



**STATEMENT
OF THE MINISTER OF FOREIGN AFFAIRS
OF THE KYRGYZ REPUBLIC H.E. MR. ERLAN ABDYLDAEV
AT THE INTERACTIVE DEBATE ON ECONOMIC GROWTH,
SUSTAINABLE CONSUMPTION AND PRODUCTION
(New York, 26 September 2015, 10.25 am -12.20 pm.)**

**Dear Chairpersons,
Excellencies,
Ladies and Gentlemen,**

We are meeting today on the margins of the historical United Nations Summit with a purpose to discuss national and collective approaches to achieve an economic growth, sustainable consumption and production that are considered priority issues in the new global agenda on sustainable development until 2030. In Kyrgyzstan these issues, particular attainment of stable economic growth, remain in the center of governmental policies. We believe that economic development is a key to solution of priority tasks, first and foremost, related to poverty reduction and improvement of well-being of our citizens.

Now I want to touch on factors that are conducive to sustainable economic growth in developing landlocked mountainous countries like Kyrgyzstan.

Our country considers one of the perspective sources for economic growth globally to be a green economy model with hydropower at the core of it. We are convinced that water resources and hydropower are indivisible and inseparable from each other. In the abovementioned model, water is a nucleus and hydropower is a mechanism for generation of clean, climate friendly development and affordable electricity for population and economy. On a basis of such considerations, Kyrgyzstan is now building new hydropower stations whose capacities will not only provide for energy security of the country, but

also allow electricity exports to the South - Eastern markets. On a related note - in August we completed a very vital project on construction of new electricity transmission circuit that makes possible continuous provision of electricity in the country.

Another factor for sustainable economic growth in Kyrgyzstan is enhancing competitiveness of the national economy by participation in international trade and attraction of foreign investments. As a member state of the World Trade Organization, Kyrgyzstan until recently has not been able to fully grasp all the benefits from nexus of trade impact on economic development.

Today, our main trade partners – Russia, Kazakhstan and China – are also member states of the global trade organization. It opens for Kyrgyzstan additional opportunities in terms of export expansion of the goods produced in the country. In addition, the recent accession of Kyrgyzstan to the Eurasian Economic Union deserves mentioning. It provides us with the unhindered access to the regional market of goods and services, capital and labor force, as well as creates additional opportunities to develop transport and transit capacity of our mountainous country.

The geographic factors, including absence of access to sea and mountainous terrain, limit our possibilities to integrate entirely into the global trade chain so that Kyrgyzstan places high importance on development of its transport and transit capacity. We are now constructing an alternative national highway “North-South” that will significantly cut costs related to conduct of economic activity.

In the meantime, at the global level Kyrgyzstan considers it very important that the Vienna Program of Action for Landlocked Developing Countries is implemented fully and effectively. In this regard, I call on all United Nations member-states to establish conditions for implementation of the Vienna Program of Action that helps countries like Kyrgyzstan to enjoy the right to development.

Ladies and Gentlemen,

The positive results from conduct of the purposeful economic policy in the last few years made it possible that the World Bank in 2014 excluded Kyrgyzstan from a list of the poorest countries and transferred the country into a group of the middle-income developing states. In addition, the year of 2015 was declared the Year of Strengthening National Economy in order to uphold sustainable economic growth in Kyrgyzstan.

At the same time, the turbulent events that are occurring in the world negatively affect economic situation in Kyrgyzstan. We directly feel all the serious ramifications of the war of sanctions. The fall in price of the crude oil provoked slowdown of economies of our main trade partners – Russia and Kazakhstan, and as a consequence, Kyrgyzstan. The recent devaluation of the national currencies in those countries and high inflationary expectations continue to press on our national currency. Our economy's sensitivity to external shocks and unfavorable international economic cycle make it hard for us to accomplish plans on attainment of high growth rates of the national economy and thus preparation of necessary conditions for transition to implementation of sustainable development goals.

That said, the perspectives of sustainable economic growth in Kyrgyzstan will in many ways depend on the pace of economic recovery in the Eurasian community. In this regard we believe, that adoption of Global Sustainable Development Agenda established a good framework to reach consensual solutions to the burning issues of international politics and unite efforts to accomplish sustainable development in the next fifteen years.

I thank you.