



THE MADRID DONORS' CONFERENCE: Helping the Iraqi People Build a New Iraq

"I commend the 73 nations and 20 international organizations that are meeting the challenge of helping the Iraqi people recover from decades of oppression and build a better future."

—President George W. Bush

International donors pledged more than \$33 billion for Iraqi reconstruction over the next four years at a Donors' Conference in Madrid in late October. The total includes \$20 billion from the United States and more than \$13 billion from other countries and international organizations. Some countries unable to assist financially offered technical and other support to the Iraqi people.

Preparations for the multilateral donors' conference began in June at the United Nations, when the UN, the World Bank, and the International Monetary Fund agreed to conduct a needs assessment. In October, the UN Security Council passed Resolution 1511 that called on the international community to support the Iraqi people at this time of need and opportunity.

A trust fund facility managed by the World Bank and the United Nations will be created to distribute the new funds for those donors who choose to use this channel. The

DONATION HIGHLIGHTS*

- **Japan:** \$5 billion
- **The European Union:** \$1.44 billion, including:
 - **Spain:** \$300 million
 - **Denmark:** \$27 million
 - **Italy:** \$235 million
 - **United Kingdom:** \$450 million
- **Republic of Korea:** \$200 million
- **Canada:** over \$150 million
- **World Bank:** between \$3 and \$5 billion in loans
- **International Monetary Fund:** between \$2.5 and \$4.25 billion in loans

* The above estimated figures are examples of contributions from some of the 73 countries and 20 international organizations that participated in the Donors' Conference.

United States will continue to administer its contributions through its own programs.

Secretary of State Colin Powell and Secretary of the Treasury John Snow headed the U.S. delegation to the Donors' Conference. The Iraqi delegation (five members of the Iraqi Governing Council and 15 cabinet ministers) presented its vision for a new Iraq and what it aims to accomplish. Ayad Allawi, President of the Governing Council, told conference participants that the Council is determined to pursue democratic development, open markets, physical reconstruction, and the return of Iraq to the international community of nations.

Financial assistance from the world community will provide Iraqis with more schools, hospitals, telecommunications, roads, and bridges. It also will help build the country's security forces and repair the oil and power infrastructure, putting Iraq back on a path toward economic prosperity and stability.

Iraqi Response to Donors

"Your success here will be a success for humanity and a help for peace and security in the world."

—Ayad Allawi, President of Iraqi Governing Council