

Country Assistance Policy for the Islamic Republic of Afghanistan

April 2013

1. Relevance of the Assistance

Afghanistan, one of the least developed countries in the world, remains in the front line of international efforts to combat terrorism.

In Afghanistan, the transition process is currently under way in which the Government of Afghanistan would take over responsibility for its own security from the International Security Assistance Force (ISAF) by the end of 2014. A presidential election will be held in 2014. Supporting Afghanistan's socio-economic development and ensuring its self-reliance and stability in terms of security, economy and society even beyond 2014 are therefore crucial not only from the viewpoint of ensuring human security, but also due to its potential impact both on the security of the whole international community combatting international terrorism and the security and prosperity of Japan. Assistance to address these critical issues will lead to ensure the security of the whole international community including Japan as well as contribute to poverty reduction and the improvement of livelihoods in Afghanistan. In addition, due to its location at the key junction between South Asia, Central Asia and the Middle East, assistance to Afghanistan can also contribute to promote regional stability and interregional economy.

2. Basic Policy for Japan's Assistance to Afghanistan: Assistance towards Self-Reliance of Afghanistan

At the Tokyo Conference on Afghanistan, co-chaired by the Governments of Japan and Afghanistan in July 2012, the Government of Afghanistan and the international community confirmed that the Government of Afghanistan developed its development strategy¹ for the "Transformation Decade" (2015-2024) and the entire international community including Japan would continue to support Afghanistan's efforts towards its self-reliance beyond 2015. Japan announced in this context that it would provide support of up to around USD 3 billion in about 5 years from 2012 in the field of socio-economic development and enhancement of security capabilities, and that it would focus on the following three priority areas of socio-economic development based on Afghanistan's development strategy; agriculture, infrastructure and human resource development. Japan, taking into account the "Transformation Decade", will provide its assistance to Afghanistan towards its self-reliance in both security and development in cooperation with the international community.

3. Priority Areas

a) Enhancement of Afghanistan's Capabilities to Maintain Security

From the perspective of national reconstruction by Afghanistan itself, it is important that Afghanistan would be able to ensure security by Afghan nationals. In order to achieve it, Japan will support Afghanistan's efforts to develop and maintain its institution and capacity to fulfill responsibility for their own security even after the transition at the end of 2014, as well as to facilitate smooth security transition started in July 2011. In particular, Japan will provide its assistance for payment of salaries and capacity building for the Afghan National Police through the Law and Order Trust Fund for Afghanistan (LOTFA)

¹ This strategy for self-reliant development based on a sustainable, growing, equitable economy upholds the three pillars (infrastructure improvement, promotion of private investments in the resources development industry, agriculture and rural development) as priority areas, and gender, counter-narcotics measures and the environment as cross-sectional issues.

Japan will also pay attention to counter-narcotics measures, which is one of the priority areas of Afghanistan's development strategy, in order to cut off the monetary flow to anti-government elements and to stabilize security.

b) Reintegration of ex-combatants into society

For realizing peace and stability in Afghanistan, it is important for Afghanistan to make efforts for reintegration of anti-government elements into society along with reconciliation with them. Concerning the reintegration process, it is essential to assist Afghan-lead effective measures in order that disarmed ex-combatants can be reintegrated into society and run their own lives.

In particular, Japan will provide support including assistance through Afghanistan Peace and Reintegration Program (APRP) to vocational training for ex-combatants and development projects for job creation and others, making use of Japan's leading experience in Disarmament, Demobilization and Reintegration (DDR) and Disbandment of Illegal Armed Groups (DIAG) in Afghanistan.

c) Development Assistance for Sustainable and Self-Reliant Growth

While Japan contributes to security and reintegration which are the basis for the economic development of Afghanistan, Japan, with its experience and know-how in development assistance, will facilitate Afghanistan's sustainable and self-reliant economic growth and support poverty reduction and the improvement of livelihoods. In this regard, a special focus will be put on the agricultural sector, which more than 70% of Afghan nationals employs and contributes to more than 30% of Afghanistan's GDP. In addition, Japan will continue its assistance to Kabul International Airport and the Development of the Kabul New City (including the Dehsabz area) which Japan provided support for the development of the master plan in order to promote development of the Kabul Metropolitan Area as well as redevelopment of Kabul City. Furthermore, Japan will support for infrastructural development which will lead to the enhancement of its connectivity with neighboring countries that is important for medium- and long-term growth and stability of Afghanistan. Also, Japan will emphasize assistance for human resource development such as in the education and health sectors considering it as a basis for Afghanistan's economic development.

When implementing Japan's assistance to Afghanistan, in addition to grant aid and technical cooperation by Japan International Cooperation Agency (JICA), Japan will cooperate with other international organizations for making financial contribution to the trust funds recommended for enhancing better aid coordination and effectiveness including the Afghanistan Reconstruction Trust Fund (ARTF) for institutional capacity development of national and provincial governments and the Afghanistan Infrastructure Trust Fund (AITF) for infrastructural development

4. Matters to Consider

- Efforts in improving aid effectiveness: At the Tokyo Conference, the Government of Afghanistan and the international community confirmed mutual commitments in which the Government of Afghanistan on one hand committed itself to steady implementation of its economic strategy, while the international community on the other hand pledged financial contribution to Afghanistan. They, along with that, established a mechanism named Tokyo Mutual Accountability Framework (TMAF) to regularly review progress. Through the TMAF, Japan, in cooperation with other donors, will encourage Afghanistan to implement its economic strategy and improve governance including anti-corruption measures while making effort to improve aid effectiveness as committed by the international community.

- Strengthening of security measures:

In view of the security situation in Afghanistan, maximum caution will continue to be used for the safety of Japanese aid workers.

End.

Annex: Rolling Plan