Statement by H.E. Askar Akaev,
President of the Kyrgyz Republic

Distinguished Mr. Chairman,
Distinguished UNDP Administrator, Mr. Malloch Brown,
Distinguished Heads of the Delegations,
Distinguished Guests,
Ladies and Gentlemen,

First of all, I would like to express my sincere gratitude to the UNDP Resident Representatives Mr. Jerzy Skuratowicz in the Kyrgyz Republic and our old friend Mr. Ercan Murat in Afghanistan for organizing the Bishkek conference. Participation of the UNDP Administrator Mr. Malloch Brown highlights the strong importance and responsibility of this forum. Taking this opportunity, I would like to praise the extremely fruitful activity of UNDP aimed at the implementation of UNDP special programs on rehabilitating and reviving the economy of Afghanistan. I would personally wish you every success in your charitable mission.

I would also like to welcome representatives of the national delegations of the Central Asian countries, Afghanistan, Pakistan and Iran, international organizations and businesses that supported the initiatives of carrying out this very important international forum in Bishkek.

Of course I would like to highlight the key role of Iran and Pakistan in regulating the situation in Afghanistan by providing economic and humanitarian assistance to the country, in addition to receiving and facilitating refugees from Afghanistan. Obviously, these two countries were the first to feel the burden and tragedy of the civil war in Afghanistan.

Once again, the issues of the post-conflict development of Afghanistan and the involvement of the country in regional cooperation with Central Asia and neighboring countries are vital for the countries of our region.

Esteemed Ladies and Gentlemen,

We all have common goals: to promote the return of Afghanistan into the regional economy, to support the rehabilitation process in the country, to build stable lives for the Afghan people and to achieve stability and security for Afghanistan and the entire Central Asian region.
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Distinguished participants of the conference,

The reforms in Afghanistan, brought to ruin by the longstanding war, started after the temporary government, headed by H.E. Hamid Karzai, came to power. The past period revealed the range of difficulties related to the rehabilitation process in Afghanistan. In this regard, I would like to wish the people of Afghanistan and the government of the country to be firm and patient.

We are intending to continuously support the efforts of the government of Afghanistan in carrying out the reforms aimed at setting up a peaceful and democratic country.

Considerable progress has been achieved in Afghanistan. The Constitution of the country was passed and general elections to the parliament and presidential elections will take place in October 2004. The Kyrgyz Republic has been welcoming the efforts of President Karzai aimed at setting up a basis for a functional democracy in the country, concrete steps in implementing the national development plan of the country and speeding up the process of demilitarization and disarmament. They are all creating favorable grounds for strengthening Afghan statehood and establishing peace and transnational consent, as well as the economic revival of the country.

However, in spite of the progress achieved in promoting the political process in Afghanistan, there is still the threat of a revival from extremists and terrorists, all of whom are opposing the reforms.

The recent increase in terrorist and extremist attacks on peacemaking forces and aid
workers has created widespread concern.

Alongside security issues, another aim of the world community is the minimization of threats related to drugs. Unfortunately, during the last year production of opium has increased dramatically. Accordingly, the volume of drug trafficking has also increased, especially through the so-called “northern corridor” via Central Asia.

The increasing drug threat requires further consolidation of international efforts aimed at combating this evil. The Kyrgyz Republic has been actively cooperating with the interested countries and international organizations for the purpose of strengthening mechanisms to prevent drug trafficking. The state drug control agency, set up in June 2003 in the Kyrgyz Republic with the direct support of the UN Drug Control Department, is aimed at qualitative actions against drug trafficking and it will operate in close cooperation with all the interested parties. The Kyrgyz Republic is promoting full mobilization of institutional, international, regional and sub-regional agencies for the purposes of implementing the anti-drug strategy applicable to Afghanistan, as well as in a wider regional context. Special attention should be paid to the need to support the people of Afghanistan by providing alternative ways of gaining income. The economic part of the rehabilitation process is, of course, a key condition for achieving a positive shift in the mentality of the people of Afghanistan.

Distinguished heads of the delegations,

Dear Ladies and Gentlemen,

At the Afghanistan conference held in Berlin, a retrospective assessment of achievements in Afghanistan after the Tokyo and Bonn international conferences was made and a declaration was adopted. The declaration highlights the determination of the world community to create the conditions for the rehabilitation process in Afghanistan. It is designed to promote the establishment of a representative government in a secure and peaceful environment by means of free and fair elections and an independent resolution of its political future. In the future it seeks to provide a guideline for the rehabilitation and revival of the country on the basis of reforms in political, economic and social areas.

The Berlin declaration expresses its dedication to provide financial assistance to Afghanistan for the purpose of its rehabilitation and development; it also welcomes the promotion of regional cooperation between Afghanistan and its neighbours in their fight against drugs.

Within this context, our conference represents a logical development of decisions of the Tokyo, Bonn and Berlin forums and is aimed at considering concrete tasks related to the rehabilitation process of Afghanistan through the prism of regional cooperation.

We all are very much keen to preserve and strengthen the attention of the world community on the problems of Afghanistan and to foster support for its peaceful and stable revival.

The process of political stabilization and strengthening of state power directly depends on the speed and methods of resolving the social and economic problems in this country. Today the fate of the entire nation depends on the joint efforts of the world community. No peace can be achieved in Afghanistan without its economic growth and further development. Combating poverty, drug trafficking and drug addiction will provide for
more sustainable progression of the rehabilitation processes.

Of course, success depends on the willingness of the political powers and the entire multi-ethnic people of Afghanistan to participate in the rehabilitation and revival of their country. A decisive factor for implementation of the actual programs is adherence of the main donor countries - the USA, Germany, Japan, EU and other countries of the world community - to the commitments they have made. An important role in promoting and assisting the rehabilitation process can and must be played by Afghanistan's neighbouring countries, including the Kyrgyz Republic. Our leaders are following this line firmly and invariably.

In this respect, the Kyrgyz Republic appreciates the efforts of its Afghanistan neighbours Iran, Pakistan, the Peoples' Republic of China, Tajikistan, Turkmenistan and Uzbekistan, which have signed the Kabul (2002) and Dubai (2003) declarations on good neighbourly relations. These declarations encourage closer trade, commercial, transit and investment cooperation. They will promote the implementation of the required measures aimed at the rehabilitation of economic regional cooperation.

This conference is the Kyrgyz contribution to the stimulating and strengthening of regional cooperation.

Dear participants of the conference,

I familiarized myself very carefully and attentively with the expert materials prepared for this conference. Important aspects involving Afghanistan in regional economic cooperation are covered in the documents. I am confident that they adequately reflect the essence of the actual problems and outline ways for their resolution. The documents disclose numerous opportunities for forging partnerships and interactions at the regional level.

I would like to urge all the interested international organizations and donor countries to use the capacity of our region more fully and efficiently for the purpose of reviving Afghanistan.

The countries of Central Asia have tremendous resources: water and energy, hydro-carbonaceous fuel, non-ferrous metals, a network of transport communications, etc. In the future we will have large opportunities to develop multi-profile projects together with Afghanistan in various areas: the water and energy sector, agriculture, trade, construction of trans-Asia transport communications, opening joint industrial enterprises, etc. For these purposes we have a favorable geographic location and strong historical links both culturally and spiritually. In addition, prices for many goods and services in the countries of the region are much lower than the ones in the world market.

As for concrete participation of our country in the implementation of different rehabilitation programs for Afghanistan, I would like to highlight the following:

We are very much interested in offering resources and intellectual capacity for addressing the issue of post-conflict rehabilitation.

The Kyrgyz Republic is ready to cooperate closely with international organizations and various countries to assist in the rebuilding of communication systems, the construction of residential buildings, healthcare and educational institutions, providing medical assistance, delivering and distributing humanitarian goods and forming the infrastructure...
of the industrial sector. We hope to be able to support the economy of Afghanistan with a variety of different goods, including humanitarian, agricultural and industrial. We are ready to place orders in our enterprises for the needs of Afghanistan and implement joint projects with the country.

Having highly professional, skilled and knowledgeable human resources, our country will consider sending our civil experts to Afghanistan, including healthcare specialists, engineers, labourers, teachers, agronomists, etc. Another prospective direction for cooperation is training national experts and specialists for Afghanistan in vocational and technical educational institutions, as well as in universities of the Kyrgyz Republic. Today some boys and girls from Afghanistan are trained in our country; however we have the opportunity to receive a much bigger number of them in future.

On the first day of the conference, the Prime Minister of the Kyrgyz Republic, Mr. Nikolay Tanaev, described possible areas for cooperation for the purposes of rehabilitating Afghanistan.

We believe that the above-mentioned areas of cooperation have vast potential, given that during the years of independence, the multi-profile production base of our country and development of the market economy became quite flexible and operational.

Dear Ladies and Gentlemen,

I am absolutely confident that this conference will become an important contribution to the efforts of the world community to promote the rehabilitation process of Afghanistan. It is important to find ways for genuine regional cooperation for the purpose of achieving this goal.

I hope that the outcomes of the conference will become not only an additional impulse for promoting attention to Afghanistan, but also for implementation of concrete economic projects.

“Only those who move will pass the road, although they do it slowly” is an Afghan saying. I have a firm belief that this conference will make a substantial contribution to the matter of reviving Afghanistan as a responsible, equal and successful member of the global community, moving forward with all countries toward peace and progress.

Finally, once again I would like to express my sincere gratitude to you all for your active and involved participation in the conference. The Kyrgyz Republic is extremely certain that only the concerted actions of the world community can provide the conditions for building a prosperous Afghanistan.

I wish you all every success during the conference.

Thank you.
Mr. President,
Honourable Ministers,
Distinguished Delegates,
Ladies and Gentlemen,

I am delighted to have this opportunity to be here today to participate in this conference on Afghanistan's regional economic cooperation, an initiative that we have been pleased to facilitate and an event that we at UNDP consider to be a landmark for the future development of this whole region. I particularly would like to thank the Government of Kyrgyzstan for hosting this conference.

I am especially pleased to be able to join you in welcoming to Central Asia the delegation from Afghanistan. Since the signing of the Bonn Agreement nearly two-and-a-half years ago, Afghanistan has come a long way in its journey of peace building, recovery and reconstruction, following years of conflict and misrule. With the improved security
situation in Afghanistan, a functioning government now in place and national elections scheduled for later this year, many of the fundamental measures needed to secure stability and confidence in the country are being taken, all of which are vital not only for Afghanistan's peace and stability, but also for the region as a whole.

During more than twenty years of civil conflict, Afghanistan's political and economic relations with many of the countries in the region virtually ceased. Today, one of the most important objectives of this conference is to restart the dialogue on the critical political, economic and development issues affecting the region, involving government, the business community and civil society in a dialogue that can help develop the strategies required to strengthen cooperation and build the regional links that are vital for increasing trade, promoting economic growth and reducing poverty and inequality.

Regional economic cooperation is critical to achieving this and Afghanistan has a pivotal part to play in its success.

**Afghanistan's pivotal role in the region**

Although landlocked, Afghanistan has the potential to be a land bridge for trade between Central and South Asia, and to traditionally sought-after access to ports in both Iran and Pakistan. Routes through Afghanistan offer the countries of Central Asia, for instance, shorter distances to new markets in South Asia than existing land links to the Black Sea, Europe or China. Indeed, Afghanistan has already demonstrated its willingness to reach out to its neighbours to encourage closer regional development.

The massive infrastructure investment efforts the country is undertaking to rebuild the network of roads across the country are vital to streamlining Afghanistan's transit links and reducing transport-related trade costs; also critical is action to tackle impediments to regional trade such as roadblocks and arbitrary demands for payment at borders. But some of the most outstanding achievements relate to the political context. Already, the 2004 Constitution and the forthcoming presidential and parliamentary elections are forming the backbone for a more open, democratic society. For the first time in Afghan history, the base for expanding political and social freedoms is being laid. Afghanistan has also progressed in other areas critical for building a fair and just society. The removal of severe discriminatory laws against women represents a significant advance, and where education was a rare privilege in Afghanistan, for the first time in the country's history, universal primary education has become a right and not a privilege.

Afghanistan has also forged a productive partnership with the international community. This was evident from last month's Berlin conference for Afghanistan, which resulted in pledges of $8.2 billion from the donor community for reconstruction efforts in the country over the next three years.

But it is clear challenges remain that threaten the peace, stability and development of Afghanistan and the wider region. For too long the illicit drug economy has fuelled organised crime, engendered corruption and undermined national and regional development efforts. It is critical that Afghanistan continue its efforts through the Afghan National Drug Control Strategy - with the support of the international community - to address the illicit trade in drugs that threatens both Afghanistan's future development as well as that of its neighbours. These efforts at curbing production and supply can only succeed if complemented by similar efforts in reducing demand.
For all the countries represented at this conference, it's clear that your destinies are tied both for good and for ill. The nature of many of the region’s development challenges - shared water, narco-trafficking and the spread HIV/AIDS, amongst others - cannot be solved at the national level alone.

Harnessing the region's potential in achieving sustainable development

Since the days of the Silk Road, Central Asia’s role as the ancient junction of a multitude of cultures, religions and empires has marked this region as being of critical geopolitical importance. This is a region endowed with abundant natural resources. It is a treasure trove of natural and mineral wealth, where reserves of oil and gas in Iran and proven reserves in Kazakhstan and Turkmenistan put these countries among world leaders in oil and gas production and exports. It is a region that could be bound by energy-related links, such as the proposed gas pipelines from Central to South Asia, as well as through possible power purchase agreements and power grids. Feasibility studies being undertaken reveal that the gas pipeline from Turkmenistan, across Afghanistan, to energy-deficient South Asian markets is expected to carry two billion cubic feet of gas per day, yielding large benefits to all participating countries. It has been estimated that the pipeline would provide a transit income of USD 400-500 million per year for Afghanistan alone. A pipeline like this could also have substantive savings per year in energy costs for Pakistan and India.

Tajikistan and Kyrgyzstan are major exporters of aluminum and gold, and if the hydro-potential of these two countries can be exploited once the harmonized regulatory framework is in place within the region and power trade agreements have been signed, Tajikistan and Kyrgyzstan alone could fully satisfy the hydro-electricity power needs of the region and beyond.

Indeed, taken together, the 300 million people of the countries represented at this conference have the potential to be one of the major trading and economic powerhouses of the world.

Kyrgyzstan has sought to promote trade as part of its growth and poverty-reduction strategy. It was the first CIS country to be allowed into the WTO. Yet some of its cross-border exports are subject to high tariffs. For small, landlocked countries in the region, exports and trade are the lifelines of their development. The region could learn from Afghanistan’s top tariff level of 16 percent.

Central Asia is a large and overlooked market largely because neighbours do not treat each other as trading partners. As you have been discussing over the past two days, significant barriers exist to effectively harnessing the region’s potential. At present, intra-regional trade flows are relatively small.

In 2002, Tajikistan had the highest proportion of regional trade, over 20 percent, followed by Turkmenistan and Afghanistan, at about 10 percent. For the two largest economies, Iran and Pakistan, regional trade amounted to only two percent of combined exports and imports. Pakistan, however, is an important export market for Afghanistan; and trade in energy products has made Tajikistan a significant market for Uzbekistan, and Iran an important customer of Turkmenistan. But if transport links are improved; if formal and informal tariff barriers are removed; if regulations are harmonized and if security can be enhanced, this region can become a more attractive location for foreign direct investment.
According to an Asian Development Bank study, once the Almaty-Bishkek-Tashkent-
Kabul-Karachi north-south corridor road is completed (4,300 km), the present time of
travel, currently 123 hours, is expected to reduce by half. The ADB has estimated that if
an effective Central-South Asian transit corridor is established, it would be worth as
much as five percent GDP growth a year to Afghanistan alone. Few parts of the world are
as interdependent as this region. Regional cooperation is a necessity and not an option.
By working together to open borders, harmonize trade and customs regulations and co-
operate on energy production and the use of natural resources, the countries of the region
can all benefit.

But crucially for this region, international experience shows that weak states prevent the
consolidation of unified national markets and the rule of law needed to attract long-term
investment and lure economic activity out of the informal sector. While there have been
many promising developments in the democracy journey for a number of countries in the
region, there is still progress to be made in a number of countries to consolidate a culture
of democracy that promotes the values vital for both economic growth as well as human
development. Here in the Kyrgyz Republic, for example, we welcome the prospect of
competitive presidential elections in 2005, an act of prospective statesmanship for which
President Akaev should be commended.

Today, I want to finish by emphasizing the fact that economic growth in itself does not
equal poverty reduction and sustainable development. Better regulation and tax
environments can bring micro-enterprises out of the informal sector, and foreign
investment into local banks can provide the finance necessary to grow small enterprises
into larger ones. But together with investment in roads, power grids, and oil and gas
pipelines, all are hollow without the most important investment of all: investment in
people.

Regional economic cooperation needs to be seen within the context of its end result:
human development, which is the ability of every Central Asian citizen to enjoy the
opportunity of achieving his or her full potential and freedom to make choices.

Let me close with expressions of sincere good wishes to the people of Afghanistan as they
move courageously from war toward peace, and to their government, which is
endeavoring to build strong ties with its neighbors; to participating governments in this
conference, whose presence here today is a vote of confidence in the future of this region;
and of course, to our generous host, the President of the Kyrgyz Republic, whose
government has worked long and hard to bring this meeting to fruition.

Thank you.
Statement by H.E. Mohammad Shariatmadari
Minister of Commerce, Iran

In the name of Allah, the most beneficent, the most merciful!

Dear Mr. President,

The establishment of the Transitional Government in Afghanistan and the beginning of an era of reconstruction in this country created favorable new conditions in our region. The development of Afghanistan is the foundation for peace and stability in this region and in interrelations among our countries.

With active regional cooperation, Afghanistan can progress within a relatively short period of time with the assistance provided by foreign countries. Afghanistan should be able to create a permanent source of income within a reasonable time frame.

The creation of the necessary infrastructure has the goal of providing an impetus to the development of investment and trade among countries of the region. It started with the implementation of activities focused on important agreements and contracts, such as stimulation of capital investments, avoidance of double taxation and cooperation in the spheres of customs, transportation, transit and trade. Producers and entrepreneurs of Iran, guided by juridical status and the appropriate legislation, will work actively in the domain of expanding regional trade cooperation. Currently, along with the creation of these trends in economy, special attention is being paid to the creation of the following branches: development of communications, development of the transportation sector, power sourcing and the provision of banking and insurance privileges.

After the collapse of the USSR, the Islamic Republic of Iran increased its cooperation with the countries of the Central Asian region in the areas of trade, economics and transit. Iran has expressed satisfaction with the progress that has taken place within the past two years of reforms in Afghanistan. It has taken an active role in the implementation of all main activities involving economic development in neighboring countries. The efforts of Iran in this period can be subdivided into two main components:

➔ The easing of trade and transit restrictions between Afghanistan and countries of the region, including the Islamic Republic of Iran;

➔ Active participation in the rebirth of Afghanistan.

The attempts of Iran to initiate cooperation between the two boundary points of Darukan (Eşlamgale) and Milek, located in the vicinity of the mutual boundary of Iran and Afghanistan, led to the creation of new trends in economic and regional trade cooperation. This allowed for the securing of quicker and more profitable access points to the international market. At this time, construction projects are being implemented on the Herat-Dukarun, Pol-Milek/ Milek-Zarandž road and on the continuation of the Herat-Meimene road.

Trilateral agreements among Iran, Afghanistan and Uzbekistan and Iran, Afghanistan and
Statements

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Tajikistan serve as an example for the development of new relations in the area of road transportation of goods. In this agreement, the transit of goods is considered a permanent source of income in the economy of Afghanistan.

It is important to take into account the importance of the private sector as one of the most significant factors in economic relations between Iran and Afghanistan. For the coming three years, a number of assistance mechanisms for former Afghan or joint Iran-Afghan companies have been considered. Disbursement of annual loans in the amount of USD 50 million has been planned for the implementation of these objectives. Iran has attracted the attention of the participants of the conference to the necessity of creating a trust fund for expert capital investments in Afghanistan, and is proposing that donor countries establish this fund as an effective means for the protection of the private sector and joint ventures. It also expresses preparedness to take part in the formation of this fund.

At the Berlin conference, Iran emphasized that Iranian companies are available to provide technical and engineering services to Afghanistan. Iran has announced its
preparedness to pay up to ten percent of project costs as a form of assistance to projects to be implemented by Iran.

Tehran is also prepared to provide assistance to Kabul with fuel and power. At the present time, three projects are being developed on the transmission of electricity to Afghanistan and preliminary negotiations for providing Afghanistan with fuel are currently being undertaken. Iran also provides assistance to Afghanistan in the domain of water supply. Implementation of projects in this area started two years ago.

One of the most important trends of Iran’s regional cooperation is a simplified procedure for acquiring citizenship, as Iran provided Afghanistan with more than two hundred thousand visas last year. For the activation of the process of visa issuance, it is necessary to create favorable conditions for organizations operating in this realm. Having implemented these objectives, it is expected that in the current year the process of issuing visas will go on promptly and smoothly.

We are strongly convinced that extensive cooperation among the countries of the region in the spheres of economics, trade and transportation of goods will make a positive impact on poverty alleviation and the creation of jobs. We are sure that active coordination among countries of the region will raise the spirit of the Afghan people and the level of its participation in the reconstruction of Afghanistan. We express hope that all this will positively affect the process of repatriation of migrants to their homeland and will help resolve difficulties related to the drugs trade and general disorder in the country.

We consider it necessary to point to the important role that transnational companies play in regional cooperation. In connection with this, we would like to emphasize the fact that members of the Economic Cooperation Organization (ECO), including the countries participating in this conference, have a wide specter of opportunities.

The Islamic Republic of Iran highly values the role of the UN at the new stage of political and economic life of Afghanistan and welcomes the initiative of the UN in the matter of providing assistance to the Afghan people.

Iran considers it necessary to conduct a continuous sharing of opinions and proposals in the search for effective ways of developing regional cooperation. It sincerely supports the holding of conferences and meetings at the regional and international levels and is prepared to provide active assistance.

We would like to express our gratitude to the Government of the Kyrgyz Republic and the United Nations Development Programme, who initiated this conference, and we wish happiness and peace to all countries and peoples of the region.

Thank you for your attention.
Letter from H.E. Nursultan Nazarbaev
President of Kazakhstan

To: His Excellency Mr. Askar Akaev
President of the Kyrgyz Republic
His Excellency Mr. Hamid Karzai
President of the Transitional Islamic State of Afghanistan

Astana, 6th May 2004

Excellencies,

I would like to thank you for kindly inviting a Kazakhstan delegation to participate in the international conference “Afghanistan’s Regional Economic Cooperation: Central Asia, Iran and Pakistan”.

I am confident that the restoration of Afghanistan and its integration into the regional system of economic and trade cooperation is extremely crucial for the stability, security and prosperity of our region.

Undoubtedly, the holding of such a conference will create new opportunities for the establishment and development of closer regional ties, as well as lay a solid foundation for turning Afghanistan into a full-fledged economic and trade partner.

I would like to assure you that the official delegation of Kazakhstan will take an active part in the work of the conference.

Please accept, Excellencies, the assurances of my highest consideration and wishes of success in the realization of this important initiative.

Nursultan Nazarbaev
On the involvement of the Republic of Kazakhstan in the process of the post-war rehabilitation of Afghanistan:

During 2003, the volume of circulation of commodities between the Republic of Kazakhstan and Afghanistan made up USD 49,485,000, including export USD 49,481,800, import USD 3,700,000. In comparison with a similar period of the last year (USD 30,913,900), the volume of circulation of commodities increased by 60.1%, thereof export (USD 30,907,000) increased by 60.1%, while import (USD 6,900,000) reduced by 46.4%.

During January-March 2004 the volume of circulation of commodities between the Republic of Kazakhstan and Afghanistan made up 28,528,150 USD, including export USD 28,460,470, import - USD 67,680,000. In comparison with a similar period of the last year, (USD 13,900,700) the volume of commodities circulation increased by 105.23%, thereof

Statement by Ms. Zhanar Aitzhanova
Vice Minister of Industry and Trade, Kazakhstan
Statements

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Taking into account the increase of commodities circulation during the previous years, there is a stable dynamic of growth in commodities circulation both in absolute and in relative indicators. This tendency is demonstrated clearly in exports of the following articles:

- Mineral fuel, oil, gas and products of their refinery;
- Bituminous substances;
- Mineral waxes (USD 24,868,370);
- Ferrous metals (USD 1,222,820);
- Products made of ferrous metals (USD 1,405,490).

Afghanistan represents a developing new market in the region, with an advantageous transit location for Kazakhstan. Kazakh producers have a possibility of supplying various goods, from energy resources to food products, to the market of Afghanistan. This reality is aided by the fact that the world community has undertaken to provide assistance to Afghanistan in the amount of over USD 4.5 billion.

In 2002, Kazakhstan donated 2.5 tons of wheat in the form of humanitarian assistance and 85,000 tons of wheat on a commercial basis within the framework of the World Food Program.

The Interagency Committee (hereinafter IAC) was formed by the Resolution of the Government of Kazakhstan as of 24/12/02, No 1353, on the development of proposals for providing assistance to Afghanistan, which is a consultative-advisory body under the Government. The main objective of it is the development of proposals to provide humanitarian assistance in the rehabilitation of Afghanistan and in the opening up of the Afghan market. As of today, five meetings of the Committee were held; the work of the committee is carried out in compliance with the results of the work of the IAC for the respective six months. The following issues were considered based on the work of the IAC:

With the purpose of development of the normative-legal base, an agreement on trade and economic cooperation between the Government of Kazakhstan and the Transitional Islamic State of Afghanistan was developed and signed.

A list of competitive products that have the potential capacity for entry into the Afghan market was formed and handed over by the Ministry of International Affairs of the Republic of Kazakhstan to diplomatic representations abroad with the purpose of considering the issue of financing by international organizations and donor countries. A request was filed at the Embassy of the Republic of Kazakhstan in Afghanistan on identification of the need of Afghanistan to attract Kazakh specialists to participate in rehabilitation work in Afghanistan. Financial aspects, terms of payment for labor, social protection and insurance all must be taken into account.

The Ministry of Foreign Affairs of Kazakhstan continuously carries out work abroad for the purpose of identifying the situation around Afghanistan. The Resident Representative of Kazakhstan under the UN held consultations with special services of the UN

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- Ferrous metals (USD 1,222,820);
- Products made of ferrous metals (USD 1,405,490).

Afghanistan represents a developing new market in the region, with an advantageous transit location for Kazakhstan. Kazakh producers have a possibility of supplying various goods, from energy resources to food products, to the market of Afghanistan. This reality is aided by the fact that the world community has undertaken to provide assistance to Afghanistan in the amount of over USD 4.5 billion.

In 2002, Kazakhstan donated 2.5 tons of wheat in the form of humanitarian assistance and 85,000 tons of wheat on a commercial basis within the framework of the World Food Program.

The Interagency Committee (hereinafter IAC) was formed by the Resolution of the Government of Kazakhstan as of 24/12/02, No 1353, on the development of proposals for providing assistance to Afghanistan, which is a consultative-advisory body under the Government. The main objective of it is the development of proposals to provide humanitarian assistance in the rehabilitation of Afghanistan and in the opening up of the Afghan market. As of today, five meetings of the Committee were held; the work of the committee is carried out in compliance with the results of the work of the IAC for the respective six months. The following issues were considered based on the work of the IAC:

With the purpose of development of the normative-legal base, an agreement on trade and economic cooperation between the Government of Kazakhstan and the Transitional Islamic State of Afghanistan was developed and signed.

A list of competitive products that have the potential capacity for entry into the Afghan market was formed and handed over by the Ministry of International Affairs of the Republic of Kazakhstan to diplomatic representations abroad with the purpose of considering the issue of financing by international organizations and donor countries. A request was filed at the Embassy of the Republic of Kazakhstan in Afghanistan on identification of the need of Afghanistan to attract Kazakh specialists to participate in rehabilitation work in Afghanistan. Financial aspects, terms of payment for labor, social protection and insurance all must be taken into account.

The Ministry of Foreign Affairs of Kazakhstan continuously carries out work abroad for the purpose of identifying the situation around Afghanistan. The Resident Representative of Kazakhstan under the UN held consultations with special services of the UN
Secretariat as well as with a number of specialized institutions regarding the intentions of a number of international humanitarian organizations to make procurements of foods to provide €5,000,000 of humanitarian assistance to the Afghan people. Based on the results of the correspondence, the Procurements Department presented requirements to the potential suppliers of agricultural goods and foodstuffs for the promotion of their product, including within the existing international assistance programs financed by the donor community. This information was forwarded to JSC «Food Contract Corporation» for consideration of the issue on registration of GDP in the database and implementation of operations on supplies of domestic products.

Information on the experience of foreign countries, in particular the USA, Germany, Great Britain and Spain, in entering the Afghan market was evaluated. Based on information provided by the Ministry of Education and Science of Kazakhstan, people of Kazakh ethnicity who are citizens of other states, including Afghanistan, were given the right to study based on the state order. A quota was envisaged for the above category of people into higher and secondary vocational educational institutions and was established by the model rules of enrollment into the respective educational institutions.

The Ministry of Defense of Kazakhstan provided humanitarian assistance in the form of kits and clothing from the armed forces of Kazakhstan.

With the assistance of Kazakhstan, meetings were held with representatives of the UN Office on Coordination of Humanitarian Assistance (UNOCHA) in Geneva for consideration of the issue of utilization of the capacities of JSC «Aktau Sea Trade Port» as logistic centers within the framework of providing economic assistance to Afghanistan. Upon the application of M. Johanson, Head of the Department on Coordination of Assistance in Europe and Asia, proposals of the Kazakh party on utilization of the transportation infrastructure of the republic and logistical centers will be disseminated among the interested organizations of the UN system providing humanitarian assistance to Afghanistan. They include, among others, the World Food Program (WFP), Food and Agricultural Organization (FAO) and the UN Children's Fund (UNICEF).

In case of interest on their behalf, an appropriated request will be drawn up in our proposals. However, taking into account that it is not humanitarian assistance, but a proposal of commercial character, it is necessary to apply directly to the organizations that are implementing projects on reconstructing the economy of Afghanistan. In addition, the regional department of WFP advised that identification of a terminal for warehousing and processing of shipments as well as the routes of supply to the place of destination shall be the prerogative of suppliers. They will be selected on a competitive basis. In particular, delivery by railway of goods procured in Kazakhstan to the points of distribution was implemented by suppliers.

Such points in Central Asia are located in Termez, Uzbekistan; and Dushanbe, Kolkhozabad and Kurgantube Valley, Tajikistan. WFP also uses Turkmenabad in Turkmenistan and Osh in Kyrgyzstan for such purposes; however, as we were informed by the WFP in Cairo, it is scheduled to close this year. The World Food Program currently does not have plans for opening new logistical centers in Central Asia for humanitarian goods forwarded to Afghanistan. In conjunction with this, at this stage it is deemed necessary to place the main emphasis with companies dealing with direct procurements of
goods for humanitarian purposes in Central Asian republics or in Russia and their delivery to Afghanistan.

Proposals on possible lines of assistance to the activities of the International Security Assistance Force (ISAF) were submitted to the Secretariat of the Security committee of Kazakhstan. Based on the information of the Ministry of Transport and Communications of the Republic, Kazakhstan is one of the priority destinations for the development of the transit transportation capacity. The Ministry considers the implementation of these transportation routes possible under the existing regulations in the sphere of transportation. A route for the delivery of goods by road was proposed as follows: Shymkent, Tashkent, Samarkand, Bukhara, Termez, Afghanistan. Airports of the cities of Almaty, Shymkent and Astana were proposed as the most appropriate for transportation of goods and passenger transportation in the direction of Afghanistan. In compliance with information from the Ministry of Internal Affairs of Kazakhstan, it deems it possible for MIA Kazakhstan to participate in the provision of safety to the ISAF property in the country. Guarding of property can be organized by appropriate subdivisions of MIA on a contractual basis upon condition of not allowing transportation of illegal cargo. Proposals were forwarded by the Ministry of Industry and Trade to the Secretariat of the Security Committee.

Results of the work of the five meetings of IAC reflect the political intention of Kazakhstan to fully support the comprehensive rehabilitation of Afghanistan and to provide all possible assistance to these efforts.

A visit by President Karzai took place on 15-16 April 2004 in the course of which an agreement on trade and industrial cooperation was signed. This agreement became the legal foundation for trade and economic cooperation between Afghanistan and Kazakhstan.

Activities of the Kazakh subjects of entrepreneurship were activated in the market of Afghanistan; trade representation of JSC «Kazhimmontazh holding» was established in Kabul in March of this year. The main lines in the activities of the company are specialized construction and assembling works, erection of bearing and protective (fencing) constructions and buildings. Over five thousand people are involved. It is necessary to point out that this is in fact the first sign of interest being expressed by Kazakh companies in developing the Afghan market.
Statement by H.E. Tariq Ikram  
Minister of State and Chairman of the Export Promotion Bureau, Pakistan

In the name of Allah, the most beneficent, the most merciful,

Excellencies, Ladies and Gentlemen,

It is my pleasure and privilege to attend this convocation and to lead a 13-member delegation of both senior Pakistani officials as well as members of the private sector. I thank, on behalf of myself, the delegation and the government of Pakistan, Excellencies, President of the Kyrgyz Republic Mr. Askar Akaev, Prime Minister Mr. Nikolay Tanaev and President of the Islamic Republic of Afghanistan Mr. Hamid Karza, for taking such personal interest in this initiative, which is focusing not only on Afghan reconstruction, but also on the regional developments and interdependencies. The location, in this beautiful and green city of Bishkek, is perhaps a reminder of just one of the significant regional opportunities before us all: tourism.

We also appreciate the efforts of the United Nations and its allied agencies to have so ably set the stage for undertaking multi- and cross-sectoral consultations, encompassing respective reforms with a regional perspective. The working papers were most informative and indeed stimulating.

Excellencies, ladies and gentlemen, Pakistan has achieved a significant turnaround in its economy under the leadership of President General Pervez Musharraf and Prime Minister Mir Zafarullah Khan Jamali. GDP growth rates today are close to 6%, inflation down to 3.3% last year, cost of borrowing between 2.5% and an average of 7%, per capita income approaching US$ 600, budgetary deficits down to around 4% of GDP, total investments grown to 16% of GDP. Exports this year are expected to be over US$ 12 billion, having increased by almost 50% in four years. FE services now equal almost a year’s import, and revenue collection has increased to 17.6% of GDP. These were just a few of the indicators of success, of course, with miles to go.

Having said that, and with reference to the Key Economic Indicators within the region provided for this conference, Pakistan is indeed blessed with the third-largest GDP in the region, reflecting its strength; it is also the fourth-last in terms of its per-capita income and second-lowest in its rate of economic growth, reflecting its own critical needs for economic development and poverty alleviation.

Ladies and gentlemen, Pakistan and Afghanistan have steered their combined destinies toward warm, mutually supportive and interdependent shores of economic prosperity. The government and the people of Pakistan are deeply moved by the challenges faced by Afghanistan and firmly believe that a stable and prosperous Afghanistan is vital to regional, sociopolitical and economic stability and development. In alignment with the needs identified by the Government of Afghanistan itself, Pakistan has contributed monetarily in this critical hour of need, and continues to do so, whether it was the very sensitive issues related to transit trade or provision of infrastructure, education, human resource development, security and drug control, institution building, transport and
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Pakistan considers Afghanistan not as a ‘landlocked’ country, but as a ‘land-linking’ country. We are also re-aligning our trade infrastructure to help link Central Asia with not only the south and southeast areas, but also with the Middle East and Gulf regions. We appreciate the wide-ranging policy reforms, including the national tariffs introduced by the Afghan government. These will bring greater ease and transparency in trading and investments in Afghanistan and the region. In response, Pakistan is considering the removal of the remaining six items from the negative list of the Afghan Transit Trade.

Ladies and gentlemen, in the context of regional development and the need to synergise resources, let me say that the concern for security of capital and returns, for one reason
or another, undermines the quick exploitation of the potential that this region offers. We would suggest for your consideration that a taskforce be instituted to consider the challenges of risk management and, with combined resources, develop concepts with the assistance of international financial institutions and other institutions to minimize the risks to potential investors in the various countries of the region. This should encourage our private sectors to undertake business ventures with greater confidence. Recommendations of such a taskforce could then be examined by our respective countries for feasibility of implementation.

Excellencies, ladies and gentlemen, with commitment and optimism. I and my delegation look forward to the outcome of the discussions and recommendations of the working groups and our final deliberations.

I thank you.
Dear Mr. Chairman,
Honourable Ministers,
Honourable Business Leaders,
Ladies and Gentlemen,

It is a matter of great honour for me to present my views in this august gathering. It is also a privilege to be part of this conference where business is finding its way into regional planning and making remarkable inroads into regional integration. The conference has provided us with a good opportunity to bring together all the key players involved in this process for a much-needed richer interaction and broader participation.

Thinking globally and acting regionally seems to have been the driving force behind the vision of UNDP and allied agencies, who have rightly focused on Afghanistan as a main artery and lifeline for trade and development in the region.

Excellency, we are grateful to the Government of Kyrgyzstan for holding this conference in Bishkek, one of the most environmentally friendly cities with the very warm hospitality of its beautiful people. I am sure it could not have been better.

The vision and wisdom put forth by H.E. the President of Kyrgyzstan on the economic issues and his insight to drive away the most undesirable elements of an informal economy linked with drug money will remain a source of guidance and enlightenment for all of us.

We appreciate the endeavors of H.E. Dr. Ashraf Ghani, the able Finance Minister of Afghanistan, and H.E. Mr. Mustafa Kazmi, Minister of Commerce, for having effectively presented their case for meaningful regional integration. We also commend the initiative, drive and commitment of Afghan leadership.

Excellencies, Ladies and Gentlemen, the feedback received in the form of the draft report recommendations is very important and will be of great help in achieving the desired goals.
Pakistan whole-heartedly supports and facilitates trade and investment and also has a vision of a very bright economic future for this region.

Ladies and Gentlemen,

Pakistan reiterates its support towards the national development and reconstruction of Afghanistan, including provision of financial, human and technical assistance in all the sectors, by utilizing the private sector.

We firmly believe that a stable Afghanistan is a key to the social, political and economic stability of the region. We will, as in the past, stand by our brotherly country in any way we are needed.

Before I conclude, my special thanks to the United Nations and its allied agencies, including the World Bank and Asian Development Bank, who have set a stage for multi-sectoral and cross-sectoral consultation and political economic integration.

Mr. Chairman, on behalf of the Government of Pakistan, on behalf of my delegation and on my own behalf, please accept our sincere thanks and deep gratitude for the very warm hospitality we received during our stay in Bishkek.

It was indeed a great conference, which has provided us with an excellent opportunity for interaction and deliberation with the regional stakeholders.

We are going back with lots of hope and optimism.

Thank you very much for giving us this opportunity.
Dear Mr. Chairman,

Heads of Delegations,

Ladies and Gentlemen,

Let me express my sincere gratitude to the organizers of the current conference for its organization as well as for the great interest and attention to the issues of rehabilitation of Afghanistan, which is one of the most relevant and timely objectives of world policy and economics regarding the resolution of issues of providing for safety in the region, combat against international terrorism, production and transit of drugs.

I am sure that consideration of these issues at the present time will allow for acceleration of the process of peaceful construction in this long-suffering country, rehabilitation of its economic and social sphere and creation of the necessary prerequisites for implementation of the noble goals that were set forth by the international community.

Unfortunately, the results of the war, which lasted for many years in Afghanistan, are sad. Practically everything was devastated: industrial production, agriculture, infrastructure, communications and the social sphere. The scale of the economic damage in the country is immeasurable. However, it is good to point out that a unique chance has appeared to provide assistance to the Afghan population to go back to a peaceful life, become a full member of the world community and start to engage in constructive labor. In connection with it we, the countries of the region, must take advantage of this favorable moment and do everything in order to give back hope for a peaceful future and prosperity to the long-suffering Afghan people.

Resolving the problems of the rebirth of Afghanistan must be considered not in an isolated manner, but in the context of the general development of the region. It is necessary to point out that Afghanistan is located in the common geopolitical space with the countries of Central Asia, Iran and Pakistan, where economic development and safety are interrelated.

The gained experience of conflict resolution shows that any settlement will remain fragile and subject to risks without supporting political decisions with efficient economic measures. It also shows the experience of Tajikistan in settling civil confrontation in the country, when the political will and striving of the Tajik state, headed by the honorable Emomaly Sharipovish Rahmonov, found deep understanding and support from the international community and international organizations. Implementation of programs on post-conflict regulation became a foundation and a prerequisite of reestablishing peace and stability in the region.

It is also comforting to point out that in the case of Afghanistan, we come across the situation where political regulation is keeping step with the efforts of the world community on the eradication of factors that gave birth to armed confrontation, instability
and the uncontrolled situation in this country. I would like to emphasize the importance of the Tokyo International Conference on the reconstruction of Afghanistan, which became a turning point in the life of the Afghan people. After many years of war, the world community decided for the first time to deal with the Afghan problem in its essence and seriously.

The Republic of Tajikistan is an active participant in the process of regulating the situation in Afghanistan and establishing concord and stability in this neighboring country. From the beginning of the anti-terrorism operation in October 2001, Tajikistan undertook without any hesitation provisions for the continuous delivery of large-scale humanitarian assistance to the population of Afghanistan, simplification of customs procedures and the provision of its air and on-land space for implementation of rescue and humanitarian operations with the forces of international coalition. Tajikistan organized the transportation of humanitarian assistance and of other goods through its territory, supplied by other countries of the world, including Japan.

Today the Afghan society is on the threshold of core changes and the international community must provide it assistance in the implementation of this opportunity. The recent Higher Meeting of the Loya Jirga of Afghanistan once again demonstrated the desire of the Afghan people to go along the way of peaceful coexistence, adherence to the democratic ideas of development and showed the confidence of the Afghan people in His Excellency Mr. Hamid Karzai, the present head of the Government.

Efforts of the international community must be focused so that, in the future, Afghanistan will stop being a source of threats to safety, including illegal drugs and arms trafficking, illegal migration and dissemination of ideas of fundamentalism and religious extremism not only to the Afghan people themselves, but also to other countries of the region. Tajikistan expresses its assurance that it is possible to resolve the Afghan problem with the help of joint efforts of interested parties and states.

Tajikistan and Afghanistan are united by many factors: common boundaries, common historical past, lack of language barrier, closeness of cultural values and traditions and the same religion. Due to this, our countries gained centuries of experience in cooperation.

Unfortunately, at the current stage of its development, Tajikistan cannot act as a donor for the reconstruction of Afghanistan. However, Tajikistan possesses the possibility for providing real assistance to the revival of its neighboring country.

In particular, Tajikistan possesses a possibility to export electric power to the neighboring regions of Afghanistan in the summertime in the volume of 1.5 billion kilowatt-hours per year. There is a possibility of constructing one more giant hydro-electric station on the border river Piandj, for which cost estimates, documentation and feasibility studies are available.

Furthermore, Tajikistan is prepared to mobilize its own industrial capacity for the revitalization of Afghanistan through the increase of production of industrial-technical goods, household goods, power transformers and appliances, which are in high demand in Afghanistan.

Besides this, Afghanistan can apply its experience to the construction of irrigation
facilities, water-resource utilization and the cultivation of fallow lands in Afghanistan when determining specific objects for cooperation.

It is necessary to point out that Tajikistan possesses significant capacity in the construction industry, which is not being used to its full extent at the present time due to a lack of internal order. In connection with this, we can supply to Afghanistan high-quality cement, construction materials, including armature (steel/ferro-concrete reinforcement), residential buildings made of pre-cast large concrete panels, production premises and other construction facilities in sufficient quantities.

Taking the length of the boundary into account, it is possible to consider Tajikistan as one of the main transit routes to Afghanistan. There is a necessity to construct bridges across the trans-border river Piandj and develop a network of roads and infrastructure. Tajikistan already has built three bridges, and it plans to build two more. Tajik contractors can participate not only in the construction of these bridges, but also in construction of other facilities and objects. This will also allow for the accelerated reconstruction of objects and the development of large-scale trade near the border, which will allow the satisfaction of the needs of the Afghan population in staples produced both in Tajikistan as well as in other countries.

Taking all the above into account, I propose the implementation of all deliveries of goods and humanitarian assistance to Afghanistan via roads in Tajikistan, widely using the transportation corridor of Almaty-Tashkent-Dushanbe-Kabul-Karachi and the built bridges.

Tajikistan has the ability to train specialists of medium levels and higher in many professions in Afghanistan. Such cooperation has a long history, and it actually was not interrupted until recent times. Many Afghan students receive training in the higher educational establishments of medical, technical and agricultural profiles. In the past, Tajik specialists taught in higher educational establishments of Afghanistan, and this experience could be used now.

All that I have mentioned is only a small part of the possible directions for expanding and deepening cooperation with Afghanistan. Our countries have a lot in common, which allows for close cooperation in other spheres of economics, culture, education and medicine.

In conclusion, I would like to emphasize that the social and political situation in the region, to a great extent, depends on the further development of the situation in Afghanistan. In connection with this, countries of the region, and in particular Tajikistan, are very much interested in the rapid reconstruction of Afghanistan and are prepared to expend all possible efforts for this purpose. Once again, I would like to express gratitude for the attention of the world community to this country. It is possible only by mutual efforts to achieve the stabilization of the social and political situation in this long-suffering country, rehabilitate the ruined economy and bring the population back to normal life and constructive labor. I am sure that it can become a prerequisite for the achievement of success and a guarantee for maintaining regional safety in general.

Thank you for your attention.
Statement by Mr. Alisher Salahitdinov
Ambassador of Uzbekistan in the Kyrgyz Republic

Your Excellency, Mr. Prime Minister,
Mr. Chairperson,
Dear Heads of Delegations,
Ladies and Gentlemen,

Let me on behalf of the Republic of Uzbekistan greet the convocation of such a representative conference. Also, taking advantage of the situation, let me express words of gratitude to the hosting party for its welcome and hospitality as well as to the organizers of the forum for its great preparation.

The current meeting testifies that issues of the peaceful development of Afghanistan are the focus of the attention of the world community. Once again, a stable, prosperous Afghanistan is in the interest of the world community, particularly Afghanistan's neighboring countries.

I think that it is not necessary to emphasize that the achievement of these goals plays a paramount role not only in the matter of the stability and economic development of Central Asia, but also to a significant extent in the whole process of providing for global safety.

Horrible terrorist acts in Iraq, Turkey, Spain and Russia, as a result of which hundreds of innocent people have died, testify to the relevancy of this thesis.

Recent tragic events in the Tashkent and Bukhara regions of Uzbekistan, which also caused the deaths of innocent people, are one more convincing piece of evidence of the fact that international terrorism and extremism are not going to lay down arms easily.

In connection with this, Uzbekistan highly appreciates the efforts of the international community, which target the successful finalization of the antiterrorist operation and rehabilitation of the political and socio-economic infrastructure of Afghanistan.

The adoption of the new Constitution of Afghanistan in January 2004 was an important success in this direction, which in our opinion means the creation of the necessary prerequisites for normalizing the situation in this country.

Significant in this process is the organization of the first democratic elections in Afghanistan in autumn of this year. This success will have a real impact on the construction of a peaceful, democratic and prosperous Afghanistan.

The international conference held in March 2004 in Berlin once again proved the necessity of further development with the purpose of stabilizing the situation in the country and terminating the threats that come from its territory.

Dear Ladies and Gentlemen,
Uzbekistan fully and completely shares the fundamental resolutions of the United Nations on Afghanistan and the decisions of the Bonn, Tokyo and Berlin conferences; calls for the rapid implementation of a set of actions on the political and economic rehabilitation of Afghanistan; and reaffirms its interest in participating in international projects on the rehabilitation of the Afghan economy.

The Trilateral Agreement among Uzbekistan, Afghanistan and Iran on the creation of the Trans-Afghan Transportation Corridor, initiated by the government of the republic, may serve as an example of the above.

At the beginning of April of the current year, a trilateral meeting of the Deputy Ministers of Transportation of Uzbekistan, Iran and Afghanistan took place with the purpose of practical implementation of the current project.

Outlines of the Uzbek-Afghan cooperation in the spheres of education and printing arts were indicated in the course of the visit of Mr. Yunus Qanuni, Minister of Education of Afghanistan to Tashkent within the framework of an international conference that took place on 5-6 April of the current year.
Besides this, the Uzbek party actively participates in the rehabilitation and construction of bridges along the Termez-Mazar-i-Sharif-Kabul route. The Uzbek specialists already have built ten bridges, providing for a non-stop realization of transportation freight flow.

With the financial support of the American company "Central Asian Partners" and in cooperation with the Afghan party, the Uzbek specialists started pre-project research works on construction of a part of railway between Hairaton and Mazar-i-Sharif. Uzbekistan expressed its preparedness to take part in bidding on construction of the electric power transmission line between Hairaton and Puli-Humri. Specialists of Uzbekistan also show their interest in participating in the rehabilitation and construction of power and hydroeconomics in the northern and central regions of Afghanistan.

The Government of Uzbekistan, in cooperation with the United Nations and donor countries, created a mechanism for coordinating the freight flow for the purpose of facilitating freight delivery and transit to Afghanistan.

In spite of difficulties during a transition period, Uzbekistan continues to supply electric power at reduced tariffs and provide for the non-stop passage of freight flow by transit across the republic, facilitating over 2.5 tons of freight, aside from the country's own humanitarian assistance delivered to Afghanistan.

The Government of Uzbekistan also adopted measures on the improvement of service infrastructure and reduction of freight transit costs supplied to Afghanistan. I would like to point out that a broad involvement of economic resources and the full capacity of the republic for the rehabilitation of Afghanistan will create a possibility to use international resources effectively, through reduction of transportation costs and low prices for Uzbek products.

Dear participants of the meeting.

The on-going positive processes in Afghanistan thanks to the attention and assistance of the international community open big perspectives for implementation of large-scale economic, trade, transport, communication and other projects in Central Asia. Both countries of the region and international organizations and foreign countries are equally interested in their results.

Simultaneously, the resources of the international community must be focused on the implementation of effective measures to control drugs in Afghanistan

➔ Assistance to the processes of structural changes in the Afghan economy;

➔ Development of alternative types of agricultural production;

➔ Creation of the “anti-drug belt” around Afghanistan;

➔ Providing for employment of the population in peaceful and constructive labor.

In connection with this, the Uzbek delegation entrusts big hopes in the activities of the regional anti-terrorist structure, the Shanghai Organization for Cooperation, as well as in the practical implementation of the initiative of Islam Karimov, the President of the Republic of Uzbekistan, on the creation of a regional information-coordination centre to
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Ladies and Gentlemen,

The Uzbek party fully shares the concluded earlier international agreements and the measures that are being undertaken with respect to the peaceful development of Afghanistan. We express hope that the Government, headed by Hamid Karzai, with the help of the international community will succeed in implementing the historic mission of the rehabilitation of the country.

Undoubtedly, the achievement of these noble goals meet the long-term interests of the Afghan people and will allow for strengthening of safety and stability in Central Asia and the development of mutually beneficial ties between Afghanistan and its neighboring countries.

Thank you for your attention.
Our meeting during the past two days has reinforced the strong interests of the private sector and governments in the greater Central Asian region to seize the opportunities that are now available and to deepen regional economic cooperation. A central message for Central Asia from this meeting is that there are countries to the south that are open for business. For the countries in the south, there is now an awareness of the changes that have taken place in Central Asia and the economic possibilities that now exist.

Business people within the region are exploring the possibilities for greater trade and investment. If the policies are right and institutions efficient, over the next few years the private sector could surprise us with trade and investment within the region that we cannot dream of today. Yet it is likely that trade outside the immediate region will continue to dominate regional trade flows. But it is also possible that this region will return to its historical role of the land bridge to the dynamic economies of China, India, Russia, Europe and the Middle East.

Increasing trade, which consists of imports as well as exports, is important to meeting the hopes of the people in the region for better lives. International experience shows clearly that countries that integrate with the international economy grow faster and reduce poverty more quickly than those countries relatively closed to foreign trade and investment. Trade and investment are also important for Afghanistan to achieve the ambitious targets that double per capita incomes in the next seven years, which are set out in the Government’s report “Securing Afghanistan’s Future”. A stronger economy is one of a few critical factors influencing the stability of Afghanistan. As several speakers have reminded us this week, the stability of the region depends on the stability of Afghanistan, and vice versa.

As we look forward, future trade flows and investment will depend on the actions of the private sector. Investment will flow to those countries where the business environment is
favorable: transparent and efficiently implemented laws and regulations, infrastructure that works, where finance is available, and where the labor force is well educated and flexible. Similarly, trade will flow along those corridors where the costs of transport and logistics are lowest, and where bureaucratic obstacles are low. It is costs that determine which transport route is chosen, not distance.

We urge the countries of the region to implement the recommendations to facilitate trade and investment that are set out in the reports of the working groups. Some of these recommendations are not difficult to implement, such as sharing of information on trade and investment regulations, or facilitating issuing of one-year multiple-entry visas to business people and transport operators. We recognize that some countries wish to move at a faster pace than others. The working groups propose that coalitions of like-minded countries should work together along transport corridors to simplify and harmonize transit procedures. Also, some countries are likely to liberalize rules for trade and investment on a bilateral basis, but this should not be at the expense of trade with the rest of the world, or make future multilateral agreements difficult.

The World Bank has been working with Central Asian countries and partners such as ADB and UNDP to facilitate trade within the region. ADB has focused on infrastructure and the World Bank on trade policy and logistics. The World Bank report is under discussion and should be available within a few months. Similar work on trade logistics has been done in the other countries participating at this meeting and this analytical work can inform the discussions of policymakers at both the national and regional levels. MIGA, the political risk insurance arm of the World Bank Group, in association with ADB and bilateral donors, will have a risk-mitigation facility in place for Afghanistan after July.

Energy Trade

Energy is already one of the main items traded within the region and there is potential for growth. Afghanistan already imports most of its petroleum and electricity and imports are likely to supply most of the increased demand in the near future. There is a range of options for future electricity trade in all countries of the region, which include benefiting from comparative advantages such as primary energy endowments and existing infrastructure; enhancing reliability of service; lowering costs through daily and seasonal transfers, achieving economies of scale in power generation; adjusting to temporary mismatches between supply and demand; and large-bulk power transfers within and outside the region from specially constructed plants.

We propose that regional power trade develop along two tracks: first, to continue bilateral trading arrangements using existing surpluses; and second, to deepen efforts to develop the broader regional potential. Some useful work is already underway, including an ADB study of regional power infrastructure and studies by the World Bank of power and water issues in the Central Asia region. There is a need to extend this work to South Asia and Iran, deepen knowledge of economics of energy trade, identify constraints and risks and to assess contractual requirements.

Together with our international partners such as ADB and ECO, the World Bank is ready to convene a technical meeting later this year to share information and to map out options and a work plan for increasing energy trade in both the short and long terms. We wish to operate within existing political frameworks such as ECO and the Dubai Good
Neighbourliness Declaration and generate options for senior policymakers to consider. This would need to be followed up by pre-investment studies that would include risk management, transit arrangements and principles of contractual arrangements, recognizing that it is the right of sovereign states and empowered national institutions to negotiate specific agreements. We will be contacting you with a written proposal for the meeting.

Conclusion

We have made some progress over the past two days in preparing the ground for deeper regional economic cooperation. The path ahead is reasonably clear. What is needed now is action, wherever action is possible. It is easy to agree that more trade and investment is needed, but much harder to make the changes to allow this to happen. Let this not be another meeting where we leave feeling that there is momentum, but where there is no follow-up. I strongly endorse the proposal that the private sector monitor transport times and costs and embarrasses us in public if we fail to deliver.

This region has an historic opportunity for a quantum leap in economic cooperation that has not existed for 200 years. The people of the region rightly expect a higher quality of life. It is our duty to help them achieve it.
Statement by
Dr. Frank Polman
Senior Advisor of the South Asia Department and Special Representative to Afghanistan of the Asian Development Bank,

Dear Mr. Chairman,
Your Excellencies,
Ladies And Gentlemen,

Let me take this opportunity to first express on behalf of ADB and my personal behalf our gratitude to the Kyrgyz Government for the hospitality and excellent arrangements for this landmark conference. I also wish to thank our colleagues in the UNDP for taking this initiative and for the quality of background documentation and all other preparatory efforts. This conference further demonstrates the synergies achieved and benefits from close collaboration among development partners that has been characteristic of reconstruction efforts in Afghanistan. This has been possible because of the tireless guidance of Finance Minister Ashraf Ghani, and I speak on behalf of all development partners that we look forward to receiving this guidance and working with you in future.

This conference is proof that the changed situation in Afghanistan and opening of its trade and transport links represent a historic opportunity for the region. The Silk Road can be rejuvenated and the economies of Central and South Asia can rehabilitate the historical links that have significant welfare-raising potential for people in both regions. Recognizing this historic opportunity, ADB has quickly reconfigured its sub-regional cooperation activity and now established a new program of regional economic program among Central and South Asian countries. The Central and South Asia Transport and Trade Forum has emerged as the framework for designing and implementing the ambitious road corridor projects connecting CARs to warm-water ports through Afghanistan and for modernizing the cross-border trade infrastructure and harmonizing customs regimes. I am happy to report to this conference that this initiative is gaining momentum. The first ministerial meeting held in Manila in early 2003 was followed by a working group meeting held in Dubai in March this year and we expect substantial progress in the forthcoming second ministerial meeting tentatively scheduled for September of this year. Among others, ADB is financing the reconstruction and improvement of sections of these road corridors and border-crossing infrastructure. This
is in the amount of about $500 million, and is expected to be disbursed by the end of 2006.

**ADB's** approach to regional economic cooperation has emerged from a long experience of leading regional cooperation efforts in the Mekong region and in the Central Asian Republics. **ADB's** Greater Mekong Subregional Economic Cooperation Program and the Central Asian Regional Economic Cooperation have both been accepted as the principal framework for regional cooperation efforts in the two regions. **ADB**'s approach to fostering regional economic cooperation has been to focus on actual projects that have the potential to generate tangible gains in a finite period and build regional cooperation mechanisms around them. This is an approach that has yielded positive results in terms of building political will, enhancing mutual trust, creating confidence in cooperation by producing win-win solutions and mobilizing the necessary financing on the basis of sound project proposals. This approach is also being pursued in establishing the Central and South Asia Trade and Transport Forum.

The project-based approach adopted by **ADB** for promoting regional economic cooperation is reflected in our support for flagship projects like the TAP natural gas pipeline and the North-South and East-West road corridors. Potential benefits accruing to Afghanistan from these projects have already been mentioned. Let me simply add the positive externalities from these projects in terms of attracting private investment in associated activities and in raising the visibility of this region and sending strong signals to the world that the region is open for business.

The significant presence of the private sector in this conference will already send these positive signals. This is a real value-addition feature of this conference. I only repeat the sentiment expressed earlier by Finance Minister Ghani that the region's future progress and prosperity is contingent upon its ability to attract private investment. We in **ADB** will look towards the private sector to monitor the progress in public infrastructure and delivery of public services and provide the necessary feedback. This will help us to ensure satisfactory advance in such projects and be a good example of constructive private-public partnership, which as we know from the Asian experience is a necessary condition for rapid growth and poverty reduction. **ADB** is actively promoting the development of the private sector both in the Central Asian Republics as well as Afghanistan.

Ladies and gentlemen, promotion of regional economic cooperation is one of the principal mandates of **ADB**. We see this as one of the principal instruments for achieving sustained inclusive growth and poverty reduction in Asia. On behalf of **ADB**, I would like to assure this conference and all delegations of **ADB**'s commitment to facilitating Afghanistan's integration into this region and for promoting stronger transport and trade links, which will directly benefit Afghanistan, Iran, Pakistan and the Central Asian Republics.

Thank you.
Closing remarks by Mr. Ercan Murat
Country Director of UNDP Afghanistan

Mr. Chairman and Distinguished Guests: let me begin by thanking you all for making this conference a success, and for the energy that you have brought to these proceedings.
When the idea for this conference was first raised, in Afghanistan and Kyrgyzstan, the organizers, and UNDP as the primary facilitator, hoped that it would prove a useful way to introduce Afghanistan to Central Asia. It has proved to be much more. In the past few days, we have seen government delegates from these eight countries interact formally and informally, learn from one another and set a foundation for their future relationships. We have also seen private-sector actors many meeting each other for the first time begin the process of doing business across this region. This is what the conference organizers hoped to achieve, and I want to thank you all for helping to make this possible.

In the past three days, we have shared our experiences and hopes for the region. We have learned that not only Afghans but also many regional actors see the reconstruction of Afghanistan as a catalyst for economic dynamism across south, central and west Asia. This concord about the present and the future is welcome and, I believe, extremely important for the security and prosperity of all the countries represented here.

Even more, the interaction between the private sectors during this conference has confirmed the hope of the conference organizers that good policy can support trade and investment. Equally important, we can see clearly that business will help to lead Afghanistan’s recovery and, in so doing, spur on economic growth among all of Afghanistan’s neighbors. We anticipated these conclusions, of course, but it is heartening to see them come full circle at this conference.

As we end this conference, hard work lies ahead. Our ministerial delegates have made clear their intention to join in efforts to build bridges among their countries and establish firm, practical policies that will lead to mutually beneficial growth and development. Our working groups have helped to formulate elements of a policy agenda that can take this commitment forward. And everyone at this conference has demonstrated that the political will needed to support regional economic cooperation so often lamented for being hard to identify and harder to put in practice exists across this whole region, and takes many creative and interesting forms.

Since we have all heard reports from the working groups, and the responses of government ministers to the issues raised in them, I will not repeat their conclusions here. Let me instead highlight the issues that will be most important as we all begin to implement the proposals offered during this conference.

First, who will benefit from enhanced cooperation? It is clear that the national economies of each state, and Afghanistan’s in particular, are the beneficiaries of cooperative economic relations. I was heartened to hear all the working groups raise as a primary issue the needs of the poor and the most vulnerable in all societies. Some of the countries represented here are resource-poor; others have the potential for great riches. All include vulnerable populations that require special attention in the policy arena whether the poor, the displaced, or the disenfranchised and I am glad to see that this issue remains paramount across the region.

Nonetheless, in a region beset by poverty, there is a wealth of human resources. Second, therefore, is the question: how will the region benefit from cross-border collaboration? In this regard, among the most important issues that received detailed attention in our discussions were the manifold ways that human resources can be enhanced across the region. Among development organizations, we call this capacity building; others talk
about training and education and building civil society. All these formulations are accurate; all are important for Afghanistan and the region in which it lives; and all can contribute to both public- and private-sector development. I am very pleased to hear of specific offers of assistance for training, and even more, to learn of innovative proposals to share these resources across borders. The proposal from the Government of Afghanistan to encourage the region to undertake a review of regional technical expertise might usefully be matched with a survey of institutions available and willing to be matched for capacity building. In addition, it has been suggested that bilateral economic commissions be expanded to address issues of training and education, and that a regional commission on capacity building be created. UNDP is, of course, willing to support these assessments and institutions, and I trust that our partners in the community of multilateral organizations and bilateral donors will be enthusiastic about this as well.

This raises a third question: how can the region take advantage of its resources? We heard quite a lot about sharing information, and again, working group discussions offered some original proposals in this arena. We at UNDP are persuaded that sharing information, while a good in itself, is made better by finding ways to rationalize the collection and dissemination of public and private information. I was therefore intrigued by proposals to harmonize data collection and analysis across the region as a direct contribution to policy-making, and to use these instruments collectively to tackle problems ranging from procurement to the alleviation of poverty. I am certain that the international community will welcome these ideas, and support them vigorously. The increasingly open communication environment across the region will undoubtedly make it possible to further these efforts, and I commend all the working groups for highlighting the close relationship between free expression and economic development.

One element of this initiative is a proposal for regional monitoring of social and economic progress including progress toward fulfilling the Millennium Development Goals and also of the impact and outcomes of investment and trade. It is significant that our working groups sought to institutionalize this process through the private sector. This would be a milestone in public-private partnership in this region. If this initiative looks carefully at the fundamentals of trade including customs procedures and protections for labor migration then the interests of governments, citizens, businesses and consumers will be satisfied in important ways. I have no doubt that the ECO Chamber of Commerce, now situated in Kabul, will be happy to support this initiative, and UNDP stands ready to assist as well.

And fourth, how can the region maximize its resources in the short and medium terms? One key way to expand economic resources is to expand trade, and I found our working group discussions on transit trade refreshingly honest and optimistic. Borders between states now offer opportunities for cooperation and trade, where once they offered only obstacles to communication and travel. I won’t detail all the proposals that emanated from the working groups, but will simply highlight the most important fact of these discussions: trade across borders will undoubtedly benefit every state in the region. It will open new venues for interaction, turn each state including Afghanistan, where war disrupted ancient trade routes and the energies of avid entrepreneurs and act as an incentive for investment. In particular, trade in power and investment in communications will be critical to the economic stability and security of the region, and I am pleased that our working groups devoted so much attention to these two sectors.
We in the United Nations community have learned that traders scale mountains and ford rivers and in this region, drive seemingly endless distances and thus help to create communities where once war disrupted communication. Economic cooperation, private and public, helps to stabilize societies and secure peace; lasting peace and stability, in turn, are incentives toward economic growth. The Government of Afghanistan has articulated these sentiments during the past two years, as matters of policy and conviction. We trust that all the participants in this conference have come to similar conclusions.

This is the message that we hope you will carry home from this conference, and the foundation on which new and renewed economic collaboration can be built. UNDP, its partners in the World Bank and the Asian Development Bank, and the Government of Afghanistan stand ready to help implement the proposals that have been generated by this conference, and if requested, to facilitate future conferences, however regularly or frequently may be appropriate.

Let me close with a personal note. I have spent the past decade working in Central Asia and now, Afghanistan, and remain fascinated by the diversity and creativity that the region encompasses. Each of the states in this region and of course, the larger economies of Iran and Pakistan as well have faced their social, economic and political challenges in different ways. However different they may seem, it is clear that this is a region ripe for more change and future prosperity.

It has been UNDP’s pleasure to facilitate this conference. Let me thank once again the Government of the Kyrgyz Republic and the Transitional Islamic State of Afghanistan, whose cooperation made this conference possible, and the governments and private sectors of all participating countries for making this conference a success. We look forward to continuing our work with you all, and to fostering your future relations with one another.
Excellencies,
Ladies and gentlemen,
Colleagues,

I am proud to open this regional forum - and thank you for coming. Thank you for the positive response, which is very much encouraging for all of us. This is a reflection of the natural and growing interest in regional cooperation. This is also a reflection of our responsibility for the future prosperity and stability of the region.

This conference is the materialization of ideas born in two countries - Afghanistan and Kyrgyz Republic - and in two UNDP offices belonging to two regional bureaus. The event has been organised in close collaboration with the Governments of the Kyrgyz Republic and Afghanistan, as well as the World Bank and Asian Development Bank.

We will be looking into the three aspects of regional development:

1) Afghanistan as an emerging new player in the region;
2) Trade development and facilitation, as they are the best available mechanisms for the beginning of integration;
3) Issues connected with the “hardware” for trade: infrastructure, transit, etc.

This conference should be an important event in the process of searching for new opportunities and partners and in understanding that the potential benefits are enormous. At stake is a new advantageous situation for all the countries represented here in this room. UNDP’s objective is to facilitate this dialogue.
Afghanistan is currently receiving a lot of attention. We are all proud of the progress made and we look forward to the potential prosperity to be attained by Afghanistan through future regional cooperation.

We are hosting seven countries here: traditional partners of Afghanistan and its new, potentially very important partners in Central Asia. Our intention, however, is not to replace ties that have proven efficient and have their own traditions, but rather to explore new opportunities for multilateral cooperation.

It is not only Afghanistan that will benefit from this discussion forum. It is an important event for each and every country. The issue is how to harness the dynamics of particular economies for the benefit of the whole region. A regional approach has recently been more and more important for the UN system.

We would also like to expose the role of the private sector. Governments create a framework and conditions, while private entrepreneurs will be creating livelihoods in the region over a longer period of time.

It is important to understand that this is the beginning of a process. We may wish to have a joint statement at the end of this conference; we may also wish to have an even more important follow-up to continue and deepen the process of dialogue.

Finally, I would like to explain the rules of the Working Groups. Their objective is to generate inputs to the Ministerial meeting on the third day. The themes of the Working Groups are as follows:

**Working Group 1** - Political, strategy, and framework.

**Working Group 2** - Trade-related: chaired by distinguished representatives of the Ministries of Economy and Trade. Trade is the best-known mechanism for integration.

**Working Group 3** - Infrastructure and transport: the “hardware” for the development of trade, attracting investment, etc., chaired by distinguished representatives of ministries related to its development.

A special event for the private sector is also foreseen on the second day to discuss, interact and establish long-lasting ties.

Thank you.
Opening speech by Mr. Nikolay T. Tanaev
Prime Minister of the Kyrgyz Republic

Distinguished heads of the delegations,
Distinguished guests,
Ladies and Gentlemen,

It is a great honor and a pleasure for me to cordially welcome the participants of the “Afghanistan Regional Economic Cooperation: Central Asia, Iran and Pakistan” international conference in the hospitable land of ancient Kyrgyzstan.

I am also very happy to express my sincere gratitude to UNDP for organizing this conference, as its agenda is extremely topical. At the plenary sessions and in the working groups we will have a chance to openly discuss aspects of internal political issues, as well as the social and economic situation in Afghanistan, institutional and economic changes in the country, the formation of a sustainable national economy and ways of integrating the country with the economic programs implemented at the regional level. We will also have the opportunity to adopt a consolidated final document of the conference.

I hope that your stay in Bishkek will be pleasant and productive. From our side, we will do everything to provide you with favorable conditions for fruitful discussions, negotiations and rest during the coming days.

Dear participants of the conference,

The recent events in Afghanistan, Iraq and the Middle East, as well as other troubled places on the planet, vividly demonstrate that it will not be possible to deal with local and global threats to new generations by force alone. An adequate response to the challenges we have to deal with today should inevitably have political, social, economic and humanitarian dimensions.

According to the ideas of the Bishkek meeting organizers, this is its main mission, as a sort of tribune for exchanging opinions and agreeing on mechanisms for multi-profile interaction between neighboring countries and international organizations. This is to be done for the purpose of assuring peaceful co-existence and progress for our countries and beyond.

Today Afghanistan has been experiencing the historical transition from war to peace and revival. It has a unique chance to strengthen its independence, to achieve political and economic stability and inter-ethnic consent. It means that the country has a real opportunity to create a future in which there will be no room for abuse, bloodshed or the disintegration of nationalities. Conflicts based on ethnic differences, hunger, extreme poverty and isolation also have the potential to be made things of the past.

Today the international community has a chance to provide its own resources for the stage-by-stage rehabilitation of long-suffering Afghanistan.

In this respect, it is very notable that our forum is actively supported by UNDP within the
framework of prominent initiatives of the UN Security Council for the purposes of developing decisions made from the previous three conferences on Afghanistan, which were held in Bonn in 2001, Tokyo in 2002 and Berlin in 2004.

It should be noted that a lot of progress has been achieved since the time when the Taliban regime was overthrown in 2001. A new constitution for the country was passed, the next presidential and parliamentary elections will take place this year and they must accomplish the process of political transformation in compliance with the Bonn Agreement.

However, the current situation in Afghanistan is still not quite secure, in spite of certain elements of its stabilization and a general return to peaceful life. Under these circumstances, we believe, it is extremely important to provide external assistance to the transitional administration, headed by H.E. Hamid Karzai, and, later, to the newly elected Government of Afghanistan. It will be also be very important to assure effective involvement of Afghanistan in concrete projects aimed at economic integration between states.

Dear Ladies and Gentlemen,

Today we have achieved a wide international consensus on the fact that a peaceful and stable Afghanistan is an extremely important factor for the future stability and security of our region. The proper regulation of complex internal problems and achieving a peaceful situation in Afghanistan will determine the prosperity of Central Asian countries and other neighboring states. Furthermore, it is apparent that the resolution of many issues related to security and economic cooperation at the regional level will not be possible without the direct participation of the official Government of Afghanistan.

However, it is clear that the intentions of the world community in relation to the post-war rehabilitation of Afghanistan are facing serious difficulties with regard to their practical implementation. Unfortunately, we have to state that some of the more than 50 donor countries have not fully executed their commitments, and therefore a number of high-priority programs and projects have still not been implemented. According to the data of independent experts, in 2002-2003, Afghanistan received much less external assistance only $67 per capita than other states that appeared in a similar critical situation. In spite of the fact that the price for a more stable Afghanistan might seem high, it is incommensurable with the astronomical price that will have to be paid in case of failure to achieve the goal of reconstructing the country. One should also bear in mind the fact that UN decisions on rehabilitation of the country may become secondary based on the issue of Iraq.

We truly believe that the main grounds for the positive development of events in Afghanistan and around it must be the understanding of the principal idea that we all are partners in this process. Our states have common historical and cultural roots that go back centuries, to the era of flourishing trade along the Silk Road. History itself encourages us to continue these traditions. I think that the idea of tying the interests of Afghanistan with the national interests of the countries involved in this conference will be objectively considered as a priority by their delegations when they determine the process for the rehabilitation of post-conflict Afghanistan.

We will also have to adopt a relevant action plan. As representatives of the Kyrgyz Republic believe, it should primarily envisage a level of participation by our countries within the framework of the processes mentioned above. It should also formulate the role and place of Afghanistan in regional integration. Finally, it should attract the attention of the world community to the mobilization of joint efforts for the purpose of setting up a stable future for the people of Afghanistan.

Distinguished participants of the conference,

At the end of my presentation I would like to highlight that the Kyrgyz Republic considers itself to be a friendly state and a responsible partner of Afghanistan. Thus, in a comprehensive fashion and on a long-term basis, it is ready to participate in the current programs aimed at its economic and social revival. It will also be involved in the projects that will be implemented within the framework of direct bilateral cooperation.

We understand the concerns mentioned by President Karzai in his statements on the eve of the recent Berlin conference, “The crisis of my country is the crisis of the whole region.” Therefore we are keen to provide any possible assistance to Afghanistan so that people can live peaceful lives as soon as possible.
Dear Ladies and Gentlemen,

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The Kyrgyz Republic supports a multi-faceted approach to cooperation with Afghanistan; it has been closely involved with international organizations and certain countries in the following areas:

- Rehabilitation of destroyed communications systems, construction of new residential buildings and institutions of healthcare and education;
- Providing medical assistance, delivery and distribution of humanitarian goods;
- Forming an infrastructure of productive capacities in the Kyrgyz Republic, which, in the mid-term, will be able to support the economy of Afghanistan with a variety of different goods, including for humanitarian, agricultural and industrial purposes;
- Placing orders in our enterprises for the needs of Afghanistan;
- Sending our civil experts-healthcare specialists, engineers, constructors, workers, teachers, agronomists, etc. to Afghanistan;
- Training national experts and specialists for Afghanistan in vocational and technical educational institutions, as well as in the universities of the Kyrgyz Republic;
- Promoting the resettlement of 750 refugees from Afghanistan in their motherland or other places where they permanently reside.

The Kyrgyz Republic is also ready to consider sending to Kabul a group of military consultants in the areas of maintaining, repairing and operating armored machinery and telecommunication facilities that were left in the Afghan army during the time of the former Soviet Union. Of course, this decision can be made provided that the Government of Afghanistan requests that the international community financially support the Kyrgyz Republic in this endeavor.

We are also interested in other forms of cooperation, including importing goods from Afghanistan that are in demand in the Kyrgyz Republic.

After the internal political situation in our friendly country is under control, we will be ready to conclude concrete agreements with Afghanistan in areas of mutually beneficial partnership, both at the governmental and ministerial levels as well as in the administrative and territorial units and the private sector. Relevant agreements can be signed in multilateral and regional formats as well.

Distinguished Ladies and Gentlemen!

I am confident that the decisions made at this conference will comply with the interests of Afghanistan, its people and all participants of the Bishkek conference. They will not only reconfirm the common goal to consolidate the processes in the region, but also help us to make practical use of the mutual cooperation capacity for the sake of our countries and peoples.

I wish you all a very successful outcome to the conference.

Thank you.