

Thank you, Frédéric, for the opportunity to say a few words today.

Now, it is not easy to speak right after His Excellency. He has given a very detailed overview of reforms in Uzbekistan and the region but I will try to highlight a few trends which we believe to be important.

Indeed, as was implied by previous speakers, Uzbekistan and Central Asia find themselves at a critical juncture. At a time when other regions and geopolitical hotspots are dominating the headlines of mainstream media, Central Asia is shaping up as a region to watch. In light of the extraordinary opportunities deriving from the region's increasingly central role in the numerous connectivity initiatives and economic corridors that are traversing the region and the whole of Eurasia, people are increasingly taking note of this long-overlooked region. Two words can be used to describe Central Asia today: trust and cooperation, something which was unthinkable just a few years ago, when countries in the region were primarily preoccupied with consolidating their newly-acquired sovereignty and independence.

This new reality is partly possible thanks to the efforts towards regional integration spearheaded by President Mirziyoyev which had its culmination in the first consultative meeting of the Central Asian leaders held in Astana on the eve of Navruz. Although in the past, some heads of Central Asian states have met in the margins of summits including the Shanghai Cooperation Organisation, the Collective Treaty Security Organisation, or the Eurasian Economic Union, these fora do not serve to strictly address Central Asian issues and are led by powers external to the region (Russia, China etc.). While the precise future format and frequency of these consultative meetings of central Asian heads of state is unclear, as well as the degree of institutionalisation and formality they should aim for, it is a welcome step in the right direction.

Indeed, in the era of connectivity, regional cooperation is the only way for regions to fully reap the benefits of increased trade and investment flows and become better integrated in global supply chains. An integrated Central Asia is a key stepping stone towards a well-connected Eurasia.

In this process of regional connectivity and cooperation, it is crucial to involve Afghanistan. Afghanistan is as much a South Asian nation as it is a Central Asian

nation. The second and fourth largest ethnicities in Afghanistan are Tajiks and Uzbeks, respectively. Without a stable and secure Afghanistan, many of the connectivity initiatives cannot be realised – such as the Turkmenistan-Afghanistan-Pakistan India (TAPI) pipeline, which Uzbekistan recently joined; CASA-1000; Lapis Lazuli Transit, Trade and Transport route or the Five-Nation Railway Corridor. The strengthening of trade and transportation links between Afghanistan and Central Asia can contribute positively to regional stabilization. This is particularly true for landlocked countries, as they are highly dependent on secure and stable neighbourhoods for access to global supply chains and transportation corridors, as well as sea access. It is with this in mind that Tashkent held the high-level Conference on Afghanistan in March.

Elsewhere in the region, an agreement was reached between China, Kyrgyzstan and Uzbekistan to start construction of a railway connecting the three countries. This new rail corridor will open a shorter route from China via Central Asia to the countries of South Asia and the Middle East then through the Transcaucasian corridor to Europe. Direct flights have been started between Tashkent and Dushanbe avoiding the need for a very lengthy and cumbersome detour through Istanbul. The recent opening of railway and road bridges across the Amu Darya River in the Uzbek-Turkmen border will significantly increase the cargo capacity of the Uzbekistan-Turkmenistan-Iran-Oman corridor. And the list goes on.

Domestically, an impressive array of macroeconomic reforms has been implemented to modernise the economy, paving the way for greater trade facilitation and foreign investment: The liberalisation of the national currency, the reduction of customs duties on imported goods, etc. As a result of sweeping reforms in the country, Uzbekistan has increased its rank in the world bank doing business ranking from 87th in 2016 to 74th in 2017. It also earned a spot in the top 10 global improvers in the latest World Bank Doing Business report for the third time. Moreover, Uzbekistan has earlier this year started discussions on a detailed 34-point road map for its entry into the World Trade Organisation, which will make Uzbekistan's trade regime more liberal and compliant with international standards.

In Uzbekistan the year 2018 has been declared as the Year of Proactive Entrepreneurship, Innovative Ideas and Technologies. The share of small businesses and private entrepreneurship as a percentage of GDP has grown from 31 percent in 2000 to 56.9 percent in 2016, providing 75 percent of the

country's jobs. Support for SMEs is crucial; they are the drivers of growth, innovation, job creation and competitiveness in an economy. To this end, the European Bank for Reconstruction and Development, upon resuming their activities in Uzbekistan following a 10-year absence, approved a USD 25 million credit line to support SMEs.

Apart from support for private sector development, two other key areas where the EU assistance can be of significant added value are, firstly, education cooperation; the rationale for this is that 60 percent of Uzbek population is under 25. Two EU universities already operate campuses in Uzbekistan – Turin Polytechnic and Westminster – and further opportunities should be sought in the Erasmus plus framework. And second, much as hard infrastructure is important (the roads, railways and pipelines) it is equally important to develop the soft infrastructure in the region – supporting the technical modernisation of border installations, simplification of cross-border customs procedures and harmonisation of logistics and trade regulations. The EU's Border Management Programme in Central Asia (BOMCA) Programme can play an important role in this respect.

I leave you with these thoughts and will now pass the floor to our good friend Pierre Emmanuel Thomann,

Thank you