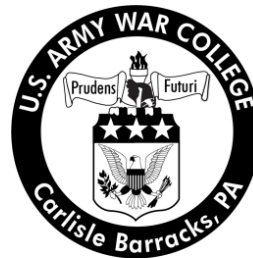


Civilian Research Project USAWC Fellow

The Retrograde of Shipping Containers from Afghanistan.

by

Colonel Daniel K. Rickleff
United States Army



United States Army War College
Class of 2013

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During the past 11 ½ years, hundreds of thousands of Soldiers, Sailors, Airmen, Marines, and Civilians have deployed and redeployed in support of Operation Enduring Freedom (OEF). As a result of this effort, there are 92,566 Twenty-Foot Equivalent (TEU) shipping containers presently on the ground in Afghanistan at an enormous cost to the U.S. Government. The U.S. Forces-Afghanistan (USFOR-A) Command has conducted some preliminary planning and estimate that only 23,000 TEUs will be required to retrograde all necessary supplies and equipment from the theater of operation back to the United States. Employing current processes and procedures the United States military cannot retrograde all OEF shipping containers out of Afghanistan and back to the United States in an efficient and cost effective manner by the end of 2014. This Civilian Research Paper will look at the history of container management from Operation Desert Storm and Operation Iraqi Freedom, techniques to improve container management visibility and accountability, OEF retrograde routes and efforts to reduce transportation costs, and alternate methods of container disposition to allow the U.S. military to meet the 2014 target withdrawal date.

The Retrograde of Shipping Containers from Afghanistan.

“The line between disorder and order lies in logistics.....”

-Sun Tzu¹

In preparation for the withdrawal from Afghanistan, the line between disorder and order lies squarely on the shoulders of the logisticians, specifically in the planning, rehearsal and execution of a well thought out and coordinated retrograde plan. During Operation Enduring Freedom (OEF), the success achieved by the United States military and its Coalition partners on the battlefield relied heavily on logisticians getting supplies and equipment transported to the battlefield and eventually, retrograded back to the United States. During the past 11½ years, hundreds of thousands of Soldiers, Sailors, Airmen, Marines, and Civilians have deployed and redeployed in support of OEF. As a result of this effort, there are over 92,566 Twenty-Foot Equivalent (TEU) shipping containers presently on the ground in Afghanistan at an enormous cost to the U.S. Government.² The U.S. Forces-Afghanistan (USFOR-A) Command has conducted some preliminary planning and estimate that only 23,000 TEUs will be required to retrograde all necessary supplies and equipment from the theater of operation back to the United States.³ Employing current processes and procedures, the United States military cannot retrograde all OEF shipping containers out of Afghanistan and back to the United States in an efficient and cost effective manner by the end of 2014. This Civilian Research Paper will look at the history of container management from Operation Desert Storm and Operation Iraqi Freedom, techniques to improve container management visibility and accountability, OEF retrograde routes and efforts to reduce transportation costs, and alternate methods of container disposition to allow the U.S. military to meet the 2014 target withdrawal date.

History

During the build-up of Operation Desert Storm (ODS), the Army failed in maintaining oversight of materiel deployed to Saudi Arabia. Caused primarily by improper documentation of the contents when packed in containers at the depots, the inability to process the containers with alacrity once they arrived in Southwest Asia led to the requisitioned materiel ultimately never reaching its intended units.⁴ Materiel and supplies consolidated and shipped in the containers lacked load plans and were often labeled as general cargo, thus logisticians struggled to identify specific containers upon arrival into theater and expedite supplies where they were needed on the battlefield.⁵ Unfortunately, the port process was slowed because personnel had to meticulously open all containers to determine the contents and final destination, and the U.S. military did not possess an adequate number of personnel or transportation assets to quickly move the containers off of the Saudi Arabian ports.⁶ As a result, hundreds of thousands of containers became backlogged and buried under the new arrivals, thus the early deployed units often never received their much needed supplies. With little discipline and trust in the supply system, units would re-order supplies that were already in-theater. Lastly, with no documentation procedures established and limited visibility, the requisitioning unit was not notified once the materiel arrived at the port.⁷ The inability to establish in-transit visibility of materiel to the theater, contributed greatly to the accountability issues experienced during redeployment retrograde operations.⁸

At the end of ODS, the Army struggled to gain in-transit visibility of materiel retrograded from Southwest Asia, thus accountability and visibility could not be established by the units and supply depots in the United States until the materiel was

processed at the final destination.⁹ In March 1991, the Department of Defense (DoD) initiated redeployment of supplies and equipment from ODS and by April 1992, approximately 35,000 containers had been retrograded back to Europe and the United States.¹⁰ Once the containers were in commercial carriers' control, the Army quickly lost oversight at the Southwest Asian ports and due to the large volume of containers being shipped in a short period, some carriers stored the containers in unsecured areas pending shipment.¹¹ Once the containers were loaded onto carrier owned ships, some carriers while en-route would off-load and reload containers onto other ships at other ports and damaged container contents were reloaded into serviceable containers increasing the risk of pilferage.¹² The carrier and the Army could not rely on tracking the containers by container number because the ship manifest and the container numbers did not always match. The aforementioned challenges during the redeployment phase created major delays in returning the leased containers back to the carrier, subsequently costing DoD over \$50 million dollars in late detention fees, approximately \$1,500 per container.¹³

Due to the lack of visibility of materiel retrograded back to the United States during the redeployment phase, the receiving depots were required to painstakingly count and place each item back on the accountable records.¹⁴ The processing of retrograded materiel was resource intensive and time consuming, taking over one year to complete.¹⁵ The DoD had no mechanism in place to inform the depots of the amount and type of materiel that was inbound for processing, and if the materiel retrograded was actually received at the depot.¹⁶

Fast forward ahead 20 years, DoD experienced many of the same challenges during the redeployment of containers from Operation Iraqi Freedom (OIF). Although DoD had taken steps to improve its visibility over shipping containers available to retrograde equipment from Iraq, the number of containers available to retrograde equipment from Iraq remained uncertain. Shipping containers were the primary means of retrograding non-rolling stock from Iraq.¹⁷ Army Central Command (ARCENT) was responsible for managing the containers in Kuwait and Iraq. ARCENT noted that the container tracking system was woefully inaccurate primarily due to unit personnel not in-gating and out-gating a container when it moved to a location in Iraq.¹⁸ Also, the lack of trained personnel limited proper data entry which exacerbated the container management system inaccuracy; as of July 2009 the system was reporting 25 percent accuracy in Iraq.¹⁹ Moreover, the location and serviceability of 7,000 shipping containers was unverified, not to mention the undocumented containers that were used for unintended purposes like office space, storage, and quarters.²⁰

To mitigate the problem, an order was issued by Multi National Corps-Iraq (MNC-I) to conduct a 100 percent inventory of all shipping containers in Iraq, to include container serviceability.²¹ As of September 21, 2009, a physical inventory of 53,000 containers was conducted, approximately 24,000 fewer containers than the container management system was reporting.²² As a forcing function to improve container visibility during the drawdown in Iraq, U.S. Forces-Iraq (USF-I) added a Container Control Officer (CCO) at various command levels to improve container accountability through monthly inventories.²³ History has shown that an accurate container

management system is not achievable with untrained personnel, inoperable systems, and a lack of command emphasis.

Operation Enduring Freedom

As of March 18, 2013, there are 92,566 containers in Afghanistan currently being tracked in the Integrated Booking System-Container Management Module (IBS-CMM).²⁴ The 1st Theater Support Command (TSC) is the Container Management Executive Agent (Execution) (CMEA(E)) in Afghanistan, and the Global Container Manager responsibility resides within the Surface Deployment and Distribution Command (SDDC).²⁵ In preparation for the withdrawal of forces, USFOR-A has conducted some forecasting and estimate 23,000 containers will be needed for retrograde operations back to the United States. OEF had significant sustainment requirements that were delivered in carrier owned containers. With a significant shortage of covered storage throughout Afghanistan, the solution to the storage problem was the utilization of these carrier owned containers. The ongoing military operations and force manning levels will drive Combat Outpost (COP) and Forward Operating Base (FOB) closure, which will ultimately drive the retrograde of materiel and redeployment of forces from the theater. The shipping containers that are retrograded out of Afghanistan will contain service required supplies and equipment necessary for training at military camps and stations throughout the world. The containers themselves are less important than the materiel that will be packed inside the containers, that said there currently is no plan developed to retrograde empty containers from Afghanistan.²⁶

The supplies and equipment to be retrograded clearly determine the priority of movement and mode of shipment. For instance, Class II (i.e: Individual equipment, hand

tools, administrative supplies) except clothing and weapons, Class IV (i.e: Construction materials), Class VII (i.e: Major end items) except lethal, critical, and sensitive equipment will be shipped by ground to an aerial port.²⁷ Once the retrograded supplies and equipment arrive at an aerial port, it becomes the lowest priority (TP4 – Transportation Priority Four) for movement as a multi-modal operation, normally departing within 10 days of arrival.²⁸ Presently, the primary mode of transportation to move retrograde cargo has been the utilization of air. The Combined Joint Operations Area-Afghanistan (CJOA) has used 463L palletized cargo more than containerized cargo.²⁹ The re-opening and success of the Pakistan Ground Lines of Communication (PAKGLOC) in July 2012, and the use of the Northern Distribution Network (NDN) will determine how containerized cargo will eventually move.³⁰

Currently, the shipping containers utilized in Afghanistan are either government owned or carrier owned. The majority of all carrier owned containers are used to carry sustainment cargo for the Defense Logistics Agency, Army and Air Force Exchange Service, General Services Agency, Joint Program Office, and the Foreign Military Sales.³¹ The government owned containers used to deploy a unit from home station will likely be used to redeploy the unit back to home station. In theory, when a carrier owned container is used to deploy a unit, an attempt is made to transfer the unit's supplies and equipment to a seaworthy government owned container, while deployed to the CJOA-A. Once this action is complete, the carrier owned container is returned to the carrier. A carrier container used to retrograde military equipment back to the United States has the same requirement, upon arrival the contents are emptied and the container is

promptly returned to the carrier within the 15 to 20 day grace period before detention fees accrue.³²

The IBS-CMM is the system of record that tracks container status in theater.³³ Currently, the government owns 96 percent of all containers in Afghanistan; the remaining 4 percent are carrier owned containers incurring detention costs at an estimated \$1,000,000 dollars per month.³⁴ Research shows that the 4 percent of carrier owned containers incurring detention costs cannot be currently located in the CJOA-A.³⁵ For instance, carriers would drop-off containers in theater; however, military personnel seldom in-gated the arrival of those containers. Consequently, when carriers invoiced for payment of delivery and detention costs for the failure to return the containers, the DoD had no method to confirm or deny if the charges were valid.³⁶ Also, DoD had no accurate mechanism to confirm that the container deliveries were actually made. USFOR-A is aggressively working to track down the remaining 4 percent of carrier owned containers currently accruing detention costs.³⁷ If the aforementioned containers are not located by the SDDC or the Criminal Investigation Division (CID), then U.S Transportation Command (TRANSCOM) will request carriers to provide proof of delivery to collaborate or reverse the carrier's invoiced charges.³⁸

During the past 11 ½ years in Afghanistan, the U.S. government has purchased carrier owned containers in order to reduce detention costs; however, many are still marked with carrier identification markings. To mitigate the problem, Mobile Container Assistance Teams (MCATs) were tasked and dispatched to assist units with the identification and remarking of previously owned carrier containers to government owned.³⁹ Because no re-stenciling operation previously existed in theater, SDDC has

utilized a big green “G” sticker to identify shipping containers purchased by the United States Government.⁴⁰ As of March 2012, SDDC has implemented an “in-gating” procedure whereby container deliveries are formally acknowledged and managed in IBS.⁴¹

Lessons learned from the drawdown in Iraq, showed that approximately 70 percent of the containers will never leave the theater of operation.⁴² In the current environment of financial constraint and responsibility, what disposition instructions should DoD publish for the remaining 70,000 containers not required for retrograde operations from Afghanistan? To retrograde one empty or fully loaded 20’ shipping container from Afghanistan through the PAKGLOC by multi-modal (ground and sea) means to the United States costs \$12,467.⁴³ For instance, to utilize one United States Air Force C-17 cargo plane to retrograde a maximum payload of three TEUs from Kandahar Airfield, Afghanistan to Fort Campbell, Kentucky, would cost approximately \$502,345 or \$167,448 per 20’ container.⁴⁴ A newly manufactured 20’ container can be purchased between \$3,000 to \$4,000.⁴⁵ Thus, it is cost prohibitive to retrograde empty containers from Afghanistan, regardless of the mode of transportation.



Total # of Containers in Afghanistan

RC-East	39,274
RC-South	21,836
RC-Southwest	12,138
RC-West	3,573
RC-North	5,303
<u>RC-Capitol (Kabul)</u>	<u>10,442</u>
Total:	92,566

As of: March 18, 2013⁴⁶

Container Management

The DoD continues to face many challenges with limited visibility of containers in support of contingency operations in Afghanistan. The DoD has spent over \$710 million dollars in Afghanistan on detention costs and container buyouts from 2002 to 2012.⁴⁷ During 2004, the DoD paid carriers over \$128 million dollars in detention costs, the highest yearly amount since military operations began in 2001.⁴⁸

The DoD presently uses two container management systems. The Army utilizes the Army Container Asset Management System (ACAMS) in Europe and the United States. The U.S. Central Command (CENTCOM) uses the IBS-CMM in Afghanistan, to track all containers in theater.⁴⁹ The web-based ACAMS is used to provide visibility of container status and location, and Army personnel can conduct research on the data entered manually into the system.⁵⁰ The IBS-CMM system provides USCENTCOM a snapshot of carrier and government owned containers in theater, and can estimate detention fees for containers not promptly returned to the carrier prior to the lease period ending.⁵¹

During the past 5 years, DoD has worked to integrate the ACAMS and IBS-CMM systems, in an effort to provide visibility of container availability, status, and location.⁵² A link was created in summer of 2008 to integrate the two tracking systems; however, the link failed leading to countless challenges in container management information dissemination.⁵³ ACSMS and the IBS-CMM systems are managed by the SDDC in the CENTCOM area of operation.⁵⁴

Also, the inability to integrate the container tracking systems is compounded by the lack of container information provided by personnel in theater. CENTCOM published

a policy addressing this issue, laying out standard operating procedures for the input of key container data; however, the policy was not communicated thoroughly in theater.⁵⁵ To complicate matters, units in Afghanistan seldom provided container managers in the Continental United States (CONUS) key information to assist in the management of container flow in theater.⁵⁶ As a direct result, DoD's ability to track the status of containers is limited.⁵⁷

Another shortcoming is that research shows that unit container managers are often assigned the additional duty after deploying to Afghanistan, thus may not have received the necessary pre-deployment training, ultimately limiting their effectiveness to manage containers.⁵⁸ Additionally, unit container management teams lacked personnel and resources to meet their goals, and the lack of thorough container information in the IBS-CMM system resulted in gaps in tracking data.⁵⁹ Consequently, DoD has experienced difficulty in achieving visibility of containers in theater, and must address the issue or continue to accrue high detention container costs.⁶⁰

The implementation of automatic in-gating of containers into the system of record (IBS-CMM) began in March, 2012, which has provided more visibility and location accuracy of containers in the CJOA-A.⁶¹ For many years, the amount of carrier owned containers for which invoices were being submitted were never physically accounted for by the unit or location in the CJOA-A. The new in-gating technology is a victory in terms of accountability on and off the FOB.⁶²

DoD has taken steps to improve container management, first by reviewing the global management policy which provides guidance on the utilization of shipping containers during contingency operations in theater.⁶³ This policy assigns U.S.

TRANSCOM the responsibility to oversee the global management system; develop standard operating procedures and monitor carrier owned or leased containers during deployed operations; verify and pay detention costs; and forward all accounts payable invoices to the appropriate DoD entity for reimbursement.⁶⁴ The supported combatant command has the responsibility to return carrier owned containers promptly back to the carrier to prevent detention costs. Secondly, the Defense Transportation Regulation describes the roles and responsibilities and guidelines for managing the DoD's intermodal equipment system.⁶⁵ The regulation states that base commanders overseas have the responsibility to input container information into the intermodal equipment system, in accordance with established procedures.⁶⁶ However, research shows that TRANSCOM has absolutely no authority over containers in a combatant commander's area of responsibility; in Afghanistan the responsibility lies with USCENTCOM.⁶⁷ To clarify the contradicting DoD container management policy and regulation, in March 2010, USCENTCOM published a Letter of Instruction (LOR) outlining a theater wide container-management program to ensure integrity in the data.⁶⁸ Subsequently, USCENTCOM updated the letter to emphasize the importance of container accountability and documentation by users in theater.⁶⁹

In December 2010, DoD convened a container management conference to resolve ongoing container management issues, participants discussed container detention costs, container buyouts, maintenance of government owned containers, and the movement of containers in theater.⁷⁰ Since the container management conference, representation from USCENTCOM, TRANSCOM, USFOR-A, SDDC, and Joint

Sustainment Command-Afghanistan (JCS-A) hold weekly meetings to discuss container inventory issues and progress in Afghanistan.⁷¹

To assist units with container management, personnel were deployed to Bagram Airfield in Afghanistan to train military personnel and contractors on the container management systems, identify empty containers, and discuss techniques to reduce detention costs.⁷² Also, the 831st Deployment and Distribution Support Battalion has forward deployed support teams throughout Afghanistan, assisting unit cargo managers in implementing the best container-management practices. In addition, the DoD established and deployed civilian teams to review container condition and disposition, and establish continuity in theater, with the initial focus at the hubs in Bagram and Kandahar.⁷³ To improve container tracking and comply with the USCENTCOM letter of instruction, the MCATs inventoried containers and locations in theater, with the intent to return carrier containers and reduce detention costs.⁷⁴

Retrograde Routes

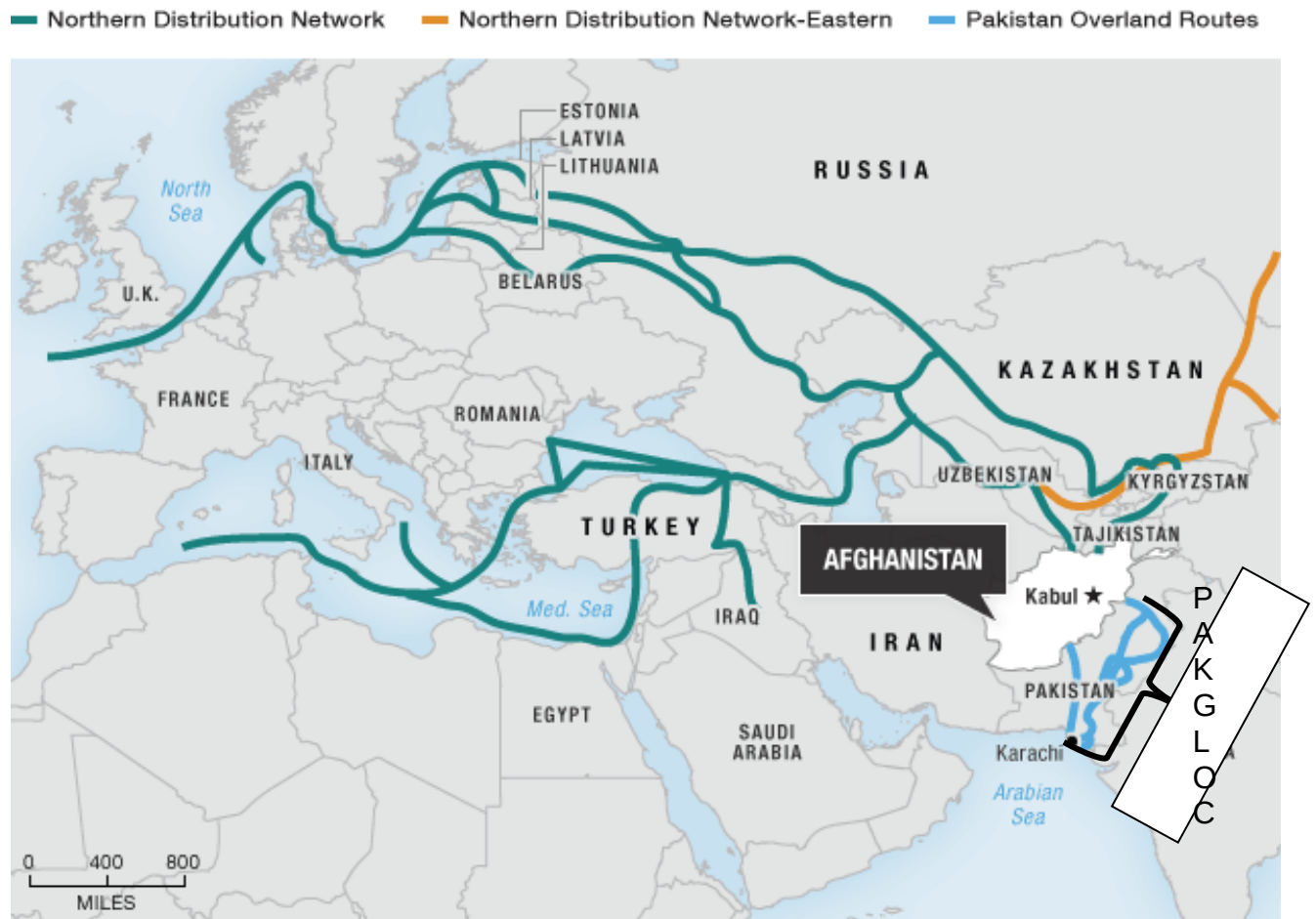
The current process to retrograde equipment from Afghanistan involves booking cargo through SDDC via multi-modal sites, through the NDN, PAKGLOC or through scheduled channel missions via air. The United States has used the NATO NDN since March 2009 for inbound non-lethal sustainment; the routes are currently not fully operational for the retrograde of outbound equipment.⁷⁵ USTRANSCOM has attempted to convert the NDN routes to support outbound flow, but have experienced challenges with diplomatic and customs clearance issues.⁷⁶ The NDN covers over 3,100 miles through Germany, Austria, and 11 of the former Eastern Bloc and Post-Soviet countries, using multi-modal means to transport cargo via rail, roads, and sea.⁷⁷ On average, from

point of order to final delivery on the NDN, it takes approximately 75 days to transit from Germany to Afghanistan.⁷⁸ Due to multiple border crossings, the DoD has experienced undesired delays on the NDN, caused by the different laws and inadequate custom clearance processes.⁷⁹

The NDN proposal was to create an efficient and less corrupt trade environment, by demonstrating regional cooperation and economic benefits for Central Asia.⁸⁰ However, there is little proof to support the idea that the NDN has improved regional cooperation. In fact, in some situations it may have created an increase in border fees.⁸¹ The NDN appears to have fostered corruption in Central Asia, and provided little growth in regional trade.⁸² Simply stated, the NDN has not met expectations and is failing to perform in practice as in the original proposal.⁸³

In April 2010, the NDN transported approximately 35 percent of U.S. supplies to Afghanistan, 50 percent in April 2011, and 65 percent in September 2011.⁸⁴ Presently, about 75 percent of all sustainment goods are transported via land, to include an estimated 85 percent of all fuel.⁸⁵ The main disadvantages to solely relying on the NDN are limitations with capacity and alacrity of retrograded cargo. If required, at maximum capacity the NDN can retrograde 24,000 TEUs per year; however, it can be anticipated that the cost will skyrocket by more than 250 percent per TEU, compared to moving retrograde containers along the PAKGLOCs.⁸⁶ Presently, it costs \$17,500 dollars per container to move cargo via the NDN to Afghanistan.⁸⁷

Another viable option for the retrograde of supplies and equipment back to the United State is to utilize the NDN-East route. The NDN-East starts in Afghanistan, and passes through Central Asia, Kazakhstan, Siberia, and ending in Vladivostok, Russia.



Northern Distribution Network and the Pakistan Ground Lines of Communication.

Source: USTRANSCOM

In July 2012, Pakistan and the United States agreed to re-open the PAKGLOC route. With this retrograde route in a test phase, the DoD has relied on the more costly multi-modal (air and sea) transportation option.⁸⁸ With an alternate supply route (NDN) available, the US military has reduced its dependence on the PAKGLOC.⁸⁹ However, the re-opening of the PAKGLOC after seven months of closure signified that Pakistan has strategic relevance now and long after the 2014 troop withdrawal.⁹⁰ There are two primary routes in Pakistan which are presently used to transport all types of cargo into

Afghanistan, the Peshawar-Torkham route and the Quetta-Charman route.⁹¹ An estimated 60 percent of this volume is routed to Kabul along the Peshawar-Torkham route, with the remaining 40 percent traversing through the Quetta-Chaman route into Kandahar.⁹² Before the blockade was initiated by the Pakistan government after the Salala incident on November 26, 2011, an average of 200 trucks crossed the Pakistan border daily.⁹³ None of these cargo convoys required NATO military support while traveling in Pakistan; they were entirely completed by commercial carriers. The Karachi-Torkham route has a capacity of 100-125 containers per day and takes 6-9 days to traverse the 1948 kilometer route.⁹⁴ The Karachi-Charman route has a capacity of 75-100 containers per day and cargo takes 5-7 days to cover the 1,110 kilometer route.⁹⁵ Presently, it costs \$12,467 per container to move cargo via the PAKGLOC from Karachi to Afghanistan. Lastly, the cost associated with moving three containers one-way via one C-17 scheduled channel air missions back to the United States costs \$502,345.

Disposition

Shipping containers will only depart theater full of cargo required to be retrograded. There is currently no process developed for the 70,000 shipping containers not required for retrograde operations. The Defense Logistics Agency-Disposition Services (DLA-DS) plan is to send an Expeditionary Disposal Remediation Team (EDRT) out to the COPs and FOBs to linkup with MCATs, and the unit CCO to assess all excess containers.⁹⁶ Containers will not begin flowing out of Afghanistan on a regular basis until more units begin to redeploy without replacement, COPs and FOBs close, and sustainment stocks inside the containers are no longer required. The cost

associated with moving containers through the PAKGLOC, NDN or through a multi-modal ground-air site vastly outweighs the cost of the empty container.

Recommendations

Recommendation #1: Train and Deploy with the Current System of Record (IBS-CMM)

The research has showed that a shortcoming in container management is the systems deployed forward to provide visibility and accountability do not integrate. Because most future U.S. military operations will involve joint participation from two or more services, the DoD should direct all services to train and utilize the current system of record (IBS-CMM) at home station and deployed.

Recommendation #2: Fully Integrated Joint Container Management System

The next generation system should be a fully integrated Joint System of Record Container Management System (hardware and software) that is utilized by the ocean shipping industry, all services, and DoD Civilians at home station and forward deployed. The Surface Deployment and Distribution Command, who has Global Container Manager responsibility, will take the lead for DoD and collaborate with the ocean shipping industry to develop an integrated Container Management System. The proposed integrated container management system must be user friendly and leverage technology to ensure it has automatic in-gating capability, 24/7 container visibility with minimal latency, and be light-weight.

Recommendation #3: Incentivize Detention Container Turn-In

The one variable that a new system cannot address is the command emphasis on container management. One solution is to incentivize units to turn-in detention containers within the 15-20 day detention container period by rewarding the unit with a monetary refund of \$500 per container. This proposal is similar to the current Army program for the turn-in of major assemblies (i.e: Engines, Transmissions, etc) requiring depot maintenance repair.

Recommendation #4: Army Transportation Mgmt. Coordinator (88N) MOCS Proposal

As the Army reduces personnel end-strength, it is unfeasible to recommend a Force Design Update (FDU) to add a Container Management System Operator to each Army battalion to manage cargo containers. Highly recommend submission of a Military Occupational Classification Structure (MOCS) proposal to add container management system roles and responsibilities to the Army Transportation Management Coordinator (88N) job description.

Recommendation #5: Army Container Manager Additional Skill Identifier (ASI)

To assist company level units and the Transportation Management Coordinator Noncommissioned Officer (88N) in container management, recommend offering Army Soldiers a Container Management System Additional Skill Identifier (ASI) upon successfully completing training and demonstrating proficiency in operating the joint container management system. Also, the Soldier could accrue valuable promotion points by earning the ASI.

Recommendation #6: Reducing Retrograde Transportation Costs

Based on preliminary estimates of the 23,000 TEUs required for retrograde operations, the U.S. military services must separately conduct a business cost-benefit analysis to evaluate the cost and non-cost factors of retrograding equipment back to the United States. The inherent risk lies between the costs associated with shipping the excess equipment back to the United States outweighing the benefits to retrograde the equipment. Reference the utilization of the three supply routes; use air to retrograde sensitive/high priority items back to the United States; the NDN and NDN-East routes for equipment and containers intended for all Europe, Korea and Japan based units; and the PAKGLOC for the remaining required equipment/containers.

Recommendation #7: Methods of Disposal for Un-needed Shipping Containers

As USFOR-A decides what containers to destroy or transfer, a key screening criteria factor must weigh the value of an empty container against placing a U.S. convoy in eminent danger. With approximately 70,000 serviceable and unserviceable government owned shipping containers currently in Afghanistan, what is the most cost effective method of disposition? Listed below are a few viable disposition recommendations:

- Inspect the 70,000 TEUs not required for retrograde operations for serviceability and separate the seaworthy containers from the unserviceable shipping containers.

- 1st Theater Support Command (TSC) collaborate with the Army Intermodal and Distribution Platform Management Office (AIDPMO) to determine serviceable container requirements in Kuwait in support of Operation Spartan Shield.⁹⁷
- Excess empty serviceable and unserviceable containers inducted into the Foreign Excess Personal Property (FEPP) program and provided to the Government of the Islamic Republic of Afghanistan.
- Recycle excess empty unserviceable containers in theater through the Defense Logistics Agency-Disposition Services (DLA-DS), and sell as scrap metal to local scrap metals dealers in Afghanistan.
- Excess serviceable seaworthy containers offered for sale/bid back to the ocean shipping companies (i.e.: APL, Maersk Lines, Limited, and Hapag-Lloyd, etc.) operating container yards in theater.
- Offer for sale the excess serviceable containers to companies who support the Afghanistan Housing Program, an initiative to provide inexpensive housing, schools and classrooms for displaced Afghan residents and local communities.
- Solicit serviceable container bids through the Government Liquidation Surplus Auctions.
- Through the Defense Logistics Agency-Disposition Services, offer for sale serviceable and unserviceable excess empty containers to local Afghan certified vendors.

Conclusion

This research paper set out to review the history of container management from ODS and OIF, techniques to improve container management visibility and accountability, OEF retrograde routes and efforts to reduce transportation costs, and alternate methods of container disposition. As a result of combat operations during the past 11 ½ years, there are over 92,566 Twenty-Foot Equivalent (TEU) shipping containers presently on the ground in Afghanistan. The U.S. Military will only require 23,000 TEUs to retrograde necessary supplies and equipment from OEF back to the United States. The retrograde plan will take deliberate planning, rehearsal and execution of a well thought out and coordinated retrograde plan. Employing current processes and procedures the United States military cannot retrograde all OEF shipping containers out of Afghanistan and back to the United States in an efficient and cost effective manner by the end of 2014.

History has a unique way of repeating itself, during the completion of ODS redeployment phase created major delays in returning the leased containers back to the carrier, subsequently costing DoD over \$50 million dollars in late detention fees, approximately \$1,500 per container. During OIF, the container tracking system was woefully inaccurate primarily due to unit personnel not in-gating and out-gating a container when it moved to a location in Iraq. Also, personnel availability and trained personnel limited proper data entry which exacerbated the container management system inaccuracy; as of July 2009 the system was reporting 25 percent accuracy in Iraq. The DoD continues to face many challenges with limited visibility of containers in support of contingency operations in Afghanistan. The DoD has spent over \$710 million

dollars in Afghanistan on detention costs and container buyouts from 2002 to 2012. The implementation of automatic in-gating of containers into the system of record (IBS-CMM) began in March, 2012, which has provided more visibility and location accuracy of containers in the CJOA-A. In reviewing the way-ahead, the DoD can mitigate and solve many of the shortcomings associated with container management by incentivizing units to turn-in detention containers within the 15-20 day grace period, and directing all services to train and utilize the current container management system of record (IBS-CMM) at home station and deployed.

In reviewing costs associated with moving cargo to Afghanistan, today it costs the U.S government \$12,467 dollars to move one shipping container along the PAKGLOC from Karachi to Afghanistan, \$17,500 dollars per container along the NDN to Afghanistan, and \$167,448.54 dollars to transport one TEU via a C-17 aircraft back to the United States. Presently, about 75 percent of all sustainment goods are transported via land, to include an estimated 85 percent of all fuel along the NDN. With an NDN supply route available, the U.S. military has reduced its dependence on the PAKGLOC. However, the re-opening of the PAKGLOC after seven months of closure signified that Pakistan has great strategic relevance to the United States. Based on preliminary estimates of the 23,000 TEUs required for retrograde operations, the U.S. military services must separately conduct a business cost-benefit analysis to evaluate the cost and non-cost factors of retrograding equipment back to the United States. The inherent risk lies between the costs associated with shipping the excess equipment back to the United States outweighing the benefits to retrograde the equipment.

As USFOR-A decides what containers to destroy or transfer, a key screening criteria factor must weigh the value of an empty container against placing a U.S. convoy in eminent danger. The most cost effective methods may include offering the containers to the Afghanistan Housing Program, DLA-DS recycle program, or induct into the FEPP program, to allow the U.S. military to meet the 2014 target withdrawal date.

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