Project Title and Code:
SIGAR LL-02: Lessons Learned from Aid Coordination in Afghanistan

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Main State, Washington, DC

Purpose:
To solicit views on coordination efforts in SRAP

Interviewees:
SIGAR Attendees:
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Key Topics:
• International Contact Group
• Coordination on ANSF funding levels
• LOTFA and ANA Trust Funds
• UN-NATO
Record of Interview

Special Inspector General for Afghanistan Reconstruction

Started in SRAP in 2011, can speak to aid coordination on the security assistance side. Portfolio includes ANDSF, LOTFA.

International Contact Group

ICG has been a really useful mechanism, not in terms of direct aid coordination but having everyone touch base on the overall strategy for assistance. It's a way to ensure agreement on broad goals and align policies. Last met in Kabul on May 21, 2015. It may meet quarterly (or twice annually?). Begun in Feb 2009. It's still meeting regularly; that says something about its usefulness.

ICG composition:
- SRAPs and SRAP-equivalents (e.g. for a country that does not have an SRAP, it would be a high-level person responsible for South Asia)
- Multilaterals: UNAMA, NATO, UNODC (?), World Bank, etc.

The forum is not meant for a declaration, but there is always an agenda, and cables produced.

Coordination on ANSF funding levels

In 2011 we started a new aid coordination project to raise funds for ANSF, based on a broad challenge by SecDef Gates for donors to raise 1 billion Euros for ANSF. This was meant to be a bridge between US and ISAF forces doing the bulk of work, to Afghans taking control of security (as are now). We asked countries to contribute specific amounts. In Chicago (May 2012) we got $4.5 billion pledged for 3 years - a huge success, somewhat surprised. Around 36 donors now.

All coordinated through the ANSF Oversight and Coordination Body (OCB). OCB functions in Kabul but also [in Brussels?]. Chaired first by UK, then Germany (now), next will be Canada. Chair rotates every six months. OCB is the broad umbrella coordinating body. CSTC-A and Afghans brief on Afghan budget for ANDSF; what money is used for what; donors agree to division/allocation of funds. I've been surprised at how well it functions. There have been some issues. Donors want to see how their money is used, and OCB allows them insight into technical details. I think the OCB is the reason we have money for ANDSF right now, and not just paper pledges. OCB is an entirely voluntary mechanism. US created the charter; Germans edited it; then we presented it to donors [and Afg gov?]. NATO is part of OCB.

LOTFA and ANA Trust Fund

Two mechanisms for providing on-budget assistance:
1) LOTFA
2) ANA Trust Fund
LOTFA: Originally meant to do more than process money, but for the security side it turned into a pass through mechanism. UNDP didn't intend this but LOTFA became the only viable mechanism for funding the police. The fund is managed in Afghanistan, probably the least transparent and difficult way. UNDP has been widely criticized, but I think it's been done ok, given the massive amount of money and massive problems at MoI. Our view is it's the best mechanism we have, though problems with it should be fixed.

Legal end of LOTFA's Phase VI was December 2014; Phase VII began Jan 1, 2015. Ghani meant to sign Phase VII agreement, but felt it happened too soon. So Phase VI was extended through June. Donors and UNDP have lots of checks [?], wrote a letter to Ghani in March, saying transition to MoI needs to be conditions-based, not time-based. Ghani wrote back in April/May, agreed, and laid out vision. Donors and UNDP working on revised Phase VII, which will last perhaps 18 months.

As a funding mechanism, yes LOTFA reduces our visibility on the funds. Not sure if there's been an assessment of MoI's ability to absorb assistance; I'm sure CSTC-A has done analysis. Not familiar with LOTFA's processes of ensuring where salary funds go. CSTC-A, Afghan government, and UNDP are working to improve how salaries are disbursed; each of those 3 organizations uses its own system.

ANA Trust Fund: Executed by DoD, though money goes through US Treasury. Board meets annually. Also accepts funds from other donor countries. It was more efficient for the USG to add other donor funds to the trust fund we administer, rather than put our money into a NATO-administered fund, for instance, because we contribute the vast bulk of money.

UN-NATO

Only relationship I see is on the security side. They coordinate on a broad level on security, but I don't know to what greater extent that goes.

Follow-up Items
None.