



## German Cooperation with Afghanistan

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### Agreement Signed: Germany Provides AFN 5.4 Billion of Additional Funding to Afghanistan

**Kabul, 30<sup>th</sup> November 2018** – This week, the Geneva Conference on Afghanistan took place in Switzerland. At the event, the international community showed solidarity with the Afghan people and government in their efforts for peace and prosperity. On that occasion, Germany provided additional funding of about AFN 5.4 billion to the Afghanistan Reconstruction Trust Fund (ARTF) via KfW Development Bank. From its creation in 2002 until 2017, the fund administered by the World Bank has already benefitted about 11.5 million Afghans. So far, the German government has contributed over AFN 62 billion to the fund, making Germany one of the largest bilateral donors.

During the conference, the Afghan Minister of Finance, Prof Mohammad Qayoumi, and KfW's Director, Mr Christian Krämer, celebrated the ARTF Financing Agreement's signing in the presence of German State Secretary, Mr Martin Jäger. The agreement details the financial commitment to the ARTF.

Mr Jäger, highlighted, "The ARTF remains a highly relevant instrument for promoting good governance in Afghanistan by enhancing government's key reform processes and strengthening donor coordination. That is why the German Government, through BMZ (the German Federal Ministry for Economic Cooperation and Development), stays committed to its ARTF contributions, and acknowledges that the ARTF continues to evolve with the needs of the country to successfully master self-reliance by 2024."

The ARTF provides a coordinated financing mechanism for the Afghan Government's budget and national priority projects. Additionally, the fund offers a platform for political dialogue between the international community and the Afghan Government. It aims at supporting the Afghan state's stabilisation and contributing to the fight against poverty. The ARTF is active in key sectors such as education, health, agriculture, rural development, and governance.

Among others, the ARTF funds the Citizens' Charter, one of the Afghan National Priority Programmes. It aims at improving the provision of core infrastructure and social services to communities by strengthening Community Development Councils. Another component focuses on supporting refugees and internally displaced persons as well as communities that host them, benefitting up to 1.5 million Afghans. Until 2021, the Citizens' Charter shall benefit 8.5 million Afghans, half of them women. AFN 2.6 billion of the German contribution are to be utilized for the charter preferentially.

The Citizen's Charter is the successor of the National Solidarity Programme that has benefitted about 28.6 million Afghan citizens, half of them women, between 2003 and 2017.

*On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the KfW manages the German contribution to the Afghanistan Reconstruction Trust Fund (ARTF). The fund is administered by the World Bank and seeks to stabilise Afghanistan. The ARTF funds a wide range of development activities, carried out via the state budget and thus helps the Afghan government to implement development policies transparently, to fight poverty, to enable greater revenues and to improve economic and social conditions. Since 2002, more than 30 donor countries paid almost EUR 8.8 billion into the fund. Germany alone has contributed more than EUR 725 million.*