

Joint statement by the Executive Secretaries of UNECE and UNESCAP

How the International Conference on Strengthening Sub-regional Economic Cooperation in Central Asia and the Future Role of SPECA (25-27 May 2005, Astana) can effectively contribute to economic and social development of the sub-region?

The strategic importance of Central Asia has been confirmed by recent political and economic developments. The sub-region is a key transit hub between Europe, Russia, China and South Asia and its energy resources are of importance for long-term global energy security. It plays an active role in the stabilisation of Afghanistan. At the same time, some countries of the sub-region, while having enjoyed fast economic growth in recent years still face formidable challenges. The Central Asian States need to continue their economic reforms to develop full-fledged market economies. Many of them need to diversify their resource-based economies. Their integration into the world economy, in particular their participation in the multilateral trading system, including accession to WTO needs to be speeded up so that they can enjoy the advantages of globalisation. Their land-locked status and the serious environmental problems they face further complicate their efforts to achieve sustainable and rapid economic and social development, including the achievement of the Millennium Development Goals.

Sub-regional cooperation is no doubt a crucial factor that will influence Central Asia's sustainable economic development and integration into the world economy. Countries of the sub-region "under-trade" - limited market size hinders investment and difficulties of border crossing and transit reduce their competitiveness on the world markets. Common water and energy resources need to be developed and used more efficiently in a cooperative manner. Improved sub-regional cooperation is the most effective way to fully develop the vast economic potential of these countries. The numerous initiatives launched recently – often at the level of the Presidents – to promote sub-regional cooperation in Central Asia is the best proof of the growing recognition of the importance of this issue.

The UN Special Programme for the Economies of Central Asia (SPECA) was created upon the initiative of the Presidents of its member States to strengthen sub-regional economic cooperation. Its present members are Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Afghanistan is likely to be invited at the Astana Conference to join the Programme. While there are many regional and sub-regional organisations and initiatives covering Central Asia and its neighbours, SPECA has a unique feature: it was created and is governed by its member States, while the United Nations Economic Commission for Europe (UNECE), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and other international partners provide technical assistance and financial support to the implementation of programmes and projects agreed upon by its members.

The International Conference on Strengthening Sub-regional Economic Cooperation in Central Asia and the Future Role of SPECA is expected to discuss a much-needed reform package of SPECA, to elaborate a new, broader Work Plan for 2005-2007 and

to improve coordination and cooperation among international organisations, institutions and bilateral donors in the sub-region. The Special Session of the Regional Advisory Committee (the highest decision-making body of SPECA) is expected to discuss these proposals and act upon them.

The Astana Conference offers a timely opportunity for the SPECA member States, neighbouring countries, regional and sub-regional organisations as well as international actors to conduct a thorough and result-oriented discussion on how best sub-regional economic cooperation can contribute to rapid and stable economic development of all SPECA member States, their integration into the world economy and the achievement of the Millennium Development Goals.

Upon the initiative of the United Nations Secretary-General, Mr. Kofi Annan, we have visited all six member States to conduct consultations on strengthening SPECA. All Governments without exception recognized the importance of sub-regional cooperation and welcomed the efforts of the two UN Regional Commissions to improve the effectiveness of the Programme. The results of these consultations make us confident that the Astana Conference will give a strong impetus to the joint work of the member States and the UN Regional Commissions within the SPECA framework and will bring tangible results in the development of mutually advantageous sub-regional cooperation.