



**Joint Ministerial Statement
17th Ministerial Conference on
Central Asia Regional Economic Cooperation
Ashgabat, Turkmenistan
15 November 2018**

CAREC 2030: Expanding Trade and Promoting Diversification

Representing the Governments of Afghanistan, Azerbaijan, the People's Republic of China, Georgia, Kazakhstan, the Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan, Ministers adopted the following statement at the conclusion of the 17th Ministerial Meeting on Central Asia Regional Economic Cooperation (CAREC) in Ashgabat on 15 November 2018.

I. Trade Integration and Expansion for Greater Diversification

1. We noted the positive and dynamic regional outlook marked by revival of growth, pick-up in trade and increasing opportunities for cooperation with more CAREC countries acceding to or stepping up efforts to accede to the World Trade Organization (WTO), as well as the opening of Uzbekistan. We are cognizant of the strong nexus between trade and sustainable development and how trade serves as a means of implementation in achieving the sustainable development goals. We deliberated on the opportunities, challenges and policy options in promoting trade expansion through increased market access, greater economic diversification and stronger institutions for trade in the CAREC region. We endorsed the CAREC Integrated Trade Agenda (CITA) 2030 and its Rolling Strategic Action Plan 2018-2020, to support CAREC countries in integrating further with the global economy through collective efforts. We resolved to create an open, free, and non-discriminatory trading environment, support multilateral trading system, and oppose all forms of protectionism.

II. Sound Implementation of the CAREC 2030

2. One year after the adoption of the CAREC 2030, we are satisfied with the progress and achievements in implementing the CAREC 2030 with its five operational clusters.

3. **Economic and financial stability.** We welcomed the organization of the first CAREC High-Level Forum on “Macroeconomic Policies for Economic and Financial Stability” in Astana in May and commended the effective policy dialogue in the Forum on how CAREC can promote macroeconomic and financial stability during periods of economic crises. We highlighted the significance of continued policy dialogue among CAREC countries on regional and global issues to promote economic and financial stability and strengthen inclusive economic growth in the region. Such dialogue should include CAREC ministries of finance and economy, relevant sector ministries, central banks, financial regulators, think tanks, and the private sector.

4. **Trade, tourism, and economic corridors.** We applauded the achievements in this cluster, particularly the preparation of CITA 2030 and the strong country ownership in developing the RSAP 2018–2020 which includes concrete projects and activities.

- On **trade**, we welcomed the establishment of the Regional Trade Group (RTG) as an effective consultative body for overarching trade issues and implementation of CAREC's trade work. Recognizing the global trends and evolving role of customs authorities, we commended the efforts of the Customs Cooperation Committee (CCC) in facilitating customs initiatives and realigning CCC priorities and scope of work to customs development, technology and services. We are pleased with the progress made in implementing the CAREC Common Agenda for Modernization of Sanitary and Phytosanitary (SPS) Measures for Trade, particularly the establishment of national SPS working groups to develop and implement priority actions to facilitate agriculture trade. We welcomed the inter-subregional forum on implementation of the WTO Trade Facilitation Agreement that strengthened knowledge-sharing and cross-learning between CAREC member countries and other developing member countries in the Asia Pacific region. We look forward to deepening engagement with the private sector such as with the CAREC Federation of Carrier and Forwarder Associations and agreed to look into the feasibility of establishing the CAREC Chamber of Commerce.
- On **tourism**, we welcomed the initial work on exploring tourism promotion and cooperation opportunities in the CAREC region through a scoping study. We urged continued work in this area including identifying bankable regional projects and programs, to capitalize on the large untapped potential of tourism development in the region.
- On **economic corridors**, we noted the satisfactory progress made in implementing the Almaty-Bishkek Economic Corridor, which is supervised through the Kazakhstan-Kyrgyz Republic Intergovernmental Council. Investment projects, feasibility studies, and master plans for regional projects in agriculture, tourism, and connectivity are being developed. We welcomed an Asian Development Bank (ADB) technical assistance to assess the potential of a new cross-border economic corridor among Kazakhstan, Uzbekistan and Tajikistan.

5. **Infrastructure and economic connectivity.** We were encouraged to witness the deepened cooperation in transport and energy sectors with a greater focus on sustainable and green solutions for the region.

- On **transport**, we were satisfied with the implementation progress of the CAREC Transport and Trade Facilitation Strategy 2020, the Road Safety Strategy 2030 and the Railway Strategy 2030, in promoting faster, greener, safer and sustainable connectivity in the region. We welcomed the results of the scoping study on “Aviation and the Role of CAREC”. Aviation holds great potential in facilitating business and tourism development in the CAREC region. We called for continued discussion and consultation in developing this important area. We noted the initiation of work on a renewed CAREC Transport Strategy leading to 2030, and look forward to its completion in 2019.
- On **energy**, we appreciated the progress achieved on key cross-border energy connectivity projects including the Turkmenistan-Afghanistan-Pakistan-India gas pipeline project and efforts towards establishing a common energy market in the CAREC region. We recognized the importance of private sector investment in bridging the huge

financing gap in the energy sector. We welcomed in this regard, the successful convening of the 3rd CAREC Energy Investment Forum in September in Batumi Georgia, where a range of new energy technologies that could be quickly adopted in the CAREC region were discussed. We endorsed the CAREC High Technology Roadmap which will guide CAREC member countries in leapfrogging into new technologies for enhancing energy efficiency and embracing clean energy development. We applauded the ongoing work of the mid-term review of the Energy Sector Coordinating Committee Strategy and Work Plan 2016-2020, and look forward to the formulation of a renewed CAREC Energy Strategy leading to 2030.

6. **Agriculture and water.** We welcomed the progress made in this new cluster and the efforts made to ensure effective linkage and coordination such as with the trade cluster in developing regional agricultural value chains among the CAREC countries, as well as to upgrade their SPS systems to meet international standards. We noted the ongoing preparation of national master plans and an investment project for the modernization of agricultural wholesale markets under the Almaty-Bishkek Economic Corridor, to improve food security, food safety and stimulate food exports. We welcomed the regional initiative to set up a CAREC Food Safety Network for sharing food safety-related information and best practices.

7. **Human development.** We welcomed the initiation of a scoping study on opportunities for regional cooperation in higher education and skills development. We expect all development partners to step up efforts in supporting this area, including enhanced engagement with the private sector and civil society.

III. CAREC Institute

8. We commended the CAREC Institute (CI) on progress achieved since obtaining legal status in September 2017, and expect the approval of the CI Strategy 2018-2022 by December 2018. We expect that the CI strategy will help inform development policies and strategies of CAREC countries through undertaking evidence-based research, and cutting-edge capacity building and training services. To this end, we are committed to continue supporting the development of CI, and consider possible financial contributions by each member country on a voluntary basis.

IV. Enhancing Institutional Mechanisms for Greater Effectiveness

9. We commended the important role of development partners in effectively implementing the CAREC 2030 strategy, supported by a strengthened CAREC Secretariat. With the expanded scope of the CAREC 2030, greater financial, technical, and human resources will be indispensable to help achieve tangible results. We look forward to all development partners to scale up financial and technical support for CAREC projects and activities. We resolved to strengthen coordination with other international and regional cooperation mechanisms and initiatives including the Belt and Road Initiative, Shanghai Cooperation Organization and Economic Cooperation Organization. We called for increased participation of private sector in the CAREC Program contributing to knowledge sharing and investment in the region. We observed that CAREC will celebrate its 20 years anniversary in 2020. We expressed our appreciation to the CAREC Secretariat, the sector coordinating committees and the CI for their continued and dedicated support to the CAREC Program.

V. Conclusions and Acknowledgement

10. We thank the Government of Turkmenistan for chairing and hosting our 17th Ministerial Conference, and our Secretariat, the ADB, for the excellent arrangements made. We look forward to meet again in 2019 in Uzbekistan.