

د افغانستان اسلامي جمهوریت



جمهوری اسلامی افغانستان

**Islamic Republic of Afghanistan**  
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### **In the Name of God Most Gracious Most Merciful**

1. Mr. President, Mr. Director General, Excellencies,  
Ladies and Gentlemen,
2. At the outset I would like to congratulate you Mr. President on your election as the President for this conference and Mr. Director General for your second term election and wish you all the success.
3. It is an honor for me to speak here in front of the General Conference on behalf of Afghanistan.
4. The United Nations Industrial Development Organization has been an important partner for Afghanistan during our ongoing development; and the recently signed new four-year country program expected to provide around \$28 million US dollars will further strengthen this partnership.

5. UNIDO's assistance will address an important and often insufficiently addressed topic – that of fighting rural poverty, especially abject and protracted forms of poverty through the creation of a competitive export-oriented commercial agro-industrial sector and improved small-scale private sector entrepreneurship.

Mr. President!

6. The new program will make a significant contribution to tackle this problem by providing technical advice on the expansion of productive capacities in agriculture, as well as in support of small, medium and large-scale industries in both rural and urban areas. Besides helping to eliminate extreme forms of poverty, UNIDO's efforts will help to reinforce efforts to advance Afghanistan's eight other Millennium Development Goals, which includes an additional goal on building security that is unique to

Afghanistan. Having made a strong commitment to the MDGs in 2005, Afghanistan's country-tailored nine Millennium Development Goals are now fully integrated into the Afghanistan National Development Strategy, completed in June 2008. In addition to serving as the country's MDG-based development plan, the ANDS also meets the requirements of the World Bank's Poverty Reduction Strategy Paper.

7. It is noteworthy to mention here that UNIDO is currently assisting Afghanistan in developing a comprehensive industrial policy. This policy will help to realize the vision outlined in the Afghanistan National Development Strategy for increasing industrial production, creating more employment opportunities, and diversification of the industrial base. Our goal is to achieve sustainable economic growth, which will increase incomes

and living-standards. In doing so, it will also help to reduce my country's dependency on foreign assistance.

8. Industrial development is an essential part of the Afghanistan National Development Strategy and UNIDO, with its diverse experience in a vast number of countries, can help to bridge the gap between the urban areas and the enormous needs of the countryside. Commercial agricultural production is a large part of the near-term solution, but unless industrialization, even on a small scale, takes root in those areas, the goal of reducing poverty for people outside of large cities might become a distant aspiration.

9. Special emphasis must be given to the development of small and medium-sized enterprises, which remain the backbone of the Afghan economy. A fundamental aim will be to assist this sector in bringing value-added production

back to Afghanistan by combining traditional knowledge with new techniques. This “new industrialization” will take into consideration environmentally-friendly techniques and practices, as well as meet labor standards that can protect and support workers especially women. It will also serve as an important part of the development strategy to prepare Afghanistan for the new challenges and opportunities of a modern market-oriented economy. Our trading partners, for example, rightly expect that we meet basic international standards before they accept our goods and services.

Mr. President, Excellencies, and Distinguished delegates!

10. Since 2001, Afghanistan has made great strides, with help of the unbreakable perseverance and spirit of the Afghan people—as well as the compassionate support of our international partners. The GDP has grown by an average of double-digits since 2003, our currency has been

relatively stable despite the turbulent international financial environment around the world, and our exports are continuing to grow. In addition to the ongoing recovery of production and trade, our service sectors are expanding and now play a major part in the local economy.

11. Afghanistan's exports have more than quadrupled since 2002, but the wealth generated has yet to trickle down to the majority of Afghans. At the same time, it is noteworthy to point out, for example, that women entrepreneurs are now exporting to countries such as the United States and across Europe. With increasingly favorable international economic conditions, and the right types of technical assistance, there are many reasons to be hopeful that trade can help to serve as a twin engine for future, balanced job and wealth-creation across all of Afghanistan.

12. Of course, Afghanistan is a long way from maintaining a sufficiently strong private sector growth to provide the required number of employment opportunities, especially for the many young Afghans entering the job market each year. However, the first signs for strengthening of the private sector are now visible, and the role of government is to enable and support this development, regulate, and facilitate it without becoming a competitor to the private sector.

13. Positive developments are now evident in areas whereby Afghanistan maintains a comparative and competitive advantage, tapping into our vast natural resources, such as copper, coal, iron-ore, marbles and precious stones, will help not only to increase government revenue—and along with it to reduce the reliance on foreign assistance from our partners—but this will also improve the country's severe job situation.



14. For this ongoing process, Afghanistan continues to require resources including technical assistance from its international partners. With the help of UNIDO and others, the goal is to diversify the small base of our export products, improve the quality and marketing of already successful products such as fresh fruits, dried fruits and carpets, and enhance the processing facilities for export-oriented products. UNIDO, with its broad area of expertise in, for example, food processing and carpet-related industries, is an ideal partner for this effort.

15. UNIDO can make a particular contribution to job and wealth-creation in Afghanistan by facilitating the growth of Small and Medium-Sized Enterprises (SMEs). As parts of the country reach basic levels of security and stability, international aid needs to be skillfully leveraged so as to maximize the employment and economic-growth generating potential of SMEs. Without the conditions for

large-scale, heavy industry, and as growing numbers of Afghans migrate from an agrarian-based existence, Small and Medium-Sized Enterprises can become the bedrock upon which Afghanistan's economic recovery rests

Mr. President!

16. Of course, UNIDO is not alone in assisting Afghanistan in this challenge; numerous international organizations and bilateral donors—many of them in attendance here today have been generous in their support to Afghanistan.

17. These partnerships are vital for us, but the government of Afghanistan understands that only by taking ownership and accepting responsibility for development we will be able to confront the significant challenges of economic development. Enabling the private sector, encouraging investment and trade are major pillars of this

strategy, and with the continued assistance and technical advice provided by UNIDO and other international partners, we hope to facilitate change and achieve visible and tangible improvements in the not-so-distant future.

18. Thank you Mr. President for your attention.