

**Speech by
President Haruhiko Kuroda
Asian Development Bank**

**At the
Tokyo Conference on Afghanistan**

**8 July 2012
Tokyo, Japan**

Excellencies, distinguished guests, ladies and gentlemen: I am honored to join you to express support for the future of Afghanistan.

The Asian Development Bank has successfully worked with the Government of Afghanistan for more than a decade on a range of projects that have directly benefited millions of the country's people. Our country strategy and operational program are fully aligned with priorities and planned outcomes of the Afghanistan National Development Strategy. Our operations have focused primarily on infrastructure in the transport, energy, and water and irrigation sectors. These comprise the critical backbones of economic and social development which Afghanistan most requires. Since 2002, ADB has approved more than \$2.8 billion in grants, loans, equity investments and technical assistance for Afghanistan. Our continuing commitment to the country is reflected in our indicative program of more than \$1.2 billion in assistance for 2012-2016.

Regional cooperation through the Central Asia Regional Economic Cooperation program, or CAREC, is an overarching theme of our engagement with Afghanistan, a landlocked country. CAREC provides a strong platform for promoting infrastructure connectivity, energy cooperation, and trade.

Within the CAREC program, ADB is investing in six major regional road and rail corridors, several of which cross Afghanistan. In Afghanistan, these investments include the Ring Road, the north-south corridor, the Kabul to Jalalabad expressway, and the Hairatan to Mazar-e-Sharif railway. In the energy sector, we are financing regional transmission lines, including the ones that now supply electricity to Afghanistan from Uzbekistan and Tajikistan 24 hours a day, seven days a week, and which has made a dramatic change in the lives of its people. We also support the planned Turkmenistan-Afghanistan-Pakistan-India gas pipeline, or TAPI, as secretariat for the project. And we have financed, under the Japan Fund for Poverty Reduction, successful pilot projects in irrigation and improved agricultural production standards, which are likely to be replicated on a larger scale in the coming years.

The private sector is an engine of growth. ADB's assistance to the Roshan Cellular company helped enable the first private sector investment of its kind in recent Afghan history. From only 158,000 cell phone subscribers in 2004, Roshan's subscriber base is now more than 6.0 million people, across the country's 34 provinces. Moreover, Roshan's innovative services such as telemedicine, mobile trade and mobile money transfer have helped improve lives and livelihoods, and empowered women.

By 2020, ADB assistance will help build or rehabilitate more than 1,500 kilometers of roadway, cutting intercity travel time in half. More than 225 kilometers of railway will have been constructed along the CAREC transport corridors connecting Afghanistan with Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. ADB's assistance will help provide half the country's population with access to energy, including through trade with neighboring countries, rebuild 85% of its irrigation structures, and increase agricultural productivity.

I would like to draw attention as well to the ADB-managed multi-donor Afghanistan Infrastructure Trust Fund, the AITF, which pools donor resources to cofinance and complement ADB-assisted projects in Afghanistan. The AITF provides a mechanism for on-budget financing and alignment with government priorities in roads, railways, airports, energy, irrigation and water resources management, and other infrastructure-related projects. The AITF seeks to provide significant resources annually to improve lives in Afghanistan. Currently, Japan and the United Kingdom contribute to the AITF, and we invite and welcome the participation of others.

Let me close by saying that ADB believes that regional cooperation and collaboration with all the development partners are important means to achieve Afghanistan's national development objectives. We are firmly committed to staying engaged in Afghanistan's development efforts, within the CAREC framework and in close collaboration with all development partners. We look forward to a positive outcome of this conference and – most importantly – a positive, peaceful and more prosperous future for the people of Afghanistan.

Thank you.