

Opening Statement
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ADB Resident Mission in the People's Republic of China (PRC)
Subregional Workshop on CAREC 2020
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Urumqi, PRC

Director General Zheng Xiaosong, International Department, Ministry of Finance, PRC; fellow participants, ladies and gentlemen, good morning:

On behalf of the Asian Development Bank (ADB), I wish to welcome country delegations from Azerbaijan, Pakistan, and Mongolia to this subregional workshop on Central Asia Regional Economic Cooperation 2020. In this context, I would like to extend a special welcome to the delegation from Pakistan as this is their first formal Central Asia Regional Economic Cooperation (CAREC) event after being admitted as a full-fledged member of the regional body at the Ninth Ministerial Conference in Cebu last November.

In addition, I would like to extend our sincere thanks to our hosts for this event, the Government of the People's Republic of China (PRC) and the Xinjiang Uygur Autonomous Region for their excellent arrangements and logistical support as well as active participating in this event. My special thanks go to Director General Zheng Xiaosong for taking time out of his very busy schedule to be here in Urumqi to chair this important subregional workshop. We are very grateful for and honored by your presence here this morning.

As you are all aware, this year is special for the CAREC Program as it marks the first decade of successful and productive cooperation among the member countries. We in ADB are very excited to celebrate 10 years of progress in CAREC, and are thankful for the endorsement given by the ministers at the Cebu Ministerial Conference on the program of commemorative activities.

These activities include: (i) the launch of the 10-year commemorative study on CAREC, which is essentially a stock taking of achievements and a forward-looking 10-year strategic framework; (ii) the production and showing of a 15-minute video showcasing CAREC's achievements over the past decade; (iii) convening of a development partners' forum; and, possibly, (iv) signing ceremonies related to the cross-border transport agreement and/or the planned regional improvement of border services project.

The objective of this subregional workshop is to plan and thoroughly prepare for these commemorative activities. Most importantly, this subregional workshop aims to obtain the inputs of the CAREC member countries and partners from the multilateral institutions on Part 2 of the 10-year commemorative study, which is a proposed strategic framework of CAREC for the period 2011–2020, or what we refer to as CAREC 2020.

As you are aware, the Ninth CAREC Ministerial Conference in Cebu in November 2010 endorsed Part 1 of the commemorative study, as well as the preparation of Part 2. Part 1 reviewed progress in the past decade, and identified the key issues that need to be addressed going forward.

It has been nearly five years since the Comprehensive Action Plan (CAP) was endorsed by the Ministers. The CAP has served us well in defining the areas of cooperation, obtaining consensus on our priorities, and moving CAREC into more systematic planning and implementation. Now, as agreed by the member countries, the time has come to review and enhance the CAP not only to reflect the progress made, but, more importantly, to enable CAREC to better address the key challenges that member countries will face in the coming years.

A preliminary draft of CAREC 2020 was prepared by the Secretariat on the basis of Part 1 of the commemorative study, as well as consultations that have been held in the past year. During 2010 and the first part of 2011, the CAREC partners have consulted and deliberated through a series of meetings. Agreement was reached on the primary areas of the CAP that require adjustment or strengthening and these are laid out in the initial draft of CAREC 2020. The first-ever CAREC ministerial retreat held in conjunction with the Ninth Ministerial Conference last November discussed the challenges facing the CAREC Program as well as the strategic directions for the future.

Those discussions laid the groundwork for the future cooperation by accelerating work on trade, transport, and energy. Over the next decade, an expanded CAREC partnership will seek to cement the shared vision of a seamlessly interconnected region retracing the paths of the former Silk Road.

For the next two days, we will discuss in detail the initial draft of CAREC 2020. The CAREC Secretariat based in ADB headquarters in Manila, together with the CAREC team in Almaty, are here to help facilitate the discussion. They will also present preliminary concepts on the proposed commemorative activities, as well as a concept of a study to develop cities and/or towns along CAREC corridors with a view to facilitating private sector development. They will also share ideas on the work plan of the CAREC Institute for the next three years, and present a proposed agenda for the mid-year CAREC senior officials' meeting to be held early next month in Baku (on 7–8 June).

Given the importance of developing a feasible medium-term list of rolling priority regional projects to accompany CAREC 2020, there will be dedicated sessions on proposed projects in trade facilitation tomorrow afternoon and in transport on 19 May. Sector experts from ADB are here to assist in the process of identifying the pipeline projects. For the energy sector, the identification of priority projects will commence after the criteria for project selection is developed and agreed by the Energy Sector Coordinating Committee. This will be further explained in the relevant session this afternoon.

We have a full agenda ahead of us in the next 3 days. I encourage all of you to actively participate in the discussions, which I am sure will help all of us plan for the 10th anniversary activities, and to chart the future directions of the CAREC Program. The CAREC Secretariat will incorporate the views, comments, suggestions and other inputs obtained from the subregional workshops on CAREC 2020 and the 10-year commemorative

activities, as well as those provided in writing by other CAREC country officials and partners from the multilateral institutions. A revised draft will be circulated a few days before the CAREC senior officials' meeting to be held in Baku next month.

Also in Baku next month, the revised draft will be reviewed again by senior CAREC officials. The CAREC Secretariat will incorporate any additional inputs and comments received during the meeting, and will then prepare a final draft that will be presented to the CAREC ministers at the tenth anniversary celebration of CAREC during the Tenth CAREC Ministerial Conference proposed to be held in early November this year.

The Tenth Ministerial Conference in 2011 therefore represents an important milestone in our cooperation. It is a time for reflection on what we have achieved together, the challenges that must be overcome, and how we can refine CAREC to enhance our cooperation over the next 10 years. Let us make sure that the Tenth Ministerial Conference will be a resounding success.

As ADB's President Haruhiko Kuroda reminded all of us in his keynote address during the Ninth Ministerial Conference last November, in building on the successes of the past ten years, the CAREC countries should not only reach high, but reach higher—together—to fulfill shared dreams. Such dreams are not only about us; they are also about future generations. Therefore, as we go forward with the next decade of cooperation in CAREC, we need to remind ourselves repeatedly of that

question. The destiny of future generations will be shaped by what we do today.

We at ADB therefore look forward to hearing your views and opinions. I am certain that our discussions in the next couple of days will be extremely fruitful and that we'll look back 10 years from now and recognize the importance of what we accomplished.

Thank you for your attention and I wish you success in your deliberations.