

**5th Ministerial Conference on
Central Asia Regional Economic Cooperation
20 October 2006
Urumqi, Xinjiang Uygur Autonomous Region, People's Republic of China**

**Opening Statement and Views on the CAREC Comprehensive Action Plan
Mr. S. Rakhimov, Chairman of Board,
National Bank for Foreign Economic Activity
(Uzbekistan)**

Dear Mr. Jin Renqing,
Dear Mr. Haruhiko Kuroda,
Distinguished Ministerial Conference participants,

Firstly, on behalf of the delegation of the Republic of Uzbekistan allow me to thank PRC Government and Asian Development Bank management for excellent organization of this Ministerial Conference and warm welcome in Urumqi.

Today we fully sense that ADB demonstrates strong commitment to its mandate to deepen regional economic cooperation and integration.

"Regional cooperation" category becomes an efficient mechanism to address many urgent challenges for our countries.

It is obvious for all of us that real results are possible only if each participating party would understand all evident benefits from regional economic integration and acknowledge the importance and need for consensus in developing mutual interests-based decisions.

We note with pleasure that four years after beginning of the CAREC Program a wider audience, including not only government structures, but also the business sector, started to be involved in this process to demonstrate benefits from developing regional cooperation through national and regional Round Tables.

In the result of a thought-out regional cooperation strategy, targeted and systemic work of ADB and other leading IFIs together with Governments in the region, today we have a wide scale CAREC financial and technical assistance program.

There are already good examples of concrete regional cooperation projects. Discussion of 2006-2008 program on this Conference evidences new constructive proposals that will be implemented in the nearest future.

We fully support the thesis that international financial and economic organizations should be partners in addressing issues of expanding and deepening economic cooperation in the region.

The main coordinating role in the implementation of all projects with regional dimension, as we think, by right belongs to the CAREC Program. At this CAREC should also more efficiently coordinate its activities with other regional organizations and programs, especially SCO and EurAsEC.

With firm intention to stir up participation of the Republic of Uzbekistan in regional investment cooperation, during the 4th Ministerial Conference in Bishkek in November 2005, our delegation submitted a list of regional projects for ADB's consideration.

It covers investment projects in construction and reconstruction of roads and railroads, energy sector, regional trade expansion and also technical cooperation projects proposed for grant funding from ADB for a total amount of \$973 million, with ADB's financing of \$359 million.

Implementation of priority regional infrastructure projects and increased role of the region as the important transport and communications corridor between Europe and Asia, development of railways, roads and telecommunications networks are of strategic interest for Uzbekistan.

Uzbekistan's geopolitical location predetermines its important place in creating shortest transport connectivity. In particular these are such projects as:

- implementation of Trans-afghan corridor;
- modernization and development of South and North railways and roads;
- reconstruction of oil and gas pipelines.

For CAREC to fully realize its huge potential, IFIs need to increase funding for regional cooperation initiatives.

Scale and complexity of regional problems require significant strengthening in coordination, especially in the development of future programs.

Efficient realization of Program's potential would require:

- a common strategic vision in determining expected outcomes of the CAREC Program, and prioritizing and sequencing regional cooperation initiatives that bring expected outcomes;
- locomotive, break-through initiatives in each of the priority areas, "real actions";
- partnership with other regional initiatives, especially SCO and EurAsEC;
- gradual expansion of regional cooperation areas.

Mandate of the Ministerial Conference for the CAREC Program is clearly defined as to develop strategic regional cooperation framework.

In this regard during the last two years the CAREC Program started to become more strategic and systemic.

During the last year a lot was done to prepare CAREC Comprehensive Action Plan, firstly to develop a strategic framework for medium term expected outcomes in regional cooperation.

CAREC Secretariat has done a lot to finalize CAP. Together with the Governments, broad consultations and Round Tables involving the structures concerned have been conducted to discuss issues related to CAREC's CAP development and Central Asia regional economic cooperation status and prospects.

The purpose of these discussions was to promote participation and contribution in the CAREC Program of the countries themselves, and we think we managed to achieve this.

The main output of the work done was the accomplishment by all participating countries of a common strategic vision in determining expected outcomes of the CAREC Program, and prioritizing and sequencing regional cooperation initiatives that bring expected outcomes.

Performance indicators are a key feature of the Comprehensive Action Plan. To a large extent they drive the trend in development of the Regional Cooperation Program at all levels – broad program level, sector level and the level of individual projects.

We think that, in general, today a strong institutional basis to expedite the pace of regional economic cooperation in Central Asia has been formed. We will continue joint efforts to successfully implement regional initiatives by ADB and other IFIs.

Today it is obvious that economic cooperation based on mutual trust, mutual benefit, respect to the interests of parties and strive for development, should become a basis for economic growth and social progress of the region as a whole.

A common aspiration towards ensuring stability and prosperity in the region unites us, and we hope that our cooperation will develop and facilitate further strengthening of our relations for the good of development and well-being of the Central Asia region!

In conclusion allow me to once again express my gratitude to PRC Government, management and staff of the Asian Development Bank and CAREC Secretariat for a contribution in addressing region's development issues, and wish you success, strong health and well-being!

Thank you for your attention.

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