## Speech of the director of ISRS Vladimir Norov at an international conference "Forum Korea-Asia 2018" dedicated to the topic "Peace on the Korean Peninsula: The Possibilities of Asia for development"



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Dear participants of the forum, Ladies and Gentlemen

First of all, I would like to express my gratitude to the organizers of today's forum for the invitation to take part in such a high level event and the traditional hospitality on the part of the Korean side.

One of the main results of the "New Northern Policy" of President Moon Jae In

is undoubtedly the inter-Korean summit held in April of this year and adoption of the Panmunjom declaration following its results.

This political phenomenon became an important historical event of the 21st century and has already been recognized as epochal.

The declaration, which consolidated the most important agreements of the parties' intention to sign a peace treaty and complete denuclearization of the Korean Peninsula, inspires hope and confidence to the beginning of a "new era of peace and prosperity" in the region.

Uzbekistan, as an initiator of the creation of a nuclear-weapon-free zone in Central Asia, fully supports the process of denuclearization in the Korean Peninsula, which will definitely further develop comprehensive inter-Korean relations and promote integration in the region.

At the same time, our country supports the efforts of Seoul and the entire world community, aimed at resolving the situation in the peninsula only by political and diplomatic means.

I would also like to emphasize that the productive outcomes of the historic meeting between the Korean leaders, despite all the obstacles, became possible because of the firm position and strong political will of President Moon Jae In on the implementation of the strategic course - the "New Northern Policy", aimed at improving relations with the DPRK, ensuring security and stability, and building confidence in the region.

Another key point is that the new vision of the Korean leadership aimed at creating a huge economic territory that will expand from the Korean Peninsula and the Russian Far East to the whole Eurasia.



In addition, this initiative will not only create additional opportunities for economic growth in Eurasia, but also favorable conditions for a peaceful life and economic prosperity for North Korean people, which will doubtless become a solid basis for further peaceful unification of Korea.

I think that President Jae In's determination and confidence in achieving this great goal is expressed in his words declared last September in an interview with the Deputy General Director of the Russian TASS agency Mikhail Gusman: "We are one people who lived together for five thousand years of history. Therefore, it does not matter how difficult the path will be, unification is equivalent to the fate that our people must follow. And we must protect this fate."

It is important to note that this long-term vision of Seoul is supported by the majority of representatives of the South Korean expert community.

According to the "Statista Global Consumer Survey", about 65% of experts and scientists from South Korea (7.6% - to a greater extent, 56.5% - to a certain extent) noted that the strategy of the "New Northern Policy" will improve relations between the two Koreas.

We consider the "New Northern Policy" initiated by the Republic of Korea as a very relevant and as an

important contribution to the revival of the Great Silk Road in the new modern realities.

The restoration of rail and road communications envisioned in the framework of the "New Northern Policy" will undoubtedly open up new prospects for broadening cooperation between the Korean Peninsula and the countries of the vast Eurasia region, including Central Asia, its transformation into a continent with a common transport and logistics system and intensive trade and economic ties.

However, according to experts, the current relations of Seoul with the countries of Eurasia do not correspond to their potential and capabilities.

In this regard, the "New Northern Policy" will undoubtedly be able to "reverse" this situation by creating a single economic space and implementing popular joint investment projects using modern Korean technologies and financial resources, as well as huge energy, mineral, raw materials and human resources of the Eurasian countries, including Central Asia.

I am convinced that the new strategy will provide additional opportunities for the countries of Central Asia in developing bilateral and multilateral cooperation with both the Republic of Korea and other participants of the project.

I believe that the "New Northern Policy" should become an important practical component of the "Central Asia - Republic of Korea" Forum, the eleventh meeting of which is being held in Seoul these days at the level of deputy foreign ministers.

For more than 10 years we have been observing how the Forum is evolving and growing stronger, how the number of mutually beneficial cooperation projects is expanding, which are aimed at strengthening mutual trust, enhancing contacts and human exchanges among the participating countries.

Since 2017, the Secretariat of the Forum began operating in Seoul, which marked the beginning of a qualitatively new stage of interaction within this format.



Now we can feel its active work in promoting new initiatives and ideas to expand interaction in the field of investment, innovation, transport, health, education and culture.

I want to emphasize that Uzbekistan highly appreciates the efforts of the Government of the Republic of Korea as the main initiator and coordinator of the Forum, and thanks to the diligent efforts to turn it into an important platform to strengthen multi-dimensional cooperation and an effective mechanism for the practical implementation of priority projects that meet the interests of all participants.

Dear participants of the forum,

Before answering your question, I would like to share briefly the dynamic processes those taking place in Central Asia currently.

In the context of the development of regional cooperation in Central Asia, thanks to the new regional policy of the President of Uzbekistan Shavkat Mirziyoyev the past two years have truly become historical and breakthrough.

During this period, previously unprecedented important results have been achieved in all spheres of interaction, and a new political atmosphere was created in the region.

The Central Asian countries demonstrating strong commitment and enormous potential in the development of constructive cooperation in all areas based on the principles of good neighborliness, mutual benefit and respect, taking into account mutual interests.

Relations between our countries have reached the high strategic level partnership, which is filled with concrete content in the political, economic, cultural and humanitarian spheres.

In a relatively short time, a high level of political trust has been achieved among the countries of Central Asia, and interstate relations in the region are developing in a completely new paradigm.



A bright example to this was the first consultative meeting of the Presidents of Central Asian states which

held in March of this year in Astana. The President of Uzbekistan initiated to hold this meeting at the International Conference in Samarkand called "Central Asia: Shared Past and a Common Future, Cooperation for Sustainable Development and Mutual Prosperity" in November 2017.

Today we can confidently assert that the "Samarkand consensus" reached by the countries of Central Asia during this conference was the starting point not only for "resetting" intergovernmental relations in the region, but also entering to the fundamentally new dialogue field for Central Asia with the international community.

The adoption of 22 June this year UN GA Special Resolution on Central Asia was a historic event without exaggeration, marking the beginning of a new phase of regional cooperation.

This is the first UN document in which the overall consolidated position of all five Central Asian states on the most acute problems of the region was determined.

In less than two years, mutually beneficial solutions have been reached on the basis of reasonable compromises on a number of critical problems relating to water use, demarcation and delimitation of borders, the resumption and expansion of transport links and mutual electricity supply.

The leaders of the countries of the region showed an unprecedented readiness to eliminate all the issues and preconditions that fueled the conflict potential in Central Asia.

At the same time, all efforts are being made to find such models of regional cooperation, based on the idea of Central Asian consolidation.

On October 29 this year, the first Central Asian expert forum held in Tashkent with the participation of heads and representatives of leading analytical and research institutions of all countries of the region. Institutional mechanisms of interstate and interregional relations have been created and functioning effectively.

This year, the first meeting of the Regional Economic Forum is planned to held in Tashkent, where representatives of foreign countries and international financial institutions are expected to attend along with high representatives of the Central Asian states.

As a result of the intensification of regional cooperation, the trade turnover of Uzbekistan with the countries of the region from January to August of this year grew by an average of 38%, and with individual states by 52% (in total, 2.57 billion US dollar, for the same period in 2017, 1.77 billion dollars.).

The improvement of trade and economic relations among the countries of Central Asia contributed to increasing the investment attractiveness of Uzbekistan and the region as a whole.

In particular, from the beginning of 2017

till present, over 400 contracts have been signed between Uzbekistan and foreign countries, as well as contracts and agreements worth about 100 billion US dollar.

Last year in March, it was launched the implementation of important Uzbekistan-Turkmenistan-Iran-Oman transport corridor section - the Turkmenabad-Farab railway and road bridges across the Amudarya River opened.

Due to their launch, the volume of freight transport has already increased 2.5 times, the opportunity to implement the idea of creating a cross-cutting transport and communication highway opens up along the route "Uzbekistan-Turkmenistan-Caspian Sea-South Caucasus" with access to Baku-Tbilisi-Kars and the Black Sea ports of Georgia, Turkey, Romania, Bulgaria and other states.

In addition, after 20 years of negotiations, significant progress has been made in the construction of a railway connecting China and Central Asia through Kyrgyzstan.

On September 21 of this year In Tashkent, a high-level international conference organized on the topic: "Central Asia in the system of international transport corridors: strategic perspectives and unrealized opportunities."

Over 500 participants attended at the conference, from which 300 were foreign guests from 37 countries and 25 international organizations, financial institutions and leading transport companies.



The conference participants emphasized that Central Asian countries need to find joint solutions to such

acute issues as: the lack of logistics centers and the necessary infrastructure along all the highways involved

in transit traffic.

It was also mentioned the importance of introducing Information and communication technologies, marketing and digital transport services in the road sector, automotive, air and railway industries of the countries of the region.

Participants also expressed interest in developing a strategy on the development of transport logistics, as well as the preparation and adoption of a regional agreement on joint development of the transport system in Central Asia with the participation of the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and other international financial structures.

Attraction of modern technologies and Korean investments to the development of the transport and logistics infrastructure of the region with the introduction of a common mechanism for the mutual provision of tariff preferences, unification of requirements and the removal of various barriers to cargo transportation by all types of transport, the development of innovative logistics centers can contribute to the practical solution of the challenges facing the Central Asian countries.

In addition, in the framework of the "New Northern Policy", Republic of Korea could provide substantial assistance in ensuring the dynamic and advanced development of the economies of the countries of the region by strengthening industrial cooperation, creating joint economic zones, expanding investment cooperation, developing the digital economy, rational use of water and energy resources and taking preventive measures in the field of food security.

Moreover, active regional policy conducted by the President of the Republic of Uzbekistan Shavkat Mirziyoev creates the favorable conditions for enlarging the economic presence of South Korea in Central Asia.

Taking into account all countries in the region with Afghanistan there is a market with a population of about 100 million people.

Tashkent, while having a geographical advantage, is ready and interested in becoming a "center of gravity" for South Korean business in accessing Afghanistan and other markets of the former Soviet Union, the Middle East, South and Central Asia.

On October 10 of this year for the first time, a triple Business Forum of the business circles of Tajikistan, Uzbekistan and The Republic Korea held in Dushanbe with the support of the Uzbek side. Over 200 representatives of companies and enterprises from Tajikistan, Uzbekistan and Korea attended the event.

At the same time, Korean companies can play an important role in the integration of Central Asian countries into global trading chains.

Today the policy of liberalization conducted in Uzbekistan in the financial and currency, trade, economic, investment spheres and the development of an innovative approach in all sectors of the economy significantly increases the strategic attractiveness of the Uzbek market for South Korean companies and vice versa.

Already today, Uzbekistan and South Korea have successfully completed and continuing to implement a whole series of joint strategically important large projects in various sectors of the economy.



These are automobile industry, transport infrastructure, the oil and gas sector, information and communication technologies, mining, and others.

In particular, with the leading Korean airline company "Korean Air", a project to create an International Intermodal Logistics Center was implemented.

At International "Navoi" airport in Uzbekistan a cargo terminal with a capacity of transshipment and handling of 100 thousand tons per year was launched. At present, through this logistics center, freight transportation is carried out to 15 destinations of Europe and Asia.

South Korea is one of the leading trade, economic and investment partners of Uzbekistan.

The annual mutual trade turnover exceeds 1 billion US dollar, and the volume of attracted investments is 7 billion US dollar.

Uzbekistan's share in South Korea's trade with all countries of Central Asia is almost 50%.

Since the beginning of this year, Uzbekistan introduced a visa-free regime for citizens of South Korea with the aim of enhancing tourist exchange between the two states.

In turn, a high level of political trust and mutual understanding between Tashkent and Seoul creates the most favorable conditions for further strengthening and expanding economic cooperation between our countries.

According to international observers, the state visit of Shavkat Mirziyoyev to the Republic of Korea in November last year was "breakthrough" in view of the adoption of Joint Statement on comprehensive deepening of the strategic partnership and signed agreements in the economic and investment fields worth more than 10 billion US dollar.

In this regard, in our country, we are looking forward to return visit of the President of the Republic of Korea to Uzbekistan next year.

In order to prepare for the visit of the President of the Republic of Korea to Uzbekistan in Tashkent on November 29-30 this year our Institute jointly with the Committee for Northern Economic Policy and the University of Hanyang are organizing the Uzbek-Korean conference on the theme "Uzbekistan-Korea: Vision for the Future".

During the event, we are planning to discuss the development of bilateral cooperation in the following areas:

- 1) industrial and agricultural production;
- 2) energy cooperation;
- 3) development of logistics and infrastructure;
- 4) interactions in the field of environment and technology;
- 5) strengthening the interethnic contacts.

At the same time, we propose to discuss the integration of the South Korean "New Northern Policy" strategy, China's OBOR initiative and the new EU strategy of Europe and Asia interconnectedness in order to create transport and logistics routes linking Central Asia through China and Russia to the markets of the North-East and Southeast and South Asia, European countries and access to seaports.

For Uzbekistan and other Central Asian countries, open access to international seaports is crucially important. Due to the geographical isolation of the region, according to estimates of Boston consulting groups, Uzbekistan loses up to 20% of GDP.

Because transport and transit costs reach 70-80% of the value of exported products. Freight carriers lose up to 40% of their time for transporting goods due to imperfect customs procedures.

Following the conference, a joint research report will be prepared on the development of bilateral relations between Uzbekistan and South Korea, as well as concrete proposals for the upcoming visit of President Moon Jae In to Uzbekistan.