



# **SIGAR** | SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

## **Special Inspector General for Afghanistan Reconstruction** Office of Public Affairs

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### **California Man Pleads Guilty in \$100 Million-Plus Fraud Scheme Targeting U.S.-Funded Energy Sector Projects in Afghanistan**

Special Inspector General for Afghanistan Reconstruction John F. Sopko announced today that Saed Ismail Amiri, of Granite Bay, California, pleaded guilty in U.S. District Court for his role in a scheme to defraud the government of Afghanistan of more than \$100 million in a contract designed to construct an electric grid in that war-torn country.

Court documents describe Amiri, 38, as owner or senior consultant of Assist Consultants Incorporated (ACI), an Afghan company that had received more than \$250 million in U.S.-funded contracts in Afghanistan since 2013. Amiri pleaded guilty to wire fraud in a SIGAR-led case centered on U.S.-funded efforts to construct five electric power substations to connect Afghanistan's Northeastern and Southeastern electric grid systems.

“This criminal scheme literally spanned the globe – from Kabul to Africa to California – threatening one of the most important priorities of Afghan reconstruction – the electrification of a country with infrastructure devastated by decades of war,” said John F. Sopko, Special Inspector General for Afghanistan Reconstruction.

“This case demonstrates the reach and doggedness of SIGAR criminal investigators, who are committed to bringing to justice anyone who seeks to gain from crimes against the American taxpayer.”

SIGAR has focused a considerable portion of its oversight portfolio on projects and programs in the Afghan energy sector. In a February 2018 meeting in Kabul with Afghan President Ashraf Ghani, IG Sopko raised the need for more transparency, and an audit of past and current management of donor funds by Afghanistan's national power utility, Da' Afghanistan Breshna Sherkat (DABS).

As a result of that conversation, President Ghani authorized unprecedented access for SIGAR auditors to the internal workings of DABS. In March 2018, IG Sopko and the CEO of DABS signed a Memorandum of Understanding granting SIGAR auditors access to the utility's records and personnel, including full access to all financial systems used in the utility's operations. The resulting SIGAR audit is ongoing, examining the broad scope of U.S. investment in Afghanistan's energy sector since 2009, including efforts to improve electrical generation, transmission, and distribution.

The roots of the Amiri case began in January 2015, when the U.S. Agency for International Development (USAID), as part of the U.S. effort to help Afghanistan and its people, authorized DABS to solicit bids on a U.S.-funded contract to build five electric power substations to connect the Northeastern and Southeastern electric grid systems.

Bids were restricted to companies with significant experience building electric power substations. Contract criteria required bidders, such as ACI, to have worked on two electric substations of 220 kilovolts or more.

In 2015 and 2016, Amiri, ACI employees and others engaged in a scheme to obtain the contract by submitting a false work history and false supporting documents in a bid to deceive DABS into believing ACI met this requirement. In July 2015, ACI submitted a bid on the contract for \$112,292,241.05, underbidding competitors by more than \$20 million.

In its bid, ACI claimed it had worked as a subcontractor to a prime contractor on two 220 kilovolt substations in Africa – one for a cement factory in Uganda, the other for a textile company in Nigeria. Neither facility existed, the alleged prime contractor was a fictitious company invented and controlled by ACI, and ACI had not assisted with construction of a substation in Africa.

Amiri returned to his residence in the Los Angeles area in February 2016; at that time, DABS contacted ACI to request supporting documents to confirm the company's work history.

While still in California, Amiri sent emails to co-schemers outside the state, including emails in which he advised his co-schemers that some of them needed to go to Uganda and Nigeria to obtain false documents to respond to the DABS request.

Amiri then left the United States and, to advance the scheme, emailed documents to DABS that he knew were false and altered. These included:

- ACI's purported subcontract to work on the Ugandan substation;
- Coordinates of the substation;
- Photographs;
- Fake bank records;
- A fake letter purporting to be from a Ugandan government official.

After submitting the false records to DABS, Amiri met with SIGAR special agents at the U.S. Embassy in Kabul, and falsely claimed he learned the previous month that ACI had bid on the contract. A short while later, Amiri withdrew ACI's bid, and he subsequently stated in another interview that the false documents had been submitted to DABS by another ACI employee.

Amiri pleaded guilty to wire fraud on Tuesday in U.S. District Court in Los Angeles. He faces a maximum 20 years in federal prison. Sentencing will be set for a future date.

SIGAR criminal investigators were assisted by USAID's Office of Inspector General. Trial Attorney Matt Kahn of the U.S. Department of Justice Criminal Division's Fraud Section and

Assistant U.S. Attorney Jeff Mitchell of the Central District of California are prosecuting the case.

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