

**Keynote Speech at the 5<sup>th</sup> Ministerial Conference on  
Central Asia Regional Economic Cooperation**

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20 October 2006

Distinguished Heads of Delegations,  
Respected President Kuroda,  
Ladies and gentlemen,

Good morning!

On behalf of the Chinese Government delegation, I would like to warmly welcome all the colleagues and friends to the Conference.

Since the 4<sup>th</sup> Ministerial Conference (MC) on Central Asia Regional Economic Cooperation (CAREC) in Bishkek, we participating countries, under the help of ADB and other multilateral institutions (MIs), have conducted a series of consultations and studies on concrete actions for the further enhancement of our cooperation in the coming years. Thanks to our concerted efforts, we completed the Comprehensive Action Plan (CAP) and reached consensus on certain special areas for cooperation. I would like to take this opportunity to congratulate my colleagues from participating countries, on these tangible achievements required by our ministers during the 4<sup>th</sup> MC. I would also like to extend sincere thanks to ADB and other MIs for their contributions to these achievements.

The CAP is the result of active involvement and equal consultation of the participating countries and close cooperation with the six MIs. As the first guiding document for the mid- and long term cooperation, the CAP outlines four pillars including knowledge/capacity building, regional infrastructure networks, trade, investment and business development and regional public goods. It proposes the establishment of a two-tiered approach. While continuing to keep the existing priority areas, the CAREC Program will be broadened to other sectors including the prevention and control of HIV/AIDS, human-avian flu and environmental protection in the form of "special projects". Based on this, the CAP has also defined concrete cooperation targets, priority actions and progress evaluation indicators system. The Chinese Government maintains that the CAP is a well-designed master plan with strategic vision and it is operational and easy to be monitored and evaluated. It is bound to play an important role in intensifying all sorts of cooperation under the CAREC mechanism. The Chinese Government therefore supports the CAP and hopes that this important document can be endorsed unanimously at the 5<sup>th</sup> MC.

It has been five years since the First Ministerial Conference was held. Unveiling of the CAP indicates that the CAREC has successfully gone through the primary stage of trust -building, and is about to turn into a new historical stage marked by full implementation of the CAP. On behalf of the Chinese Government, I would like to put forward the following suggestions:  
First, in consideration of specific progress in each priority sector, working out related concrete

strategies and action plans in line with the CAP by 2007. Transportation, energy, trade policies and trade facilitation are the corner stones of the CAREC mechanism. Based on the achievements that have been made, more financial and intelligent resources should be appropriated to the four pillars, especially to the “bold strokes” of transportation corridors and WTO accession of some countries, so as to ensure that the CAP and the concrete action plans of each sector will be put into place.

Second, carrying out the “special projects” to expand the cooperation scope and striving for breakthroughs. We may consider incorporating these projects into our cooperation mechanism, when conditions are ready.

Third, mainstreaming regional cooperation at the levels of both participating countries and international financial institutions. The practices of many regional and sub-regional economic cooperation mechanisms demonstrate that only if the regional cooperation projects are combined with the development programs of the member countries as well as the assistance strategies and lending programs of the IFIs, can all the parties concerned be motivated, and their respective advantages be fully used for sustained and healthy development. We especially hope that the multilateral institutions like the ADB can attach greater importance to regional cooperation and scale up human resource and budget support to this end.

Forth, strengthening and improving the existing Overall Institutional Framework. In retrospect of our cooperation over the last few years, we can see that the three-tiered working mechanism composed of the Ministerial Conference, the Senior Officials’ Meeting (SOM) and the Sector Coordinating Committee functions well on the whole. Yet more effective communication and coordination between the three tiers are necessary. Moreover, the role of the SOM as national coordinator and connecting link should be strengthened. We hope that the establishment of the Strategic Management and Priorities Sub-committee can make some contributions in this respect, and that the ADB will put forward a detailed plan over the structure, responsibilities and work process of this sub-committee for discussions as soon as possible.

Fifth, continuously attracting and mobilizing more resources. We need not only official assistance, but also private commitment. The just convened CAREC Business Development Forum is a good case in point. We should fully utilize this mechanism, making it an effective communication channel among governments, international institutions and private sector, and then turning it into a platform of mobilizing more resources for regional cooperation.

Ladies and gentlemen,

For a long time, the Central Asia countries have always been good neighbors in harmony, and we have cemented greater partnership through cooperation. Such partnership will be constantly consolidated and strengthened as our cooperation proceeds. I believe that the blueprint of regional cooperation will come to reality with our joint efforts.

Thank you.