

SIGAR

Special Inspector General for
Afghanistan Reconstruction

JULY 30
2024

QUARTERLY REPORT TO THE UNITED STATES CONGRESS





The National Defense Authorization Act for FY 2008 (Pub. L. No. 110-181) established the Special Inspector General for Afghanistan Reconstruction (SIGAR).

SIGAR's oversight mission, as defined by the legislation, is to provide for the independent and objective

- conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available for the reconstruction of Afghanistan.
- leadership and coordination of, and recommendations on, policies designed to promote economy, efficiency, and effectiveness in the administration of the programs and operations, and to prevent and detect waste, fraud, and abuse in such programs and operations.
- means of keeping the Secretary of State and the Secretary of Defense fully and currently informed about problems and deficiencies relating to the administration of such programs and operation and the necessity for and progress on corrective action.

Afghanistan reconstruction includes any major contract, grant, agreement, or other funding mechanism entered into by any department or agency of the U.S. government that involves the use of amounts appropriated or otherwise made available for the reconstruction of Afghanistan.

As required by the National Defense Authorization Act for FY 2018 (Pub. L. No. 115-91), this quarterly report has been prepared in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

Source: Pub. L. No. 110-181, National Defense Authorization Act for FY 2008, 1/28/2008; Pub. L. No. 115-91, National Defense Authorization Act for FY 2018, 12/12/2017.

Cover photo:

Taliban forces destroy poppy fields in Kunar Province as the 2023 harvest season approached. (Photo by AP/Oriane Zerach)



SPECIAL INSPECTOR GENERAL FOR
AFGHANISTAN RECONSTRUCTION

To Congress, the Secretaries of State and Defense, and the American people, I am pleased to submit SIGAR's 64th quarterly report on the status of U.S. assistance to Afghanistan.

This quarter, the United Nations convened a third meeting of the special representatives for Afghanistan in Doha, Qatar, June 30–July 1, with the Taliban participating for the first time. While the UN has not confirmed the specific pre-conditions that convinced the Taliban to join Doha III after they refused to attend Doha II in February, Afghan women and other civil society representatives were excluded from the talks, sparking harsh criticism from human rights advocates. The State Department told SIGAR that the United States was waiting to see what, if any, action the UN might take on the basis of Doha III.

This report features an essay on the Taliban's 2022 narcotics ban. While the ban has led to a dramatic decrease in opium cultivation, landed Afghan farmers in the south and southwest of the country continue to sell and profit from opium they stockpiled prior to the prohibition. In other areas, the ban faces considerable resistance. This has led experts to conclude that the ban may not be sustainable once the farmers' stockpiles have been depleted.

The report also includes a highlight comparing the experiences of Afghan refugees resettled in Canada with those resettled in the United States. This year SIGAR interviewed 29 refugees in Ottawa and Toronto as well as 61 refugees in Houston, Texas; Sacramento, California; Omaha, Nebraska; and Washington, DC. The groups faced some of the same challenges, such as a lack of support, difficulty finding a job, and culture shock. They also expressed discontentment with international engagement with the Taliban and fear for the safety of their friends and family who remain in Afghanistan. However, there was one important difference between each group's experience: while the interviewees in the United States were primarily concerned about their uncertain future legal status, Afghans in Canada had the legal right to stay permanently, although some were not sure they wanted to.

SIGAR issued 13 products this quarter, including this quarterly report. SIGAR issued a performance audit report and an evaluation report, both partly in response to a March 2023 request from the Chairman of the U.S. House Foreign Affairs Committee, examining U.S. taxpayer money being paid to the Taliban. The performance audit found that 38 of the 65 implementing partners who responded to SIGAR's questionnaire (58%) reported paying a total of at least \$10.9 million of U.S. taxpayer money to the Taliban-controlled government, in taxes, fees, duties, or utilities. The evaluation found that UN shipments of U.S. currency provide direct and indirect benefits to the Taliban, such as revenue generation, stabilizing and strengthening the regime, and providing it access to untraceable U.S. currency. SIGAR also issued a second performance audit that assessed State's compliance with vetting its contractors.

SIGAR completed nine financial audits of U.S.-funded projects in Afghanistan that identified \$1,917,456 in questioned costs as a result of internal-control

deficiencies and noncompliance issues by U.S. government contractors. SIGAR's criminal investigations led to one conviction. SIGAR closed two investigation cases this quarter, bringing the total number of ongoing cases to 24.

SIGAR's work to date has identified approximately \$3.97 billion in savings to the U.S. taxpayer. During this reporting period, SIGAR's national and international engagements showcased the continuing interest in learning from the United States' experience in Afghanistan, especially in conducting oversight of U.S. assistance in a country whose regime the United States and other donors do not recognize.

My colleagues and I look forward to continuing the work of protecting U.S. taxpayer funds in Afghanistan with the assistance of Congress, the Administration, and other stakeholders.

Respectfully,

A handwritten signature in black ink, appearing to read 'John F. Sopko', with a long horizontal flourish extending to the right.

John F. Sopko

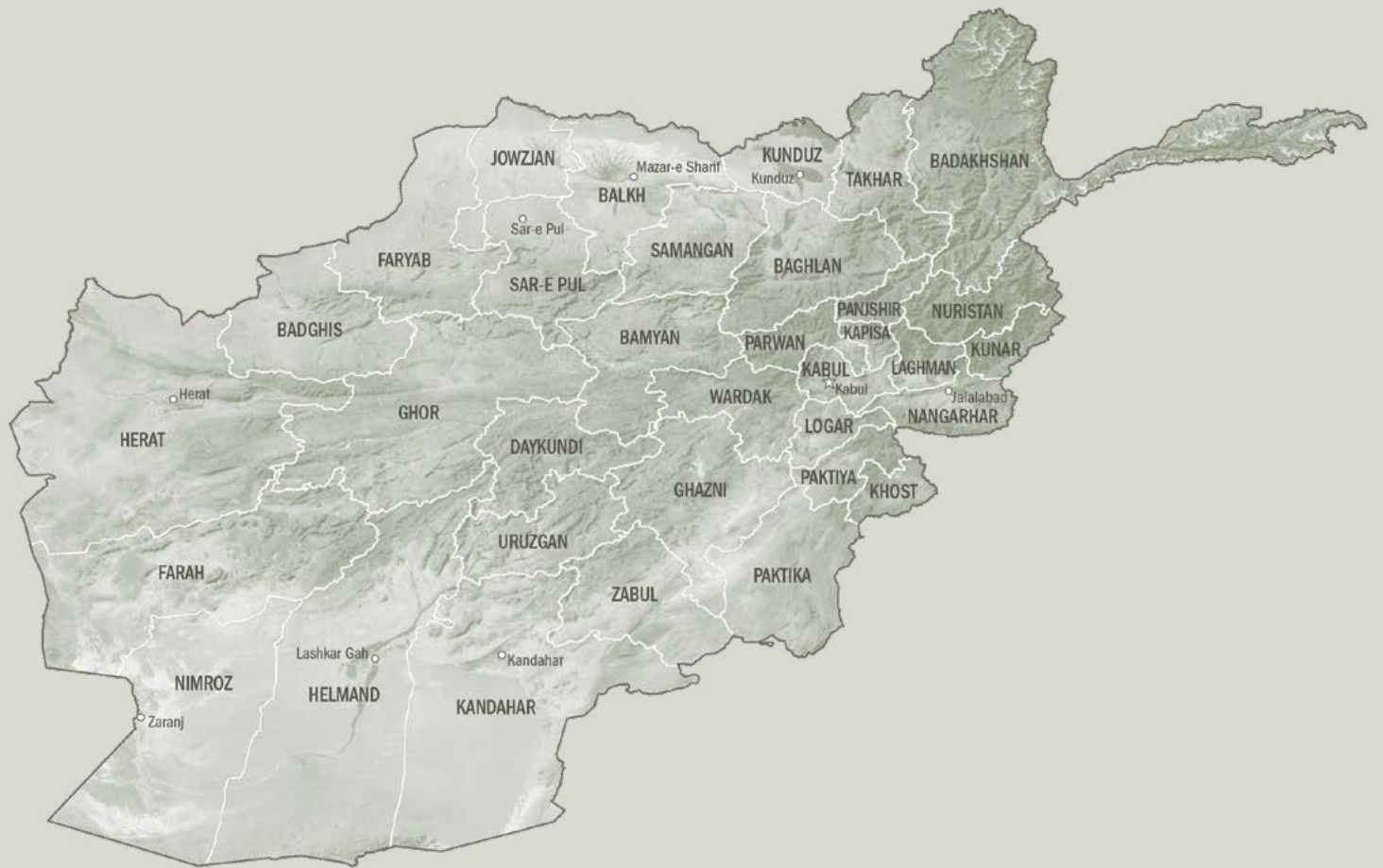


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“We work with like-minded countries, regional countries, and international organizations to mitigate the effects of internal displacement and migration and offer protection to those Afghans with compelling protection concerns.”

—*State Department, Afghanistan Integrated Country Strategy, October 2023*

1 WHAT THE UNITED STATES IS DOING IN AFGHANISTAN



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Afghan women weave carpets as part of a U.S.-funded economic development program.
(Photo by Lorenzo Tugnoli for Turquoise Mountain Trust)

WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

The United States remains the largest donor to the Afghan people.¹ Since U.S. forces withdrew from Afghanistan in August 2021, the United States has appropriated or otherwise made available \$20.71 billion in assistance to Afghanistan and to Afghan refugees, as shown in Table I.1. This includes nearly \$2.97 billion in U.S. appropriations for Afghanistan assistance, for humanitarian and development aid, and \$3.50 billion transferred to the Afghan Fund that is intended to protect macro financial stability on behalf of the Afghan people that could, in the long-term, include recapitalizing Afghanistan’s central bank should the conditions materialize.²

In addition, \$8.70 billion was made available in support of Afghan evacuees resettling in the United States through the Operation Allies Welcome (OAW) program. Of this amount, the Department of Defense (DOD) obligated \$5.36 billion in Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) appropriations and other funds; the Department of Health and Human Services (HHS) obligated nearly \$3.00 billion in appropriated funds; and the Department of Homeland Security obligated \$284 million of appropriated funds in support of OAW.³

The Further Consolidated Appropriations Act, 2024, mandated the creation of a new Department of State appropriations account, Enduring Welcome—the whole-of-government successor program to OAW.⁴ DOD transferred \$3.00 billion in OHDACA funds in FY 2023 to State for Enduring Welcome.⁵ State has employed this funding and other appropriations, totaling \$5.53 billion, for ongoing Enduring Welcome programming.⁶

TABLE I.1

U.S. ASSISTANCE TO AFGHANISTAN AND AFGHAN REFUGEES SINCE AUGUST 2021	
U.S. Appropriations for Afghanistan Assistance—October 1, 2021 to June 30, 2024 ¹	\$2,967,343,887
Operation Allies Welcome—Appropriated Funds, Both Obligated and Remaining Available for Obligation ²	8,704,452,572
Enduring Welcome—Appropriated and Transferred Funds, Both Obligated and Remaining Available for Obligation ³	5,533,300,000
Afghan Fund—U.S.-Authorized Transfers of Afghan Central Bank Assets to the Fund for the Afghan People ⁴	3,500,000,000
TOTAL	\$20,705,096,459

Note: Numbers have been rounded.

¹ U.S. government funding appropriated or otherwise made available for all Security, Development, Humanitarian, and Agency Operations accounts as presented in Table F.10, U.S. Appropriations, on page 142.

² DOD response to SIGAR data call, 4/22/2024. \$5.36 billion in DOD obligations of Overseas Humanitarian, Disaster, and Civic Aid, Transportation Working Capital Funds and Military Personnel appropriations as of 9/30/2023; Health and Human Services (HHS) response to SIGAR data call 7/8/2024. HHS \$3.00 billion in HHS appropriations (remaining available for obligation) and obligated (expired) funds as of June 30, 2024; Department of Homeland Security (DHS) response to SIGAR data call, 7/18/2024. \$349 million in appropriations and obligated funds (\$193 million un-expired, \$156 million expired, and total obligations of \$284 million), as of June 30, 2024.

³ State, response to SIGAR data call, 7/18/2024 and 4/24/2024. State has obligated \$3.46 billion of the \$5.53 billion made available for Enduring Welcome programming—\$3.00 billion in funds transferred from DOD and \$2.53 billion in other appropriations and transfers—through 6/30/2024. All Enduring Welcome funding is available until expended. State reported unliquidated obligations of \$2.07 billion as of 6/30/2024.

⁴ Transfer of Da Afghanistan Bank reserves held at the Federal Reserve Bank of New York to Switzerland-based entity.

WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

The United States also continues to respond to humanitarian crises in Afghanistan as they evolve. Since 2021, State and the United States Agency for International Development (USAID) have used pre- and post-withdrawal appropriated funds to restart and begin new programs to address critical needs of the Afghan people in several key sectors—health, education, agriculture, and food security—and are also supporting civil society and media, focusing on women, girls, and broad human rights protections. These efforts are being implemented through nongovernmental organizations, international organizations, and other partners.⁷

As shown in Table I.2, some \$2.09 billion of the nearly \$2.97 billion appropriated for assistance to Afghanistan since the end of FY 2021 has gone toward humanitarian assistance, representing more than 70% of the total. Another \$459 million, or 15% of the total, went to development assistance.

TABLE I.2

U.S. APPROPRIATIONS FOR AFGHANISTAN ASSISTANCE				
OCTOBER 1, 2021, TO JUNE 30, 2024 (\$ MILLIONS)				
Funding Category	FY 2022	FY 2023	FY 2024	Total
Humanitarian	\$1,077.69	\$656.20	\$358.46	\$2,092.35
Development	217.76	185.85	54.99	458.59
Agency Operations	229.19	57.44	29.77	316.40
Security	100.00	0.00	0.00	100.00
Total	\$1,624.65	\$899.49	\$443.21	\$2,967.34

Source: SIGAR, Quarterly Report to the United States Congress, 6/30/2024, Appendix A.

In the first three quarters of FY 2024, the U.S. government has committed and obligated over \$257 million to support humanitarian assistance in Afghanistan, as shown in Table I.3. This quarter, USAID committed an additional \$5 million to support the UN Development Programme’s protection programs. Some \$150 million will be disbursed to the UN’s World Food Programme (WFP) to provide food assistance cash transfers, vouchers, and logistical support. In April 2024, 2.5 million people across Afghanistan received food assistance from USAID’s Bureau for Humanitarian Assistance (USAID/BHA) support for the WFP. USAID/BHA and the State Department’s Bureau of Population, Refugees, and Migration (PRM) continued to partner with the UN High Commissioner for Refugees (UNHCR) and other implementing partners to support Afghan refugees, returnees, and other vulnerable persons. Between September 15, 2023, and June 1, 2024, State/PRM reported it has reached over 538,000 returnees with emergency assistance. This quarter, State/PRM obligated an additional \$12 million to support UNHCR’s programs in both Pakistan and Afghanistan. Following severe flooding in northeastern, northern, and western Afghanistan in May, over 28,300 people received clean drinking water daily from the USAID/BHA-supported United Nations Children’s Fund.⁸

WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

TABLE I.3

HUMANITARIAN FUNDING FOR AFGHANISTAN – AMOUNTS COMMITTED AND OBLIGATED, FY 2022 TO FY 2024 Q3 (\$ MILLIONS)					
Implementing Partners	Activity	FY 2022	FY 2023	FY 2024	Total*
USAID Bureau for Humanitarian Assistance					
Implementing Partners Other Than UN Agencies	Agriculture; Food Assistance-Cash Transfers; Local, Regional, and International Procurement; Economic Recovery and Market Systems (ERMS); Health; Humanitarian Coordination, Information Management, and Assessments (HCIMA); Multipurpose Cash Assistance (MPCA); Natural Hazards and Technological Risks; Nutrition; Protection; Shelter and Settlements; Water, Sanitation, and Hygiene (WASH)	\$78.43	\$167.90	\$9.39	\$255.72
UN FAO	Agriculture; MPCA; HCIMA	30.50	0.50	0.50	31.50
IOM	Shelter and Settlements; WASH	63.06	0.43	31.00	94.49
UNICEF	Health; HCIMA; Nutrition; Protection; MPCA; WASH	33.65	35.25	30.25	99.15
UN OCHA	HCIMA	1.00	1.20	1.20	3.40
UNFPA	Health; Protection; HCIMA	2.36	8.31	-	10.67
UNDP	Protection	-	-	5.00	5.00
WFP	Food Assistance-Cash Transfers; Vouchers; Local, Regional, and International Procurement; Logistics Support; Program Support*	460.72	422.10	150.00	1,032.82
WHO	HCIMA; Health; WASH	1.00	7.00	3.58	11.58
	Program Support	0.62	0.78	0.68	2.08
Total		\$671.34	\$643.47	\$231.60	\$1,546.41
State Department Bureau of Population, Refugees, and Migration					
Implementing Partners Other Than UN Agencies	Education; Food Security; Health Livelihoods; Mental Health and Psychosocial Support; Protection; Program Support	\$70.75	\$67.15	\$14.06	\$151.96
IOM	Health and Program Support-Kosovo	16.50	24.50	-	41.00
UNHCR	Education; ERMS; HCIMA; Logistics Support; MPCA; Protection; Shelter and Settlements; WASH	116.20	87.40	12.00	215.60
UNICEF	Education; Health; Nutrition; Protection; WASH	9.30	6.65	-	15.95
UNFPA	Health; Protection	52.39	35.55	-	87.94
WHO	Health	2.81	-	-	2.81
Total		\$267.95	\$221.25	\$26.06	\$363.30
TOTAL		\$939.29	\$864.72	\$257.66	\$1,909.71

Note: Numbers have been rounded. *USAID, BHA obligated ESF funds for WFP programming presented above. Programs without figures operate on previously committed or obligated funds but for which there were no new amounts committed or obligated in FY 2022, FY 2023, or FY24Q1-Q3.

Source: USAID, Afghanistan – Complex Emergency, Fact Sheet #3, Fiscal Year 2024, 6/14/2024; USAID, Afghanistan – Complex Emergency, Fact Sheet #2, Fiscal Year 2024, 3/8/2024; USAID, BHA, response to SIGAR vetting, 4/11/2024; State, PRM, response to SIGAR vetting, 4/11/2024; USAID, BHA, response to SIGAR vetting, 1/10/2024; State, PRM, response to SIGAR vetting, 1/16/2024; USAID, Afghanistan – Complex Emergency, Fact Sheet #9, Fiscal Year 2022, 9/23/2022; USAID, Afghanistan – Complex Emergency, Fact Sheet #3, Fiscal Year 2023, 8/29/2023; USAID, Afghanistan – Complex Emergency, Fact Sheet #1, Fiscal Year 2024, 12/22/2023; USAID, BHA, response to SIGAR data call to report adjustments to FY 2022 data for full year as reported in Fact Sheet #9, 10/12/2023; State, PRM, response to SIGAR data call to report adjustments to FY 2022 data for full year as reported in Fact Sheet #9, 10/11/2023.

WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

USAID reported it obligated \$645 million to the Economic Support Fund and Global Health Programs account from FY 2022 through the third quarter of FY 2024, supporting 37 active programs, as shown in Table I.4. About a third of these funds, or \$210 million, support economic growth and public health programs. USAID did not obligate any funds in FY 2024 Q3.

TABLE I.4

USAID PROGRAMS (ESF AND GHP), OBLIGATED, FY 2022 TO FY 2024 Q3 (\$ MILLIONS)*					
USAID Managing Office	Activity	Obligated Amounts			
		FY 2022	FY 2023	FY 2024	Total
Office of Social Services					
Keep Schools Open	Education	\$40.00	-	-	\$40.00
Urban Health Initiative (UHI) Program	Health	17.34	18.52	16.63	52.49
New Disease Early Warning System (DEWS) Plus	Health	14.50	4.00	3.00	21.50
Assistance for Families and Indigent Afghans to Thrive (AFIAT)	Health	10.16	23.55	-	33.71
Consolidated Grant - COVID-19 Response	Health	6.00	-	-	6.00
Local Health System Sustainability (LHSS)	Health	5.15	2.85	-	8.00
Central Contraceptive Procurement (CCP)	Health	5.00	-	-	5.00
Global Health Supply Chain Management (GHSCM-PSM)	Health	5.00	-	-	5.00
Technical Capacity Building for the American University of Afghanistan	Education	4.51	-	-	4.51
Let Girls Learn Initiative and Girls' Education Challenge (GEC)	Education	4.00	-	-	4.00
SHOPS Plus	Health	0.86	-	-	0.86
DEWS Plus	Health	-	-	-	-
Strengthening Education in Afghanistan (SEA II)	Education	-	-	-	-
Accessible and Quality Basic Education (AQBE)	Education	-	31.70	-	31.70
Young Women Lead (YWL)	Education	-	4.94	-	4.94
Supporting Student Success in Afghanistan (SSSA)	Education	-	12.56	-	12.56
Total		\$112.52	\$98.12	\$19.63	\$230.27
Office of Program and Project Development					
Contributions to the Afghanistan Resilience Trust Fund	Crosscutting (WASH + Econ. growth)	\$53.72	\$50.00	-	\$103.72
Afghanistan Monitoring, Evaluation, and Learning Activity (AMELA)		3.36	4.50	3.00	10.86
Total		\$57.08	\$54.50	\$3.00	\$114.58
Office of Infrastructure, Energy, and Engineering					
Rural Water Supply, Sanitation & Hygiene (Ru-WASH)	WASH	\$20.00	-	-	\$20.00
20 MW Watt Floating Solar - Naghlu	Power	0.70	-	-	0.70
Total		\$20.70	\$0.00	\$0.00	\$20.70

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WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

USAID PROGRAMS (ESF AND GHP), OBLIGATED, FY 2022 TO FY 2024 Q3 (CONTINUED)					
USAID Managing Office	Activity	Obligated Amounts			
		FY 2022	FY 2023	FY 2024	Total
Office of Livelihoods					
Strengthening Rural Livelihoods and Food Security (SRL-FS)	Agriculture	\$40.00	-	-	\$40.00
Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA)	Economic growth	36.87	33.72	11.14	81.73
Afghanistan Value Chains Program	Agriculture	26.43	23.78	-	50.21
Agriculture Marketing Program	Agriculture	15.00	-	-	15.00
Extractive Technical Assistance by the U.S. Geological Survey	Economic growth	-	-	-	-
Livelihood Advancement of Marginalized Populations (LAMP)	Economic growth	5.00	-	-	5.00
Carpet and Jewelry Value Chains	Economic growth	2.82	2.50	-	5.32
Total		\$126.12	\$60.00	\$11.14	\$197.26
Office of Democracy, Gender, and Rights					
Enabling Essential Services for Afghan Women and Girls	Crosscutting	\$21.29	-	-	\$21.29
Afghan Support Project	Civil society	7.22	11.38	-	18.60
Conflict Mitigation Assistance for Civilians (COMAC)	Aid to conflict-affected Afghans	5.00	5.00	-	10.00
Information, Dialogue, and Rights in Afghanistan	Civil society	3.25	1.00	-	4.25
Supporting Transformation for Afghanistan's Recovery (STAR)	Livelihood assistance	-	18.34	-	18.34
Promoting Conflict Resolution, Peace Building, and Enhanced Governance	Good governance	-	-	-	-
Initiative to Strengthen Local Administration	Good governance	0.40	-	-	0.40
Women's Scholarship Endowment	Crosscutting (Gender + Edu.)	-	-	-	-
Total		\$37.16	\$35.72	\$0.00	\$72.88
Executive Office					
ISC to hire former Afghan FSNs		\$6.02	\$3.14	-	\$9.16
Total		\$6.02	\$3.14	\$0.00	\$9.16
Office of Financial Management					
Audits AMP (Agriculture Marketing Program) 2021	Financial Audit	\$0.18	-	-	\$0.18
Total		\$0.18	\$0.00	\$0.00	\$0.18
TOTAL (37 programs)		\$359.78	\$251.48	\$33.77	\$645.03

Note: Numbers have been rounded. *Programs without figures operate on previously committed or obligated funds but for which there were no new amounts committed or obligated in FY 2022, FY 2023, or FY24Q1-Q3.

Source: USAID Transaction Detail Report, 7/12/2024, 4/12/2024, 1/13/2024, 1/4/2023, 10/9/2023.

For more information on active USAID programs as of July 12, 2024, see pages 73-84.

The Afghanistan Resilience Trust Fund changed its name from the Afghanistan Reconstruction Trust Fund on July 21, 2023.

WHAT THE UNITED STATES IS DOING IN AFGHANISTAN

In 2022, the United States transferred \$3.5 billion in Afghan central bank assets previously frozen in the United States to the Swiss-based Fund for the Afghan People or Afghan Fund. Although no disbursements to benefit the Afghan people have yet been made, the Fund is intended to protect macro financial stability on behalf of the Afghan people that could, in the long-term, include recapitalizing Afghanistan's central bank should the conditions materialize, keep Afghanistan current on debt payments to international financial institutions to preserve its eligibility for development assistance, and pay for critically needed imported goods. According to the Fund's website, the Fund's balance stood at \$3.84 billion as of June 28, 2024, including interest accrued.⁹

INTRODUCTION ENDNOTES

- 1 Appendix A, Civilian Sector Account Disbursements; State, SCA, response to SIGAR vetting, 7/14/2023.
- 2 SIGAR, Table F.10 on page 142; Treasury, response to SIGAR vetting, 4/12/2024.
- 3 DOD, response to SIGAR data call, 4/22/2024; HHS, response to SIGAR data call, 7/8/2024; DHS, response to SIGAR data call, 7/15/2024.
- 4 Further Consolidated Appropriation Act, 2024, Pub. L. No. 118-47.
- 5 DOD, response to SIGAR data call, 4/22/2024.
- 6 State, response to SIGAR data call, 7/18/2024.
- 7 State, SCA, response to SIGAR data call, 3/16/2022; State, SCA, response to SIGAR vetting, 4/13/2022; USAID, Afghanistan–Complex Emergency Fact Sheet #3, FY 2023, 8/29/2023, p. 7.
- 8 USAID, Afghanistan–Complex Emergency Fact Sheet #3, FY 2024, 6/14/2024, p. 7; USAID, Transaction Detail Report, 7/12/2024.
- 9 Treasury, response to SIGAR data call, 12/13/2022; Treasury, response to SIGAR vetting, 1/11/2023; Treasury and State press release, “Joint Statement by U.S. Treasury and State Department: The United States and Partners Announce Establishment of Fund for the People of Afghanistan,” 9/14/2022; Treasury, response to SIGAR vetting, 4/12/2024; State, “Department Press Briefing – September 14, 2022,” 9/14/2022; Fund for the Afghan People, Press Statement, 6/28/2024.

“With the banning of opium,
the price went up to the sky. My life is
better with this order.”

—*Afghan farmer*

2 THE TALIBAN DRUG BAN



THE TALIBAN DRUG BAN

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Opium traders paying cash for opium. (Photo by David Mansfield)

THE TALIBAN DRUG BAN: AN UNPRECEDENTED SUCCESS OR AN INEVITABLE FAILURE?

On April 3, 2022, the Taliban's so-called emir, Haibatullah Akhundzada, issued a decree banning the production, sale, processing, and consumption of all drugs in Afghanistan.¹ This ban has, so far, dramatically reduced poppy cultivation in Afghanistan and raises the question of how the Taliban have seemingly succeeded in countering narcotics where the United States and its coalition partners failed despite spending nearly \$9 billion over 20 years.² However, a closer look at the current ban and those that preceded it evokes doubt about the long-term sustainability of this ostensible achievement.

After two and a half years of enforcement and a steep reduction in opium cultivation, Afghanistan remains economically dependent on opium. The juxtaposition of a steep reduction in cultivation and a continuing and thriving opium market with even higher prices complicates what the ban means for Afghanistan and the world. The opium trade continues unabated largely because landed farmers were allowed to store significant amounts of inventory before the ban went into effect. Additionally, certain parts of the country have resisted the ban, and economic and political pressures are mounting as those who depend on opium cultivation have been left without alternative means to support themselves.³

THE TALIBAN'S COMPLICATED HISTORY WITH OPIUM

Afghanistan's economic dependence on opium production predates the Taliban's 1996–2001 rule. Although opium production in Afghanistan was first reported in the 18th century, its rapid growth started in the late 1970s, partly spurred by the country's ongoing state of war. The Taliban have consistently opposed opium production on religious grounds. Even before taking control of Afghanistan in 1996, they issued a statement prohibiting the cultivation, processing, and trade of opium in late 1994. From 1994 to 2000, the Taliban made five attempts to ban opium cultivation, but none led to as steep a fall in production as their 2000 ban, which reduced opium cultivation from 82,000 to 8,000 hectares (ha) by 2001, as seen in Table E.1.⁴

TABLE E.1

TALIBAN ATTEMPTS TO BAN NARCOTICS AND THEIR EFFECTS, 1994 TO 2001				
Date	Taliban Statement	Change in Cultivation (UNODC)	Other Factors Influencing Results	Overall Impact
1994	Ban on opium cultivation	Cultivation fell from 69,927 ha to 53,732 ha	Unreliable survey in 1994; reduction localized largely in Nangarhar where Taliban had no presence	No effect
November 1996	Statement of opposition to production, processing, trafficking and abuse of opium and pledge to take all necessary measures	Cultivation rose from 56,819 ha to 58,417 ha		No effect
September 1997	Stated that use of heroin and hashish will not be permitted under Islam and Afghans should strictly refrain from growing, using, and trading hashish and heroin	Cultivation rose from 58,417 ha to 63,664 ha		No effect
October 1997	Clarification issued specifically banning cultivation and trafficking of opium	Cultivation rose from 58,417 ha to 63,664 ha		No effect
1999	A call for 1/3 reduction in opium poppy cultivation	Cultivation fell from 90,000 ha to 81,983 ha	Severe drought particularly in southwest and north; price differentials between wheat (high) and poppy (low)	Negligible results
July 2000	Outright ban on opium poppy cultivation	Cultivation fell from 81,983 ha to 7,598 ha	Severe drought particularly in southwest and north; price differentials between wheat and poppy	Significant results

Source: Afghanistan Research and Evaluation Unit, "The Sun Cannot be Hidden by Two Fingers: Illicit drugs and the discussions on a political settlement in Afghanistan," 9/2019, p. 11.

The Taliban's 2000 Opium Ban

In July 2000, five years after taking over Kabul, and seven years since they came to dominate the south, the Taliban announced an edict banning opium poppy cultivation.⁵ At that time, opium prices were at their lowest in decades, wheat prices were peaking, and much of Afghanistan's south and southwest were four years into a severe drought. The Taliban announced the ban in July, just after the 2000 opium poppy crop had been harvested and three months before the new planting season, which typically runs from October through November. The timing of the announcement, as well as opium prices as low as \$30 per kilogram, left farmers with little opportunity to stockpile opium or plant a new crop in the fall. Ultimately, the ban led to a 90% decrease of areas under cultivation, from 81,983 ha in 2000 to 7,598 ha in 2001, but impoverished the population. The loss of political support from those most affected by the 2000 ban left the Taliban politically vulnerable at the time of the September 11, 2001, attacks on the World Trade Center and Pentagon.⁶

2001–2021: Billions of Dollars Could Not Curb Opium

Just prior to the poppy planting season in November–December 2001, and what might have been the second consecutive year of a Taliban ban, the United States invaded Afghanistan. The United States' initial plans for Afghanistan did not include addressing the country's opium problem.

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Instead, to degrade al Qaeda's capabilities in Afghanistan, the United States turned to key warlords who were entrenched in the drug economy for intelligence and, at times, to carry out military operations.⁷ Despite the United States spending nearly \$9 billion between 2002 and July 2021 to eliminate Afghanistan's rising opium cultivation and trade, Afghanistan remained the world's leading producer of opium.⁸

SIGAR has long tracked and reported on the United States' efforts to curb the production of illicit drugs, particularly opium, in Afghanistan. In 2018, SIGAR analyzed the United States' efforts, decisions, and failures involving counternarcotics efforts in Afghanistan in a lessons-learned report. SIGAR found that the lack of functioning Afghan law enforcement and judicial institutions upon which counternarcotics work normally relies limited the options available to address the drug trade.⁹

When the United Kingdom initiated crop eradication efforts in 2002, it further strained relations between Afghans and the international community. SIGAR reported that this approach was "misguided and ineffective, as it was inconsistently applied and undercut by corruption."¹⁰ Amidst these efforts, a more complex web of drug benefactors emerged. The Taliban, the Afghan police, Afghan politicians, various militias, tribal elites, and many ex-warlords-turned-politicians all benefited from the drug economy, regardless of their political allegiances.¹¹

In analyzing U.S.-led counternarcotics efforts in Afghanistan, a 2021 study by David Mansfield, a leading expert on Afghanistan's illicit economies, pointed to a widespread, but incorrect, belief that opium was the Taliban's main source of income. According to the study, these oft-repeated claims, with some arguing that opium comprised as much as 60% of all the Taliban's revenue, were based on little evidence. These narratives led to ineffective counternarcotics policies that alienated large segments of the population and drove Afghans closer to the Taliban.¹² In fact, the belief that the Taliban significantly profited from opium led the United States to tie its counterinsurgency efforts with counternarcotics to deprive the Taliban of funding.¹³ Mansfield wrote, "Flawed narratives drove policies that alienated the rural population, such as forced eradication of opium and the bombing of heroin labs, which led to farmers giving help to the Taliban, believing that the insurgents could defend against counternarcotics policies of the Afghan government and its foreign backers."¹⁴

“Flawed narratives drove policies that alienated the rural population, such as forced eradication of opium and the bombing of heroin labs, which led to farmers giving help to the Taliban...”¹⁶

Even before the fall of the former republic, SIGAR identified 13 findings in its lessons-learned report, which remain relevant in answering why and how the two decades-long U.S.-led efforts to eradicate opium and Afghanistan’s illicit drug economy failed:¹⁵

1. No counterdrug program undertaken by the United States, its coalition partners, or the Afghan government resulted in lasting reductions in poppy cultivation or opium production.
2. Without a stable security environment, there was little possibility of effectively curtailing poppy cultivation and drug production in Afghanistan.
3. The U.S. government failed to develop and implement counternarcotics strategies that outlined or effectively directed U.S. agencies toward shared goals.
4. Eradication and development assistance efforts were not sufficiently coordinated or consistently implemented in the same geographic locations.
5. Counternarcotics goals were often not incorporated into larger security and development strategies, which hindered the achievement of those goals and the wider reconstruction effort.
6. Counternarcotics efforts were not a consistent priority at the most senior levels of the U.S. or Afghan governments.
7. Eradication efforts, including compensated eradication, had no lasting impact on poppy cultivation or national-level drug production.
8. The failed U.S. push for aerial spraying damaged the U.S.-Afghan relationship and unity of effort in the coalition’s counterdrug mission.
9. Alternative development programs were too short-term and often relied on the simple substitution of other crops for poppy. These programs did not bring about lasting reductions in opium poppy cultivation and sometimes even contributed to increased poppy production.
10. In limited areas with improved security and greater economic opportunities, some Afghans were able to diversify their livelihoods away from opium poppy. However, local reductions in poppy cultivation were almost always short-lived or offset by increases elsewhere.
11. U.S. support helped Afghan counterdrug units develop promising capacity and become trusted partners. However, these units did not have a strategic impact on the drug trade due to insecurity, corruption and poor capacity within the criminal justice system, and lack of high-level support from the Afghan government.

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12. Poor-quality estimates of poppy cultivation levels, eradication numbers, and drug money going to the insurgency made it more difficult for policymakers to accurately assess the problem and determine effective policy responses.
13. The counternarcotics performance metrics used in Afghanistan, particularly the overemphasis on annual estimates of poppy cultivation and eradication, contributed to ineffective policy decisions.

THE TALIBAN'S CURRENT OPIUM BAN

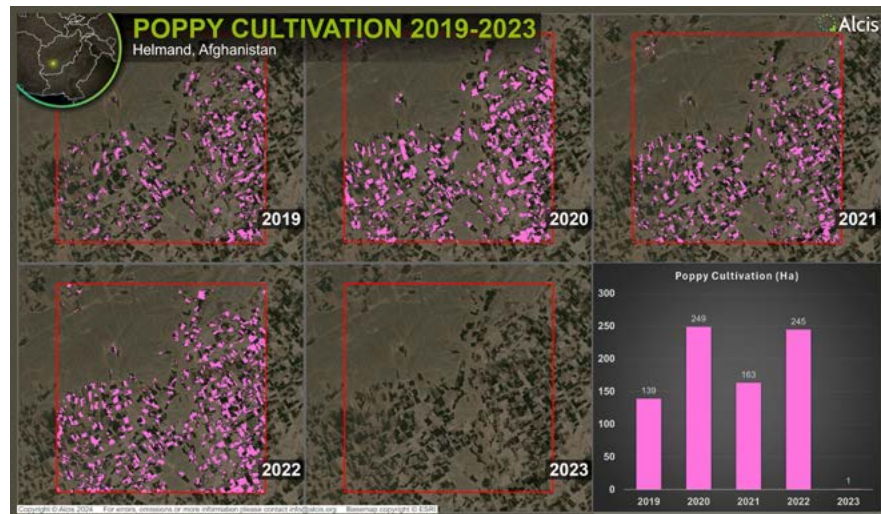
In April 2022, seven months after seizing power, the Taliban's leader issued a nationwide drug ban that included opium, saying, "from now on, cultivation of poppy has been strictly prohibited across the country." The Taliban ministry of interior warned, "If anyone violates the decree, the crop will be destroyed immediately, and the violator will be treated according to Sharia law." As with their 2000 ban, the Taliban justified the prohibition on religious grounds, while they also sought to gain international legitimacy.¹⁷

After the April 2022 ban was announced, the United Nations confirmed that the Taliban ministry of interior had permitted a two-month grace period to enable farmers to complete the spring harvest and sell their opium gum. In October 2022, SIGAR reported that the Taliban had not interfered with the fall poppy crop planted in 2021, allowing the crop to be harvested after the so-called emir's edict.¹⁸ According to the United Nations Office on Drugs and Crime (UNODC), from 2021 to 2022, poppy cultivation increased by 32% despite the opium ban. More crucially, the price of opium increased by 300% between April 2022 and October 2022 and landed farmers were able to stockpile opium to sell at higher market-driven prices.¹⁹

Ban Dramatically Reduced Opium Cultivation

The following year, Afghanistan saw a steep nationwide drop in poppy cultivation, which decreased by more than 85% in 2023, according to the British geographic information service Alcis.²⁰ UNODC reported that opium cultivation decreased 95% in 2023.²¹ Yet, trade continued thanks to the stockpiles farmers had amassed before and during the Taliban's two-month grace period.²² The Taliban were able to enforce the ban on cultivation more effectively in some provinces than others, so results have been uneven across the country. In southern and southwestern Afghanistan, most of the farmers were buoyed by substantial opium stores that had risen in value, and poppy cultivation was practically nonexistent from April 2022 to April 2023. In Nangarhar, a major poppy-producing province, there was an 84% reduction in poppy cultivation in the same period, although cultivation persisted in the more remote areas and efforts to destroy the crop led to outbreaks of violence. Despite this, the UN Assistance Mission in Afghanistan reported that opium continued to be traded across the country, providing further evidence of significant inventories.²³

In May 2023, opium prices in Kandahar were \$263 per kilogram, compared to around \$160 in May 2022 and in Nangarhar, opium prices were \$362 per kilogram, compared to around \$220 in May 2022.²⁴ As shown in the satellite imagery, Helmand Province saw a 99% decrease in poppy cultivation following the 2022 ban.



Poppy cultivation from 2019 to 2023 in Helmand Province. (Imagery by Alcis)

However, as with the Taliban’s 2000 ban, the current ban on opium cultivation fails to offer farmers—except those with larger land holdings and inventory—any alternative livelihood options, leaving a significant economic void among the portion of the Afghan population that relies on the illicit drug economy. According to UNODC, poppy farmers have lost half their income since the ban. In the first full year of the ban’s enforcement in 2023, the total income farmers made by selling their harvest declined by more than 92% compared to 2022, from \$1 billion to just over \$100 million.²⁵ Although State has told SIGAR that UNODC figures may be “imprecise estimates” since the ban’s full impact has yet to be analyzed nationwide, there have been growing signs of economic distress in those parts of Afghanistan where poppy farmers have small landholdings, high population densities, and few non-farm income opportunities. This includes a reduction in the quantity and quality of food consumed, decisions to delay important healthcare, and the sale of long-term productive assets, such as land, and increased rates of outmigration.²⁶

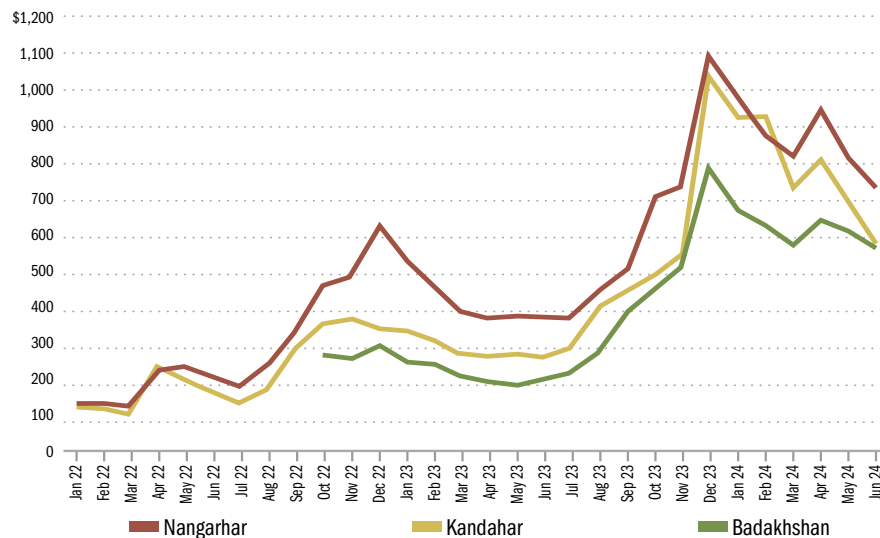
The Opium Ban’s Fragility

Although opium cultivation has fallen dramatically as the ban enters its third year, recent analyses from experts suggest several factors that point

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FIGURE E.1

DRY OPIUM PRICES PER KG, JANUARY 2022 TO JUNE 2024



Source: Alcis, email to SIGAR, 7/13/2024.

to the ban's ultimate fragility. Taken together, these factors lead experts to predict that the ban will in time fail, just like those preceding it.²⁷

Opium Inventory Problem

Although the current ban has significantly impacted opium cultivation, no action has been taken against the existing stockpiles stored by landed farmers and traders. As a result, a bull market has developed as farmers and traders anticipate further price increases, causing speculation and hoarding. This has raised the value of stockpiled opium, undercutting small farmers, and greatly increasing the capital and purchasing power of landed farmers with significant opium reserves.²⁸ According to a July UN sanctions monitoring team report, "Senior Taliban continue to profit" from the ban, as farmers are "struggling to make up the shortfall with alternative crops."²⁹

Opium prices have nearly doubled since the ban, from \$417 per kilogram in August 2023 to \$802 per kilogram in December, according to a UN survey.³⁰ As shown in Figure E.1, at its peak so far, a kilo of opium cost over \$1,100 in late December 2023, though that price has since decreased to about \$600. Alcis imagery and livelihood analyses show that the amount of opium stored in Afghanistan remains substantial, as much as 16,567 metric tons.³¹ Landed farmers in the south and southwest have thus gained considerable economic advantage from the ban. This has, in turn, greatly reduced the need for the Taliban to coerce compliance and to target crop eradication against one of its core constituencies.³²



Bags of opium and stacks of Pakistani rupees. (Photo by David Mansfield)

Lack of Alternatives and Concerns with Wheat

High resolution satellite imagery analysis of Helmand Province, which saw a 99% decrease in poppy cultivation in 2023, shows farmers have largely replaced poppy with wheat or fallow land. But wheat is not a sustainable alternative to opium because as an annual crop, wheat can be replaced with opium at any time.³³ Promoting wheat as an alternative to opium can be misleading because, for the vast majority of farmers, wheat is a staple household crop, not a cash crop. According to the Afghanistan Research and Evaluation Unit, Afghanistan’s commercial wheat market is saturated by cheap imports from Pakistan. Further, “This shift to wheat is not driven by the pursuit of profit and commercial production but rather by the need to hold down financial outlays and secure a supply of a staple food.”³⁴ The UNODC 2023 Opium Survey confirmed that while farmers cultivated wheat and other licit crops in 2023, “the loss of cash income from opium is a formidable challenge.”³⁵

A 2019 study by David Mansfield looking at food insecurity in Helmand Province noted that although farmers would grow some wheat in response to concerns over food insecurity, “the uptick in wheat cultivation neither denoted economic growth nor enduring transition out of opium poppy.” In fact, the study identified wheat as one of the crops used often by farmers as a way to wait out periods of uncertainty and insecurity before returning to opium.³⁶ In addition to assessing farming alternatives to opium, Mansfield also highlighted the importance of non-farm income such as opium to families. These non-farm alternatives could help families “cope with shocks such as serious illness or death, as well as have sufficient funds for investment in potentially productive enterprises, such as purchasing land, small businesses, livestock or sending children to higher education.”³⁷

Comparing the Current Opium Ban with the 2000 Ban

Given Afghanistan's history and its dependence on opium, the Taliban's current ban on opium may fail as did the one they imposed in 2000. But Mansfield cautions against taking these comparisons too far, given the different contexts, timings, scopes, and prices of opium when the two bans went into effect. The timing of the ban in 2000 effectively prohibited farmers from stockpiling opium. It was announced three months after the previous crop had been harvested, and three months before the 2001 crop went in the ground. Furthermore, prices at harvest time in May 2000, were as low as \$30 per kilogram, giving farmers few chances to retain any crop that year as they had to sell the opium on-hand to meet their household expenses. Estimates showed that in the years before 2001, poppy cultivation was typically around 70,000 hectares per year.³⁸

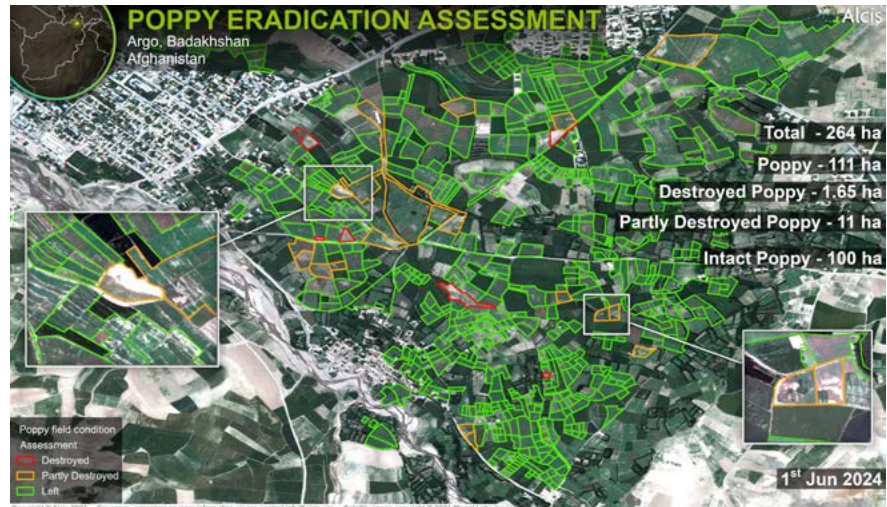
The 2022 ban, however, has allowed farmers to harvest opium and build stockpiles before it was implemented, playing a major role in quieting dissent from powerful landowners, who instead of losing a valuable harvest season, benefited from increased opium prices. Another difference is the sheer scope of today's opium farms. By 2022, Afghanistan had 200,000 hectares of opium poppies, or 130,000 more hectares than it had in 2001.³⁹

Despite these differences, the two bans share some characteristics. The Taliban have used religion as a justification for imposing both bans and they have both been part of Taliban efforts to gain international recognition. In neither case have the Taliban disrupted the opium trade.

Divisions and Dissent

Another factor that raises questions about the ban's sustainability is the resistance to the ban, which the Taliban have not fully curbed. Voice of America reported that, "Not everyone is peacefully accepting the opium ban and eradication," with Badakhshan Province posing the greatest challenge. In Badakhshan, Helmand, Herat, and Nangarhar, the article reported, poppy is being grown "in the open and hidden behind property walls." This has led Taliban eradication operations, fomenting farmer resistance and unrest.⁴⁰

State has long identified farmers' resistance in certain parts of Afghanistan as one of the main challenges to the ban. This resistance took a violent turn in April and May 2024, when large-scale protests erupted in the Argo and Darayim districts of Badakhshan Province. The Taliban opened fire on the protesters, killing two. Following these events, the Taliban sent a high-level delegation to Faizabad, the capital of Badakhshan, to try to quell the unrest.⁴¹ Farmers have also resisted the ban by continuing to grow opium. In a June 2024 satellite image analyzed by Alcis, Argo, Badakhshan, seems almost completely untouched as farmers continue to grow opium.



A poppy eradication assessment of Argo, Badakhshan Province in June 2024. (Imagery by Alcis)

Opium Ban Increases Poverty

Unlike landed farmers who have largely benefited from the ban and support it as long as their inventories last, large segments of Afghanistan’s rural population have suffered and oppose it. According to a recent United States Institute of Peace report, “the poppy cultivation ban is akin to an additional humanitarian shock from approximately \$1 billion loss of income annually,” for a large part of the Afghan population. Afghan families who depended on the opium economy are coping with the economic loss in counterproductive ways, such as selling their assets, eating less and lower-quality foods, and pulling out their children from secondary schools to work instead. The report also warned that “outmigration by family members to work abroad (ultimately Europe) to send back remittances becomes an increasingly attractive option for those who can afford the cost, despite the associated risks.”⁴²

BAN ON OTHER DRUGS FACES VARYING DEGREES OF SUCCESS AND FAILURE

In addition to banning opium, the Taliban have also attempted to ban cannabis and methamphetamine. Although the April 3, 2022, decree mainly focused on opium, it also included blanket prohibitions against the “use, transport, selling, trading, importing and exporting of all types of drugs.” On March 9, 2023, the Taliban issued a more specific ban against cannabis, just before cannabis crops would be sowed. According to the Afghanistan Analysts Network, cannabis is a summer crop, “with planting done in most of the country between late March and late May, harvesting in October and

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November, and resin extraction in December and January.” The ban’s timing to prohibit the next planting season differed from the opium ban and its two-month grace period. The Afghanistan Analysts Network also reported cannabis cultivation persists in the northern provinces that have continued to resist the Taliban’s ban.⁴³

The ban on the methamphetamine industry also rolled out in stages. As early as December 2021, the Taliban issued a ban on ephedra, resulting in its continuous price increase. Ephedra is a green shrub that grows wild in high altitudes and is used in the manufacturing of methamphetamine. (A UNODC report claimed that ephedra is not the main source of methamphetamine in Afghanistan and that the drug is made from over-the-counter medicines and bulk pharmaceuticals. However, Mansfield disputes this with evidence showing that ephedra is indeed the primary input in methamphetamine production in Afghanistan. He also has shown that there is a dearth of data pointing to over-the-counter medicines or bulk pharmaceuticals as the primary source of methamphetamine production.)⁴⁴

Following the ban on ephedra, the Taliban closed the Abdul Wadood Bazaar, located near the Bakwa district in southwestern Farah Province. The Abdul Wadood Bazaar had served as the main market for ephedrine and methamphetamine production since 2017. High resolution satellite imagery analysis by Alcis showed the number of labs within 400 km² of the Bazaar went from 125 in March 2021, to zero by September 2022 when the Taliban moved to close down the bazaar and the labs in the surrounding area.⁴⁵

Mansfield posits that “disruption rather than elimination is the more likely outcome of these efforts.”⁴⁶ In October 2023, a new set of laws specifically laid out strict penalties for those caught harvesting and trading ephedra, and those who are involved in the production or trade of ephedrine and methamphetamine. As a result, the industry has further dispersed, with meth producers or “cooks” moving to the mountains where ephedra is found aplenty.⁴⁷

Perhaps it is too early to assess how the ban against drugs other than opium have played out in curbing or ending the production and trade of illicit drugs such as cannabis and methamphetamine. Ongoing analysis points to a mixed picture, wherein those whose lives depend on the production and trade of illicit drugs oppose the ban and look for opportunities to undermine its implementation.



Satellite imagery of the Abdul Wadood Bazaar in Farah Province. (Imagery by Alcis)

CONCLUSION

The Taliban's recent narcotics ban succeeded in massively reducing opium cultivation for the harvest seasons that immediately followed its enforcement. Whether it is sustainable remains to be seen. Despite the so-called emir's decree, the opium trade in reality has not been prohibited. In fact, data from rising opium prices show that the ban has helped those who stored stockpiles of opium before and during the two-month-long grace period following the ban, especially those farmers with significant plots of land, to benefit from harvesting opium for future trade. This inventory, along with lack of economic alternatives for farmers, has led to the fragility of the ban as a whole. The Taliban's bans on other drugs have also seen mixed results, and recent resistance and unrest due to the opium ban show that the Taliban faces mounting challenges to this latest ban. Indeed, the questions of how long the Taliban's opium ban will last, and whether the Taliban will succeed in their stated goal of ridding Afghanistan of its opium dependence, are yet to be answered.

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سر مفتش ویژه برای بازسازی افغانستان



اداره

سنتز مفتش

د پيار غاونو پاره د خانگري

“The Taliban have not met any of the commitments they said they were going to meet when they took over and not just the way they’re treating women and girls, the way they’re managing their own economy, the way they’re taking care of their own people. We are in no position, nor will we be, to recognize the Taliban as the official governance of Afghanistan.”

—*National Security Council Strategic Communications Advisor John Kirby*

3 RECENT DEVELOPMENTS



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Photo on previous page

Afghan men walk in front of graffiti in Kabul. (Photo by Lucille Kanzawa/Flickr)



RECENT DEVELOPMENTS IN BRIEF

Section 3 of this quarterly report summarizes the key events of the reporting period.

Taliban Attend UN's Doha III Meeting

- For the first time, the Taliban joined a meeting of UN special representatives for Afghanistan in Doha, Qatar, June 30–July 1. The agenda included counternarcotics and private sector investment, and excluded the political process and human rights, although State said nearly every envoy raised the issue of human rights anyway.
- Afghan women and other civil society representatives were not invited, sparking criticism from the UN Special Rapporteur for Human Rights, the UN Committee on the Elimination of Discrimination against Women, Human Rights Watch, Amnesty International, and others.

Taliban Abuses May Constitute Crimes Against Humanity

- UN Special Rapporteur for Human Rights in Afghanistan Richard Bennett said in his annual report to the UN Human Rights Council that the Taliban's human rights abuses may constitute crimes against humanity, due to the systemic acts of violence perpetrated against the population, including extrajudicial execution, torture, arbitrary arrest, gender-based discrimination, corporal punishment, and other inhumane acts.

Taliban Increase International Engagement

- The Taliban broadly increased international engagement this quarter, including visits to the United Arab Emirates and Saudi Arabia by UN-sanctioned interior minister Sirajuddin Haqqani. Haqqani is barred from entering UN member states and previously had not left Afghanistan since the Taliban takeover in 2021. Taliban representatives also attended the St. Petersburg International Economic Forum in Russia, and signed a number of economic agreements with regional countries.

1,000 Days of the Education Ban

- This quarter marked 1,000 days since the Taliban's ban on girls and women's education, with no sign of schools reopening for girls beyond the sixth grade.

Al Qaeda Leader Calls for Fighters to Migrate to Afghanistan

- Al Qaeda leader Saif al-Adl called for foreign fighters to migrate to Afghanistan and train to attack Western targets. A UN sanctions monitoring team said that "al-Qaida remains strategically patient, cooperating with other terrorist groups in Afghanistan and prioritizing its ongoing relationship with the Taliban."

Taliban Security Forces Strength Questioned

- The Taliban report 380,000 personnel in their security forces, which is larger than the last, also questionable, reported Afghan National Defense and Security Forces strength. The Afghanistan Green Team, an anti-Taliban group, claimed the Taliban have 100,000 ghost soldiers, lowering their army size to nearly 77,000. A UN sanctions monitoring team reported that the Taliban are struggling to pay their security forces, and cited concern among member states about the Taliban's intentions for its security forces.

Dissolution of Community Development Councils

- The Taliban dissolved all community development councils (CDCs) nationwide, forcing international organizations to give more control of all international aid and development projects to Taliban. CDCs have had a long history of working with local authorities to coordinate development planning and facilitate community participation and involvement in the implementation of projects at the local level.

Floods Worsen Ongoing Humanitarian Crisis

- In May, a series of flash floods struck the northern, northeastern, and western regions of Afghanistan. The heavy rainfall and flooding killed at least 225 people, injured another 217, and destroyed 2,800 homes.

Humanitarian Funding Gap Persists

- The UN is seeking \$3.06 billion for its 2024 Humanitarian Response Plan (HRP) to assist 17.3 million of an estimated 23.7 million Afghans in dire need. About \$710.1 million (23%) is funded, as of July 2024.

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KEY ISSUES & EVENTS

For the first time, the Taliban joined a meeting of UN special representatives for Afghanistan in Doha, Qatar, June 30–July 1, to discuss counternarcotics and private sector investment.

On May 22, the Taliban's so-called emir dissolved all community development councils nationwide, forcing international organizations to give more control of all international aid and development projects to the Taliban.

Al Qaeda called on its supporters to migrate to Afghanistan and train for “special operations” against Western countries.

INTERNATIONAL ENGAGEMENT

Doha III Includes the Taliban, Excludes Afghan Women and Civil Society

This quarter, the UN convened a third meeting of the special representatives for Afghanistan in Doha, Qatar, June 30–July 1, with the Taliban participating for the first time.¹ While the UN has not confirmed the specific preconditions that convinced the Taliban to join Doha III after refusing to attend Doha II in February, the official meeting agenda did not include the Afghan political process or human rights. Afghan women and other civil society representatives were also excluded from the talks, sparking harsh criticism from human rights advocates. However, UN Under-Secretary-General Rosemary DiCarlo, who chaired Doha III, later said human rights issues were an integral part of the discussions.²

Sahar Fetrat, a researcher at Human Rights Watch, wrote, “those most impacted by Taliban abuses are being sidelined.”⁷³ Afghan women’s rights activist Shahrazad Akbar told Radio Free Europe, “removing issues like the rights of girls and women from the agenda is a big betrayal.”⁷⁴ Tirana Hassan, executive director of Human Rights Watch, said excluding women “risks legitimizing the Taliban’s abuses and triggering irreparable harm to the UN’s credibility as an advocate for women’s rights and women’s meaningful participation.”⁷⁵ The UN Committee on the Elimination of Discrimination against Women also issued a press release that said, “excluding women and girls from these discussions will only serve to undermine the credibility and effectiveness of the Doha meeting and give way to the conduct of the de facto authorities in excluding women and girls from public life.”⁷⁶

U.S. Special Representative for Afghanistan Thomas West and U.S. Special Envoy for Afghan Women, Girls, and Human Rights Rina Amiri both attended Doha III.⁷⁷ A State spokesperson told reporters that the United States agreed to participate in Doha III only after receiving assurances from the UN that any discussion with the Taliban would address human rights.⁷⁸ Following the meeting, State told SIGAR, “Human rights, especially the rights of women and girls, are at the forefront of our engagement with Afghans—including in any meeting with representatives of the Taliban,” and that “the Taliban heard directly from nearly every envoy in Doha about the centrality of human rights and inclusivity to the international community.”⁷⁹ Amiri said on X (formerly Twitter) that, “We will continue to consult widely during & following Doha 3 to support an inclusive framework for women & civil society participation. Ultimately, Afghanistan’s peace, security, and sustainability challenges cannot be resolved without their inclusion.” However, Amiri did not specify how civil society will be included in future political processes if the Taliban refuse to meet with those stakeholders.⁸⁰

Days ahead of Doha III, Roza Otunbayeva, UN Special Representative of the Secretary-General and head of the UN Assistance Mission in Afghanistan (UNAMA), stressed in remarks to the Security Council at its quarterly meeting on the situation in Afghanistan that “this sort of engagement is not legitimization or normalization.”⁸¹ Yet, she maintained it was “essential” for the Taliban to participate in Doha III.⁸² Otunbayeva warned that the international community remains in “crisis management mode,” and Afghanistan is still “beset by massive poverty” despite an influx of \$7 billion in humanitarian aid since the Taliban takeover in 2021.⁸³ According to Otunbayeva, instability in Afghanistan cannot be addressed without engaging the Taliban.⁸⁴ “We hope that in Doha, key stakeholders... speak to each other face to face, reinforce the principles underlying the consensus to engage, and agree on next steps to alleviate the uncertainties that face the Afghan people,” she said.⁸⁵

While Doha III was not an immediate solution to Afghanistan’s challenges, Otunbayeva said it was part of the process of incentivizing the Taliban to adopt policies that would “allow for their reintegration into the international community.”⁸⁶ She concluded that any forward action to alleviate the many issues in Afghanistan will require “greater flexibility” and “a clearer political willingness” from all

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UN Under-Secretary-General Rosemary DiCarlo at a press conference in Doha, Qatar. (Photo by UN Department Political and Peacebuilding Affairs)

stakeholders.¹⁷ Indeed, in advance of the meeting, several foreign delegations visited Kabul to encourage Taliban participation, including UN Under-Secretary-General Rosemary DiCarlo.¹⁸ The Deputy Foreign Minister of Qatar, a delegation from the Organisation of Islamic Cooperation, and EU Special Representative Tomas Niklasson also visited Kabul in May.¹⁹

The Taliban refused to join Doha II in February because the UN insisted on including other members of Afghan civil society, denying the Taliban status as the sole representative body for Afghanistan.²⁰ Following the February meeting, a Russian foreign ministry spokesperson told the press that “any initiative... is doomed to failure without the support of Kabul and regional states.”²¹

No Clear Consensus on Future Engagement

On July 1, UN Under-Secretary-General DiCarlo told the press that discussions with the Taliban on the recommendations set forth in the UN independent assessment were “frank,” and that the decision to meet with the Taliban was a “very tough, maybe impossible choice,” but one that may lead to “resolving some of the problems that are having such a devastating impact on the Afghan people.”²² Regarding any sort of structured action moving forward, DiCarlo noted, “we are still at the beginning of this process,” though the special representatives may create smaller groups on key issues raised in the independent assessment for future discussions.²³ State confirmed that no special envoy (per the independent assessment recommendation) was elected during Doha III, and that they are awaiting next steps on possible focus groups.²⁴

Taliban spokesperson Zabihullah Mujahid, who led the Taliban’s delegation in Doha, praised the discussions on economic development, and urged western countries to “engage in a realistic and practical manner, just like regional countries.”²⁵ Mujahid decried outside efforts to shape Taliban

UN's Independent Assessment on Afghanistan Engagement

During February's Doha II, the special representatives discussed UN Security Council Resolution 2721, adopted in December 2023, which requested the appointment of a special envoy for Afghanistan to help implement the recommendations put forth in an independent assessment for a coherent international engagement strategy. The UN's November 2023 independent assessment on international engagement with Afghanistan identified five unresolved issue areas underpinning the impasse between the international community and the Taliban: human rights, counterterrorism/

counternarcotics/security, economic and social development, inclusive governance, and political representation. Moving forward, the assessment recommended increased economic, humanitarian, and political engagement, participation in confidence-building measures, continued cooperation on security, creating a roadmap for Afghanistan's reintegration into the international system, and ensuring there are sufficient support mechanisms for this process, including the appointment of a UN special envoy to focus on diplomacy at the intra-Afghan and international levels.

Source: UN, Report of the independent assessment pursuant to Security Council resolution 2679 (2023), S/2023/856, 11/9/2023, pp. 3, 7–14, 18–19; UN Security Council, Resolution 2721 (2024), 12/29/2023; UN, Report of the independent assessment pursuant to Security Council resolution 2679 (2023), S/2023/856, 11/9/2023, p. 2; Reuters, "Taliban refuses to join UN-sponsored meeting on Afghanistan," 2/19/2024.

domestic policy through economic, security, and political pressure, and said the international community must separate what he called Afghanistan's "internal matters" from foreign relations.²⁶

Nevertheless, stakeholders continued to express their concern over Taliban domestic policy. The government of Canada issued a statement on June 30 that said, "Canada is extremely disappointed that the UN organizers have excluded non-Taliban Afghan participants," and noted Canada had advocated for weeks to include civil society. The statement concluded, "none of the goals that Afghans are seeking to achieve are possible without the full participation of women."²⁷ UN Special Rapporteur Richard Bennett echoed those sentiments, writing that "if these exclusions are the price of the Taliban's presence in Doha, the cost is too high."²⁸

In response to criticism aimed at the UN, DiCarlo told the media, "running through all the discussions was the deep international concern—from special envoys and from me—about the ongoing and serious restrictions on women and girls. Afghanistan cannot return to the international fold, or fully develop economically and socially, if it is deprived of the contributions and potential of half its population." DiCarlo added that "the concerns and views of Afghan women and civil society were front and center," despite their exclusion from the Doha III agenda. She noted, "while women and civil society were not sitting across from the de facto authorities the last two days, they made their voices heard."²⁹ The special envoys and DiCarlo met separately with members of Afghan civil society on July 2, following Doha III. DiCarlo said in a second press conference that human rights will "continue to be an integral part of all our discussions."³⁰

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Regional Engagement

According to the most recent UN Secretary-General's report on the situation in Afghanistan from June, regional cooperation with the Taliban continued this quarter, primarily on economic development, trade, and transit. On May 12, the Taliban head of the Afghanistan Railway Authority signed a memorandum of understanding with Uzbekistan's rail authority to establish a commercial logistic port in Balkh Province. On May 21, Turkish Airlines resumed flights to Kabul. Additionally, representatives of the Taliban foreign ministry attended the Organisation of Islamic Cooperation's Islamic Summit Conference; the minister of hajj and religious affairs attended the Consultative Summit of Islamic Scholars in Turkey; and the minister for commerce and industry traveled to Russia for the "Russia-Islamic World" economic forum.³¹

Sanctioned Taliban Minister Visits UAE and Saudi Arabia

On June 4, Taliban interior minister Sirajuddin Haqqani, a U.S. Specially Designated Terrorist, left Afghanistan for the first time since the group gained power in 2021 to meet with Sheikh Mohamed bin Zayed al Nahyan, president of the United Arab Emirates, in Abu Dhabi. The two reportedly discussed bilateral cooperation, regional stability, and economic development and reconstruction in Afghanistan.³² Following his trip to the UAE, Haqqani traveled to Mecca in Saudi Arabia to perform Hajj.³³ Both the UAE and Saudi Arabia are U.S. allies and host U.S. military bases, and as the Foundation for the Defense of Democracies' *Long War Journal* noted, it raised questions that someone with known ties to al Qaeda was freely traveling to allied countries, especially as concerns about global terrorism rise.³⁴

Haqqani is the leader of the Haqqani Network, a U.S.-designated Foreign Terrorist Organization responsible for deadly attacks on Afghan civilians, coalition forces, foreign embassies, and the former Afghan government.³⁵ Haqqani has been sanctioned by the UN since 2007 for his association with al Qaeda and the Taliban, pursuant to resolutions 1735 (2006) and 1988 (2011).³⁶ Resolution 1988, which the Security Council voted to uphold in 2021, stipulates that all UN member states are required to prevent the entry into or transit through their territories by designated individuals.³⁷

The State Department continues to offer a reward up to \$10 million for information leading to Haqqani's arrest.³⁸ State did not confirm if Haqqani obtained a waiver for entry to the UAE, but told the Associated Press that the UAE "is an important partner in support of the Afghan people, including for the rights of Afghan women and girls, and for Afghans who fled their country seeking resettlement." When questioned on the travel ban, State said, "We understand the complex relationship countries have with the Taliban... we remain in active communication with all of our partners on how to constructively engage the Taliban."³⁹

Russia Considering Delisting Taliban as a Terrorist Entity

On May 27, Russian news agency TASS reported that the Russian Foreign and Justice Ministries proposed to President Vladimir Putin the delisting of the Taliban as a terrorist organization. Russian Special Presidential Envoy for Afghanistan Zamir Kabulov said delisting the Taliban “must be done,” but acknowledged “there are still a few hurdles to overcome, after which the Russian leadership will make a decision.”⁴⁰ The following day, Russian Security Council Deputy Chairman Dmitry Medvedev told TASS that conditions had changed since Russia first listed the Taliban as a terrorist group 20 years ago. “Now the Taliban are in power, and we are close to establishing full-fledged relations with them,” he said.⁴¹

While their final decision about the Taliban’s status has not yet been issued, Russia continued to engage with the Taliban on economic matters. On June 5, a Taliban delegation arrived in Moscow to attend the St. Petersburg International Economic Forum.⁴² TASS also reported in June that Moscow would support Afghanistan’s accession to the Shanghai Cooperation Organisation if the Taliban are officially recognized. In response, Taliban spokesperson Zabihullah Mujahid said, “These are positive steps being taken, and the only solution to the issues between Afghanistan and regional countries is that expanding economic and diplomatic relations will benefit both sides.”⁴³

SECURITY

Terror groups continued to operate from Afghanistan this quarter amid ongoing U.S., UN, and regional concerns that the country is once again becoming a terrorist haven, notwithstanding the Taliban’s counterterrorism commitments in the 2020 Doha Agreement. While the Taliban have moved against Islamic State in Iraq and Syria-Khorasan (ISIS-K) and other anti-Taliban groups, they remain tolerant of terror groups such as al Qaeda and Tehreek-e-Taliban Pakistan (TTP).⁴⁴ A UN sanctions monitoring team reported in July that Afghanistan “continues to be perceived as permissive or friendly territory by terrorist groups, which also aspire to project threats globally.”⁴⁵ State said it “remains unclear whether the Taliban have the will and capability to fully eliminate terrorist safe havens or control the flow of foreign terrorist fighters in and through Afghanistan.”⁴⁶

In June, President Joseph R. Biden said that “U.S. military personnel remain postured outside Afghanistan to address threats to the United States homeland and United States interests that may arise from inside Afghanistan.”⁴⁷

Al Qaeda

The U.S. Office of the Director of National Intelligence has assessed that “al Qaeda has reached an operational nadir in Afghanistan and Pakistan,” but the Taliban remain tolerant of al Qaeda and permit the group to maintain safe haven in Afghanistan.⁴⁸ Earlier this year, a UN sanctions monitoring

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team reported that al Qaeda’s general command has about a dozen senior leaders in Afghanistan, while another UN sanctions monitoring team added that “al-Qaida remains strategically patient, cooperating with other terrorist groups in Afghanistan and prioritizing its ongoing relationship with the Taliban.”⁴⁹

Al Qaeda Calls for Fighters to Migrate to Afghanistan

This quarter, al Qaeda leader Saif al-Adl called for fighters to migrate to Afghanistan. Citing the ongoing conflict in Gaza, al-Adl, who reportedly resides in Iran, said that those who travel to Afghanistan can train “to strike” Western interests. He said they should look to the Taliban as a role model for future Islamic states.⁵⁰ His call followed an increase in al Qaeda media products aimed at recruiting new militants and helping “restore credibility” to the organization, said a January 2024 UN sanctions monitoring team report.⁵¹ As this quarterly report went to press, there was no indication of the extent to which foreign fighters have migrated to Afghanistan in direct response to al Qaeda’s message. However, the prospect of foreign fighters migrating to Afghanistan and causing greater regional instability has long been a concern for neighboring countries, the UN, and the United States.⁵²

Al Qaeda Settlements in Afghanistan

This quarter, Hasht-e Subh, an Afghan media outlet, reported that the Taliban ministry of interior, led by Sirajuddin Haqqani, a U.S. Specially Designated Global Terrorist, was overseeing the construction of several settlements for al Qaeda and Tehreek-e-Taliban Pakistan in Ghazni Province. According to their reporting, the settlement for al Qaeda will be a training center and residential space. The Taliban have denied this, saying the settlements are being constructed for Afghan returnees expelled from Pakistan.⁵³ SIGAR is unable to verify the findings of the Hasht-e Subh report. A UN sanctions monitoring team reported in January 2024 that al Qaeda established up to eight training camps in Ghazni, Laghman, Parwan, and Uruzgan Provinces and five madrassas in Laghman, Kunar, Nangarhar, Nuristan, and Parwan Provinces.⁵⁴

Tehreek-e-Taliban Pakistan

The Afghan Taliban support Tehreek-e-Taliban Pakistan, or TTP (the so-called “Pakistani Taliban”), which has an estimated 6,000–6,500 fighters mostly based in eastern Afghanistan and aims to regain territorial control of portions of northwest Pakistan.⁵⁵ The UN Secretary-General reported in June that tensions along the Afghanistan-Pakistan border “continued owing to the reported presence of Tehreek-e-Taliban (TTP) members on Afghan territory.”⁵⁶ A UN sanctions monitoring team reported that al Qaeda provides TTP with Afghan fighters and training camps and the Taliban

provide weapons permits, guest houses, and allow freedom of movement in Afghanistan.⁵⁷

TTP Attacks Spark Taliban-Pakistan Border Clashes

This quarter, TTP claimed 119 attacks against Pakistani forces and civilians, according to the Armed Conflict Location and Event Data (ACLED) project, a nongovernmental organization.⁵⁸ A UN sanctions monitoring team said the TTP's attacks into Pakistan have intensified since 2021.⁵⁹ In May, a cross-border attack from TTP members in Afghanistan into Pakistan led to several days of clashes between Pakistani and Taliban security forces, "large-scale displacement" from Pakistani villages, multiple casualties, and the destruction of some border infrastructure. Pakistani and Taliban security forces later clashed in June. Pakistan claimed to have killed nearly a dozen TTP militants in Afghanistan's Paktika, Khost, and Kunar Provinces, in addition to several casualties in Pakistan's Khyber Pakhtunkhwa Province. Pakistani and Taliban security forces previously clashed in March.⁶⁰

Afghanistan International, a news outlet based in the United Kingdom, reported that the Taliban were planning to relocate TTP members from Afghan border provinces to other provinces, including Ghazni. This comes after several months of negotiations between the Taliban, Pakistan, and China, and ahead of Pakistani Foreign Minister Ishaq Dar's visit to Afghanistan—the first from a Pakistani foreign minister in three years.⁶¹ The Taliban have said that TTP threats are a domestic Pakistani issue and no militant groups operate on Afghan soil. Pakistan has stated it will continue to launch attacks into Afghanistan until the militant threat is neutralized.⁶² A UN sanctions monitoring team reported that the TTP is "too big a challenge for the Afghan Taliban to manage, even if they wanted to."⁶³ State has previously said, "It is unclear the extent to which the Taliban are able or willing to restrict the TTP."⁶⁴

ISIS-K

A UN sanctions monitoring team reported that ISIS-K continued to pose the greatest threat to Afghanistan and the region, encompassing an estimated 2,000–3,500 members and with an affiliate strength of 6,000 fighters. However, it does not threaten Taliban control.⁶⁵ General Michael E. Kurilla, commander of U.S. Central Command, testified that ISIS-K also maintains the "capability and will to attack U.S. and Western interests abroad in as little as six months."⁶⁶ A June UN Secretary-General report said ISIS-K propaganda "continued to threaten the international community while also promoting attacks in the wider region."⁶⁷

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ISIS-K Activity Outside Afghanistan Increases Fears of Global Terrorist Threats

U.S. law enforcement and intelligence officials continue to worry about ISIS-K's spread beyond Afghanistan. On April 11, FBI Director Christopher Wray testified before the U.S. House Appropriations Committee saying, "Increasingly concerning is the potential for a coordinated attack here in the homeland, not unlike the ISIS-K attack we saw at the Russia concert hall back in March." Director Wray also spoke of ISIS-K affiliates drawing inspiration from the ongoing conflict in the Middle East. ISIS-K has repeatedly called for attacks against Western and U.S. interests, including the Olympic Games in Paris in July and August 2024.

This quarter, 23 alleged ISIS-K affiliates were arrested in the United States and Kyrgyzstan. In June, eight Tajikistan nationals with alleged ties to ISIS-K were arrested in Philadelphia, Los Angeles, and New York on immigration charges after

arriving through the U.S.-Mexico border. On June 14, Kyrgyzstan announced it detained 15 people connected to ISIS-K, saying they were recruited by an ISIS-K member in Afghanistan. Jerome Drevon, an International Crisis Group senior analyst, said that as the Taliban's campaigns against ISIS-K decreased domestic attacks, ISIS-K has become more dependent on their international networks.

On June 23 in southern Russia, attacks on a synagogue, two churches, and a police station in Dagestan killed at least 20 people and wounded dozens more. No group has claimed responsibility for the attacks, but Russia called them "acts of terror" and a Dagestan official said NATO and Ukraine were behind the attacks. ISIS-K said the attacks were carried out on behalf of the Islamic State organization, but did not claim responsibility for them.

Source: NPR, "In Russia, Dagestan mourns and suspicions mount after deadly attacks," 6/25/2024; FBI, "Director Wray's Opening Statement to the House Appropriations Committee," 4/11/2024; Washington Post, "After attack in Dagestan, Russian officials minimize Islamic State claim," 6/24/2024; New York Times, "The Southern Border, Terrorism Fears, and Eight Tajik Men," 6/25/2024; VOA, "Terror attacks headline threats to upcoming Paris Olympics," 6/4/2024; Radio Free Europe Radio Liberty, "Central Asia in Focus: ISKP Members Detained in Kyrgyzstan," 6/18/2024; Financial Times, "How the Taliban's return made Afghanistan a hub for global jihadis," 3/26/2024.

ISIS-K Attacks

This quarter, ISIS-K conducted eight attacks across Afghanistan, according to ACLED.⁶⁸ One attack on a Shi'a mosque in Herat Province on April 29 killed at least six civilians and added to the UN's concern over ISIS-K's increased targeting of the Shi'a community in the last year. On May 17, an ISIS-K attack killed several foreign tourists and Afghan nationals in Bamyan Province, the first attack targeting foreigners since their Longan Hotel attack in December 2022 that killed five Chinese nationals.⁶⁹

ISIS-K also claimed several attacks on Taliban security forces. On May 8, ISIS-K attacked a Taliban police convoy in Badakhshan Province, capitalizing on local unrest over the Taliban's opium ban implementation in the province.⁷⁰ ISIS-K also claimed an attack on Taliban security forces in Kandahar Province—its second attack in the province this year—prompting Taliban so-called emir Haibatullah Akhundzada to demand Taliban security forces "seriously investigate" ISIS-K's presence there.⁷¹

Taliban Attempts to Counter ISIS-K

While the Taliban remained intent in “meeting what they perceive as an existential threat [ISIS-K], their counter-terrorism capabilities are deficient to meet the nature of the threat,” said a July UN sanctions monitoring team report.⁷² This quarter, the UN reported that the Taliban arrested alleged ISIS-K members and the Taliban reported killing one ISIS-K commander following clashes in Nangarhar Province in July.⁷³ “It is not clear if the Taliban’s crackdown can alter ISIS-K’s external attack ambitions and sufficiently weaken its capabilities,” added a United States Institute of Peace senior study group on counterterrorism in Afghanistan and Pakistan.⁷⁴

Taliban Security Forces

The Taliban ministry of defense X account claimed that 3,783 individuals joined the army this quarter, which brought their total reported, but unverified strength to 177,890. Additionally, the ministry of interior’s X account reported 279 individuals completed police training across the country this quarter, bringing the total Taliban-reported police strength to 211,024, as seen in Table R.1.⁷⁵

A July UN sanctions monitoring team reported that the Taliban’s armed forces strength has “raised concerns among Member States about the Taliban leadership’s true intent for these forces.” The same monitoring team added that the Taliban are struggling to pay the armed forces’ salaries, despite the reportedly large percentage of the Taliban’s national budget dedicated to security.⁷⁶ The Afghanistan Green Trend (AGT), an anti-Taliban resistance group led by former head of the National Directorate of Security and politician Amrullah Saleh, questioned the Taliban’s reported strength. AGT said that the Taliban have about 100,000 ghost soldiers in their military, lowering their army strength to about 73,000. The AGT report did not say if the Taliban police force has ghost police officers.⁷⁷ SIGAR is unable to independently verify the Taliban’s security forces data or the AGT report, but the presence of ghost soldiers is plausible. Prior to the Taliban takeover, SIGAR repeatedly warned about **ghost soldiers** in the Afghan National Defense and Security Forces (ANDSF).⁷⁸ State is also unable to independently verify the Taliban’s data and DOD said it does not track Taliban security force strength.⁷⁹

Ghost Soldiers: fabricated records of individuals who never existed or served, records for individual soldiers or police who in fact exist but do not serve at their expected duty station, and records for individual soldiers and police who may have once served but have since left the service.

Source: SIGAR, Quarterly Report to the United States Congress, 7/3/2020, pp. 3–11, 202; DOD, CSTC-A, response to SIGAR data call, 6/23/2020.

TABLE R.1

TALIBAN SECURITY FORCES AND ANDSF STRENGTH				
	Ministry of Defense	Ministry of Interior	Total	As Of
Taliban	177,890	211,024	388,914	6/24/2024
ANDSF*	182,071	118,628	300,699	4/29/2021

*Data as of April 29, 2021. DOD/CSTC-A reported 300,699 ANDSF personnel in the Afghan Personnel and Pay System on April 29, 2021. Source: SIGAR analysis of Taliban ministry of defense on X, 6/24/2024; SIGAR analysis of Taliban ministry of interior on X, 6/24/2024; SIGAR, Quarterly Report to the United States Congress, 10/30/2021, p. 82.

Taliban Opposition Groups

This quarter, various anti-Taliban resistance groups claimed responsibility for 68 attacks against Taliban security forces, compared to 43 last quarter, according to ACLED.⁸⁰ Since January 2024, both the Afghanistan Freedom Front (AFF) and the National Resistance Front (NRF) have increased attacks on Taliban security forces in Kabul.⁸¹ In April, the AFF and NRF held their first joint event—on the anniversary of an AFF commander’s death—to encourage unity among resistance groups in Afghanistan. The UN Secretary-General’s June report on Afghanistan said that resistance groups did not “pose a significant challenge to the Taliban’s hold on territorial control.”⁸² Other opposition groups, such as the Afghan United Front, the National Resistance Council for the Salvation of Afghanistan, the Afghanistan Green Trend, and the Afghan Liberation Movement, primarily focus on intelligence collection and political resistance against the Taliban.⁸³

TALIBAN GOVERNANCE

This quarter, the Taliban increased outreach to “bridge gaps” between them and various communities in Afghanistan, with multiple ministers delivering speeches on national unity. At the same time, the Taliban continued to restrict civil society and political activism. On April 7, the ministry of justice reiterated its ban on political parties and social organizations, and announced that 77 such entities had been referred to Taliban security forces.⁸⁴

On June 4, the Taliban’s supreme court announced that 63 people, including 14 women, were publicly flogged at a sports arena in Sar-e-Pul in northern Afghanistan for the alleged crimes of homosexuality, adultery, and other “immoral relations.” UNAMA issued a statement in response, condemning corporal punishment and calling for respect for international human rights obligations.⁸⁵

According to democracy advocate Freedom House’s 2024 Freedom Index, which rates civil and political rights on a scale of 0–100, Afghanistan scored one out of 40 on political rights and five out of 60 on civil liberties, for a total score of six out of 100. On most metrics, Afghanistan scored zero points, including on the following questions:⁸⁶

- Was the current head of government elected through free fair elections?
- Do people have the right to organize in different political parties?
- Are the people’s political choices free from domination?
- Do various segments of the population have full political rights and electoral opportunities?
- Does the government operate with openness and transparency?
- Are there free and independent media?
- Is there academic freedom free from extensive political indoctrination?
- Is there an independent judiciary?
- Do individuals enjoy personal social freedoms?
- Do people have freedom of movement?

In summarizing the sociopolitical atmosphere in Afghanistan, Freedom House said, “The Taliban leader exercises unlimited political authority and rules by decree in absence of a constitution... the Taliban have suspended all political and civic rights and have demonstrated their intolerance for political opposition. Women and religious and ethnic minority groups have faced the most severe curbs on freedoms, while journalists are restricted by harsh edicts and the threat of violence.”⁸⁷



UN Special Representative for Afghanistan Roza Otunbayeva meets with Afghan women journalists in Logar Province on World Press Freedom Day. (Photo by UNAMA)

Human Rights

UN Reports Decry Systemic Taliban Abuses

This quarter, two UN reports condemned the Taliban for their gross human rights abuses. On July 9, UNAMA released its report on the Taliban ministry for the propagation of virtue and the prevention of vice, an entity responsible for policymaking and enforcement related to the values compatible with the Taliban’s so-called Islamic Emirate and its interpretation of sharia law.⁸⁸ According to UNAMA, the ministry negatively affects human rights and fundamental freedoms, especially for women, who face restrictions on their employment, access to public spaces, movement, and healthcare. Through its unclear instructions, inconsistency, unpredictability, and the severity of its punishments, the ministry has created a “climate of fear and intimidation” in Afghanistan.⁸⁹

The ministry also attacks cultural life, UNAMA said, noting prohibitions on music, artistic expression including images of people or animals, and the celebration of the Persian new year Nowruz. Enforcement measures include verbal intimidation, arbitrary arrest and detention, corporal punishment (including public lashing), random searches, and record-keeping at

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mosques to ensure attendance. Since the Taliban takeover in 2021, UNAMA has recorded at least 1,033 instances of such abuses.⁹⁰

Taliban Abuses May Constitute Crimes Against Humanity

On June 18, the UN Special Rapporteur on the situation of human rights in Afghanistan Richard Bennett, in conjunction with the Office of the High Commissioner and Secretary-General, publicly released their annual report on the status of human rights in Afghanistan.⁹¹ When presenting his report to the UN Human Rights Council, Bennett described the Taliban's human rights violations as "so severe and extensive" that they "may amount to crimes against humanity."⁹² Of the situation, Bennett said:

The system of discrimination, segregation, disrespect for human dignity and exclusion institutionalized by the Taliban is motivated by and results in a profound rejection of the full humanity of women and girls. It is pervasive and methodical, and is institutionalized through and, in turn, reinforced by edicts and policies sanctioning the severe deprivation of fundamental rights... these deprivations do not exist independently of each other. Rather, each deprivation systematically informs and interacts with others, creating a mutually reinforcing architecture of oppression.⁹³

Since the last annual report in June 2023, the Taliban issued an additional 52 edicts restricting the rights of women and girls in Afghanistan. As a result, the Special Rapporteur found that women and girls are being forced into "increasingly narrow roles where the deep-rooted patriarchy, bolstered and legitimized by Taliban ideology, deems them to belong," as child-producers and objects for exploitation, whether domestic servitude, sexual exploitation, and/or debt bondage.⁹⁴

While the report acknowledged that the unequal treatment of women in Afghanistan predates Taliban rule, misogyny was now "radicalized and institutionalized in a governance project that the Taliban claims to be the unfolding of sharia but is unparalleled in other Muslim-majority countries." The UN found that the Taliban knowingly perpetrate gender persecution, murder, enforced disappearances, torture, rape and other acts of sexual violence, enslavement, and other inhumane acts against the civilian population in an effort to maintain their system of oppressive governance.⁹⁵ Without intervention, the Special Rapporteur predicted that gender oppression will increase, with greater violence perpetrated against resisters.⁹⁶ The report noted that, regardless of gender, anyone who challenges the Taliban "risks suffering any number of inhumane attacks," as the Taliban also arrest, detain, and inflict physical violence on boys and men who question their governance.⁹⁷

In response to the UN Special Rapporteur's report, Taliban spokesperson Zabihullah Mujahid posted on X that the Special Rapporteur was "attempting to tarnish perceptions" ahead of Doha III, and called the

conclusions in the report “distorted.” Mujahid said, “constructive and positive engagement with the Islamic Emirate is essential.”⁹⁸

The report’s release aligned with the 56th session of the UN Human Rights Council in June, where Special Rapporteur Richard Bennett hosted a dialogue on the situation of human rights in Afghanistan. At this meeting, the NGO International Federation for Human Rights said that under Taliban rule, “the human rights situation has not ceased to deteriorate,” with the oppression of women and girls “unparalleled anywhere in the world.” Therefore, the Federation recommended codifying the crime of gender apartheid into international law, to reflect the previously unforeseen level of institutionalized discrimination.⁹⁹ Human Rights Watch also issued a statement ahead of the dialogue, urging states to consider codifying gender apartheid as a crime against humanity, and decrying the exclusion of Afghan women from Doha III as a violation of UN Security Council resolution 1325 on women, peace, and security.¹⁰⁰

HUMANITARIAN CRISIS UPDATE

Nearly three years after the Taliban takeover, Afghanistan continues to experience one of the world’s worst humanitarian crises.¹⁰¹ To alleviate the suffering, the UN aims to assist 17.3 million of an estimated 23.7 million Afghans in dire need. The UN has sought \$3.06 billion for its 2024 Humanitarian Response Plan but has received only \$710.1 million (23%) of the amount requested, as of July 12.¹⁰² According to UN Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator Martin Griffiths, this funding shortage is forcing UN agencies to make “increasingly painful” decisions to cut life-saving food, water, and health programming, and to “ruthlessly” restrict assistance to only those Afghans most urgently in need.¹⁰³

Heavy Floods Kill Hundreds, Destroy Thousands of Homes

In May, a series of flash floods struck the northern, northeastern, and western regions of Afghanistan. The heavy rainfall and flooding killed at least 225 people, injured another 217, and destroyed 2,800 homes. The UN Office for the Coordination of Humanitarian Affairs (UN OCHA) said more than 59,100 people were affected by the heavy rainfall and flooding. Additionally, six health facilities were destroyed in Badghis, Baghlan, Faryab, and Takhar Provinces, with 18 others partially damaged or destroyed. UN OCHA reported that in May, 45 public schools and 30 community-based education classes were destroyed or damaged in Baghlan, Badakhshan, Faryab, and Takhar Provinces. Although damaged roads hampered access to these provinces, UN OCHA said it continued to coordinate with partners to support affected communities, including taking field missions to identify and allocate needed support.¹⁰⁴

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TABLE R.2

Integrated Food Security Phase Classification (IPC)		
Food Insecurity Phase	Technical Description	Priority Response Objective
1 - None/Minimal	Households are able to meet essential food and non-food needs without engaging in atypical and unsustainable strategies to access food and income.	Resilience building and disaster risk reduction
2 - Stressed	Households have minimally adequate food consumption but are unable to afford some essential non-food expenditures without engaging in stress-coping strategies.	Disaster risk reduction and protection of livelihoods
3 - Crisis	Households either: · Have food consumption gaps that are reflected by high or above-usual acute malnutrition; OR · Are marginally able to meet minimum food needs, but only by depleting essential livelihood assets or through crisis-coping strategies.	URGENT ACTION REQUIRED to protect livelihoods and reduce food consumption gaps
4 - Emergency	Some households either: · Have large food consumption gaps which are reflected in very high acute malnutrition and excess mortality; OR · Are able to mitigate large food consumption gaps, but only by employing emergency livelihood strategies and asset liquidation.	URGENT ACTION REQUIRED to save lives and livelihoods
5 - Catastrophe/ Famine*	Households have an extreme lack of food and/or other basic needs even after full employment of coping strategies. Starvation, death, destitution, and extremely critical acute malnutrition levels are evident. (For Famine classification, area needs to have extreme critical levels of acute malnutrition and mortality.)	URGENT ACTION REQUIRED to avert/prevent widespread death and total collapse of livelihoods

* Some households can be in Catastrophe (IPC Phase 5) even if areas are not classified as Famine (IPC Phase 5). In order for an area to be classified Famine, at least 20% of households should be in IPC Phase 5. Source: FAO and WFP Hunger Hotspots FAO-WFP early warnings on acute food insecurity – June to September 2022 Outlook, 6/6/2022, p. 7.

Food Insecurity Predicted to Remain High

Afghans continued to suffer from food insecurity, with nearly three out of 10 children facing crisis or emergency level of hunger in 2024.¹⁰⁵ This quarter, the Integrated Food Security Phase Classification (IPC) identified four factors as key drivers of the continued food insecurity: climatic shocks, economic stagnation, high prices, and unemployment. IPC predicted that between May and October 2024, despite a “marginal improvement in food security,” largely because of the harvest season, 12.4 million Afghans will likely experience high levels of acute food insecurity (IPC Phase 3 or above).¹⁰⁶ IPC defines acute food insecurity as food deprivation that threatens lives or livelihoods.¹⁰⁷ Table R.2 provides a detailed description of IPC food insecurity phase classifications.

Taliban Interference in Humanitarian Operations

Dissolution of Community Development Councils

On May 22, the Taliban ministry of rural rehabilitation and development sent a letter to UN OCHA notifying international organizations that, based on a verbal decree from the Taliban’s so-called emir, Haibatullah Akhundzada, all 13,000 Community Development Councils (CDCs) in Afghanistan have been dissolved.¹⁰⁸ CDCs, created under the Karzai government’s National Solidarity Program, worked with local authorities to coordinate development planning, and facilitate community participation and involvement in the implementation of projects at the local level.¹⁰⁹ Before CDCs were formally established, Afghanistan had a longstanding history of “grassroots,

collective, decision-making and problem-solving bodies called the shuras or village councils,” according to the Afghanistan Analysts Network.¹¹⁰

Now, based on the Taliban’s letter to UN OCHA, instead of CDCs, humanitarian and development organizations must seek the approval of the Taliban’s religious scholars “in selecting the work plan (project) in the region.”¹¹¹ A source interviewed by Hasht-e Subh, a local Afghan news outlet, said that village-level CDCs served “as the only platform in the absence of a government for the execution of World Bank and NGO programs” since the fall of the former Republic.¹¹² But according to the Afghanistan Analysts Network, the Taliban had diminished and marginalized the councils, “in many cases, rendering them inactive,” even before the formal decree.¹¹³ USAID told SIGAR that the USAID Mission’s programs have not reported any impact on their regular operations, as the decree has not yet been implemented and enforced.¹¹⁴

SIGAR AUDIT

A SIGAR audit issued this quarter found that over half of State, USAID, and U.S. Agency for Global Media’s implementing partners surveyed (38 of 65) reported paying a combined \$10.9 million of U.S. taxpayer money in taxes, fees, duties, or public utilities to the Taliban-controlled government since August 2021. This amount likely represents only a fraction of the total amount of U.S. assistance funds provided to the Taliban because UN agencies receiving U.S. funds did not collect data or provide relevant information about payments made by their sub-awardees. SIGAR also found that the Taliban have disrupted implementing partner activities in a variety of ways, including attempts to divert aid or infiltrate NGOs and interfere with their activities. For more details, see page 98.

Additional Taliban Incidents of Interference

UN OCHA’s May 2024 Humanitarian Access Snapshot said that Taliban interference in humanitarian aid implementation remained “the main driver of access impediments in 2024,” in addition to dissolving CDCs. UN OCHA reported 64 access incidents related to Taliban interference in May, including 26 directing affecting program implementation, 20 incidents of requests for sensitive information, 10 incidents restricting women humanitarian workers’ participation, four incidents of occupation of facilities and arrests for illegal taxation, and one case of disrupting staff recruitment.¹¹⁵

In April, UN OCHA reported 96 incidents of Taliban interference in the implementation of humanitarian activities. The UN also reported another 16 incidents of Taliban demands in April, including from the “directorate of monitoring” of the so-called emir’s decrees, seeking “sensitive information, such as project and staff data.”¹¹⁶ USAID told SIGAR that it “continues to receive reports of implementing partner staff detentions by the [Taliban] General Directorate of Intelligence when carrying out their program implementation work.”¹¹⁷

MIGRATION AND REFUGEES

Afghanistan’s Returnee Crisis

According to the UN’s International Organization for Migration (IOM), 2.6 million Afghans have been displaced since the Taliban takeover in August 2021, driving humanitarian need in Afghanistan and the region. Another 6.3 million people are experiencing long-term displacement. In its 2024 Crisis Response Plan, IOM estimated that over \$451 million is needed to provide life-saving services to displaced people this year, while another \$177 million is required to address the root causes of displacement.¹¹⁸ The majority of lifesaving assistance funds support access to shelter, basic needs like food, health care, and water, sanitation, and

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hygiene. Displacement prevention funding primarily addresses community stabilization, livelihoods and economic recovery, and disaster risk reduction.¹¹⁹

The number of newly displaced people is expected to reach 900,000 in 2024, an increase of 400,000 compared to 2022. Many of the most vulnerable are returnees from Iran and Pakistan. According to IOM, returnees from Pakistan are the “primary focus” of humanitarian partners due to the high volume of returns since Pakistan’s government announced its intent to deport Afghan migrants in late 2023. However, IOM noted that returns from Iran are increasing, and a surge of deportations would strain resources in Afghanistan and call for an updated humanitarian response plan.¹²⁰

Returns from Pakistan

As of June 27, the UN High Commissioner for Refugees (UNHCR) reported that 469,500 Afghans have returned to Afghanistan since Pakistan’s “Illegal Foreigners’ Repatriation Plan,” which aims to repatriate over a million foreigners residing in Pakistan without valid documents, went into effect on November 1, 2023.¹²¹ At that time, daily Afghan returnees from Pakistan increased from less than 200 per day in October to over 25,000 daily in November.¹²² While the number of returnees stabilized in early 2024, according to UNHCR, returns have ticked upward since March 2024.¹²³

In May, over 40,000 Afghans returned from Pakistan, compared to 26,000 in April.¹²⁴ In June, USAID’s Bureau for Humanitarian Assistance (BHA) told SIGAR that humanitarian partners are expecting the number of returnees to increase after July, when a temporary renewal on Afghan Citizen Cards (registration cards that temporarily allow residence in Pakistan) expired.¹²⁵ However, on July 10, Pakistan announced its plan to extend the validity of Proof of Registration cards (a separate visa category) for a year, allowing 1.45 million cardholding Afghans to stay in Pakistan until June 2025, reducing the number of expected returnees. The decision followed discussions between Pakistan’s Prime Minister Shehbaz Sharif and UNHCR head Filippo Grandi in early July.¹²⁶

The UNHCR’s Returns Emergency Response report in June said that it was scaling up protection activities at the Afghanistan-Pakistan border. From January to May 2024, 55% of returnees reported harassment on Pakistan’s side of the border, 19% reported detention, 22% reported being forced to pay bribes, and 18% reported extortion.¹²⁷

For an in-depth look at Afghan immigration to Pakistan, Pakistan’s repatriation plan, and the related humanitarian crisis, see SIGAR’s October 2023 *Quarterly Report to the United States Congress*.¹²⁸

Iran’s Deportations Continue to Rise

According to IOM, Iran hosts about 4.5 million refugees, the majority of whom come from Afghanistan. As poverty rates and inflation continue to rise in Iran due to sanctions, risks to the refugee population are increasing.¹²⁹ As of June 30, a total of 526,800 Afghans have returned from Iran this year,

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UN Women Representative Alison Davidian meets with a UN Women biometrics officer at a Kandahar border station. (Photo by UN Women)

Special Immigrant Visa (SIV): SIV program established by Congress in 2009 for Afghans who worked on behalf of the United States in Afghanistan and experienced an ongoing and serious threat as a result. Limited numbers of SIVs are accepted each year.

Priority 1 (P1): Eligible Afghans include those who did not meet the requirements for an SIV but were referred by designated entities such as an embassy, designated NGO, or the UN High Commissioner for Refugees.

Priority 2 (P2): Eligible Afghans include those who did not meet the minimum time-in-service requirement for an SIV but worked as employees of contractors, locally employed staff, interpreters, and translators for the U.S. government; Afghans who worked for a U.S.-funded program or project; and Afghans who were employed by a U.S.-based media organization or NGO.

Source: State OIG, Information Report on Afghan Special Immigrant Visas, AUD-MERO-22-38, 9/2022; USCIS, USRAP Consultation and Worldwide Processing Priorities, accessed 3/29/2024; USCIS, Asylum Information, accessed 3/29/2024; State, USRAP Priority 2 Designation for Afghan Nationals, 8/2/2021.

and rates of return were increasing.¹³⁰ IOM tracked nearly 30,000 returns in May compared to 18,000 in January.¹³¹ As a result, the State Department Bureau of Population, Refugee, and Migration (PRM) told SIGAR that humanitarian partners have scaled up assistance at border reception and transit centers on the Afghan side of the border. The immediate needs of the returnees include health care, psychological support, shelter, food, protection, and livelihoods assistance.¹³²

Resettlement Update

State PRM reported that 9,975 refugees from Afghanistan have been admitted to the United States through the U.S. Refugee Admissions Program in FY 2024, as of June 30.¹³³ Another 23,315 special immigrant visa (SIV) applicants have been resettled to the United States in FY 2024.¹³⁴

As of June 17, SIGAR has submitted 292 applications for Priority 1 (P1) and Priority 2 (P2) referral. Three individuals have had their applications for resettlement accepted; 61 cases have been rejected; 228 cases are still in process; and one application is marked as incomplete. Afghans awaiting resettlement are currently located in Afghanistan, Pakistan, Qatar, the United Arab Emirates, Iran, Iraq, Turkey, and a number of European countries.¹³⁵

AFGHAN RESETTLEMENT IN CANADA

SIGAR’s April 2024 *Quarterly Report to the United States Congress* included an essay, *Voices of the Diaspora*, that highlighted the experiences of Afghan refugees who have resettled in the United States based on direct interviews. Several themes emerged: bureaucratic hurdles to resettlement, difficulty in adapting, and unstable legal statuses for many who have not been entitled to citizenship or permanent residence.¹³⁶ This quarter, SIGAR spoke with members of the Afghan diaspora in Ottawa and Toronto, Canada, to compare the resettlement processes in the United States and Canada and identify any relevant lessons.

SIGAR interviewed 11 members of the diaspora living in the Toronto metropolitan area and 18 living in Ottawa. Most had served in the former Afghan government in various capacities.¹³⁷ Others were human rights advocates, journalists, or NGO staff.¹³⁸ Several had experience working directly for or with the United States, and mentioned their previous eligibility for SIVs or P1 referral. Despite their eligibility for resettlement in the United States, these Afghans told SIGAR that they heard U.S. processing times were too long to endure. When faced with multiple years waiting in an Albanian refugee camp, for example, or resettling in Canada sooner, they chose the latter.¹³⁹

Since 2021, Canada has instituted a number of immigration programs, including a special humanitarian program for vulnerable Afghans, in order to help resettle Afghans fleeing the Taliban.¹⁴⁰ These special programs fall under the broader Government-Assisted Refugee Program, which processes refugee resettlement requests. Afghans who resettle in Canada through this pathway are legal permanent residents, and are allowed to access social services, work, and attend school.¹⁴¹ Afghans are eligible to apply for Canadian citizenship after three years of living in Canada as permanent residents.¹⁴² The Afghans SIGAR interviewed were all either citizens, or permanent residents who will eventually be eligible to apply for citizenship, if they continue to live in Canada for three out of the next five years. This differs from many of the Afghans SIGAR spoke with in the United States, who were more uncertain about their future legal status.

The Afghans SIGAR spoke with in Canada described the initial resettlement process as fairly smooth and agreed that their host communities were welcoming.¹⁴³

One Afghan was especially appreciative of Canada’s policy of allowing successful applicants to bring additional family members (outside the traditional nuclear family parameters) on one visa.¹⁴⁴ A former Republic official living in Ottawa agreed that the fast processing times for permanent residence cards positively impacted their resettlement experience, but noted other challenges.¹⁴⁵

After refugees arrive, the Canadian government provides them with a stipend to help with necessities like rent for their first year. But, after the initial year, “you’re on your own,” said one interviewee.¹⁴⁶ Another Afghan noted, “once you’re kicked out of the hotel, you have to find a place to live,” but with very little support from the Canadian government.¹⁴⁷ Several described this as challenging emotionally and financially.¹⁴⁸ A former member of the Afghan parliament said that landlords won’t rent to refugees because they have not established credit scores. Covering rent without the government stipend can be very difficult after only one year in Canada.¹⁴⁹ A former NGO employee told SIGAR, “finding a proper job is going through hell,” and that even doctors are forced to drive for Uber.¹⁵⁰ Some Afghans expressed dissatisfaction with the Canadian economy, saying that they perceived more job opportunities and associated financial contentment in the United States.¹⁵¹

The inability to transfer professional or educational experience was echoed by several interviewees.¹⁵² For example, one former PhD candidate told SIGAR that her credits did not transfer and she is restarting her education at the high school level in order to work her way back to the higher education she was pursuing.¹⁵³ One man’s daughter was unable to transfer medical degree credits and is therefore pursuing a Canadian undergraduate degree.¹⁵⁴ Another former professional said, “the environment here is torturing us,” referring to the economic situation. He currently works at Walmart, despite his previous experience in the parliament in Afghanistan.¹⁵⁵ Another man told SIGAR that despite his master’s degree and 20 years of professional experience, he has been unable to find a job that recognizes and values his background.¹⁵⁶ According to multiple interviewees, only previous job experience in Canada is considered in the hiring process for many jobs.¹⁵⁷ As a result, the most successful refugees are those with

English language skills and previous work experience in the country.¹⁵⁸

While finding a job and paying rent pose one set of challenges, resettling in a new country can also cause emotional turmoil and culture shock as Afghans are forced to come to terms with everything they left behind.¹⁵⁹ A former journalist said, “We are happy that we have freedom but it’s not easy to start over from zero and forget what’s left behind.”¹⁶⁰ One interviewee said the single most difficult aspect of resettlement was dealing with trauma, and the second was cultural integration.¹⁶¹ One woman told SIGAR that refugees need at least 2–3 years to adjust to life in a new country, especially in terms of learning Canadian laws. She discussed how different parenting norms can lead to interventions that separate children from their families. Given the immense stress refugees already experience, separating families can exacerbate personal struggles and lead to additional problems down the line, she said.¹⁶² Another interviewee said he believes the challenges in Canada are leading to rising extremism in youth.¹⁶³ Others described their own depression and anxiety from resettlement and the trauma of leaving of Afghanistan.¹⁶⁴ One woman told SIGAR that many Afghans hope to return to Afghanistan one day.¹⁶⁵

Like the Afghans SIGAR interviewed in the United States, those in Canada stay informed about the conditions in Afghanistan through their friends and family who remain there, despite the Taliban’s “very restrictive” controls on information flow and media.¹⁶⁶ Interviewees told SIGAR it is immensely difficult watching people suffer in Afghanistan from afar.¹⁶⁷ Many of the Afghan women SIGAR spoke with described the increasing challenges for women in Afghanistan as the Taliban “are getting stronger and bolder in their efforts to crack down on women.”¹⁶⁸ The “Taliban banished Afghan women from existence,” said one former defense lawyer, adding that “underaged, enforced marriage rate [is] increasing under the Taliban.”¹⁶⁹ A former journalist told SIGAR that her female colleagues in Afghanistan have been forced to leave their jobs because of Taliban pressure and threats of arrest.¹⁷⁰ As journalists are curbed, reports about abuses against women go underreported, said one woman.¹⁷¹

Multiple people also told SIGAR they are worried for Afghans who had fled to Pakistan and Iran, where they face threats from the local authorities.¹⁷²

One journalist expressed disappointment with how the international community, led by the United States, has dealt with the Taliban pre- and post-collapse.¹⁷³ Another interviewee told SIGAR, “there is no hope in holding [the Taliban] accountable.”¹⁷⁴ A former government official said it is hard to reconcile the “Taliban 2.0” that was “sold to the international community and the people of Afghanistan” during U.S.-Taliban negotiations with the reality on the ground now.¹⁷⁵ Another interviewee recommended that the United States end financial support to Afghanistan because of the Taliban’s treatment of women.¹⁷⁶

After hearing the experiences of Afghan refugees in the United States and Canada, it is clear that both groups face many of the same difficulties, such as a lack of support, trouble finding a job commensurate with their experience, and culture shock. Both groups expressed discontentment with the international community’s engagement with Afghanistan, and their fear for the safety of those still living there. However, one difference was apparent: while the interviewees in the United States were often most concerned about their uncertain future legal status, Afghans in Canada were comforted by their legal certainty and ability to stay permanently, although some were not sure they wanted to.

PUBLIC HEALTH

On May 28, the Taliban appointed Noor Jalal as the new minister of public health. Jalal was previously the Taliban minister of interior from 1996 to 2001. Jalal was under UN sanctions pursuant to resolution 1988 (2011) from 2001 to 2012.¹⁷⁷ In 2022, a regional media outlet reported that Jalal praised Taliban suicide bomber units as an “integral part of our Jihad and our source of pride.”¹⁷⁸ He is not known to have any public health experience. USAID said it is engaging with its implementing partners to determine how Jalal’s appointment will impact health services, noting that the relationship between health actors and the Taliban is “critical for efforts to provide principled health assistance in Afghanistan.”¹⁷⁹

Epidemiological Update

Infectious Disease Outbreaks

As of June 8, the World Health Organization (WHO) has recorded the following cumulative infectious disease outbreaks:¹⁸⁰

- Measles: 30,335 cases, 133 deaths
- Acute watery diarrhea: 56,407 cases, 27 deaths
- Acute respiratory infections: 742,714 cases, 1,676 deaths
- COVID-19: 7,542 cases, 36 deaths
- Crimean-Congo hemorrhagic fever: 225 cases, 8 deaths.

Measles cases in Afghanistan have been increasing since the beginning of 2024, and recorded cases are higher than in the previous five years. For example, the weekly case rate in early June 2024 was approximately 1,600, versus 600 in 2023, and less than 200 in 2019. In May, the first round of an immunization campaign was conducted, and 90,323 children aged 9–59 months were vaccinated in response to the ongoing measles outbreak.¹⁸¹

Since April, acute watery diarrhea cases have been rising, likely due to the floods, said WHO. Acute respiratory rates are steadily decreasing, as are rates of COVID-19. Crimean-Congo hemorrhagic fever rates have been increasing weekly, though, and WHO is currently monitoring the situation to identify any potential for larger outbreaks.¹⁸²

Polio Update

There were nine confirmed cases of wild poliovirus in Afghanistan this quarter. As of July 9, there were 44 positive environmental samples (a key polio surveillance indicator) this year, 34 of them identified this quarter. Afghanistan and Pakistan, which share a 1,659-mile border, remain the only countries in the world where polio is still endemic or “usually present” and have a total of 17 recorded cases in 2024. In 2023, there were 12 confirmed wild poliovirus cases, with six cases reported in each country.¹⁸³

The Taliban ministry of public health held three polio vaccination campaigns this quarter, while a Taliban health ministry spokesman denied any recorded

polio cases so far this year. In April, the campaign planned to reach children in all of Afghanistan's 34 provinces. The June campaign aimed to reach over 11 million children.¹⁸⁴ Prior to their 2021 takeover, the Taliban had disrupted public health campaigns and expressed skepticism about vaccination campaigns.¹⁸⁵

Cholera Update

WHO reported over 46,000 cases of and 25 deaths from cholera, a waterborne disease, in Afghanistan from January 1 to May 26.¹⁸⁶ Floods in central and northern Afghanistan this quarter led to the cholera outbreak, which was exacerbated by the country's weak health system and vaccine shortage.¹⁸⁷

Afghanistan has the highest number of cholera cases reported globally this year, according to WHO. A Taliban ministry of health spokesman denied that Afghanistan has any confirmed cholera cases.¹⁸⁸

Humanitarian Health Response

WHO, in its most recent health update, reported that through its partners, over 142,000 people received emergency health care services, 9,943 people received trauma care, and 607 health workers were trained in Afghanistan in May 2024.¹⁸⁹ This quarter, WHO published data on the proportion of beneficiaries reached with various health delivery platforms versus its targets for 2024. From January to May, WHO reached:¹⁹⁰

- 732,000 people through primary health care (22% of annual target)
- 378,000 people through hospitals (37% of annual target)
- 50,000 people through trauma care (30% of annual target).

During the reporting period, WHO supported 48 health facilities for primary care in six provinces, 18 hospitals in 12 provinces, and trauma services in all regions.¹⁹¹

This quarter, health response efforts were especially focused on responding to flood-affected communities. WHO and its humanitarian health partners (collectively the Afghanistan Health Cluster) deployed 60 mobile health and nutrition teams to Baghlan, Badakhshan, Takhar, Faryab, Ghor, and Badghis Provinces. Over a two-week period in May, 38,462 flood-affected people received health care through the mobile teams.¹⁹²

The Health Cluster also continues to support the health response for Afghan returnees. As of May 29, WHO and its partners provided health services to 496,958 returnees. Regional health cluster teams were active across Afghanistan, coordinating humanitarian health services with the Taliban provincial public health directorates.¹⁹³ WHO also dispatched two public health authority teams to Torkham and Islam Qala to institute International Health Regulations best practices in infectious disease outbreak prevention. Another team was sent to Kandahar to conduct infectious disease screenings of returnees and collect samples for further lab testing. In total, 105,399 individuals were screened, and 1,309 cases of infectious diseases were detected.¹⁹⁴

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Violence Against Health Care Workers

On June 24, Insecurity Insight, a Swiss organization tracking threats in conflict-afflicted areas, released its 2023 report on violence against health care workers in Afghanistan. They recorded 109 incidents of violence or obstruction of health care in 2023, compared to 87 in 2022. Additionally, 65 health workers were arrested or detained for questioning. Insecurity Insight noted that restrictive Taliban policies make humanitarian operations “increasingly complex.”¹⁹⁵

Insecurity Insight attributed 80% of violence perpetrated against health workers in 2023 to the Taliban government, police, and intelligence forces. Incidents were recorded in 28 of Afghanistan’s 34 provinces, with Zabul Province having the highest number of cases. Arrests of health workers more than doubled from 2022 to 2023. Health workers were accused of immorality, and detained for not separating staff by gender, traveling without a male guardian, having alleged links to the Islamic State, and for alleged corruption. One British paramedic working for UNHCR was detained and imprisoned for 272 days by the secret police in January 2023 for possessing a pistol in his hotel room, despite his having a license for it.¹⁹⁶

The report concluded that violence against health workers will continue to negatively affect the Afghan population, as health workers increasingly flee an already under-funded and under-staffed sector.¹⁹⁷

EDUCATION

Taliban Continue to Ban Education for Girls and Women

This quarter, the Taliban maintained their nationwide ban on girls’ education, preventing girls and women from attending school beyond the sixth grade or higher education, with some limited exceptions. It has been over 1,000 days, or nearly three years since the Taliban instituted their education ban. The UN has warned previously that the Taliban’s restriction of girls’ education remains their biggest obstacle to gaining international recognition as the legitimate rulers of Afghanistan. Despite that, USAID told SIGAR this quarter that although the Taliban ministry of education has established a new curriculum for schools, “there is no indication from the Taliban that schools will reopen for girls above grade 6.”¹⁹⁸

ECONOMY

Economic Crisis Continues

Afghanistan’s economy remained weak this quarter, reflecting a decline in growth and international aid. According to the World Bank, after the Taliban seized control of Afghanistan, “the economy contracted for two consecutive

years, declining by 20.7% in 2021 and 6.2% in 2022.” Data from the World Bank point to a continued contraction. Real GDP shrunk by 26% cumulatively during the last two fiscal years, “with economic activity remaining stagnant during the ongoing fiscal year 2023–2024.” Starting in April 2023, deflation has contributed to falling prices, but demand has struggled to rise, indicating a damaging economic cycle that contributes to poverty.¹⁹⁹

UN Cash Shipments: A Lifeline for the Economy

Because of the disruption to international banking transfers and liquidity challenges since the Taliban takeover, the UN transports U.S. currency to Afghanistan for use by UN agencies and its approved partners. Last October, State told SIGAR that the UN cash shipments—averaging \$80 million each—arrive in Kabul every 10–14 days.²⁰⁰ In 2022 and 2023, the UN transferred \$3.6 billion in cash to Afghanistan, \$1.8 billion each year.²⁰¹ According UNAMA, the money is placed in designated UN accounts in a private bank. UNAMA said it is carefully monitored, audited, inspected, and vetted in accordance with the UN financial rules and processes.²⁰² This quarter, SIGAR issued an evaluation finding that although UN cash shipments to Afghanistan have reportedly stabilized the Afghan economy, they also benefit the Taliban.

Evaluation 24-32-IP: U.S. Currency Shipments to Afghanistan: U.S. Currency Has Reportedly Stabilized the Afghan Economy but Benefits the Taliban

A SIGAR evaluation issued this quarter assessed (1) the impact of introducing large amounts of U.S. currency into the Afghan economy; and (2) the benefits and challenges of using direct cash assistance as a form of aid, compared to other forms of assistance. SIGAR found that Afghanistan suffers from a liquidity crisis due to its isolation from the international banking sector and its central bank’s—Da Afghanistan Bank (DAB)—lack of technical expertise within the financial sector, and its inability to print new, or replace existing, afghani banknotes. The UN’s U.S. currency shipments have had a positive economic impact, as the shipments eased Afghanistan’s liquidity crisis and have allowed the

Taliban-run DAB to implement monetary policies, such as easing cash withdrawal restrictions, and have helped alleviate the negative economic impacts of Taliban policies, such as restricting women’s ability to travel or be employed. However, due to the Afghan economy’s reliance on U.S. currency shipments, SIGAR found that a reduction or cessation of the shipments would result in a reversal of economic and humanitarian gains. SIGAR also found that UN shipments of U.S. currency provide direct and indirect benefits to the Taliban, such as revenue generation, stabilizing and strengthening the regime, and providing it access to untraceable U.S. currency. For more information, see page 97.

Afghan Fund Update

The Afghan Fund’s Board of Trustees convened for the sixth time, on June 28 in Washington, DC. The Fund said the board was “updated about the audit process of the financial statement for fiscal year 2023,” and that it approved the budget for fiscal year 2024. The Fund’s statement confirmed that as of end of June, Afghan Fund assets reached \$3.84 billion.²⁰³

Last June, the Afghan Fund’s board agreed in principle that the Fund’s assets could be used to clear Afghanistan’s arrears with multilateral

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development banks and thereby elicit the banks' assistance "to stabilize the financial situation and sustain macroeconomic stability in Afghanistan."²⁰⁴ According to the January 2024 meeting minutes, the Fund's board unanimously agreed to pay Afghanistan's outstanding arrears to the Asian Development Bank.²⁰⁵ The Fund's most recent meeting statement said "the Board remains open to disburse fund for arrears clearance to the Asian Development Bank intended to address Afghanistan's outstanding arrears to that institution for the benefit of the Afghan people, as appropriate."²⁰⁶ As it nears the end of its second year, the Afghan Fund has not yet made any disbursements to entities on behalf of Afghanistan.²⁰⁷

Afghan Fund Background

The Afghan Fund was established as a Swiss charitable foundation in September 2022 through the collaborative efforts of the U.S. Departments of Treasury and State, the Swiss government, and two Afghan economic experts. The Fund aims to protect, preserve, and make targeted disbursements from its over \$3.5 billion in assets, previously held by Da Afghanistan Bank (DAB), Afghanistan's central bank, in U.S.-based accounts, to help provide greater stability to the Afghan economy and benefit the people of Afghanistan.²⁰⁹

State previously announced that the Fund is "explicitly not intended to make humanitarian disbursements."²¹⁰ Instead, the Fund is intended to "protect macro financial stability on behalf of Afghan citizens," including potentially by keeping Afghanistan current on debt payments to international financial institutions to preserve its eligibility for development assistance, and pay for critically needed imported goods.²¹¹ "Over the long-term, the Fund could recapitalize Afghanistan's central bank should the conditions materialize," said Treasury.²¹² The Taliban are not involved in the Afghan Fund or the management of its assets and have protested its creation.²¹³

Taliban Appoint Second Sanctioned Official to Head Central Bank

In a July 6 statement, the Taliban's so-called emir promoted Noor Ahmad Agha, also known as Ahmed Zia Agha, who is subject to U.S. counterterrorism sanctions, to head DAB. Agha replaced former central bank governor Hidayatullah Badri, who is also subject to U.S. and UN sanctions. Badri will be the acting minister of mines and petroleum. This reshuffle came a week after the Doha III meeting, where the Taliban called for the return of the Afghan central bank's \$7 billion in frozen assets.²¹⁴

Treasury and State have said that, at minimum, DAB must meet the following criteria for the U.S. government to consider return of any of the \$3.5 billion from the Afghan Fund to DAB:²¹⁵

1. demonstrate its independence from political influence and interference,
2. prove that it has instituted adequate AML/CFT controls, and

On June 25, the U.S. House of Representatives passed, H.R. 6586, titled, "To require a strategy to oppose financial or material support by foreign countries to the Taliban and for other purposes." After an initial reporting requirement 90 days after enactment, Section 3 requires State to submit an annual report of the status of the Afghan Fund.²⁰⁸

3. complete a third-party needs assessment and onboard a reputable third-party monitor.

Last quarter, State told SIGAR that DAB has asked State for “technical assistance to implement best practices for central bank governance, but the U.S. government cannot provide such assistance at this time for legal and policy reasons.”²¹⁶

Economic Indicators

Inflation and Demand Continue to Drop

Headline inflation fell to -7.5% in April, which was less severe than the -10.2% recorded in January, when year-on-year inflation reached its lowest point. **Core inflation**, aside from volatile food and energy prices, also hit a -1.5% year-on-year change, “indicating a lack of sufficient demand for goods and services from the private and public sectors,” according to the World Bank’s May 2024 Afghanistan Economic Monitor.²¹⁷

Headline inflation: “a measure of inflation that is based on an unadjusted price index.”
Core inflation: “a measure of inflation that excludes items having volatile prices (such as fuel and food) from the price index being used.”

Source: Merriam Webster Dictionary, definition for “Core Inflation,” accessed on 7/1/2024, <https://www.merriam-webster.com/dictionary/core%20inflation>; Merriam Webster Dictionary, definition for “Headline Inflation,” accessed on 7/1/2024, <https://www.merriam-webster.com/dictionary/headline%20inflation>

A Struggling Banking System Leads to Distrust

Afghanistan’s banking system remained stressed, following the Taliban takeover. Dwindling assets and deposits, along with challenges with international payments and the Taliban’s efforts to make the financial system more Islamic are some of the causes, according to the World Bank.²¹⁸ Recent reports noted that the grim economic outlook and distrust of the Taliban-run banking system were leading an increasing number of Afghans to withdraw their money and close their accounts. Cut off from the international banking system, Afghanistan’s economy increasingly relies on the hawala system, an informal system of lenders.²¹⁹

Economic Development

Taliban Seek Chinese Economic Investment

This quarter, the Taliban minister of mines and petroleum met with Metallurgical China Cooperation, a Chinese state-owned enterprise, to discuss copper, lead, and zinc projects. State told SIGAR that the minister of mines and petroleum also met with the Chinese-Taliban joint venture, Af-Chin, and Xinjiang Central Asia Petroleum and Gas Co. (CAPEIC) to discuss potential upcoming projects.²²⁰ State previously told SIGAR that on July 8, 2023, Af-Chin opened a test well in the Qashqari oil fields in the Amu Darya basin.²²¹

The first major mining contract between China and the Taliban was signed in January 2023, a 25-year concession to drill three major mining blocks near the Amu Darya basin. Amu Darya contains the world’s third-largest oil and natural gas reserves. Only 5% of the basin is located in Afghanistan, with the remaining 95% in Turkmenistan and Uzbekistan.²²²

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UN Special Representative Roza Otunbayeva (bottom left) and UNODC officials visit the Jangalak Drug Treatment Center in Kabul in June. (Photo by UNAMA)

COUNTERNARCOTICS

This quarter, the Taliban participated in the UN's Doha III meeting, as detailed on pages 35–38. One of the two special sessions at Doha III focused on counternarcotics, according to UN Under-Secretary-General Rosemary DiCarlo.²²³

Two years after the Taliban's narcotics ban was first announced on April 3, 2022, State said the Taliban still face challenges imposing it, including: “severe negative economic effects; opium stockpiles; the continued sale and trafficking of banned narcotics; farmer resistance to the ban in certain areas; a lack of Taliban-provided alternative livelihoods support to poppy farmers; and concerns of the ban's sustainability, among other challenges.” Opium farmers, producers, and traders continued to resist the ban this quarter, and in April and May, violent protests in Argo and Darayim districts in Badakhshan resulted in the Taliban opening fire on protesters, killing two.²²⁴ For more information about the Taliban's opium ban, see pages 13–26.

From April 1, 2024, to May 28, 2024, the Taliban reportedly seized at least 124.41 kilograms (kg) of opium; 66.85 kg of methamphetamine; 48.29 kg of an unspecified narcotic pills; 30 kg of unspecified precursor chemicals; 7.07 kg of Tablet K pills (a synthetic opioid/meth tablet); 0.21 kg of ecstasy; and 309.07 kg of hashish.²²⁵

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سر مفتش ویژه برای بازسازی افغانستان



اداره

سنتر مفتش

افغانستان د پيار غاونو لپاره د خانگري

“More than seven billion dollars have been provided by international donors for humanitarian assistance and more than four billion to support basic human needs to the Afghan people since the Taliban takeover. Yet Afghanistan remains beset by massive poverty that leaves the population even more vulnerable to the many natural disasters that we have seen over the past few years as a result of climate change.”

—*UN Special Representative for Afghanistan
Roza Otunbayeva*

4 U.S. ASSISTANCE TO AFGHANISTAN



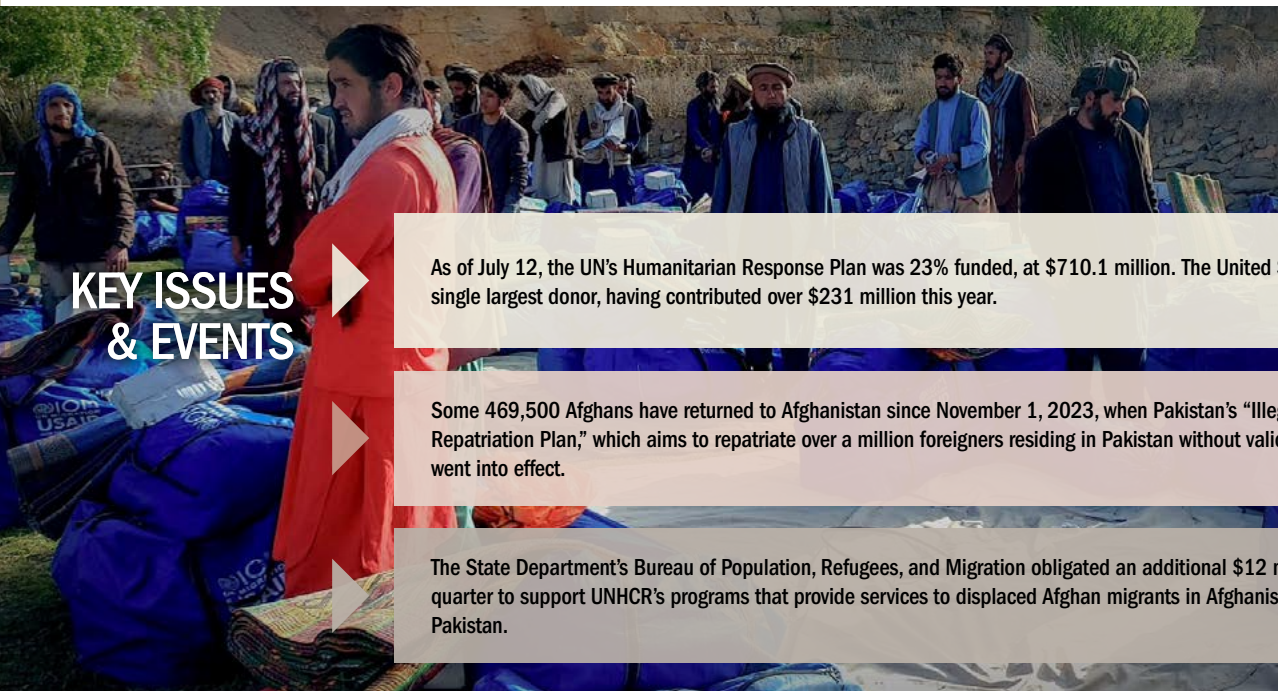
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UN Humanitarian Coordinator Indrika Ratwatte visits Baghlan Province to oversee UN agencies' aid efforts for communities affected by deadly flash floods. (Photo by UNAMA)

U.S. ASSISTANCE TO AFGHANISTAN



KEY ISSUES & EVENTS

As of July 12, the UN's Humanitarian Response Plan was 23% funded, at \$710.1 million. The United States is the single largest donor, having contributed over \$231 million this year.

Some 469,500 Afghans have returned to Afghanistan since November 1, 2023, when Pakistan's "Illegal Foreigners' Repatriation Plan," which aims to repatriate over a million foreigners residing in Pakistan without valid documents, went into effect.

The State Department's Bureau of Population, Refugees, and Migration obligated an additional \$12 million this quarter to support UNHCR's programs that provide services to displaced Afghan migrants in Afghanistan and Pakistan.

The United States remains the largest donor to programs supporting the Afghan people, disbursing more than \$3.2 billion for humanitarian and development assistance since the Taliban takeover in August 2021.¹ Following the collapse of the former Afghan government, the State Department told SIGAR, "The United States remains committed to facilitating the provision of life saving assistance for all Afghans in need, provided according to humanitarian principles amid the humanitarian crisis. We coordinate with allies, partners, and the international community to do so."² In October 2023, State publicly released an updated Integrated Country Strategy for Afghanistan, prioritizing security, economic self-reliance, intra-Afghan reconciliation, and humanitarian support.³

The Taliban—an organization on the U.S. Specially Designated Global Terrorist list—are subject to sanctions, thus limiting their access to foreign funds.⁴ However, since September 2021 Treasury's Office of Foreign Assets

SIGAR Lessons Learned Report

An ongoing Lessons Learned Program report is focusing on the challenges faced by donors, the UN, and NGOs in trying to get aid to the most vulnerable populations while bypassing politically estranged regimes, like the Taliban.

SIGAR Audit

An ongoing SIGAR audit is reviewing MOUs signed by State's implementing partners to determine the extent to which such agreements with the Taliban were completed and reviewed in accordance with applicable U.S. laws and agency requirements.

Control (OFAC) has authorized a series of licenses allowing for the provision of humanitarian aid to the people of Afghanistan while maintaining sanctions against the Taliban, the Haqqani Network, and other entities.⁵ U.S.-funded programs are implemented through nongovernmental organizations (NGOs), international organizations, or other third parties, which State said minimizes benefit to the Taliban to the extent possible.⁶

A SIGAR audit issued in May found that 58% of implementing partners who responded to a survey reported paying \$10.9 million in taxes, duties, fees, or utilities to the Taliban-controlled government since 2021. SIGAR determined this is likely only a fraction of the total amount of U.S. assistance funds diverted to the Taliban because UN agencies receiving U.S. funds for disbursement in Afghanistan do not collect the data or provide relevant information about their subawardees' payments.⁷ For a full summary of the audit's findings, including Taliban attempts to divert assistance, see page 98.

The Taliban also exert some control over humanitarian activities and have at times required NGOs to sign memoranda of understanding (MOUs) as a condition for operating in Afghanistan.⁸ These MOUs create a framework for NGO-Taliban coordination and delineate local regulations.⁹ Because the United States maintains a noncommittal posture on recognizing the Taliban as the government of Afghanistan, the United States Agency for International Development's Afghanistan Mission (USAID/Afghanistan) generally prohibits its partner NGOs from entering into any agreements with the Taliban.¹⁰ However, in cases where it is necessary to operate, or protect the safety and security of staff, USAID/Afghanistan may authorize implementing partners to negotiate and sign MOUs with the Taliban on a case-by-case basis in accordance with agency-specific guidance.¹¹ USAID's Bureau for Humanitarian Assistance (BHA) and the State Department's Bureau of Population, Refugees, and Migration (PRM) do not follow USAID/Afghanistan's administrative protocols and have coordinated to provide their own set of guidelines for implementing partners to consider when signing MOUs.¹² For additional information on federal guidelines for signing MOUs with the Taliban, see pages 64–65 of SIGAR's January 2024 *Quarterly Report to the United States Congress*.

The UN, through its Humanitarian Response Plan (HRP), leads international efforts to deliver humanitarian assistance directly to Afghans, including food, shelter, cash, and household supplies. The UN requested \$3.06 billion to fund humanitarian activities in 2024. As of July 12, the HRP was 23% funded, at \$710 million. The United States is the single largest donor, having contributed nearly \$232 million this year.¹³

USAID/BHA supports 18 programs, prioritizing direct food assistance and other avenues to help reduce food insecurity, including by promoting health, nutrition, water, sanitation, and hygiene.¹⁴ The total award amount for these programs, as shown in Table A.1, is more than \$815 million.

U.S. ASSISTANCE

TABLE A.1

USAID/BHA ACTIVE PROGRAMS IN AFGHANISTAN				
Program Supported	Implementer	Start Date	End Date	Award Amount
Emergency Food and Nutrition Assistance and Air Services	UN WFP	12/7/2022	4/30/2024	\$345,634,491
Emergency Food and Nutrition Assistance and Air Services	UN WFP	1/16/2024	1/15/2025	150,000,000
WASH Response and Humanitarian Assistance Program	IOM	7/1/2022	7/31/2025	86,230,000
Project Name Withheld at Request of USAID	(redacted)	12/19/2022	11/18/2024	43,000,000
Project Name Withheld at Request of USAID	(redacted)	12/19/2022	11/18/2024	36,000,000
Integrated Nutrition, Cash, WASH, and Protection Services	UNICEF	12/14/2023	12/13/2024	30,245,916
Project Name Withheld at Request of USAID	(redacted)	1/1/2023	11/30/2024	28,000,000
Project Name Withheld at Request of USAID	(redacted)	1/1/2023	11/30/2024	20,500,000
Project Name Withheld at Request of USAID	(redacted)	12/1/2023	10/31/2024	19,390,000
Project Name Withheld at Request of USAID	(redacted)	5/1/2023	3/31/2025	14,900,000
Scale Up Plan for Health Cluster Coordination Structure	UN WHO	12/26/2022	5/31/2024	10,583,333
Project Name Withheld at Request of USAID	(redacted)	12/1/2022	10/31/2024	10,500,000
Project Name Withheld at Request of USAID	(redacted)	3/1/2022	6/30/2025	9,756,243
Protection	UNDP	6/10/2024	6/9/2026	5,000,000
Provision of Lifesaving GBV Prevention and Response, MRH services in Emergency through Mobile Health Teams & Strengthen the AAP mechanism and capacity/human resources	UNFPA	8/7/2023	8/6/2024	3,450,000
Information Mgmt. for Disaster Risk Reduction and Response	UN OCHA	1/1/2024	12/31/2024	1,200,000
Information Mgmt. for Disaster Risk Reduction and Response	UN FAO	1/1/2024	12/31/2024	500,000
Information Mgmt. for Disaster Risk Reduction and Response	UNFPA	1/1/2022	6/30/2024	361,800
Total				\$815,251,783

Source: USAID, BHA, response to SIGAR data call, 7/12/2024.

USAID PROGRAMS IN AFGHANISTAN

USAID/Afghanistan continues to fund humanitarian programs in Afghanistan through its Office of Livelihoods, Office of Democracy, Gender, and Rights, Office of Social Services, Office of Program and Project Development, and Office of Infrastructure, Energy, and Engineering. Quarterly updates are listed thematically below.

Economic Growth Programs

USAID’s Office of Livelihoods (OLH) supports two active economic growth programs—the Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA) and the Turquoise Mountain Trust (TMT) - Exports, Jobs, and Market Linkages in Carpet and Jewelry Value Chains activity.¹⁵ Together, these programs have total estimated costs of more than \$120 million, as shown in Table A.2.

TABLE A.2

USAID ACTIVE ECONOMIC GROWTH PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/12/2024
Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA)	1/27/2020	1/26/2025	\$105,722,822	\$85,584,798
Carpet and Jewelry Value Chains	1/31/2019	4/30/2025	14,935,752	11,875,219
Total			\$120,660,000	\$97,460,018

Note: Numbers have been rounded.

Source: USAID, response to SIGAR data call, 7/12/2024.

Afghanistan Competitiveness of Export-Oriented Businesses Activity

USAID’s five-year, \$105.7 million Afghanistan Competitiveness of Export-Oriented Businesses Activity (ACEBA) is designed to provide technical assistance and grants to small and medium export-oriented enterprises. Since the Taliban takeover, ACEBA has prioritized livelihood support in 22 provinces. Livelihood support includes facilitating access to credit, bolstering private sector efforts to increase liquidity, helping the jobless secure apprenticeships, and assisting private sector suppliers of humanitarian goods to start or sustain production.¹⁶ ACEBA’s apprenticeship activity focuses on four value chains: cashmere, saffron, carpets, and humanitarian goods and services.¹⁷ Throughout its duration, ACEBA expects to support 1,100 small- and medium-sized enterprises, assist 82,000 individuals through livelihood restoration, provide 27,900 individuals with telemedicine consultations, supply 940 firms with working capital, and see a 50% increase in sales of supported firms.¹⁸

ACEBA’s April 2024 Monitoring, Evaluation and Learning Plan said that in its fourth year, the program benefited 76,000 individuals through its livelihoods support program, supported 173 exporters and 1,011 small and medium enterprises, and provided 700 firms with working capital. ACEBA participants were 35% women, according to the program’s most recent report.¹⁹

Turquoise Mountain Trust - Exports, Jobs, and Market Linkages in Carpet and Jewelry Value Chains

Turquoise Mountain Trust’s six-year, \$14.9 million project aims to create jobs within the carpet weaving and jewelry industries by providing development assistance to micro-, small-, and medium-size enterprises in Kabul, Jowzjan, and Bamyan Provinces. This program was scheduled to end on April 30, 2023, but USAID extended it until 2025 and increased funding by \$5 million.²⁰ According to the most recently available USAID implementer report from the October–December 2023, Turquoise Mountain Trust created a total of 6,103 jobs in the Afghan carpet and jewelry industries. Turquoise Mountain Trust also reported that it continues to support 12 carpet producing companies and 15 jewelry businesses.²¹

Education Programs

USAID’s Office of Social Services (OSS) supports four education development programs in Afghanistan, with total estimated costs of \$171 million, as shown in Table A.3.²² USAID continues to support primary school education for girls and boys as well as women’s and men’s higher education, but reported that the Taliban’s ban on girls’ secondary and higher education has directly affected OSS programs.²³ OSS focuses on sustaining higher education opportunities for women and girls in fields granted special exemptions by the Taliban ministry of health, such as midwifery degree programs, and through virtual, online, and distance learning, while prioritizing the safety and privacy of female students and educators.²⁴

TABLE A.3

USAID ACTIVE EDUCATION PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/12/2024
Accessible and Quality Basic Education (AQBE)	10/1/2023	9/30/2028	\$79,249,987	\$1,779,714
Women Scholarship Endowment (WSE)	9/27/2018	9/26/2028	60,000,000	50,000,000
Supporting Student Success in Afghanistan (SSSA)	1/1/2023	12/31/2026	27,284,620	8,208,700
Young Women Lead (YWL)	9/28/2023	9/27/2025	4,935,797	349,441
Total			\$171,470,404	\$60,337,855

Note: Numbers have been rounded.
Source: USAID, response to SIGAR data call, 7/12/2024.

Accessible Quality Basic Education

Accessible Quality Basic Education (AQBE) is a five-year, \$79.2 million program that began in October 2023 and aims to improve safe and equitable access to quality education for primary-aged girls and boys and secondary school-aged girls. AQBE identified four goals in its preliminary stage: (1) to achieve improved delivery of quality instruction in foundational skills and delivery of support for student well-being by educators; (2) to reinforce community school management and family engagement to sustain access to safe public and community-based education; (3) to increase transition rate of community-based education students into public primary schools; and (4) to sustain secondary education engagement and learning opportunities for adolescent girls.²⁵

Last quarter, AQBE conducted a Rapid Education Risk Analysis (RERA), a toolkit that supports the first steps of understanding the education system in complex, volatile contexts. RERA guides USAID education staff on procuring and overseeing RERA implementation, and its partners on implementing RERA. This analysis aims to inform geographic location coverage, strategic planning, and decision-making, “ensuring that educational interventions are contextually relevant and effectively address the unique

challenges with each community.” In addition to the analysis, AQBE registered with the Taliban ministry of economy to continue operations.²⁶

Young Women Lead

Young Women Lead (YWL), which started in September 2023, is a two-year, \$4.9 million program to expand post-secondary education opportunities for Afghan young women. YWL aims to reach 650 Afghan youths, with the minimum goal of 85% female participation, and provide young Afghan women with post-secondary education opportunities, as well as enhanced job readiness skills and professional networks. To support students inside Afghanistan, YWL focuses on post-secondary programs in female-specific, exempted fields of study, such as allied health fields (anesthesia, dental prosthesis, medical technology, midwifery, nursing, and pharmacy), education, agriculture, and information technology.²⁷ In its most recent quarterly report to USAID, YWL reported that it started its ramp-up phase, which included hiring and onboarding of U.S.- and Kabul-based staff. YWL also submitted the required program deliverables to USAID as it explores options to partner with local institutions in Afghanistan.²⁸

Supporting Student Success in Afghanistan

In January 2023, USAID began supporting a new American University of Afghanistan (AUAF) program, Supporting Student Success in Afghanistan (SSSA). SSSA aims to sustain access to and improve retention in local higher education opportunities for students.²⁹

Following the closure of AUAF's Kabul campus after the Taliban takeover, AUAF opened a campus in Doha, Qatar, and implemented an online education model. AUAF continued to provide a hybrid-flexible model of education to its students this quarter, offering in-person classes to students in Qatar and online classes to students elsewhere.³⁰ Last quarter, AUAF reported a 100% retention rate for its students at the Doha campus, and a 91% retention rate for its students enrolled remotely from Afghanistan for the 2023 spring and fall semesters.³¹ According to USAID, SSSA provides most of the funding for AUAF operations. USAID told SIGAR early this year that AUAF also receives “other sources of funding as cost-share to USAID’s award.”³²

Women’s Scholarship Endowment

The Women’s Scholarship Endowment (WSE), under USAID’s Office of Social Services, helps Afghan women obtain a university or graduate degree in science, technology, engineering, and mathematics (STEM). WSE aims to develop and implement a scholarship program for Afghan women, strengthen the organizational capacity at local partner universities, and provide beneficiaries with career development and leadership training.³³



Afghan women at an IOM Community Resource Center in Nangarhar. (Photo by UN Women/Alison Davidian)

Nine students are currently enrolled in online classes from Afghanistan, while 48 female scholars are attending classes in-person at the AUAF's Doha campus.³⁴

Agriculture Programs

USAID's Office of Livelihoods (OLH) continued to support two agriculture activities in Afghanistan with total estimated costs of more than \$155 million, as shown in Table A.4.

USAID agriculture programs intend to mitigate the immediate hardships on farm households and agribusinesses stemming from drought, political instability, and financial illiquidity, and to improve food security and the sustainability of key agricultural value chains. Activities include (1) training, technical assistance, and extension services (education, marketing, health, business assistance) to smaller-scale farmers; (2) supplying seeds, fertilizer, and other items to farmers to help increase production; (3) providing veterinary services and other support to the livestock and dairy industries to improve animal health, maintain productive assets, and increase production

TABLE A.4

USAID ACTIVE AGRICULTURE PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/12/2024
Strengthening Rural Livelihoods and Food Security (SRL-FS)	7/25/2022	7/24/2026	\$80,000,000	\$40,000,000
Afghanistan Value Chains Program (AVCP)	6/9/2018	6/8/2025	75,762,170	59,715,057
Total			\$155,762,170	\$99,715,057

Note: Numbers have been rounded.
Source: USAID, response to SIGAR data call, 7/12/2024.

and incomes; and (4) improving domestic market linkages and creating additional value.³⁵

USAID OLH programs face continuing implementation challenges due to the Taliban banning women from working for national and international NGOs, in addition to varying interpretations of their other edicts.³⁶

Strengthening Rural Livelihoods and Food Security

USAID’s four-year, \$80 million Strengthening Rural Livelihoods and Food Security program began in July 2022, and supports food security and resilience among vulnerable Afghan households.³⁷ The UN Food and Agriculture Organization implements this activity in eight provinces (Badakhshan, Daykundi, Ghor, Jowzjan, Nimroz, Nuristan, Paktika, and Parwan). These provinces are all classified at the Phase 4 (Emergency) level of the Integrated Food Security Phase Classification (IPC), meaning that households have very high acute malnutrition and excess mortality.³⁸

This program seeks to improve the efficiency of staple crops such as wheat, beans and legumes, and fresh fruits and vegetables; expand households’ access to nutritious food; support livestock; increase production of fodder crops (for livestock grazing); strengthen farmers’ knowledge of climate smart cultivation/production practices; connect farmers with domestic markets to provide a short-term income boost; and collect data from all of Afghanistan’s 34 provinces for the IPC Acute Food Insecurity Analysis.³⁹

As of March 31, the most recent data available, the program had selected 50,066 smallholder farming and vulnerable households as direct beneficiaries and established 188 Livestock Farmer Field Schools and 20 Wheat Farmer Field Schools to support 9,760 farmers and 2,600 farmers, respectively.⁴⁰ Heavy snowfall and precipitation from January to March hindered the program’s activities.⁴¹

Afghanistan Value Chains Program

USAID’s \$75.6 million Afghanistan Value Chains Program (AVCP), a combination of two former programs—AVC–Livestock and AVC–Crops—operates throughout Afghanistan with regional offices in Kabul, Herat, Mazar-e Sharif, Jalalabad, and Kandahar.⁴² AVCP is a market-driven, private sector program, aiming to increase the income, employment, commercial viability, and productivity of anchor firms in livestock and crops value chains to support food security and women in agriculture. AVCP also supports sustainable, agriculture-led economic growth by partnering with anchor firms, providing credit, and collaborating with key stakeholders to better respond to market opportunities. According to the most recent data available in March, 6,218 households, about 50% of the project’s overall goal, benefited directly from AVCP activities and 29% of all beneficiaries were women.⁴³

Benefited directly: “Households where one or more members received goods or services, [including] farm inputs, such as feed, fertilizer, farm tools,” and so on. Indirect beneficiaries are those households that receive assistance that is “not significant or enough to result in progress that can be attributed to AVCP interventions.”

Source: USAID, Mission, response to SIGAR vetting, 10/12/2023.

Public Health Programs

USAID currently implements its public health programs through the Office of Social Services (OSS). USAID-funded health-related programs have a total estimated cost of more than \$545 million, as seen in Table A.5.

In late 2023, the Taliban ministry of health issued a letter banning specific health services and activities, including public health awareness campaigns, women-friendly health centers, social behavioral change, and mental health services.⁴⁴ According to one health program implementing partner that addresses women’s health and family planning, “these restrictions augment existing barriers to creating demand and addressing reproductive health-related myths and misconceptions prevalent among women and men. The imposition of restrictive policies and Taliban threats have heightened awareness of and potential for insecurity among project staff.”⁴⁵ USAID reported that the extent to which restrictions are enforced by local authorities differs by province. Restrictions are more rigidly enforced in the more conservative provinces of Ghazni, Helmand, Kandahar, and Nangarhar.⁴⁶

TABLE A.5

USAID ACTIVE HEALTH PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/12/2024
Local Health System Sustainability (LHSS)	8/29/2019	8/28/2025	\$251,772,216	\$6,639,591
Assistance for Families and Indigent Afghans to Thrive (AFIAT)	7/10/2020	7/9/2025	117,000,000	64,556,721
Urban Health Initiative (UHI) Program	10/14/2020	10/13/2025	104,000,000	58,418,183
New DEWS Plus	2/2/2022	9/30/2031	50,000,000	16,883,741
Afghanistan Demographic and Health Survey (ADHS) Follow-On	10/9/2018	9/9/2023	10,500,000	165,269
Consolidated Grant - COVID-19 Response	9/30/2021	9/29/2026	6,000,000	5,997,325
Central Contraceptive Procurement (CCP)	4/20/2015	11/28/2023	3,599,998	3,676,081
Modeling American Healthcare, Standards & Values in Afghanistan	10/1/2020	9/30/2024	1,092,601	1,084,065
TB Data, Impact Assessment and Communications Hub (TB DIAH)	9/24/2018	9/24/2023	600,000	600,000
Meeting Targets & Maintaining Epidemic Control	4/15/2019	4/14/2024	270,000	1,155,000
Global Health Supply Chain Management (GHSCM-PSM)	4/20/2015	11/28/2023	176,568	5,918,995
Total			\$545,011,383	\$165,094,972

Note: Numbers have been rounded.
Source: USAID, response to SIGAR data call, 7/12/2024.

Local Health System Sustainability

The Local Health System Sustainability (LHSS) is a USAID Integrated Health Systems IDIQ [Indefinite Delivery, Indefinite Quantity contract] program. LHSS aims to help low- and middle-income countries transition to

self-financed health systems.⁴⁷ Through partnerships with the Afghanistan Social Marketing Organization (ASMO) and other grantees, LHSS helps reduce the cost of health care by supporting partner sales of affordable, socially marketed health products focused on women and children.⁴⁸

In the second quarter of 2024, grantees supported by LHSS served 86,259 low-income and women patients with free or discounted services during this period, and services expanded to 56 new markets.⁴⁹

LHSS also continued its efforts to advance integrated health systems by convening workshops on lessons learned and best practices. Additionally, LHSS helped ASMO with its organizational strategy and sustainability plan, developing a “vision statement” and identifying the actions required to progress over the next two to three years.⁵⁰

Assistance for Families and Indigent Afghans to Thrive

Assistance for Families and Indigent Afghans to Thrive (AFIAT), an OSS program that began in 2020, aims to improve health outcomes for Afghans, particularly women of childbearing age and preschool children, in rural and peri-urban Afghanistan. AFIAT worked in 14 provinces this quarter to improve health and nutrition services and access to those services, increase the adoption of ideal health and nutrition behaviors in communities, and help partners plan, finance, and manage Afghanistan’s public health system.⁵¹ According to AFIAT, the program continues to adapt to Taliban restrictions and entered into an MOU with the Taliban ministry of public health on March 10, 2024.⁵²

In its fourth year, AFIAT plans to advocate for the institutionalization of its interventions within the USAID-supported Afghanistan Resilience Trust Fund’s Health Emergency Response Project, such as adopting its safety bundle for expecting mothers, safe cesarean surgery procedures, and antenatal/postnatal care. AFIAT worked in all 14 of its targeted provinces in Q2 FY2024, according to the most recent reporting available. During this period, AFIAT assessed the quality of care at 353 health facilities. Performance reportedly improved by 21% in 104 facilities, and 11% in an additional 84. Over 2,400 health workers received mentorship and interventions to manage post-partum hemorrhage were introduced in 27 facilities. In total, 54,788 infants were delivered in AFIAT-supported health facilities.⁵³

Urban Health Initiative

The Urban Health Initiative (UHI) program is a five-year cooperative agreement funded by USAID OSS and implemented by a consortium of partners. UHI aims to support the health service ecosystem and improve access to primary care and lifesaving secondary and referral care for Afghans in urban areas, with a focus on women, children, and other vulnerable populations.⁵⁴

During the second quarter of 2024, the most recent reporting available, UHI coordinated implementation of this activity with the Taliban ministry of public health at the national and provincial levels, in alignment with the program’s MOU. Coordination addressed service needs for a number of Taliban ministry of public health-related task forces, including the reproductive, maternal, newborn, and child health task force; maternal and newborn health technical subcommittee; nutrition taskforce; child health task force; and TB taskforce, among other platforms. UHI also reported that the Taliban provincial public health directorates supported various aspects of its tuberculosis response, and supported the establishment of a midwifery-led maternity center in Mazar-e Sharif.⁵⁵

BHA Support for World Health Organization Initiatives

USAID/BHA supports WHO to provide primary health care services, maintain a pharmaceutical pipeline for emergency health service providers, respond to disease outbreaks, and lead the Afghanistan Health Cluster coordination. As of June 13, BHA had provided WHO with nearly \$3.6 million in 2024.⁵⁶ For more information on public health in Afghanistan, see page 55.

Democracy, Gender, and Rights Programs

USAID manages several programs in Afghanistan focused on providing support to civil society organizations, the media sector, Afghan women and girls, and conflict-affected civilians through its Office of Democracy, Gender, and Rights (ODGR) and its Office of Social Services (OSS).⁵⁷ Total estimated costs for these active programs are \$98 million, as seen in Table A.6.

USAID continues to receive reports of implementing partner staff being detained by the Taliban’s general directorate of intelligence. ODGR implementers also reported an increase in the arrest, detention, and intimidation of Afghan citizens by the ministry for the propagation of virtue and prevention of vice.⁵⁸ Due to safety concerns, some information about these programs have been withheld to protect staff and beneficiaries in Afghanistan.

TABLE A.6

USAID ACTIVE DEMOCRACY, GENDER, AND RIGHTS PROGRAMS				
Project Title	Start Date	End Date	Total Estimated Cost	Cumulative Disbursements, as of 7/12/2024
Enabling Essential Services for Afghan Women and Girls	7/25/2022	7/24/2025	\$30,000,000	\$21,291,247
Supporting Transformation for Afghanistan's Recovery (STAR)	2/18/2021	12/31/2024	28,338,901	21,929,199
Afghan Support Project	9/16/2022	9/15/2025	25,884,633	10,942,493
Information, Dialogue, and Rights	9/23/2022	9/1/2025	14,079,528	3,100,000
Total			\$98,303,062	\$57,262,941

Note: Numbers have been rounded.
Source: USAID, response to SIGAR data call, 7/12/2024.

Supporting Transformation for Afghanistan’s Recovery (STAR)

Since February 2021, USAID’s STAR program has aimed to build resilience in some of Afghanistan’s poorest and most conflict-affected communities by strengthening food and livelihood security through a consortium of implementing partners. The program provides cash assistance, agricultural and livestock support, and supported market skills and linkages across nine provinces. STAR was scheduled to end operations in September 2023, but was extended to December 31, 2024, after an implementing partner requested a cost extension to meet some project targets before the activity closed.⁵⁹

According to USAID, the STAR implementing partners reported security incidents this quarter in their areas of operation, causing some international staff to depart Afghanistan to work remotely.⁶⁰

Enabling Essential Services for Afghan Women and Girls

The UN Entity for Gender Equality and the Empowerment of Women (UN Women) implements the USAID-funded Enabling Essential Services for Afghan Women and Girls activity to respond to violence against women, strengthen opportunities for women’s economic empowerment, and safeguard spaces for women’s civil society organizations. It also works with implementing partners.⁶¹

According to UN Women, during Q2 FY 2024, “a further litany of directives, decrees, edicts, and various other forms of commandments were issued” by the Taliban, while existing decrees “continued to severely impact the rights of Afghanistan’s women and girls.” As a result, women’s access to education, health care, legal support, and economic activities are limited, and the Taliban are “effectively excluding [women and girls] from public spaces and full participation in daily Afghan life.”⁶²

UN Women, however, launched a regional project this quarter, entitled “Empowering Afghan Women Artisans through Strengthening Trade and Networks across the Silk Road.” The project will engage 300 women artisans in six Afghan provinces to facilitate income-generating activities from crafts, access to domestic and international markets, and advocacy with relevant stakeholders to improve women’s access to artisan import-export activities. The project will help women improve their work while connecting them to online market platforms.⁶³

UN Women also reported signing letters of agreement with three private sector companies this quarter to ensure internship opportunities for Afghan women.⁶⁴

Afghan Support Project

The Afghan Support Project (ASP), in USAID’s Office of Democracy, Gender, and Rights, aims to support civil society organizations, civic activists, human rights defenders, and journalists in their efforts to protect basic rights and freedoms and ensure access to credible media. ASP also supports efforts to combat trafficking in persons and raise awareness of the issue.⁶⁵



UN Women Representative in Afghanistan Alison Davidian meets with Afghan women in Nangarhar. (Photo by UN Women/Alison Davidian)

ASP advances its objectives by providing financial, operation, and professional development support to media and civil society. Its activities are implemented by a consortium of NGOs and media partners.⁶⁶ In the second quarter of 2024, ASP provided a number of new grants to human rights defenders, continued to deliver technical assistance to civil society organizations, and organized advocacy events for Afghan women.⁶⁷ During the same period, ASP reported a number of grantee arrests and interrogations by the Taliban for alleged policy violations.⁶⁸

USAID reported that the Taliban general directorate of intelligence (GDI) is increasing surveillance of civil society organizations, media, and individual activists. The GDI continue to raid, interrogate, and threaten civil society organization workers and journalists, and media and civil society organizations are pressured to hire Taliban staff. In January, the Taliban limited the independence of organizations involved in construction or social work. A Taliban member of the ministry of economy is mandated to attend contract signings, especially those with international organizations. A new Taliban mandate now requires media outlets, such as radio stations, publications, and television stations to pay annual registration fees to operate.⁶⁹

Information, Dialogue, and Rights in Afghanistan

In September 2022, USAID signed an agreement for the \$6.1 million Supporting Media Freedom and Access to Information in Afghanistan program.⁷⁰ USAID modified the program to include a second component called “Supporting National Dialogue and Rights Advocacy” and changed the program name to Information, Dialogue, and Rights (IDR) in Afghanistan. The program’s total estimated cost increased to \$11,798,379 and the performance period was extended to June 30, 2026.⁷¹

The program's objective is to help deliver news and educational content to national audiences that strengthens Afghanistan's human capital and enables citizens to freely organize and communicate. IDR aims to accomplish this by supporting independent media and reporting on rights and governance issues; developing a strong cadre of female journalists and producers; supporting journalists to operate safely; and informing Afghan citizens about critical issues of public interest.⁷² In the second quarter of FY 2024, IDR organized training sessions for journalists, granted 45 awards to journalists to conduct innovative reporting, and held three virtual media working group meeting among donors, editors, and media support organizations.⁷³

STATE DEPARTMENT PROGRAMS IN AFGHANISTAN

Democracy and Human Rights

In support of U.S. foreign policy objectives for Afghanistan, State's Bureau of Democracy, Human Rights, and Labor (DRL) supports a diverse range of programs protecting rights of Afghanistan civil society, independent media, women and girls, and human rights actors. DRL helps to protect victims of gender-based-violence, strengthens and supports freedom of association by supporting civil society organizations and national NGOs, and provides access to independent sources of information by supporting media outlets and journalists.⁷⁴

DRL also promotes respect for human rights, especially for ethnic and religious minority groups, as well as other vulnerable communities, and strengthens community resilience through cross-cutting interventions. Since the drawdown of U.S. troops in 2021, DRL has provided more than \$26 million in emergency, resiliency, and advocacy assistance to almost 900 members of civil society, including Afghan women leaders, and over 1,600 women, girls, and their families, both inside and outside the country. At State's request, additional details of its DRL programs have been withheld to protect the safety of staff and beneficiaries in Afghanistan.⁷⁵

Refugees and Internally Displaced People

USAID and the State Department's Bureau of Population, Refugees, and Migration (PRM) continue to implement assistance to support Afghan refugees and internally displaced people (IDPs). Humanitarian efforts have been concentrated on Afghan returnees from Pakistan since Pakistan's government began implementing its "Illegal Foreigners' Repatriation Plan" in November 2023 authorizing the arrest, detention, and deportation of all unregistered migrants.⁷⁶

In response, the UN's International Organization for Migration (IOM) issued a Border Consortium Appeal to support the immediate needs of

Afghan returnees at the Afghanistan-Pakistan border, including protection screening, shelter, and transportation to areas of origin or return. This quarter, PRM provided \$2.5 million to the UN High Commissioner for Refugees and \$5 million to other implementing partners working under the Border Consortium Appeal.⁷⁷

PRM told SIGAR that UN agencies report a “massive need for scaled up services” in rural and peri-urban areas to meet the needs of returnees and their host communities. PRM prioritizes funding to partners along Afghanistan’s borders with Iran and Pakistan and in areas of return to address immediate humanitarian needs, including health care, shelter, psychological support, protection, non-food items, nutrition, livelihood assistance, and water sanitation and hygiene. Approximately 4,000–5,000 people return daily, totaling 573,000 returns since January 2024.⁷⁸

For more information on Afghan refugees and internally displaced people, see pages 50–54.

Counternarcotics

From 2003 until the fall of the Afghan government in August 2021, the State Department’s Bureau of International Narcotics and Law Enforcement Affairs (INL) operated multiple programs in Afghanistan to reform the criminal justice system and limit the production and trafficking of illegal drugs.⁷⁹ For more information on Afghanistan’s narcotics production and seizures, see page 61.

Ongoing Programs

Since Q4 FY 2021, INL has obligated \$62.3 million for counternarcotics programming, including \$20.8 million in newly obligated funds and \$41.5 million in realigned funds from other State programs, to support research, alternative livelihoods, and prevention and treatment services programs in Afghanistan.⁸⁰ INL said that the Taliban’s April 2022 narcotics ban has not affected INL programs, but that their international organization partners face occasional challenges, like other U.S.-funded implementing partners, without providing specifics.⁸¹

Research Programs

INL supports counternarcotics oversight and messaging efforts, by funding programs through the UN Office on Drugs and Crime (UNODC). The Afghanistan Opium Surveys utilize data collected by UNODC through remote sensing, surveys, and global data collection on drugs to predict medium- and long-term trends in the narcotics industry.⁸² The Afghan Opiate Trade Project (AOTP) monitors and analyzes trends in Afghanistan’s opiate industry to support the international response to the illicit drug economy.⁸³ INL has disbursed \$28.3 million for the Afghanistan Opium Surveys since 2006 and \$10.3 million for the AOTP since December 2011.⁸⁴ Since 2019, INL disbursed \$6.9 million for the Drugs Monitoring Platform

that captures near-real time data on drug seizure and trafficking for drugs originating and produced in Afghanistan.⁸⁵

Alternative Livelihoods Programs

The United Nations Development Programme (UNDP) has implemented INL-funded alternative livelihood programs in six provinces with a history of high poppy cultivation to support farmers with licit crop production and facilitate market linkages. Since 2016, INL has disbursed approximately \$85.4 million to implement these programs, \$28.4 million of which has been disbursed through one active program since January 2024.⁸⁶

This quarter, severe flooding affected over 700 farmers and their families in INL's UNDP alternative livelihood program. INL and UNDP said some beneficiaries were injured or killed, in addition to land and infrastructure destroyed in Laghman and Nangarhar Provinces.⁸⁷

Prevention and Treatment Services Programs

INL supports several prevention and treatment services programs implemented by the U.S. Agency for Global Media (USAGM) and the Colombo Plan. USAGM facilitates antinarcotics messaging via television, radio, and online news, with total INL disbursements of \$5.2 million since February 2017. The Colombo Plan supports over 20 drug treatment centers for women and children in Afghanistan, with total INL disbursements of \$11.2 million since September 2022.⁸⁸

Removing Explosive Remnants of War

State's Bureau of Political-Military Affairs' Office of Weapons Removal and Abatement (PM/WRA) manages the Conventional Weapons Destruction (CWD) program in Afghanistan and—due to the ongoing risk to civilians—continues to fund landmine and explosive remnants of war (ERW) clearance activities through implementing partners. PM/WRA currently supports four Afghan NGOs, three international NGOs, and two public international organizations to help clear areas in Afghanistan contaminated by ERW and conventional weapons (e.g., unexploded mortar rounds). State has provided \$492 million in weapons-destruction and mine-action assistance to Afghanistan since 1997.⁸⁹

Operating Environment

Direct U.S. assistance to the Directorate for Mine Action Coordination (DMAC), an Afghan government entity, was canceled on September 9, 2021, in compliance with international sanctions against specially designated terrorist groups following the Taliban's takeover.⁹⁰ PM/WRA implementing partners have signed MOUs with DMAC, but none have signed agreements with Taliban provincial and district officials this quarter.⁹¹

The Directorate for Mine Action Coordination

The Directorate for Mine Action Coordination is an Afghan government entity, now Taliban-run, that manages, coordinates, regulates, and monitors humanitarian mine action activities that are implemented by national and international NGOs and companies. DMAC is a directorate of the Afghanistan National Disaster Management Authority. DMAC coordinates with the Mine Action Technical Cell, which is directed by the UN Mine Action Service.

DMAC does not conduct or fund demining operations or programs. It also lacks the resources to fully operate the national mine database and conduct quality assurance practices. DMAC has supported humanitarian mine programs by working with the UN when local officials have attempted to interfere with regular clearance operations.

Source: State, PM/WRA, response to SIGAR data call, 6/11/2024; State, PM/WRA, response to SIGAR vetting, 1/12/2024; Geneva International Centre for Humanitarian Demining, DMAC (Directorate of Mine Action Coordination), accessed 6/20/2024.

DMAC continued **operational accreditation** of U.S.-funded projects and PM/WRA implementing partners, though it attempted to interfere twice this quarter. One PM/WRA implementing partner's operations were suspended due to DMAC-reported "safety concerns." A U.S. third-party monitor found no operational issues and the implementing partner resumed operations after submitting a report to DMAC. DMAC threatened to suspend another PM/WRA implementing partner's activities if it did not provide DMAC with financial support. The implementing partner said it could not provide the requested support under U.S. sanctions and the issue was not pursued further. Women employed in U.S.-funded CWD projects have not reported any interference from the Taliban this quarter.⁹²

Clearance Operations

This quarter, PM/WRA implementing partners cleared over 5.5 million square meters of minefields, and destroyed 155 anti-tank mines and anti-personnel weapons, 256 items of unexploded ordnance, and 586 small arm ammunitions. After Q3 FY 2024, PM/WRA estimated there are about 1.2 billion square meters of contaminated minefields and battlefields remaining. Since 1997, PM/WRA implementing partners have cleared a total of 417.4 million square meters of land and destroyed over eight million landmines and ERW.⁹³

Funding Update

Since September 2021, PM/WRA implementing partners have paid Taliban entities over \$1.5 million in taxes, including \$180,000 this quarter, the majority of these in withheld payroll taxes.⁹⁴ PM/WRA has \$5 million in FY 2023 funds available for obligation.⁹⁵ For more information on State's contributions to the Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR) Fund, see page 136.

Operational accreditation: certifies that an organization has the technical capacity to conduct demining programs and its procedures are consistent with international and national mine action standards. These technical certifications are to assess and ensure safe and efficient operations, and not indicative of political support from any entity. Current DMAC accreditation of U.S.-funded projects and programs are extensions of those granted prior to August 2021.

Source: State, PM/WRA, response to SIGAR vetting, 1/12/2024.

DEPARTMENT OF DEFENSE PROGRAMS

U.S. Security Contract Close-Outs

Following the Taliban takeover, U.S. funding obligations of the Afghan National Defense and Security Forces (ANDSF) ceased, but disbursements to contractors continue, as necessary, until all Afghanistan Security Forces Fund (ASFF) obligations incurred prior to the U.S. withdrawal are liquidated.⁹⁶

According to DOD, resolving ASFF-funded contracts is an ongoing contract-by-contract matter between contractors and the contracting office in the military departments (Army, Air Force, and Navy). ASFF obligation authority was granted by the DOD Comptroller to the Combined Security Transition Command-Afghanistan (CSTC-A) and the Defense Security Cooperation Agency (DSCA), and these organizations then delegated obligation authority to the military departments. DSCA used pseudo-Foreign Military Sales (FMS) cases to manage ASFF funds in the FMS Trust Fund.⁹⁷

Contract vendors must submit claims to begin the close-out process. Vendors typically have a five-year window after contracts are executed to submit claims, and DOD cannot force vendors to submit invoices for payment. Therefore, DOD said it cannot at this time provide information on estimated contract closing dates, the amount of funds available to be recouped, or the approximate costs of terminating each contract.⁹⁸

As seen in Table A.7, ASFF funds that were obligated by CSTC-A and its successor the **Defense Security Cooperation Management Office-Afghanistan (DSCMO-A)** have total remaining unliquidated ASFF obligations of \$50.1 million. Contracts, used to support pseudo-FMS cases managed by the military departments, have total unliquidated ASFF obligations of \$181.3 million.⁹⁹

Between FY 2002 and FY 2021, Congress appropriated \$88.8 billion to support the ANDSF.¹⁰⁰

Defense Security Cooperation Management Office-Afghanistan

(DSCMO-A): the successor to Combined Security Transition Command-Afghanistan (CSTC-A), which was disbanded on June 1, 2022. DSCMO-A uses ASFF funds on new contracts awarded locally by Army Contract Command-Afghanistan or as military interdepartmental purchase requests to leverage already-awarded contracts.

Source: DOD, OUSD-P, response to SIGAR vetting, 10/11/2022; DOD, OUSD-P, response to SIGAR data call, 6/15/2022.

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TABLE A.7

SUMMARY STATUS OF ASFF OBLIGATED CONTRACTS (\$ MILLIONS)				
	Cumulative Obligations	Cumulative Expenditures	Unliquidated Obligations (ULO)^a	ULO as of:
Military Departments				
Department of the Air Force				
A-29s	\$1,059,372,212	\$1,019,121,578	\$40,250,634	6/30/2024
C-130	153,070,000	112,680,000	40,390,000	6/30/2024
PC-12	40,306,651	20,738,361	19,568,290	4/10/2024*
C-208	120,903,024	115,620,239	3,181,662	8/31/2023*
Munitions	10,881,000	10,730,000	148,900	3/6/2024*
Department of the Army Obligated Contracts				
ASFF	\$342,418,035	\$300,425,657	\$41,992,378	3/30/2024*
UH-60	380,298,791	377,634,696	15,888,112	3/30/2024*
ASFF Ammunition	59,212,970	44,450,427	14,762,543	3/30/2024*
PEO STRI (simulation, training, and instrumentation)	446,987,956	445,911,279	4,118,148	3/30/2024*
Department of the Navy				
Contracts	\$30,479,439	\$29,432,184	\$1,047,255	7/7/2024
Subtotal (All Military Departments)	\$2,643,930,078	\$2,476,744,421	\$181,347,923	
Military Command				
Defense Security Cooperation Management Office-Afghanistan				
All Programs	\$175,401,370	\$125,317,913	\$50,083,456	7/10/2024
Total	\$2,819,331,448	\$2,602,062,335	\$231,431,379	

^a Unliquidated Obligations (ULOs) are equal to undisbursed obligations minus open expenses.

* DOD did not report any updates this quarter.

Source: DOD, response to SIGAR data call, 7/10/2024; DOD, "DOD Dictionary of Military and Associated Terms," 11/2021, p. 295.

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“In places like Afghanistan—or even Ukraine today—where many military and civilian agencies from multiple governments and international organizations are operating, cross-agency jurisdiction and international cooperation are vital.”

—*Inspector General
John F. Sopko*

5 SIGAR OVERSIGHT



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Inspector General John F. Sopko speaks at Harvard University alongside Sal Parsa, co-chair of the Afghanistan Caucus at the Kennedy School and moderator of the event. (Photo by SIGAR)

SIGAR OVERSIGHT ACTIVITIES

SIGAR's work to date has identified approximately \$3.97 billion in savings to the U.S. taxpayer. This quarter, SIGAR's national and international engagements showcased the continued interest in learning from the United States' experience in Afghanistan, especially in conducting oversight of U.S. assistance in a country whose regime the United States and other donors do not recognize.

SIGAR issued 13 products this quarter, including this quarterly report. SIGAR issued one performance audit report and one evaluation report, partly in response to a March 2023 request from the Chairman of the U.S. House Foreign Affairs Committee, that examined U.S. taxpayer money being paid to the Taliban. A second performance audit SIGAR issued examined State's compliance with vetting its contractors. SIGAR also completed nine financial audits of U.S.-funded projects in Afghanistan that identified \$1,917,456 in questioned costs as a result of internal-control deficiencies and noncompliance issues by U.S. government contractors. This quarter, SIGAR's criminal investigations resulted in one conviction. SIGAR closed two cases, bringing the total number of ongoing cases to 24.

PERFORMANCE AUDITS AND EVALUATIONS

SIGAR conducts performance and financial audits, and evaluations of programs and projects connected to U.S. assistance in Afghanistan. SIGAR has seven ongoing performance audits and evaluations, and 29 ongoing financial audits, as shown in Appendix B of this report.

In response to the 2021 U.S. withdrawal and the collapse of the Afghan government, SIGAR's Audits and Inspections Directorate has adapted and reprioritized its oversight work to meet emergent programming priorities and address areas of interest and concern to Congress and to the American taxpayer. These include U.S.-funded programs in Afghanistan across multiple key sectors that support girls' and women's rights, counternarcotics, water, sanitation, and hygiene, demining, and internally displaced persons.

Additionally, SIGAR has long emphasized the need for third-party verification of reports, which remains relevant as U.S. implementing agencies continue to rely on third-party monitoring and evaluation for their in-country programming. Moreover, SIGAR has identified donor coordination as an area needing improvement, a particularly applicable concern given ongoing U.S. funding to international organizations. The Audits and Inspections Directorate maintains vigorous oversight in these areas to improve accountability and transparency, suggest process improvements, and generate lessons learned for other current and future overseas reconstruction and development efforts.

Performance Audit Reports

SIGAR issued two performance audit reports and one evaluation report this quarter. Two of these reports respond, in part, to a March 2023 request from the Chairman of the U.S. House Foreign Affairs Committee, Michael McCaul, to (1) evaluate the impact of introducing large amounts of U.S. currency into the Afghan economy; and (2) determine the benefits and challenges of using direct cash assistance as a form of aid, compared to other forms of assistance.

Performance Audit 24-31-AR: Counterterrorism Vetting in Afghanistan: Two of Five State Bureaus Could Not Demonstrate Compliance with State Partner Vetting Requirements

The Department of State has implemented development and humanitarian projects in Afghanistan since 2001. Under federal laws and regulations, U.S. agencies, including State, are prohibited from engaging in transactions with certain sanctioned individuals and entities, such as the Taliban. State established internal guidance and policies to help ensure it complies with these prohibitions, including its implementing partner vetting process. This process requires all State bureaus to perform basic procedures, such as preparing a risk assessment for each program and risk assessments of prospective implementing partners. This audit assessed the extent to which State adhered to applicable policies and procedures for vetting implementing partners in Afghanistan.

SIGAR found that three out of the five State bureaus that had active awards in Afghanistan from March 1, 2022, through November 30, 2022, had sufficient documentation to demonstrate they complied with State's partner vetting requirements. However, SIGAR determined the remaining two bureaus did not comply with federal document retention requirements since they could not provide sufficient documentation to demonstrate their active Afghanistan awards complied with State's partner vetting requirements. State officials acknowledged the noncompliance by the two bureaus and told SIGAR that one bureau did not retain documentation because of employee turnover and the dissolution of its Afghanistan-Pakistan office. They were unable to provide an explanation for the second bureau. In total, State could not demonstrate compliance with its partner vetting requirements on awards that disbursed at least \$293 million in Afghanistan.

The risk of the Taliban benefiting from U.S. taxpayer funds and funneling money to terrorist groups underscores the importance of State complying with its own vetting and document retention requirements. To help improve State's compliance with federal and Department partner vetting requirements, SIGAR recommended that the Secretary of State take immediate action to ensure that State bureaus comply with federal and Foreign Affairs Manual partner vetting and award document retention requirements to enable policymakers and other oversight authorities to better scrutinize the risks posed by State's spending.

Evaluation 24-32-IP: U.S. Currency Shipments to Afghanistan: U.S. Currency Has Reportedly Stabilized the Afghan Economy but Benefits the Taliban

From December 2021 through January 2024, the UN purchased and transported at least \$3.8 billion in U.S. currency into Afghanistan to fund the operations of international aid organizations, following the Taliban's August 2021 takeover. This is the second of two reports requested by the Chairman of the U.S. House Foreign Affairs Committee. The first report examined the process to purchase, transport, transfer, and convert U.S. currency in Afghanistan. This evaluation's objectives were to (1) evaluate the impact of introducing large amounts of U.S. currency into the Afghan economy; and (2) determine the benefits and challenges of using direct cash assistance as a form of aid, compared to other forms of assistance.

SIGAR found that Afghanistan suffers from a liquidity crisis due to its isolation from the international banking system and its central bank's—Da Afghanistan Bank (DAB)—lack of technical expertise within the financial sector, and its inability to print new, or replace existing, afghani banknotes. The UN's U.S. currency shipments have had a positive economic impact, as the shipments eased Afghanistan's liquidity crisis; have allowed the Taliban-run DAB to implement monetary policies, such as easing cash withdrawal restrictions; and have helped alleviate the negative economic impacts of Taliban policies, such as restricting women's ability to travel or be employed. However, due to the Afghan economy's reliance on U.S. currency shipments, SIGAR found that a reduction or cessation of the shipments would result in a reversal of economic and humanitarian gains.

SIGAR also found that international aid organizations prefer direct cash assistance as an aid modality because it is the only modality that is nationally scalable while also being cost-effective, efficient, and dignified. While effective, SIGAR also found that direct cash assistance has limitations in its application and use, such as its inability to address all humanitarian needs. SIGAR found U.S. agencies and international aid organizations have policies and procedures in place that intend to prevent Taliban attempts to misuse or divert direct cash assistance, such as State and USAID's vetting process and international aid organizations suspending humanitarian activities.

SIGAR also found that UN shipments of U.S. currency provide direct and indirect benefits to the Taliban, such as revenue generation, stabilizing and strengthening the regime, and providing it access to untraceable U.S. currency. SIGAR noted that Congress may wish to determine whether the benefits that U.S. currency shipments provided to the Taliban regime outweigh the economic and humanitarian benefits associated with providing assistance to the Afghan people. If Congress determines the benefits to the Taliban are too great, Congress may wish to consider implementing limits to or requiring additional oversight of the purchase and transport of U.S. currency shipments to Afghanistan.

Performance Audit 24-22-AR: U.S. Funds Benefitted the Taliban-Controlled Government: Implementing Partners Paid at Least \$10.9 Million and Were Pressured to Divert Assistance

U.S. agencies continue to rely heavily on nongovernmental organizations (NGOs) and public international organizations to implement humanitarian and development programs in Afghanistan. The former Afghan government and the Taliban have benefitted from U.S. aid by imposing taxes, fees, duties, and utilities on implementing partners. In this audit, SIGAR assessed the extent to which (1) U.S. funds intended to provide assistance to the Afghan people are benefitting the Taliban, in the form of taxes, fees, import duties, permits, licenses, or public utilities payments since August 2021; and (2) U.S. agencies provided oversight of these funds.

SIGAR issued questionnaires to 144 implementing partners that have conducted U.S.-funded activities in Afghanistan since August 2021 and received 65 responses (45%). Of those 65 responses, 38 (58%) reported paying an estimated \$10.9 million in taxes, fees, duties, or utilities to the Taliban. These payments are likely only a fraction of the total amount of U.S. assistance funds provided to the Taliban in the form of taxes, fees, duties, and utilities, as UN agencies receiving U.S. funds did not collect data or provide relevant information about payments made by their implementing partners. SIGAR also found that the Taliban disrupted implementing partner activities through various means, including attempts to divert aid or infiltrate NGOs and interfere with their activities, which negatively impacted programming and aid from intended beneficiaries.

Although implementing partners were required by the Taliban to pay taxes, fees, and duties, SIGAR found that State and USAID did not ensure all implementing partner awards included a mandatory tax reporting clause. State and USAID also did not ensure that their implementing partners submitted all required tax reports. Of the 122 awards that required foreign tax reporting, 48 were State and 74 were USAID awards. There was no foreign tax reporting included in 11 of the 48 State and five of the 74 USAID awards. Additionally, even when clauses were included in the awards, State and USAID did not ensure implementing partners submitted the foreign tax reports. State only provided tax reports for nine of the 48 awards (19%) and USAID only provided SIGAR with 23 of 126 required reports (18%). SIGAR recommended that State and USAID (1) expand tax reporting requirements to all U.S. award agreements and to all types of taxes; (2) take action to ensure that responsible officials include tax reporting requirements in all applicable awards; (3) take action to ensure responsible officials collect foreign tax reports; and (4) direct implementing partners to adhere to Treasury's Office of Foreign Assets Control record retention requirements.

Financial Audits

SIGAR launched its financial audit program in 2012, after Congress and the oversight community expressed concerns about oversight gaps and the growing backlog of incurred-cost audits for contracts and grants awarded in support of overseas contingency operations. SIGAR competitively selects independent accounting firms to conduct the financial audits and ensures that the audit work is performed in accordance with U.S. government auditing standards. Financial audits are coordinated with the federal inspector-general community to maximize financial-audit coverage and avoid duplicative efforts.

SIGAR’s financial audit program identifies **questioned costs** resulting from a contract or grant awardee’s lack of, or failure to comply with, internal controls, or a failure to comply with applicable requirements. The results of SIGAR’s financial audits, including any recommendations about questioned costs, are provided to the funding agencies to make final determinations on fund recovery. Since 2012, SIGAR’s financial audits have identified more than \$537 million in questioned costs and \$366,718 in unpaid interest on advanced federal funds or other revenue amounts owed to the government.

This quarter, SIGAR completed nine financial audits of U.S.-funded projects in support of the Afghan people. An additional 29 ongoing financial audits are reviewing \$320 million in auditable costs, as shown in Table S.1. A list of completed and ongoing financial audits can be found in Appendix B of this quarterly report.

SIGAR issues each financial audit report to the funding agency that made the award(s). The funding agency is responsible for making the final determination on **questioned amounts** identified in the report’s audit findings. As of June 30, 2024, funding agencies had disallowed \$29.78 million in questioned amounts, which are thereby subject to collection. It takes time for funding agencies to carefully consider audit findings and recommendations. As a result, final disallowed-cost determinations remain to be made for several of SIGAR’s issued financial audits. SIGAR’s financial audits have also identified and reported 817 compliance findings and 887 internal-control findings to the auditees and funding agencies.

Financial Audit Reports Issued

The nine financial audits completed this quarter identified \$1,917,456 in questioned costs as a result of internal-control deficiencies and noncompliance issues. Due to the current security situation in Afghanistan, the names and other identifying information of some implementing partners have been withheld at USAID’s request.

Questioned costs: costs determined to be potentially unallowable. The two types of questioned costs are (1) ineligible costs (violation of a law, regulation, contract, grant, cooperative agreement, etc. or an unnecessary or unreasonable expenditure of funds); and (2) unsupported costs (those not supported by adequate documentation or proper approvals at the time of an audit).

Questioned amounts: the sum of potentially unallowable questioned costs and unpaid interest on advanced federal funds or other revenue amounts payable to the government.

TABLE S.1

SIGAR’S FINANCIAL AUDIT COVERAGE (\$ BILLIONS)	
268 completed audits	\$9.8
29 ongoing audits	0.3
Total	\$10.1

Note: Numbers have been rounded. Coverage includes auditable costs incurred by implementers through U.S.-funded Afghanistan reconstruction contracts, grants, and cooperative agreements.

Source: SIGAR Audits and Inspections Directorate, 7/1/2024.

Financial Audit 24-30-FA: Department of State's Mine Clearance Projects in Afghanistan**Audit of Costs Incurred by Afghan Technical Consultants**

On June 13, 2019, State's Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement awarded a one-year, \$1,679,000 grant to Afghan Technical Consultants (ATC) to support various mine clearance projects in Afghanistan. The grant's initial objective was to clear 36 minefields and seven battlefields, and raise civilians' awareness in targeted communities of the threats posed by landmines and explosive remnants of war. State issued two additional grants to ATC to continue and expand activities. The additional grants increased the total funding to \$4,891,000 and extended the period of performance end date from August 31, 2020, to August 31, 2021. The three grants were modified seven times, extending the period of performance through October 31, 2021. The total award amount did not change.

SIGAR's financial audit, performed by Conrad LLP, reviewed \$4,891,000 in costs charged to the grants from June 17, 2019, through October 31, 2021. Conrad identified two significant deficiencies in ATC's internal controls and two instances of noncompliance with the terms of the grant agreements. Because of the deficiencies in internal controls and instances of noncompliance, Conrad identified \$13,009 in questioned costs.

Financial Audit 24-29-FA: USAID's Afghanistan Conflict Mitigation Assistance for Civilians Program**Audit of Costs Incurred by Blumont Global Development Inc.**

On March 12, 2018, USAID awarded a five-year, \$39,999,873 cooperative agreement to Blumont Global Development Inc. in support of the Conflict Mitigation Assistance for Civilians program. The program was intended to provide comprehensive assistance to Afghan families who suffered from military operations, including capacity building, advocacy and outreach, and other related activities. USAID modified the agreement eight times. The modifications increased the total funding to \$49,999,873 and extended the end of period of performance to June 30, 2023.

SIGAR's financial audit, performed by Conrad LLP, reviewed \$28,400,707 in costs charged to the agreement from November 1, 2020, through June 30, 2023. Conrad identified one significant deficiency in Blumont's internal controls and one instance of noncompliance with the terms of the agreement. Because of the deficiency in internal controls and instance of noncompliance, Conrad identified \$15,987 in questioned costs.

Financial Audit 24-28-FA: Department of State’s Project 31-32 Baghlan-Kandahar

Audit of Costs Incurred by the Demining Agency for Afghanistan

On June 10, 2020, the U.S. Department of State’s Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement, awarded a 12-month, \$4,422,320 grant to the Demining Agency for Afghanistan (DAFA) to support Project 31-32 Baghlan-Kandahar. The project aimed to create conditions where landmines and other explosive remnants of war in Afghanistan did not present safety risks for civilians or hinder the development and productive use of land in Baghlan and Kandahar Provinces. The initial period of performance was June 15, 2020, through June 14, 2021. State modified the grant once which extended the period of performance through September 30, 2021, and did not change the total award amount.

SIGAR’s financial audit, performed by KPMG LLP, reviewed \$4,422,320 in costs charged to the grant from June 15, 2020, through September 30, 2021. KPMG identified three deficiencies in DAFA’s internal controls and two instances of noncompliance with the terms of the award. Due to the deficiencies in internal controls and instances of noncompliance, KPMG identified \$1,603 in questioned costs.

Financial Audit 24-27-FA: USAID’s [redacted] Program

Audit of Costs Incurred by [redacted]

On September 24, 2021, USAID BHA awarded a \$16,000,000 grant to [redacted] in support of the [redacted] program. The program sought to respond to multi-sector humanitarian needs and foster resilience among conflict-affected and underserved communities in hard-to-reach areas in Afghanistan. The grant required [redacted] to address gaps in access to safe water, sanitation, essential health services, and basic food needs. USAID BHA modified the grant three times. The modifications increased the award amount to \$20,866,146 and extended the period of performance through January 31, 2023.

SIGAR’s financial audit, performed by Crowe LLP, reviewed \$19,708,069 in costs charged to the grant from July 1, 2021, through January 31, 2023—the grant’s entire period of performance—which included pre-award costs. Crowe identified two significant deficiencies and one deficiency in [redacted]’s internal controls and three instances of noncompliance with the terms of the award. Crowe identified \$3,500 in questioned costs from the deficiencies in internal controls and instances of noncompliance.

Financial Audit 24-26-FA: USAID's [redacted] Program**Audit of Costs Incurred by [redacted]**

On June 8, 2021, USAID's Bureau for Humanitarian Assistance (BHA) awarded a 14-month, \$8,000,000 grant to [redacted] in support of its [redacted] program. The program aimed to meet lifesaving needs and alleviate suffering of those affected by conflict and crises across Afghanistan. [Redacted] provided interventions such as cash-for work, multi-purpose cash assistance, and health, water, sanitation, hygiene, and shelter services. USAID BHA modified the grant twice. The modifications increased the award amount to \$21,800,000 and extended the period of performance through November 5, 2022.

SIGAR's financial audit, performed by Crowe LLP, reviewed \$21,800,000 in costs charged to the grant from June 8, 2021, through November 5, 2022. Crowe identified one significant deficiency, one deficiency in [redacted] internal controls, and two instances of noncompliance with the terms of the award. Crowe identified \$39,147 in questioned costs from deficiencies in internal controls and instances of noncompliance.

Financial Audit 24-25-FA: USAID's [redacted] Program**Audit of Costs Incurred by [redacted]**

On September 24, 2021, USAID awarded a \$7,500,000 grant to [redacted] to support the [redacted] Program. The program aimed to reduce mortality and morbidity in eight targeted provinces through the provision of primary healthcare services. USAID modified the grant agreement twice, which increased the total funding to \$22,500,000 and extended the period of performance from September 30, 2022, through March 31, 2023.

SIGAR's financial audit, performed by Conrad LLP, reviewed \$22,500,000 in costs charged to the grant from August 1, 2021, through March 31, 2023. Conrad identified one material weakness and five significant deficiencies in [redacted]'s internal controls and six instances of noncompliance with the terms of the grant agreement. Because of the deficiencies in internal controls and instances of noncompliance, Conrad identified \$1,831,710 in questioned costs.

Financial Audit 24-24-FA: Department of State's Demining Clearance and Surveying Projects throughout Afghanistan**Audit of Costs Incurred by Mine Clearance Planning Agency**

From 2018 through 2021, State awarded \$6,206,506 for two grants to Mine Clearance Planning Agency (MCPA) to support various demining activities. The grants' objectives were to increase civilian safety, provide explosive ordnance risk education, collect accurate and reliable data, and create awareness among people in the targeted communities about the threats of explosive remnants of war and mines. State modified both grants six times,

which increased the total funding to \$8,308,506 and extended the period of performance to March 15, 2024.

SIGAR's financial audit, performed by Conrad LLP, reviewed \$5,412,258 in costs charged to the grants from March 1, 2021, through October 31, 2023. Conrad identified five significant deficiencies in MCPA's internal controls and five instances of noncompliance with the terms of the grants. Because of the deficiencies in internal controls and instances of noncompliance, Conrad identified \$11,886 in questioned costs.

Financial Audit 24-23-FA: Department of State's Children's Support Center Project in Afghanistan

Audit of Costs Incurred by Women for Afghan Women Inc.

On January 31, 2021, State awarded a one-year, \$3,906,976 cooperative agreement to Women for Afghan Women Inc. (WAW), to support the Children's Support Center Project in Afghanistan. The project provided care to children of incarcerated women in Afghanistan. State modified the agreement two times. The modifications increased the total funding to \$4,095,376 and extended the end of the period of performance from January 31, 2022, to December 31, 2022. State terminated the contract for convenience effective August 17, 2022.

SIGAR's financial audit, performed by KPMG LLP, reviewed \$3,403,916 in costs charged to the agreement from February 1, 2021, through August 17, 2022. KPMG identified one deficiency in WAW's internal controls and one instance of noncompliance with the terms of the agreement. KPMG identified \$614 in questioned costs from the internal control deficiency and noncompliance instance.

Financial Audit 24-21-FA: USAID's [redacted] Program

Audit of Costs Incurred by [redacted]

On June 1, 2021, USAID awarded a one-year, \$2,200,000 grant to [redacted] in support of the [redacted] program. The purpose of the program was to provide Afghans living in informal settlements with assistance to lessen their dependence on humanitarian aid. The grant required [redacted] to support vulnerable people; increase household income, housing land, and property rights; and build the resilience of the next generation through apprenticeship programs. USAID modified the agreement three times, which increased the total grant amount to \$4,400,000 and extended the period of performance to January 31, 2023.

SIGAR's financial audit, performed by Crowe LLP, reviewed \$4,400,000 in costs charged to the agreement from June 1, 2021, through January 31, 2023. Crowe identified two significant deficiencies in [redacted]'s internal controls and two instances of noncompliance with the terms of the agreement. Crowe did not identify any questioned costs.

Status of SIGAR Recommendations

The Inspector General Act of 1978, as amended, requires SIGAR to report on the status of its recommendations. This quarter, SIGAR closed seven recommendations contained in three performance audit, inspection, and financial audit reports. From 2009 through June 2024, SIGAR issued 498 audits, alert letters, and inspection reports, and made 1,365 recommendations to recover funds, improve agency oversight, and increase program effectiveness.

SIGAR has closed 1,294 of these recommendations, about 94%. Closing a recommendation generally indicates SIGAR's assessment that the audited agency either has implemented the recommendation or has otherwise appropriately addressed the issue. In some cases, where the agency has failed to act, SIGAR will close the recommendation as "Not Implemented;" SIGAR has closed a total of 290 recommendations in this manner. In some cases, these recommendations will be the subject of follow-up audit or inspection work.

SIGAR is also required to report on any significant recommendations from prior reports on which corrective action has not been completed. SIGAR works with agencies to obtain the sufficient, relevant information necessary to resolve recommendations. If documentation is insufficient or does not meet the intent of a recommendation, it remains open. This process continues until SIGAR receives the information necessary to close the recommendation.

This quarter, SIGAR continued to monitor agency actions on 107 open recommendations. Of these recommendations, 50 have been open for more than 12 months because the agency involved has not yet produced a corrective-action plan that SIGAR believes would resolve the identified problem, or has otherwise failed to appropriately respond to the recommendation(s).

For a complete list of open recommendations, see www.sigar.mil.

LESSONS LEARNED

SIGAR's Lessons Learned Program was created to identify and preserve lessons from the U.S. reconstruction experience in Afghanistan, and to make recommendations to Congress and executive branch agencies on ways to improve current and future efforts. SIGAR's lessons learned reports offer detailed and actionable recommendations to policymakers and respond to the needs of U.S. implementing agencies—both in terms of accurately capturing their past efforts and providing timely and actionable guidance for future efforts. To date, SIGAR's Lessons Learned Program has issued 18 reports, including three congressionally requested evaluations of the factors that led to collapse of the Afghan government and its security forces and a 12-report series of comprehensive lessons learned reports. These reports

have identified over 216 specific findings and lessons and made over 156 recommendations.

Ongoing Lessons Learned Program Work

SIGAR has two ongoing lessons learned projects. The first is examining the challenges faced by donors, the UN, and NGOs in getting aid to vulnerable people living under regimes that the United States and other donors do not recognize, otherwise known as politically estranged countries. While the project is focusing on challenges in Taliban-controlled Afghanistan, in order to develop best practices, it is also examining similar efforts in other countries, including South Sudan, Sudan, Syria, and Yemen. The report will document how the United States and other donor countries, as well as multilateral organizations such as the UN and World Bank, respond to undemocratic regime changes in countries that receive significant aid. It will make recommendations about how donors, the UN, and NGOs can better understand and mitigate interference and diversion to make aid delivery more effective.

The second project is assessing the staffing of U.S. government personnel in positions relating to Afghanistan, with five key focus areas: recruitment/hiring, training, deployment, retention, and hand over/backfilling. It is focusing on the mechanisms of getting the right U.S. personnel into the right roles at the right times—both at headquarters and especially in the field—and the immense challenges U.S. agencies faced in these tasks over two decades.

INVESTIGATIONS

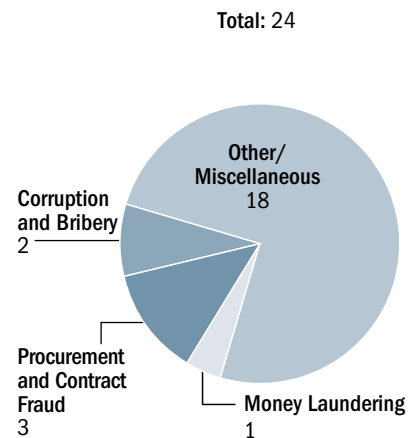
Following the U.S. withdrawal and the collapse of the Afghan government, SIGAR continues its investigations and criminal inquiries into corruption-related theft of U.S. taxpayer monies spent in and on Afghanistan. SIGAR's Investigations Directorate oversees and investigates the misuse of reconstruction funds provided prior to and post-August 2021, and works with cooperating U.S. government partners to identify weaknesses in financial institutions that contribute to capital flight from Afghanistan and to access intelligence on illicit financial networks. To date, SIGAR investigations have resulted in 169 criminal convictions. Criminal fines, restitutions, forfeitures, civil settlements, and U.S. government cost savings and recoveries total approximately \$1.67 billion.

During the reporting period, two cases were closed and no cases were initiated. A SIGAR investigation resulted in one conviction. There are 24 ongoing investigations, as shown in Figure S.1.

FIGURE S.1

SIGAR INVESTIGATIONS: NUMBER OF OPEN INVESTIGATIONS

April 1–June 30, 2024



Source: SIGAR Investigations Directorate, 7/3/2024.

Former U.S. Navy Reserves Officer Convicted for Special Immigration Visa Conspiracy Scheme

On July 12, 2024, in the U.S. District Court of New Hampshire, a jury convicted Commander Jeromy Pittmann, of the U.S. Navy Reserves, on charges of conspiracy to commit bribery and false writing, bribery, false, writing and conspiracy to commit concealment money laundering.

The Afghan Allies Protection Act of 2009 authorized the issuance of Special Immigrant Visas (SIV) to Afghan nationals who worked with the U.S. Armed Forces in Afghanistan as interpreters or translators. Among other requirements, an Afghan national applying for an SIV under this program was required to submit a letter of recommendation from a person associated with the U.S. government in a specified supervisory or senior position. The U.S. Department of State's National Visa Center, located in Portsmouth, New Hampshire, was responsible for reviewing applications for SIVs. As part of its procedures for processing an SIV application, it was State's practice to request verification from the recommender.

Pittmann is a U.S. citizen who resided in Naples, Italy, and Pensacola, Florida, and served as an officer in the U.S. Navy Reserves for approximately 20 years, including in Afghanistan. In his capacity of naval officer, Pittmann prepared approximately 22 false letters of recommendation for Afghans whose SIV applications had been submitted to State for processing. He received bribe money from an Afghan co-conspirator for each false letter of recommendation submitted to State.

Pittmann is scheduled to be sentenced on October 21, 2024, and faces a maximum penalty of 45 years in prison.

SIGAR, the Naval Criminal Investigative Service (NCIS), and the Defense Criminal Investigative Service (DCIS) investigated the case.

Former Construction Specialist to be Sentenced for Special Immigration Visa Fraud

On August 19, 2024, Michael Baum is scheduled to be sentenced in the U.S. District Court of New Hampshire. In November 2022, Baum pleaded guilty to one count of visa fraud. During 2020 and 2021, Baum, a former construction specialist residing in California, knowingly presented to State a document required by the immigration laws and regulations that contained a false statement. In exchange for monetary payments, Baum signed multiple letters of recommendation in support of SIV applications for Afghan nationals whom Baum falsely claimed to have supervised while deployed to Afghanistan. After the applications were submitted, in response to inquiries from State's National Visa Center, Baum falsely verified the authenticity of the letters. Two other subjects were previously sentenced in connection to this investigation.

Follow the Money and Capital Flight Initiatives

This quarter, SIGAR investigators continued pursuing several criminal investigations and lines of inquiry emanating from their Follow the Money and Capital Flight initiatives of those who may have been involved in the theft or fraudulent receipt of U.S. reconstruction funds. Follow the Money and Capital Flight initiatives include (1) identifying all financial institutions in Afghanistan that U.S. reconstruction funds were deposited into for an 18-month period prior to the collapse of the Afghan government; (2) working with financial agencies and law enforcement partners to identify monetary outflows from Afghanistan that may be connected to former Afghan government officials, politically connected individuals, and others involved in suspicious transactions, and identifying high value real estate purchased by such individuals in the United States or abroad for potential connection to capital flight and potential seizure; and (3) developing extensive networks and contacts to uncover the identity of individuals, entities, and shell corporations used by former Afghan government officials or politically connected individuals who may have benefited from the theft of reconstruction funds or capital flight from Afghanistan.

SIGAR P1/P2 Referral Initiative Update

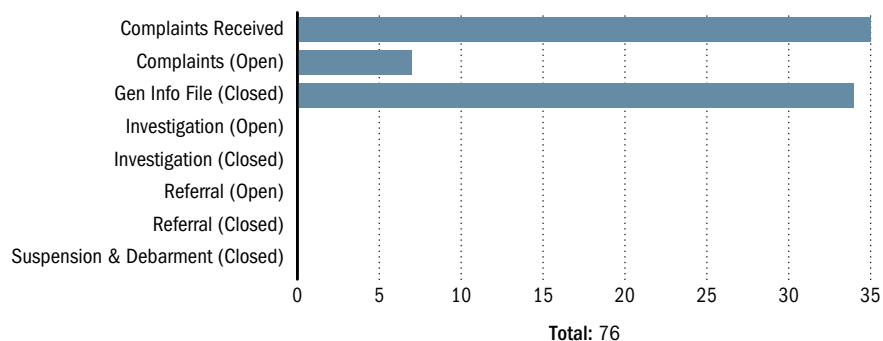
SIGAR has referred over 292 P1 and P2 applicants for resettlement in the United States. SIGAR also continues to work with the Department of State Diplomatic Security Service, the Defense Criminal Investigative Service, and other U.S. entities in response to an influx of Special Immigrant Visa fraud.

SIGAR Hotline

The SIGAR Hotline (by e-mail: sigar.hotline@mail.mil; web submission: www.sigar.mil/investigations/hotline/report-fraud.aspx; phone: 866-329-8893 in the United States) received 35 complaints this quarter. In addition to working on new complaints, the Investigations Directorate continued work on complaints received prior to April 1, 2024. The directorate processed 76 complaints this quarter; most are under review or were closed, as shown in Figure S.2.

FIGURE S.2

STATUS OF SIGAR HOTLINE COMPLAINTS: APRIL 1-JUNE 30, 2024



Source: SIGAR Investigations Directorate, 7/1/2024.

OTHER SIGAR OVERSIGHT ACTIVITIES

SIGAR Meets with German and Dutch Agencies

SIGAR Lessons Learned Program Deputy Director David Young met with the German Foreign Office, the German aid agency (BMZ), the German Stabilization Platform, the German Institute for Development Evaluation, the Global Public Policy Institute (GPPI, Berlin), and the Dutch Ministry of Foreign Affairs. Most meetings were briefings of SIGAR’s Lessons Learned Program’s findings and lessons from Afghanistan for the purpose of helping the German and Dutch governments apply them in Ukraine, the Sahel, and Gaza. Across more than six meetings, Mr. Young briefed and met with nearly 70 officials, in addition to briefing a public event attended by more than 100. Mr. Young spoke at two think tank events: a private event at the Global Public Policy Institute in Berlin, and a public event hosted by the German Institute for Development Evaluation.

German and Dutch government officials and practitioners found SIGAR’s findings relevant to similar challenges they are facing in Ukraine, the Sahel, Gaza, and other conflict-affected areas. SIGAR’s model was featured by experts and audience members as an enviable mechanism the German government should develop. These meetings’ outcomes follow SIGAR’s prior meetings with the Swedish and Norwegian governments that are seeking to create similar lessons-learned programs.



SIGAR Lessons Learned Program Deputy Director David Young (second from left) speaks at a Global Public Policy Institute panel in Berlin. (Photo by GPPI, Berlin)

SIGAR Meets with Afghan and Afghan-American Students at Harvard University's Kennedy School

On April 25, Inspector General John Sopko spoke with a group of Afghan and Afghan-American students at the John F. Kennedy School of Government at Harvard University about the challenges, achievements, and lessons learned from the U.S. effort to rebuild Afghanistan. Members of the Afghanistan Caucus, a student organization at Harvard Kennedy School, organized and hosted the event.



Inspector General John Sopko speaks at Harvard University in April. (Photo by SIGAR)

SIGAR Participates in Dexis Panel

On June 18, SIGAR Lessons Learned Deputy Director David Young spoke on a panel titled, “Crisis Without Conclusion: Adapting Programming to Protected Conflicts,” hosted by Dexis Consulting Group. The panel discussed how development, stabilization, and peacebuilding practitioners can adapt and respond to protracted conflicts, including Afghanistan, Ethiopia, and Ukraine. Mr. Young spoke on several of SIGAR’s lessons learned reports, including *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*.



SIGAR Lessons Learned Deputy Director David Young (top right) speaks on a Dexis panel in June. (Photo by Dexis)

SIGAR Holds Meetings with Australian Officials and Implementers on Lessons Learned

In July, Deputy Special Inspector General Gene Aloise, Deputy Director of Lessons Learned David Young, Deputy Director of Research and Analysis Michael Bindell, and Senior Program Analyst Julianna Barr met members of the Australian parliament; senior advisors to the foreign minister; senior staff at the Australian government’s Department of Foreign Affairs and Trade (DFAT), which advances Australian interests internationally and is responsible for the design and delivery of its aid programs; multiple think tanks; dozens of Australian development partners; and select Afghanistan scholars to share SIGAR’s lessons from both pre-collapse and post-collapse Afghanistan.

Australian stakeholders in and out of government continue working on Afghanistan and face similar challenges to those in Afghanistan in other countries. In discussions about contemporary Afghanistan, SIGAR briefed



SIGAR's Deputy Inspector General Gene Aloise (left), Senior Program Analyst Julianna Barr (middle left), Lessons Learned Deputy Director David Young (middle right), and Research and Analysis Deputy Director Michael Bindell (right) meet with Development Intelligence Lab officials in Australia. (Photo by SIGAR)

the Australians about its ongoing work on Taliban efforts to divert or benefit from U.S. assistance. Of particular interest was SIGAR's ongoing lessons learned report about the challenges faced by donors, the UN, and NGOs in providing aid to vulnerable people living under regimes that the United States and other donors do not recognize, otherwise known as politically estranged countries.

In other discussions, SIGAR shared how lessons from pre-collapse Afghanistan could be learned and implemented in places of particular interest to Australia such as Ukraine, Gaza, Papua New Guinea, Solomon Islands, Philippines, and Myanmar. SIGAR's engagements with government officials included:

- Eight Australian members of parliament from a range of political parties who were most interested in attempts by the Taliban to divert or benefit from U.S. assistance.
- Senior advisors to Foreign Minister Penny Wong, who were interested in risks to U.S. assistance and how SIGAR's lessons might inform Australia's work in the Pacific.
- Senior staff at Australia's DFAT, including two meetings with the department's South and Central Asia team and its Humanitarian Division, who were interested in Taliban attempts at diversion, and how to address those challenges in other similar contexts, including Syria, Sudan, and elsewhere.

The SIGAR team participated in a roundtable event hosted by the Development Intelligence Lab, an Australian think tank that focuses on development cooperation. The discussion centered on lessons for Australia on fragility, state building, and stabilization, and was attended by working level staff from DFAT, civilian-military advisors, development program implementers, and academics.

SIGAR also met with the Australian Council for International Development (ACFID), an association representing Australian NGOs involved in international development and humanitarian action, as well as more than 15 of their member NGO implementers. Deputy IG Aloise provided an overview of SIGAR's mandate, work, and major findings. Mr. Young briefed the group on SIGAR's Lessons Learned of providing reconstruction assistance over 20 years before the collapse of the Afghan government. The session then opened up for questions and answers.

Additionally, at a hybrid public event hosted by the Globalisation & Governance Research Network at the University of New South Wales, Deputy IG Aloise and Deputy Director of Lessons Learned David Young spoke alongside Afghanistan scholars about how the lessons from rebuilding Afghanistan can and should be applied to Australia's foreign assistance and development challenges in the Pacific.

SIGAR BUDGET

SIGAR is currently funded under H.R. 2882—Further Consolidated Appropriations Act, 2024, signed into law on March 23, 2024. This bill provides \$24.8 million to support SIGAR's oversight activities and products by funding SIGAR's Audit and Inspections, Investigations, Management and Support, Research and Analysis Directorates, and Lessons Learned Program.

SIGAR STAFF

With 111 employees on board at the end of the quarter, SIGAR had two fewer staff members than reported in its last quarterly report to Congress.

سر مفتش ویژه برای بازسازی افغانستان



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6 OVERSIGHT BY OTHER GOVERNMENT AGENCIES



OVERSIGHT BY OTHER GOVERNMENT AGENCIES CONTENTS

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Photo on previous page

Afghan women gather at a UN Women-supported center. (Photo by UN Women/Sayed Habib Bidell)

OVERSIGHT BY OTHER GOVERNMENT AGENCIES

SIGAR’s enabling legislation requires it to keep the Secretaries of State and Defense fully informed about problems relating to the administration of Afghanistan reconstruction programs, and to submit a report to the Congress on SIGAR’s oversight work and on the status of the U.S. reconstruction effort no later than 30 days after the end of each fiscal quarter. The statute also instructs SIGAR to include, to the extent possible, relevant matters from the end of the quarter up to the submission date of its report.

Each quarter, SIGAR requests updates from other agencies on completed and ongoing oversight activities. This section compiles these updates. Copies of completed reports are posted on the agencies’ respective public websites.

The descriptions appear as submitted, with minor changes to maintain consistency with other sections of this report: acronyms and abbreviations in place of full organizational names; standardized capitalization, punctuation, and preferred spellings; and third-person instead of first-person voice.

These agencies perform oversight activities related to Afghanistan and provide results to SIGAR:

- Department of Defense Office of Inspector General (DOD OIG)
- Department of State Office of Inspector General (State OIG)
- Government Accountability Office (GAO)
- United States Agency for International Development Office of Inspector General (USAID OIG)

COMPLETED OVERSIGHT ACTIVITIES

This quarter, participating agencies issued two oversight reports related to Afghanistan, which are listed in Table O.1 and described in the following section by agency.

TABLE O.1

COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF JUNE 30, 2024			
Agency	Report Number	Date Issued	Report Title
USAID OIG	5-306-24-037-R	5/3/2024	Financial Audit of the Exports, Job, and Market Linkages in Carpet and Jewelry Value-Chains Project in Afghanistan, Managed by the Turquoise Mountain Trust, Agreement 72030619CA0001, January 1 to December 31, 2022
DOD OIG	DODIG-2024-079	5/6/2024	Management Advisory: Evaluation of the DoD’s Handling of Operational Data from Afghanistan

Source: USAID OIG, response to SIGAR data call, 6/10/2024; DOD OIG, response to SIGAR data call, 6/17/2024.

United States Agency for International Development Office of Inspector General

USAID OIG completed one financial audit this quarter related to Afghanistan reconstruction.

Financial Audit of the Exports, Job, and Market Linkages in Carpet and Jewelry Value-Chains Project in Afghanistan, Managed by the Turquoise Mountain Trust, Agreement 72030619CA0001, January 1 to December 31, 2022

USAID OIG issued the Financial Audit of the Exports, Job, And Market Linkages in Carpet and Jewelry Value-Chains Project in Afghanistan, Managed by the Turquoise Mountain Trust (TMT), Agreement 72030619CA0001, January 1 to December 31, 2022 (5-306-24-037-R). TMT contracted with the independent firm BDO Ebrahim & Co. to conduct the audit, which USAID OIG reviewed for conformity with professional reporting standards.

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID award for the period audited was presented fairly in all material respects; (2) evaluate TMT's internal controls; and (3) determine whether TMT complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit that covered total costs of \$2,662,922 for the period from January 1, 2022, to December 31, 2022.

The audit concluded that the schedule of expenditures of the USAID award presented fairly, in all material respects, program revenues, costs incurred and reimbursed, commodities and technical assistance directly procured by USAID for the period audited except for ineligible questioned costs in the amount of \$79,488. The audit firm identified five material instances of noncompliance, of which the audit firm considered three as material internal control weaknesses and one as a significant internal control deficiency. To avoid duplication, USAID OIG only made one recommendation that addressed five material instances of non-compliance. USAID OIG recommended that USAID/Afghanistan (1) determine the allowability of \$79,488 of ineligible questioned costs as reported in the audit report and recover any amount that is unallowable; and (2) verify that TMT corrects the five instances of material noncompliance detailed on pages 20–30 of the audit report.

USAID OIG desk reviews are typically performed to identify items that need clarification or issues that require management attention. Desk reviews are limited to review of the audit report itself and exclude review of the auditor's supporting work papers. Desk reviews are not designed to enable USAID OIG to directly evaluate the quality of the audit performed.

U.S. Department of Defense Office of Inspector General

DOD OIG completed one evaluation this quarter related to reconstruction or security operations in Afghanistan.

Management Advisory: Evaluation of the DOD’s Handling of Operational Data from Afghanistan

This evaluation examined whether DOD made available for use operational data from Afghanistan, as required by Section 1088 of the National Defense Authorization Act for Fiscal Year 2022 (FY 2022 NDAA). Section 1088 required DOD to archive and standardize operational data across defense information systems to ensure that operational data is structured and searchable in an efficient and effective manner. The report found that DOD did not fully satisfy the requirements of Section 1088 of the FY 2022 NDAA and that operational data from Afghanistan has not been put into a fully indexed and searchable database. DOD OIG found that U.S. Central Command and U.S. Special Operations Command have made data accessible and searchable only within their respective components, instead of across the joint force, because DOD did not designate a lead component. The report also found that common over- and misclassification of data led to personnel not creating a standardized database for operational data from Afghanistan. The DOD OIG recommended the Deputy Secretary of Defense designate a DOD component to lead the effort to satisfy the requirements of Section 1088 and coordinate with Congress.

ONGOING OVERSIGHT ACTIVITIES

This quarter, participating agencies reported three ongoing oversight activities related to Afghanistan, which are listed in Table O.2 and described in the following section by agency.

TABLE O.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF JUNE 30, 2024			
Agency	Project Number	Date Initiated	Report Title
State OIG	22AUD012	12/2/2021	Review of the Department of State Afghan Special Immigrant Visa Program
State OIG	23AUD001	12/13/2022	Audit of the Disposition of Defensive Equipment and Armored Vehicles in Advance of Evacuations of U.S. Embassies Kabul and Kyiv
USAID OIG	551F0123	4/21/2023	Audit of USAID’s Efforts to Safeguard Implementers and Activities in Afghanistan

Source: State OIG, response to SIGAR data call, 6/14/2024; USAID OIG, response to SIGAR data call, 6/10/2024.

State Office of Inspector General–Middle East Regional Operations

State OIG had two ongoing projects this quarter related to Afghanistan.

Review of the Department of State Afghan Special Immigrant Visa Program

This review will be issued as a series of reports in response to requests from multiple congressional committees to review a range of topics regarding the Afghan SIV program.

Audit of the Disposition of Defensive Equipment and Armored Vehicles in Advance Operations of Evacuations at U.S. Embassies Kabul and Kyiv

This audit will determine whether U.S. Embassies Kabul and Kyiv managed, safeguarded, and disposed of sensitive security assets in advance of the evacuation and suspension of operations at each post in accordance with Department of State guidance.

United States Agency for International Development Office of Inspector General

USAID OIG had one ongoing performance audit this quarter related to Afghanistan.

Audit of USAID’s Efforts to Safeguard Implementers and Activities in Afghanistan

The audit will determine USAID’s oversight of implementer efforts to mitigate both security and safety risks and Taliban interference in activities.

سر مفتش ویژه برای بازسازی افغانستان



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The Official Seal of SIGAR

SIGAR's official seal reflects the coordinated efforts of the United States and the former internationally recognized government of Afghanistan to provide accountability and oversight of reconstruction activities. The phrases in Dari (top) and Pashto (bottom) on the seal are translations of SIGAR's name.

APPENDICES



APPENDIX A STATUS OF FUNDS

ASFF: Afghanistan Security Forces Fund
ESF: Economic Support Fund
IDA: International Disaster Assistance
INCLE: International Narcotics Control and Law Enforcement
MRA: Migration and Refugee Assistance
NADR: Non-Proliferation, Antiterrorism, Demining, and Related Programs

Status of Funds changed its reporting framework three quarters ago to focus primarily on U.S. funds appropriated, obligated, and disbursed (for purposes defined by SIGAR's statutory oversight mandate) in the period following the August 2021 U.S. withdrawal from Afghanistan. Nevertheless, U.S. funds appropriated and obligated prior to that date continue to play a significant role in current programming for Afghanistan and in the closing of contracts that were obligated for Afghanistan reconstruction. These activities and their associated sources of funding, whether by appropriation before or after August 2021, are examined through expanded coverage of the Afghanistan Funding Pipeline and the Six Largest Active Accounts in the sections that follow.

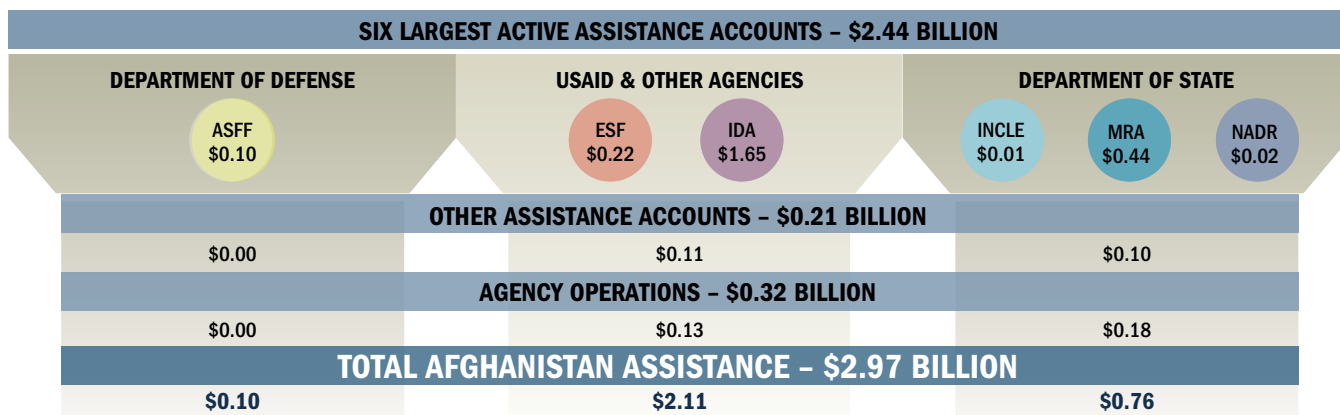
APPROPRIATED FUNDS

U.S. appropriations following the U.S. withdrawal from Afghanistan, for the period FY 2022 to FY 2024 through June 30, 2024, are presented in Figure F.1.

- Total appropriations reached more than \$2.97 billion.
- The six largest assistance accounts comprised \$2.44 billion of the total.
- International Disaster Assistance (IDA) and Migration and Refugee Assistance (MRA), the two humanitarian assistance accounts, accounted for nearly \$2.09 billion, or 70.5%, of the total amount.
- Congress appropriated \$100 million to the Afghanistan Security Forces Fund (ASFF) in September 2022 to provide additional funds to settle ASFF-funded contracts originally obligated before the Taliban takeover in August 2021.
- In addition to IDA, MRA, and ASFF, appropriations of \$775 million were made to another 13 accounts for a variety of programming purposes and for agency operating costs.

FIGURE F.1

U.S. APPROPRIATIONS SUPPORTING AFGHANISTAN ASSISTANCE, FY 2022 TO FY 2024 Q3 (\$ BILLIONS)



Note: Numbers have been rounded. Details of accounts are presented in Table F.10, U.S. Appropriations Made Available for Afghanistan Reconstruction and Pre- and Post-Withdrawal, as of June 30, 2024.

CIVILIAN SECTOR DISBURSED FUNDS

U.S. funds disbursed from civilian sector assistance accounts in the period since the U.S. withdrawal from Afghanistan are presented in Table F.1 below.

- Total disbursements for the FY 2022 to FY 2024 period ending June 30, 2024, were more than \$3.22 billion, exceeding total appropriations of \$2.97 billion by nearly \$254 million. Disbursements post-withdrawal include funding from appropriations made prior to August 2021.
- Disbursements from the Economic Support Fund (ESF) of nearly \$0.81 billion exceeded appropriations of \$0.22 billion by more than \$590 million.
- The two humanitarian assistance accounts, IDA and MRA, accounted for more than \$2.07 billion, or 64.4%, of the total amount.
- Disbursements to UN agencies, the UN Assistance Mission in Afghanistan (UNAMA), and the Afghanistan Resilience Trust Fund (ARTF)—formerly the Afghanistan Reconstruction Trust Fund—of nearly \$2.09 billion equal 64.8% of total post-withdrawal disbursements. U.S. government funding of these multilateral institutions is examined in more detail in Table F.9, U.S. Contributions to UN Agencies, UNAMA, and ARTF on page 140.

TABLE F.1

CIVILIAN SECTOR ACCOUNT DISBURSEMENTS				
OCTOBER 1, 2021, TO JUNE 30, 2024 (\$ MILLIONS)				
Civilian Sector Assistance Accounts	Disbursements			
	FY 2022	FY 2023	FY 2024 to Q3	Total
Economic Support Fund (ESF)	\$421.47	\$289.06	\$97.31	\$807.84
International Disaster Assistance (IDA)	408.25	786.07	315.32	1,509.64
International Narcotics Control & Law Enforcement (INCLE)	109.35	10.42	16.77	136.54
Migration and Refugee Assistance (MRA)	228.40	249.45	87.23	565.08
All Other Accounts	72.98	75.79	53.25	202.01
Total	\$1,240.45	\$1,410.78	\$569.88	\$3,221.11
Disbursements to UN Agencies, UNAMA, and ARTF	\$787.58	\$968.87	\$330.30	\$2,086.75
Percent of Total Disbursements	63.5%	68.7%	58.0%	64.8%

Note: All Other Accounts consists of CIO, USAGM, GHP NADR, ECE, HRDF, and several other accounts without active programming but with minor disbursements in the FY 2022–FY24Q3 period. The timing and amount of disbursements were estimated for several of these accounts. State did not provide FY21Q4 data for the INCLE and MRA accounts, and consequently their FY 2022 disbursements cover the 7/1/2021 to 9/30/2022 period. See Table F.9, U.S. Contributions to UN Agencies, UNAMA and ARTF, for reporting on disbursements from ESF, IDA, INCLE, MRA, GHP NADR, and CIO, to these entities.

Source: SIGAR analysis of Development and Humanitarian accounts in the SIGAR Quarterly Report to the United States Congress, 6/30/2024, 10/30/2023, 10/30/2022, and 10/30/2021.

APPENDICES

AFGHANISTAN FUNDING PIPELINE

Each quarter, SIGAR examines the amount of funding that Congress has authorized for spending on activities subject to SIGAR oversight that remain available for disbursement at the most recent quarter-end.

Funds remaining available for possible disbursement for any given account consist of two broad components (1) funds that have been appropriated and allocated to the account for Afghanistan programming, but not yet obligated for these purposes, and (2) funds that have been obligated for Afghanistan programming, but not yet disbursed under the obligated contract (“unliquidated obligations”).

Table F.2, Appropriated Funds Remaining Available for Possible Disbursement, presents these two components for each of the six largest active accounts. The first column, “FY 2020–2024 Funds Appropriated, Not Yet Obligated,” identifies \$297.62 million in FY 2020, FY 2022, FY 2023, and FY 2024 appropriations remaining available for obligation that have not been obligated as of June 30, 2024. The second column, “FY 2014–24 Funds Obligated, Not Yet Disbursed,” identifies more than \$0.84 billion in FY 2014 through FY 2024 appropriations that have been obligated and remain available for disbursement as of June 30, 2024. The rules governing the six accounts’ periods of availability for obligation and disbursement are set forth in the Note to Table F.2. The sum of the first two columns results in the third column “Funds Remaining for Possible Disbursement” of more than \$1.14 billion as of June 30, 2024.

TABLE F.2

APPROPRIATED FUNDS REMAINING AVAILABLE FOR DISBURSEMENT SIX LARGEST ACTIVE ACCOUNTS JUNE 30, 2024 (\$ MILLIONS)			
Six Largest Active Accounts	FY 2020–24 Funds Appropriated, Not Yet Obligated	FY 2014–24 Funds Obligated, Not Yet Disbursed	Funds Remaining for Possible Disbursement
Afghanistan Security Forces Fund (ASFF)	\$94.73	\$231.43	\$326.16
Economic Support Fund (ESF)	95.00	328.40	423.40
International Narcotics Control and Law Enforcement (INCLE)	2.02	4.06	6.08
International Disaster Assistance (IDA)	101.38	263.25	364.63
Migration and Refugee Assistance (MRA)	-	11.33	11.33
Non-Proliferation, Antiterrorism, Demining, and Related Programs (NADR)	4.49	5.47	9.97
Total	\$297.62	\$843.95	\$1,141.57

Note: Numbers have been rounded. Funds remaining available for possible disbursement consist of (1) funds appropriated or otherwise made available for Afghanistan reconstruction, as defined in SIGAR’s enabling statute Pub. L. No. 110–181 (as amended), that remained available for possible obligation; and (2) funds obligated for Afghanistan reconstruction that remained available for possible disbursement (i.e., unliquidated obligations) at June 30, 2024. The ASFF FY 2022 appropriation is available for obligation through FY 2025; the ESF, INCLE, MRA, and NADR appropriations are available for obligation for two years with ESF and INCLE availability extendable up to six years; and after the period of availability for obligation has ended all of these funds are available for disbursement for an additional five years. IDA appropriations are available until expended. Please see Table F.3 through Table F.8 on pages 127–137 for additional details of ASFF, ESF, INCLE, IDA, MRA, and NADR funds remaining for possible disbursement and for the sources of this information.

The more than \$0.84 billion in funds that have been obligated but not yet disbursed consist of three sub-components, as follows:

- **Funds Obligated, Available for Subobligation.** USAID reported that it had obligated \$134.44 million in FY 2014 through FY 2019 ESF funds through bilateral agreements with the former Afghan government, and these funds remain available for subobligation. USAID plans to subobligate these funds on new or existing project awards over the next six months.
- **Active Projects, Funds Obligated and Available for Disbursement.** State and USAID reported that the ESF, IDA, INCLE, MRA, and NADR accounts together had \$405.01 million in unliquidated obligations for 54 active projects. Approximately 48% of this amount, or \$194.26 million, was obligated to eight UN agencies through 13 projects. All of DOD’s ASFF contracts are being closed out.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** DOD, State, and USAID reported that the ASFF, ESF, IDA, INCLE, MRA, and NADR accounts together held \$293.29 million in unliquidated obligations for inactive, expired, or terminated contracts. DOD has not provided an ASFF contract count, but State and USAID reported that 111 of their projects met one of these three inactive project criteria.

The components of funds remaining available for possible disbursement for each of the six largest active accounts are examined in Table F.3 through Table F.8 on the following pages.

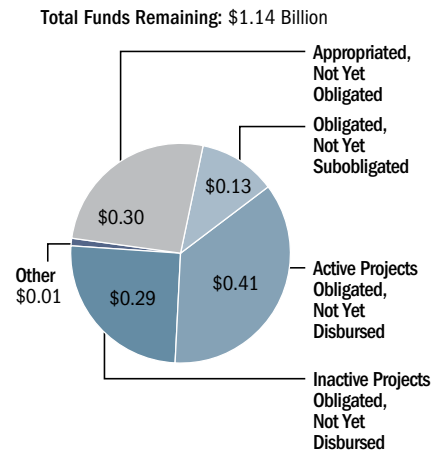
AFGHANISTAN SECURITY FORCES FUND

Congress created the Afghanistan Security Forces Fund (ASFF) to provide the former Afghan National Defense and Security Forces (ANDSF) with equipment, supplies, services, training, and funding for salaries, as well as facility and infrastructure repair, renovation, and construction. DOD ceased support of the ANDSF and began closing ASFF contracts following the Taliban takeover in August 2021.

Congress and DOD have taken a series of steps to rescind and reallocate ASFF funds no longer required to support the former ANDSF. DOD reprogrammed nearly \$1.46 billion from its ASFF FY 2020 and FY 2021 accounts in FY21Q4, and rescinded \$700 million from its ASFF FY 2021 account in FY22Q3 as mandated under the Consolidated Appropriations Act, 2022.¹ The Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, enacted September 30, 2022, mandated an additional rescission of ASFF FY 2021 appropriations of \$100 million, and at the same time appropriated \$100 million to ASFF for obligation in the FY 2022 to FY 2025 period to facilitate ASFF contract close-out activities.² There were no ASFF appropriations for FY 2023 or FY 2024.³

FIGURE F.2

FUNDS REMAINING BY FUNDNG SEGMENT, SIX LARGEST ACTIVE ACCOUNTS, AS OF JUNE 30, 2024 (\$ BILLIONS)



Note: Numbers have been rounded. Inactive Projects consists of inactive, expired, and terminated contracts.
Source: See Table F.3 through Table F.8 on pages 127–137 for additional details of ASFF, ESF, INCLE, IDA, MRA, and NADR funds remaining for possible disbursement and for the sources of this information.

APPENDICES

DOD IG Audit of the DOD's Financial Management of the Afghanistan Security Forces Fund

A DOD IG audit of DOD's financial management of ASFF found that DOD improperly recorded \$4.1 billion appropriated to the ASFF account as spent when ASFF funds were actually transferred to the FMS Trust Fund. DOD IG recommended that DSCA and OUSD/Comptroller assist SIGAR in reporting restated ASFF obligated and disbursed balances.

DOD has not yet reconciled the unliquidated obligations (ULOs) shown in Table F.3 (to the right) with the ULOs—calculated as the difference between cumulative obligations and disbursements—in its financial reporting. SIGAR will publish restated ASFF balances in its quarterly report upon the completion of DOD's reconciliation and restatement.

Source: DOD IG, Audit of the DoD's Financial Management of the Afghanistan Security Forces Fund (DODIG-2023-082), 6/9/2023, accessed 6/13/2023 at <https://www.dodig.mil/reports>.

DOD managed an ASFF funding pipeline of \$326.16 million as of June 30, 2024, consisting of \$94.73 million in FY 2022 appropriations that remained available for obligation, and \$231.43 million in FY 2018 to FY 2022 appropriations that had been obligated and remained available for disbursement, as shown in Table F.3.

TABLE F.3

AFGHANISTAN SECURITY FORCES FUND FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT JUNE 30, 2024 (\$ MILLIONS)	
Fund Status and Contract Details	Funds Remaining
Funds Appropriated, Not Yet Obligated	
ASFF FY 2022-2025 Appropriation for Contract Close-Out	\$94.73
Funds Obligated, Not Yet Disbursed	
Terminated Contracts, Balances Reserved for Close-Out	
Air Force (A-29, C-130, PC-12 & C-208 Airframes & Munitions)	103.54
Army (UH-60 Airframe, Ammunition, PEO STRI, and Other)	76.76
Navy (Joint Warfare Center and Other)	1.05
Contracts Obligated by CSTC-A and DSCMO-A	50.08
Total Unliquidated Obligations	231.43
Total Funds Remaining Available for Possible Disbursement	\$326.16

Note: Numbers may not add due to rounding. Details of Funds Obligated, Not Disbursed are presented in Table A.7, Summary Status of ASFF Obligated Contracts on page 89. Table A.7 indicates that DOD did not provide SIGAR with details for Army and certain Air Force accounts in the current quarter.

Source: DOD/OUSD-R response to SIGAR data call, 7/17/2024; DOD/DFAS, AR(M) 1002 Appropriation Status by FY Program and Subaccounts (Cumulative) June 2024 Certified, accessed at www.dfas.mil/dodbudgetaccountreports/ on 7/20/2024.

ECONOMIC SUPPORT FUND

Economic Support Fund (ESF) programs are intended to advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. ESF programs support counterterrorism; bolster national economies; and assist in the development of effective, accessible, and independent legal systems for a more transparent and accountable government.⁴

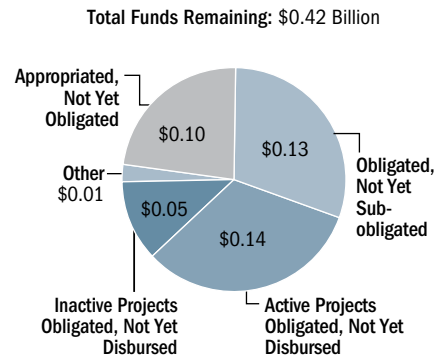
The ESF was allocated \$95.00 million for Afghanistan for FY 2023 through the Section 653(a) consultation process concluded between State and the U.S. Congress in FY23Q4.⁵ This follows a FY 2022 Section 653(a) allocation of \$122.88 million and an additional allocation of \$99.50 million of ESF FY 2021 funds received in FY 2022.⁶ USAID implemented rescissions of more than \$855.64 million in ESF funds mandated in the Consolidated Appropriations Act, 2022, by rescinding FY 2017, FY 2018, FY 2019, FY 2020, and FY 2021 ESF balances in FY22Q4. USAID also transferred \$25.00 million in FY 2020 and FY 2021 ESF balances to State in FY22Q4.⁷ The FY 2024 Section 653(a) allocation process has not yet concluded.⁸

USAID managed an ESF funding pipeline of \$423.40 million as of June 30, 2024, consisting of \$95.00 million in FY 2023 appropriations that remained available for obligation, and \$328.40 million in FY 2014 to FY 2022 appropriations that had been obligated and remained available for disbursement.⁹ There were three components of funds obligated but not yet disbursed:

- **Funds Obligated, Available for Subobligation.** USAID had obligated \$134.44 million in FY 2014 to FY 2019 ESF funds through bilateral agreements with the former Afghan government, and these funds remain available for subobligation. USAID plans to subobligate these funds on new or existing project awards over the next six months as set forth in the highlight box next to Table F.4.
- **Active Projects, Funds Obligated and Available for Disbursement.** USAID had obligated \$137.51 million in ESF funds on 17 active projects as described in Table F.4 that remained available for disbursement.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** USAID had obligated \$46.05 million in ESF funds on 47 inactive or expired projects that remained available for disbursements. Among this group, eight power sector projects had unliquidated obligations of \$33.44 million.

FIGURE F.3

FUNDS REMAINING BY FUNDING SEGMENT, ECONOMIC SUPPORT FUND, AS OF JUNE 30, 2024 (\$ BILLIONS)



Note: Numbers have been rounded. Inactive Projects consists of inactive, expired, and terminated projects.

Source: See page 130 for additional information and sources of information.

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TABLE F.4

ECONOMIC SUPPORT FUND FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT JUNE 30, 2024 (\$ MILLIONS)

Fund Status and Project Details	Sector	Implementing Partners	Funds Remaining
Funds Appropriated, Not Yet Obligated			
ESF FY 2023 Section 653(a) Allocation for Afghanistan			\$95.00
Funds Obligated, Not Yet Disbursed			
Active Projects			
Accessible and Quality Basic Education (AQBE)	Education	U.S. Nonprofit	29.92
Competitiveness of Export-Oriented Businesses (ACEBA)	Economic Growth	U.S. for Profit	20.14
Urban Health Initiative (UHI) Program	Health	U.S. for Profit	17.00
Afghan Support Program (ASP)	Civil Society	U.S. Nonprofit	11.69
Afghanistan Value Chains—Livestock	Agriculture	U.S. for Profit	11.57
Assistance for Families and Indigent Afghans to Thrive (AFIAT)	Health	U.S. Nonprofit	9.28
Information, Dialogue and Rights in Afghanistan (IDR)	Good Governance	U.S. Nonprofit	7.65
Supporting Transformation of Afghanistan's Recovery (STAR)	Civil Society	U.S. Nonprofit	6.41
Global Health Supply Chain Management (GHSCM-PSM)	Health	U.S. for Profit	5.12
Central Contraceptive Procurement (CCP)	Health	U.S. for Profit	4.92
Young Women Lead (YWL)	Education	U.S. Nonprofit	4.59
Supporting Student Success in Afghanistan (SSSA)	Education	Afghan NP	4.36
Afghanistan Monitoring, Evaluation & Learning Activity (AMELA)	Program Support	U.S. for Profit	2.47
Strengthening Education in Afghanistan (SEA II)	Education	U.S. Nonprofit	1.27
Carpet and Jewelry Value Chains	Economic Growth	PIO	0.57
Local Health System Sustainability (LHSS)	Health	U.S. for Profit	0.56
COVID-19 Response	Health	PIO	0.00
Total Active			137.51
Inactive/Expired Awards, Balances Reserved for Close-Out			
Power Sector (8 Inactive and Expired Projects)	Power	7 IPs	33.44
Other Sectors (39 Inactive and Expired Projects)	Various	23 IPs	12.61
Total Inactive/Expired			46.05
Allocable to Active, Inactive, and Expired Awards			
Program Support and Other	Various	Various	10.41
Bilateral Unsubobligated Balances			
Bilateral Obligations of ESF FY 2014–19 Not Yet Subobligated			134.44
Total Unliquidated Obligations			328.40
Total Funds Remaining Available for Possible Disbursement			\$423.40

Bilateral Unsubobligated Balances

USAID plans to obligate \$134.44 million not yet subobligated, arising from bilateral agreements with the former Afghan government relating to ESF FY 2014–19 funds, into new and existing awards over the next six months. Some of these obligations will require State's Office of Foreign Assistance approval or Congressional notification.

Planned Obligations

Sector	(\$ Millions)
Economic Growth	\$22.54
Education	19.09
Agriculture	16.83
Democracy & Governance	13.52
Infrastructure	13.10
Gender	7.66
Health	5.82
Program Support & Other	35.87
Total	\$134.44

Source: USAID/Mission, response to SIGAR data call, 7/12/2024.

Note: The FY 2024 §653(a) allocation has not been determined. Numbers may not add due to rounding. The acronym "NP" is used for Nonprofit, "PIO" is used for Public International Organization, and "IP" for Implementing Partner.

Source: USAID/Mission, response to SIGAR data call, 7/12/2024; State, response to SIGAR data call, 7/10/2024.

INTERNATIONAL DISASTER ASSISTANCE

The International Disaster Assistance (IDA) account has been the largest recipient of U.S. government funding for Afghanistan assistance since the Taliban takeover in August 2021.¹⁰ USAID's Bureau for Humanitarian Assistance (BHA), created through the combination of its Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) in June 2020, administers IDA funds. BHA is responsible for leading and coordinating the U.S. government's response to disasters overseas and obligates funding for emergency food assistance projects when there is an identified need and local authorities lack the capacity to respond. BHA works closely with international partners such as the United Nations Children's Fund (UNICEF), the UN's World Food Programme (WFP), and the UN's World Health Organization (WHO) to deliver goods and services to assist conflict- and disaster-affected populations in Afghanistan.¹¹

BHA managed an IDA funding pipeline of \$364.63 million as of June 30, 2024, consisting largely of FY 2023 and FY 2024 appropriations that had been obligated and remained available for disbursement.¹² There were two components of these funds obligated but not yet disbursed:

- **Active Projects, Funds Obligated and Available for Disbursement.** BHA had obligated \$255.76 million in IDA funds on 18 active projects as described in Table F.5 that remained available for disbursement.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** BHA had obligated \$7.49 million on 19 inactive or expired projects and activities that remained available for disbursement.

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TABLE F.5

INTERNATIONAL DISASTER ASSISTANCE FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT			
JUNE 30, 2024 (\$ MILLIONS)			
Fund Status and Project Details	Sector	Implementing Partners	Funds Remaining
Funds Obligated, Not Yet Disbursed			
Portion of IDA FY 2024 Allocation for Afghanistan Not Obligated			\$101.38
Active Projects			
Emergency Food and Nutrition Assistance and Air Services	Food Assistance	WFP	99.94
WASH Response and Humanitarian Assistance Program	Non-Food Assist.	IOM	48.51
Integrated Nutrition, Cash, WASH, and Protection Services	Multisector	UNICEF	23.69
Project Name Withheld at Request of USAID	Multisector	Foreign NP	11.30
Project Name Withheld at Request of USAID	Multisector	U.S. Nonprofit	10.82
Project Name Withheld at Request of USAID	Multisector	Foreign NP	10.38
Project Name Withheld at Request of USAID	Multisector	Foreign NP	9.15
Emergency Food and Nutrition Assistance and Air Services	Food Assistance	WFP	7.38
Project Name Withheld at Request of USAID	Multisector	U.S. Nonprofit	6.55
Project Name Withheld at Request of USAID	Multisector	U.S. Nonprofit	6.06
Project Name Withheld at Request of USAID	Multisector	U.S. Nonprofit	5.08
Protection	Non-Food Assist.	UNDP	5.00
Project Name Withheld at Request of USAID	Multisector	U.S. Nonprofit	3.85
Provision of Lifesaving GBV Prevention and Response, MRH	Non-Food Assist.	UNFPA	3.35
Scale Up Plan for Health Cluster Coordination Structure	Multisector	WHO	3.18
All Other (3 Active Projects and Activities)	Various	3 PIOs	1.52
Total Active			255.76
Inactive/Expired Awards, Balances Reserved for Close-Out, Program Support, and Other			
19 Inactive and Expired Projects and Activities	Various	13 IPs	7.49
Total Funds Remaining Available for Possible Disbursement			\$364.63

Note: Numbers may not add due to rounding. The acronym "NP" is used for Nonprofit, "PIO" is used for Public International Organization, and "IP" for Implementing Partner. UN agency acronyms are described in Table F.9, U.S. Contributions to UN Agencies, UNAMA, and ARTF. Source: USAID/BHA, response to SIGAR data call, 7/10/2024; USAID/Mission, response to SIGAR data call, 7/12/2024.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) manages the International Narcotics Control and Law Enforcement (INCLE) account, which funds projects and programs for advancing the rule of law and combating narcotics production and trafficking. INCLE supports several INL program groups, including police, counternarcotics, and rule of law and justice.¹³

Following the collapse of the former Afghan government in August 2021, State de-allotted nearly \$93.03 million in INCLE FY 2016 and FY 2020 balances in FY21Q4, de-allotted nearly \$84.95 million in INCLE FY 2017, FY 2018, and FY 2021 balances in FY22Q2, and de-allotted more than \$186.43 million in INCLE FY 2017, FY 2018, FY 2019, and FY 2021 balances in FY22Q3. A portion of these

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de-allotments were applied to the \$105.00 million rescission of INCLE funds mandated in Pub. L. No. 117-103, and \$37.12 million of these de-allotments were re-allotted and reclassified as INCLE FY 2017–2022 and FY 2018–2023 funds in FY22Q4. The FY 2023 Section 653(a) process concluded in FY23Q4, with \$3.00 million in FY 2023 INCLE funds allocated to Afghanistan, which is one-half of the \$6.00 million of the FY 2022 INCLE funds allocated in the previous fiscal year.¹⁴ The FY 2024 Section 653(a) allocation process has not yet concluded.¹⁵

INL managed an INCLE funding pipeline of \$6.08 million as of June 30, 2024, consisting of \$2.02 million in FY 2023 and FY 2024 INCLE appropriations allocated for Afghanistan that remained available for obligation, and \$4.06 million in FY 2017 to FY 2024 appropriations that had been obligated and remained available for disbursement.¹⁶ There were two components of funds obligated but not yet disbursed:

- **Active Projects, Funds Obligated and Available for Disbursement.** INL had obligated \$1.77 million in INCLE funds on two active projects as described in Table F.6 that remained available for disbursement.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** INL had obligated \$1.48 million in INCLE funds on three inactive or expired projects and \$0.81 million on program support that remained available for disbursements.

TABLE F.6

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT JUNE 30, 2024 (\$ MILLIONS)			
Fund Status and Project Details	Sector	Implementing Partners	Funds Remaining
Funds Appropriated, Not Yet Obligated			
INCLE FY 2024 Allotment and FY 2023 Section 653(a) Allocation for Afghanistan			\$2.02
Funds Obligated, Not Yet Disbursed			
Active Projects			
Counternarcotics Public Information	Counternarcotics	USAGM (IAA)	1.77
Assistance to Drug Treatment Centers	Counternarcotics	Colombo Plan	0.00
Total Active			1.77
Inactive/Expired Awards, Balances Reserved for Close-Out, and Program Support			
Flexible Implementation and Assessment Team (FIAT) II	M&E	U.S. for Profit	1.19
Justice Sector Support Program (JSSP)	Rule of Law	U.S. for Profit	0.28
Afghanistan Counternarcotics Law Enforcement Support	Counternarcotics	DEA (IAA)	0.01
Administrative Support	Various		0.81
Total Inactive and Program Support			2.29
Total Unliquidated Obligations			4.06
Total Funds Remaining Available for Possible Disbursement			\$6.08

Note: The FY 2024 §653(a) allocation has not been determined. Numbers may not add due to rounding. The acronym "IAA" is used for Inter-Agency Agreement.

Source: State/INL, response to SIGAR data call, 7/8/2024; State, response to SIGAR data call, 7/10/2024.

MIGRATION AND REFUGEE ASSISTANCE

The Department of State's Bureau of Population, Refugees, and Migration (PRM) administers the Migration and Refugee Assistance (MRA) account that funds programs to protect and assist refugees, conflict victims, internally displaced persons, stateless persons, and vulnerable migrants. Through MRA, PRM supports the work of the UN High Commissioner for Refugees (UNHCR), other international organizations, and various nongovernmental organizations (NGOs) in Afghanistan to assist Afghan refugees throughout the region and upon their return to Afghanistan.¹⁷

PRM allocated \$406.35 million in FY 2022 MRA funds for Afghan refugees, internally displaced persons, and returnees; and then allocated \$12.96 million in FY 2023 MRA funds and \$25.53 million in FY 2024 funds over the subsequent three quarters ending June 30, 2024, as shown in Table F.10. PRM disbursed \$228.40 million in MRA funds in FY 2022, \$249.45 million in FY 2023, and \$87.23 million in the three quarters ending June 30, 2024, as shown in Table F.1.¹⁸

PRM managed an MRA funding pipeline of \$11.33 million as of June 30, 2024, consisting of FY 2017 to FY 2024 appropriations that had been obligated and remained available for disbursement.¹⁹ There were two components of funds obligated but not yet disbursed:

- **Active Projects, Funds Obligated and Available for Disbursement.** PRM had obligated \$4.89 million in MRA funds on nine active projects as described in Table F.7 that remained available for disbursement.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** PRM had obligated \$6.44 million in MRA funds on 41 terminated projects that remained available for disbursement.

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TABLE F.7

MIGRATION AND REFUGEE ASSISTANCE FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT JUNE 30, 2024 (\$ MILLIONS)			
Fund Status and Project Details	Sector	Implementing Partners	Funds Remaining
Funds Obligated, Not Yet Disbursed			
Active Projects			
Project Name Withheld at Request of State	Health	PIO	\$1.13
Afghanistan Third Party Monitoring	Monitoring	U.S. for Profit	0.89
Schools and Livelihoods for Afghan Refugees in Quetta	Multisector	U.S. Nonprofit	0.65
Protection for Women and Youth in High Refugee Return Areas	Protection	U.S. Nonprofit	0.53
Access to and Quality of Education for Afghan Refugees in Pakistan	Education	U.S. Nonprofit	0.50
All Others Under \$0.50 Million (4 Active Projects and Activities)	Various	4 IPs	1.20
Total Active			4.89
Terminated Projects, Balances Reserved for Close-Out			
41 Projects are Terminated	Various	3 PIOs, 9 Other	6.44
Total Funds Remaining Available for Possible Disbursement			\$11.33

Note: Numbers may not add due to rounding. The acronym "PIO" is used for Public International Organization, and "IP" for Implementing Partner.

Source: State/PRM, response to SIGAR data call, 7/9/2024.

NONPROLIFERATION, ANTITERRORISM, DEMINING, AND RELATED PROGRAMS

The Non-Proliferation, Antiterrorism, Demining, and Related Programs (NADR) account continues to play a critical role in removing dangerous explosive remnants of war.²⁰ While NADR funding for Afghanistan was historically funneled through four subaccounts—Conventional Weapons Destruction (CWD), Antiterrorist Assistance (ATA), Export Control and Related Border Security (EXBS), and Counterterrorism Financing (CTF), only the CWD account, managed by State’s Office of Weapons Removal and Abatement within the Bureau of Political-Military Affairs (PM/WRA), has continued to fund active projects following the U.S. withdrawal from Afghanistan in August 2021.²¹

The allocation of FY 2023 NADR funds through the Section 653(a) process between State and the U.S. Congress concluded in FY23Q4, with \$5.00 million in NADR CWD funds allocated to Afghanistan, and followed a \$15.00 million FY 2022 NADR CWD allocation.²² The FY 2024 Section 653(a) allocation process has not yet concluded.²³

In the quarter ending March 31, 2024, \$1.30 million in FY 2020 funds were reclassified as funds available for re-obligation through FY 2025.²⁴

PM/WRA managed the NADR CWD funding pipeline of \$9.97 million as of June 30, 2024, consisting of \$4.49 million in FY 2023 NADR CWD and FY 2020–2025 NADR CWD appropriations that remained available for obligation, and \$5.26 million in FY 2020 to FY 2023 appropriations that had been obligated and remained available for disbursement.²⁵ There were two components of funds obligated but not yet disbursed:

- **Active Projects, Funds Obligated and Available for Disbursement.** PM/WRA had obligated \$5.08 million in NADR CWD funds on eight active projects as described in Table F.8 that remained available for disbursement.
- **Inactive Projects, Funds Obligated and Available for Disbursement.** PM/WRA had obligated \$0.19 million on one terminated project that remained available for disbursement.

TABLE F.8

NONPROLIFERATION, ANTITERRORISM, DEMINING, AND RELATED PROGRAMS FUNDS REMAINING AVAILABLE FOR POSSIBLE DISBURSEMENT			
JUNE 30, 2024 (\$ MILLIONS)			
Fund Status and Project Details	Sector	Implementing Partners	Funds Remaining
Conventional Weapons Destruction (CWD) Subaccount			
Funds Appropriated, Not Yet Obligated			
Portions of NADR CWD FY 2023 Section 653(a) Allocation for Afghanistan and FY 2020–2025 Reclassification Funds* Allocated and Not Obligated			\$4.49
Funds Obligated, Not Yet Disbursed			
Active Projects			
Third Party Monitoring and Oversight	Demining	Foreign NP	1.60
Humanitarian Mine Action/DDR (Maydan)	Demining	Afghan NP	1.00
Humanitarian Mine Action (Badakhshan)	Demining	Foreign NP	0.75
Victim Assistance (Paktika/Nimroz)	Victim Assistance	Foreign NP	0.59
Weapons and Ammunition Disposal	Weapons	Foreign NP	0.55
All Others Under \$0.50 Million (3 Active Projects and Activities)	Demining, Weapons	Foreign NP	0.58
Total Active			5.08
Terminated Projects, Balances Reserved for Close-Out			
1 Project is Terminated	Demining	Afghan NP	0.19
Total Unliquidated Obligations			5.26
Total Funds Remaining Available for Possible Disbursement			\$9.76
Antiterrorism Assistance (ATA) Subaccount			\$0.21
Grand Total Funds Remaining Available for Possible Disbursement			\$9.97

Note: The FY 2024 §653(a) allocation has not been determined. Numbers may not add due to rounding. *FY 2020 NADR funds obligated prior to August 2021 were reclassified under Section 7011 of the Further Consolidated Appropriations Act, 2020, to be made available for re-obligation for an additional four years, and are termed FY 2020–2025 funds.

Source: State/PM/WRA, response to SIGAR data call, 7/9/2024; State/DS/CT, response to SIGAR data call, 7/3/2024; State, response to SIGAR data call, 7/10/2024.

INTERNATIONAL ASSISTANCE FOR AFGHANISTAN

The international community has provided significant funding to support Afghanistan relief efforts through multilateral institutions in the period since the U.S. withdrawal. These institutions include United Nations and nongovernmental humanitarian assistance organizations; two special-purpose United Nations organizations, the UN Assistance Mission in Afghanistan (UNAMA) and the UN Development Programme (UNDP); and the World Bank-managed Afghanistan Resilience Trust Fund (ARTF). The Asian Development Bank, which is funded by its members, including the United States, has also contributed to these efforts.

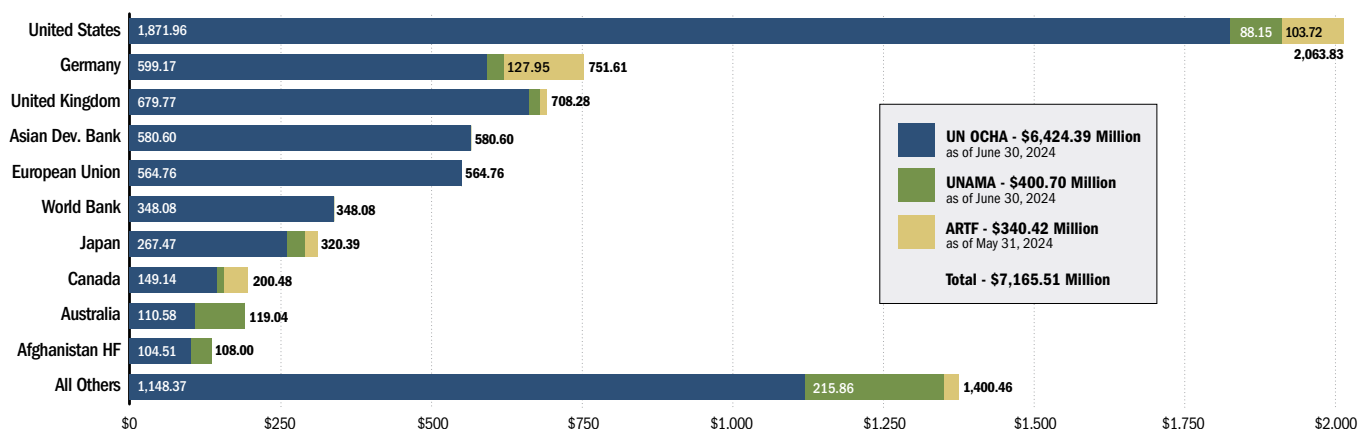
The UN Office for the Coordination of Humanitarian Affairs (UN OCHA) reports on donor contributions, principally from national governments but also from development finance institutions such as the World Bank and the Asian Development Bank, to UN agencies and nongovernmental humanitarian

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assistance organizations. These donors are reported to have contributed nearly \$6.42 billion for Afghanistan from January 1, 2022, to June 30, 2024, as shown in Figure F.4. UNAMA and the ARTF have also reported national government contributions of more than \$0.74 billion over this period, bringing total contributions to these multilateral institutions operating in Afghanistan to nearly \$7.17 billion. The United States has contributed more than \$2.06 billion to these organizations, representing 29% of the total amount.

FIGURE F.4

CONTRIBUTIONS BY 10 LARGEST DONORS AND OTHERS TO MULTILATERAL INSTITUTIONS (UN OCHA-REPORTED ORGANIZATIONS, UNAMA, AND ARTF) IN AFGHANISTAN SINCE 2022 (\$ MILLIONS)



Note: Amounts under \$50 million are not labeled. Numbers may not add due to rounding. World Bank contributions to UN agencies in UN OCHA reporting are assumed to be sourced from government donor contributions to the ARTF prior to 2022 and other World Bank funding facilities. The Afghanistan Reconstruction Trust Fund changed its name to the Afghanistan Resilience Trust Fund (ARTF) in July 2023.

Source: World Bank, ARTF: Administrator's Report on Financial Status, As of May 31, 2024 (for CY 2024) and As of December 31, 2023 (for FY 1401 and FY 1402), at www.wb-artf.org on 4/1/2024 and 7/2/2024; UN OCHA, Financial Tracking Service at <https://fts.unocha.org>, accessed 6/30/2024; State, UNAMA approved budgets and notified funding plans, in response to SIGAR data calls, 7/13/2022, 4/19/2023, and 7/17/2024; UN, Country Assessments, at <https://www.un.org/en/ga/contributions/scale.shtml> on 7/2/2024.

Contributions to UN OCHA-Coordinated Humanitarian Assistance Programs

OCHA has led emergency appeals and annual or multiyear humanitarian-response plans for Afghanistan and provides timely reporting of humanitarian assistance provided by donors to facilitate funding of targeted needs. The Afghanistan Humanitarian Response Plans (HRP) for 2022, 2023, and 2024 set targets of \$4.44 billion, \$3.23 billion, and \$3.06 billion, respectively, and donors contributed \$3.83 billion in 2022, \$1.86 billion in 2023, and \$0.74 billion to the HRP and other activities, as reported through June 30, 2024.²⁶

The United States has been the largest contributor to UN OCHA-reported humanitarian assistance organizations from January 1, 2022, to June 30, 2024, with contributions of more than \$1.87 billion. The next largest contributors have been Germany, the United Kingdom, the Asian Development Bank, and the European Union, as shown in Figure F.4.²⁷

United Nations Assistance Mission in Afghanistan

The United Nations Assistance Mission in Afghanistan (UNAMA) is a UN political mission that was established at the request of the previous government of Afghanistan. The UN Security Council voted on March 15, 2024, to extend UNAMA's mandate through March 17, 2025.²⁸ UNAMA maintains its headquarters in Kabul with an extensive field presence across Afghanistan and is organized around its development and political affairs pillars. The State Department has notified the U.S. Congress of its annual plan to fund UNAMA along with other UN political missions based on mission budgets since FY 2008. The U.S. contribution to UNAMA, based on its fixed 22.0% share of UN budgets and funded through the Contribution to International Organizations (CIO) account, has totaled \$88.15 million for calendar year 2021 through 2023 budgets paid with FY 2022 through FY 2024 funds. Other UN member governments have funded the remainder of UNAMA's budget of \$312.55 million over this period.²⁹

Contributions to the Afghanistan Resilience Trust Fund

Prior to the U.S. withdrawal, the largest share of international contributions to the former Afghan government's operational and development budgets came through the Afghanistan Reconstruction Trust Fund, renamed the Afghanistan Resilience Trust Fund (ARTF) in July 2023. Since the withdrawal, the ARTF's focus shifted towards humanitarian assistance programming directed towards the Afghan people.³⁰ The World Bank reported to SIGAR that contributions to the ARTF had ceased after the Taliban takeover of Afghanistan in August 2021, but resumed in September 2022 when the United States contributed nearly \$53.72 million. Since then, Canada, Germany, the Global Fund, Japan, the Netherlands, Norway, Switzerland, the United Kingdom, and the United States have made additional contributions bringing total ARTF funding to \$340.42 million through May 31, 2024, as shown in Figure F.4.³¹

Contributions to the ARTF had been divided into two funding channels, the Recurrent Cost Window (RCW) and the Investment Window, to fund recurrent Afghan government costs such as civil servants' salaries and government-sponsored development programs. The RCW was closed in 2019. The ARTF's Investment Window projects were cancelled in April 2022 and undisbursed grants in the project portfolio of nearly \$1.22 billion were made available to support operations focused on basic services delivery. There are currently seven active investment projects—addressing health, food security, water, education, community resilience and livelihoods, NGO capacity support, and empowering microfinance providers and enterprises—with approved grant funding of \$1.30 billion and disbursements of \$966.42 million through May 31, 2024.³²

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U.S. Contributions to UN Agencies, UNAMA, and ARTF

The United States has been a leading contributor to UN agencies and the World Bank-managed ARTF, and as the government with the largest member contribution to the United Nations, it is also the largest contributor to UNAMA. These contributions are funded by the Department of State and USAID through six accounts and have totaled nearly \$2.09 billion from October 1, 2021, to June 30, 2024, as shown in Table F.9.

TABLE F.9

U.S. CONTRIBUTIONS TO UN AGENCIES, UNAMA, AND ARTF					
OCTOBER 1, 2021, TO JUNE 30, 2024 (\$ MILLIONS)					
Recipients of U.S. Contributions	Funding Sources	Disbursements			
		FY 2022	FY 2023	FY 2024	Total
United Nations Agencies					
World Food Programme (WFP)	IDA, ESF	\$329.44	\$600.24	\$181.14	\$1,110.82
UN High Commissioner for Refugees (UNHCR)	MRA	123.60	82.00	12.00	217.60
UN Children's Fund (UNICEF)	ESF, IDA, MRA	106.94	51.23	26.92	185.09
Food and Agricultural Organization (FAO)	ESF, IDA	59.72	31.37	0.39	91.48
UN Population Fund (UNFPA)	MRA, IDA	18.86	49.60	22.87	91.34
International Organization for Migration (IOM)	MRA, IDA	26.19	46.02	31.91	104.12
World Health Organization (WHO)	ESF, GHP, MRA, IDA	12.72	25.42	11.05	49.19
UN Women	ESF, INCLE	24.40	1.00	6.69	32.09
UN Office on Drugs and Crime (UNODC)	INCLE	-	-	7.29	7.29
Office for Coord. Humanitarian Affairs (UN OCHA)	IDA	0.90	1.30	-	2.20
UN Mine Action Service (UNMAS)	NADR	0.59	1.20	0.89	2.68
International Labour Organization (ILO)	MRA	0.41	0.58	-	0.99
Subtotal		703.75	889.97	301.15	1,894.88
Other Public International Organizations					
UN Assistance Mission in Afghanistan (UNAMA)	CIO	30.11	28.90	29.15	88.15
Afghanistan Resilience Trust Fund (ARTF)	ESF	53.72	50.00	0.00	103.72
Total		\$787.58	\$968.87	\$330.30	\$2,086.75

Note: Numbers may not add due to rounding. ARTF was known as the Afghanistan Reconstruction Trust Fund prior to August 2023. Source: State/INL, response to SIGAR data call, 7/8/2024; State/IO, response to SIGAR data call, 7/17/24, 4/19/2023, and 1/10/2022; State/PM/WRA, response to SIGAR data call, 7/9/2024, 4/5/2024, 1/16/2024 and 10/18/2023; State/PRM, response to SIGAR data call, 7/15/2024; USAID/Mission, response to SIGAR data call, 7/12/2024, 4/14/2024, and 1/18/2024; USAID/BHA, response to SIGAR data call, 7/10/2024.

Afghan Fund

In addition to the funds appropriated by Congress, in 2022, the United States transferred \$3.50 billion in Afghan central bank assets previously frozen in the United States to the Swiss-based Fund for the Afghan People or Afghan Fund. Although no disbursements to benefit the Afghan people have yet been made, the Fund is intended to protect macro financial stability on behalf of the Afghan people that could, in the long-term, include

recapitalizing Afghanistan's central bank should the conditions materialize, keep Afghanistan current on debt payments to international financial institutions to preserve its eligibility for development assistance, and pay for critically needed imported goods. According to the Fund's website, the Fund's balance stood at \$3.84 billion as of June 28, 2024, including interest accrued.³³

U.S. APPROPRIATIONS MADE AVAILABLE FOR AFGHANISTAN RECONSTRUCTION PRE- AND POST-WITHDRAWAL

U.S. appropriations for Afghanistan reconstruction prior to the withdrawal spanned the FY 2002 to FY 2021 period and amounted to nearly \$144.75 billion. U.S. assistance following the U.S. withdrawal in FY 2022, FY 2023, and FY 2024 through June 30, 2024, has amounted to more than \$2.97 billion. The accounts to which U.S. appropriations were made available, and the amounts that were made available in these two periods, are set forth in Table F.10, U.S. Appropriations Made Available for Afghanistan Reconstruction Pre- and Post-Withdrawal, as of June 30, 2024, on the following page.

APPENDICES

TABLE F.10

U.S. APPROPRIATIONS MADE AVAILABLE FOR AFGHANISTAN RECONSTRUCTION PRE- AND POST-WITHDRAWAL AS OF JUNE 30, 2024 (\$ MILLIONS)							
U.S. Funding Sources	Agency	Pre-Withdrawal FY 2002–2021	Post-Withdrawal Assistance				Total
			FY 2022	FY 2023	FY 2024	Combined	
Security							
Afghanistan Security Forces Fund (ASFF)*	DOD	\$80,644.25	\$100.00	\$ -	\$ -	\$100.00	\$80,744.25
Train and Equip (T&E)	DOD	440.00	-	-	-	-	440.00
Foreign Military Financing (FMF)	State	1,059.13	-	-	-	-	1,059.13
International Military Education and Training (IMET)	State	20.37	-	-	-	-	20.37
Voluntary Peacekeeping (PKO)	State	69.33	-	-	-	-	69.33
Afghanistan Freedom Support Act (AFSA)	DOD	550.00	-	-	-	-	550.00
Drug Interdiction and Counter-Drug Activities (DICDA)	DOD	3,284.94	-	-	-	-	3,284.94
NATO Resolute Support Mission (RSM)	DOD	380.98	-	-	-	-	380.98
Military Base and Equipment Transfers (FERP, FEPP, EDA & ACSA)	DOD	2,339.14	-	-	-	-	2,339.14
Total – Security		88,788.14	100.00	-	-	100.00	88,888.14
Development							
Commanders' Emergency Response Program (CERP)	DOD	3,711.00	-	-	-	-	3,711.00
Afghanistan Infrastructure Fund (AIF)	DOD	988.50	-	-	-	-	988.50
Task Force for Business and Stability Operations (TFBSO)	DOD	822.85	-	-	-	-	822.85
Economic Support Fund (ESF)	USAID	20,550.48	122.88	95.00	-	217.88	20,768.36
Development Assistance (DA)	USAID	900.93	-	-	-	-	900.93
Global Health Programs (GHP)	USAID	588.17	12.00	15.00	-	27.00	615.17
Commodity Credit Corp (CCC)	USAID	37.93	-	-	-	-	37.93
USAID-Other (Other)	USAID	60.44	-	-	-	-	60.44
Non-Proliferation, Antiterrorism, Demining & Related Programs (NADR)	State	928.39	15.00	5.00	-	20.00	948.39
International Narcotics Control and Law Enforcement (INCLE)	State	5,182.91	6.00	3.00	0.60	9.60	5,192.51
Human Rights and Democracy Fund (HRDF)	State	14.48	0.07	-	-	0.07	14.55
Educational and Cultural Exchange Programs (ECE)	State	101.23	6.70	5.80	-	12.50	113.73
Contributions to International Organizations (CIO)	State	523.45	30.11	28.90	29.15	88.15	611.61
U.S. International Development Finance Corporation (DFC)	DFC	342.46	-	-	-	-	342.46
U.S. Agency for Global Media (USAGM)	USAGM	306.77	25.00	33.15	25.24	83.39	390.16
Drug Enforcement Administration (DEA)	DOJ	290.80	-	-	-	-	290.80
Total – Development		35,350.79	217.76	185.85	54.99	458.59	35,809.38
Humanitarian							
Pub. L. No. 480 Title II	USAID	1,095.38	-	-	-	-	1,095.38
International Disaster Assistance (IDA)	USAID	1,408.26	671.34	643.24	332.93	1,647.51	3,055.76
Transition Initiatives (TI)	USAID	40.20	-	-	-	-	40.20
Migration and Refugee Assistance (MRA)	State	1,788.74	406.35	12.96	25.53	444.84	2,233.58
USDA Programs (Title I, §416(b), FFP, FFE, ET, and PRTA)	USDA	287.46	-	-	-	-	287.46
Total – Humanitarian		4,620.03	1,077.69	656.20	358.46	2,092.35	6,712.38
Agency Operations							
Diplomatic Programs, including Worldwide Security Protection (DP)	State	11,839.28	171.87	9.60	-	181.47	12,020.75
Embassy Security, Construction, & Maintenance (ESCM) - Capital Costs	State	1,478.60	1.11	0.00	-	1.11	1,479.71
Embassy Security, Construction, & Maintenance (ESCM) - Operations	State	159.63	0.01	0.61	0.00	0.62	160.25
USAID Operating Expenses (OE)	USAID	1,805.59	15.68	12.03	4.93	32.64	1,838.23
Oversight (SIGAR, State OIG, and USAID OIG)	Multiple	703.03	40.53	35.20	24.84	100.56	803.59
Total – Agency Operations		15,986.13	229.19	57.44	29.77	316.40	16,302.53
Total Funding		\$144,745.09	\$1,624.65	\$899.49	\$443.21	\$2,967.34	\$147,712.43

* ASFF appropriated balances do not reflect transfers to the Foreign Military Sales (FMS) Trust Fund.

STATUS OF FUNDS ENDNOTES

- 1 DOD, response to SIGAR data call, 7/22/2022 and 10/19/2021; DFAS, AR(M) 1002 Appropriation Status by Fiscal Year Program and Subaccounts March 2022 Final, 4/16/2022; DFAS, AR(M) 1002 Appropriation Status by Fiscal Year Program and Subaccounts June 2022 Revised, 7/21/2022.
- 2 Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, Pub. L. No. 117-180, Section 124, 9/30/2022.
- 3 Consolidated Appropriations Act, 2023, Pub. L. No. 117-328, 12/29/2022; Further Consolidated Appropriations Act, 2024, Pub. L. No. 118-47, 3/23/2024.
- 4 USAID, U.S. Foreign Assistance Reference Guide, 1/2005, p. 6.
- 5 State, response to SIGAR data call, 10/10/2023.
- 6 USAID, response to SIGAR data call, 11/12/2022 and 7/20/2022.
- 7 USAID, response to SIGAR data call, 7/18/2023, 4/21/2023, and 12/8/2022; State, response to SIGAR data call, 7/6/2023; Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, 3/15/2022.
- 8 State, response to SIGAR data call, 7/10/2024.
- 9 USAID, response to SIGAR data call, 7/12/2024 and 4/3/2023.
- 10 See Table F.10, U.S. Appropriations Made Available for Afghanistan Reconstruction and Post-Withdrawal Assistance, FY 2002 to June 30, 2024, at page 142.
- 11 USAID, Office of U.S. Foreign Disaster Assistance, “Afghanistan-Complex Emergency, Fact Sheet #4, FY 2017,” at www.usaid.gov, accessed 4/9/2020.
- 12 USAID, BHA, response to SIGAR data call, 7/10/2024; USAID, Mission, response to SIGAR data call, 7/12/2024.
- 13 State, INL, response to SIGAR data call, 10/13/2009.
- 14 State, INL, response to SIGAR data call, 1/8/2024, 10/19/2022, 10/11/2022.
- 15 State, INL, response to SIGAR data call, 7/10/2024.
- 16 State, INL, response to SIGAR data call, 7/8/2024.
- 17 Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, FY 2019, Released February 12, 2018, pp. 44–52; State, PRM, response to SIGAR data call, 4/17/2019.
- 18 State, PRM, response to SIGAR data call, 7/16/2024, 4/17/2024, 10/11/2023, 10/17/2022, and 10/15/2021.
- 19 State, PRM, response to SIGAR data call, 7/9/2024.
- 20 Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, FY 2019, Released February 12, 2018, p. 423.
- 21 State, PM/WRA, response to SIGAR data call, 4/14/2023, 4/13/2023, 4/4/2023, and 3/29/2013.
- 22 State, F, response to SIGAR data call, 10/10/2023.
- 23 State, PM/WRA, response to SIGAR data call, 7/10/2024.
- 24 State, PM/WRA, response to SIGAR data call, 7/9/2024; Further Consolidated Appropriations Act, 2020, Pub. L. No. 116-94, 12/20/2019.
- 25 State, PM/WRA, response to SIGAR data call, 7/9/2024.
- 26 UN OCHA, Financial Tracking Service, <https://fts.unocha.org>, accessed 6/30/2024.
- 27 UN OCHA, Financial Tracking Service, <https://fts.unocha.org>, accessed 6/30/2024.
- 28 UNAMA, Security Council Extends Mandate of United Nations Mission in Afghanistan, Unanimously Adopting Resolution 2727 (2024), 3/15/2024, at <https://press.un.org/en/2024/sc15628.doc.htm>, accessed on 4/20/2024.
- 29 State, response to SIGAR data call, 4/19/2023, 7/13/2022, and 1/10/2022.
- 30 The Afghanistan Reconstruction Trust Fund changed its name to the Afghanistan Resilience Trust Fund in July 2023, as reported on its website at www.wb-artf.org, accessed on 10/22/2023.
- 31 World Bank, ARTF: Administrator’s Report on Financial Status as of December 31, 2023, accessed at www.wb-artf.org at 4/1/2024.
- 32 World Bank, ARTF: Administrator’s Report on Financial Status as of May 31, 2024, accessed at www.wb-artf.org on 7/1/2024.
- 33 Treasury and State press release, “Joint Statement by U.S. Treasury and State Department: The United States and Partners Announce Establishment of Fund for the People of Afghanistan,” 9/14/2022; State, “Department Press Briefing – September 14, 2022,” 9/14/2022; CBS News, “U.S. sets up \$3.5 billion fund to aid Afghanistan using frozen bank reserves,” 9/15/2022; Washington Post, “U.S. to redirect Afghanistan’s frozen assets after Taliban rejects deal,” 9/20/2022; State, “Department Press Briefing – September 14, 2022,” 9/14/2022; Fund for the Afghan People, Press Statement, 6/28/2024.

APPENDIX B

SIGAR WRITTEN PRODUCTS*

SIGAR AUDITS

Performance Audit Reports Issued

SIGAR issued two performance audit reports and one evaluation report this reporting period.

SIGAR PERFORMANCE AUDIT AND EVALUATION REPORTS ISSUED		
Report Identifier	Report Title	Date Issued
SIGAR-24-32-IP	U.S. Currency Shipments to Afghanistan: U.S. Currency Has Reportedly Stabilized the Afghan Economy but Benefits the Taliban	7/2024
SIGAR-24-31-AR	Counterterrorism Vetting in Afghanistan: Two of Five State Bureaus Could Not Demonstrate Compliance with State Partner Vetting Requirements	7/2024
SIGAR-24-22-AR	U.S. Funds Benefitting the Taliban-Controlled Government: Implementing Partners Paid at Least \$10.9 Million and Were Pressured to Divert Assistance	5/2024

Ongoing Performance Audits

SIGAR had six ongoing performance audits during this reporting period.

SIGAR PERFORMANCE AUDITS ONGOING		
Project Identifier	Project Title	Date Initiated
SIGAR 162A	Audit of State's Risk Assessment	5/2024
SIGAR 161A	Audit of State's Demining Activities in Afghanistan	11/2023
SIGAR 160A	Audit of State's Implementing Partner Memorandums of Understanding with the Taliban in Afghanistan	9/2023
SIGAR 159A	Audit of U.S. Agencies' Oversight of Funds Provided to Public International Organizations for Activities in Afghanistan	4/2023
SIGAR 157A	Water, Sanitation, and Hygiene (WASH)	11/2022
SIGAR 156A	GBV	9/2022

* As provided in its authorizing statute, SIGAR may also report on products and events occurring after June 30, 2024, up to the publication date of this report.

Ongoing Evaluations

SIGAR had one ongoing evaluation during this reporting period.

SIGAR EVALUATIONS ONGOING		
Project Identifier	Project Title	Date Initiated
SIGAR-E-025	Evaluation of U.S.-Funded Capital Assets in Afghanistan	6/2024

Financial Audit Reports Issued

SIGAR issued nine financial audit reports during this reporting period. Due to the current security situation in Afghanistan, including threats from terrorist groups and criminal elements, the names and other identifying information of some implementing partners administering humanitarian assistance in Afghanistan have been withheld at the request of the State Department and/or USAID, and the award recipient.

SIGAR FINANCIAL AUDIT REPORTS ISSUED		
Report Identifier	Report Title	Date Issued
SIGAR-24-30-FA	Audit of Costs Incurred by Afghan Technical Consultants	7/2024
SIGAR-24-29-FA	Audit of Costs Incurred by Blumont Global Development Inc.	7/2024
SIGAR-24-28-FA	Audit of Costs Incurred by Demining Agency for Afghanistan	6/2024
SIGAR-24-27-FA	Audit of Costs Incurred by [redacted]	6/2024
SIGAR-24-26-FA	Audit of Costs Incurred by [redacted]	6/2024
SIGAR-24-25-FA	Audit of Costs Incurred by [redacted]	6/2024
SIGAR-24-24-FA	Audit of Costs Incurred by Mine Clearance Planning Agency	5/2024
SIGAR-24-23-FA	Audit of Costs Incurred by Women for Afghan Peace	5/2024
SIGAR-24-21-FA	Audit of Costs Incurred by [redacted]	5/2024

Ongoing Financial Audits

SIGAR had 29 financial audits in progress during this reporting period.

SIGAR FINANCIAL AUDITS ONGOING		
Project Identifier	Project Title	Date Initiated
SIGAR-F-310	American Councils for International Education	12/2023
SIGAR-F-309	Colombo Plan	12/2023
SIGAR-F-308	Jhpiego Corporation	11/2023
SIGAR-F-307	Management Systems International Inc.	11/2023
SIGAR-F-306	AECOM International Development Inc.	11/2023
SIGAR-F-305	[Redacted]	11/2023
SIGAR-F-304	Chemonics International Inc.	11/2023
SIGAR-F-303	Chemonics International Inc.	11/2023
SIGAR-F-302	Public Health Institute	11/2023

Continued on the following page

APPENDICES

Project Identifier	Project Title	Date Initiated
SIGAR-F-300	ABT Associates Inc.	11/2023
SIGAR-F-299	Raytheon (Blackbird)	8/2023
SIGAR-F-298	Ideal Innovations	8/2023
SIGAR-F-297	American University of Beirut	8/2023
SIGAR-F-296	Tetra Tech	8/2023
SIGAR-F-295	[Redacted]	4/2023
SIGAR-F-294	[Redacted]	4/2023
SIGAR-F-293	[Redacted]	4/2023
SIGAR-F-292	Tetra Tech	3/2023
SIGAR-F-291	MSH	3/2023
SIGAR-F-290	Jhpiego Corporation	3/2023
SIGAR-F-289	Catholic Relief Services	3/2023
SIGAR-F-288	Texas A&M AgriLife Research	3/2023
SIGAR-F-285	AUAF	3/2023
SIGAR-F-284	HALO Trust – Weapons Removal and Mine Clearing	3/2023
SIGAR-F-282	DAI	3/2022
SIGAR-F-281	The Asia Foundation	3/2022
SIGAR-F-280	DAI	3/2022
SIGAR-F-279	DAI	3/2022
SIGAR-F-266	CARE International	3/2022

SIGAR LESSONS LEARNED PROGRAM

Ongoing Lessons Learned Projects

SIGAR had two ongoing lessons learned projects during this reporting period.

SIGAR LESSONS LEARNED PROJECTS ONGOING		
Project Identifier	Project Title	Date Initiated
SIGAR-LL-21	Taliban Bypass	11/2022
SIGAR LL-17	Personnel	1/2022

SIGAR RESEARCH AND ANALYSIS DIRECTORATE

Quarterly Report Issued

SIGAR issued one quarterly report during this reporting period.

SIGAR QUARTERLY REPORT ISSUED		
Report Identifier	Report Title	Date Issued
SIGAR 2024-QR-3	Quarterly Report to the United States Congress	7/2024



Men ride bikes in front of a market in Kabul. (Photo by Lucille Kanzawa/Flickr)

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SIGAR 2024-QR-3

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