

## GOVERNANCE CONTENTS

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## GOVERNANCE

### KEY ISSUES AND EVENTS

Elections for 249 seats in the lower house of parliament were held on October 20–21, 2018, in all provinces except Ghazni and Kandahar. Voting was delayed in those two provinces due to security challenges. As this report went to print, officials planned to hold the election in Kandahar Province a week later, following the October 18 assassination of the province police and intelligence chiefs. Afghan media cited the minister of interior saying that 17 civilians and 11 members of the Afghan security forces were killed in 192 election-day security incidents. Also, at least 10 of the approximately 2,500 parliamentary candidates were killed prior to the election. The Afghan government plans to announce the preliminary results on November 10. The first-ever elections for district councils, originally scheduled for October 20, did not occur because, according to USAID, an insufficient number of candidates were nominated to hold competitive elections in a majority of districts in the country. The plan for the district council elections remains unclear.<sup>259</sup>

According to State, the 2018 parliamentary and 2019 presidential elections are the first Afghan-led and -conducted elections. These are the first elections in which the Afghan government has funded the electoral operations. According to the UN, this represents a significant step toward the sustainability of the elections and Afghan national ownership of the electoral process.<sup>260</sup> The most recent elections were the 2014 presidential and provincial council elections and the 2010 election for the lower house of parliament.<sup>261</sup>

On August 12, the Afghan government and the United Nations (UN) officially began preparing for the November 28 Geneva Ministerial Conference on Afghanistan. The conference will see the introduction of a new set of accountability parameters, the Geneva Mutual Accountability Framework. This new framework will likely replace the 24 SMART Self-Reliance through Mutual Accountability Framework (SMAF) indicators that covered 2017 through 2018. The SMART SMAF articulated a number of Afghan government reform targets, but did not define financial consequences for failing to meet these goals. According to the UN Secretary-General, the conference takes place at “a critical juncture,” halfway between the 2016 Brussels Conference on Afghanistan and the next donor pledging conference, expected to be held in 2020.<sup>262</sup>



**President Ashraf Ghani** showing his dyed finger after casting his vote in the October 2018 parliamentary elections. (Afghanistan Presidential Palace photo)

## U.S. RECONSTRUCTION FUNDING FOR GOVERNANCE

As of September 30, 2018, the United States had provided nearly \$33.72 billion to support governance and economic development in Afghanistan. Most of this funding, more than \$20.38 billion, was appropriated to the Economic Support Fund (ESF) administered by the State Department (State) and the U.S. Agency for International Development (USAID).

## ELECTIONS

On October 20–21, 2018, the long-delayed parliamentary elections were held in all provinces but Ghazni and Kandahar. According to USAID, the parliamentary election in Ghanzi will be held in conjunction with the April 2019 presidential election. On election day, President Ashraf Ghani was quoted in Afghan media saying the election in Kandahar Province would be held one week after the other 32 provinces. He said this delay was at the request of the people of Kandahar following the October 18 assassination of their provincial police and intelligence chiefs.<sup>263</sup> The last national parliamentary elections were held in 2010 and, despite the constitutional limits of a five-year term, the mandated 2015 elections were not held until this quarter.<sup>264</sup> District council elections that were scheduled to take place alongside the parliamentary elections were not held. According to USAID, district council elections were not held because an insufficient number of candidates were nominated to hold competitive elections in a majority of districts in the country. Further, USAID said the Afghan government did not make an official announcement to formalize the postponement.<sup>265</sup>

According to the State Department, credible parliamentary elections in 2018 and presidential elections in 2019 are critical for demonstrating that the Afghan government is “inclusive” and has the necessary political coherence to achieve and implement a peace settlement. As Principal Deputy Assistant Secretary, Bureau of South and Central Asian Affairs, Ambassador Alice Wells testified in June 2018, the U.S. government believes timely, transparent, and credible elections could sap support for the insurgency.<sup>266</sup> Conversely, protracted and politically motivated disputes over electoral results could make it more difficult for the Afghan government to claim it is inclusive, USAID said.<sup>267</sup>



**An honor guard escorts** the body of parliamentary candidate Abdul Jabar Qahraman who was killed on October 17. (Afghanistan Presidential Palace photo)

TABLE 3.19

### USAID ELECTION-RELATED PROGRAMS

Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Electoral Support Activity (ESA)	5/20/2015	12/31/2019	\$78,995,000	\$12,215,918
Strengthening Civic Engagement in Elections in Afghanistan Activity (SCEEA)	8/9/2018	8/8/2021	14,000,000	491,676
Global Elections and Political Transitions Program	1/1/2018	12/30/2018	222,445	205,773

Source: USAID, response to SIGAR data call, 10/15/2018.

Despite hope in the transformative power of legitimate elections, State acknowledges that elections in Afghanistan have always been “sensitive” events.<sup>268</sup> As State described the situation in September, the 2018 parliamentary and 2019 presidential elections are “both a threat and an opportunity given [Afghanistan’s present] political fragility.”<sup>269</sup> Further, the UN Secretary-General recently warned that “while timely and credible technical preparations [for elections] are essential, they cannot, by themselves, solve political concerns.”<sup>270</sup>

### U.S. Funding Support to Elections

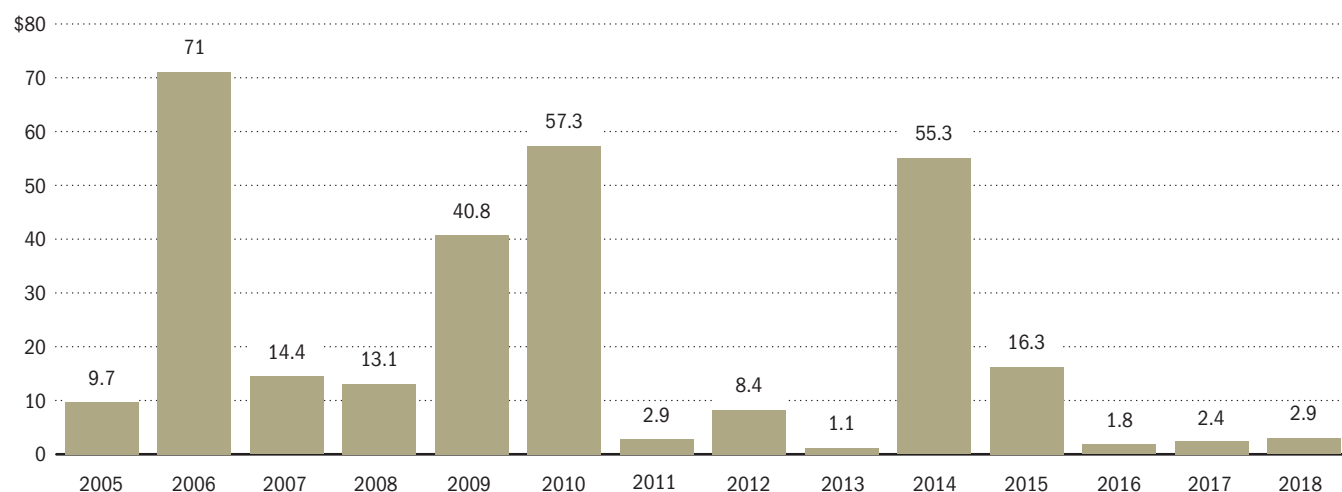
As shown in Table 3.19, the U.S. government is primarily supporting Afghan elections in 2018 and 2019 through a grant of up to \$79 million to the United Nations Development Programme’s (UNDP) Election Support Activity. Through this grant, UNDP provides support to Afghanistan’s electoral management bodies—the Independent Election Commission (IEC) and the Electoral Complaint Commission (ECC).<sup>271</sup>

As of April 2018, the UNDP had expended over \$834 million on electoral assistance for three rounds of presidential and provincial council elections (2004, 2009, and 2014) and two parliamentary elections (2005 and 2010). The United States, European Union, and the United Kingdom were the three largest donors for these efforts.<sup>272</sup> As shown in Figure 3.37, USAID has disbursed \$298 million to UNDP for elections-related programs since 2005.<sup>273</sup>

On August 8, USAID signed a three-year, \$14 million cooperative agreement with the Consortium for Elections and Political Process Strengthening

FIGURE 3.37

#### USAID DISBURSEMENTS TO UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) ELECTIONS-RELATED PROGRAMS (\$ MILLIONS)



Source: SIGAR, analysis of USAID response to SIGAR data call, 10/15/2018.

(CEPPS) to support domestic Afghan observation of the 2018 parliamentary elections, the 2019 presidential elections, and to promote longer term electoral reforms. According to USAID, this program will improve the understanding and application of international standards for elections monitoring among domestic observers, enhance coordination among Afghan civil-society organizations (CSOs) on election observation, and improve the engagement of CSOs and agents of candidates with election-management bodies. CEPPS has awarded more than \$600,000 to five domestic observation groups, which planned to field approximately 6,600 observers in 33 provinces for the October 2018 parliamentary elections. Elections in the remaining province, Ghazni, did not occur. Two organizations were also planned to monitor the campaign period, with 230 long-term observers covering the pre- and post-election periods.<sup>274</sup>

## 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 through reconciliation and a sustainable political settlement with the Taliban.<sup>275</sup> According to State, the U.S. Embassy has augmented its staffing, both in Kabul and in the field, and created an integrated system with military and intelligence counterparts to take advantage of openings to peace. State aims to support Afghan-led efforts to reduce violence, including at a grassroots level, and promote development.<sup>276</sup>

Last quarter, the Afghan government announced a temporary halt to offensive operations against the Taliban.<sup>277</sup> The Taliban eventually reciprocated and, on June 15, began a three-day ceasefire with the Afghan government.<sup>278</sup>

According to State, the three-day overlapping ceasefires created hope that a peace process was imminent. However, the Taliban did not respond to either President Ghani's June 16 offer to extend the three-day ceasefire or his August 19 call for a joint ceasefire starting over Eid al-Adha.<sup>279</sup> Ghani's proposed August–November ceasefire was conditional on the Taliban announcing a reciprocal ceasefire. According to the UN Secretary-General, the Taliban did not formally respond.<sup>280</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 and continue to publicly demand direct negotiations with the United States.<sup>281</sup>

On September 4, Secretary of State Michael R. Pompeo told reporters that former Ambassador Zalmay Khalilzad would be State's lead for reconciliation efforts in Afghanistan, saying this would be his "singular mission statement." Ambassador Khalilzad, in his role as Special Representative for Afghanistan Reconciliation, traveled to Afghanistan, Pakistan, the United



**Special Representative for Afghanistan Reconciliation** Zalmay Khalilzad spoke with political and civil-society figures during his visit to Kabul this quarter. (State photo)

Arab Emirates, Qatar, and Saudi Arabia this quarter to coordinate and lead U.S. efforts to bring the Taliban to the negotiating table. Ambassador Khalilzad previously served as the U.S. ambassador to Afghanistan, Iraq, and the UN. Ambassador Khalilzad was born in the Afghan city of Mazar-e Sharif and during his time as U.S. Ambassador, helped draft Afghanistan's constitution.<sup>282</sup>

This quarter, State reported that there were many reports of groups of insurgent fighters across the country who reportedly seek to demobilize and reconcile with the government but are unsure of how to proceed. Further, these groups reportedly fear retribution from other fighters if they move forward with those initiatives.<sup>283</sup>

Fear of retribution appears to be an enduring challenge in the absence of an overarching peace agreement. According to the Afghan government, there is some evidence that many reintegrees experienced severe personal security threats during previous reintegration efforts.<sup>284</sup> A UN-sponsored evaluation of previous peace efforts in Afghanistan found that 225 out of nearly 11,000 claimed reintegrees were killed. The evaluators recounted how a prominent Taliban leader was assassinated after his attempt to reconcile. Additionally, at least one insurgent commander seemed to imply that he directed 150 potential reintegrees to not participate in the formal reintegration process for fear of having their identities exposed and becoming more prominent targets for retribution.<sup>285</sup>

## 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>286</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>287</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>288</sup>

This quarter, the UN Secretary-General reported that the Afghan government made limited progress implementing its peace agreement with HIG. On July 25, HIG representatives met with NATO Resolute Support to discuss a list of 59 prisoners HIG proposed for release. According to the UN, these prisoners remain in custody as there are insufficient guarantees that they would not rejoin the insurgency. Also in July, representatives from Afghan government security institutions discussed future HIG prisoner releases and land allocation, as well as the possible effect of a recent wave of security-sector retirements on HIG-affiliated security personnel.<sup>289</sup>

**Ambassador Zalmay Khalilzad was appointed Special Representative for Afghanistan Reconciliation this quarter. Special Representative Khalilzad previously served as the U.S. ambassador to Afghanistan, Iraq, and the UN. He was born in the Afghan city of Mazar-e Sharif and during his time as U.S. Ambassador, helped draft Afghanistan's constitution.**



## U.S. Support to Peace and Reconciliation

State provided \$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 intended to last only through 2017, the initial pilot was extended to October 30, 2018.<sup>290</sup> State plans to disburse an additional \$6 million before September 30.<sup>291</sup>

According to State, these funds have supported the HPC to build consensus for peace throughout the country and develop Afghanistan's institutional capacity to facilitate reconciliation. HPC activities include outreach activities at the national, provincial, and district levels to assess social attitudes toward reconciliation, document challenges, mobilize support for reconciliation, and develop the capacity to facilitate reconciliation.<sup>292</sup>

## Regional Dynamics for Peace

On May 14, the Afghan and Pakistani governments agreed to the Afghanistan-Pakistan Action Plan for Peace and Solidarity (APAPPS). 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>293</sup>

The inaugural APAPPS meeting was held on July 22 in Islamabad, Pakistan. According to State, a joint bilateral gathering of religious scholars was planned for September 6 in Islamabad, but Pakistan cancelled the meeting.<sup>294</sup> In late September, however, the HPC announced that it was still in talks with Pakistani religious scholars on the matter.<sup>295</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>296</sup> The Afghan government does not appear to face any direct financial consequences if it fails to meet the Afghanistan Compact reform commitments.<sup>297</sup>

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

This quarter, State attributed the following governance-related Afghan government actions to the pressure created by the Afghanistan Compact and the upcoming Geneva Ministerial Conference on Afghanistan scheduled for November 2018 (according to the UN, the Geneva Ministerial Conference on Afghanistan will be "crucial in measuring results against the \$15.2 billion committed by the international community for Afghanistan in 2016").<sup>298</sup>

- The Kabul Bank Receivership informed State that recent progress in collecting debtor payments and seizing assets was solely attributable to pressure from the Compact. This quarter, DOJ reported that the AGO has made some progress seizing assets submitted as collateral by

Kabul Bank debtors. According to DOJ, money and asset recovery is approximately 48% of total estimated losses.<sup>299</sup>

- The Afghan government reported that it has registered the assets of 13,600 Afghan government officials to meet its obligations under the Compact. According to DOJ, these reports have not been verified.<sup>300</sup>
- The first-ever Special Court was formed to hear the corruption case of former Minister of Communications and Information Technology Abdul Razaq Wahidi. According to DOJ, Wahidi was suspended from his post on January 2, 2017, based on allegations of nepotism, overpayments, illegally contracted workers, embezzlement, and misappropriation of tax revenue. Further, DOJ said the Attorney General's Office (AGO) substantiated these allegations in an investigation that concluded in February 2017. Although Wahidi was tried by the Special Court, the two-year-old case is still pending since it was returned back to the AGO.<sup>301</sup>
- The AGO started investigating the individuals named in the Farooqi Report on fuel-related corruption. According to DOJ, the investigation that produced this report in October 2015 uncovered collusion, price fixing, and bribery related to bids for fuel contracts totaling nearly \$1 billion. The investigation concluded that crimes were committed and specific individuals should be prosecuted, including a former minister who was a Ghani supporter.<sup>302</sup> DOJ says that no charges have yet been filed in this case.<sup>303</sup>
- The Afghan government passed an important amendment to the Access to Information Law and created a monetary awards system for individuals who advance anticorruption reform.
- The AGO introduced an Anti-Corruption Justice Center referral mechanism for corruption cases.
- A whistleblower protection law was drafted and nearly adopted in September. An anticorruption law that meets international standards likewise failed to win approval. However, according to State, the Afghan Ministry of Justice said that these two laws were approved by presidential decree on September 5, 2018. This anticorruption law calls for the creation of a commission to prevent corruption and coordinate and monitor the government's fight against corruption. One of the commission's functions will be developing and monitoring the progress of anticorruption strategies and policies. These strategies and policies would require the approval of the High Council for Rule of Law and Anti-Corruption that is chaired by President Ghani. Further, the commission will register and assess the assets of Afghan government authorities and high ranking officials.<sup>304</sup>



# GOVERNANCE

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

**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.

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-R, response to SIGAR vetting, 1/15/2018.

### 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>305</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>306</sup>

In several conferences since the 2010 Kabul Conference, the United States and other international donors have supported an increase to 50% 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>307</sup>

While USAID does not feel that it is necessarily committed to the 50% 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>308</sup>

As shown in Table 3.20, USAID’s active, direct bilateral-assistance programs have a total estimated cost of \$392 million. USAID also expects to contribute \$2.7 billion to the Afghanistan Reconstruction Trust Fund (ARTF) from 2012 through 2020 in addition to \$1.37 billion disbursed under the previous grant agreement between USAID and the World Bank (2002–2011). USAID has disbursed \$154 million to the Afghanistan Infrastructure Trust Fund (AITF).<sup>309</sup>

TABLE 3.20

USAID ON-BUDGET PROGRAMS					
Project/Trust Fund Title	Afghan Government On-Budget Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
<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	\$316,713,724	\$183,695,904
Textbook Printing and Distribution	Ministry of Education	9/15/2017	12/31/2019	75,000,000	-
<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 are currently \$3,227,677,528.  
 \*\* USAID formally ended the New Development Partnership on July 11, 2018.

Source: USAID, response to SIGAR data call, 10/15/2018.

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>310</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>311</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>312</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>313</sup> The AITF, administered by the Asian Development Bank, coordinates donor assistance for infrastructure projects.<sup>314</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>315</sup> As of July, the United States remains the largest cumulative donor to the ARTF (30.3% of actual, as distinct from pledged, contributions) with the next-largest donor being the United Kingdom (16.9% of actual contributions).<sup>316</sup>

The ARTF recurrent-cost window supports operating costs, such as Afghan government non-security-related salaries. As of July, the ARTF recurrent-cost window has cumulatively provided the Afghan government \$2.6 billion for wages, \$600 million for operations and maintenance costs, \$1.1 billion in incentive program funds, and \$703 million in ad hoc payments since 2002.<sup>317</sup>

In July, the World Bank updated ARTF donors on its efforts to increase the physical verification of Afghan civil servants. The ARTF Monitoring Agent (MA) is responsible for verifying physical presence of a random sample of civil servants as part of the expenditure validation process for the ARTF recurrent-cost window. However, the World Bank reported that the MA has been unable to reach a significant portion (40–50%) of the selected civil servants because the MA contract did not cover deploying agents to remote and/or insecure locations. As a short-term remedy, the World Bank directed its ARTF Supervisory Agent (SA) to collaborate with the MA. The MA claimed it was unable to reach 2,401 civil servants spread over 25 provinces. According to the World Bank, the SA was able to verify 1,524 (70.9%) of the civil servants as being physically present and 541 (25.2%) as not being physically present. Insecurity prevented the SA from accessing the sites for 224 (9%) of the randomly selected civil servants.<sup>318</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



**An Afghan Air Force** finance technician demonstrates what he learned during the AAF's first Microsoft Excel training class. (Photo by Staff Sgt. Jared Duhon)

Partnership (NDP).<sup>319</sup> According to USAID, they ended the NDP because (1) the Afghan government requested that donors consolidate and align their incentive-based development assistance programs and (2) the World Bank modified their ARTF Incentive Program to better align with USAID's development objectives in Afghanistan.<sup>320</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>321</sup>

USAID's last disbursement for NDP was in November 2017, bringing the total NDP disbursements to \$380 million of the planned \$800 million set aside to encourage Afghan government achievement of the NDP development results.<sup>322</sup>

## On-Budget Assistance to the ANDSF

More than 60% of total U.S. on-budget assistance goes toward the requirements of the Afghan security forces.<sup>323</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 a portion of 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). According to DOD, most of the ASFF appropriation is spent on equipment, supplies, and services for the Afghan security forces using DOD contracts.<sup>324</sup> LOTFA is administered by the UNDP and primarily funds Afghan National Police salaries and incentives.<sup>325</sup> Direct-contribution funding is provided to the MOF, which allots it incrementally to the MOD and MOI, as required.<sup>326</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>327</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>328</sup>

As of August 17, CSTC-A provided the Afghan government the equivalent of \$468 million to support the MOD for FY 1397. The majority of these funds (80%) was for salaries.<sup>329</sup>

Additionally, as of August 17, CSTC-A provided the equivalent of \$62.8 million to support the MOI. Of these funds, \$1 million was delivered via the UNDP-managed LOTFA, while \$61.8 million was provided directly to the Afghan government.<sup>330</sup>

CSTC-A reports that it did not apply any conditions-based penalties this quarter. According to CSTC-A, this decision was due to the Afghan security forces undertaking offensive operations.<sup>331</sup> This follows CSTC-A's previous decision to not apply penalties in the final quarter of FY 1396 and the first quarter of FY 1397.<sup>332</sup> Despite not applying penalties, CSTC-A reports that it held several meetings this quarter to review the status of commitment letter conditions that they say the Afghan government "must meet in order to execute funding in support of defense and security requirements."<sup>333</sup>

Regardless, CSTC-A did identify a number of commitment-letter-defined conditions that the MOD and MOI have failed to satisfy. Both the MOD and MOI failed to provide CSTC-A with required information on gross violations of human rights, personnel accountability, and monthly fuel and ammunition usage. Further, MOD and MOI did not meet their required network cybersecurity standards. Contrary to their agreement with CSTC-A, MOD continues to grant promotions without using the required promotion boards, and has been deficient in developing plans to recruit and train females.<sup>334</sup>

In 2015, LOTFA donors and the Afghan government agreed to the terms for the transition of LOTFA's nonfiduciary payroll-management functions to the Afghan government.<sup>335</sup> This quarter, CSTC-A reported that it still does not believe the MOI payroll system should be transferred from UNDP to MOI management. 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>336</sup>

## NATIONAL GOVERNANCE

### Capacity-Building Programs

As shown in Table 3.21, 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>337</sup>

### 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

TABLE 3.21

#### USAID CAPACITY-BUILDING PROGRAMS AT THE NATIONAL LEVEL

Project Title	Afghan Government Partner	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Afghan Civic Engagement Program (ACEP)	N/A	12/4/2013	12/4/2019	\$79,120,000	\$65,326,541
Rasana (Media)	N/A	3/29/2017	3/28/2020	9,000,000	3,280,600

Source: USAID, response to SIGAR data call, 10/15/2018.

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policy, monitor government accountability, and serve as advocates for political reform.<sup>338</sup> In July, USAID approved the extension and modification of ACEP to focus its civil-society organization (CSO) support on civic and voter education for the 2018 and 2019 elections.<sup>339</sup>

This past quarter, ACEP facilitated meetings of the Civil Society Election Coordination Group (CECG), providing a platform for civil society to engage with the electoral management bodies and other Afghan government and international stakeholders. According to ACEP, the CECG has developed into an effective platform for civil society to raise concerns on security, women's participation, voter registration, and national identification card distribution.<sup>340</sup> Additionally, two of ACEP's Kabul-based CSO partners Free and Fair Election Forum of Afghanistan (FEFA), and Transparent Election Foundation of Afghanistan (TEFA), carried out elections-related activities during the quarter. For example, FEFA reported that it monitored the work of the Electoral Complaints Commission, while TEFA reported holding advocacy and public-awareness meetings in a number of provinces.<sup>341</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

TABLE 3.22

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

BY PERCENT OF DISTRICTS		USAID Third-Party Monitor Accessibility		
Resolute Support-defined district control (as of July 31, 2018)		Limited Permissibility	Partially Permissive	Permissive
Afghan government control		5.48%	15.07%	79.45%
Afghan government influence		18.79%	45.64%	35.57%
Contested		40.00%	41.54%	18.46%
Insurgent activity		64.86%	27.03%	8.11%
High insurgent activity		80.00%	20.00%	0%
BY NUMBER OF DISTRICTS		USAID Third-Party Monitor Accessibility		
Resolute Support-defined district control (as of July 31, 2018)		Limited Permissibility	Partially Permissive	Permissive
Afghan government control		4	11	58
Afghan government influence		28	68	53
Contested		52	54	24
Insurgent activity		24	10	3
High insurgent activity		8	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," 5.48% percent of districts assessed by Resolute Support as being under Afghan government control are assessed by USAID's third-party monitor as having only limited permissibility. Put another way, four of the 73 districts Resolute Support assessed as being under government control were also considered by the USAID third-party monitor as having only limited permissibility.

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. The additional districts in the Resolute Support dataset were dropped from this comparison.

Source: RS, DCOS-SSP AAG, response to SIGAR data call, 9/20/2018; USAID, OAPA, response to SIGAR data call, 9/19/2018.

training for the protection of journalists, and (4) expanding the outreach of media through small grants for content production in underserved areas.<sup>342</sup>

This past quarter, Rasana-supported journalists issued investigative reports on challenges to female access to education and health services in Khost, Nangarhar, and Logar Provinces. Another Rasana-supported media outlet published a report on the crimes of a local commander Daykundi Province that both elicited public reaction as well as threats to the journalists involved.<sup>343</sup>

## SUBNATIONAL GOVERNANCE

USAID's method 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. The July 2018 assessments show the level of permissibility for third-party monitoring by district on a declining scale of access from "permissive" (34.59% of districts) to "partially permissive" (36.34% of districts) to "limited permissibility" (29.07% of districts).<sup>344</sup>

As shown in Table 3.22, there are some differences between USAID's third-party assessment of accessibility and Resolute Support's assessment of district stability. For example, USAID third-party monitors reported that they were able to access or partially access 93 districts Resolute Support assessed as being actively contested by insurgents or having insurgent activity. Additionally, USAID third-party monitors reported having only limited permissibility (the lowest accessibility rating) in 32 districts Resolute Support assessed as either under Afghan government control or influence. USAID reported that it had decided against collecting data specifically on the question of Taliban control and legitimacy, believing the costs to be prohibitive and the alternative data sources sufficient.<sup>345</sup>

USAID says that the monthly accessibility estimates reflect the permissibility on the date that the third-party monitor attempted travel to the area. These assessments can vary, as permissibility on one day may be different the next day. Therefore, USAID believes that it is not easy to compare the third-party monitoring accessibility with Resolute Support's assessment of district stability.<sup>346</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 3.23 on the following page summarizes total program costs and disbursements to date.



# GOVERNANCE

TABLE 3.23

USAID SUBNATIONAL (PROVINCIAL AND MUNICIPAL) PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Strong Hubs for Afghan Hope and Resilience (SHAHAR)	11/30/2014	11/29/2019	\$62,000,000	\$47,319,072
Initiative to Strengthen Local Administrations (ISLA)	2/1/2015	1/31/2020	48,000,000	29,819,019

Source: USAID, response to SIGAR data call, 10/15/2018.

## 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>347</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 Afghan budget.<sup>348</sup>

According to ISLA, of the 2,126 projects proposed in the PDPs of the 16 ISLA-supported provinces, 233 (11%) were ultimately reflected in the FY 1397 national budget. Besides the PDP-proposed projects, 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% of the total number of projects associated with the 16 ISLA-supported provinces.<sup>349</sup>

This quarter, SIGAR examined expenditures of the PDP-proposed and non-PDP-proposed projects ISLA identified as being reflected in the FY 1397 national budget. For the first seven months of 1397, PDP-proposed projects had expenditures equivalent to approximately \$13 million. Non-PDP-proposed projects, however, had expenditures equivalent to approximately \$142 million. The Ministry of Public Works spent the most in these two categories, reportedly spending \$6 million on PDP-proposed projects and \$54 million on non-PDP-proposed projects.<sup>350</sup>

## 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>351</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).<sup>352</sup> According to USAID, the four remaining municipalities house the majority of Afghanistan's urban population and an increased number of refugee returnees.<sup>353</sup>

## RULE OF LAW AND ANTICORRUPTION

### 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 3.24.

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>354</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 \$26 million. The previous JSSP contract, which began in 2010, cost \$280 million.<sup>355</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

TABLE 3.24

RULE OF LAW AND ANTICORRUPTION PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 9/30/2018
Assistance for Development of Afghan Legal Access and Transparency (ADALAT)	4/15/2016	4/14/2021	\$68,163,468	\$15,767,252
Afghanistan's Measure for Accountability and Transparency (AMANAT)	8/23/2017	8/22/2022	31,986,588	1,351,626
Corrections System Support Program (OASIS CSSP)*	6/1/2017	5/31/2022	25,187,257	11,627,857
Justice Sector Support Program OASIS Contract**	8/28/2017	8/28/2022	26,044,546	8,098,117
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	4,600,000	2,000,000

Note:

\* Disbursements as of 10/15/2018.

\*\* Disbursements as of 9/21/2018.

Source: State, INL, response to SIGAR data call, 9/21/2018 and 10/17/2018; USAID, response to SIGAR data call, 10/15/2018.

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>356</sup>

In March, JSSP received a Supreme Court request to generate a list of individuals who would benefit from a presidential-pardon decree scheduled for June 2018. JSSP generated a list of those who may be eligible for relief from their sentence and presented this list to the Attorney General's Office (AGO) and the Administrative Office of the President. The committee issued final pardon lists after comparing their internally generated lists to the data JSSP provided, and the presidential-pardon decree was issued.<sup>357</sup>

In February, State launched the \$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>358</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>359</sup>

This quarter, ADALAT completed an initial draft of the *Huquq* Reference Manual and shared it with Ministry of Justice (MOJ) leadership for comments and feedback.<sup>360</sup> (*Huquq* offices are part of the MOJ and provide Afghan citizens an opportunity to settle civil cases within the formal system before being brought into the court system.<sup>361</sup>) Additionally, ADALAT reported this quarter that the program has improved its relationship with the Supreme Court following USAID's approval of an ADALAT-proposed study tour in Jordan. According to ADALAT, the Supreme Court had refused all senior-level meetings with ADALAT personnel following the cancellation of the previous year's ADALAT-sponsored study tours for the Supreme Court.<sup>362</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. As of the end of June 2018, AMANAT was still primarily focused on project startup.<sup>363</sup>

## Afghan Correctional System

As of July 31, 2018, the General Directorate of Prisons and Detention Centers (GDPDC) incarcerated 28,555 males and 752 females, while the

MOJ's Juvenile Rehabilitation Directorate (JRD) incarcerated 539 male and 33 female juveniles. 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>364</sup>

Overcrowding is a persistent, substantial, and widespread problem within GDPDC facilities for adults, despite stagnant prison population numbers. As of July 31, the total male provincial-prison population was at 179% 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 97% of the ICRC-recommended capacity. The JRD's juvenile-rehabilitation centers' population was at 42% of ICRC-recommended capacity.<sup>365</sup>

According to State, the major corrections-related accomplishments this quarter were the Afghan government's employing nine social workers in police stations across Kabul and the Afghan government's continued control of provincial prisons despite major insurgent attacks. The State-supported social workers assist judges to consider alternative sanctions for juvenile offenders. State hopes that such alternative sanctions will help alleviate prison overcrowding and financial burdens.<sup>366</sup>

## Anticorruption

As of its most recent report in June, 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>367</sup> For the period covering April to June 2018 (the latest data available), DOJ reports that there was no significant progress in the major corruption cases that are tracked by the U.S. Embassy.<sup>368</sup>

This quarter, State reported that it has prioritized a number of corruption-related Afghanistan Compact benchmarks. The new priority benchmarks include: executing Anti-Corruption Justice Center (ACJC) warrants, prosecuting high-profile corruption cases, implementing the State-supported Case Management System (CMS), and collecting on Kabul Bank cases.<sup>369</sup> The latest DOJ assessment of these matters is described in the following sections on the Attorney General's Office and the ACJC.

## Attorney General's Office

According to DOJ, the Afghan attorney general has a poor record of prosecuting powerful and influential corrupt actors. Additionally, the attorney general has failed to respond to repeated DOJ and U.S. Embassy appeals to prosecute stalled corruption cases. DOJ concludes that the attorney general's performance is deficient, his accomplishments are lacking, and he fails to cooperate with the U.S. Embassy on anticorruption matters.<sup>370</sup>

## SIGAR AUDIT

As directed by the Consolidated Appropriations Act, 2018, SIGAR will submit an updated assessment of the Afghan government's implementation of its national anticorruption strategy to Congress next year that includes an examination of whether the Afghan government is making progress toward achieving its anticorruption objectives.

In its most recent report to State, DOJ said that the attorney general has misled U.S. officials on the progress of anticorruption reform efforts.<sup>371</sup> For example, when DOJ requested information to verify the attorney general's public statements that the Attorney General's Office (AGO) had arrested and convicted a number of their prosecutors for corruption, no proof was provided.<sup>372</sup> As further evidence, DOJ cited the attorney general's optimism that "everyone was happy" with the AGO's progress (as of February 2018) in responding to the recommendations made by the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) in their 2017 vulnerability to corruption assessment of the AGO.<sup>373</sup>

According to DOJ, at the time of these statements the MEC was rather critical of the AGO's efforts (contrary to the attorney general's characterization offered to U.S. officials).<sup>374</sup> In an August 2018 update, however, the MEC reported that the AGO had made "remarkable improvements" in the implementation of the MEC's recommendations compared to earlier in the year. The "striking improvements" the MEC identified included construction of AGO offices, new training programs, the preparation of job descriptions for AGO prosecutors, and improved monitoring of AGO prosecutor performance.<sup>375</sup>

Among the stalled cases, DOJ cited the Kabul Bank case as one of particular concern. In 2014, the Afghan Supreme Court ordered the AGO to pursue prosecutions of 16 individuals, investigate 227 additional suspects, and seize assets. DOJ reports that none of these actions have taken place. According to DOJ, the Afghan government is "double-dealing" in publicly promising to take action on the Kabul Bank case but privately reporting to U.S. Embassy officials that the attorney general has no intention to pursue further action. DOJ does note, however, that the AGO has made some progress seizing assets submitted as collateral by Kabul Bank debtors. According to DOJ, money and asset recovery is approximately 48% of total estimated losses.<sup>376</sup>

AGO resistance to implementing the State-funded Case Management System (CMS) is another area of DOJ concern. CMS is an online database that tracks the status of criminal cases in Afghanistan, across all criminal justice institutions, from the moment a case is initiated to the end of confinement. According to DOJ, the attorney general has criticized CMS as a foreign-owned system when discussing the matter with largely Afghan government audiences. When meeting with U.S. officials, the attorney general has promised that the system would be functional by mid-2018. As of June, however, DOJ reported that the AGO was nowhere near a nationwide CMS functionality. DOJ believes that the motive for the attorney general's resistance to implementing CMS is "a concern that more transparency will shine a light on his unproductive, corrupt, and patronage-laden office."<sup>377</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>378</sup> At the ACJC, elements of the Major Crimes Task Force (MCTF) investigators, AGO prosecutors, and judges work to combat serious corruption.<sup>379</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>380</sup>

According to DOJ, the ACJC is attempting to placate donors by pursuing a number of low-level corruption cases, rather than the high-level corruption cases that are its mandate.<sup>381</sup> CSTC-A agrees that the ACJC appears to be increasingly focused on low-level defendants instead of senior Afghan government officials. As evidence for this conclusion, CSTC-A said the ACJC has tried only four general officers in 2018.<sup>382</sup>

DOJ reported that State officials have told ACJC officials that the lack of ACJC productivity is an obstacle to U.S. support. According to DOJ, ACJC officials reportedly responded to this critique with requests for additional donor assistance. DOJ described the ACJC as being insufficiently mission-focused, saying it instead “frets, stewes over slights, snipes at other colleagues, and has a perpetual sense of entitlement.”<sup>383</sup> Further, DOJ reported that the ACJC has an estimated 100 prosecutors covering 158 cases, a caseload of approximately 1.5 cases per prosecutor.<sup>384</sup> DOJ's concerns regarding the ACJC appear to be broadly shared as the UN Secretary-General observed that international partners have expressed their concern about the declining performance of the ACJC.<sup>385</sup>

As of June, DOJ reports that the ACJC has over 120 outstanding warrants. Further, the MOI's failure to enforce high-level warrants has become a matter of concern to the U.S. Embassy that could become a discussion topic at the upcoming Geneva Ministerial Conference on Afghanistan in November 2018.<sup>386</sup>

Since its establishment in 2016, the ACJC has handled 38 cases involving 152 accused persons. According to the UN, 71 people have been convicted and imprisoned after a final decision by the Supreme Court in 24 cases.<sup>387</sup>

According to CSTC-A, the ACJC has adjudged fines (including fines, restitution, compensation, and confiscation) totaling 7,063,000 afghani (equivalent to approximately \$100,000), \$352,000, and 299,500 Pakistani rupees (equivalent to approximately \$2,300). Of these fines, the ACJC has told CSTC-A that the following amounts have been paid to the AGO: 96% of the fines levied in afghanis, 80% of the fines in dollars, and all of the fines in Pakistani rupees.<sup>388</sup>

## Afghanistan Security Forces

According to CSTC-A, corruption persists within the Afghan security forces. CSTC-A attributes the ongoing, cyclic corruption challenge to Afghan government officials who enable corrupt actors and inhibit judicial remedies.<sup>389</sup>

On September 26, 2018, the ACJC primary court convicted the former director of the MOI Police Cooperative Fund, Major General Mohammad Anwar Kohistani, for misuse of authority and embezzling over 109,398,000 afghani (approximately \$1.7 million) and sentenced him to 11 years in prison.

In March 2016, the MOI IG requested SIGAR's assistance with investigating Kohistani and allegations of fraud and embezzlement involving the MOI Police Cooperative Fund. The MOI Police Cooperative Fund was a retirement fund for Afghan police officers employed by the MOI. The investigation, conducted jointly by SIGAR and prosecutors of the AGO assigned to the ACJC, uncovered significant evidence of embezzlement, fraud, and abuse of the Cooperative Fund perpetrated by Kohistani.



According to DOD, “corruption remains the top strategic threat to the legitimacy and success of the Afghan government.”<sup>390</sup>

The most common corrupt behaviors CSTC-A has identified are associated with fuel, food, “ghost” or nonexistent soldiers, extortion, narcotics, illicit mining, bribery, and the misuse, theft, or illegal sale of Afghan government property.<sup>391</sup>

This quarter, SIGAR requested copies of the quarterly MOD and MOI counter- and anti-corruption assessments mandated in the 1397/1398 commitment letters. According to the commitment letters, these assessments are high priority strategic planning and performance requirements. CSTC-A did not provide copies of either assessment. Instead, CSTC-A only reported that both MOD and MOI met the unspecified anti- and counter-corruption standards.<sup>392</sup>

In December 2017, the new MOI strategic policy identified combating corruption as one of the ministry’s objectives. However, as of August 2018, CSTC-A reports MOI has yet to define how it will monitor and evaluate progress against this objective.<sup>393</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 are inconsistently formatted and lack full descriptions of inspection results and recommendations for corrective actions. Regarding MOI IG reports, CSTC-A commented favorably on the detail and recommendations in reports.<sup>394</sup>

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. Previously, 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>395</sup>

The CSTC-A elements that advise senior officials of the MOD and MOI reported that no actions were taken during the quarter in response to issues identified in MOD IG and MOI IG reports. Instead, these CSTC-A elements explained this lack of action by saying that they employ “a holistic [train, advise, and assist] methodology rather than focusing on single issues/topics.”<sup>396</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>397</sup>

In a break from previous quarters, CSTC-A was more critical in their assessment of the MCTF this quarter. CSTC-A reported that the MCTF does not appear to be the lead Afghan government investigative agency for high profile corruption crimes, as intended. Instead, the MCTF appears to be focusing on low-level cases. CSTC-A reports that MCTF investigators are not the best qualified, with some investigators possibly being assigned to the MCTF as a form of patronage. Further, MCTF leadership and investigators are increasingly subject to political and corruption crimes.<sup>398</sup>

DOJ also expressed concerns with the MCTF this quarter, saying that the MCTF is plagued by both corruption and a high polygraph failure rate. DOJ was reportedly informed of the findings of an Afghan government investigation into the MCTF that revealed corruption by members of the force, including a former director.<sup>399</sup> (In 2016, U.S. military mentors to the MCTF reported that this former director received his appointment thanks to coalition support in the face of parliamentary and MOI opposition. Further, these mentors praised the former director as exemplifying “outstanding leadership” at the time.)<sup>400</sup>

## REFUGEES AND INTERNAL DISPLACEMENT

### Afghan Refugees

According to State, the Proof of Registration (POR) cards which confer refugee status to 1.4 million Afghans in Pakistan were set to expire on September 30. While State has been informed there are plans to extend the validity of the POR cards through June 30, 2019, the announcement on September 11 to dissolve Pakistan’s Ministry of States and Frontier Regions could complicate this effort.<sup>401</sup>

However, in a move State called unprecedented, Pakistan’s newly elected Prime Minister Imran Khan publicly pledged to offer Pakistani citizenship to Afghans and Bangladeshis born in Pakistan. State has no details regarding how and when this plan would be implemented.<sup>402</sup>

As of September 26, the United Nations High Commissioner for Refugees (UNHCR) reported that 13,084 refugees have voluntarily returned to Afghanistan in 2018. The majority (11,557) of these refugee returns were from Pakistan.<sup>403</sup> As shown in Figure 3.38 on the following page, far fewer refugees have returned to Afghanistan this quarter than the high in October 2016.<sup>404</sup>

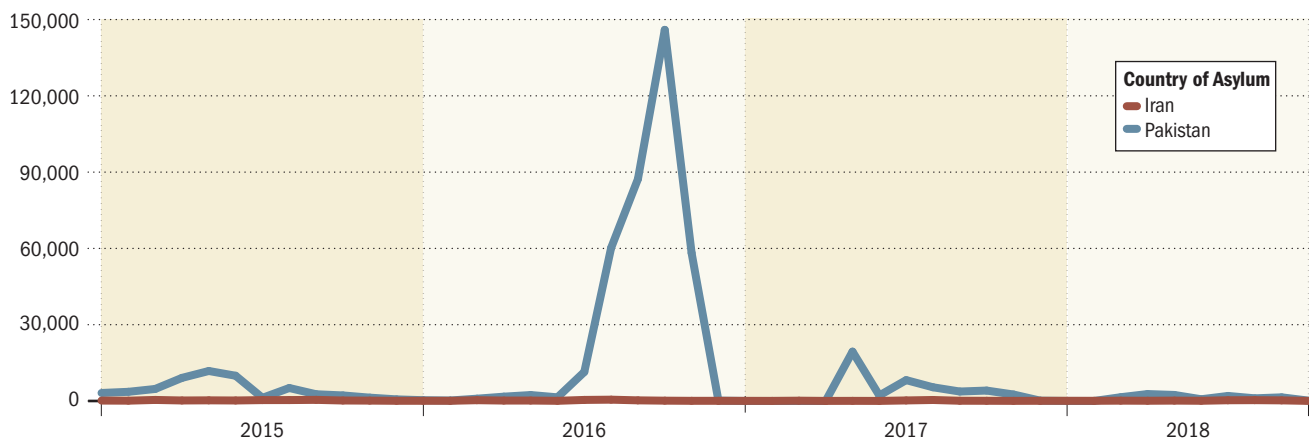
### Undocumented Afghan Returnees

As shown in Figure 3.39 on the following page, as of September 22, IOM reported that 552,071 undocumented Afghans returned from Iran and 25,153 undocumented Afghans returned from Pakistan in 2018. So far, 577,224 undocumented Afghans have returned in 2018.<sup>405</sup> According to State, the number of undocumented Afghan returns from Iran is at an all-time high.

# GOVERNANCE

FIGURE 3.38

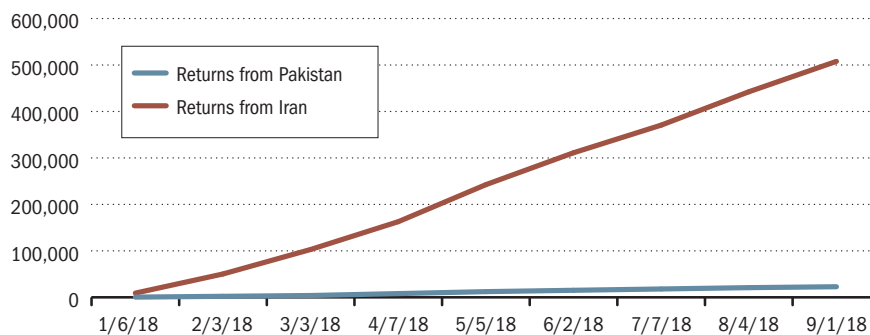
## AFGHAN REFUGEES RETURNING TO AFGHANISTAN (SINCE JANUARY 2015)



Source: SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2015," 1/1/2018; SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2016," 11/8/2017; SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2017," 9/12/2018; and SIGAR analysis of UNHCR, "Afghan Voluntary Repatriation 2018," 10/3/2018.

FIGURE 3.39

## CUMULATIVE NUMBER OF UNDOCUMENTED RETURNEES IN 2018



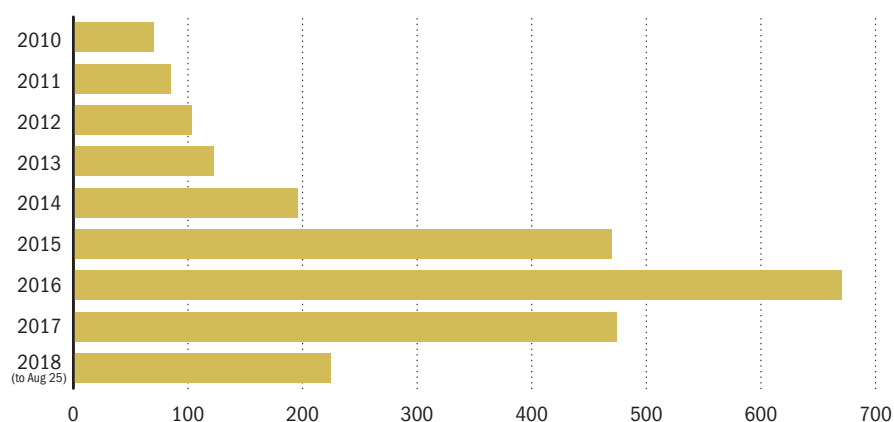
Source: IOM, "Weekly Situation Report," 9/22/2018; IOM, "Weekly Situation Report," 8/4/2018; IOM, "Weekly Situation Report," 7/7/2018; IOM, "Weekly Situation Report," 6/2/2018; IOM, "Weekly Situation Report," 5/5/2018; IOM, "Weekly Situation Report," 4/7/2018; IOM, "Weekly Situation Report," 3/3/2018; IOM, "Weekly Situation Report," 2/2/2018.

State believes that 96% of the returnees are economic migrants leaving Iran because of the collapse of the value of Iran's currency and resulting decrease in demand for unregulated labor.<sup>406</sup>

## Internal Displacement

As shown in Figure 3.40, there has been less conflict-induced internal displacement this year than in 2017. According to the UN Office for the Coordination of Humanitarian Affairs (OCHA), as of August 25, the conflicts

FIGURE 3.40

**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," 9/16/2018.

of 2018 had induced 225,166 people to flee. The office recorded 276,544 persons in the same period last year.<sup>407</sup> In addition to conflict-induced internal displacement, OCHA reported that 216,574 people are displaced due to the drought, as of October 8.<sup>408</sup>

As shown in Figure 3.41 on the following page, of the conflict-induced internally displaced persons recorded so far this year, 33.4% reported being displaced from districts Resolute Support recorded as under Afghan government influence (as of July 2018), 40.4% were from districts that are contested, and 25.1% were from districts with insurgent activity.<sup>409</sup>

## Afghan Asylum Seekers in Europe

Eurostat, the statistical office of the European Union (EU), reported 19,640 first-time Afghan asylum seekers in the EU in the first eight months of 2018. As shown in Figure 3.42 on the following page, the number of first-time Afghan asylum seekers to the EU has decreased significantly since the high point in 2015/2016.<sup>410</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>411</sup>

## 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

# GOVERNANCE

FIGURE 3.41

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

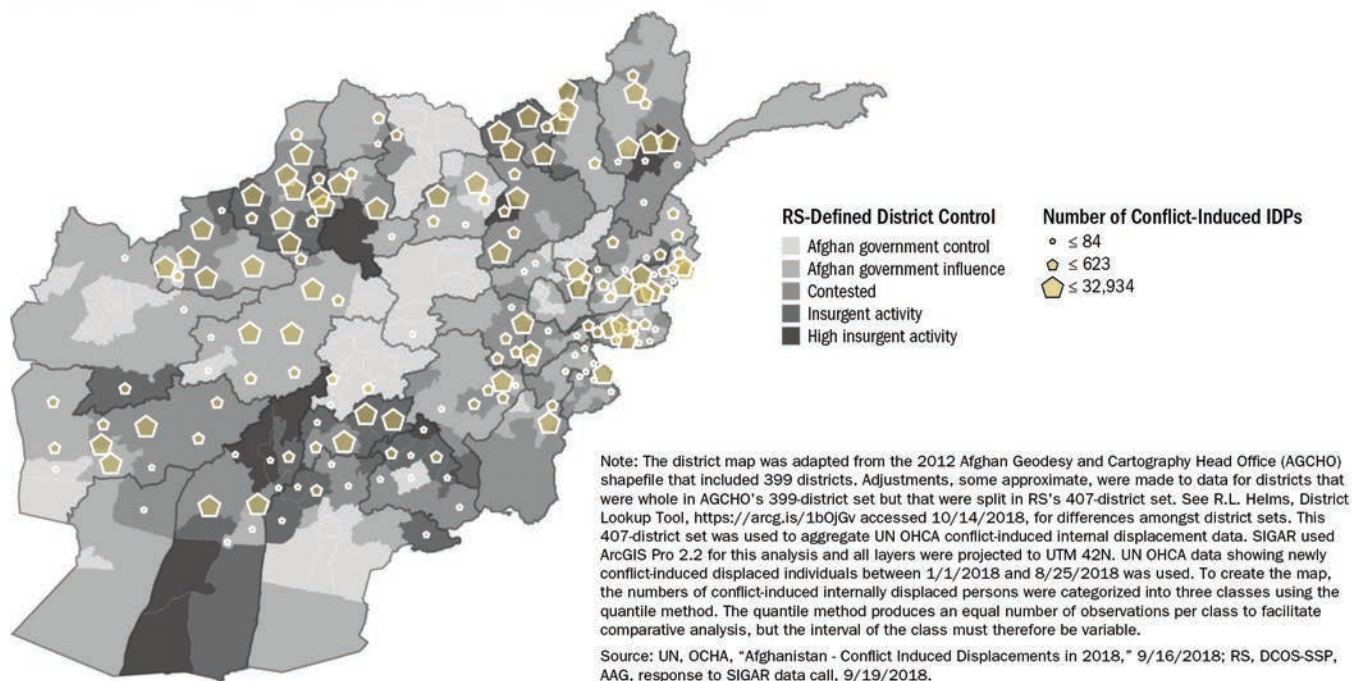
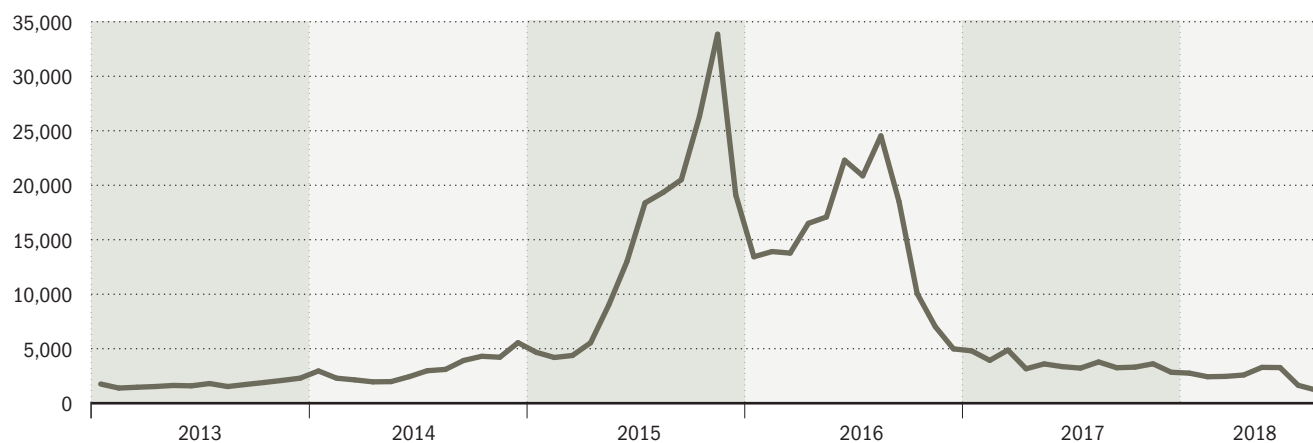


FIGURE 3.42

## FIRST-TIME AFGHAN ASYLUM APPLICANTS TO THE EUROPEAN UNION (2013 THROUGH AUGUST 2018, BY MONTH)



Source: EUROSTAT, "Asylum and first time asylum applicants by citizenship, age and sex, monthly data (rounded)," 9/26/2018.

TABLE 3.25

**USAID GENDER PROGRAMS**

<b>Project Title</b>	<b>Start Date</b>	<b>End Date</b>	<b>Total Estimated Cost</b>	<b>Cumulative Disbursements, as of 9/30/2018</b>
Promote: Women in the Economy	7/1/2015	6/30/2019	\$71,571,543	\$36,932,365
Promote: Women's Leadership Development	9/23/2014	9/22/2019	41,959,377	34,461,150
Promote: Women in Government	4/21/2015	4/20/2020	37,997,644	25,173,091
Promote: Women's Rights Groups and Coalitions	9/2/2015	9/1/2020	29,534,401	14,894,553
Promote: Rolling Baseline and End-line Survey	2/21/2017	10/20/2020	7,577,638	3,138,336
Combating Human Trafficking in Afghanistan	1/11/2016	1/10/2019	7,098,717	4,850,707
Gender Based Violence (GBV)	7/9/2015	7/8/2020	6,667,272	6,667,272
Promote: Economic Empowerment of Women in Afghanistan	5/8/2015	5/7/2018	1,500,000	1,485,875
Countering Trafficking in Persons (CTIP) II - Empowerment and Advocacy to Prevent Trafficking	1/10/2018	1/9/2020	1,483,950	356,521
Promote: Scholarships	3/4/2015	3/3/2020	1,247,522	1,247,522

Source: USAID, response to SIGAR data call, 10/15/2018.

leadership roles in all parts of society from business to academia and in politics and public policy.”<sup>412</sup>

USAID has since 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>413</sup> USAID has committed \$280 million to Promote.<sup>414</sup> Table 3.25 shows the current Promote programs.

As of September 19, USAID reports that 3,907 female Promote beneficiaries have secured permanent employment. According to USAID, the Women in Leadership program has benefited 22,520 females. Of these, 715 have been subsequently hired by the Afghan government, 533 have been hired by nongovernmental organizations, and 271 have been hired in the private sector. The Women in the Economy program has benefited 24,393, with 2,900 of these beneficiaries hired for permanent positions. The Women in Government program has benefited 3,901 women, with 178 hired for permanent positions in the government.<sup>415</sup>

According to USAID, if one combines the number of beneficiaries of leadership training, civil service training and internships, civil society advocacy work and economic growth activities, Promote has benefited over 50,000 women in over 30 provinces.<sup>416</sup>

This quarter, USAID reports that Promote, in partnership with the Ministry of Education (MOE), trained 122 teaching instructors. These instructors are planned to train 2,500 woman teachers. In addition, Promote plans train an additional 2,500 women who will have guaranteed positions with the MOE.<sup>417</sup>

**SIGAR AUDIT**

This quarter, SIGAR released a performance audit of Promote that assessed contract compliance, program performance, and implementation challenges for the five Promote programs. The audit found that, after three years and \$89.7 million spent, USAID/Afghanistan has not fully assessed the extent to which Promote is meeting its overarching goal of improving the status of more than 75,000 young women in Afghanistan's public, private, and civil society sectors. For more information, see Section 2.