SIGAR | Office of the Special Inspector General for Afghanistan Reconstruction

September 11, 2015

General John F. Campbell
Commander, United States Forces – Afghanistan

Major General Todd T. Semonite
Commanding General, Combined Security Transition Command – Afghanistan

Dear General Campbell and General Semonite:

I am writing to request information regarding the need for several recent procurements made on behalf of the Afghan National Defense and Security Forces (ANDSF). I am concerned that we may be buying equipment and vehicles in quantities that exceed the needs of the ANDSF. I am also concerned that such large acquisitions could prompt the premature disposal of equipment and vehicles that have already been issued to the ANDSF and that have significant service life remaining.

The procurements in which I am interested, along with the total value of the procurement (as recorded in the Defense Security Cooperation Agency Security Cooperation Management System) and the CSTC-A memorandum of request number provided in parentheses, are as follows:

- High Mobility Multipurpose Wheeled Vehicles (HMMWVs) for the Afghan National Army (ANA) ($166 million; 14-E1A-207A);
- M16A4 Rifles for the Afghan National Police ($35 million; 15-E1P-300A);
- Medium Tactical Vehicles (MTV) for the ANA ($381 million; 14-E1A-205A); and,
- Ammunition for the ANA ($52 million; 14-S1A-407X).

Regarding the procurements listed above, please provide answers to the following questions and supporting documentation, where appropriate:

1. What is the final quantity required for the procurement?
2. How did CSTC-A determine the need for each procurement and the quantity of the equipment or vehicles to be procured?
3. Were Afghan officials involved in generating the requirements for each procurement, and do they continue to believe that each procurement is necessary?
4. Prior to initiating each procurement, did the Department of Defense consider whether excess equipment or vehicles in its possession were available and whether transfer of those items would have been a suitable alternative to a new procurement?
5. For items purchased to replace currently-issued items, what criteria were used to determine the need for replacement? How were those criteria determined, and how did CSTC-A determine the quantity of the items to be procured?
6. When procuring replacement items, are the requirements reevaluated at any point in the process to ensure that they are still needed?
7. Regarding the MTVs and HMMWVs, how did CSTC-A determine that brand-new vehicles were needed? What is the delivery schedule for the vehicles?

Please provide your response no later than October 15, 2015. Should you have any questions or concerns about this request, please contact Mr. Jack Mitchell, Director, Office of Special Projects, at [redacted]

Sincerely,

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

HEADQUARTERS
UNITED STATES FORCES-AFGHANISTAN
BAGRAM, AFGHANISTAN
APO AE 09354

USFOR-A DCDR-S

5 October 2015

MEMORANDUM FOR United States Central Command Inspector General (CCIG), MacDill Air Force Base, FL 33621

SUBJECT: USFOR-A's Response to SIGAR 15-85-SP-IL "ANDSF Procurement" Inquiry Letter.

1. I concur with the response provided by CSTC-A. Echoing CSTC-A's statement, USFOR-A remains committed to the transparency, accountability, and oversight of taxpayer and donor nation funds.

2. I welcome any further recommendations. The point of contact is Ms. Shannon Smith: DSN 318-481-5907, shannon.d.smith@afghan.swa.army.mil.

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1. CSTC-A's Response, 20 Sep 15

JAMES E. RAINEY
Major General, U.S. Army
Deputy Commander, Support
United States Forces-Afghanistan

DEPUTY CHIEF OF STAFF SECURITY ASSISTANCE
COMBINED SECURITY TRANSITION COMMAND-AFGHANISTAN
KABUL, AFGHANISTAN
APO AE 09356

DCOS SA/CSTC-A

20 September 2015

MEMORANDUM THRU

United States Forces-Afghanistan (CJIG), APO AE 09356
United States Central Command (CCIG), MacDill AFB, FL 33621

FOR: Special Inspector General for Afghanistan Reconstruction, 2530 Crystal Drive, Arlington, VA 22202-3940

SUBJECT: CSTC-A Response to SIGAR 15-85-SP-IL "ANDSF Procurement" Inquiry Letter, dated 11 September 2015.

1. Reference: SIGAR 15-85-SP-IL Inquiry Letter; Special Inspector General for Afghanistan Reconstruction (SIGAR).

2. The purpose of this memorandum is to provide a response to SIGAR 15-85-SP-IL "ANDSF Procurement" Inquiry Letter, dated 11 September 2015.

3. Combined Security Transition Command-Afghanistan (CSTC-A) appreciates SIGAR's concern regarding the recent procurements made on behalf of the Afghan National Defense and Security Forces (ANDSF). This procurement represents a significant investment in Afghanistan's security and is the result of thorough planning and analysis on how to address the ANDSF's aging vehicle fleet, as well as support warfighting requirements. The intent is to provide the ANDSF with lifecycle management for a portion of vehicles, as well as simplify the fleet with a standard model, ultimately leading to sustainment cost savings. The acquisition of M16A4 rifles provides a uniform weapon system to the Afghan National Police (ANP). These replace the current ANP stock of various rifles of vastly differing quality and age. This transition also serves as a cost-savings measure going forward, as repairs and replacements for the rifles will be U.S.-based. Armament is a reoccurring requirement during wartime, and the Afghan National Army has used an increased amount of ammunition during their first Fighting Season without Coalition combat support. This procurement ensures soldiers have the supplies required to protect themselves and to stabilize the country. With each procured item, CSTC-A's goal is to set the conditions for the long term, providing a strong platform for both capability and sustainability. We encourage a continued dialogue with SIGAR on the subject, as we are committed to the transparency, accountability, and oversight of taxpayer and donor nation funds as we work toward continued security in Afghanistan and at home.

DCOS SA/CSTC-A

SUBJECT: CSTC-A Response to SIGAR 15-85-SP-IL "ANDSF Procurement" Inquiry Letter, dated 11 September 2015.

4. The point of contact for this action is CPT Brendan F. Lamb, at DSN 318-449-5117 or via e-mail at brendan.f.lamb@afghan.swa.army.mil.

Todd!

TODD T. SEMONITE
Major General, U.S. Army
Commanding General

Encl
SIGAR 15-85-IL Response

THANKS FOR YOUR
LETTER AND YOUR CONTINUED
ASSISTANCE IN FINDING WAYS
TO REDUCE ANA/ANP COSTS
WHILE SUPPORTING A FORCE IN COMBAT.
AS I HAVE BRIEFED YOU SEVERAL TIMES -
OUR STRATEGY IS TO REDUCE OVERALL ANDSF
COSTS BY ALL MEANS POSSIBLE THRU STRICT
ADHERENCE TO FISCAL DISCIPLINE. WE ARE CUTTING
COSTS DAILY!! REQUEST NUMBERS FROM AFGHAN LEADERS IN MANY
OF THESE CATEGORIES WERE SIGNIFICANTLY HIGHER. GEN SALANGI AND
I PERSONALLY DECIDED THE MIGS AFTER VALIDATING A "AK47" OR
RATE OF <50% AT THE START OF FY15. WE CONTINUE TO REASSESS
HMMWVS AND HAVE FORCED AN ECOD PROCESS WHERE ANDSF
DO NOT GET A NEW VEHICLE UNTIL THEIR OLD VEHICLE IS
DECLARED UNREPAIRABLE. BOTTOM LINE - WE HAVE NO PERFECT
SOLUTION TO PREDICT FUTURE LOSSES / CONFLICTS NEXT FY16 AS
WELL AS END OF FY15 - SO WE MUST HAVE "ADEQUATE"
SUPPLIES TO SUPPORT THE FORCE. ANDSF LOST OVER 100
HMMWVS IN BATTLE LAST WEEK, YET IT TAKES US
18 MONTHS TO PROCURE NEW. WE HAVE TO
PREDICT OR WE WILL FAIL. WE USE
OUR BEST JUDGEMENT TO SUPPORT
THE WAR - AND SAVE MONEY.
WE MIGHT BE WRONG BUT IF
SO, WE NEED TO ERR SO
ANDSF DOESN'T LOSE
THE WAR.
MG SEMONITE

CSTC-A RESPONSE

ANDSF Procurement

(SIGAR – 15-85-SP-IL)

1. **What is the final quantity required for the procurement?**
   a. High Mobility Multipurpose Wheeled Vehicles (HMMWVs) for the Afghan National Army (ANA). Final Quantity: 675.
   b. M16A4 Rifles for the Afghan National Police (ANP). Final Quantity: 157,000.
   c. Medium Tactical Vehicles (MTV) for the ANA. Final Quantity: 2,024.
   d. Ammunition for the ANA.
      i. 40MM (grenade launcher). Final Quantity: 316,382 rounds.
      ii. 60MM (mortar). Final Quantity: 89,706 rounds.
      iii. 23 MM (heavy machine gun). Final Quantity: 170,000 rounds.

2. **How did CSTC-A determine the need for each procurement and the quantity of the equipment or vehicles to be procured?**
   a. HMMWVs. The referenced procurement was designed to provide lifecycle replacements for a fraction of the aging ANA vehicle fleet. Over the years, the U.S. and other Coalition partners have donated a variety of HMMWV models and analogous vehicles to the ANA. Many of these will reach the end of their service life over the next two years, based on standard models of mileage and usage (models which generally underestimate impacts of the harsh Afghan environment and inexperienced operators),. Additionally, as the Afghans entered their first fighting season without significant Coalition support, CSTC-A anticipated that the ANA would suffer notable vehicle combat attrition, a forecast borne out by events, resulting in replacement requirements. Finally, CSTC-A assessed multi-variants and a variety of systems on the ground, while impressive in raw numbers, obscured the true condition of the fleet. Each vehicle type and variants within a type require its own distinct suite of maintenance skills and parts, and associated tail of training and repair part resupply, inventory management, and storage. A fleet as diverse as that currently possessed by the ANA provides difficulties logistically to maintain and continually resource. For the reasons noted here, CSTC-A assessed that lifecycle replacements for a fraction of the fleet, based on conservative read of standard models, would best support ANA operational readiness; and by simplifying the fleet, would ultimately lead to sustainment cost savings.
   b. M16A4 Rifles. The ANP is currently equipped with a mix of Russian-origin small arms weapons, from a variety of donors, in a variety of ages and condition codes. Historically, ad hoc acquisitions produced an equipment set of uneven and generally poor serviceability, while the non-Western sourcing has posed significant challenges for U.S. sustainment in terms of maintenance and repair parts. Additionally, as Russian-origin small arms are widely employed by the Taliban and other opponents of the state, a robust informal support network exists for ammunition and repair, consequently, small arms lost in combat are of immediate and enduring use to the enemy. Subsequently, CSTC-A assessed that a conversion to NATO-standard small arms would make the ANP

more operationally effective through better mission capable rates, denying a potential source of supply to the enemy, and in the long-term cost savings to the U.S. government by fielding a weapon which can be sustained from U.S. stock (including efficient and cost-effective NATO-standard 5.56mm ammunition procurement through established US/NATO production/supply lines). The number procured was based on a simplified heuristic of one rifle for each member of the tashkil authorized for the ANP (i.e. 157,000). While CSTC-A recognizes that not every member of the ANP will routinely carry a rifle, this establishes a broadly recognized standard, allowing for organic maintenance management, by providing a modest overage against individual unit authorizations.

c. MTVs. The rationale for the referenced MTV procurement is essentially the same as that provided for HMMWVs above, age-based lifecycle replacements, combat attrition and fleet simplification. Additionally, CSTC-A assessed that future MTV usage wear-outs and combat losses will exceed those expected by ANA leaders or modelling based on past employment. CSTC-A analysis indicates that while the ANA understands and widely employs HMMWVs and LTVs, they have historically underutilized the MTV fleet in the mission for which it was designed, i.e. forward, tactical logistics resupply below national-level logistics infrastructure. Past dependence on Coalition logistics support, and a relatively static operational approach tied closely to road networks has allowed ANA tactical logistics to remain underdeveloped. Once the ANA has wider experience in tactical resupply, particularly in more offensive operations at the Corps level and below, the requirement for MTVs will become more evident and their employment will likely rise significantly, as will loss, wear out, and needed replacement.

d. Ammunition. While CSTC-A procures a broad variety of ammunition types, the three referenced lines apply to weapons systems which have had, or are projected to have, greater than normal employment. The MK 19 Grenade launcher is mounted on the Mobile Strike Fighting Vehicle, and this system is proving to be critical for rapid and dynamic response, supporting more ponderous conventional ground forces. The 60mm mortar provides indirect fires at the local unit level and this capability is filling an increasingly urgent gap created by limited availability of Afghan aerial fires. Finally, the GshkL machine gun, mounted on the Mi-17, provides additional aerial fires capability. Of note, all three systems address a broader operational challenge; the provision of flexible, responsive fires overmatch. This capability was intended to be filled by fielding of A-29 fixed wing aerial fires, but delivery of this capability was delayed until 2016-2018, based on a U.S. contract challenge. Additionally, combat experience suggests that initial assessments may have underestimated the scope of aerial fires required post-ISAF. The ammunition discussed here supports systems filling that capability gap.

3. **Were Afghan officials involved in generating the requirements for each procurement, and do they continue to believe such procurement is necessary?**

CSTC-A RESPONSE
ANDSF Procurement
(SIGAR – 15-85-SP-IL)

a. HMMWV. The requirement for protected mobility has been a routinely identified priority for the ANA, and remains a consistent component of every request for Coalition support. The ANA continues to believe this procurement is necessary, and has formally requested HMMWVs above and beyond this purchase. However, ANA capacity to conduct systemic analysis of fleet employment, wastage rates, and detailed projections remains a weakness. Consequently, CSTC-A analytical rigor was (and will continue to be) required in determining more precise requirements.
b. M16A4. The desire for conversion to NATO standard small arms has been communicated to CSTC-A by the Afghan Minister of the Interior and the Minister's subordinate leaders remain closely involved in the planning, fielding, and employment of this purchase, which they continue to support.
c. MTVs. The requirement for MTVs has been less clearly articulated by the ANA than for other procurements referenced here. While ANA logistics leaders and some of the more sophisticated Corps fully understand the necessity of this capability, both now and as a lifecycle replacement; other less well-versed or more operationally focused leaders have not been as supportive. This diversity of perspective within the ANA does not undermine the validity of the requirement, which is objectively sound, but does highlight the need for additional advice and assistance to ANA senior leaders. Near exclusive focus on the short-term and immediate combat application is a weakness still to be fully resolved in ANA ministerial analysis.
d. Ammunition. Mk 19 and 60mm ammunition are consistently raised as key shortages by ANA leaders. 23mm has been less consistently addressed, primarily due to a comparatively unsophisticated understanding of aerial fires among senior ANA leaders. They certainly desire more of this capability, but they are not fully conversant with the potential alternatives and how these can be provided. More broadly, ANA ammunition consumption reporting and forecast analysis remains a weakness that requires additional advice and assistance.

4. **Prior to initiating each procurement, did the Department of Defense consider whether excess equipment or vehicles in its possession were available and whether transfer of those items would have been a suitable alternative to a new procurement?**
   a. HMMWV. CSTC-A did consider excess U.S. equipment prior to procurement; however, the time and the cost of repair/overhaul associated with any such acquisition would have equaled or exceeded that associated with new procurement. Additionally, as noted above, CSTC-A is attempting to simplify the ANA fleet to improve maintenance sustainability and reduce long-term costs; which weighs against potential acquisition of older vehicle variants. Finally, significant challenges with ANA organic maintenance will persist for some time. Consequently, acquiring Excess Defense Equipment vehicles which will likely require extensive additional maintenance or out-of-production parts will ultimately provide little operational value.

CSTC-A RESPONSE
ANDSF Procurement
(SIGAR – 15-85-SP-IL)

b. M16A4. CSTC-A did consider excess U.S. equipment prior to procurement; however, the time and the cost of repair/overhaul associated with any such acquisition would have exceeded that associated with new procurement.
c. MTV. CSTC-A did consider excess U.S. equipment prior to procurement; however, in the MTV case the primary argument against this solution emerged from the fleet simplification issue noted above.
d. Ammunition. Not applicable. CSTC-A would pay for ammunition in stock equivalent to new production for U.S. standard, new procurement required for non-standard ammunition.

5. **For items purchased to replace currently-issued items, which criteria were used to determine the need for replacement? How were those criteria determined, and how did CSTC-A determine the quantity of the items to be procured?**
   a. HMMWVV. Lifecycle purchase requirement was based on size of authorized fleet. Logistics planning models were applied to this fleet size using vehicle age and average mileage as the determining metrics for wastage, while the purchase quantity was designed to be equal to, or slightly below, the projected wastage rates. Of note, these wastage rates and associated metrics are based on a generic environment model and assumed full operator competency. Empirical wastage rates are likely to prove higher than projected. CSTC-A does acknowledge imprecision of these models and lack of substantive data inputs from ANA; however, these data gaps are endemic to Afghanistan and will persist, rendering fully informed procurements an unachievable goal. Consequently, the standard applied is a conservative estimate based on best data available.
   b. M16A4. As discussed above, the M16A4 was procured as a replacement for the AK-47 and its variants based on operational readiness, force protection, sustainability, and long term cost. The quantity was selected to match the number of personnel authorized by tashkil for the ANP, allowing in principal one weapon for every individual.
   c. MTV. Lifecycle replacement buy based on same analysis applied to HMMWVs above.
   d. Ammunition. Not applicable.
6. **When procuring replacement items, are the requirements reevaluated at any point in the process to ensure they are still needed?**
   a. HMMWV. HMMWV procurement was reevaluated in April 2015. While the overall requirement was maintained, CSTC-A elected to modify the procurement – reducing multiple variants to one for the entire purchase: the M1151. This was based on both ANA clarification of requirements and priorities and CSTC-A analysis of fleet simplification requirements.
   b. M16A4. M16A4 procurement remains a topic of weekly discussion between the Commander, CSTC-A, and the Minister of Interior. No proposed modifications to the procurement have been raised.

CSTC-A RESPONSE

ANDSF Procurement

(SIGAR – 15-85-SP-IL)

c. MTV. Based on inconsistent feedback from the ANA discussed above, CSTC-A reevaluated the MTV procurement just prior to contract award in August 2015. CSTC-A's review of both its own analysis and critical review of ANA feedback, multiple positions, lack of rigorous assessment, and failure to incorporate likely future operational employment, led to the decision to continue with the procurement.

d. Ammunition. CSTC-A periodically reviews all ammunition requirements, most recently in August 2015. While this most recent review will not drive changes to the referenced procurement, it will prompt a more general restructuring of ammunition requirements and priorities.

7. **Regarding the MTVs and HMMWVs, how did CSTC-A determine that brand-new vehicles were needed? What is the delivery schedule for the vehicles?**

a. HMMWV. New vehicle decision was based on analysis discussed at para 4(a) above. Projected delivery schedule: NOV 15 - FEB 17.

b. MTV. New vehicle decision was based on analysis discussed at para 4(c) above. Delivery schedule: JUN 16 - JAN 20.