

Remarks by World Bank Group President Jim Yong Kim at the Kuwait International Conference for the Reconstruction of Iraq

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World Bank Group President Jim Yong Kim

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As Prepared for Delivery

Your Highness, Excellency Prime Minister Abadi, Mr. Secretary General, Madam High Commissioner, Ministers, and Distinguished Guests – it is an honor to address you today.

I would like to thank the Government of Kuwait for their warm welcome, and for hosting this important discussion about how best to support the Iraqi people, as they rebuild their country after the most recent chapter in decades of conflict. I would also like to thank the Government of Kuwait and the Kuwaiti people for their very warm welcome.

The co-sponsorship of this conference – by the United Nations and the European Union and the World Bank Group – reflects the international community's appreciation of Kuwait's initiative, and its continued commitment to supporting a better future for the people of Iraq.

Let us not forget that only a few short months ago, we all witnessed the shock and horror that Da'esh inflicted on innocent people, in wide swaths of Iraq and the region.

In the fight against terrorism, thousands of Iraqi forces have made the ultimate sacrifice; thousands more innocent Iraqis have died. Millions remain internally displaced, and over 8.7 million continue to need immediate humanitarian assistance. Widows, orphans, and vulnerable groups face the daunting task of rebuilding their homes and their livelihoods, and restarting their lives.

First, I would like to acknowledge the leadership and resolve of Prime Minister Haydar Abadi, his government, the Iraqi armed forces, and the international coalition in defeating Da'esh. I also applaud the role of UN agencies, NGOs, and donor organizations who provide rapid humanitarian and stabilization assistance to the Iraqi people and others throughout the region.

Nearly three years ago, the World Bank Group moved swiftly when I was asked by Prime Minister Abadi for assistance. I will never forget my first meeting with him, when he laid it all on the table.

The Prime Minister had made the strongest and most compelling case: he stated unequivocally that Iraq is committed on taking on the mortal threat of Da'esh and to restoring the presence, role, and credibility of the government and its institutions. To ensure success, he needed the World Bank Group to engage immediately on the dual track of reconstruction and economic recovery.

In response to your request, Mr. Prime Minister, as you know, the World Bank has increased its financial commitments in Iraq from 600 million dollars when you started the initiative in 2014 to over 4.7 billion dollars today, and there will be more as you know – to sustain the economic recovery through budget support; and to work on the immediate restoration of education and health services, rebuild critical roads and bridges, and rehabilitate electricity and water systems. These emergency reconstruction activities have created thousands of jobs for Iraqis.

Through the World Bank Group's recent engagement, over one million Iraqis in 7 cities liberated from Da'esh have experienced improved electricity

and access to sanitation services. Over 2.5 million people in different governorates have seen improved roads and bridges.

We have deployed all our instruments to full capacity in support of the Iraqi people. With sovereign guarantees from Canada and the UK, we were able to lend an additional one and a half billion dollars to Iraq in 2017:

IFC has invested and mobilized 1.2 billion dollars, supporting over 3 billion dollars in private investments in Iraq across a wide range of sectors, including power, transport, telecom, hospitality, agribusiness, and banking;

Through its de-risking guarantee products, MIGA, our Multilateral Investment Guarantee Agency, has mobilized foreign investors into vital economic sectors such as telecom, port logistics, small and medium enterprises, and manufacturing.

The last time I visited Baghdad, with former UN Secretary General Ban Ki Moon, I promised the Iraqi Parliament the full and unwavering support of the World Bank Group. I am here today to reconfirm that commitment. We will continue to stand with Iraq during every step to rebuild the nation. Iraq's stability and prosperity are critical for the middle east, and for the entire world. No matter how long it takes to rebuild Iraq stronger than it was before – we will be with you. Da'esh caused massive destruction and the needs are enormous, but so is the opportunity to reconstruct a better, more resilient Iraq – one that is more cohesive, and where everyone has an equal opportunity to shape their own destiny.

Excellencies, ours is a two-pronged approach. While engaging on the immediacy of the threats, we are also working on longer term, sustainable economic recovery. Iraq can and must leverage its enormous human and natural resources to attract foreign investments. We will continue to support the recovery and development strategy put forward by the Government of Iraq, which aims to improve the investment climate and attract the private sector.

I want to make it clear today that recovery and reconstruction cannot be achieved solely with public resources, and it can only be successful if it is led by the private sector. Many businesses from around the world have gathered here to discuss how they can invest in Iraq's future and create the jobs that will help bring stability to the country. Their presence in such numbers shows that Iraq *is* Open for Business.

This conference is also an opportunity for two historic neighbors – Iraq and Kuwait – to strengthen trade and economic relations for the benefit of both nations.

We are committed to maximizing financing for its reconstruction using all of our tools: policy support, de-risking instruments, and direct financing from IFC. We will help Iraq create markets for both the Iraqi and international private sector to invest.

But let me add, that we do not know what the economy of the future will bring. We don't know when innovations in energy will cause oil to become stranded assets, and countries need to prepare for the economies of the future.

The one investment countries can make that will always be critical, will always be valuable, will be investments in people. We need to institute a revolution in the quality and quantity of investments in people – in health and education, which build human capital.

But we must – and we will – do more. In the wake of the Iraqi victory over Da'esh, the country has an opportunity to reinstate trust with Iraqi citizens, to establish more inclusive institutions that will deliver security; and help rebuild neighborhoods and communities around the principles of national unity, inclusivity, and reconciliation.

Today is also an opportunity to invest in Iraq's people, especially its youth and women. Throughout its history, Iraq has been a beacon of knowledge and innovation in the region, and we will invest in the country's human capital. At the World Bank Group, we are launching an accelerated, far reaching effort

called the Human Capital Project, which will help countries invest more – and more effectively – in their people. We will engage with Iraq and other countries in the region to move this initiative forward.

For this Human Capital Project to succeed, we need the full engagement of the private sector. Investing in the future of the country – in its youth – will bring better and stronger returns for everyone. So I urge the private sector to invest in Iraq's smart and ambitious youth. Invest in Iraq's resilient women. Invest to help build a strong, stable country that can be a new market for your companies.

Your highness, Mr. Prime Minister, excellencies – thank you once again for this opportunity. We will use every ounce of creativity and every tool to support a stronger, stable, more prosperous Iraq, and to meet the aspirations of millions of Iraqis in the years and decades to come. Thank you.