

# GAO Highlights

Highlights of [GAO-15-410](#), a report to congressional addressees

## Why GAO Did This Study

Since re-opening in 2002, the U.S. embassy in Kabul, Afghanistan, has experienced a dramatic increase in staffing, followed by a gradual drawdown. State has invested or plans to invest a total of \$2.17 billion in U.S. facilities to address current and projected space needs. State awarded two contracts in 2009 and 2010 to construct additional on-compound housing and office facilities. State partially terminated one contract for the convenience of the U.S. government, and expanded the construction requirements of the second, affecting cost and schedule. State's Bureau of Overseas Building Operations is responsible for the planning, design, and construction of U.S. embassies. This report updates and expands upon GAO's previous work.

This report examines (1) the extent to which construction cost and schedule have changed and why, (2) State's use of temporary facilities on-compound, and (3) State's planning for projected embassy facility needs. GAO evaluated construction planning and contract documents and interviewed State and contractor officials in Washington, D.C., and Kabul.

## What GAO Recommends

GAO recommends that State (1) adhere to its cost containment and risk assessment policies, (2) consider establishing security standards or guidance for temporary buildings in conflict zones, (3) develop a strategic facilities plan for Kabul, and (4) clarify its strategic facilities and master planning policy. State concurred with the first, third, and fourth recommendations and partially concurred with the second.

View [GAO-15-410](#). For more information, contact Michael J. Courts at (202) 512-8980 or [courtsm@gao.gov](mailto:courtsm@gao.gov) or David J. Wise at (202) 512-5731 or [wised@gao.gov](mailto:wised@gao.gov).

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## AFGHANISTAN

### Embassy Construction Cost and Schedule Have Increased, and Further Facilities Planning Is Needed

#### What GAO Found

Cost and schedule have increased for the Kabul embassy construction project, in part due to incomplete cost and risk assessment. Cost for the 2009 and 2010 contracts has increased by about 27 percent, from \$625.4 million to \$792.9 million, and is likely to increase further. Projected completion has been delayed over 3 years to fall 2017. The Department of State (State) did not follow its cost containment and risk assessment policies, resulting in lost opportunities to mitigate risks. These risks, such as delays in the sequencing of the two contracts, eventually materialized, increasing cost and extending schedule. Unless State follows its policy, it may be unable to avoid or mitigate risks to cost and schedule on future projects.

#### Architect's Rendering of Embassy Compound upon Project Completion



Source: State. | GAO-15-410

Since 2002, State has built over \$100 million in temporary buildings (intended for no more than 5 years' use) to meet space needs on-compound but has no security standards tailored to those facilities. On completing the project in 2017, all temporary facilities will be 5 to 10 years old, and their continued use is likely. Without security standards or other guidance to guide temporary facility construction in conflict environments, State inconsistently applied alternative security measures that resulted in insufficient and different levels of security for temporary offices and housing, as well as increased cost and extended schedules. Without temporary facility security standards or guidance, future construction in conflict environments could encounter similar problems.

State's lack of a strategic facilities plan and policies governing such planning has led to coordination challenges in addressing the embassy's future facility needs. Industry standards cite the value of plans that comprehensively assess existing facilities, identify needs, and document decisions on meeting those needs. In Kabul, however, State constructed a guard facility without proper design review or applying for a building permit, leading to fire safety deficiencies that State corrected at extra cost. Finally, State formally assigns responsibility for strategic facilities planning but lacks policy that governs implementation of such planning. State intends to make additional facility investments to address future facility needs. Without a strategic facilities plan and policy to guide its development, coordination to address these needs will continue to be difficult.