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ACTIVITY INFORMATION MEMORANDUM
ANTI-NARCOTICS PROJECT
PROJECT NO. 306-02--

October 1992
Office of the A.I.D. Representative for Afghanistan
Islamabad/Pakistan

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ACTIVITY INFORMATION MEMORANDUM

I. PROBLEM STATEMENT

Afghanistan is the second largest producer of raw opium in the world, after Burma. Afghanistan forms a part of the Golden Crescent area of Southwest Asia, which provides 23 percent of the heroin used in the United States. The level of production in Afghanistan is clearly on an upward trend, growing from a level of between 250-300 tons of opium per year in the 1970's to approximately 570 tons in 1991.

During the thirteen-year war in Afghanistan, the absence of a central government with effective law enforcement capability over major poppy-producing areas contributed to an increase in production. The exigencies of combat caused some local commanders to overlook the moral implications of opium cultivation and even to encourage it in order to generate revenue to fight the jihad. The devastation to markets and rural infrastructure undercut traditional means of earning a living. These consequences of war were exacerbated by the creation and rapid expansion of the heroin manufacturing industry in the nearby tribal areas of Pakistan's NWFP. This industry, which the Government of Pakistan has done little to suppress, has, by its growing demand for opium, served as a strong and continuing stimulus to cultivation of opium in Afghanistan.

Even after an effective central government is established in Kabul, it will likely take quite some time before the influence of the government can be effectively asserted in areas of entrenched poppy production. Even before the war, the central government had only limited control over the countryside. In the meantime, several factors, most notably the large number of returning refugees, point toward the possibility of a dramatic increase in poppy cultivation in the coming years.

The collapse of the communist regime in Afghanistan in April of 1992 was followed by a swelling tide of refugees returning to their homeland. Although the pace of repatriation has slowed due to periodic outbreaks of hostilities among rival mujahideen factions, estimates as of the fall of 1992 are that over one million refugees have already returned to Afghanistan. These returning refugees will be greeted by the dismal legacy of thirteen years of war. In rural areas, aerial bombing and years of neglect have caused severe damage to homes and to the fragile irrigation systems that are critical to agricultural production in Afghanistan. Upwards of ten million land mines dot former agricultural fields and roads. The population of draft animals has been drastically reduced. Farm-to-market roads have been destroyed. Clearing the mines, repairing the irrigation systems, and rebuilding the infrastructure critical to the conduct of an

effective agricultural economy will take years. In the meantime, the rural population must survive.

Opium poppy cultivation will be a compelling alternative to the returning refugee population. In many areas, it will be difficult to meet the food needs of the increased population on the reduced area of agricultural land available for production. Faced with the necessity of maximizing the income-generating capacity of the limited acreage, the farmer may very well turn to poppy cultivation, a high-value cash crop. The large number of returning refugees will provide a ready source of manual labor, which is a critical input required at harvest time for poppy cultivation. In addition, the lack of vehicular transport and good farm-to-market roads is not a problem for the poppy grower since opium is not perishable and, in comparison with other cash crops of greater bulk and weight, is easily transportable.

II. RISKS/CONSTRAINTS

A host of challenges confront those determined to combat narcotics production in Afghanistan. The most significant of these challenges are discussed below.

A. Enforcement. According to press reports, Afghan farmers calculate that the wheat yield for a typical family farm is 560 kilograms worth the equivalent of \$140 (U.S.). By contrast, the opium output on the same parcel of land would yield 14 to 18 kilograms of raw opium worth up to \$3,006. These figures illustrate that it is nearly impossible for any development program to replicate the income available from cultivation of narcotics crops. Even if that goal were to be met at today's prices, the profit margins in the drug trade are so great that traffickers have the ability to raise prices offered to farmers so as to maintain the income advantage of the narcotics crop. For this reason, a poppy eradication program which is strictly "voluntary", that is, dependent on the individual farmer's response to development initiatives, is doomed to failure. Experience has proven that an effective program must always be backed by effective enforcement - meaning eradication by force of illicit crops. This enforcement responsibility is typically undertaken by law enforcement efforts of the host country government.

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of cash
crops!

Because of the lack of an effective central government in Afghanistan, and the fractious, atomistic political landscape prevailing in the countryside, tackling the enforcement issue in Afghanistan will be an enormous challenge. A successful solution lies outside the capability of A.I.D. acting alone. While A.I.D. can identify Afghan leaders who credibly assert their willingness to cooperate in anti-narcotics efforts, it is

unlikely that the development assistance that A.I.D. can offer will alone be enough to enable those to leaders to effectively discharge the enforcement function. Enforcement activities lie outside the scope of A.I.D.'s mandate. Coordinated, committed, and adequately-funded efforts by other USG agencies whose mandate it is to assist in the identification and prosecution of those involved in the narcotics trade (particularly DEA and NAS) is a crucial element upon which the success of any anti-narcotics project undertaken by A.I.D. will ride.

B. Reduction of Demand from Traffickers. The situation in the tribal areas of Pakistan's Northwest Frontier Province, located on the Pakistan/Afghanistan border poses a unique challenge to any program designed to reduce poppy cultivation in Afghanistan. The tribal areas are traditionally where the vast majority of the refinement of opium produced in Pakistan and Afghanistan takes place. This is the area where the demand for production in Afghanistan is generated, yet it is totally outside the jurisdiction of Afghan authorities. Unless action is also taken to reduce the demand for opium created by heroin manufacturers and drug traffickers, the chances are that success in eradicating poppy cultivation in those areas in Afghanistan where project activities are implemented will only result in pushing production elsewhere.

Unfortunately, Pakistani authorities have, as a matter of policy, failed to take any meaningful action within these tribal areas. Until Pakistan changes its enforcement policy against criminal activity in these areas, the project will be significantly hobbled because of inability to reduce the demand for opium production. With a view toward overcoming this obstacle, the State Department should employ all possible diplomatic channels at whatever level necessary to encourage the GOP to suppress the heroin manufacturing industry through vigorous prosecution and imprisonment of the manufacturers.

III. PROJECT GOAL AND PURPOSE

The broader goal to which this project will contribute is initially to reduce, and eventually to eliminate illegal opium poppy production throughout Afghanistan. The narrower purpose of the activities to be undertaken under this project is to reduce poppy cultivation in certain targeted areas of Afghanistan. The contribution of the project to the attainment of the broader objective is anticipated to be limited at best. As discussed in the previous section, the stability of the central, regional and local governments, and their willingness and ability to enforce appropriate anti-narcotics measures are prerequisites to the successful outcome of any anti-narcotics effort. Similarly,

close coordination among various USG agencies and collaboration with and support from other bilateral and multilateral donors in eliminating cultivation from Afghanistan are also crucial. Finally, the cooperation of the Government of Pakistan in curbing demand for raw opium from heroin manufacturers in the tribal areas of Pakistan is also critical to the accomplishment of project objectives. These and other factors considered important to the proposed project's success are summarized in the Project Design Summary, Logical Framework appended hereto as Attachment A.

IV. PROJECT OUTLINE

The history of anti-narcotics programs world-wide proves that the three elements of: (1) drug awareness activities; (2) integrated, multi-sectoral development interventions; and (3) enforcement measures, are critical to the successful elimination of poppy cultivation and trafficking. The first two of these elements are fully within the Mission's capability and will be at the heart of the O/AID/Rep anti-narcotics project activities in Afghanistan. The third element, enforcement, will be the responsibility of Afghan authorities, with the support of A.I.D. and other U.S. Government agencies having an anti-narcotics mandate.

A. Project Components. Project activities will consist of the following key elements: (1) drug awareness activities; (2) broad-based, multi-sectoral, community development initiatives designed to provide an economically viable alternative to poppy cultivation; and (3) support of the anti-narcotics efforts of the Government of Afghanistan. A discussion of each of these project components follows:

(1) Drug Awareness Activities. Activities under this component will target two groups: Afghan opinion leaders and persons of influence, including religious leaders; and potential users or persons who would be affected by users. Powerful messages will be harnessed to combat the spread of opium use and cultivation. These are:

a) Danger to the political fabric of the nation. No campaign against drugs can succeed in Afghanistan unless governmental authorities view the effort as essential to their own national security. The project will educate central, regional and local leaders regarding the criminal drug trade's threat to their authority.

b) Threat to societal fabric of Afghanistan. The Afghan people must be educated to understand the direct connection between opium cultivation

and increased drug addiction in the producing country. Examples of the experience in neighboring Pakistan can be used to bring home this message. The societal decay caused by drug addiction must be effectively demonstrated. When the dangers of addiction are fully understood, attitudes toward cultivation may change.

c) Islamic proscriptions against use of drugs. Religious leaders with political influence will be targeted to deliver this message. At present, Afghans generally view drug addiction as an affliction of western nations. In this context, Islamic prohibitions against narcotics can, and are, readily set aside. When Afghans are educated to realize that their production leads to addiction among Afghans, religious dictates can more easily be brought into play.

d) Health Concerns. The far-reaching deleterious effects of narcotics use are not well known among Afghans. When the population is well educated about these harmful effects, they are less likely to turn to narcotics use.

Development of appropriate messages for the target audiences will be undertaken with careful research. Campaigns will be structured to target specific clients.

The messages will be disseminated on both a local and national level, using a wide range of media and fora. On the national level, radio and print media will be used. Pamphlets and posters will be distributed at health facilities and through schools supported by the O/AID/Rep and, to the extent possible, United Nations organizations and other multinational donors. Teachers and health workers in such facilities will receive training in how to educate effectively the communities they serve about the dangers of narcotics.

On a local level, those areas targeted for project implementation activities (see Section IV B - "Selection of Project Areas", below) will be the focus of a more intensive demand reduction campaign.

¹There were virtually no heroin producers or addicts in Pakistan in 1979; GOP and international experts now estimate that Pakistan has a heroin addict population of over one million. International Narcotics Control Strategy Report, March 1992, U.S. Department of State, Bureau of International Narcotics Matters.

Influential persons in the community, including religious and political leaders, educators, health workers, and the like, will be identified by project personnel and will receive training to enable them to be effective agents for change within the community.

(2) Community Development Initiatives. A broad-based, multi-sectoral approach will be taken with respect to the development of the areas which are selected for project implementation. The specific interventions which will be selected for each site will be tailored to the needs of the community. Project personnel, in conjunction with the local community, will conduct an analysis of the needs in the area prior to selecting and scheduling the proposed project interventions. The goal will be to create a sustainable package of development initiatives, with minimal recurrent subsidies.

While the project interventions selected for each project area will, as stated above, vary according to community preference and needs, emphasis will be placed on the following:

a) Roads - The first priority of the project will be to provide appropriate access to the project site. The construction or rehabilitation of farm-to-market roads, where necessary, will be one of the first activities to be undertaken by the project. Not only will this open up the project area for commercial activities, but it will insure access for monitoring and enforcement purposes.

b) Improved Community Facilities - The second order of priority will be to insure that a minimum level of public works is in place to insure a basic level of health and comfort in the project area. Adequate health facilities and schools will be located in the project area. Provision of community-based water supply and sanitation systems to insure access to safe drinking water will be emphasized. Initiatives such as these can make a dramatic improvement in the lifestyle of local citizens, which will enhance their acceptance of project goals. Opportunities for additional initiatives which will improve the conditions of agrarian life in project areas will be explored by project personnel.

c) Agricultural Initiatives - Anti-narcotics project personnel, working closely with the ASSP

project personnel, will study the agricultural characteristics of the project area and will develop a plan for the introduction of alternative crops for the area. The emphasis will be on introduction of crops which can be planted for cash income as an alternative to poppy. Priority will be given to crops that have a growing season that coincides directly with that of the opium poppy. While it is recognized that no crop can replace poppy income, realism requires that the economic alternatives offered to poppy farmers be as positive as possible.

See
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p. 2

Research on appropriate alternative crops, training, extension services, and minimal inputs, such as improved seeds, seedlings, and fertilizer, will be provided for a period of time. Irrigation reconstruction projects will be undertaken where necessary, but will not be initiated until the Mission is confident that poppy cultivation can be effectively suppressed. As with other project inputs, care will be taken to avoid creating a pattern of subsidies which will be hard to break. Thus, rather than providing improved seeds free of charge year after year, the project will assist local farmers in establishing seed multiplication facilities to meet local and regional needs. Farmers will be trained in horticultural techniques, including fruit tree and vine propagation.

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Draft animals and agricultural machinery may be provided on an exceptional basis; however, in order to encourage self-sufficiency, emphasis will be placed on providing improved breeding stock and training local farmers in appropriate animal breeding techniques as a way to increase the numbers and quality of draft animals and other livestock.

d) Economic Development Initiatives - Wherever feasible, initiatives will be introduced which will enhance the economic potential of a project area and create income-generating employment opportunities. These will typically be tied to the agricultural base of the community. Small enterprises within the private sector which employ local labor will be encouraged. The processing and packaging of fruits and vegetables to increase their cash value and to increase the longevity of perishable items will be accorded priority. Examples of the type of activity which may receive

project support are (1) the construction of canning facilities for fruits and vegetables, and (2) construction of kishmish khanas to process grapes into raisins. This type of activity would encourage crop substitution by offering a market for local fruits and vegetables and would also provide additional local employment opportunities.

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Who will eat these canned things? Why not emphasize drying & other export enhancement technologies?

Project personnel will work to establish marketing channels for the agricultural output of the project areas. The first areas which will be emphasized will be areas where Afghanistan formerly enjoyed international prominence, such as in the export of dried fruits. Links with the new Central Asian states will also be explored.

Economic activities unrelated to agriculture will also be undertaken in areas where they appear promising. The development of mineral resources, processing of karakul skins, and production and marketing of handicraft items are examples of the types of activities which may be pursued.

(3) Support of GOA Anti-Narcotics Efforts. To the extent consistent with its mandate, the O/AID/Rep will provide technical assistance, training and other forms of support to the GOA in its efforts to plan and enforce anti-narcotics measures. This support will consist of:

Support to GOA? or to prov of local governments?

- a) strengthening the Government's planning and policy formulation capabilities;
- b) assistance in formulating a masterplan delineating a strategy for its anti-narcotics efforts;
- c) assistance in monitoring areas of poppy cultivation; and
- d) provision of certain resources which are critical to the enforcement effort.

As the central government in Afghanistan stabilizes and is strengthened, this element of the project will receive greater emphasis.

The detailed design for this project will further explore the needs and requirements of local and regional authorities as well as the Kabul Government for support in this area.

B. Selection of Project Areas. Because of the atomistic nature of the political landscape in Afghanistan, the ability of project personnel to work with the central government to develop an effective anti-narcotics project of national scope is limited. Most project activities will require the cooperation and support of local and regional leaders who have both the will and the authority to eradicate poppy cultivation with the assistance of the development resources offered by the project.

Because of statutory restrictions, A.I.D cannot provide assistance to any persons involved in drug trafficking (see discussion under Section VII B). The process of identifying individuals who command the requisite authority in a poppy-producing area yet do not violate statutory requirements can only be done on a case-by-case basis. This selection process requires careful research by the Mission in collaboration with other USG agencies.

The potential areas where project activities could be located fall into the following three categories:

(1) areas where poppy is presently cultivated, such as Nangarhar, Helmand, Qandahar, Uruzgan, and Badakhshan (core areas);

(2) areas in which poppy is not presently grown but which have historically been poppy producing areas and which may return to poppy cultivation when refugees return, such as parts of Kunar Province (potential recidivist areas); and

(3) areas into which poppy cultivation may be pushed as a result of eradication efforts in adjacent areas (peripheral areas).

Because of resource constraints, it is anticipated that project activities will be concentrated primarily in the first category - core areas. Assuming availability of sufficient resources, a limited amount of work will also be done in potential recidivist areas. Absent special compelling circumstances, little work will be done in peripheral areas.

The detailed design for the project will spell out criteria for selection of project areas. The following factors will likely play into the site selection process:

(1) the intensity of opium poppy cultivation in the area;

(2) whether the incidence of poppy cultivation is

expanding rapidly in the area;

(3) the receptivity of the community and local and regional leaders toward project goals and activities;

(4) whether adequate means of enforcement of poppy cultivation prohibitions exist in the area;

(5) whether security for those involved in project implementation is assured; and

(6) whether project activities can be effectively monitored in the area.

As important in the discussion of site selection is the concept of negative selection: No area where poppy is cultivated will be eligible for any USG-financed assistance unless the area has been identified as an eradication area under this project. Assistance to uncooperative core areas will be terminated, except perhaps for awareness activities designed to modify community attitude toward the narcotics problem. While this does not represent a departure from current practice, the implication of this policy will be clearly announced to Afghans seeking foreign assistance. Every effort will be made to persuade the United Nations organizations and other foreign donors to adopt this approach in allocating their assistance resources.

Because of limited resources and because of the ability of O/AID/Rep to work only in areas where local authorities are cooperative and security conditions are stable, the geographic scope of project activities will of necessity be limited. The Mission's goal will be to design and implement activities which will reduce overall poppy production in Afghanistan. These activities will be designed so that, if successful, they can be replicated in other areas either through increased USG or multilateral donor funding or directly by the GOA.

As an initial step in the selection process, project personnel will meet with local leaders and community members in those areas which have been identified as potential sites for project activities. The goals of the project and the perceived needs and preferences of the community for project interventions will be discussed. There is considerable variation in Afghanistan among local leaders in their attitude toward project goals and in their will and capacity to take necessary eradication measures. These initial contacts will serve to identify those areas where these leaders are supportive of project objectives and are willing to undertake necessary enforcement tasks. Until a central government with enforcement capability over the countryside

is formed, the project will be unable to operate in areas of well-entrenched poppy production where powerful local interests oppose entry of development activities.

As a next step, the past experience of O/AID/Rep and other donors regarding security conditions in the area will be researched. The record of the local leaders in performing on their commitments in the past will be reviewed. Before any final decision is made as to the selection of a project site, adequate baseline data regarding poppy cultivation must be obtained. Guarantees in word and deed from local authorities for the security of survey teams will be a litmus test to prove their willingness to cooperate. Finally, the terms and schedule for implementation of project interventions by O/AID/Rep and eradication efforts by local authorities will be agreed upon before project activities are commenced.

C. Time Frame and Expected Results. The Mission must caution those expecting rapid results from project activities. The needs of the Afghan people in the post-war environment are great. For many, poppy income is not a luxury but a need. Many Afghans will be unable to afford to forfeit this income. The approach of the project is to nurture the rural economy to the point where viable alternatives to poppy income exist. Resources will not be poured into an area on a massive scale. Therefore, results will take time. The pace of progress will largely depend on the attitude regarding enforcement of the Afghan leaders with whom the USG officials select to work in a project area.

In the case of neighboring Pakistan, governmental authorities were unwilling to intervene to stop poppy production until they felt that adequate progress in realizing the project improvements had been made. In the case of the Gadoon project, this took four years. A much longer period of time was required before the project activities became self-sustaining. In estimating the schedule for reductions in poppy production in Afghanistan, the Mission is reluctant to predict a more rapid pace than prevailed in that project.

If the broad-based development scheme envisaged herein is adopted, it can be expected that project areas will become largely free of poppy and the socio-economic conditions in these areas will be greatly improved over a period of years. Additional benefits of the project activities will be an enhanced level of health and education for those formerly dependent on poppy income. In order to achieve long-lasting, sustainable progress, a realistic time frame for conclusion of project activities is estimated to be eight to

ten years.

D. Estimated Costs and Methods of Funding. At this stage of the design, it is impossible to accurately determine cost estimates and methods of financing. The nature of the problem to be addressed, however, will require a long term financial commitment from A.I.D. Assuming program continuation and a realistic funding level, this project is estimated to cost a total of \$50 million in grant funds over a ten year span. The host country contribution is projected to be approximately 25 percent of the total project cost and mostly on an in-kind basis. The contributions of other donors, if any, will be calculated at the detailed design stage.

Of the \$50 million of O/AID/Rep contribution: \$20 million is projected to be spent on infrastructure development activities, including roads, schools, health clinics, water and sanitation facilities; \$10 million for the crop substitution component, inclusive of research, extension and agricultural inputs; \$5 million for income-generation types of activities; \$2 million for drug awareness; \$3 million for strengthening the central government, local and regional authorities' planning and monitoring capabilities; and \$10 million for technical assistance. All of these figures are inclusive of inflation and contingency costs.

V. PROJECT IMPLEMENTATION (How It Will Work)

Because of the pan-sectoral nature of the proposed project activities, and because close coordination with other donors and USG agencies will be required, the Mission is presently planning a nontraditional approach to the management and implementation of this project, which is hereafter described.

A. O/AID/Rep Management. The management of the anti-narcotics project will be headed by a project officer who will likely require the support of one full-time personal services contractor. A project committee will be formed which will consist of representatives of the other O/AID/Rep sectoral projects, as well as DEA and NAS, and possibly AID/Pakistan. In order to achieve synergistic effects from coordinated donor efforts, the committee will liaise closely with the United Nations and other donors involved in the provision of assistance to Afghanistan.

B. Proposed Afghan Implementing Agency(ies). The present political situation in Afghanistan is characterized by instability and lack of an effective central government. Even prior to the war, the central government had only limited authority over local and regional entities. Over the past 13 years of conflict, whatever authority previously

existed has virtually disappeared. The current provisional government in Kabul is not very successful even in maintaining peace in the capitol city. During the detailed design phase of the project, O/AID/Rep will consult with concerned officials on the need to identify a governmental entity to deal seriously with drug-related issues and to act as a counterpart agency at the national level. If and when that happens, it is assumed that the identified agency will require considerable technical assistance, training and other material resources to develop into a viable entity to assume anti-narcotics responsibilities.

While the situation in Kabul is fairly uncertain, there is a greater degree of stability at the local and regional levels. It is, therefore, possible to coordinate activities with provincial and local level shuras in areas of project concentration. During the detailed design, specific local entities responsible for project coordination will be identified and elaborate implementing arrangements and respective responsibilities will be delineated.

C. Phasing of Project Activities. As discussed in the previous section, until an effective central government emerges in Afghanistan the ability of project personnel to work at a national level will be limited. Implementation of project activities primarily on a local or regional basis will entail a careful analysis of potential project sites, investigation of local and regional leaders, and negotiation of the terms and conditions under which the project will proceed. Project sites will be selected on a trial basis and activities will be designed which can be replicated elsewhere. Of necessity, the project will start small, and build incrementally on its successes and experiences.

After an effective central government is established in Afghanistan, the O/AID/Rep will begin the process of negotiating a bilateral assistance program which will provide a framework for an anti-narcotics program of national scope. When a central government exists through which an anti-narcotics program of national scope can be planned and implemented and which can provide effective enforcement of poppy eradication covenants, the level of project activities can be stepped up significantly. Obviously, it is impossible to predict when this will occur.

D. Implementation Strategy.

(1) Use of Existing O/AID/Rep Resources. Many of the interventions which will be brought into play in project areas involve resources which are available by tapping into existing O/AID/Rep projects. These include the Education Sector Support Project (ESSP),

the Health Sector Support Project HSSP), the Agriculture Sector Support Project (ASSP), the Commodity Export Support Project (CEP)², and the PVO Support Project³. The Mission intends to maximize the development contributions which the rest of its program portfolio can make to project areas.

Competent project officers and technical assistance contractors personnel are employed in each of these sectoral project areas. Building up redundant expertise within the anti-narcotics project would be a waste of scarce government resources. Similarly, expensive, large-scale capital equipment available within other sectoral projects (such as construction equipment within the CEP) may be available for use in anti-narcotics project areas. Therefore, it is presently planned that the project will not duplicate expertise and resources that are available within other O/AID/Rep projects.

The proposed approach to implementation will require close and careful coordination among anti-narcotics project personnel and personnel of the other O/AID/Rep sectoral projects. The detailed design of the project will spell out these coordinating arrangements.

(2) Implementation through NGO's. There are many capable Afghan and multinational NGO's with considerable knowledge and experience in areas of Afghanistan where project activities will be located. The O/AID/Rep may elect, where appropriate, to implement certain project activities through such organizations.

The FAO implements its agricultural projects in Afghanistan almost exclusively through NGO's and reports good results from this approach.⁴ This avenue offers several potential advantages. First, because of

²The primary components of the CEP which are relevant to the anti-narcotics project are mine detection and road construction and rehabilitation.

³Under the umbrella of the PVO Support Project, various organizations, such as CARE, International Rescue Committee (IRC), Mercy Corps International (MCI) and International Medical Corps (IMC) provide a range of services in fields such as health, rural assistance, training, and agriculture.

⁴Interview with Anthony Fitzherbert, FAO Programme Coordinator, September 1, 1992.

lower salaries and overhead, the costs of implementation can be much lower, particularly if Afghan NGO's are used. Second, because of their extensive experience working in Afghanistan, these organizations would be able to hit the ground running. Third, some of these NGO's have over time established a relationship of trust with local communities which would greatly facilitate community acceptance of an anti-narcotics project. Fourth, using Afghan NGO's has the added benefit of contributing to the development of indigenous Afghan capabilities.

There are two primary drawbacks to the NGO approach. First, the selection and oversight of many different implementing partners would drastically increase the administrative burden on O/AID/Rep. Second, because of the need to maintain close working relations with their community partners, many NGO's would not be in a position politically to urge local leaders to take a tough stance on enforcement.

(3) Role of United Nations and Other Donors. It is expected that the United Nations agencies, particularly the United Nations Drug Control Program (UNDCP), will play an important role in the anti-narcotics campaign in Afghanistan. The UNDCP has several years of experience in implementing projects geared toward reducing poppy cultivation and has commenced drug awareness and demand reduction activities. The UN is also involved in a program of analysis of poppy cultivation in Afghanistan using satellite imagery. It is possible that certain project activities may be accomplished through the UNDCP via direct funding arrangement.

All project activities will be closely coordinated in the planning and implementation stages with the UNDCP and with other international donors. Every effort will be made to persuade other donors to undertake anti-narcotics initiatives and to link their provision of development assistance to Afghanistan to compliance with anti-narcotics objectives. Cooperation will be fostered among donors to insure that program goals and approaches are consistent, that there is no duplication of efforts, and that project activities are complementary and synergistic.

E. Contract Resources. It is anticipated that a technical assistance contractor will be required to assist in the implementation of the project. Because of the approach described above, which maximizes reliance on existing project technical capabilities and on NGO's, the size of the

technical assistance can be kept to a minimum. The requirements for contracting personnel will be carefully analyzed and spelled out in the detailed design of the project.

F. Monitoring Mechanisms.

(1) Baseline Data. The successful monitoring of the cultivation of poppy in project areas will be of major importance to the project. In order to have effective monitoring, it will first be necessary to gather reliable baseline data regarding the locations and levels of poppy production in proposed project areas. Access to this data will be required prior to implementation of project interventions.

Baseline data on poppy cultivation will be gathered via two mechanisms: field surveys by project data collectors; and satellite imagery. The FAO is presently finalizing an analysis of satellite imagery which will assist in locating areas of poppy cultivation in Afghanistan. Other studies using satellite imagery have already been produced. These analyses will form the basis for initial selection of potential sites for locating project activities. Field surveys by teams trained in ground truthing techniques will further define project baseline data prior to commencement of implementation.

(2) Project Monitoring. At the present time, travel to Afghanistan by U.S. citizen-employees of the U.S. government or its contractors is restricted. Until these restrictions are eased, an elaborate three-tier system of monitoring will be utilized during the course of project implementation. At the first level, Afghan field monitors employed by the project will visit project sites to record status and accomplishments. At level two, monitors employed by the Data Collection and Analysis Unit of the O/AID/Rep will periodically conduct independent unannounced checks of project activities. Personnel of other NGO's working in project areas will also be asked to report on progress while on monitoring missions. Monitoring at level three will consist of analysis of satellite imagery by project personnel.

VI. RELATIONSHIP OF PROJECT TO O/AID/REP PROGRAM STRATEGY

A. USG Policy. A 1979 amendment to the Foreign Assistance Act of 1961 instructed A.I.D. to "give priority to programs which would help reduce illicit narcotics cultivation by stimulating broader development

opportunities". A 1985 amendment specifically authorized the use of resources for "increasing awareness of the effects of production and trafficking of illicit narcotics on source and transit countries" and mandated cooperation with other government agencies.⁵

For more than a decade, USG anti-narcotics efforts have been hampered in the Golden Crescent area by the inability of the United States to work effectively in Afghanistan to combat opium poppy cultivation. This project provides a promising first step toward achievement of the objective of initiating effective eradication measures in this crucial area.

Because of the close interrelationship between the Pakistan and Afghanistan drug trade, a solution to the narcotics problem of either country depends on coordinated action in the other. With the recent dissolution of the Soviet Union, it appears that poppy production in some of the new Central Asian nations bordering Afghanistan is on the increase. Without coordinated anti-narcotics efforts throughout the region, it is likely that suppression of poppy production in one area will merely push production elsewhere. Unfortunately, because of cutbacks dictated by the Pressler amendment, the reduction of USAID's presence in Pakistan will hamper USG efforts to adopt a regional approach to solution of the narcotics problem in Southwest Asia.

B. O/AID/Rep Program Strategy. The establishment of an independent, nonaligned Afghanistan remains the overall U.S. foreign policy objective for the strategy period. O/AID/Rep activities will support this objective during the planned transition from present cross-border operations to the reestablishment of a bilateral program operating inside the country. Beginning now and throughout the strategy period, O/AID/Rep intends to focus on human capital development and increased reliance on Afghan private sector, nongovernmental delivery mechanisms to lay the groundwork for broadbased economic and political participation in Afghanistan.⁶ These foci are essential for building the support for and the development of a future policy environment which encourages reliance on markets and a representative political process. The broad-based development approach contemplated for the anti-narcotics project is fully in accord with this strategy in that it seeks to rebuild rural

⁵Sept. 4, 1961, P.L. 87-195, Part I, Ch. 1, @126, as amended Aug. 14, 1979, P.L. 96-53, Title I, @110, 93 Stat. 363; as amended Aug. 8, 1985, P.L. 99-83, Title VI, @603, 99 Stat. 228.

⁶See, Afghanistan Strategy Document, Office of the AID Rep For Afghanistan Affairs, May 1991.

infrastructure destroyed by years of war and neglect, and to broaden and strengthen the rural economy in poppy-growing areas to enhance the capability of farmers to survive without poppy income.

C. Relevant Experience With Similar Projects.

USAID/Pakistan has had a decade of experience in implementing anti-narcotics projects in an environment which has many similarities to Afghanistan. This experience underscores the necessity of linking development, enforcement, and demand reduction interventions to attain success in eradication efforts.

The Pakistan experience also demonstrates the importance of focusing on sustainability of development initiatives from the beginning. Once a pattern of subsidies is established, it is difficult to break.

Probably the most fundamental lesson learned from the Pakistan experience is that, without the strong coordinated efforts of the host country government, A.I.D.-supported activities, no matter how well designed, will have little or no lasting impact.

Experience elsewhere supports this conclusion. In the Mai Chen Watershed Development Project in Thailand, studies concluded that agricultural development efforts had little effect in the absence of enforcement. An evaluation of the Upper Hualaga Area Development Project in Peru concluded that, although scheduled services were delivered, the region's agriculture remained stagnant and coca cultivation increased. In that project, the enforcement activity which should have accompanied the area development efforts never occurred.

VII. SOCIAL, ECONOMIC/FINANCIAL AND ENVIRONMENTAL CONSIDERATIONS

A. Social Considerations. The proposed project will be concentrated in rural areas of Afghanistan. Farming families, mostly poor, will directly benefit from investments in the project. These Afghans have little or no alternative means to earn a living. Thirteen years of conflict have completely destroyed the rural infrastructure. Improved roads, health, education, water, sanitation, substitute crops and other income generating activities are most likely to reduce their dependence on poppy cultivation and help meet their basic human needs. The participation of targeted area residents and their commitment to project objectives will be critical to project success. The beneficiaries will help define their needs and will actively participate in addressing those needs. The detailed design will address the fundamental feasibility question as to the

willingness of poppy growing areas to participate in the proposed project.

B. Economic/Financial Considerations. The appropriateness of investment of \$50 million of A.I.D. resources is justified on the grounds that the proposed project addresses one of the most important U.S. foreign policy objectives - the elimination of opium poppy production in Afghanistan. This investment is also justified on humanitarian and development grounds as most of the resources are focused on rehabilitation of rural infrastructure, agricultural development (crop substitution) and other income generating activities. The economic merit of the proposed investment is that the proposed interventions will revive agriculture and create other employment opportunities which will contribute to at least some degree of self-sufficiency and reduce dependence on outside help. The approach proposed to address the problem of poppy production is based on a careful study of the Afghan opium subsector and lessons learned from similar projects elsewhere. Appropriate economic and financial analyses will be performed during the detailed design of the project.

C. Environmental Considerations.

[TO BE SUPPLIED]

VIII. AID POLICY ISSUES

A. Presidential Certification. Even when a central government acceptable to the Afghan people is established in Kabul, progress to eradicate poppy cultivation will take time. Initially, the government's influence in poppy-producing areas will be weak. It is extremely unlikely that significant progress in eliminating trafficking and production can be shown for some time. The presidential certification required under F.A.A. Section 481(h)(5) cannot be made without such evidence of progress. Therefore, it may be necessary to obtain a waiver of the certification requirement pursuant to F.A.A. Section 614(a) for an initial period of time in order to allow time for the efforts of the Afghan government, working in concert with O/AID/Rep and other USG agencies, to produce results.

B. Section 487 Restriction. This statutory provision prohibits the O/AID/Rep from dealing with many of those persons who make the decisions to allow the cultivation of poppy in areas under their control. In some cases, particularly where poppy has not historically been grown, these decisions were made under conditions of combat and these persons could, given appropriate developmental incentives, be influenced to change their behavior. The

Section 487 restriction limits the Mission's ability to influence the behavior of these persons.

IX. DESIGN STRATEGY

The present plan of the Mission is to design the new anti-narcotics project using in-house capabilities. The Activity Approval Memorandum (AAM) will be completed approximately four months after approval of this Activity Information Memorandum by AID/Washington. The Mission anticipates requesting the assistance of an Asia Bureau Project Development Officer on a TDY basis for approximately six to eight weeks in connection with the drafting of the AAM.

At present, the Mission does not anticipate that any further studies or research by outside consultants will be required to assist in the design of the project. The three recently commissioned studies undertaken by Nathan Associates/Louis Berger International in the narcotics area have proven to be quite timely and helpful in the development of this project. If any additional information needs are identified in the future which require outside expertise, the Mission will contract for these services as the need arises.

As discussed above, the success of this anti-narcotics project will hinge on the success of NAS, DEA and O/AID/Rep in working collaboratively with central and local authorities to insure that the critical element of enforcement is met. The view of the Mission is that development of a comprehensive plan for coordinated action in Afghanistan by all interested USG agencies should be undertaken in tandem with the design for the O/AID/Rep anti-narcotics project.

It is recommended that this PID-like document, Activity Information Memorandum, be approved and that the O/AID/Rep be given the permission to proceed with the detailed design and authorize this activity in the field.

AID 1020-28(1-72)

**PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK**

Life of Project:
From FY 1993 To FY 2002
Total U.S. Funding: \$50,000,000
Date Prepared: October 22, 1992

Project Title & Number: Anti-Narcotics Project (306-02-)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes: To initially reduce and eventually eliminate illegal poppy production throughout Afghanistan.</p>	<p>Measures of Goal Achievement: 1. No increase in the acreage used for poppy cultivation. 2. Net decrease in poppy production.</p>	<p>(Goal) 1. Baseline Data 2. Monitoring Reports 3. Satellite Imagery and Ground Truthing Activities 4. Reports of Contractors, Other USG Agencies & Donors</p>	<p>Assumptions for achieving goal targets: 1. A stable central government effectively functioning in Kabul. 2. The central government is committed to this goal. 3. The central government is able to exert its influence and authority on the local and regional leadership. 4. The USG reconstruction and development assistance is firmly tied to this Afghan commitment. 5. Viable economic alternatives are available to returning refugees and farmers in poppy producing areas. 6. The USG is successful in getting other bilateral and multilateral donors to link their assistance to the government's anti-narcotics commitment. 7. The USG is successful in getting the Government of Pakistan to apply anti-narcotics measures in tribal areas. 8. The USG provides required resources to its agencies in the region in support of enforcement efforts. 9. The demand for poppy in Pakistani tribal areas is checked.</p>
<p>Project Purpose: To reduce poppy production in selected areas.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status: *1. At least 50% reduction in selected poppy producing areas. *2. Near 100% prevention of poppy cultivation in selected potential poppy growing areas. 3. Social and economic conditions of farmers and other residents in project areas improved. 4. Policy formulation, planning and monitoring capability of central and local authorities strengthened. 5. A national plan to eliminate poppy cultivation and drug trafficking, delineating strategies and enforcement measures, developed, adopted and being implemented. 6. Public awareness of negative effects of narcotics on society in general and in selected areas in particular greatly enhanced.</p>	<p>(Purpose) 1. Monitoring Reports 2. Satellite Imagery and Ground Truthing 3. Field Surveys and Other Studies 4. Reports of Project Personnel, Other USG Agencies and Other Donors</p>	<p>Assumptions for achieving purpose: 1. Authorities and project participants in selected areas are committed to the reduction objectives. 2. The local and national authorities are willing and able to enforce appropriate measures. 3. O/AID/REP is able to provide the required resources on a timely basis. 4. O/AID/REP cuts off all forms of assistance to poppy producing areas that are unwilling to cooperate in reducing poppy cultivation. 5. Proposed activities improve the quality of life of project participants. 6. There is close collaboration among O/AID/REP and other USG agencies and that these agencies provide enforcement and other assistance in support of O/AID/REP activities on a timely basis.</p>

* Exact percentages to be determined.

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

<p>Assumptions for achieving outputs: - Willingness of a number of identified areas to participate in project activities. - Willingness of the central and local authorities to establish entities to act as counterparts to project-funded personnel. - The central and local authorities have the means and the will to enforce agreed upon anti-narcotics measures. - Availability of required resources on a timely basis. - Alternatives to poppy cultivation are available and sufficiently attractive for the selected communities to participate. - Security situation in selected areas is stable.</p>	<p>Means of Verification (Outputs) Project Reports</p>	<p>Magnitude of Outputs: 1. - An appropriate number and types of materials developed and used. - An appropriate number of representatives of each identified group trained and involved in awareness activities. 2. - An agency of the central government to perform anti-narcotics functions identified, its personnel trained and otherwise assisted. - A masterplan as well as plans to control poppy cultivation for each poppy growing region developed. - An appropriate number of monitoring personnel, both at the central, regional, and local levels, trained and otherwise equipped to perform this function. 3. - Specific project sites and their exact numbers to be determined. - An assessment of each community's needs completed. - A number of identified infrastructure facilities at each site either built or improved. - Multiple alternative crops appropriate to each site researched, planted, harvested and successfully marketed. - A number of alternative economic activities for project participants implemented.</p>	<p>Outputs: 1. Demand Reduction and Awareness (a) Development of appropriate messages. (b) Identification of media and fora, and dissemination. (c) Identification of influential individuals (teachers, health workers, religious and political leaders). (d) Training of influential personnel. 2. Support for the Government's Anti-Narcotics Program (a) Strengthening of the planning and policy formulation capability. (b) Formulation of a masterplan to address the narcotics problem. (c) Strengthening of its monitoring capability. 3. Integrated, Multi-Sectoral Development Interventions (a) Selection of specific districts in one or more poppy growing provinces of Mangarhar, Helmand, Gandahar, Uruzgan and Badakhshan in accordance with prescribed criteria. (b) Selection and survey of potential poppy growing areas in accord with an established criteria (if funding available). (c) Needs of each selected community assessed. (d) Farm to market roads in selected areas built. (e) Education, health, water and sanitation facilities in each selected area improved as identified in the assessment in (c) above. (f) Develop and implement plans for alternative crops coupled with required agriculture inputs for each selected area. (g) Other income-generating and employment opportunities identified, experimented, developed and launched.</p>
<p>1. Continuation of the Program 2. Funding Availability</p>	<p>Project Records</p>	<p>\$10,000,000 2,000,000 3,000,000 35,000,000 Total \$50,000,000</p>	<p>Funding for: 1. Technical Assistance 2. Drug Awareness 3. Support for the Government's Anti-Narcotics Program 4. Integrated, Multi-Sector Activities</p>

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