

SIGAR

**Special Inspector General for
Afghanistan Reconstruction**

OFFICE OF SPECIAL PROJECTS

INCONSISTENT AFGHAN VISA POLICIES INCREASED THE COST TO DEPLOY CONTRACTORS TO AFGHANISTAN



JULY 2020

SIGAR-20-47-SP



July 17, 2020

The Honorable Michael Pompeo
Secretary of State

The Honorable Mark T. Esper
Secretary of Defense

The Honorable John Barsa
Acting Administrator, U.S. Agency for International Development

In May and June 2013, SIGAR published two reports addressing burdensome and wasteful policies, including obtaining visas, that U.S. contractors faced when implementing reconstruction projects in Afghanistan. SIGAR Alert Letter 13-3, *Afghan Government Levying Additional Fines, Fees, and Penalties that May Cost U.S. Government Millions of Dollars*, reported that visa procedures could be costing the U.S. government more than \$1,100 per contractor per year. SIGAR Audit 13-8, *Taxes: Afghan Government Has Levied Nearly a Billion Dollars in Business Taxes on Contractors Supporting U.S. Government Efforts in Afghanistan*, concludes that the U.S. government lacked a unified policy addressing Afghan Government fees charged to reconstruction contractors. Furthermore SIGAR reported, the Afghan and U.S. governments disagreed over the applicability of Afghan Government fees to reconstruction contractors. In May 2017, SIGAR's Investigations Directorate also found instances of contractors claiming visa procurement expenses that far exceeded the amount charged by the Afghan government.

In 2014, the United States and Afghanistan signed a new Bilateral Security Agreement (BSA) that required the Department of Defense (DOD) and the Afghan government to establish a procedure to implement the visa process for contractors supplying goods and services for U.S. forces in Afghanistan. The agreement took effect on January 1, 2015. SIGAR initiated this review to determine (1) whether DOD and the Afghan government had established a streamlined visa procedure, and if so, whether it was working; and (2) whether the visa expenses contractors are being reimbursed by the U.S. government are in line with the visa fees the Afghan government charges.

A Afghan Presidential Decree issued on December 31, 2014 provided guidance for implementing the visa requirements stipulated in the BSA. The decree specifies that all U.S. and North Atlantic Treaty Organization (NATO) contractor employees may acquire a 1-year multiple-entry visa and do not need a work permit. However, this procedure is only being applied to DOD contractors. USAID contractors informed us that they have been unable to get a 1-year multiple-entry visa and instead must obtain short-term visas and then obtain a work permit in Afghanistan before the Afghan government will issue them a 1-year multiple-entry visa.

SIGAR also found that the amount the Afghan government charges to renew visas varies between Afghan embassies abroad and the Ministry of Interior in Afghanistan. Furthermore, U.S. contractors pay more for a 1-year, multiple-entry visa than any other visa category established by the Afghan government.

SIGAR attempted to determine the amount contractors billed the U.S. government to acquire 1-year, multiple-entry visas and visa renewals by reviewing invoices for 11 contracts (4 DOD and 7 U.S. Agency for International Development (USAID)) issued by 9 contractors that sent employees to Afghanistan in 2018. However, the invoices did not have enough detail to determine the amount the U.S. Government was charged. Therefore, to estimate the amount it cost the U.S. Government to reimburse contractor employees for acquiring visas, SIGAR used the average prices provided by the contractors in response to our questionnaire.

Data from the 4 DOD contractors that deployed 4,859 contractor employees to Afghanistan in 2018 showed that the U.S. Government reimbursed them an average of \$692 per deployed employee; the 5 USAID contractors that deployed 298 contractor employees to Afghanistan in 2018 reported that they were charged an average of \$931 per deployed employee. In 2018, DOD and USAID deployed 22,231 contractors to Afghanistan who needed Afghan visas. If the guidance from the Presidential Decree and the website of the



Afghan Embassy in Washington D.C. had been followed, the most these visas should have cost would be \$8 million if all 22,231 employees were issued an initial one-year multiple-entry visa which according to Ministry of Foreign Affairs guidance cost \$360. However, using the averages provided by the 9 contractors, SIGAR estimates that visas and work permits could have cost the U.S. government more than \$15.5 million in 2018. In other words, U.S. contractors were likely charged nearly double the legitimate cost for visas to work in Afghanistan.

We recommended that the Department of State coordinate with the Afghan government to standardize visa policies so that all U.S. funded contractors involved with reconstruction of Afghanistan are treated equally as stipulated in the Presidential decree that states that all U.S. contractors can acquire a one year multi-entry visa and are not required to obtain a work permit. We provided a draft of this report to the Departments of State and Defense, and USAID, on March 26, 2020. We received comments on a draft of this report from the DOS Deputy Assistant Secretary for Afghanistan Affairs, the USAID Mission for Afghanistan (USAID/Afghanistan), and the Combined Security Transition Command–Afghanistan (CSTC-A) which are reproduced in appendices I, II, and III respectively. USAID replied on April 22, 2020. USAID agreed with SIGAR's recommendations, and expressed their appreciation for SIGAR highlighting the Afghan government's inconsistencies in procedures for issuing initial one-year multiple entry visas and the subsequent one-year visa renewals. We received comments from the Combined Security Transition Command-Afghanistan (CSTC-A) on April 13, 2020. CSTC-A agreed that the elimination of inconsistency in both fees and duration of visas for contractors would be beneficial.

After receiving USAID and CSTC-A comments, we spoke with DOS representatives to discuss their concerns with the original draft report which had two recommendations to the DOS. After reviewing a draft of their reply and discussing their concerns with our recommendations it was apparent that they believed we wanted them to change the Bilateral Support Agreement. Based on that discussion, we dropped the original two recommendations and formulated a new recommendation to make it clear that we were recommending that DOS coordinate with the Afghan government to standardize visa policies so that all U.S. funded contractors involved with reconstruction of Afghanistan are treated equally as stipulated in the Presidential decree that states that all U.S. contractors can acquire a one year multi-entry visa and are not required to obtain a work permit. We received comments from the DOS Deputy Assistant Secretary for Afghanistan Affairs on July 13, 2020. However, DOS non-concurred with our new recommendation stating that adding such an initiative to their diplomatic agenda right now would detract from other high-priority objectives they are pursuing to reach a peace agreement, but that they could give further consideration in the future to explore with the Afghan government the possibility of applying visa terms that are similar to those that apply to DOD contractors to State and USAID contractors.

We conducted this review in Washington, D.C., in accordance with the Council of the Inspectors General on Integrity and Efficiency Quality Standards for Inspection and Evaluation. SIGAR performed this work under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended. Should you or your staff have any questions about this project, please contact Mr. Benjamin Piccolo, Director of Special Projects, at (703) 545-2192 or benjamin.j.piccolo.civ@mail.mil.

Sincerely,

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

As of March 31, 2020, the United States had appropriated an estimated \$137 billion for relief and reconstruction in Afghanistan since fiscal year 2002.¹ Of that amount, \$91 billion was appropriated by the Department of Defense (DOD), \$18 billion by the Department of State (State), and \$28 billion by the U.S. Agency for International Development (USAID) and other agencies to implement reconstruction projects and related activities.² These agencies rely on contractors working in Afghanistan to implement and support many of these projects, all of whom must abide by Afghan government visa and work permit laws.³

In 2013, SIGAR published two reports assessing expenses and fees associated with obtaining visas in Afghanistan.⁴ We identified a six-step visa process that each contractor was required to follow that involved five Afghan ministries and cost the U.S. government \$1,138 per contractor employee, per year. SIGAR also found that the Afghan and U.S. governments disagreed over whether contractor employees working on U.S. projects were subject to specific Afghan Government fees.

Additionally, SIGAR's Investigations Directorate identified contractors that sought reimbursement for visa procurement fees far exceeding rates advertised by the Afghan government. In one instance, SIGAR found that contractor employees used a visa facilitation service that charged a minimum of \$1,500 for a single-entry visa and even more for a multiple-entry visa.⁵ SIGAR initiated this review to determine (1) whether DOD and the Afghan government had established a streamlined visa procedure, and if so, whether it was working; and (2) whether the visa expenses contractors are being reimbursed by the U.S. government are in line with the visa fees the Afghan government charges.

For this review, SIGAR analyzed 11 DOD and USAID contracts awarded to 9 contractors that deployed U.S. and non-Afghan employees to Afghanistan in 2018. SIGAR reviewed U.S. and Afghan visa policies, standard operating procedures (SOPs), and contracts. We issued questionnaires to the nine contractors to determine the procedures they follow when deploying employees to Afghanistan. Each contractor answered a standardized questionnaire. We also evaluated invoices for visa-related expenses and compared them with the prices charged by the Afghan government.

BACKGROUND

The United States and Afghanistan agreed to establish a procedure for acquiring and renewing visas for DOD contractors per the provisions of the bilateral security agreement (BSA) that went into effect on January 1, 2015. According to the agreement, a Joint Commission oversees implementation of its provisions.⁶

The Afghan president issued a Presidential Decree in December 2014 to streamline the visa process per the BSA provisions. That procedure specifies that all U.S. and NATO contractor employees may acquire 1-year, multiple-entry visas and do not need work permits.⁷

The Afghan Foreign and Interior Ministries then developed a set of standard operating procedures (SOP) that govern the contractor visa acquisition and renewal process. The SOPs outline the roles and responsibilities of contractors and Afghan institutions, as well as the documentation required to obtain contractor visas, the fees for the visas, and the laws to which contractors are subject. The Ministry of Foreign Affairs (MOFA) and its

¹ SIGAR, *Quarterly Report to the United States Congress*, April 30, 2020, p. 37.

² The remaining nearly \$2 billion in appropriated funds were spread across numerous other U.S. agencies. Calculations are rounded.

³ For this review we use "contractor employee(s)" when referring to individuals working on a U.S.-government-funded project, and "contractors" when referred to organizations implementing the projects, unless otherwise noted.

⁴ SIGAR, *Afghan Government Has Levied Nearly a Billion Dollars in Business Taxes on Contractors Supporting U.S. Government Efforts in Afghanistan*, SIGAR-13-8-AR, May 14, 2013; SIGAR, *Business Taxes and Penalties Follow-Up Letter*, SIGAR-13-3-AL, June 28, 2013.

⁵ Visa facilitation companies specialize in getting travel documents. Contractors pay a service fee, and the facilitators gather materials a contractor's employees may need to travel and conduct their business in another country.

⁶ The Joint Commission is responsible for overseeing implementation of the BSA, and is chaired by "Executive Agents" representing both the Afghan Ministry of Defense (MOD) and the U.S. Department of Defense (DOD).

⁷ Presidential Decree 38, Provisions 7, and 9, December 31, 2014.

consular offices issue or renew visas for contactors abroad, and the Ministry of Interior (MOI) has the authority to renew visas in Afghanistan.

Visa Application Policy

The MOFA issues Afghan visas. It is represented in the United States by the Afghan embassy in Washington, D.C., and three consulates across the country. According to the embassy's website, a U.S. contractor employee may apply for a visa in person at any Afghan consulate or by mail. When applying for a contractor visa, the applicant must also provide documentation certifying that they will be working to implement a U.S. government contract; this documentation comes in the form of a "letter of authorization" for DOD contractors, or a "letter of introduction" for State and USAID contractors. According to Afghan government procedures, once all documents have been submitted, the visa will be issued in 5 to 7 days (or sooner for an additional fee).

Work Permit Requirement

The Afghan government requires any non-Afghan to have a work permit in addition to an entry visa to work in the country. A work permit must be obtained within the first month of arrival in Afghanistan and is available through the Ministry of Labor and Social Affairs (MOLSA) for 10,000 Afghanis (approximately \$130). An applicant must provide a valid entry visa, documents attesting educational qualifications for the job, the hiring contractor's business license, a letter from Interpol or MOI certifying the applicant does not have a criminal record, and an introduction letter stating that the contractor is employing the applicant.

However, according to President Ghani's decree governing the implementation of the BSA and its visa and work permit requirements for U.S. and NATO contractors, contractor employees are exempt from work permit requirements. To prove that a U.S. or NATO contractor qualifies for this exemption, a contractor must have a letter of authorization (for DOD contractors) or letter of introduction (for State and USAID contractors).

Visa Renewal Policy

The MOI handles visa renewals within Afghanistan and requires U.S. contractor employees seeking to renew their visas to provide a letter of authorization (for DOD contractors) or a letter of introduction (for non-DOD contractors including State and USAID). If contractor employees do not renew their visas or remain in Afghanistan after their visas expire, they must pay a fine to get an exit visa before they can leave the country. Afghan embassies and consulates abroad issue renewals with the same documentation requirements as visa acquisitions.

BILATERAL SECURITY AGREEMENT PERTAINS ONLY TO DOD CONTRACTORS

The Bilateral Security Agreement (BSA) stipulates that all U.S. contractor employees may obtain a visa that "shall provide for multiple entries and exits and shall be valid for a period of not less than one year." However, the BSA and by reference the Presidential decree that governs its implementation defines a U.S. contractor solely as one working for DOD. As a result, non-DOD contractors have not benefited from the same requirements and exemptions.

USAID officials told us that the agency does not have a visa arrangement with the Afghan government for its contractors because it follows State guidelines. When asked what the guidelines were, State personnel said the department doesn't have an arrangement because "The Afghan government has in place a procedure for the expeditious acquisition of one year, multiple-entry visas for U.S. contractors . . . [and State] is not aware of specific cases of problems with the issuance of visas by the Afghan government."⁸

⁸ State, response to SIGAR Request For Information (RFI), July 8, 2019.

However, based on our review of the four DOD and seven USAID contracts that deployed contractor employees to Afghanistan in 2018, and the nine contractors' responses to our questionnaire, we found inconsistencies in the visa procedure. Four of the five USAID contractors informed us that they experienced processing delays as long as twelve weeks, and all five reported procurement costs that reached up to \$700 more than advertised.

Inconsistent Initial Entry Visa Procedures

According to the website of the Afghan embassy in Washington, D.C, Afghan consulates issue 1-year, multiple-entry visas for U.S. contractor employees for \$160. In addition, all first-time applicants pay a \$200 one-time fee, bringing the total cost to \$360. The Afghan embassy's website dedicated to visa requirements does not differentiate contractors by agency, which we confirmed with MOI officials and documents.

Under those guidelines, State and USAID contractors should be able to get an initial 1-year, multiple-entry visa from an Afghan consulate for \$360. However, all five USAID contractors that we interviewed said they had problems getting a 1-year, multiple-entry visa from a consulate outside of Afghanistan within 5 to 7 business days as stated on the Afghan embassy website, with some contractors reporting that their employees have to wait as long as 3 to 12 weeks. To circumvent the slow procedure and deploy their employees in a timely fashion to Afghanistan, all five contractors said they get short-term, entry visas for their employees, who then go to Afghanistan and get work permits within 30 days of arrival. They use the work permit as a required supporting document to acquire a 1-year, multiple-entry commercial visa within Afghanistan through the MOI.

Figure 1 shows that in practice a non-DOD contractor can get a multiple-entry, 1-year visa only after coordinating with three Afghan government agencies and paying \$780 in fees to the Afghan government.⁹

⁹ These costs exclude potential facilitation fees or logistics expenses, such as shipping and notary fees.

Figure 1: Process Non-DOD Contractors Follow to Get a 1-Year, Multiple-Entry Visa

STEP 1. Short-term, single-entry commercial visa	
<p>Source: An Afghan embassy or consulate outside of Afghanistan (representing MOFA)</p> <p>Requirements: Letter of introduction (confirming contractor is paid by U.S. government), identification documents, and background check certified by the MOI</p>	\$50
STEP 2. 1-year work permit	
<p>Source: Ministry of Labor & Social Affairs (MOLSA)</p> <p>Requirements: Valid entry visa, documents attesting to educational qualifications for the job, hiring company's business license, and introduction letter stating that the company is hiring the applicant</p>	\$130
STEP 3. 1-year, multiple-entry visa	
<p>Source: Source: Ministry of Interior Affairs (MOI)</p> <p>Requirements: Valid and unexpired visa, letter of introduction, and work permit</p>	\$600
TOTAL	\$780

Source: SIGAR Analysis contractor questionnaire responses and Afghan government visa policies.

Inconsistent Visa Renewal Procedures

The MOFA and MOI have different policies for renewing visas. For instance, MOI policies require U.S. contractor employees to pay \$800 to renew a 1-year, multiple-entry visa from within Afghanistan. Conversely, the Afghan embassy in Washington, D.C. advertises that a U.S. contractor employee can renew a contractor visa for \$160. Furthermore, the contractor visa described by the Afghan embassy makes no differentiation between DOD and non-DOD contractors.

As a result, our analysis found that contractor employees must leave Afghanistan temporarily and renew their visas in an Afghan consulate for \$160 (and incur travel expenses), or renew their visa within Afghanistan through the MOI for \$800, a difference of \$640.

In response to a SIGAR questionnaire, MOI officials said their flat fee comprised a \$600 visa renewal fee and a \$200 fee in lieu of a work permit. The MOI markets the contractor visa as beneficial to DOD contractors because they are not required to get a separate formal work permit. However, this contradicts the Bilateral Security Agreement and Section 9 of President Ghani's decree, which state that U.S. and NATO contractors do not need work permits.

Meanwhile, non-DOD contractor employees who wish to renew their visas in Afghanistan must first obtain a new 1-year work permit through the MOLSA for 10,000 Afghani (approximately \$130). Then the contractor employee can take their work permit and identification documents such as copies of the contractor employee's

passport, identification card, and their employer's business license to the MOI to renew a 1-year, multiple-entry visa for \$600, bringing the total renewal cost for non-DOD contractors to \$730.

INCONSISTENT VISA CHARGES COST U.S. GOVERNMENT ABOUT \$15.5 MILLION A YEAR

In each of the nine contractor questionnaires SIGAR analyzed for this report, the contractors reported that they were reimbursed by the U.S. Government for expenses that exceeded the official fees advertised by the Afghan government. While some extra charges stem from discrepancies in the Afghan government's policies as discussed previously, others stem from the overhead costs the contractors incurred to acquire or renew visas, such as the cost to ship documents, courier fees, and the use of third party visa facilitation companies.

SIGAR attempted to determine the amount spent on visa-related expenses under each contract by reviewing the invoices each contractor submitted to DOD or USAID. However, the invoices lacked sufficient detail. As a result, we asked the contractors how much they billed the U.S. government on average to obtain visas for their employees. We then used the amounts the contractors reported in response to our questionnaires to estimate the amount the U.S. government reimbursed contractors. The amounts provided by the contractors generally aligned with the few instances in which we had enough information from invoices to determine how much the contractors charged the government for the cost of obtaining visas for their employees.

Contractors' Invoices Lacked Detail

After analyzing copies of the invoices and supporting documents that the contractors submitted to the U.S. government for cost-reimbursable expenses, we could not determine the average amount each contractor spent on visas. The invoices listed the total amount spent on travel and other reimbursable expenses under one broad cost-reimbursable line item on the contract, but the documents supporting the claimed amount did not give enough detail for us to determine how much of the expenses related to visas or the number of visas acquired.

Two of the four DOD contracts had some examples of visa-related costs in the invoices, but not enough to identify reliable cost trends or averages. The third contract did not have any supporting financial documentation to identify visa expenses, and the final was a firm-fixed-price contract, which requires less specific financial reporting because contractors are paid a fixed amount for the contract regardless of their actual expenses.

For visa renewals, the quality of reporting data from the DOD contractors was even worse. Only one of the four contracts had financial documents that supported the visa expenses, and there was not enough data in the documents to determine the average amount spent to renew a visa. The invoices for the other three did not have any references to visa renewal costs.

Even though the documentation supporting invoice amounts for the seven USAID contracts had more information than those from DOD, the invoices still did not include the detail we needed to determine the cost paid for an initial entry visa or visa renewal.

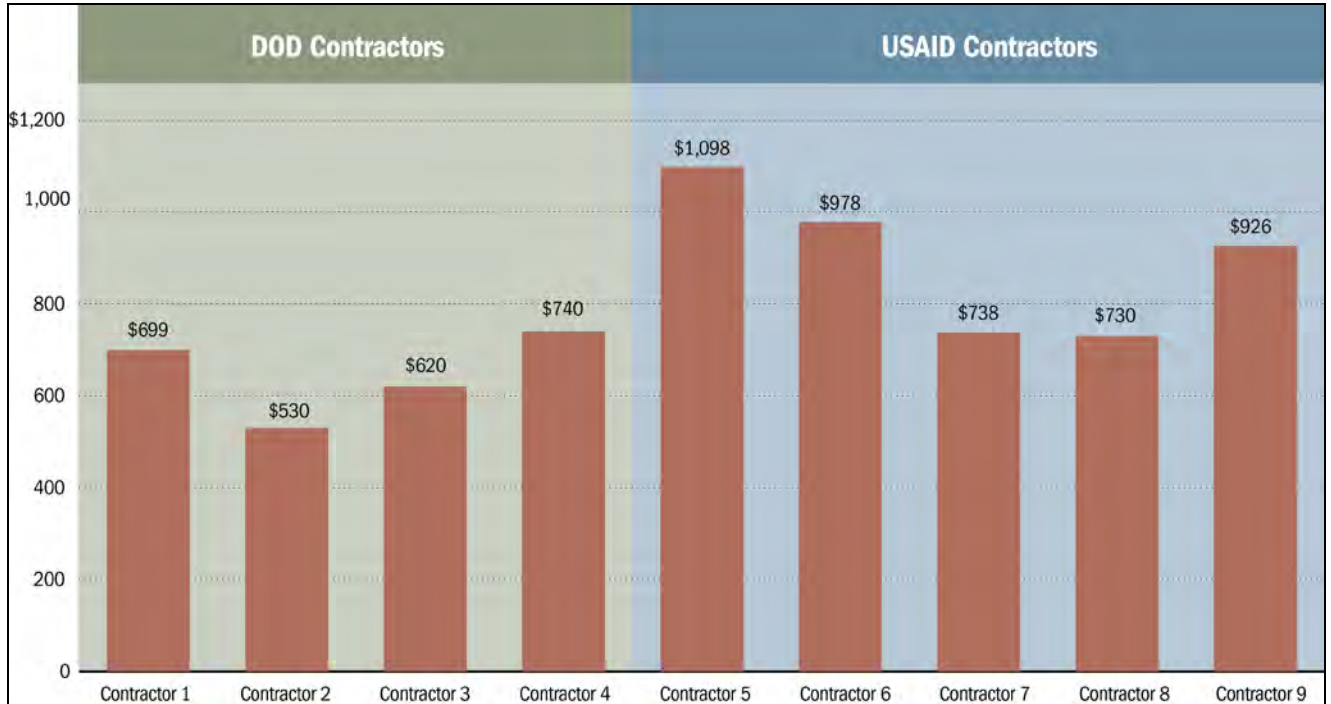
Contractors Reported Various Costs for Visas

The costs the contractors reported for initial 1-year, multiple-entry visas and to renew visas varied significantly. For DOD contractors, initial 1-year, multiple-entry visas cost between \$530 and \$740. One DOD contractor that had the only firm-fixed-price contract in our sample also reported the lowest visa costs.

The cost USAID contractors paid to acquire initial 1-year, multiple-entry visas for their employees varied even more, fluctuating from \$730 to \$1,098. All five USAID contractors reported paying fees in addition to the Afghan government visa fees. Two USAID contractors told SIGAR that the Afghan government requires them to

acquire an MOFA number that involves going through additional background checks and can cost anywhere from \$13 to \$90 based on contractor reporting.¹⁰ Figure 2 shows the costs the nine contractors reported paying for an initial 1-year, multiple-entry visa for deployed employees.

Figure 2: 1-Year, Multiple-Entry Visa Acquisition Costs for DOD and USAID Contractor Employees



Source: SIGAR analysis of contractor questionnaire responses.

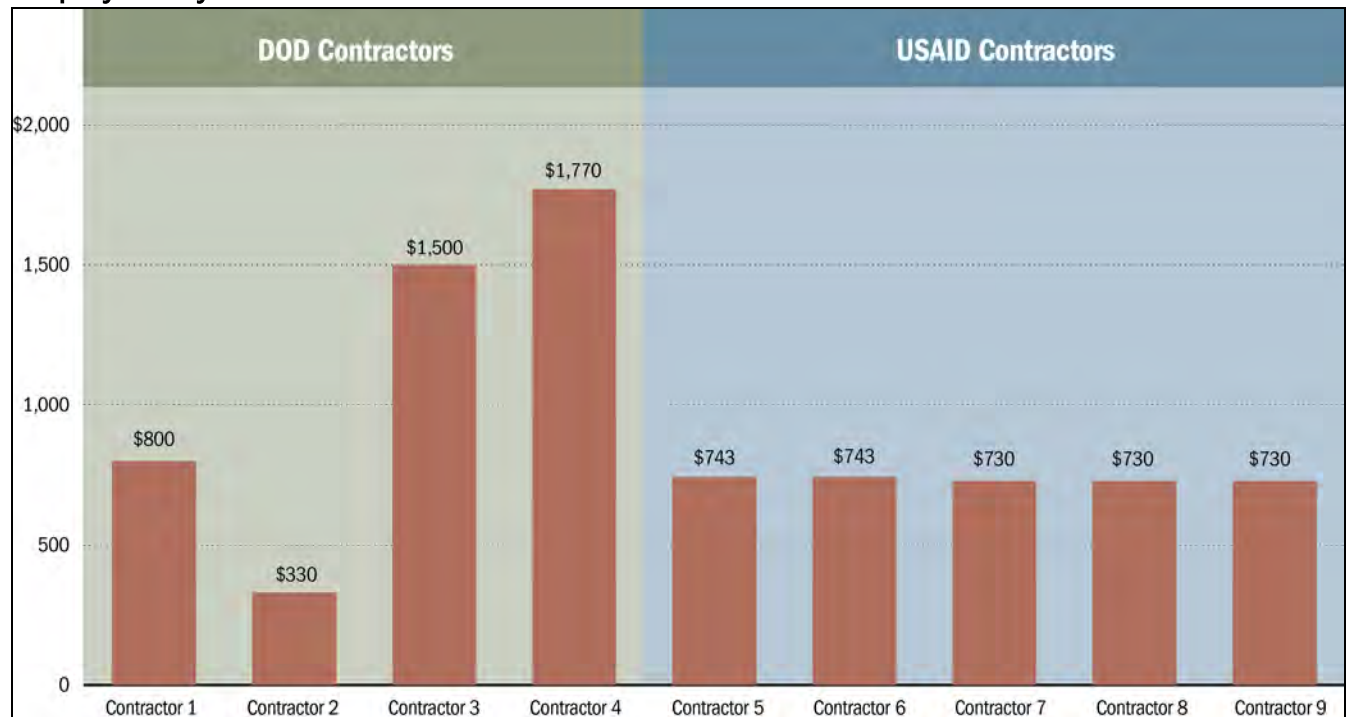
The cost of renewing visas for DOD contractors varied more than the initial 1-year, multiple-entry visas. The four DOD contractors reported paying between \$330 and \$1,770 per employee.¹¹ Again, the contractor with the only firm-fixed-price contract reported the lowest visa renewal costs. In fact, the next lowest renewal cost reported by a DOD contractor was almost double that of the firm-fixed contract.

In contrast, the costs that USAID contractors paid for visa renewals were nearly identical. Three contractors reported costs of \$730, and two reported \$743. Figure 3 shows the cost reported by the nine DOD and USAID contractors to renew a visa for their deployed employees.

¹⁰ A Ministry of Foreign Affairs Number or MOFA Number is assigned to individuals who are then considered “registered” with the Afghan Government and serves as a step in the visa process that “clears” their entry.

¹¹ Based on our analysis, the \$330 visa renewal is likely the result of the contractor choosing a facilitation company who renews its client’s contractors’ visas at a consulate outside of Afghanistan (where renewal costs are \$160), rather than through the MOI within Afghanistan..

Figure 3: 1-Year, Multiple-Entry Visa Renewal Costs for DOD and USAID Contractor Employees by Contractor



Source: SIGAR analysis of contractor questionnaire responses.

Estimating the Annual Cost of Acquiring Visas

According to the data reported by the four DOD contractors that deployed 4,859 employees, the U.S. government reimbursed an average of \$692 per deployed employee. According to data from the five USAID contractors that deployed 298 employees, the U.S. government reimbursed an average of \$931 per contractor. We were able to determine that in 2018 DOD and USAID deployed 21,617 and 614 contractor employees to Afghanistan respectively. However, the data DOD and USAID provided did not show whether the deployed contractor employees needed initial-entry visas or visa renewals.

To estimate how much the U.S. government paid contractors to reimburse their visa expenses, we calculated the average visa costs for initial 1-year, multiple-entry visas for each contractor employee deployed by the 9 contractors, and applied that figure to the total number of DOD and USAID contractor employees who obtained visas in 2018. SIGAR estimates that it cost the U.S. government approximately \$15.5 million in 2018 or about \$7.5 million more than the rates advertised by the Afghan government. In other words, the U.S. may have paid the Afghan government nearly double the legitimate rate for contractor visas.

CONCLUSION

The visa procurement process has shown some improvements for DOD contractors since 2015; reducing the number of steps in the application, and shrinking the list of different Afghan agencies involved in the process. However, inconsistent visa policies, charging for and requiring a work permit, and the \$640 price difference for renewals in-country as opposed to outside Afghanistan results in inefficiencies and additional costs to the U.S. government. Unless rectified, the U.S. will continue to pay the Afghan government nearly double the legitimate rate for contractor visas each year.

RECOMMENDATIONS

To ensure that Afghan visa policies for all contractors implementing projects funded by the U.S. government are consistent, SIGAR recommends that the Secretary of State:

Coordinate with the Afghan government to standardize visa policies so that all U.S. funded contractors involved with reconstruction of Afghanistan are treated equally as stipulated in the Presidential decree that states that all U.S. contractors can acquire a one year multi-entry visa and are not required to obtain a work permit.

AGENCY COMMENTS AND SIGAR'S EVALUATION

USAID replied on April 22, 2020. USAID agreed with SIGAR's recommendations, and expressed their appreciation for SIGAR highlighting the Afghan government's inconsistencies in procedures for issuing initial one-year multiple entry visas and the subsequent one-year visa renewals. We received comments from the Combined Security Transition Command-Afghanistan (CSTC-A) on April 13, 2020. CSTC-A agreed that the elimination of inconsistency in both fees and duration of visas for contractors would be beneficial.

After receiving USAID and CSTC-A comments, we spoke with DOS representatives to discuss their concerns with the original draft report which had two recommendations to the DOS. After reviewing a draft of their reply and discussing their concerns with our recommendations it was apparent that they believed we wanted them to change the Bilateral Support Agreement. Based on our discussion, we dropped the original two recommendations and formulated a new recommendation to make it clear that we were recommending that DOS work with the Afghan government to get policies in place that would allow all U.S. contractors funded by the U.S. government to get a one-year multi-entry visa and not be required to get a work permit. However, State disagreed with our revised recommendation. In their comments, DOS asserts that a lack of uniformity exists due to the fact that different authorities apply to DOD, DOS and USAID. Furthermore, State makes a comparison to what the U.S. government charges Afghans for visas to enter the United States. Such a comparison doesn't take into consideration the fact that the U.S. government is paying for these contractors to reconstruct Afghanistan and that the Afghan government is still charging U.S. contractors more for a 1-year, multiple-entry visa than any other visa category established by the Afghan government. Also, requiring USAID contractors to obtain work permits costs the U.S. government more money and the contractor's additional time to get into the country so that they can provide assistance in the reconstruction effort.

In their comments, DOS indicates that in the future they could explore with the Afghan government the possibility of applying visa terms that are similar to those that apply to DOD contractors to State and USAID contractors. In our view, DOS would have significant leverage to get the Afghan government to establish policies that apply visa terms similar to those applied to DOD for all U.S. contractors involved in reconstruction given the fact that the U.S. is paying these contractors to assist the Afghan government.

APPENDIX I – COMMENTS FROM THE DEPARTMENT OF STATE¹²



July 10, 2020

UNCLASSIFIED

TO: Special Inspector General for Afghanistan Reconstruction (SIGAR)

FROM: SCA – Deputy Assistant Secretary for Afghanistan Affairs Nancy Jackson *NJ*

SUBJECT: Response to the SIGAR Draft Special Project Report on Inconsistent Afghan Visa Policies (SP-220)

BLUF: State does not concur with SIGAR’s recommendation that the Department coordinate with the Afghan government to standardize visa policies for State and USAID contractors based on terms provided for Department of Defense (DoD) contractors under the Bilateral Security Agreement (BSA).

The Bureau of South and Central Asian Affairs (SCA) thanks SIGAR for providing a copy of its draft special report “Inconsistent Afghan Visa Policies Increased the Cost to Deploy Contractors to Afghanistan.” SCA appreciates the opportunity to comment.

Recommendation: Coordinate with the Afghan government to standardize visa policies so that all U.S. funded contractors involved with reconstruction of Afghanistan are treated equally as stipulated in the Presidential decree that states that all U.S. contractors can acquire a one year multi-entry visa and are not required to obtain a work permit.

Response: **State does not concur.**

The Department agrees that it is important to monitor assistance program implementation and ensure that overhead costs are not excessive and that, in areas such as the issuance of visas and work permits, the Afghan government provides services in a manner that is consistent and fair. In that regard, we welcome SIGAR’s effort to look the costs incurred for the issuance of visas and related matters in connection with program implementation. As the draft special report indicates, gathering an adequate body of accurate relevant data is difficult. Despite the limitations in this area acknowledged in the draft special report, the basic information SIGAR has provided is useful. We expect to draw on it in our continuing efforts to ensure maximum efficiency in assistance program implementation.

The lack of uniform treatment of contractors for DoD, State, and USAID exists due to the fact that different authorities apply to the three agencies’ contractors. The visa treatment of DoD contractors and their exemption from the work permit requirement were determined in the context of implementation of the Bilateral Security Agreement (BSA), a complex agreement that addresses a broad range of security cooperation matters. Several different authorities govern the

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¹² Although the letter is dated July 10, 2020, the Department of States’ written comments were not transmitted to SIGAR until July 13, 2020.

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visa treatment of State and USAID contractors. SIGAR's recommendation refers to an Afghan presidential decree that applies explicitly to implementation of the BSA and is not relevant to assistance programs managed by State and USAID.

While DoD contracting terms do not provide a model for other agencies, SIGAR is correct in observing that the Afghan government should implement its visa policies in a transparent manner that does not impose undue costs on U.S. government agencies. As SIGAR's report indicates, for example, the apparent inability of the Embassy of Afghanistan in Washington to issue visas to U.S. contractors on an expedited basis may lead contractors and visa facilitation services that they utilize to use more costly options. Agencies should be attentive to the Afghan government's performance in observing its stated policies when providing visas to their contractors, while assuring that the most cost-effective options available are used to obtain Afghan visas.

In order to give further consideration to SIGAR's proposal, the Department could in the future – following consultations with the Department of Defense to ensure that any such effort was consistent with our broader security cooperation interests – explore with the Afghan government the possibility of applying visa terms that are similar to those that apply to DOD contractors to State and USAID contractors. Adding such an initiative to our diplomatic agenda right now, however, would detract from other high-priority objectives we are pursuing to reach a peace agreement. Moreover, it is not clear that the Afghan government would be receptive to such an initiative and the basis for making such a request would not be strong.

Additional Comments: Bureau of Consular Affairs – Visa Office (CA/VO):

The Afghanistan Ministry of Foreign Affairs issues a multiple-entry visa valid for one year for the equivalent of \$360. The equivalent of a multiple-entry visa valid for one year for an Afghan national would cost the equivalent of \$760 (1 entry, 3 months validity x 4), as the United States only issues a single-entry, 3-months validity H1B visa to Afghan nationals. The U.S. Immigration and Nationality Act (INA) does not take work permits into consideration when assessing visa reciprocity, so Afghan and U.S. visa fees do not violate the principle of reciprocity according to the INA definition.

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APPENDIX II – COMMENTS FROM THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



MEMORANDUM

April 22, 2020

TO: John F. Sopko,
Special Inspector General for Afghanistan Reconstruction
(SIGAR)

FROM: Tina Dooley-Jones, Officer in Charge 

SUBJECT: Mission Response to Draft SIGAR Special Project Report
titled: "Inconsistent Afghan Visa Policies Increased the
Cost to Deploy Contractors to Afghanistan" (SIGAR 20-
XX-SP/SP-220)

REF: SIGAR Transmittal Email dated March 26, 2020

USAID would like to thank SIGAR for the opportunity to comment on the draft report "Inconsistent Afghan Visa Policies Increased the Cost to Deploy Contractors to Afghanistan."

USAID appreciates SIGAR for highlighting the Afghan government's inconsistencies in procedures for issuing the initial one-year multiple entry visas and the subsequent one-year visa renewals, and the associated costs. USAID takes its fiduciary oversight responsibilities seriously and has designed measures to ensure that it provides adequate fiduciary oversight over U.S. Government resources. These are incorporated into all contracts, including the five sampled.

With respect to the initial one-year entry visas, as SIGAR noted, USAID contractors *"have been unable to get a 1-year multiple-entry visa and instead must obtain short-term visas and then obtain a work permit in Afghanistan before the Afghan government will issue them a 1-year multiple-entry visa."* This partially explains the relatively higher costs for obtaining the initial one-year multiple entry visas. The second reason for the relatively higher costs is because some contractors use agents to process the initial one-year multiple

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entry visas, who charge a processing fee in addition to the visa fee. For subsequent one-year multiple entry visa renewals, the costs average approximately \$730, which includes \$600 for the renewal and \$130 for the work permit. Subject to the inconsistencies in visa issuance and renewals noted above, this is consistent with SIGAR's observations.

USAID worked closely with SIGAR and provided all the requested documents that included itemized costs for each visa related expenditure incurred in 2018 for all the 298 contractors from the five sampled contracts for this engagement. SIGAR did not inform USAID that it needed any additional information to facilitate further analysis, otherwise USAID would have provided the information, as was the case for the detailed information provided.

In its draft report, SIGAR recommended that the Secretary of State, in conjunction with the Secretary of Defense and the USAID Administrator:

- 1. Work with the Afghan government to align visa policies with the provisions in the Bilateral Security Agreement, and to eliminate work permit requirements for non-DOD contractors and the \$200 fee in lieu of a work permit incorporated into the visa renewal fees for DOD contractors.*
- 2. Work with the MOFA and MOI to eliminate inconsistencies in both fees and the duration of visas for contractors implementing U.S. government contracts, and ensure that all contractors can renew visas for \$160 regardless of where the renewal application is filed.*

USAID agrees with both recommendations and will work with the Department of State as the lead Agency to engage the Afghan government in addressing both recommendations.

Again, USAID thanks SIGAR for exploring this important topic.

cc: Lealie M. Perry, Acting OAA Director, USAID/Afghanistan
Elizabeth A. Chambers, Controller, USAID/Afghanistan
U.S. Embassy/Kabul
OAPA Audit

APPENDIX III – COMMENTS FROM THE COMBINED SECURITY TRANSITION COMMAND-AFGHANISTAN (CSTC-A)



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HEADQUARTERS RESOLUTE SUPPORT
COMBINED SECURITY TRANSITION COMMAND-AFGHANISTAN
KABUL, AFGHANISTAN
APO, AE 09320

CSTC-A

13 April 2020

MEMORANDUM THRU

United States Forces – Afghanistan DCDR-S, APO AE 09356
United States Central Command (CCIG), MacDill Air Force Base, FL 33621

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

SUBJECT: Response to Draft Report for SIGAR Office of Special Projects project code
SP-220.

1. The purpose of this memorandum is to provide the Combined Security Transition Command – Afghanistan (CSTC-A) response to the SIGAR draft report for project code SP-220, "Facilitation Fee to Expedite Obtaining Working Visa for U.S. Contractors in Afghanistan."
2. SIGAR directed their recommendations to the Secretary of State, in conjunction with the Secretary of Defense and the USAID Administer. CSTC-A appreciates SIGAR's review of Afghan visa policies and the opportunity to respond and provide feedback, even though SIGAR did not direct the following recommendations towards CSTC-A:
 - a. *Recommendation 1: Work with the Afghan government to align visa policies with the provisions in the Bilateral Security Agreement, and to eliminate work permit requirements for non-DOD contractors and the \$200 fee in lieu of a work permit incorporated into the visa renewal fees for DOD contractors.*
 - b. *Recommendation 2: Work with the MOFA and MOI to eliminate inconsistencies in both fees and the duration of visas for contractors implementing U.S. government contracts, and ensure that all contractors can renew visas for \$160 regardless of where the renewal application is filed.*
3. Management Response for the Recommendations.
 - a. CSTC-A agrees that the elimination of inconsistency in both fees and duration of visas for contractors would be beneficial. However, CSTC-A believes that this is an issue with the Ministry of Foreign Affairs, which CSTC-A does not train, advise, or assist (TAA). In addition, the responsibility of the application, interpretation, and implementation of the Bilateral Security Agreement (BSA) and the presidential

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CSTC-A

SUBJECT: Follow-Up Responses to Open Recommendations (1a – 1c and 1e – 1f) for the DoDIG "Audit of the DoD Requirements for the Afghan National Defense Security Forces National Maintenance Strategy – Ground Vehicle Support Contract."

decree, that govern the fees and visas for all U.S. contractors, resides with and between the U.S. Department of State and the Government of the Islamic Republic of Afghanistan (GIRoA). The Ministry of Interior (MoI) crafts its policies based on its government's interpretation of the BSA and subsequent policies and processes for visa renewal and fees. Once the U.S. Government and GIRoA reach a consensual agreement, then CSTC-A would be able to TAA the MoI to ensure proper implementation and consistency of fees with the agreement.

4. Point of Contact is Matthew A. Norton, CSTC-A, External Audits, Kabul, Afghanistan,

GEOFFREY R. VAN EPPS
Colonel, USA
CSTC-A, Director of Staff

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This project was conducted
under project code SP-220.

SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- Advance U.S. interests in reconstructing Afghanistan.

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