



Commission on Wartime Contracting
In Iraq and Afghanistan

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Wartime Contracting Commission will take sworn testimony from contractors on Afghan construction

ARLINGTON, VA, Feb. 8, 2011 – Officers of three large contracting firms will offer sworn testimony on their taxpayer-funded construction work in Afghanistan at a Feb. 14 hearing before the federal Commission on Wartime Contracting in Iraq and Afghanistan. An official of a United Nations agency involved in contracting will also appear.

The hearing will begin at 9:30 a.m. Monday, Feb. 14, in Room 216 of the Hart Senate Office Building, 2nd and C Streets, NE, Washington, DC. The hearing is open to the public and to news media.

The session will be part two of the independent and bipartisan commission's inquiry into "Recurring Problems in Afghan Construction."

Industry witnesses for the Feb. 14 session will be:

- William Van Dyke, President, Black & Veatch Special Projects, which participated in construction of a \$300 million power plant in Kabul, Afghanistan.
- Michael E. McKelvy, President, Government, Environment & Nuclear Division, CH2M Hill, whose work in Afghanistan has included military-base expansions.
- Charles Mouzannar, Executive Vice President, AMEC Earth and Environmental, Inc., which is responsible for the Afghan Defense University in Kabul and the Afghan National Army garrison in Herat.

Also appearing will be Bruce McCarron, Regional Director, UNOPS, a United Nations agency which acts as USAID's implementing partner (a grant recipient rather than a contractor) for the Ghazi Boys School project. In deference to United Nations legal independence, Mr. McCarron will not be sworn, but will appear voluntarily to provide information.

The commission's previous session on construction problems in Afghanistan, held Jan. 24, featured testimony from the Special Inspector General for Afghanistan Reconstruction and from witnesses representing federal departments that use construction contracts: the Department of State, the U.S. Agency for International, the Army, and the Air Force.

The U.S. government has spent billions of dollars on construction projects in Afghanistan since the anti-Taliban intervention was launched in 2001. Goals include supporting U.S. and allied troops, providing facilities for the Afghan government, reconstructing damaged properties, and promoting economic development. Projects include power plants, schools, hospitals and clinics, prisons, facilities for the Afghan National Army and Police, plus facilities for use by American and allied troops in the country.

Commission Co-Chairs Michael Thibault and Christopher Shays said the hearing will include discussion of problems with planning, costs, delays, and host-nation sustainability of construction projects, but has other purposes as well.

"Contractors have taken a lot of criticism for their performance in Iraq and Afghanistan, including from us," Thibault said. "But they have also, in general, provided vital, quality support to our military and to American policy objectives in Afghanistan. We'll have some challenging questions about their performance, but we also want to hear from contractors how the government could do a better job of planning and managing contracts."

Co-Chair Shays said, “After more than nine years of U.S. military, reconstruction, and development operations in Afghanistan, we are still seeing an alarming incidence of waste, fraud, and abuse. Some waste will always occur when you’re operating in a remote, impoverished country with different cultural norms and an active insurgency. But some of the problems are due to bad planning, insufficient attention to competitive acquisition, and poor oversight—weaknesses that should have been corrected long ago. And just as alarming are projects that are done well but also become waste because they are not culturally sensitive or sustainable after our forces leave.”

Congress created the commission in 2008 (Public Law 110-181) to examine contingency contracting for logistics, security, and reconstruction, and to recommend improvements in policy and practice. Co-chairs are Michael Thibault and Christopher Shays; other members are Clark Kent Ervin, Grant Green, Robert Henke, Katherine Schinasi, Charles Tiefer, and Dov Zakheim. The Commission’s executive director is Robert Dickson; its website is www.wartimecontracting.gov.

The commission has made a 2009 interim report and three special reports to Congress. A second interim report will be released this month. The commission’s final report to Congress is due in July 2011.

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