

Statement

of the Ministerial Conference on Central Asia Economic Cooperation

26 March 2002, Manila, Philippines

1. The Ministerial Conference on Central Asia Economic Cooperation was convened during 25-26 March at Asian Development Bank headquarters in Manila, Philippines. Delegations from the People's Republic of China, Kazakhstan, Kyrgyz Republic, Tajikistan and Uzbekistan (hereafter referred to as "the Delegations") participated in the Conference. Country delegates attending as observers included Azerbaijan, India, Mongolia, Pakistan, and Turkmenistan. The Conference was also attended by multilateral and bilateral development partners (a list of participants is in [Attachment 1](#)).
2. The Delegations shared the vision that regional economic cooperation is a strategic means to reducing poverty, and achieving stability and prosperity in Central Asia, particularly in the wake of the 11 September events, and emphasized that for regional economic cooperation to be effective, viable and sustainable, it must be based on mutual understanding, trust and consensus, and yield mutual benefits.
3. It is the view of the Delegations that economic cooperation is particularly important to Central Asia, as the countries in the region have a shared history and face common development challenges, including locational disadvantage, small domestic markets, and the shared use of resources such as energy and water. Economic cooperation complements and supports national development strategies.
4. Given these common challenges, the Delegations confirmed transport, energy and trade facilitation as the priority areas for economic cooperation in Central Asia. The Delegations also considered human resource development to be an important aspect of the three priority areas. The Delegations strongly advocated a practical and results-oriented approach. The key to this approach is to focus on concrete projects that bring tangible benefits. These benefits would help build confidence and foster trust, which would in turn lay the foundation for achieving longer term strategic objectives.
5. The Delegations reviewed ADB's support for economic cooperation in Central Asia and expressed satisfaction with the progress made to date especially in the area of transport, energy and trade facilitation. It is the view of the delegations that ADB should stay focused on addressing the long term challenges identified above, and continue to play a key role in mobilizing resources for financing investment and other projects. In this connection, the Delegations discussed a three-year regional assistance program prepared by ADB. By mid 2002 ADB will present a revised program for further consideration by the governments.
6. The Delegations stressed the importance of the steps taken for strengthening the partnership between the countries and ADB in support of economic cooperation in Central Asia, particularly the recent establishment of an overall institutional framework to guide the cooperation program. This represents a new phase of cooperation between

the countries and ADB, and will provide an opportunity to enhance coordination with all development partners for effective support to economic cooperation.

7. The Delegations noted with satisfaction that the framework has already been activated, as in the case of a Customs Coordinating Committee that is being established to cooperate among customs authorities in the participating countries. The Delegations urged ADB to expedite the formation of the sector coordinating committees and project specific working groups as appropriate. National Focal Points will be appointed by each government by mid 2002 to facilitate the overall planning, prioritization and implementation of the program.

8. The Delegations requested ADB to play an active role in mobilizing financial resources, particularly on concessional terms, from multilateral and bilateral sources for financing the region's development needs. They also urged the international community to coordinate closely and effectively in supporting economic cooperation in Central Asia.

9. The Delegations recognized that as peace returns to Afghanistan, stability in Central Asia will be enhanced. This would in turn create opportunities to promote economic development and cooperation. A stable and prosperous Central Asia will contribute significantly to the reconstruction and development of Afghanistan. The Delegations therefore called on all countries, but particularly Afghanistan and the countries in Central Asia and South Asia, to work closely together in seizing this historic opportunity to bring long term peace and prosperity to their people.

10. The Delegations emphasized the importance for ADB and all other development partners to cooperate closely in assisting the economic and social development in Afghanistan. In this connection, the Delegations supported the sub regional approach advocated by ADB for the reconstruction and development of Afghanistan. They encouraged ADB and other international partners to continue to explore and support economic cooperation among Central Asia, Afghanistan and South Asia, in particular by using the human and other resources available in neighboring countries, and requested ADB to report the results to the next Ministerial Conference.

11. The Delegations unanimously supported Mongolia and Azerbaijan to become full participants of the partnership and strongly believed that their participation will contribute positively to the cause of economic cooperation.

12. The Delegations decided that the venue of the Ministerial Conference will rotate annually among the participating countries. The next Ministerial Conference will be held in Tashkent in 2003. The ADB Secretariat should make recommendations on Conference preparation by end 2002 in consultation with all participating governments.

13. The Delegations expressed their appreciation to ADB for its warm hospitality and excellent organization of this Conference.