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# Headquarters International Security Assistance Force

## Kabul, Afghanistan



08 September 2010

## COMISAF/CDR USFOR-A

For the Commanders, Contracting Personnel, Military Personnel, and Civilians of NATO ISAF and US Forces-Afghanistan

SUBJECT: COMISAF's Counterinsurgency (COIN) Contracting Guidance

The scale of our contracting efforts in Afghanistan represents both an opportunity and a danger. With proper oversight, contracting can spur economic development and support the Afghan government's and ISAF's campaign objectives. If, however, we spend large quantities of international contracting funds quickly and with insufficient oversight, it is likely that some of those funds will unintentionally fuel corruption, finance insurgent organizations, strengthen criminal patronage networks, and undermine our efforts in Afghanistan.

In view of these points, contracting has to be "Commander's business." Indeed, I expect Commanders to consider the effects of our contract spending and understand who benefits from it. We must use intelligence to inform our contracting and ensure those with whom we contract work for the best interests of the Afghan people. We must be better buyers and buy from better people. Consistent with NATO and national contracting laws and regulations, we must:

**Understand the role of contracting in COIN.** Purchases we make for construction, goods, and services can bolster economic growth, stability, and Afghan goodwill toward their government and ISAF. Contracts with Afghan firms that procure Afghan goods and services generate employment and assist in the development of a sustainable economy. However, if we contract with powerbrokers who exclude those outside their narrow patronage networks or are perceived as funneling resources to one community at the expense of another, the effect on Afghan perceptions and our mission will be negative. Thus, we must incorporate COIN Contracting topics into training for Commanders.

Hire Afghans first, buy Afghan products, and build Afghan capacity. Use contracting to hire Afghan workers and Afghan-owned companies. If we are unable to contract with an Afghan company, encourage companies to hire Afghans and sub-contract with responsible Afghan firms. Emulate successes such as NTM-A/CSTC-A's Afghan First program that created a boot making industry in Kabul. Find solutions that tap existing, but sometimes limited, Afghan capacity, such as maximizing the opportunities for local small and medium-sized companies to compete for our contracts. Adapt procedures, such as facilitating base access, to remove obstacles to hiring Afghans. Wherever appropriate, use in-country sourcing rather than imports. Look for opportunities to incorporate maintenance and repair training in existing contracts to build Afghan skills and to create long-term employment. Focus efforts on promoting industries with immediate and long-term growth potential, such as agriculture, food processing, beverages, and construction. Adopt a fair wage and fair price approach that minimizes market shock and inflation. Guard against "front businesses" that fraudulently claim to be Afghan-owned.

Know those with whom we are contracting. Where our money goes is as important as the service provided or the product delivered. Establish systems and standard databases for vetting vendors and contractors to ensure that contracting does not empower the wrong people or allow the diversion of funds. Support contracting agencies and officers so they can get out in the field and build relationships with local businesses and community leaders. Gain and maintain visibility of the sub-contractor network. Contract with vendors that have fewer sub-contractors. Excessive sub-contracting tiers provide opportunities for criminal networks and insurgents to divert contract money from its intended purpose. Hold prime contractors responsible for the behavior and performance of their sub-contractors. Ensure that prime

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contractors provide detailed information on all sub-contractors consistent with coalition requirements and with CENTCOM Contracting Command's new sub-contractor clause.

**Exercise responsible contracting practices.** While we all desire fast results, haste in contracting invites fraud, waste, and abuse. Plan ahead, establish reasonable timelines, and ensure transparency and oversight so that contracting and procurement reinforce rather than detract from our objectives.

Integrate contracting into intelligence, plans, and operations. Commanders must know what contracting activity is occurring in their battlespace and who benefits from those contracts. Integrate contracting into intelligence, plans, and operations to exert positive influence and to better accomplish our campaign objectives. Commanders should use COIN Contracting Management Boards to coordinate contracting efforts and ensure contracts support campaign goals. Commanders and contracting agencies should share best practices, align policies and procedures, and exchange information on contractor performance—positive or negative (using digitally linked CIDNE/INDURE databases).

Consult and involve local leaders. Use local shuras and Afghan government and private sector leaders to prioritize projects, identify viable companies, vet potential contractors, improve oversight, hold contractors accountable, and provide post-award feedback to inform future projects. Work with and through the Ministry of Rural Reconstruction and Development to leverage existing monitoring, procurement, and implementation capabilities and to build long-term Afghan institutional capacity.

**Develop new partnerships.** Contracts with a broader range of Afghan companies will help break monopolies and weaken patronage networks that breed resentment. In situations where there is no alternative to powerbrokers with links to criminal networks, it may be preferable to forgo the project. Broadly advertise contract opportunities to local communities beyond bases. When appropriate, use NGOs to identify potential contracting partners and train them to navigate our contracting processes.

**Look beyond cost, schedule, and performance**. Evaluate the success of a contract by the degree to which it supports the Afghan people and our campaign objectives. Include operational criteria in decisions to award contracts such as the effect of the contract on security, local power dynamics, and the enemy.

**Invest in oversight and enforce contract requirements.** Ensure post-award oversight of contractors and their performance to get what we pay for and to ensure the contract supports our mission. Because the number of contracts each contracting officer oversees has increased, commands must devote additional personnel to oversight. Designate top-performers to serve as Contract Officer Representatives and ensure that they are trained and understand the operational importance of contracting.

**Act.** Upon identification of linkages between contractors and criminal networks, we must take appropriate actions, such as: suspension and debarment of the individuals or the company, contract termination, or not renewing a contract option period. Recognize that some of these actions may have broad or significant ramifications and plan accordingly. Establish rapid, flexible, and thorough processes to develop, coordinate, approve, and implement contract actions to end contracts that undermine our mission.

**Get the story out.** We must improve our contracting practices to ensure they fully support our mission. However, we must also recognize what our contracting has accomplished. Our contracting efforts have sustained widely dispersed and high tempo operations and helped build Afghan national security capacity. Our contracting has also improved the lives of many Afghans, enhanced infrastructure, delivered essential services, supported local businesses, increased employment, and fostered economic development.

David H. Petraeus

General, United States Army

Said H. Petroem

Commander, International Security Assistance

Force/United States Forces-Afghanistan