The European Union grants EUR 90.5 million to renew its support to Afghanistan’s rural population

Kabul, 22 September 2014

A grant of EUR 90.5 million (US$ 116.1 million) was signed today between the European Union (EU) and the Ministry of Finance, Islamic Republic of Afghanistan to finance rural development efforts in Afghanistan. With the signing the EU honours its long-standing commitment to advance the rural development in Afghanistan. Most of the funds (EUR 84,500,000) are made available for the Afghanistan Reconstruction Trust Fund (ARTF) through the World Bank and will be used to co-finance two national rural development programmes: The National Solidarity Programme III and the National Rural Access Programme. An amount of EUR 5,000,000 is set aside for support to the Reform Plan of the Ministry of Rural Rehabilitation and Development, whereas EUR 1,000,000 has been reserved for related monitoring and evaluation activities.

The National Solidarity Programme assists Afghan communities to identify, plan, finance, manage and monitor their own development projects. In 2013 the programme delivered remarkable tangible results, including the completion of 4,427 community projects, the financing – either fully or partially – of 8,862 new community projects and the election and establishment of 1,570 Community Development Councils.

The National Rural Access Programme was launched in 2002 to increase access to rural infrastructure for local communities and to provide employment opportunities for rural workers. Improved mobility in rural areas allows people and businesses to connect more easily, improves quality of life and enhances livelihood opportunities. Progress in the first half of 2014 included construction of 1,187 kilometres of gravel roads, 1,600 meters of bridges and the periodic maintenance of 448 kilometres of roads.

"Since 2003, the National Solidarity Programme has mobilized over 32,000 local Afghan communities, putting them at the centre stage and allowing them to submit and receive funding for at least one project proposal each. Our contribution will further empower the rural population to take the development of their community into their own hands", says Stefan Huber, Deputy Head of Delegation at the EU Delegation to Afghanistan. "At same time", he adds, "The National Rural Access Programme made it easier for rural population to reach services and markets, improving their daily life".

"Improving lives of rural Afghans remains one of the main priorities of the Government of Islamic Republic of Afghanistan during the transition”, says HE Dr. Omar Zakhailwal, Finance Minister, Islamic Republic of Afghanistan. “While we have witnessed significant improvements in the lives of rural communities through these flagship programs, there remains a need for further investment and we are grateful to the European Union’s contribution in this regard”

The European Union (EU) is one of the largest donors of development and humanitarian aid to Afghanistan. A significant part of EU’s assistance to Afghanistan (almost 40% of the total EU aid) is channeled through national programmes and multi-donor trust funds. The latest EUR
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90,500,000 commitment brings the EU financial support to rural development in Afghanistan through the ARTF to EUR 129,300,000 (USD 165,871,000) since 2010.

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