



News from Congresswoman
Nita M. Lowey
Chairwoman, State and Foreign Operations Appropriations Subcommittee

Statement by Chairwoman Nita M. Lowey
State and Foreign Operations Appropriations Subcommittee
U.S. Civilian Assistance for Afghanistan
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I welcome Ambassador Richard Holbrooke, the Special Representative for Afghanistan and Pakistan, and Dr. Raj Shah, the Administrator of the United States Agency for International Development, to share with us today the systems and processes to assure accountability of U.S. taxpayer funds, outline the joint U.S.-Afghan strategy to combat corruption, and describe mechanisms to coordinate the U.S. civilian-military strategy. We understand the difficult environment in which the men and women in Afghanistan work and appreciate their and your commitment to this crucial effort.

Funding appropriated by this Subcommittee for diplomacy, development and humanitarian programs plays a vital role in supporting our national security. Nowhere is this reality more evident than in Afghanistan where the President has crafted an integrated civilian-military strategy to disrupt, dismantle and defeat al-Qaeda.

Recent media reports of rampant corruption, concerns about billions of dollars in cash leaving through the Kabul Airport, alleged influence peddling, and reported interference with and obstruction of corruption investigations by Afghan officials led this Subcommittee to defer consideration of the fiscal year 2011 request for funding for Afghanistan. Over the past two weeks, this Subcommittee held a series of hearings, briefings, and meetings to assess the media allegations, current oversight procedures, and steps the U.S. is taking to address accountability, transparency and oversight gaps.

Oversight Steps Taken

This Subcommittee has worked quickly and diligently to help assure the American people their hard-earned tax dollars are not being squandered or mismanaged. With sufficient unspent funds in the pipeline, this investigation has not delayed implementation of civilian programs in Afghanistan. Taking into account the total funding appropriated through fiscal year 2010, including yesterday's passage in the House of the Supplemental Appropriations Act for fiscal year 2010, there is sufficient funding in the pipeline to continue development programs unabated through fiscal year 2011.

Themes and Problems in Afghanistan

Several themes have emerged from our investigation.

First, despite efforts by our government and reformers within the Government of Afghanistan, corruption is endemic, both at senior and civil service levels, and undermines our mission in the country.

Second, oversight of programs by both the Afghan Government and the United States must be improved. Nearly everyone we heard from acknowledged the need for better trained investigators and auditors and for improved documentation of program goals and outcomes. As Secretary Clinton has stated we must do a better job of monitoring and evaluating our contracts and grants to ensure they do not enable weak governance or inadvertently encourage corruption.

Thirdly, there is a desperate need to increase the capacity of both the civil service and judicial systems at all levels of government. The legal foundations are weak, ministry officials are untrained, and oversight entities lack the capability and independence to perform their tasks. This vacuum of capacity fosters a culture of influence peddling and political interference.

Fourth, questions remain about the political will of President Karzai and the Government of Afghanistan to take the steps necessary for the civilian-military strategy to succeed.

Moving Forward- Afghan Government Reform

While failure in Afghanistan is not an option, success can only be achieved if we and our Afghan partners share common goals. For many months, President Karzai has been saying the “right” things, but have he and his Government taken the necessary implementation actions? For example, the cabinet approved a bill that established a special tribunal to try officials accused of graft. Do you believe that this special tribunal will be given the necessary independence to move forward in an effective manner? Will the Afghan Parliament act on the legislation in a timely manner? What has been the response of the Government of Afghanistan when confronted with evidence of interference in corruption cases?

Just last week, the global community demonstrated its commitment to Afghanistan when nearly 70 representatives of foreign countries and organizations attended the Kabul Conference. In a ten-page communiqué, the conference outlined dozens of commitments consistent with those proposed by President Karzai in his inaugural speech and at the London conference to combat corruption and improve Afghan governance. How will the United States hold the Karzai Government accountable to these commitments? What will the consequences be if the Afghan Government does not meet these goals?

Moving Forward- Building Capacity

During our hearing with the inspectors general and GAO, one witness testified, “our planners at all levels [should] consider capacity development at the forefront of an engagement by the United States.” As Afghans take the lead in managing their government, it is vital they are trained in technical skills, but also professional and ethical standards by which they are expected to adhere. Congress has provided hundreds of millions of dollars to increase the capacity of the Afghan Government and people. What has been achieved with this funding and has the standard of the Government’s performance improved? Are finite goals and objectives in place and outcomes being evaluate to measure their success?

Moving Forward- Supporting Ministries

Last week, Treasury representatives shared with us some positive steps to strengthen fiscal management within the Ministry of Finance. This progress has taken years because of the great challenges, including lack of capacity, which is a critical element for our success in light of the Kabul conference commitment to funnel half of all assistance through the Afghan government. Yet we don’t have years to wait. We need to aggressively pursue capacity-building measures so the Afghan government can expand effective governance. What conditions and benchmarks must Afghanistan meet prior to the provision of 50 percent of funding through its ministries?

Conclusion

Our long-term success hinges on our ability to combat corruption and ensure accountability for government expenditures; build a capable military and police force in a state that has never had one; create a viable legal and economic foundation that will provide a safe and prosperous future for the men, women and children of Afghanistan; and enable the Afghans to sustain the civilian assistance programs we are working so hard to establish.

I want to work with you both to ensure that we have the best prospect for success, while assuring the American people their funds are being spent in a transparent and accountable fashion.