



Seminar on Trade Development of Regional Agriculture Products in Central Asia 17-18 June 2008, Urumqi, People's Republic of China

Opening Remarks

Distinguished officials from the People's Republic of China's Ministry of Commerce and Urumqi, distinguished Government representatives and participants from Central Asia, ladies and gentlemen, we from the Asian Development Bank send you our warm greetings. We are pleased to be in Urumqi, the city that has served as host to many of the Central Asia Regional Economic Cooperation (CAREC) Program meetings.

We would like to extend our gratitude to the Ministry of Commerce for providing the initiative and for supporting this two-day seminar on "Trade Development of Regional Agriculture Products in Central Asia".

The holding of the seminar at this juncture is an opportune one. Agriculture concerns, and in particular the issues on the continuing global food price hikes, have become one of the renewed focal areas in the discussions on global and regional trade.

Enhanced agriculture trade between and among neighboring economies, as well as the rest of the world, can be an important driver for growth and a catalytic instrument for poverty reduction especially for agri-based Central Asian economies. Success stories of agriculture trade as impetus for further in-country growth abound. These include China, Thailand, and Vietnam, where increased foreign exchange receipts from agriculture trade provided the revenues to fund the countries' movement up the economic growth ladder, specifically agro-industrialization, and subsequently towards the industrialization path.

There are significant global opportunities that can be harnessed by a strengthened regional cooperation on agriculture products in Central Asia. These include opportunities for expanded markets for high value and nontraditional as well as traditional agri-based products; opportunities for value creation through integration into the international supply value chains so as to reap the benefits of economies of scale and access to inputs, technologies, and markets; and opportunities to explore institutional innovations on risk insurance, rural finance, marketing software and IT infrastructure for information and commodity exchanges, and innovations in development of producers' and trade associations.

Sharing experiences and learning more on the trade aspects of and best practices on regional agriculture products in Central Asia can provide the building blocks for understanding the World Trade Organization's agriculture agreement, the global agriculture trade framework for fairer and predictable international market competition. As most of the Central Asian economies are in the process of accessing WTO membership, seminars such as these can become the forums for understanding the rules and commitments on market access, domestic support, and export subsidies, as well as the agreements on food safety and product standards as these apply in

the region. The seminar can provide the venue for knowledge and experience sharing on agriculture and trade-related policies, as well as the challenges and trade-related obstacles that can be addressed as regional blocs.

We thank again the Ministry of Commerce and the Urumqi officials for hosting the seminar. And we wish each participant a productive and enriching seminar.