The Asian Development Bank (ADB) has helped Afghanistan build a stronger foundation for sustainable growth and poverty reduction and recover from the coronavirus disease (COVID-19) pandemic. The information presented here reflects ADB's past support to the country prior to the effectivity date of the holding period.

Afghanistan was an ADB founding member in 1966. With its in-depth experience in delivering projects for fragile and conflict-affected situations, ADB supported Afghanistan's development priorities, focusing on agriculture, natural resources, and rural development; energy; and transport sectors along with capacity building, institutional development, and sector reforms.

ADB had committed 143 public sector loans, grants, and technical assistance totaling $5.3 billion to Afghanistan. Cumulative loan and grant disbursements to Afghanistan amount to $2.91 billion. These were financed by regular and concessional ordinary capital resources, and the Asian Development Fund. ADB's ongoing sovereign portfolio in Afghanistan includes 25 grants worth $2.55 billion.  

In 2020, ADB provided $100 million assistance to address the economic impact of the COVID-19 pandemic and support the poor and vulnerable groups including Afghan women. ADB also provided $40 million in emergency assistance and $2.7 million to procure personal protective equipment. In April 2021, ADB committed a $50 million grant to procure COVID-19 vaccines for at least 2.6 million people and strengthen the country's capacity to implement the vaccination program.

ADB has placed its regular assistance to Afghanistan on hold effective 15 August 2021. ADB is closely monitoring the situation in Afghanistan and remains committed to supporting the Afghan people.
ADB committed a total of $2.2 billion including ADB-administered cofinancing for 21 transport projects from 2002 to August 2021 that supported the construction and rehabilitation of 1,055 kilometres (km) of national and regional roads. The projects improved regional connectivity and land transport safety, efficiency, and sustainability. They also helped expand economic and social opportunities.

ADB helped deliver reliable electricity to more than 5 million Afghan people by financing 16 electricity projects with the total amount of $1.59 billion including cofinancing. Around 2,500 km of power transmission lines were constructed, strengthening the national power grid and enabling regional power trade with Tajikistan, Turkmenistan, and Uzbekistan. The projects also built 19 substations, 173,320 power distribution connections, 4.5-megawatt hydropower generation, and rehabilitated eight gas wells in Sheberghan Gas Fields.

ADB committed more than $900 million, including ADB-administered cofinancing, for 17 irrigation and agriculture infrastructure projects to increase farming productivity, improve food security, promote agribusiness, and enhance water resources management through a climate resilience approach. About 350,000 hectares of irrigated land were rehabilitated and upgraded. The completed projects generated more than 2 million short- and long-term jobs and benefited around 10 million people.

**Nonsovereign operations.** Total outstanding balances and undisbursed commitments of ADB’s nonsovereign transactions in Afghanistan as of 31 December 2021 were $13.15 million representing 0.09% of ADB’s total private sector portfolio.

**Operational challenges.** ADB placed its regular assistance to Afghanistan on hold effective 15 August 2021. Afghanistan is classified by ADB as a fragile and conflict-affected situation country, characterized by conflict, political instability, and weak governance and institutional capacity. Some of the key challenges in ADB operations related to procurement, safeguards compliance, security, staffing, capacity development, and portfolio administration. The COVID-19 pandemic also impacted project implementation and affected the work of contractors and consultants.

ADB helped to improve the projects performance and address operational issues by producing a revised enhanced project delivery approach paper in 2020. It synchronized procurement and safeguards readiness to ensure that contracts were awarded at project effectiveness, and their execution was not hindered by noncompliance with safeguard policies.

**KNOWLEDGE WORK**

ADB’s knowledge work in Afghanistan was conducted through analysis, policy dialogue, expert-led knowledge sessions, and knowledge products.
ADB helped Afghanistan to achieve its self-reliance goal, improve services, and strengthen the capacity of and reforms in the public sector so that they were citizen-centered. ADB also focused on infrastructure-related knowledge products and services and capacity strengthening to provide a longer term and more sustained approach to building institutions and human capital in ADB-supported sectors. ADB also promoted reforms, including in the financial sustainability and management of state-owned enterprises, which were crucial for improved service delivery.

**FINANCING PARTNERSHIPS**

Financing partnerships enable ADB’s partner governments or their agencies, multilateral institutions, and private organizations to participate in ADB projects. The additional funds may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Afghanistan were:

- Sovereign cofinancing: $1.34 billion for 31 investment projects and $30.16 million for 19 technical assistance projects since 1973
- Nonsovereign cofinancing: $25.05 million for 3 investment projects since 2006

A summary of projects with cofinancing from 1 January 2017 to 31 December 2021 is available at [www.adb.org/countries/afghanistan/cofinancing](http://www.adb.org/countries/afghanistan/cofinancing).

**FUTURE DIRECTIONS**

In 2022, ADB will provide special support to the Afghan people, which will cover health, education, and food security and will be implemented through the United Nations agencies. The support will be implemented outside of the de facto government systems, and in line with ADB’s fragile and conflict-affected situations and small island developing states approach.

ADB remains concerned about the welfare of the Afghan people and the country's economic and social development. The bank continues to consult with its shareholders and stakeholders and to monitor the situation in Afghanistan.

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### Afghanistan: Ordinary Capital Resources Nonsovereign Commitments by Product

<table>
<thead>
<tr>
<th>Product</th>
<th>2021</th>
<th>2017–2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Transactions Signed (OCR)</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Number of Transactions Signed (Programs)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Loans</td>
<td>–</td>
<td>14.00</td>
</tr>
<tr>
<td>Equity Investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Guarantees</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Debt Security</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Trade and Supply Chain Finance Program</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>and Microfinance Program</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>–</td>
<td>14.00</td>
</tr>
</tbody>
</table>

---

### Afghanistan: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2020–2021

<table>
<thead>
<tr>
<th>No. of Ongoing Loans* (as of 31 Dec 2021)</th>
<th>2020 ($ million)</th>
<th>2021 ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Awards**</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Disbursements**</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>No. of Ongoing Grants*</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Contract Awards**</td>
<td>243.70</td>
<td>22.90</td>
</tr>
<tr>
<td>Disbursements**</td>
<td>333.05</td>
<td>52.97</td>
</tr>
<tr>
<td>At Risk Projects (%)</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

* Based on commitments.
** Includes closed loans/grants that had contract awards or disbursements during the year.


<table>
<thead>
<tr>
<th>Total Number of Validated and Evaluated Projects and Programs</th>
<th>Evaluation Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Highly successful and successful</td>
</tr>
<tr>
<td>Sovereign Operations</td>
<td>8</td>
</tr>
<tr>
<td>Nonsovereign Operations</td>
<td>3</td>
</tr>
</tbody>
</table>

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### Afghanistan: Projects Cofinanced, 1 January 2017–31 December 2021

<table>
<thead>
<tr>
<th>Cofinancing</th>
<th>No. of Projects</th>
<th>Amount ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sovereign</td>
<td>7</td>
<td>438.75</td>
</tr>
<tr>
<td>Loan</td>
<td>1</td>
<td>15.00</td>
</tr>
<tr>
<td>Grants</td>
<td>3</td>
<td>418.00</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>3</td>
<td>5.75</td>
</tr>
<tr>
<td>Nonsovereign</td>
<td>2</td>
<td>13.85</td>
</tr>
</tbody>
</table>

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ADB placed its regular assistance to Afghanistan on hold effective 15 August 2021.
**ADB AT A GLANCE**

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty.

It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,693 staff from 65 of its members as of 31 December 2021.

ADB maximizes the development impact of its assistance to its developing members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB pivoted swiftly to answer the needs of its developing members and will remain agile and responsive in the years ahead. It has started to see the shoots of a green recovery, but the long-term effects of the COVID-19 pandemic, climate change, and the outbreak of conflicts still threaten lives and prosperity. ADB will continue to work closely with members and development partners through these challenges to achieve a better future for all in Asia and the Pacific.

**ADB operations.** In 2021, ADB committed $22.8 billion in loans, grants, equity investments, private sector programs, and technical assistance both to the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of $12.9 billion.

As of 31 December 2021, ADB's cumulative commitments in 45 countries stood at $342 billion covering 4,061 loans, $11.7 billion in 521 grants, and $5.2 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees and equity investments to help its developing member countries.

Total commitments in nonsovereign loans and equity investments from ADB's own funds in 2021 amounted to $1.2 billion for 35 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2021, ADB mobilized $1.7 billion of long-term project cofinancing and $5.8 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at $14 billion as of 31 December 2021.

**FINANCING PARTNERSHIPS**

Total sovereign and nonsovereign cofinancing commitments, 2021

- $12.93 billion for 187 projects, of which:
  - $12.38 billion, 75 investment projects,
  - $134.67 million, 110 technical assistance projects,
  - $422.87 million, 2 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2021

- $140.43 billion for 3,165 projects, of which:
  - $136.6 billion, 1,098 investment projects,
  - $2.8 billion, 2,061 technical assistance projects,
  - $1.07 billion, 6 projects.

**PROCUREMENT**

**ADB’s Procurement Contracts, 2021**

**Goods, Works, and Related Services**

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- $22.93 billion in 2020
- $15.6 billion in 2021
- $232.16 billion covering 225,336 contracts, cumulative procurement since 1966

**Consulting Services**

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- $730.78 million in 2020
- $697.03 million in 2021
- $14.86 billion covering 71,348 contracts, cumulative procurement since 1966

**MORE ABOUT AFGHANISTAN AND ADB**

**Shareholding and Voting Power**

- Number of shares held: 3,585 (0.03% of total shares)
- Votes: 42,699 (0.32% of total membership, 0.49% of total regional membership)

*Overall capital subscription: $50.17 million
*Paid-in capital subscription: $6.69 million

*United States dollar figures are valued at rate as of 31 December 2021.

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Useful ADB websites
Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated.
*“$” refers to United States dollars. (ii) Data are updated as of 31 December 2021 unless otherwise indicated.