



**USAID**  
FROM THE AMERICAN PEOPLE

**AFGHANISTAN**

**MEMORANDUM**

September 20, 2016

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

**FROM:** Herbert Smith, Mission Director 

**SUBJECT:** Mission Response to Draft SIGAR Inquiry Letter 16-57-  
SP on USAID's Involvement in MEC MoPH Assessment

**REF:** SIGAR Transmittal email dated 8/30/2016

USAID thanks SIGAR for the opportunity to comment on this Inquiry Letter, and appreciates SIGAR's acknowledgement of the Minister of Public Health's (MOPH) "bold step... to uncover and eliminate waste, fraud, and abuse in Afghanistan." USAID commends Minister Feroz for his courageous initiative to invite the Monitoring and Evaluation Committee to assess the extent of corruption risks in the Afghan health system. It is important to note that since this assessment, two Ministries have followed Minister Feroz's lead in requesting MEC to conduct similar assessments of vulnerability to corruption – the Ministry of Commerce and the Ministry of Education. These actions set a precedent for MEC to establish a constructive working relationship with Ministries in a supportive rather than punitive role.

USAID further appreciates SIGAR's commendation of our commitment to bolstering the capacity of the MoPH to responsibly and effectively administer healthcare to the people of Afghanistan and for the Agency's funding of the MEC's monitoring, analysis, and reporting activities, including its vulnerability to corruption assessments.

USAID offers the following responses to the questions posed by SIGAR in its letter to Gayle Smith, USAID Administrator dated August 29, 2016.

1. *Does USAID concur with the MEC's MoPH assessment in terms of the level and pervasiveness of corruption in the Afghan public health system in general and within the MoPH in particular? If so, is USAID considering placing additional conditions on MoPH for any funds provided to the MoPH in the future?*

USAID concurs with the MEC's MoPH assessment and is considering the assessment results in terms of level and pervasiveness of corruption in the Afghan public health system in general and within the MoPH in particular. At the present time, the USAID Office of Health and Nutrition does not provide any direct funding to the MoPH. If funds were to be provided directly to MoPH in the future, USAID would consider the assessment results as part of the process of determining necessary risk mitigation measures.

2. *Is USAID considering revising any of its own policies or procedures as a result of the MEC's findings related to the MoPH?*

USAID has reviewed the MEC's findings relating to the MoPH and is confident that its existing policies and procedures are sufficient to safeguard funds.

3. *Has USAID requested that the World Bank make any changes regarding the administration of the SEHAT program as a result of the MoPH assessment? Has the World Bank informed USAID of any changes it will make, or changes it is considering, in light of the MoPH Assessment?*

USAID has consulted with the World Bank to consider the MEC findings and has requested information on whether any changes are needed to SEHAT. The WB advised in their response to the MEC Assessment that "The recently concluded Mid-Term Review of the SEHAT prioritized key areas for strengthening that coincide well with many of the

recommendations made by the MEC Report.” The MoPH is taking concrete actions to strengthen health service delivery at the community level in direct response to the MEC assessment recommendations. These actions are focused on: clarifying MoPH operating procedures to provide greater transparency; building the MoPH staff’s capacity to manage and oversee the health sector; strengthening health systems in governance, finance and human resources; and improving regulatory oversight of the pharmaceutical sub-sector, (*see Attachment # 1*). Therefore, changes to the SEHAT project are not needed at this time. The supervision of SEHAT is continuous and is responsive to emerging issues and risks. Additionally the WB Country Director for Afghanistan has issued a written statement of appreciation to the Minister of Public Health for initiating this assessment and for his attention to corruption issues (*see Attachment # 2*).

4. *Is USAID planning, or has USAID taken, any specific actions to assist the MoPH to combat corruption, promote transparency, or implement any of the 115 recommendations included in the MoPH Assessment?*

USAID has publicly and privately expressed its support for the MoPH following the release of the MEC’s Assessment of the Ministry’s Vulnerability to Corruption. USAID has taken two specific actions to assist the MoPH to combat corruption, promote transparency, and implement some of the 115 recommendations included in the MoPH assessment. First, the USAID Office of Health and Nutrition identified which of its projects are able to support specific recommendations and communicated this offer of support to the Ministry. Second, USAID is supporting through its Implementing Partner Democracy International facilitation of an Anti-Corruption Strategy Development Working Group formed by the MoPH to prepare the strategic action plan to address the MEC recommendations.

**Attachments:**

- 1 – The email message from the World Bank of 7/14/2016;
- 2 – The email message-response from the World Bank to MoPH of 7/15/2016.

**Cc: Robert Clark, Controller, USAID/Afghanistan  
Daniel Wartko, U.S. Embassy/Kabul  
OAPA Audit**