Reaffirming our Commitment to rebuild Afghanistan

by
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Honorable Ministers, Ambassadors, UN and NGO heads, colleagues, friends all.

This resplendent show of roses in our garden, in a city that loves flowers, can only be a blessing on this day as we open our World Bank mission for Afghanistan.

We last operated here in 1979.

God willing when we leave again it will be because a sturdy country with a prospering people no longer needs our assistance.

Today I met with Chairman Hamid Karzai of the Afghanistan Interim Administration. I met a number of ministers including Vice Chair and Finance Minister Hedayat Amin-Arsala and Vice Chair and Minister of Women's Affairs Sima Samar.

There was an opportunity to visit the University of Kabul where we saw eager students back at their desks where young people the world over yearn to be. Somehow here in Kabul, though, the yearning seemed to me that much greater.

We also met with a group of the citizens of Kabul in District 7. We heard disturbing accounts of the trials they have endured now for so long.

As a visitor it is heart wrenching to see the destruction in such a large part of this city. But to hear directly from the people who lived through that destruction firsthand brings home the very human toll.

It is affecting in ways I can barely describe to hear the voices rising from that rubble now. Voices of extraordinary hope, of extraordinary resilience.

In Tokyo in January when we met to discuss the reconstruction of Afghanistan, I said that as important as the money is the manner of the rebuilding and that the funds should flow speedily.

I said then that the willingness, even eagerness, of the international community to assist in the political, humanitarian and economic reconstruction of Afghanistan would be necessary of course.
But even more important is that the future legitimate government of Afghanistan really drive the process; that the people of Afghanistan see in every action a plan for reconstruction, development and poverty reduction that they could call Afghan.

Today I heard that drive in the voices of the administration which has done so well in the recent few short months.

But even greater perhaps, I heard it in the voices of District 7 and among those eager students at the university.

It just stands out so clearly that this country will be built by Afghans and we must help them in every way we can.

My simple message today is a reaffirmation of our commitment.

The World Bank is here in support of Afghanistan's very best efforts to rebuild and develop a nation in the interests of each and every citizen.

Our work must be guided and inspired by the leadership's vision for the future.

And that leadership must be attuned to the vision and needs of all citizens, from Mazar-i-Sharif to Kandahar and Herat to Kabul including every small village along the way.

I am proud that our Bank program so far has indeed been inspired by Afghanistan's vision and is beginning to reach out across the country.

This fiscal year, ending June 30, the Bank is providing US$100 million of grant financing to four projects.

Over the next two years, the lifespan of the Transitional Government which the Loya Jirga elects next month, we have committed a further US$470 million and will assist them with support in any way we can.

We are greatly impressed by the government's National Development Framework and its first post-war budget.

The budget is a disciplined and realistic tool. It is an entirely credible document.

But implementation will be key.

And financial discipline cannot waver for a moment.

I remember the excitement I felt hearing Chairman Karzai's strong speech in Tokyo.

He committed this administration to financial accountability and transparency.

It was a vivid and challenging marker, and has led directly to our very first project, already underway, financed by a $10 million grant and
which is designed to put capacity in place for financial management, procurement and auditing.

Early next month, our Board of Executive Directors at the Bank – represented here today by Mr. Ahmed Sadoudi – will decide upon another three projects providing a total of US$90 million.

The first project relates to education and supports areas that other donors have not picked up: education for war widows and illiterate young women. In addition it will provide vocational training for ex-combatants to give Afghanistan's men meaning to a life beyond the gun.

We will also assist with the rehabilitation of univeristy faculties and colleges. Included in this project will be the establishment of satellite facilities for classroom learning and a battery of satellite-linked computers to give state-of-the-art access to members of the administration, the private sector and civil society.

A second project supports the government's National Solidarity Program, bringing assistance to communities in rural districts across Afghanistan.

The project will also create jobs for ex-combatants, returning refugees and people who fled internally because of drought or conflict or both.

Work will help get these people back on their feet; work rebuilding roads and irrigation systems.

And small grants will go directly to communities in a part of the project with which Habitat is helping.

Fifty years of development experience has taught us what seems a very simple lesson: give communities access to the wherewithal to build their lives and they will make wise choices. The simple lesson is that people don't want charity, they want a chance.

The third project the Board will consider is infrastructure.

Water supply and sanitation is an urgent need in cities across the country. So is basic electricity.

And again, we are designing these projects with an eye on maximum job creation.

Whether it be rubble removal and ditch clearance to tear away destruction, or brick upon brick to build the new, every opportunity to stimulate the economy by creating immediate opportunities for communities must be the goal.

We have all recognized that security is the toughest job of all in Afghanistan.

It is the element most likely to undermine all efforts here.
The World Bank cannot participate directly in financing security forces but we shall do all that we can to encourage bilateral donors to give that support as we work to remove the conditions that lead to violence.

I should add, too, that today I have taken US$250,000 from my president's contingency fund to endow a chair for Women's Leadership at Kabul University. I also made US$100,000 available to the ministry of Women's Affairs for capacity building and outreach. Nothing is more important than empowering Afghan women.

Mieko Nishimizu, the Bank's vice President for South Asia, commented when we did this that she hoped Afghanistan's men would see this small gesture not as favor. She hoped they would see it instead as a respectful acknowledgement of the magnificent development partners these men are so fortunate to have at their side now.

I couldn't agree more.

Together, Afghanistan's women and men have got what it takes to rebuild and develop a bold future for this country.

The World Bank is honored to be with you to support this most important work. As we celebrate the opening of this office, I would like to thank the Bank team who have been running so hard to get our program going. We will run further still with Afghanistan, and harder, to get to that future.