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TERRORIST NETWORKS IN PAKISTAN AND THE PROLIFERATION OF IEDS

HEARING

BEFORE THE

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH AND CENTRAL ASIAN AFFAIRS

OF THE

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TERRORIST NETWORKS IN PAKISTAN AND THE PROLIFERATION OF IEDS

THURSDAY, DECEMBER 13, 2012

U.S. SENATE,
SUBCOMMITTEE ON NEAR EASTERN AND
SOUTH AND CENTRAL ASIAN AFFAIRS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:31 a.m., in room SR–418, Russell Senate Office Building, Hon. Robert P. Casey, Jr. (chairman of the subcommittee) presiding.

Present: Senator Casey.

OPENING STATEMENT OF HON. ROBERT P. CASEY, JR., U.S. SENATOR FROM PENNSYLVANIA

Senator CASEY. The hearing will come to order. Thanks, everyone, for making this transition in light of the power outage. We're grateful for the work that was done by Bertie and your team to get this done. We're grateful for that. I'll have an opening statement and then we'll go right to our witnesses.

Today the Senate Foreign Relations Committee's Subcommittee on Near Eastern and South and Central Asian Affairs meets to examine the efforts to combat the proliferation of improvised explosive devices, IED as we know them by the acronym, and the role of terrorist organizations in Pakistan. We are now meeting in open session, which will be followed by a closed session where we can explore these issues more deeply in a classified setting.

This subcommittee met more than 2 years ago to examine the scourge of IEDs in Afghanistan and the flow of precursor materials from Pakistan. Today we hope to review the status of those efforts since November 2010.

It's instructive to start with two stories about two of my constituents whose lives were forever changed by IEDs, and I'm sure there are Members of the House and the Senate that could provide stories from their own States. On my left there is a photograph of Adam Keys. Adam moved from Canada to the Lehigh Valley of Pennsylvania, on the eastern side of our State. He moved there as a teenager and joined the U.S. Army after he got his green card.

In July 2010, Adam's vehicle hit an IED in Zabul province. The 14-ton mine-resistant armored vehicle was thrown into the air by the blast. Four soldiers in the truck were killed, including Adam's best friend from Whitehall High School in Pennsylvania, Jesse Reed.

Adam lost both legs and his left arm. He has had more than 100 surgeries to repair the damage to his body. There was a news account that said he had 120 surgeries. I just saw him last week at Walter Reed and he said the number is actually 130 surgeries.

I first met Adam back in March 2011 and had the great opportunity to see him in Bethesda just recently. Now an American citizen and promoted to sergeant, Adam's road to recovery has been incredibly long. He's a true inspiration to all of us and he and his family are in our prayers.

I want to add a footnote here. I've probably never met anyone who's been through so much horror and still has a sense of optimism. The day I saw him he was about to move from one area of Walter Reed to the next. He was anticipating that move in a matter of hours or minutes when I saw him, and he was in great spirits.

On my right is a photograph of Nick Staback. Nick is an Army specialist from the county in Pennsylvania that I live in, Lackawanna County, and I knew his grandfather, who served in the Pennsylvania General Assembly. In October 2011 Nick was on a foot patrol in the Arghandab Valley in Afghanistan when an IED exploded in his path. He lost both legs and spent the past year recovering at Walter Reed National Military Medical Center in Bethesda. Nick's mother Maria took a leave of absence from her job to move to Bethesda to be with Nick as he learned how to walk on prosthetic legs.

I met Nick and his family shortly after his return from Afghanistan and I was awed and inspired by his positive attitude and his determination not to let his injuries slow him down or stop him from doing the things that he loves. In fact, I understand from his mother that Nick is in Texas on a hunting trip as we speak. The day that I first met him, that was one of the objectives that he had upon leaving Walter Reed, to figure out a way to keep hunting in the future. Again, a tremendous sense of optimism and positive thinking that characterize both these patriots.

Nick is now 21 years old and he's moved into an apartment near the hospital, and we're all optimistic that he has a bright future ahead of him. We have no doubt about that.

As public officials, we owe nothing less than our greatest efforts and then some to confront this terrible weapon of war. On behalf of Nick, Adam, and the thousands of other U.S. forces still out there today on patrol, we need to redouble our efforts and our focus on stopping the illicit flow of these deadly IED precursor chemicals. As I think through how to attack this issue diplomatically and otherwise, every step is taken with Nick and Adam and thousands of others in mind.

Over the past 2½ years I have sought to raise the profile of the threat of IEDs in Afghanistan. In 2010 I introduced a resolution, which passed unanimously, calling for increased efforts by Pakistan, Afghanistan, and their neighbors to prevent ammonium nitrate fertilizer from entering Afghanistan. As mentioned, I chaired a hearing in this subcommittee to hear testimony on the steps the United States could take to minimize the threat of IEDs. Soon thereafter, I commissioned a report from the General Account-

ability Office to examine this issue, particularly United States cooperation with Pakistan.

I have also pushed for conditioning aid to Pakistan based on its progress on this issue. At the end of last year, I introduced an amendment to the National Defense Authorization Act which would prohibit some security assistance—the operative word there being "some"—some security assistance from going to Pakistan until the government demonstrates commitment to stopping the flow of IED components.

I am glad to say that our own interagency structure has elevated this issue and that it has raised it at the most senior levels in Afghanistan, Pakistan, and other international forums. In fact, I have had excellent communication with our Ambassador in Islamabad, Richard Olson. Yesterday, Ambassador Olson sent me a letter with an update on efforts to restrict the availability of IED components, improve the counter-IED abilities of Pakistani law enforcement and security forces, and raise public awareness about the groups that wield these deadly weapons. I'm glad that Ambassador Olson is making this such a priority in his work as Ambassador and I look forward to working with him closely to ensure that Pakistan follows through on its commitments.

Despite this interagency focus, much work remains to be done. The Department of Defense's section 1230 report on progress toward security and stability in Afghanistan, released this month, acknowledged that relations with Pakistan have improved, but says, "Pakistan's continued acceptance of sanctuaries for Afghan-focused insurgents and failure to interdict IED materials and components continue to undermine the security of Afghanistan and pose an enduring threat to U.S., coalition, and Afghan forces."

Pakistan has also acutely felt the terrible impact of these weapons. I get reports from the Pakistani Embassy on the casualty counts of these Pakistani civilian and security forces killed in terrorist attacks. According to the latest Embassy reports, 37,990 Pakistani civilians have been killed in terrorist attacks since 2001. So just a little shy of 38,000 people killed in that time period. In addition, 6,416 security forces have perished. The U.S. Embassy tells me that Pakistan has lost 2,395 people, including civilians, to IEDs over the past 12 months.

Each one of these deaths is a tragedy and it's important that we honor and acknowledge the enormous sacrifices that Pakistanis have made in the struggle against violent extremism in their own country.

Pakistan is key to preventing bomb components from making their way into Afghanistan. That's why we're here today. When I traveled to Pakistan in the summer of 2011 with Senators Whitehouse, Blumenthal, and Bennet, we raised this issue repeatedly with Pakistani officials. Whether it was the President, the Prime Minister, General Kayani, anyone we talked to, we raised this issue over and over and over again.

Based on these exchanges and others over the years, I believe that Pakistan's leaders understand the problem and share our interest in preventing more American, Pakistani, and Afghan casualties due to IEDs. In 2011, Pakistan drafted a strategic plan to combat IEDs. We were presented with that plan on our visit and

they made commitments to implement it. On October 5 of this year, Interior Minister Malik visited the United States to participate in a bilateral working group on the issue. These are promising steps and I commend the Pakistani Government for this commitment. In recent months there appears to have been significant activity and Pakistan has worked closely with the United States on moving this forward.

While I am pleased that Pakistan has developed a very detailed and comprehensive set of plans to counter IEDs, let me be clear, it's time to finally and fully implement these plans. IED incidents have risen in Afghanistan. The flow of chemicals coming from across the border has not diminished. We continue to see far too many IED casualties at Walter Reed and in Bethesda. Thousands of Pakistanis died in the past year, as I have mentioned. We need to see execution of these plans. We need to see, in a word, action.

Given the gravity of this threat and the mounting casualty toll, the current pace of activity by the Pakistani Government is not acceptable. At the November 2010 hearing that we had, I laid out the following benchmarks for Pakistan: First, I said they needed to do more to strengthen the legislative framework to restrict the sale and transport of ammonium nitrate and other IED precursor materials like potassium chlorate. Second, I called for a better tracking and accountability system for these chemicals inside the country from producer to distributor to final purchase. Finally, at that hearing I urged that the United States and Pakistan work together to employ better controls along the border with Afghanistan.

In addition to the important responsibilities borne by governments to tackle this problem, the private sector can also play a constructive role. Members of the fertilizer industry in Pakistan have the opportunity to be good corporate citizens. They should also understand that they are part of a broader global corporate community, where reputations matter, just like they do here in Washington. The failure to take action could have an adverse impact on their ability to do business in the future. We met with some of those folks in August 2011 in our visit to Islamabad.

I look forward to a readout from our witnesses on where we stand and what we as a country are doing to accelerate our efforts to finally turn back this tide.

I want to thank both JIEDDO and the Department of State for working closely with me on this critical issue over the past 2 years. General Barbero, you have been not only a close ally but also a bright light on this issue. I know it has been very difficult to make progress and sometimes even to measure that progress, but I commend your work and appreciate you being here today. I commend you not just because of your work and not only because that you grew up in Philadelphia, but that certainly helps.

We are also fortunate to be joined by SRAP Economic Adviser Jonathan Carpenter. Jonathan, we appreciate you being here. Jonathan's the lead State Department staff member on this issue as well as others related to the border between Afghanistan and Pakistan. We benefited from Jonathan's expertise when he recently served as a fellow on the Senate Foreign Relations Committee. We're glad that he could join us on the other side of the table. So Jonathan, welcome back.

General, let's start with you, then we'll move to Jonathan, and then we'll get to some questions, and then we'll have to move once again to a closed setting. I want both of you to know that your full statements will be made part of the record, so if you could provide as good as a 5-to-7-minute summary as you can.

Thank you.

STATEMENT OF GEN. MICHAEL BARBERO, U.S. ARMY, DIRECTOR, JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT ORGANIZATION, U.S. DEPARTMENT OF DEFENSE, WASHINGTON, DC

General BARBERO. Chairman Casey, thank you for the opportunity this morning to appear before you and share my views on this very critical subject. Up front, if I could digress for a minute and talk about your opening comments and the cost of this issue in personal and human terms. I could sit here and tell you that in my mission and our organization we are making progress, but to Adam Keys and Nick Staback and their families that is not progress and that is not good enough.

The same message we hear from families across this country: That is not good enough. And I get it, and every day we are focused to prevent this and to help our troopers execute their missions safely and securely. I just want to comment on that.

Up front, I understand the importance of our relationship with Pakistan and to address the IED networks that threaten our strategic interests in the region requires a cooperative relationship and engagements with Pakistan. The United States, led by the State Department, continues to seek a relationship with Pakistan that is constructive and advances both United States and Pakistani interests.

Secretary Clinton has kept this topic at the forefront of all her discussions and we have a strong relationship with the Office of the Special Representative for Afghanistan and Pakistan, represented today by my friend, Jonathan Carpenter. Their support and actions have significantly contributed to the increased interagency cooperation we are seeing on this IED challenge.

I would like to thank you for being the driving force in Congress and a steadfast advocate on this difficult Pakistan IED issue, and also for your leadership in shepherding through the fiscal year 2013 counter-HME legislative proposal, which will give us another tool to use in this fight. So thank you for your leadership and focus on this IED problem.

As you have commented, the importance of countering this threat posed by IEDs and attacking these threat networks cannot be overstated. Counter-IED is an area ripe for cooperation between the United States and Pakistan. I am also encouraged by the recent positive tone in our discussions with the Government of Pakistan and the assurances from our Pakistani counterparts. But, like you, I believe our Pakistani partners can and must do more.

You have highlighted the numbers of IEDs and the cost to our troops in Afghanistan. More than 60 percent of United States combat casualties in Afghanistan, both killed and wounded in action, are the result of IEDs. This year nearly 1,900 U.S. casualties have been caused by IEDs.

As you stated and we acknowledge, Pakistan has suffered greatly from these networks and these devices, and they have a significant, and face a significant and growing IED challenge. So it is in their interest to increase counter-IED cooperation with us and take effective actions against these networks.

As you know, despite a countrywide ban on the importation of ammonium-nitrate-based fertilizers by the Government of Afghanistan, fertilizer-based explosives still remain our greatest counter-IED challenge in Afghanistan. Today more than 85 percent of the IEDs employed against coalition forces are homemade explosives, and of those about 70 percent are made with ammonium nitrate derived from the fertilizer calcium ammonium nitrate, referred to as CAN, a common agricultural fertilizer produced in and transited through Pakistan.

CAN is produced by two factories in Pakistan owned and operated by the Fatima Group. While CAN is produced in other regional countries, I have seen no evidence to indicate that CAN used for IEDs in Afghanistan comes from any other country in any significant amounts.

While ammonium nitrate continues to be the most prominent main charge in HME-based IEDs in Afghanistan, the use of potassium chlorate by insurgents has increased for 12 straight months. Potassium chlorate, which is also banned for importation by the Government of Afghanistan, is legally imported into Pakistan for use by the textile and matchstick industries. It is then transferred to, or stolen by, insurgents for use as IED materials in Afghanistan.

In concert with our Pakistani partners, we must address the continued flow of ammonium-nitrate-based fertilizers and other IED materials into Afghanistan. Since then I would point out, as far as seizures of amounts in Afghanistan, since 2009 we have seen a significant increase in the amounts we have seized in Afghanistan, from 30 tons in 2009 to 440 tons so far in 2012.

So the high number of IED incidents and the growing seizure rates highlight the continued lack of effective measures to impede the supply of IED materials into Afghanistan from Pakistan. In Afghanistan we are playing defense.

In 2011 I engaged the top leadership of Fatima Group, the producers of CAN in Pakistan, to urge their action in countering the illicit use of their fertilizer as an explosive through the implementation of several steps—a dye program, better tracking, and such. I also engaged to International Fertilizer Association and global fertilizer community to encourage development of a whole-of-industry approach addressing the illicit use of their products.

While the international and United States professional fertilizer associations are receptive and actively addressing these issues, the producers within Pakistan have been less than cooperative. Despite making minor packaging, tracking, and marketing changes, they have not implemented any effective product security or stewardship efforts. I believe Pakistani-based CAN producers can and must do more.

While the Government of Pakistan has taken military actions to address the IED threat and go after these networks, these efforts remain focused on Pakistan's domestic threat and have had no

measurable effect on the number of IED events in Afghanistan, on the flow of HME precursor materials smuggled across the border, or on the threat networks operating in Pakistan who attack our troops in Afghanistan.

While the dialogue between the U.S. Government and the Government of Pakistan on IED-related issues has been improving, I believe there is still much work to be done. We must move from discussing cooperation to actual cooperation.

You cited some of the examples of some of the legislation. I will just highlight a couple. For example, in June 2011 the Government of Pakistan adopted a national counter-IED strategy to prevent the smuggling of these materials. While this sounds substantial, it has neither been fully implemented nor resourced and therefore will have minimal impact on this issue.

Another example: The Government of Pakistan's National Counter-IED Act of 2012, which in their words, "will provide the legal framework to the counter-IED strategy," has not been passed by Parliament into law and therefore remains unenforced.

A final example: In July the Government of Pakistan committed to a military-to-military counter-IED cooperation framework. To date, despite our input, this document remains in its original draft form, with no progress. This is an area, the military cooperation; where we must move beyond talking about cooperation to developing a comprehensive framework and then work together to address the shared problems.

As far as intelligence, countering the IED threat and networks operating at both sides of the border requires strong partnership between the United States and Pakistan. The U.S. Government needs to, and we are working to, share with our Government of Pakistan partners' actual information on threat networks of mutual interest, and in turn the Government of Pakistan must act on the information and likewise share the critical intelligence with us which is needed to counter these threat networks. So there's much work to be done, as you stated.

If I could just briefly talk about what the whole of the U.S. Government is doing to address these threat networks and the IED challenge. We focus on the military solution and military capabilities, but we have increasingly recognized the requirement for interagency cooperation and cooperation with foreign governments. Today we are working with an expanded counter-IED community of action that did not exist previously. We have established an interagency forum that SRAP cochairs, consisting of United States intelligence and interagency partners, Federal law enforcement, key allies, and our commands in Afghanistan, to achieve a more effective effort to disrupt threat networks employing IEDs against U.S., ISAF, and Afghan forces.

And we are having some results. For example, the U.S. Department of Commerce has added 152 persons to the entity list because of IED-related matters. Now, this designation stops U.S. companies from trading with these entities, companies, individuals, or organizations which we can prove violate U.S. export laws. U.S. Department of Treasury has imposed economic sanctions on 38 Afghan Pakistan-based facilitators, three specifically for IED-related matters.

Through coordinated efforts and strong partnership across the U.S. Government and with our international partners, the counter-IED community is going after these threat networks wherever they are, their leaders, their funds, and their facilitators, employing all the tools at our disposal to counter the networks that employ IEDs.

Now, going forward we cannot step back from this linked interagency process and the intelligence community needs to continue to focus on these networks. We cannot go back to the stovepipe approach that will fail to address the complex present-day threats.

In closing, I would like to just, instead of quoting, also echo your comments about the DOD report on progress toward security and stability in Afghanistan. I believe the comments there and its description are accurate. While we have seen and welcome recent indications of increased Pakistani cooperation and gestures on their part, Secretary Panetta this week recently said it best, "Actions have to speak louder than words."

The U.S. Government is unified in taking action, but we cannot solve this IED challenge without the significant commitment of our Pakistani partners; government, military, and industry alike.

So, Chairman, again thank you for the opportunity to appear before you today. I look forward to answering your questions, and again thank you for your leadership on this issue.

[The prepared statement of General Barbero follows:]

PREPARED STATEMENT OF LTG MICHAEL D. BARBERO

Chairman Casey, Ranking Member Risch, and distinguished members of the subcommittee, thank you for inviting me to appear before you today to share my views on the improvised explosive device (IED) challenge in the Afghanistan-Pakistan region.

In February 2006, the U.S. Department of Defense (DOD) officially established the Joint Improvised Explosive Device Defeat Organization (JIEDDO) to focus on the IED threat in Iraq and Afghanistan. JIEDDO's mission, as defined by DOD Directive 2000.19E, "is to focus (lead, advocate, coordinate) all DOD actions in support of the Combatant Commanders' and their respective Joint Task Forces' efforts to defeat IEDs as weapons of strategic influence."[1] JIEDDO is singularly focused on the IED threat and exists to rapidly field capabilities to reduce the effectiveness of this asymmetric weapon.

IED CHALLENGE

The importance of countering the threat posed by IEDs and attacking these threat networks cannot be overstated. During the past 2 years in Afghanistan, IED events increased 80 percent, from 9,300 in 2009 to 16,800 in 2011. Even though IED events are down 8 percent this year, there have been nearly 14,500 IED events in 2012.

IEDs remain the leading cause of civilian, military, and law enforcement casualties in both Afghanistan and Pakistan. More than 60 percent of U.S. combat casualties in Afghanistan, both killed and wounded in action, are a result of IEDs. This year, 1,874 U.S. casualties have been caused by IEDs. It is important to note, this threat is not exclusive to Afghanistan. Pakistan has a significant and growing IED challenge that threatens its own soldiers and populace. As of November 2012, there have been more than 926 IED attacks inside Pakistan, resulting in an excess of 3,700 casualties.[2] Recently, on November 21 in Quetta, a Pakistani military vehicle was targeted by a vehicle-borne IED, resulting in the deaths of three Pakistani soldiers and one civilian. The deadliest attack in Pakistan in nearly 5 months occurred in Rawalpindi on November 22, where a person-borne IED killed 23 and wounded more than 62 people participating in a Shiite Muslim procession. The threats posed by IEDs and the threat networks are areas of joint concern for both the U.S. and

[1] Joint Improvised Explosive Device Defeat Organization, Department of Defense (DOD) Directive 2000.19E (14 Feb. 2006), para 4.

[2] Worldwide IED Database, Institute for Defense Analysis,1 Jan. 2012 through 13 Nov 2012.

Pakistan and with the improvement in bilateral relations since July, there has been increased cooperation.

Fertilizer-based explosives still remain our greatest challenge in Afghanistan. Today, more than 85 percent of IEDs employed against coalition forces are homemade explosives (HME), and of those, about 70 percent are made with ammonium nitrate derived from calcium ammonium nitrate (CAN)—a common agricultural fertilizer produced in, and/or transited through, Pakistan. CAN is produced by two factories in Pakistan, with a total production capacity of 870,000 metric tons annually, but did not reach production capacity in 2011. An estimated 200 tons of CAN was used to make IEDs in Afghanistan this year. Despite a countrywide ban on the importation of ammonium nitrate-based fertilizers by the Government of Afghanistan, this HME precursor continues to be the main charge in the majority of IEDs in that country.

While ammonium nitrate continues to be the most prominent main charge in HME-based IEDs in Afghanistan, the use of potassium chlorate by insurgents has increased for 12 straight months. Potassium chlorate is now the main charge in 23 percent of exploited IEDs, up from 13 percent a year ago. Insurgents perceive potassium chlorate as being a more effective explosive. Potassium chlorate, which is also banned for importation by the government of Afghanistan, is legally imported by Pakistan for legitimate use in the textile and matchstick industries. It is illegally sold to or stolen by insurgents for use as HME material.

A critical piece to any IED is the initiator, a small, sensitive primary explosive device generally used to detonate a larger, more powerful and less sensitive secondary explosive. One type of initiator commonly used is the blasting cap. Pakistani law requires companies who produce blasting caps to sell their products only to entities holding an explosives permit, such as construction or mining companies. Despite this fact, military forces are recovering these products on the battlefield in Afghanistan. Curbing the supply of blasting caps to insurgents in Afghanistan can help reduce the number of IED events in Afghanistan, and I believe this is an important area of future engagement with the Government of Pakistan.

The continued flow of ammonium nitrate-based fertilizers and other IED materials from Pakistan and smuggled into Afghanistan is a crucial area we continue to address in concert with our Pakistani partners. This is evident by the growing record seizures by coalition forces in Afghanistan. During the past year, coalition forces have seized more than 444 tons of HME precursor materials, an increase of 16 percent since last year. This includes more than 341 tons of ammonium nitrate-based fertilizer and 37 tons of potassium chlorate. The high number of IED incidents and seizure rates highlights the continued lack of effective measures to impede the supply of IED materials into Afghanistan from Pakistan. In Afghanistan, we are playing defense.

INDUSTRY

In 2011, I engaged the producers of CAN in Pakistan to request their commitment in countering the illicit use of fertilizer as an explosive through the implementation of a dye program and instituting effective control and tracking measures. Additionally, I also engaged the International Fertilizer Association and the global fertilizer community to urge their commitment in developing a whole-of-industry approach to: implement a universal dye program; explore nondetonable substitutes for ammonium nitrate; institute effective industrywide standards, regulations and safeguards regarding the production and distribution of nitrogen-based fertilizer; and produce a global education and awareness campaign.

Professional fertilizer associations are receptive and actively addressing these issues. The International Fertilizer Association has engaged its global membership with the establishment of a new product security task force to create momentum within the industry on the important issue of fertilizer misuse. Efforts continue to establish effective and adequate measures to secure CAN. The producers of CAN in Pakistan made minor packaging and marketing changes, but has yet to establish an effective tracking process to monitor and account for the distribution of the product. To date, measures taken by industry or government have minimal impact on the HME flow into Afghanistan.

GOVERNMENT OF PAKISTAN

During the past few years, our cooperation on the IED challenge with Pakistan has had mixed results. While much work remains, Pakistani authorities now acknowledge their slow start in the counter-IED fight and have realized IEDs are not just a threat to ISAF but to Pakistan as well. The Government of Pakistan has taken some actions to address IED threat, mostly focused on Pakistan's domestic

challenge, thus having limited effect on the number of IED events in Afghanistan or on the flow of HME precursor materials smuggled across the Afghanistan-Pakistan border. However, dialogue between the United States and the Government of Pakistan on IED-related issues has been improving, as evident by recent engagements such as the Law Enforcement and Counterterrorism Working Group in October 2012 and the Defense Consultative Group meeting in December 2012. It is essential we continue to increase cooperation to address the illicit use and trafficking of HME and dual-use materials and the threat networks trafficking and employing IEDs on both sides of the Afghanistan-Pakistan border.

In June 2011, the Government of Pakistan adopted a national counter-IED strategy to prevent the smuggling of CAN and other precursors out of the country; build Pakistan's counter-IED capacity through equipping and training; launch a vigorous counter-IED public awareness campaign; and modify and strengthen existing legislative framework on terrorism and explosives. This is a very positive step. The implementation plan, developed by Pakistan's Directorate General for Civil Defense, has designated the Pakistani Army the lead for counter-IED efforts. While these steps sound substantial, Pakistan has not resourced this strategy to the level we see as necessary.

Effective and enforceable regulations and border controls are necessary and essential to mitigating this shared threat and these measures can be effective. This has proven effective in other countries that have recently implemented regulations on ammonium nitrate and are seeing results. We recognize and appreciate the actions of the Government of Pakistan to ban the exportation of products such as CAN; however, the porous borders, lack of enforcement in border regions and the high economic incentive to smuggle HME precursors will continue to render these efforts ineffective. The improved border coordination enabled by the tripartite border control standard operating procedure agreement, signed by the U.S., Pakistan, and Afghanistan in November, and the ongoing discussion on the development of a comprehensive border security strategy are steps in the right direction.

The Government of Pakistan recently approved the antiterrorism (amendment) bill 2012, amending the 1997 Anti-terrorism Act. This new legislation strengthens the provisions of the 1997 act by covering all aspects of financing terrorism including provisions on freezing, seizing and forfeiture of assets and properties of those involved in financing terrorism. This is a very positive step and an area of critical importance. I would like to commend the Government of Pakistan for taking action against several individuals involved in IED facilitation networks and urge their commitment to take action against others. Now, in accordance with this law, the Government of Pakistan should take action to fully enforce United National Security Council sanctions against designated personnel.

Countering the IED threat and the networks operating on both sides of the Afghanistan-Pakistan border requires a strong partnership between the United States and Pakistan. The U.S. Government needs to provide the Government of Pakistan with actionable information on targets of mutual interest, and in turn, the Government of Pakistan must act on the information.

To be a partner in the fight against IEDs and threat networks, the Government of Pakistan must continue to expand cooperation with international partners to detain these individuals and share the critical intelligence needed to address these threat networks who endanger both their country and NATO forces and civilians in Afghanistan. We stand ready to partner with Pakistan to tackle this mutual threat.

PAKISTAN MILITARY

Last year, the Government of Pakistan committed to a military-to-military cooperation framework regarding the IED issue. This is an area where we must move beyond talking about cooperation to developing a comprehensive cooperation framework and take action to address this shared problem.

The DOD, through the Office of Defense Representative–Pakistan, the United Kingdom and Pakistan have partnered to train and equip Pakistan's law enforcement and security forces in counter-IED and attack-the-network tactics and techniques to build Pakistan's capacity to find, disrupt, and exploit IEDs, components and threat networks through advanced search, IED disruption and explosive scene investigation. The international community has provided specialized equipment and training in all of these areas. We can and must work together to dissect the IED supply chain to go after the nefarious actors and threat networks operating on both sides of the Afghanistan-Pakistan border. This is the decisive course of action and a critical area for cooperation between the United States, Pakistan, and international community.

U.S. GOVERNMENT EFFORTS

JIEDDO and DOD respond to the IED problem from the military perspective, but we have increasingly recognized the requirement for interagency cooperation and cooperation with foreign governments is as essential in addressing this complex issue.

Today, JIEDDO is working with an expanded community of action that did not exist previously to put pressure on these IED networks. We have established an interagency forum, cochaired by JIEDDO, Under Secretary of Defense for Policy and the Department of State Special Representative for Afghanistan and Pakistan, consisting of U.S. intelligence and interagency partners, federal law enforcement, key allies (United Kingdom, Canada, and Australia) and our commanders in Afghanistan to achieve a more effective effort to disrupt threat networks employing IEDs against U.S. and coalition forces.

We recognize no single government department or international partner has the ability to fully limit access to IED precursors, so we are integrating our efforts to go after the threat networks distributing these materials. Our U.S. Government partners bring expertise in defeating and prosecuting criminal networks; applying financial pressures by going after the assets of IED network members, financers and distributors; enacting export controls and treaty compliance efforts that lead to the interdiction of IED components; advancing counter-IED objectives through public diplomacy and regulatory changes; advising on legitimate agricultural requirements; and coordinating and executing national counter-IED policy efforts outside of declared combat zones through the interagency Joint Program Office for Countering IEDs. This is by no means a comprehensive list of the actions our interagency partners are applying to the counter-IED fight, but it should give an idea of the collaboration occurring on all levels.

For example, the U.S. Department of Commerce added 152 persons to the Entity List because of IED-related matters. This designation stops U.S. companies from trading with these entities—companies, organizations, persons—who violated U.S. export laws. The U.S. Department of Treasury has imposed economic sanctions on 51 Afghanistan-Pakistan-based terrorist and their supporters since October 2010, two specifically for IED-related matters. One of Treasury's designees, Taliban financier Haji Mohammed Qasim, was arrested by Afghan and coalition security forces in Logar province on November 30, 2012. As of December 2012, the U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, Homeland Security Investigations' Global Shield Program, operating under the auspice of the World Custom's Organization, has produced 42 enforcement actions and 49 seizures totaling 140.67 metric tons of explosive precursor chemicals. Through coordinated efforts and strong partnership across the U.S. Government and with our international partners, the counter-IED community is going after these nefarious actors and effectively countering the networks that use IEDs. Maintaining this momentum against an adaptive threat requires the continued focus of the intelligence community to build a common intelligence picture. The increasingly interlinked challenges we face demands integrated and synchronized efforts. We cannot go back to a stovepiped approach to address present day threats.

CLOSING

The challenge of interdicting this HME threat is considerable and must be addressed using a comprehensive approach, applying a range of assets in close partnership with our allies and other countries in the region to include Pakistan. This is a common threat and an area where the United States and Pakistan can continue to grow our cooperation.

Just as the IED supply chain is not limited by national borders, the counter-IED response cannot be limited to the interdiction of HME precursor materials in Afghanistan. Success against the supply of HME precursor materials is essential to reduce the effect of IEDs on our forces, as well as on government personnel and civilians in Afghanistan and Pakistan. While the U.S. Government is unified and is taking action, we cannot solve this HME challenge without our regional partners like Pakistan—government, military, and industry alike.

Chairman Casey, Ranking Member Risch, members of the subcommittee, again, thank you for the opportunity to appear before you today. I look forward to your questions.

Senator CASEY. General, thank you.

Mr. Carpenter.

STATEMENT OF JONATHAN CARPENTER, SENIOR ECONOMIC ADVISER, OFFICE OF THE SPECIAL REPRESENTATIVE FOR AFGHANISTAN AND PAKISTAN, U.S. DEPARTMENT OF STATE, WASHINGTON, DC

Mr. CARPENTER. Thank you, Senator Casey, for the invitation to appear before the subcommittee and for the welcome back to the committee. If I told you it felt different on this side, you would believe me.

On behalf of Secretary Clinton and Ambassador Grossman, the Department of State appreciates the leadership role that you and the subcommittee are playing in seeking solutions to the lethal problem of improvised explosive devices, or IEDs, and the threat they pose to our military forces and civilians deployed in Afghanistan. I join the General in thanking you for what is a very poignant reminder here of why we do this and what is important and how we should measure our progress.

As you know, IEDs are responsible for the majority of coalition fatalities in Afghanistan. Your leadership and continuing congressional attention to this matter directly supports our efforts with the Pakistani Government to make progress against these networks that supply these weapons. Secretary Clinton has emphasized the importance of decisive action against the IED threat in nearly every conversation she has had with senior Pakistani officials over the past few years, as she did again last week in Brussels with Foreign Minister Khar. As you noted, Ambassador Olson has also made counter-IED efforts a priority in his initial calls with Pakistani officials in Islamabad and has noted the deep concern expressed by this committee and the need for impactful action.

Over the past 2 years, we have worked aggressively to deepen our interagency cooperation to combat the IED assembly line. So I am honored to be sitting alongside Lieutenant General Barbero of the Joint Improvised Explosive Device Defeat Organization, JIEDDO. As we have better understood how we might disrupt the material and financial flows that go into the making of these bombs, we have increasingly focused on how to degrade the complex global network of both legal and illegal activities that supply these weapons.

It is not enough to single out a lone precursor chemical or a single individual. These transnational networks are too resilient and diverse for that approach. In addition to the threat to coalition personnel, IEDs cause significant death and injury among Afghan civilians, government, and security officials. As the transition to full Afghan security responsibility progresses, this threat will continue, and we have a clear interest in ensuring that Afghan Government and security personnel are able to protect themselves and their people from these devices.

Afghanistan is taking steps to address the threat of IEDs. In June of this year President Karzai signed a national CID strategy. U.S. mission personnel in Kabul are working closely to support border capacity, rule of law, and other essential components of a comprehensive national effort to address this threat.

The IED is also an increasing threat to Pakistani law enforcement, security, and civilian personnel, as you have noted. We have an interest in helping the Government of Pakistan meet these

challenges, and it is on this basis of a common understanding of a shared threat that we believe the best prospects for cooperative meaningful action exist.

As we have worked to address the supply chains that bring lethal aid into Afghanistan, we were constrained by the overall United States-Pakistan relationship in 2011. While we asserted the need for aggressive action against the IED supply chain during that time, it was difficult to make progress on this front absent progress on the broader bilateral relationship.

Following the opening of the ground lines of communication, or GLOCs, into Afghanistan in July of this year, the United States and Pakistan agreed to restart a limited number of suspended working groups. Again, sir, as you noted in your opening statement, the first working group to meet following the opening of the GLOCs was a meeting of the Law Enforcement and Counterterrorism Working Group here in Washington on October 5, solely focused on the threat of IEDs. Pakistan's Interior Minister, Rehman Malik, cochaired the meeting with Assistant Secretary of State William Brownfield. The working group focused on identifying near-term specific actions for each side to take, on which we could measure progress in a limited window of time.

Overall, there is considerably more that the Government of Pakistan must do to counter the threat from IEDs that our troops face in Afghanistan. However, we believe there has been a substantive change in the tone and content of the discussion with Pakistan as we have worked together to put our relationship on a surer footing.

The Pakistanis have taken several important steps. The Government of Pakistan has assisted, through the U.N. Security Council, in the designation of key IED facilitators. Over the past year the Pakistani military has conducted eight operations against suspected IED manufacturing facilities along the border. There have been notable seizures of IED precursors in Pakistan by Pakistani forces in at least January, May, and December 2012. Embassy Islamabad reports greater cooperation with Pakistani law enforcement counterparts in the field and increased information-sharing.

We strongly support these and other steps by the Government of Pakistan and will evaluate their effectiveness based on whether they contribute to diminishing the threat in the field.

As the General noted, the United States has taken a number of steps to advance our CIED objectives. We have completed a public awareness campaign inside Pakistan designed to heighten public knowledge of the threat posed by IEDs and the terrorists who deploy them. Through close interagency cooperation, again focused in this community of action that the General referred to, we have pursued designation of key individuals in the network under U.S. law as well as through the U.N. Security Council. In 2012, Treasury has designed, pursuant to Executive Order 13224 on terrorism, two individuals for their role in facilitating Taliban IEDs.

One of these individuals was also designated by the U.N. Security Council's 1988 Committee, and it is important to note that in 2012 and 2013 Pakistan serves as an elected member of the Security Council and therefore is part of the designation process.

We have also increased our coordination with our closest allies and continue to support international efforts to address the threat,

including through the World Customs Organization's program, Global Shield. Ninety-three of the WCOs 178 Member States are now participating in Global Shield.

We are prepared to use the resources made available by Congress to help the Pakistanis address the IED problem. In response to the challenges of the last year, we recalibrated our security assistance, slowing execution. In the wake of the Defense Consultative Group, or DCG, meeting last week in Islamabad, we anticipate that the time required for delivery of security assistance, including CIED equipment for Pakistan, will improve. The Pakistanis emphasized at the DCG their priority for CIED force protection equipment.

Subject to congressional notification, we anticipate using approximately $135 million from the fiscal year 2012 PCCF appropriation to support CIED efforts in Pakistan. Such an outlay would represent a significant portion of the overall PCCF budget.

The consensus of key stakeholders that look at this very difficult challenge is that we must continue to assertively press the Pakistani Government to translate commitments into actions on the basis of an increasing understanding of a common threat. It is our belief that sustained administration and congressional attention on this matter has made a difference in the Pakistanis' approach and we will continue to press for specific and continuing progress in a few key areas.

First, we will support joint Afghan and Pakistani initiatives, particularly at the border and with an emphasis on interdiction.

Second, we believe it is important that the Pakistanis continue to advance implementation of their own CIED strategy, as referenced here, including the necessary legislation required to prosecute individuals for IED-related activities.

Third, we expect continued cooperation from Pakistan for UNSC designations and the implementation of sanctions against those already so designated.

Fourth, we will continue our conversations with the Government of Pakistan on how to further strengthen Pakistani banking supervision and regulation, particularly in the border areas.

Fifth, in addition to the greater cooperation between Afghanistan and Pakistan noted above, we will support efforts at regional cooperation, including through the Istanbul process, where the governments of the region are looking at potential cooperation in a broad range of areas.

Sixth, we will continue to focus on what Pakistani industry, including fertilizer and commercial explosive manufacturers, are doing to protect against diversion. JIEDDO has made its significant expertise available to increase the fertilizer industry's awareness of the misuse and to encourage greater end use controls and other measures to diminish the utility of their product for illicit purposes.

Despite increased cooperation and emphasis by both the Governments of Pakistan and Afghanistan and our own sustained, concerted efforts, IEDs remain a principal threat to the security forces and civilian populations of both countries. This is not likely to diminish in 2013 and will require the continuation of robust counter-IED programs and adroit diplomacy.

Mr. Chairman, we look forward to continuing to work with you, your office, and this committee on this important issue in the months ahead and I look forward to taking your questions today.

Thank you.

[The prepared statement of Mr. Carpenter follows:]

PREPARED STATEMENT SENIOR ECONOMIC ADVISER JONATHAN CARPENTER

Thank you, Senator Casey, for the invitation to appear before the subcommittee. On behalf of Secretary Clinton and Ambassador Grossman, the Department appreciates the helpful role that the subcommittee has played in drawing attention to important issues in South and Central Asia, and particularly your leadership in seeking solutions to the lethal problem of improvised explosive devices, or IEDs. Your previous travel to the region and your continuing conversations with Pakistani officials are important signals of congressional attention to this matter.

Secretary Clinton has consistently emphasized the importance of decisive action against the IED threat in her conversations with senior Pakistani officials the past few years, as she did again last week in Brussels with Foreign Minister Khar. Ambassador Olson has also emphasized counter-IED efforts in his initial calls with Pakistani officials in Islamabad, noting the deep concern expressed by this committee and the need for impactful action.

Over the past 2 years, we have worked aggressively to deepen our interagency cooperation to combat the IED assembly line, and so I am honored to be sitting alongside LTG Barbero of the Joint Improvised Explosive Device Defeat Organization, or JIEDDO, with whom the Office of the Special Representative for Afghanistan and Pakistan has had the pleasure to work closely on behalf of our forces in the field.

This hearing, and its focus on the role that terrorist networks play in the proliferation of these weapons, is critically important. These devices are supplied through a complex, global network of both legal and illegal activities into Afghanistan from neighboring countries, including Pakistan.

As we have better understood how we might disrupt the flow of the material and financial resources that go into the making of these bombs, we have increasingly focused on how to disrupt and degrade the network at multiple nodes. It is not enough to single out a lone precursor chemical or a single individual. These transnational networks are too resilient and diverse for that approach. We must use all the tools available to us and partner with those who share our interest in stopping these supply chains, and build capacity for further action.

As you know, IEDs are responsible for the majority of coalition fatalities in Afghanistan. IEDs are also responsible for significant death and injury among Afghan civilians, government, and security officials. The police chief for Nimroz province was killed by a roadside bomb on Monday morning of this week. I would emphasize that as the transition to full Afghan security responsibility continues, this threat will continue, and we have a clear interest in ensuring that the Afghan Government and security personnel are able to protect themselves and their people from these devices.

It is important to recognize the work being done by Afghanistan, with our support, to address the threat of IEDs and prepare for the full transition of security responsibilities by the end of 2014. In June of this year, President Karzai signed a National CIED strategy. Since then, the working groups for the five pillars of that strategy (Security, Rule of Law, Diplomatic Engagement, Governance & Engagement, and Public Awareness) have met and are developing engagement plans. Alongside the training and equipping of the Afghan National Security Forces, U.S. mission personnel in Kabul are working closely to support border capacity, rule of law, and other essential components of a comprehensive national effort. Afghan officials deserve credit for increasing numbers of seizures of IED making material.

What is also clear is that the IED is an increasing threat to Pakistani law enforcement, security, and civilian personnel. Suicide bombers killed six people at a police station in North Waziristan on Monday of this week. IEDs are a threat to the stability of Pakistan, and we have an interest in helping the Government of Pakistan meet this challenge. It is on this basis, of a common understanding of a shared threat, that we believe the best prospects for cooperative, meaningful action exist.

ENGAGING THE GOVERNMENT OF PAKISTAN

As we have worked to address the supply chains that bring lethal aid into Afghanistan, we were constrained by the overall U.S.-Pakistan relationship in 2011. It is well documented that 2011 was a difficult year in the U.S.-Pakistani relation-

ship. While we continued to assert the need for aggressive action against the IED supply chain in conversations with Pakistani officials during that time, it was difficult to make progress on this front absent progress on the broader bilateral relationship.

Following the opening of the Ground Lines of Communication (GLOCs) into Afghanistan in July of this year, the United States and Pakistan agreed to restart a limited number of suspended working groups. We prioritized groups where our core interests were at stake, and where we saw potential shared interests with the Government of Pakistan.

Counter-IED efforts were identified as a top priority, and the first working group to meet following the opening of the GLOCs was a Law Enforcement and Counter Terrorism Working Group, on October 5 in Washington, focused on IEDs. We appreciate that Pakistan's Interior Minister, Rehman Malik, made the trip to cochair the meeting with Assistant Secretary of State William Brownfield. The working group identified near-term, specific actions for each side, on which we could measure progress in a limited window of time. One recommendation called for closer Afghan-Pakistani cooperation on the CIED issue; and I am pleased that a tripartite meeting of U.S., Pakistani, and Afghan officials, met just over a month later.

The Pakistani Government repeatedly emphasizes the threat IEDs pose inside Pakistan, and there is increasing public acknowledgement of the threat posed by shipments that are smuggled across the too-porous Afghanistan-Pakistan border. In the recently concluded Defense Consultative Group meeting, in Islamabad earlier this month, the Pakistanis produced a comprehensive review of the threat IEDs pose to their interests, as well as actions that they have taken to attack networks that supply these devices. We believe it is imperative to build on this shared understanding to overcome differences and mistrust, and find meaningful ways to lower the risk to our personnel in Afghanistan.

IED PRECURSORS

To attack these networks, we believe it is important that we look at the entire supply chain, including the full range of precursor chemicals and other required IED components. There has, and must continue to be, a great deal of attention paid to Calcium Ammonium Nitrate, or CAN, a fertilizer produced in Pakistan and used legally for agricultural purposes in Pakistan. Afghanistan, as this committee knows, outlawed CAN in January 2010. However, CAN continues to be smuggled into Afghanistan across the border in large quantities, and homemade explosives based on CAN remain the most frequently deployed charge in Afghanistan.

We now also have better understanding of the role played by potassium chlorate, which is not produced in but is transshipped through Pakistan and possibly Afghanistan's other neighbors, and is increasingly found as the main charge in IEDs in Afghanistan's Eastern provinces. Potassium chlorate is a legal product in Pakistan, and has numerous valuable commercial uses. We begun discussions with suppliers and the Government of Pakistan to address vulnerabilities in the supply chain and ensure appropriate end-user verification for shipments of potassium chlorate.

Similarly, conventional explosives and certain electronic components are critical to the construction and deployment of IEDs. We must continue to identify how and where these materials are diverted out of legal supply chains and into illicit networks.

U.S. GOVERNMENT ACTIONS

The United States has taken a number of steps to advance our CIED objectives. We have completed a public awareness campaign inside Pakistan, designed to heighten public knowledge of the threat posed by IEDs and the terrorists who deploy them, and we are working with the Government of Pakistan on the next stage of that campaign. One of the issues discussed at the recent Law Enforcement Working Group was support for Pakistan launching a national CIED tip line, as a tangible recognition of the national threat these devices pose, and we look forward to helping the Government of Pakistan implement that effort.

Through close interagency cooperation, we have pursued designation of key individuals in the network, under U.S. law as well as through the U.N. Security Council. In 2012, Treasury has designated pursuant to Executive Order 13224 on terrorism two individuals, Abdul Samad Achekzai and Maulawi Adam Khan Achekzai, for their role in facilitating Taliban IEDs. Samad was also designated by the U.N. Security Council's 1988 Committee. It is important to note that in 2012 and 2013 Pakistan serves as an elected member of the Security Council, and therefore agreed to these designations. In all, Treasury has designated 15 individuals and three

hawalas associated with the Taliban and six Haqqani Network (HQN) officials pursuant to E.O. 13224; and one Taliban Commander pursuant to the Foreign Narcotics Kingpin Designation Act.

We have coordinated closely with our international partners in Afghanistan, including the U.K. and Australia, who are also engaging the Pakistani Government on these issues and are providing critical capacity building support. Our partnership with allies emphasizes complementarities and seeks to leverage different relationships.

We have also continued to support international efforts to address the threat in the region. The State Department has worked cooperatively with the Department of Homeland Security to support and fund the World Customs Organization's Project Global Shield. This program brings together the expertise of the World Customs Organization, Interpol, and the United Nations Office on Drugs and Crime to monitor the trade flows of 14 precursor chemicals, including ammonium nitrate.

Project Global Shield is in an international effort to raise awareness of the lethal effects of diverted trade flows and improve the ability of customs and border officials in Afghanistan, Pakistan, and the Central Asian states to identify and seize the precursor chemicals smuggled across the borders and used in the manufacture of IEDs. As a measure of international attention on this growing threat, 93 of the WCO's 178 member states are now participating in Project Global Shield. This collaborative effort has resulted in 49 seizures of IED precursors, including more than 140 metric tons of seized CAN, and 42 law enforcement actions.

TRANSLATING COMMITMENTS INTO ACTION

Overall, it must be said that Pakistan's efforts to combat IEDs, while now going in a constructive direction, remain incomplete. The strategy that was discussed here in this committee more than 2 years ago has not been fully implemented, nor incorporated into legislation. In some cases, there have been notable regulatory changes, though enforcement remains inconsistent, at best. There are, as the Pakistanis point out, good reasons for this—particularly a lack of capacity, equipment, and training. We continue to work with the Government of Pakistan on ways in which we can remove obstacles to implementation.

In recent months, we believe there has been a substantive change in the tone and content of the discussion with Pakistan as we work to put our relationship on surer footing. There have been noticeable and tangible steps forward. There is now a readiness to engage at many different levels, both in military and civilian channels, and the Pakistanis have taken several important steps over the last year, including:

—The Government of Pakistan has assisted, through the U.N. Security Council, in the designation of key IED facilitators.

—Over the past year, the Pakistani military has conducted eight operations against suspected IED manufacturing facilities along the border. There have been notable seizures of IED precursors in at least January, May, and December of this year.

—Embassy Islamabad reports greater cooperation with Pakistani law enforcement counterparts in the field and increased information sharing, including regular meetings of action officers to coordinate CIED efforts.

We strongly support these and other steps and will evaluate their effectiveness based on whether they contribute to diminishing the threat in the field.

CIED SUPPORT

We are prepared to use the resources made available by Congress to help the Pakistanis address the IED problem. In response to challenges of the last year, we calibrated our security assistance, slowing execution. Since 2009, State and DOD provided approximately $113 million in Pakistan Counterinsurgency Capability Fund (PCCF) and Pakistan Counterinsurgency Funds (PCF) to support Pakistan's CIED efforts, including for forensic and detection kits, jammers, and mine resistant vehicles. Some of these items are pending delivery, as we work with Pakistan to identify appropriate units, consistent with our assistance requirements.

In the wake of the Defense Consultative Group (DCG) meeting last week, we anticipate that the time required for delivery of security assistance, including CIED equipment, for Pakistan will improve. The Pakistanis emphasized at the DCG their priority for CIED force protection equipment. Subject to congressional notification, we anticipate using approximately $135 million from the fiscal year 2012 PCCF appropriation to support CIED efforts in Pakistan. Such an outlay would represent a significant portion of the overall PCCF budget.

Consistent with the legislative language included in the Fiscal Year 2012 State Appropriations, the Department has also worked closely with the Department of Agriculture to expand certain Agriculture Extension programs related to soil fer-

tility in Pakistan. These programs are run extensively here in the United States, and elsewhere around the world, to teach farmers proper soil management, improve crop yield, and decrease reliance on fertilizers.

We are using all of our available and significant resources to address the IED problem, but appreciate Congress' support to provide flexibility in all assistance flows in support of this effort.

PRIORITY ACTIONS

The consensus of key stakeholders that look at this very difficult challenge is that we must continue to assertively press the Pakistani Government to act, on the basis of an increasing understanding of a common threat. We must test the positive change to the relationship in recent months, as we press for action to defeat the network. It is also our belief that sustained administration and congressional attention on this matter has made a difference in the Pakistanis' approach. We will continue to press for specific and continuing progress in a few key areas.

—First, we will support joint Afghan-Pakistani initiatives, particularly at the border and with an emphasis on interdiction. As demonstrated by the recent tripartite meeting, the United States has the ability to facilitate information-sharing between the parties. At the same time, we believe it is important that these meetings include civilian personnel from all sides, to ensure whole-of-government efforts.

—We believe it is important that the Pakistanis prosecute individuals for IED related activities. We note that there have been a number of important arrests in recent months, but we support Pakistan's efforts to seek prosecutions in these cases.

—We expect continued cooperation from Pakistan for UNSC designations against those involved in supporting the insurgency in Afghanistan, and we would expect a full conversation with the Government of Pakistan regarding implementation of U.N. sanctions against those already designated.

—We will continue our conversations on how to further strengthen Pakistani banking supervision and regulation, particularly in the border areas.

—In addition to the greater Afghanistan-Pakistan cooperation noted above, we have supported efforts at regional cooperation, including the Istanbul Process, where the governments of the region are looking at potential cooperation in a broad range of areas. This regionally led initiative provides a vehicle for a truly regional conversation, something for which the Government of Pakistan has called.

—And we will continue to broaden the dialogue beyond governments. We applaud Pakistani private sector interest in engagement with industry organizations and international associations for the purpose of learning and implementing best practices, including in supply-chain management. As global awareness of the IED threat deepens, there will be focus on what Pakistani industry, including fertilizer and commercial explosives manufacturers, are doing to protect against diversion. JIEDDO has made its significant expertise available to increase the fertilizer industry's awareness of the misuse and to encourage greater end-use controls and other measures to diminish the utility of their product for illicit purposes.

Despite increased cooperation and emphasis by both the Governments of Pakistan and Afghanistan, and our own sustained, concerted efforts, IEDs remain a principle threat to the security forces and the civilian populations of both countries. This is not likely to diminish in 2013 and will require the continuation of robust counter-IED programs and adroit diplomacy.

Mr. Chairman, we look forward to continuing to work with you, your office and this committee on the important issue in the months ahead. And I look forward to taking your questions today. Thank you.

Senator CASEY. Thank you very much, Mr. Carpenter. I appreciate that.

Just for the record, I know that I was in my opening using acronyms without spelling them out. That's probably not a good idea. For those who are listening and may not know these acronyms, when we refer to "JIEDDO" we're of course referring to the Joint Improvised Explosive Device Defeat Organization, a long-winded terminology, but that's why we need the acronym.

Of course, when we talk about Mr. Carpenter's duties, when we say "SRAP" we mean Special Representative for Afghanistan and Pakistan.

General, I'm going to start with you with regard to the private sector part of this in Pakistan. You highlighted this. We all have in one way or another, but the fact that you've got a small number of producers, in essence producers of fertilizer, in Pakistan, a small portion of their production is enough to make thousands and thousands of IEDs. I know you've engaged with the leadership of these organizations and we appreciate that because that's critically important.

To be honest about it, it's an uneven record of cooperation in terms of these companies' efforts to engage with the international community in terms of stemming the flow of calcium ammonium nitrate into Afghanistan. I wanted to see if you could provide—I know you referred to it earlier, but maybe a couple of minutes and just kind of a report on where things stand as you see it as it relates to the engagement between the Pakistani Government and these private sector entities, and of course our engagement and your engagement, with these companies?

General BARBERO. Yes, Senator. I met with the leader of the Fatima Group last year in my office. Since that time, all direct contact with them we've been informed must go through the Ministry of Foreign Affairs in Pakistan. So I've not had direct contact with them for over a year since last September.

But at that time we requested the actions that I indicated, specifically find a way to dye this material so border guards on both sides or soldiers can look at something and determine that it is either the residue or the ammonium nitrate. Right now it is a nondescript, milky white substance, which is often repackaged as detergent, so how can you tell the difference in what it is? So we requested that.

We requested some sort of education plan with their over 1,500 distributors about what to look for as far as misuse of this product. The third step we asked was: let's study how to reformulate this. This is difficult, but to be an industry leader, and specifically with this problem, can we put the scientists, see how we can reformulate so it's either harder or impossible to turn into a detonable material?

Then the last step is let us put some effective tracking and control measures on the flow of this material from the factories. Two factories in Pakistan each produce about 400,000 metric tons of this a year. But as I said, it's illegal in Afghanistan, but it still makes its way there.

So I have not had direct engagement. We have asked this. We have been told "no" on the dye unless there is an industrywide solution to this. On the positive side, the international fertilizer associations and organizations are very supportive.

They have organized a product security work group. They have had one meeting. They are having another meeting in January in Washington to come up with an action plan to see how they can execute these four measures. So they are moving out.

Unfortunately, I have heard of no progress or minimal progress from the leaders of Fatima Group.

Senator CASEY. Look. To be skeptical—it is part of my job to be skeptical. It is part of your job as well. But I am assuming that—and I will ask you to confirm this—when you got word that all of

your communications had to be routed through and handled by their foreign ministry, I am assuming that you did not take that as a good sign?

General BARBERO. I do not, and we have requested subsequent meetings and they have not occurred.

Senator CASEY. So not even meetings?

General BARBERO. I have had one meeting with a member of the Fatima Group. He came here in September after an article appeared in the Washington Post asking. We had a good exchange of ideas. But that's been the only one in 14 months.

Senator CASEY. I want to give even for a couple of minutes the benefit of the doubt to the Pakistani Government.

It often happens in Washington where you're trying to communicate with an agency and they say, you can't communicate this way, you have to go through some other office. We get skeptical when that happens in our domestic policy.

To give you a sense of why I'm skeptical, in light of the track record here of not implementing a strategy that they developed, not having the kind of cooperation that we would expect. When that is the predicate to an action where they have you communicating more indirectly and then, to add insult to injury, having difficulty holding even a meeting or meetings, I'm a little more than skeptical. So we will just put that on the record.

General, I know you had testimony in the House Defense Appropriations Subcommittee on September 20. You discussed efforts to urge the—and you referred to this here—the International Fertilizer Association to commit to countering the illicit use of fertilizer. Can you give us a little better sense of that in terms of where that stands and how the Senate could encourage a constructive approach to the industry globally?

General BARBERO. Well, I believe calcium ammonium nitrate is a global issue. We have tragic experience with it here—Oklahoma City, the first World Trade Tower attack, on and on, the failed attack in Time Square 2 years ago by the Pathfinder that was loaded with ammonium nitrate. It continues to be used worldwide—Oslo last summer, Mumbai. It is a ubiquitous fertilizer around the world and easily, readily available, very cheap. A bag of it for about $50 you can turn into $6 to $8 very effective IEDs.

So we have met with the leadership from the major fertilizer organizations and explained this issue to them and, to their credit, they have been very receptive and have taken this on and, as I said, formed a product security work group to develop a plan of action on the four initiatives that we have asked. They have been very receptive. They have had meetings and we expect out of this next meeting in January here they will develop an action plan with a time line to pursue these.

So I am very encouraged by the positive response from these organizations. I think as we engage with them, just to encourage continued development, especially tracking and securing of their products, that is the first step that they can put in, which I think many of them are doing voluntarily. That is the most immediate effect that they can have.

Senator CASEY. I want to ask you about the transition, which we are concerned about more broadly, but especially the impact of the

transition on this issue. But a couple of points I want to make sure I put on the record. I know in your testimony there is some of this already.

Is it accurate to say that over the last several years, say the last three, that the number of what are described as events, where there is an IED that detonates—let me just get that right. You would consider that an event?

General BARBERO. Senator, that is an event when we find an IED——

Senator CASEY. Or find one.

General BARBERO [continuing]. Or it is detonated safely, we find and clear it or it detonates without injuries. Those are all IED events, so we can understand the scale of the problem.

Senator CASEY. So the number of events has increased, which would lead you to believe logically there is more of a flow, to use my words. But at the same time, the number of events is growing, which is bad news. The good news is we are doing a much better job of finding, detecting, and also protecting our soldiers when there is an explosion.

Can you walk through some of those numbers just so people have a broad sense of the figures here?

General BARBERO. I can. First of all, to the metric that is our golden metric, what we call an effective attack, that produces a wounded-in-action or a killed-in-action. That has been cut in half and has been steadily dropping the last 29 months. I attribute that to a couple of factors: better training back here by our troopers; obviously equipping, the surge of equipment from handheld devices to undergarments to sensors to dogs has had an impact. Also, Senator, I would say the improved performance of the Afghan forces. We find when we are partnered with Afghan forces our find-and-cleared rates go up and the effective attacks go down. They are better, obviously, at interacting with the population.

So the most important metric is a reduction in casualties. I would tell you the number of IED events from last year, 2011, was an all-time high. June 2012, this past summer, was the highest monthly total. But 2012 compared to 2011, the number of IED events is down 12 to 15 percent. Casualties are down 40 percent. So those are I think the important measures.

The problem is still here with numbers of IEDs. However, our troopers have been more effective in dealing with them and reducing the casualties.

Senator CASEY. Obviously, when we say casualties—killed or injured.

General BARBERO. Killed or wounded in action; yes.

Senator CASEY. Killed or wounded in action. And that number in 2011 was a little more than 1,900, 1,938, or something like that?

General BARBERO. I can give you the specific numbers here.

Senator CASEY. And this year, 2012, we are on track to matching that or coming close. We are above 1,800?

General BARBERO. We are, and we will be a little below. I think we are about 12 to 18 percent below numbers of IEDs, raw numbers of IED events, compared to last year, which was the highest year ever.

Senator CASEY. Before I go to Mr. Carpenter—I know we are short on time because we have a closed session, and I am probably asking too many questions. You can tell I have got a couple here.

With regard to the strategy we are trying to employ during the transition, and to achieve some success in bringing those numbers down that you just cited, what is your greatest concern about the transition, the drawdown of our forces?

General BARBERO. My greatest concern is I believe our troops could be more vulnerable to these IEDs. Right now and in the past, when you have a large number of troops and boots on the ground, you are out there operating among the population, your situational awareness, your intelligence, your understanding of what is happening, who is who, what is the threat, is very high.

As we reduce numbers and transition to the Afghan forces in the lead, the fidelity that we have of these incidents, what type of weapons is dropping, their reporting is not as rigorous as ours. So I am concerned that—and we saw this in Iraq. As we drew down numbers of forces, your situational awareness drops and, frankly, your movements on the roads become more predictable. You are not operating within this large bubble or large presence.

So to sum up, I believe the IED will continue to be the weapon of choice against our forces and we must remain vigilant for future capabilities and emerging tactics, techniques, or procedures that could be used against our troops.

Senator CASEY. When I was last in Afghanistan, in August 2011, the four of us—Senator Whitehouse, Senator Blumenthal, and Senator Bennet—had a great briefing. This briefing was really an on-the-ground briefing of all the ways that our Armed Forces and the scientists and the technology research that backs it up, are detecting and dealing with this problem.

I was struck by the great old American ingenuity, the remarkable technology. But it ran the gamut from the most rudimentary kind where they would have—if there was a fuse hidden in the dirt, they would use like a long extension pole with a little hook on it and they would just drag it along, and when they would hit the wire, so to speak, it would tell them where they were. That was rudimentary. Then all the way to the more sophisticated technology that we have.

The undergarments for the soldiers that are now being produced, thank goodness. I was struck by all the ways and all the research and effort that it is taken to protect our troops. I juxtapose that effort by our government, our military, our scientists here, with what I hope the Pakistanis put a better effort forth on. They just do not seem to be as committed.

The other thing which struck me was the power of these explosions. They told us at one point at the very end of our briefing—we were about 100 yards or more, maybe 150 yards away from a demonstration. They warned us, they said: We are going to have an explosion. They told us the explosion was about, if my memory serves me, about one-third or one-fifth of the typical explosion that a soldier would feel. Again, we were really far away. When they detonated the device, it was stunning. That was a small explosion, a really low-intensity explosion, and it was horrific to hear the sound of that and feel the shock of it even that far away.

So I just cannot imagine what these two soldiers and thousands like them have been through when they get exposed to that kind of explosion.

Mr. Carpenter, I wanted to ask you—I know we are really short on time; in fact, I am over time, but that happens—about the border. The Pentagon section 1230 report cites an early August 2012 interdiction of 46,200 pounds of ammonium nitrate concealed in a truck at the Torkham Gate, the border crossing. Afghan customs police, who are provided a scanner by the U.S. Customs and Border Protection, were responsible for this interdiction, thank goodness.

This kind of success should be replicated on the Pakistani side of the border. Going back many, many months now, I discussed this with Ambassador Rehman, who was open to more cooperation on border security.

Do you know, if you can answer this, what we are doing to improve the capacity of Pakistani border personnel to identify and interdict illicit material passing through border crossings, whether it is at the Torkham Gate or others? And what are the obstacles to more cooperation? Because this border question is at the heart of the problem. In fact, when Foreign Minister Khar, who is a very impressive, brilliant individual, came to the Foreign Relations Committee to have a kind of a conversation with members of the committee, I was pressing her on this border question. I just want to give you an opportunity, if you can, to kind of walk through what, if any, progress we have made on the border and the cooperation between us and the Pakistanis?

Mr. CARPENTER. Thank you, Senator, yes. First, I would reference in my testimony the defense consultative group that met recently and really restarted the conversation on security assistance that, as I said, during this period of constrained relations in 2011 we had sort of slowed the execution on the disbursement of that. As such, part of their specific request to us was for both force protection and some CIED detection capabilities. Now we are working through that request.

As I said to you, we believe that we will have significant funds available out of fiscal year 2012 appropriations to put toward this request.

I would note that the border was a clear focus of the law enforcement working group that we had here with Minister Malik. One of the things that he stressed and that we have seized upon is a desire for closer cooperation with the Afghans. We think that this is a very important vehicle to pursue moving forward. So shortly after that, that working group meeting, there was a tripartite meeting. This is members of ISAF, the coalition, the military coalition in Afghanistan, Afghan military, and Pakistan military, joined, importantly, by Pakistan interior ministry representatives. They met as a tripartite and had a productive, by their own accounts, a productive discussion about how to move these issues forward.

We think pushing down this line of attack is a very important one to close that gap. So to your point, we think there is more that we can do in terms of building capacity at these borders. We work closely with partners on this—the United Kingdom, some of the U.N. agencies, have training programs that we engage with on the

ground in Islamabad in support, and we look to do more on that. So I hope that begins to address your question, sir.

Senator CASEY. Maybe when we have a bit more time we can pursue it further. I would hope that, in light of all the great work that our government has done, whether it is the Department of Defense, the State Department, the administration, the work that the Congress is doing on this, I would hope, though, that in light of the exasperation we feel, the frustration we feel, and in light of the horror this is causing to our troops, I would hope that coming out of that October engagement that we have benchmarks or measuring tools to assess what they have done since that.

I was encouraged by the October meeting and that engagement. However, it is month after month now, year after year, of leaders in Pakistan promising, shaking their head when I raise it, shaking their head when others raise it, saying: We understand, we understand; we are going to do something. And then the results aren not nearly what we would expect.

So I would hope that you have a way of measuring and assessing this in a matter of weeks and months instead of waiting a long time to assess what they are doing. I do not know if you want to comment on that.

Mr. CARPENTER. If I might, sir, I think that is exactly at the heart of the problem here. Foreign Minister Carr when she was here, I believe in September, made reference to something like 53,000 people crossing that border on a daily basis. So this is exactly the problem. And when you hear in our testimony a description of the flow across the border, what you do not hear is specific statistics of that flow. We have indications on either side of the movement of these materials, so we have evidence and can come to conclusions about the flow, but we do not actually have great fidelity on exactly how much. This is on a given day and what route is taken.

I think that is one of the really important things that General Barbero and this sort of greater interagency cooperation that we have talked about, particularly the intelligence community, has been focused upon: How do we have better fidelity on these networks; how do we understand them; how do we understand the transition from legal commerce—which is what you were discussing when you talk about the Fatima Group and others, which are legal businesses—to this illicit trade that ends up doing so much damage on the other side of the border?

So you are exactly right, that is the task that we put to Minister Malik, and there are significant indications, again particularly in this discussion and this willingness to do information-sharing both with us as well as between the Afghans and the Pakistanis, to see some demonstrable progress on this in terms of interdictions, in addition to the interdictions that you referenced and I referenced in my testimony, sir.

Senator CASEY. I know we are pretty much out of time, but I know that Members of Congress have an obligation to be constructive, have an obligation to try to undertake efforts that will lead to a better relationship between our two countries, our two governments, and our sharing of information and cooperation.

We also have an obligation to these troops and their families and taxpayers to make sure that we have measures in place to hold the Pakistanis accountable for their promises. So I am going to do my best to try to continue to be constructive, but I am also going to be, as we all must be, vigilant and determined to get results, not just promises.

I know we are out of time, but I am grateful that both of you are here. I appreciate your testimony. But more important, we appreciate the work you are doing on this important issue.

We had to move locations, but now we will go to a closed setting. Let me say something before we conclude. I do not get a chance to do this nearly enough. In addition to thanking the Foreign Relations staff for moving us here and helping us, I want to commend my staff: Damian Murphy, who has done great work on this for years now, work helping us to track this issue and to be as constructive and helpful as we can be. Next to him, Chloe Bowser, who is leaving our staff, but has done great work on this and many other issues as a member of our Foreign Relations staff. She will be leaving, but we are grateful for her good work and for the work that she did in particular on these issues.

So I think we will adjourn for now and go to closed session.

Thank you.

[Whereupon, at 11:29 a.m., the hearing was adjourned.]

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