

# THE TRANSITION IN AFGHANISTAN

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## HEARING

BEFORE THE

### COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

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## THE TRANSITION IN AFGHANISTAN

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TUESDAY, DECEMBER 10, 2013

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

The committee met, pursuant to notice, at 2:33 p.m., in room SD-419, Dirksen Senate Office Building, Hon. Robert Menendez (chairman of the committee) presiding.

Present: Senators Menendez, Shaheen, Kaine, Markey, Corker, Rubio, Johnson, Flake, and McCain.

### OPENING STATEMENT OF HON. ROBERT MENENDEZ, U.S. SENATOR FROM NEW JERSEY

The CHAIRMAN. This hearing of the Senate Foreign Relations Committee will come to order.

We thank our witnesses, Ambassador Dobbins and Acting Assistant Administrator Donald Sampler, for being here.

In July, this committee met to assess the transition in Afghanistan. At the time, Mr. Ambassador, you had been on the job only 2 months. And, in looking over the transcript from that hearing, I was struck by how the issues remain virtually the same, 5 months later. I will look forward to hearing what both of you believe we should expect in the coming months, as well as your perspective on some broader issues I have with respect to the State Department and USAID's planning for a post-2014 presence.

Clearly, this is a critical time in the transition process. President Karzai has, in my view, unwisely decided to gamble with the lives of millions of his citizens with a delay in signing the Bilateral Security Agreement, testing our patience and threatening the progress made by so many Afghans, in partnership with the international community, since 2001. And I believe this brinksmanship is unwarranted and, frankly, insulting to the sacrifices made by the United States military and taxpayers, and it is not in Afghanistan's best interests.

But, I do not think anyone should take my word for it. Ask the thousands of Afghans who participated in the Loya Jirga last month and overwhelmingly called for Afghanistan to sign the BSA. Ask leaders in the region who have called upon Afghanistan to sign. Ask Afghan civil society leaders, who, without a smooth and stable transition, stand to lose ground gained over the past decade. And ask the women of Afghanistan, who stand to lose the most if Afghanistan falls victim to the kind of violence we saw in the 1990s.

Any further delay will have real implications on the ground. First, every day that passes makes it more difficult to plan militarily. Second, the longer the delay, the more players in Afghanistan and across the region will hedge their bets, leading good people to leave Afghanistan and taking needed capital with them.

Simply put, at some point the United States has to ask if we should let our long-term interests and our substantial investments in Afghanistan be determined by a lame-duck President.

If we are not able to finalize the Bilateral Security Agreement, the results are clear: all United States troops would have to leave the country, support in Congress for appropriations for the Afghan military and development efforts will diminish, and we will not be able to support the Afghan military in any significant way, or be able to provide development assistance at the same levels.

Afghans seem to understand this. It is unfortunate that President Karzai does not, though, I note with interest a recent article that says that President Karzai agreed on a cooperation pact with Iran on Sunday, while continuing to resist signing a long-term security agreement with the United States. It is pretty amazing to me. He has enough time and effort to strike an agreement with Iran, but not with the country that has shed blood and national treasure to bring it to the point in which it is today.

Let me reiterate, finally, that the United States has no intention in interfering in the election process. The choice of President and provincial officials will rest with the Afghan people. But, the future of international assistance will depend upon the integrity of the process. We have seen some progress with respect to the election preparations, but I am still concerned about the security situation. We know that hundreds of polling places will not be able to open. Many are in areas too dangerous for domestic and international observation.

I am also deeply concerned about the disenfranchisement of women, especially in rural areas, where it has been difficult to recruit Afghan women to serve in security roles at polling stations.

It is also clear that President Karzai's behavior makes it difficult to plan our diplomatic and development efforts. I look forward to our witnesses providing the committee with a better understanding of the administration's planning for the State Department and USAID's footprint, post-2014.

Having laid out those broad parameters, let me thank you both for being here. I look forward to our discussion.

And, with that, let me recognize the distinguished ranking member, Senator Corker, for his opening statement.

**OPENING STATEMENT OF HON. BOB CORKER,  
U.S. SENATOR FROM TENNESSEE**

Senator CORKER. Thank you, Mr. Chairman.

I want to thank the witnesses for being here. I do not know the outcome of today's meeting exactly, in light of what is happening in Afghanistan, but I would like to make three brief points, and certainly look forward to hearing your testimony.

I think that you know where we are today in this bilateral agreement, we certainly have a President of a country that is really not speaking for its citizens. And I think everyone understands that.

And all of us have had encounters with Karzai and understand the irrationality that comes with most dealings with him. So, I think, as I talk to troops in Tennessee, that are getting ready to be there in February, and they are sort of asking, "Why would we go to a country that has a President who is dealing with us this way? Why would we do that?" And, of course, my explanation is, again, "He is not speaking for Afghanistan, and we have got to look to the longer view and the Afghan people, and not to one individual that is somehow trying to find his place in history."

Secondly, I would love to hear—I know that, when Ambassador Dobbins was in a most recent classified setting, we thought we were maybe a couple of days away from something happening, and I know that everyone shared that view, and that is not where we are—but, I would love to hear your assessment as to how this uncertainty is affecting things inside the country, economically, how it is affecting business decisions, how it is affecting the ingress and egress of citizens there, and how it is going to affect the political circumstances between now and the proposed election in April.

And then, lastly, I know that a number of us who were at the Munich Security Conference last year—it was almost 11 months ago—our NATO allies were wanting to know, How are they going to provision troops? How many folks? There are some things that I know the administration can and should be communicating to our NATO allies. And I do not know if you want to—especially Ambassador Dobbins—shed any light on the conversations that are occurring, relative to if we get this bilateral agreement in place, you know, how those communications are going, and are we still going to be in a position to be appropriately ready when that time comes.

So, with that, Mr. Chairman, I look forward to our witnesses, and thank them for being here.

The CHAIRMAN. Thank you, Senator Corker.

Let us turn to Ambassador Dobbins, who is the Special Representative for Afghanistan and Pakistan for the Department of State, and Mr. Sampler, who is the Acting Assistant to the Administrator for the Office of Afghanistan and Pakistan Affairs for USAID.

Your full statements will be included in the record. I would urge you to summarize your statements in about 5 minutes or so, so we can have a dialogue with you.

And, Ambassador Dobbins, the floor is yours.

**STATEMENT OF AMBASSADOR JAMES DOBBINS, SPECIAL REPRESENTATIVE FOR AFGHANISTAN AND PAKISTAN, U.S. DEPARTMENT OF STATE, WASHINGTON, DC**

Ambassador DOBBINS. Thank you, Mr. Chairman, Ranking Member Corker, Senator Kaine.

My longer statement does cover a range of issues, but I do want to concentrate on the one that both of you have raised, which is the fate of the BSA and the consequences for our and the international community's relations with Afghanistan.

As you noted, the Loya Jirga, which was assembled by President Karzai, had 2,500 Afghan leaders from across the country, it strongly endorsed this agreement, and it urged President Karzai to conclude it by the end of the year. One member of the Loya Jirga

actually told me that, of the 2,500 people, only 25 spoke out against the agreement, which would be a pretty startling majority.

The United States certainly agrees with the Afghan people. Concluding the BSA will send an important signal to the people of Afghanistan, to the Taliban, to our allies and partners, and to the region. For the Afghan people, it will reduce anxiety and uncertainty about the future. A signed BSA will tell the Taliban, who may think that the end of 2014 means the end of international support, that their only path to peace is ending violence, breaking ties with al-Qaeda, and accepting the Afghan Constitution. A signed BSA will ensure the region that the United States will remain engaged, as will its allies, and that we are not going to abandon Afghanistan, as we did once before, to our regret, in 1989.

To our NATO allies and other international partners, a BSA will open the door to concluding a NATO agreement of comparable status of forces and allow them to begin planning for their 2015 presence.

For all these reasons, the administration is committed to expeditious signature of this agreement. Delaying signature is in no one's interest, as both of you have stressed. Delay would add another element of uncertainty as the Afghans prepare for their elections. For the United States and our NATO allies, it would mean the lack of clarity about our own presence in 2015. That, in turn, would jeopardize the fulfillment of pledges of assistance that NATO and other countries have made in Chicago and Tokyo.

As Ambassador Rice made clear during her recent visit to Kabul, although it is not our preference, without a prompt signature of this agreement, we will have no choice but to initiate planning for a 2014—post-2014 future in which there would be no United States or NATO troops in Afghanistan.

Let me make clear, however, that plans are not decisions, and assure you that we are not about to decide to abandon all that we and the Afghan people have achieved over the last 12 years. Based on the results of the Loya Jirga, expressions of public opinion throughout the country, and discussions throughout my own visit to Kabul last week, I do not believe that there can be any serious doubt that the Afghan people want the United States and NATO forces to stay, and recognize that the Bilateral Security Agreement is a necessary prerequisite.

The BSA is also the keystone of a much wider international commitment involving over 70 countries ready to provide economic and security assistance to Afghanistan beyond 2015. Afghanistan's regional neighbors, with the exception of Iran, also understand the importance of the BSA. I understand that President Putin of Russia, President Xi of China, Prime Minister Singh of India, and Prime Minister Sharif of Pakistan have also personally urged President Karzai to conclude this agreement. Now, as you know, several of these leaders are no fans of an American military presence in Central Asia, but they all seem to recognize that, without continued international military and economic support, Afghanistan risks falling back into civil war, with the attendant rise in extremist groups, outflow of refugees, and disruptions in commerce that would threaten the region as a whole. Given this coincidence

of Afghan public and regional governmental opinion, I see little chance that the BSA will not be eventually concluded.

Awaiting the arrival of the next Afghan President to do so, however, will impose large and unnecessary costs on the Afghan people. Already, the anxiety caused by President Karzai's refusal to heed the advice of the Loya Jirga is having such an effect. While in Kabul last week, I learned, from the World Bank and other sources, that the Afghan currency is slipping in value, inflation is increasing, capital fleeing, property values dropping. Probably for the first time since 2001, the outflow of Afghan population exceeds the return of refugees. The longer this uncertainty about the future international commitment to Afghanistan continues, the more anxiety will increase, potentially dominating the upcoming Presidential elections, threatening to turn these into a polarizing, rather than a unifying, experience in the country.

Prolonged uncertainty over the BSA will also erode larger international support for Afghanistan. At Tokyo in July 2012, and in Chicago in May of that year, the international community pledged billions in support of the Afghan security forces and the Afghan economy beyond 2014. As in the United States, the fulfillment of these pledges is dependent on public support and parliamentary approval. Prolonged delay in concluding the BSA, and the also required NATO equivalent agreement, can only diminish the prospect that these pledges will be fully met.

So, just to conclude, there, really, I have no doubt that the BSA ultimately will be concluded. I am concerned about the damage and the costs which a prolonged delay will create. I cannot predict with any certainty when it is going to be signed. I think there is some prospect that it could still be signed this year. But, you know, given my own discussions with the President last week, I am simply not in a position to provide you any assurances on that. It certainly continues to be our objective, and we are nowhere near a decision that would involve our departing Afghanistan altogether.

[The prepared statement of Ambassador Dobbins follows:]

PREPARED STATEMENT OF AMBASSADOR JAMES F. DOBBINS

Mr. Chairman, Ranking Member Corker, members of the committee, thank you for the opportunity to appear before you today to discuss the transition in Afghanistan.

As all of you know, the U.S. role in the latest chapter of Afghanistan's history began on September 11, 2001. Within a month, U.S. forces were in Afghanistan in pursuit of the al-Qaeda terrorists who planned the attacks and the regime that had given them sanctuary. That military involvement has now lasted more than a decade and has expanded to a NATO-led international coalition of 49 nations. The military campaign has been accompanied by a truly extraordinary international civilian campaign to help heal the scars of decades of war and years of life under a system of government that made the cruel commonplace and to ensure that such a government can never again return, to provide shelter to those who would threaten American citizens, interests, or allies.

From the beginning, we have made clear that our role in Afghanistan and our presence there cannot be open ended. It has always been the aim of U.S. policy to strengthen Afghan institutions so that the Afghan Government and people can provide for their own security, grow their own economy, and manage their own internal and external affairs. The President has spoken of these three transitions: security, economic, and political. The underlying element of all three has been a gradual and responsible effort to help Afghans recover from decades of conflict and Taliban rule that damaged or destroyed nearly every institution in the country.

A stable, democratic, and secure Afghanistan is a U.S. national interest; it will be a bulwark against al-Qaeda and other dangerous extremist groups and a partner

in the effort to prevent those groups from using Afghanistan to plan and launch attacks against our people and our allies. And while Afghanistan still faces significant challenges, I can say with the perspective of having first led U.S. diplomatic efforts on Afghanistan 12 years ago, that we are closer than ever to achieving this goal. I'd like to spend a few minutes reviewing our efforts and the progress Afghanistan is making.

#### SECURITY TRANSITION AND PARTNERSHIP

The Enduring Strategic Partnership Agreement (SPA), signed by President Obama and President Karzai in May 2012, codified the terms of our partnership after 2014. It looked ahead to a Transformation Decade of cooperation, as the Afghans continued to strengthen their institutions, improve governance, and stabilize their economy. While making clear that the United States does not seek permanent bases in Afghanistan or a presence that is a threat to Afghanistan's neighbors, the SPA included a provision to negotiate a Bilateral Security Agreement (BSA) between the two countries which would govern future security cooperation.

After a year of negotiations to conclude the text, that agreement was submitted 2 weeks ago to a Loya Jirga, a traditional gathering of 2,500 Afghan leaders from all parts of the country. After 3 days of debate, the Loya Jirga overwhelmingly endorsed the BSA as written and urged President Karzai to sign it before the end of the year. This decision underscores the clear and strong desire of the Afghan people to continue their partnership with the United States and the international community and their determination to move forward, away from the Taliban past.

The United States agrees with the Afghan people. Signing the BSA promptly is the path to a partnership in support of Afghan efforts to achieve lasting peace, security, and development. It will send an important signal to the people of Afghanistan, to the Taliban, to our allies and partners, and to the region. For the Afghan people, it will reduce anxiety and uncertainty about the future, allowing them to concentrate on the upcoming elections and to invest with confidence in their own economy. A signed BSA will tell the Taliban, who may think that the end of 2014 means the end of international support for Afghanistan, that their only path to peace is by ending violence, breaking ties with al-Qaeda and accepting the Afghan Constitution, including its protections for women and minorities. A signed BSA will assure the region that the United States will remain engaged there and not abandon Afghanistan as we did in 1989 after the Soviet withdrawal. To our NATO allies and other international partners, a signed BSA will open the door for NATO to begin negotiations on the Status of Forces Agreement (SOFA) with Afghanistan that will cover its forces participating in the train, advise, and assist mission.

For all of these reasons, the administration is committed to expeditious signature of the BSA. Delaying signature is in no one's interest. Delay would add another element of uncertainty as Afghans prepare for the April, 2014 election to choose President Karzai's successor. For the United States and our NATO allies, delay means a lack of clarity needed to plan for a post-2014 military presence. That, in turn, would jeopardize fulfillment of the pledges of assistance that NATO and other countries made at the Chicago and Tokyo conferences in 2012. As Ambassador Rice made clear in her recent visit to Kabul, although it is not our preference, without a prompt signature we will have no choice but to initiate planning for a post-2014 future in which there would be no U.S. or NATO troop presence in Afghanistan.

Let me make clear, however, that plans are not decisions, and assure you that we are not about to decide to abandon all we and the Afghan people have achieved over the past 12 years. Based on the results of the Loya Jirga, expressions of public opinion throughout the country and discussions throughout my own visit to Kabul last week, I don't believe that there can be any serious doubt that the Afghan people want American and NATO forces to stay and recognize that the BSA is a necessary prerequisite. The BSA is also the keystone of a much wider international commitment, involving over 70 countries ready to provide economic and security assistance to Afghanistan beyond 2015.

Afghanistan's regional neighbors, with the exception of Iran, also understand the importance of the BSA. President Putin of Russia, President Xi of China, Prime Minister Singh of India, and Prime Minister Sharif of Pakistan have all personally urged President Karzai to conclude the BSA in recent weeks. Several of these leaders are no fans of an American military presence in Central Asia, but all recognize that without continued international military and economic support, Afghanistan risks falling back into civil war, with the attendant rise in extremist groups, outflow of refugees and disruptions in commerce that would threaten the region as a whole.

Given this coincidence of Afghan public and regional governmental opinion, I see little chance that the BSA will not be eventually concluded. Awaiting the arrival of

the next Afghan President to do so, however, will impose large and unnecessary costs on the Afghan people. Already the anxiety caused by President Karzai's refusal to heed the advice of the Loya Jirga is having that effect. While in Kabul last week I learned from the World Bank and other sources that the Afghan currency is slipping in value, inflation increasing, capital fleeing, and property values dropping. Probably for the first time since 2001 the outflow of population exceeds the return of refugees. The longer this uncertainty about the future international commitment to Afghanistan continues, the more anxiety will increase, potentially dominating the upcoming Presidential elections, threatening to turn these into a polarizing rather than unifying experience for the country.

Prolonged uncertainty over the BSA will also erode larger international support for Afghanistan. At Tokyo in July 2012 and at Chicago in May 2012, the international community pledged billions to the support of the Afghan security forces and the Afghan economy beyond 2014. As in the United States, the fulfillment of the pledges is dependent on public support and parliamentary approval. Prolonged delay in concluding the BSA, and the also-required NATO equivalent agreement can only diminish the prospect that these pledges will be fully met.

As the President has said, the U.S. combat mission will end in Afghanistan at the end of 2014. The BSA does not prescribe the number of U.S. forces that may be present in Afghanistan after 2014, but it will give us the invitation to remain that President Obama will need as he makes that force-level decision. By next February, there will be 34,000 U.S. troops in Afghanistan, down from roughly 100,000 at the height of the surge, and any post-2014 military presence will be much smaller. Those who remain will concentrate on two specific, narrow missions: counterterrorism operations against the remnants of al-Qaeda and its affiliates, and training, advising, and assisting Afghan security forces.

It is important to note that, while the Afghan National Security Forces (ANSF) are still a work in progress, there is reason to be encouraged, thanks to capabilities that have been fostered and developed by the U.S. military and our allies. Our efforts are making a critical difference and can continue to do so. I should note that the Afghan people themselves share this assessment. According to a recent Asia Foundation survey, 88 percent of Afghans have confidence in the Afghan National Army and 72 percent in the Afghan National Police.

#### ECONOMIC AND SOCIAL DEVELOPMENT

I know that Assistant Administrator Sampler will talk about USAID's efforts to deliver and monitor civilian assistance in Afghanistan, how that assistance has improved the lives of ordinary Afghans, and the challenges his agency faces working in that country. I am happy to talk about the specifics of what we are doing, but I first want to offer some encouraging news about how we are doing overall. For the past 9 years, the Asia Foundation has conducted a nationwide survey of Afghan attitudes and opinions, tracking long-term trends among the population. The latest annual Asia Foundation survey of more than 9,000 Afghans drawn from every province was released last week, and it confirmed, through the eyes of ordinary Afghans, the depth and durability of the progress Afghanistan has made, with our support.

A few numbers stand out. Today, 57 percent of all Afghans believe their country is moving in the right direction. This number has increased steadily since 2008, when it stood at 38 percent. Not surprisingly, the majority—76 percent—said they were better off economically than they were under the Taliban. Three quarters gave their national government a positive assessment although they remained critical of subnational government and Parliament and concerned about corruption at all levels. Five in six Afghans—men and women—believe that women should have an education. Seventy-five percent believe it is acceptable to criticize the government in public—a sign of an active democracy with an independent media, which is the civilian institution in which Afghans have the most confidence. Sympathy for armed opposition groups is far lower than in 2009 and yet, nevertheless, a majority of Afghans understand the need for peace and support Afghan-led reconciliation efforts. The overall picture is one of an aspiring nation that has witnessed and welcomed the progress that the international effort has helped bring about. These are the people whose representatives at the Loya Jirga overwhelmingly approved the BSA.

This growing optimism among Afghans is due in part to the increasing capability of some of their institutions, none of which existed in 2001. According to the poll, the Afghan media is one of the country's most trusted institution. The growth of a free media is one of the great achievements of reconstruction in Afghanistan. When the Taliban ruled, people had few modern means to communicate with one another (there were fewer than 40,000 phones in the country) or to get information (there

was one state-run TV station). Now, more than 18 million Afghans have phones and the telecommunications network covers 90 million of the population. Afghans are also eager for news, which they see on one of the 75 TV stations or hear on the 175 radio stations available. This is not, I should add, a triumph of quantity over quality. In the most recent worldwide assessment of press freedom by Reporters Without Borders, Afghanistan outranked Pakistan and India and every other country but one in its region. The Loya Jirga that considered the BSA was televised nationally and Afghans watched as their representatives debated their future. This would have been technically impossible and politically unimaginable 15 years ago.

There is a body of research that demonstrates the effectiveness of the international effort in Afghanistan. Of the 20 major post-cold-war interventions conducted by the United States, United Nations, and others, Afghanistan had the greatest improvements in the U.N.'s Human Development Index, was third among 20 improvements in government effectiveness as measured by the World Bank, government, and was second out of these 20 in growth of per capita income. Afghanistan's progress should be compared with that of other countries that have faced similar levels of conflict. Even postwar stabilization in European countries over these same decades, where conditions for stabilization have been much more favorable, has taken many years.

Afghan institutions are performing better, in part, because they are increasingly integrated within the regional economy of Central and South Asia. With considerable financial and technical assistance from the United States and American supported international agencies, millions of Afghans can now access electricity from power lines stretching across their northern border into Central Asia. In the last 5 years, trade between Afghanistan with its South and Central Asian neighbors has far outpaced trade with the outside world. Building strong state, civil society, and private sector institutions by economically integrating Afghanistan within its neighborhood remains at the heart of our New Silk Road vision.

#### POLITICAL TRANSITION

Despite all of the focus on the BSA in recent days, the political transition is next year's critical event. A timely Presidential election in April can be a unifying moment for the country, consolidating the gains of the past decade and demonstrating that the Afghan people would rather use politics than violence to solve their differences. If successful, this will be the first peaceful transfer of power from one elected leader to another in Afghanistan's history.

The Afghans have committed to holding credible, inclusive, and transparent elections, and they are on track to meet this commitment. Larry Sampler will talk about what we are doing to support this effort, so let me talk about what the Afghans have done and are doing. As with elections anywhere, many things can go wrong between now and election day in April, but Afghanistan is far ahead, in terms of technical preparations, of where it was in previous electoral cycles. Afghanistan's last elections were conducted under rules established by Presidential decree because the political system had been unable to reach consensus on necessary legislation. Compare that to today. This past summer, Afghan legislators passed the laws establishing the structures that will shape the vote and procedures to evaluate complaints. In July, President Karzai signed that legislation into law. Now, the Independent Elections Commission (IEC) is implementing those laws, working with the Ministry of Interior on the security plans that will be critical to the success of the election. The IEC is also engaged in a nationwide voter registration "top up" program, which, thus far, has enrolled 3.1 million new voters of which 1 million are women. Although women's participation in the process still needs to improve, 3 of the prospective Vice Presidents are women, as are over 300 (11 percent) of the provincial council candidates. Presidential candidates have registered and last month the IEC approved a final official list of 11 candidates. Official campaigning gets underway in February, when rallies, ads, and televised debates will take place.

We have made clear that, in the upcoming election, the United States will support the process, not any individual party or candidate. We will continue to assist Afghan electoral authorities, the Afghan Government, Parliament and civil society in their efforts to strengthen the electoral system and to minimize electoral fraud. While the Afghan Government has taken encouraging steps to ensure security for poll workers, the Independent Election Commission and other elections-related workers, we will continue to monitor security trends as the elections near. Our military experts are also helping the Afghans with security planning. That said, ISAF planners have been surprised by the extremely limited number of requests from the Afghan security forces as they support IEC voter registration efforts in insecure areas of the

country—what is, in effect, a dry run for the challenges they will need to handle during next April's vote.

Enduring stability will require reconciliation and we remain committed to supporting an Afghan peace process. Our objective has been, and continues to be, to promote and support a political process by which Afghans sit down with other Afghans to determine the future of their country. The outcomes of peace and reconciliation must be the Taliban and other insurgent groups breaking ties with al-Qaeda, ending violence, and accepting Afghanistan's constitution, including its protections for women and minorities. Even as we remain committed to supporting a peace process, we do not plan to let up our fight against international terrorism in Afghanistan or our support to Afghan forces. Our military and diplomatic efforts continue to be mutually reinforcing.

I do not mean to present an overly rosy picture of Afghanistan's present or future. Many challenges remain. The Taliban continue to fight. Afghanistan remains one of the poorest countries in the world and the drawdown of international military forces will reduce economic growth. Afghans still need to put in place the physical infrastructure and legal framework to encourage long-term sustainable development and attract private investment. Corruption is a major problem—one the Afghan public is aware of and one the Afghan Government promised to reduce as part of the Tokyo Mutual Accountability Framework. The narcotics trade is far from under control, as the recent announcement of a record poppy harvest showed. All of these require sustained commitment from the Afghans and the further development of their institutions to remedy. But most Afghans want to fix them, as the survey shows, and international support is vital to helping them do so.

As we focus on the pivotal year 2014, which will mark the end of the U.S. combat mission and what we hope and expect will be the successful transfer of power to a new, democratically elected Afghan President, we should also keep an eye on the future of this region. Afghanistan has a young population; more than 65 percent of Afghans are under 25 and the average age is 18. Over the last decade many of these young Afghans have gone to school, learned to use e-mail, set up Facebook pages, become connected to other Afghans outside their provinces and ethnic groups, reclaimed their artistic heritage, become familiar with other countries and ways of life, even learned English. (There are 1.5 –2 million Internet users.) They participate in civil society and establish think tanks. They are moving from the rural areas to the cities for jobs and education. Sustaining our relationship with Afghanistan means maintaining our connection with those young Afghans. Their future is crucial to the stability of the region and ultimately the security of the United States. Right now these young men and women want democracy, access to free media, economic opportunities, transparency, and education. A partnership with the United States will help them consolidate the institutions that did not exist 12 years ago, but which have grown in their lifetimes and which will help ensure that these youth rebuff the recruitment of extremists and help to build a peaceful democratic partner for the United States and our allies.

In conclusion, let me emphasize that despite the many challenges, we have much to build on as we look to the future of America's partnership with Afghanistan. Thanks in large part to the generosity of the American people, the courage of its men and women in uniform and the bipartisan support of Congress, Afghanistan is a fundamentally different country than it was 12 years ago. It remains a hopeful country, although uncertainty over conclusion of the BSA is unnecessarily increasing anxiety at just the point in Afghanistan's growing self-reliance where reassurance is most necessary. This administration looks forward to continuing its work with Congress to help ensure that as these hopes are realized our own vital national security interests are secured.

The CHAIRMAN. Thank you.  
Mr. Sampler.

**STATEMENT OF DONALD L. SAMPLER, JR., ACTING ASSISTANT  
TO THE ADMINISTRATOR, OFFICE OF AFGHANISTAN AND  
PAKISTAN AFFAIRS, U.S. AGENCY FOR INTERNATIONAL  
DEVELOPMENT, WASHINGTON, DC**

Mr. SAMPLER. Chairman Menendez, Ranking Member Corker, members of the committee, thank you for the opportunity to testify today.

I have been working on and in Afghanistan in both civilian and military capacities since 2002. In addition to having worked with the Afghan emergency Loya Jirga and the Afghanistan constitutional Loya Jirga, I have served as a representative of an international NGO, a senior advisor to two ISAF commanders, and as chief of staff to the U.N. Assistance Mission in Afghanistan.

After the fall of the Taliban regime, I saw, firsthand, an Afghanistan that had been devastated by decades of conflict. The unprecedented investment by United States taxpayers and the international community, in partnership with the Afghans themselves, has created transformational changes in Afghanistan that are reflected in the United Nations 2013 Human Development Index. Afghanistan improved its score in that index more than any other country in the index of that year, an improvement of about 60 percent. Changes of this magnitude are not made overnight, especially in such a deeply traditional society and in such a challenging operational environment. The results of international civilian assistance are significant, but fragile.

Just a few examples: In 2002, there were only 900,000 Afghan children in school, and virtually no girls. Today, nearly 8 million children are in school, and 30 percent of them are girls. Life expectancy in Afghanistan has increased from 42 years to over 62 years. The maternal mortality rate has declined by 80 percent, and child mortality has decreased by just under 50 percent.

In 2002, only 6 percent of Afghans had access to electricity. Today, that number is 18 percent. And the Afghan electric utility is well on its way to financial stability.

In 2002, there were very few fixed telephone lines, and a call outside of Afghanistan required a satellite phone. Today, the combined phone networks in Afghanistan cover 90 percent of the Afghan population, and 85 percent of women have access to a cell phone. Today, there are over 3,000 women-owned businesses and associations, almost 20 percent of Afghans enrolled in higher education are women, and women are active participants in the Afghan political process.

As we enter the transition period of 2014, USAID's strategy is threefold: to maintain and make durable the gains that have been made in health, education, and the empowerment of women; to mitigate the economic consequences of the military drawdown; and to foster improved stability by supporting legitimate and effective Afghan governance, to include the 2014 elections.

USAID places a high priority on ensuring that American taxpayer dollars are used wisely. While many of the issues in Afghanistan are unique to that country, monitoring projects in challenging environments is something that USAID does around the world, and does very well. In designing the Afghanistan monitoring strategy, USAID incorporated lessons learned from our monitoring programs around the world, to include Colombia, Iraq, Pakistan, and South Sudan. I will note that these programs that form the basis of our Afghanistan monitoring program have been reviewed in six separate USAID Office of the Inspector General reports as well as three reports by the General Accountability Office.

Finally, external audits provide useful oversight and discipline, and they complement and reinforce USAID's own efforts to ensure

U.S. tax dollars are used effectively and efficiently. There are currently over 100 audits ongoing of USAID programs in Afghanistan.

The bottom line is that USAID will terminate programs if the agency determines that adequate oversight is not possible or that adequate development progress is not being made.

With respect to the elections, a credible, transparent, and inclusive electoral process is central to the U.S. Government's transition strategy and critical to Afghan stability and democratic development. USAID remains focused on supporting an inclusive and democratic process by supporting Afghan electoral authorities and by building the capacity of democratic stakeholders in Afghanistan so that they can participate in the elections in a robust and informed way. USAID supports independent domestic observers, civil society, media, and political parties, helping them appropriately engage in the democratic process.

USAID is supporting the participation of women in all aspects of the electoral process, promoting the hiring and training of female polling staff, promoting public outreach to women voters by civil society and by public officials, and enhancing the ability of women candidates to campaign effectively.

In conclusion, I have worked in Afghanistan as a member of the Department of State, USAID, and the U.S. military. I have attended ramp ceremonies for the fallen heroes of all three organizations. I am personally, and USAID is institutionally, keenly aware of the enormous sacrifices made by Americans to build a secure and a stable Afghanistan. And we fully understand the need for constant vigilance, particularly during this delicate transition period. We are making tough decisions, we are prioritizing our investments, and we are looking for things that have the greatest potential for long-term success.

As USAID navigates the 2014 transition period, we continue to be committed to safeguarding taxpayer resources and to ensuring that the remarkable levels of development progress made in Afghanistan are maintained and made durable.

It is an honor to be here today and to be able to share with you a small glimpse of what USAID is doing in that regard. I look forward to your questions.

[The prepared statement of Mr. Sampler follows:]

PREPARED STATEMENT OF DONALD L. SAMPLER

Chairman Menendez, Ranking Member Corker, and members of the committee, thank you for allowing me the opportunity to testify before you today to discuss the role of the U.S. Agency for International Development (USAID) in advancing U.S. Government policy through USAID's civilian assistance program during the transition in Afghanistan. It is an honor to appear before you today with Ambassador Dobbins.

USAID has been fully engaged in Afghanistan for 12 years, and during that time Afghanistan has made remarkable development gains in many sectors. This transition period is a pivotal moment for Afghanistan, in anticipation of which USAID has been planning and adjusting its programming to maximize sustainability and accountability.

I have been working on and in Afghanistan in both civilian and military capacities since 2002. In addition to having worked with the Afghan Constitutional Loya Jirga and the Afghan Emergency Loya Jirga, I have served as a representative of an international nongovernmental organization, and as chief of staff of the U.N. Assistance Mission to Afghanistan. I bring these perspectives to USAID's work today.

Continued U.S. engagement is critical to Afghanistan's stability and to protecting the vital interests of our own country. Improving governance, creating economic opportunity, and supporting civil society are critical to solidifying our military gains and advancing our political and diplomatic goals for Afghanistan and the region. In order to achieve these goals, USAID has reoriented its assistance program to lessen its stabilization work and place an even greater emphasis on long-term, sustainable development programming.

#### USAID AND RESULTS

After the fall of the Taliban regime, I saw firsthand an Afghanistan devastated by decades of conflict. The unprecedented investment by U.S. taxpayers and the international community, in partnership with the Afghans, has created transformational changes in Afghanistan that are reflected in the United Nation's 2013 Human Development Index. Afghanistan improved its score more than any other country in the index since 2000 on a percentage basis: a nearly 60 percent increase. Although Afghanistan had a very low starting point, the upward trends show powerful aggregation over a decade and strongly reflect areas of USAID investment.

Changes of this magnitude are not made overnight, especially in such a deeply traditional society and challenging operational environment. The results of international civilian assistance, led by USAID in concert with the broader U.S. Government, are significant, though fragile:

- **Education:** In 2002, there were only 900,000 Afghan children in school, and virtually none of them were girls. Today, nearly 8 million children are registered to attend school and more than one-third of them are girls.
- **Health:** Life expectancy has increased from 42 years to over 62 since 2001; the maternal mortality rate has declined by 80 percent from 1,600 deaths to 327 per 100,000 births; and child mortality decreased from 172 to 97 deaths per 1,000 live births.
- **Energy:** In 2002, only 6 percent of Afghans had access to reliable electricity. Today 18 percent do. In addition, USAID assistance has helped put the Afghan national power company (DABS) on a path to become fully self-sustaining. DABS collected \$220 million from the sale of electricity in 2012, an increase of 67 percent from 2010.
- **Mobile Technology:** In 2002, there were few fixed telephone lines and making calls outside of Afghanistan required a satellite phone. Today, the combined phone network covers 90 percent of the Afghan population; 85 percent of women have access to a mobile phone. The telecommunications sector is Afghanistan's greatest source of foreign direct investment, largest remitter of taxes to the government, and biggest licit employer, providing jobs for 100,000 Afghans.
- **Women:** Today, there are over 3,000 women-owned business and associations; almost 20 percent of Afghans enrolled in higher education are women; and women are active participants in the Afghan political process, with three female Cabinet members of the Afghan Cabinet, 68 Members of Parliament (of the 249 seats), and three women Vice Presidential candidates.

#### USAID TRANSITION STRATEGY

Over the last 2 years USAID has regularly reviewed and adjusted its programs to ensure that they advance the administration's strategic objectives and are necessary, achievable, and sustainable. USAID's transition strategy is threefold:

- Maintain and make durable the gains made in health, education, and the empowerment of women;
- Mitigate the economic impact of the drawdown through a robust focus on the agriculture sector, private sector development, the operations and maintenance of infrastructure investments, and the future potential of the extractives industry; and,
- Foster improved stability by supporting legitimate and effective Afghan governance, including the 2014 Presidential election.

Operationally, USAID has adjusted its implementation model to improve sustainability and meet the challenges presented by the transition through:

- Focusing assistance in Regional Economic Zones (REZs) that cover major population centers and promote regional trade and economic opportunities;
- Developing a multitiered oversight strategy that, along with other monitoring and evaluation efforts, will continue to ensure adequate oversight over projects in the field, as field staff decrease;

- Transforming USAID’s approach in Afghanistan to one of mutual accountability, ensuring alignment with Afghan priorities and promoting Afghan reforms; and
- Implementing USAID’s 2011 Afghanistan Sustainability Guidance, which emphasizes the principles of (1) increasing Afghan ownership and capacity; (2) contributing to stability and confidence, and (3) effective and cost-efficient programming.

With these parameters in mind, USAID works in coordination with the U.S. Government interagency and the Afghan Government to review and revise USAID’s Afghanistan portfolio. For example, in consultation with the Government of Afghanistan in 2012, USAID substantially downscaled a 5-year, \$32 million agricultural faculties program found to be duplicative of efforts by another donor.

Sustaining the development gains made over the past decade will require continued reforms by the Afghan Government. USAID is active in promoting these necessary reforms in coordination with our international partners through the Tokyo Mutual Accountability Framework (TMAF). As part of TMAF, USAID has established a bilateral incentive fund to encourage action on key reforms. Funds will be released as the Afghan Government meets certain thresholds of progress on the key TMAF indicators.

For instance, as a result of the Afghan Government’s progress in meeting commitments related to the upcoming elections, USAID is preparing to release \$15 million (out of the \$75 million in incentive funds for this year) through the World Bank’s Afghanistan Reconstruction Trust Fund (ARTF). The Afghanistan Ministry of Finance is now working with other Ministries to undertake agreed reforms to ensure that the remaining \$60 million of U.S. incentive funds for this year are focused on Afghan priorities. In addition, the United States coordinates closely with the Afghan Government and other donors to prioritize reform objectives and coordinate other incentive programs, including those that are part of the ARTF.

Throughout this transition, USAID continues to closely coordinate with the Departments of Defense and State and other relevant agencies. For example, USAID has placed Liaison Officers with both the International Security Assistance Force (ISAF) Joint Command and the Special Operations Joint Task Force to advise these commands on the design and implementation of development projects. USAID has two representatives on the Department of Defense’s Commanders Emergency Response Program Board, and these positions ensure the Agency’s visibility on proposed military development projects and synergies of such projects with USAID’s programming. USAID also participated in the Department of State-led “Transfer of Tasks” exercise, which helped to inform the U.S. Embassy and USAID mission on how to responsibly transfer development-related activities undertaken by ISAF to other U.S. Government entities or to the Afghan Government. Throughout this process, USAID has drawn on lessons learned from the Iraq experience to help navigate the transition period.

#### OVERSIGHT AND ACCOUNTABILITY

USAID places the highest priority on ensuring that American taxpayer funds are used wisely, effectively, and for their intended purpose. While many of the issues in Afghanistan are unique to that country, monitoring projects in very challenging environments is something the Agency has been doing for years in many places around the world.

In addition to the usual oversight USAID undertakes in every country where it works, USAID’s Accountable Assistance for Afghanistan initiative (known as A3) focuses on four areas:

1. Award Mechanisms—We rely less on large agreements and have increased the number of smaller and more flexible agreements. We are also utilizing assistance awards that provide the most visibility on project costs, such as cost-reimbursable contracts and limiting layers of subcontracts to two.

2. Partner Vetting—The USAID mission established a Vetting Support Unit in February 2011. The unit conducts checks on non-U.S. companies and non-U.S. key individuals for prime contractors, subcontractors, grant recipients and subgrantees to determine whether or not they are associated with known malign entities or individuals. We have kept \$41.5 million from being awarded as a result of our vetting process.

3. Financial Controls—We are enhancing controls on project funds, such as using electronic funds transfers in lieu of cash payments, using independent financial monitors to verify appropriate usage of funds, ensuring close review of recipients/contractor’s claims prior to payment, and performing audits of locally incurred cost.

4. Project Oversight—USAID uses a multitiered monitoring approach that includes, as appropriate, independent monitoring contractors; observation by U.S. Government staff; reporting by implementing partners, local nongovernmental organizations and civil society; and use of technological tools, such as time- and date-stamped photos. By using multiple sources of monitoring data, USAID can compare information received from separate sources to ensure the greatest degree of oversight possible.

USAID will terminate projects, or specific activity sites within projects, if the Agency determines that adequate oversight is not possible or adequate development progress is not being made. In designing the Afghanistan monitoring strategy, USAID incorporated lessons learned from its use of third-party independent monitoring in challenging environments across the world, including Colombia, Iraq, Pakistan, and South Sudan, as well as from the USAID Office of Inspector General (OIG) and U.S. Government Accountability Office (GAO) audits, as well as public feedback.

USAID has also developed a new unit at the mission, the Implementation Support Team, which is responsible for providing an additional layer of critical review and analysis for the many streams of monitoring information and for providing USAID leadership with alternative courses of action for addressing challenges with project implementation. In addition, USAID is continuing its close coordination with other donors to share best practices and expertise on monitoring.

USAID also has a rigorous system of oversight for its “on-budget” programming with the Afghan Government. This means that USAID conducts assessments to ensure that each Afghan ministry or entity has systems in place to manage on-budget assistance. To date, USAID has assessed 13 ministries, but has limited its on-budget assistance to 6 ministries, subject to stringent safeguards.

For “on-budget” assistance, USAID utilizes multiple levels of protection to mitigate risks before disbursing any funds. These measures may include, but are not limited to, requiring the Afghan Ministry of Finance to establish noncommingled, separate bank accounts for each project with USAID; disbursement of funds only after USAID has verified that the ministry has achieved a performance milestone or USAID has verified accrued costs; an annual audit by a USAID OIG-approved firm; substantial involvement and oversight by USAID staff in procurement processes; independent management, monitoring and evaluation of services; and technical assistance to increase the capacity of ministries while addressing any vulnerabilities or weaknesses identified in the assessments. All “on-budget” assistance requires compliance with USAID accountability and oversight procedures, including site visits to ministries by USAID staff or independent contractors, as well as regular reporting. Ministries are required to fully comply with the mitigation measures prior to and throughout the disbursement process. If Afghan ministries fail to adhere to these measures, the agreements are subject to immediate suspension or termination.

For example, USAID has worked closely with the Ministry of Education to assess its financial management systems, implement extensive mitigation measures for the risks these assessments identified, and audit their progress and monitor results. USAID negotiated a stringent series of preconditions and financial controls pursuant to the launch of a \$27 million textbook printing program, part of the Basic Education, Literacy, and Technical Vocational Education and Training Project. The specific steps USAID required to mitigate these risks included use of a noncommingled separate bank account from which all project disbursements are to be accounted for; an annual audit including quarterly audit testing of all project disbursements under the agreement by an OIG-approved certified public accounting firm; and USAID involvement and mandatory clearance of the textbook procurement cycle for each separate procurement undertaken under the agreement. USAID subsequently obligated a total of \$20 million toward the agreement, and to date \$11.7 million has been disbursed.

Finally, audits provide useful oversight and discipline, and complement and reinforce USAID’s own efforts to ensure U.S. tax dollars are used effectively and efficiently. There are currently over 100 ongoing audits of USAID programs in Afghanistan. In fiscal year 2013, the GAO, USAID OIG, and Special Inspector General for Afghan Reconstruction (SIGAR) completed over 65 financial and program audits in Afghanistan.

Oversight is a process that requires continual reexamination and the ability to adjust to new circumstances as they arise. Although there are inherent risks in doing business in a country like Afghanistan, we work hard to ensure taxpayer dollars are adequately protected while carrying out a vital component of the U.S. Government’s national security policy.

## AFGHANISTAN 2014 ELECTIONS: USAID'S ROLE

A credible, transparent, and inclusive electoral process is central to the U.S. Government's transition strategy and critical to Afghan stability and democratic development. Afghanistan has made significant progress, with support from USAID, toward holding elections in April 2014: two key election laws were passed over the summer, marking the first time the Parliament directly approved the electoral process. Commissioners to the Independent Electoral Commission (IEC) and the Independent Electoral Complaints Commission (IECC) have been appointed through a consultative process, and have proceeded to implement responsible plans for conducting polls for the April 5 vote. Candidates registered for the Presidential and Provincial Council elections in an orderly fashion, and the final candidate lists were prepared after complaints were addressed by the appropriate Afghan institutions. In short, there has been significant progress on multiple elements of the necessary electoral machinery, pointing toward a timely and credible election this spring.

USAID, in coordination with partners in the U.S. Government and the international community, remains focused on supporting an inclusive and democratic process by supporting Afghan electoral authorities and by building the capacity of democratic stakeholders in Afghanistan to participate in a robust and informed way. USAID is the lead donor to the IEC and IECC through the United Nations Development Programme (UNDP) ELECT II basket fund, which provides expert advice and mentoring to the IEC and funds key election procurement, training, and logistics. USAID is also funding IECC activities through the UNDP ELECT II basket fund. In addition to the electoral authorities, USAID supports independent domestic observers, civil society, media, and political parties, helping them appropriately engage in the democratic process.

USAID is supporting the participation of women in all aspects of the electoral process: promoting the hiring and training of female polling staff; promoting public outreach to women voters by civil society and public officials; and enhancing the ability of women candidates to campaign effectively.

Despite many existing and potential challenges, Afghans have demonstrated through every stage of the election planning process that they see a successful election as the only acceptable option to decide the leadership of their next government. The U.S. Government, through USAID and other departments, is providing across-the-board support to help ensure this happens.

## CONCLUSION

USAID always keeps in mind the enormous sacrifices made by Americans to build a secure and stable Afghanistan, and we fully understand the need for constant vigilance, particularly during this delicate transition period.

Throughout our efforts, we are applying important lessons from the past 12 years in Afghanistan, as well as from other high-risk environments in which USAID has worked. Weaning Afghanistan from unsustainable levels of assistance is necessary for us, and essential for them, and we are making tough decisions and prioritizing investments that have the greatest potential for long-term sustainability. As USAID navigates through the 2014 transition period, we are committed to expending every effort to safeguard taxpayer funds and ensure that the remarkable development progress in Afghanistan is maintained and made durable.

Denying al-Qaeda a chance to rebuild in Afghanistan remains America's primary mission in that country, and the programs implemented by USAID are essential elements to the success of that goal, particularly through the transition period.

It is an honor to be able to share with you today a small glimpse of what USAID is doing in that regard. I look forward to answering any questions that you may have.

The CHAIRMAN. Well, thank you both.

Let me start off with Ambassador Dobbins. What is Karzai's purpose? It seems to me that he is putting his country, his legacy, maybe even his personal security at risk. What is his purpose?

Ambassador DOBBINS. Well, I think—

The CHAIRMAN. You need to put your microphone on.

Ambassador DOBBINS. Sorry.

I can tell you what—you know, the kinds of conditions he is laying down. I would have to speculate about what further purposes may be beyond it. But, although he has spoken generally about a number of different desiderata, they basically come down to two, as

far as we can determine. You know, one is a peace process, and the second is no entry into Afghan homes, sanctity of Afghan homes.

On the first, we, of course, have supported reconciliation. We have tried to advance reconciliation. His position, at the moment, seems to be that we actually have to succeed in initiating a formal, overt, public Afghan Government/Taliban peace negotiation before he will sign the BSA. Now, I have noted to him that the Taliban have no real incentive to facilitate his signing a BSA, and that this conditionality actually probably works against what he would like to see. Not that we are opposed to a peace process; on the contrary, we are—

The CHAIRMAN. Right.

Ambassador DOBBINS [continuing]. All for it. So, that is one of his desiderata.

And the second is—in the context of the BSA and in the context of the—on the text of the BSA and then an assurance he got from the President alongside it, you know, we have committed to respect the sanctity of Afghan homes and to operate in ways that recognize the importance of privacy and safety within the home. He seems to be interpreting this as: Under no circumstances, in any case, even if accompanied by Afghan troops, and even if Afghan troops are actually leading the operation, should the United States forces participate in entering and searching a home in search of a terrorist.

So, we think both of these are a bit of an overstretch. Now, it could be that, in the end, formulas will be determined that are mutually acceptable. Clearly, what he is asking is beyond where we are likely to be able to accommodate him. But, he may see this as the beginning of another negotiation.

The CHAIRMAN. I know that your testimony said you feel that we definitely will get there. But, is there a breaking point here? Is there a point in which the consequences of not having a signed agreement are going to have—you refer to some of the consequences. Certainly, when I was there earlier this year, there was a real concern, both among Afghanistan's neighbors and internally in Afghanistan, about people hedging their bets, about having that sense of confidence for the future, especially as the 2014 elections are pursued. Are there not real consequences?

And, as part of that answer, can you talk a little bit about the regional implications of this agreement and political transition—can you describe what diplomatic efforts and planning to address the concerns expressed by some of our partners in the region, and perhaps, through that process, mitigate potential second- and third-order effects of the transition?

Ambassador DOBBINS. Well, I agree with you entirely. Senator, on the consequences of delay. I think your opening statement and mine were almost, you know, at perfect parallel on those consequences, and they—

The CHAIRMAN. Please have the State Department note-taker put that down in their report back to the State. [Laughter.]

Ambassador DOBBINS. And the longer the delay is, the greater those consequences are.

Is there a point at which walking away from Afghanistan would be better than continuing to live with uncertainty? Personally, I do

not think so. Because I think the consequences of leaving entirely would be even more catastrophic. But, clearly, the sooner the better.

We are engaged with the neighboring countries. You mentioned President Karzai has just visited Iran, but he is also in—I think, 3 days from now, going to be visiting India, where he will meet with the Prime Minister and other leaders in India. He is visiting Turkey shortly thereafter. We have already mentioned what Russia, what China, what Pakistan have said. So, I think that, with the exception of Iran, there is quite a remarkable, actually, international consensus that, while the United States should not stay forever, it should stay for a while longer.

I do think that, to the extent we—

The CHAIRMAN. Well, he knows that, too, right? Part of his willingness to delay is because he believes that, at the end of the day, it is not in our interests not to stay. So, in doing so, he thinks he has leverage, in that regard.

Ambassador DOBBINS. I think that is probably accurate. What I think—the most viable sort of leverage, I think, is probably domestic; that is, his supporters, his political opponents, the media, the public. I mean, this is on every talk show, every night, and they have got 76 channels of television there. This is a big topic. It is the main topic of public debate. And there is, as we have both noted, overwhelming support within the population. And I am hopeful that, over time, that will begin to have an effect, along with whatever advice he gets from friendly neighbors, of whom, for instance, his upcoming visit to India could, I think, be quite influential, because he highly respects and has good relations with the Indian Government.

The CHAIRMAN. Finally, part of Afghanistan's future is going to be in its regional integration in trade opportunities. And I think a lot of that is embodied in the administration's new Silk Road Initiative. I think that the FY14 Foreign Operations bill, which passed out of the Appropriations Committee this year, wisely calls for a plan to integrate the functions of your office back into the Bureau of South and Central Asian Affairs. Can you shed some light on the State Department's plans to integrate SRAP and SCA, and what challenges are there in conducting that integration?

Ambassador DOBBINS. I—you know, I think—I would not say we have a plan. I think there is a sort of a general working assumption that the transition, in end of 2014, where we move from a large combat presence to a small train-advise-and-assist presence, would be a logical breakpoint, where you might make some changes in the way the State Department is organized.

On the other hand, even under those circumstances, Afghanistan is still going to be one of our largest, if not the largest—certainly, it will be the country in which we are most heavily engaged in a country that is still undergoing conflict. And whether you would want to just turn this over to the Afghan desk officer, I am not sure. So, I think reintegration into the Bureau, in some circumstances, in some manner, might well make sense.

I mean, when I was the Special Envoy for Afghanistan, back in 2001, I was administratively attached to the South Asian Bureau. When I was the Special Advisor to the President and Secretary of

the State for the Balkans, I got my administrative support from the European Bureau, as opposed to from the Secretary's office directly. Although, in both cases, I had direct access to the Secretary of State.

The CHAIRMAN. Well, I am certainly not suggesting, nor do I think the subcommittee suggests, that it be the Afghan desk officer that deals with the major account that we have in this part of the world. But, I think there is some benefit in integration, because it is not just Afghanistan that we are focused on there; it obviously has regional consequences, as well. And I would love to see the continuing development and thought of the State Department in that regard.

Senator Corker.

Senator CORKER. Thank you, Mr. Chairman and, again, to both of you, for your testimony.

You know, for a long time, there has been a push by many to try to get the administration to commit to what the troop levels were going to be if there was a bilateral agreement that was agreed to. And I know there have been specific ranges that we have talked about, in combination with NATO, and then a contingent of Special Ops, aside from that operation, that we would have, unilaterally. Has the—do you think, to any degree, the lack of our willingness, if you will—the administration's willingness—to actually commit to firm troop levels—or, firm commitment to troop levels—has that entered into Karzai's flakiness on this issue?

Ambassador DOBBINS. Probably not. Karzai has shown complete, total disinterest in troop levels or even assistance levels, and is focused on some of these other issues that clearly are hot buttons with him. I think his working assumption is, we will do what is necessary, as Senator Menendez indicated, and that, therefore, he can take that for granted. We try to tell him that American opinion is not exactly where he thinks it is, and there—that he is—you know, that he is playing with fire.

And it was instructive that the Foreign Minister of Iraq visited, 10 days ago, met with President Karzai and said, "Do not make the same mistake we did. You know, we kissed the Americans good-bye, and we need them today."

Senator CORKER. So, let me ask you—obviously, you assess, you know, the need for troops, or the levels of those troops, based on conditions on the ground. And you just mentioned that things obviously are deteriorating. I mean, part of having security in the country is having appropriate economic growth and all of those kinds of things. And these actions on his part are causing that to deteriorate. Is this situation in Afghanistan, is it affecting how you are discussing troop levels right now? And is that moving up or down based on the changes that are happening there internally?

Ambassador DOBBINS. I do not think the negative trends that I have suggested have yet manifest themselves in a degree that would impact the battlefield. I mean, it is only been, what, 2 weeks, 3 weeks that we have faced this problem that Karzai gets endorsement for it but says he does not want to sign it during his term of office. As I have said, there are already some manifestations, in terms of the economy, but they are limited—

Senator CORKER. Will it, over time, affect things in that way, if it goes out to the end of the election and—

Ambassador DOBBINS. Possibly, yes. I think, if the uncertainty persisted through the summer, we would have less allies when we finally do confirm this, we would have less public support in this country when we finally get an agreement. We might even have less support here in the Congress, although I would hope not. But, these are real dangers. And would it affect morale on the battlefield? So far, that has not been a problem. So far, the Afghan Army has been performing well, taking high casualties, replacing them, fighting hard. But, frankly, if this uncertainty persisted and was exacerbated by regional interference of the sort that we have seen in other decades, you could draw a lot of very unpleasant scenarios.

I think we need to try to ensure that it does not unravel in that regard over the next several months. But, I agree that these are dangers.

Senator CORKER. And I know, with Iraq, you alluded to that, but a big part of that, I think, was what we were leaving behind was so insignificant that I think Iraqi political leadership decided it was not worth the internal grief, if you will, to enter into an agreement. I do not sense anything like that is at play here, and I do sense there is a sincere effort, on behalf of our country, to end up with a bilateral agreement that leaves a substantial number of folks there to see this through. And, to that end, in talking about our internal situation, other than preserving our gains, how would you, as our special envoy—how would you describe what our national interests are in Afghanistan as people watch a President there, if you will, turn his back on all the things that have happened there over the last 10 to 12 years?

Ambassador DOBBINS. We obviously have an interest in preventing al-Qaeda from repositioning itself in Afghanistan, from being able to operate with the active collaboration of a government that supports it, which was the case before 2001 and which would be the case again if the Taliban were to come to power in part or all of Afghanistan. They remain the link to al-Qaeda. We have no reason to believe that they would not continue to allow al-Qaeda to use the territory and to actually facilitate their use. So, that is one.

We have an interest in preventing even a largely dismantled al-Qaeda from rebuilding itself within an Afghan sanctuary, which, again, would be a real possibility if the Taliban were to come back to power.

We also have an interest in preventing Afghanistan from simply falling into a wider civil war, which would become exactly like Syria, a magnet for extremists, militants of all stripes, including al-Qaeda, but not just al-Qaeda, some with global agendas and some with desires to attack the United States at home and abroad. We do not need another ungoverned space, another country like Somalia, like Yemen, like Syria, that has no capacity to control its own territory and which is in an ongoing and everlasting conflict which attracts every extremist in the world to plant their flag, to recruit, to fundraise, and to use that conflict as a basis for wider action.

Senator CORKER. Well, I thank you for that answer.

In regards to Karzai, in his irrational activities—I mean, we have got to act responsibly, and sometimes when you are in a negotiation and you have an irrational and irresponsible partner, it ends up changing the dynamic in a way that is not to your advantage. Is there any part of this that has to do with manipulating the election, in your opinion, and potentially causing favor to move toward his brother in the election?

Ambassador DOBBINS. He has been pretty consistent in everything he has said to everybody he has talked to, that we know of, in opposing his brother's candidacy, frankly.

Senator CORKER. Well, is he trying to affect it, in any direction?

Ambassador DOBBINS. So, there is obviously those kinds of suspicions, particularly on the part of his political opponents. He has done nothing to substantiate that, so far, that we know of. He seems to be committed to holding the election on time. He has encouraged a number of candidates to run, not just one. He clearly does not, at this stage, have an identified favorite. And he, otherwise, has largely avoided the kind of interference that one could legitimately take exception to. He expresses a concern, based on his experiences in 2009, about our interfering in the election, and, of course, we have reassured him on that stage. At one point, after National Security Advisor Rice gave him some assurances in that regard, he declared himself satisfied and that he would no longer raise the issue. But, he does come back to it, as clearly there—you know, 2009, from his standpoint, was fairly traumatic, and he is not willing to let it go. But, to be fair, at this stage we have not seen anything which suggests that this is a ploy to either postpone the elections or manipulate their outcome.

Senator CORKER. You know, if you look at our foreign policy over the last few years, American foreign policy has really—I mean, we have been Iran's best friend, whether intentionally or unintentionally, over the last several years. And, you know, obviously, the President of Afghanistan entered into this agreement with Iran, which really was not much of an agreement. I think it is an agreement to agree down the road.

Ambassador DOBBINS. Yes.

Senator CORKER. It was not very specific. But, from his manipulative standpoint, what was Karzai attempting to do with this agreement he just announced with Iran?

Ambassador DOBBINS. As we understand it, he simply agreed to negotiate an agreement. And he has negotiated these kinds of agreements with other states in the region. I do not know that this—I cannot tell you whether this meeting was set up before we had the Loya Jirga and all, his trip to Iran. He has gone there once or twice a year since he became President, back in 2001–2002.

So, at this point, I would not attach a lot of importance to it. Iran is the only country that is encouraging him in his current stance. Of course, they are not encouraging him to sign it late, they are encouraging him not to sign it at all.

Senator CORKER. Not at all; yes.

Ambassador DOBBINS. You know, their position would be, "You do not need the Americans. You know, there are lots of other countries of the region that will help you." In fact, there are no other countries of the region that are offering the kinds of assistance that

the United States and its NATO allies are prepared to commit to, and the other countries of the region have made that clear.

So, is this a gesture designed to demonstrate that he has other options? Maybe. But, it is so in keeping with his relations with Iran over the last decade that at this point, I am not getting too excited about it.

Senator CORKER. Thank you.

The CHAIRMAN. Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

And thank you both for being here.

And, Ambassador Dobbins, appreciate your service in a challenging environment; both of you, actually.

You mentioned President Karzai's interest in reconciliation agreement with the Taliban. And can you talk a little bit more about that? What kind of prospects do we think are realistic? Why should the Taliban—or, why do we think the Taliban might be interested in reaching some sort of an agreement with the current Government of Afghanistan or the government of any new President, once we begin to draw down our forces and there is less of an obstacle to their regaining power?

Ambassador DOBBINS. Well, first, to be fair to President Karzai, he is not asking for, or expecting, a peace agreement with the Taliban. He simply wants a process to be begun under his administration, which is a natural enough desire, and one we would be happy to support, if it was realistic. And, in fact, we have been trying to promote it for several years, since, essentially, 2011, when—

Senator SHAHEEN. So, can you also talk about why what he is proposing is not realistic.

Ambassador DOBBINS. Well, particularly saying, "I won't sign the BSA until I have formal talks with the Taliban"—

Senator SHAHEEN. OK.

Ambassador DOBBINS [continuing]. Does not exactly give the Taliban an incentive to talk to him. The Taliban might be willing to talk to him if he never signs the BSA, but he is not providing them an incentive, with that particular formula. The Taliban have been quite consistent, for several years, that they are willing to talk to us, they are not willing to talk to the Government of Afghanistan. We brought them over that line, almost, in June, and then it faltered, not, in fact, as a result of the Taliban's bad faith, but for other extraneous reasons, and we did not get to that goal line. And I guess I would have to say that it is unlikely that they will cross that in the next—you know, between now and April. They would not seem to have an interest in enhancing the legitimacy of the current regime, or, in particular, of the elections that are going to produce the next regime. That would seem the logic that is consistent with everything they have said, and it is consistent with what we know about what they say to themselves and what they say to others, privately.

But, over the longer term, you know, it is our view that if we have a BSA, if we have a continuing presence, if the international community remains committed, if the international financial support for the ANSF and to the Afghan Government as a whole is sustained, that the Afghan forces will continue to dominate and

hold the major population centers, that the Taliban will eventually realize that the American departure, if you will, has not brought them a breakthrough, that the war will continue indefinitely until they reach a settlement. There are elements within the Taliban, we think, who are interested in talking. I would not say, at this point, they are interested in a settlement that we would regard as acceptable, but they are interested in talking, and that is a first step.

So, I think we will continue to support this, in principle; we will continue to try to support it, in practice. But, our expectations are that something is more likely to take fruit once a new government has been elected, which clearly has broad support within the country, and the international continued support into the coming decade is manifest and obviously going to materialize.

Senator SHAHEEN. I appreciate that argument. It sounds optimistic. However, given our failure, in past years, to have any progress—

Ambassador DOBBINS. I am a diplomat; I am optimistic. [Laughter.]

That is what we do.

Senator SHAHEEN. Well, and we politicians are usually optimistic, too, but—

Ambassador DOBBINS. Right.

Senator SHAHEEN. Let me—one piece of that concern about what might happen with the Taliban, I think also has to do with what happens with the rights of women. And there was an article, yesterday in the New York Times, talking about some backsliding with respect to women's rights in Afghanistan. And notwithstanding all of your positive statistics, Mr. Sampler, I think there is real concern that, if we leave, that one of the things that will get sacrificed is Afghan women and what their future might look like. And so, what assurances might there be in BSA that would address that issue?

Ambassador DOBBINS. Well, if we leave entirely, you are absolutely right. I mean, I think the country, as a whole, will suffer, but probably women will suffer the most. I will let Larry talk a bit about, you know, what our programs are, going forward, and the degree to which, assuming we have a BSA and a continued presence, we are going to be able to administer and continue to support the programs in the area of women's rights and women's empowerment.

I think that, you know, the statistics that Larry has indicated do have to be contrasted with significant serious problems that women still face there. On the other hand—you know, so the—Afghanistan has not gone from the 14th century to the 21st, but it may have gone from the 14th century to the 18th or something, in terms of number of women in universities, number of women—well, in number of women in Parliament, they are in the 21st century, essentially, as—and in some of the others—number of women in the workplace, including number of women of entrepreneurs—there has been some rather striking gains.

But, perhaps most important is the change in public attitudes. If you look at survey results, going back to 2001—Asia Foundation does one every year, and they have got a new one—you know, the number of men who think that women should be educated—you

know, I think it is now 60-some percent, maybe even higher, and I think much higher among people who have girl children. The number of men who think that women should be in the marketplace, in—you know, in jobs. These trends—although, in the last year, they have come down slightly, I think—they have been—there has been very significant gains. And it is those kinds of changes in attitudes which, over time, will sustain the progress that we have made.

But, Larry, you may want to add something on this.

Mr. SAMPLER. Sure. I will second the notion that the statistics cited in the New York Times article are grounds for concern, but there has been so much progress made that we cannot allow it to dissipate.

The things that strike me as most compelling are the 20 percent of women—or, the 20 percent of higher education students who are now women. We could not have seen that statistic when our forces first went into Afghanistan, because there were no women who had primary and secondary educations. So, the fact that women are entering into the advanced education field is promising, not just because it means there are women capable of taking senior jobs, but because it means they have reached a level where they will not allow themselves to be rolled back.

Another statistic that I think is more relevant than perhaps first recognized is that 85 percent of women in Afghanistan have access to a cell phone. So, no longer are they relegated to a small back-room in a compound, they now are able to reach out, they are able to receive news, they are able to communicate with each other. On my last visit to Kabul, I visited with a group of women who are using SMS technology to build their ability to cohesively and coherently campaign, not for office, themselves, but for issues among the candidates who are running for office. So, they are demonstrating a level of sophistication that just has not been there in previous years.

And I will also mention, and be happy to discuss further if you like, we have a program that we plan to implement, if the situation allows us to continue engaging, called PROMOTE, which is intended to focus primarily on the roughly 200,000 women between the ages of 18 and 30 who do have secondary education degrees. It also does things for other women who are disadvantaged and do not have that level of education, but we have made a deliberate policy decision that, in the transitional period, we wanted to be able to build on the work that has been done and help these 200,000 women find ways to gainfully engage themselves in the future of Afghanistan and then serve as role models so that the pool of such women will continue to grow.

But, I do think you are right to be concerned about rollbacks. Afghanistan is a big country, there are women in all kinds of different situations. But, I am also cautiously optimistic that, if we are allowed to stay, we will continue to see improvements in their status.

Senator SHAHEEN. Thank you.

The CHAIRMAN. Senator Kaine.

Senator KAINE. Thank you, Mr. Chair.

And, to the witnesses, thank you. We always thank witnesses for their service and for appearing, but I want to just kind of underline and exclamation-point it today, because we hear these statistics, but I think it is really important to step back and just talk about how meaningful they are. I mean, just take the life-expectancy increase from 42 to 62 in 10 years. There is just no precedent for that. There is just—I mean, I do not think the United States has ever been involved in anything that would have had that kind of impact, a 50-percent expansion of the life of a regular person because of the work that we and our partners have done, in tandem with the Afghans, on public health issues. It is unprecedented. It took 100 years for the life expectancy to—in the world—to increase by 30 years, from 30 to 60, essentially, in the 21st—in the 20th century. But, to do 20 years in 10 years, in one decade, is amazing. And that has largely been driven by public health for women and children. If you drop maternal deaths by 80 percent, if you drop infant mortality by 50 percent, that is what drives up life expectancy in what we have seen. And then the increases in children in school, you know, by, essentially 10 times, so it is almost an infinite increase in the number of women in school. You have to feel a sense of satisfaction about it. I mean, I know it is—and that probably makes it incredibly frustration, what you are dealing with now, but those of you who have done this—I do not know how this polls with the American public, to know that we have helped expand life expectancy from 42 to 62 years in Afghanistan with the work that we have done, but, in terms of feeling good about what you have done, and feeling like you have played an important role in a very challenging circumstance, you ought to feel a sense of pride. And I think we can feel a sense of pride, you know, that we have been willing to stick with it. That does make it frustrating.

You alluded, Ambassador Dobbins, to Iraqi Foreign Minister Zabari, and I was him this weekend, and—just to expand on this a little bit—I was at a security dialogue in Bahrain, this weekend, and—the Iraqi Foreign Minister Zabari was publicly saying, “I have told President Karzai, ‘Do not bluff the Americans. The Americans were willing to stay in Iraq. We told them we did not want them. And we wish we had not told them that now, 2 years later. We wish the Americans had stayed in Iraq.’” And he has met directly, as you indicated, with President Karzai, and he said, “Do not think you can bluff them, and do not be foolish enough to think that, if they depart, your life is going to be better. Your life is going to be worse.” And so, that is what makes this moment a frustrating one.

I am kind of curious about your—each of your sense about this—the election campaign coming up, and how this issue of the BSA could play into it. Assume that Karzai does not change his position and he keeps taking the position that, “I am not going to do anything; it is for the next person.” My initial thought was, I would be very worried that the role of the United States, or the role of the international partners in the BSA, and the economic aid, being part of an election campaign would not be a good thing. It would seem like it would be preferable to get that resolved and have the election campaign proceed with the candidates making their cases

with that as sort of an issue that has already been resolved. But, I guess I kind of have now—I am questioning my own sense about whether that would be a good thing or a bad thing.

If Karzai does not—if he continues in his current position, this BSA issue would have to be a major issue that the Presidential candidates would be addressing. They are addressing it in talk shows in 78 TV channels. How would that play out over the course of an election campaign, based on your experience? And would that likely be a positive, or would it be, as I initially thought, a negative?

Ambassador DOBBINS. I think it would cut two ways. I think, first of all, most of the candidates would endorse the BSA and promise to sign it. Several have already done so. It is possible that all of them would. So, the future of the BSA might not, in fact, be an issue in the campaign in the sense that all the candidates, or at least all the serious candidates, might well converge on a single position.

I think that the uncertainty attached to the future of the international commitment, on the other hand, would tend to, as—you know, in threatening environments, people tend to converge on their ethnic identities, on strongmen who can protect them. It polarizes already divided societies. And so—and, you know, in the current environment, they have had—this is the third Presidential election, and they have had two parliamentary elections. And, you know, if you lose the election, you just go into comfortable opposition. You still have a seat in the Parliament, you still get paid, you are still in the patronage world, you are not excluded.

You know, if Afghanistan's going back to the 1990s, you lose an election, you go into exile or get killed. I mean, it is a different ball game. It is the winner-takes-all-and-never-gives-it-up, and the losers, you know, are losers for life, unless they spark a revolution. But, you do not want that kind of thinking. You want it something in which the losers accept the results and say, "It is okay, we will try again next time, and, in the meantime, please make sure that I get my share of the patronage, by the way," you know, which is what a lot of this is all about.

So, high levels of anxiety, indecision about the future, I think could have a very divisive effect, even if the BSA itself is not a point of contention. That is what I would be concerned with.

Larry.

Senator KAINE. Mr. Sampler.

Mr. SAMPLER. The only thing I would add is, I think President Karzai is demonstrating, in his resistance to sign the BSA, the distance between his opinions and public opinion, and the other candidates. And it might threaten his role as kingmaker. He sees himself very much as the father of the state and as a kingmaker in Afghanistan, and I think it would weaken, in some ways, the persona of President Karzai as the spokesman of the Afghan people.

But, the thing that concerns me more is the hedging that Ambassador Dobbins mentioned earlier. Any uncertainty—and in the elections, the uncertainty may be demonstrated by hedging, particularly on the provincial elections. Remember, we are having two elections in April, both the Presidential and provincial. And the provincial elections are where the local contesting warlords or

powerbrokers go kind of head-to-head to represent their communities.

And I think Ambassador Dobbins is exactly right when he says that the population in this area, if there is this continued uncertainty, will be inclined to go back to what they have always known. And that is not necessarily what we see as best for the future of Afghanistan. We want them looking at progressive new ways to achieve representation.

Senator KAINE. And again, I was not sure I completely understood this, until your testimony, but it is important for us to grapple with it, make sure I get this right.

The progress of the Bilateral Security Agreement has a direct impact also on the promises of economic aid by the—you know, the 70-plus nations that have been part of it. It may not be the same document, but the absence of a Bilateral Security Agreement is going to cause serious concern by any party that is thinking, on the international level, about putting economic aid into Afghanistan.

Ambassador DOBBINS. I think there is a couple of impacts. And, again, I will ask Larry to elaborate. But, you know, one is that if we do not have troops, we will not have diplomatic representation. It is conceivable, under the worse of circumstances, that we could not even have an embassy if the country really does, you know, descend into serious civil conflict. I mean, we left in 1989. We might face a situation, particularly post-Benghazi, when the risk tolerance is so low, where you would face a very difficult dilemma. But, let us not go there, for the moment.

Even if you had an embassy, the embassy would largely be Kabul-centric. You would not be able to get out into the provinces. And so, your ability to oversee and assure that Congress and other Parliaments that the money was being properly spent would be somewhat circumscribed in a no-BSA world.

But, secondly, you know, you can make an intellectual case that, even with no troops, you should still have the same amount of non-military assistance, maybe even more.

Senator KAINE. Right.

Ambassador DOBBINS. But, you tell me. My judgment is: no troops, no aid, or almost no aid, that the political support for the aid comes from the military presence. The people see, "This is important." We have got, you know, 5–10,000 troops, whatever it is. "This must still be an important place, and that is why we have a big aid program." If we do not have any troops, I think it is going to be much more difficult, also, for you to justify and secure the number of votes that will be needed for the civilian aid program. But, you know this more than I do.

Senator KAINE. Mr. Sampler.

Mr. SAMPLER. Yes, I have the benefit of executing, within a policy envelope dictated by Ambassador Dobbins and Ambassador Cunningham and, of course, the Congress and the President, within that envelope, if there were no BSA and there were a decision to continue the program, it would be incredibly challenging. USAID staff around the world are devoted to doing the best they can for people in desperate situations, but it requires some measure of access, and it requires some measure of, not just physical access, but political freedom to maneuver. And I think not having a BSA—

and I am just speculating, but—we would lose that freedom to maneuver, so it would be incredibly challenging to try to implement programs in that environment.

Senator Kaine. Thank you.

And, Mr. Chair—but, one last thing I would just like to put on the table. This is really out of an Armed Services perspective, than Foreign Relations, but it ties, that we are dealing, right now, with whether we will be able to pass an NDAA, National Defense Authorizing Act, by the end of 2013. And one of the reasons we need to is, there are some expiring authorities in that act, that expire on December 31, that, if we do not act before the end of the year—two, in particular, touch on Afghanistan; there are some others that touch on it more generally—but, there is currently programmed into the Defense appropriation spending for reintegration activities in Afghanistan to reintegrate former Taliban and other members back into civil society. That is funded, but that funding expires on December 31 unless we pass an NDAA. And, similarly, any military member that is engaged in hostile fire is entitled to hazardous pay, under the current appropriations bill. That authority expires on December 31 if we do not pass an NDAA, and that could affect us, as well.

So, these are important issues, just in the FRC status, but there is also another item on the table right now in the Senate that has a significant bearing upon the kind of stability activities that we want, going forward. And so, it is my hope that the body will act with dispatch on that NDAA, as well.

Thank you, Mr. Chair.

The CHAIRMAN. Thank you, Senator.

Let me ask you two final questions. We have touched, here, in various iterations, on the election process, which is, I think, very important for the future of Afghanistan. And everyone who I speak to tells me that security is their major concern, or the highest concern with reference to the elections. What can be done to address the issue of ghost polling stations in insecure areas? And what about the issue of security for women's polling stations, which could hinder the ability of Afghan women to vote? Could insufficient security at polling stations impact the legitimacy of this election for the Afghan people?

Ambassador DOBBINS. I had a briefing on election preparations, from ISAF when I was there last Thursday, and they were pretty positive about the degree to which the Afghans are taking responsibility for this, are coordinating effectively. They are engaged—the Ministry of Defense, the Ministry of Interior are engaged, at quite high levels, with the president of the Election Commission. The president of the Election Commission is clearly in charge and not hesitant about exercising that authority. ISAF will, of course, be prepared, within its limited capabilities. I think we will have about 34,000 troops there—ISAF troops there. I guess that is—the figure is American troops in—when the election takes place, in April—to provide some of the assets that will be needed—helicopter lift and a few other things.

They have plans to secure all the polling stations, different levels of commitment, in terms of police and soldiers for each polling station, depending on the level of threat. I think there are three or

four districts where they have decided they are simply not going to be able to have polling stations. These tend to be quite unpopulated areas, lightly populated areas. They seem to be pretty confident that they are going to be able to conduct the election in the vast majority of the country.

Larry.

Mr. SAMPLER. Yes, Senator, the important metric to keep in mind, too, is Afghan expectations. I mean, the Afghans understand the problems with women polling stations much better than we do. And I think, basing on the 2004 and then the 2009 elections, we are on track to meet the Afghan expectations.

That is not to say that we are taking this problem for granted. While I cannot assure you that it will be resolved completely, I can assure you that the U.S. Government and the international community are devoting significant resources specifically to empowering women in these elections—as I mentioned in my remarks, focusing on ways for women to network and campaign together, focusing on training women searchers, women polling-station observers, and women polling-station workers. Those are things that, through the United Nations Development Programme Election Assistance Team and through the Independent Election Commission, we actually think we will be better off this year than we have been in previous elections.

The CHAIRMAN. Well, I am glad to hear that last statement, because I appreciate the nature and understanding of the Afghan expectation, but I would hope that our expectation would be, to the extent feasible, as high as possible, and that we would be working toward that.

Mr. SAMPLER. No, Senator, it certainly is. When I mentioned resources we have devoted to this, what I meant was that the bar that we would accept and that the international community would accept is probably not going to be reached, but that gives us something to strive for so that the resources and the efforts we are putting into it will show some sign of success.

The CHAIRMAN. Let me ask two final questions, then, concerning women, a topic on which we have had a fair amount of discussion here. We have cited all of the great forward movement, which we should all be thankful for and supportive of, but it seems to me that we have seen some backsliding in this regard, particularly when I see the lower House of the Afghan Parliament trying to weaken the landmark Elimination of Violence Against Women law, and the U.N. releasing a report which indicated that only 7 percent of registered incidents of violent crimes against women went through a judicial process using that law. So, what steps does the Department intend to make to relay to the Afghan Government that we are looking for a vigorous implementation of the law, post-2014?

Ambassador DOBBINS. Well, we, of course, work directly with the Parliament on legislation of this matter, and bring our concerns directly to the attention of individual parliamentarians. I believe that they have not succeeded in weakening the law you talked about, at this point, although the threat to do so is there, and it is still, as I recall, enforced by decree rather than by legislation.

The CHAIRMAN. Well, even without passing the weakened legislation, the fact is that only 7 percent of violent crime goes through a process envisioned by the law. I am just wondering—you know, laws are great but not unless we actually enforce them. So I hope that, with all the resources and efforts we are putting in here, that we are making it clear, as part of our continuing relationship, that the enforcement of the law is critically important.

Ambassador DOBBINS. Right, absolutely. And clearly we have programs designed to support both the effectiveness of the police and judiciary, in general, as well as in this specific area. I do not know what proportion of violent crimes, in general, end up going through the judiciary in Afghanistan. It may not be any higher than the figure you cited for—

The CHAIRMAN. Well, we would be interested in getting feedback from you on that.

Finally, for Mr. Sampler, I understand that AID uses third-party monitoring techniques in many countries in the world, and sometimes they are the primary means of evaluating a program. But, given the environment in Afghanistan, there is a lot of skepticism about relying on third-party monitoring. Can you discuss, to what extent you are using that type of monitoring and evaluation in Afghanistan, how they are being implemented, and—I think this is an area that the SIGAR suggested there will be an audit of. So, I would like to get a preview of that before I see the SIGAR's report.

Mr. SAMPLER. Certainly, Senator. Would you mind if I added something onto the Violence Against Women issue before I enter into that?

The CHAIRMAN. Not at all.

Mr. SAMPLER. The Elimination of Violence Against Women law is one of the key elements of the Tokyo Mutual Accountability Framework. That is a multilateral international donor commitment to the Government of Afghanistan that, as they demonstrate progress on several hard deliverables, we would reciprocate and recognize that. The passage of the law and the reporting, by province, of violence against women, are two of the hard deliverables that they have not yet met. The United States, bilaterally, has attached incentive funding to those two actions, and there is money in the pot that will not go to the Government of Afghanistan unless and until they accomplish those. And in my last meeting with Minister of Finance Zakhilwal, he is very keen to see these funds released. And Finance Minister Zakhilwal agreed that he would begin to use his influence within the Government of Afghanistan to help these things move forward. And what it does is, it gives the ministers and the Government of Afghanistan some political capital and an incentive to literally do things that are politically hard to do. So, we are focused on that, and we are making sure that the Afghans understand our insistence on progress.

But, if I could note—I mean, again, having worked there since 2002, I am thrilled that there is an elected Government in Afghanistan that is debating laws. We may not like, right now, where they are in the debate, but at least we now have partners that we can engage with in a normal Westphalian-sort-of-state way and to influence, because we did not have that for the longest time.

With respect to your question about third-party monitoring, the first point that I would make is, unfortunately, third-party monitoring has entered the arena of public thought with a very heavy negative connotation. Third-party monitoring is what we do all over the world. I am an electrical engineer by training in university, and studied physics. I would not be able to go out to a health program in Afghanistan, for example, as a U.S. Government direct hire and provide USAID meaningful information on the successful implementation of that program. So, what we do, whether it is Afghanistan or Honduras or other hard places like Pakistan and South Sudan, is, we hire competent professionals who go and do that work for us. So, in every case around the world, I literally do not believe there is a single mission in the world that would not use some form of third-party monitoring.

Having said that, Afghanistan is different, both with respect to scale of the problem, the complexity of the problem, and the security situation and the restricted movements, because what we do have in Honduras is the ability for a U.S. Government direct hire to jump in a car and ride out and kick the tires on a project.

The CHAIRMAN. Right. Well, I am not against all third-party monitoring. That is not what I suggested in my question. My—

Mr. SAMPLER. I am sorry.

The CHAIRMAN [continuing]. Question concerns, specifically, third-party monitoring as it relates to an environment such as Afghanistan.

Mr. SAMPLER. Right.

The CHAIRMAN. To what degree are you doing it in Afghanistan, and what are the challenges you face, or are you doing more direct monitoring, without a third party, through AID?

Mr. SAMPLER. No, what we have done is—our contract officers, who hold the warrant to approve or disprove payments, have to have a certain amount of information about the program. And how we provide them that information is, in Afghanistan, something of an adventure and something of a challenge. What we have come up with is multiple layers that provide that information. On the one hand, partners self-report; they have quarterly and even, some case, weekly reporting requirements. That information goes into USAID's Afghanistan Info database. We hire third-party monitors, and we correlate the information that third-party monitors provide against that which the partners have provided. We have, in the past, used ISAF to go out and validate that a particular project is ongoing, and even to provide photographic evidence. We have used technology, such as overflights with photographs, of large agricultural projects. Flying a plane over and taking a photograph is the best way, sometimes, to measure progress.

And then, for other programs, social programs, such as making sure that schoolteachers get paid out in these remote districts, we are using SMS technology, where we actually interrogate the SMS network of schoolteachers and say, "Did you get your paycheck?" And then we get feedback in that way from the teachers, themselves, saying they did or did not get paid.

So, the answer to your question is, really, we are being innovative and creative in Afghanistan in ways we have not necessarily been forced to innovate or create in other countries, but we are

devoted to making sure that that contracting officer, who, to put you in his or her shoes, is probably a 28- to 34-year-old young professional with USAID with enormous responsibility to say, “Pay the bill” or “Do not pay the bill.” We want them to have all the information they need. And if ever a contract officer raises her hand or his hand and says, “Wait a minute, I am not confident that I have got what I need,” we stop that program.

The CHAIRMAN. Well, I am going to cease here, but my concern is, for us to continue to be supportive of the type of money that we are pumping into a country like Afghanistan, with all the challenges we have already talked about, we are going to need to have some sense of our ability to assess what we are succeeding at, what our delivery system is doing, what the effects are, exactly. Because when we have to respond to the American taxpayer, they are going to want to know. And inevitably, when we get into an area—although I think AID does a pretty good job across the spectrum beyond Afghanistan—but, inevitably, when we read a story from a report like the SIGAR’s, that suggests that we are just missing the ball—and I am saying we will see that—it is a real consequence to the policy opportunities here, so that is why I actually want to pursue this different hearing in a broader context with AID, in general. I am a big supporter of AID, but we also have to have accountability to be able to continue to have that flow of support, whether in Afghanistan or beyond.

Now, I have gotten my questions in that I wanted to ask, and I have bought time for Senator Flake to get here. So, with that—oh, and Senator McCain—and so, with that, Senator Flake.

Senator FLAKE. All right, thank you.

I appreciate the testimony. I am sorry I was not here to hear it, but I have reviewed some of it.

Ambassador Dobbins, you have talked about, in your testimony, that Russia and China, India, and Pakistan have all personally urged Karzai to conclude the BSA, because they recognize that instability is not to their benefit, either. What assistance are those countries planning to provide over the course of the agreement, over the next 10 years? Are we the only ones on the hook for assistance, moving ahead, both military and economic and otherwise?

Ambassador DOBBINS. No, Senator. I mean, they vary. In terms of assistance levels, India has a pretty substantial assistance program, substantial for, itself, a developing country. China has some significant investments in Afghanistan. There are about 70 countries that are part of either the ISAF coalition or—such as Japan, for instance—provide significant economic assistance. And, as I said in—earlier—one of the reasons that we believe that the Bilateral Security Agreement needs to be concluded as soon as possible is so that that coalition, a really substantial coalition of substantial countries who are making substantial commitments, commitments to pay the Afghan Armed Forces—I think we anticipate that about 20 percent would come from other allies—it does not begin to deteriorate, that countries do not begin dropping out, that they do not use the excuse that, “The Afghans do not seem to want us, the Afghan President seems ambivalent about whether we should stay,” to not fulfill commitments that they have made over the years, and not to continue to participate. But, Larry can probably

tell you what proportion of economic assistance comes from non-American countries, but if you include the international financial institutions, I think we are well less than half.

Senator FLAKE. All right. Well, Mr. Sampler, let me kind of go along that route. Ten years from now, why should we have any more confidence that the economy will be able to sustain the government any more than it is now? I realize you need security, and we know those arguments, certainly. But, when you look at Afghanistan right now, you are hard-pressed to look at an area or a sector of the economy that will step up, in the next 10 years, to actually replace some of the revenue that we are providing now. Why should we feel any differently?

Mr. SAMPLER. Senator, I will give you two examples, a specific and more general.

The specific example is the proliferation of small and medium enterprises in Afghanistan. And I wish I could take full credit for this, but I have to say, this is just ordinary decent capitalistic activity. As the population in Afghanistan becomes more educated, and as they move from the rural to the urban centers, there are markets that were not there before. And it has been our experience that small and medium enterprises generate a lot of the economic activity that will sustain GDP.

And there are sectors in Afghanistan, if we could take you to Herat, where the mining industry is actually doing quite well, and Herati marble now is being exported to Italy; up in Mazar-e Sharif, there are value chains around some of the agricultural sectors, that the north has a strength in, that they are preparing and then shipping, to the Central Asian states, some of their agricultural products.

The general answer I will give you is: we, just last month, launched a new program, called the Afghanistan Trade and Revenue Program, and it is focusing on generating trade by working in the region, not just in Afghanistan—to your point, Mr. Chairman, about regional integration—it works in the region to lower real and perceived tariffs to regional trade. So, we are trying to find ways for Afghans, not just to export their apples to Pakistan, where they turn them into juice and ship them back, but to help the Afghans build a value chain so that they are packaging their own juice and then shipping it across the region. It also has a component which is increasing revenue, and that is to help the customs officials at the borders and the Government of Afghanistan collect the revenues and then put them into their coffers.

And one of the points that I focus on with Minister Zakhilwal: If Afghanistan is able to achieve WTO accession in the next couple of years—and this program will support that—WTO accession has, historically, in the situation of countries like Afghanistan, generated a 4- to 5-percent increase in GDP for the first 5 years, so a net gain of GDP of 20 percent before it flattens out. That will not completely make up for the GDP that has been lost by the military drawdown, but it will help to offset it, and it will put Afghanistan back on a more stable glidepath of what we would consider a transitioning or developing country.

Senator FLAKE. All due respect, that was—you are talking about—and I have been there, and I recognize some of that is going

on—that is on the very margins, in terms of what is going to be needed to sustain government. And it is a pretty bleak picture, in my view.

We did a study, when I was in the House on one of the committees, about the trucking contracts that are currently in force, moving goods between military bases, and we contract with local Afghans to do that. I think, at least count, that was about 20 percent of the Afghan economy, just trucking contracts that we are paying for to move goods around.

When that goes away, it just tells you how much—it is an indication to me of how much the economy just relies so much by our presence. And that is why it is still so startling that Karzai is resisting this BSA. So, I do not pretend to understand that, but I just think we have spent a lot of money there, obviously—\$683 billion, total, in Afghanistan, and in military and economic aid, and that for a promise that some of this might hold up after we withdraw. It is a tough pill to swallow for those of us who are going to be asked to authorize and appropriate additional funding over the next 10 years. And so, I just want some sense of why we should think that, 10 years from now, we will be in a better position than we are right now, and if—or we will be having this same argument, 10 years from now, and being asked to extend another agreement that will provide a lot more funding. Can you give me any more comfort than—

Mr. SAMPLER. Senator, I mean, 10 years is a good lens. I mean, I think, 10 years from now, we will begin to see some return on the investments in the mineral wealth of Afghanistan. That is something that has a fairly long development period. As Ambassador Dobbins was saying, one of the consequences of the hedging that goes on in Afghanistan because of the lack of a BSA and the lack of clarity, going forward, is the development of the tenders, and the development of the ministerial capacity to let tenders for the mineral wealth of Afghanistan, is challenged. But, if we can get those tenders out, then 7 to 8 to 10 years after those tenders are let, Afghanistan should be able to see a return on that investment.

Afghanistan is not, in 10 years, going to be a Sweden; we are hoping for a Bangladesh. The focus is on the lines of governance that will allow Afghanistan, in modest ways, to incrementally improve. And 10 years is a good first step. Development workers typically think it takes 10 years to get to the next stage of development. So, I do not mean to be overly optimistic, but, when I work with my staff, one of our founding principles is that Afghanistan will survive; what it will look like 10 years from now is largely up to the Afghans to determine, and we want to make sure that we are giving them the kinds of assistance and the kinds of technical support that they need, that that is as positive a scenario as it can be in 10 years.

Ambassador DOBBINS. Let me just add—

Senator FLAKE. Thank you.

Ambassador DOBBINS [continuing]. Briefly, Senator, that a lot will depend on, you know, whether Afghanistan faces the same security challenge 10 years from now that it faces today. The largest driver of the Afghan budget is the security costs, and the

largest focus of American assistance is helping pay some of those security costs.

We do have programs across the region to increase regional integration. To the extent these countries become tied together economically—and they are becoming tied together more economically—their incentives to interfere, to allow their territory to be used to destabilize Afghanistan, which has always been the weakest country of the region, the one most susceptible to outside interference—will diminish and Afghanistan will face less of a security challenge.

Probably more than anything else, this will depend on whether Pakistan, over the next decade, is able to gain control of its own territory, particularly its border regions, and stop allowing that territory to be used to destabilize Afghanistan.

If those things happen—and I think 10 years is a period during which it is reasonable to hope they will happen, it is reasonable to plan on them happening—then I think Afghanistan's capacity to otherwise fund its own government operations may be—you know, it may be—they may be capable, within their own resources, at that point.

Senator FLAKE. Okay.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator McCain.

Senator MCCAIN. Well, thank you, Mr. Chairman, and thank the witnesses.

If I heard your last comment right, you think that they will be able to fund their own government and functions of government, Ambassador?

Ambassador DOBBINS. Within a decade?

Senator MCCAIN. Yes.

Ambassador DOBBINS. Assuming that they are not facing an insurgency; yes.

Senator MCCAIN. Is not about 95 percent of their economy, right now, USAID assistance funding?

Ambassador DOBBINS. Well no, it is not that high. It is certainly significant; and it is not just United States, of course.

Senator MCCAIN. Of course. But, it is foreign aid, it is not their own economy. Where do they rank—where does Afghanistan rank in the world estimate of corruption? I believe it is at the bottom.

Ambassador DOBBINS. It is. Well, I think there are two other countries, but yes.

Senator MCCAIN. Two other countries. I understand and have paid close attention to the problem we have with President Karzai on the signing of the BCA—excuse me—the strategic—the BSA. Have we announced what size of the force we are going to leave behind, yet?

Ambassador DOBBINS. No. We had intended, assuming that the BSA was concluded this year, to announce that early next year.

Senator MCCAIN. Why would we not want to define, for the Afghan people and maybe for the Congress, what those roles and missions would be for 2014 and even beyond, so that they would know, maybe Congress might want to know? And are we not seeing a repeat of what happened in Iraq? And your and my version of what happened in Iraq may differ. But, since I was there on the

ground, I will challenge any other interpretation than what happened with Senator Graham and Senator Lieberman and I when Maliki had agreed to have a U.S. troop presence, and we never, ever gave them a decent number until, in the words of General Dempsey, it cascaded down to 3,500, and then the Iraqis decided it was not worth it, and now we are seeing everything unravel in Iraq. Why in the world would we not tell the Afghans and the American people what size of residual force we want there and what their roles and missions would be?

Ambassador DOBBINS. Well, I think that is a good point, Senator. I am not suggesting we should not. Frankly, President Karzai's unwillingness to sign an agreement that he—the text of which is fully agreed, and which he asked the Loya Jirga to endorse, is a new problem. In other words, we did not anticipate that he was going to ask the Loya Jirga to endorse this and then, at the conclusion of that meeting, announce that he was not going to sign it until the end of his term of office. So, we are grappling with that. Our assumption had been that this was, in fact, going to be signed by the end of the year, at which point, within a few weeks, we could make the announcement you have suggested. We are now grappling with the uncertainty, the possibility that it may take a lot longer to get this agreement concluded. As I said in my opening testimony, I believe, based on my own visit there, that there is no serious doubt that the Afghan people do want us and that we will eventually get a BSA, but we may not get it within the timeframe we anticipate, in which case, we will have to face exactly the issue that you have raised, and make a decision.

Senator MCCAIN. We should face the issue before, so that the Afghan people know what our commitment is, Ambassador. And, by not doing so, you are making a very, very serious mistake and a repeat of the movie we saw in Iraq. And so, I understand why, to some degree—not very much, but to some degree—why President Karzai is waffling around. Because he does not know what our commitment is. And why we will not announce what our commitment would be is—defies imagination. And there are many of us that know that if you get below a certain number, then that force spends its time defending itself. And for months and months and months, some of us have been arguing strenuously, say, “Tell them what our commitment is. Tell them what the roles and missions are,” and maybe Karzai will not be quite as paranoid as he is today.

So, I blame Karzai for a lot of it, but I can also, from his viewpoint, see that, since we have not even told him what our commitment and roles and missions are, that he would be, at least to some degree, uncertain of the degree of our commitment.

Is it true that Karzai recently agreed to a long-term friendship and cooperation plan with the Iranian Government?

Ambassador DOBBINS. Well, let me address the first part of your question first, and then I will come to that.

I do not know that you and I have any disagreement on the utility of announcing the size and scope of our presence. So, I am not taking issue with you on—

Senator MCCAIN. Then one would wonder why the administration has not.

Ambassador DOBBINS. What I would say is that President Karzai has shown absolutely no interest in the size of the forces, or indeed the scale of our aid budget. He—

Senator MCCAIN. Well, he shows an interest, in my conversations with him. He showed one that we wanted to know, in my conversations with him. Maybe he has not with you, but he certainly has with me. But, go ahead.

Ambassador DOBBINS [continuing]. He certainly knows—I mean, the Bilateral Security Agreement defines, in excruciating detail, the functions that our forces would undertake. What he does not know, but has not pressed us on, is the exact scale of that commitment; that is, how many troops would be involved. So, I can attribute a number of explanations to his behavior; some are consistent with what he has said, some are just speculation. I do not think that our failure to specify a number actually is a factor in his decisionmaking, which is not to say that I disagree with your more general point on that.

On the Iran—what—as I understand it—all he and the Iranians have agreed is that they should negotiate such an agreement, which has yet to be—there is not even a text of it, in other words. I mean, it is just, “Yes, let us negotiate such an agreement.” He has negotiated these with a number of the neighbors. He visits Tehran once or twice a year, ever since he came into office. He is going on to visit India, a much more important relationship for him, in 3 days. He is visiting Turkey shortly thereafter. So, as I said earlier in the testimony, although I am not particularly happy about this, I would not attach too much importance to it.

Senator MCCAIN. Well, I thank you.

And, Mr. Chairman, if you would indulge me—you may have already said it, responded—the status of negotiations with the Taliban?

Ambassador DOBBINS. There is nothing, really, new to report. I said that President Karzai has articulated two conditions for signing the BSA, both of which seem, to us, to be somewhat unrealistic. One is that we somehow produce a formal, open, publicly acknowledged Afghan Government/Taliban peace process before the BSA has concluded, to which I have responded that I do not see that the Taliban have much incentive to facilitate signature of the BSA, and so I was not sure that articulating that linkage advanced his desire; nor was it, in my judgment, likely that we would be able to do that in the few months that remain before the elections, although we support, in principle and in practice, a reconciliation process, and have spent several years trying to persuade the Taliban to talk to the Afghan Government. And so, we are perfectly prepared to continue.

He has also asked for a cessation of all U.S. and NATO military operations involving the entry into Afghan homes, even when accompanied by Afghan forces, and even when led by Afghan forces, which, you know, almost amounts to a cease-fire, you know, a one-sided cease-fire, in terms of the effort to deal with this ongoing threat. Now, we have provided assurances, in the BSA and in a separate assurance from President Obama, that we will take seriously the sanctity of Afghan homes, as we do homes in the United States, that we recognize the importance of both privacy and safety

in one's home. And we are prepared to continue to do that, and to intensify it in the future. But, so far, that has not satisfied him.

Senator MCCAIN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Markey.

Senator MARKEY. Thank you, Mr. Chairman, very much.

Thank you both for your service.

Pakistan. As we draw down in Afghanistan, what pressures could that put on Pakistan, in terms of instability or breeding grounds for insurgent groups?

Ambassador DOBBINS. I think a lot will depend on how this goes. I mean, if it goes as we hope it will go, with a continued American and NATO military commitment, with continued substantial assistance to Afghanistan, and—on the one hand—and, on the other hand, continued improvement in the Pakistan/Afghan relationship—and there has been a marked improvement over the last 2 or 3 months—then I think it will become somewhat easier for Pakistan to begin to stabilize its own border regions.

You can easily have a different analysis, in which we withdraw more comprehensively, there is less or none of a NATO military advise-and-assist presence, international assistance begins to diminish, all of Afghanistan's neighbors, not just Pakistan, begin the typical hedging behavior of all—looking for factions to support, and the factions, the warlords, the regional commanders, the powerbrokers, begin to maneuver, not within a constitutional system of checks and balances and—you go into opposition but you get a chance to come back 4 years from now, but in a much more—you know, a much more brutal arena. Under those situations, I think it is quite possible that the border regions of Afghanistan would begin to be even more of a safe haven for anti-Pakistani terrorists than they already are. And, of course, the regions of Pakistan become an even greater safe haven for terrorists and extremists that want to—

Senator MARKEY. And so, are we taking steps to ensure that there is security along the Afghanistan-Pakistan border as we begin to draw down? What are those steps—are there contingency plans that we are putting together? And I would add that there could be a refugee exodus out of Afghanistan into Pakistan that could have a destabilizing impact, as well. Could you deal with those issues relating to security along the border?

Ambassador DOBBINS. The—I mean, our primary method of dealing this, for the moment, is to try to conclude the Bilateral Security Agreement, provide the Afghans an assurance that the international commitment is going to be sustained beyond 2014, and to be able to conduct an election campaign and the selection of a new President within a security blanket, if you will, that the future is not going to be turned to the 1990s, but is going to be continuity of the progress that they have made over the last decade.

We do not want to see an outflow of refugees. Millions have come back over the last decade, and we do not want to see that flow reversed.

We have worked carefully with the new Pakistan Government to try to promote better relations between Pakistan and Afghanistan. Part of what Pakistan is proposing is a much more substantial cooperative border regime. The Afghans, of course, do not accept it

as a legitimate border, but essentially a regime, along that line, which would better regulate the some-60,000 people who go back and forth every day across that line. The Pakistanis seem serious about moving toward a more substantial regime, more checkpoints, more biometric data to make sure you know who is moving back and forth, that kind of thing. It is going to take time to put those kinds of things in place, but they have at least agreed to begin talking about that.

Clearly, our ability to directly impact security on the border is going to be somewhat diminished as our own forces go down, but part of the residual force we are talking about is a small counter-terrorism force which would operate almost exclusively partnered with Afghan forces and would be directed very much at the insecurity and militancy that grows up in the border region.

Senator MARKEY. If I can move over to Iran—again, in this meeting with Rouhani and Karzai, reportedly they talked about an economic, security, and political strengthening of their relationship. Especially as we pull back, it does create opportunities for Iran to move in.

What is it that you are concerned about, if anything, in a relationship between Iran and Afghanistan becoming closer? Where might our interests actually coincide with Iran—and where might they diverge with Iran, in terms of what their objectives might be in the next several years?

Ambassador DOBBINS. Well, that is a good question. I mean, Iran has always had a pretty substantial aid program for Afghanistan. I remember, in the first Donor Conference, in 2002, the Iranian commitment was actually larger than the American commitment. They have also had a positive relationship with Karzai, even under the worst of the Iranian governments. They, on the other hand, have also provided arms and money to the Taliban—in small measure, nothing like what flows from the Pakistan side. But, they have played both sides of the fence.

They collaborated with the United States, back in 2001, after 9/11, because they did not like the Taliban. They almost went to war with the Taliban. The Taliban were suppressing the Shia minority in Afghanistan. They had something like 4 million refugees that they wanted to go back into Afghanistan; I think about 2 million of them have gone back, so far. And they have a big drug problem flowing out of Afghanistan. So, the driver of their continuing to flirt with the Taliban is that it is a way of demonstrating to the United States that they would have avenues to make our life miserable if we got into a military conflict with them. If that becomes less difficult, their interests in Afghanistan are likely to coincide more with ours.

Senator MARKEY. And has Iran in any way tried to undermine this bilateral security agreement?

Ambassador DOBBINS. Yes.

Senator MARKEY. They have.

Ambassador DOBBINS. They have argued against it. And they are the only country that argues—

Senator MARKEY. And they are arguing against it because—what would be their response to it, if it is finalized? And how do we expect them to respond to an agreement that they do not agree with?

Ambassador DOBBINS. They will live with it if it gets—if and when; because I think it will be concluded—their argument against it is, they are against foreign troops in the region. They had the same position with respect to Iraq, of course. And indeed, they wish U.S. troops would leave the Persian Gulf. So, it is not exclusive to Afghanistan. And the obvious reason is, they do not want to be susceptible to American pressures on any of their borders. They probably exaggerate the degree to which Afghan bases are important to us for that particular purpose.

So, on the other hand, you know, as I have said, they have always had a positive relationship with Karzai, a significant aid program. Karzai goes there once or twice a year. He has bilateral agreements, of the sort he is probably talking about with Iran, with a number of other countries of the region. So, I do not know that this is a particular break from the pattern of Karzai's relations with Iran. And, of course, we are not leaving unless we are forced to. We intend to stay and have a significant relationship, including a significant defense relationship with Afghanistan for a number of years to come.

Senator MARKEY. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Rubio will be the final member for questions.

Senator RUBIO. Thank you. And I will be brief. I know most of these questions have been asked and answered.

Just as an aside, I get a lot of questions from constituents. They read the news about Karzai's behavior, they see the sacrifices that Americans have made to bring freedom and stability to Afghanistan, and they ask, "Why are we involved? Why don't we just pick up and go?" I think you have probably answered this question, certainly in your opening statement, but just to confirm it.

If the United States were to pursue the zero option, completely withdraw, or even if we were to withdraw, potentially, to a level below a certain number, would it be safe to say that, between 18 and 24 months, we would see, potentially, all-out civil war and perhaps even the return of al-Qaeda and the Taliban to Afghanistan? Is that a fair statement?

Ambassador DOBBINS. I think that would be a real risk. I think Afghanistan has come a long way. Its armed forces have come a long way, but they continue to be dependent on the United States and United States allies for training, advice, assistance, some enabling capabilities, and, in particular, for financing. And Afghanistan, as a whole, is a weak state surrounded by more powerful states. If those states perceived that the international community was eliminating or reducing dramatically its commitment to Afghanistan, they would begin to change their own behavior. At the moment—with the exception of Iran—Russia, India, Pakistan, and China have all argued with Karzai that he ought to sign the BSA.

So, at the moment, we have the international—the regional consensus is reinforcing stability in Afghanistan. That could change. Afghans would become more uncertain, more anxious. In those kinds of situations, societies generally polarize around powerful figures, around ethnic leaders, warlords, military commanders, people

who they think can protect them, and you would begin to see the kind of fragmentation that are you are seeing already in Iraq.

Senator RUBIO. But, so far, it has not been signed. We have given them—the administration's position is, if it is not signed by the end of 2013, they will have to begin planning for the zero option. If, in fact, Karzai does not sign, or decides to leave it for the next President to sign, what are our options, at that point, if, in fact, it is not signed or agreed to by either Karzai or his successor?

Ambassador DOBBINS. Well, you know, I think—and, I think, in answering your constituents, you should argue that we cannot let one man be the bellwether for Afghanistan's attitudes toward the United States or desire to have us continue the commitment. It is clear, after the Loya Jirga in which 2,500 influential Afghans from all over the country strongly and overwhelmingly endorsed conclusion of the Bilateral Security Agreement and asked to be concluded by the end of the year, that there is no serious doubt that the Afghans want us to stay. Having just come back from a visit there last week, I do not think there is any serious doubt that a bilateral securement will eventually be concluded. There are a lot of costs for delaying it until next summer, for instance, and we are not advocating that. We are, in fact, underlining the risks and the costs of delay, in terms of diminished international support and increased anxiety and fragmentation among the Afghan people.

We have said that, in the absence of an agreement by the end of the year, we will have to begin planning for not having an agreement. But, as I said in my written testimony, plans are not decisions, and we are not about to make a decision—

Senator RUBIO. Well, Secretary Kerry has said that someone other than Karzai could sign on behalf of the Afghans. Is this the current position of the administration?

Ambassador DOBBINS. Say that again, sir.

Senator RUBIO. Secretary Kerry has said that someone other than Karzai could, potentially, sign on behalf of the Afghans. Is that him speculating or is that the official position of the administration?

Ambassador DOBBINS. Yes, I think that may have been overinterpreted. Of course, Karzai can designate anybody he wants to sign the agreement. We routinely have our Ambassadors sign these agreements, or our Secretary of State. If Karzai did not want to personally sign it, he could ask somebody else, but it could only be signed under his authority and at his direction, as long as he is President.

So, as I said, I think it will eventually be concluded, but there will be a cost to delaying. And the cost will be a cost to the Afghan people.

Senator RUBIO. Well, my last question is—and this was asked by Senator McCain, about the prospects of talks with the Taliban. I know that is one of the conditions that Karzai has now raised. Do we have an official list of assurances that we are asking for before we would even consider resuming talks with the Taliban?

Ambassador DOBBINS. We have no preconditions for talks with the Taliban. We do have a set of conditions for any agreement that we would enter into or that we would endorse. And those condi-

tions are that they have to lay down their arms, accept the Afghan Constitution. So, you know, we, in June of this year, were about to open talks with the Taliban, and we would be prepared to do so again, but only if they are paralleled by a negotiation between the Taliban and the Afghan Government. I mean, we are not going to try to negotiate peace in Afghanistan. That is something the Afghans have to do. And the Taliban have refused to engage the Afghan Government. And as long as they continue that stance, it is hard to make much progress.

The CHAIRMAN. Well, thank you both for your testimony. I think it is probably the judgment or views of, if not all, then the majority of the members of the committee, that the sooner that President Karzai executes this agreement, the better his standing will be in the Senate, as well as the better our ability to help Afghanistan enter its new chapter with success. And I hope that, if those 70 or whatever number of stations in Afghanistan have been reviewing or will report on this hearing, that they take away that message. The administration seems to have an enormous amount of patience. I am not quite sure that the Senate does as well.

So, I look forward to the execution of the agreement as quickly as possible, on behalf of the future Afghanistan, and the sacrifices that have been made by Americans, both in lives and national treasure.

With the thanks of the committee for your testimony, the record will remain open until the close of business on Thursday, and this hearing is adjourned.

[Whereupon, at 4:20 p.m., the hearing was adjourned.]

#### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

##### RESPONSES OF SPECIAL REPRESENTATIVE JAMES DOBBINS TO QUESTIONS SUBMITTED BY SENATOR ROBERT MENENDEZ

*Question #1.* The November 2013 U.N. Office on Drugs and Crime (UNODC) report shows that poppy cultivation in Afghanistan has reached a record high this year. Overall potential production of opium increased by 49 percent and 19 of the country's 34 provinces are now poppy growers, two more than last year.

The November 2013 "Report on Progress Toward Security and Stability in Afghanistan" released by the Department of Defense was very critical of U.S. efforts to eradicate poppy, particularly the Governor Led Eradication (GLE) program, which provides development grants based on successful eradication efforts.

Taken together, the DOD and UNODC reports reflect an apparent growing lack of will on the part of the Afghan Government to seriously address this issue, a paramount concern moving forward. There does not appear to be a serious effort by the Afghan Government to pursue drug traffickers, especially as we move into the transition year.

- ◆ Please list the concrete results in counternarcotics programming that we realistically expect to achieve in 2014 and 2015? Please focus on the anticipated results of this programming, not program activities.

Answer. We are disappointed that UNODC has reported that cultivation reached an all-time high in 2013. The U.S. Government has recently published its poppy cultivation and opium production estimates for 2013 and did not find that 2013 was a record year for cultivation. Rather, our estimates reflect a 10-percent increase in cultivation—or 198,000 hectares under cultivation in 2013. This of course is serious enough cause for concern.

However, cultivation is not the only indicator of progress and commitment on counternarcotics. The Department of State, Department of Defense, and Drug Enforcement Agency have partnered with the Afghan Government in making strides in several key elements of the U.S. and Afghan counternarcotics strategies. Afghanistan now has an effective counternarcotics police force dedicated to interdicting drug

networks and arresting traffickers. The Afghan Government's central counternarcotics court effectively processes hundreds of significant counternarcotics cases each year. Within the last 12 months, the court has convicted major narcotics criminals, including U.S.-designated drug kingpin Haji Lal Jan and sentenced him to 15 years in prison. Through programs managed by the Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) and USAID, Afghan farmers now have better access to resources for growing licit crops, rather than poppy. These are the types of results that we expect to see in 2014 and beyond, particularly with continued U.S. support for Afghan counternarcotics institutions.

Our experience in other parts of the world has shown that counternarcotics is a long-term effort that requires a multifaceted approach, well integrated with broader efforts to support good governance and sustainable economic growth. Our focus has been, and will continue to be, to help the Afghan Government build institutions and the political will to take on the drug trade on its own. However, we cannot evaluate progress on the Afghan drug trade in a vacuum. There are other factors at play. We are working to develop a strong, licit economy that provides an alternative to the drug trade; to promote stable government institutions; and to cultivate an Afghan security force that can improve the security environment sufficiently to make drug cultivation and trafficking more difficult. These areas, along with dedicated counternarcotics efforts, will require continued U.S. support to reduce the supply of opium in the long term.

Two points of clarification: the Governor-Led Eradication program supported by INL reimburses the expenses of poppy eradication that have been verified by the U.N.; it does not fund development projects. In addition the Good Performers Initiative provides funding for development projects in provinces that have achieved or maintained poppy-free status, have significantly reduced poppy cultivation, or have made significant counternarcotics efforts.

*Question #2.* As I mentioned in my opening statement, I am concerned about Afghanistan's ability to raise revenue in the future. For years, government revenue collection had steadily increased, but the World Bank reports an 11 percent decrease in nominal terms during the first half of 2013. In a recent report, the Bank blamed the shortfall on "leakages and weakness in administration, particularly in customs."

◆ What concrete measures is the State Department taking to improve the Afghan Government's ability to collect revenue?

Answer. We agree that Afghanistan's future depends in large part on the ability of the Afghan Government to efficiently and transparently collect revenues to become more self-reliant. We have been tracking Afghan revenues very closely and using diplomacy along with assistance to help build a sustainable revenue base and ensure the country meets its revenue potential. Afghan revenue collection got off to a disappointing start in 2013, due to a number of factors, including the slowdown in economic growth, the collection of some 2013 taxes "in advance" during the 2012 fiscal year, and corruption. Revenues rebounded somewhat over the summer and early fall after the Ministry of Finance introduced several reform measures, although the latest data shows that revenues through the first 9 months of 2013 were still 7.4 percent below revenues from the prior year over the same period. These results illustrate uncertainty surrounding the ongoing security and upcoming political transitions, which has reduced investor confidence, dampened economic growth, and reportedly led more officials to engage in rent-seeking and corrupt behavior as they contemplate the possible loss of their government positions post-election.

We and other donors anticipated the strain the transition would put on the Afghan economy and have designed and implemented a number of programs and initiatives to improve the prospects for Afghan revenue collection by focusing on more immediate means of revenue generation as well as longer term institutional changes that will promote sustainable growth, at the same time closing the space for corruption. We have focused on improving the performance of the current top revenue generating areas—taxes and customs fees—and initiated efforts to support the development of new sources of revenue including from extractives and a planned value added tax. Programmatically, USAID has begun implementing its new \$78 million Afghan Trade and Revenue (ATAR) project that will work directly with the Ministry of Commerce and Industry, and the Ministry of Finance to improve customs and border procedures, use improved procedures and technology to reduce corruption, complete Afghanistan's accession to the WTO, and build fiscal capacity. The Department of State and the Office of the U.S. Trade Representative have also worked closely with the Afghan Government and are hopeful Afghanistan will be able to accede to the WTO in 2014. Based on the experience of other countries, we expect WTO accession will have a positive influence on GDP growth and translate

into increased revenue from business taxes and customs fees. Additionally, USAID will continue its ongoing project supporting electronic funds transfer that increases transparency and efficiency in the collection of taxes and fees, as well as the distribution of salaries and other uses of funds. USAID has been implementing a program in the extractives sector that will help the Ministry of Mines and Petroleum and the private sector to develop the professional skills and transparent systems required to attract world-class investors to exploit Afghan natural resources and generate royalties and additional taxable economic activity. The U.S. Embassy in Kabul hosts the U.S. Customs and Border Protection-managed Border Management Task Force, which provides direct mentoring to Afghan border and customs officials at three land border crossing points, inland customs depots, international airports, both agencies' headquarters, and in the National Customs Academy. The Embassy Borders Office helps to coordinate various U.S. and international agencies working in Afghanistan to improve border management.

The Department is also using a number of diplomatic initiatives to help build a more sustainable revenue base. We and other donors are using the Tokyo Mutual Accountability Framework to encourage key economic reforms to support revenue, including compliance with the existing IMF Extended Credit Facility (which includes a revenue benchmark of 17 percent of GDP by 2025 and requires passage and implementation of new value-added tax legislation that is currently being considered by the Afghan Parliament), improved budget transparency, recovering additional embezzled assets from Kabul Bank, and other activities, which should encourage greater trade and investment flows. Afghanistan also explicitly acknowledged at the Tokyo Conference that the international community's ability to sustain support for Afghanistan in the future depends on meaningful Afghan efforts to combat corruption. In addition, the Department of State has engaged with the Afghan Government and governments in neighboring countries to strengthen regional trade, transport, and energy networks that have the potential to add to Afghan revenues in the future. The U.S. Embassy in Kabul has regular consultations with the Ministry of Finance at all levels to advise on revenue matters, help in planning for continuity through the transition, and resolve disputes in various taxation cases.

*Question #3.* What is the organizational structure of SRAP? How many personnel work in SRAP and what are their specific roles? How does SRAP coordinate with the South and Central Asian Affairs (SCA) Bureau?

Answer. SRAP was created in 2009 by former Secretary Clinton to lead diplomatic and development efforts in Afghanistan and Pakistan. SRAP reports directly to the Secretary and through him to the President. It is comprised of 22 personnel who form the core of a "whole of government" approach to policymaking and implementation. This core office includes direct hires from the State Department and other USG agencies, a representative from the German Foreign Ministry, and outside subject matter experts.

In addition, the country offices for Afghanistan and Pakistan (about 20 personnel assigned to each office) and the Embassies in Kabul and Islamabad report to the Special Representative. Reflecting the broader regional context and intersection with U.S. relations with India and Central Asia, the Principal Deputy SRAP is "dual-hatted" as a Deputy Assistant Secretary in SCA. SRAP and SCA coordinate closely on a range of regional issues including Afghanistan's and Pakistan's relations with their neighbors.

*Question #4.* In report # GAO-12-750, GAO made the following recommendation: To ensure that current and future assisted interagency acquisitions in support of State's missions in Iraq and Afghanistan are consistent with regulatory requirements and guidance designed to improve the management and use of such acquisitions, the Secretary of State and Secretary of Defense should undertake a comprehensive review of all existing and proposed assisted interagency acquisitions in support of State's missions in Iraq and Afghanistan to identify and implement corrective measures to bring the acquisitions into compliance and to strengthen management.

Specifically, this should entail (1) the Department of State assessing the cost effectiveness and full range of requirements, which can be used to inform future best procurement approach determinations, (2) the Departments of State and Defense preparing and signing interagency acquisition agreements that address the elements established in the Federal Acquisition Regulation (FAR) and Office of Management and Budget (OMB) guidance, such as roles and responsibilities for contract management and oversight, and (3) the Department of State planning for sufficient personnel to perform contract oversight.

◆ Please provide a status update on #1, #2, and #3.

Answer. (#1) State continues to host biweekly Transition (Contracting) Phase II Working Group teleconference calls between Department multibureau participants and Department of Defense (DOD) to address requirements and post-transition activity in Iraq. Additionally, State cochairs both the Afghanistan Executive Steering Groups (ESG) and the Afghanistan Transition Coordination Group (TCG) with DOD to jointly assess the current and future acquisitions activities for Afghanistan, and to ensure a “whole of government” approach. Through these groups, State and DOD are addressing the full range of requirements, exploring the most cost effective means for delivery, and working to deploy the appropriate interagency agreements to ensure compliance with regulatory guidance. State is also working with DOD to enhance the database at MAX.gov used to store information on joint Interagency Agreements. With regard to existing interagency acquisitions, State continues to work with DOD to identify where any required justifications do not exist and generate the required documentation in accordance with Federal Acquisition Regulation and DOD FAR (DFAR) requirements. Future State/DOD collaborations would have the same documentation requirements.

With regard to contract oversight, State has engaged DOD for more clarity on their procedures identifying the number of personnel required to manage DOD contracts in dangerous and constantly changing environments. State is keenly aware of the importance of providing contractor oversight and is currently considering a variety of methods to formulate the right number of properly trained Contracting Officer’s Representatives (COR) numbers—including the size of contractor staffing, location and/or function of the contract, a computation related directly to the dollar value of the contract, or perhaps a hybrid that takes into account each of these factors. In the case of both Iraq and Afghanistan, their approach to contractor oversight and staffing has been detailed in the Department of State Acquisition Human Capital Plan submitted to the Office of Budget and Management on March 31, 2013.

(#2) State issued Procurement Information Bulletin (PIB) 2013–03 Acquisition Agreements on January 30, 2013, to fully align Department policy with current FAR and OMB requirements regarding interagency acquisition.

(#3) State transferred to DOD \$1,972,240 via a Military Interdepartmental Purchase Request for Rock Island Contracting Command acquisition services on September 6, 2012.

[The above responses to GAO–12–750 were transmitted to the Senate Committee on Foreign Relations on October 3, 2013, via letter signed by the Assistant Secretary for Legislative Affairs.]

*Question #5.* In report # GAO–12–750, GAO made the following recommendation:

To better inform future decisions regarding the use of assisted interagency acquisitions and to better manage and more consistently implement their use, the Secretary of State should revise the State First policy to fully align with current FAR and OMB requirements regarding interagency acquisitions.

◆ Please provide a status update on this recommendation.

Answer. The Department’s revised policy was issued as Procurement Information Bulletin (PIB) 2013–03 on January 30, 2013, to fully align policy with current FAR and OMB requirements regarding interagency acquisitions.

[The above response to GAO–12–750 was transmitted to the Senate Committee on Foreign Relations on October 3, 2013, via letter signed by the Assistant Secretary for Legislative Affairs.]

*Question #6.* In report # GAO–12–614, GAO made the following recommendation:

To improve State’s ability to track progress of efforts in Pakistan to counter IEDs, the Secretary of State should direct the U.S. mission in Pakistan to enhance its counter-IED performance measures to cover the full range of U.S. assisted efforts.

◆ Has State produced a strategic document that contains counter-IED performance measures in Pakistan? If so, could you please share this document with the committee?

Answer. The Department is committed to countering the threat of improvised explosive devices (IEDs) in Afghanistan and in Pakistan, and with DOD is leading a robust interagency effort aimed at disrupting the illicit network of IEDs and IED precursors. We agree with you on the importance of performance metrics as part of that effort and that, ultimately, the only metric that matters is the reduction of lives lost and affected by IEDs. We would be pleased to brief committee members or staff on the different performance measures that have been incorporated into our counter-IED efforts.

The Department is prioritizing efforts to counter the threat of IEDs as part of the Law Enforcement and Counterterrorism Working Group of the Strategic Dialogue

with Pakistan. Through its security assistance programs, the Department is providing equipment and training to Pakistan's security services to improve their capacity to combat IEDs. The Department has also provided support for public information programming aimed at increasing the Pakistani public's awareness and activism on the IED threat. The Department continues to work with Pakistan in close coordination with JIEDDO to implement its action plan for countering IEDs. We look forward to continued discussions with Congress on the progress and impact of these activities.

*Question #7.* How many personnel currently work at the U.S. Embassy in Afghanistan? How many are full time State Department personnel and how many are contractors? How many are Third Country Nationals?

How many personnel are assigned to U.S. diplomatic presences in Jalalabad, Herat, and Kandahar? Does the State Department have staff assigned elsewhere in the country?

When does the State Department anticipate completing construction on new facilities at the Embassy compound in Kabul? How much will this construction cost?

Answer. There are 785 U.S. direct hire civilian employees in Afghanistan, 420 of which are State Department. There are 3,812 civilian contractors associated with the mission: 1,976 are U.S. citizens; 495 are Afghans, and 1341 are Third Country Nationals.

Currently, there are five diplomatic staff members assigned to Forward Operating Base Fenty at Jalalabad Airfield in Nangahar. The diplomatic staff in our consulate in Herat has been drawn down following the attack last spring; we have 13 diplomatic staff operating out of a temporary location at the Italian base in Herat (Camp Arena) while the consulate facility is being repaired. In Kandahar, we have 22 diplomatic staff collocated with the military on Regional Platform at Kandahar airfield. There are 67 other chief of mission civilians serving at 5 other locations outside of Kabul including our consulate in Mazar-e-Sharif.

The multiyear Embassy construction project is expected to be completed in early 2017. The cost of the project is estimated to be approximately \$860 million.

*Question #8.* As we discussed during the hearing, the U.N. recently released a report which indicated that only 7 percent of incidents of violent crimes against women went through a judicial process using the Elimination of Violence Against Women law.

◆ What proportion of overall incidents of violent crime is prosecuted by the Afghan justice system?

Answer. The lack of reliable data on the incidence and prosecution of crime throughout Afghanistan makes it difficult to compare prosecutions for crimes against women with prosecutions for violent crimes in general. The State Department is dedicated to supporting Afghan justice institutions in increasing the number of prosecutions for both violent crimes and crimes against women. The recently launched Case Management System (CMS), developed through Department of State funding and the only reliable data on nationwide prosecutions, has registered a total of 2,418 arrests for violent crime in the three provinces in which CMS is operational (Kabul, Herat, and Balkh). Of these cases, recorded from October 2012 to September 2013, 1,443 led to prosecution, or 60 percent of reported violent crimes in those three provinces (nationwide rates are not available). In those same three provinces 451 arrests were made pursuant to the Law on Elimination of Violence Against Women (EVAW) from January–December 2013. Of those, 274 went to prosecution, handled by Elimination of Violence Against Women (EVAW) Prosecution Units supported by the U.S. Government. This represents a 61-percent prosecution rate, nearly identical to the rate for all violent crimes. However, it should be noted that Kabul, Mazar, and Herat are all urban areas and that rates are almost certainly lower in rural areas.

The figure cited in the U.N. report also needs to be understood in light of important differences between EVAW law cases and other violent crime cases prosecuted by the Afghan justice system. Under the EVAW law, a victim may withdraw her case at any stage of judicial prosecution and police/prosecutors may not pursue a case after this has occurred. Therefore, it is not that 7 percent of cases were prosecuted and 93 percent were mediated. A high number of cases end up being withdrawn by the victim. Although UNAMA notes this provision, it does not identify it as a possible contributing factor to the gap between registration and prosecution.

It is also important to keep in mind that women often seek justice within their own communities through informal justice systems that have been in place throughout Afghan history. That said, criminal cases are supposed to be referred by the jirga/shura traditional dispute resolution bodies to the district courts. Statistics

could be low because women drop the case or fear being accused of "Zina," or moral crimes themselves. It is likely that the majority of violent crimes against women have not been adjudicated in the formal system; however, we believe that the percentage has steadily increased over the past 10 years and continue to monitor the progress of EAW prosecutions. The United States has, and will continue to, advocate for full implementation of the 2009 EAW law. We will also remind Afghan leaders of their commitments under the Tokyo Mutual Accountability Framework (TMAF) to implement EAW.

LETTER AND GAO REPORT SUBMITTED TO SUPPLEMENT  
ANSWERS TO QUESTIONS NO. 4 AND NO. 5



United States Department of State

Washington, D.C. 20520

OCT 3 12013

Dear Mr. Chairman:

The GAO report IRAQ AND AFGHANISTAN: State and DOD Should Ensure Interagency Acquisitions are Effectively Managed and Comply with Fiscal Law (GAO-12-750, GAO Code 120976) contains four recommendations for the Department of State. Chapter 7, Title 31 (31 U.S.C. 720), requires that the head of an agency submit to the Committee a written statement on action taken on recommendations by the Comptroller General. The enclosure is provided to comply with this requirement.

We hope that this information is useful to you. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Julia Frifield".

Julia Frifield  
Assistant Secretary  
Legislative Affairs

Enclosure:  
As stated

The Honorable  
Robert Menendez, Chairman,  
Committee on Foreign Relations,  
United States Senate.

**Department of State Response to GAO Recommendations**  
**IRAQ AND AFGHANISTAN: State and DOD Should Ensure Interagency**  
**Acquisitions Are Effectively Managed and Comply with Fiscal Law**  
(GAO-12-750, GAO Code 120976)

Recommendations in this GAO report focused on the management of State and DoD interagency acquisitions relating to unprecedented contracting responsibilities supporting our mission in Iraq and Afghanistan. In commenting on GAO's related draft report, the Department concurred with GAO's four recommendations.

Recommendation 1: To ensure that current and future assisted interagency acquisitions in support of State's missions in Iraq and Afghanistan are consistent with regulatory requirements and guidance designed to improve the management and use of such acquisitions, we recommend that the Secretary of State and Secretary of Defense undertake a comprehensive review of all existing and proposed assisted interagency acquisitions in support of State's missions in Iraq and Afghanistan to identify and implement corrective measures to bring the acquisitions into compliance and to strengthen management. Specifically, this should entail:

- the Department of State assessing the cost effectiveness and full range of requirements, which can be used to inform future best procurement approach determinations;
- the Departments of State and Defense preparing and signing interagency acquisition agreements that address the elements established in the FAR and OMS guidance, such as roles and responsibilities for contract management and oversight, and;
- the Department of State planning for sufficient personnel to perform contract oversight.

Response: The Department concurs with the recommendation to identify and implement corrective measures to bring all acquisitions into compliance and to strengthen contract management and oversight.

Status: State continues to host bi-weekly Transition (Contracting) Phase II Working Group teleconference calls between Department multi-bureau participants and DoD to address requirements and post-transition activity in Iraq. Additionally, State co-chairs both the

**Afghanistan Executive Steering Groups (ESG) and the Afghanistan Transition Coordination Group (TCG) with DoD to jointly assess the current and future acquisitions activities for Afghanistan, and to ensure a “whole of government” approach. Through these groups, State and DoD are addressing the full range of requirements, exploring the most cost effective means for delivery, and working to deploy the appropriate interagency agreements to ensure compliance with regulatory guidance. State is also working with DoD to enhance the database at MAX.gov used to store information on joint Interagency Agreements. With regard to existing interagency acquisitions, State continues to work with DoD to identify where any required justifications are not already existent and generate the required documentation in accordance with Federal Acquisition Regulation and DoD FAR (DFAR) requirements. Future State/DoD collaborations would have the same documentation requirements.**

**With regard to contract oversight, State has engaged DoD for more clarity on their procedures identifying the number of personnel required to manage DoD contracts in dangerous and constantly changing environments. State is keenly aware of the importance of providing contractor oversight and is currently considering a variety of methods to formulate the right number of properly trained Contracting Officer’s Representatives (COR) numbers – including the size of contractor staffing, location and/or function of the contract, a computation related directly to the dollar value of the contract, or perhaps a hybrid that takes into account each of these factors. In the case of both Iraq and Afghanistan, their approach to contractor oversight and staffing has been detailed in the Department of State Acquisition Human Capital Plan submitted to the Office of Budget and Management on March 31, 2013.**

Recommendation 2: To better inform future decisions regarding the use of assisted interagency acquisition and to better manage and more consistently implement their use, we recommend that the Secretary of State revise the State First policy to fully align with current FAR and OMB requirements regarding interagency acquisitions.

Response: The Department concurs and is actively revising Department policies to fully align with current FAR and OMB requirements.

**Status: State issued Procurement Information Bulletin (PIB) 2013-03 Acquisition Agreements on January 30, 2013, to fully align Department policy with current FAR and OMB requirements regarding interagency acquisition.**

**Recommendation 3:** To ensure proper payment between the departments in accordance with fiscal law, we recommend that the Secretary of Defense and the Secretary of State work to jointly resolve their positions with respect to payment for DOD's direct and indirect costs of providing the goods and services to State under the interagency acquisitions we reviewed, and take appropriate action according to their resolution.

**Response:** The Department concurs with the recommendation and has engaged DoD to resolve this issue.

**Status: State paid DoD \$1,972,240 via a Military Interdepartmental Purchase Request for Rock Island Contracting Command acquisition services on September 6, 2012.**

**Recommendation 4:** To ensure that its acquisition workforce has sufficient capacity to meet the need for acquiring critical goods and services for unique and complex environments like Iraq and Afghanistan that the Department of State may choose to independently acquire, we recommend that Secretary of State:

- identify, in consultation with DOD, areas of contracting and subject matter expertise needed, along with the number of personnel needed, to acquire goods and services in such environments; assess the extent to which the current acquisition workforce meets those needs; and based on the results of that assessment, incorporate efforts to build that expertise and personnel numbers into State's acquisition workforce planning; and:
- based on those identified needs and resulting workforce planning, assess whether the acquisition workforce working capital fund as it currently operates is a sufficient mechanism to surge State's acquisition workforce capacity with the appropriate personnel, both in terms of expertise and numbers, and mix of government and contractor personnel to support State's missions in such environments

**Response:** The Department concurs with this recommendation. We continue to hire additional USDH contracting staff; from 2008 until June 2012, State used its working capital fund (WCF) to hire an additional 66 staff, with 19 more in the pipeline. The Department of State's Office of Inspector General (OIG) conducted an entrance conference with A Bureau offices in July 2012, to specifically address the Department's application of the WCF to achieve key Procurement Shared Services goals, including workforce capacity.

More specifically, State also proposes to use the resources of the Afghanistan Transition Coordination Group to determine what skill sets are needed for Contracting Officer Reps (CORs) as well as numbers required. The results will be factored into the long-term staffing strategy for Afghanistan. This GAO study and recently initiated OIG study will be used to guide the Department's efforts to effectively support our acquisition needs.

**Status:** In May 2013, OIG released their final report "Audit of Department of State Application of the Procurement Fee to Accomplish Key Goals of Procurement Services" (AUD-FM-13-29). State's initial response to that report was included in the published report. In August 2013, State's Bureau of Administration provided OIG the first update on the status of its implementation of OIG recommendations and is continuing action on open OIG recommendations.

[The above letter and GAO report were also sent to: Bob Corker, Committee on Foreign Relations, U.S. Senate; Edward R. Royce, chairman, Committee on Foreign Affairs, House of Representatives; Eliot L. Engel, Committee on Appropriations, House of Representatives; Barbara A. Mikulski, chairwoman, Committee on Appropriations, U.S. Senate; Richard C. Shelby, vice chairman, Committee on Appropriations, U.S. Senate; Harold D. Rogers, chairman, Committee on Appropriations, House of Representatives; Nita M. Lowey, Committee on Appropriations, House of Representatives; Darrell E. Issa, chairman, Committee on Oversight and Government Reform, House of Representatives; Elijah E. Cummings, Committee on Oversight and Government Reform, House of Representatives; Thomas R. Carper, chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate; and, Tom Coburn, Committee on Homeland Security and Governmental Affairs, U.S. Senate.]

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RESPONSES OF DONALD L. SAMPLER, JR., TO QUESTIONS  
SUBMITTED BY SENATOR MENENDEZ

*Question #1A.* Security of Aid workers.—Do recent attacks on aid workers indicate an emerging trend where these individuals, even for Afghan-led initiatives, are targeted by insurgents?

Answer. The number of attacks against aid and humanitarian organizations in the past year has increased. Aid and humanitarian organizations operating in Afghanistan are funded from a broad range of U.S. and non-U.S. affiliated sources, including other foreign governments and private organizations, not all of whom report threats and attacks to the Embassy. However, attacks that are reported are recorded in the Aid Worker Security Database (<https://aidworkersecurity.org/>). According to this data base, 56 attacks were reported in 2012 and 79 reported in 2013.

*Question #1B.* Have threats to USAID staff and partners increased over the past year? If yes, by how much?

Answer. The number of threats against USAID and USAID implementing partners in the past year has increased by 23.4 percent. The Partner Liaison Security Office, USAID Afghanistan, tracks these incidents using the Afghanistan Infrastructure and Security Cartography System (AISCS). According to AISCS, 47 threats were reported in 2012 and 58 reported in 2013.

*Question #1C.* If these threats have increased, does USAID have the adequate budget resources to address this growing threat environment? Is there a shortfall in funding?

Answer. USAID implementing partners are responsible for providing security for their staff. There is no indication at present that the average cost of security for USAID implementing partners is increasing, but the security situation in Afghanistan is fluid; it can vary based on threat and location, and can change suddenly and often without warning. Security assessments (conducted by the Implementing Partner) are an ongoing process. Security costs are factored into partner proposals for USAID review. Historically, specific security costs for USAID partners vary from location to location and the type of project. Currently for partners utilizing the Afghanistan Public Protection Force (APPF), security costs average 6.2 percent of the total estimated cost of project awards. Additionally for USAID personnel, the USAID Regional Security Office (RSO) assesses security conditions and makes appropriate resource recommendations.

*Question #2A.* Duplicative efforts.—In your testimony you stated that USAID, in consultation with the Government of Afghanistan, substantially scaled down a \$32 million agricultural faculties program found to be duplicative of efforts by another donor.

- ◆ Please describe USAID's consultation mechanism with the Government of Afghanistan to identify duplicative development efforts.

Answer. USAID conducts extensive consultation with the Government of Afghanistan across its entire civilian assistance portfolio, including sector- and project-specific coordination, and one of the reasons for this consultation is to identify duplicative development efforts. USAID consults on an almost daily basis with the Aid Management Directorate (AMD) of the Afghan Ministry of Finance (MOF). The AMD is responsible for coordinating all civilian assistance on behalf of the Afghan Government. USAID also frequently takes the lead in coordinating donor community collaboration with the government through the AMD.

USAID conducts three annual consultation processes with the MOF. Joint portfolio reviews allow USAID technical staff, Afghan Government line ministries, and the AMD to conduct detailed reviews of USAID projects. Donor Cooperation Dialogues conducted with each donor allow for macrolevel evaluation of assistance flows and harmonization of the donor community. Core Donor Consultations focus on on-budget assistance and allow donors and the Afghan Government to plan together for the coming year's expenditures on development projects. As a part of these processes, donors submit development project data, including locations, funding, and results, to the Afghan Government so that it can analyze annual assistance across the donor community, across sectors, and across geography. Furthermore, USAID and other donors provide information on the alignment of USAID's portfolio of programs with Afghanistan's National Priority Programs, allowing donors and the government to work together in balancing assistance across priority sectors.

In addition to the portfolio-wide processes mentioned above, USAID consults regularly with Afghan Government line ministries on individual project development and implementation. These ministries are essential partners in planning, developing, and implementing USAID assistance projects. Some coordination examples include:

- Infrastructure—Interministerial Commission for Energy, chaired by the Afghan Government, which includes the Ministry of Energy and Water, Ministry of Public Works, and Da Afghanistan Breshna Sherkat (DABS, the national utility), USAID and other key donors, and the International Security Assistance Force (ISAF).
- Agriculture—Provincial Level Technical Working Groups with the Ministry of Agriculture, Irrigation, and Livestock (MAIL) and USAID staff.
- Health—USAID holds a monthly meeting with the Deputy Minister for Policy and Planning of the Ministry of Public Health (MoPH). In addition, technical working groups composed of MoPH and USAID and other donor staff provide an opportunity to ensure that donors are effectively dividing their efforts across distinct elements of technical strategies.

*Question #2B.* Are there consultation mechanisms in place with other donors, or just with the Government of Afghanistan?

Answer. USAID participates in extensive coordination mechanisms among other donors in addition to bilateral and multilateral coordination consultations with the Afghan Government. In addition to Afghan Government-led coordination bodies, donors often hold consultations at the sector and project level to harmonize activities. Some consultations are formalized by working through international organizations, such as the United Nations or the World Bank. Others are standing committees that coordinate activities in a given sector. Some consultations arise as needed to support specific projects or activities. Examples include:

- United Nations Assistance Mission to Afghanistan (UNAMA)—Hosts policy-level and sector-specific committees to coordinate donor activities, including the weekly Head of Agency meeting, with every other meeting cochaired by the Afghan Ministry of Finance.
- Afghanistan Reconstruction Trust Fund (ARTF)—Managed by the World Bank since 2002, ARTF is one of the most effective standing mechanisms for donor consultation and cooperation. Areas of collaboration include agriculture, health, education, governance, and public financial management. USAID is the largest annual contributor to ARTF and directly supports programs in education, health, agriculture, and economic growth.
- Afghanistan Infrastructure Trust Fund (AITF)—The AITF, managed by the Asian Development Bank, allows for donor coordination and joint funding of infrastructure projects.
- Health Sector—USAID chairs the Health Development Partners Forum. USAID also partners closely with the World Bank and the European Union in supporting the Afghanistan basic health package and essential hospital services. Future programming will be coordinated through the World Bank's System Enhancement for Health Action in Transition (SEHAT) program. While close donor coordination has been an important factor in achieving dramatic health gains over the last decade, the SEHAT program is expected to streamline management of donor support and further enhance coordination.
- Elections—USAID works with other partners through an elections working group to ensure that donor support to elections is coordinated and that key policy concerns are communicated jointly to the Afghan Government. USAID also supports elections programming through the multidonor United Nations Development Program ELECT project.
- Agriculture—In addition to regular consultations with the Ministry of Agriculture, Irrigation, and Livestock (MAIL), USAID is part of an Agriculture Donor Coordination Working Group, composed of donors and MAIL that meets quarterly to strengthen coordination among partners. Further, USAID organizes a bimonthly Water Donor's Coordination meeting that is cochaired by USAID's agriculture and infrastructure offices.
- Infrastructure—In addition to regular consultations with the Interministerial Commission for Energy, USAID is part of an intra-U.S. Government working group on infrastructure cochaired by USAID and the Department of Defense.
- Gender—USAID participates in gender coordination and working groups at several levels in Afghanistan. As the cochair of the U.S. Government's Kabul Interagency Gender Working Group, USAID engages in the coordinated effort to implement the U.S. Government Gender Strategy in Afghanistan (2012). Externally, USAID participates in the Interagency Gender Donor Coordination group in Kabul. In Washington, the Office of Afghanistan Pakistan Affairs works closely with the State and Defense Departments through relevant task forces on: Women, Peace and Security, Gender-Based Violence, and Trafficking in Persons to ensure a coordinated effort.

*Question #2C.* Are there any other cases where duplicative efforts have been found? What action was taken?

Answer. USAID takes significant steps to ensure projects in design are not duplicative of existing efforts by the Afghan Government or other donors. However, with the complexity of the environment in Afghanistan, and the unusually large number of donors contributing high levels of assistance, duplication has occurred. When duplicative efforts are identified, USAID works with the relevant partners to streamline efforts and ensure they are mutually supportive. This is becoming increasingly important in the transition period, and the expected decrease in donor funds over time means that greater harmonization will maximize available funding.

Some examples of efforts to streamline donor support and eliminate duplication are noted below:

*Health:* In the early stages of the international intervention in Afghanistan, USAID, the European Union (EU) and the World Bank divided responsibility for delivering basic health services and essential hospital services across Afghanistan. This division of labor allowed for swift improvements in health service delivery, and directly contributed to the significant health impacts over the past decade, including remarkable gains in access to health care, maternal mortality, and infant and child mortality. However, in establishing the systems necessary to swiftly deliver health services, each partner had to create appropriate procurement mechanisms and financial management processes through the Ministry of Public Health to ensure that funds were managed and results achieved according to their respective policies and regulations. As of 2014, USAID will be joining the EU in delivering health services through the World Bank's SEHAT program. This is a significant step that will eliminate separate management systems and unify the Afghan health system. Ultimately, the goal is for this single, donor-supported health system to transition to an Afghan-managed health system.

*Energy:* USAID is coordinating with the Asian Development Bank (ADB) and the World Bank on their regional energy proposals, the Turkmenistan, Uzbekistan, Tajikistan, Afghanistan, and Pakistan (TUTAP) energy corridor project and the proposed Central Asia-South Asia (CASA)-1000 project. In some cases, we have found small duplicative efforts in this area. For instance, a power system study being funded by USAID had some overlap with work being done by World Bank's contractor regarding CASA-1000 transmission line routing. USAID's implementing partner will directly coordinate further with the World Bank's contractor to avoid duplicative work.

*Democracy and Governance:* USAID is currently designing a follow-on to the Regional Afghanistan Municipal Program for Urban Populations (RAMP UP) municipal support program. RAMP UP made significant gains in major municipalities, and the follow-on program will work to sustain those gains. As other donors are active in the large cities of these municipalities, however, the follow-on program will place less emphasis on major municipalities in favor of increased emphasis on small and medium municipalities. This approach will decrease duplication of effort in major municipalities, while sustaining previous gains and broadening USAID's reach to those cities that will benefit most from our assistance.

In consultation with other donors and the Government of Afghanistan, USAID has become concerned that capacity-building efforts in several ministries may be duplicative, as several donors may be supporting the same ministry through different projects. USAID will conduct an assessment of its off-budget ministry capacity-building programs to identify duplicative efforts and other weaknesses, and when appropriate seek to coordinate future capacity-building through mechanisms such as ARTF's Capacity Building for Results and the Afghan Government's Civilian Technical Assistance Program. USAID is currently drafting the statement of work for an assessment team that should begin its work in early 2014.

*Question #3A. Bilateral Incentive Fund.*—In your testimony you stated that \$60 million remains in the U.S. bilateral incentive fund, to be released as the Afghan Government meets certain thresholds of progress on the key TMAF indicators.

- ◆ Which TMAF indicators is the remaining \$60 million tied to and what are the benchmarks the Government of Afghanistan must reach for the funds to be released?

Answer. The \$75 million in incentive funding from FY 2012 resources is tied to progress on the five Tokyo Mutual Accountability Framework (TMAF) Areas: (1) representational democracy and equitable elections; (2) governance, rule of law, and human rights; (3) integrity of public finance and commercial banking; (4) government revenues, budget execution and subnational governance; and (5) inclusive and sustained growth and development. Donors and the Afghan Government agreed upon 17 "hard deliverables" in the first half of 2013 that would demonstrate progress in the five TMAF reform areas.

The Afghan Government has made satisfactory progress on a number of the hard deliverables, including the four associated with TMAF Area 1 (Representational Democracy and Equitable Elections), allowing the release of the first \$15 million from the Incentive Fund.

Disbursement of the remaining \$60 million is dependent on progress in the other four thematic TMAF areas. We are evaluating now whether the Afghan Government has made sufficient progress on these remaining deliverables.

Prior to January 29, 2014, when the Joint Coordinating and Monitoring Board (JCMB) with the Government of Afghanistan and other members of the international community is scheduled to be convened, the U.S. Government will finalize its assessment of Afghan progress and determine which, if any, of the remaining

four TMAF areas show progress sufficient to justify the release of additional FY12 incentive funds.

*Question #3B.* Is \$75 million for the bilateral incentive fund an appropriate limit, or should the fund be expanded to include larger amounts of U.S. assistance to the Government of Afghanistan?

Answer. The \$75 million in incentive money is only the first part of a larger \$175 million commitment the U.S. Government made at the July 2013 Senior Officials Meeting in Kabul to incentivize progress toward TMAF goals. As part of that commitment, the U.S. plans to allocate an additional \$100 million in incentive funds to incentivize TMAF progress by the Afghan Government in 2014. The specific details of what performance is needed will be made after the January 2014 JCMB meeting referenced in the prior answer.

In addition to the bilateral TMAF incentive fund, the U.S. has obligated approximately \$318 million to the multilateral Afghanistan Reconstruction Trust Fund (ARTF) in fiscal year 2013, part of which will be used for incentive funding. The U.S. contribution is pooled with that of other donors and allocated to a number of mechanisms within the fund, including the ARTF Incentive Program. The ARTF incentive fund focuses primarily on incentivizing improved Afghan financial management and transparency.

Further, the U.S. and other donors announced their intentions in the TMAF to incentivize 10 percent of their funding by the end of 2014, with the goal of increasing that amount to 20 percent by the end of the next decade (2024). The administration considers the United States-Afghan bilateral TMAF incentive fund and ARTF Incentive Program to be part of the overall incentive funding initiative. We believe the \$175 million slated for the bilateral incentive fund and the additional funding in the ARTF incentive program provide incentive for Afghan reform without undermining development progress and stability during this critical year of transition.

*Question #4A.* In your testimony you stated that the “Transfer of Tasks” exercise helped inform USAID on how to transfer ISAF development projects to other entities. In 2011 the Government Accountability Office issued a recommendation which called on the Department of Defense to enter information about its Afghanistan development projects into a common database with the State Department and USAID. However, this recommendation is yet to be implemented. I am concerned that the lack of a common database of development projects creates an unnecessary gap in the institutional knowledge base of our development efforts.

◆ Is there a plan to transfer information on projects conducted by CERP, TFBSO and AIF into the Afghan Info database?

Answer. USAID recognizes the value of a more comprehensive database of USG funded projects in Afghanistan and is working with the State Department and the Department of Defense (DOD) to determine the most effective manner to achieve this goal. To date, Afghan Info has received a limited, one-time transfer of Commander’s Emergency Response Program (CERP) data, but no data on the Task Force for Business Stability Operations (TFBSO) or the Afghanistan Infrastructure Fund.

However, close and continued engagement with DOD ensures that programs are coordinated and guarded against duplication of effort. Currently, USAID has not taken on any DOD projects identified from the U.S. Government Transfer of Tasks exercise. Moving forward, if USAID were to take on development assistance oriented tasks from DOD based on the Transfer of Tasks exercise, the tasks would be added to Afghan Info.

USAID has attempted over time to retrieve relevant DOD CERP data as opportunities have arisen, although a formal mechanism does not currently exist. To date, as mentioned above, USAID has received a limited one-time transfer of DOD CERP records. More data transfers have been difficult to coordinate because DOD project records are stored on a classified system and in some cases project data itself is classified. As a result, CERP data are only available in an unclassified form at a significant delay due to challenges such as ensuring the quality of data and preventing operational risks that could flow from the release of data in unclassified form.

In addition, USAID and DOD databases collected different information, which makes data transfer more difficult. Since Afghan Info is a USAID system that was designed to fit USAID requirements and processes, it is often difficult to accommodate other agencies’ workflows. Recently, Afghan Info modifications have focused on upgrades that better meet USAID’s internal performance management needs, particularly to facilitate better use of partner reporting and better ways to monitor projects from an increased number of sources, such as the Afghan Government, other donors, and the beneficiaries themselves.

The next opportunity for transferring DOD information into Afghan Info will likely occur once CERP has ended and the Office of the Secretary of Defense for Policy has finished reviewing and declassifying CERP data. At that time, we anticipate that current restrictions on the transfer of data to Afghan Info will be lessened.

Regarding AIF activities, USAID consults regularly with DOD on the implementation of infrastructure programs to ensure all projects are coordinated and provide the maximum benefit for Afghanistan's development. As such, current coordination provides USAID better visibility of AIF activities than would be possible through any attempt to incorporate non-USAID administered activities into Afghan Info while they are under implementation. Thus AIF has generally not been part of this discussion.

To date, USAID has not sought to incorporate TFBSO into the Afghan Info database. TFBSO programs are significantly more complicated to incorporate due in part to the nature of its program portfolio and overall organizational and bureaucratic differences in program data-sharing. However, USAID has quarterly coordination meetings with TFBSO to ensure full visibility and understanding of the USG programs in the economic and infrastructure sectors. On a more frequent, but ad hoc, basis the USAID team working with the Ministry of Mines meets with the TFBSO staff working with the extractive sector to discuss and better coordinate programs.

In addition, there are other coordination mechanisms in Kabul currently in place like the Deputies-Level Executive Working Group, regular field level coordination, and close cooperation between working level projects teams at USAID, the Department of State and DOD.

*Question #4B.* Please share the "transfer of tasks" list with the committee.

Answer. USAID has been an active participant in the Transfer of Tasks exercise in coordination with U.S. Embassy Kabul, which led civilian agency participation in the review process. The Department of Defense (DOD), via CENTCOM and ISAF, compiled an initial list of approximately 420 tasks for consideration during the Transfer of Tasks exercise. USAID has not taken on any DOD projects identified during the exercise. As the list of tasks is a DOD product, we respectfully request that the committee coordinate with the Office of the Secretary of Defense on this request for the list.

*Question #5A.* In your testimony you stated that USAID will terminate projects or activities if adequate third-party oversight is not possible or adequate progress is not being made.

- ◆ Please list any past development projects or activities in Afghanistan that were terminated because of lack of oversight or progress.

Answer. To date, USAID has not terminated/cancelled any projects for the reason of constraints on oversight. USAID has and will continue to terminate/cancel and extensively de-scope projects when there are problems with implementation and progress. Please find attached a list of terminated/cancelled projects since 2008.

Issues with progress can take many forms including not having the desired impact, delays in implementation, and corruption. Regardless of the cause or form, USAID provides appropriate justification and documentation to terminate programs.

*Question #5B.* How many USAID projects do you estimate will rely on third-party monitoring in 2015?

Answer. USAID applies a multitiered monitoring approach to collect and verify data using a variety of means to inform decisionmaking. This approach recognizes the increasing importance of a variety of monitoring sources to gather project monitoring data and that each project requires its own, unique monitoring plan based on the type of activities taking place. One example is the important use of satellite imagery as a monitoring tool for crop production. Customized monitoring plans position each USAID project manager to gather and analyze monitoring data from various, appropriate monitoring sources, to compare data to ensure confidence in the reporting, and to make programmatic decisions based on the results. By using multiple and overlapping sources of monitoring data, USAID can compare information received from separate sources to verify project activities and ensure the greatest degree of oversight possible. Tiered monitoring actors are:

- Tier 1: U.S. Government (USAID and other agencies);
- Tier 2: Implementing Partners;
- Tier 3: Afghan Government (internal monitoring and evaluation systems, observation) and other donors;
- Tier 4: Civil society, local organizations, and beneficiaries; and
- Tier 5: Independent Monitoring Contractors (Third Party Monitors).

USAID has also developed a new unit at the mission, the Implementation Support Team, which is responsible for providing an additional layer of critical review and analysis for the many streams of monitoring data. This unit will review performance at the project and sector level, and provide USAID leadership with alternative courses of action for addressing challenges with project implementation. Currently, USAID already utilizes independent monitors as one method of monitoring projects in the infrastructure, health, and stabilization sectors in Afghanistan. We estimate in 2015 that much of the likely portfolio, consisting of some 60 to 80 projects, will use the Tier 5 Independent Monitoring Contractors to one degree or another. USAID will regularly review project activities to determine if adequate oversight is possible, and make decisions about the viability of continued implementation, including the potential termination of activities.

*Question #5C.* How much do you estimate third-party monitoring programs will cost in FY14 and FY15?

Answer. Agency guidance recommends 5 to 10 percent of total program resources should be allocated for both monitoring and evaluation. This includes the required 3 percent of program funds for evaluations. USAID anticipates spending up to 6 percent of its resources on monitoring efforts, which includes third-party monitoring. The total cost of USAID's portion of the monitoring contract is thus well within the 2 to 7 percent range outlined in Agency guidance.

A lesson learned from USAID/Iraq's use of independent monitors is to provide adequate funding to monitoring contracts, which is a principle behind the Agency's guidance. This is necessary so that USAID can appropriately respond to a changing implementation environment. As such, the Monitoring Support Project (MSP) has an estimated project ceiling of up to \$170 million, which includes a still-to-be-determined potential buy-in option for other U.S. Government agencies. Thus, the ceiling provides USAID operational flexibility that other contracts of this type do not have.

*Question #5D.* Please describe in detail the specific tools that will be used to conduct third-party monitoring in Afghanistan.

Answer. USAID clearly defines the role of Independent Monitoring Contractors; they do not represent the U.S. Government, the Afghan Government, or any other local organization, and they do not take the place of USAID staff as project managers. Their function is to monitor and verify—to USAID—whether USAID-funded activities have been undertaken according to the terms and conditions of contracts, grants and/or cooperative agreements with implementing partners. USAID then uses this information to manage its projects to achieve maximum development impact.

Within this role, Independent Monitoring Contractors may use a variety of methods to verify project data. The precise nature of the data collection efforts will vary on a project-by-project basis. USAID is developing project specific monitoring plans. Potential monitoring tools include those described below:

i. *Site Visits:* Individuals working under the Monitoring Support Project (MSP) will visit USAID project sites and independently verify activities implementing partners have completed and reported to USAID. USAID requires that these individuals have the relevant technical expertise for the sites they are visiting or the data they are collecting. These reports, including corroborating data, will be reviewed by USAID.

Every effort will be made to corroborate information reported by monitoring partners. To do so, USAID compares information from site visits with additional evidence from other monitoring techniques, such as GPS tracking, photography, and crowd-sourcing, as described below, to mitigate the risk of bias, error, or corruption.

- *Global Positioning System (GPS) Tracking:* MSP monitors will be equipped with GPS receivers so they can navigate to and verify activity locations using the geographic coordinates provided to USAID by technical projects' implementing partners. Monitors will use GPS receivers to record the precise location of all of their verification visits. This information can be collected through photos taken with GPS-enabled cameras (see below), so location data collected with stand-alone GPS receivers can be used to validate the coordinates embedded in the photos.

For security reasons, the MSP monitors may be required to devise strategies for recording the precise locations of activities using more discreet and inconspicuous GPS recording devices. In the event that standard GPS receivers cannot be used for a particular verification visit, the contractor will inform USAID of the alternative method used to determine the coordinates for a site visit before the monitoring is implemented.

- *Photography*: GPS-, date- and time-stamp enabled digital cameras are required for all site visits. These pictures provide photographic evidence of project implementation and also include the time and location of a particular verification visit. Should security circumstances prevent monitors from taking such pictures, the MSP monitor must inform USAID, propose alternative measures for validating the authenticity of the site visit report, and include information from the alternate measures in the visit report. The photos will be cross referenced by USAID to photos and locations provided by the project implementer and the other locations provided by the monitoring partner.
- ii. *Satellite/Aerial Imagery Analysis*: The requirement for satellite/aerial imagery data and analysis as a part of a verification and monitoring plan for a given project will be determined by USAID, in consultation with the MSP contractor. USAID will work with interagency partners that already procure commercial satellite imagery to acquire imagery of project sites where appropriate, so this cost will not be covered by MSP. An example of this approach would be an agriculture project required to measure changes in cultivated land, such as wheat or orchard crops, over time. USAID already uses this technique in Afghanistan and around the world through its Famine Early Warning System Network (FEWS-NET).
- iii. *Surveys*: USAID is requiring that MSP design and deploy two types of public opinion surveys:
  - *Rapidly-developed and rapidly-deployed surveys*. While the scope and general conclusions of these surveys is more limited than larger national surveys, they provide a quick perspective on project activities for USAID, including supplemental data, or short-term trends that may need further qualitative research. They may be deployed through a number of instruments and mediums, including human enumerators and cell phones.
  - *Larger, more rigorous surveys*. These are thoroughly designed and tested surveys meant to prevent bias. They will be sufficiently large to draw statistically significant inferences and deployed by trained enumerators with quality control measures in place.
- iv. *Data collection with mobile devices*: Verification and monitoring activities using mobile devices, including cell phones may also be used as monitoring tools. These include the following:
  - *Conducting surveys of technical project beneficiaries via short message service (SMS; i.e., text messages) or interactive voice response systems*. Surveys consisting of 1 to 20 questions will be used where deemed appropriate by USAID. MSP will manage the inflow of survey responses, compile them into a readable format, and report findings back to USAID.
  - *Assisting implementers of USAID technical projects in incorporating cell phone-based data collection into their project implementation*. The purpose of this activity is to help expedite monitoring efforts by assisting USAID and technical project implementers to collect, manage, and utilize cellular technology in implementation.
  - *Managing data intake and databases for unsolicited reporting*. MSP will assist USAID in organizing and managing e-mail addresses and phone numbers where project beneficiaries and other Afghan citizens can send information on project performance. USAID will direct MSP monitors to conduct followup visits to locations that unsolicited reporting identifies as particularly problematic or beneficial.
- v. *Crowdsourcing*: MSP will assist USAID in defining the specific and discreet monitoring tasks that can be performed by members of the public and the most effective methods of soliciting and receiving this information. This could include feedback on specific aspects of project performance or a related indicator where it would be advantageous to receive feedback from a broader population and not just direct beneficiaries.
 

For example, a subnational governance project training municipal employees on project planning and budgeting could be monitored by soliciting information on municipal service delivery from local citizens. Through radio, we can create a call-in service for the public to respond via SMS on the length of time it takes for the delivery of a particular service that USAID attempted to improve through its assistance. MSP will work with USAID to develop and implement an outreach campaign that drives the solicitation. This could include informing communities about programs being implemented by USAID and/or the municipal government in a given community and their expected outcomes. Information collected from crowd sourcing will be reported back to USAID and used to verify information reported through other monitoring tiers.

*Question #6A. Economic Impact of the Drawdown.*—What specific programmatic steps is USAID taking to mitigate the impact of the loss of jobs in the Afghan economy due to the drawdown of the international presence at the end of 2014?

Answer. Over the last 11 years the United States has helped Afghanistan achieve significant economic growth, which has averaged over 9 percent annually. However, the military drawdown poses a challenge to sustaining this growth. World Bank projections depend on differing sets of assumptions, but the more optimistic scenarios place future annual growth at 4 to 6 percent. The World Bank also expects an increase in unemployment, currently about 8 percent, but given the large informal economy, expects the greater impact to be felt on underemployment (low-paying, non-full-time jobs) which is at about 48 percent, and may increase alongside underemployment.

To mitigate the potential negative impact of the transition on Afghanistan's economy and help it move to more sustainable sources of growth, U.S. Government efforts have been focused on promoting the development of Afghanistan's most productive sectors: agriculture, small and medium enterprise (SME) development, trade, and mining, and reinforcing of the key policies needed for growth; e.g., the business enabling environment and human capacity. USAID is concentrating these efforts in Regional Economic Zones in and around major municipalities and economically productive corridors—the areas in Afghanistan that have the greatest potential for sustainable growth due to concentration of population, presence of economic infrastructure, and access to domestic and international markets.

USAID will focus on the agriculture sector since it is highly relevant to poverty reduction and job creation. Agriculture generates more than 50 percent of employment and roughly 75 percent of Afghans earn their income from the agricultural sector. Furthermore, employment in agriculture is characterized by small family businesses, often producing merely for subsistence and seldom providing enough resources to sustain families throughout the year. Between 2013 and 2018, USAID will implement four new regional agriculture development programs that are designed to increase employment along a number of market-oriented supply chains that will focus on value-added processing, linking farmers and private sector actors to regional markets, and addressing constraints in the business enabling environment. The USAID agriculture portfolio also includes critical investments such as irrigation, extension services and the provision of agriculture financing for commercialization and expansion that are required for leveraging the potential of agriculture to create jobs and reduce poverty. USAID will continue to introduce low cost, productivity enhancing technologies that are likely to yield jobs, higher outputs, and require lower water amounts, delivering environmental benefits at the same time.

Other economic development activities will also help mitigate the effects of the drawdown on the economy, and help create jobs. The Financial Access for Investing in the Development of Afghanistan (FAIDA) project assists the Government of Afghanistan and the private sector in developing the financial sector. FAIDA helps USAID's Afghan partners in building capacity to deliver finance where it can be used most effectively, and in developing a legal framework and market infrastructure in which financial sector institutions and their business partners can create employment opportunities for all Afghans. The Afghanistan Workforce Development Program (AWDP) helps address the twin problems of unemployment and the scarcity of technically skilled Afghan labor and trained business managers by improving quality and access to training in market-driven skills including construction, information and communications technology, mining, business management, and service industries to enable Afghans to fill jobs in these fields. By improving the quality and access to training in market-driven skills, AWDP complements the workforce development goals of the Afghan Government while providing trained employees to growing businesses.

The Assistance in Building Afghanistan by Developing Enterprises (ABADE) program primarily works with the private sector to strengthen the productivity of enterprises so that these enterprises can have sustained growth and job creation. ABADE's objectives are to increase domestic and foreign investment, stimulate employment, and improve sales of Afghan products. ABADE's alliances with Small and Medium Enterprises (SMEs) will accelerate productivity and job creation by mitigating risk, and leveraging contributions from private companies via alliances.

*Question #6B.* How many jobs do you anticipate will be created as a result of USAID's efforts?

Answer. While many factors affect the creation of jobs, USAID is aiming to create approximately 34,000 jobs through the direct influence of USAID programs in the agriculture and economic growth sectors in 2014. These estimates are subject to change depending on the fluid conditions during Afghanistan's transition period.

By the end of the Regional Agriculture Development Program (RADP), USAID anticipates a 20-percent increase in full time employment in the targeted areas and value chains, which equates to approximately 10,000 new jobs, including a 10–15-percent target increase in women’s full time employment. The Financial Access for Investing in the Development of Afghanistan (FAIDA) project has hired 19 district and regional coordinators to assist in the creation of new private sector loans that are anticipated as being able to generate more than 2,100 new full-time equivalent jobs in 2014. The Assistance in Building Afghanistan by Developing Enterprises (ABADE) program estimates its public private alliances and technical assistance will help generate 12,000 new jobs in 2014.

## GRAPHS SUBMITTED TO SUPPLEMENT ANSWER TO QUESTION NO. 5

List of Projects and Programs Terminated/Cancelled by USAID Mission in Afghanistan since 2008										
#	Technical Office	Award No.	Project Title	Name of Implementing Partner	Final Total Estimated Cost at Termination	Total Amount Disbursed	Award Date	End Date	Termination Date	Brief Project/Program Description
1	OMG	306-A-00-07-00504	Village-Based Water-based Restoration in Ghazni	Catholic Relief Services	\$ 5,985,396.00	\$ 1,440,696.00	1/9/2007	6/30/2011	6/22/2010	The main objective of the project was to improve water security for water-scarce villages for farmers by rehabilitating waterbeds located within the targeted villages and through water conservation.
2	ODG	306-C-00-11-00517-00	The purpose of the procurement was to provide Afghans with improved access to information and to empower local media.	Mobile Khabar	\$ 16,360,627.37	\$ 1,990,487.17	2/23/2011	2/23/2012	10/15/2011	The purpose of this program was to provide Afghans with improved access to information and to empower local media. The program was designed to help create a news service for collecting all available news and information content, made available to Afghans via their mobile phones. The system was named "Mobile Khabar" which means "Mobile News" in both Dari and Pashtu.
3	ODG	DFD-00-05-00225	To perform critical post 2010 election capacity development activities that strengthen EC's to them greater levels of responsibility for future election events. STEP Project.		\$ 79,340,182.00	\$ 69,201,866.88	6/15/2008	8/31/2012	11/9/2012	The purpose of the contract was to support increased national capacity and improved electoral administration in Afghanistan through the provision of technical and logistical assistance to the Afghan Independent Election Commission (IEC).
4	ODG	AID-306-TO-12-00012	To support the development of the Afghan Parliament. APPAF-II	DAI	\$ 73,016,000	\$ 71,553,76	9/1/2012	9/31/2015	12/9/2012	The purpose of the APPAF Program was to purchase services in support of the Emergency Parliamentary Election Process, including the use of Ministerial and Supreme Court appointments, and consideration of critical legislation, i.e., a proposed audit bill, elections reform, a human rights bill, and possible mining legislation.
5	ODG	306-C-00-10-00506-00	To develop the capacity of Afghanistan's justice system to be accessible, reliable, and fair. Rule of Law Stabilization (RLS) Program	Cheochi Consulting Inc.	\$ 5,001,000.00	\$ 593,537.72	1/1/2010	12/31/2012	1/25/2010	The purpose of the Rule of Law Stabilization (RLS) program was to develop the capacity of Afghanistan's justice system to be accessible, reliable, and fair.

List of Projects and Programs Terminated/Cancelled by USAID Mission in Afghanistan since 2008												
#	Technical Office	Award No.	Project Title	Name of Implementing Partner	Final Total Estimated Cost at Termination	Total Amount Disbursed	Award Date	End Date	Termination Date	Brief Project/Program Description		
6	DEG/RVS	306-P-00-06-00520	Design and construction of sixteen facilities of Higher Education	U.S. Army Corps of Engineers	\$ 8,520,698.77	\$ 8,518,988.55	5/27/2008	9/30/2013	1/15/2013	The purpose of this MA was to construct additional classrooms, laboratories, library space, and refurbish existing facilities.		
7	DEG/RVS	306-C-00-06-00555-00	Kabul University Men's Dormitory	Lakeshore Engineering Services	\$ 1,502,629.00	\$ 1,368,881.07	12/1/2008	5/31/2010	7/2/2009	Men's Dormitory Renovation Design and Construction of Common Dining Facility		
8	DEG/RVS	306-C-00-11-00526	Commercial Air Services in Afghanistan	Messodaminis Group LLC (MG) Services	\$ 6,489,900.00	\$ 0.00	8/21/2011	10/21/2012	6/14/2012	The purpose of this contract was to provide air support services for the early project phase. Services were cancelled by need and for reduced mobility and transport or medical evacuation of personnel.		
9	DEG/W Energy	306-I-15-06-00517-00	Sheberghan Gas Field	LBG Black and Veatch	\$ 11,587,858.00	\$ 8,885,722.13	2/6/2008	9/3/2009	6/12/2009	The purpose of this contract is to assess the quantity and quality of gas available from the Sheberghan Gas Field, by opening and testing three of seven existing but blocked wells, and to prepare a conceptual design for a 100 MW gas-fired power plant to provide electricity for the North East Power System.		
10	OFM	AID-306-BC-15-00065	Pre-Award Assessment of Supreme Court	KPMG Afghanistan Limited	\$ 16,706.00	\$ 0.00	4/15/2013	1/3/2013	10/1/2013	Public Financial Management Risk Assessment of the Supreme Court of the Islamic Republic of Afghanistan		
11	OFM	306-O-00-11-00533-00	Financial Audit of KSCP	Zeehan Ali and Co.	\$ 25,860.00	\$ 5,406.00	8/27/2011	5/17/2012	5/17/2012	Audit of Cost Incurred by UNOPS under Kabul School Construction Program.		
12	OFM	AID-306-BC-15-00069	Pre-Award Assessment of Ministry of Counter Narcotics	KPMG Afghanistan Limited	\$ 40,184.38	\$ 0.00	5/25/2013	7/26/2013	10/30/2013	Public Financial Management Risk Assessment of the Ministry of Counter Narcotics (MCN) of the Government of Islamic Republic of Afghanistan		
13	OSSD	306-A-00-06-00595-00	Higher Education Project	AED	\$ 46,741,095.51	\$ 46,741,095.51	1/23/2008	1/31/2011	12/8/2010	The purpose of this award was to support the recipient's program to implement the Higher Education Program in Afghanistan.		

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#	Technical Office	Award No.	Project Title	Name of Implementing Partner	Final Total Estimated Cost at Termination	Total Amount Disbursed	Award Date	End Date	Termination Date	Brief Project/Program Description
14	STAB-U	DFD-I-06-06-00248	Local Governance Community Development (LGD)	ARD	\$ 55,981,241.56	\$ 55,981,241.56	10/09/2006	9/26/2010	6/2/2009	The purpose of this contract was to provide 24,503 person days of technical assistance services, sub grants, materials, and transportation for LGD program in the Northern and Western region of Afghanistan.
15	STAB-U	AID-306-C-12-00005	(SIKA) - South	AECOM	\$ 53,794,076.00	\$ 15,686,015.37	4/10/2012	4/9/2015	5/15/2013	The Proposed Stabilization in Key Areas (SIKA) - South Program's purpose was to purchase services in support of U.S. Government policy to promote stabilization on the ground in Afghanistan and as USAID's primary response to the need for a counterinsurgency strategy.
16	OPPD	306-O-09-09-0622-00	Financial Audit	Yousef Adil Saleem	\$ 5,440.00	\$ 5,440.00	5/27/2008	9/24/2008	8/27/2008	Services for the financial audit of USAID Resources Program (PTS) in Afghanistan
17	On-Budget	306-II-10-04-01	District Delivery Program (DDP)	Independent Directorate for Local Governance (IDLG)	\$ 24,500,000.00	\$ 2,295,979.20	8/15/2010 -	3/19/2012	Activities suspended: 19 March 2012/Program Review: April 2012/Financial Audit: 30 Nov 2012	On-budget program through Ministry of Finance/IDG intended to pay O&M expenses for selected line offices and district centers and implement small infrastructure projects development from District Plans.
<b>TOTAL TERMINATED PROJECTS</b>					<b>\$ 321,304,483.59</b>	<b>\$ 212,865,848.92</b>				