

Seminar on the Cooperation of the Chambers of Commerce of Central Asian Countries

**Speech by
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Colleagues, ladies and gentlemen,

Good morning! First of all, on behalf of the All-China Federation of Industry & Commerce, I hereby extend my sincere welcome to the distinguished guests coming from afar and the friends from business circle.

Today, the representatives of Central Asian countries are gathering in this city of Hangzhou sitting on the side of the beautiful West Lake, to exchange views about the cooperation strategies of chambers of commerce, look to the prospect of cooperation and development, and discuss ways to effectively fulfill the role of non-governmental channels, so as to promote the economic and social exchanges among Central Asian countries. This is an important event aimed at promoting and deepening the regional economic cooperation mechanism in Central Asia, which is also a follow-up meeting to the Urumqi Forum on Commerce and Industry held last year.

Linked by mountains and rivers, the People's Republic of China (PRC) and Central Asian countries are good neighbor on the Euroasian continental bridge. The cultural, economic and trade exchanges between the PRC and Central Asian countries can be traced back to the West Han Dynasty nearly 2,000 years ago. The ancient Silk Road, the long-standing historical ties, the natural geographical bonds and the interlinked culture and traditions are the important links cementing our deep friendship. Our common aspiration for modernization and development, and the extensive and down-to-earth cooperation have forged a closer good-neighborly partnership between the PRC and Central Asian countries.

Currently, economic globalization is developing in unprecedented depth and width. Regional cooperation has maintained a good momentum. International direct investment has continued to remain heating up. There is a surging momentum in transnational acquisition around the world. All these have brought forth both new historical opportunities and challenges to developing countries. The Chinese government has explicitly proposed to carry out an open-up strategy of achieving mutual benefit and a win-win situation, to support well-established enterprises to invest in overseas markets in accordance with international practice, to encourage contracting overseas projects and launching service cooperation, and to expand mutually-beneficial cooperation so as to achieve common development. This not only conforms to the trend of our time marked with economic globalization and regional economic cooperation, but also reflects the objective needs of the PRC and other countries in complementing with each other and seeking common development.

With an important geographical advantage, the Central Asian region boasts a broad market, abundant resources and a well-established industrial and agricultural foundation, which provides a huge potential for economic development and features strong characteristics of being complementary economically.

In recent years, Central Asian countries have registered a faster economic growth, gradual industrial restructuring, and an accelerating development in trade within the region. They have achieved an average annual GDP growth of more than 9% in recent years. Economic growth has yielded many business opportunities for regional economic cooperation.

However, the overall economic development of the Central Asia still remains at a relatively low level. Countries in the region are faced with acute problems such as a weak infrastructure, backward social undertakings and the lack of development funds.

With the concerted efforts of countries concerned, the Asian Bank and other international organizations, the Central Asian Regional Economic Cooperation Mechanism initiated by the Asian Development Bank, has developed smoothly and achieved positive results in recent years.

The All-China Federation of Industry & Commerce is the largest non-governmental business organization in the PRC. It has a well-knit organizational network covering the whole PRC, with more than 2 million members, mostly private enterprises.

As you can see, tremendous changes have taken place in the economic and social sectors across the PRC after more than two decades of its reform and opening-up. The private enterprises, which have shared weal and woe in the PRC's reform and opening-up drive, have become a key force in promoting the country's national economic and social development.

A number of private enterprises with visions have begun to become internationalized, engaging in overseas investment and transnational operations. They actively participated in various forms of international economic and technological cooperation, and have grown into a new force in implementing the PRC's strategy of "going global." Many of the private enterprises developed a favorable opinion about the economic potential of the Central Asian region and expressed their willingness to start business in Central Asian countries, and some have already made satisfactory performance there.

Chinese enterprises have gradually expanded their business in Central Asian countries from trade, a major form of business in the past, to such fields as industrial production, agricultural cooperation, energy and resources development, transportation and tourism. In particular, they combined the industries that enjoyed comparative advantages with the industrial restructuring in their host countries, which exerted a positive impact on raising the industrial and technical level of a great number of developing countries, increasing the fiscal revenue of local governments and creating more jobs for local people.

Close exchanges and cooperation in industrial and commercial circles are a vital basis for seeking a healthy and long-term development of the cooperation among Central Asian countries. The All-China Federation of Industry & Commerce will actively participate in the Central Asian regional economic cooperation. By enhancing exchanges between the chambers of commerce of Central Asian countries and establishing a service platform, it will encourage Chinese private enterprises to enhance trade exchanges with the enterprises of Central Asian countries, expand people-to-people contact and strengthen economic and

technical cooperation, in a bid to achieve a situation characterized with mutual respect, mutual benefit, win-win results and common development.

Both the PRC and Central Asian countries have experienced a gradual transition from a planned economy to a market economy. They all need to introduce reforms to their economic and legal systems, as well as their management mechanisms in the course of transition.

The chamber of commerce is a natural outcome of the market economy. It plays an indispensable and irreplaceable role of service, consultation, communication and self-discipline.

Therefore, I believe that the chambers of commerce of various countries will play a more important role in their cooperation as the market economy system is steadily improved and the Central Asian regional economic cooperation deepens. Zhejiang province is one of the Chinese provinces that have the most developed market economy. It has attained a high level of opening up to the outside world, with a well-developed private economy and a high speed of economic development. There will be a session focused on sharing the experience of Zhejiang province at this seminar. Inspection tours to that province will also be arranged.

At present, it is the common pursuit of the people of all countries to seek peace, development and cooperation. We deeply believe that it is impossible for a country to seek development without living in harmony with other countries. The All-China Federation of Industry & Commerce is willing to work together with the chambers of commerce of various countries to establish a long-term mechanism of regional economic cooperation in Central Asia, thus laying a solid foundation for an economically prosperous Central Asia. I would like to take this opportunity to thank the Asian Development Bank for its outstanding work in establishing and developing the regional economic cooperation mechanism in the Central Asian region over the past few years. I would also like to thank the governments of various countries for providing a platform for the industrial and commercial circles to engage in the economic cooperation in Central Asia. I appreciate the hospitality and considerate arrangement given by the Zhejiang Provincial Government and the Zhejiang Federation of Industry and Commerce at this conference.

Finally, I wish this seminar a complete success and the representatives of all countries good health. I hope you will have a pleasant stay in Hangzhou.

Thank you!