

PRESS RELEASE

Quarterly Progress and Oversight Report—Civilian Assistance Program in Pakistan

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WASHINGTON, DC - The implementation of U.S. civilian assistance programs in Pakistan continues to face challenges, amid the aftermath of unprecedented flooding in the country, continued security threats, and the loss of Ambassador Holbrooke's leadership in development assistance efforts.

<u>A report</u> (pdf, 642kb) released recently by the Inspectors General for the U.S. Agency for International Development (USAID), the Department of State, and the Department of Defense outlines progress by the respective agencies in furthering democratic, economic, and development assistance programs in Pakistan.

In fiscal year 2010, Congress appropriated \$1.5 billion for the civilian assistance strategy, and since 2009, nearly \$4 billion has been spent. Funds were intended to be used for high-impact, high-visibility infrastructure projects; humanitarian and social services; and development of government capacity. Thus far, 76 awards totaling nearly \$1.4 billion have been provided to Pakistani institutions.

It is hard to determine whether many of the programs are being effectively implemented because USAID, the largest contributor to the assistance program, has not yet committed to a set of measures to assess success. In addition, difficulties fully staffing USAID in Pakistan have made monitoring its programs increasingly challenging.

However, as a first step, the Agency continues to conduct pre-award assessments of local implementing partners to determine whether local organizations have the capacity to properly manage programs.

Additionally, the Inspectors General for USAID and the State Department have increased oversight by establishing and expanding offices in Pakistan, providing more direct access to the programs they oversee.

During this quarter, USAID's OIG conducted two audits in the Federally Administered Tribal Areas, which noted that security issues and oversight problems have impeded program progress. In addition, investigators uncovered fraud, performance issues, and agreement violations committed by one implementing partner that led USAID to both terminate the award and suspend the implementing partner from receiving new U.S. Government awards pending completion of the investigation.

The information in the aforementioned report was provided by the Departments and Agencies working in Pakistan, the results of oversight work, and other sources. The program oversight results are taken from audits, investigations, and inspections performed by the Offices of Inspector General for USAID, the Department of State, and the Department of Defense, as well as the U.S. Government Accountability Office.