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## GOVERNANCE

### KEY ISSUES AND EVENTS

Reconciliation-related matters dominated this quarter's events following President Ashraf Ghani's June 7, 2018, announcement of a temporary halt to offensive operations against the Taliban. The Taliban eventually reciprocated and, on June 15, began a three-day ceasefire with the Afghan government. The following matters are described at length below: efforts to reach a peace agreement with the Taliban, a review of past ceasefires and truces, an update on the implementation of the peace agreement with Hezb-e Islami Gulbuddin (HIG), an update on recent grassroots peace efforts, and lessons from the Afghan government's Afghanistan Peace and Reintegration Program (APRP).

Effective March 1, 2018, but not formally communicated until July 11, 2018, USAID canceled its August 2015 memorandum of understanding with the Ministry of Finance for the \$800 million New Development Partnership (NDP). As of June 30, USAID had disbursed \$380 million of the planned \$800 million set aside to encourage Afghan government achievement of the NDP development results. According to USAID, the remaining NDP funds will be pooled with their other resources that they intend to provide to the World Bank-administered Afghanistan Reconstruction Trust Fund (ARTF). It is unclear what effect the termination of NDP will have on Afghan government's achievement of NDP reform goals that USAID once considered important.<sup>284</sup>

On July 14, Afghanistan's main political parties called for the Afghan government to suspend all electoral activities in preparation for the October 2018 parliamentary and district council elections. The political parties claimed that the current processes are insufficient to stop fraud. The Afghan government's election body responded that the demands are being made too late.<sup>285</sup>

### U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE

As of June 30, 2018, the United States had provided more than \$33.0 billion to support governance and economic development in Afghanistan. Most of this funding, nearly \$19.9 billion, was appropriated to the Economic Support Fund (ESF) administered by the State Department (State) and the U.S. Agency for International Development (USAID).<sup>286</sup>

**As of March, the Department of Justice (DOJ) attaché views the situation in Afghanistan as “consistent with a largely lawless, weak, and dysfunctional government” with many corruption cases languishing due to the lack of political will—rather than capacity—of the Afghan government. These concerns are consistent with comments IG Sopko heard during his June 2018 trip to Afghanistan. SIGAR plans to follow up in its new anticorruption review on concerns raised by DOJ, DEA, INL, and others regarding key Afghan institutions such as the ACJC, CNJC, and Attorney General's Office.**

Source: DOJ, Department of Justice/Office of the Deputy Attorney General-INL Inter-Agency Agreement (December 30, 2016) Amendment One Counter-Corruption, Major Crimes, Counternarcotics, and National Security Investigation and Prosecution Program Quarterly Progress Report Second Quarter, FY 2018 (January 2018–March 2018), 3/2018, p. 6.

## RECONCILIATION AND REINTEGRATION

### Peace Efforts with the Taliban

The U.S. and Afghan governments agree that the best way to ensure lasting peace and security in Afghanistan is reconciliation and a sustainable political settlement with the Taliban.<sup>287</sup>

On July 9, Secretary of State Michael R. Pompeo called on the Taliban to enter peace talks, saying the Taliban “cannot wait us out.” Secretary Pompeo said that while the U.S. role in peace talks is important, “We can’t settle this from the outside.” He concluded that the U.S. approach in Afghanistan is working.<sup>288</sup>

The work that we have done to demonstrate to the Taliban that the continuation of fighting will lead them to a bad outcome, not one that’s in the best interests of the people in the regions where they operate, each of those are hallmarks of real progress.

This quarter, the United Nations Assistance Mission in Afghanistan’s (UNAMA) director of peace and reconciliation, Steve Brooking (speaking publicly, but in his personal capacity), described the current situation in Afghanistan as a **mutually hurting stalemate**. Further, he argued that the presidential elections scheduled for April 2019 could handicap President Ghani’s peace efforts: “Why would anyone make a deal with the government under the current circumstances?”<sup>289</sup> Brooking’s comments echoed those of the UN Secretary-General, who said the fragmented political environment in Afghanistan poses a challenge for the forthcoming elections, governance, and reconciliation.<sup>290</sup>

On June 7, the Afghan government announced a temporary halt to offensive operations against the Taliban. U.S. Deputy Assistant to the President and Senior Director for South and Central Asia Lisa Curtis described this as a “courageous initiative” and a “significant tangible initiative with the real potential to reduce violence.” On the day of the announced unilateral ceasefire, Curtis expressed the hope that the Taliban would reciprocate, saying such an action would represent an “unprecedented step forward in the peace process.”<sup>291</sup>

U.S. forces in Afghanistan agreed to honor the Afghan government’s ceasefire that covered the end of the Islamic holy month of Ramadan. The ceasefire did not extend to U.S. counterterrorism efforts against Islamic State-Khorasan (IS-K), al-Qaeda, and other regional and international terrorist groups.<sup>292</sup>

The Taliban eventually reciprocated and, on June 15, began a three-day ceasefire with the Afghan government. According to State, many assessed the Taliban ceasefire as a response to President Ghani’s June 7 announcement of an eight-day cease fire. The BBC, however, reported that a Taliban statement explicitly denied this connection.<sup>293</sup>

**A mutually hurting stalemate (MHS):** is a situation wherein parties find themselves locked in a conflict from which they cannot escalate to victory, and this deadlock is painful to both of them (although not necessarily in equal degree or for the same reasons). The MHS concept is associated with the concept of ripeness (the point at which parties grab on to proposals that usually have been in the air for a long time and that only now appear attractive).

Source: I William Zartman, “The timing of peace initiatives: Hurting stalemates and ripe moments,” *The Global Review of Ethnopolitics*, vol. 1, no. 1 (2001), p. 8.

The overlapping ceasefires held through the three-day period, leading to joint spontaneous meetings (and participation in Eid holiday celebrations) among combined groups of Afghan civilians, Taliban, and members of the Afghan security forces.<sup>294</sup> According to Reuters, dozens of unarmed Taliban entered Kabul, causing traffic jams as citizens stopped to take photos of the fighters carrying the Taliban flag. Additional peaceful meetings between Afghan security forces and Taliban fighters were reported in Nangarhar, Logar, Zabul, Wardak, Helmand, and Kunduz Provinces. IS-K interrupted some of these overtures when it claimed credit for an attack on June 16 against a gathering of Afghan security force and Taliban personnel that killed at least 26 people in Nangarhar Province.<sup>295</sup>

On June 16, President Ghani announced an extension of the Afghan government's ceasefire. Once again, U.S. and NATO forces agreed to conform to the Afghan government's initiative.<sup>296</sup> The Taliban, however, did not reciprocate.<sup>297</sup>

On June 27, President Ghani, in an opinion piece published in the *New York Times*, described his offer of a unilateral ceasefire as “the most difficult decision I have made” and a rejection of the “perceived wisdom of the analysts and observers.” Further, he offered to “sit and negotiate with the Taliban’s leader, Mawlawi Haibatullah Akhundzada, anywhere he wants.”<sup>298</sup>

On June 30, President Ghani announced the formal end of the Afghan government's ceasefire.<sup>299</sup>

Despite the ceasefire, State says the Taliban have yet to respond positively to President Ghani's peace offer at the Kabul Process Conference in February. President Ghani's offer (described by U.S. Ambassador to Afghanistan John Bass as “courageous”) raised the idea of the Taliban becoming a political party and pursuing constitutional amendments through the prescribed legal process.<sup>300</sup> Despite the February offer from President Ghani, the Taliban announced its annual spring offensive campaign on April 25, this year named “Al-Khandaq” (a reference to a historic battle from the year 627) without mentioning President Ghani's February peace offer.<sup>301</sup>

State says that while the Taliban continue to publicly claim that they support a peaceful solution to the Afghan war, they have not yet agreed to peace talks with the Afghan government. On February 14, the Taliban published a letter to the American people demanding an end to the U.S. “occupation,” and urging the United States to stop fighting and negotiate with the Taliban directly.<sup>302</sup> On June 16, Secretary of State Pompeo promised U.S. support, facilitation, and participation in Afghan government peace talks with the Taliban that “by necessity would include a discussion of the role of international actors and forces.”<sup>303</sup>

## PREVIOUS NATIONWIDE CEASEFIRES AND LOCALIZED TRUCES IN POST-2001 AFGHANISTAN

While this quarter's three-day overlapping ceasefires of the Afghan government, international military forces, and Taliban represent the first time President Ghani initiated a nationwide ceasefire with the Taliban (after having called for such a ceasefire at the February 28, 2018, Kabul Process Conference), this is not—contrary to the claims of some news articles—the first nationwide ceasefire since the war began.<sup>304</sup> Other nationwide overlapping ceasefires from Afghanistan's recent past include:

- In 2008, the Afghan government, international military forces, and the Taliban each announced ceasefires coinciding with international peace day (September 21). According to the UN, violence was recorded as being 70 percent lower on September 21, 2008 (though it is not clear what was used as a point of comparison).<sup>305</sup>
- In 2009, the Afghan government, international military forces, and the Taliban announced new ceasefires coinciding with international peace day. According to the UN, the 24-hour ceasefire held with only isolated security incidents reported. The UN cited NATO and MOD officials saying that the “day appeared much quieter than usual, with only a scattering of minor incidents and no serious casualties.” In 2009, international peace day fell during the Eid ul-Fitr celebrations.<sup>306</sup>

The UN tried again to encourage peace in 2010 and 2011. However, these hopes were dashed when on the day before international peace day in 2011, the head of Afghanistan's High Peace Council and former president of Afghanistan Burhanuddin Rabbani was assassinated in a bomb attack that also injured several Afghan government officials tasked with peace and reintegration.<sup>307</sup>

In addition to nationwide ceasefires, there are past reports of more localized truces and ceasefires (including fraternization between Afghan government and insurgent fighters) of various duration and geographic coverage. Examples of such reporting include:

- In 2011, the Institute of War and Peace Reporting (IWPR) described a tacit nonaggression agreement between Afghan security forces and insurgents in Alasay District, Kapisa Province. According to IWPR, both Taliban and Afghan government security forces were observed, armed, in the district's market. Additionally, IWPR reported that fighters from both sides were known to attend each other's weddings and funerals.<sup>308</sup>
- In July 2013 and April 2014, DOD described increased reports of localized ceasefires and truces between Afghan security forces and insurgents. At the time, DOD said these agreements, though comparatively rare,



**A reintegrated fighter** from Badghis Province leading his men to surrender their weapons in 2012. (Resolute Support Media photo)

were not considered to be a “major problem” nor a “significant threat to the campaign.” DOD felt that such local ceasefires could have a negative effect on the Afghan security forces if these forces entered into an accommodation with insurgents. According to DOD, the Afghan government had not endorsed these ceasefires.<sup>309</sup>

- In the fall of 2015, Afghan media reported on a formal deal signed between Afghan government officials, the Taliban, and local elders meant to stop attacks in the Dahanah-ye Ghor area of Baghlan Province. In February 2016, Afghanistan’s minister of border and tribal affairs was quoted openly defending the agreement, saying the Afghan government had agreed to not use heavy weapons in the area. The agreement reportedly broke down after three weeks when Taliban forces began attacking Afghan government checkpoints near the provincial capital.<sup>310</sup> UNAMA’s director of peace and reconciliation, Steve Brooking (speaking publicly, but in his personal capacity), recently described the situation differently. In his telling, it was the Afghan government that ended the agreement when it “suddenly decided that they didn’t need the ceasefire [in Dahanah-ye Ghor] anymore and went for it.” He highlighted the collapse of this deal as a cautionary tale in shining the spotlight too heavily on fragile, locally negotiated peace accommodations.<sup>311</sup>

This quarter’s overlapping nationwide ceasefires were longer than previous nationwide ceasefires (from one day in 2008 and 2009, to three days this quarter). However, it remains to be seen whether this quarter’s highly publicized interactions between Taliban and Afghan government forces will prove to be more significant than previously reported interactions. Because the Afghan government’s past policy was to discourage such on-the-ground fraternization, it is possible that past interactions were less publicized.

## Implementation of the Peace Agreement with Hezb-e Islami Gulbuddin

In September 2016, the Afghan government finalized a peace agreement with Gulbuddin Hekmatyar's Hezb-e Islami Gulbuddin (HIG) insurgent group.<sup>312</sup> When the peace deal with HIG was announced, some (including President Ghani) expressed hope that reconciling with Hekmatyar could facilitate a broader peace.<sup>313</sup> According to State, however, the peace agreement with HIG thus far has had no definitive impact on the reconciliation calculations of other resistance groups, including the Taliban. Nevertheless, State considers the peace agreement with HIG an important precedent that will influence other armed groups, particularly leaders who see that Hekmatyar has emerged as an influential political leader.<sup>314</sup>

According to the UN Secretary-General, President Ghani and his supporters have made efforts to strengthen their alliance with the HIG political movement and particularly its founder, Gulbuddin Hekmatyar. The Afghan government has held meetings to discuss implementing the 2016 peace agreement with HIG. As of January 2018, 160 HIG-affiliated prisoners had been released from Pul-e Charkhi, Bagram, and Kandahar prisons, and the Afghan government and HIG have now begun vetting a further 160 prisoners for release under the agreement. The UN Secretary-General reported that the Afghan government allocated land to the Hezb-e Islami leadership in Kabul, Nangarhar, and Laghman Provinces. Additionally, the Afghan government reportedly amended the draft land-allocation decree to include Hezb-e Islami-affiliated returnees to Afghanistan as a priority land allocation category for humanitarian land allocation. The Afghan government also took steps to increase the HIG faction's representation in leadership positions, most notably through a reshuffle of provincial governors in late February, which the UN Secretary-General said rewarded several of Hekmatyar's associates.<sup>315</sup>

## Grassroots Peace Efforts

As reported by the UN Secretary-General, in April, following a suicide attack in a stadium during a wrestling match in Helmand Province, local civil society actors began erecting "peace tents" in the provincial capital. Within days, the movement began to spread across the country, reaching 20 provinces. The protesters called on all combatants to lay down their arms and negotiate a peace deal.<sup>316</sup>

The UN Secretary-General views this movement as an unprecedented nationwide, self-generated civic movement that has largely remained independent of the Afghan government and the Taliban. On May 11, the Helmand protesters announced that they would march to Kabul and appealed to all sides again to lay down their arms and stop killing civilians during the Muslim holy month of Ramadan.<sup>317</sup> The protesters reached Kabul on June 18.<sup>318</sup>

## LESSONS FROM THE AFGHANISTAN PEACE AND REINTEGRATION PROGRAM

On March 31, 2016, the Afghanistan Peace and Reintegration Program (APRP) closed following a decision by APRP donors, the Afghan government, and UNDP.<sup>319</sup> The Afghan government launched its APRP following the June 2010 Consultative Peace Jirga that saw 1,600 Afghan delegates call on the parties to the conflict in Afghanistan to negotiate an end to violence. Various elements of the Afghan government were expected to execute APRP including the security and several civilian ministries.<sup>320</sup>

The APRP operated on two levels: (1) the operational level where reintegration efforts focused on local peace processes with insurgent foot soldiers, small groups, and local leaders and (2) the strategic/political level where efforts focused on the leadership of the insurgency.<sup>321</sup> In the past, State described the APRP—which operated from 2010 to 2016—as the only institutional mechanism within the Afghan government with capacity to pursue both high-level reconciliation negotiations and provincial-level reintegration of insurgent fighters.<sup>322</sup>

To support the Afghan government’s APRP, donors agreed to channel their funds through at least one of three windows: (1) Window A, which was managed by the World Bank, (2) Window B, which was managed by UNDP, and (3) Window C, which was managed by Standard Chartered Bank. The World Bank used the Afghanistan Reconstruction Trust Fund (ARTF) to receive and disburse its reintegration-related assistance.<sup>323</sup> UNDP established a program—named the Afghanistan Peace and Reintegration Programme (APRP)—to provide financial and technical support to the Afghan government’s national- and province-level peace and reintegration bodies.<sup>324</sup> Window C was a unique direct bilateral agreement between the Afghan and the UK governments.<sup>325</sup> (Unless otherwise specified, any references to APRP below refer to the broader, Afghan government reintegration efforts rather than the UNDP’s similarly named program.)

The United States provided \$55 million to support the Afghan government’s reintegration efforts (\$5 million to the UNDP/APRP and \$50 million to support the Afghan government’s reintegration program through the World Bank’s Afghanistan Reconstruction Trust Fund).<sup>326</sup>

Since the end of APRP, State provided another \$3.9 million to the UNDP to support reconciliation, including the activities of the High Peace Council (HPC) in September 2017. While this support was originally to last only through 2017, the initial pilot was extended to June 30, 2018.<sup>327</sup> State and other donors have not yet approved the UNDP’s follow-on Support for Peace and Reconciliation in Afghanistan (SPRA) project. State plans to make an additional \$6 million available to support UNDP’s peace and reconciliation implementation once the SPRA is finalized.<sup>328</sup>

UNDP wrote that the new project would be informed by lessons from APRP, which they described as overly ambitious, assumption-laden and structurally unsustainable, lacking accountability, and producing no satisfactory results.<sup>329</sup> U.S. Deputy Assistant to the President and Senior Director for South and Central Asia Lisa Curtis recently described the APRP as largely unsuccessful and “a cautionary tale about the dangers of graft.”<sup>330</sup>

UNAMA’s director of peace and reconciliation, Steve Brooking (speaking publicly, but in his personal capacity), questioned whether the 11,000 fighters APRP claimed to have reintegrated were actual fighters. Regardless, Brooking concluded the APRP had “zero effect on the actual insurgency and levels of violence” in Afghanistan, offering the following explanations:<sup>331</sup>

- The involvement of NATO forces in APRP caused the Taliban to resist the program as they saw it as a deliberate attempt to lure away and bribe fighters, and fracture their movement. (According to DOD in 2013, NATO/ International Security Assistance Force (ISAF) had established partnering and mentoring relationships

at every level of the APRP structure.) According to Brooking, one of the challenging aspects of discussing reintegration and reconciliation is that, in the UN system, both reintegration and reconciliation occur after a top-down peace agreement.

- Bottom-up peace processes like the APRP were viewed as primarily being about financial resources and, consequently, presented numerous economic rent-seeking opportunities that were exploited by various parties.
- The Afghan government lacked, and continues to lack, capacity at the local level to reintegrate fighters by providing credible security guarantees and a demonstrated capability to create jobs at the local level.

## CHALLENGES IN ADAPTING DEVELOPMENT PROGRAMS FOR REINTEGRATION OBJECTIVES

Previous SIGAR quarterly reports included extensive discussion of the APRP. In particular, SIGAR focused on the use of \$50 million in U.S. contributions to support the Afghan government’s reintegration objectives. These funds were provided to the Ministry of Rural Rehabilitation and Development (MRRD) via the World Bank’s Afghanistan Reconstruction Trust Fund (ARTF). Specifically, these funds supported the Community Recovery Intensification and Prioritization (CRIP) mechanism of MRRD’s well-known National Solidarity Program (NSP).<sup>332</sup> The U.S.-provided reintegration funds for NSP/CRIP were supposed to result in prioritizing the implementation of NSP community development projects in insecure areas to support reintegration goals.<sup>333</sup>

In a UNDP-contracted retrospective evaluation of APRP finalized in July 2016, the authors wrote that MRRD was initially reluctant to engage with the Afghan government’s APRP. MRRD eventually agreed to implement NSP/CRIP (and accept significant funds to implement NSP/CRIP activities) reportedly after being pressured by the Afghan government and the NATO/ISAF (the report does not specify when this happened).<sup>334</sup> In December 2013, DOD reported to SIGAR that the U.S. Embassy had repeatedly engaged MRRD

over the ministry’s failure to link its NSP/CRIP projects with the return of reintegrees. MRRD reportedly responded that it was reluctant to attribute NSP/CRIP projects to the Afghan government’s reintegration efforts “due to fears of reprisal attacks.”<sup>335</sup>

In particularly frank responses provided in 2013 and 2014, State and DOD said they raised SIGAR’s questions with their Afghan government counterparts regarding the extent to which U.S.-provided funds to support reintegration were being used to advance reintegration objectives and found the responses wanting. For example, DOD and State told SIGAR that the \$50 million U.S. contribution for reintegration was not linked, in actual practice, to APRP for fear of endangering NSP nongovernmental facilitating partners. Instead, these funds were subsumed into the broader ARTF budget.<sup>336</sup> In December 2013, DOD told SIGAR that “the low profile of [NSP/CRIP] programming denies the program the peace dividends it is seeking to establish by failing to link community recovery benefits with the return of reintegrees.”<sup>337</sup> State told SIGAR in January 2014, “the presence of reintegrees [did] not drive CRIP activities.”<sup>338</sup> (MRRD had reportedly agreed to direct CRIP activities to those areas in which there was a significant reintegree presence.)<sup>339</sup> Consequently, there is presently no reason to believe that NSP/CRIP community-development projects advanced reintegration objectives more effectively than standard NSP community-development projects unconnected with reintegration.

The fear of associating NSP with political objectives associated with reintegration was not a new concern. In an interview conducted in the course of SIGAR’s 2010 audit of NSP, the director for one NSP nongovernmental facilitating partner stated that having NSP involved in reintegration activities would cause facilitating partners to stop working with MRRD. The director explained that nongovernmental organizations did not wish to damage their reputation with communities by associating their work with a program with such explicit political objectives, like APRP. Despite the warning, this same facilitating partner continued to implement NSP until at least 2016.<sup>340</sup> It appears that in this case, an NSP facilitating partner was able to simultaneously distance itself from politically charged reintegration objectives while

maintaining flexibility to implement according to their preferred methods.

Despite the concerns DOD and State expressed to SIGAR in 2013 and 2014, the World Bank reported in April 2014 that NSP/CRIP-funded activities were progressing well and ARTF grants disbursements were remarkably high.<sup>341</sup>

As SIGAR wrote in 2014, NSP, and by implication similarly structured programs, may not be the optimal delivery mechanism to advance political objectives such as reintegration.<sup>342</sup> This quarter, State responded by saying that SIGAR’s concern could be unfounded since the reported fears of nongovernmental organizations in linking their development work with political objectives (such as reintegration) was “never tested” in actual practice. Additionally, State says that the current political situation and programming is not identical to the past. Therefore, State concludes, “While we should learn from past challenges/failures, it does not necessarily mean that ‘similarly structured programs’ should be ruled out as delivery mechanisms.”)

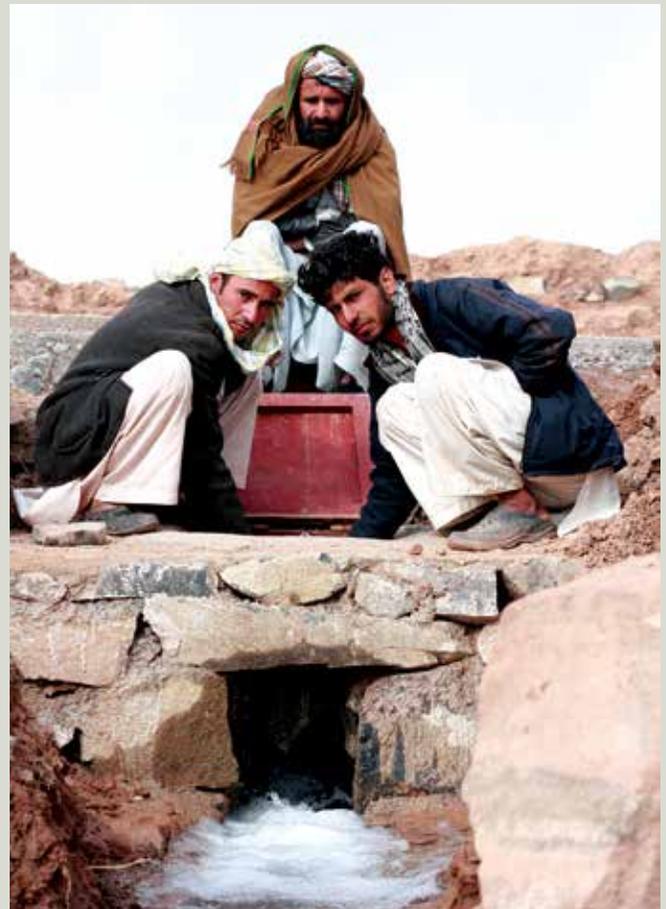
In January 2014, USAID told SIGAR that it decided to stop “preferencing” or earmarking funds to the NSP after concluding that NSP projects implemented in very insecure areas did not mitigate violence or improve attitudes toward the government in those areas. By the time of that decision, USAID had already disbursed at least \$865 million to the World Bank to support NSP.<sup>343</sup>

More recently, the Afghan government said that its Jobs for Peace program, announced in November 2015, would not only create “short-term employment, but also [address] the political aspects [of the ‘development side of the security-stability equation’] by targeting areas and populations that are especially susceptible to destabilization and insurgent recruitment.”<sup>344</sup> The Jobs for Peace program was consciously modeled on the NSP.<sup>345</sup>

USAID appears to have reversed its 2014 position on the stabilization merits of NSP when it agreed in December 2015 to provide support to the Jobs for Peace program through a \$35 million contribution to NSP.<sup>346</sup> (USAID responded this quarter that it considers “stabilization” to be a loaded term that should not apply to the Jobs for Peace program. Instead, USAID says that the Jobs for Peace program was simply a

“workforce development program” despite the Afghan government labeling it a “jobs-focused stimulus and stabilization program.”)<sup>347</sup>

When SIGAR asked USAID how the Jobs for Peace program would be assessed in advancing its stated political and stabilization objectives, USAID responded that it did not know.<sup>348</sup> SIGAR continued to ask USAID, until last quarter, how the Jobs for Peace program and its successor the Citizens Charter initiative will be assessed on its political objectives. In each response since March 2016, USAID said they had no answer.<sup>349</sup> USAID/Afghanistan insists that, as a policy, they are “out of the stabilization business” and have no new or continuing stabilization efforts since December 28, 2015.<sup>350</sup>



**Men in Herat Province** open a reservoir valve for a project supported by the National Solidarity Program. (Development Pictures photo by Sam French)

On June 19, President Ghani met with the peace protesters in Kabul to hear their demands. He said that his decision to extend the Afghan government's unilateral ceasefire for 10 more days was in response to demands by the Helmand protesters.<sup>351</sup>

On June 23, the estimated 70 Helmand peace-convoys members who had walked the 700 kilometers from Helmand to Kabul announced that they would conduct a sit-in protest outside the embassies of countries they accused of supporting the war in Afghanistan. The convoy members protested outside the U.S. Embassy in Kabul and called on the Afghan government and Taliban to end the war.<sup>352</sup>

## Updating the Afghan Government's Reintegration Strategy

According to State, the Afghan government has not yet approved a finalized reintegration strategy. A draft strategy awaits approval by President Ghani, the same situation that State reported last quarter.<sup>353</sup>

This quarter, State reports the Afghan government continued to work through the High Peace Council (HPC) to prepare the Afghan public for negotiations with the Taliban through extensive outreach efforts in all 34 provinces. These efforts include national, provincial, and local initiatives to develop a social consensus for peace and reconciliation capacity among key stakeholder groups, including religious, tribal, and other local leaders, as well as women's groups, youth, and civil society. The HPC Secretariat has worked with Provincial Peace Committees to reach out to these groups, hold interactive sessions on peace and reconciliation, draft peace-oriented curricula for the educational system, and develop strategic communications plans. The U.S., UK, and South Korean governments continue to work with the United Nations Development Programme (UNDP) and UNAMA to fund and guide these efforts.<sup>354</sup>

## Regional Dynamics for Peace

This quarter, State observed progress in the Afghanistan-Pakistan bilateral relationship. On May 14, the Afghan and Pakistani governments agreed to the Afghanistan-Pakistan Action Plan for Peace and Solidarity (APAPPS). The agreement was the result of four meetings that followed the April 2018 meeting between President Ghani and Pakistani Prime Minister Shahid Khaqan Abbasi. According to the Afghan and Pakistani governments, APAPPS provides a framework to strengthen mutual trust and deepen interaction in all spheres of bilateral engagements.<sup>355</sup>

State reports that several visits between high-level Afghan and Pakistani government officials occurred this quarter. Among these was a visit by Pakistani Chief of Army Staff Qamar Javed Bajwa to Kabul on June 12 to discuss bilateral relations and Afghanistan's reconciliation with the Taliban. The visit also resulted in a pledge of support for Afghanistan's ceasefire announcement and its extension.<sup>356</sup>

Despite these improvements in regional relations, the nominee to lead U.S. forces in Afghanistan, Lieutenant General Austin Miller, wrote that the Taliban cannot be compelled to reconcile so long as Pakistan, Russia, and Iran continue to enable the Taliban insurgency.<sup>357</sup>

## AFGHANISTAN COMPACT

In August 2017, the U.S. and Afghan governments announced the launch of the “Afghanistan Compact.” The Afghanistan Compact is an Afghan-led initiative designed to demonstrate the government’s commitment to reforms.<sup>358</sup> The Afghan government does not appear to face any direct monetary consequences if it fails to meet the Afghanistan Compact reform commitments.<sup>359</sup>

For more information on the Afghanistan Compact, see pages 122 to 123 of the April 30, 2018, *Quarterly Report to the United States Congress*.

## ELECTORAL REFORM

The U.S. government is supporting election reforms in Afghanistan through a grant of up to \$30 million to a legacy election-support project implemented by the UNDP. This project was originally meant to support the planned 2015 parliamentary elections.<sup>360</sup> Parliamentary and district-council elections are currently scheduled to take place on October 20, 2018. The Afghan presidential election is slated for April 2019.<sup>361</sup>

Overhauling the electoral process was a central part of the power-sharing deal brokered by the United States between President Ghani and his election rival, Chief Executive Abdullah, after the troubled 2014 presidential elections. The September 2014 U.S.-brokered agreement that led to forming the national-unity government called for immediate establishment of a special commission for election reform. The intent was to implement reform before the next parliamentary elections, intended for 2015, but these elections were not held.<sup>362</sup>

On May 3, the Afghan government announced the long-debated roll-out of electronic national identity cards (*e-tazkeras*). According to the UN Secretary-General, this announcement triggered an immediate backlash from political figures. The move prompted particularly strong criticism from non-Pashtun leaders, many of whom objected to the inclusion of the word “Afghan” to define citizenship, arguing that the adjective has historically been used to denote only Pashtuns. Chief Executive Abdullah—who had opposed issuing electronic identity cards until the ethnic controversy was resolved—responded with a speech criticizing the government on a range of issues including the lack of electoral reform.<sup>363</sup>

This quarter, the Independent Election Commission (IEC) conducted a nationwide polling-center-based voter registration exercise (which requires voters to cast their ballots at the polling center at which they register) in

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an effort to establish Afghanistan's first national voters list. As of June 19, State reports that over 6.7 million voters had registered, using their government-issued identity documents (*tazkeras*) to establish their identities.<sup>364</sup> According to the UN Secretary-General, this voter registration effort is the first full registration of Afghan voters since 2003.<sup>365</sup>

According to State, polling-center-based registration will allow the IEC to predetermine the number of ballots required at each polling center during elections, greatly reducing the number of potentially excess ballots available at each polling center.<sup>366</sup> State also said elections experts assess that polling-center-based registration is the critical reform necessary to reduce ballot-box stuffing, the principal method of fraud in the 2014 election.<sup>367</sup>

The UN Secretary-General observed how the placement of stickers indicating eligibility to vote on identity documents has caused security concerns, particularly following reports that insurgents were threatening citizens whose identity documents bore stickers. On May 12, the Presidential Palace announced that copies of the documents could be used for voter registration purposes. This change was reportedly to give Afghan voters the option to show their original documents without stickers if stopped by insurgents. On May 13, however, four election commissioners told the media that the decision had been illegal under the election law. The acting chief electoral officer resigned over the issue. On May 16, the IEC voted to implement a compromise solution, allowing the issuance of duplicate identity documents for voter registration.<sup>368</sup>

TABLE 3.11

USAID ON-BUDGET PROGRAMS					
Project/Trust Fund Title	Afghan Government On-Budget Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/9/2018
<b>Bilateral Government-to-Government Projects</b>					
Power Transmission Expansion and Connectivity Project (PTEC)	Da Afghanistan Breshna Sherkat (DABS)	1/1/2013	12/31/2018	\$ 725,000,000	\$175,774,115
Textbook Printing and Distribution	Ministry of Education	9/15/2017	12/31/2019	75,000,000	0
<b>Multi-Donor Trust Funds</b>					
Afghanistan Reconstruction Trust Fund (ARTF) (current award)*	Multiple	3/31/2012	7/31/2019	1,900,000,000	1,475,686,333
Afghanistan Reconstruction Trust Fund (ARTF) (New Development Partnership)**	Multiple	9/1/2015	7/31/2019	800,000,000	380,000,000
Afghanistan Infrastructure Trust Fund (AITF)	Multiple	3/7/2013	3/6/2023	153,670,184	153,670,184

Note:  
 \*USAID had a previous award to the ARTF that concluded in March 2012 and totaled \$1,371,991,195 in disbursements. Cumulative disbursements from all ARTF awards is currently \$3,227,677,528.  
 \*\*USAID formally ended the New Development Partnership on July 11, 2018.

Source: USAID, response to SIGAR data call, 7/12/2018.

According to the UN Secretary-General, the apparent divisions within the IEC and tensions between the IEC and the Presidential Palace further exacerbated public concerns regarding the credibility of the electoral preparations.<sup>369</sup>

On July 14, Afghanistan's main political parties (including Jamiat-e Islami, Hezb-e Islami, Hezb-e-Wahdat-e-Islami, Mahaz-e-Milli, the Islamic National Movement of Afghanistan and a few other parties) called for the Afghan government to suspend all electoral activities in preparation for the October 2018 parliamentary and district council elections. The political parties claimed that the current process is insufficient to stop fraud. The parties demanded changes to the electoral system, the suspension of the voter registration process, rolling out a biometric system for voter registration, and declaring each province a single constituency. The IEC responded that these demands are being made too late.<sup>370</sup>

## U.S. ASSISTANCE TO THE AFGHAN GOVERNMENT BUDGET

### Summary of Assistance Agreements

At the Brussels Conference in October 2016, the United States and other international participants confirmed their intention to provide \$15.2 billion between 2017 and 2020 in support of Afghanistan's development priorities.<sup>371</sup> Although the United States did not commit to a specific amount, then-Secretary of State John Kerry promised to work with Congress to provide civilian assistance at or near the 2016 levels through 2020.<sup>372</sup>

In several conferences since the 2010 Kabul Conference, the United States and other international donors have supported an increase to 50 percent in the proportion of civilian development aid delivered **on-budget** through the Afghan government or multidonor trust funds to improve governance, cut costs, and align development efforts with Afghan priorities.<sup>373</sup>

While USAID does not feel that it is necessarily committed to the 50 percent on-budget target, it says the agency will provide on-budget assistance to honor the U.S. government's international commitments coming out of the 2012 Tokyo and 2016 Brussels Conferences on Afghanistan.<sup>374</sup> According to USAID, it intends on using only the Afghanistan Reconstruction Trust Fund (ARTF) for on-budget assistance. USAID considers the remaining non-ARTF on-budget assistance awards to be legacy awards.<sup>375</sup>

As shown in Table 3.11 USAID's active, direct bilateral-assistance programs have a total estimated cost of \$800 million. USAID also expects to contribute \$2.7 billion to the ARTF from 2012 through 2020, which includes the \$800 million New Development Partnership, in addition to \$1.37 billion disbursed under the previous grant agreement between USAID and the World Bank (2002–2011). On July 11, 2018, USAID formally canceled the NDP agreement with the Afghan government. The remaining

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**On-budget assistance:** encompasses donor funds that are aligned with Afghan government plans, included in Afghan government budget documents, and included in the budget approved by the parliament and managed by the Afghan treasury system. On-budget assistance is primarily delivered either bilaterally from a donor to Afghan government entities, or through multidonor trust funds. (DOD prefers the term “direct contributions” when referring to Afghanistan Security Forces Fund (ASFF) monies executed via Afghan government contracts or Afghan spending on personnel).

**Off-budget assistance:** encompasses donor funds that are excluded from the Afghan national budget and not managed through Afghan government systems.

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Source: SIGAR, *Quarterly Report to the United States Congress*, 7/30/2014, p. 130; Ministry of Finance, “Aid Management Policy for Transition and Beyond,” 12/10/2012, p. 8; State, response to SIGAR vetting, 1/14/2016; DOD, OSD-P response to SIGAR vetting, 1/15/2018.

NDP funds will be pooled with USAID's other contributions to the ARTF. USAID has disbursed \$153 million to the Afghanistan Infrastructure Trust Fund (AITF).<sup>376</sup>

On July 11, 2018, participants in the NATO Brussels Summit committed to extend "financial sustainment of the Afghan forces through 2024." The public declaration did not specify an amount of money.<sup>377</sup>

## Civilian On-Budget Assistance

USAID delivers on-budget civilian assistance in two ways: bilaterally to Afghan government entities, and through contributions to two multidonor trust funds, the ARTF and the AITF.<sup>378</sup> According to USAID, all bilateral-assistance funds are deposited in separate bank accounts established by the Ministry of Finance (MOF) for each program.<sup>379</sup>

The ARTF, administered by the World Bank, provides funds to the Afghan government's operating and development budgets in support of Afghan government operations, policy reforms, and national-priority programs.<sup>380</sup> The AITF, administered by the Asian Development Bank, coordinates donor assistance for infrastructure projects.<sup>381</sup> According to USAID, the majority of on-budget funding has been and will continue to be directed through the multidonor trust funds, particularly the ARTF.<sup>382</sup> As of May, the United States remains the largest cumulative donor to the ARTF (30.5 percent of actual, as distinct from pledged, contributions) with the next-largest donor being the United Kingdom (17 percent of actual contributions).<sup>383</sup>

The ARTF recurrent-cost window supports operating costs, such as Afghan government non-security salaries. As of May, the ARTF recurrent-cost window has cumulatively provided the Afghan government \$2.6 billion for wages, \$600 million for operations and maintenance costs, \$865 million in incentive program funds, and \$703 million in ad hoc payments since 2002.<sup>384</sup>

## New Development Partnership

Effective March 1, 2018, but not formally communicated until July 11, 2018, USAID canceled its August 2015 memorandum of understanding with the Ministry of Finance for the \$800 million New Development Partnership (NDP).<sup>385</sup> In the August 2015 agreement, the U.S. and Afghan governments proposed 40 development results that the Afghan government would be expected to achieve. The Afghan government was to receive \$20 million through U.S. funds provided via the ARTF's recurrent-cost window for achieving each development result.<sup>386</sup>

As of June 30, USAID had disbursed \$380 million of the planned \$800 million set aside to encourage Afghan government achievement of the NDP development results. According to USAID, the remaining NDP funds will be pooled with other USAID resources that USAID intends to provide to the ARTF.<sup>387</sup> It appears that the unspent NDP funds will revert to USAID's

general support to the ARTF. This would be consistent with the sentiment offered by a senior administration official who, speaking on background in March 2015, said that the NDP funds were “money that we either have budgeted or have requested already; it’s not new money.”<sup>388</sup>

It is unclear what effect the termination of NDP will have on Afghan government achievement of the NDP reform goals that USAID once considered important. When SIGAR asked which of the NDP results and indicators constituted substantial reforms, USAID responded in December 2015 that the collective effect of NDP indicators “will be substantial.”<sup>389</sup>

Of the NDP-defined Afghan government-reform targets due by December 31, 2018, a number appear to have remained unspecified since July 2015. For example, the indicator for increasing Afghan government domestic revenues was defined as “Domestic revenue up X% over base (2017)” (the revenue growth target for 2017 was also defined as “X% over base (2016)”). In another example, the indicator for implementation of the Afghan government’s Citizen’s Charter was “X% of villages in X districts will have access to basic package of services as defined by the Citizen’s Charter.”<sup>390</sup>

In December 2017, a USAID contractor completed a midterm evaluation of the NDP. According to the midterm evaluation, all three of NDP’s objectives—(1) ensuring fiscal sustainability, (2) building better governance, and (3) reducing poverty—were aspirational goals that will require many years of effort by the Afghan government and its international partners to achieve. This, the evaluators wrote, was well beyond the scope of NDP. According to the evaluators, achieving the results contained in the NDP were in themselves insufficient to achieve these higher-level objectives. For example, the evaluation highlights how one of the 14 NDP-defined indicators in support of ensuring Afghanistan’s fiscal sustainability is that a “civil airspace management contract [is] signed.” According to the evaluators, while maintaining civil aviation services may indirectly offer expanded opportunity for Afghan government revenue mobilization, the importance and relevance of this result to the overall objective was questionable.<sup>391</sup>

The evaluators wrote that USAID presented no analysis in the NDP Framework (an Excel spreadsheet that displays results and their indicators aligned with each of the three objectives and each of the four NDP disbursement rounds), nor in its five-page 2015 narrative, which explained the extent to which NDP results together effectively combine to achieve their respective objectives.<sup>392</sup>

The evaluators concluded that there was no USAID-proposed method for testing the NDP theory of change. For example, the evaluators wrote that the NDP indicator for reforming procurement in support of building better Afghan governance was, “(a) Establishment of the National Procurement Committee; (b) Committee meets and reviews procurements regularly.” According to the evaluators, the NDP Framework did not provide an

analysis of (1) the extent to which the National Procurement Committees' establishment and operation sufficiently accomplishes the (broader) result of implementing the procurement reform program, or (2) the extent to which implementation of the procurement reform program meets necessary requirements for the broader objective of building better governance. The evaluators acknowledged that a properly functioning National Procurement Committee could be assumed to reduce opportunities for corruption.<sup>393</sup>

The evaluators concluded that because NDP did not include performance measurement or tracking indicators at the objective level, there was no straightforward way to gauge the higher-level impact of achieving (or not achieving) the respective results. To help make the point that clear objectives are important in an initiative like the NDP, the evaluators quoted an exchange between the Cheshire Cat and Alice from Lewis Carroll's book *Alice's Adventures in Wonderland*, wherein the Cat assured Alice that she will go "somewhere" provided "you only walk long enough."<sup>394</sup>

## On-Budget Assistance to the ANDSF

More than 60 percent of total U.S. on-budget assistance goes toward the requirements of the Afghan security forces.<sup>395</sup> The U.S. Department of Defense (DOD) provides on-budget assistance to the Afghan government through direct contributions from the Afghanistan Security Forces Fund (ASFF) to the Afghan government to fund Ministry of Defense (MOD) and Ministry of Interior (MOI) requirements, and through ASFF contributions to the multidonor Law and Order Trust Fund for Afghanistan (LOTFA).<sup>396</sup> LOTFA is administered by the UNDP and primarily funds Afghan National Police salaries and incentives.<sup>397</sup> Direct-contribution funding is provided to the MOI, which allots it incrementally to the MOD and MOI, as required.<sup>398</sup>

The U.S. Combined Security Transition Command-Afghanistan (CSTC-A) monitors and formally audits the execution of those funds. The aim is to assess ministerial capability and to ensure proper controls and compliance with documented accounting procedures and provisions of annual commitment letters used to enforce agreements with the Afghan government.<sup>399</sup>

For Afghan fiscal year (FY) 1397 (December 2017–December 2018), DOD plans to provide the Afghan government the equivalent of \$779.5 million to support the MOD and \$156.3 million to support the MOI.<sup>400</sup>

Last quarter, CSTC-A said it was changing the single-year commitment letters into commitment letters that will cover two Afghan fiscal years (1397/1398). CSTC-A believes this will provide greater stability and strengthen joint assurances between CSTC-A and the Afghan government.<sup>401</sup> This quarter, CSTC-A says it coordinated and carefully reviewed each commitment-letter condition with MOD and MOI. CSTC-A believes this approach will improve MOD and MOI's understanding of what is expected of them. As of July 9, both the MOD and MOI commitment letters have been signed.<sup>402</sup>

CSTC-A reports that no conditions-based penalties were applied in the final quarter of FY 1396 and the first quarter of FY 1397. This quarter, CSTC-A says that strategic patience is necessary to determine whether the use of penalties and incentives to influence the MOD and MOI is producing sustainable progress.<sup>403</sup> In July 2015, SIGAR interviewed then-CSTC-A commander Major General Todd Semonite, who said he was the first to introduce conditions in 2014 into the MOD and MOI commitment letters after observing no conditions being applied in 2013. According to CSTC-A in February 2015, “conditionality [is] needed for accountability and donor confidence” because “defined goals and penalties for not meeting criteria incentivizes behavior.”<sup>404</sup>

For FY 1397, as of May 20, CSTC-A provided the Afghan government the equivalent of \$360.2 million to support the MOD.<sup>405</sup> Additionally, as of May 20, CSTC-A provided the equivalent of \$46.1 million to support the MOI. Of these funds, \$1 million were delivered via the UNDP-managed LOTFA, while \$45.1 million was provided directly to the Afghan government.<sup>406</sup>

In May, CSTC-A was found to have either met or be on track to meet all of its LOTFA donor conditions outlined in 2015. The 2015 agreement outlined the terms for the transition of LOTFA’s non-fiduciary payroll management functions to the Afghan government. CSTC-A received the same rating following a June 2017 progress assessment.<sup>407</sup> This quarter, CSTC-A reported that it does not believe the MOI payroll system should be transferred from UNDP to MOI at this time. CSTC-A said that it will reevaluate this position when the MOI meets the minimum set of conditions to take over the payroll system.<sup>408</sup>

This quarter, CSTC-A reported that no ASFF procurements that were managed off-budget by CSTC-A have transitioned to on-budget procurement by the Afghan government.<sup>409</sup>

CSTC-A said it recently transitioned two MOI projects that were going to be procured on-budget (by the Afghan government itself) to off-budget (managed, in this case, by CSTC-A). These projects included an almost \$2 million logistics project for operation and maintenance for six sites that would not have otherwise been funded. The other project was procurement of approximately \$2.7 million of military equipment. According to CSTC-A, this military equipment could not be procured by the Afghan government because of legal limitations due to the Export Arms Control Act of 1976.<sup>410</sup>

According to CSTC-A, starting in FY 1397, CSTC-A and the MOD’s acquisition, technology and logistics office jointly prioritized all ASFF-funded MOD requirements. CSTC-A reports that ASFF funding will only be provided for those items that directly support the Afghan warfighter. For example, the Afghan government is now responsible for items such as stationary and physical-training equipment.<sup>411</sup>

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CSTC-A reports that MOD and MOI lead the process for developing their own requirements that are satisfied through off-budget procurements using ASFF. The MOD and MOI are most familiar with their needs pertaining to operational sustainment and enhancement. However, CSTC-A said, despite the significant contributions of MOD and MOI, CSTC-A completes procurement documentation. According to CSTC-A, this is due to the rigor inherent in performing contract actions specific to and in accordance with U.S. contracting laws and regulations.<sup>412</sup> When asked directly whether they could identify any noteworthy cases of MOD or MOI involvement in requirements generation this quarter, CSTC-A said there were no such cases.<sup>413</sup>

## NATIONAL GOVERNANCE

This quarter, two ministers resigned, while one was fired by President Ghani, although his order was contested by Chief Executive Abdullah.

In June, housing and urban development minister Sayed Salat Naderi stepped down and was replaced by acting-minister Roshan Volusmal. Also in June, finance minister Eklil Ahmad Hakimi announced that he had resigned for personal reasons. Hakimi was appointed to lead the MOF in February 2015.<sup>414</sup>

On June 9, while President Ghani was traveling abroad, the Presidential Palace released a statement publicly announcing the firing of water and energy minister Ali Ahmad Osmani. The same day, Chief Executive Abdullah published a statement supporting Osmani, saying the final decision on his firing would not be made until President Ghani returned to the country, and “Accordingly, [Osmani] can continue to serve as a Minister of Energy and Water until then.” As of June 20, State reports the issue remains unresolved.<sup>415</sup>

## Capacity-Building Programs

As shown in Table 3.12, USAID capacity-building programs seek to improve Afghan government stakeholders’ ability to prepare, manage, and account for on-budget assistance. These programs also provide general assistance to support broader human and institutional capacity building of Afghan government entities such as civil-society organizations and the media.<sup>416</sup>

TABLE 3.12

USAID CAPACITY-BUILDING PROGRAMS AT THE NATIONAL LEVEL					
Project Title	Afghan Government Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/9/2018
Afghan Civic Engagement Program (ACEP)	N/A	12/4/2013	12/3/2018	\$70,000,000	\$62,221,672
Rasana (Media)	N/A	3/29/2017	3/28/2020	9,000,000	2,575,700

Source: USAID, response to SIGAR data call, 7/12/2018.

## Civil Society and Media

The Afghan Civic Engagement Program's (ACEP) goal is to promote civil society and media engagement that enables Afghan citizens to influence policy, monitor government accountability, and serve as advocates for political reform. ACEP aims to achieve this goal through five program areas: (1) regular civil-society organization (CSO) engagement with the Afghan government, (2) increased CSO and media expertise in democracy and governance, (3) expanded civic engagement, (4) improved access to independent news and public affairs information, and (5) increased CSO organizational capacity.<sup>417</sup>

This quarter, USAID highlighted a meeting of the Family Law-Parliamentary Technical Working Group (FL-PTWG). This working group has received support from ACEP with the hope of accelerating the long-stalled efforts to pass Afghanistan's first family law. In 2008, a committee involving the Ministry of Women Affairs (MOWA) and civil-society organizations developed a draft family law. Among the committee's recommendations was increasing the legal age of marriage for women from 16 to 18 years to align with the international Convention on the Rights of Children, to which Afghanistan is a signatory. The draft law was submitted to the Ministry of Justice (MOJ) for comments in 2009, but few of its 218 articles have been addressed to date. According to USAID, the FL-PTWG's strategic plan will help to guide civil society as it works with the government to pass the law to ensure the rights of all Afghan citizens are respected.<sup>418</sup>

In March 2017, USAID launched the \$9 million Rasana program. According to USAID, Rasana, which means "media" in Dari, provides support to women journalists and women-run or women-owned media organizations. The program has four program areas: (1) support and training for women journalists, (2) investigative journalism initiatives, (3) advocacy and training for the protection of journalists, and (4) expanding the outreach of media through small grants for content production in underserved areas.<sup>419</sup>

In March, Rasana's partner organization, tasked with providing consistent monitoring and feedback regarding the effectiveness of the program, reported on the results of interviews it conducted in Balkh, Jowzjan, Herat, and Kandahar Provinces. It found that Rasana-supported journalists are still facing bottlenecks in each area, including gender inequalities, financial issues, security problems, political pressures, and difficulty accessing information. Rasana trainees "highly" praised the Rasana-supported trainings. Nearly all participants felt that training subjects were relevant to their needs; that trainers were well-qualified, prepared, and able to adapt the lessons to local situations; and that they would use lessons learned in future work.<sup>420</sup>

However, the surveyors found that most of the Rasana beneficiaries were aspiring journalists and not yet active practitioners, meaning few were able

to cite examples of applying the training to their work. Additionally, the surveyors could not identify any examples of Rasana-supported media content having a direct impact on decision-making processes within communities. The surveyors reported “several [macro-level] cases” of Rasana-supported publications influencing the decisions of local authorities or powerful persons. However, no examples were offered in the report or by USAID. The surveyors acknowledged that they will need to explore new ways to approach the connection between Rasana-supported content and subsequent action in their future work to better establish what, if any, link may exist.<sup>421</sup>

## SUBNATIONAL GOVERNANCE

In June, the Overseas Development Institute (ODI) in London issued a report on the state of Taliban governance in Afghanistan. This report drew from interviews with 162 individuals across three main categories: (1) Taliban fighters, commanders, leaders, interlocutors and ex-members; (2) Afghan government officials, employees (including teachers and doctors), and aid workers; and (3) civilians who have lived or are currently living under Taliban control.<sup>422</sup>

According to the report’s author, Taliban governance is more coherent than ever before with high-level commissions governing sectors such as finance, health, education, justice, and taxation. There are reportedly clear chains of command and policies from the Taliban’s leadership based in Pakistan down to villages in Afghanistan. In areas where the Taliban exercises control, they reportedly co-opt and control government and aid agencies that provide public goods and services. The report says that Afghan government service delivery ministries have struck deals with local Taliban and that most provincial or district-level government health and education officials interviewed for the report said they were in direct contact with their Taliban counterparts.<sup>423</sup>

These observations are largely consistent with the World Bank’s 2017 report *Social Service Delivery in Violent Contexts: Achieving Results against the Odds*. The World Bank wrote that where the Taliban was relatively reliant upon local support—such as in Wardak Province—elite bargains emerged that supported health and education service delivery. The World Bank found that the Taliban’s approach to education evolved from attacking schools between 2006 and 2008 to attempting to influence state schools through local-level negotiations with Ministry of Education officials. Accordingly, some Taliban were bargaining around co-opting, rather than closing, schools.<sup>424</sup>

According to the Overseas Development Institute report, Taliban-appointed personnel monitor health clinics and government schools. Taliban reportedly regulate utilities and communications, collect on the bills of the state electricity company in at least eight of Afghanistan’s

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34 provinces, and control around a quarter of the country’s mobile phone coverage.<sup>425</sup>

These findings are controversial and SIGAR has no means to independently verify them. However, if accurate, they may complicate the work of development agencies in ensuring that their programming does not facilitate or legitimize Taliban governance. USAID’s approach for ensuring that its programming does not legitimize the Taliban first requires identifying which areas are Taliban-controlled. To identify Taliban-controlled areas, USAID relies primarily on open-source data, as well as monthly maps generated by a USAID third-party monitor. As shown in Table 3.13 these assessments show the level of permissibility for third party monitoring by district.

Last quarter, USAID reported that it had decided against the option of collecting data specifically on the question of Taliban control and legitimacy, believing the costs to be prohibitive and the alternative data sources sufficient.<sup>426</sup> However, a lack of third-party monitoring access may be an insufficient evidentiary proxy for Taliban control if the Taliban see a benefit for themselves in allowing development services to operate in their areas, as the recent Overseas Development Institute and World Bank reports indicate. (USAID’s only comment on the above discussion was that they “very

TABLE 3.13

## COMPARISON OF RESOLUTE SUPPORT-DEFINED DISTRICT CONTROL AND USAID THIRD-PARTY MONITORING DISTRICT-ACCESSABILITY ASSESSMENTS (MAY 2018) BY PERCENT AND COUNT

BY PERCENT		USAID Third-Party Monitor Accessibility		
Resolute Support-defined district control (as of May 15, 2018)	Impermissible	Permissible	Secure	
Afghan government control	4.1%	14.9%	78.4%	
Afghan government influence	26.5%	38.1%	34.2%	
Contested	45.1%	29.5%	23.8%	
Insurgent activity	66.7%	24.4%	4.4%	
High insurgent activity	81.8%	18.2%	0	
BY NUMBER		USAID Third-Party Monitor Accessibility		
Resolute Support-defined district control (as of May 15, 2018)	Impermissible	Permissible	Secure	
Afghan government control	3	11	58	
Afghan government influence	41	59	53	
Contested	55	36	29	
Insurgent activity	30	11	2	
High insurgent activity	9	2	0	

Note: How to read the table showing percent: The percentages represent the percent of districts within a given Resolute Support-defined category that fall in a particular USAID third-party monitor-defined permissibility category. For example, in the row labeled “Afghan government control,” 4.1 percent of districts assessed by Resolute Support as being under Afghan government control are assessed by USAID’s third-party monitor as being impermissible. Put another way, three of the 74 districts Resolute Support assessed as being under government control were also considered by the USAID third-party monitor as being impermissible.

The percents in each row may not add up to 100% as there are eight more districts identified in Resolute Support’s dataset than in the USAID third-party monitoring datasets. There are 407 districts in Resolute Support’s dataset and 399 districts in USAID’s third-party monitor’s dataset.

Source: RS, DCOS-SSP, AAG, response to SIGAR data call, 6/22/2018; USAID, OAPA, response to SIGAR data call, 6/21/2018.

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cautiously target” their democracy and governance programming in areas that the Afghan government has “full control.”)<sup>427</sup>

## Provincial and Municipal Programs

USAID has two subnational programs focused on provincial centers and municipalities: the Initiative to Strengthen Local Administrations (ISLA) and Strong Hubs for Afghan Hope and Resilience (SHAHAR) programs. Table 3.14 summarizes total program costs and disbursements to date.

### Initiative to Strengthen Local Administrations

The \$48 million ISLA program is meant to enable the Afghan government to improve provincial governance in the areas of fiscal and development planning, representation of citizens, and enhanced delivery of public services. ISLA aims to strengthen subnational systems of planning, operations, communication, representation, and citizen engagement, leading to services that more closely respond to all citizens’ needs in health, education, security, justice, and urban services.<sup>428</sup>

According to USAID, one of the key provisions of the Afghan government’s provincial budget policy is to link the provincial development plans (PDP) with the provincial budget process.<sup>429</sup>

Last quarter, ISLA finalized a study on the percentage of proposed projects in PDPs being reflected in the FY 1397 national budget plan. ISLA compared the list of proposed PDP projects for each province against the project list approved for that province in the national budget. Of the 2126 projects proposed in the PDPs of the 16 ISLA-supported provinces, 233 were ultimately reflected in the national budget. This represents 11 percent of the total number of PDP-proposed projects. According to ISLA, ISLA-supported provinces saw a 2 percent increase from the prior year in the number of PDP-proposed projects being reflected in the national budget. However, the 16 ISLA-supported provinces had an additional 1,245 projects contained in the national budget that were apparently not derived from the PDPs. The PDPs were the source of only 16 percent of the total number of projects associated with the 16 ISLA-supported provinces.<sup>430</sup>

In future quarters, SIGAR will report the expenditures of these ISLA-supported PDP projects as reported in the Afghanistan Financial Management Information System (AFMIS).

TABLE 3.14

USAID SUBNATIONAL (PROVINCIAL AND MUNICIPAL) PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/9/2018
Strong Hubs for Afghan Hope and Resilience (SHAHAR)	11/30/2014	11/29/2019	\$62,000,000	\$45,287,049
Initiative to Strengthen Local Administrations (ISLA)	2/1/2015	1/31/2020	48,000,000	27,831,139

Source: USAID, response to SIGAR data call, 7/12/2018.

## Strong Hubs for Afghan Hope and Resilience

The objective of the \$62 million SHAHAR program is to create well-governed, fiscally sustainable Afghan municipalities capable of meeting the needs of a growing urban population. SHAHAR partners with municipalities to, among other things, deliver capacity-building for outreach and citizen consultation, improved revenue forecasting and generation, and budget formulation and execution.<sup>431</sup>

SHAHAR's geographic coverage has decreased significantly, from 20 province municipalities in the first two years of the program, to five municipalities in its current fourth year (Kabul, Kandahar, Herat, Mazar-e Sharif, and Jalalabad). According to SHAHAR, the decrease in coverage is meant to support the Afghan government in establishing and maintaining long-term stability in key cities.<sup>432</sup> It is unclear, however, how this reduction in coverage will enhance stability.

In March, SHAHAR reported the revenue of four of its partner municipalities for the first quarter of FY 1397 as equivalent to approximately \$5.27 million, an increase of 4 percent over the same period in the previous year. Mazar-e Sharif saw the largest revenue decrease (minus 16 percent) followed by Jalalabad (minus 7 percent). Kandahar, however, saw a 10 percent increase, and Herat recorded the largest gain, at 21 percent.<sup>433</sup>

## RULE OF LAW AND ANTICORRUPTION

In May, UNAMA released its second annual report on anticorruption efforts. The report commended the Afghan government for implementing several key anticorruption reforms in 2017 and early 2018, including the launch of its anticorruption strategy in October 2017, strengthening anticorruption measures in the new penal code, increasing capacity of the Anti-Corruption Justice Centre, and adopting a more transparent national budget.<sup>434</sup>

However, the report also highlighted significant gaps in the institutional anticorruption framework and provided recommendations for further reforms to bring Afghanistan more fully into compliance with the United Nations Convention Against Corruption. The Afghan government has made some progress in drafting an anticorruption law. On April 1, following a long delay in the drafting process, President Ghani instructed the Ministry of Justice to finalize the law. On May 14, the draft law was discussed by the High Council for Rule of Law and Anti-Corruption in the presence of civil society and the international community.<sup>435</sup>

## Rule of Law and Anticorruption Programs

The United States has assisted the formal and informal justice sectors through several mechanisms. These include State's Justice Sector Support Program (JSSP) and Justice Training Transition Program (JTTP). These and other rule-of-law and anticorruption programs are shown in Table 3.15.

## SIGAR AUDIT

This quarter, SIGAR released an audit, as directed by Congress in the Consolidated Appropriations Act of 2017, of the Afghan government's efforts to develop and implement a national anticorruption strategy. SIGAR found that the Afghan government has created and begun implementing its anticorruption strategy and other reforms, but questions remain regarding its ability to fully implement the strategy and demonstrate a lasting commitment to combatting corruption. Congress has directed SIGAR to continue monitoring the Afghan government's progress in implementing the strategy and to provide an update to this report. See Section 2, p. 18 for more information.

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TABLE 3.15

<b>RULE OF LAW AND ANTICORRUPTION PROGRAMS</b>				
<b>Project Title</b>	<b>Start Date</b>	<b>End Date</b>	<b>Total Estimated Cost</b>	<b>Cumulative Disbursements, as of 7/9/2018</b>
Assistance for Development of Afghan Legal Access and Transparency (ADALAT)	4/15/2016	4/14/2021	\$68,163,468	\$14,087,203
Afghanistan's Measure for Accountability and Transparency (AMANAT)	8/23/2017	8/22/2022	31,986,588	958,367
Corrections System Support Program (OASIS CSSP)*	6/1/2017	5/31/2022	14,087,926	9,759,564
Justice Sector Support Program OASIS Contract	8/28/2017	8/28/2022	12,903,112	5,356,007
Continuing Professional Development Support (CPDS)	2/6/2018	4/6/2020	7,938,401	7,938,401
Delegated Cooperation Agreement (DCAR) with the Department for International Development (DFID) for Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC)	5/19/2015	8/31/2020	3,000,000	2,000,000

Note: \*Disbursements as of 5/27/2018.

Source: State, INL, response to SIGAR data call, 6/25/2018; USAID, response to SIGAR data call, 7/12/2018.

USAID has a cooperation arrangement with the UK's Department for International Development to fund the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC). USAID funds the MEC's monitoring, analysis, and reporting activities, including its vulnerability-to-corruption assessments.<sup>436</sup>

State's Justice Sector Support Program is the largest rule-of-law program in Afghanistan. JSSP was established in 2005 to provide capacity-building support to the Afghan justice system through training, mentoring, and advisory services. The current JSSP contract began in August 2017 and has an estimated cost of \$13 million for the first year. The previous JSSP contract, which began in 2010, cost \$280 million.<sup>437</sup> JSSP provides technical assistance to the Afghan justice-sector institutions through (1) building the capacity of justice institutions to be professional, transparent, and accountable; (2) assisting the development of statutes that are clearly drafted, constitutional, and the product of effective, consultative drafting processes; and (3) supporting the case-management system so that Afghan justice institutions work in a harmonized and interlinked manner and resolve cases in a transparent and legally sufficient manner.<sup>438</sup>

In February, State's \$48 million Justice Training Transition Program ended. On the same day JTTP ended, State and the former JTTP implementing partner signed an agreement for the new \$8 million Continuing Professional Development Support (CPDS) program. According to State, CPDS will respond to an urgent need by the Afghan government to train legal professionals on the newly revised penal code and build the organizational capacity of the nascent professional training departments of Afghan legal institutions.<sup>439</sup>

In April 2016, USAID launched the \$68 million Assistance for the Development of Afghan Legal Access and Transparency (ADALAT) program.

ADALAT aims to (1) increase the effectiveness and reach of the formal justice sector, (2) strengthen the linkages between the formal and traditional justice sectors, and (3) increase citizen demand for quality legal services.<sup>440</sup>

In March, ADALAT finalized the first iteration of its Justice User Survey Tool (JUST) survey. The JUST survey results provide a snapshot of the performance of the court and **Huquq** in Afghanistan from the perspective of the people who use those institutions. ADALAT surveyed over 1,000 court and Huquq users in 100 districts from January to March 2017.<sup>441</sup> Of those who responded to the survey, 68 percent believed that the court service was performed effectively or very effectively. Court users in rural districts were more satisfied than users in urban districts. According to ADALAT, this is likely because justice officials are better known in rural communities. With formal justice more localized in those communities, users may have a higher degree of trust in authorities who are neighbors or they may be more concerned about being openly critical of them.<sup>442</sup> JUST respondents largely believed that bribes, gifts, and favors were not necessary to win their case.<sup>443</sup> According to ADALAT, high user satisfaction with court system was likely due to selection bias wherein people already favorable to formal justice, or guided by trusted sources, elect to use those mechanisms for dispute resolution.<sup>444</sup>

In August 2017, USAID awarded the Afghanistan's Measure for Accountability and Transparency (AMANAT) contract to support the Afghan government's efforts to reduce and prevent corruption in government public services. This quarter, AMANAT continued initial operational startup. Also, AMANAT began updating the 2016 political-economy analysis of corruption in service delivery in Afghanistan produced by the Afghanistan Electoral Reform and Civil Advocacy project.<sup>445</sup>

## Afghan Correctional System

As of April 30, 2018, the General Directorate of Prisons and Detention Centers (GDPDC) incarcerated 30,538 males and 841 females, while the MOJ's Juvenile Rehabilitation Directorate (JRD) incarcerated 583 male and 102 female juveniles as of December 10, 2017. These incarceration totals do not include detainees held by any other Afghan governmental organization, as State's Bureau of International Narcotics and Law Enforcement Affairs (INL) does not have access to their data.<sup>446</sup>

Overcrowding is a persistent, substantial, and widespread problem within GDPDC facilities for adults, despite stagnant prison population numbers. As of April 30, the total male provincial-prison population was at 191 percent of capacity, as defined by the International Committee of the Red Cross's (ICRC) minimum standard of 3.4 square meters per inmate. The total female provincial-prison population was at 108 percent of the ICRC-recommended capacity. The JRD's juvenile-rehabilitation centers' population was at 48 percent of ICRC-recommended capacity.<sup>447</sup>

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**Huquq:** offices that are part of the Ministry of Justice and provide Afghan citizens an opportunity to settle civil cases within the formal system before being brought into the court system.

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Source: Justice Sector Support Program, "Ministry of Justice," 2016.



**Ambassador Bass** and Minister of Interior Barmak shake hands at Pul-e Charkhi Prison. (U.S. Embassy-Kabul photo)

According to State, the major corrections-related accomplishment this quarter were its efforts to ensure its programming is sustainable by expanding the donor base for its projects. State is working to develop British interest in cost sharing for State-funded Children Support Centers (CSCs). CSCs provide alternative care for children of incarcerated women who would otherwise reside in prison, or often on the streets. Following State's outreach in February, the British Ambassador personally visited the Kabul CSC in June 2018 to deliver books and private cash donations. State hopes to grow this relationship and develop long-term cost sharing.<sup>448</sup>

## Anticorruption

As of March, DOJ views the situation in Afghanistan as “consistent with a largely lawless, weak, and dysfunctional government” with many corruption cases languishing due to the lack of political will—rather than capacity—of the Afghan government.<sup>449</sup>

According to DOJ, the Afghan attorney general has failed to respond to personal appeals made by several senior U.S. government officials to prosecute stalled high-profile corruption cases to show that no one was above the law. Despite these appeals, DOJ says the attorney general continues to have a poor record of prosecuting powerful and influential corrupt actors.

DOJ has also observed that the MOI has failed to execute lawful warrants issued by the prosecutors, despite being legally obliged to do so. DOJ made personal appeals to the MOI deputy on security affairs in December

**These concerns raised by DOJ are consistent with comments IG Sopko heard during his June 2018 trip to Afghanistan. SIGAR plans to follow up in its new review on concerns raised by DOJ, DEA, INL, and others regarding key Afghan institutions such as the ACJC, CNJC, and Attorney General's Office.**

2017 in an attempt to convince MOI to assist the Anti-Corruption Justice Center (ACJC) in executing arrest warrants and delivering summons and court orders. DOJ reports that the MOI, despite expressing willingness to help, has not modified its behavior.<sup>450</sup> According to DOJ, the ACJC has over 100 outstanding warrants. DOJ stated the problem of powerful and corrupt actors ignoring warrants is so severe that it has undermined the fundamental legitimacy and authority of the ACJC.<sup>451</sup>

## **Anti-Corruption Justice Center**

In May 2016, President Ghani announced the establishment of a specialized anticorruption court, the Anti-Corruption Justice Center (ACJC).<sup>452</sup> At the ACJC, elements of the Major Crimes Task Force (MCTF) investigators, Attorney General's Office (AGO) prosecutors, and judges work to combat serious corruption.<sup>453</sup> The ACJC's jurisdiction covers major corruption cases committed in any province involving senior officials or substantial monetary losses of a minimum of five million afghani (approximately \$73,000).<sup>454</sup>

This quarter, CSTC-A reported that four Afghan security-forces personnel were tried by the ACJC. These individuals included two sergeants (one of whom was fined the approximate equivalent of \$360 while the other was acquitted), a second lieutenant (who received a three-year prison sentence), and a lieutenant general (who failed to appear for trial).<sup>455</sup>

This quarter, the ACJC primary court heard the case of the head of the Herat passport office and a sergeant assigned there who were accused of bribery worth the approximate equivalent of \$70. According to CSTC-A, the Supreme Court referred this case directly to the ACJC even though neither the monetary amount nor the rank of the defendants met the standard ACJC jurisdictional thresholds. (The Supreme Court has discretion to refer cases in this manner.) Two AGO officials, one of whom is a deputy attorney general, wrote letters recommending that the case be dismissed. The ACJC primary court judge ordered that the case remain open (despite finding the defendants guilty) in order to investigate the circumstances that led to the letters from the AGO officials.<sup>456</sup>

Also this quarter, the ACJC appellate court heard the following cases:<sup>457</sup>

- A case involving a lieutenant general (formerly the commander of police zone 606 that covers Herat, Badghis, Ghor, and Farah Provinces), a police lieutenant, and a police sergeant. The three defendants were accused of allowing two suspects in a kidnapping/murder case to go free after questioning (these suspects fled Herat and are still at large). The lieutenant general failed to appear for his primary court trial, where he was convicted in absentia of misuse of authority and sentenced to three years' imprisonment, and similarly failed to appear for the appellate court trial. According to CSTC-A, there are conflicting reports on the lieutenant general's current location. One report says he is still on MOI-approved medical leave in India, while another says he has

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returned and held meetings at the MOI. Regardless, CSTC-A says that there has been no effort by the Afghan government to apprehend him.

- A case involving six defendants who had been acquitted by the ACJC primary court of charges of money laundering. One of the defendants was accused of hiding Saudi currency in his luggage. The ACJC appellate court overturned the acquittal and found all six defendants guilty of money laundering. The defendant discovered with the hidden currency was sentenced to six months and 16 days imprisonment, while the others received cash fines equivalent to approximately \$710 each.

The Herat passport case is part of what the DOJ cited as a “troubling trend at the ACJC of prosecuting low-level offenders while at the same time not pursuing high-level corrupt actors.” DOJ pointed out that this case was prosecuted while much bigger cases languish.<sup>458</sup>

Since October 2016, the ACJC has considered 531 potential cases, of which 402 involve civilians and 129 involve military personnel. Of these, 82 have been referred to the ACJC’s primary court or primary prosecution office. Almost half of the potential cases (253) were rejected because they did not meet the ACJC’s jurisdiction requirements.<sup>459</sup>

The ACJC’s primary court has concluded 35 trials, convicting 142 offenders. The ACJC’s court of appeals has subsequently held 33 trials, convicting 105 offenders, while the Supreme Court has convicted 72 offenders in 25 trials.<sup>460</sup>

This quarter, CSTC-A compared the sentences handed down by the ACJC primary court, the ACJC appellate court, and the Supreme Court to determine whether appellate courts are significantly reducing the punishments resulting from the initial trial. Of the sentences associated with 29 cases involving 95 defendants that were tried in both the ACJC primary and ACJC appellate courts, 48 defendants saw no change in their sentences, 42 defendants had their sentences reduced, and five had their sentences increased. Therefore, when the ACJC appellate court chose to impose a sentence different than that of the ACJC primary court, the sentences were reduced 89 percent of the time.<sup>461</sup>

Appeals from the ACJC appellate court to the Supreme Court enjoyed more deferential treatment. Where the Supreme Court chose to impose a different sentence, it was just as likely to increase a sentence as to reduce it. CSTC-A reviewed the sentences of 22 cases involving 67 individuals on appeal from the ACJC appellate court to the Supreme Court. Of these, 48 defendants had no change to their sentence, nine had their sentences reduced, while 10 received an increased sentence.<sup>462</sup>

According to DOJ, there is significant corruption within the ACJC. According to DOJ, nearly 40 percent of the prosecutors assigned to the ACJC have failed polygraphs. Of the 75 tested in 2017, reports for 28 tested subjects (or 37.3 percent) indicated deception. Confronted with the test results, the attorney general displayed a “deep reluctance” to

use polygraph information for vetting purposes, and declined to release the results. Likewise, 38 percent of the MCTF agents assigned to the ACJC failed polygraphs and continued to work there. According to DOJ, this practice is a significant departure from the FBI's vetting procedure that was in place when they mentored the MCTF, in which, passing polygraphs was mandatory.<sup>463</sup>

From January to March, DOJ reports that the ACJC has experienced reduced productivity and transparency, and, citing security concerns, is increasingly providing insufficient notice of trials to the media and international donors.<sup>464</sup>

## **Afghanistan Security Forces**

According to CSTC-A, continuing corruption within the Afghan security forces contributes to mission failure and poses a risk to the mission in Afghanistan. CSTC-A attributes the widespread, continuing corruption challenge to the actions of Afghan government officials and long-standing, culturally accepted, and feared patronage networks.<sup>465</sup>

The most common corrupt behaviors CSTC-A has identified are associated with fuel, food, “ghost” or non-existent soldiers, extortion, narcotics, illicit mining, bribery, and the misuse, theft, or illegal sale of Afghan government property.<sup>466</sup>

## **Security Ministry Inspectors General**

CSTC-A provides training, advice, and assistance to the inspectors general (IG) for the MOD (MOD IG) and MOI (MOI IG). When asked for its assessment of the quality of MOD IG and MOI IG inspection reports, CSTC-A commented primarily on stylistic and formatting issues. For example, CSTC-A observed that MOD IG reports lack standard formatting, are not well-organized, lack detail, and are difficult to read due to poor translation (it is not clear if translations are the responsibility of MOD IG or CSTC-A itself). Regarding MOI IG reports, CSTC-A sees “a marked improvement” during the past quarter with reports having more detail, and more standardized formatting including an executive summary, scope statement, criteria, and recommendations.<sup>467</sup>

Recent MOD IG inspection reports reportedly covered a number of issues such as embezzlement (including fuel), neglecting duties, misconduct, poor food quality, finance, and soldier promotions. CSTC-A reports that three MOD IG investigations were recently referred to the legal body of the MOD general staff.<sup>468</sup>

This quarter, CSTC-A provided SIGAR with copies of the MOD IG and MOI IG reports marked as unclassified, but “for official use only,” that CSTC-A says is not publicly releasable. CSTC-A said it added this marking because it did not believe it had the authority to release copies of these sensitive Afghan government documents. Recently, however, CSTC-A

reported that NATO Resolute Support (RS) mission approached the Afghan government's national security advisor to request clarity on what information the Afghan government is willing to allow for public release. According to CSTC-A, the Afghan government and RS Commander, General John W. Nicholson Jr., consider the contents of all MOD IG and MOI IG reports to be classified as they relate to two categories of particular concern to the Afghan government: (1) training and operational deficiencies, and (2) comprehensive tactical and operational readiness assessments of ANDSF headquarters elements. In the future, CSTC-A says that these reports will be classified as Secret.<sup>469</sup>

SIGAR will discuss the contents of the MOD IG and MOI IG reports in the classified annex. SIGAR asked CSTC-A for examples of actions taken by senior MOD and MOI leadership during the quarter in response to the issues identified in these reports. The CSTC-A element that partners with MOD IG and MOI IG suggested that SIGAR pursue this line of inquiry because it, too, is interested in learning the answer.<sup>470</sup>

The CSTC-A element that advises senior officials of the MOD provided no examples of actions taken during the quarter in response to MOD IG reports. Instead, it described the process by which an action could occur.<sup>471</sup>

Similarly, the CSTC-A element that advises senior officials of the MOI provided no examples of actions taken during the quarter. Instead, CSTC-A responded that there is a formal process for MOI IG to submit its findings to senior MOI leadership, but no follow-up process back to MOI IG should senior MOI leadership choose to take an action. Rather than follow-up with MOI IG, senior MOI leadership will contact the unit that was the subject of the inspection directly. CSTC-A says it will work with the MOI to establish a formal process to follow-up on MOI IG inspections.<sup>472</sup>

## **Major Crimes Task Force**

The Major Crimes Task Force (MCTF) is an elite MOI unit chartered to investigate corruption by senior government officials and organized criminal networks, and high-profile kidnappings committed throughout Afghanistan.<sup>473</sup> According to CSTC-A, while the MCTF is internally committed to its mission, Afghan government officials both within and external to the MOI continue to pressure the MCTF leadership to either close investigations or, if investigations are complete, not to make an arrest.<sup>474</sup> CSTC-A is working with MCTF investigators to document all instances of interference with investigations and prosecutions.<sup>475</sup>

Once the MCTF director determines that a case referral meets the MCTF mandate, an MCTF investigator is assigned. This starts the clock on a 180-day timeline to bring a case to trial. Failure to meet this timeline risks dismissal of the case. According to CSTC-A, this short timeline allows politically connected and corrupt individuals to thwart prosecution simply by slowing down an MCTF investigation.<sup>476</sup>

CSTC-A is currently working to assist the MCTF to become an independent, self-sustaining organization resistant to influence. CSTC-A's efforts include advocating for legislative and MOI policies to mitigate the systemic problems in the criminal-justice system, supporting full implementation of the Case Management System (CMS) and the National Information Management System (NIMS) to provide greater transparency and accountability from referral through investigation and prosecution to confinement, and recommending an MOI reorganization so that the MCTF reports directly to the minister of interior. According to CSTC-A, whereas the previous minister of interior resisted reorganization, the current minister is more supportive. CSTC-A reports that the greatest obstacles to fully implementing CMS and NIMS are insufficient training, lack of connectivity and technical support, and command direction and oversight that mandates the use of these systems.<sup>477</sup>

CSTC-A reports that the ACJC and the MCTF are working well together to close and prosecute cases.<sup>478</sup> DOJ has a different view, however, contending that the relationship between AGO prosecutors at the ACJC and MCTF agents at the ACJC is dysfunctional and fraught with dueling allegations of corruption, finger-pointing, turmoil, conflict, and lack of communication.<sup>479</sup>

According to DOJ there are reasons to be concerned with the state of the MCTF. DOJ says that around May 2017, President Ghani tasked a senior AGO official with conducting a review and preparing a report on the MCTF. That official subsequently issued a report critical of the MCTF. The report author separately stated to DOJ that he believed a "majority" of the MCTF agents were corrupt and unlawfully interfered with cases, adding that there were problems with his own office as well.<sup>480</sup>

DOJ reports that 38 percent of the MCTF agents failed polygraphs and continued to work there. In addition, a top AGO official expressed to DOJ various criticisms of the MCTF including: (1) an ill-defined role, (2) criminals and drug addicts in the organization, (3) corruption, and (4) lack of productivity. DOJ says that U.S. military officials who mentor the MCTF claim that the MCTF puts together solid cases that, unfortunately, languish at the AGO due to corruption. DOJ agrees that many cases languish at the AGO, which has a well-documented corruption problem.<sup>481</sup>

According to DOJ, these recriminations between the MCTF and AGO have been rife for years. (DOJ added that there has been a tendency for each international donor to side with its perceived proxy. DOJ emphasized to SIGAR that there are significant corruption and functionality problems at both the AGO and the MCTF.)<sup>482</sup>

DOJ relates that meetings with both AGO prosecutors and MCTF agents at the ACJC spend more time on dueling internal allegations of corruption and finger-pointing than on their joint mission of investigating and prosecuting corrupt officials.<sup>483</sup>

## REFUGEES AND INTERNAL DISPLACEMENT

### Afghan Refugees

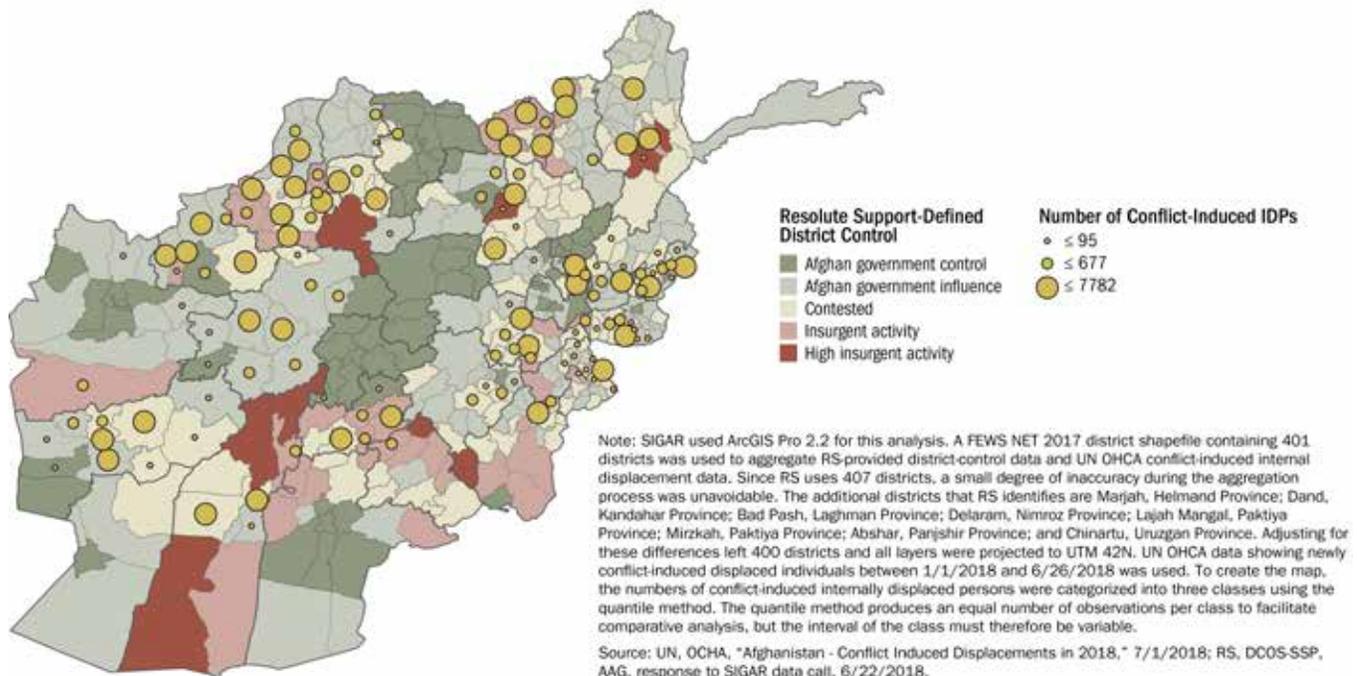
On February 20, Pakistan’s federal cabinet decided to extend recognition of 1.4 million Afghan refugees until June 2018 by extending the period of validity of refugees’ proof of registration (POR) cards.<sup>484</sup> Pakistani government interlocutors have told State that the Pakistan caretaker government is likely to extend the validity of POR cards through December 31, 2018. However, State acknowledges that POR cards have lapsed in past years. State continues to monitor this matter closely.<sup>485</sup> According to the UN Secretary-General, an estimated 400,000 Afghans remain undocumented in Pakistan and are vulnerable to the threat of deportation should the protection environment deteriorate.<sup>486</sup>

This quarter, Pakistan, in partnership with the Afghan government and International Organization for Migration (IOM), completed the registration for Afghan citizen cards. These cards allow Afghans to reside in Pakistan but do not confer refugee status. Some 870,000 Afghans registered for cards, which are being issued.<sup>487</sup>

As of June 30, the United Nations High Commissioner for Refugees (UNHCR) reported that 7,951 refugees have voluntarily returned to Afghanistan in 2018. The majority (7,275) of these refugee returns were from Pakistan.<sup>488</sup>

FIGURE 3.35

2018 CONFLICT-INDUCED INTERNALLY DISPLACED PERSONS (IDP) BY DISTRICT



## Undocumented Afghan Returnees

As of June 23, IOM reported that 348,506 undocumented Afghans returned from Iran and 15,772 undocumented Afghans returned from Pakistan in 2018. So far, 364,278 undocumented Afghans have returned in 2018.<sup>489</sup>

## Internal Displacement

As shown in Figure 3.35, there has been less internal displacement this year than in 2017. According to the UN's Office for the Coordination of Humanitarian Affairs (OCHA), as of June 26, the conflicts of 2018 had induced 132,141 people to flee their homes. The office recorded 189,284 persons in the same period last year.<sup>490</sup>

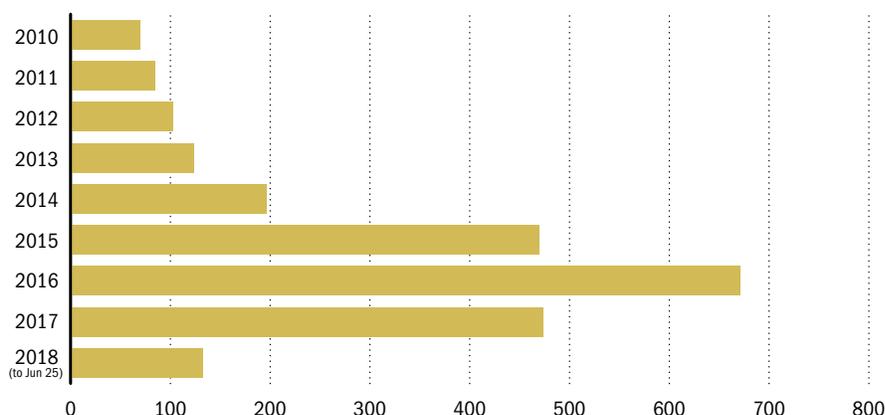
As shown in Figure 3.36, of the conflict-induced internally displaced persons recorded so far this year, 38 percent reported being displaced from districts Resolute Support recorded as under Afghan government influence (as of May 15, 2018), 28 percent were from districts that are contested, and 34 percent were from districts with insurgent activity.<sup>491</sup>

## Afghan Asylum Seekers in Europe

As shown in Figure 3.37, Eurostat, the statistical office of the European Union (EU), reported 43,955 first-time Afghan asylum seekers in the EU in 2017, a decrease of approximately 76 percent from 2016.<sup>492</sup> The Afghanistan Analysts Network said that stronger border controls and tightened asylum laws in Europe are the primary cause for the decrease in the number of Afghan asylum seekers.<sup>493</sup>

FIGURE 3.36

CONFLICT-INDUCED DISPLACEMENTS OF PERSONS (THOUSANDS)

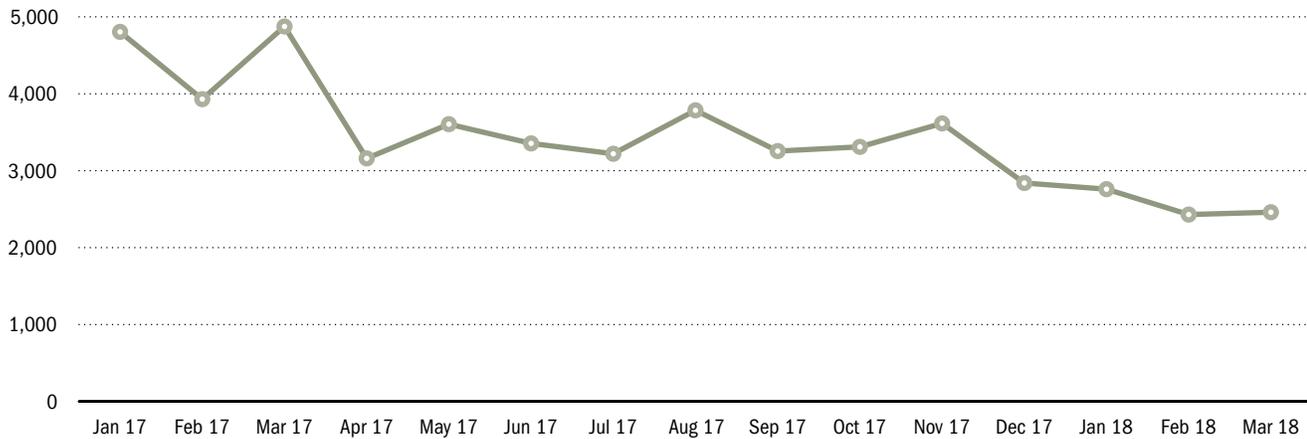


Source: UN OCHA, "Afghanistan: Conflict Induced Displacements in 2017 - Snapshot," 6/18/2017; UN, OCHA, "Afghanistan - Conflict Induced Displacements in 2017," 2/2/2018; UN, OCHA, "Afghanistan - Conflict Induced Displacements in 2018," 7/1/2018.

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FIGURE 3.37

FIRST-TIME AFGHAN ASYLUM APPLICANTS TO THE EUROPEAN UNION (2017 AND 2018, BY MONTH)



Source: EUROSTAT, "First time asylum applicants in the EU-28 by citizenship, Q1 2017–Q1 2018," 6/18/2018.

## SIGAR AUDIT

SIGAR is currently conducting a performance audit of Promote that is assessing contract compliance, program performance, and implementation challenges for the five Promote programs. The audit team's work includes examining contract documents and interviewing USAID and Afghan government officials, Promote contractors, and program participants.

## GENDER

In July 2013, then-USAID Administrator Rajiv Shah described the Promote partnership in a public speech as "the largest investment USAID has ever made to advance women in development," which over five years "will reach over 75,000 Afghan women directly helping them to achieve leadership roles in all parts of society from business to academia and in politics and public policy."<sup>494</sup>

This quarter, USAID said Shah's characterization "is not accurate [as] it did not come from the [Promote] design documents or the [USAID] Gender Office. Promote does not promise leadership roles in politics."<sup>495</sup> USAID has committed \$280 million to Promote.<sup>496</sup> Table 3.16 show the current Promote programs.

As of June 21, USAID reports that of all Promote beneficiaries, 206 have been hired by the Afghan government for government jobs and 199 have held government internships, 6,300 have been hired for private-sector internships or apprenticeships, and 2,214 have been hired for permanent positions by private-sector employers. An additional 523 beneficiaries have accepted private sector jobs and 264 private sector internships.<sup>497</sup>

In May, the UN released a report on the mediation of criminal offences of violence against women in Afghanistan. According to the UN, violence against women—murder, beating, mutilation, child marriage, giving away girls to resolve disputes, and other harmful practices—remain widespread throughout Afghanistan.<sup>498</sup>

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TABLE 3.16

USAID GENDER PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/9/2018
Promote: Women in the Economy	7/1/2015	6/30/2019	\$71,571,543	\$31,159,147
Promote: Women's Leadership Development	9/23/2014	9/22/2019	41,959,377	32,214,384
Promote: Women in Government	4/21/2015	4/20/2020	37,997,644	22,395,101
Promote: Women's Rights Groups and Coalitions	9/2/2015	9/1/2020	29,534,401	12,971,083
Promote: Rolling Baseline and End-line Survey	2/21/2017	10/20/2020	7,577,638	2,653,629
Promote: Economic Empowerment of Women in Afghanistan	5/8/2015	5/7/2018	1,500,000	1,364,000
Promote: Scholarships	3/4/2015	3/3/2020	1,247,522	1,247,522

Source: USAID, response to SIGAR data call, 7/12/2018.

UNAMA found that enforcing national legislation aimed at protecting women from violence remained a challenge. Women's access to justice remained limited and women continued to face inequality before the law. At the same time, the frequent failure of Afghan government officials to exercise due diligence in investigating, prosecuting, and punishing perpetrators, and in providing reparations to survivors, contributed to the existing high rate of impunity and strengthened the normalization of violence against women in the Afghan society.<sup>499</sup>

UNAMA found that elimination of violence against women (EVAW) institutions and nongovernmental organizations facilitated mediation proceedings, referred cases to traditional mediation mechanisms, observed mediation sessions, or knew about mediation taking place, in relation to "honor killings" and other offences stated in the EVAW Law. UNAMA said that the widespread use of mediation, as opposed to the formal justice system, in criminal offences of violence against women promotes impunity, enables the reoccurrence of violence, and erodes trust in the legal system.<sup>500</sup>