

Afghanistan
Country Partnership Framework
Chair Summary*
October 27, 2016

Executive Directors discussed the Country Partnership Framework (CPF) for Afghanistan for FY17-FY20. Directors welcomed the progress that has been achieved in Afghanistan and the government's commitment to reforms and partnership that pave the way for development. However, they recognized the serious economic, political, and security challenges going forward. Directors recognized the important role the World Bank Group (WBG) plays in the country and supported the new CPF as a basis for a 4-year program of support in alignment with the Afghanistan National Peace and Development Framework (ANPDF). They stressed the need for the WBG program to flexibly accommodate changes to the security situation, the challenges of internally-displaced persons and returnees, and the risk of inequitable growth.

Directors noted the important role played by the WBG and donors, recognizing the high degree of aid dependency and need for strong coordination and links between financing and outcomes. Directors viewed the Afghanistan Reconstruction Trust Fund as a key mechanism for building capacity, coordinating funding, and delivering services and infrastructure. Directors noted the importance of effective risk mitigation, including measures to strengthen anti-corruption, noting the increasing flow of aid to on-budget uses. They stressed the importance of capacity for financial management and generation and management of domestic resources.

Directors emphasized CPF areas that are critical to medium-term growth and self-reliance, such as building strong and accountable institutions, efforts to increase domestic resource mobilization, and measures to enhance equitable growth. Directors viewed enhanced service delivery and institution building as key factors for tackling fragility and building government legitimacy and the contract between government and citizens. They welcomed efforts to improve data collection, including on gender, and stressed coordination with donors on gender-focused activities. They encouraged further work on the justice sector and continued engagement with stakeholders and civil society. Going forward, Directors noted the potential for investment in infrastructure; extractives – emphasizing the need for good governance; agriculture; hydropower; and renewables. They stressed governance reforms and sound macroeconomic management, in coordination with the IMF, to provide a foundation for future private sector development. Finally, Directors commended the WBG Afghanistan team for their efforts and commitment in a challenging development context.

* This summary is not an approved record