

**STATEMENT OF
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)
by
Natalia Khanjenkova, Managing Director,
Turkey and Central Asia
at the CAREC Ministerial Meeting**

It is a great pleasure to be here in Ulaanbaatar. EBRD as a long standing member of CAREC believes this forum plays a crucial role in promoting dialogue and co-operation in the region.

I would like to start by congratulating ADB and CAREC Secretariat with the Forum's continuing success and of course thank our Mongolian hosts for their warm hospitality.

We discussed earlier today the many challenges Central Asia is currently facing, especially with the economic slowdown in their neighbors China and Russia. In this context investment in infrastructure, enhancement of regional connectivity, promotion of trade - all the areas of focus of CAREC - are even more important to stimulate the CA economies.

Central Asia has a growing importance for EBRD, which is one of the largest financial investors in the region. We have a portfolio of several billion Euro, we are dedicating more staff and resources, and we expect our annual investment to increase substantially. In line with CAREC priorities we work on transport and power sectors, trade facilitation and SME development through banks, and regional connectivity is a core priority in our strategies for these countries.

We have numerous projects in all these sectors which I will not describe now, as I would like to focus on two key areas. First, we very much endorse the emphasis in the Senior Officials Meeting on Wednesday and in the new CAREC Energy Strategy the emphasis on renewables and on energy efficiency. I am especially proud to speak of our role in renewables, with our support of Quairokkum hydropower plant in Tajikistan, the first industrial scale wind and solar plants in Kazakhstan, the Salkhit wind farm in Mongolia.

And regarding Energy Efficiency, many of our projects result in improved energy and more broadly resource efficiency. In many CAREC countries we have been focusing on improving efficiency of municipal infrastructure and are now in dialogue with authorities of other countries to invest in this sector.

And secondly, another very important focus at the Senior Officials Meeting and yesterday's Investment forum that we strongly welcome is the need for private sector investment and improving the investment climate. Private sector development is at the core of EBRD's mandate. And at this critical time for the Central Asian economies, as also emphasized this morning by IMF, improving investment climate and private sector investment is especially important, and a focus of our activities.

In conclusion, I would like to again stress the importance of CAREC for the region. EBRD looks forward to doing even more in the CAREC countries with our CAREC partners.