Testimony of Richard Olson Special Representative for Afghanistan and Pakistan U.S. Department of State Before the Senate Foreign Relations Committee "Afghanistan: U.S. Policy and International Commitments" Thursday, September 15, 2016

Chairman Corker, Ranking Member Cardin, members of the committee – thank you for inviting me to appear before you today to update you on Afghanistan: U.S. Policy and International Commitments.

Overview

2016 has been a significant year for Afghanistan. In their second year bearing full security responsibility, and despite facing a formidable foe on the battlefield, the Afghan National Defense and Security Forces (ANDSF) demonstrated greater discipline, capacity and *esprits de corps* than we have seen thus far. We have an engaged and constructive partner in the Afghan government, which has continued to demonstrate real progress towards major reform and development milestones. This includes accession to the World Trade Organization in July, increased revenue collection, establishment of a new Anti-Corruption Justice Center, implementation of anti-money laundering regulations, and substantial upgrades to critical infrastructure projects. Importantly, at the Warsaw Summit in July, our North Atlantic Treaty Organization (NATO) allies and coalition partners successfully extended international support for Afghan security forces beyond 2016.

Our work is far from over. Next month, Afghanistan will seek additional support for its development imperatives at the European Union's Brussels Conference on Afghanistan. Critical to the success of the conference will be the unity government's message. President Ghani and Chief Executive (CEO) Abdullah continue to work through challenges associated with their political partnership, as they remain resolutely focused on achieving a more stable, secure, and prosperous Afghanistan. President Ghani and CEO Abdullah are both committed to moving the country forward, strengthening its democracy, and deepening its institutional roots.

Unity Government

The strong bilateral relationship between the United States and Afghanistan undergirds Afghanistan's continued progress. Afghanistan remains an important

partner of the United States in the fight against terrorism, working with us to eliminate the remnants of al-Qaeda and its affiliates. In order to strengthen Afghanistan's capabilities as a partner, and to improve the lives of the Afghan people, we continue to invest U.S. resources to help Afghanistan improve its governance, institutions and economy.

Our partnership is built on the Strategic Partnership Agreement signed in 2012, which lays out respective economic and political commitments, as well as the Bilateral Security Agreement, which lays out mutual security understandings. President Ghani signed the Bilateral Security Agreement as one of his first acts as President. Both agreements extend through 2024, making clear that the United States and Afghanistan see this as an enduring relationship with mutual political and security benefits.

The United States remains firmly committed to the unity government established through the 2014 political agreement brokered by Secretary Kerry. The unity government provides the most viable path towards stability and prosperity in Afghanistan, despite the challenges inherent to coalition governments. As we near the two-year mark of the political partnership between President Ghani and CEO Abdullah, there has been predictable jockeying among political actors in Kabul. It is difficult to predict how this will evolve over coming weeks, but our position has been clear.

As Secretary Kerry said during his visit in April, the government has a five-year mandate under the Afghan constitution. We continue to urge all parties to resolve their political differences peacefully and in accordance with the country's Constitution and laws. Afghanistan is a diverse country, and its citizens need and deserve a government that is effective, inclusive and able to represent all segments of society. President Ghani and CEO Abdullah remain committed to holding the parliamentary elections and Constitutional Loya Jirga called for in their political agreement, and are working to implement the electoral reforms needed to address the shortcomings that have undermined previous elections. U.S. officials at all levels continue to emphasize the importance of tangible progress on electoral reforms, a credible election timeline, and a reasonable plan to prepare for the Constitutional Loya Jirga.

Progress on Security

Political stability and unity are also necessary to create the right conditions for continued progress by the ANDSF on the battlefield. Afghan security forces have incorporated lessons learned from the previous fighting season into their current operations, with improving results.

This year, the ANDSF developed a campaign strategy of "fight, hold, disrupt" which involved defending key population centers and infrastructure, holding onto other critical areas through enhanced coordination between the army and police, and, finally, disrupting insurgent activities where a persistent ANDSF presence is not required. The fight has not been easy. The ANDSF casualty levels are higher this year than last, but the ANDSF continue to execute their campaign strategy and have demonstrated their resilience in security operations around the country. The Taliban have also suffered significant casualties and have been unable to capture or hold strategically significant locations for extended periods. They have failed to achieve their strategic goal of overthrowing the government by force.

U.S. forces are also continuing to disrupt and degrade Islamic State activities in Afghanistan, through partnered operations with Afghan forces, as well as unilateral operations. Combatting the Islamic State and the remnants of al-Qaeda will continue to be a priority for the United States, as we work to ensure that Afghanistan is never again a safe haven for terrorism. And we are not alone in our support for this imperative.

Cooperation with International Partners

Afghanistan continues to engender strong international support. The long duration, broad participation and extensive level of this support is a testament to the international community's enduring commitment to Afghanistan as it labors to become a secure, stable and economically viable regional actor. We cannot overemphasize how critical this support continues to be.

Through NATO, thirty-nine allied and partner countries, including the United States, are working together to provide training, advice and assistance to the Afghan security forces via the non-combat Resolute Support Mission. President Obama's announcement in July that the United States will retain some 8,400 U.S. forces in Afghanistan into 2017, roughly 6,300 of them for the NATO mission, was welcomed by allies; similar commitments of support were made by other Resolute Support partners at the NATO Warsaw Summit. At Warsaw, allies and partners agreed to extend the Resolute Support Mission beyond 2016, and to do so in several geographic areas. This is critical, as it will allow us to continue to provide training, advice, and assistance to the ANDSF in the provinces at the corps level. Allies and partners are expected to provide roughly 6,000 troops to Resolute Support in 2017, in addition to pledged U.S. forces. As demonstrated by the ANDSF's improved operations, the coalition's train, advise and assist mission is working; investments are paying off at the tactical and institutional levels.

In addition to the Resolute Support Mission, the international community continues to provide not only political and diplomatic support, but also significant financial assistance. This has been borne out in unprecedented levels of development and security assistance.

Warsaw Summit Pledges

At the Warsaw Summit, nearly thirty donor nations pledged to extend current financial assistance for the Afghan security forces for another three years – totaling approximately one billion dollars per year for the 2018-2020 period. Despite shrinking aid budgets and competing priorities, these pledges come close to those made at the NATO Summit in Chicago in 2012 for the 2015-2017 period, for a combined total of six years of funding support. To ensure Afghan security forces are fully capable, it is essential that the United States also continue to provide robust financial support.

Together, continued international military and financial support for the ANDSF has bolstered morale and ensured the continued development of Afghan forces. Motivated and capable security forces underpin public confidence. Our support has also sent an important signal to regional actors that international backing for Afghanistan is not waning. This message needs to be further underscored at the Brussels Conference on Afghanistan in October.

Brussels Conference on Afghanistan

On October 4-5, Afghanistan and the European Union will co-host the Brussels Conference on Afghanistan. As was the case for the Tokyo Conference of 2012 and the London Conference of 2014, the Brussels Conference will serve as a focal point for encouraging the Afghan government to make further reforms to strengthen governance, the rule of law, human rights, and the economy. Afghanistan recognizes that aid levels will gradually decrease as Afghan self-reliance increases. Additional reforms are slated ahead of the Brussels Conference that will bring Afghanistan further toward self-reliance.

Ahead of Brussels, Afghanistan is preparing to show tangible reform progress on two fronts. First, Afghanistan has undertaken to achieve 30 governance, social and economic reform goals and anti-corruption measures laid out in the September 2015 "Self-Reliance through Mutual Accountability Framework." Thus far, over 90 percent of these steps have either been completed or are on track to be completed. Second, the Afghan government is working with donors to develop a set of benchmarks for

the coming two years, to serve as the next phase of the donor-Afghan partnership. These steps will reinforce the principle of mutual accountability that underpins the extraordinary support by the international community to Afghanistan, making clear that continued support at current levels is justified by measureable progress on vital, mutually identified reforms.

Although development achievements over the past decade and a half in Afghanistan are remarkable, Afghanistan will continue to need international support and engagement in order to consolidate and expand hard-won progress to date. At Brussels, the European Union and Afghanistan are asking international donors to extend aid commitments to Afghanistan through 2020. We have supported EU and Afghan efforts to secure total pledges of approximately \$2 billion per year in development assistance for 2017-2020 from other donors. We intend to work closely with Congress to finalize a U.S. pledge at Brussels that maintains our leadership role in Afghanistan and among the international community.

Regional Dynamics

While international support for Afghanistan remains strong, regional support continues to be filtered through complex national priorities. Despite greater regional cooperation overall, regional players continue to hedge so long as they have doubts about the viability of the Afghan state. We continue to support Afghanistan as it works to improve relations with its neighbors and near-neighbors, promoting broader regional stability.

A constructive relationship between Afghanistan and Pakistan remains essential to bringing peace and stability to the region. Following significant improvement after the election of President Ghani, relations between Afghanistan and Pakistan have peaked and troughed over the past year in part due to critical issues, including refugees, border management, and counterterrorism. However, there have been some encouraging signs of progress in recent months. After a meeting in June between Afghan Foreign Minister Rabbani and Pakistani Advisor on Foreign Affairs Aziz, both sides agreed to coordinate at senior and tactical levels on border management issues; the first tactical-level meeting happened in late July and both sides agreed to meet again. We support this mechanism and believe that more bilateral dialogue between Afghanistan and Pakistan will increase prospects for mutual understanding, regional peace and stability.

In the wake of the deadly August 24 attack on the American University of Afghanistan in Kabul, Afghanistan provided Pakistan with evidence that prompted the Pakistan military to conduct combing operations in a few key areas along the Afghanistan-Pakistan border. Pakistan is sharing the results of those operations with Afghanistan. Efforts to bring those behind the attack to justice are critical.

Pakistan's military operations in the Federally Administered Tribal Areas remain important. The Pakistani military has made progress in shutting down terrorist safe havens through Operation Zarb-e-Azb and most recently in Operation Khyber III in the Rajgal Valley of Khyber Agency, with the aim to restore security to parts of Pakistan that have been used as terrorist safe havens for years. Pakistan has worked with us to decimate core al-Qaeda.

While the progress Pakistan has made through its recent operations is laudable, its struggle with terrorism will not come to an end until it makes a decisive shift in its policy of tolerance towards externally-focused groups. U.S. officials have been very clear with the most senior Pakistani leadership that Pakistan must target all militant groups without discrimination – including those that target Pakistan's neighbors – and close all safe havens.

Pakistan's leaders have assured of us of their intention to do so. In this regard, we welcomed Chief of Army Staff General Raheel Sharif's statement on July 6, in which he directed Pakistani military commanders, intelligence agencies, and law enforcement agencies to take concrete measures to deny any militant group safe haven or the use of Pakistani soil to launch terrorist attacks in Afghanistan.

Pakistan has also played a critical role in generously hosting 1.5 million Afghan refugees for nearly 40 years. Pakistan's contributions in this regard have been essential to providing asylum space for Afghans displaced by conflict and in furthering our goal of long-term peace and stability in the region. Pakistan should continue to uphold humanitarian principles and respect the principle of voluntary return, as outlined in the Solutions Strategy for Afghan Refugees.

Other regional actors also have a role to play. We continue to support the India-Afghanistan relationship, including through the revival of a U.S.-India-Afghanistan trilateral, which will take place next week on the margins of the UN General Assembly. We welcomed India's provision of training and non-lethal security assistance to Afghanistan and its significant development contributions over the past decade-plus. China's role in the region continues to evolve, and includes its participation in the Quadrilateral Coordination Group. We have also welcomed China's bilateral development aid and look forward to seeing China at the Brussels conference.

Russia and Iran can play positive roles in Afghanistan, but will require intensive U.S. engagement to reassure them that they can place their faith in the Afghan government. Both have the potential to act as spoilers, and we are monitoring reports about potential collaboration with the Taliban against the Islamic State, which the Afghan government is working actively to discourage.

Moving Forward

The next administration should continue to engage with Afghanistan and the region. It should continue to work with our international partners to advance the goal of a stable, secure and economically viable Afghanistan. Our focus this year, together with Afghan partners, has been to secure critical milestones toward this effort.

The United States clarified its presence beyond 2016 and Afghanistan is working to navigate the challenges of coalition governance. NATO Allies and partners agreed to ensure that the Resolute Support Mission will continue to provide the training, advice and assistance the ANDSF need in 2017. In Warsaw, we worked with international partners to gain requisite ANDSF funding committments for 2018-2020. We expect to meet our financial targets for development funding at Brussels.

Of course, challenges remain. Evidence of corruption and nepotism remain, despite positive actions and decisions in the Afghan ministries. Sustained leadership and action is required to prevent gross violations of human rights and the use of child soldiers. Ministerial leadership communication has improved, but operationally, the Afghan Army and Police still struggle to coordinate their efforts and focus. Continued development assistance is needed to sustain the gains of the past fifteen years. The Afghan government will need to achieve sufficient stability and necessary reforms for future elections to be credible.

And, importantly, the United States will need to continue our persistent, patient diplomacy to achieve an Afghan-led and Afghan-owned peace process that leads to lasting peace in the region. We continue to welcome the support and cooperation of Afghanistan, Pakistan, and China to advance prospects for direct dialogue – free of preconditions – between the Afghan government and the Taliban. We remain firm in our belief that only through a negotiated settlement – not a purely military campaign – will Afghanistan achieve lasting peace.

As the U.S.-Afghan partnership moves into a new phase with a new U.S. administration, the stakes remain high. The actions that the United States has taken this year in partnership with Afghanistan have ensured that the next administration can work together with Congress for continued progress.

Thank you for the opportunity to address the Committee. I look forward to our discussion today, and welcome any questions you may have.