

ISLAMIC DEVELOPMENT BANK



Statement by:
Dr. Ahmad Mohamed Ali
President, Islamic Development Bank Group

to
International Donors Conference

on
Reconstruction of Earthquake Affected Areas
in Pakistan

Islamabad

November 19, 2005

His Excellency, General Pervez Musharraf,
President Islamic Republic of Pakistan,

His Excellency, Mr. Shaukat Aziz,
Prime Minister of the Islamic Republic of Pakistan,

His Excellency, Mr. Kofi Annan,
Secretary General of the United Nations.

His Excellency, Mr. Haruhiko Kuroda,
President Asian Development Bank

His Excellency, Mr. Praful Patel
Vice President of the World Bank

Honourable Ministers, Excellencies, Ladies and Gentlemen

Assalam-o-Alaikum Warahmatullahi Wabarakatuh

Let me at the outset, express on my behalf and on behalf of the Organization of Islamic Conference and the Islamic Development Bank, our deepest sympathy and solidarity with the Government and people of Pakistan at this difficult juncture. The OIC and the Islamic Development Bank's delegation is highly grateful to the Islamic Republic of Pakistan for its invitation to participate and address this donor conference. The IDB fully supports the endeavors of the Government of Pakistan to garner international support for future reconstruction and rehabilitation efforts in earthquake affected areas. The Secretary General of the Organization of Islamic Conference also asked me to convey to you his strong support to these efforts.

The OIC and the Islamic Development Bank appreciate the efforts of the Asian Development Bank and the World Bank for leading the preparation of a Preliminary Damage and Needs Assessment Report, in such a short time. In addition to identifying future reconstruction needs, the report has also specified the guiding principles for future strategy for achieving fast-track recovery. This approach will ensure consistency and equity in overall rehabilitation and reconstruction efforts. The report also provides sound basis for understanding the nature and extent of damage and helps donors in devising appropriate programs.

Ladies and Gentlemen

The OIC and the Islamic Development Bank are deeply concerned about the economic impact of this disaster on Pakistan. We feel that the first and foremost priority should be to end the suffering of millions of survivors and to ensure their early rehabilitation. At the same time, to bring life back to normal, we must take actions to restore basic infrastructure, reinvigorate economic activities, develop local capacity for reconstruction and impart appropriate skills to survivors. These actions will help victims restore the sources of their livelihood, thus leading to sustained economic activities in the affected areas.

As estimated, an amount of US\$3.5 billion is needed for reconstruction efforts which would entail re-building social, physical and economic infrastructure with emphasis on Housing, Health, Education, Transport, Water Supply & Sanitation, Power and Agriculture. A common framework needs to be adopted by pooling together all available national and international resources for pursuing a comprehensive recovery.

The OIC and the Islamic Development Bank consider it a moral imperative to extend all possible assistance and in this context, the IDB has earlier pledged a financial assistance package of US\$ 251.6 million. Today, I am pleased to announce that, taking into consideration the findings of the Damage and Needs Assessment Report, the IDB management will submit for the consideration of its Board of Executive Directors a proposal to increase the assistance by US\$250 million, bringing the total assistance package to US\$501.6 million.

The IDB assistance package consists of, grant and highly concessional financing, which will contribute to the reconstruction of essential public infrastructure facilities in the sectors of housing, education, health, water and sanitation, roads and telecommunication.

In view of its strategic focus to promote cooperation amongst the member countries, the IDB considers it vital to benefit from the experience and expertise of some of its member countries who have faced similar situation in the recent past. If requested by the Government of Pakistan, the IDB would also play a role in re-enforcing support by mobilizing available resources and competence from member countries required for reconstruction phase. The IDB stands ready to join the Government of Pakistan, in coordination with the Organization of Islamic Conference and other donors, to concretely translate its commitments into workable arrangements. The Islamic Development Bank would like to emphasize that only sustained efforts and constant engagement of international community will ensure the regeneration of economic and social life and bring happiness to people in the affected region, which is indeed one of the most beautiful parts of the Globe.

We salute the spirit of the victims and especially the children's, who despite being deeply affected have started going to tent schools, without waiting long for assistance to arrive. It has strengthened our resolve to make all possible efforts to ensure their smooth return to a normal life. It is this spirit that is needed for all future efforts to succeed.

We pray to Almighty that may all our efforts contribute to lessening the sufferings of the survivors and revitalizing their life.

Thank you. Wassalamo Alaikum Warahmatullah Wabarrakatuh