

Statement

By

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To

The Commission on Wartime Contracting

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Good morning Chairman Thibault, Chairman Shays, and members of the Commission. My name is MG Richard P. Formica and I am the former Commanding General of the Combined Security Transition Command – Afghanistan. I was in command from 18 December 2008 until just recently (21 November 2009).

Thank you for the opportunity to appear before your Commission and thank you for the work that you are doing to assess the appropriate alignment of wartime contracting with mission objectives during this very challenging time in our history. I appreciate you accommodating my post deployment leave and duty schedule by adjusting the date of this hearing.

We appreciate your visit to Afghanistan and to CSTC-A back in August. The Soldiers, Sailors, Airmen, Marines, and Civilians of CSTC-A work tirelessly and faithfully to fulfill their mission and to be good stewards of our nation's resources. We appreciate that you came out to see that for yourselves.

In my statement, I will first address the command and then provide a broad overview of the environment and the Afghan National Security Forces. I will then discuss the specifics of contracting and its

role in the efforts of Combined Security Transition Command – Afghanistan from my perspective.

I want to emphasize that Combined Security Transition Command – Afghanistan is a complex command. It operates in a challenging environment of rugged terrain, weather extremes, unpredictable insurgency, and tribal and ethnic dynamics. This is not Iraq. I am not suggesting that Iraq was easy; but making the point that Afghanistan is uniquely complex – and it is different than Iraq.

Second, we have had a “Culture of Poverty” that has hung over our entire experience in Afghanistan. It is not just that this is the 4<sup>th</sup> or 5<sup>th</sup> poorest country in the world, but it is in our approach to what we do – the result of a longstanding shortage of resources. This is endemic to the entire operation. When I was in Iraq in 2004, if we needed something, we got it. But in Afghanistan we have had to figure out how to do without it.

Afghanistan offers unique and difficult challenges: illiteracy, corruption, limited infrastructure, and the lack of already established systems. But, we see opportunities through the increase of US and Coalition commitment; the stand-up of the ISAF Joint Command and

the transition to embedded partnering at every level; and our own transition to NATO Training Mission – Afghanistan.

Combined Security Transition Command – Afghanistan was a joint and coalition command. Joint because we had representation from all Services; and Coalition because we had 12 nations, now 21, who contribute staff and trainers to the command. As CSTC-A, we are assigned to US Central Command and we are under the operational control of US Forces Afghanistan. As we transition to NATO Training Mission – Afghanistan (NTM-A) we are now a NATO joint command – an integrated headquarters. And as NTM-A we are directly subordinate to International Security Assistance Force (ISAF).

We recognize that there are many international stakeholders in Afghanistan with an interest or stake in the development of the Afghan National Security Forces. We must establish close, cooperative relationships with them. We cannot be competitive; we must be complementary. It is important that we merge Combined Security Transition Command – Afghanistan’s organizational energy and resources with the unique capabilities and international support of these stakeholders. And in this manner, together we can better

advance the capacity and capability of the Afghan National Army and the Afghan National Police.

We work closely with the Ministry of Defense and the Ministry of Interior. Our principal task is to build sustainable capacity and capability of the Afghan National Security Forces (ANSF); both the ANA and the ANP.

When I left command on 21 November, the ANA was at 96K soldiers and programmed to grow to 134K by the end of October 2010. The ANA is a solid and respected institution. While it has problems, it is on track to achieve its goals. We have proposed to grow the ANA to 240K by 2013.

The ANP was at about 94K personnel and is authorized to grow to 96.8K. We expect the Ministry of Interior (MoI) to achieve this by the end of December 2009. Our approach to ANP development is to reinforce good policing; reform or eliminate corrupt and/or poor performing police; and grow. We have proposed to grow the ANP to 160K by 2013. Our primary reform programs are in support of the Ministry of Interior's anti-corruption initiatives, including the Anti-corruption Note of Understanding between the Ministry of Interior, United Nations, European Police, and Combined Security Transition

Command – Afghanistan and participation in the major crimes task force. Our key police development programs include Focused District Development, Directed District Development, and Focused Border Development.

Our approach for the past twelve months, and, while I cannot speak for the current command, I expect to see for the foreseeable future, is to accelerate the momentum of the development of the ANA while we continue to add significant focus to the ANP.

Achieving these goals requires our international partners. Our international command consists of precise, confident, fit, disciplined, courageous, and culturally-aware Soldiers, Sailors, Airmen, Marines, Policemen, and Civilians. They are led by tough, competent, and caring leaders. They are good role models for the Afghans they train and they are good stewards of the resources entrusted to us.

We are keenly aware of the importance of good stewardship of the resources provided by the American people to support this mission. Good stewardship is critical to mission success, and is of strategic importance. Our experience shows that good performance by dedicated, professional contractors enhances our ability to achieve our objectives. In the same way, we recognize that unintended

actions of contractors can erode the support of the Afghan people. We know that mismanagement of taxpayer dollars, when it occurs, however unintended, erodes the support of Congress and of the American people.

Over the past several years, the mission to generate and train Afghan National Security Forces has been generously supported with funding by the United States Congress. However, the high demand for military personnel has outstripped the supply of properly trained military forces, creating a demand for contractors to fill gaps in training and training support. Today, Combined Security Transition Command-Afghanistan requires the support of contractors in our mission accomplishment, particularly in the development of the Afghan Ministries of Defense and Interior. Contractors are fully engaged in developing critical Afghan National Security Forces institutional systems such as logistics, financial management and personnel management; and in areas where the requisite expertise and experience to train specific tasks or skills do not reside among our forces engaged in ANSF training and development. Contractors also bring continuity to the mission as many of them remain longer than twelve months.

Over the last few years, as the size of the Afghan National Security Forces continued to grow, and the number and size of contracts increased, our capacity to manage these contracts did not. This dynamic situation created a challenging contract management and oversight environment, which requires continued efforts to improve management of contracts funded by Afghan Security Forces Funds. That said, we have steadily improved stewardship and oversight of contracts. The measures and controls we have implemented were partially in response to the DoD IG, SIGAR and CWC findings. I would like to take a moment to highlight several actions that we've taken to improve accountability and management controls.

- First, we are reinforcing a culture of accountability as an integral element of successful mission accomplishment – this is especially important as we seek to increase transparency and effectiveness in our mission as well as to model behavior among our Afghan counterparts as we work to develop the Afghan National Security Forces;
- We have carefully validated current requirements and refined the focus and responsibilities for contracted training support for



our mission to develop Afghan National Security Forces. For example, as we develop new contracts to provide training support for the Ministries of Defense and Interior, we look to increase both effectiveness and efficiency. We will leverage the increase in military trainers afforded by the recent arrival of the 4-82 BCT, and the projected increase in trainers from the creation of NATO Training Mission – Afghanistan to reduce by at least 25% the combined total number of contracted trainers requested on the follow-on contracts while streamlining and enhancing effectiveness. We also conduct General Officer level program management reviews to validate and prioritize requirements competing for Afghan Security Forces funds to ensure the best use of limited resources;

- We requested assistance from US Forces – Afghanistan and the US Central Command – and in response the Defense Contracting Management Agency provided a team to help us to gain better visibility and oversight on the contracts we have in effect through an extensive review of existing contracts to ensure we have adequate quality assurance plans, and assigned and trained officers to oversee each contract;

- We are establishing positions for lead Contracting Officer Representative (CORs) for each of our major contracts that will be filled by DoD civilian hires to assist with the management of our training contracts for the MoD and Mol that are currently being re-competed. The civilians filling these positions will have the understanding of the requirements and the knowledge of a COR to ensure proper execution of the contracts and work directly for the General Officers with oversight responsibility for Mol and MoD systems development;
- We are conducting more rigorous oversight of contracts to ensure appropriate standards of performance through regular General Officer level reviews – from the point of requirements validation to ensuring effective execution of oversight. As part of this General Officer oversight we have separated the duties of programs from the Deputy Commanding General responsibilities to ensure better control and management of resources. And so now for the first time we have an Assistant Commanding General for Programs whose duty is focused on the administration and management of our program;

- Finally, we are improving accountability across the program by reorganizing the CSTC-A Security Assistance staff to link procurements of equipment and other capabilities with the proper management of contracts, adherence to equipment accountability policies, and equipment end use monitoring. Specifically, CSTC-A created a contracts management cell to institutionalize better visibility and improved management of contracts in the command, and an equipment end use monitoring team to verify compliance on property and equipment accountability and end use.

In summary, we acknowledge that more work needs to be done to enhance our overall contracts management effort. As I noted, this is a very complex environment. But through determined leadership and accountability, the improvements in our contract management and oversight program will lead to more effective development and fielding of capable Afghan National Security Forces and ultimately operational success in this critically important mission.

It was my sincere honor and privilege to have served and to have served with the many brave and dedicated men and women in Combined Security Transition Command – Afghanistan and I am

privileged to have had this rare opportunity to work closely with the brave and dedicated men and women of the Afghan National Security Forces. We are grateful for the support of the American people and the US Congress.

I look forward to answering your questions. Thank you for your efforts to make us a better, more efficient, and effective, command.