



**Stephen Smith MP  
Minister for Defence**

20 SEP 2012

Dr Kathleen Dermody  
Committee Secretary  
Senate Foreign Affairs, Defence and Trade  
References Committee  
Parliament House  
CANBERRA ACT 2600

Dear Secretary

Thank you for your letter of 4 July 2011 inviting the Department of Defence to provide a submission to the Senate Standing Committee on Foreign Affairs, Defence and Trade's Inquiry into the administration, management and objective of Australia's overseas development programs in Afghanistan in the context of the 'Transition Decade'.

Please find attached the Defence submission to the Committee's Inquiry. As you would be aware, Defence's mission in Uruzgan is centred on advising the Afghan National Army's 4th Brigade to a point where it can take on security responsibility for the province and also providing institutional trainers and long term financial assistance to sustain the Afghan National Security Forces. In addition to this, the Australian Defence Force carries out some reconstruction programs in Uruzgan province, of which many are Overseas Development Assistance eligible. The Defence submission for your inquiry focuses on this aspect of the Australia Defence Force's work in Afghanistan.

I hope the submission is of practical assistance to the Committee's inquiry.

Yours sincerely

*Best Wishes*

Stephen Smith  
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**Australian Government**  
**Department of Defence**

## **Submission to the Senate Standing Committee on Foreign Affairs, Defence and Trade**

### **Inquiry into the administration, management and objective of Australia's overseas development programs in Afghanistan in the context of the 'Transition Decade'**

#### **Introduction**

This submission by the Department of Defence is to the Senate Standing Committee on Foreign Affairs, Defence and Trade into the administration, management and objective of Australia's overseas development programs in Afghanistan in the context of the 'Transition Decade'.

Australia's fundamental goal is to prevent Afghanistan from again being used by terrorists to plan and train for attacks on innocent civilians, including Australians, in our region and beyond. To achieve that goal, Australia, along with its ISAF partners, is stabilising the security situation and working with the Afghan National Security Force (ANSF) so that our Afghan partners can take over responsibility for security in Afghanistan by the end of 2014. Uruzgan Province – where Australia's effort is focussed – formally commenced transition on 17 July 2012 and will likely have fully transitioned to ANSF responsibility over the subsequent 12 to 18 month period.

In addition to working with the Afghan National Security Forces, the Australian Defence Force (ADF) contributes to whole of government stabilisation and development efforts in Uruzgan province in Afghanistan, recognising that development is a critical component of counter-insurgency operations and complements the security assistance provided by Australia. As Uruzgan province proceeds through transition, and Australia's commitment becomes more nationally focused, it is likely the proportion of Defence assistance will increasingly shift to financial contributions to the development of the Afghan National Security Forces and some of these contributions may be eligible to be classified as Overseas Development Assistance.

Under the International Security Assistance Force's (ISAF) counter-insurgency strategy, military, aid and development activities are complementary as making progress in Afghanistan will require more than military success. It is as much a development and governance challenge. Through its Provincial Reconstruction Teams, ISAF supports reconstruction and development in Afghanistan, securing areas in which reconstruction work is conducted by other national and international actors. Where appropriate, and in close cooperation and coordination with the Government of Afghanistan and UN representatives on the ground, ISAF also provides practical support for reconstruction and development efforts, as well as support for

humanitarian assistance efforts conducted by Afghan government organisations, international organisations, and non-government organisations.

The ADF is an integral part of this strategy, but Defence is not an aid organisation. The ADF campaign plan for its operations in Afghanistan is, therefore, closely synchronised with the wider ISAF effort and aligned with other Australian Government agencies such as Department of Foreign Affairs, AusAID and the Australian Federal Police who all play a vital role in the whole-of-Government commitment to improve security, governance and development in Uruzgan.

### **The ADF's contribution to development in Afghanistan**

From 2006 to 2010, an ADF-led Mentoring and Reconstruction Task Force, followed by a Mentoring Task Force, undertook a number of construction projects in Uruzgan province. In August 2010, Australia also assumed the lead of the Uruzgan Provincial Reconstruction Team, giving further opportunity for the ADF to progress construction projects in Uruzgan. The ADF with representatives from the Department of Foreign Affairs and AusAID, works within the Provincial Reconstruction Team to develop projects in close consultation with a wide range of stakeholders, including Afghan and ISAF partners, provincial and district administration leaders and local communities. The Provincial Reconstruction Team's civilian and military advisers engage directly with the Afghan Government and the community to enable the construction of roads, schools and other basic infrastructure in the province; engage local and provincial government officials, to improve governance capacity, and facilitate the delivery of basic services such as health and education to the Afghan people. These activities are critical to connecting the Afghan Government with the people in Uruzgan.

Development projects conducted by the Provincial Reconstruction Team, supported by the ADF, are aimed at enhancing health, education and other vital infrastructure within Tarin Kot. ADF assisted projects include:

- The Tarin Kot waste management facility.
- The Malalai Girl's School in Tarin Kot.
- The Tarin Kot Ministry of Energy and Water compound redevelopment.
- The Rosie Khan Mosque in Shar Sheklayi.
- The Sorkh Morghab Mosque Madrassa in East Dorafshan.
- The Chorah Comprehensive Health Centre expansion.

Some of the projects completed by previous ADF rotations include:

- Food Storage cellars in Chorah.
- The Tarin Kot Boy's High School upgrade which included the construction of a new 21-classroom building, administration building and bookstore.
- The Tarin Kot Boy's Primary School redevelopment which involved a new 35-classroom building and an administration building.
- The construction of the Kowtwal Crossing - a 116 metre long, all-weather crossing over the Tiri Rud.
- The Dorafshan Basic Health Centre development that included building separate male and female clinics and staff accommodation.
- Sorgh Morghab Community Projects

- The Talani river crossing.
- An all-weather crossing in the Baluchi pass.
- Sajawal School. The project saw the redevelopment of the school.
- Over-bridging operations on Highway One in the Ghanzi and Zabol provinces.
- The Baluchi Community Project.
- Eastern Causeway. The causeway is a 68m reinforced concrete structure that provides all weather access across the Garmab Mandah.
- Tarin Kot Hospital redevelopment.
- Yaklengah Comprehensive Health Centre has been provided with an extension and renovation to the building, along with staff accommodation.
- Tarin Kot Afghan Health and Development Services Training Facility renovation included the provision of training facilities, medical storage and accommodation.
- Talani School. The project saw the redevelopment of the school.

In addition to these projects, the Trade Training School, previously run by the Mentoring Task Force and now through the Provincial Reconstruction Team, has been conducting basic plumbing, carpentry, concreting and bricklaying courses since 2006.

An advanced construction workers' course has been offered since July 2007, providing a greater depth of training in plumbing, carpentry, concreting and bricklaying as well as developing basic Foreman skills, with the overall aim of building sustainable Afghan trade professions.

### **ODA eligibility and evaluation of ADF construction projects**

The construction projects undertaken by the ADF use funds allocated through the normal Defence budgetary approval process. Reconstruction projects undertaken by the ADF are prioritised on the basis of the assistance they provide to the wider efforts of operations in Uruzgan. Some of these projects are also deemed to be Overseas Development Assistance (ODA) eligible, and therefore included in Australia's ODA assessment.

In accordance with arrangements agreed with AusAID, Defence reports expenses incurred with the delivery of Official Development Assistance. In Afghanistan this includes two components: the cost of undertaking reconstruction activities, and an estimated figure for personnel costs based on the numbers of personnel participating in operations who are involved in reconstruction activities. This figure for personnel costs does not include ADF personnel dedicated to providing security, only those directly involved in reconstruction activities.

A summary of expenditure on ODA eligible projects undertaken by the Mentoring and Reconstruction Task Force and Mentoring Task Force from 2006-2010 and the ADF Managed Works Team, operating as a part of the Whole of Government Provincial Reconstruction Team from August 2010 -2011, is at Annex 1. Further expenditure detail by year and individual project is at Annex 2.

The overall security situation, the relatively small scale of the individual projects undertaken by the military Reconstruction and Task Force and ADF Managed Works Team and the time imperatives to consistently deliver immediate and visible benefits to local communities, militate against the conduct of formal cost/benefit evaluations.

Nevertheless, prior to commencement of construction, ADF projects are assessed for fitness for purpose, and are routinely evaluated after completion. Lower level monitoring of reconstruction projects is undertaken by the ADF, but the ADF does not independently evaluate the development impact of these projects.

### **Safety of workers involved in reconstruction projects**

Safety of personnel, both military and civilian, remains an ongoing challenge, given the security environment in Afghanistan and the nature of safety practices within the local construction industry. The risks to safety of personnel fall within two broad categories: risks (or threats) posed by hostile elements, particularly those associated with the insurgency and risks relating to worksite accidents.

Safety risks posed by hostile elements to personnel from the Provincial Reconstruction Team are managed using force protection measures. Force protection includes the provision of physical security, personal armour and tactical training to operate in the Afghan environment. Force protection is provided by the International Security Assistance Force (ISAF), including the ADF, when conducting activities outside of secure bases, including visiting construction sites, project management meetings and other activities associated with reconstruction projects.

The Afghan National Security Forces (ANSF), including the Afghan National Army (ANA) and police, are responsible for the protection of the civilian community in Uruzgan, including local workers engaged on reconstruction projects. The ADF is providing training and mentoring to the ANA and the ANSF continue to develop in capability in Uruzgan. Workers on reconstruction projects share the risks to the civilian community posed by the actions of hostile elements.

Worksite safety is an ongoing challenge. Safety practices and culture within the local construction industry are not at the same level as more developed nations. The security environment in Uruzgan does not allow full time supervision of worksites by the Provincial Reconstruction Team. The Provincial Reconstruction Team takes all reasonably practicable measures for safety within the constraints imposed by a demanding operational and high threat environment.

### ODA Eligible Individual Projects undertaken by Defence for Period 2006 to 2011

Table 1 provides a summary of expenditure on ODA eligible projects undertaken by the Mentoring and Reconstruction Task Force from 2006-2009 and the ADF Managed Works Team operating as a part of the Whole of Government Provincial Reconstruction Team from August 2010 -2011. This figure has fallen over the past two reporting periods as Defence's focus has increasingly moved from reconstruction tasks to mentoring the Afghan National Army 4th Brigade in Uruzgan Province.

**Table 1**

Year	Direct Project Costings	Defence Employee Costs <sup>(1)</sup> AUD	Defence Employee Support Costs <sup>(2)</sup> AUD	Totals AUD
2006-7	\$1,827,850	\$23,434,000	\$21,217,000	<b>\$46,478,850</b>
2007-8	\$5,214,738	\$28,861,000	\$33,929,000	<b>\$68,004,738</b>
2008-9	\$10,737,406	\$34,273,000	\$36,297,000	<b>\$81,307,406</b>
2009-10	\$3,909,776	\$15,095,000	\$21,994,000	<b>\$40,998,776</b>
2010-11	\$5,428,117	\$7,284,000	\$5,911,000	<b>\$18,623,117</b>
2011-12	Not Yet Available			
<b>Total</b>	<b>\$27,117,886</b>	<b>108,947,000</b>	<b>\$119,348,000</b>	<b>\$255,412,886</b>

(1) Net additional costs of ADF personnel,

(2) Net ADF Personnel support and associated costs

**Table 2: Individual ODA Eligible Project Expenditure Undertaken by Defence for Period 2006 -2011**

Ser	Projects/Expenditure Item	Purpose Category	FY 06/07 AUD	FY 07/08 AUD	FY 08/09 AUD	FY 09/10 AUD	FY 10/11 AUD	Category Totals By Purpose AUD	Totals
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Sedfidkar Flood Mitigation	Civil Works	11,730	158,037				169,768	
2	Tarin Kot Waste Management	Civil Works		95,166			205,303	300,469	2,096,991
3	Tarin Kot Waste Management Facility	Civil Works				1,163,204		1,163,204	
4	Tarin Kot Wells - various location	Civil Works	18,103	63,621	309,990	48,363	23,473	463,549	
5	Baluchi Community Project	Community		781	364,342			365,122	
6	Chora Food Storage Cellars	Community				72,389	6,291	78,679	
7	Rosie Khan Mosque	Community				61,589	184,616	246,205	2,391,751
8	Sorgh Morghab Mosque	Community				232,736	804,987	1,037,723	
9	Sorkh Morghab Community Projects	Community			589,925	74,097		664,022	
10	Afghan Health and Development Services Training Facility	Education	4,890	848,269	886,509	40,812		1,780,481	
11	Malalai Girl's School	Education					1,501,939	1,501,939	
12	Naway Waleh School	Education		136,724				136,724	
13	Talani School	Education	92,051	81,335	2,341			175,726	
14	Tarin Kot Boys High School	Education			1,289,479	130,335	29,401	1,449,215	8,418,400
15	Tarin Kot Boys Primary School	Education			1,298,467	828,397	44,446	2,171,309	
16	Tarin Kot Boys School	Education	88,077	677,965				766,042	
17	Tarin Kot Girls School Expansion	Education				223,461		223,461	
18	Trade Training Centre	Education	111,092	95,475				206,567	
19	Womens Training Project	Education	3,682	3,254				6,936	
20	Eastern Checkpoint	Governance	12,461	13,442				25,903	
21	Governor's Compound	Governance		111,502				111,502	
22	Governor's Shura Building	Governance					0	0	
23	Ministry of Energy & Water Compound	Governance			15,621	233,183	355,222	604,027	1,786,232
24	Ministry of Rural Reconstruction and Development Compound Refurbishment	Governance		5,598	125,786	2,295		133,678	
25	National Directorate of Security Compound	Governance	340,349	449,174	20,316			809,838	
26	Western Checkpoint	Governance	43,613	57,671				101,284	
27	Chora Clinical Health Centre Expansion	Health				168,509	892,361	1,060,870	5,582,201
28	Dorofshan Basic Health Care Centre	Health			354,024	110,221		464,245	

29	Mirabad Basic Health Centre	Health									21,237				
30	Sorkh Morghab Basic Health Centre	Health						1,356,732							1,356,732
31	Tarin Kot Hospital	Health	629,231	963,508				548,065		12,882					2,153,686
32	Yaklenga Health Centre	Health	164,566	360,865											525,431
33	Alexander Hill Bridge	Transport									274,036				274,036
34	Baluchi Crossing	Transport		368,638				399,420							768,058
35	Chutu Bridge II	Transport									290,044				290,044
36	Eastern Causeway	Transport	308,006	723,713				20,155							1,051,874
37	Irish Crossing Refurbishment	Transport								26,166					26,166
38	Kowtwal Crossing	Transport						3,152,356		374,384					3,526,740
39	Sajawul Crossing	Transport									136,213				136,213
40	Sorkh Lez Crossing	Transport									0				0
41	Talani Crossing	Transport						2,675		85,516					88,191
42	Tarin Kot Roads	Transport									0				0
43	Zabul Bridges	Transport						1,204							1,204
44	<b>Quick Impact Projects<sup>1</sup></b>														
	<b>SubTotal</b>											679,786			679,786
45	<b>Aggregated Employee Costs - Net additional costs of ADF personnel</b>		<b>1,827,850</b>	<b>5,214,738</b>				<b>10,737,406</b>		<b>3,909,776</b>	<b>5,428,117</b>			<b>27,117,886</b>	
46	<b>Aggregated Support Costs - Net ADF personnel support and associated costs</b>							34,273,000		15,095,000				7,284,000	108,947,000
								36,297,000		21,994,000				5,911,000	119,348,000
	<b>SubTotal</b>		<b>44,651,000</b>	<b>62,790,000</b>				<b>70,570,000</b>		<b>37,089,000</b>	<b>13,195,000</b>			<b>228,295,000</b>	
	<b>Total</b>		<b>46,478,850</b>	<b>68,004,738</b>				<b>81,307,406</b>		<b>40,998,776</b>	<b>18,623,117</b>			<b>255,412,886</b>	

**Note:**

1. No further breakdown of actual projects can be provided. QIPs provide a short to medium term development effect at the local level. The aim of a QIP is to provide funding for materials, labour and/or local national specialist advisors that benefit a wider group of people normally a village or community group. The stated goal is to provide entry into local communities, thereby facilitating closer engagement with key leaders and the community as a whole.