RELEASE IN FULL

Drawdown of Private Security Contractors: Impact on USAID Programs

To comply with the decree to disband Private Security Contractors, \$1.5 billion in U.S. mission-critical programs begin demobilizing on or before November 3rd. To include:

• Stabilization.

- The \$350 million Local Government and Community Development (LGCD) program began initial shut down operations in mid-October (see demobilization timeline below).
- o Nation-wide roughly 329 unfinished projects will be canceled, valued at approximately \$21 million dollars.
- This is a critical program for Operation Hamkari.

Roads:

- Expect loss of over 18,000 Afghan jobs with shut-down of major road projects.
- \$495 million in additional road construction contracts across the country via Louis Berger/Black & Veatch will be terminated and the contractor begins demobilization by Nov. 1.
- o In several incidents, registered private security contractors for major road projects have already been disarmed and disbanded by the MOI.

• Agriculture:

- Visas renewals for international security personnel for the major wheat-seed distribution program, AVIPA were refused by the Ministry of Foreign Affairs as a result of the decree.
- o If security cannot be extended into all the AVIPA distribution areas, there will be a major disruption of operations, and unacceptable delays in getting seed and fertilizer to 260,000 farmers.

• Energy:

 The Kabul Electricity Program connecting 70,000 customers to the electrical grid, will begin demobilization by November 1 of activities that require mobility. The Kajaki Dam project, serving Kandahar and Helmand, and the project that operates the Kandahar Diesel Power Plant plan to shut down in early November.

Illustrative Project Close-out: LGCD	10/11	15	30	45	60
		days	days	days	days
Phase 1: Closedown Initiation	X				
Give notice to non essential local staff (30 days notice)		X			
Notice to sub-project contractors to cease select projects		X			
Notice to close select provincial and district offices (30 day notice)		X			
Give notice to expatriate staff not required for reduced effort (30 day notice)			X		
Phase 2: Final Implementation					
Close sub-project activities (cease work)			X		
Demobilize non-essential local staff		<u> </u>	X	<u> </u>	<u> </u>
Start packing of provincial/regional offices				X	
Start demobilizing expatriate staff not required for reduced effort				X	
Phase 3: Demobilization					
Redeploy non-essential PSC staff to Kabul			1	X	
Non-essential staff demobilized				X	
Last DAI expatriate staff demobilizes					X
Phase 4, Closedown					
Complete closedown in Kabul					X