

STATUS OF FUNDS CONTENTS

U.S. Reconstruction Funding for Afghanistan	66
Afghanistan Reconstruction Funding Pipeline	68
Afghanistan Security Forces Fund	70
Commander's Emergency Response Program	72
Afghanistan Infrastructure Fund	73
Task Force for Business and Stability Operations	74
DOD Drug Interdiction and Counter-Drug Activities	75
Economic Support Fund	76
International Narcotics Control and Law Enforcement	77
International Reconstruction Funding for Afghanistan	78

STATUS OF FUNDS

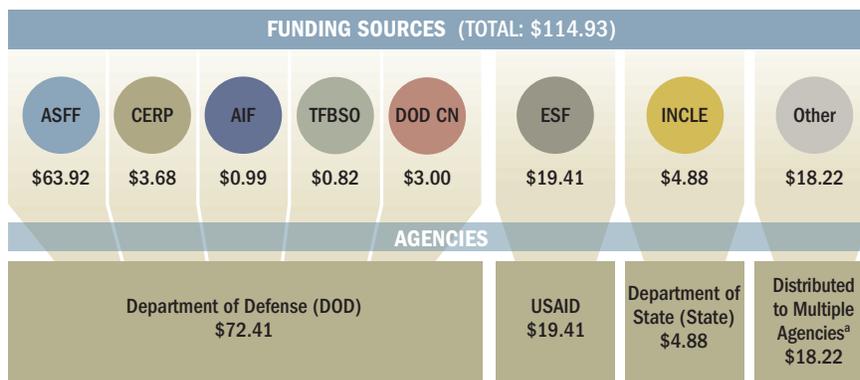
To fulfill SIGAR’s legislative mandate, this section details the status of U.S. funds appropriated, obligated, and disbursed for reconstruction activities in Afghanistan. As of June 30, 2016, the United States had appropriated approximately \$114.93 billion for relief and reconstruction in Afghanistan since FY 2002. This total has been allocated as follows:

- \$68.44 billion for security (\$4.31 billion for counternarcotics initiatives)
- \$32.83 billion for governance and development (\$4.15 billion for counternarcotics initiatives)
- \$2.98 billion for humanitarian aid
- \$10.68 billion for civilian operations

Figure 3.1 shows the major U.S. funds that contribute to these efforts.

FIGURE 3.1

U.S. FUNDS SUPPORTING AFGHANISTAN RECONSTRUCTION EFFORTS (\$ BILLIONS)



- ASFF:** Afghanistan Security Forces Fund
- CERP:** Commander’s Emergency Response Program
- AIF:** Afghanistan Infrastructure Fund
- TFBSO:** Task Force for Business and Stability Operations
- DOD CN:** DOD Drug Interdiction and Counter-Drug Activities
- ESF:** Economic Support Fund
- INCLE:** International Narcotics Control and Law Enforcement
- Other:** Other Funding

Note: Numbers have been rounded.

^a Multiple agencies include DOJ, State, DOD, USAID, Treasury, USDA, DEA, Broadcasting Board of Governors (BBG), and SIGAR.

Source: DOD, response to SIGAR data calls, 7/12/2016, 6/21/2016, 4/19/2016, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data calls, 7/15/2016, 7/7/2016, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012, and 6/27/2012; Treasury, response to SIGAR data call, 7/9/2015; OMB, response to SIGAR data calls, 4/16/2015, 7/14/2014, 7/19/2013 and 1/4/2013; USAID, response to SIGAR data calls, 7/11/2016, 10/15/2010, 1/15/2010, and 10/9/2009; DOJ, response to SIGAR data calls, 6/17/2016 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016; Pub. L. Nos. 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

STATUS OF FUNDS



The amount provided to the seven major U.S. funds represents more than 84.1% (over \$96.70 billion) of total reconstruction assistance in Afghanistan since FY 2002. Of this amount, more than 91.3% (nearly \$88.31 billion) has been obligated, and over 85.8% (nearly \$83.00 billion) has been disbursed. An estimated \$4.46 billion of the amount appropriated these funds has expired.

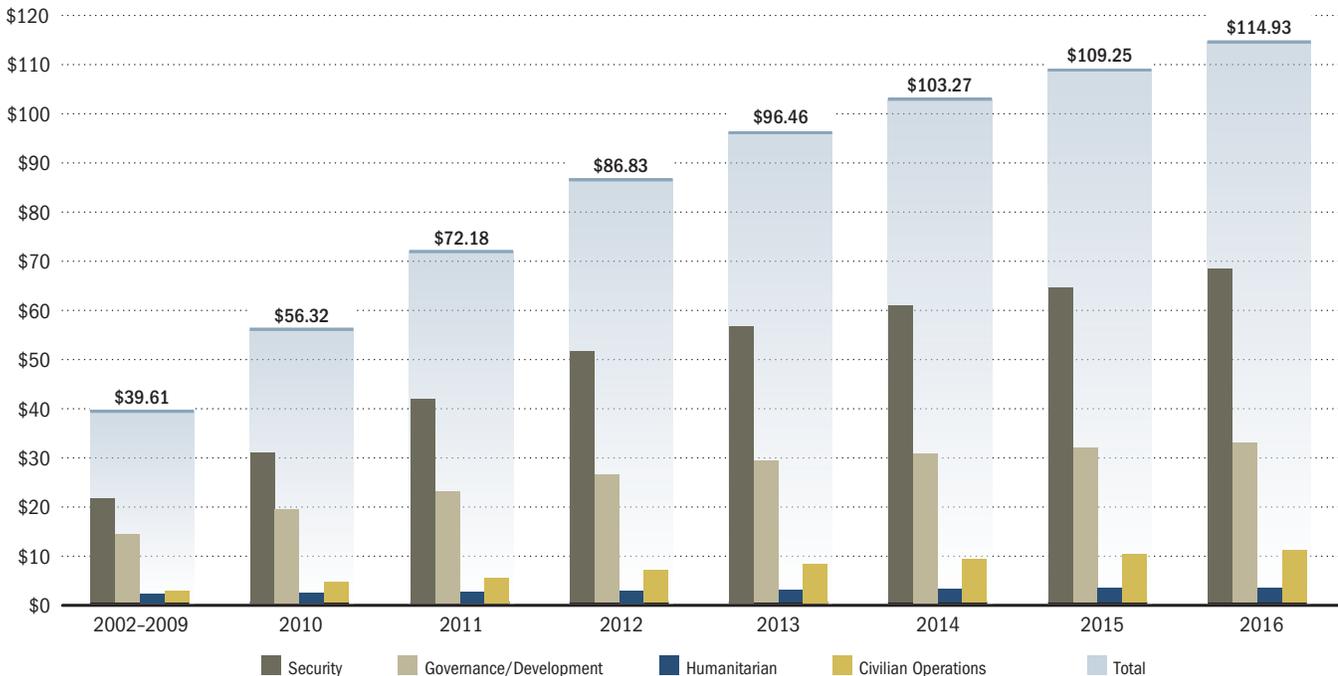
U.S. RECONSTRUCTION FUNDING FOR AFGHANISTAN

As of June 30, 2016, cumulative appropriations for relief and reconstruction in Afghanistan totaled approximately \$114.93 billion, as shown in Figure 3.2. This total can be divided into four major categories of reconstruction funding: security, governance and development, humanitarian, and oversight and operations. Approximately \$8.46 billion of these funds support counter-narcotics initiatives which crosscut both the security (\$4.31 billion) and governance and development (\$4.15 billion) categories. For complete information regarding U.S. appropriations, see Appendix B.

This quarter State and USAID notified FY 2016 allocations for foreign assistance accounts to Congress. The notification allocated \$812.27 million for the Economic Support Fund (ESF) and \$185 million for the International Narcotics Control and Law Enforcement (INCLE) account. The additional funding brings the amount appropriated for FY 2016 to more than \$5.67 billion, as shown in Figure 3.3.

FIGURE 3.2

CUMULATIVE APPROPRIATIONS BY FUNDING CATEGORY, AS OF JUNE 30, 2016 (\$ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed \$1 billion from FY 2011 ASFF, \$1 billion from FY 2012 ASFF, and \$178 million from FY 2013 ASFF to fund other DOD OCO requirements. ASFF data reflects the following rescissions: \$1 billion from FY 2012 in Pub. L. No. 113-6, \$764.38 million from FY 2014 in Pub. L. No. 113-235, and \$400 million from FY 2015 in Pub. L. No. 114-113. DOD transferred \$101 million from FY 2011 AIF, \$179.5 million from FY 2013 AIF, and \$55 million from FY 2014 AIF to the ESF to fund infrastructure projects implemented by USAID.

Source: DOD, response to SIGAR data calls, 7/12/2016, 6/21/2016, 4/19/2016, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data calls, 7/15/2016, 7/7/2016, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012, and 6/27/2012; Treasury, response to SIGAR data call, 7/9/2015; OMB, response to SIGAR data calls, 4/16/2015, 7/14/2014, 7/19/2013 and 1/4/2013; USAID, response to SIGAR data calls, 7/11/2016, 10/15/2010, 1/15/2010, and 10/9/2009; DOJ, response to SIGAR data calls, 6/17/2016 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016; Pub. L. Nos. 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

STATUS OF FUNDS

The United States aims to channel at least 50% of its development assistance on-budget to the Government of Afghanistan.⁸¹ This assistance is provided either directly to Afghan government entities or via contributions to multilateral trust funds that also support the Afghan government's budget.⁸² Since 2002, the United States has provided nearly \$10.12 billion in on-budget assistance. This includes about \$5.61 billion to Afghan government ministries and institutions, and over \$4.51 billion to three multinational trust funds—the World Bank's Afghanistan Reconstruction Trust Fund (ARTF), the United Nations Development Programme's Law and Order Trust Fund (LOTFA), and the Asian Development Bank's Afghanistan Infrastructure Trust Fund (AITF). Table 3.1 shows U.S. on-budget assistance disbursed to the Afghan government and multilateral trust funds.

TABLE 3.1

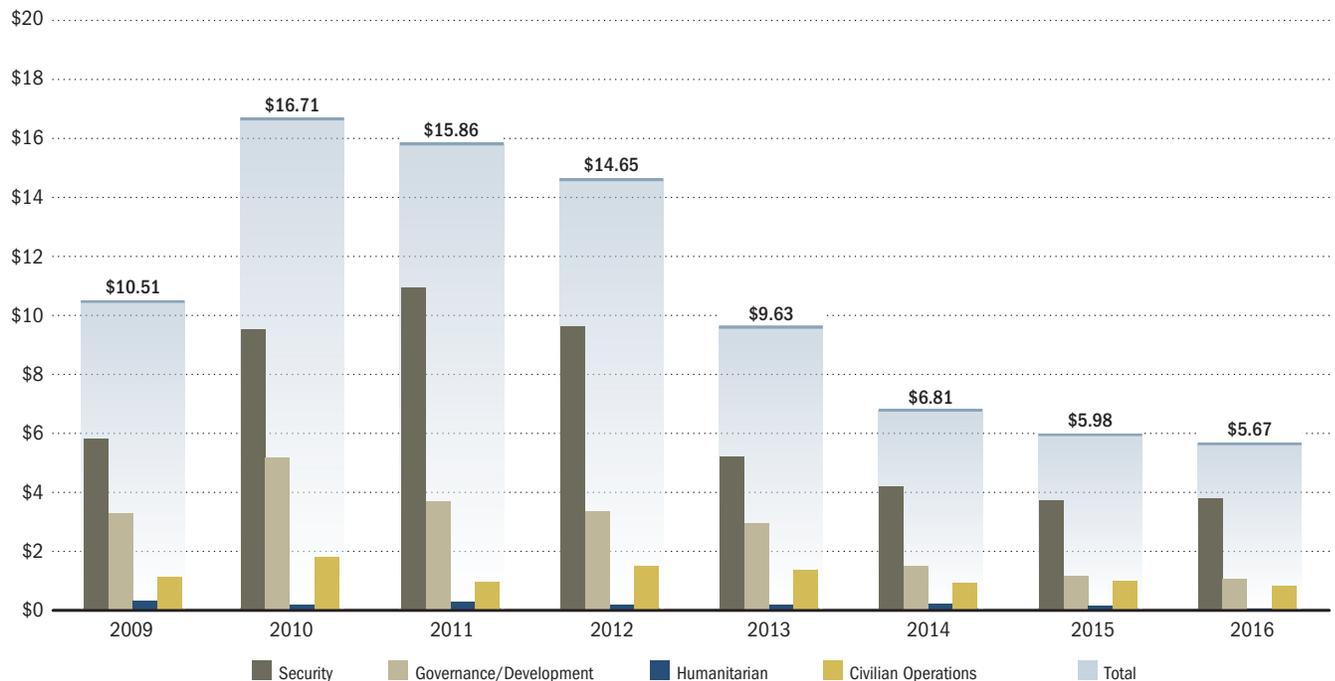
U.S. ON-BUDGET ASSISTANCE TO AFGHANISTAN, SINCE 2002 (\$ MILLIONS)	
Government-to-Government	
DOD	\$4,946
State	92
USAID	571
Multilateral Trust Funds	
LOTFA	\$1,556
ARTF	2,842
AITF	113

Note: Numbers have been rounded. Figures reflect amounts the United States has disbursed in on-budget assistance to Afghan government entities and multilateral trust funds. As of June 30, 2016, USAID has obligated approximately \$1.2 billion for government-to-government assistance.

Source: USAID, response to SIGAR data call, 7/11/2016; DOD, response to SIGAR data call, 6/25/2015; World Bank, "ARTF: Administrator's Report on Financial Status as of June 20, 2016 (end of 6th month of FY 1395)", p. 6; UNDP, response to SIGAR data call, 7/19/2016.

FIGURE 3.3

APPROPRIATIONS BY FISCAL YEAR, AMOUNT, AND CATEGORY (\$ BILLIONS)



Note: Numbers have been rounded. DOD reprogrammed \$1 billion from FY 2011 ASFF, \$1 billion from FY 2012 ASFF, and \$178 million from FY 2013 ASFF to fund other DOD OCO requirements. ASFF data reflects the following rescissions: \$1 billion from FY 2012 in Pub. L. No. 113-6, \$764.38 million from FY 2014 in Pub. L. No. 113-235, and \$400 million from FY 2015 in Pub. L. No. 114-113. DOD transferred \$101 million from FY 2011 AIF, \$179.5 million from FY 2013 AIF, and \$55 million from FY 2014 AIF to the ESF to fund infrastructure projects implemented by USAID.

Source: DOD, response to SIGAR data calls, 7/12/2016, 6/21/2016, 4/19/2016, 10/22/2012, 10/14/2009, and 10/1/2009; State, response to SIGAR data calls, 7/15/2016, 7/7/2016, 5/4/2016, 10/20/2015, 4/15/2015, 4/15/2014, 6/27/2013, 10/5/2012 and 6/27/2012; Treasury, response to SIGAR data call, 7/9/2015; OMB, response to SIGAR data calls, 4/16/2015, 7/14/2014, 7/19/2013 and 1/4/2013; USAID, response to SIGAR data calls, 7/11/2016, 10/15/2010, 1/15/2010, and 10/9/2009; DOJ, response to SIGAR data calls, 6/17/2016 and 7/7/2009; USDA, response to SIGAR data call, 4/2009; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016; Pub. L. Nos. 114-113, 113-235, 113-76, 113-6, 112-74, 112-10, 111-212, 111-118.

STATUS OF FUNDS

AFGHANISTAN RECONSTRUCTION FUNDING PIPELINE

Since 2002, Congress has appropriated nearly \$114.93 billion for Afghanistan relief and reconstruction. Of this amount, \$96.70 billion (84.1%) was appropriated to the seven major reconstruction funds, as shown in Table 3.3.

FIGURE 3.4

CUMULATIVE AMOUNT REMAINING TO BE DISBURSED (\$ BILLIONS)

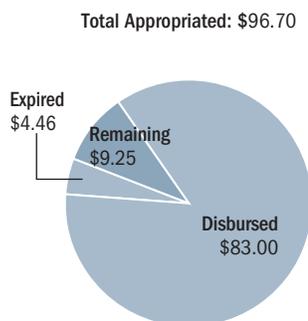


TABLE 3.3

CUMULATIVE AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED FY 2002–2016 (\$ BILLIONS)

	Appropriated	Obligated	Disbursed	Remaining
Afghanistan Security Forces Fund (ASFF)	\$63.92	\$60.10	\$58.33	\$3.64
Commander's Emergency Response Program (CERP)	3.68	2.29	2.27	0.02
Afghanistan Infrastructure Fund (AIF)	0.99	0.77	0.55	0.23
Task Force for Business & Stability Operations (TFBSO)	0.82	0.75	0.64	0.11
DOD Drug Interdiction and Counter-Drug Activities (DOD CN)	3.00	2.99	2.99	0.00
Economic Support Fund (ESF)	19.41	17.08	14.49	4.24
International Narcotics Control & Law Enforcement (INCLE)	4.88	4.32	3.73	1.01
Total Major Funds	\$96.70	\$88.31	\$83.00	\$9.25
Other Reconstruction Funds	7.54			
Operations & Oversight	10.68			
Total	\$114.93			

Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds after deducting approximately \$4.5 billion that expired before being obligated. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 7/19/2016.

TABLE 3.2

FY 2016 AMOUNTS APPROPRIATED (\$ MILLIONS)	
	Appropriated
ASFF	\$3,652.26
CERP	5.00
DOD CN	138.76
ESF	812.27
INCLE	185.00
Total Major Funds	\$4,793.29

As of June 30, 2016, approximately \$9.25 billion of the amount appropriated to the seven major reconstruction funds remained for possible disbursement, as shown in Figure 3.4. These funds will be used to train, equip, and sustain the ANDSF; complete on-going, large-scale infrastructure projects, such as those funded by the AIF and ESF; combat narcotics production and trafficking; and advance the rule of law, strengthen the justice sector, and promote human rights.

This quarter State and USAID completed the 653(a) congressional consultation process to finalize foreign assistance allocation amounts for FY 2016. The notification allocated \$812.27 million from ESF and \$185 million from INCLE for Afghanistan, bringing the total appropriated the major reconstruction funds for FY 2016 to \$4.79 billion—roughly the same amount as FY 2015 after rescissions, as shown in Table 3.2.

STATUS OF FUNDS

Congress appropriated nearly \$5.63 billion to the seven major reconstruction funds for FY 2014. Of that amount, nearly \$1.13 billion remained for possible disbursement, as of June 30, 2016, as shown in Table 3.4 and Figure 3.5.

TABLE 3.4

FY 2014 AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED (\$ MILLIONS)				
	Appropriated	Obligated	Disbursed	Remaining
ASFF	\$3,962.34	\$3,956.71	\$3,780.66	\$176.05
CERP	30.00	6.62	6.44	0.18
AIF	144.00	127.92	12.16	115.76
TFBSO	122.24	106.77	85.84	20.93
DOD CN	238.96	238.96	238.96	0.00
ESF	907.00	835.92	188.46	647.46
INCLE	225.00	224.74	51.77	172.97
Total Major Funds	\$5,629.54	\$5,497.63	\$4,364.28	\$1,133.35

Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds after deducting approximately \$132 million that expired before being obligated. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 7/19/2016.

Congress appropriated more than \$4.80 billion to four of the seven major reconstruction funds for FY 2015. Of that amount, more than \$1.80 billion remained for possible disbursement, as of June 30, 2016, as shown in Table 3.5 and Figure 3.6.

TABLE 3.5

FY 2015 AMOUNTS APPROPRIATED, OBLIGATED, AND DISBURSED (\$ MILLIONS)				
	Appropriated	Obligated	Disbursed	Remaining
ASFF	\$3,709.33	\$3,498.87	\$2,969.14	\$740.20
CERP	10.00	3.37	1.60	1.77
ESF	831.90	2.00	2.00	829.90
INCLE	250.00	20.78	17.96	232.04
Total Major Funds	\$4,801.23	\$3,525.02	\$2,990.69	\$1,803.91

Note: Numbers have been rounded. Amount remaining reflects the total disbursement potential of the seven major reconstruction funds after deducting approximately \$7 million that expired before being obligated. Obligated and disbursed DOD CN funds reflect amounts transferred to the military services and defense agencies to be spent for Afghanistan. Figures reflect transfers, rescissions, and reprogramming activity to date.

Source: SIGAR, analysis of appropriating legislation and quarterly obligation and disbursement data provided by DOD, State, and USAID, 7/19/2016.

FIGURE 3.5

FY 2014 AMOUNT REMAINING TO BE DISBURSED (\$ BILLIONS)

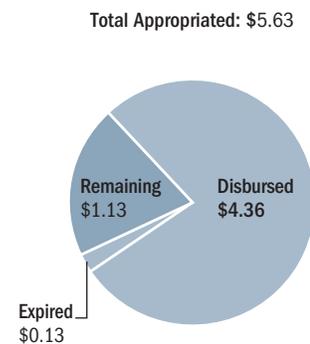
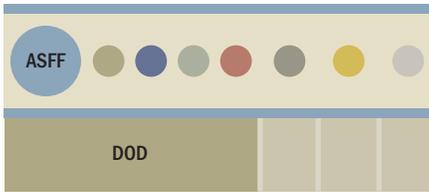


FIGURE 3.6

FY 2015 AMOUNT REMAINING TO BE DISBURSED (\$ BILLIONS)



STATUS OF FUNDS



ASFF FUNDS TERMINOLOGY

DOD reported ASFF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

AFGHANISTAN SECURITY FORCES FUND

The Congress created the Afghanistan Security Forces Fund (ASFF) to provide the ANDSF with equipment, supplies, services, training, and funding, as well as facility and infrastructure repair, renovation, and construction.⁸³ The primary organization responsible for building the ANDSF is the Combined Security Transition Command-Afghanistan.⁸⁴ A financial and activity plan must be approved by the Afghanistan Resources Oversight Council (AROC) before ASFF funds may be obligated.⁸⁵

The Consolidated Appropriations Act, 2016, appropriated more than \$3.65 billion for the ASFF for FY 2016, increasing total cumulative funding to more than \$63.92 billion.⁸⁶ As of June 30, 2016, nearly \$60.10 billion of total ASFF funding had been obligated, of which more than \$58.33 billion had been disbursed.⁸⁷ Figure 3.7 displays the amounts made available for the ASFF by fiscal year.

DOD reported that cumulative obligations increased by nearly \$1.95 billion over the quarter, and cumulative disbursements increased by more than \$1.28 billion.⁸⁸ Figure 3.8 provides a cumulative comparison of amounts made available, obligated, and disbursed for the ASFF.

FIGURE 3.7

ASFF APPROPRIATED FUNDS BY FISCAL YEAR
(\$ BILLIONS)

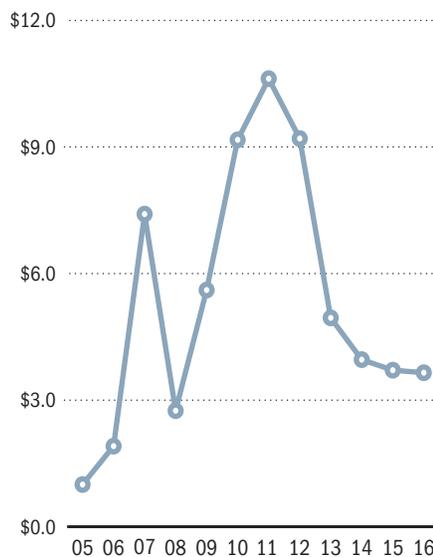
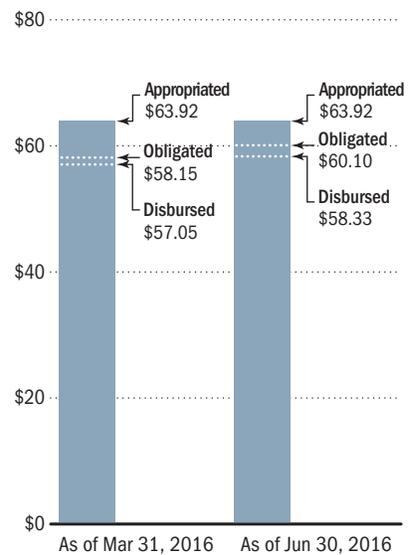


FIGURE 3.8

ASFF FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. Data reflects reprogramming actions and rescissions. DOD reprogrammed \$1 billion of FY 2011, \$1 billion of FY 2012, and \$178 million of FY 2013 out of the ASFF to fund other DOD requirements. Pub. L. No. 113-6 rescinded \$1 billion from FY 2012. Pub. L. No. 113-235 rescinded \$764.38 million from FY 2014. Pub. L. No. 114-113 rescinded \$400 million from FY 2015.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2016," 4/15/2016; Pub. L. Nos. 114-113, 113-235, 113-76, and 113-6.

ASFF Budget Activities

DOD allocates funds to three budget activity groups within the ASFF:

- Defense Forces (Afghan National Army, ANA)
- Interior Forces (Afghan National Police, ANP)
- Related Activities (primarily Detainee Operations)

Funds for each **budget activity group** are further allocated to four **subactivity groups**: Infrastructure, Equipment and Transportation, Training and Operations, and Sustainment.⁸⁹ The AROC must approve the requirement and acquisition plan for any service requirements in excess of \$50 million annually and any nonstandard equipment requirement in excess of \$100 million.⁹⁰

As of June 30, 2016, DOD had disbursed more than \$58.33 billion for ANDSF initiatives. Of this amount, nearly \$39.05 billion was disbursed for the ANA, and more than \$18.89 billion was disbursed for the ANP; the remaining \$389.12 million was directed to related activities.⁹¹

As shown in Figure 3.9, the largest portion of the funds disbursed for the ANA—more than \$16.58 billion—supported ANA troop sustainment. Of the funds disbursed for the ANP, the largest portion—more than \$8.03 billion—also supported sustainment of ANP forces, as shown in Figure 3.10.⁹²

Budget Activity Groups: categories within each appropriation or fund account that identify the purposes, projects, or types of activities financed by the appropriation or fund

Subactivity Groups: accounting groups that break down the command's disbursements into functional areas

Source: DOD, *Manual 7110.1-M Department of Defense Budget Guidance Manual*, accessed 9/28/2009; Department of the Navy, *Medical Facility Manager Handbook*, p. 5, accessed 10/2/2009.

FIGURE 3.9

ASFF DISBURSEMENTS FOR THE ANA BY SUBACTIVITY GROUP, FY 2005-JUN 30, 2016 (\$ BILLIONS)

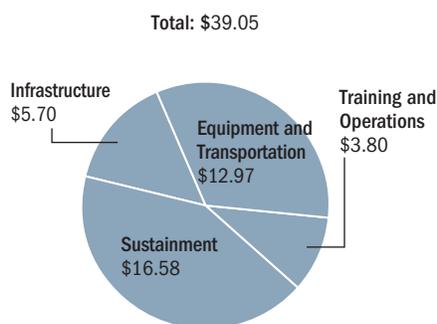
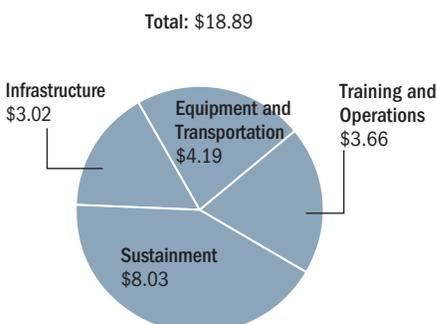


FIGURE 3.10

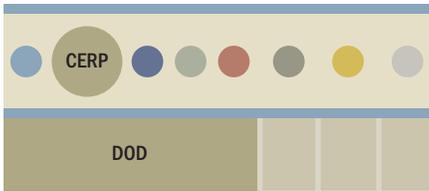
ASFF DISBURSEMENTS FOR THE ANP BY SUBACTIVITY GROUP, FY 2005-JUN 30, 2016 (\$ BILLIONS)



Note: Numbers have been rounded.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016.

STATUS OF FUNDS



CERP FUNDS TERMINOLOGY

DOD reported CERP funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/14/2010.

COMMANDER'S EMERGENCY RESPONSE PROGRAM

The Commander's Emergency Response Program (CERP) enables U.S. commanders in Afghanistan to respond to urgent humanitarian relief and reconstruction requirements in their areas of responsibility by supporting programs that will immediately assist the local population. Funding under this program is intended for small projects that are estimated to cost less than \$500,000 each.⁹³ CERP-funded projects may not exceed \$2 million each.⁹⁴

The Consolidated Appropriations Act, 2016, appropriated \$5 million for CERP, increasing total cumulative funding to more than \$3.68 billion.⁹⁵ Of this amount, DOD reported that nearly \$2.29 billion had been obligated, of which nearly \$2.27 billion had been disbursed as of June 30, 2016.⁹⁶ Figure 3.11 shows CERP appropriations by fiscal year, and Figure 3.12 provides a cumulative comparison of amounts appropriated, obligated, and disbursed for CERP projects.

FIGURE 3.11

CERP APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

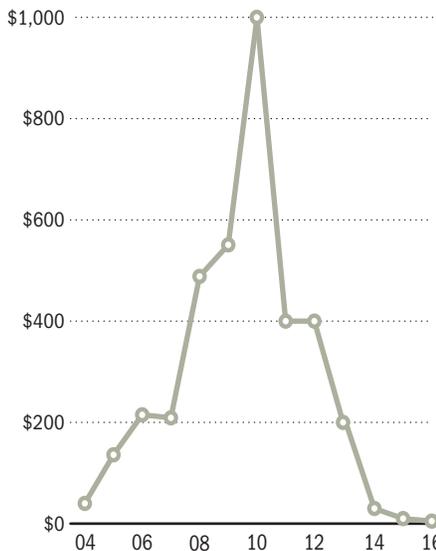
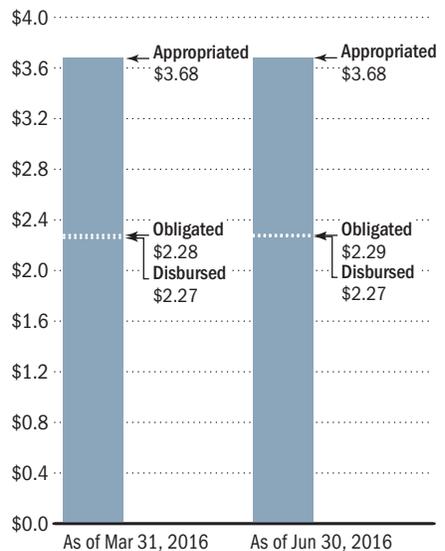


FIGURE 3.12

CERP FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. Data may include inter-agency transfers.

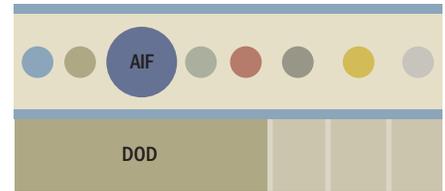
Source: DOD, response to SIGAR data calls, 7/19/2016 and 4/19/2016; OMB, response to SIGAR data call, 1/4/2013; Pub. L. Nos. 114-113, 113-235, 113-76, 113-6, 112-74, 112-10.

AFGHANISTAN INFRASTRUCTURE FUND

The AIF was established in FY 2011 to pay for high-priority, large-scale infrastructure projects that support the U.S. civilian-military effort. Congress intended for projects funded by the AIF to be jointly selected and managed by DOD and State. Each AIF-funded project is required to have a plan for its sustainment and a description of how it supports the counter-insurgency strategy in Afghanistan.⁹⁷ The AIF received appropriations from FY 2011 through FY 2014. Although the AIF no longer receives appropriations, many projects remain in progress. DOD may obligate up to \$50 million from FY 2016 ASFF to complete existing AIF projects.⁹⁸

The AIF received cumulative appropriations of over \$1.32 billion; however, \$335.50 million of these funds were transferred to the Economic Support Fund (ESF) for USAID's power transmission lines projects, bringing the cumulative amount remaining in the AIF to \$988.50 million.⁹⁹ Figure 3.13 shows AIF appropriations by fiscal year.

As of June 30, 2016, nearly \$773.64 million of total AIF funding had been obligated, and nearly \$546.54 million had been disbursed, as shown in Figure 3.14.¹⁰⁰



AIF FUNDS TERMINOLOGY

DOD reported AIF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2012.

FIGURE 3.13

AIF APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)

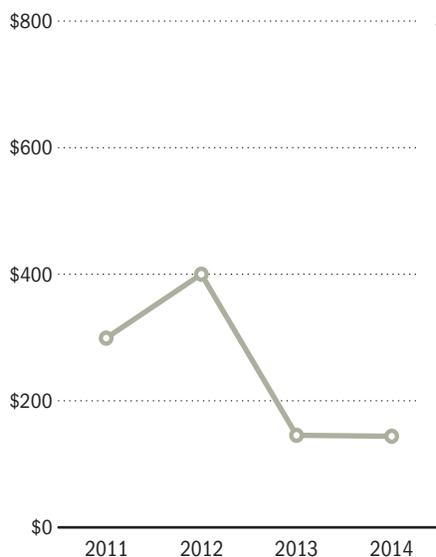
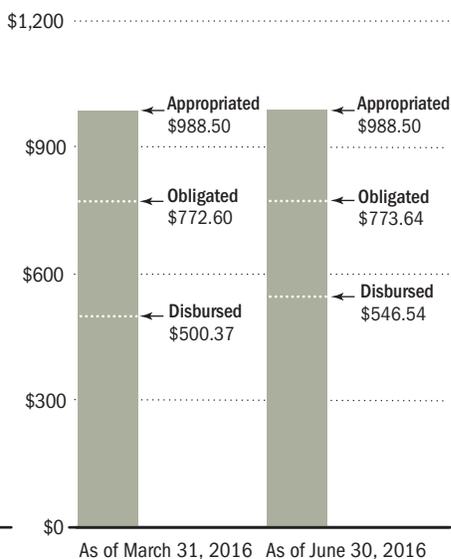


FIGURE 3.14

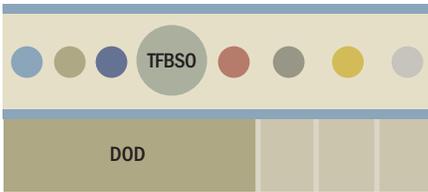
AIF FUNDS, CUMULATIVE COMPARISON
(\$ MILLIONS)



Note: Numbers have been rounded. Data reflects the following transfers from AIF to USAID's Economic Support Fund: \$101 million for FY 2011, \$179.5 million for FY 2013, and \$55 million for FY 2014.

Source: DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts June 2016," 7/15/2016; DFAS, "AR(M) 1002 Appropriation Status by FY Program and Subaccounts March 2016," 4/15/2016; Pub. L. Nos. 113-76, 113-6, 112-74, and 112-10.

STATUS OF FUNDS



TFBSO FUNDS TERMINOLOGY

DOD reported TFBSO funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

TASK FORCE FOR BUSINESS AND STABILITY OPERATIONS

In 2010, the TFBSO began operations in Afghanistan aimed at stabilizing the country and countering economically motivated violence by decreasing unemployment and creating economic opportunities for Afghans. TFBSO authorities expired on December 31, 2014, and the TFBSO concluded its operations on March 31, 2015. TFBSO projects included activities intended to facilitate private investment, industrial development, banking and financial system development, agricultural diversification and revitalization, and energy development.¹⁰¹

Through June 30, 2016, the TFBSO had been appropriated more than \$822.85 million since FY 2009. Of this amount, nearly \$754.37 million had been obligated and more than \$640.61 million had been disbursed.¹⁰² Figure 3.15 displays the amounts appropriated for the TFBSO by fiscal year, and Figure 3.16 provides a cumulative comparison of amounts appropriated, obligated, and disbursed for the TFBSO and its projects.

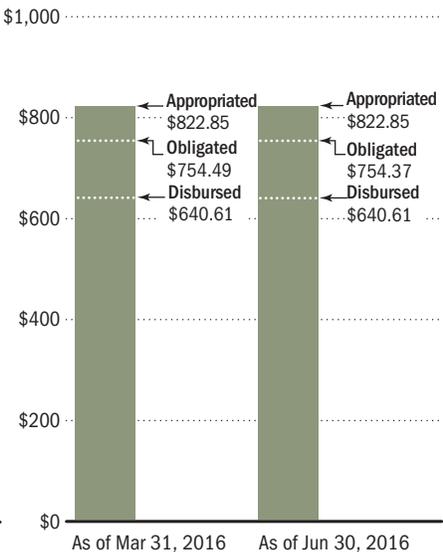
FIGURE 3.15

TFBSO APPROPRIATIONS BY FISCAL YEAR (\$ MILLIONS)



FIGURE 3.16

TFBSO FUNDS, CUMULATIVE COMPARISON (\$ MILLIONS)



Note: Numbers have been rounded. Updated data resulted in a lower obligated figure than reported last quarter. Of the \$822.85 million appropriated the TFBSO, \$366.05 million was from the Operations and Maintenance, Army, account to pay for the sustainment of U.S. assets, civilian employees, travel, security, and other operational costs; all FY 2015 funding was from this account.

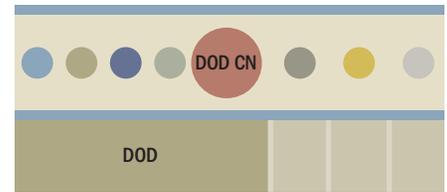
Source: DOD, response to SIGAR data calls, 7/12/2016, 4/18/2016, and 10/4/2011; Pub. L. Nos. 113-76, 113-6, 112-74, 112-10.

DOD DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

The DOD Drug Interdiction and Counter-drug Activities (DOD CN) fund supports efforts to stabilize Afghanistan by combating the drug trade and related activities. DOD uses the DOD CN to provide assistance to the counternarcotics effort by supporting military operations against drug traffickers; expanding Afghan interdiction operations; and building the capacity of Afghan law enforcement bodies—including the Afghan Border Police—with specialized training, equipment, and facilities.¹⁰³

DOD CN funds are appropriated by Congress to a single budget line for all military services. DOD reprograms the funds from the Counter-narcotics Central Transfer Account (CTA) to the military services and defense agencies, which track obligations of the transferred funds. DOD reported DOD CN accounts for Afghanistan as a single figure for each fiscal year.¹⁰⁴

DOD reported that DOD CN received more than \$138.76 million for Afghanistan for FY 2016, bringing cumulative funding for DOD CN to nearly \$3.00 billion since FY 2004. Of this amount, more than \$2.99 billion had been transferred to the military services and defense agencies for DOD CN projects, as of June 30, 2016.¹⁰⁵ Figure 3.17 shows DOD CN appropriations by fiscal year, and Figure 3.18 provides a cumulative comparison of amounts appropriated and transferred from the DOD CN CTA.



DOD CN FUNDS TERMINOLOGY

DOD reported DOD CN funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: DOD, response to SIGAR data call, 4/13/2010.

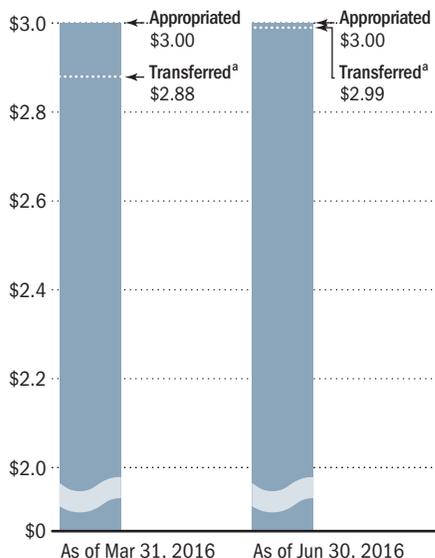
FIGURE 3.17

DOD CN APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)



FIGURE 3.18

DOD CN FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)

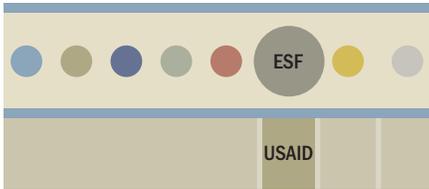


Note: Numbers have been rounded. Reprogramming activity resulted in a lower appropriated figure for FY 2016 than reported last quarter. DOD reprogrammed \$125.13 million out of FY 2015 DOD CN because several requirements for the Afghanistan Special Mission Wing were funded from the ASFF instead of DOD CN.

^a DOD reprograms all funds to the military services and defense agencies for obligation and disbursement.

Source: DOD, response to SIGAR data calls, 6/21/2016 and 4/12/2016; OSD Comptroller, 15-23 PA: Omnibus 2015 Prior Approval Request, 6/30/2015, p. 42.

STATUS OF FUNDS



ESF FUNDS TERMINOLOGY

USAID reported ESF funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: USAID, response to SIGAR data call, 4/15/2010.

ECONOMIC SUPPORT FUND

Economic Support Fund (ESF) programs advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. ESF programs support counter-terrorism; bolster national economies; and assist in the development of effective, accessible, independent legal systems for a more transparent and accountable government.¹⁰⁶

The ESF was appropriated \$812.27 million for FY 2016, bringing cumulative funding to more than \$19.41 billion, including amounts transferred from AIF to the ESF for USAID's power transmission lines projects. Of this amount, more than \$17.08 billion had been obligated, of which nearly \$14.49 billion had been disbursed.¹⁰⁷ Figure 3.19 shows ESF appropriations by fiscal year.

USAID reported that cumulative obligations as of June 30, 2016, decreased \$84,809 and cumulative disbursements increased by more than \$327.51 million from the amounts reported last quarter.¹⁰⁸ Figure 3.20 provides a cumulative comparison of the amounts appropriated, obligated, and disbursed for ESF programs.

FIGURE 3.19

ESF APPROPRIATIONS BY FISCAL YEAR
(\$ BILLIONS)

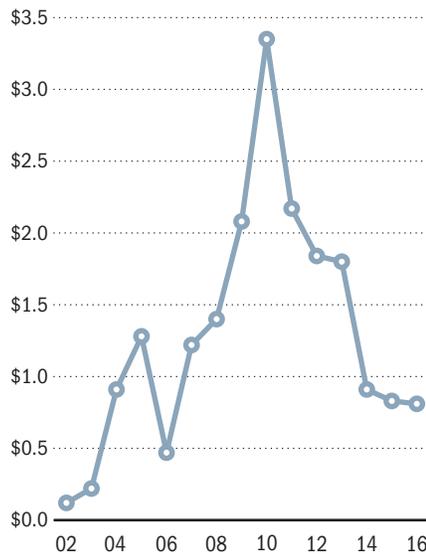
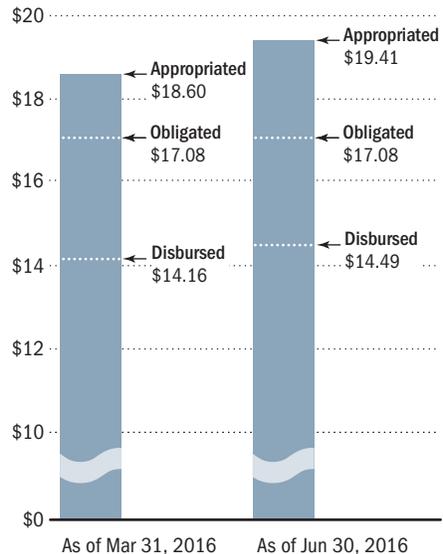


FIGURE 3.20

ESF FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. Data reflects the following transfers from AIF to the ESF: \$101 million for FY 2011, \$179.5 million for FY 2013, and \$55 million for FY 2014.

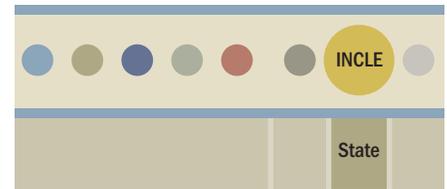
Source: USAID, response to SIGAR data calls, 7/11/2016 and 4/9/2016; State, response to SIGAR data calls, 5/4/2016, 10/20/2015, 4/15/2015 and 4/15/2014.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The U.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 rule of law and combating narcotics production and trafficking. INCLE supports several INL program groups, including police, counternarcotics, and rule of law and justice.¹⁰⁹

State reported that INCLE was appropriated \$185 million for FY 2016, bringing cumulative funding for INCLE to nearly \$4.88 billion. Of this amount, more than \$4.32 billion had been obligated, of which, more than \$3.73 billion had been disbursed.¹¹⁰ Figure 3.21 shows INCLE appropriations by fiscal year.

State reported that cumulative obligations as of June 30, 2016, increased \$12.66 million and cumulative disbursements increased more than \$82.34 million over amounts reported last quarter.¹¹¹ Figure 3.22 provides a cumulative comparison of amounts appropriated, obligated, and disbursed for INCLE.



INL FUNDS TERMINOLOGY

INL reported INCLE and other INL funds as appropriated, obligated, or disbursed

Appropriations: Total monies available for commitments

Obligations: Commitments to pay monies

Disbursements: Monies that have been expended

Source: State, response to SIGAR data call, 4/9/2010.

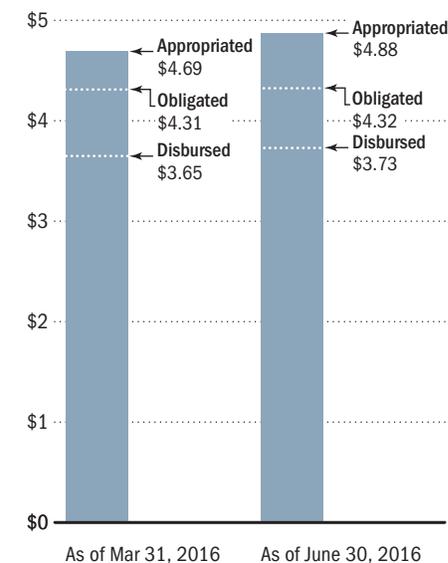
FIGURE 3.21

INCLE APPROPRIATIONS BY FISCAL YEAR
(\$ MILLIONS)



FIGURE 3.22

INCLE FUNDS, CUMULATIVE COMPARISON
(\$ BILLIONS)



Note: Numbers have been rounded. Data may include inter-agency transfers.
Source: State, response to SIGAR data calls, 7/15/2016, 5/4/2016, and 4/7/2016.

INTERNATIONAL RECONSTRUCTION FUNDING FOR AFGHANISTAN

In addition to assistance provided by the United States, the international community provides a significant amount of funding to support Afghanistan relief and reconstruction efforts. Most of the international funding provided is administered through trust funds. Contributions provided through trust funds are pooled and then distributed for reconstruction activities. The two main trust funds are the Afghanistan Reconstruction Trust Fund (ARTF) and the Law and Order Trust Fund for Afghanistan (LOTFA).¹¹²

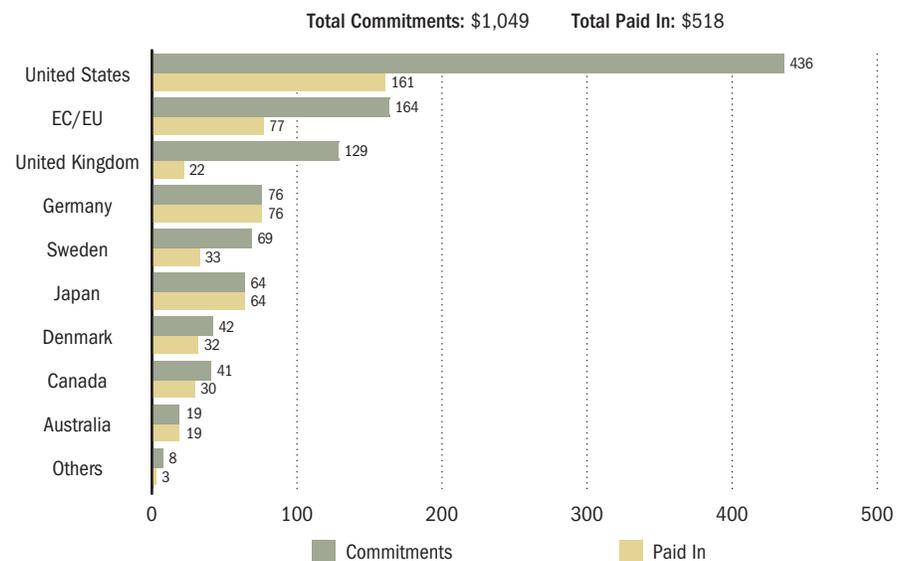
Contributions to the Afghanistan Reconstruction Trust Fund

The largest share of international contributions to the Afghan operational and development budgets comes through the ARTF. From 2002 to June 20, 2016, the World Bank reported that 34 donors had pledged more than \$9.63 billion, of which more than \$9.10 billion had been paid in.¹¹³ According to the World Bank, donors had pledged nearly \$1.05 billion to the ARTF for Afghan fiscal year 1395, which runs from December 22, 2015, to December 21, 2016.¹¹⁴ Figure 3.23 shows the nine largest donors to the ARTF for FY 1395.

As of June 20, 2016, the United States had pledged nearly \$3.12 billion and paid in more than \$2.84 billion since 2002.¹¹⁵ The United States and the

FIGURE 3.23

ARTF CONTRIBUTIONS FOR FY 1395 BY DONOR, AS OF JUNE 20, 2016 (\$ MILLIONS)



Note: Numbers have been rounded. FY 1395 = 12/22/2015–12/21/2016.

Source: World Bank, "ARTF: Administrator's Report on Financial Status as of June 20, 2016 (end of 6th month of FY 1395)," p. 1.

STATUS OF FUNDS

United Kingdom are the two biggest donors to the ARTF, together contributing over 48% of its total funding, as shown in Figure 3.24.

Contributions to the ARTF are divided into two funding channels—the Recurrent Cost (RC) Window and the Investment Window.¹¹⁶ As of June 20, 2016, according to the World Bank, more than \$4.02 billion of ARTF funds had been disbursed to the Afghan government through the RC Window to assist with recurrent costs such as salaries of civil servants.¹¹⁷ The RC Window supports the operating costs of the Afghan government because the government’s domestic revenues continue to be insufficient to support its recurring costs. To ensure that the RC Window receives adequate funding, donors to the ARTF may not “preference” (earmark) more than half of their annual contributions for desired projects.¹¹⁸

The Investment Window supports the costs of development programs. As of June 20, 2016, according to the World Bank, nearly \$4.33 billion had been committed for projects funded through the Investment Window, of which more than \$3.42 billion had been disbursed. The World Bank reported 23 active projects with a combined commitment value of nearly \$2.99 billion, of which more than \$2.08 billion had been disbursed.¹¹⁹

Contributions to the Law and Order Trust Fund for Afghanistan

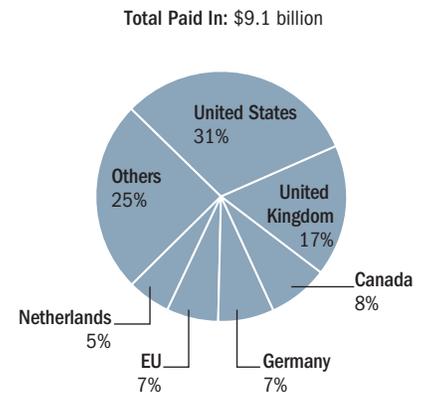
The United Nations Development Programme (UNDP) administers the LOTFA to pay ANP salaries and build the capacity of the Ministry of Interior (MOI).¹²⁰ Since 2002, donors have pledged more than \$4.76 billion to the LOTFA, of which more than \$4.59 billion had been paid in, as of July 14, 2016. UNDP reported that the United States had committed more than \$1.64 billion since the fund’s inception and had paid in nearly \$1.56 billion of the commitment.¹²¹ Figure 3.25 shows the four largest donors to the LOTFA since 2002.

The LOTFA’s eighth phase began on July 1, 2015. The phase has an initial estimated budget of \$883.56 million and is planned to run through December 31, 2016. The Phase VIII budget is divided between two individual projects. Over \$850.56 million is for the Support to Payroll Management (SPM) project that aims to develop the capacity of the Afghan government to independently manage all non-fiduciary aspects of its pay budget for the ANP and Central Prisons Directorate (CPD) staff by December 31, 2016.¹²² While capacity building is an important aspect of the project, most SPM project funding—nearly \$842.44 million—will be transferred from the UNDP Country Office to the Ministry of Finance (MOF) for ANP and CPD staff remunerations.¹²³ The MOI and Police Development (MPD) project is budgeted the remaining \$33 million. The MPD project focuses on institutional development of the MOI and police professionalization of the ANP.¹²⁴

From July 1, 2015, through March 31, 2016, UNDP had expended more than \$326.67 million on the SPM project. Of this amount, \$324.03 million was transferred to the MOF to pay for ANP and CPD staff. In addition, more than \$7.24 million was expended on the MPD project.¹²⁵

FIGURE 3.24

ARTF CONTRIBUTIONS PAID IN BY DONORS, 2002–JUNE 20, 2016

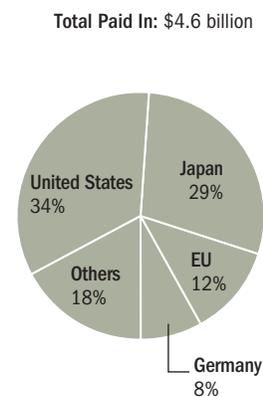


Note: Numbers have been rounded. “Others” includes 28 donors.

Source: World Bank, “ARTF: Administrator’s Report on Financial Status as of June 20, 2016 (end of 6th month of FY 1395),” p. 6.

FIGURE 3.25

DONOR CONTRIBUTIONS TO THE LOTFA SINCE 2002, AS OF JULY 14, 2016



Note: Numbers have been rounded. EU = European Union. “Others” includes 26 donors.

Source: UNDP, response to SIGAR data call, 7/19/2016.