

# SIGAR

**Special Inspector General for  
Afghanistan Reconstruction**

**SIGAR 18-69 Audit Report**

Promoting Gender Equity in National Priority Programs (Promote): USAID Needs to Assess This \$216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them



SEPTEMBER  
2018

# SIGAR

## Special Inspector General for Afghanistan Reconstruction

### WHAT SIGAR REVIEWED

In July 2013, the U.S. Agency for International Development (USAID) announced its \$216 million, 5-year Promoting Gender Equity in National Priority Programs (Promote). According to USAID, Promote capitalizes on the previous investment in education for Afghan women and girls. The program's goal is to improve the status of more than 75,000 young women in all levels of society.

In 2014, the USAID Mission for Afghanistan (USAID/Afghanistan) awarded three indefinite delivery/indefinite quantity contracts to Chemonics International Inc., Tetra Tech ARD, and Development Alternatives Inc. to implement Promote. Subsequently, the agency awarded the contractors task orders for the program's four components: Women's Leadership Development (WLD), Women in Government (WIG), Women in the Economy (WIE), and *Musharikat*, which focuses on women in civil society. According to USAID, Promote is the agency's largest single investment to advance women globally. As of April 18, 2018, the agency has disbursed \$89.7 million for the program.

This audit's objectives were to assess the extent to which (1) USAID measures Promote's progress in meeting its goal of advancing the status of young women in Afghanistan, (2) the program is meeting its performance targets, (3) USAID oversees Promote and its contractors, and (4) the agency has demonstrated that Promote is sustainable.

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September 2018

## Promoting Gender Equity in National Priority Programs (Promote): USAID Needs to Assess This \$216 Million Program's Achievements and the Afghan Government's Ability to Sustain Them

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### SIGAR 18-69 AUDIT REPORT

#### WHAT SIGAR FOUND

SIGAR found that, after 3 years and \$89.7 million spent, USAID/Afghanistan has not fully assessed the extent to which Promote is meeting its overarching goal of improving the status of more than 75,000 young women in Afghanistan's public, private, and civil society sectors. Three key factors limit the agency's ability to determine whether it is meeting its goal.

First, since the start of the program, USAID/Afghanistan made extensive changes to the four components' performance indicators designed to measure progress, thus limiting the agency's ability to assess the components' performance over time. From the 78 original performance indicators, USAID/Afghanistan modified 32, deleted 23, and added 13 new indicators. Of the indicators USAID/Afghanistan modified, it changed the definitions for 12, changed the targets for 11, and changed both for 9. Specifically, USAID/Afghanistan lowered the targets for 12 indicators. For example, the agency reduced WLD's target for the number of participants obtaining new or better employment from 12,500 to 1,824 participants, an 85 percent reduction.

Second, USAID/Afghanistan did not perform a baseline study until more than 2 years into the program. Because it did not complete a baseline study early in Promote's implementation, the agency lacks a starting point from which to monitor and evaluate the program's progress over its first 2 years, and to measure its overall impact in Afghanistan.

Third, despite warnings from its contractor, USAID/Afghanistan deviated from the original intent of the program when it modified the WIE contract to increase the number of participants by 7,500 from 2,000 to 9,500 while also shortening the period of performance by 1 year. SIGAR found that USAID/Afghanistan's justification for the changes to WIE did not meet USAID Automated Directives System (ADS) requirements and was misleading because USAID/Afghanistan did not base the programming changes on program results, and instead proposed changes to support an Afghan government initiative. Additionally, it did not include feedback from the contractor on the potential negative impacts of the proposed programming changes, some of which actually occurred. These changes slowed the component's progress toward meeting its performance indicator targets.

Instead of assessing the overall program, USAID/Afghanistan measures the performance of the four individual components. SIGAR found that the components had mixed performance in meeting their goals. WLD's goal is for 25,000 women to apply advanced management and leadership skills in the public, private, and civil

society sectors. WIE's goal is to help at least 40,000 women increase their participation in the private sector through employment and increased business growth. WIG's goal is to place at least 3,000 university graduates into full-time jobs, with advancement potential, in the Afghan government. Musharikat's goal is to build a coalition of more than 5,000 national, provincial, and local activists and civil society organizations to advocate for women's equality and empowerment in Afghanistan. As of September 30, 2017, only one component—Musharikat—was meeting its performance indicator targets. The other three components did not meet key indicator targets. For example, WLD missed its target for the number of women who entered leadership positions within the Afghan civil service, and WIE and WIG both missed the target for the number of women who received new or better employment.

Although the midterm evaluations for WLD and WIE showed mixed results, the Gender Office, which oversees the Promote program for USAID/Afghanistan, said there was not anything in the WLD and WIE evaluations that the agency did not already know. USAID/Afghanistan postponed the midterm evaluations for WIG and Musharikat until they were further along in their implementation. In its comments on a draft of this report, USAID said the WIG midterm evaluation is in process and the Musharikat midterm evaluation will begin in October 2018. USAID expects to complete both evaluations by December 2018. There is no USAID requirement for when an overall assessment needs to be performed, but ADS guidance states that assessments should be timed so they can inform decisions, such as course corrections. However, in January 2018, USAID/Afghanistan said it did not plan to conduct an overall assessment of Promote until the program ends in 2020 or 2021.

SIGAR found multiple problems—both within and outside of USAID/Afghanistan's control—that contributed to the components' missed targets. For example, while challenges with security, staffing, and economic conditions in Afghanistan were outside of USAID/Afghanistan's control, problems such as delays by USAID/Afghanistan in approving staff and program activities were within the agency's control. For example, SIGAR found that USAID/Afghanistan did not approve contractor staff and program activities in a timely manner and changed program plans. In addition, the two contractors said the agency did not inform them about delays in approving grants, which affected their ability to plan programming activities.

SIGAR also found that USAID/Afghanistan met the requirements for monitoring and evaluation planning, third-party monitoring, and grant oversight for all four components as required by USAID's ADS. However, although USAID/Afghanistan met the requirements, it did not complete timely, consistent assessments of the contractors' performance. In addition, SIGAR found that USAID/Afghanistan's records on the contractors' required deliverables were incomplete and inaccurate because the agency's management did not give contracting officer's representatives enough guidance on record keeping and tracking important information about deliverables in a consistent manner. Complete and accurate records are critical to documenting and maintaining institutional knowledge in a mission that experiences high staff turnover.

Finally, in its March 2014 sustainability analysis, USAID/Afghanistan determined that Promote met each of the ADS's required elements for program sustainability, such as economic, financial, social soundness, cultural, and institutional capacity. However, the analysis does not clearly articulate how Promote will achieve sustainability within each of the required elements beyond stating that the women who complete the program will sustain it. Despite USAID/Afghanistan concluding that Promote is sustainable, SIGAR's analysis does not support that determination. In fact, USAID/Afghanistan told SIGAR it does not expect the Afghan government to sustain Promote, except by providing internships and employment opportunities for women. However, it is unclear whether this is possible as the Afghan government might not be able to hire all of Promote's graduates; it is also unclear whether the graduates will obtain jobs in the private sector in large numbers due to the country's low projected economic growth rate. This raises questions about whether Promote is sustainable at all and could put USAID's investment in the program in jeopardy.

## WHAT SIGAR RECOMMENDS

To ensure that Promote will meet its goal in light of the program's extensive changes and its mixed performance to date, SIGAR recommends that the USAID Administrator:

- 1. Conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance.**

To ensure that USAID/Afghanistan complies with the Federal Acquisition Regulation and USAID Automated Directives System guidance for maintaining accurate records, SIGAR recommends that the Mission Director for Afghanistan direct USAID/Afghanistan's Gender Office to:

- 2. Provide written guidance and training to contracting officer's representatives on maintaining records in a consistent, accurate manner.**

To determine whether Promote's achievements are sustainable given USAID's changes to the program and economic conditions in Afghanistan, SIGAR recommends that the Mission Director for Afghanistan:

- 3. Conduct a new sustainability analysis for the program.**

SIGAR received written comments on a draft of this report from USAID's Office of Afghanistan and Pakistan Affairs. USAID concurred with all three recommendations.

In response to the first recommendation, USAID said it will perform a midterm evaluation of the overall program by September 2019, which will allow the agency to adjust programming during implementation. While this is encouraging, SIGAR is concerned that deferring the evaluation limits USAID's ability to adjust the program given that WIE and WLD are expected to end in June and September 2019, respectively, and WIG and Musharikat are expected to end in April and September 2020. In response to the second recommendation, USAID said it re-issued Mission Order 502.03, "Records Management," which establishes policies and procedures for records management, to mission staff. Additionally, the agency said it is implementing the Agency Secure Image and Storage Tracking System, an electronic filing system that facilitates consistency in maintaining files, and USAID/Afghanistan will conduct training for contracting officer's representatives on the new system. This recommendation will remain open until SIGAR receives documentation that USAID/Afghanistan provided training on records management and document retention to its Gender Office contracting officer's representatives. In response to the third recommendation, USAID said it will assess the sustainability of Promote as part of its overall midterm evaluation of the program. This recommendation will remain open until SIGAR receives a copy of the new sustainability analysis.

The draft of this report also included a recommendation for the Mission Director for Afghanistan to direct the Gender Office to complete contractor performance assessment reports on time and establish guidance to verify that they accurately reflect the contractors' performance. USAID concurred with the recommendation and, after receiving the draft report in July 2018, USAID/Afghanistan's Office of Acquisition and Assistance issued guidance to the Gender Office advising contracting officer's representatives of their responsibility to submit well-documented, timely contractor performance assessment reports. Therefore, SIGAR considers the recommendation implemented and removed it from this final report.



**SIGAR**

Office of the Special Inspector General  
for Afghanistan Reconstruction

September 7, 2018

The Honorable Mark Green  
Administrator, U.S. Agency for International Development

Mr. Herbert B. Smith  
USAID Mission Director for Afghanistan

This report discusses the results of SIGAR's audit of the U.S. Agency for International Development's (USAID) Promoting Gender Equity in National Priority Programs (Promote). In September 2014, the USAID Mission for Afghanistan awarded three indefinite delivery/indefinite quantity contracts to implement Promote to Chemonics International Inc., Tetra Tech ARD, and Development Alternatives Inc. The goal of the \$216 million, 5-year program is to improve the status of more than 75,000 young women in all levels of Afghan society. This report focuses on Promote's results, USAID's oversight of the program from its initiation to October 2017, and the extent to which the program's activities and achievements are sustainable.

We are making three recommendations. We recommend that the USAID Administrator (1) conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance. We also recommend that the Mission Director for Afghanistan direct USAID/Afghanistan's Gender Office to (2) provide written guidance and training to contracting officer's representatives on maintaining records in a consistent, accurate manner. Finally, we recommend that the Mission Director for Afghanistan (3) conduct a new sustainability analysis for the program.

We received written comments on a draft of this report from USAID's Office of Afghanistan and Pakistan Affairs, which are reproduced in appendix II. USAID concurred with all three recommendations.

In response to the first recommendation, USAID concurred and said it will perform a midterm evaluation of the overall program by September 2019, which will allow the agency to adjust programming during implementation. While this is encouraging, we are concerned that deferring the evaluation limits USAID's ability to adjust the program given that WIE and WLD are expected to end in July and September 2019, respectively, and WIG and Musharikat are expected to end in April and September 2020. In response to the second recommendation, USAID concurred and said it re-issued Mission Order 502.03, "Records Management," which establishes policies and procedures for records management to mission staff. Additionally, USAID said it is implementing the Agency Secure Image and Storage Tracking System, an electronic filing system that facilitates consistency in maintaining files, and USAID/Afghanistan will conduct training for contracting officer's representatives on the new system. This recommendation will remain open until we receive documentation that USAID/Afghanistan provided training on records management and document retention to its Gender Office contracting officer's representatives. In response to the third recommendation, USAID concurred and said it will assess the sustainability of Promote as part of its overall midterm evaluation of the program. This recommendation will remain open until we receive a copy of the new sustainability analysis.

The draft of this report also included a recommendation for the Mission Director for Afghanistan to direct the Gender Office to complete contractor performance assessment reports on time and establish guidance to verify that they accurately reflect the contractors' performance. USAID concurred with the recommendation and, after receiving the draft report in July 2018, USAID/Afghanistan's Office of Acquisition and Assistance issued guidance to the Gender Office advising contracting officer's representatives of their responsibility to



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submit well-documented, timely contractor performance assessment reports. Therefore, we consider the recommendation implemented and removed it from this final report.

SIGAR conducted this work under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended; and in accordance with generally accepted government auditing standards.

John F. Sopko  
Special Inspector General  
for Afghanistan Reconstruction

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## ABBREVIATIONS

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ADS	Automated Directives System
COR	contracting officer's representative
DAI	Development Alternatives Inc.
FAR	Federal Acquisition Regulation
M&E	monitoring and evaluation
Promote	Promoting Gender Equity in National Priority Programs
RSI	Rahman Safi International Consulting
USAID	U.S. Agency for International Development
USAID/Afghanistan	USAID Mission for Afghanistan
WIE	Women in the Economy
WIG	Women in Government
WLD	Women's Leadership Development



In July 2013, the U.S. Agency for International Development (USAID) announced the Promoting Gender Equity in National Priority Programs (Promote), which it describes as its largest single investment to advance women globally.<sup>1</sup> According to USAID, the \$216 million, 5-year program capitalizes on the previous investment in education for Afghan women and girls, and its goal is to improve the status of more than 75,000 young women in all levels of society.<sup>2</sup> It consists of four components: Women's Leadership Development (WLD), Women in Government (WIG), Women in the Economy (WIE), and Women's Rights Groups and Coalitions (*Musharikat*). The USAID Mission for Afghanistan (USAID/Afghanistan) awarded contracts to Chemonics International Inc. (Chemonics), Tetra Tech ARD (Tetra Tech), and Development Alternatives Inc. (DAI) in September 2014 to implement the program.

We previously reported on U.S. programs for Afghan women in a 2010 audit examining \$225 million in appropriated funds to the Department of State and USAID in 2008 and 2009.<sup>3</sup> In this work, we found, among other things, that the agencies did not coordinate their approach to reporting on the use of funds for Afghan women and U.S. gender activities were not aligned with Afghan goals.<sup>4</sup> In a 2014 audit, we reported on the at least \$64.8 million the Departments of Defense and State, and USAID spent in fiscal years 2011 through 2013.<sup>5</sup> We found that the agencies did not track the specific amount of money spent directly to support Afghan women and could not demonstrate that improvements to the status of women in Afghanistan were the result of specific U.S. programs.<sup>6</sup> Additionally, we issued two inquiry letters regarding Promote in 2015 and 2016 expressing concern about USAID's ability to effectively implement, monitor, and assess Promote's impact, and the lack of contributions from international donors.<sup>7</sup>

This report examines USAID's efforts to implement, oversee, and evaluate Promote since it launched in September 2014. Our objectives were to assess the extent to which (1) USAID measures Promote's progress in meeting its goal of advancing the status of young women in Afghanistan; (2) the program is meeting its performance targets; (3) USAID oversees Promote and its contractors; and (4) the agency has demonstrated that Promote is sustainable.

To accomplish our objectives, we analyzed USAID contracts, task orders, modifications, other contract documents, and relevant program documentation, including contract deliverables and reports. We also reviewed a USAID Office of Inspector General audit report. We interviewed current and former officials responsible for designing and implementing Promote from USAID's Office of Afghanistan and Pakistan Affairs (OAPA) and USAID/Afghanistan's offices of Gender, Infrastructure, Education, and Vetting; Promote contractors and participants; international donors; and Afghan ministries. We conducted our work from November 2016

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<sup>1</sup> USAID, "Remarks By Administrator Rajiv Shah at the U.S. Institute of Peace Regarding Afghanistan Promote," Washington D.C., July 18, 2013.

<sup>2</sup> USAID previously reported to SIGAR that it had committed \$280 million to Promote. This includes other USAID programs that are not directly part of Promote, such as a scholarship program for Afghan women.

<sup>3</sup> SIGAR, *Greater Coordination Needed in Meeting Congressional Directives to Address and Report on the Needs of Afghan Women and Girls*, SIGAR 10-13, July 30, 2010.

<sup>4</sup> We recommended that the agencies develop consistent reporting requirements and a coordinated approach for using funds to address the needs of Afghan women, align activities with their goals, and target funds to address organizations specified in legislation. Although State and USAID took actions to address the recommendations, we determined they did not fully meet the intent of our recommendations.

<sup>5</sup> SIGAR, *Afghan Women: Comprehensive Assessments Needed to Determine and Measure DOD, State, and USAID Progress*, SIGAR 15-24-AR, December 18, 2014.

<sup>6</sup> We recommended that the agencies develop and use existing data to implement agency-wide mechanisms to track projects and programs, and develop timeframes for assessing each agency's efforts to support Afghan women. We determined that USAID implemented the recommendations, while the Departments of Defense and State did not.

<sup>7</sup> SIGAR, *Inquiry Letter: USAID's Promoting Gender Equity in National Priority Programs*, SIGAR-15-44-SP, March 27, 2015; and SIGAR, *Inquiry Letter: Promoting Gender Equity in National Priority Programs*, SIGAR-17-16-SP, December 7, 2016.

through July 2018 in Washington, D.C., and Kabul, Afghanistan, in accordance with generally accepted government auditing standards. Appendix I has a more detailed discussion of our scope and methodology.

## BACKGROUND

### Development and Initiation of the Promote Program

USAID/Afghanistan approved the Promote project appraisal document in December 2012, and the USAID Administrator publicly announced the initiation of the program in July 2013.<sup>8</sup> This announcement coincided with USAID/Afghanistan’s release of the request for proposals for the Promote contracts. In September 2014, USAID/Afghanistan awarded three 5-year, indefinite delivery/indefinite quantity contracts to Chemonics, Tetra Tech, and DAI.<sup>9</sup> Although USAID designed Promote as a \$216 million program, according to the original request for proposals for Promote, the agency set the total ceiling on the contracts at \$416 million to allow for contributions of up to \$200 million from international donors.<sup>10</sup>

Under the contracts, USAID/Afghanistan awarded four task orders to implement each component of Promote. As of April 18, 2018, the total value of the task orders was \$181.1 of the \$216 million USAID allocated for Promote. Table 1 lists details of each component’s task order.

**Table 1 - Status of Promote Task Orders as of April 18, 2018**

Component	Contractor	Award Date	Contract Value	Amount Disbursed
WLD	Tetra Tech	September 23, 2014	\$41,959,377	\$29,559,620
WIG	Chemonics	April 21, 2015	37,997,644	19,612,036
WIE	DAI	July 1, 2015	71,571,543	28,476,213
Musharikat	DAI	September 2, 2015	29,534,401	12,020,436
<b>Totals</b>			<b>\$181,062,965</b>	<b>\$89,668,305</b>

Source: SIGAR analysis of Promote task orders and USAID disbursement data.

The goals for the components are as follows:

- WLD’s goal is for 25,000 Afghan women to apply advanced management and leadership skills in the public, private, and civil society sectors through two different curricula. The first is *Jawana*, which focuses on 18- to 30-year-old women who have high school diplomas. The second is *Royesh*, which

<sup>8</sup> A project appraisal document is an internal USAID document that summarizes the analyses used as the foundation of a project’s design. It includes an implementation plan and schedule, and a monitoring and evaluation (M&E) plan. At that time, Promote was known as the “Women in Transition” program.

<sup>9</sup> An indefinite delivery/indefinite quantity contract is used to acquire specific recurring supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award.

<sup>10</sup> In response to our March 2015 inquiry letter, USAID wrote, “The ceiling was set to accommodate an additional \$200 million to allow for flexibility of potential contributions, but to not exceed USAID maintaining the majority of funding. It is notional funding. Promote activities are fully funded. The project will be able to complete all activities without any additional donor funds. The ceiling of \$200 million of additional donor contributions was set to avoid a re-design process in the case donors wanted to partner.” USAID, *Response to the Inquiry Letter on USAID’s Promoting Gender Equity in National Priority Programs (SIGAR Inquiry Letter-15-40-SP)*, April 10, 2015, p. 3.

focuses on 15- to 24-year-old literate women who have completed primary school. In October 2017, USAID/Afghanistan modified the task order to remove the age limits.<sup>11</sup>

- WIG's goal is to place at least 3,000 university graduates into full-time jobs, with advancement potential, in the Afghan government. Following 9 months of coursework and a 3-month internship, participants receive a certificate of completion equivalent to 1 year of public service experience, which they need to compete for a job in the public sector.
- WIE's goal is to help at least 40,000 Afghan women increase their participation in the private sector through two primary methods: (1) new or improved employment opportunities for educated 18- to 30-year-old women, and (2) increased income growth and viability for women-owned businesses and businesses whose workforces are composed of at least 10 percent women.
- Musharikat's goal is to build a coalition of more than 5,000 national, provincial, and local activists and civil society organizations. The coalition will advocate for women's equality and empowerment in Afghanistan by prioritizing and addressing the most critical issues limiting women's ability to exercise their rights and fully participate in Afghan society, such as access to education and security, and the prevention of violence against women.

USAID/Afghanistan is also designing a scholarship endowment, worth about \$40 million, for Promote that would give university scholarships to women.<sup>12</sup>

OAPA officials at USAID's headquarters in Washington, D.C., told us they worked with USAID/Afghanistan during the design phase of Promote by briefing mission staff about the underlying research and theories, helping with the design of the program, its early implementation, and monitoring and evaluation (M&E) plans.<sup>13</sup>

In a written statement, USAID described Promote as a "mission-initiated and mission-led program," with the design, contract award process, and implementation all taking place in Afghanistan.<sup>14</sup> The agency said USAID/Afghanistan and OAPA staff were committed to supporting the program, providing advice when needed, and communicating with U.S. stakeholders about it. Once Promote reached the implementation phase, USAID/Afghanistan stopped relying on OAPA for assistance and began making all programming decisions and performing daily oversight activities. Initially, USAID/Afghanistan managed the Promote components in different offices. In March 2016, it consolidated all Promote components into its newly formed Gender Office.

In March 2015, we sent USAID a letter expressing concern about the agency's ability to effectively implement, monitor, and assess Promote's impact, and requested information about the program's development and status.<sup>15</sup> USAID responded that it had "made important progress towards the project's full implementation" by completing "critical implementation documents, including their work plan and the participant selection plan" for the first component (WLD), and that the remaining three task orders "were finalized and announced for procurement in early 2015." USAID further responded that it could not evaluate programming activities

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<sup>11</sup> USAID/Afghanistan subsequently modified the Promote contracts in November 2017 to remove the age limits.

<sup>12</sup> Although USAID/Afghanistan's website states that Promote includes a scholarship program and the construction of a women's dormitory at the American University of Afghanistan, according to officials from the mission Gender and Infrastructure offices, funds for these projects do not come from the Gender Office and are not part of the Promote contracts. In January 2018, we issued an inspection report on the dormitory. We found that USAID increased the task order's price from \$3.99 million to \$4.1 million, and modified the task order seven times, extending the project's completion date from August 23, 2017 to November 20, 2017. We found the dormitory generally well-constructed, but identified three construction deficiencies and one safety hazard. When we informed USAID of the deficiencies, the contractor corrected them before it completed the building. See SIGAR, *American University of Afghanistan Women's Dormitory: Construction Met Contract Requirements and Building Deficiencies Were Corrected*, SIGAR 18-22-IP, January 9, 2018.

<sup>13</sup> An M&E plan describes how the program team will collect, organize, and analyze program data, and apply this information during project implementation.

<sup>14</sup> USAID, response to SIGAR request for information, November 27, 2017.

<sup>15</sup> SIGAR, *Inquiry Letter: USAID's Promoting Gender Equity in National Priority Programs*, SIGAR-15-44-SP, March 27, 2015.

because they had not begun.<sup>16</sup> Finally, USAID responded that although international donors had not yet contributed financially to Promote, USAID could expand programming activities if any donors decided to in the future.

In December 2016, we sent USAID a second letter expressing concerns about the lack of support from international donors and the portion of funding going to U.S. contractors for overhead and security costs.<sup>17</sup> USAID responded that it engaged with other donors in 2014 and 2015 but that “Promote is designed to achieve the results targeted with or without other donor funding.” USAID also said overhead and security costs covered about 18 percent of amounts disbursed as of December 2016.<sup>18</sup> According to USAID/Afghanistan’s contracting officer for Promote, the breakdown of those costs should remain relatively unchanged throughout the program.

As of January 2018, no international donors had contributed funding to Promote. USAID stated that because programming activities are not contingent on international donor funding, the program’s success is not at risk. USAID said it made “informal (verbal) requests” and shared information on how to contribute to Promote to the international donor community in Kabul, Afghanistan, and Washington, D.C. However, officials from six of the seven donor countries we spoke to said USAID/Afghanistan made little or no effort to coordinate with them on Promote’s activities.<sup>19</sup> Only one—Japan—has collaborated with Promote. According to Japanese officials, the collaboration occurred once, when Japan’s foreign assistance agency and USAID signed a memorandum of cooperation in August 2015 for Promote to provide leadership training to Afghan female police enrolled in a program funded by Japan.<sup>20</sup> Officials from five of the seven countries said they cannot financially contribute to the Promote program or that USAID’s assumption that foreign donors would contribute \$200 million for the program was an unrealistic goal.

## USAID Program Oversight Activities

### Contractor and Contract Deliverable Oversight

USAID’s Automated Directives System (ADS) has the policies and procedures that guide the agency’s programs and operations.<sup>21</sup> Additionally, the agency must adhere to the Federal Acquisition Regulation (FAR). According to the ADS and FAR, the contracting officer’s representative (COR) is responsible for the technical oversight and administration of the contract, as authorized by the contracting officer.<sup>22</sup> The Promote contracts authorize the COR to “monitor the Contractor’s production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction.” For example, CORs monitor the contractor’s performance and ensure it is meeting the terms of the contract by assessing and approving contract deliverables and completing contractor performance assessments. USAID evaluates the contractor’s performance with the COR drafting the evaluation and entering it into the Contractor Performance Assessment Reporting System. The Promote contracts and task orders list contract deliverables,

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<sup>16</sup> USAID, *Response to the Inquiry Letter on USAID’s Promoting Gender Equity in National Priority Programs (SIGAR Inquiry Letter-15-40-SP)*, April 10, 2015, p. 2.

<sup>17</sup> SIGAR, *Inquiry Letter: Promoting Gender Equity in National Priority Programs*, SIGAR-17-16-SP, December 7, 2016.

<sup>18</sup> USAID, *Mission Response to SIGAR Inquiry Letter titled: Promoting Gender Equity in National Priority Programs (SIGAR - 17-16-SP)*, December 29, 2016, pp. 4-6.

<sup>19</sup> We interviewed representatives of Australia, Canada, Denmark, Finland, Japan, Sweden, and the United Kingdom.

<sup>20</sup> In response to our preliminary findings, USAID said the collaboration is ongoing. However, the documentation USAID provided discussed WLD activities, but did not discuss the role Japan had in these activities.

<sup>21</sup> USAID periodically updates the ADS. As a result, throughout the report we cite the versions of the ADS guidance that were relevant at the time of Promote’s design and implementation even if they are not the most current versions.

<sup>22</sup> FAR, subpart 1.6; and ADS 302.2(i), partially revised April 3, 2017.

and the due dates for each deliverable, which USAID/Afghanistan contracting officials use to assess performance.

The ADS and the Promote contracts also provide guidance for “grants under contract” (hereafter referred to simply as grants), which allows the contractors to issue grants on USAID’s behalf. The ADS requires the agency to set criteria for issuing and approving grants. To comply with the ADS, contractors and USAID develop criteria to use when awarding grants and how they will monitor grantees’ performance, which is contained in a grants manual. Although the contractors issue grants, USAID retains the right to determine their direction and focus, and the grant recipients, as well as giving final approval of them.

## Program Monitoring

USAID/Afghanistan uses a multi-tiered monitoring approach for programming activities in Afghanistan because of its limited ability to directly oversee whether contractors are implementing projects as intended.

USAID/Afghanistan’s multi-tiered monitoring consists of five tiers:

- Tier 1—direct U.S. government observation
- Tier 2—contractor reporting<sup>23</sup>
- Tier 3—information from the Afghan government and international donors
- Tier 4—information from civil society organizations and program beneficiaries
- Tier 5—third-party monitor reporting

A USAID/Afghanistan mission order requires programs to use at least three of the five tiers to ensure effective oversight.<sup>24</sup>

## USAID/AFGHANISTAN HAS NOT FULLY ASSESSED PROMOTE’S PROGRESS IN IMPROVING THE STATUS OF YOUNG WOMEN IN AFGHANISTAN

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Since September 2014, USAID’s overarching goal for the Promote program has been to improve the status of more than 75,000 young women in Afghanistan’s public, private, and civil society sectors, but the agency has not fully assessed the extent to which it is meeting this goal. Three key factors limit the agency’s ability to determine whether it is meeting its goal. First, since the program started, USAID/Afghanistan has made extensive changes to the performance indicators it designed to measure each component’s progress, limiting its ability to assess performance over time. Second, because USAID/Afghanistan did not perform a baseline study until more than 2 years into the program, the agency lacks a starting point from which to monitor and evaluate the progress of Promote over the first 2 years of its programming, or to measure the program’s overall impact in Afghanistan. Third, despite warnings from its contractor, USAID/Afghanistan deviated from the original intent of the program when it significantly modified the WIE contract in February 2016 to add 7,500 apprenticeships and reduce its period of performance by 1 year.

## USAID/Afghanistan’s Changes to Promote’s Performance Indicators Limit Its Ability to Measure the Program’s Progress

ADS guidance requires ongoing collection of performance indicator data to show whether a program is achieving desired results and whether program implementation is on track. The ADS states that missions should consider how useful selected indicators are for those making programming decisions. The Promote

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<sup>23</sup> Contractor reporting includes site visits, photos, reports, and M&E systems.

<sup>24</sup> Mission Order 203.04, “Mission Order on Performance Monitoring,” March 29, 2016.

contracts underscore this by stating that indicators should “measure meaningful results.”<sup>25</sup> The ADS allows USAID to change a program’s indicators to better reflect programming activities. However, ADS guidance also states that missions “should be cautious about changing performance indicators, because it compromises the comparability of performance data over time.”<sup>26</sup>

In our analysis of USAID/Afghanistan’s performance indicators for Promote as of October 2017, we found that the agency changed the majority of Promote’s indicators. Although USAID/Afghanistan told us it changed the performance indicators for each component to better reflect the program’s accomplishments, in doing so, the agency lost the ability to compare performance on those indicators over the life of the program. Specifically, USAID/Afghanistan made five types of changes to the performance indicators:

- changed the definition of existing indicators
- changed the target for existing indicators
- changed both the definition and target for existing indicators
- added new indicators
- removed indicators

Table 2 summarizes these changes.

**Table 2 - How USAID/Afghanistan Changed Promote Performance Indicators**

	WLD	WIG	WIE	Musharikat	Total
Changed Definition	3	4	2	3	<b>12</b>
Changed Target	5	0	4	2	<b>11</b>
Changed Definition and Target	3	2	0	4	<b>9</b>
New Indicator	2	3	2	6	<b>13</b>
Removed Indicator	1	8	1	13	<b>23</b>
<b>Total Number of Changes</b>	<b>14</b>	<b>17</b>	<b>9</b>	<b>28</b>	<b>68</b>

Source: SIGAR analysis of USAID/Afghanistan M&E plans for Promote

From the 78 original performance indicators, USAID/Afghanistan modified 32, deleted 23, and added 13 new indicators. USAID/Afghanistan did not change 23 of the original indicators. Of the indicators USAID/Afghanistan modified, it changed the definitions for 12, changed the targets for 11, and changed both for 9. Specifically, USAID/Afghanistan lowered the targets for 12 performance indicators. For example, USAID/Afghanistan reduced WLD’s target for the number of participants obtaining new or better employment from 12,500 to 1,824 participants, an 85 percent reduction.<sup>27</sup> USAID/Afghanistan reduced the same performance indicator target for WIE first from 25,000 to 21,000, and then again to 17,500, a 30 percent overall reduction. In another example, USAID/Afghanistan reduced WLD’s target for the number of women who

<sup>25</sup> USAID, Contract No. AID-306-I-14-00010, awarded to Tetra Tech, September 18, 2014, p. 142; USAID, Contract No. AID-306-I-14-00012, awarded to Chemonics, September 18, 2014, p. 144; and USAID, Contract No. AID-306-I-14-00013, awarded to DAI, September 18, 2014, p. 142.

<sup>26</sup> ADS 201.3.5.7C, partially revised March 23, 2017, p. 116.

<sup>27</sup> USAID/Afghanistan’s performance indicator reference sheet for the indicator did not provide a justification for why the agency reduced the target by such a large amount. A performance indicator reference sheet documents an indicator’s definition, purpose, and methodology so all parties collecting and using the data have the same understanding.

apply their leadership skills in the public, private, or civil society sector from 18,240 to 12,600, a 31 percent reduction.

The changes to the performance indicator definitions could affect Promote's reported results. For example, an initial performance indicator for WLD counted the number of women who received promotions to leadership positions within their organizations. After USAID/Afghanistan's changes, the indicator now counts the number of women who received a promotion within their organization, regardless of whether it was to a leadership position. WLD's goal is to put women into leadership positions, and by now including nonleadership positions in the results, the component appears to be achieving its goal when it may not be. Additionally, USAID/Afghanistan reduced the target for this performance indicator by 20 percent, from 3,750 to 3,000.

In another example, a performance indicator for WIG counted the number of women who obtain full-time positions with the Afghan government. After USAID/Afghanistan's assessment, that indicator now counts the number of women who received full-time employment even if they do not complete the program. The indicator also gives women up to 24 months to obtain full-time employment, instead of 12 months.

In July 2017, USAID/Afghanistan and contractor officials told us Promote's performance indicators were not reflecting the program's accomplishments. We were told during interviews that a USAID M&E specialist with USAID/Afghanistan's Office of Program and Project Development was conducting an assessment of the performance indicators for all four components to examine how they define and measure their targets. The specialist said that because of how the contractors reported the performance indicator data, their reports may not have accurately reflected progress toward meeting the targets. For example, the specialist told us Chemonics reported on graduates from WIG on a quarterly basis even though the program takes 1 year to complete. Therefore, Chemonics did not report any progress for WIG for the first three quarters of the year.

According to the M&E specialist, USAID/Afghanistan planned to make two changes based on the assessment. First, the agency would add more detail to the performance indicator reference sheets. The specialist said the additional detail would give clarity to USAID/Afghanistan staff, ensuring that they collect and report performance indicator results consistently even with staffing changes. Second, USAID would reduce the number of output performance indicators and replace them with outcome performance indicators that accurately reflect Promote's achievements.<sup>28</sup>

In October 2017, USAID/Afghanistan adjusted the performance indicators. The agency told us it did not have any documents summarizing how the indicators changed or the results of the M&E specialist's assessment. However, it gave us updated M&E plans for the components with performance indicator reference sheets that it said reflect the results of the assessment. USAID/Afghanistan officials said they made small changes to the sheets but did not change any targets. They explained that the assessment constituted "fine tuning" to ensure that Promote's indicators accurately reflect its results.

When USAID/Afghanistan gave us performance indicator results as of September 30, 2017, the results did not include historical data on the indicators that the agency removed following its assessment, or identify the indicators that had different definitions or targets. In response to our preliminary findings, USAID/Afghanistan said "revising indicators to better reflect Promote activities is necessary to reflect the dynamic Afghanistan context and determine how well USAID is measuring performance," and "is in alignment with good management practice and the ADS." However, because the new performance indicators do not have historical data to compare against, USAID/Afghanistan does not have an accurate understanding of Promote's performance since it started in September 2014.

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<sup>28</sup> An output performance indicator measures program outputs, such as the number of women participating in Promote or the number of training hours completed. An outcome indicator measures the progress toward achieving the program's overall goal, such as the number of women who find new or better jobs or the percentage increase in revenues for women-owned businesses.

## USAID/Afghanistan Did Not Conduct a Baseline Study until More than 2 Years after Promote Started

Although Promote’s design documents included a provision for a baseline study, USAID/Afghanistan did not conduct one until more than 2 years into program implementation. Baseline data establishes the value of performance indicators when a project begins and allows USAID to track the changes that occur during the project and whether it is achieving its desired results. ADS guidelines require USAID to establish a baseline for performance indicators before a project starts.<sup>29</sup>

Promote’s December 2012 project appraisal document included a plan to perform a baseline study of performance indicators focused on gender. In September 2014, USAID/Afghanistan awarded Rahman Safi International Consulting (RSI) a contract worth almost \$800,000 to perform a literature review of documents related to Promote’s focus areas and to perform a household survey that collected baseline data about Afghans’ perceptions of women working. USAID/Afghanistan said RSI performed the survey, and the agency accepted it. According to former USAID/Afghanistan officials, they could not use RSI’s survey as a baseline because USAID/Afghanistan did not design it to gather information that could measure Promote’s performance. In its comments on a draft of this report, USAID said the household survey was “statistically valid and provides the baseline information necessary to assess performance.” However, the household survey did not specifically collect data on the performance indicators for the four Promote components. As a result, USAID/Afghanistan did not establish baselines for any of Promote’s performance indicators at the beginning of the program, as required by ADS guidance.

In December 2014, USAID/Afghanistan issued a solicitation for an M&E contract referred to as Gender Monitoring, Evaluation, and Learning, which included M&E activities for Promote. However, USAID/Afghanistan canceled the solicitation 2 months later. In a memo to the Mission Director justifying the cancellation, the Directors of the Office of Program and Project Development and the Office of Acquisition and Assistance said, “Given the already large number of implementing mechanisms, current workload of the Gender Unit and [the Office of Acquisition and Assistance], and potential that mission staff numbers will be reduced in the near- or medium-term, the office directors of [the Office of Program and Project Development] and the [Office of Acquisition and Assistance] recommend that the mission incorporate gender [monitoring, evaluation, and learning] activities into the three [Monitoring Support Project] task orders instead of having a stand-alone. . . contract.”<sup>30</sup>

In February 2017, more than 2 years into Promote’s implementation, USAID/Afghanistan awarded RSI a new contract to perform a rolling baseline study for the program that measures participants’ perceptions about themselves and their skills when they begin training and 1 year after they graduate.<sup>31</sup> Figure 1 shows a timeline of key dates related to Promote’s baseline study from the initial design in 2012 through the award of the rolling baseline in 2017.

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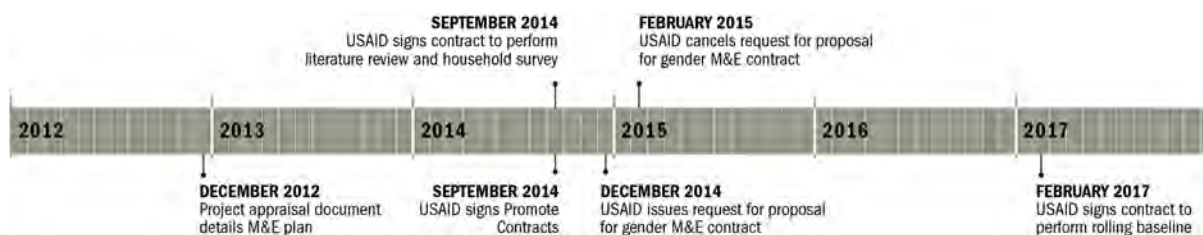
<sup>29</sup> ADS 203.3.9, partially revised November 2, 2012, p. 37.

<sup>30</sup> USAID/Afghanistan Director of the Office of Program and Project Development and Director of the Office of Acquisition and Assistance, “Action Memorandum Requesting a Decision to Cancel the GENMEL Solicitation and Integrate Gender Monitoring, Evaluation, and Learning (MEL) Activities into MSP Task Orders,” action memorandum to the Mission Director for Afghanistan, February 8, 2015, p 2.

<sup>31</sup> According to RSI, a rolling baseline focuses on changes to individual beneficiaries and their perceptions. Because Promote’s beneficiaries enter the program on a rolling basis, they do not exit the program at the same time.



**Figure 1 - Promote Baseline Survey Timeline**



Source: SIGAR analysis of USAID information

When we asked USAID/Afghanistan why it did not use the other implementing mechanisms mentioned in its justification memo for cancelling the M&E contract, the agency said:

As other important considerations came to the forefront – the Mission decided to utilize an additional M&E activity to support Promote data quality and research. The other considerations included: 1) Promote is considered an innovative approach to women’s empowerment and this can trigger additional research, 2) in October 2015, the fall of Kunduz was marked by game-changing considerations for Afghan women with insurgents entering the city with a list of women leaders and women’s resources [sic] that were targeted for attack, and 3) significant backlash from men in the general population was discerned through the mob murder of Farkhunda and The Asia Foundation survey of the Afghan people. In response to these considerations, the mission reviewed a proposal from RSI that provided the additional security for Promote beneficiaries as well as additional data gathering capacity, like the entrance and exit surveys.

Because USAID/Afghanistan did not complete a baseline study early in Promote’s implementation, the agency lacks a starting point from which to monitor and evaluate the program’s progress over its first 2 years, and to measure its overall impact in Afghanistan. As of March 2017, approximately 2 years into Promote, USAID had spent \$49 million on program activities.

## USAID/Afghanistan Changes to WIE’s Focus Deviated from Promote’s Intent

The ADS allows USAID officials to change programming during implementation to improve outcomes. The ADS says officials should base these programming changes on data from performance monitoring, and from findings of research, evaluations, analysis, and other sources.<sup>32</sup> Additionally, the ADS states that it is essential to obtain feedback from partners and use it in management decisions.<sup>33</sup>

USAID/Afghanistan modified the WIE contract in February 2016, primarily adding 7,500 apprenticeships to the existing 2,000 internships, bringing the total to 9,500, and reducing the period of performance from 5 years to 4.<sup>34</sup> After reviewing the action memo justifying the modification that the WIE COR submitted to the Promote contracting officer through the Director of the Office of Economic Growth, we found that the memo did not meet ADS requirements and was misleading for two reasons.<sup>35</sup> First, USAID/Afghanistan did not base the

<sup>32</sup> ADS 203.1, partially revised November 2, 2012, p. 4.

<sup>33</sup> ADS 202.3.6.2, partially revised January 25, 2012, p. 26.

<sup>34</sup> USAID/Afghanistan’s Office of Economic Growth modified the WIE contract less than 1 month before the mission consolidated all Promote components in its Gender Office in March 2016.

<sup>35</sup> USAID/Afghanistan WIE COR, “Modification of Contract#: 306-TO-15-00062 for Women in the Economy (WIE) Activity to: a) reduce the period of performance of the activity from five to four years; b) revise the activity’s targets and deliverables; c) realign the activity’s budget; and d) obligate an additional USD \$15,000,000” action memorandum to the Promote

programming changes on program results, and instead proposed changes to support an Afghan government initiative. Second, it did not include feedback from the contractor on the potential negative impacts of the proposed programming changes, some of which actually occurred.

In November 2015, the President of Afghanistan announced his Jobs for Peace initiative, which intended to create jobs to help stabilize the Afghan economy. In an effort to support the President's initiative, USAID/Afghanistan sought to modify WIE by expanding the number of participants in WIE's apprenticeship program, and requested input from the contractor, DAI, about the proposed changes.

In December 2015, DAI sent USAID/Afghanistan a memo about the agency's proposed changes to WIE in which the contractor said that changing the design of the program to increase apprenticeships would lower its overall lasting impact. DAI described the change as "principally a cash for work program that temporarily supplies businesses with free or subsidized labor," and "most of the placements [would be] for unskilled labor, and . . . would not be of a permanent nature."<sup>36</sup>

DAI's memo listed three potential positive impacts of changing WIE: (1) opening workplaces to women that did not previously employ women; (2) job experience for large numbers of women, some of whom may find permanent employment; and (3) a temporary increase in workforces for companies at subsidized costs. DAI's memo also highlighted four potential negative impacts: (1) a reduction in the number of women WIE could train and educate; (2) employers using the subsidized labor from a female workforce to lay off the unsubsidized male workforce; (3) damage to DAI and Promote's reputations when women would be laid off after their salaries were no longer subsidized; and (4) an increase in the amount of time DAI staff would need to implement this change.

DAI's memo gave USAID/Afghanistan three options on how to implement WIE's programming changes: (1) provide no additional funding and divert programming funds for the apprenticeship programming while reducing targets; (2) provide \$10.6 million in additional funds for the apprenticeship program and not modify any targets; or (3) provide \$13.17 million in additional funds for the apprenticeship program and not modify any targets.<sup>37</sup> In addition, DAI's memo estimated that between 10 and 25 percent of the apprenticeships would turn into full-time jobs.

The WIE COR's action memo to the Promote contracting officer justifying the modification included feedback from DAI, which noted that expanding the apprenticeship program was in line with WIE's initiatives and would cost \$15 million to implement to achieve a conversion rate of 40 percent of interns to full-time employees. However, the COR's action memo did not mention any of the potential negative impacts that DAI highlighted in its memo. When we asked USAID/Afghanistan about the potential negative impacts, the agency said that it worked with DAI throughout the process and, to its knowledge, it did not have written records of DAI's concerns. The COR's action memo concluded "USAID's [Office of Economic Growth] has reviewed the WIE response and the [Statement of Work] for the expanded apprenticeships and agree [sic] with DAI's feedback. . . . The Office of Economic Growth has determined that the most efficient method of responding to President Ghani's call for jobs in a timely manner is to modify the current WIE targets and deliverables, reduce the period of performance from five to four years, and to provide additional obligated funds as soon as possible."<sup>38</sup>

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Contracting Officer, undated. Although the memo is undated, based on the dates of related correspondence from the contractor, we believe the WIE COR sent it in December 2015.

<sup>36</sup> DAI, "Promote: Women in the Economy, Afghan Jobs Now," memorandum to USAID, December 2015, p. 2.

<sup>37</sup> DAI's memo did not reference the \$15 million USAID/Afghanistan attributed to it in the justification memo for the WIE modification.

<sup>38</sup> USAID/Afghanistan WIE COR, "Modification of Contract#: 306-TO-15-00062 for Women in the Economy (WIE) Activity to: a) reduce the period of performance of the activity from five to four years; b) revise the activity's targets and deliverables; c) realign the activity's budget; and d) obligate an additional USD \$15,000,000" action memorandum to the Promote Contracting Officer, undated, p. 2.

However, DAI officials told us, and provided emails demonstrating, they expressed concerns to USAID/Afghanistan about WIE's programming changes. We found that USAID/Afghanistan's programming changes had negative impacts on WIE. A midterm evaluation of the component conducted by Checchi and Co. Consulting Inc. in May 2017 found that the programming changes stretched staff resources and contributed to slower progress, and that the conversion rate of interns to full-time employees was 22 percent in 2016.<sup>39</sup> The evaluation concluded:

The expected employment of 21,000 women over the life of the activity is unrealistic. . . . WIE faces daunting targets. . . . The reduction of the project's period of performance will inhibit its potential for long-term impact on the acceptance of women in the workforce, including fostering women-friendly workplaces. . . . The time remaining to the project is a major weakness affecting various components.<sup>40</sup>

In addition to the problems stemming from programming changes, DAI found fraud while implementing the apprenticeship program. In its fiscal year 2016 third quarterly report, the contractor identified "several significant deviations from implementation guidelines in one of the regional offices."<sup>41</sup> DAI added that:

These deviations included staff encouraging employers to nominate intern applicants who were already employees; failure to visit and properly screen all employers; in some instances, failure to properly vet internship applicants and provide the potential employer with three applicants to select, and inclusion of interns who fall outside the WIE age parameters.<sup>42</sup>

DAI said that during its site visits to check on 14 apprentices in one region, it could not confirm that 9 apprentices were actually working even though they received stipends. DAI canceled the nine apprenticeships, removed the people involved, and reported the incident to the contracting officer and USAID's Office of Inspector General. After these incidents, DAI told us it implemented additional measures to prevent fraud, such as using biometrics to confirm program participants' identification and verifying that they are working before paying stipends. DAI also said that if USAID/Afghanistan had not modified WIE to increase the number of apprenticeships, it would not be operating the program in the province where the fraud occurred. USAID/Afghanistan officials said they have no concerns about additional fraud occurring.

## PROMOTE'S ACHIEVEMENTS HAVE BEEN MIXED DUE TO FACTORS WITHIN AND OUTSIDE OF USAID/AFGHANISTAN'S CONTROL

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### Only One of the Four Promote Components Was Meeting Its Performance Indicator Targets

The ADS requires USAID/Afghanistan to track Promote's progress toward achieving its goals.<sup>43</sup> In the absence of an overall assessment, USAID/Afghanistan measures the performance of the program's four individual components. The contractors and USAID/Afghanistan developed and the agency approved M&E plans with

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<sup>39</sup> Checchi and Company Consulting Inc., prepared for USAID/Afghanistan, "Mid-Term Performance Evaluation, Promoting Gender Equality in National Priority Programs Project (PROMOTE), Women in the Economy," May 25, 2017, pp. 3-4.

<sup>40</sup> Checchi and Company Consulting Inc., *Mid-Term Performance Evaluation, Women in the Economy*, p. 6. In response to our preliminary findings, USAID/Afghanistan said the change in WIE also had positive impacts that better aligned the program with Afghan government priorities.

<sup>41</sup> DAI, "PROMOTE: Women in the Economy, Quarterly Report, FY 2016, Quarter 3," prepared for USAID/Afghanistan, July 30, 2016, p. 10.

<sup>42</sup> DAI, "PROMOTE: Women in the Economy, Quarterly Report, FY 2016, Quarter 3," p. 10.

<sup>43</sup> ADS 203.1, partially revised November 2, 2012, p. 4; and ADS 201.3.5.5, partially revised March 23, 2017, p. 113-114. Because Promote's programming occurs over several years, multiple ADS versions apply to its programming activities. In 2016, USAID incorporated the guidance from ADS 203 into ADS 201.

performance indicators that show how programming activities contribute to the program’s goals and set targets for those indicators. Each one has an end-of-program target, which the plan then breaks down into smaller, annual targets.<sup>44</sup> The ADS also states that performance indicator targets should be ambitious yet realistic and achievable within the stated timeline.<sup>45</sup> The Promote contractors report their progress toward meeting the performance indicator targets to USAID/Afghanistan monthly, quarterly, and annually, and upload performance indicator data into Afghan Info quarterly.<sup>46</sup> Their reporting allows USAID/Afghanistan to determine how Promote is progressing and whether it needs to change programming activities.

To determine how Promote was performing, we asked USAID/Afghanistan to give us data for all of the performance indicators of each component as of September 30, 2017. Our analysis of this data shows that the Program has had mixed results. As of September 30, 2017, only Musharikat was meeting its targets for the performance indicators that had them. WLD met targets for 9 of the 15 performance indicators that had them, and WIE met targets for 7 of the 15 performance indicators that had them. Because WIG was only partway through its third year of programming, we could not assess its performance for that year. However, our analysis showed WIG missed targets in its second year of programming. Table 3 summarizes our analysis of the data the agency provided.

**Table 3 - Promote Performance Indicator Results as of September 30, 2017**

	WLD Fiscal Year 2017	WIG April 2017 – April 2018	WIE Fiscal Year 2017	Musharikat Fiscal Year 2017
Performance Indicators with Missing Information	1	1	1	8
Performance Indicator Targets Met	9	In progress	6	8
Performance Indicator Targets Missed	6	In progress	9	0
<b>Total Number of Performance Indicators</b>	<b>16</b>	<b>14</b>	<b>16</b>	<b>16</b>

Source: SIGAR analysis of USAID data

Note: Unlike the fiscal years of the other components, which begin on October 1 and end on September 30, WIG’s fiscal year begins April 21 and ends April 20.

### Musharikat’s Programming Results

Musharikat’s goal is to build a coalition of more than 5,000 national, provincial, and local activists and civil society organizations to advocate for women’s equality and empowerment in Afghanistan. Musharikat met its targets for the eight performance indicators that had targets for fiscal year 2017. For example:

- 1,015 activists were participating, which was 15 more than the original target of 1,000;
- the number of civil society organizations participating was 156 versus the target of 100;
- the number of Afghan government entities participating in Musharikat’s campaigns was 73 versus the target of 30; and

<sup>44</sup> USAID/Afghanistan established targets for Promote’s performance indicators on two timelines. The first are targets that USAID expects the contractors to meet annually. The second are targets the agency expects contractors to meet by the end of the program. When added together, the annual targets should equal the end of the program target.

<sup>45</sup> ADS 203.3.9, partially revised November 2, 2012, p. 37, and 201.3.5.7F, partially revised March 23, 2017, p. 118.

<sup>46</sup> Afghan Info is a web-based tool designed to track information about USAID/Afghanistan’s programs. It includes activity locations and financial disbursements.

- the number of individuals reached by the programming activities was 3,187 versus the target of 2,000.

However, because USAID/Afghanistan did not set targets for the other eight performance indicators, we could not fully assess Musharikat's performance. According to USAID/Afghanistan's performance indicator reference sheets, because 2017 was the baseline year for those indicators, they did not have targets for that year.

### WLD's Programming Results

WLD's goal is for 25,000 Afghan women to apply advanced management and leadership skills in the public, private, and civil society sectors through two different curricula: Royesh, which focuses on 15- to 24-year-old women who have completed primary school, and Jawana, which focuses on 18- to 30-year-old women who have high school diplomas. Based on USAID/Afghanistan's September 30, 2017, data, WLD was not meeting all of its performance indicator targets. Fifteen of its 16 performance indicators for fiscal year 2017 had targets. The component met the targets for 9 and missed 6. For example, WLD exceeded its targets for the number of women who reported being promoted within their organization (1,070 versus the target of 500) and the number of women who obtained new or better employment (663 versus the target of 412). It missed targets for the number of women who entered leadership positions within the Afghan civil service (0 versus the target of 20) and the number of women who were able to apply their leadership skills (2,981 versus the target of 3,100).

Tetra Tech confirmed that WLD was missing its performance indicator targets. It said Royesh was performing well, but Jawana was not, in part because of security problems. For example, the August 2016 bombing of the American University of Afghanistan in Kabul caused participants to drop out of Jawana and forced the university to stop working with WLD. Additionally, participation in Jalalabad and Kandahar was low because of the security situation, while Kabul, Herat, and Mazar-e Sharif had higher participation. Tetra Tech said another reason Jawana was not meeting its targets was because it could not find qualified instructors.

### WIE's Programming Results

WIE's goal is to help 43,100 Afghan women increase their participation in the private sector through employment opportunities for educated women, and increased income growth and viability for women-owned businesses and businesses whose workforces are composed of at least 10 percent women. WIE was not meeting all of its performance indicator targets. Fifteen of the 16 performance indicators for fiscal year 2017 had targets; WIE met 6 and missed 9. Of the 9 it missed, 3 called for 2,000 women to receive new or better employment opportunities, including self-employment, in the private sector; for 3,250 women to obtain internships and apprenticeships; and for 90 women-owned businesses or businesses whose workforce is at least 10 percent women to be assisted through WIE-supported activities. As of September 30, 2017, USAID said 804 women had new or better employment, 2,672 women were in internships and apprenticeships, and 69 women-owned businesses or businesses whose workforce is at least 10 percent women received assistance.

WIE exceeded its targets for the number of women enrolled with a job placement service (27,028 versus the target of 9,750), the number of persons completing U.S. government-funded workforce development programs (4,685 versus the target of 3,000), and the percentage of female participants reporting working in female-friendly workplaces (98 percent versus the target of 90 percent).

DAI confirmed that most of WIE's performance indicator targets were behind and attributed that to the change in programming. The contractor said it needed to adjust the indicators because of the shortened period of performance.<sup>47</sup> In addition, DAI explained that because the Afghan economy is contracting and the country has fewer job opportunities, placing women into new jobs has been difficult. A December 2017 report from the International Monetary Fund confirmed this by stating, "Growth is projected at . . . 3 percent for 2018. This is

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<sup>47</sup> DAI told us that it is in discussions with USAID/Afghanistan about adding the fifth year back to its contract.

below the rate of growth needed to reduce unemployment, and is contingent on an improvement in confidence, implementation of reforms, and continued strong donor support.”<sup>48</sup>

In light of the current economic conditions, and to meet its target for women obtaining new or better employment, DAI said it provides women training in new skills so they can seek new employment when Afghanistan’s economy expands. For example, DAI said it is training women in health care since there is a shortage of women who can perform medical services.

### WIG’s Programming Results

WIG’s goal is to place at least 3,000 university graduates into full-time jobs, with advancement potential, in the Afghan government. Because WIG was only partway through its third year of programming, which began on April 21, 2017, we could not fully assess its performance for the year. One of WIG’s end-of-program performance indicator targets is for 2,100 women to find new or better employment with the Afghan government. As of September 2017, USAID said 55 women did. Some of WIG’s third-year performance indicator targets were to help 420 women find new or better employment, enroll 1,968 women in the internship program, and have 900 graduates from WIG. As of September 30, 2017, midway through that year, 39 women had found new or better employment, 995 had enrolled in the apprenticeship program, and 132 had graduated.

When we examined the results from WIG’s second year, we found that it missed the target for the number of women who graduated from the program (16 versus the target of 25). Additionally, WIG reported results for performance indicators that had no targets because USAID/Afghanistan made changes to the indicators. For example, WIG enrolled 1,425 women in the internship program, but that performance indicator had a target of 0.

### Promote’s Overall Results

Although the individual Promote components’ performance indicator data show mixed results, the Director and Deputy Director of USAID/Afghanistan’s Gender Office told us the program is exceeding performance expectations and generally meeting performance indicator targets, and USAID/Afghanistan and the contractors are working to improve underperforming performance indicator targets. According to the agency, annual performance plans and reports require an explanation only when the deviation from the target is greater than 10 percent.

USAID/Afghanistan also offered explanations for some of the missed targets. Difficulties with the Afghan ministry that initially agreed to provide training facilities for WIG caused programming delays, which led to the low number of graduates early in the program. In response to our preliminary findings, USAID/Afghanistan said:

Some of indicators may be underachieved due to challenges faced in the process of implementing Promote activities impossible to predict at the planning stage. Indicators not achieving planned targets are, therefore, one of the most valuable sources of information for further adjusting Promote activities to ensure achieving their overall targets. Underachieving an indicator in the current period does not mean failure to achieve planned Promote targets.

The current Promote contracting officer told us that WLD relied on participants coming from other components and that components were having difficulty finding the right participants. Additionally, the contracting officer said all components reported difficulties finding participants who met the age requirements for the program. To address this problem, USAID/Afghanistan modified the Promote contracts in November 2017 to remove the

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<sup>48</sup> International Monetary Fund, press release number 17/476, “IMF Executive Board Concludes 2017 Article IV Consultation and Completes the Second Review Under the ECF for the Islamic Republic of Afghanistan,” December 8, 2017, accessed February 7, 2018, <https://www.imf.org/en/News/Articles/2017/12/08/pr17476-imf-board-concludes-2017-article-iv-consultation-for-afghanistan>.

age requirement for participants. USAID/Afghanistan officials also told us they developed a work plan for each component that was behind schedule to ensure their success.

In February 2018, we asked USAID/Afghanistan to provide data on Promote's progress in reaching its goal of improving the status of more than 75,000 young women. In March 2018, USAID/Afghanistan gave us data for each component to demonstrate how Promote was progressing towards its goal. However, USAID/Afghanistan provided us with enrollment information, instead of programming results, which does not demonstrate how Promote as a whole is reaching its goal. For example, USAID/Afghanistan gave us the number of women who received a certificate of completion for WLD instead of how many women obtained positions that allow them to apply management and leadership skills. For WIE and WIG, USAID/Afghanistan provided the number of participants enrolled, instead of how many participants had received new or better employment.

## Checchi's Midterm Evaluations of WLD and WIE Show Mixed Results

To date, Checchi has completed midterm evaluations for WLD and WIE as part of the Services under Program and Project Office for Results Tracking Phase II project. According to the USAID/Afghanistan M&E specialist who conducted the assessment of Promote's performance indicators, the agency originally planned to begin the WIG and Musharikat midterm evaluations in August or September 2017 but delayed them to give the contractors time to make progress implementing those components. Additionally, the Gender Office Director said USAID/Afghanistan plans to use the Promote M&E contractor, RSI, to conduct the midterm evaluations for those two components. Even though the midterm evaluations will be performed later, the M&E specialist said there would still be a reasonable amount of time to make changes to the components based on the evaluations' results and recommendations. In its comments on a draft of this report, USAID said the WIG midterm evaluation is in process and the Musharikat midterm evaluation will begin in October 2018. USAID added that it expects to complete both evaluations by December 2018.

The midterm evaluations Checchi conducted of WLD and WIE showed mixed results. For example, the evaluation for WLD found that overall, it "is doing a good job of preparing a new generation of Afghan women leaders."<sup>49</sup> However, the evaluation also stated that some areas can be improved, such as increasing enrollment to meet program targets, building the alumnae network, increasing transparency in the scholarship program, and improving the monitoring and tracking of participants' and graduates' progress to leadership.

Similarly, the WIE evaluation found that a key strength is the program's "multi-prong [sic] approach to increasing women's participation in the economy by working with a large variety of stakeholders."<sup>50</sup> However, the evaluation also found that a relatively small number of women had been placed in jobs through WIE, the age cap for job placement candidates prevented WIE from drawing on a larger pool of women with in-demand job and management experience, and the expected employment of 21,000 women over the duration of the program was unrealistic given the projected growth rate of the Afghan economy.

The M&E specialist said the agency performed WIE's midterm evaluation too soon after USAID/Afghanistan made programming changes to the WIE task order. Checchi's evaluation acknowledges that it took place earlier than normal, stating "since the WIE project was still laying groundwork for some of the activities the evaluation could only report on strategies in some areas. The evaluation team also had a limited pool of beneficiary businesses to interact with since many were still in the process of being vetted."<sup>51</sup>

Although the WLD and WIE midterm evaluations showed mixed results, the Gender Office Director said there was not anything in the evaluations that the agency did not already know; they simply validated what USAID/Afghanistan was already thinking. DAI's chief of party for WIE said the evaluation had many good

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<sup>49</sup> Checchi and Company Consulting Inc., *Mid-Term Performance Evaluation of the Promote Women's Leadership Development Program*, prepared for USAID/Afghanistan, September 5, 2017, p. 9.

<sup>50</sup> Checchi and Company Consulting Inc., *Mid-Term Performance Evaluation, Women in the Economy*, p. 4.

<sup>51</sup> Checchi and Company Consulting Inc., *Mid-Term Performance Evaluation, Women in the Economy*, p. 14.

findings, but, given that they were self-reported, the contractor was already aware of the changes it needed to make and had addressed 60 to 70 percent of the issues before Checchi issued the evaluation.<sup>52</sup>

While there is no agency-wide requirement for when USAID must conduct an evaluation, the ADS states, “Evaluations should be timed so that their findings can inform decisions such as, but not limited to, course corrections, exercising option years, designing a follow-on project, or creating a country or sector strategic plan.”<sup>53</sup> Additionally, the ADS states “A decision to evaluate may be made at any point during strategy, project and activity implementation, particularly if new information arises indicating that an evaluation is appropriate for accountability or learning purposes.”<sup>54</sup> The guidance lists six situations, any of which can trigger an unplanned evaluation. We determined the following triggers apply to Promote:

- Performance information indicates an unexpected result (positive or negative) that should be explained, such as unanticipated results affecting either men or women.
- Beneficiary, partner, or other informed feedback suggests that there are implementation problems, unmet needs, or unintended consequences.
- Issues of sustainability, cost-effectiveness, or relevance arise.
- Underlying program design assumptions are questioned, for example, due to unanticipated changes in the host-country’s operating environment.

Despite Promote meeting four triggers, in August 2017, the Gender Office Director told us that USAID/Afghanistan would perform midterm evaluations only of the individual components and not of the overall program. Additionally, in January 2018, USAID/Afghanistan said it did not plan to conduct an overall assessment of Promote until the end of the program in 2020 or 2021. In response to our recommendation in a draft of this report that USAID conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance, the agency said it will conduct a midterm evaluation of the overall program, which will “permit USAID to assess performance and make adjustments to the program throughout implementation.”

## Multiple Problems Prevented the Components from Achieving Their Targets

During our review of Promote, we found multiple problems that contributed to the components’ missed targets. Some, such as delays in USAID/Afghanistan approving program activities, are within the agency’s control, while others, such as security, are outside of its control. In their quarterly and annual reports submitted to USAID/Afghanistan during the program, the contractors reported on problems that prevented them from carrying out their activities as scheduled and made it harder for them to meet performance indicator targets. All of the contractors said USAID/Afghanistan caused problems by not approving staff or activities in a timely manner and by changing plans after components had begun. For example,

- For WLD, Tetra Tech reported that USAID/Afghanistan’s delays in approving key personnel added pressure to the staff and contributed to a high attrition rate.
- For WIG, Chemonics reported that delays in finishing a memorandum of understanding between USAID/Afghanistan and the Ministry of Women’s Affairs affected the contractor’s ability to carry out programming activities and place women into internships.

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<sup>52</sup> The chief of party is responsible for the daily management of the component and is the contractor’s principal liaison to USAID.

<sup>53</sup> ADS 201.3.5.13, “Evaluation Requirements,” March 23, 2017, p. 123.

<sup>54</sup> ADS Reference 201SAF, “ADS 201 Additional Help: Evaluation Triggers,” September 2016, p. 1.



- For WIE, DAI reported a delay in submitting its grants manual because USAID/Afghanistan asked it to develop a proposal and budget for an additional activity to place 7,500 interns to support the President of Afghanistan's job initiative.
- For Musharikat, DAI reported a problem issuing grants because USAID/Afghanistan asked it to accelerate the date of a national summit by 4 weeks, which deviated from the original work plan.

Through interviews with USAID/Afghanistan and contractor officials, and our review of the contractors' reports, we also identified implementation challenges that were outside of USAID/Afghanistan's control, including security, staffing, delays in vetting grantees, and economic conditions in Afghanistan.

Because of the country's security situation, contractor staff reported (1) not being able to meet with USAID officials, local partners, and stakeholders; (2) difficulty finding security-approved locations for programming activities; and (3) disruptions to activities. To address security challenges, USAID/Afghanistan said it collaborates with the Partner Liaison Security Office and they provide support to the implementing partners to support, inform, and account for implementing partners and are available 24 hours a day.<sup>55</sup> However, according to USAID/Afghanistan, the contractors are responsible for conducting their own security assessments, developing appropriate security plans, implementing training, and creating security-centric policies and procedures.

Staffing is a challenge for Promote in terms of USAID/Afghanistan and the contractors hiring and retaining Afghan staff, and turnover in USAID staff involved in the program. When hiring local staff, agency and contractor officials told us they must follow the Afghan government's national pay scale. However, because positions using the national pay scale pay less than the private sector, it is difficult for USAID/Afghanistan and its contractors to hire qualified staff in a timely manner. Additionally, agency and contractor officials said they lose Afghan personnel because of the Special Immigrant Visa program, which allows Afghans to obtain permanent residence in the United States after 2 years of employment by or on behalf of the U.S. government.

Because of high turnover in the mission, USAID/Afghanistan lacks institutional knowledge, which prevents it from consistently supporting contractors. For example, because of turnover in contracting officers, USAID/Afghanistan did not approve a WIE subcontractor for 9 months, which delayed the contractor from meeting its targets. To address these staffing challenges, USAID/Afghanistan said it uses a "creative staffing mechanism" and screens potential candidates to mitigate against local staff resignations. Additionally, some U.S. direct hires stay longer than a year.

Delays in administrative approval and vetting of grantees have increased, which affected the two Promote contractors, Tetra Tech and DAI, that award grants. In 2016, administrative approval for grants took an average of 21 days for WLD and 4 days for WIE. In 2017, the average time increased to 23 days for WLD and 33 days for WIE. The contractors said the delays affected their ability to carry out their projects. USAID/Afghanistan handles the administrative approvals, while USAID headquarters conducts the vetting and has a 2-month backlog of applications for all of the agency's programs that require vetting, including Promote. While the situation is beyond USAID/Afghanistan's control, it has not done a good job of communicating this to the contractors, which attributed the delays to turnover of CORs at the mission and new staff lacking experience. According to a USAID/Afghanistan official, vetting delays affected WIE's job readiness training and business incubator components because the contractor could not get grantees to implement these activities.

USAID/Afghanistan told us that, beginning in April 2017, it included the cause of delays as part of the training on the new database it set up for contractors to submit vetting requests and get daily updates on the vetting backlog. However, the contractors told us the database does not accurately reflect the vetting approval status or provide an anticipated approval date. They also said USAID/Afghanistan's training did not cover the cause of delays.

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<sup>55</sup> The Partner Liaison Security Office is funded by the mission and facilitates communications between contractors to enable them to better use and share publicly available security information.

Finally, deteriorating economic conditions in Afghanistan cast doubt on whether the women who graduate from Promote will be able to find jobs. The International Monetary Fund reported that without improved confidence and sustained donor contribution, the rate at which the Afghan economy is growing is not enough to reduce unemployment, let alone make room for new women looking to join the public and private sectors.<sup>56</sup>

## USAID/AFGHANISTAN FULFILLED SOME OVERSIGHT REQUIREMENTS, BUT DID NOT CONDUCT TIMELY OR CONSISTENT REVIEWS OF THE CONTRACTORS' PERFORMANCE OR MAINTAIN COMPLETE CONTRACT RECORDS

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### USAID/Afghanistan Met Some of Its Oversight Requirements

USAID/Afghanistan met ADS and contract guidance for some of the oversight requirements that we reviewed as part of this audit. For example, ADS guidance includes M&E plan requirements for contractors and says that missions should review and approve those plans. As of July 2017, the Promote contractors had prepared M&E plans for all four components, which USAID/Afghanistan reviewed and approved. USAID/Afghanistan told us it coordinated again with the contractors about midway through their contracts to review and update the M&E plans, and conducted an assessment of performance indicators.

To conduct program-level monitoring and to track implementation progress, USAID/Afghanistan contracted with RSI to perform third-party monitoring of Promote activities. RSI's monitoring function includes site visits and biometric monitoring of program participants.

In accordance with Mission Order 203.04, USAID/Afghanistan applied a multi-tiered monitoring approach to ensure that contractors perform in accordance with the Promote contract and their respective task orders. Based on their multi-tiered monitoring plans, we found that each of the components met the requirements by using at least three out of five tiers for program monitoring.<sup>57</sup> Using these plans, USAID/Afghanistan and its contractors provide oversight through site visits, participant outreach, and collection of performance indicators. These plans also require contractors to enter monitoring data into Afghan Info on a quarterly basis. For example, for tier 1, U.S. government staff perform periodic site visits and contact program participants. For tier 2, contractors provide oversight of programming activities through their M&E plans and deliverables. The contractors then submit this information and the contract deliverables, such as monthly and quarterly reports, to USAID/Afghanistan through the Afghan Info database. For tier 5, USAID contracted RSI to conduct a baseline study of performance indicators and third-party monitoring for Promote.

Concerning grant oversight, USAID/Afghanistan completed the required terrorist financing risk assessments, or vetting, before approving any grants to non-U.S. organizations worth more than \$25,000.<sup>58</sup> USAID/Afghanistan officials also reviewed and approved grant manuals and grants when required.

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<sup>56</sup> International Monetary Fund, press release number 17/476, "IMF Executive Board Concludes 2017 Article IV Consultation and Completes the Second Review Under the ECF for the Islamic Republic of Afghanistan," December 8, 2017, accessed February 7, 2018, <https://www.imf.org/en/News/Articles/2017/12/08/pr17476-imf-board-concludes-2017-article-iv-consultation-for-afghanistan>.

<sup>57</sup> WLD, WIE, and Musharikat used tier 1—direct U.S. government observation. All four components use tier 2—contractor reporting—and tier 3—information from the Afghan government and international donors. WLD and WIG use tier 4—information from civil society organizations and program beneficiaries. WLD, WIG, and WIE use tier 5—third-party monitor reporting.

<sup>58</sup> Grants worth less than \$25,000 are not subject to USAID vetting. Mission Order 201.05, "National Security Screening (non-U.S. Party Vetting)," July 8, 2013.

## USAID/Afghanistan Did Not Conduct Timely or Consistent Assessments of the Contractors' Performance

According to FAR Subpart 42.15 and ADS 302, USAID must assess contractor performance at least annually and at the time the work under a contract or order is completed, and then enter that information into the Contractor Performance Assessment Reporting System. The ADS guidance states the COR must use a checklist when completing the assessment to ensure they are accurate, detailed, and complete. Additionally, the COR must complete and submit the assessment within 45 days after the completion of the period of performance.

As of July 31, 2017, USAID/Afghanistan should have prepared seven annual reports assessing the contractors' performance in implementing Promote during the period covered by this audit. The agency completed six assessment reports, one of which covered 2 years. USAID/Afghanistan submitted one of the six assessment reports within the 45-day limit. It submitted the other five reports an average of 219 days after the end of the period of performance, which exceeds the 45-day limit by 5 and a half months.

- USAID/Afghanistan completed the assessment report for Tetra Tech's performance during WLD's first year 109 days after the end of the period of performance and the second year 235 days after the end of the period of performance.
- USAID/Afghanistan completed the assessment report for Chemonics' performance during part of WIG's first year on time, but did not assess the contractor for the period of January 25, 2016 to May 3, 2016. It completed the report for Chemonics' performance during WIG's second year 113 days after the end of the period of performance.
- USAID/Afghanistan completed only one assessment report for DAI's performance on WIE, although it should have prepared two—one for the period of July 2015 to July 2016 and one for the period of July 2016 to July 2017. Instead, the agency completed one report that covered both reporting periods—July 2015 to July 2017. USAID submitted this report in November 2017, 502 days after the end of the period of performance for WIE's first year, and 137 days after the end of the period of performance for the second year.
- USAID/Afghanistan completed the assessment report for DAI's performance during Musharikat's first year 218 days after the end of the period of performance.

In response to a draft of this report, which included a recommendation for the Mission Director for Afghanistan to direct the Gender Office to complete contractor performance assessment reports on time and establish guidance to verify that they accurately reflect the contractors' performance, USAID told us that "the Office of Acquisition and Assistance (OAA) has re-issued guidance on compliance and the Gender Office has completed updating all [contractor performance assessment reports]. . . . The previous delays occurred as a result of an extremely high level of staff turnover."

In addition to USAID/Afghanistan's delays in submitting the required assessment reports, its assessments in three of them were inconsistent with the evidence of the contractor's performance included in other documents. For example, in USAID/Afghanistan's assessment report of Chemonics' performance on WIG dated January 24, 2016, the contracting officer gave the firm a rating of "very good" for quality and management. Five months later, on June 30, 2016, the same contracting officer issued Chemonics a cure notice for poor quality deliverables and management.<sup>59</sup> Because USAID/Afghanistan did not review the contractor's performance for the period before it issued the cure notice, it is unclear how the contractor's performance decreased so dramatically in such a short period of time.

USAID/Afghanistan completed a second assessment report for the WIG period of performance from May 4, 2016, to January 23, 2017. This report indicated that Chemonics' performance improved after the issuance of the cure notice, with the contractor receiving a rating of "satisfactory" for quality and management. The

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<sup>59</sup> A cure notice alerts a contractor that it is not meeting requirements and has at least 10 days to remedy the situation before receiving a termination notice. See FAR 49.607, "Delinquency notices."

assessment report indicated that USAID/Afghanistan would recommend the contractor for similar projects in the future, and in a subsequent written statement, USAID/Afghanistan said the contractor had addressed the concerns discussed in the notice.<sup>60</sup> However, USAID/Afghanistan said that, for administrative reasons, including inaccurate documentation about the cure notice in the COR files, the negotiation of a fixed-fee payment schedule with the contractor, and USAID/Afghanistan staff turnover, the agency did not lift the cure notice until August 7, 2017—almost 3 months after the contractor received the positive assessment report rating.<sup>61</sup>

In USAID/Afghanistan’s review of DAI’s performance on Musharikat and WIE, it rated the contractor “very good” for Musharikat and “satisfactory” for WIE on its adherence to the contract schedule. Additionally, the assessment report for DAI’s performance on WIE stated, “The contractor furnished all required deliverables on schedule.” However, according to our analysis of USAID/Afghanistan’s records, the agency could not provide documentation on timeliness for 15 percent of Musharikat’s deliverables and 92 percent of WIE’s deliverables. Based on available USAID/Afghanistan records, the contractor submitted 48 percent of Musharikat’s deliverables an average of 7 days late for the period of performance and 5 percent of WIE’s deliverables an average of 154 days late. For example, in one instance, the contractor submitted WIE’s third-year annual work plan 91 days late, potentially delaying programming and monitoring activities.<sup>62</sup> This lack of consistency between USAID/Afghanistan’s records and its assessment report ratings raises questions about USAID/Afghanistan’s ability to assess the contractors’ performance accurately. After receiving a draft of this report in July 2018, the USAID/Afghanistan Office of Acquisition and Assistance issued guidance to the Gender Office reminding CORs of their responsibility to “take notes on . . . contractor’s performance throughout the year so that [CORs] are able to draft a well-documented narrative at the end of each rating cycle.”

## USAID/Afghanistan’s Records Lacked Complete, Accurate, and Timely Data

To understand how a program is performing and correct any apparent deficiencies, contracting officers and CORs need access to complete, accurate, and timely program data. ADS guidance allows USAID’s CORs to review and approve contract deliverables and, in the process, monitor the quality and timeliness of these documents. According to the Promote contracts, “high quality deliverables should be clear, concise, accurate, well-structured and easily understood.”<sup>63</sup> The files CORs maintain as part of their oversight provide the basis for assessing contractor performance, transferring institutional knowledge to incoming staff, and making informed programming decisions. USAID/Afghanistan’s incomplete and inaccurate data on contract deliverables calls into question the agency’s ability to do these things. Although USAID/Afghanistan received all of the contractually required deliverables during the period under audit, the agency’s records on Promote, including the contract documents and deliverables, deliverable tracking spreadsheets, and contractor assessment reports, were not complete, accurate, or timely. Because USAID/Afghanistan’s records did not

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<sup>60</sup> USAID, response to SIGAR request for information, January 11, 2018.

<sup>61</sup> A Promote official told us that because of inaccurate COR files, USAID/Afghanistan was unsure whether it had lifted the cure notice once performance improved. However, in response to our preliminary findings, USAID/Afghanistan said, “The cure notice included also the suspension of the fixed fee payment. The Contracting Officer decided to lift the cure notice only after the parties completed the negotiations and signed a task order modification to add a fee payment schedule. The task order modification to add a fee schedule was signed on August 2, 2017, and the cure notice was lifted on August 7, 2017.” Additionally, the current contracting officer cited USAID/Afghanistan staff turnover as another reason for the delay in lifting the cure notice.

<sup>62</sup> The annual work plan describes how the contractor intends to implement each year’s work and includes a schedule of activities and tasks it plans to conduct and the contract-level outputs it expects to achieve to meet its performance indicators during the period.

<sup>63</sup> USAID, Contract No. AID-306-I-14-00010, awarded to Tetra Tech, September 18, 2014, p. 50; USAID, Contract No. AID-306-I-14-00012, awarded to Chemonics, September 18, 2014, p. 51; and USAID, Contract No. AID-306-I-14-00013, awarded to DAI, September 18, 2014, p. 50.

provide documentation of the quality of the contract deliverables, we could not assess whether the CORs ensured that the contractors submitted quality deliverables.

FAR and ADS guidance states that the contracting officer can assign the COR responsibility for maintaining key information in the COR files and verifying that deliverables meet the acceptance standards, including time of delivery.<sup>64</sup> ADS guidance also requires the COR files to include all contractor communications, documentation on all actions taken on the contract, and documentation on the contractors performance, to allow for proper contract administration, to help successor CORs, and to allow for an audit of their files.

All current CORs for Promote use an electronic filing system to maintain their files, where they save contract records such as the final deliverables and relevant correspondence with contractors. These files act as USAID/Afghanistan's record of its oversight of the deliverables and are an important way to maintain institutional knowledge in a mission with high turnover. However, based on our interviews of 15 current and former CORs, they did not receive consistent guidance from contracting officers on how to maintain their COR files. For example, while one COR received guidance in the form of an email from the contracting officer on how to maintain files, another COR did not receive any guidance. This inconsistent guidance from management on its records management program led to variations, inaccuracies, and missing data in COR files and other contractor performance documentation.

As previously mentioned, COR files are important for maintaining institutional knowledge. An internal USAID report on Promote from December 2015 identified concerns about maintaining focus on program objectives, particularly in light of turnover of critical staff working on Promote. The report recommended that USAID/Afghanistan "identify and draft foundational documents to standardize program operating procedures," including defining a "process for knowledge transfer as staff depart/onboard."<sup>65</sup> However, USAID/Afghanistan's incomplete and inaccurate records on contractor deliverables call into question the agency's ability to effectively transfer knowledge to incoming staff or monitor contractor performance. The report concluded, "Without documentation that is accessible, agreed upon, and shared, turnover leads to loss of critical institutional memory," and, "there needs to be a mechanism for rolling up reports and information shared internally."<sup>66</sup>

Based on our analysis of Promote's deliverables, USAID/Afghanistan did not address these concerns in the years following the 2015 report. In the 3 years since USAID/Afghanistan awarded the Promote contracts, at least 6 contracting officers and 15 CORs have worked on the program's four components. DAI told us that five CORs worked on WIE over the course of 9 months, and each lacked institutional knowledge of WIE programming.

When we asked USAID/Afghanistan what guidance CORs receive on maintaining their files, the agency gave us a COR checklist listing the documents CORs should keep in their files and said this guidance could be found in the COR designation letters and the ADS.<sup>67</sup> However, the designation letters did not mention or include the checklist, and USAID/Afghanistan said it does not give CORs instructions or other guidance on how to use it. Further, although the contracts specify that the statement of work in the task orders should include a "Quality Control Plan," the Promote task orders do not include these plans, nor does USAID/Afghanistan appear to have a broader data quality assurance plan for Promote that includes this information.

When we asked USAID/Afghanistan how the contracting officer ensures that COR files are complete, accurate, and current, the agency said, "Each [COR] can use his/her own mechanism. [Contracting officers] can review

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<sup>64</sup> FAR 1.602-2 and ADS Mandatory Reference for Chapter 302, "Model Letter and Procedures for Designing the Contracting Officer's Representative (COR) for Contracts and Task Orders," June 30, 2015, p. 14 and 15.

<sup>65</sup> USAID Business Analysis Team and IBM, "Promote – Exit Interviews & Dashboard Tool," prepared for USAID/Afghanistan, December 9, 2015, p. 9.

<sup>66</sup> USAID Business Analysis Team and IBM, "Promote – Exit Interviews & Dashboard Tool," p. 20 and p. 7.

<sup>67</sup> The COR designation letter is a document from the contracting officer to the COR that assigns contract monitoring responsibilities.

[COR] files at any time,” and contracting officers give CORs additional guidance as needed.<sup>68</sup> However, a Promote contracting officer told us they delegated oversight responsibilities to CORs and took a hands-off approach to overseeing the CORs’ work and did not have a chance to review the CORs’ files.

In response to our preliminary findings, USAID/Afghanistan also gave us an email it sent to the CORs in the mission’s Gender Office in October 2016 as evidence that it provided them guidance on maintaining program records. The email listed the minimum requirements for COR file contents, stated that COR files must be accessible to other CORs, and gave guidance on how to respond to audit requests. CORs also receive standard training from USAID on their roles and responsibilities, and the contracts and task orders provide some guidance to CORs on deliverable and due date requirements. However, the inconsistencies in the COR files demonstrate that either the contracting officer did not provide additional guidance “as needed” on records management or review the CORs’ files to ensure they were maintained as required, or the CORs did not follow the provided guidance.

USAID/Afghanistan provided deliverable tracking spreadsheets for all four components. They included some key information on the status of deliverables such as due dates, submission dates, and approval dates. However, the information in the spreadsheets did not match statements from Promote contracting officers and CORs about deliverable quality and timeliness. For example, although three former contracting officers and CORs told us that they identified problems with the quality of deliverables of two components, the spreadsheets did not provide any insights on quality, and we could not fully assess this based on other documents in the files. For example, while the spreadsheets for three of the four components included a column recording USAID/Afghanistan’s deliverable approval date, the agency’s records on deliverable quality were inconsistent or absent. As a result, we could not determine the extent to which USAID/Afghanistan oversaw deliverable quality.

In terms of timeliness, five current and former CORs said the Promote contractors provided deliverables on time, but the deliverables USAID/Afghanistan provided did not contain enough information to support this assertion. Instead, we relied on the tracking spreadsheets the agency provided, which did not support the CORs’ statements. According to the spreadsheets, on average, the contractors submitted deliverables late 19 percent of the time and on time 33 percent. Because the spreadsheets did not list all of the deliverables or record all of the deliverable submittal dates, there was not enough information to assess the timeliness of the other 48 percent of the deliverables. While contracting officers have the authority to approve extensions for deliverables, USAID/Afghanistan did not consistently include this information in its records, although the contractors may have received extensions from the mission. As a result, the quality and timeliness problems reflected in our analysis indicate a lack of administrative oversight and record-keeping rather than contractor deficiencies.

As shown in table 4, the records for deliverable timeliness varied between the components. USAID/Afghanistan’s records for WIG showed that the contractor provided deliverables late 16 percent of the time and on time 67 percent of the time. The agency’s records for WIG did not provide enough information to determine the timeliness of the remaining 16 percent.<sup>69</sup> Records for WIE showed that the contractor provided deliverables late 4 percent of the time, on time 2 percent of the time, and did not provide enough information to determine the timeliness for the remaining 94 percent.

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<sup>68</sup> USAID, response to SIGAR request for information, November 9, 2017.

<sup>69</sup> Due to rounding, percentages do not total to 100 percent.

**Table 4 - Timeliness of Promote Contract Deliverables as of July 31, 2017**

	Number of Deliverables	Percentage of Deliverables	
<b>WLD</b>	Late	14	31%
	On Time	5	11%
	Not Enough Information Given	26	58%
	<b>Total</b>	<b>45</b>	
<b>WIG</b>	Late	17	16%
	On Time	70	67%
	Not Enough Information Given	17	16%
	<b>Total</b>	<b>104</b>	
<b>WIE</b>	Late	3	4%
	On Time	2	2%
	Not Enough Information Given	80	94%
	<b>Total</b>	<b>85</b>	
<b>Musharikat</b>	Late	19	40%
	On Time	17	36%
	Not Enough Information Given	11	23%
	<b>Total</b>	<b>47</b>	

Source: SIGAR analysis of USAID/Afghanistan documents.

Note: Percentages were rounded to the nearest percent and may not total to 100 percent.

USAID/Afghanistan’s spreadsheets showed that the average number of days contractors provided late deliverables varied by component. For example, WLD’s late deliverables were an average of 38 days late, WIG’s an average of 23 days late, WIE’s an average of 154 days late, and Musharikat’s an average of 7 days late.

Because CORs told us they use their professional judgment to review deliverables and mission management does not accurately track or process key information about deliverables in a consistent manner, new CORs or contracting officers cannot easily obtain an accurate overview of Promote’s implementation or determine how the contractors are performing. This can directly affect the contractors. For example, a Promote official said that because of inaccurate COR files, USAID/Afghanistan was unsure whether it had lifted the cure notice it issued to Chemonics, the WIG contractor, for poor quality deliverables and management. As a result, Chemonics operated under the conditions of the notice, which included a suspension of the fixed-fee payment, until August 7, 2017—almost 3 months after it received a satisfactory performance assessment from USAID/Afghanistan.

Because USAID/Afghanistan did not maintain records containing timely, complete, or accurate information on the Promote contractors’ performance on the required deliverables, the agency could not demonstrate that its records allowed for an accurate assessment of contractor performance or that incoming staff have access to the institutional knowledge necessary to make informed programming decisions.

## USAID/AFGHANISTAN HAS NOT DEMONSTRATED WHETHER PROMOTE’S RESULTS ARE SUSTAINABLE

Although USAID/Afghanistan’s March 2014 sustainability analysis of Promote addresses each of the required elements outlined in the ADS, it lacks detail and assurances as to whether the program’s results are sustainable. ADS guidance requires missions to perform a sustainability analysis during project design,

although it states, “not all projects aim to be fully sustainable at their conclusion.”<sup>70</sup> The ADS asks missions to analyze key sustainability elements, including economic, financial, social soundness, cultural, and institutional capacity.<sup>71</sup> It describes what information the analysis should include to address the key sustainability elements, and notes that the analysis should indicate whether the program will be fully, partially, or not sustainable.

In its March 2014 sustainability analysis, USAID/Afghanistan determined that Promote is fully sustainable due to “significant partner country buy-in, good social soundness, minimal recurrent costs within the fiscal capacities of the host partner, and other factors.”<sup>72</sup> The analysis addresses all of the key sustainability elements as required, but does not specify how Promote will be sustainable. For example, USAID/Afghanistan does not clearly articulate the following elements included in its analysis:

- **Economic considerations** – According to the analysis, Promote will “enable Afghan women to increase their participation in the mainstream, formal economy by securing management level employment or establishing/expanding viable small- to medium- to large-sized businesses.”<sup>73</sup> However, citing the purpose of the program does not explain how this increased participation, if it is realized, will be sustained when the program ends.
- **Financial soundness** – The analysis claims that there is significant funding that will be “maintained by a foundation partner, fund, or endowment. Income will be generated and spent on the program over time to ensure it can continue well into the future.”<sup>74</sup> However, while USAID/Afghanistan told us there are ways to continue financing parts of Promote through scholarships, endowments, and other educational support programs, the Promote contract and task orders do not include an endowment. It is unclear what funding mechanism will take over once Promote ends.
- **Social and cultural soundness** – The analysis says that the program’s purpose is to gradually affect the social and cultural norms of Afghanistan, and “this will not be accomplished by the program itself, but by its beneficiaries, Afghan women. Women’s participation in society is crucial for Afghanistan’s development, and their participation will determine the long-term results of the project.”<sup>75</sup> Since Promote is showing mixed results and is not meeting all of its targets, USAID/Afghanistan cannot ensure that the program will be sustainable if the sustainability plan depends on the beneficiaries—Afghan women—participating in the program.
- **Institutional capacity** – According to the analysis, USAID/Afghanistan produced a number of gender analyses that demonstrate a “pent-up” demand for Promote, and it received letters of support from the Deputy Minister of Higher Education, Kabul University leadership, and the American University of Afghanistan leadership. However, from interviews we conducted and the memoranda between USAID/Afghanistan and various Afghan ministries, as discussed below, it is unclear whether the Afghan government has the institutional capacity to continue Promote’s activities once the program ends.

In addition, the ADS states that an important aspect of sustainability is the involvement of the partner country in the overall development strategy and implementation. In its 2014 sustainability analysis, USAID/Afghanistan cited “significant partner country buy-in,” but did not provide examples of this beyond the three letters of support discussed above and a statement that “the [Afghan government] Civil Service Commission is

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<sup>70</sup> ADS 201.3.15.3, partially revised September 30, 2013, p. 62.

<sup>71</sup> ADS 201.3.15.3, p. 60 and p. 61.

<sup>72</sup> USAID/Afghanistan, “Project Appraisal Document (PAD) Women in Transition (WIT), Annex B: Revised Sustainability Analysis,” March 10, 2014, p. 1.

<sup>73</sup> USAID/Afghanistan, Revised Sustainability Analysis, p. 3.

<sup>74</sup> USAID/Afghanistan, Revised Sustainability Analysis, p. 2.

<sup>75</sup> USAID/Afghanistan, Revised Sustainability Analysis, p. 3.



supportive of the Women In Government Internship Program and has expressed interest in absorbing the program into its official government activities.”<sup>76</sup>

The disconnect between USAID/Afghanistan’s conclusion that Promote will be sustainable and the information it included in its sustainability analysis to support this determination aligns with what we heard in interviews with Afghan and agency officials, and what we found by reviewing the memoranda of understanding for three of the program’s four components. When we asked USAID/Afghanistan officials which Afghan ministry has the capacity to take over any of the components, different officials identified different ministries, such as the Ministry of Women’s Affairs; Ministry of Education; Ministry of Labor, Social Affairs, Martyrs and the Disabled; and the Independent Administrative Reform and Civil Service Commission. However, officials from five of the eight Afghan ministries we interviewed mentioned the Independent Administrative Reform and Civil Service Commission when discussing the sustainability of Promote’s activities.

USAID/Afghanistan and its contractors entered into six memoranda of understanding with the Afghan government: three for WLD, two for WIG, and one for WIE. Only the memorandum between WIG and the Independent Administrative Reform and Civil Service Commission mentions sustainability, stating that the commission will “support, sustain, and take ownership of the internship program” after WIG ends. The other five memoranda only discuss programming activities for the specific components, such as Afghan ministries providing classroom space for Promote activities.

USAID/Afghanistan told us it does not expect the Afghan government to sustain Promote, but rather be a partner and provide internships and employment opportunities for women who complete the program. However, with the exception of WIG’s memorandum with the Independent Administrative Reform and Civil Service Commission, the sustainability analysis and the memoranda do not provide any assurances that Afghan ministries will continue Promote’s activities once the different components end. When we asked whether the program was sustainable, the USAID/Afghanistan Gender Office Director and all of the Promote contractors said the women who complete Promote and its activities will make the program sustainable. However, Afghan officials we spoke with said that issues such as the civil service hiring process and requirements, competition from men seeking employment, security, and cultural views on women still present challenges for women applying for jobs, including Promote’s graduates.

Despite concluding that Promote is sustainable, USAID/Afghanistan’s sustainability analysis lacks details to explain how the program is sustainable. Furthermore, it is also unclear whether program participants will be able to find employment, both in the public and private sectors. This raises questions about whether Promote is sustainable at all and could put USAID/Afghanistan’s investment in the program in jeopardy.

## CONCLUSION

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Building on prior U.S. government programs to support women in Afghanistan, USAID launched Promote in 2014 to improve the status of more than 75,000 women in all levels of Afghan society within 5 years. Yet, after more than 3 years and \$89.7 million spent, USAID/Afghanistan has not demonstrated whether the program has made progress toward this goal.

Although USAID/Afghanistan adjusted the performance indicators for Promote’s individual components, the results are still mixed. Despite the changes the agency made to the program, it is concerning that, as of late 2017, only one of the four components was meeting its performance indicator targets. Additionally, USAID/Afghanistan significantly changed Promote’s largest component, WIE, midway through despite concerns raised by the contractor, further calling into question whether the program can succeed. Furthermore, it is not clear that USAID/Afghanistan has addressed the challenges it can control that have prevented the contractors from carrying out their activities as scheduled and made it harder for the components to meet their targets. The agency has also not taken steps to adjust Promote to mitigate the issues beyond its control, including the

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<sup>76</sup> USAID/Afghanistan, Revised Sustainability Analysis, p. 3.

worsening economic conditions in the country since the program began and delays in vetting. This makes it even more difficult for the contractors to succeed.

In addition to accurately assessing Promote's progress, decision-makers who have the ability to correct contract deficiencies lack access to high quality or timely information about the contractors' performance, ultimately putting the program's success at risk. While USAID/Afghanistan conducted some oversight of Promote's administrative requirements, the agency cannot fully assess the contractors' performance because its records are incomplete and inaccurate, thus limiting its ability to make informed programming decisions.

Compounding these problems is USAID/Afghanistan's inability to demonstrate that Promote is sustainable even though it says the program is performing well. USAID did not give specifics on how it will sustain the program, other than stating that the women who complete the program will sustain it. It is unclear whether this is possible because the Afghan government might not be able to hire all of Promote's graduates and the country's projected economic growth rate is not high enough to reduce current unemployment, making it unlikely that graduates will receive jobs in the private sector.

Therefore, it is unclear whether the agency can deliver the opportunities it promised the women of Afghanistan. Given that the program has expended \$89.7 of its potential \$216 million, USAID has an opportunity to reassess and adjust the program and take steps to enhance its sustainability now, rather than waiting until the program is over in 2020 or 2021.

## RECOMMENDATIONS

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To ensure that Promote will meet its goal in light of the program's extensive changes and its mixed performance to date, we recommend that the USAID Administrator:

- 1. Conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance.**

To ensure that USAID/Afghanistan complies with the Federal Acquisition Regulation and USAID Automated Directives System guidance for maintaining accurate records, we recommend that the Mission Director for Afghanistan direct USAID/Afghanistan's Gender Office to:

- 2. Provide written guidance and training to contracting officer's representatives on maintaining records in a consistent, accurate manner.**

To determine whether Promote's achievements are sustainable given USAID's changes to the program and economic conditions in Afghanistan, we recommend that the Mission Director for Afghanistan:

- 3. Conduct a new sustainability analysis for the program.**

## AGENCY COMMENTS

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We provided a draft of this report to USAID for review and comment. USAID's Office of Afghanistan and Pakistan Affairs provided written comments, which are reproduced in appendix II. USAID also provided technical comments, which we incorporated into this report, as appropriate. USAID concurred with all three of the recommendations.

Regarding the first recommendation, USAID concurred and said it will perform a midterm evaluation of the overall Promote program, which will allow the agency to adjust programming during implementation. USAID gave a target closure date of September 30, 2019. It is encouraging that USAID decided to conduct a midterm evaluation of Promote, and we look forward to receiving the report once it is complete. However, given that WIE and WLD are expected to end in June and September 2019, respectively, we are concerned that if USAID completes the overall evaluation as anticipated in September 2019, it will not allow the agency time to adjust programming for those components based on the results. Even for WIG and Musharikat, which have expected

end dates of April and September 2020, respectively, USAID may not have sufficient time to adjust programming, if necessary, to ensure that Promote meets its goal in the 7 and 12 months remaining for those two components.

Regarding the second recommendation, USAID concurred and said it re-issued Mission Order 502.03, "Records Management," which establishes policies and procedures for records management, to mission staff. Additionally, USAID said it is implementing the Agency Secure Image and Storage Tracking System, an electronic filing system that facilitates consistency in maintaining files, and USAID/Afghanistan will conduct training for CORs on the new system. According to the order, "starting on May 1, 2018, all new awards must be filed electronically in [the Agency Secure Image and Storage Tracking System] for USAID Afghanistan."<sup>77</sup> However, because the four Promote contracts are ongoing rather than new awards, we are concerned that CORs responsible for overseeing Promote might not use this new system. We encourage them to do so. This recommendation will remain open until we receive documentation that USAID/Afghanistan has provided training on records management and document retention to its Gender Office CORs.

Regarding the third recommendation, USAID concurred and said it will assess the sustainability of Promote as part of its overall midterm evaluation of the program. The agency gave a target closure date of September 30, 2019. USAID stated that "the programmatic recommendations [from the midterm evaluation] will serve as guidance which will be applied to any follow-up program and will be communicated to relevant stakeholders within the Afghan government." This recommendation will remain open until we receive a copy of the new sustainability analysis.

The draft of this report also included a recommendation for the Mission Director for Afghanistan to direct the Gender Office to complete contractor performance assessment reports on time and establish guidance to verify that they accurately reflect the contractors' performance. USAID concurred with the recommendation and, after receiving the draft report in July 2018, USAID/Afghanistan's Office of Acquisition and Assistance issued guidance to the Gender Office advising CORs of their responsibility to submit well-documented, timely contractor performance assessment reports. Therefore, we consider the recommendation implemented and removed it from this final report.

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<sup>77</sup> Mission Order 502.03, "Records Management," July 3, 2018, p. 3.

## APPENDIX I - SCOPE AND METHODOLOGY

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This report provides the results of SIGAR’s audit of the U.S. Agency for International Development’s (USAID) Promoting Gender Equity in National Priority Programs (Promote) since its launch in September 2014. The objectives were to assess the extent to which (1) USAID measures Promote’s progress in meeting its goal of advancing the status of young women in Afghanistan; (2) the program is meeting its performance targets; (3) USAID oversees Promote and its contractors; and (4) the agency has demonstrated that Promote is sustainable.

For all of the objectives, we interviewed current and former USAID agency officials responsible for designing, overseeing, and evaluating Promote. We interviewed officials from the agency’s Office of Afghanistan and Pakistan Affairs, and the USAID Mission for Afghanistan’s (USAID/Afghanistan) Offices of Gender, Infrastructure, Education, Vetting, and Program and Project Development. We interviewed Promote participants and the three contractors—Chemonics International Inc., Tetra Tech ARD, and Development Alternatives Inc.—responsible for implementing Promote. We interviewed representatives from seven donor countries that fund gender programming activities in Afghanistan: Australia, Canada, Denmark, Finland, Japan, Sweden, and the United Kingdom. We interviewed officials from eight Afghan government offices: the Office of the Chief Executive Officer, the Independent Administrative Reform and Civil Service Commission, the Government Media and Information Center, and the Ministries of Border and Tribal Affairs; Economy; Finance; Labor, Social Affairs, Martyrs, and the Disabled; and Women’s Affairs.

To determine the extent to which USAID measures Promote’s progress in meeting its goal of improving the status of young women in Afghanistan, we reviewed USAID’s Automated Directives System (ADS) guidance to identify the agency’s requirements for measuring progress, including requirements for how and when it completes evaluations of a program’s performance, and assessed whether the agency complied with them. We requested the Promote contracts, task orders, and all modifications for the four components of Promote, documentation of all changes made to the components’ performance indicators, and contracts for the baseline study and related documents. We compared different versions of the components’ monitoring and evaluation plans to determine how USAID and the contractors changed performance indicators over time. We reviewed contract documents, internal USAID memos, and interviewed USAID officials regarding the baseline surveys. We reviewed USAID’s modification of the Women in the Economy component of the program as well as USAID and contractor memos regarding the modification to determine its impact, if any, on Promote’s performance.

To determine the extent to which USAID is meeting its performance targets for Promote, we requested all of the components’ performance indicators as of September 30, 2017, changes made to the indicators, and the components’ monitoring and evaluation plans. We analyzed those indicators to determine whether each component met its performance indicator targets. We analyzed the completed midterm evaluations for two of the four components and reviewed the Gender Office’s schedule to perform the two remaining evaluations. We reviewed Promote’s contracts, the contractors’ quarterly and annual reports, and USAID lessons learned documents.

To determine the extent to which USAID oversees Promote and its contractors, we identified USAID’s oversight guidance and the Promote contract’s requirements. We reviewed all of the contractors’ monitoring plans, third-party monitoring requirements, deliverables, and grant documentation. To assess the extent to which USAID provided guidance to the contracting officer’s representatives, we obtained the mission’s Gender Office guidance on record management and interviewed contracting officers and contracting officer’s representatives on what guidance they received. To assess the extent to which USAID oversaw the contractors’ completion of the contract deliverables, we reviewed the ADS, the Federal Acquisition Regulation, and the mission’s Gender Office internal guidance on records management, obtained screenshots of the contracting officer’s representatives’ files, obtained the contract deliverable tracking spreadsheets, and obtained all contract deliverables. We analyzed the spreadsheets for each component to determine whether USAID received all of the required deliverables, whether it received the deliverables on time, and the extent to which USAID

documented its oversight of the deliverables. We reviewed federal requirements for completing contractor performance assessment reports and compared them to Promote's completed reports to determine the extent to which USAID oversaw the contractors' performance.

To determine the extent to which USAID has demonstrated that Promote is sustainable, we reviewed ADS guidance to identify the information a sustainability analysis should have and then assessed the sustainability analysis for Promote to determine whether it had that information. We reviewed five memoranda of understanding between USAID, the three contractors, and the Afghan government to determine whether the government would continue Promote. We also interviewed officials from USAID, the contractors, and eight Afghan ministries about Promote's sustainability.

We assessed internal controls to determine the extent to which USAID had systems in place to oversee and evaluate Promote in Afghanistan in accordance with the Federal Acquisition Regulation and agency guidance. The results of our assessment are included in the body of this report.

We used some computer-processed data from USAID to assess the agency's oversight of whether the contractors are meeting their performance indicators, contract deliverables, and grants. USAID gave us a spreadsheet of the performance indicators, their targets, actual results, and historical performance for each component. We reviewed contract deliverables that contained indicator performance data to confirm the spreadsheets' accuracy and completeness. USAID and its contractors also gave us the spreadsheets it uses to track contract deliverables and grants awarded under the Promote contacts. For both sets of spreadsheets, we interviewed agency officials about data quality control procedures and reviewed contract deliverables and grant documentation to confirm the spreadsheets' completeness. We determined that the data in these trackers were sufficiently reliable for the purposes of this report.

We conducted our audit work in Kabul, Afghanistan, and Washington, D.C., from November 2016 to July 2018, 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. The audit was conducted by the Office of Special Inspector General for Afghanistan Reconstruction under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended.

APPENDIX II - COMMENTS FROM THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

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MEMORANDUM

8/13/2018

**TO:** John F. Sopko  
Special Inspector General for  
Afghanistan Reconstruction (SIGAR)

**FROM:** Karen Freeman, Assistant to the Administrator *KFREEMAN*  
Office of Afghanistan and Pakistan Affairs

**SUBJECT:** USAID Response to Draft SIGAR Report titled  
“Promoting Gender Equity in National Priority  
Programs (Promote): USAID Needs to Assess  
this \$216 Million Program’s Achievements and  
the Afghan Government’s Ability to Sustain  
Them” (SIGAR Report 18-XX under Code 116A)

**REF:** SIGAR Transmittal email dated 07/13/2018

USAID thanks SIGAR for the opportunity to comment on this report.

Since the award of the first Promote activity in September 2014, this five-year program consisting of four components has directly benefited over 50,000 Afghan women with the training and support they need to engage in advocacy for women’s issues, enter the workforce, and start their own businesses. The program has been carefully managed to adapt to the dynamic environment in Afghanistan, which continues to endure terrorism, political upheaval, corruption, and weak economic growth.

As women participate in Promote activities, they are better able to work together, raise their voices, and contribute to the peace and prosperity of their country. Over the next two years, Promote will provide further engagement to increase impact.

Please see our responses below to the specific SIGAR recommendations for USAID’s Promoting Gender Equity in National Priority Programs (Promote).

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## **SIGAR Recommendations**

*To ensure that Promote will meet its goal in light of the program's extensive changes and its mixed performance to date, we recommend that the USAID Administrator:*

*1. Conduct an overall assessment of Promote and use the results to adjust the program and measure future program performance.*

**USAID Comments:** USAID concurs with the recommendation and fully agrees that lessons learned should be used as an ongoing assessment to adjust the program and measure future program performance.

### **Action Taken/Planned:**

USAID agrees that it should use lessons learned through ongoing assessments to adjust the programs and measure future performance and is monitoring and evaluating each Promote activity pursuant to USAID policy detailed in ADS 201. USAID will conduct a mid-term evaluation of the overall program which, in addition to regular analysis of data and results, will permit USAID to assess performance and make adjustments to the program throughout implementation.

**Target Closure Date:** September 30, 2019

*To ensure that USAID/Afghanistan complies with the FAR and ADS guidance for maintaining accurate records and assessing contractor performance, we recommend that the Mission Director for Afghanistan direct the Gender Office to:*

*2. Complete contractor performance assessment reports on time and establish guidance to verify that they accurately reflect the contractors' performance.*

**USAID Comments:** USAID concurs with Recommendation 2.

### **Action Taken:**

The Office of Acquisition and Assistance (OAA) has re-issued guidance on compliance and the Gender Office has completed updating all CPARs (*please see attachment #1*). The previous delays occurred as a result of an extremely high level of staff turnover.

While USAID/Afghanistan is not at 100% completion of CPARs, the

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Mission is well ahead of CPARs for the Agency. In the 3rd quarter our completion rate has ranged from 91.2% to 96.4% (*please see attachment #2*). The Agency's rate of completion has ranged from 72.3% to 76.3% (*please see attachment #3*).

**Closure Request:**

Based on the stated above, no further action is deemed necessary in regards to this recommendation. USAID requests SIGAR's concurrence with closure of recommendation No. 2.

*3. Provide written guidance and training to contracting officer's representatives on maintaining records in a consistent, accurate manner.*

**USAID Comments:** USAID concurs with Recommendation 3.

**Action Taken:**

Mission Order 502.03 (*please see attachment #4*) has been re-provided to Mission staff and the Agency Secure Image and Storage Tracking System (ASIST) training on records management and documents retention will be conducted for the Technical Teams. Furthermore, USAID is implementing ASIST, the Agency's electronic filing system, for all new awards. This system is an established filing structure, and facilitates consistency in maintaining files. USAID/Afghanistan will be conducting trainings for Contracting/Assistance Officer Representatives (C/AORs) on the new filing system on a regular basis.

**Closure Request:**

Based on the stated above, no further action is deemed necessary in regards to this recommendation. USAID requests SIGAR's concurrence with closure of recommendation No. 3.

*To determine whether Promote's achievements are sustainable given USAID's changes to the program and economic conditions in Afghanistan, we recommend that the Mission Director for Afghanistan:*  
*4. Conduct a new sustainability analysis for the program.*

**USAID Comments:** USAID concurs with Recommendation 4.



**Action Planned:**

USAID agrees that changes to the program and economic conditions can impact the sustainability analysis completed as part of the project design. As noted, a sustainability analysis was conducted during the design of the Promote project which provided a framework for the genesis of the Promote program. USAID will assess the sustainability of the program as part of the overall mid-term evaluation. The programmatic recommendations will serve as guidance which will be applied to any follow-up program and will be communicated to the relevant stakeholders within the Afghan government.

**Target Closure Date:** September 30, 2019

**Appendices:**

**Appendix A** - Technical Comments

**Attachments:**

Attachment 1 – USAID Mail Re: ASIST and CPARS  
Attachment 2 - Division % Region Overview;  
Attachment 3 - Agency FY Details;  
Attachment 4 – 502.03 Records Management Mission Order

Cc: U.S. Embassy/Kabul

## APPENDIX III - ACKNOWLEDGMENTS

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This performance audit was conducted  
under project code SIGAR-116A.

## SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- advance U.S. interests in reconstructing Afghanistan.

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