

Sixth Regional Economic Cooperation Conference on Afghanistan (RECCA VI)

UK Head of Delegation Statement, Friday 4 September 2015

The United Kingdom congratulates the Government of the Islamic Republic of Afghanistan on its organization of this conference. And we are pleased to have provided practical support to it.

It is not a controversial proposition that encouraging greater economic cooperation is important for the future of Afghanistan, as well as for the region.

Re-energizing these trading patterns and economic relationships is central to bringing lasting security, stability and prosperity.

Regional economic cooperation was a key theme for His Excellency President Ghani at the London Conference on Afghanistan in December 2014. On that occasion the President, Chief Executive Dr. Abdullah and foreign ministers from neighboring countries discussed how Afghanistan's historical role as the Asian trade and transit hub could be improved. They recognized that Afghanistan sits at the heart of a populous and fast-developing region: greater cooperation and connectivity, supported by harmonized economic policies, could be a game-changer for Central and South Asia, providing a significant stimulus to the economies of the region by opening up markets and encouraging more effective management of shared resources.

So the RECCA SIX conference is an important opportunity to reaffirm our support for this agenda, as well as to recognize the progress made and the challenges ahead.

And some good progress has indeed been made. The UK particularly welcomes the finalizing of agreements on the [*Central Asia South Asia*] CASA 1000 electricity trade project. We are delighted to be able to support it, contributing 31 million pounds through the World Bank Trust Fund.

Projects such as CASA 1000 mark the start of what we hope will become an effective regional energy market in Central and South Asia.

There are similar opportunities for growth in regional trade, transit, and investment markets, but such opportunities will only be achievable if there is a clear focus on

a small number of specific projects that can be implemented on time. And that there is a genuine political commitment, across the region, to make these proposals happen.

So the message this conference can convey is that prioritization and clarity of focus are vital to help reinforce the political momentum necessary to ensure that ambitious, cross-border projects are delivered successfully.

The UK also welcomes steps taken by the World Bank Group and Asian Development Group to explore how CASA 1000 and the TUTAP initiative [*Turkmenistan-Uzbekistan-Tajikistan-Afghanistan-Pakistan*] can be aligned.

Effective international coordination is key to delivering large-scale, regional projects. It is therefore important to look closely at how priority projects can be supported through existing regional forums, so as to avoid any duplication of effort and to help maintain a clarity of purpose.

There are clear links to the Heart of Asia Istanbul Process, for example, and where it is appropriate to do so, these links should be used to improve regional efforts to support project implementation.

Beyond projects such as CASA 1000 and TUTAP, there is still more work to be done to unlock the significant potential that Afghanistan's geographic location offers.

We would in particular support further improvements to the transit trade environment to make it easier for the people of the region to trade with one another. This will help the development of effective trade corridors, which in turn will allow more people across the region to get their goods to a wider range of people and markets.

The UK welcomes the Afghan government's careful consideration of how to build on RECCA SIX and we look forward to continuing discussions on the best strategy for implementing the projects that are needed to realize Afghanistan's vision for its place in the region.

My government will continue our strong support to the government of Afghanistan, and Afghanistan's regional partners, to help achieve this.