

**USAID's Afghanistan-Pakistan Task Force Director James Bever's
Oral Remarks Before the Commission on Wartime Contracting
February 5, 2010
9:30 a.m.**

Co-Chairs Thibault and Shays, thank you for your kind invitation to testify before the Commission on Wartime Contracting about the coordination of programs and contracts among interagency and international entities in Afghanistan.

In my remarks, I plan to focus on three main issues: 1) planning of USAID reconstruction in Afghanistan; 2) interagency and international coordination; and 3) and, lessons that we have learned in both Afghanistan and Iraq.

I have a unique perspective, having been with USAID for over 20 years. I was on the ground as Mission Director in Afghanistan 2003-2004, and Deputy Assistant Administrator for Iraq. I am now Executive Director of the Afghanistan-Pakistan Task Force.

Iraq and Afghanistan share similar development challenges for USAID – security, staffing and effective contract oversight – to name a few. At the same time, they are different operating environments and pose their own unique political and development challenges.

**USAID Planning for Reconstruction and Development in Iraq and
Afghanistan**

Let me start our planning discussion with the budget. In Iraq, allocations managed by USAID peaked in 2003—2005 at \$4.8 billion. In FY 2009 our budget was \$448 million. The largest share of resources were in infrastructure projects until 2006 with a current shift towards stabilization activities that focus on building the Iraq Government's capacity as well promoting grassroots democratic processes and economic opportunities for long term growth.

Let me discuss Afghanistan from the same perspective. Over the last five fiscal years, USAID managed resources for Afghanistan rose from over \$700 million in Fiscal Year 2006 to enacted levels, estimated at \$2.1 billion for 2010.

One of our primary initiatives under our Afghanization model – Afghan First – increases local procurement and significantly transfers the responsibility of development programs to Afghans. As a result we have begun to move away from large awards towards smaller and more short-term grants and contract awards with local Afghan firms. We are also working to channel more U.S. assistance funds directly through Government of Afghanistan Ministries.

This shift places additional requirements on USAID to work closely with our counterparts to make sure we conduct proper oversight of funds. I can describe these in more detail later. I will add that we value the work and close relationships we have with the Special Inspector General for Afghanistan Reconstruction (SIGAR), the Special Inspector General for Iraq Reconstruction (SIGIR), Government Accountability Office (GAO) and the USAID Regional Inspector General (RIG), who provide additional oversight and early warning checks for corrective action.

Interagency and International Coordination

I want to switch now to our coordination in the field. In Iraq, USAID works within US Embassy Baghdad's coordination structure, which has included the Iraq Reconstruction Management Office, the Iraq Transition Assistance Office and the Coordinator for Economic Transition in Iraq. USAID currently reports directly to the Deputy Chief of Mission Ambassador Patricia Haslach, who in turn engages the Government of Iraq through Joint Coordination Committees (JCC). These committees implement US civilian assistance to Iraq under the Strategic Framework Agreement.

In Washington, the USAID Iraq office participates in the interagency Iraq Policy and Operations Groups (IPOG) and its subsidiary working groups which help to coordinate the activities of the Department of State, Department of Defense, USAID, Department of Agriculture, Department of Treasury, the Department of Commerce, and others. USAID also participates in working groups that mirror the Joint Coordination Committees (JCCs) in Iraq.

USAID supports the United Nations Assistance Mission for Iraq (UNAMI) on capacity building for the Iraq High Electoral Commission, and also coordinates with the World Bank, International Monetary Fund, and the International Reconstruction Fund Facility for Iraq (IRFFI) in specific areas.

However, coordination in these areas is more difficult to manage since the staff of many of these international organizations have been residing in neighboring countries such as Jordan, instead of Iraq itself.

Many elements of the Iraq organization model have found their way into the USAID/Afghanistan mission work model. On a daily basis USAID/Afghanistan integrates planning and operations in a whole-of-government effort to streamline and coordinate the USG agencies' individual areas of specialty. We coordinate efforts closely with the U.S. Departments of State, through multiple avenues, including the Civilian Stabilization Initiative and the Civilian Response Corps, Defense, Agriculture and other USG agencies in Kabul through Ambassador Anthony Wayne (under Ambassador Karl Eikenberry), and in Washington, with Ambassador Richard Holbrooke.

Also, borrowing a concept from Iraq, in Afghanistan we staff PRT's (Provincial Reconstruction Teams) to do our oversight and development work at the field level. PRT's are being reinforced with Regional Command platforms, which enable technical, civilian specialists to work outside of Kabul and closer to the Afghan people. Through these platforms, USAID field officers work closely with our military, Department of State and other USG colleagues as well as Afghan counterparts at all levels. On a daily basis, the PRT staffs regularly interact with our military colleagues including sitting on Commanders Emergency Response Funds (CERP) review boards to coordinate our assistance.

As the U.S. military presence increases in Afghanistan, the regional commands, staffed with senior civilian representatives, take on greater importance as part of the "Shape, Clear, Hold, Build, Transfer" civilian-military strategy. They coordinate with each other, though operating within a constantly changing wartime theater. Several of the PRTs are managed by our NATO colleagues (e.g. Italian, Polish, German, etc.), and each bring unique perspectives and challenges. USAID staff, including representatives from our Office of Transition Initiatives are embedded in forward operating bases and planning with the military to pave the way for assistance to reach villages and communities.

USAID civilian staff operates within a coordinated structure under the direction of Ambassador Eikenberry. They will number 333 strong when we reach full strength soon.

USAID's work with the Afghan Government is daily and constant. We hold annual program reviews with the Government and the Embassy to review the execution of agreements and more effectively channel more resources.

USAID believes that stronger relationships with other donors, improves our program results. We support the leadership role of the United Nations Assistance Mission to Afghanistan (UNAMA) in donor coordination, and we participate actively in Inter-ministerial Committees and sectoral task forces. We also sponsor a variety of donor coordination initiatives, such as the bi-monthly informal donor briefings, which strengthen our contacts with a variety of donors active in Afghanistan, including many small and emerging donors at the project level.

Lessons Learned

USAID/Afghanistan has and will continue to learn much from the good work and hardship of the Iraq experiences – past and present. Many individuals from the Iraq civilian build-up have brought their knowledge and talent to Kabul.

From our Iraq experience, we also benefit from how better to do business. For example, we better understand:

- the need for speed and flexibility to deliver timely results that reinforce the benefits of stability;
- the advantage of deploying a USAID Inspector General at the onset and for concurrent audits; and
- the need for creative approaches to monitor and evaluate projects and programs (i.e., through the use of PRT personnel and independent evaluation contractors).

It is worth noting the Special Inspector General for Iraq Reconstruction (SIGIR) Stuart Bowen did us a great service when he published his “Hard Lessons: The Iraq Reconstruction Experience.” For Afghanistan specifically, USAID has focused on 13 key lessons that SIGIR Bowen puts forth in his work. I would be happy to provide the Commission with our thoughts as part of the official hearing record.

Conclusion

In conclusion, USAID has stood for development since 1961. We understand conflict situations, the need to be on the ground for the duration and how to apply aid effectiveness principles in difficult environments. Building economies and strengthening accountable, democratic institutions takes time and must be based on local commitment and efforts. Our experienced and dedicated civilian corps is in it for the long haul, helping to encourage local resolve, strengthen capacities, and complement local efforts to improve living conditions and build the foundation for a more peaceful, stable, just and prosperous future.

The challenges in both Afghanistan and Iraq are substantial and unique. As an Agency we work daily, very often at great personal risk, to ensure that the assistance of the American people is effectively implemented and the will to create better and more secure and productive lives for the people of Iraq and Afghanistan is realized.

