

## Chair's Statement for the Abu Dhabi Donor Committee Meeting

of the International Reconstruction Fund Facility for Iraq (IRFFI) February 29, 2004

1. The first Donor Committee meeting, preceded by a preparatory meeting of the International Reconstruction Fund Facility for Iraq (IRFFI), at the senior technical level, was held in Abu Dhabi on February 28-29, 2004, at the invitation of the United Arab Emirates.
2. Officials of 29 countries that pledged assistance to Iraq at the Madrid Conference, the United Nations, World Bank and International Monetary Fund attended the meeting. The Iraqi delegation was headed by Minister of Planning and Development Cooperation, Dr Mehdi al Hafedh.
3. The Facility was established by the International Donors' Conference on Reconstruction in Iraq in Madrid in October 2003 as one of several channels for providing assistance to rebuild Iraq. Apart from the Facility, there are many activities undertaken through bilateral assistance or directly through international organizations. The Facility has recently begun preparations under the joint administration of the United Nations Development Group and the World Bank to help coordinate and channel contributions to Iraq's reconstruction by the international community, in close cooperation with the Iraqi authorities and donors.
4. The primary objective of this meeting was to decide on organizational matters that will jump-start the activities of the Facility. The initial membership of the Donor Committee has been decided, namely, Australia, Canada, the European Commission, India, Japan, Korea, Kuwait, Norway, Qatar, Spain, Sweden, United Kingdom and the United States (13 parties). The Donor Committee is open to those countries, which have contributed more than \$10 million to the Facility. It is also open to two representatives of smaller contributors. Japan was elected as the chair for the first year. The next meeting of the Donor Committee will take place in latter half of May in Doha, Qatar. The Donor Committee will play an important role in setting priorities, giving guidance and reviewing progress of the Facility's operations.
5. The donors reiterated their commitment to follow through with pledges made at the Madrid Donors' Conference and to help the Iraq people during their period of transition and rehabilitation, in different ways, bilaterally, multilaterally and through the IRFFI
6. During the course of the two days, Australia, Canada, the European Commission, Finland, Greece, India, Ireland, Japan, Korea, Kuwait, Netherlands, Norway, Oman, Qatar, Spain, Sweden, United Kingdom and the United States confirmed their binding initial commitment of around \$1 billion for 2004 (out of their total pledges made in Madrid last year) to the IRFFI for reconstruction projects by the UNDG and the World Bank in Iraq. Some countries stated that their initial contributions may increase further based on the operation of the IRFFI and other countries are reflecting on their commitments. The size of the contributions was large enough to make the IRFFI operational. The funds for the IRFFI do not include the separately planned lending programmes of the World Bank and the IMF, the already funded UN programmes, the substantial bilateral assistance efforts of many donors, or all of the assistance expected for 2005-2007.

7. Minister Hafeedh presented an overview of Iraq's development priorities for 2004 as determined by the Iraqi Strategic Review Board, in cooperation with relevant Iraqi ministries. The minister also updated donors on the aid coordination mechanism now in place in Iraq. The Minister also presented a list of about 700 projects that could be funded either bilaterally or through the IRFFI.
  
8. Admiral David Nash, Director of the Programme Management Office at the Coalition Provisional Authority (CPA) provided a briefing on how U.S. assistance will be used for Iraqi reconstruction.
  
9. Mr. Ross Mountain, Special Representative of the UN Secretary-General, a.i., outlined the nature of ongoing UN activities within Iraq, and the UN's commitment to expanding the programme of support and assistance for the Iraqi people. The UN has adopted a coherent strategy involving an integrated team approach, working in ten clusters of assistance, in cooperation with Iraqi authorities, NGOs and other partners. This work programme could be funded through the United Nations Development Group Trust Fund of IRFFI.
  
10. The UNDG and the World Bank presented detailed information to donors about their respective strategies and the coordination of work programmes. There is an ongoing process of harmonization with Iraqi priorities at sector and ministry levels, with many areas already aligned. These work plans are ready to be funded under the IRFFI. The UNDG and the WB also presented details to donors concerning the management of the IRFFI.