

Workshop on Xinjiang Trade Logistics Development
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Mr. Wang Xinhuai, Deputy Director General from NDRC,
Distinguished Guests from government agencies, private sector, and academia,
Ladies and Gentlemen:

It is my great pleasure to join Mr. Wang in welcoming you all to the Workshop cosponsored by the Department of Regional Economy of the NDRC and ADB. The Workshop is part of the consultative process of the ongoing Study on Xinjiang Trade Logistics Development and Strategy, initiated under the CAREC's Trade Facilitation Program. Its purpose is twofold: (i) first, to hear your views and comments on the findings and recommendations of the Study so as to improve the quality and policy relevance of the Study; and (ii) second, to provide a forum for dialogue among representatives of trade-related government agencies and private sector which is critically important for such a broad subject that cut across many sectors and thematic areas. In this regard, I am pleased that the Workshop has drawn such a broad-based participation from the government agencies and private sector, including officials from central, provincial and local governments, and participants from major logistics companies and universities. I thank Director Zou Yong from NDRC and Director Jiao Guanghui from XDRC for putting so much effort to coordinate the Study and ensuring broad-based participation in the Workshop.

Trade facilitation and logistics development is a joint effort of all trade-related agencies and private sector. Interagency coordination and public-private partnership are two key factors for development and implementation of a nation-wide integrated trade facilitation and logistics development strategy. Promotion of such a broad strategic approach is a major initiative endorsed by the CAREC's 4th Ministerial Conference held in Bishkek in November 2005. Having borders with five CAREC participating countries and situated in PRC's northwest far from the prosperous coastal region, Xinjiang needs such an integrated approach to improve investment climate, and leverage its unique geographic position as an important part of the Euro-Asia land-bridge and a transit route for the Central Asian countries. Regional cooperation is essential in this regard as it helped determine the role of Xinjiang trade logistics in a much broader context. PRC and Kazakhstan join efforts to

develop the Horgos International Center, Horgos CDB, and Horgos Logistics Center, as a step towards this direction.

Much has already been achieved by PRC for recent years in facilitating trade and logistics development, including:

- Launch of the “Integrated Border-Crossing Initiative”, or “Da Tong Guan”, a joint initiative of all the trade-related agencies and coordinated by the “E-port Committee” chaired by a Vice-Premier, and
- Accession to the TIR Convention spearheaded by the PRC Customs.

PRC’s accession to the TIR Convention and adoption of the TIR Customs Transit System would be a concrete measure to catalyze private trade logistics development in Xinjiang, particularly promotion of third-party logistics services. It offers potential to transform Xinjiang into a land-bridge or a modern silk road for transit trade from Central Asia, and trade between Europe and Asia.

Ladies and gentlemen, we hope this Study will give new impetus to these ongoing trade facilitation and logistics development efforts by the PRC Government. We also hope the Study will provide inputs and support for commencing further work for Xinjiang for which ADB is providing new technical assistance:

- a study on Xinjiang economic development strategy with an emphasis on regional economic cooperation with Central Asian countries under the CAREC program; and
- development of a master plan and capacity building for Xinjiang trade logistics development.

With support from the Central Government particularly the NDRC and the Ministry of Finance, I am sure these efforts will lead to long-term cooperation between ADB and Xinjiang for a sustained economic development and poverty reduction in Xinjiang.

I wish the Workshop is successful. Thank you.