

CAREC Institute's Presentation for the SOM

20 June 2017 Tbilisi, Georgia

- 1. Highlights of the 2017 Work Program**
- 2. Preparation of the IGA Effectiveness Celebration & Eminent Speakers' Forum**
- 3. Second CAREC Think Tank Development Forum**
- 4. Update on IGA Signing, Ratification & Host Country Agreement**

1. Highlights of the 2017 Work Program

- ❖ Operational Program contains 25 activities, 20 of which will be implemented during 2017
- ❖ 20 activities (16 workshops/fora and 4 research) identified after consulting CI partners and CAREC countries taking into account their interests, possibility of co-financing or in-kind contribution
- ❖ The remaining 5 activities (standby) will be shifted to the operational program 2018
- ❖ A smooth transformation from an annual programming to a rolling midterm (2 or 3 years) programming
- ❖ A rolling midterm programming will also let CI prepare and distribute annual calendar of events before the start of the calendar year

1. Work Program continued...

- ❖ In 2017 CI has successfully conducted two workshops and covered two key thematic areas
- ❖ The first workshop was conducted in Almaty, Kazakhstan on Time Release Study in collaboration with Asian Development Bank and World Customs Organization
- ❖ The second workshop was held in Tashkent on Agriculture Value Chain development in Central Asia. CI partnered with ADBI, ADB and Ministry of Agriculture Government of Uzbekistan
- ❖ The next workshop on SME Financing is being organized here in Tbilisi, just after the GC meeting, with the collaboration of ADBI and Ministry of Finance Georgia

1. Work Program continued...

- ❖ During 2017, CI is managing four research projects:
 - Regional Trade Hubs to promote trade and economic cooperation: challenges and opportunities
 - Regional connectivity and cooperation for shared benefits and inclusive growth
 - New Initiatives in Agricultural Cooperation
 - CAREC Regional Integration Index (RII)
- ❖ Close collaboration with ADB, and IFPRI on research projects
- ❖ Two important events in operational program: the Second CAREC Think Tank Development Forum and IGA Effectiveness Celebration & Eminent Speakers'

1. Work Program continued...

Research projects

❖ Research topic:

- Regional Trade Hubs to promote trade and economic cooperation:

❖ Deliverables:

- Research Study and Evidence-based Policy Analysis to optimize the benefits of CAREC Regional Trade Hubs
- Policy Briefs outlining challenges and opportunities along with recommendation to leverage potential of regional trade hubs

1. Work Program continued...

Research projects

❖ Research topic:

- Regional connectivity and cooperation for shared benefits and inclusive growth

❖ Deliverables:

- Research study and economic policy analysis with a view to translate regional connectivity in to shared regional growth
- Policy Papers with recommendation for providing analytical framework on connectivity projects impact assessments on growth and economic development

1. Work Program continued...

Research projects

❖ Research topic:

- Agricultural Development in CAREC countries: Comprehensive Review of Trends, Challenges, and Opportunities for investment needs

❖ Deliverables:

- Research Paper for 11 member CAREC Countries
- Database on various variables' and parameters of the CAREC member Countries
- Policy Recommendations for Technical Cooperation and Capacity Building
- Policy briefs for member countries consideration
- Research Workshop

1. Work Program continued...

Research projects

❖ Research topic:

- CAREC Regional Integration Index (RII)

❖ Deliverables:

- Policy Analysis on state of Regional Integration along with numerical rankings
- Statistical analysis and measure on six indicators: 1) Trade Integration; 2) Regional Connectivity; 3) Regulatory Integration (Harmonization and Equivalence); 4) Financial integration; 5) Regional Value Chain Integration; and 6) Other Indicators including Movement of People/Labour Integration
- Gap Analysis and way forward for enhancing regional economic cooperation
- Research Workshop

1. Work Program continued...

Networking and Partnerships

- ❖ While cooperation with traditional partners such as ADB, ADBI continues, CI works to establish new links with other institutions
- ❖ In agriculture, joint research is under way with International Food Policy Research Institute (IFPRI). Moreover, CI started discussions with several other institutions on cooperation in this area.
 - Food and Agriculture Organization (FAO)
 - International Fund for Agriculture Development (IFAD)
 - Joint FAO/IAEA Division
 - South – South Cooperation Fund

1. Work Program continued...

Networking and Partnerships

- ❖ Since 2016, cooperation in industrial development was discussed with UNIDO
- ❖ CI and UNIDO signed Joint Declaration on 7th June 2017 for cooperation in industrial development
- ❖ With ADBI we are also exploring ways to use its experience in conducting research and CBT. Experts from ADBI will visit CI in July
- ❖ Cooperation Agreement with ADB expected to be signed in September 2017

2. IGA Effectiveness Celebration & Eminent Speakers' Forum

September 12, 2017, Urumqi PRC

- ❖ It is expected that Intergovernmental Agreement (IGA) establishing the CI will enter into force in July 2017. PRC and Pakistan are expected to ratify very soon
- ❖ To celebrate IGA effectiveness, CI desires to invite Minister of Finance of the PRC, President of the ADB and Governor, Xinjiang Uyghur Autonomous Region of the PRC, among others, for the event
- ❖ CI requests you kindly reserve your time and participate in the event
- ❖ The event is planned to be organized together with an Eminent Speakers' Forum

2. IGA & Forum continued...

Key Objectives

- ❖ Celebrating the IGA Effectiveness and incorporating CI as a legal entity
- ❖ Signing the Host Country Agreement between the PRC and the CI
- ❖ Signing Cooperation Agreement between the ADB and the CI
- ❖ Organizing Eminent Speakers' Forum

2. IGA & Forum continued...

Theme

“Two Decades of CAREC Initiative: Exploring New Avenues of Economic Cooperation”

Tentative Topics:

- Enhancing Development Opportunities for Central Asian Countries
- Aligning Role of CI to the Emerging Challenges and Opportunities
- From Connectivity to Connected Markets
- New avenues of economic cooperation in the CAREC region

2. IGA & Forum continued...

Expected Speakers/Panel

- ❖ Minister of Finance, People's Republic of China
- ❖ President, Asian Development Bank (ADB)
- ❖ Minister of Economic Development and Trade of Tajikistan
- ❖ President of Nazarbayev University
- ❖ Director, CAREC Institute

3. Second CAREC Think Tank Development Forum

September 13, 2017, Urumqi PRC

- ❖ The first CAREC Think Tank forum was held in Kazakhstan on 20-21 June 2016
- ❖ One of the important agreements reached was that CAREC region think tanks need to increase exchange of views and experience for regional economic development
- ❖ CI intends to make the forum an annual activity of regional think tank for knowledge exchange and experience sharing

3. Second CAREC Think Tank Development Forum

September 13, 2017 Urumqi, PRC

Key Objectives

- ❖ To invite eminent resource persons to make presentations on key policy issues facing CAREC member countries with a view to finding sustainable solutions
- ❖ To establish an informal network of think tanks working in the CAREC region for knowledge and experience sharing
- ❖ To invite participating think tanks to share country-specific experience, practices and policy issues in relation to CAREC Program's priority areas
- ❖ An integrated policy recommendation on Forum's themes will be prepared for dissemination among policy makers in CI member countries

3. Think Tank Forum continued...

Theme

“Promoting Regional Economic Cooperation for Sustainable Development and Shared Prosperity”

Tentative Topics:

- CAREC Regional Integration Index: Measuring Extent of Regional Cooperation
- ADBI research on Central Asia
- Measuring Participations in Global Value Chain: case study
- Infrastructure development in CAREC region through PPP: Opportunities and Challenges
- Harmonizing Trade Policy in CAREC Region
- Inclusive Growth and Sustainable Development – Policy Choices and Implications
- Climate Change and Energy Security in CAREC Region

4. Progress on IGA signing & ratification and Host Country Agreement

- Afghanistan, China, Kyrgyz Republic, Mongolia, Pakistan, and Uzbekistan signed the IGA
- Uzbekistan ratified IGA
- The Senior Officials are expected to provide update of the IGA signing and ratification progress by each country

4. IGA & HQA continued...

- ❖ Governing Council in its 5th meeting authorized CI to start the negotiations on the terms of HCA with the host country
- ❖ Several rounds of discussions and negotiations have taken place between CI and Ministry of Finance, PRC. The first draft has been circulated among all concerned authorities
- ❖ Another round of negotiations and discussions will be held immediately after SOM
- ❖ ***CI expects to sign Host Country agreement with PRC in September 2017.***

Thank You