

Speech notes for AIIB VP Sir Danny Alexander

On behalf of the Asian Infrastructure Investment Bank, I would to thank **Mr. Liu Kun (Minister of Finance, PRC)**, **Mr. Xiande Xia (Deputy Minister of Finance, PRC)**, **President Asakawa**, and **Vice President Shixin Chen**, for the invitation to the **21st CAREC Ministerial Conference**.

CAREC is a key regional partner for the AIIB. 10 of the 11 CAREC countries are members of our Bank and regional cooperation and connectivity are at core of our corporate strategy. As such, it is truly an honor to be speaking here today and sharing our views on achieving an inclusive, sustainable recovery, and our commitment to deep, impactful engagement with the CAREC.

Current major disruptions in global trade and supply chains, coupled with the urgent need for faster decarbonization, the road ahead for economic recovery is very challenging. At such a pivotal juncture, and as countries are seeking to build back, enhancing trade and connectivity is more critical than ever to accelerate their pathways to a resilient and sustainable growth.

Allow me to focus on three critical items that are included in our agenda today and that are highly aligned with AIIB's current priorities.

First, there is the development of ***the CAREC Post Pandemic Framework for Green, Sustainable and Inclusive Recovery***. Under our Crisis Recovery Facility, AIIB has extended support to Azerbaijan, China, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan and Uzbekistan, to help meet immediate crisis needs and support recovery. At a crossroads to green recovery, it is imperative that the region fosters necessary enabling environments to accelerate low-carbon, climate-resilient and sustainable growth. AIIB stands ready to support CAREC's commitment to ensuring sustainable social and economic development in a post-pandemic era. Climate adaptation and resilience is also critical.

Second, is the formation of the ***CAREC Green Energy Alliance*** which is intended to fill critical investment gaps to achieve a greener regional energy mix. Reflecting our commitment to support to the climate agenda, AIIB has set an ambitious target of ensuring that, by 2025, 50 percent of our overall approved financing will be directed toward climate finance. At this year's COP27, our Bank announced our official participation in several new flagship green initiatives: the Global Energy Alliance for People and Planet (GEAPP), and the Energy Transition Accelerator Financing Platform (ETAF). The AIIB is well-positioned to work with CAREC and its development partners to increase energy efficiency and renewable energy projects in the region.

Third, there is the importance of ***cross border connectivity***. Since 2016, AIIB has approved 45 projects in CAREC countries, and we look forward to strengthening our ties and engagement with this important regional initiative, especially in cross-border connectivity. To best meet the needs of our members, AIIB has also been actively expanding on our capabilities in supporting cross-border connectivity at the upstream stage, including as an implementing partner for the Multilateral Cooperation Center for Development Finance (MCDF).

Achieving an equitable, resilient recovery will demand catalytic financial instruments that meet the needs of our member countries. As such, AIIB is committed to developing our financing and

capacity building functions, leveraging strategic partnerships to achieve this goal. As a partnerships-driven bank, we look forward to new, impactful collaborations with CAREC, the CAREC Institute, regional development partners, and the private sector to drive sustainable infrastructure investments and knowledge sharing, as we continue striving towards tackling climate change, and boosting connectivity and prosperity both within Asia and beyond.

Thank you.