions in the PRTs were not filled; there was little or no interagency staffing at the brigade level, and the entire complement of interagency personnel in the eastern region was less than 1/100th of one percent of the paratroopers on the ground from the Department of Defense.

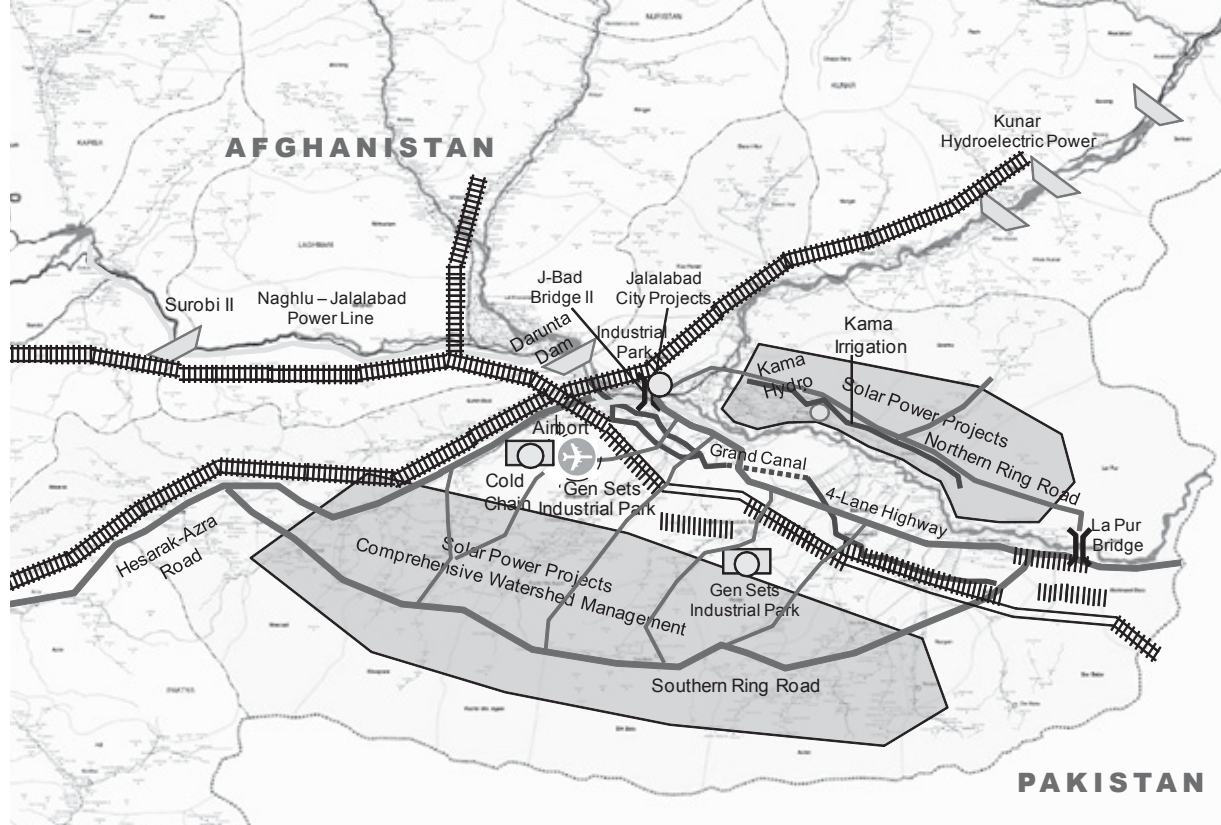
The onus to provide a solution fell on the shoulders of the agency that knew and interacted with the people and government every day. The brigade accepted this task as a necessary burden. FM 3-24,

Counterinsurgency, states that whenever possible, civilians should perform civilian tasks but "military forces [must] be able to conduct political, social, information and economic programs 'as necessary.'... Depending on the state of the insurgency, therefore, Soldiers and Marines should prepare to execute many nonmilitary missions to support COIN efforts. Everyone has a role in nation building, not just Department of State and civil affairs personnel."⁶ In fact, Task Force Bayonet undertook a number of initiatives in governance and development simply because no one else was available to do so.

It was with this in mind that the brigade commander and senior leaders traveled to the U.S. Embassy in Kabul at the invitation of the acting brigade political advisor. They met with various interagency leaders to discuss possibilities in Nangarhar. During a meeting with the acting USAID Afghanistan director, International Narcotics and Law Enforcement (INL) director, Department of State interagency resource coordination director, Task Force Bayonet commander Colonel Charles Preysler, Ambassador William Wood, and other leaders, Task Force Bayonet agreed to help facilitate the creation of an economic development plan for the agencies to execute together. The Ambassador said he would like Nangarhar to be a "model for success." And so Nangarhar Inc was born.

Eight key members of the Task Force Bayonet staff, to include the brigade operations officer, the fire support officer, the CJTF-82 liaison officer to Task Force Bayonet, as well as representatives from PRT Nangarhar, traveled to the U.S. Embassy for nine days to prepare the plan. The PRT members were at the end of their deployment with nearly a full year of experience working in Nangarhar under their belts. The leaders from Task Force Bayonet had more than nine months of experience in Nangarhar and the eastern region. Working with the Department of State interagency resource coordinator, with advice and input from the Afghan Reconstruction Group, INL, and USAID, the team prepared the business plan for Nangarhar Inc.

The 62-page business plan used the corporate model to jump-start and create sustainable, long-term economic growth leading to full employment. The plan included input from all agencies involved



A Nangarhar Inc Update Briefing slide, May 2008, depicts overall Nangarhar Inc project vision.

and included compelling strengths, weaknesses, opportunities, and threats analysis from the Afghanistan Reconstruction Group, a management and sustainability plan, and 35 prioritized projects with project descriptions, general scope, charts depicting associated timelines, cash flows, and required resources. The projects fell into three categories: quick impact, near term, and long-term.

The Nangarhar Inc quick-impact projects aimed at leveraging the Nangarhar governor's poppy eradication success from 2007 to 2008. However, their critical purpose was to jump-start economic growth in the region. Additionally, intermodal transportation solutions (roads, rail, and a regional airport with an international gateway) were critical to address Nangarhar as a potential agribusiness base.

Due to the lack of available export mechanisms, up to 30 percent of produce grown in Nangarhar rots in the field. To leverage these export opportunities, cold storage with collocated power solutions are also critical to enhancing the economic value

chain. Currently, Nangarhar exports a large percentage of its agricultural products to Pakistan, which processes, packages, and stores them until they are later resold in Nangarhar at many times their original price. Nangarhar Inc addresses the critical infrastructure requirements for Afghans to enhance their agribusiness value chain and recapture these lost potential revenues.

During creation, the task force identified power solutions as most critical. Thirty-eight businesses in Jalalabad had failed in a 12-month period in 2008 due to high fuel costs.

Long-term projects have higher price tags, but are critical to ensure the self-sufficiency of the government and to reduce reliance on donor support. One noteworthy long-term power project harnesses an estimated 1,100 megawatts of potential hydroelectric power in adjacent Kunar province by means of a series of dam systems in the Kunar River basin. Power from this project can go not only to businesses in Nangarhar, but can also assist in developing the Federally Administered Tribal Area and Northwest Frontier Tribal Provinces across the border in Pakistan.

This is an example of a project that requires the combined efforts of the interagency to succeed. USAID funding and expertise may contribute to dam design with the Afghan Ministry of Energy and Water, while the Department of Defense and

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PRTs work local government issues with the Afghan government in the eastern region. However, U.S. Embassies in Kabul and Islamabad, with national level Afghan and Pakistani officials, must resolve cross-border issues such as power purchase agreements and resolution of water rights disputes. No one agency can pursue all of the Nangarhar Inc projects. Of necessity, this plan must move forward with close interagency cooperation.

Indeed, one of the noteworthy aspects of this plan is the amount of interagency cooperation that went into its creation. The experience of the military forces and expert input from the interagency produced the base business plan. The coordinated efforts of the interagency, led by the U.S. Embassy, are continuing to move Nangarhar Inc forward to its logical conclusion—the development of a strategically important trade and transit corridor that will allow the tremendous strengths of the area to create a self-sustaining regional economic engine.

Nevertheless, the future for Nangarhar Inc as a model for success is not a certain one. The combined and coordinated efforts of the U.S. Government interagency must lead the effort in the early stages and emplace critical infrastructure to attract large-scale foreign capital investment. Unfortunately, uncoordinated development is ubiquitous in Afghanistan. Numerous donor and development agencies in Afghanistan operate under their own priorities. International donors, such as the Asian Development Bank, partner with the United Nations Development Program and governmental agencies such as USAID, GTZ International (Gesellschaft für Technische Zusammenarbeit, an EU funded development agency), and DANIDA (Danish International Development Agency). Afghan development efforts under various ministries, such as the Ministry for Rural Rehabilitation and Development, nongovernmental agencies, and PRTs, operate within the constraints of their respective agencies. In large part, they support the Afghan solution—the Afghanistan National Development Strategy—but development efforts in Afghanistan are disjointed and disconnected because they often follow fundamentally challenged provincial development plans and their own guidelines and mandates.

Task Force Bayonet recognized that the lack of coordination had led to numerous instances of “project fratricide” and that solutions beyond the national development strategy were required. To that end, Task Force Bayonet implemented an initiative called “district mapping” to map the past projects completed in a district. It mapped all development agencies’ current projects and future projects envisioned provincial and district Afghan leaders. The plan is moving forward in cooperation with the UN Assistance Mission to Afghanistan and the Joint, interagency, multinational, and host-nation community of the eastern region. This initiative has tremendous potential.

Even within the U.S. government, efforts are not always synchronized. Although the U.S. is fighting a counterinsurgency campaign in Afghanistan as part of the War on Terrorism, USAID (the primary U.S. development agency operating there), is focused on “developing Afghanistan.” Although the country team director (the Ambassador) directed that development efforts focus on certain priorities, USAID instead focused on its internal priorities. Although FM 3-24 only covers the ground elements of the Department of Defense and not the rest of the interagency, the following statement from that manual is wholly applicable to the current situation:

Unity of effort must be present at every echelon of a COIN operation. Otherwise, well intentioned but uncoordinated actions



U.S. Air Force, SSGT Shawn Weismiller

Afghans gather in front of a development site that is being monitored by the Nangarhar Provincial Reconstruction Team in Jalalabad in the Nangarhar Province of Afghanistan, 30 May 2009.

can cancel each other or provide vulnerabilities for insurgents to exploit. Ideally, a single counterinsurgent leader has authority over all government agencies involved in COIN operations... The U.S. ambassador and country team, along with senior HN representatives, must be key players in higher level planning; similar connections are needed throughout the chain of command.⁷

Without unity of effort between the U.S. government agencies, ensuring the success of focused development strategies such as Nangarhar Inc becomes difficult.

The Way Ahead

We must address interagency discord while pursuing strategies similar to Nangarhar Inc. Although the Department of Defense and Department of State are conducting a counterinsurgency in Afghanistan, the mandate of USAID can be simplified as “development,” although its objectives aim to further the foreign policy goals of the United States. “Developing Afghanistan” can move forward in many ways and does not always contribute to the kind of effects desired in a COIN environment. Department of Defense doctrine indicates “reinforcing success,” while agencies such as USAID typically go where the need is greatest, sometimes for short-term gain at the expense of long-lasting effects that strike at the heart of insurgencies. The country team leader, in coordination with and supported by the various agencies operating in strategic regions, must address these issues.

Nangarhar Inc’s solutions are logical and compelling replies to those who argue that we should spend development funds equally across Afghanistan or in other developing countries. Providing what some might consider a disproportionate amount of development funds in areas such as Nangarhar will pay a high dividend because the seed for success already exists. Investing in other areas can be likened to “pouring water into the sand.”

The Afghan government also must become more involved in all phases to ensure success of Nangarhar Inc. Various government documents show they understand this. Article 10 of the Afghan Constitution “encourages and protects private capital investments and enterprises based on the market economy...”⁸ The government notes in



U.S. Army, 1LT William J. Heckenbracht

Nangarhar Inc Coordination Conference, FOB Fenty, Jalalabad, July 2008.

the Afghanistan National Development Strategy that “given the major limitations in the economic environment that must be addressed, the successful transition to a competitive market economy will require sustained commitment, albeit with the support of the international community. Simply creating conditions in which the private sector can operate alone will not be sufficient.”⁹ Continued efforts are required by the U.S. government to emplace the critical infrastructure needed to jump-start economic growth in Nangarhar, with government cooperation in setting and sustaining the conditions required not only to enable and sustain Afghan businesses, but also to bring in foreign capital and private investment.

In the expansion of the Nangarhar model to the other PRTs in eastern region, future plans and refinements of the provincial development plans must take place in close cooperation with the government. Coordinating development plans in the manner of Nangarhar Inc, while weaving them into the fabric of the provincial development plans, will achieve the vision of the Afghanistan National Development Strategy.

Task Force Bayonet moved to the next logical step of Nangarhar Inc. It provided the Nangarhar Inc creation methodology to the three other PRTs in the eastern region and helped them coach their Afghan counterparts to refine their provincial development visions. “Wadan Laghman” (Prosperous

Laghman), Kunar’s “Province of Opportunity,” and a development plan in eastern Nuristan are all refinements of Provincial Development Plans. Task Force Bayonet hosted a conference to coordinate these activities with Nangarhar Inc in an “Eastern Region Development Plan.”

This plan, with Nangarhar Inc as the economic engine, harnesses the plentiful natural resources of the adjacent provinces and leverages the potential of the region as a strategic trade and transit hub.

For Nangarhar Inc to become successful and spread across the country as part of a future U.S. COIN strategy, the U.S. government interagency must act together in a coordinated manner with the embassy in Kabul. Coordination of efforts will create a synergistic effect that will contribute to the

overall counterinsurgency strategy in Afghanistan and illuminate the way ahead for an eventual exit strategy in Afghanistan. To be successful in the War on Terrorism, we must duplicate the level of U.S. interagency cooperation illustrated in the creation and implementation of Nangarhar Inc. **MR**

NOTES

1. *The Provincial Development Plan of Nangarhar Province*, 5 to 15 August 2007, 9-10.
2. *Ibid.*, 11.
3. *Afghanistan National Development Strategy: A Strategy for Security, Governance, Economic Growth, and Poverty Reduction*, 1387-1391 (2008-2013), 13.
4. *Interim Afghanistan National Development Strategy*, January 2006, 9.
5. *Afghanistan National Development Strategy*, 1.
6. Field Manual 3-24, Counterinsurgency (Washington, DC: Government Printing Office [GPO], 2006).
7. *Ibid.*, 39.
8. *The Constitution of Afghanistan*, 4 January 2004, Article 10.
9. *Afghanistan National Development Strategy*, 4.

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