CONTRACTOR SUPPORT OF U.S. OPERATIONS IN THE
USCENTCOM AREA OF RESPONSIBILITY, IRAQ, AND AFGHANISTAN

BACKGROUND: This update reports DoD contractor personnel numbers in theater and outlines DoD efforts to improve management of contractors accompanying U.S. forces. It covers DoD contractor personnel deployed in Iraq (Operation New Dawn (OND)), Afghanistan (Operation Enduring Freedom (OEF)), and the U.S. Central Command (USCENTCOM) area of responsibility (AOR).

KEY POINTS:

- Previously for the 4th quarter FY 2010, USCENTCOM reported approximately 194,405 contractor personnel working in the USCENTCOM AOR. Because aspects of the earlier census (which is a snapshot in time within the quarter), specifically the numbers in Afghanistan, appeared anomalous, a second count was undertaken. The revised count shows a total of 176,340 contractor personnel working for the DoD in the USCENTCOM AOR. This subsequent count reflects a reduction in both the number of US and TCN personnel in Afghanistan which had been previously reported.

DoD Contractor Personnel in the USCENTCOM AOR

<table>
<thead>
<tr>
<th></th>
<th>Total Contractors</th>
<th>U.S. Citizens</th>
<th>Third Country Nationals</th>
<th>Local/Host Country Nationals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan Only</td>
<td>70,599</td>
<td>20,874</td>
<td>15,503</td>
<td>34,222*</td>
</tr>
<tr>
<td>Iraq Only**</td>
<td>74,106</td>
<td>20,981</td>
<td>42,457</td>
<td>10,668</td>
</tr>
<tr>
<td>Other USCENTCOM Locations</td>
<td>31,635</td>
<td>11,669</td>
<td>15,550</td>
<td>4,416</td>
</tr>
<tr>
<td>USCENTCOM AOR</td>
<td>176,340</td>
<td>53,524</td>
<td>73,510</td>
<td>49,306</td>
</tr>
</tbody>
</table>

*The reported number of local national personnel in Afghanistan continues to fluctuate as we address the challenges associated with the day to day employment of individual contractors supporting contracts which meet reporting threshold requirements.

**There is no change in the Iraq numbers from the previous 4th quarter submission.

Iraq Summary

- The main categories of contracts in Iraq and the percentages of contractors working on them are displayed below:
  - Base Support: 43,759 (59.0%)
  - Security: 11,628 (15.7%)
  - Translator / Interpreter: 4,572 (6.2%)
OND Contractor Posture Highlights:
- There was a ~6% decrease (from 79K to 74K) in contractors in Iraq compared to the 3rd quarter FY 2010 census due to ongoing drawdown in Iraq.
- USF-I met its goal to reduce the contractor footprint to 50K-75K by Sep 30, 2010, and continues the contractor reduction in Iraq. We expect a continued decrease in the number of overall contractors as FOBs close and military footprint is reduced throughout FY 11.
- The military to contractor ratio in Iraq is now 1 to 1.12
- DoD and DoS are conducting detailed planning for post-2011 contract support.

Afghanistan Summary

- The main categories of contracts in Afghanistan are similar to those shown in the Iraq summary. We are working to present a similar detailed breakout for Afghanistan. We are currently capturing data by contracting activity as follows:

<table>
<thead>
<tr>
<th>Contracting Activity</th>
<th>Count (Thousands)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theater Support - Afghanistan:</td>
<td>11,428</td>
<td>(16%)</td>
</tr>
<tr>
<td>LOGCAP:</td>
<td>23,274</td>
<td>(33%)</td>
</tr>
<tr>
<td>U.S. Army Corps of Engineers:</td>
<td>6,150</td>
<td>(9%)</td>
</tr>
<tr>
<td>DLA:</td>
<td>8,500</td>
<td>(12%)</td>
</tr>
<tr>
<td>Other:*</td>
<td>21,247</td>
<td>(30%)</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>70,599</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Includes Army Materiel Command, Air Force External and Systems Support contracts, Special Operations Command and INSCOM.

OEF Contractor Posture Highlights:
- The reported contractor personnel count in Afghanistan has decreased by ~34% (from 107K to 71K) compared to the 3rd quarter FY 2010 census. This reported decrease is not due to a large reduction in contractor personnel, but rather is due to counting errors (primarily in one specific reporting activity), that have been perpetuated throughout this Fiscal Year. These errors have been identified and subsequently corrected as part of the reconciliation aspect of the SPOT-plus effort. This further demonstrates that all reporting activities must continue to transition from manual counts to the mandated automated system.
- The military to contractor ratio in Afghanistan is 1 to 0.68.
- Recent efforts to develop strategies to improve the viability of business in Afghanistan include developing a more skilled workforce, increasing business opportunities, increasing community cash flow, improving public infrastructure such as roads and utilities and community organizational capacity to maintain economic governance. All of these initiatives have a direct influence on the hiring of Afghani local nationals.
General Data on DoD Private Security Contractor Personnel in Iraq and Afghanistan

- Private security contractors perform personal security, convoy security, and static security missions. Not all private security contractor personnel are armed.

- USCENTCOM reports, as of 4th quarter FY 2010, the following distribution of private security contractors in Iraq and Afghanistan:

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>U.S. Citizens</th>
<th>Third Country National</th>
<th>Local/Host Country National</th>
</tr>
</thead>
<tbody>
<tr>
<td>DoD PSCs in Afghanistan</td>
<td>18,869</td>
<td>197</td>
<td>858</td>
<td>17,814</td>
</tr>
<tr>
<td>DoD PSCs in Iraq</td>
<td>11,628</td>
<td>1,017</td>
<td>9,713</td>
<td>898</td>
</tr>
</tbody>
</table>

These numbers include most subcontractors and service contractors hired by prime contractors under DoD contracts.

General Conditions Regarding Contracts and Contractor Personnel

- The Combatant Commander has provided specific guidance on arming contractor personnel and private security contractors in the USCENTCOM AOR through a series of Fragmentary Orders (FRAGOs) and other authoritative guidance, including the following:

  o Private security contractor personnel are not authorized to participate in offensive operations and must comply with specific USCENTCOM Rules for the Use of Force (RUF). Under these RUF, private security contractor personnel are authorized to use deadly force only when necessary in: self-defense, defense of facilities / persons as specified in their contract; prevention of life-threatening acts directed against civilians; or defense of Coalition-approved property specified within their contract. U.S Forces-Iraq (USF-I) issues to approved private security contractor personnel a weapons card authorizing them to carry a weapon. This weapons card also contains the guidance for the RUF and the contractor personnel’s signature acknowledging the difference between the RUF and the Rules of Engagement.

  o Private security contractor personnel in Iraq and Afghanistan must be properly licensed to carry arms in accordance with host nation law and must receive USCENTCOM / Coalition Forces’ approval of their operations. DoD contractor personnel armed by DoD authority must report any use of force, including the firing of a weapon. This requirement and the required information to be submitted are identified within the terms of the contract, MNF–I FRAGO, 09-109, and USFOR-A OPLAN 09-01.

Improvements to Management and Oversight of DoD Contractors

- International Code and Standards of Conduct for Private Security Contractors to establish an international accountability / enforcement mechanism. DoD is supporting the initiative of the Swiss Government to move beyond the Montreux Document and implement an
industry-led, government supported, international accountability regime that will apply to all PSCs in all operational environments. The first step in this effort was to produce a universal code of conduct, which was developed by a working group drawn from the US, UK, and Swiss Governments, with equal participation from the PSC industry and NGOs active in human rights law and the law of armed conflict. On November 9, 2010, at a signatory ceremony hosted by the Swiss Government, the Code was signed by over 50 private security providers.

- **Joint Contracting Command for Iraq and Afghanistan (JCC-I/A) transition to Joint Theater Support Contracting Command (JTSCC).** To ensure continued and equitable contracting support for both Iraq and Afghanistan as well as other key nations in the USCENTCOM AOR, JCC-I/A has transitioned to JTSCC. The JTSCC has centralized oversight and authority to ensure all contracts executed in Iraq, Afghanistan, Pakistan and Kuwait are visible and in compliance with contracting policy and procedures. The JTSCC headquarters will relocate to Qatar December 2010 to facilitate broader theater contracting oversight functions.

- **DoD Directive (DoDD) 3020.49 on Orchestrating, Synchronizing, and Integrating Program Management of Contingency Acquisition Planning and its Operational Execution** was signed on March 24, 2009. It establishes policy and assigns responsibilities for program management for the preparation and execution of acquisitions for contingency operations, and for the accountability, integration and management of all contractors supporting the DoD and all U.S. Government Private Security Contractors (USG PSC) operating in an area of contingency operations.

- **Rewrite of DoD Instruction (DoDI) 3020.41.** A revised version of DoDI 3020.41, “Operational Contract Support for Contingency Operations,” formerly entitled “Contractor Personnel Authorized to Accompany the U.S. Armed Forces,” is in final coordination. This version contains significant changes to the existing instruction including: (1) incorporation of lessons learned from current operations; (2) requirements for the development of contractor oversight plans; (3) requirements for adequate military personnel necessary to execute contract oversight; and, (4) standards of medical care for deployed contractors. Further, it reiterates the importance of the use of a common database for the accountability and visibility of contractors supporting DoD contingency operations.

- **DoDI 3020.50 on U.S. Government Private Security Contractors Operating in a Designated Area of Combat Operations** was signed on June 22, 2009 and was concurrently published as an interim final rule in the Federal Register. Following consideration of public comments, an updated version has been submitted for publication as a final rule. This Rule / DoDI prescribes the selection, accountability, training, equipping, and conduct of personnel performing private security functions under a covered contract in a designated area of combat operations for both DoD and DoS PSCs. It also prescribes incident reporting, use of and accountability for equipment, RUF, and a process for the discipline or removal, as appropriate, of USG PSC personnel. The DoDI responds to requirements of section 862 of the FY 2008 NDAA.

- **Establishment of the Operational Contract Support (OCS) Functional Capability Integration Board (FCIB).** The Under Secretary of Defense for Acquisition, Technology and Logistics signed the OCS FCIB charter. This committee consolidates the statutory duties of the 854 General Officer Steering Committee (GOSC), the responsibility of the 849 Contingency Contracting Administrative Services (CCAS) Executive Steering Committee (ESC), into one
OCS FCIB, with both Principal and Associate members to accomplish duties and responsibilities described in both. Combining related bodies into a single Board increases our ability to optimize investments across the defense enterprise (both materiel and non-materiel) and minimize risk in meeting the Department’s capability needs in support of an OCS strategy.

- **Joint Contingency Acquisition Support Office (JCASO).** The DASD (Program Support) has institutionalized this organization to perform program management of OCS policy and doctrine, as well as operational synchronization of theater related contracting support planning efforts. The JCASO has Policy and Operations sections to perform these functions. As a part of the Operations section, OCS planners are embedded with each of the Combatant Commands. The JCASO may also be called upon for future contingencies to assist a Combatant Command or Joint Task Force in establishing a joint construct for contracting support. Earlier this Fiscal Year, RDML Ron MacLaren was assigned as the JCASO Director. The JCASO was recently deployed in a real world contingency operation. JCASO responded to the January 12, 2010, Haiti earthquake as SOUTHCOM began humanitarian operations. JCASO assisted SOUTHCOM in successfully establishing operational contract support oversight as contingency contracting operations began. JCASO is currently assisting USCENTCOM with two critical functions. The first is in synchronizing the transition of contracting support in Iraq from DoD to DoS by 31 Dec 11. Specifically, the JCASO leads an interagency coordination forum called the Iraq Contract Transition Working Group (ICTWG) and recently completed a coordination visit in Kuwait and Iraq. Secondly, JCASO is facilitating CENTCOM’s theater engagement strategy in the South Caucasus and Central Asian States by assisting in the expansion of contract support in those countries, which enhances CENTCOM’s use of a Northern Distribution Network (NDN) to support OEF.

- **Joint Operational Contract Support Planners (JOCSP).** Fourteen (14) JOCSPs are allocated among the Geographic Combatant Commands to assist the commander in identifying gaps where contractor support capability may be required. They then help to integrate required contractor support into operational plans and synchronize requirements with subordinate commands, the Military Departments, Defense Agencies, other USG Agencies, and coalition partners. The Department permanently resourced the JOCSPs and placed them under the authority of the JCASO. As part of this decision, the planners are being converted from contractor to civil service positions to allow for enhanced continuity over the long term (9 of the 14 planners have been converted to date). The Joint Staff is currently working to codify the roles and responsibilities of these relatively new, critical planning enablers in doctrine. The JOCSPs have been instrumental in integrating OCS into Combatant Command plans. In CENTCOM alone, the JOCSPs were fundamental in the establishment of the Joint Theater Support Contracting Command (JTSCC), planning the DoD to DoS transition in Iraq, Pakistan humanitarian efforts, increased operations in Afghanistan, as well as other critical operations supporting CENTCOM’s theater engagement strategy.

- **Synchronized Predeployment and Operational Tracker (SPOT).** We continue to transition from manual accounting of contractor personnel to SPOT, a web-based, database tool designed to track contractor personnel and contractor capability in theater. A SPOT-generated Letter of Authorization is required for contractors receiving government furnished services in the USCENTCOM AOR. Deployment of Joint Asset Management and Movement System (JAMMS) scanners to Kuwait, Iraq, and Afghanistan is complete. This scanning equipment captures movements of contractor personnel through key life support and movement nodes.
using their identification cards. SPOT is being used to manage the drawdown of both contractor and DoD civilians personnel in Iraq.

- **Programs of Instruction for the non-acquisition workforce.** Contingency Contracting is taught by the Defense Acquisition University (DAU) as a special subject for key acquisition personnel. We have developed Programs of Instruction (POI) on contingency acquisition for our non acquisition workforce to be taught at military staff and senior staff colleges. This training focuses all leaders on determining requirements, translating those requirements into Statements of Work (SOW), and then overseeing work. Additionally, JFCOM has developed a ‘Joint Knowledge Online’ program which provides globally available web-based individual training and knowledge services. Online courses currently available include an ‘Intro to Operational Contract Support (OCS) Commander and Staff Course’ for our deployed Commander/Staff Officers and an ‘OCS FO/GO Essentials Course’ for our Flag and General Officers. In the last Quarter, an OCS Planners Course was added for the non-acquisition military planner.

- **Operational Contract Support Concept of Operations (CONOPS).** The CONOPs, signed on March 31, 2010, outlines how the operational and acquisition communities plan and execute OCS during complex operations involving support, not just to the joint force, but to our multinational, other government agency and interagency partners as well.

- **Increase in staffing to strengthen pre- and post-award contract oversight.** We are continuing to maintain a high fill rate of Contracting Officer Representatives (CORs) across Iraq. Emphasis is on maintaining CORs during the drawdown of forces from Iraq. In Afghanistan, the number of CORs on hand continues to improve. The COR focus is shifting to: appointing CORs in the right areas (Key Service Areas), CORs performing audits and completing them in a timely manner, and performing solid audits (valuable input).

- **Memorandum of Understanding between DoS, DoD and USAID Relating to Contracting in Iraq and Afghanistan.** Section 861 of the NDAA for FY 2008 requires the identification of common databases among the DoD, DoS, and USAID to serve as repositories of information on contracts and contractor personnel in Iraq and Afghanistan. The Memorandum of Understanding (MOU) was signed on July 8, 2008. In it, the Agencies agreed that SPOT will serve as the single interagency database for information on contractor personnel. An updated MOU was signed on April 7, 2010 which incorporates legislative requirements from sections 854 of the FY 2009 NDAA and 813 of the FY 2010 NDAA.