



Reference Document
For Session 4 of the Senior Officials' Meeting
June 2017

16th Ministerial Conference Proposed Structure and Deliverables

**Senior Officials' Meeting
Central Asia Regional Economic Cooperation
20–21 June 2017
Tbilisi, Georgia**

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I. Theme of the 16th Ministerial Conference

Evolving Common Approaches on SDGs and COP21 Climate Agreement in CAREC Countries

This theme picks up from discussions during the 15th Ministerial Conference (MC) on how CAREC should respond to the changing regional and global landscape. The draft new long term strategy recognizes this changing context, and focuses on how CAREC countries, together with various partners can address their evolving challenges in the backdrop of the following developments:

- (i) the 2030 global development agenda, including the sustainable development goals (SDGs) and the Paris agreement reached at the 21st Conference of Parties of UN Framework Convention on Climate Change (COP21), highlights the need to assess how regional initiatives can complement national efforts to achieve the new development goals;
- (ii) in a globalizing world, problems and solutions reach across national borders, resulting in a growing need for international collective action. CAREC may need to reinforce its operations in existing sectors including transport, energy, trade facilitation and trade policy and expand into new areas such as climate change and the environment, agriculture, education, health, and financial and monetary cooperation;
- (iii) new regional players require CAREC to carefully assess emerging opportunities of partnership and coordination with these bodies. At the same time, there is a need for CAREC to redefine its strategic positioning and relevance while building on the successes, strengths and comparative advantage of its program over the past 16 years of its existence.

The 16th MC will be a fitting forum to deliberate on the new long-term strategy and discuss ways and areas for CAREC countries to forge common approaches to achieve the 2030 global development agenda.

II. Proposed Structure of the 16th Ministerial Conference

27 October: Ministerial Conference

III. Proposed deliverables to be presented at the 16th Ministerial Conference

- **New Long-Term CAREC Strategy**

The CAREC Secretariat was tasked by the 15th MC in Islamabad in October 2016 to develop a new long-term strategy for CAREC following the endorsement

of the CAREC Mid-Term Review (MTR) Report. The formulation of the new strategy was followed a fully consultative and participatory process involving officials from the eleven member countries, multilateral and bilateral partners, private sector, think tanks, and civil society to ensure integrated, coordinated and multi-sectoral solutions to multi-dimensional development issues. It will incorporate guidance from the Senior Officials Meeting (SOM) as well as inputs from the National Focal Points Meeting in September. The final draft will be submitted to the 16th MC for approval.

- **ABEC Implementation Plan**

In September 2016, the high-level Steering Committee for the Almaty-Bishkek Corridor Initiative endorsed the Investment Framework¹ which provided the conceptual development plan for the Almaty Bishkek Economic Corridor (ABEC), outlining the scope of policy, institutional, infrastructure and capacity development initiatives that would be needed in the prioritized sectors. The Steering Committee requested that an Implementation Plan be formulated providing a detailed blueprint for lending and non-lending projects and initiatives for developing the ABEC, including the institutional structure to manage implementation and govern ABEC development. The Implementation Plan will be presented at the SOM for further guidance.

- **Scoping study "Toward Connected Skies in CAREC"**

To date, the full potential of air transport in CAREC has not been realized. Financial constraints on aviation infrastructure investment, unmet capacity development for the sub-sector, and the lack of a comprehensive regional agreement on open connectivity all limit aviation's role in the region's economies. The Transport Sector Coordinating Committee's (TSCC) scoping study explores possible areas of regional cooperation in: (i) capacity development training for the aviation sub-sector; (ii) exploration of regional agreements on air liberalization; (iii) standardization and improved efficiency of air cargo customs and clearance; (iv) coordination of new infrastructure investments in aviation; and (v) potential development of a knowledge product or strategy on CAREC aviation. TSCC seeks SOM's and MC's guidance as it begins to consider a strategy on how best to forge ahead given the opportunities and challenges in the aviation sub-sector.

- **Pilot CAREC Advanced Transit System (CATS) Pilot Protocol and Customs Data Exchange Protocol Signing**

The development of a comprehensive regional transit guarantee system and an information exchange mechanism are being pilot-tested along CAREC sub-corridor 2a (Azerbaijan, Georgia and Kazakhstan). Both protocols will be signed by the Customs Authorities of the three countries at the Customs Cooperation Committee (CCC) meeting. The CATS Protocol will describe the operating procedure of the transit system and will serve as a guide for the replication of the project in other CAREC countries. The Customs Data Exchange

¹ <http://www.carecprogram.org/uploads/docs/CAREC-Publications/2016-ABCI-Investment-Framework.pdf>.

Protocol will enable the electronic exchange of data between customs administrations to promote real-time collaboration.

- **Stock-taking Analysis on WTO Trade Facilitation Agreement (TFA) Commitments of CAREC Countries**

A major milestone was reached for the global trading system on 22 February 2017, when the TFA entered into force after it was ratified by more than two-thirds of WTO Member Countries. As part of the TFA, countries are requested to submit notifications stating their commitments to the implementation of the TFA provisions. An assessment of the TFA commitments made by each CAREC country will be undertaken including the current status of implementation. This will guide the evolving CAREC trade facilitation agenda, which is to be aligned with the new long-term CAREC strategy.

- **Energy Investment Forum**

This year's CAREC Energy Investment Forum (EIF) is entitled "Financing Future Energy", which will be an official event of the Astana Expo 2017 to be held on 18–19 July 2017 in Kazakhstan. Over 400 participants from governments, investors, manufacturers, suppliers, contractors, and project developers from over 30 countries are invited to showcase investment opportunities and recognize CAREC as a regional market. Prominent speakers from private sector, EXIM banks, risk insurances, senior government officials, and development partners will discuss the opportunities and challenges in attracting investment to energy projects in CAREC countries.

- **CAREC New Energy Technology Roadmap**

The New Energy Technology Roadmap will look at the macro landscape of the relevant new technologies and their potential and sustainability in the CAREC countries based on the country context, their energy mix, life and type of existing assets, investor interest and the current regulatory framework.

IV. Issues for Guidance of CAREC Senior Officials

- Views on the Draft New Long-Term Strategy
- Views on the structure of the 16th MC
- Proposed deliverables to be presented at the 16th MC