




**USAID**  
FROM THE AMERICAN PEOPLE

**MEMORANDUM**

**DATE:** January 30, 2017

**TO:** John F. Sopko  
Special Inspector General for  
Afghanistan Reconstruction (SIGAR)

**FROM:** Herbert Smith, Mission Director 

**SUBJECT:** Mission Response to Draft SIGAR Report titled "Land Reform in Afghanistan: Full Impact and Sustainability of \$41.2 Million USAID Program is Unknown", (SIGAR Report 17-XX-AR under Code 108A)

**REF:** SIGAR Transmittal email dated 12/22/2016

USAID thanks SIGAR for the opportunity to comment on the audit of land reform in Afghanistan.

**SIGAR Recommendation:** *In accordance with the June 2011 USAID Administrator's Sustainability Guidance for Afghanistan, conduct a final sustainability assessment of the LARA program to fully determine whether sufficient capacity exists for the Afghan government to sustain the program's achievements, and provide the results to the Afghan government.*

**USAID Comments:** USAID/Afghanistan does not concur with the recommendation and kindly requests that it be withdrawn. The Mission, under USAID Contract AID-306-C-12-00012, Afghanistan Services Under Program and Project Office for Results Tracking Phase II (SUPPORT II), conducted a Final Performance Evaluation<sup>1</sup> of the LARA Project in November 2014. We

<sup>1</sup> "Land reform in Afghanistan (LARA) project: final performance evaluation" (October-November 2014); Checchi and Co. Consulting Inc. Available on the USAID Development Experience Clearinghouse; [http://pdf.usaid.gov/pdf\\_docs/PA00KB6W.pdf](http://pdf.usaid.gov/pdf_docs/PA00KB6W.pdf)

believe this report sufficiently provides recommendations for improving the Afghan institution's capacity to sustain the LARA Project achievements.

Specifically, the Final Performance Evaluation describes how the Afghanistan Independent Land Authority (ARAZI) can maintain resulting land management systems and sustain operations, how the Government of the Islamic Republic of Afghanistan (GIROA) can contribute to the transition of the projects, and articulates detailed programmatic recommendations and guidance, broadly summarized as follows:

- Provide education and training to a core group of professional that will enable the entire 'value chain' of land titling, registration and appraising.
- Enact legislation reforms, policies and regulations that empower and institutionalize ARAZI as the government agency responsible for land records and the arbiter of land disputes.
- Institute a fair, equitable and transparent fee based structure that will help ARAZI maintain a revenue stream that will provide sustainable financing and a degree of autonomy from political pressures.

This final report incorporates consultations which were held with a comprehensive set of stakeholders, including ARAZI, the Ministry of Urban Development Affairs, Municipality of Jalalabad, the Independent Directorate of Local Governance, the Ministry of Women's Affairs, and the Afghan Geodesy & Cartography Office.

Further, ARAZI today is a functioning government entity. ARAZI is generating its own annual revenue stream, which has increased from approximately \$255,000 in 2012 to nearly \$3,000,000 today. ARAZI has offices in all 34 provinces, has provided support to the private sector, and has contributed to a decrease in land-grabbing. The Government of Afghanistan has recently taken steps towards enacting the Land Management Law, which addresses occupancy certificates that were previously not in place. The Cabinet approved the Law on December 7, 2016 (see Attachment #1), but it has not yet been enacted.

Lastly, page 11 of the draft audit report states that "USAID did not conduct subsequent sustainability assessments of LARA between June 2012 to the close of the program in November 2014." This is incorrect, as evidenced by the Final Performance Evaluation of the LARA project. The absence of certain documentation should not be construed that Mission staff did not execute the

required due diligence in overseeing the LARA program. We therefore request that this sentence be removed.

**Attachments:**

1 – ARAZI Cabinet Resolution #19

cc: U.S. Embassy Kabul