

SIGAR Information Paper

CJIATF-Shafafiyat

ISAF HQ

19 June 2011

Per a recent RFI from the Office of the Special Inspector General for Afghanistan Reconstruction, the following information paper discusses the nature and extent of the corruption problem in Afghanistan, the mission of CJIATF-Shafafiyat, and the progress the task force has achieved, as well as the challenges it has encountered, as it has coordinated ISAF's anti-corruption efforts.

Introduction and Overview

The Strategic Impact of Corruption in Afghanistan

The level of corruption across Afghanistan's public and private sectors represents a threat to the success of ISAF's mission and the viability of the Afghan state. Corruption undermines the legitimacy and effectiveness of Afghanistan's government, fuels discontent among the population, and generates active and passive support for the insurgency. Corruption and organized crime also serve as a barrier to Afghanistan's economic growth by robbing the state of revenue and preventing the development of a strong licit economy, thus perpetuating Afghan dependence on international assistance. Corruption also threatens the process of security transition, as institutions weakened by criminality will be unable to accept the transfer of responsibility for security and governance.

The Causes of Corruption

Several conditions have allowed corruption to flourish in Afghanistan: a fragile war economy sustained by international aid, security assistance, and the narcotics trade; a society fractured by three decades of war; and weak governance and institutions.

Criminal Patronage Networks (CPNs) are responsible for the most threatening forms of corruption in Afghanistan. CPNs are comprised of individuals, businesses, and other entities that engage in systematized corruption inside and outside of government and across Afghanistan's public and private sectors. CPNs are often associated with powerbrokers who have consolidated power over the last thirty years of war. These networks engage in illicit enterprises and pursue narrow, self-interested agendas that degrade security, weaken governance, hinder economic development and undermine rule of law.

CPNs seek to control key state assets and institutions. They divert customs revenue at airports and border crossings, expropriate government and private land, and abuse public and private financial institutions. Additionally, CPNs generate exclusionary political economies that alienate key elements of the population and generate popular discontent from which the enemy draws strength. The Taliban recruits from disaffected portions of the population and those who have suffered injustice and abuse at the hands of corrupt and criminal actors.

CPNs pursue political as well as criminal agendas, consolidating power and maximizing their position

relative to other networks.

It is for this reason that efforts to reduce corruption must be grounded in an understanding of Afghan politics, and combined with efforts to convince Afghan leaders that it is in their interest to reduce the threat of corruption and organized crime.

CJIATF-Shafafiyat

Mission

In coordination with the international community and in support of the Afghan government, CJIATF-Shafafiyat (“transparency” in Dari and Pashto) fosters a common understanding of the corruption problem, plans and implements ISAF anti-corruption efforts, and integrates ISAF anti-corruption activities with those of key partners, in order to support the development of what President Karzai has called an “active and honest administration” in Afghanistan. The goal is to reduce corruption such that it does not present a fatal threat to the viability of the Afghan state, and ensure that continued anti-corruption progress is assured.

Upon its founding in August 2010, Shafafiyat integrated the efforts of three existing task forces engaged in anti-corruption activities: Task Force 2010, Task Force Spotlight (which deals exclusively with Private Security Companies and as of 1 June 2011 was subsumed within USFOR-A), and CJIATF-Nexus. Task Force 2010 and Task Force Spotlight have been integral in providing increased coordination and oversight of U.S. and ISAF contracting processes and ensuring that international resources do not inadvertently strengthen CPNs or insurgent groups. CJIATF-Nexus analyzes the intersection of CPNs, the narcotics trade, and the insurgency as a basis for Afghan and coalition law enforcement and military efforts.

Organizational Structure

Based at ISAF Headquarters in Kabul, CJIATF-Shafafiyat is comprised of a joint, interagency staff of approximately 40 planners, analysts, action officers, and advisors, along with a senior leadership team. Its multinational composition and interagency expertise is critical for coordinating and integrating efforts across ISAF and the civil-military team.

Shafafiyat Functional Focus Areas

In partnership with organizations across ISAF, the interagency, the Afghan government, and the international community, Shafafiyat has focused its coordination and integration efforts on a series broad functional areas:

- *The Afghan Security Sector:* In coordination with NTM-A/CSTC-A and the Afghan government, the task force supports the development of a professional ANSF—managed by accountable security ministries—that protects and respects the rights of the Afghan people.

- *Economics, Development, and Contracting:* In coordination with Task Force 2010 and others, Shafafiyat works to coordinate oversight of U.S. and ISAF contracting, procurement, and acquisition processes, while supporting GIROA in its efforts to achieve fiscal self-sufficiency, so that Afghan citizens increasingly view their government as capable and effective.
- *Governance and the Rule of Law:* The task force and its partners support the development of Afghan government institutions that address the basic needs of the population and enforce the rule of law.
- *Communications and Engagement:* Shafafiyat works together with the Afghan government to develop a common understanding of the corruption problem identify constructive solutions.

Key Tasks, Progress, and Challenges

The section below details Shafafiyat’s key tasks within each of its functional focus areas, as well as the progress and challenges it has encountered in its efforts to coordinate ISAF’s anti-corruption efforts.

1. Implementing COMISAF’s COIN Contracting Guidance

USFOR-A established Task Force 2010 and Task Force Spotlight—the latter of which focused specifically on the activities of private security contractors—in an effort to improve oversight and discipline in the disbursement of ISAF contracting funds.

In September 2010, ISAF published the COIN Contracting Guidance, which emphasized that contractor vetting and procurement processes were matters of “commander’s business,” and directed ISAF to:

- **Understand the role of contracting in COIN**, to avoid reinforcing CPNs exclusionary political economies.
- **Hire Afghans first, buy Afghan products, and build Afghan capacity**, to bolster economic growth and stability.
- **Know those with whom we are contracting**, so as not to empower CPNs.
- **Consult and involve local leaders**, to hold contractors accountable and provide post-award feedback.
- **Develop new partnerships**, so as not to reinforce monopolies.
- **Look beyond cost, schedule, and performance**, to assess the impact of contracts on campaign objectives.
- **Invest in oversight and enforce contract requirements**, to ensure performance and support for the mission

The work of Task Force 2010, Task Force Spotlight, the CENTCOM Contracting Command and others has resulted in the vetting, suspension, and debarment of numerous companies engaged in criminal activity. Since the publication of the COIN Contracting Guidance, commanders throughout Afghanistan have also become more aware of the impact contracting can have on mission objectives.

A variety of additional efforts are underway to refine and develop comprehensive U.S. and coalition vendor-vetting and contract oversight procedures. ISAF is consolidating over two dozen contracting databases in theater in order to facilitate a common operating picture; USFOR-A and the CENTCOM Contracting Command are implementing a new, more rigorous vendor-vetting process; and ISAF has submitted a proposal to the Office of the Secretary of Defense for the establishment of the Acquisition Accountability Office –Afghanistan, which would provide oversight for all U.S. contracts in the country.

ISAF continues to emphasize the Afghan First Initiative as an effort to ensure that ISAF and international contracting funds promote diverse, sustainable growth in the Afghan private sector. The program supports the founding and development of Afghan companies to manufacture goods that would otherwise be imported, directly creating sustainable jobs for Afghans.

2. Developing a Common Understanding of the Problem

To foster a common understanding of the corruption problem, Shafafiyat regularly works with key Afghan political leaders, as well as representatives from the private sector and civil society. In the time since Shafafiyat was initially founded, the tenor of the dialogue on matters of corruption among ISAF, the international community, and the Afghan government has improved dramatically. It has become clear to key Afghan actors that ISAF anti-corruption efforts are meant to strengthen the Afghan state.

Shafafiyat, in partnership with Afghan leaders, established a variety of forums in which ISAF and other international organizations can share information, gain insights, and develop common, concrete solutions with Afghan officials. Chief among these is the Transparency and Accountability Working Group, which is hosted jointly by Shafafiyat and Afghanistan's Office of the National Security Council (ONSC). Representatives from various U.S. government agencies, international organizations, and Afghan ministries attend the monthly working group, which generates detailed recommendations for reducing corruption within key sectors of the Afghan government.

The ONSC working group's preliminary six-month agenda was divided among a series of prioritized functional areas: customs and trade (focused on airports and border-crossings); the Afghan National Army and the Ministry of Defense; the Afghan National Police and the Ministry of Interior; the narcotics trade; the Afghan justice sector; and local governance. In the course of its early meetings, the working group's member outlined a set of baseline recommendations applicable to ministries and agencies across the Afghan government, drawn from the reform directives and commitments announced by President Karzai at various multinational conferences. The recommendations reinforced existing Afghan government commitments, such as merit-based hiring, government salary reform, and asset declaration. The group also recommended greater efforts in such areas as public

financial management and contracting and procurement oversight.

3. Internationalizing Counternarcotics and Anti-corruption Efforts

Shafafiyat and its interagency and international partners are coordinating efforts across a range of issues, from improving vendor-vetting and related contracting reforms, to integrating efforts against drug trafficking organizations and criminal networks internationally. The task force participates with UNAMA, key embassies, and others within ISAF in a bi-monthly working group designed to promote unity of voice on matters of corruption and identify opportunities for collaboration. Shafafiyat shares its insights, estimates, and assessments with donor nation missions and others within the international community in order to encourage coordinated action and influence.

4. Integrating Law Enforcement and Military Efforts

In recent years, the mutually-reinforcing relationship between insurgent groups, narcotics traffickers, and CPNs in Afghanistan has become increasingly clear. Shafafiyat, together with the Interagency Operations Coordination Center, ISAF Joint Command, and law enforcement agencies enables close integration of military and law-enforcement activities, and is assisting in the transition to Afghan-lead in these areas.

5. Supporting Civil Society

The current level of corruption in Afghanistan is not an endemic cultural phenomenon but a historical aberration, resulting from three decades of war, the erosion of traditional social norms and structures, and a massive infusion of international aid. In coordination with the Afghan government, Shafafiyat and its partners have set out to evaluate, reinforce, and connect existing civic education, leadership development, and communications programs across the interagency and within the NGO community to emphasize the traditional Afghan values of honor, charity, and justice.

6. Institutionalizing Reforms

The task force supports efforts by organizations within ISAF and across the interagency and international community to professionalize and insulate from political interference those institutions within GIRoA that serve critical judicial, investigatory, and anti-corruption-related functions, so as to ensure continuity of effort in the years ahead. Shafafiyat has informed and supported the work of U.S. mentors within key Afghan ministries in the areas of transparency and accountability. The task force coordinates with the Afghan government's anti-corruption bodies to share information and offer assistance.