

U.S. Intervention for 19th CAREC Virtual Ministerial Conference

December 7, 2020

AS DELIVERED

President Ghani, President Asakawa, Minister Arghandiwal, Vice President Chen, Excellencies, ladies and gentleman, I want to thank the Asian Development Bank and the Government of Afghanistan for hosting this Conference.

The United States recognizes that the CAREC region currently faces a unique opportunity to introduce broad-based and enduring prosperity to its citizens.

We too are committed to advancing connectivity across historic routes which once made this region a prosperous nexus of global commerce. We firmly support the efforts of the CAREC program to improve the region's infrastructure, and also seek to help our partners in the region put in place the regulatory frameworks that will facilitate trade and reduce costs. In 2020, that commitment is more important than ever as we fight to contain a global pandemic and ensure that the recovery reaches those who have been hard hit by COVID-19.

We are closer than ever to seeing Afghans chart a roadmap for their future and ending 40 years of war through a permanent and comprehensive ceasefire. The transition to Afghan-owned, Afghan-led peace negotiations is a historic moment and Afghanistan's best chance at a durable ceasefire and a political settlement. Peace and stability are the conditions to significant economic growth and investment, and economic growth, in turn, is essential to preserving and deepening peace.

The United States joins other partners with a shared goal of a vibrant, stable, prosperous, and connected region. All of us, including CAREC members and partners support a stable and prosperous Central Asia more closely connected to its neighbors, and to the rest of the world.

Increased economic ties between Afghanistan and its Central Asian and South Caucasus neighbors foster economic growth, prosperity, and stability. Diversification of trade routes will promote the economic security of all nations.

COVID-19 has had a substantial impact on trade, and expanding the flow of goods and people will be a key element to reigniting regional and global trade. Now is the time to plan to expand our economic connectivity.

We share President Ghani's vision of Afghanistan resuming its role as a key regional transit and trade hub. Lowering barriers to trade between Afghanistan and its Central Asian neighbors is a key step toward achieving this goal.

The United States appreciates and acknowledges the work on the CAREC tourism strategy, gender strategy, and results framework.

The full and free participation of women in the economy is critical to boosting growth as the world recovers from the COVID-19 pandemic. By tackling the legal and regulatory barriers that hold women back, we have an opportunity to empower women as drivers of economic recovery.

It is vitally important to the United States that CAREC governments pursue development in a way that preserves their sovereignty and serves the interests of their citizens, not just the interests of the developers.

The U.S. International Development Finance Corporation is facilitating partnerships to provide sound alternatives to state-led initiatives, including support for infrastructure. In addition to loans, loan guarantees, and political risk insurance, the DFC can make limited equity investments, and support feasibility studies and technical assistance. DFC is working to establish a regional investment fund with the participation of our Central Asian partners to support regional connectivity and shared economic growth. This, combined with the \$135 billion in potential financing through the Export Import Bank, as well as through the international financial institutions in which we are a major stakeholder, makes the United States a significant financial resource for the region.

In conclusion, The United States will continue to support policies and programs that help make the CAREC vision a reality. We look forward to continued cooperation with all of our international partners to reach our common goals.

Thank you.