



**Statement by Mr. Genadi Arveladze
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CAREC National Focal Point for Georgia
23rd Ministerial Conference
Central Asia Regional Economic Cooperation Program
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Your Excellencies, Ministers of Member States,

Prime Minister Bektenov of the Republic of Kazakhstan,

President Masatsugu Asakawa of the Asian Development Bank,

Development Partner Representatives,

Dear Colleagues, Ladies and Gentlemen,

- It is my great honor to meet with you all in the beautiful city of Astana on the occasion of 23^d Ministerial of CAREC members. On behalf of the Government of Georgia, I would like to extend sincere appreciation to the Prime Minister Bektenov of the Republic of Kazakhstan, the President of the ADB Mr. Masatsugu Asakawa, honorable Ministers and the representatives of member country delegations and development partners. My sincere thanks go out to CAREC Secretariat and ADB for the extensive preparation of the Ministerial. Special thanks to the Republic of Kazakhstan for hosting this year's Conference and displaying warm hospitality.
- At the outset, let me underscore the pivotal role of CAREC and ADB in promoting regional economic development.

It is gratifying to observe that CAREC's key policy directions are closely aligned with Georgia's aspiration to serve as a regional hub that offers a simplified and accelerated trade and transport route between Europe and Asia.

To illustrate some of our progress, let me highlight that following the Covid pandemic, Georgia's economy rebounded with a double-digit growth rate of more than 10% in 2021 and 2022. Georgia has maintained this positive trend in 2023, with an average economic growth rate of 7%. According to preliminary estimates, In January-August 2024, economic growth

reached 10.0%. According to IMF projections, Georgia will ensure the fastest economic growth in medium term (2024 - 2029) among regional and European countries, with a rate of 5.1%.

- Let me now join my colleagues in delivering feedback about the discussion matters we have on the agenda today. Georgia commends CAREC's efforts on the updated mid-term review of CAREC 2030 Strategy providing essential findings and recommendations. Georgia wishes to support the endorsement of these recommendations covering multiple areas to further ensure the swift and effective implementation of CAREC initiatives through strengthened engagement of development partners and private sector.
- Georgia favors CAREC for its enormous amount of work in fighting the climate change and taking a great endeavor to mitigate a severe impact caused by it. We reiterate our support in establishing the CAREC Climate and Sustainability Project Preparatory Fund aiming to address and narrow CAREC countries' financing gaps in achieving climate change goals.

The CAREC Climate Change Action Plan (CCAP) for 2025-2027 serves as a strategic roadmap for coordinating regional climate actions across CAREC sectors. Developed through a participatory process involving member countries and development partners, the CCAP aims to identify gaps in regional climate actions, prioritize adaptation and mitigation projects and attract financing for regional investments.

- Georgia commends the initiative put forward by the Republic of Azerbaijan to establish Partnership for Climate, Innovation and Trade under CAREC, which aims to create regional platform for G2B cooperation in the areas of climate, investment and trade. Georgia hereby wishes to express its support to the elaborated Concept Note as well as signing the Baku Declaration.
- Georgia's commitment to tackling climate change is evident in its participation in international platforms and the development of comprehensive national strategies. Georgia started the development of its third Nationally Determined Contribution (NDC 3.0) And As Georgia fully endorsed the recommendations of the First Global Stocktake (GST), the new NDC will encompass all economy sectors, will be more ambitious and therefore, will have a higher GHG emission reduction target and will be more focused on adaptation. Georgia intends to present NDC 3.0 to the UNFCCC secretariat in 2025.
- Georgia is committed to develop its climate-related policy according to UNFCCC commitments, as well as the EU-Georgia Association Agenda and its obligations under the Energy Community. Along with planning and developing short and medium time strategies and action plans, Georgia has adopted a long-Term low-Emission Development Strategy/Concept (LT LEDS) on 24 April 2023. The document describes various scenarios for the development of the Georgian economy by 2050 and sets the corresponding emission targets. The most optimistic scenario, in case of international support and access to modern technologies, envisages achieving climate neutrality. With this document, Georgia declares "carbon neutrality" as a goal and directs its efforts to achieve it by 2050.
- Adaptation to Climate Change is another priority for Georgia. The country supports the operationalization of the Global Goal on Adaptation (GGA) and is starting the development of a National Adaptation Plan with assistance from UNEP and the Green Climate Fund (GCF).

Furthermore, Georgia advocates for the full operationalization of the Loss and Damage Fund established at COP28, emphasizing the need for developed countries to fulfill financial commitments to affected regions.

- Georgia applauds CAREC's increased efforts to expand economic cooperation and connectivity within the region through numerous thematic projects resulting in specific tangible benefits. In this regard, I am delighted to underscore the significance of the construction of new joint border crossing point between Georgia and Azerbaijan based on joint management and single stop principle. To this end, number of dedicated activities have been conducted by both parties leading to the accelerated completion of the project, which would dramatically increase the level of movement across borders and broaden people-to-people and trade activities. Furthermore, let me encourage CAREC members in mobilizing more efforts to identify and generate new projects to further promote economic consolidation throughout the region.
- Among others, one of the key pillars of cooperation within CAREC is transport sector, encompassing a broad spectrum of areas as outlined in the CAREC Transport Strategy 2030. We are also part of CAREC Corridor 2 greatly coinciding with the Middle Corridor and is increasingly promising route to link Europe and Asia. Let me also note that the Middle corridor serves not only as a transit route between East and West but also as a catalyst for regional economic development, new investments, and employment opportunities.
- Notably, the international freight traffic in Georgia reached 27 million tons in total, while Georgian seaports set a new record by handling over 700,000 TEUs in 2023. Furthermore, the country's airports served around 6 million passengers last year, marking a 35% increase from 2022 and a 15% rise compared to the pre-pandemic level in 2019.
- Given Georgia's strategic position and growing significance as a vital link between Europe and Asia, the improvement of transport infrastructure and connectivity is a matter of high priority. In this regard, Georgia is implementing key infrastructure projects across all modes of transport – roads, railways, airports, ports (Anaklia Deep Sea Port, New Tbilisi Airport Project, East – West Highway, to name a few) that will greatly increase the overall capacity and quality of the country's network to accommodate increasing passenger and cargo flows in the years to come.
- Acknowledging the growing energy demand and the urgency of addressing climate change, we are pursuing state-of-the-art ventures in renewable energy, including hydropower, wind, solar and other sustainable sources. Our objective is to attract investors to establish more power plants to utilize Georgia's abundant green energy potential.
- Strengthening regional cooperation and facilitating the increase in transit resilience is one of the key priorities of the energy sector of Georgia. Several important projects are already in place to improve energy connectivity, including The Black Sea submarine cable project connecting Georgia to Romania and more broadly to the EU. Direct connection to EU markets will encourage the trade of clean electricity and provide an important platform for cooperation.

- Another important development is the expansion of the Green Energy Corridor between Azerbaijan, Georgia, Romania and Hungary incorporating and expanding upon the development of the submarine cable and allowing for increased cooperation for the development of variable renewable energy sources and other opportunities.
- Let me once again express my sincere appreciation to the CAREC Secretariat and ADB for their excellent arrangements and support for the Ministerial and extend heartfelt gratitude to the Republic of Kazakhstan for great hospitality. Hereby, let me avail myself with this opportunity and wish the Republic of Kyrgyzstan the successful chairmanship for the upcoming Year.
- I hope that today's ministerial conference will be successful and fruitful, aiding our shared aspiration for a prosperous and sustainable future.