

**Fourth Ministerial Conference on
Central Asia Regional Economic Cooperation
5-6 November 2005, Bishkek, Kyrgyz Republic**

**Opening Statement by
Mr. Li Yong, Vice Minister of Finance, PRC**

Mr. Chairman,
Respected Ministers, Ladies and gentlemen,

I am very glad to be here in this beautiful city of Bishkek to share with you views on how to further promote Central Asia Regional Economic Cooperation. First of all, on behalf of the Chinese delegation and also in my own name, I would like to extend our appreciation to the government of the Kyrgyz Republic for the warm hospitality and nice arrangement for the conference. My thanks also go to the Asian Development Bank for its efforts in organizing this conference.

I would also like to welcome the delegations from Afghanistan and the Russian Federation, which are attending the CAREC Ministerial Conference for the first time. I believe that this will bring new opportunities and help accelerate the progress of the CAREC Program toward our common goals.

Development is our shared priority. In the context of globalization, development of one country is closely related to that of the region and the world at large. This makes regional cooperation all the more important. Through regional cooperation, we could attract more much-needed capital and technology, seize development opportunities, and maintain a sound environment for development. By working together, we could also enhance our ability to meet the challenges and to resist external risks.

Central Asia has huge potential for development. It is the bridge linking Asia and Europe, endowed with rich natural and human resources. We should fully make use of these advantages and strengthen our cooperation to facilitate the movement of goods and factors, increase the complementarities among the countries, and accelerate economic and social development in our region.

Since the launch of the CAREC Program, all the participating countries have cooperated closely with each other on the basis of mutual benefit and mutual trust. An Overall Institutional Framework has been set up, and initial benefits have been yielded. Since the last ministerial conference, our cooperation in all sectors has been on the right track, with stronger momentum, steady steps and notable progress. In transport sector, a number of key road projects are being implemented as scheduled, and a road map for future cooperation has been developed. In energy sector, the CAREC Members Electricity Regulators Forum has been established. In trade facilitation, the CAREC participating countries are pilot-testing initiatives and programs agreed upon under the collective action plan of the Customs Cooperation Committee. With regard to trade policies, researches on trade liberalization in the region have been started, and some constructive recommendations have been made.

These achievements show that our cooperation is in the right direction, and our work so far has been effective. I am very confident that with mutual trust and joint efforts, we can further deepen regional cooperation and achieve our ultimate goal of common development.

On this occasion, I want to reaffirm China's firm support for and commitment to the CAREC Program. Based on the principles of equality and mutual benefit, we will continue to work with our partner countries and the multilateral institutions to further deepen and broaden the CAREC Program in a pragmatic and proactive manner.

Ladies and Gentlemen,

Irrespective of the progress made to date, the CAREC Program is still at its initial stage. More and stronger efforts are needed to translate words into deeds, further enhance mutual trust, expand scope of cooperation, and increase efficiency and finally achieve more concrete results. On behalf of the Chinese government, I would like to make four proposals on future cooperation as follows:

First, we should continue to be guided by the principles of equality, mutual benefit and consensus building. Our cooperation must serve the goal of common development and prosperity, fully respect and reflect the development needs of each and every participating country, and achieve a win-win situation in which all countries' benefits can be gained from cooperation through consultation on equal footing.

Second, we should maintain our work approach that is practical and results-oriented. The basic framework of CAREC Program has been set up. For the immediate period to come, we should continue to focus on the current priority sectors and implement the key projects with a view to producing more concrete results, thereby enhancing confidence, broadening consensus, and laying a solid foundation for more comprehensive cooperation. We should accelerate the development of the Comprehensive Action Plan, and design clear and specific measures and steps to achieve the mid- and long-term goals of cooperation. As for the cross-cutting themes and sectors, such as cross-border transport and trade facilitation, we should establish the appropriate internal and external coordination mechanisms, and constantly improve the institutional framework of cooperation in line with actual needs.

Third, we should make good planning for the future development of the CAREC Program. On the one hand, we should seize the opportunities where they arise to expand our cooperation to sectors with real potential and right conditions. Good examples of such sectors are environmental protection, tourism and agriculture where we have resources advantages and preliminary conditions for cooperation. On the other hand, we should strengthen the coordination and clarify the division of labor between CAREC and other regional cooperation organizations or mechanism already existing in this region.

Finally, we should be more proactive in resource mobilization in support of our cooperation. On one hand, we should try harder to attract more development partners to support our program. We appreciate the strong role played by ADB as the advocator, coordinator, and financier of the CAREC Program. We also welcome and appreciate the support provided by other multilateral institutions. On the other hand, we should further encourage and promote the private and business sector in the region to participate in the cooperation. The development of the private sector is a strong driving force for sustainable economic growth. The participation of the private sector will not only make up for the government resource gaps, but also strengthen the economic vitality and dynamism at the micro level which will contribute to the steady and self-sustained growth of the national and regional economy. This should form a key component of our future cooperation.

We are pleased to see the increasing vigor of the CAREC Program. We believe that with the joint efforts of all parties, we will translate the beautiful vision for the regional development into a reality.

Thank you!