



SIGAR

Testimony

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Committee on Oversight and Government Reform

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High-Risk U.S. Reconstruction Program Areas in Afghanistan: Gains from the U.S. Investment Face Multiple Threats

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Chairman Lynch, Ranking Member Grothman, and Members of the Subcommittee,

Thank you for inviting me to testify. This is the 25th time I have presented testimony to Congress since I was appointed as Special Inspector General nearly nine years ago. It may be the most important appearance I have yet made, for longstanding problems and recent developments have created an unprecedented level of threat to the success of the U.S. reconstruction program in Afghanistan.

My agency, the Special Inspector General for Afghanistan Reconstruction, or SIGAR, has detailed its analysis of this threat in the 2021 edition of its *High-Risk List* issued just last week.¹ That report is the subject of my testimony today.²

Background

Since SIGAR published its last *High-Risk List* in 2019, the United States has drawn down its troops in Afghanistan from around 14,000 to 2,500.³ Under the terms of the U.S.-Taliban agreement, the United States is to withdraw the remaining 2,500 troops by May 1, 2021, if the Taliban meet their commitments under the agreement.⁴

According to the Integrated Country Strategy for Afghanistan released by the State Department in 2021, U.S. policy in Afghanistan is grounded in the fundamental objective of preventing attacks on the United States by terrorists enjoying safe haven or support in Afghanistan.⁵ One of the most important questions for policymakers may be whether it is possible to pursue this objective with few or no U.S. forces in the country.

Since 2002, reconstruction has been an essential part of the means by which the United States has sought to help return peace and stability to Afghanistan. U.S. reconstruction programs in Afghanistan comprise a wide variety of activities, including supporting Afghan security forces, bolstering the government's institutional capacity, expanding energy and transportation

¹ SIGAR, 2021 High-Risk List, SIGAR 21-22-HRL, 3/5/2021. This and other SIGAR products are online at <https://www.sigar.mil>. SIGAR's High-Risk List complies with SIGAR's statutory mandate to promote economy, effectiveness, and efficiency, and to keep Congress and the Secretaries of State and Defense informed and to make recommendations for improvement in the Afghanistan reconstruction effort. See National Defense Authorization Act for 2008, Pub. L. No. 110-181, §1229 (2008).

² This statement is prepared in accordance with *Quality Standards for Inspection and Evaluation* by the Council of the Inspectors General on Integrity and Efficiency.

³ DOD, *Enhancing Security and Stability in Afghanistan*, 12/2018, p. 3; DOD, "Statement by Acting Defense Secretary Christopher Miller on Force Levels in Afghanistan," 1/15/2021.

⁴ State, *Agreement for Bringing Peace to Afghanistan between the Islamic Emirate of Afghanistan which is not recognized by the United States as a state and is known as the Taliban and the United States of America*, 2/29/2020, p. 2; DOD, "NATO Defense Leaders Agree to Increase Iraqi Mission, Defer Decision on Afghanistan," 2/18/2021, defense.gov/Explore/News/Article/Article/2507564/nato-defense-leaders-agree-to-increase-iraqi-mission-defer-decision-on-afghanis/.

⁵ State, *Integrated Country Strategy: Afghanistan*, updated 11/15/2020, p. 2, https://www.state.gov/wp-content/uploads/2021/02/ICS_SCA_Afghanistan_Public-Release.pdf.

infrastructure, building schools and clinics, training teachers and health-care workers, promoting business development, and expanding the country’s export potential.⁶

Since FY 2002, Congress has appropriated more than \$143 billion for Afghanistan reconstruction.⁷ Even if Congress were to make no further appropriations for reconstructing Afghanistan, there is still more than \$8 billion waiting to be spent.⁸ That is a large “pipeline” of uncommitted funds that by itself calls for stringent stewardship and risk mitigation.

Reconstruction Aid Helps Keep Afghanistan from Reverting to a Safe Haven for Terrorists

Whether or not the United States continues to withdraw its troops from Afghanistan, the new Administration and Congress will need to decide whether and to what extent reconstruction will continue. It could be a critical decision, for it was not the withdrawal of Soviet troops in 1989 that led to the collapse of Afghan President Mohammed Najibullah’s regime in 1992, but the end of Soviet security assistance.⁹ Given that history, neglect of post-peace funding needs might re-create the resource-starved scenario that proved disastrous for Afghanistan and the world.

The reality is that Afghanistan today is nowhere near able to fund its own government operations,¹⁰ including military and police. International donor countries, led by the United States, are expected to finance approximately 57% of Afghanistan’s FY 2021 national government spending of \$5.86 billion, mostly through grants.¹¹ The largest financial expense by far is to train, equip, and sustain the Afghanistan National Defense and Security Forces (ANDSF). However, according to DOD, given the persistence of the insurgency and continued slow growth of the economy, full self-sufficiency by 2024—the year up to which donors have agreed to continue financial support to the Afghan government—does not appear realistic, even if security or economic conditions improve dramatically.¹²

⁶ SIGAR, 2021 High-Risk List, p. 8.

⁷ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 25; SIGAR analysis.

⁸ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 29; SIGAR analysis.

⁹ Shane Smith, “No more ‘92s: Lessons for U.S. Afghanistan Policy from the Post-Soviet Withdrawal and the Najibullah Regime It Left Behind,” Air University (U.S. Air Force), 3/2013, pp. 4, 9.

¹⁰ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, pp. 124–125; SIGAR analysis of IMF, Request for a 42-Month Arrangement Under the Extended Credit Facility—Press Release; Staff Report; and Statement by the Executive Director for the Islamic Republic of Afghanistan, IMF Country Report No. 20/300, 11/2020, pp. 4, 26.

¹¹ IMF, Country Report No. 20/300, Islamic Republic of Afghanistan, 11/2020, table 3a, p. 26. <https://www.adb.org/sites/default/files/linked-documents/54192-001-imf.pdf>; Treasury Reporting Rates of Exchange, exchange rates at December 31, 2020, at www.fiscal.treasury.gov, accessed 1/19/2021. SIGAR analysis.

¹² DOD, Enhancing Security and Stability in Afghanistan, 12/2018, p. 109.

For FY 2021, DOD estimates Afghanistan’s security funding requirement, including off-budget funding, at about \$4.29 billion, for which the United States appropriated \$3.05 billion.¹³ The United States has pledged in the past to continue support for reconstruction. At the November 2020 Geneva Conference on Afghanistan, international donors reaffirmed their intention to provide at least \$3.3 billion in development aid for one year, with annual commitments expected to stay at the same level until 2024.¹⁴ The United States, for its 2021 pledge, made half of its potential \$600 million in civilian assistance (not including the larger sums committed to security assistance) for the year contingent upon progress in the peace process.¹⁵

According to a report published by the UK’s Overseas Development Institute, maintaining a viable Afghan state will require close to the amount in civilian assistance pledged in Geneva, plus an additional \$3.6 billion in security assistance. The authors noted this would represent a considerable reduction from current spending and would need to be carried out gradually and be carefully targeted, if state functionality is to be preserved. Reductions below this level are likely to be “highly destabilizing,” the report says. In particular, “the security forces could not sustain cuts of this magnitude and remain functional. Nor could Afghan society easily adjust to the massive demobilization that would be required.”¹⁶

Reconstruction Requires Robust Oversight

With a much-reduced or zero U.S. troop presence in Afghanistan, the U.S. reconstruction mission there could require even more oversight attention than in the past. As SIGAR has repeatedly reported:

- Afghanistan remains one of the world’s poorest and most dangerous countries.
- The ANDSF cannot protect the population from insurgents in large parts of the country.
- The central government’s institutional capabilities are generally weak, and it often lacks the capacity to manage and account for donor funds.

Whether U.S. troops are wholly withdrawn, reduced, or increased, SIGAR will continue to provide the oversight of U.S. taxpayer funds necessary to maintain the reconstruction program in Afghanistan. SIGAR has worked for years with Afghan civil-society organizations to expand its outreach to areas beyond the control of the U.S. military.

¹³ DOD, Department of Defense Budget, Justification for FY 2021 Overseas Contingency Operations (OCO), Afghanistan Security Forces Fund (ASFF), 2/2020, pp. 107–109; SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 173; IMF Country Report No. 20/300, 11/2020, p. 26; Treasury Reporting Rates of Exchange, exchange rates at December 31, 2020, at www.fiscal.treasury.gov, accessed 1/19/2021; SIGAR analysis.

¹⁴ UN, “Strong Support for Afghanistan at the 2020 Afghanistan Conference,” 11/24/2020, <https://unama.unmissions.org/strong-support-afghanistan-2020-afghanistan-conference>.

¹⁵ State, “Remarks at 2020 Afghanistan Conference,” 11/24/2020.

¹⁶ Tobias Haque and Nigel Roberts, “Afghanistan’s Aid Requirements: How much aid is required to maintain a stable state?” Expert note hosted by the Overseas Development Institute (UK) Lessons for Peace project (10/2020), pp. 7, 11, <https://l4p.odi.org/assets/images/ODI-L4P-Afghanistan-aid-requirements-Haque-and-Roberts-2020.pdf>.

Further, if more U.S. funds are to be disbursed on-budget—either directly to the Afghan government or through multilateral trust funds—it will be vitally important that the ministries have strong accountability measures and internal controls in place. At the request of Congress, SIGAR is conducting its third assessment of the Afghan government’s anticorruption measures. SIGAR issued its first anticorruption assessment directed by Congress in May 2018. Congress then required SIGAR, through an explanatory statement for the Consolidated Appropriations Act, 2018, to continue monitoring the Afghan government’s progress in implementing the strategy and to provide an update to the 2018 audit. That update was issued in November 2019.

Eight high-risk areas for Afghanistan reconstruction

The *High-Risk List* focuses on program areas and elements of the reconstruction effort that are: (1) essential to success; (2) at risk of significant and large-scale failure due to waste, fraud, or abuse; and (3) subject to the control or influence of the U.S. government.¹⁷ Using these criteria, SIGAR’s 2021 *High-Risk List* focuses on eight high-risk areas that we believe merit the close attention of the new Congress and Administration:¹⁸

Increasing Insecurity: Taliban attacks on Afghan security forces and others have intensified, so military and civilian casualties remain high despite the February 2020 U.S.-Taliban agreement. The Afghan security forces also face critical capability gaps such as for aircraft maintenance that require long-term international support. Meanwhile, U.S. troop reductions and the COVID-19 pandemic have restricted the NATO Resolute Support train, advise, and assist mission’s contact with Afghan security ministries and their forces.

Uncertain Funding for a Post-Peace Settlement: International donors’ aid pledges have declined, and donors’ conditions on assistance may reduce future years’ funding—possibly to levels threatening the viability of the Afghan state.

The Need to Reintegrate Ex-Combatants: An Afghan peace agreement—a good thing in itself as well as a U.S. policy objective—could entail massive economic, social, political, and security disruptions as the Afghan government reintegrates ex-combatants from both sides into civil society. Its success will be critical for Afghanistan to achieve lasting peace and stability.

Endemic Corruption: Afghanistan has long been perceived as one of the world’s most corrupt states, and the government’s anticorruption efforts have suffered from vague strategies and insufficient actions. SIGAR delivered Congressionally mandated reports in 2018 and 2019 on the Afghan government’s implementation of its anticorruption strategy.¹⁹ A third report is scheduled for release this spring.

¹⁷SIGAR 2021 High-Risk List, p. 11.

¹⁸ SIGAR 2021 High-Risk List, pp. 4–5.

¹⁹ The Congressionally mandated reports SIGAR issued in 2018 and 2019 were Afghanistan’s Anti-Corruption Efforts: The Afghan Government Has Begun to Implement an Anti-Corruption Strategy, but Significant Problems Must Be Addressed, SIGAR 18-51-AR, 5/2018, and Afghanistan’s Anti-Corruption Efforts: The Afghan Government

Lagging Economic Growth and Social Development: Afghanistan is poor and suffers from illiteracy, inadequate infrastructure, weak governance, and now, heavy impacts from the COVID-19 pandemic.

Illicit Narcotics Trade: Narcotics production and trade remain at high levels, little impeded by government, fostering corruption and crime while providing significant revenue for insurgents.

Threats to Women's Rights: Afghan women and girls have made progress in recent years in health, education, legal protections, and participation in public life. But discrimination persists, and possible policy changes by whatever form of government might follow an Afghan peace agreement could undermine their gains.

Inadequate Oversight: A reduced U.S. civilian and military presence in Afghanistan amid a deteriorating security environment could create new challenges for conducting effective oversight of U.S.-funded programs, grants, and contracts for reconstruction work.

Major decisions to come

The *2021 High-Risk List* notes that whether or not the United States continues to withdraw its troops from Afghanistan, unilaterally or pursuant to last year's agreement with the Taliban, the new Administration and Congress will have to decide whether, to what extent, and to what ends reconstruction will continue, and with what level of resource commitment.

SIGAR takes no position on policy decisions such as troop levels and appropriations. We do, however, monitor how well programs flowing from such decisions are executed; judge how well appropriated funds are spent and protected from waste, fraud, and abuse; develop recommendations for improvements in reconstruction programs; and—as exemplified by the *High-Risk List*—identify major threats to program and mission success.

The overall thrust of SIGAR's 12 years of oversight work on Afghanistan reconstruction indicates that serious consideration—and some major decisions—need to be on the table as Congress and the Administration set a path forward in Afghanistan. The eight high-risk areas identified in our new report are framed as topical discussions, a review of findings, a summary of changes since 2019, and some proposed questions that policy and decision makers may wish to consider. How those questions are answered will influence Afghanistan's security situation, its need for large and continuing international aid, and its efforts to improve governance and respect for human rights.

Following is a summary of each high-risk area and its related set of questions. I encourage lawmakers and their staff to consult the full report for further detail.

Made Progress in Meeting its Anti-Corruption Strategy Benchmarks, but Serious Challenges Remain to Fighting Corruption, SIGAR 20-06-AR, 11/2019.

High-Risk Area 1: Increasing Insecurity

Despite early hopes surrounding the February 29, 2020, U.S.-Taliban agreement and the initiation of Afghan peace negotiations in September 2020, Taliban attacks on Afghan National Defense and Security Forces (ANDSF) have intensified. U.S. Forces-Afghanistan (USFOR-A) reported high levels of enemy-initiated violence during most of 2020.²⁰ The Taliban killed thousands of Afghan civilians and ANDSF members, and the level of violence has hindered the ANDSF from building critical capabilities.²¹ At the same time, ANDSF and Coalition forces have inflicted significant casualties on the Taliban, IS-K, and other insurgent groups.

The Taliban maintain a high level of violence. Each quarter since the agreement was signed (April–June, July–September, and October–December 2020) has seen a higher average number of enemy-initiated attacks compared to seasonal and historical norms.²² The Taliban have focused on attacking exposed ANDSF outposts, fought particularly heavily in their long-held strongholds of Kandahar and Helmand Provinces, and conducted targeted assassinations of mid-level government officials, and allegedly also of civil-society leaders and journalists, especially in the city of Kabul.²³

Afghan President Ashraf Ghani said that 3,560 ANDSF troops were killed between the signing of the U.S.-Taliban agreement on February 29 and July 21, 2020.²⁴ Civilian casualties also remain

²⁰ USFOR-A, response to SIGAR vetting, 1/15/2021 and 10/19/2020.

²¹ RS, response to SIGAR data call, 1/6/2021; VOA, “Afghan Government: Over 3,500 Troops Killed Since U.S.-Taliban Agreement, 7/26/2020; see Afghan Ministry of Defense press releases from the last two years. Examples include: Afghan Ministry of Defense, “80 Taliban were killed during the 24 past hours!” 2/15/2021; DOD, Enhancing Security and Stability in Afghanistan, 12/2019, p. 15.

²² USFOR-A, response to SIGAR vetting, 1/15/2021, 10/19/2020, and 7/19/2020; OUSD-P, response to SIGAR vetting, 10/23/2020.

²³ Foreign Policy, “The U.S. Once Surged into Helmand Province. Now the Taliban Is, Too,” 10/20/2020; NPR, “Tens Of Thousands Flee Latest Taliban Offensive, And Afghan Civilian Casualties Rise,” 10/13/2020; USFOR-A Spokesman COL Sonny Leggett. (@USFOR_A), “Resolute Support Cdr. Gen. Scott Miller visited #Helmand on Thursday to assess the security situation & meet with provincial leaders. He congrat’d Brig. Gen. Sami Sadat on his appointment as 215th Maiwand Corps CDR, overseeing #Afghan Army operations in Helmand & #Nimroz,” 12/19/2020, https://twitter.com/USFOR_A/status/1340234337720086536; Defense One, “Milley Meets with Taliban in Fragile Peace Negotiations,” 12/17/2020; RS, response to SIGAR vetting, “Transcript: COMRS, CJCS, US EMB On-Record Interview 16 December 2020,” 1/6/2021; AFP, “Scores of Taliban fighters killed as fighting rocks insurgent bastion,” 12/13/2020; Defense Post, “Thousands of Afghan Families Flee Fighting in Insurgent Bastion Kandahar,” 1/7/2021; NPR, “Tens Of Thousands Flee Latest Taliban Offensive, And Afghan Civilian Casualties Rise,” 10/13/2020; NPR, “People in The Afghan Capital Kabul Are Uneasy About U.S. Troop Drawdown,” 12/16/2020; New York Times, “‘Sticky Bombs’ Sow Terror and Chaos in a City on Edge,” 12/16/2020; Reuters, “‘The Fear is Intense’: Afghan ‘Sticky Bombs’, Used by Taliban, On the Rise,” 12/17/2020; Washington Post, “Targeted killings of journalists are on the rise across Afghanistan,” 12/27/2020; New York Times, “Targeted Killings Are Terrorizing Afghans. And No One Is Claiming Them,” 1/2/2021.

²⁴ VOA, “Afghan Government: Over 3,500 Troops Killed Since U.S.-Taliban Agreement, 7/26/2020.

high: the numbers of civilian casualties violently killed or wounded in the last quarter of 2020 were the third highest in the last two years.²⁵

The commander of U.S. and NATO-mission forces in Afghanistan, U.S. General Austin Scott Miller, said in December 2020, “Clearly, the Taliban use violence as leverage. It is a tool they’ve used for a long time and it’s one they are loath to abandon.”²⁶ On February 17, 2021, General Miller also expressed concern about the possibility of an intense Taliban spring offensive, and said “Taliban violence is much higher than historical norms. It just doesn’t create the conditions to move forward in what is hopefully a historic turning point for Afghanistan.”²⁷

As of January 15, 2021, the United States has about 2,500 troops in Afghanistan, the lowest force level since 2001.²⁸ NATO Resolute Support train, advise, and assist mission advisors have reduced contact with Afghan security ministries and their forces due to U.S. troop reductions and the COVID-19 pandemic.

The United States has sought over the past 19 years to build up the ANDSF to protect the Afghan population and expel terrorist groups from the country.²⁹ This is a fundamental objective. Without a fully capable, professional, and sustainable ANDSF to provide security, other large-scale reconstruction investments such as governance and economic and social-development programs are at risk. Security remains the most crucial and enduring high-risk area for Afghanistan because the Taliban have not significantly changed their high levels of violence, or military and political objectives, and terrorist groups in Afghanistan like Islamic State-Khorasan (IS-K) and al-Qaeda, although reduced, remain in the country.³⁰

The United States has made an enormous investment in Afghanistan’s security. As of December 31, 2020, the United States has appropriated roughly \$88.3 billion to build, equip, train, and sustain the ANDSF. That sum represents 62% of the nearly \$143.3 billion appropriated for all Afghanistan reconstruction since Fiscal Year (FY) 2002.³¹ Yet, security-related threats to the reconstruction effort have increased since SIGAR published its 2019 *High-Risk List*, mainly because of rising Taliban violence and ANDSF capability gaps.

The U.S.-Taliban agreement requires the Taliban to discuss the date and modalities of a permanent and comprehensive ceasefire, and to complete an agreement over the political

²⁵ RS, response to SIGAR data call, 1/6/21; SIGAR, analysis of RS-provided data, 1/2021.

²⁶ RS, response to SIGAR vetting, “Transcript: COMRS, CJCS, US EMB On-Record Interview 16 December 2020,” 1/6/2021.

²⁷ Reuters, “Afghanistan peace talks under threat as major Taliban spring offensive takes shape,” 2/17/2021.

²⁸ DOD, “Statement by Acting Defense Secretary Christopher Miller on force Levels in Afghanistan,” 1/15/2021.

²⁹ DOD, *Enhancing Security and Stability in Afghanistan*, 12/2017, p. 1.

³⁰ DOD, *Enhancing Security and Stability in Afghanistan*, 6/2020, p. 2.

³¹ SIGAR, *Quarterly Report to the United States Congress*, 1/30/2021, pp. 25, 49.

future of Afghanistan.³² Though Afghan government representatives have called for a ceasefire between the ANDSF and the Taliban,³³ on September 25, 2020, Ambassador Khalilzad said, “The Talibs will not accept a ceasefire, comprehensive and permanent, until there’s a political settlement. And that’s not unprecedented in similar conflicts elsewhere.”³⁴ To date, no publicly apparent progress has been made during intra-Afghan talks on either of these goals.

Further, since at least July 2020, several U.S. officials have indicated that the Taliban have failed to meet some of their commitments stipulated in or broadly part of the U.S.-Taliban agreement—in particular those regarding counterterrorism guarantees and reducing levels of Taliban violence—whose importance these officials have repeatedly stressed.³⁵

Just a month ago, NATO Secretary General Jens Stoltenberg said, “There is still a need for the Taliban to do more when it comes to delivering on their commitments ... to reduce violence, to negotiate in good faith, and to make sure that they break all ties with international terrorists, not provide them any support.”³⁶ That same day, February 16, DOD officials said the Biden Administration was reviewing the U.S. government’s entire Afghanistan policy, including Taliban compliance or noncompliance with the U.S.-Taliban agreement.³⁷

With or without a sustainable peace agreement and a nationwide ceasefire, Afghanistan requires an army to protect its population from internal and external threats, civil police to keep order and respond to criminal activity, and border police to maintain territorial integrity. Afghanistan will likely continue to be threatened by multiple violent-extremist organizations. Any political agreement risks subordinate groups going rogue, possibly manifesting as another insurgency or insecurity from criminal gangs or networks. These issues could become even

³² State, Agreement for Bringing Peace to Afghanistan between the Islamic Emirate of Afghanistan which is not recognized by the United States as a state and is known as the Taliban and the United States of America, 2/29/2020, p. 1.

³³ Permanent Mission of Afghanistan to the United Nations, “Statement by H.E. Ashraf Ghani, President of the Islamic Republic of Afghanistan, General Debate of the 75th Session of the United Nations General Assembly,” 9/22/2020, p. 7.

³⁴ PBS News Hour, “Amb. Khalilzad on peace negotiations and reducing violence in Afghanistan,” 9/25/2020.

³⁵ State, Agreement for Bringing Peace to Afghanistan between the Islamic Emirate of Afghanistan which is not recognized by the United States as a state and is known as the Taliban and the United States of America, 2/29/2020, p. 2; David F. Helvey, Performing the Duties of Assistant Secretary of Defense for Indo-Pacific Security Affairs, and Ambassador Zalmay Khalilzad, Special Representative for Afghanistan Reconciliation, Spoken Testimony before the House Subcommittee on National Security, House Oversight and Reform Committee, 9/22/2020; Statement by RS/USFOR-A Commander General Austin Scott Miller, (@ResoluteSupport), “Violence needs to come down, and it needs to come down so we have an opportunity for a sustainable peace pathway,” 7/27/2020, <https://twitter.com/ResoluteSupport/status/1287770694223306752>; State, “Secretary Michael R. Pompeo Remarks to Traveling Press,” 9/11/2020; DOD, Enhancing Security and Stability in Afghanistan, 6/2020, p. 18.

³⁶ NATO, “Press conference by NATO Secretary General Jens Stoltenberg ahead of the meetings of NATO Defence Ministers on 17 and 18 February at NATO Headquarters,” 2/16/2021.

³⁷ DOD, “NATO Defense Ministerial Background Briefing,” 2/16/2021.

more pronounced if U.S. forces are no longer in country to provide counterterrorism support and to train, advise, and assist Afghanistan's security institutions.

Though some ANDSF capabilities have improved since the last *High-Risk List*, the force still faces long-term capability and sustainability challenges that require various forms of continued U.S. military support.

DOD acknowledged in January 2021 that the latest U.S. force-level reduction introduced some limitations on force capacity and on the train, advise, and assist mission.³⁸ The COVID-19 pandemic compounded this impact. U.S. and Coalition personnel may still conduct only limited, mission-essential, face-to-face advising with their Afghan counterparts.³⁹ U.S. advisors have relied more on videoconferencing, e-mail, text messaging, telephone, and other remote methods than on much-preferred face-to-face interactions.⁴⁰

Notwithstanding the complications for the train, advise, assist mission, USFOR-A insists that its ability to execute and/or oversee costly and necessary taxpayer-funded contracts to train and sustain the ANDSF, and to provide them hundreds of millions of dollars' worth of equipment and direct-assistance funds, has thus far "not been adversely affected by the reduction of force levels"⁴¹—an assurance not yet tested by time or independent audit.

Meanwhile, U.S. funding for the ANDSF has declined. Annual U.S. appropriations for the Afghanistan Security Forces Fund (ASFF, the funding vehicle used to build, equip, train, and sustain the ANDSF, are at their lowest levels since FY 2008. Congress appropriated roughly \$3 billion in FY 2021 for ASFF and rescinded \$1.1 billion from the \$4.2 billion FY 2020 appropriation.⁴²

Persistent ANDSF weaknesses in mission-critical areas continue to hinder the force's effectiveness, readiness, and sustainability. These include nascent personnel accountability and payroll capabilities, logistics challenges, and heavy reliance on U.S.-funded contractors for maintenance of U.S.-provided vehicles and aircraft.

Aircraft maintenance provides a striking example of the challenges facing the ANDSF. DOD has acknowledged that building an organic Afghan aircraft-maintenance capability is a years-long process. Training a fully qualified routine-level maintainer can take up to 18 months, and an advanced-level maintainer up to 7.5 years. As of January 2021, the Afghan Air Force (AAF) has filled less than half of its maintainer positions with personnel trained and certified in the required aircraft-maintenance specialties and at the required certification levels.⁴³

³⁸ OUSD-P, response to SIGAR vetting, 1/6/2021.

³⁹ CSTC-A, response to SIGAR data call, 12/16/2020; CSTC-A, response to SIGAR vetting, 10/11/2020; DOD OIG, Operation Freedom's Sentinel: October 1, 2020–December 31, 2020, pp. 28–30.

⁴⁰ CSTC-A, response to SIGAR data call, 12/16/2020 and 9/22/2020.

⁴¹ USFOR-A, response to SIGAR vetting, 1/6/2021.

⁴² SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 30.

⁴³ While most maintenance specialties and certification levels are understaffed with trained and certified maintainers, there are a few that have a significant surplus of maintainers (such as Level 3 Engine/Body for the AC-

Additionally, due to overall U.S. force reductions, the train, advise, and assist command for the AAF (TAAC-Air) has reduced its manpower by 94% since the fall of 2019. This changed its primary mission from direct AAF training and advising, to managing U.S.-funded contracts for AAF aircraft procurement and maintenance, pilot and mechanic training, and infrastructure support.⁴⁴

The United States committed in the U.S.-Taliban agreement to reduce and eventually withdraw “private security contractors” and “supporting services personnel.” But TAAC-Air said in January 2021 that without continued contractor support, none of the AAF’s airframes (UH-60, MD-530, etc.) can be sustained as combat effective for more than a few months.⁴⁵

Policing presents another challenge. After two decades of international support and mentoring, Afghanistan has several highly trained, specialized police forces.⁴⁶ They excel at high-risk arrests and investigations using advanced technical approaches, such as wiretaps. These specialized police forces are an important ANDSF asset in the ongoing war.⁴⁷ However, their capabilities are likely to deteriorate once the international advisor presence is reduced. And at the same time, the Afghan government still lacks a civil police force that can legitimately enforce the ordinary rule of law day-to-day.

The risks created by an upsurge in Taliban violence and a smaller Coalition presence in Afghanistan were highlighted earlier this month in a *Washington Post* story on the elite ANDSF Special Forces, who account for about one-fifth of ANDSF strength. The article notes that the Afghan Special Forces are continually rotated among violent sectors and are taking high casualties. It cites Afghan officers saying they are suffering from reduced U.S. support including

208 and Level 3 Avionics for the A-29). Because personnel between specialties and certification levels are typically not interchangeable, positions with a surplus maintainers were capped at 100% to most accurately determine the percentage of required maintenance positions that remain unfilled. This way, surpluses in some positions did not offset the deficits in others. TAAC-Air, response to SIGAR data call, 1/6/2021; DOD, *Enhancing Security and Stability in Afghanistan*, 6/2019, p. 63.

⁴⁴ DOD OIG, *Operation Freedom’s Sentinel: October 1, 2020–December 31, 2020*, pp. 28–30.

⁴⁵ State, *Agreement for Bringing Peace to Afghanistan between the Islamic Emirate of Afghanistan which is not recognized by the United States as a state and is known as the Taliban and the United States of America*, 2/29/2020, p. 1; DOD OIG, *Operation Freedom’s Sentinel: October 1, 2020–December 31, 2020*, pp. 28–30.

⁴⁶ DOD, *Enhancing Security and Stability in Afghanistan*, 6/2019, p. 78; DOD, *Enhancing Security and Stability in Afghanistan*, 12/2019, p. 2; Marty Skovlund Jr., “This Elite Police Force is Afghanistan’s Secret Weapon Against Violent Extremists,” *Task and Purpose*, 11/15/2017; DOD, *Report on Progress Toward Security and Stability in Afghanistan*, 11/2013, p. 65.

⁴⁷ DOD, *Enhancing Security and Stability in Afghanistan*, 12/2017, p. 96; DOD, *Enhancing Security and Stability in Afghanistan*, 12/2015, p. 76; DOJ, “Statement of Thomas M. Harrigan, Assistant Administrator and Chief of Operations, Drug Enforcement Agency,” *United States Senate’s Caucus on International Narcotics Control*, 7/20/2011, p. 4; DOJ, “Drug Enforcement and the Opioid Crisis: + \$290.5 Million in Program Enhancements and Transfers,” *FY 2020 Budget Request*, p. 2; DOJ, “Statement of Thomas M. Harrigan, Assistant Administrator and Chief of Operations, Drug Enforcement Agency,” *United States Senate’s Caucus on International Narcotics Control*, 7/20/2011, p. 3.

armed drones and tactical air support. The story adds that “Nearly all Afghan military bases outside Kabul require resupply by air because the roads are too dangerous.”⁴⁸

We can hope that the picture painted by the *Post* is not a foretaste of things to come. But we must recognize that a peace process accompanied by rising violence represents a critical threat to the shape of a post-peace civil order and to U.S. reconstruction objectives.

Questions for Policy Makers:

- What impact will the reduction in U.S. and Coalition forces and the consolidation of international advisors at higher ANDSF levels have on the train, advise, and assist mission and on ANDSF capabilities? How will these impact the ANDSF’s ability to maintain security?
- What impact will the reduction of U.S. and Coalition forces and of reconstruction funding have on the counterterrorism mission in Afghanistan?
- Should the United States recalibrate the types and levels of security assistance to Afghanistan now that the number of U.S. forces in the country is at its lowest level since 2001, and if so, what would that look like?
- With a dramatically reduced footprint, how will DOD ensure that U.S. security-related financial investments in Afghanistan are not wasted or susceptible to fraud? How long is the United States willing to fund expensive personnel and logistics sustainment contracts upon which the ANDSF heavily relies, but for which the Afghan government cannot pay?
- After more than \$88 billion appropriated so far to build, equip, train, and sustain the ANDSF, are Afghan forces capable of maintaining the status quo against the Taliban until an Afghan peace agreement is implemented or longer-term if a peace deal does not emerge? If not, what options should be considered to ensure they can, and for how long?

High-Risk Area 2: Uncertain Funding for a Post-Peace Settlement

Afghanistan remains exceptionally reliant upon foreign assistance, creating both an opportunity for donors to influence events there as foreign troops depart, and risks to a potential peace if they reduce assistance too much, too fast, or insist on conditions that cannot be achieved by the parties to the conflict.

U.S. reconstruction programs aimed at promoting economic development, rule of law, respect for human rights, good governance, and security for the Afghan people may become the primary lever of U.S. influence in the country for stability and a negotiated peace.⁴⁹

⁴⁸ Washington Post, “With less U.S. tactical support, Afghanistan’s elite forces are struggling to roll back Taliban advances,” 3/5/2021.

⁴⁹ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, v.

Future funding for Afghanistan faces two principal risks:

- whether expanding the conditions donors set for funding will be sufficient incentive to facilitate and maintain an acceptable peace agreement, and
- whether the level of foreign assistance during this uncertain period is sufficient to prevent state collapse

Donors have increasingly described the continuation of post-peace foreign assistance as conditional on ambitious goals that require action by actors beyond the Afghan government. In what may be an oblique reference to the Taliban and other armed groups, donors acknowledge that several of their desired outcomes are dependent upon “external factors outside [Afghan government] control.”⁵⁰ Given the context of the peace process, donors increasingly recognize that the Taliban will need to play a role if progress is to be made toward at least some of the donor-prioritized outcomes, including reductions in civilian casualties and decreases in the proportion of the population who fear for their personal safety.⁵¹

State reported that the pressure created by its “new conditions-based strategy” brought the two parties to the negotiating table.⁵² Whether the approach ultimately facilitates an acceptable peace agreement remains uncertain.

Including the Taliban in high-level conditions for foreign assistance would be a significant departure from the past when donor conditionality was generally focused on Afghan government performance.⁵³ But as SIGAR has long reported, even when conditionality involved only the Afghan government, it has been difficult to influence behavior.⁵⁴

With regard to risks associated with the amount of foreign assistance, recent analysis suggests the Afghan government already faces great stress. According to a recent report coauthored by the World Bank’s lead economist for Afghanistan and published by the Overseas Development Institute (ODI), in 2018 (the most recent year for which full data is available), Afghanistan received at least \$8.6 billion in foreign aid, representing almost 80% of the nation’s \$11 billion in public expenditures (estimates for total on-budget and off-budget assistance). On-budget donor funds are those included in the Afghan national budget and managed through Afghan government systems. Off-budget funds are those that do not meet the conditions of on-budget assistance. As the ODI authors observe, Afghanistan’s unprecedented aid dependence has shaped Afghanistan’s political system and economy.⁵⁵

⁵⁰ “Afghanistan Partnership Framework,” 11/24/2020, p. 5.

⁵¹ “Afghanistan Partnership Framework,” 11/24/2020, p. 6.

⁵² State, Integrated Country Strategy: Afghanistan, 11/15/2020, p. 2.

⁵³ SIGAR, Quarterly Report to the United States Congress, 1/30/2019, p. 115.

⁵⁴ SIGAR, “Prepared Remarks of John F. Sopko Special Inspector General for Afghanistan Reconstruction Carnegie Endowment for International Peace,” 12/10/2014.

⁵⁵ Tobias Haque and Nigel Roberts, Afghanistan’s Aid Requirements: How much aid is required to maintain a stable state? Expert note hosted by the Overseas Development Institute (UK) Lessons for Peace project, 10/2020, p. 4.

At the November 2020 Afghanistan Conference held virtually in Geneva, participants from 66 countries and 32 international organizations pledged at least \$3.3 billion in development aid for one year, with annual commitments expected to stay at the same level until 2024, the UN said. Assuming these pledges are fulfilled over the four years, this represents a 15% decrease compared to the amount of aid pledged at the 2016 Brussels Conference.⁵⁶ The United States, for its 2021 pledge, made half of its potential \$600 million in development assistance for the year contingent upon progress in the peace process.⁵⁷

The amount pledged, if wholly realized, comes close to the \$3 billion in donor assistance for civilian expenditures that the authors of the ODI note determined was the minimum yearly amount necessary to preserve Afghan state functionality in 2025–2026. The authors found that an additional \$3.6 billion would be required for security, mostly from the United States, as it is presently the “only [security sector] donor of real consequence.”⁵⁸

The decrease in aid comes despite an earlier World Bank estimate that peace would require around \$5.2 billion in new and additional public financing for civilian assistance through 2024. According to the World Bank, its proposed post-settlement suite of programs is necessary for “signaling change” or the message that peace delivers a short-term, noticeable improvement in living standards, increasing the chance of sustaining peace.⁵⁹

In November 2020, representatives for donor countries—including the United States—that collectively provide 80% of official development assistance to Afghanistan wrote to the Afghan government and Taliban negotiating teams that “sovereign decisions made by Afghans in these talks about their country’s future governing arrangements will determine donor development and budget support to Afghanistan.”⁶⁰

Donors have signaled their interest in mobilizing “all available instruments to accompany and follow up on a peace settlement,” including extending development programs to previously underserved areas.⁶¹ Yet donors are also signaling that their future assistance depends not only on Afghan government actions, but on those of the opposition Taliban, introducing a new dynamic to an already uncertain foreign-assistance future. In statements that appear directed at both sides, donors are calling for respect for the democratic system enshrined in the Afghan

⁵⁶ UN, Strong Support for Afghanistan at the 2020 Afghanistan Conference, 11/24/2020; “Geneva Conference on Afghanistan: Joint Communiqué,” 11/28/2018, p. 5; “Communiqué 2020 Afghanistan Conference,” 11/24/2020, p. 1.

⁵⁷ State, “Remarks at 2020 Afghanistan Conference,” 11/24/2020.

⁵⁸ Tobias Haque and Nigel Roberts, Afghanistan’s Aid Requirements: How much aid is required to maintain a stable state? Expert note hosted by the Overseas Development Institute (UK) Lessons for Peace project, 10/2020, p. 11.

⁵⁹ SIGAR, Quarterly Report to the United States Congress, 10/30/2019, p. 105.

⁶⁰ “Key elements for sustained international support to Peace and Development in Afghanistan,” 11/17/2020, p. 1.

⁶¹ “Key elements for sustained international support to Peace and Development in Afghanistan,” 11/17/2020, p. 1.

constitution and “full equality between women and men, girls and boys, in all aspects of life, political, economic and social” as necessary conditions for continued international support.⁶²

An Afghan government that includes the Taliban would be an added challenge for future funding. In September 2020, Ambassador Khalilzad told Congress that current U.S. policy prohibits providing assistance to the Taliban. If the Taliban become part of a future government, he added, the U.S. Congress and Executive Branch would need to make legal and policy changes to allow for continued foreign assistance.⁶³

Many of the efforts in the high-risk areas identified in this report will be unlikely to proceed at all without sustained, and in some cases additional, donor support.

Questions for Policy Makers:

- What evidence is there that the Taliban will moderate their policies on democracy and human rights in response to donors conditioning future assistance on certain actions and reforms?
- What kind of assistance planning should Congress and U.S. implementing agencies prepare for in the event the Afghan government and the Taliban cannot reach a peace agreement, or if the Taliban refuses to fully embrace donor conditions for future funding?
- How much can donor assistance decrease without (1) destabilizing the Afghan government and the ANDSF, (2) returning Afghanistan to civil war and perhaps once again becoming a haven for international terrorists, and (3) encouraging the Taliban to resolve the conflict through conquest?

High-Risk Area 3: The Need to Reintegrate Ex-Combatants

The State Department says the top priority for the U.S. mission in Afghanistan is a successful peace process to create the stability “essential to ensure this country is never again a base for terrorist threats against the United States, its allies, or its interests.”⁶⁴ A critical step toward realizing that priority is developing a process to reintegrate ex-combatants from both sides into normal political, social, and economic life once a peace settlement permits reducing the numbers of fighters.

In September 2020, the Afghan government and the Taliban initiated the long-awaited intra-Afghan negotiations. These talks began after the Afghan government and Taliban released several thousand of each other’s prisoners. According to U.S. Special Representative for Afghanistan Reconciliation Zalmay Khalilzad, the Afghan government held approximately

⁶² “Afghanistan Partnership Framework,” 11/24/2020, pp. 2–4.

⁶³ SIGAR, Quarterly Report to the United States Congress, 10/30/2020, p. 110.

⁶⁴ State, Integrated Country Strategy: Afghanistan, 2/2021, p. 2.

13,000 Taliban prisoners at the time of the U.S.-Taliban agreement in February 2020.⁶⁵ As of February 2021, the Afghan government reported it had released approximately 5,500 Taliban prisoners. In February 2021, Afghanistan's First Vice President Amrullah Saleh claimed that an unspecified number of these released Taliban fighters had returned to the battlefield.⁶⁶

The Taliban have 55,000–85,000 fighters, according to the United Nations, based on estimates provided by member states.⁶⁷ Depending on the terms of a peace agreement, some Taliban fighters will be integrated into the ANDSF; others will need to transition to productive noncombatant status in civil society. The same holds true for an unknown number of Afghan state-aligned formal and informal security forces.

The UN defines reintegration as “the process by which ex-combatants acquire civilian status and gain sustainable employment and income,” adding that this “often necessitates long-term external assistance.”⁶⁸ That process can be complex and long-term, with social, economic, political, security, and humanitarian dimensions.⁶⁹

Reintegration programs have often been implemented as part of a series of disarmament, demobilization, and reintegration efforts meant “to deal with the post-conflict security problem that arises when combatants are left without livelihoods and support networks.”⁷⁰

Reintegration efforts aim to return former fighters to civilian activities, and more broadly, to contribute to peace-building, conflict prevention, and reestablishing the state's legitimate monopoly over the use of force.⁷¹

Afghanistan will likely face significant challenges based on the mixed record of reintegration efforts since the late 1980s.⁷² The nature and extent of those challenges will depend largely on the peace process itself, its level of inclusivity, trust among the parties, the degree to which

⁶⁵ SIGAR, Quarterly Report to the United States Congress, 10/30/2020, p. 105.

⁶⁶ TOLONews, “Saleh Blames Released Taliban for Violence, No More ‘Blind Trust’,” 2/11/2021.

⁶⁷ United Nations Security Council, Letter Dated 19 May 2020 from the Chair of the Security Council Committee Established Pursuant to Resolution 1988 (2011) Addressed to the President of the Security Council, S/2020/415, 5/27/2020, p. 11.

⁶⁸ UNDP, “Practice Note: Disarmament, Demobilization and Reintegration of Ex-combatants,” 2011, p. 12.

⁶⁹ UN, Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS), 2014, pp. 24–25.

⁷⁰ UN, Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS), 2014, pp. 24–25.

⁷¹ UN, Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS), 2014, p. 24; Jeremy Weinstein and Macartan Humphreys, “Disentangling the Determinants of Successful Demobilization and Reintegration,” Working Paper Number 69, Center for Global Development, September 2005, p. 3.

⁷² UK Foreign & Commonwealth Office, “Reintegration and Reconciliation in Conflict: Experience and Lessons,” July 2016, p. 2.

reintegration issues are decided in an agreement or deferred, and numerous other elements. However, several factors could undermine Afghanistan’s reintegration efforts, including:⁷³

- a weak economy that currently offers few sustainable livelihood options
- ongoing insecurity
- political uncertainty
- poor social cohesion within a population traumatized by decades of war
- weak governance and rule of law

Moreover, if reintegration requires long-term assistance, donor fatigue is a very real concern, for reintegration programming involves extensive data collection and analysis, information management, vetting, monitoring and evaluation, capacity development of host government institutions, and resource mobilization.⁷⁴ Together, these contextual and programmatic issues will test the ability of Afghan stakeholders and donors to successfully design and implement reintegration efforts.

In September 2019, SIGAR issued a lessons-learned report that examined the five main post-2001 reintegration efforts in Afghanistan and assessed their effectiveness. SIGAR found that the absence of a comprehensive political settlement or peace agreement was a key reason prior reintegration programs aimed at Taliban fighters had failed. Other important factors were insecurity and threats against program participants, a weak economy offering few legal economic opportunities, and limited government capacity to implement a program.⁷⁵

Consequently, none of the reintegration programs enabled a significant number of ex-combatants to socially and economically rejoin civil society. Programs specifically targeting Taliban insurgents did not weaken the insurgency to any substantial degree or contribute meaningfully to parallel reconciliation efforts.⁷⁶

Failure to prepare for more effective reintegration of former fighters—both insurgent and government—would be a severe roadblock to Afghanistan reconstruction.

Questions for Policy Makers:

- Should the international community encourage Afghan peace negotiators to include the reintegration of ex-combatants as a focused area of discussion?

⁷³ UN, Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS), 2014, pp. 33–34.

⁷⁴ UN, The Integrated Disarmament, Demobilization, and Reintegration Standards (IDDRS): Module 4.30 Reintegration, 2006, pp. 11–30, 56.

⁷⁵ SIGAR, Reintegration of Ex-Combatants: Lessons from the U.S. Experience in Afghanistan, SIGAR 19-58-LL, 9/2019, i.

⁷⁶ SIGAR, Reintegration of Ex-Combatants: Lessons from the U.S. Experience in Afghanistan, SIGAR 19-58-LL, 9/2019, i.

- If a reintegration program were established, who would be responsible for designing, implementing, and funding it, and what role would the United States play in reintegration efforts?
- Do donors have the appetite to commit to a series of long-term, post-conflict reintegration activities, and the ability to effectively implement them?
- How should U.S. agencies adjust current assistance and programming to ensure that they are conducive to future, potential reintegration efforts?

High-Risk Area 4: Endemic Corruption

Corruption threatens all U.S. and international efforts in Afghanistan.⁷⁷ Corruption particularly threatens developing a functional Afghan government and effective security forces to address the insurgency.⁷⁸ Corruption not only erodes Afghans' trust in their government, but also compromises the intended outcomes of development interventions, and undermines security by fueling insurgent and corrupt power structures.⁷⁹

SIGAR's September 2016 Lessons Learned Program report, *Corruption in Conflict*, found that corruption substantially undermined the U.S. mission in Afghanistan from the very beginning. SIGAR concluded then, and remains concerned, that the failure to effectively address the problem means U.S. reconstruction programs, at best, will be subverted by systemic corruption and, at worst, will fail.⁸⁰

Donors continue to demand concrete anticorruption actions from the Afghan government. At the November 2020 Afghanistan Conference, participants adopted the Afghanistan Partnership Framework, calling for the Afghan government to carry out a "meaningful, demonstrable fight against corruption" as a condition for continued international support.⁸¹ Secretary of State Michael Pompeo said the Afghan government must implement "real anticorruption efforts" essential for stability and security in the country.⁸²

At the conference panel on corruption, U.S. Chargé d'Affaires Ambassador Ross Wilson called for "vigorous public action to identify, prosecute, and effectively punish corrupt officials

⁷⁷ John F. Sopko, "The State of Corruption in Afghanistan and the Role of Independent Institutions" (remarks presented at an Integrity Watch Afghanistan webinar), 6/24/2020.

⁷⁸ SIGAR, Quarterly Report to the United States Congress, 1/30/2020, iv.

⁷⁹ SIGAR, Afghanistan's Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, p. 1.

⁸⁰ SIGAR, *Corruption in Conflict: Lessons from the U.S. Experience in Afghanistan*, 9/2016; SIGAR, Afghanistan's Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, p. 1.

⁸¹ UNAMA, "Communiqué 2020 Afghanistan Conference," 11/24/2020, p. 1; "Afghanistan Partnership Framework," 11/24/2020, pp. 2–4.

⁸² State, "Remarks at 2020 Afghanistan Conference," 11/24/2020.

involved in the taking of public resources.”⁸³ UN Special Representative of the Secretary-General Deborah Lyons said it was “past time for those who are responsible [for corruption] to be held accountable,” labeling corruption a “silent cancer steadily affecting all aspects of the lives of Afghan citizens.”⁸⁴

Surveys show corruption remains a widespread issue affecting Afghans. According to the latest Asia Foundation survey results, 85% of respondents in 2020 reported that corruption was a major problem in their daily life and 95% of respondents said corruption was a major problem in Afghanistan as a whole.⁸⁵

While the Afghan government has repeatedly assured the international community that it has the political will to combat corruption and make needed institutional reforms, it has a mixed record of completing them.⁸⁶ The Afghan government often makes “paper” reforms, such as drafting regulations or holding meetings, rather than taking concrete actions that would reduce corruption, like arresting or enforcing penalties on powerful Afghans. SIGAR’s cumulative work has repeatedly identified the impunity of powerful Afghans as an ongoing issue, and the Afghan government continues to face challenges with the extradition, arrest, and prosecution of corrupt individuals.⁸⁷

SIGAR investigations have identified corruption at virtually every level of the Afghan state—from salaries paid by international donors for Afghan soldiers and police who do not exist—to theft of U.S.-military-provided fuel on a massive scale.⁸⁸ Furthermore, SIGAR’s work has found that the Afghan government tends to take meaningful action only when donors are engaged and call for reforms to curb systemic corruption.⁸⁹

Donor nations at the 2020 Afghanistan Conference missed an opportunity to strongly address the growing problems of corruption in Afghanistan.⁹⁰ According to the UN Secretary-General,

⁸³ Ross Wilson, remarks delivered to the Afghanistan 2020 Conference Side Event on Institutional and Societal Methods for Fighting Corruption, 11/23/2020.

⁸⁴ Deborah Lyons, remarks delivered by Ramiz Alakbarov on behalf of Deborah Lyons to the Afghanistan 2020 Conference Side Event on Institutional and Societal Methods for Fighting Corruption, 11/23/2020.

⁸⁵ In 2019, the Asia Foundation reported that 67.9% of those surveyed said corruption was a major problem in their daily life and 81.5% of those survey said corruption was a major problem in Afghanistan as a whole. Due to COVID-19 pandemic, the Asia Foundation was unable to conduct its annual in-person Survey of the Afghan People in 2020. Instead, in 2020, the Asia Foundation gathered the views of over 4,300 Afghans aged 18+ by telephonic interview using random digit dialing. Asia Foundation, Afghanistan Flash Surveys on Perceptions of Peace, Covid-19, and the Economy: Wave 1 Findings, 11/23/2020, ii, pp. 70–71; Asia Foundation, A Survey of the Afghan People: Afghanistan in 2019, pp. 142–143.

⁸⁶ SIGAR, Afghanistan’s Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, p. 2.

⁸⁷ SIGAR, Afghanistan’s Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, p. 2.

⁸⁸ John F. Sopko, “The State of Corruption in Afghanistan and the Role of Independent Institutions” (remarks presented at an Integrity Watch Afghanistan webinar, 6/24/2020).

⁸⁹ SIGAR, Afghanistan’s Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, pp. 1–2.

⁹⁰ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, iv.

little action resulted from intensified pressure on the Afghan government to enhance tangible anticorruption results ahead of the conference.⁹¹

While the Afghanistan Partnership Framework did outline a number of principles, outcomes, and jointly agreed priority areas (including established reform targets for 2021), the targets for 2022 and beyond are merely “indicative” and subject to revision in subsequent annual donor meetings.⁹²

The Framework fell short in one key respect about corruption: although it commits to the principle of conditioning future assistance, it failed to articulate specific financial consequences for the Afghan government if its obligations to donors are not met (including those related to corruption). As a result, it is unclear if whatever consequences are eventually set will be severe enough to alter the Afghan government’s behavior and incentivize meaningful anticorruption reforms.

Evidence from previous undertakings is not entirely encouraging. Throughout 2020, the Afghan government reported on the earlier anticorruption and institutional reform benchmarks in the 2018 Geneva Mutual Accountability Framework (GMAF) and the self-imposed benchmarks it created in response to SIGAR’s November 2019 anticorruption assessment. In July 2020, the Afghan government said it had completed 85% of the GMAF benchmarks related to anticorruption, governance, rule of law, and human rights.⁹³

However, international donors and Afghan government officials have acknowledged that some GMAF benchmarks are poorly worded, and they have disagreed on whether a benchmark has actually been achieved. In response to SIGAR’s November 2019 anticorruption assessment, the Afghan government agreed to implement all eight of SIGAR’s matters for consideration to improve its anticorruption efforts, and created 27 time-bound reforms that it would implement by June 2020. In August 2020, the Afghan government provided documentation showing that it had implemented only 16 of those 27 benchmarks.⁹⁴

The outlook for anticorruption progress therefore remains problematic. Without more determined commitment and effort by all concerned, reconstruction programs cannot achieve their full intended results, and Afghanistan will suffer for it.

Questions for Policy Makers:

- What tangible, anticorruption-related reform benchmarks should be demanded and/or incentivized by donors as part of the Afghanistan Partnership Framework process (and follow-on) that was issued at the November 2020 Afghanistan Donor Conference? How will donors reliably measure these most relevant indicators?

⁹¹ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 90.

⁹² SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 89.

⁹³ SIGAR, Afghanistan’s Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, pp. 2–3.

⁹⁴ SIGAR, Afghanistan’s Anti-Corruption Efforts Alert Letter, SIGAR 21-09-AL, 11/6/2020, pp. 2–3.

- Are reform benchmarks too vague or bland, having no meaningful impact on rampant institutional corruption? What is the best forum to differentiate between intangible and real anticorruption efforts?
- What forms of financial penalties and/or incentives best foster real anticorruption progress?
- What are reasonable expectations for Afghan government anticorruption-related results given competing challenges of (1) regime stability and potential difficulties if a peace agreement results in the integration of the Taliban into an amalgamated government and (2) reform?
- How will donors adapt their anticorruption monitoring methods if international troops depart the country? How can CSTC-A continue its efforts to ensure its partners are “reliable” if it has reduced interactions with these partners?

High-Risk Area 5: Lagging Economic Growth and Social Development

Persistent corruption, an over-reliance on international aid, worsening security conditions, and limited government capacity, all compounded by the COVID-19 pandemic, inhibit sustainable progress in Afghanistan’s economic and social development.

The U.S. government’s current Integrated Country Strategy for Afghanistan, publicly released in February 2021, states that no U.S. efforts to promote a stable Afghanistan can be sustained without accelerating private sector-driven growth in the licit Afghan economy and making social gains in health, education, and women’s empowerment.⁹⁵ Accordingly, the U.S. government has made substantial investments to boost economic growth, governance, and social development across the country, with appropriations totaling \$35.95 billion since 2002.⁹⁶

Despite this support, Afghanistan continues to be plagued by sluggish economic growth with stagnating indicators in the health and education sectors. Persistent corruption, an over-reliance on international aid, worsening security conditions, and limited government capacity inhibit sustainable progress in Afghanistan’s economic and social development.

During 2020, the emergence of the COVID-19 pandemic and the uncertainty of Afghan peace negotiations compounded many of these perennial economic and social challenges. COVID-19 has overwhelmed Afghanistan’s limited healthcare system and severely constricted economic activity, resulting in increased poverty and unemployment. As COVID-19 continues to ravage Afghanistan, the pandemic is undoing the modest progress made in economic and social development in recent years and further threatens the country’s political stability.

Besides the pandemic, the uncertainty surrounding the ongoing peace process, increasing violence, future levels of donor assistance, and reintegration of former combatants and Afghan

⁹⁵ State, Integrated Country Strategy: Afghanistan, 11/15/2020, pp. 3, 7.

⁹⁶ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 25.

returnees into a struggling economy with high unemployment, has undermined investor confidence in the Afghan economy.

Even before COVID-19, the Afghan economy suffered from sluggish growth, with annual GDP growth never rising above 3% since the 2014 phased military drawdown of U.S. and Coalition forces. In recent years, Afghanistan has struggled with a number of economic challenges, including the effects of extreme weather such as droughts and flash flooding.

In September 2019, the State Department also noted further pressure caused by a drop in remittances from Iran—where many Afghan migrants work—due to that country’s increasing economic struggles, partly as a result of U.S. sanctions, and the economic and social support burdens caused by the sharp increase in Afghan returnees, especially in Afghanistan’s western provinces.⁹⁷

In December 2019, the International Monetary Fund predicted economic growth in 2020 would reach 3.5%, aided by the recovery in the agricultural sector following a widespread drought in 2018.⁹⁸ In 2020, however, Afghanistan’s more modest 3% growth in 2019 was wiped out as the Afghan economy contracted by an estimated 5% of GDP⁹⁹ amid the COVID-19 pandemic. The resulting shutdown of international trade routes along with the government-mandated lockdown led to a decline in economic activity for an already anemic economy, resulting in increases in unemployment, food insecurity, and overall poverty levels.¹⁰⁰

The United Nations Development Programme estimates that poverty in Afghanistan, defined as income of 2,064 afghanis per person per month (around \$1 a day), has increased to 68% from its pre-pandemic level of 55%.¹⁰¹ According to the UN, the number of Afghans requiring humanitarian assistance in 2021 has reached approximately half of Afghanistan’s total estimated population due to the health and socio-economic impact of the COVID-19 pandemic. This figure is nearly double that of the previous year, and a six-fold increase over four years. In January 2021, the UN’s Humanitarian Response Plan for Afghanistan announced that \$1.3 billion is required in 2021 to reach individuals in need of aid.¹⁰²

As expected, SIGAR found that the COVID-19-related restrictions on overall economic activity led to a decline in sustainable domestic revenues for the Afghan government. Those revenues fell by 2.8%, year-on-year, in 2020, while government expenditures increased by 8.1%.¹⁰³ As SIGAR has noted, the Afghan government needs to strengthen its fiscal capacity in order to

⁹⁷ State, SCA, response to SIGAR data call, 9/18/2019.

⁹⁸ IMF, Staff Report for the 2019 Article IV Consultation and the Sixth Review under the Extended Credit Facility Arrangement, 12/4/2019, pp. 1, 7.

⁹⁹ Asian Development Bank, “Afghanistan and ADB,” 9/2020.

¹⁰⁰ SIGAR, Quarterly Report to the United States Congress, 7/30/2020, pp. 132, 134, 139.

¹⁰¹ United Nations Development Programme, “Afghanistan: Coronavirus Socio-Economic Impact Assessment,” 7/22/2020, pp. 1, 12.

¹⁰² UN OCHA, Humanitarian Response Plan, Afghanistan, 2018–2021, 1/2021, p. 5.

¹⁰³ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 119.

support the domestic infrastructure and institutions necessary for sustainable economic growth.¹⁰⁴

Yet, donor grants totaling at least \$8.6 billion per year (covering both security and civilian assistance) currently finance almost 80% of Afghanistan's \$11 billion in public expenditures (estimates for total on-budget and off-budget assistance).¹⁰⁵ On-budget donor funds are those included in the Afghan national budget and managed through Afghan government systems. Off-budget funds are those that do not meet the conditions of on-budget assistance. The revenue losses caused by COVID-19 further diminish the Afghan government's ability to wean itself from international assistance and toward financial self-sufficiency.

Given the pervasive impact of COVID-19 within Afghanistan, public-health officials estimate at least one-third of the population has contracted the disease. Future health programs will have to grapple with the long-term and lingering health effects of COVID-19, as well as secondary, indirect impacts of the pandemic due to the limited capacity of the public-health sector, including increased child-mortality rates and antimicrobial resistance.¹⁰⁶

Health-care facilities and workers have also been deliberately attacked by both antigovernment and pro-government forces amid an uptick in violence. In June 2020, the United Nations released a special report detailing 15 attacks involving health-care facilities between March 11 and May 23, 2020, including 12 deliberate attacks and three instances of incidental harm from fighting. Ten of these were attributed to the Taliban.¹⁰⁷

Afghanistan's education sector also has been hit hard by COVID-19. Schools closed on March 14, 2020, to slow viral spread. While schools reopened in fall 2020, many students reported having little to no contact with teachers during the lockdown, with distance learning hampered by the lack of electricity and limited access to the internet.¹⁰⁸ At the end of 2020, the Ministry of Education reclosed schools as COVID-19 cases increased during a second wave of the disease.¹⁰⁹ Given the worsening economy and the pressure on students to help support their families, among other challenges, many students may not find their way back into school.¹¹⁰

¹⁰⁴ SIGAR, Quarterly Report to the United States Congress, 10/30/2019, p. 138; SIGAR, Quarterly Report to the United States Congress, 4/30/2020, p. 135.

¹⁰⁵ Tobias Haque and Nigel Roberts, Afghanistan's Aid Requirements: How much aid is required to maintain a stable state? Expert note hosted by the Overseas Development Institute (UK) Lessons for Peace project, 10/2020, p. 4.

¹⁰⁶ SIGAR, Quarterly Report to the United States Congress, 10/30/2020, pp. 148–149; Voice of America, Ayaz Gul, "10 Million Afghans Likely Infected and Recovered from COVID-19: Survey," 8/5/2020.

¹⁰⁷ UNAMA, Afghanistan Protection of Civilians in Armed Conflict Special Report: Attacks on Healthcare During the COVID-19 Pandemic, 6/20/2020, p. 3.

¹⁰⁸ SIGAR, Quarterly Report to the United States Congress, 10/30/2020, pp. 174–175.

¹⁰⁹ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 146.

¹¹⁰ Global Partnership for Education, Jordan P. Naidoo and Abdul Wassay Arian, "Afghanistan's COVID-19 Education Response," 6/23/2020; World Vision International, "50% of families in Afghanistan forced to send their children to work during COVID-19 pandemic," 11/20/2020.

The Afghan government has made substantial progress since 2002 in expanding access to education compared to the years under Taliban rule. However, even before the pandemic, the education sector faced numerous challenges due to continued insecurity and critical shortages in resources, with many students, especially girls, remaining out of school. Even prior to the spread of COVID-19, 2.6 million girls, or approximately 60% of school-aged girls, were reportedly out of school.¹¹¹

Even in the best-case scenario for Afghanistan—if the Afghan government brings the COVID-19 pandemic under control and negotiates a peace agreement with the Taliban—success will not translate immediately into sustainable licit economic growth, as many enduring barriers will remain. These include a limited pool of skilled labor, the lingering effects of four decades of near-continuous conflict, deficits in physical and institutional infrastructure, and heavy reliance on foreign donor support. In addition, widespread corruption would continue to undermine investor confidence in the Afghan economy.¹¹²

A peace agreement could not only lead to the challenge of reintegrating ex-combatants into the Afghan economy, but also to the return of a large number of Afghans from abroad, including over two million Afghans residing in Pakistan and nearly 3.5 million Afghans in Iran (figures include refugees).¹¹³ Upon their return, they could be facing a weak licit labor market unable to fully assimilate the large influx of labor in the short term, potentially exacerbating already high unemployment and poverty figures.

As the Afghan government assumes a more prominent role in managing its own economic and social development in the coming years, its limited fiscal capacity may be inadequate to sustain the infrastructure (e.g., roads, reliable power generation, and economic supply chains) and institutions (e.g., government ministries) that, while flawed, are necessary underpinnings for sustainable economic growth. The government’s lack of financial sustainability is an issue affecting all high-risk areas identified by SIGAR.

Questions for Policy Makers:

- What can be done to facilitate more private-sector investment in Afghanistan?
- What would be the broader effects on the Afghan economy if U.S. military personnel continue to withdraw?

¹¹¹ Al Jazeera English, “Up to 60 percent of Afghan girls out of school: report,” 6/3/2018; SIGAR, Quarterly Report to the United States Congress, 7/30/2020, p. 151; SIGAR, Quarterly Report to the United States Congress, 10/30/2020, pp. 173–174.

¹¹² SIGAR, Private Sector Development and Economic Growth: Lessons from the U.S. Experience in Afghanistan, SIGAR 18-38-LL, 4/2018, ix; TOLONews, “Zarmina Mohammadi, “Lack of Skilled Labor a Drawback for Investors,” 4/28/2017.

¹¹³ Arab News, Naimat Khan, “Afghan refugees hope peace talks will finally take them ‘home,’” 9/15/2020; UNHCR, “Refugees in Iran,” Accessed 12/2/2020; USAID, Country Development Cooperation Strategy FY2019–2023, 11/27/2018, p. 13.

- What changes will need to be made for U.S. economic and social-development programming to be safely and effectively implemented and monitored if most U.S. military and civilian personnel are withdrawn from Afghanistan?
- How will U.S. economic and social-development funding be adjusted if a peace agreement is not forthcoming?
- How will U.S. economic and social-development programs in Afghanistan need to be adjusted due to COVID-19?

High-Risk Area 6: Illicit Narcotics Trade

As SIGAR has repeatedly noted, the deleterious effects of Afghanistan’s illicit narcotics trade extend beyond health impacts. The trade also helps fund insurgents, foster corruption, and provoke criminal violence.¹¹⁴

In recognition of those dangerous linkages, the United States Congress has appropriated over \$9 billion since FY 2002 to help stem the expansion of Afghanistan’s opium economy.¹¹⁵ Various U.S. government agencies have sought to address Afghanistan’s narcotics trade through interdiction and counterdrug law enforcement; opium-poppy eradication; alternative development programs aimed at creating licit livelihood opportunities; and the mobilization of Afghan political and institutional support, to little effect.¹¹⁶

But after more than 18 years of counternarcotics effort, Afghanistan continues to dominate global opium cultivation and production. Based on 2018 data, Afghan opiate production accounted for 84% of global morphine and heroin seizures.¹¹⁷ That chilling number provides a rough indication—rough because seizures take out only a small slice of estimated production—of Afghan opiates’ presence in the global market.

The problem is daunting. According to the United Nations Office on Drugs and Crime’s (UNODC) *2020 World Drug Report*, an estimated 163,000 hectares (one hectare is about 2.5 acres) of opium poppy were cultivated in Afghanistan during 2019 (more current reporting has been delayed). Although a 50% reduction from the record high of 328,000 hectares in 2017—a drought played a role in that decline—2019 cultivation remained nearly three times the 1994–2001 average.¹¹⁸

In fact, UNODC reported that the 2019 gross income from opiates exceeded the value of *all* the country’s officially recorded licit exports for that year.¹¹⁹

¹¹⁴ SIGAR, Quarterly Report to the United States Congress, 10/30/2020, p. 129.

¹¹⁵ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 172.

¹¹⁶ SIGAR, Counternarcotics: Lessons from the U.S. Experience in Afghanistan, SIGAR 18-52-LL, 6/2018, p. 3.

¹¹⁷ UNODC, “World Drug Report 2020, booklet 3,” 6/2020, p. 17.

¹¹⁸ UNODC, “World Drug Report 2020, booklet 1,” 6/2020, p. 40; SIGAR analysis of UNODC data, 6/2020.

¹¹⁹ UNODC, Afghanistan Opium Survey 2019: Socioeconomic survey report, 2/2021, p. 5.

The Taliban insurgency is linked to opium-poppy cultivation. The Taliban stronghold of southern Afghanistan accounts for the largest share—68% of the national cultivation total. Helmand was the leading poppy-cultivating province at 136,798 hectares in 2018, with Kandahar (23,410 hectares) and Uruzgan (18,662 hectares) Provinces ranked second and third, respectively.¹²⁰ All told, insurgent-dominated districts accounted for 47% of opium-poppy cultivation compared to 25% for government-dominated districts.¹²¹

Even in the midst of the COVID-19 pandemic and its serious effects on global economies, Afghanistan’s opium economy has remained resilient. UNODC reported that Afghanistan’s 2020 opium-poppy harvest was largely uninterrupted by COVID-19.¹²² In contrast, the State Department’s Bureau of International Narcotics and Law Enforcement Affairs (INL) said COVID-19 forced the Afghan government to reduce its counternarcotics operations.¹²³

In response to SIGAR’s 2018 lessons-learned report, *Counternarcotics: Lessons from the U.S. Experience in Afghanistan*, on September 17, 2018, the Senate Caucus on International Narcotics Control requested that SIGAR conduct a review of the U.S. government’s current counternarcotics efforts in Afghanistan. The caucus asked SIGAR to determine the status of the State Department-led interagency 2012 *U.S. Counternarcotics Strategy for Afghanistan* and State’s revision of, or plans to revise, this strategy.¹²⁴

SIGAR published an alert letter in January 2020 outlining how State has not revised, and does not plan to revise, that strategy. Rather, State said the *South Asia Strategy* serves as overall guidance for U.S. strategic priorities in Afghanistan and counternarcotics efforts.¹²⁵ The only available unclassified description of the *South Asia Strategy*—a 2017 speech by President Trump—did not mention narcotics.¹²⁶

SIGAR also issued an audit report on the State Department’s drug-treatment programs in July 2019, a report on Afghanistan’s justice sector case-management system in January 2020, and a financial audit of the State Department’s drug-treatment programs in September 2020. SIGAR found that State INL does not know the impact of more than \$50 million invested in drug-demand and treatment programs, that State-contracted support to Afghanistan’s drug-treatment system resulted in over \$23 million in questioned costs, and that the State-

¹²⁰ UNODC, *Afghanistan Opium Survey 2018: Cultivation and Production*, 11/2018, pp. 5–6, 14, 16–17; State, INL, response to SIGAR vetting, 1/15/2019.

¹²¹ SIGAR analysis; UNODC, *Afghanistan Opium Survey 2018: Cultivation and Production*, 11/2018, pp. 61–68; USFOR-A, response to SIGAR data call, 12/19/2018.

¹²² UNODC, *World Drug Report 2020*, 6/2020, p. 24.

¹²³ State, INL, response to SIGAR data call, 6/17/2020 and 9/17/2020; State, INL, response to SIGAR vetting, 10/13/2020.

¹²⁴ SIGAR, *Quarterly Report to the United States Congress*, 10/30/2020, p. 132.

¹²⁵ SIGAR, *U.S. Counternarcotics Strategy in Afghanistan*, SIGAR 20-18-AL, 1/10/2020.

¹²⁶ White House, *Remarks by President Trump on the Strategy in Afghanistan and South Asia*, 8/21/2017.

supported Afghan case-management system was incomplete and contained no safeguards to prevent theft of seized or forfeited assets.¹²⁷

As reported in many recent SIGAR publications, the U.S. government has on a number of fronts deemphasized, reorganized, or paused some counternarcotics programming, despite worrisome trends in Afghan narcotics production. The international community and Afghan government have similarly minimized counternarcotics initiatives.

In SIGAR's view, the meager success of the counternarcotics effort in Afghanistan, the Afghan government's less-than-robust commitment to that effort, and the past few years' diminished attention from international organizations and donors constitute a serious threat to reconstruction programs such as security, health, rule of law, economic development, and governance.

Yet in November 2020, international donors at Geneva did *not* include poppy-cultivation estimates among the outcomes or targets outlined in the agreed-to Afghanistan Partnership Framework. The Framework is supposed to reflect a revised form of conditionality, so this would appear to be a missed opportunity for donors to demand measurement of an important crosscutting indicator of Afghanistan's enduring poverty, lawlessness, insecurity, and corruption.¹²⁸

Questions for Policy Makers:

- Given the consistent failure of U.S. counternarcotics programs in Afghanistan over the past 19 years and their decreasing emphasis as a U.S. programmatic priority, can the U.S. government support effective counternarcotics programs with a much smaller U.S. military and civilian presence, and without much-improved Afghan political will?
- How would a potential peace agreement between the Afghan government and the Taliban be leveraged by U.S. implementing agencies to positively influence the development of more effective counternarcotics programs in Afghanistan?
- Will U.S. or Afghan counternarcotics operations targeting narcotics-associated groups such as the Taliban be carried out during a cease-fire or after a peace settlement?
- Will an increase in narcotics trafficking enrich terrorists and the Taliban and therefore threaten U.S. security?

¹²⁷ SIGAR, Drug Treatment in Afghanistan: The Overall Impact and Sustainability of More than \$50 Million in Department of State Projects is Unknown, SIGAR 19-49-AR, 7/2019; SIGAR, Afghanistan's Justice Sector Case Management System: Seized or Forfeited Assets Were Not Tracked and Nationwide Implementation is Not Complete, SIGAR 20-20-SP, 1/2020; SIGAR, Department of State's Efforts to Develop and Sustain Afghanistan's Drug Treatment System: Audit of Costs Incurred by the Colombo Plan for Cooperative Economics and Social Development in Asia and the Pacific Results in More than \$23 Million in Questioned Costs, SIGAR 20-54-FA, 9/2020.

¹²⁸ State Department, "U.S. Reinforces Commitment to Secure, Stable, Democratic, and Self-Reliant Afghanistan at 2020 Conference," 11/24/2020; SIGAR, Quarterly Report to the United States Congress, 1/30/2021, iv.

High-Risk Area 7: Threats to Women’s Rights

The gains Afghan women and girls have made in health, education, legal protections, and participation in public life, may not be protected by whatever form of government that could follow an Afghan peace agreement.

Improving the lives of women and girls and advancing women’s equality in Afghanistan have been key goals of the United States. DOD, State, and USAID have disbursed at least \$787.4 million from 2002 to 2020 on programs that specifically and primarily supported Afghan women and girls in the areas of health, education, political participation, access to justice, and economic participation. The total U.S. investment in women and girls, however, is higher since hundreds of additional U.S. projects and programs have included an unquantifiable gender component.¹²⁹

Afghan women and girls have made substantial gains over the past nearly two decades. They have greater access to life-saving health care, and as many as 3.5 million girls (out of roughly nine million students) are enrolled in school, though the number of girls actually attending is almost certainly lower.¹³⁰ Afghanistan’s legal framework—at least on paper—offers women many protections, including equal rights for women and men.¹³¹ Eighty-six women serve in parliament.¹³² Women now represent roughly one-third of the nation’s teachers, and an estimated 10,000 women are doctors, nurses, and other health professionals.¹³³

Despite these improvements, Afghanistan remains one of the most challenging places in the world to be a woman, with high maternal-mortality ratios, endemic gender-based violence, still-limited access to education and health care, and pervasive harassment of women who

¹²⁹ SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021, ix.

¹³⁰ Due to potential inflation of student enrollment data, 3.5 million is likely a high estimate, but is the best available; SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021, i, ix, pp. 65, 77.

¹³¹ Government of Afghanistan, The Constitution of Afghanistan, 1/26/2004.

¹³² Inter-Parliamentary Union website, Afghanistan, https://data.ipu.org/node/1/basic-information?chamber_id=13574, accessed 11/28/2020.

¹³³ EMIS data from 2018 has the total number of teachers at 75,000 (EMIS, “Teachers & Enrollment—1396–1387,” dataset, Tab 1, accessed 2/1/2020); Government of Afghanistan, National Statistics and Information Authority, “Afghanistan Statistical Yearbook: 2018–2019,” Issue No. 40, 7/2019, p. 55; Belquis Ahmadi, Afghanistan Talks: No Women, No Peace, United States Institute of Peace, 3/1/2019.

work outside the home, especially in nontraditional roles.¹³⁴ In 2018, the United Nations ranked Afghanistan 143rd for gender equality among 162 countries.¹³⁵

Ongoing peace negotiations between the Afghan government and the Taliban raise questions and concerns about whether the fragile gains made by women and girls will be preserved in a future peace agreement. In a February 2020 opinion piece published in the *New York Times*, Sirajuddin Haqqani, the deputy Taliban leader, said the Taliban envisioned an Afghanistan “in which all Afghans have equal rights, where the rights of women that are granted by Islam—from the right to education to the right to work—are protected.”¹³⁶ But given the Taliban’s track record of interpreting the rights Islam grants to women, women’s-rights advocates are wary. Ghizaal Haress, assistant professor at the American University of Afghanistan, said, “If we leave it to [the Taliban’s] broad interpretation or to the broad idea of women’s ‘Islamic values,’ then we’re going to be in trouble.”¹³⁷

In February 2021, SIGAR published its ninth lessons-learned report, *Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan*. The report examined U.S. gender-equality efforts in Afghanistan since 2002, the gains women have made, and ongoing barriers to progress, and made recommendations for how U.S. agencies can best continue to support Afghan women and girls in the future.¹³⁸

Women and girls have achieved important progress since the beginning of United States’ military intervention in 2001. Between 2002 and 2018, the number of trained midwives grew from an estimated 467 to 4,000.¹³⁹ In 2002, only 14% of births were attended by skilled health personnel; in 2018, that number was nearly 60%.¹⁴⁰ The proportion of health facilities staffed with at least one female health worker rose from 25% in 2002 to 92% in 2017.¹⁴¹

¹³⁴ WHO, UNICEF, UNFPA, World Bank Group, and the United Nations Population Division, Trends in Maternal Mortality, 2019, p. 71; Sarah Bibler and Naila Rafique, Violence against Women in Elections in Afghanistan: An IFES Assessment, International Foundation for Electoral Systems (IFES), 4/2019, p. 18; United States Agency for International Development, A Guide to Gender Practice in Afghanistan: 2010–2014, 2014, xlix, p. 1; SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021, pp. 54, 66.

¹³⁵ UN Development Programme, Human Development Report 2019: Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century, 2019, p. 318.

¹³⁶ New York Times, Sirajuddin Haqqani, “What We, the Taliban, Want,” 2/20/2020.

¹³⁷ “Ensuring an Inclusive Afghan Peace Process,” panel discussion hosted by Georgetown University Institute for Women, Peace and Security, 7/11/2019, electronic p. 3.

¹³⁸ SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021.

¹³⁹ Alison Farnham, Olena Kuzyakiv, Skills-Gap Training for Midwives in Rural Afghanistan: An Evaluation, Harvard Center of Excellence in Maternal Health, 8/19/2019; World Bank, How has Afghanistan achieved better health for its citizens?, 4/5/2018, p. 5.

¹⁴⁰ USAID, Fact Sheet: Improved Health for Afghan Mothers and Children, 5/2015, electronic p. 2; World Health Organization, Global Health Observatory Data Repository: Births attended by skilled health personnel, n.d.

¹⁴¹ USAID, Fact Sheet: Improved Health for Afghan Mothers and Children, 5/2015; World Health Organization, Addressing health workforce shortages and maldistribution in Afghanistan, 2018, p. 955.

A reflection of these and other gains is that the maternal-mortality ratio—the number of women who die due to birth- or pregnancy-related complications—has declined, possibly by as much as 19% or more. A caveat is that the methodologies used to generate maternal mortality data have varied over time, and the reliability of some data has been questioned. Thus, while a decline in maternal deaths has likely occurred, a precise measurement of the reduction remains elusive.¹⁴²

In 2001 there were few, if any, female teachers in public schools; by 2018 approximately 70,000 women worked as teachers.¹⁴³ Literacy rates among girls rose from 20% in 2005 to 39% in 2017.¹⁴⁴ In a landmark achievement for women’s political participation, the 2004 constitution reserves 27% of seats in the parliament for women.¹⁴⁵ Almost 50% of the 9,708 elected community-development council members across the country are women.¹⁴⁶ Improvements in women’s economic participation, access to justice, and participation in the security forces have been more modest, but nonetheless represent critical progress.¹⁴⁷

The positive gains across these sectors, however, are tempered by the reality that significant barriers continue to impede progress for women and girls. Girls’ access to education is constrained by the lack of female teachers, of schools, of separate girls’ bathrooms, and by cultural and familial pressures on girls to withdraw from school at puberty.¹⁴⁸ Women’s access to health care is hampered by a lack of female health-care providers, restrictive sociocultural

¹⁴² The difficulty of obtaining data means estimates of the degree of the decline are not highly reliable. SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021, pp. 51–52.

¹⁴³ 70,000 reflects the Afghan Ministry of Education’s 2018 estimate of between 66,000 and 75,000 women in teaching jobs. Education Ministry Information System, “Teachers & Enrollment—1396–1387,” dataset, Tab 1, accessed 2/1/2020; Government of Afghanistan, National Statistics and Information Authority, “Afghanistan Statistical Yearbook: 2018–2019,” Issue No. 40, 7/2019, p. 55.

¹⁴⁴ Government of Afghanistan, Central Statistics Organization, Afghanistan Living Conditions Survey: 2016–2017, 2017, p. 165.

¹⁴⁵ Government of Afghanistan, The Constitution of Afghanistan, 1/26/2004; Afghanistan Research and Evaluation Unit, Women’s Rights, Gender Equality, and Transition: Securing gains, moving forward, 9/2013, p. 10; SIGAR analysis.

¹⁴⁶ Government of Afghanistan, Citizens’ Charter National Priority Program, 12/2016, electronic p. 3; Government of Afghanistan, Citizens’ Charter Quarterly Progress (Fourth Quarter; Reflecting Annual Standing), 1/2019, p. 2; SIGAR analysis.

¹⁴⁷ The number of women serving in the Afghan National Police rose from 180 in 2005 to 3,650 in 2019. Just 5% of Afghan judges in 2007 were women, but by 2018, the proportion had risen to 13%. Women’s share of secure jobs in urban areas rose from 27% in 2007 to 42% a decade later. Their share of civil service jobs (excluding the Afghan army and police) increased from 18% in 2007 to 25% in 2019; SIGAR, Support for Gender Equality: Lessons from the U.S. Experience in Afghanistan, SIGAR 21-18-LL, 2/2021, pp. 102–103, 114–115.

¹⁴⁸ Government of Afghanistan, Ministry of Education, Education for all 2015 National Review Report: Afghanistan, 5/2015, pp. 26, 28–29, 83.

practices, lack of education, and prohibitive costs.¹⁴⁹ Gains in many areas have been geographically uneven, with rural women and girls experiencing significantly less improvement overall.¹⁵⁰

To anticipate how the Taliban might govern if they play a role in a future Afghan government, it is instructive to consider Taliban practices today. Detailed, reliable information on the topic is limited, making it difficult to draw firm conclusions. But a 2020 Human Rights Watch report said few Taliban officials allow girls to attend school past puberty, and “others do not permit girls’ schools at all.”¹⁵¹ The Taliban claim that the social restrictions in areas they control reflect local community norms, not imposed by them—which may be partly true, especially among more conservative rural communities.¹⁵²

Yet more worrying, in 2019, the United Nations Assistance Mission in Afghanistan (UNAMA) documented four occasions of human-rights violations against women by the Taliban—three public lashings and one execution, all on grounds of “immoral” acts. The executed woman’s “crime” included being alone with a man helping her flee an abusive home. The man received 40 lashes on so-called charges of elopement.¹⁵³

Ultimately, the kind of life Afghan women might face under any government in which the Taliban exert influence will be a product of the Taliban’s willingness—or unwillingness—to negotiate their differences with the Afghan government and local communities, and the varying beliefs and practices within their own ranks.

Questions for Policy Makers:

- How can the United States use its existing leverage—diplomatic, financial, and military—to press both Afghan government and Taliban negotiators to ensure that a peace agreement includes language that protects women’s and girls’ rights as currently enshrined in Afghan law, and does not constrain their access to services?

¹⁴⁹ Isobel Coleman, Gayle Tzemach Lemmon, *Maternal Health in Afghanistan: Improving Health and Strengthening Society*, Council on Foreign Relations, 9/2011, p. 3; Denise Byrd, Myra Betron, *Integrating Gender from Start to Finish, Inside and Outside: Lessons from Afghanistan’s Health Services Support Project*, Jhpiego, 2015, pp. 2, 7.

¹⁵⁰ Ministry of Education, Government of Afghanistan, United Nations Children’s Fund, and Samuel Hall, *All in School and Learning: Global Initiative on Out-Of-School Children—Afghanistan Country Study*, 2018, pp. 20–21.

¹⁵¹ Human Rights Watch, *You Have No Right to Complain: Education, Social Restrictions and Justice in Taliban-Held Afghanistan*, 7/20/2020, p. 5.

¹⁵² Human Rights Watch, *You Have No Right to Complain: Education, Social Restrictions and Justice in Taliban-Held Afghanistan*, 7/20/2020, pp. 5–6.

¹⁵³ UNAMA reports from 2007 to 2016 do not always specifically attribute human rights abuses of women specifically to the Taliban, or give specific numbers of such incidents; in 2013, there were simply too many to count. But the reports make it clear that “anti-government elements” have routinely targeted women, either for alleged violations of Sharia law, for working in “male” occupations such as the Afghan National Police, or for being a women’s rights activist. SIGAR analysis of “Reports on the Protection of Civilians in Armed Conflict,” UNAMA, 2007–2019.

- How can the United States best amplify the voices and participation of a wide range of Afghan women leaders—representing various ethnicities, geographies, and socioeconomic backgrounds—in the ongoing Afghan peace negotiations?
- How can DOD, State, and USAID identify and build on what has worked in U.S. gender programming in Afghanistan, and amend or avoid what has not?
- What policy responses are Congress and the Administration prepared to pursue if women’s and girls’ rights are not protected?
- What steps will U.S. agencies need to take to continue delivering assistance to support Afghan women, girls, and gender equality, in the event that the Taliban become part of national, provincial, and district governing bodies?

High-Risk Area 8: Inadequate Oversight

With a much-reduced or zero U.S. troop presence in Afghanistan, the U.S. reconstruction mission there could require even more oversight attention than in the past. As SIGAR has repeatedly reported:

- Afghanistan remains one of the world’s poorest and most dangerous countries.
- The ANDSF cannot protect the population from insurgents in large parts of the country.
- The central government’s institutional capabilities are generally weak, and it often lacks the capacity to manage and account for donor funds.

Afghanistan’s pervasive insecurity and corruption have severely inhibited U.S. reconstruction efforts, as well as efforts to oversee them. SIGAR’s work over the years has consistently noted that most of the funds appropriated for Afghanistan reconstruction since 2002 could have been spent more wisely and cost-effectively—and achieved better and longer-lasting outcomes—with more oversight.¹⁵⁴

Responding to a Congressional request, SIGAR launched a series of efforts to quantify the amount of waste, fraud, and abuse it identified in U.S.-funded programs. This work has identified nearly \$19 billion (or 30% of the \$63 billion SIGAR has cumulatively reviewed) lost from 2008 to December 31, 2019.¹⁵⁵ Additionally, since 2008, SIGAR has identified \$3.82 billion in savings for the U.S. taxpayer.¹⁵⁶

¹⁵⁴ SIGAR, Prepared Remarks of John F. Sopko, Special Inspector General for Afghanistan Reconstruction, “18 Years of Reconstruction: Lessons from the U.S. Experience in Afghanistan,” Maxwell School of Citizenship and Public Affairs, Syracuse University, Syracuse, NY, 3/10/2020, pp. 2, 12.

¹⁵⁵ SIGAR, Update on the Amount of Waste, Fraud, and Abuse Uncovered through SIGAR’s Oversight Work between January 1, 2018, and December 31, 2019, SIGAR 21-05-SP, 10/2020, ii, pp. 1–2.

¹⁵⁶ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 3.

Most of the wasted funds related to agencies' ineffective or inadequate internal controls.¹⁵⁷ Oversight has long been weakened by instances of poor documentation, failure to monitor contract compliance and work quality, inattention to holding contractors and grantees accountable for unsatisfactory performance, and insufficient control measures to mitigate the effects of corruption, among other issues.¹⁵⁸

But of particular oversight concern is the suggestion that as the United States reduces its military and civilian presence in Afghanistan, an even greater proportion of U.S. financial support will be provided as on-budget assistance (directly to the Afghan government or through multilateral trust funds).¹⁵⁹

Since FY 2002 Congress has appropriated \$143.27 billion for Afghanistan reconstruction, of which more than \$8.23 billion remains to be spent.¹⁶⁰ Yet Afghanistan is still nowhere near being able to fund its current government with domestic revenues and will require substantial donor assistance in the future.¹⁶¹ Further appropriations are expected in the coming years, so vigilant oversight and Afghan reform initiatives will be important means of protecting American taxpayers' money as more of it passes into budgetary control by Afghan ministries.¹⁶²

To illustrate the large scale of funding that might be expected, a draft World Bank plan called for \$5.2 billion over five years in post-peace spending, while others estimate around \$6.6 billion in additional assistance will be required annually for a viable Afghan state to operate.¹⁶³ At the November 2020 Afghanistan Conference in Geneva, donors pledged to provide at least \$3.3 billion for Afghanistan's development priorities in 2021, with annual commitments expected, subject to annual review, to stay at that level through 2024.¹⁶⁴ (Security assistance is pledged separately.) The United States made available up to \$600 million for civilian assistance in 2021.¹⁶⁵

¹⁵⁷ SIGAR, Update on the Amount of Waste, Fraud, and Abuse Uncovered through SIGAR's Oversight Work between January 1, 2018 and December 31, 2019, SIGAR 21-05-SP, 10/2020, pp. 2, 6.

¹⁵⁸ SIGAR, High-Risk List, 1/2017, p. 3; SIGAR, High-Risk List, 1/2017, pp. 3, 16.

¹⁵⁹ SIGAR, Prepared Remarks of John F. Sopko, Special Inspector General for Afghanistan Reconstruction, "Remarks on the 2019 SIGAR High-Risk List," Center for Strategic and International Studies, Washington DC, 3/28/2019, p. 5.

¹⁶⁰ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, p. 29.

¹⁶¹ SIGAR, Quarterly Report to the United States Congress, 1/30/2021, pp. 124–125; SIGAR analysis of IMF, Request for a 42-Month Arrangement Under the Extended Credit Facility—Press Release; Staff Report; and Statement by the Executive Director for the Islamic Republic of Afghanistan, IMF Country Report No. 20/300, 11/2020, pp. 4, 26.

¹⁶² SIGAR, Quarterly Report to the United States Congress, 1/30/2017, p. 3.

¹⁶³ World Bank, "Post-Settlement Economic Initiatives," 03/26/2019, i; Tobias Haque and Nigel Roberts, "Afghanistan's Aid Requirements: How much aid is required to maintain a stable state?" Expert note hosted by the Overseas Development Institute (UK) Lessons for Peace Project, 10/2020, p. 10, <https://l4p.odi.org/assets/images/ODI-L4P-Afghanistan-aidrequirements-Haque-and-Roberts-2020.pdf>.

¹⁶⁴ Ministry of Foreign Affairs of Finland, "Strong Support for Afghanistan at the 2020 Afghanistan Conference," Press Release, 11/24/2020.

¹⁶⁵ State, "Remarks at the 2020 Afghanistan Conference," 11/24/2020, pp. 2–3.

A reduced U.S. civilian and military presence in Afghanistan amid a deteriorating security environment could create new challenges for conducting effective oversight of U.S.-funded programs, grants, and contracts.

The ability to monitor, influence, and account for the distribution of U.S. aid is likely to decline further as more funds are executed by the Afghan government,¹⁶⁶ especially one that may incorporate the Taliban as part of a peace settlement. While there may be some benefits to providing funds on-budget, there are also atypical risks because Afghanistan, which suffers from limited institutional capacity, lacks a tradition of a strong central government, and is combating an armed existential threat while attempting to achieve social and economic development.

These problems are compounded by deteriorating security—our foremost high-risk area—that has made it impossible for U.S. personnel to access many reconstruction project sites and programs in Afghanistan. Ongoing problems with contract compliance, documentation and accountability, and institutional memory loss caused by frequent personnel rotations have been made even more challenging by the withdrawal of substantial numbers of U.S. military and civilian personnel, COVID-19 restrictions, and the uncertainty surrounding an Afghan peace agreement.¹⁶⁷

As U.S. military and agency footprints in Afghanistan shrink, it will become increasingly important that the U.S. and other donors perform aggressive and effective oversight by insisting that funding agreements include:

- measurable and verifiable benchmarks with tangible outcomes,
- periodic reassessment of funding goals and Afghanistan’s needs,
- high-level political buy-in from U.S., Afghan, and international officials, and
- full and unfettered access to on-budget funding flowing through Afghan ministries

Conducting effective oversight of any complex operation—domestic or foreign—has always been challenging, even in peaceful settings. The security conditions in Afghanistan multiply the difficulty, and the results of the current peace process, combined with a much-reduced international presence, could multiply the difficulty and the risks yet again.

Questions for Policy Makers:

- Have U.S. agencies and their implementing partners established and adhered to specific, measurable, meaningful, and operationally practicable metrics for determining

¹⁶⁶ SIGAR, Quarterly Report to the United States Congress, 1/30/2017, p. 6.

¹⁶⁷ SIGAR, Challenges to Effective Oversight of Afghanistan Reconstruction Grow as High-Risk Areas Persist, Statement of John F. Sopko for the Senate Committee on Appropriations, Subcommittee on the Departments of State, Foreign Operations, and Related Programs, 2/24/2016, p. 14; SIGAR, Quarterly Report to the United States Congress, 1/30/2021, pp. 54, 57, 121, 131, 133; State, Integrated Country Strategy: Afghanistan, 11/15/2020, p. 3; VOA News, “Russian Envoy Visits Pakistan as Part of Effort to Jumpstart Stalled Afghan Peace Process,” 2/19/2021.

successful project outcomes, and for protecting U.S. taxpayer dollars from waste, fraud, and abuse?

- How has the reduction of U.S. military and civilian personnel affected agency oversight plans? Have agencies reviewed plans to ensure that adequate safeguards can be maintained to detect, deter, and mitigate waste, fraud, and abuse of the billions of dollars they collectively execute? Have any foreseeable limitations and resource needs been reported to Congress?
- If more (or most) U.S. assistance to the Afghan government moves on-budget, whether through bilateral transfers or disbursement through multilateral trust funds, what are the best oversight mechanisms to protect U.S. reconstruction funds?
- Should U.S. agencies maintain any direct oversight of on-budget funds once they are transferred, and if so, at what levels? What is an acceptable risk for U.S. implementing agencies yielding their financial and programmatic oversight responsibilities to multilateral institutions? Should Congress require regular risk assessments and findings?

Conclusion

Today the gains from our nation's investment in Afghanistan's reconstruction face multiple threats: continued insecurity, uncertain post-peace settlement funding, the challenge of reintegrating fighters, endemic corruption, lagging economic growth and social development, threats to women's rights, the illicit narcotics trade, and inadequate oversight by donors.

In flagging these high-risk areas, SIGAR is not advocating for any specific reforms or policies. Our various reports typically contain tactical and operational recommendations for improvement. But the *High-Risk List* is a different undertaking. It calls attention to underlying problems and pathologies that may threaten both programmatic and national-policy objectives for the U.S. involvement in Afghanistan. I have offered highlights of our report today, but I encourage Members of Congress and their staff to read the more detailed descriptions and examples in the report.

Whatever the outcome of peace negotiations or other approaches to ending the long conflict in Afghanistan, achieving any substantial success in reconstruction of that troubled country's society, economy, and governance will require careful attention to the risks and threats that confront us. SIGAR has a key role in that work: we are the largest oversight organization active in Afghanistan, and the only one with whole-of-government authority to examine all aspects of federally funded reconstruction activity. We will continue to perform our oversight duty to identify, prevent, and mitigate as many problems as possible, and we remain ready to perform other tasks as Congress may direct.

Thank you for the opportunity to testify today. I look forward to answering your questions.