



# **The Role of CAREC in the 2030 Global Development Agenda**

## **A Background Note for the Panel Discussion at the Ministerial Conference**

**16<sup>th</sup> Ministerial Conference  
Central Asia Regional Economic Cooperation  
27 October 2017  
Dushanbe, Tajikistan**

# The Role of CAREC in the 2030 Global Development Agenda

## I. Introduction

- All CAREC countries are signatories to 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).
- In the Resolution adopted by the UN General Assembly on 25 September 2015 on the 2030 Agenda for Sustainable Development, member countries acknowledged the importance of the regional and sub-regional dimensions in achieving the SDGs. Members also committed to implement the global sustainable development agenda not only within their own countries but also at the regional and global levels, considering different national realities, capacities and levels of development, and respecting national policies and priorities.
- The Resolution also acknowledged that the UN Framework Convention on Climate Change is the primary international and intergovernmental forum to tackle the challenges posed by climate change. The Paris Agreement emphasized the close connection between climate change actions and impacts and sustainable development and eradication of poverty. Thus, climate change and sustainable development are inextricably intertwined, and both SDGs and COP21 climate targets are mutually reinforcing.
- *CAREC 2030*, the new strategic framework for CAREC, has been formulated in close alignment with national strategies as well as with the 2030 global development agenda. It is inspired by a mission to create an open and inclusive *regional cooperation platform that connects people, policies and projects for shared and sustainable development*.
- Achieving the 2030 global development agenda will largely depend upon national efforts, but such efforts can be enhanced and complemented by regional cooperation. CAREC can serve as a platform to unleash the potential of regional cooperation to help its member countries achieve the goals and targets set out in the global agenda.

## II. CAREC Countries' Status with Respect to the SDGs and COP21

### a) Assessment of SDGs in CAREC Countries

- The SDGs are both relevant and attainable for CAREC members. Most CAREC countries are already meeting or are close to meeting some SDGs where the goal is reaching a well-established development target such as poverty reduction, low maternal mortality ratio, full literacy, and access to electricity for all, among others. However, limited improvement, or even retrogression, can be observed in other areas such as food security, renewable energy, road safety and ICT development. The status of CAREC countries on SDG indicators is in Annex 1.<sup>1</sup>

Most CAREC member countries have formulated national development strategies consistent with the global development agenda. Even when not referring directly to SDGs, national priorities are typically SDG-aligned, such as reducing poverty, promoting inclusive growth and environmental sustainability or identifying economic diversification, improved connectivity, and renewable energy as key principles. The importance of health and education, often linked to creation of a knowledge-based economy, is also a recurring theme in national strategies. Finally, issues related to gender and governance,

---

<sup>1</sup> *Asia-Pacific Sustainable Development Goals Outlook - Regional Outlook on the Sustainable Development Goals in Asia and the Pacific*. ESCAP, ADB and UNDP. 2017 / Key Indicators for Asia and the Pacific 2017. ADB

which would have had less salience in earlier strategies, are now explicit in many CAREC countries' visions for their future.

- In aligning with SDGs, some CAREC countries adopted UN's MAPS (Mainstreaming, Acceleration and Policy Support) approach.<sup>2</sup> This approach includes three main components: (i) mainstreaming the SDGs into national, sub-national and local plans for development, and shaping budget allocations; (ii) analytical work that informs policymakers of the drivers and bottlenecks to sustainable development and contributes to better targeting of resources at priority areas to progress on the SDGs by 2030; and (iii) policy support and integrated approaches to ensure that resources are deployed in a coherent, cost-effective and timely manner. In addition to these three components, the MAPS approach recognizes the importance of partnership development, data and accountability for a successful implementation of the global development agenda.

### **b) Assessment of CAREC Countries' NDCs**

- CAREC members vary considerably in levels of greenhouse gas (GHG) emissions, vulnerability to global climate change, and areas of COP21 commitments (Annexes 2 and 3). Some CAREC countries rank among the top GHG emitters globally.<sup>3</sup> Afghanistan and Pakistan are among the most vulnerable of all countries to global climate change, although such rankings are sensitive to modelling, assumptions, and weights given to different scenarios. For example, accelerated glacial melt could be especially disastrous for the Central Asian countries in the Aral Sea Basin.
- All CAREC countries have submitted their Intended Nationally Determined Contributions (INDCs). Most of them have already ratified the COP21 climate agreement and submitted their first NDCs.<sup>4</sup> A combination of both mitigation and adaptation measures have been submitted by member countries in their INDCs. Among countries' recurring priorities with respect to climate measures are: (i) use of alternative and renewable energy, and energy efficiency and conservation; (ii) sustainable agriculture, forest management and water resources management; (iii) energy efficiency measures related to transport; (iv) urban development measures such as waste water and solid waste management; and (v) measures to modify disaster risks from climate change.
- Almost all CAREC countries have provided commitments that are fully or partially conditional on external assistance in the form of financing support, capacity building and/or technology transfer. Several CAREC countries have estimated the external financing support required to implement the actions set out in their INDCs.<sup>5</sup>

## **III. Challenges and CAREC's Support for the 2030 Agenda**

There are several challenges for achieving the 2030 global development agenda:

- First, multilateral development banks have noted that "achieving the SDGs will require moving from billions to trillions in resource flows".<sup>6</sup> CAREC can mobilize technical and financial support to incubate and implement innovative regional projects that support the global development agenda. CAREC can support development of financing frameworks capable of channeling public and private resources and investments of all kinds to

---

<sup>2</sup> MAPS is the common approach developed by the UN to support the implementation of the 2030 Agenda for Sustainable Development at the country level.

<sup>3</sup> China, Pakistan, Kazakhstan and Uzbekistan each emitted over 200 metric tons equivalent of GHG in 2010.

<sup>4</sup> Countries' INDCs turn into NDCs once the agreement is ratified. Ratification dates: PRC and Mongolia (Sept 2016), Turkmenistan (Oct 2016), Pakistan (Nov 2016), Kazakhstan (Dec 2016), Azerbaijan (Jan 2017), Afghanistan (Feb 2017), Tajikistan (Mar 2017), and Georgia (May 2017).

<sup>5</sup> Afghanistan, Georgia, the Kyrgyz Republic, Mongolia, Pakistan, and Turkmenistan.

<sup>6</sup> *From Billions to Trillions: Transforming Development Finance* (AfDB, ADB, EBRD, EIB, IDB, WBG). 2016






support the SDGs and COP21. To this end, CAREC can galvanize a revitalized and strengthened partnership consisting of CAREC's existing and new development partners and can also work closely together with other regional cooperation platforms. This will help bring collective capacities and finances of all development partners to support member countries on progressing on the international global agenda.

- Second, implementation of the global development agenda involves coordination among many stakeholders operating at different levels (government agencies, private sector, civil society, etc.). Coordination problems are more acute at the regional and global levels. CAREC has convening power to facilitate high-level policy dialogue and promoting trust-building among member countries on developing regional approaches to the SDGs and COP21 targets. By providing a robust mechanism and platform for coordination and cooperation among member countries to discuss common development challenges and evolve joint approaches, CAREC can contribute to the global development agenda in a meaningful way.
- And third, availability of good quality data, which is essential for making evidence-based policy-making and for tracking the implementation, is a major constraint in the CAREC region. CAREC, with support from the CAREC Institute, can support exchange of knowledge, skills and experience to facilitate cross-learning and identify effective regional approaches to progress on the global development agenda. CAREC and the CAREC Institute can help promote data collection and database creation, strengthen countries' institutional capacity and facilitate information sharing among member countries.

#### **IV. CAREC 2030 and the Mapping of its Operational Clusters to the Global Development Agenda**

- Over the past sixteen years, CAREC has been successful in trust-building and advancing regional cooperation in improving infrastructure and trade connectivity. Such success has been backed by concrete project investments and technical assistance, particularly in the areas of transport, energy, and trade.
- The new *CAREC 2030* strategy, which aligns closely with national strategies and the international goals, and deepens and expands operations in relevant areas, uniquely positions CAREC to support the SDGs and COP21 climate agreement. CAREC operations could be a useful complement to national development programs, particularly in areas where externalities prevail or spill-over effects are strong, to help meet the global development targets.
- *CAREC 2030*'s five operational clusters contribute to several international goals. The mapping below (see Table) tries to demonstrate the alignment of the operational clusters with specific SDGs. The clusters do not attempt to address all SDGs associated issues, but place emphasis on the regional dimensions of SDGs where CAREC can contribute the most.
- *CAREC 2030*'s cluster approach allows for the activation of cross-linkages and synergies among the various clusters and sectors. For example, it recognizes the nexus and linkages between the water sector, food security and energy security in the regional context, and can support interventions that balance the region's needs across these sectors.
- Building on its comparative advantages outlined in Section III, CAREC's support in the five clusters will be operationalized through (i) technical and financial support, including mobilizing strong partnerships with development partners and other regional cooperation platforms, (ii) policy dialogue using CAREC's convening power, and (iii) facilitation of knowledge exchange and lesson learning.

**Table: Mapping CAREC's operational clusters to the SDGs**

Operational Cluster	Collective Actions	SDGs
Economic and Financial Stability	<ul style="list-style-type: none"> <li>Establish ministerial policy dialogue to reduce economic and financial sector volatility, and set up mutually supporting financing arrangements to cushion shocks.</li> <li>Explore establishment of central bank and regulators' forums to strengthen banking and capital market supervision, cross-country effects and integrate capital markets.</li> </ul>	
Trade, Tourism, and Economic Corridors	<ul style="list-style-type: none"> <li>Design trade strategies including a far-reaching CAREC FTA; develop trade in services (notably tourism) relying on ICT advances.</li> <li>Develop a common support framework for WTO commitments.</li> <li>Strengthen border operations using WTO-TFA.</li> <li>Map economic corridors scaling-up relying on ICT-drive urbanization policies.</li> </ul>	
Infrastructure and Economic Connectivity	<ul style="list-style-type: none"> <li>Continue upgrading regional transport infrastructure and promoting sustainable infrastructure development.</li> <li>Modernize regulatory frameworks and asset management for cross-border infrastructure.</li> <li>Promote open skies agreements and direct airfreight connection through concrete aviation cooperation program.</li> <li>Mobilize private sector funding and PPPs.</li> <li>Regulatory reforms to make regional investments viable in energy efficiency and clean energy technologies.</li> <li>Implement regional projects to foster energy market integration.</li> <li>Provide a platform to support wider use of region-wide emissions trading and carbon pricing.</li> </ul>	
Agriculture and Water	<ul style="list-style-type: none"> <li>Promote policy harmonization on cross-border trade in farm products to develop climate-resilient agri-business.</li> <li>Design cooperative water management arrangements to raise efficiency of water use.</li> <li>Joint efforts to raise irrigation efficiency, reducing flood risk and water contamination.</li> <li>Design cross-country institutions to implement cooperative arrangements on water use.</li> </ul>	
Human Development	<ul style="list-style-type: none"> <li>Develop cross-country skill development and technical and vocational education training (TVET) programmes</li> <li>Remove regulatory and other barriers to labour mobility.</li> <li>Design framework for trade in education services will be designed.</li> <li>Address pandemic risks within global frameworks.</li> <li>Tackle non-communicable diseases and develop robust health delivery and financing frameworks.</li> </ul>	

## V. Questions for Discussion

- What are some key challenges and opportunities CAREC member countries perceive with respect to achieving the international development goals set forth in the SDGs and the COP 21 climate agreement?
- CAREC 2030, the new long-term strategy, is designed to be aligned with the 2030 global development agenda. Going forward, how can CAREC help members to achieve global goals set out in the SDGs and COP21, and complement national efforts in this regard?
- How can CAREC best collaborate and cooperate with the new regional frameworks and development institutions to add to the technical and financial resources available to member countries for progressing on the international goals?
- What is the potential of the private sector to support regional cooperation initiatives that contribute to the global development goals in the CAREC region? How can member countries best leverage private sector support under the new CAREC strategy?
- How can the Ministerial Conference best promote policy dialogue on the international development goals, and with what frequency it should monitor progress on the goals at the regional level?

### *Annexes:*

- 1. SDG Indicators for CAREC countries*
- 2. Checklist on Intended Nationally Determined Contributions of CAREC Member Countries*
- 3. GHG Emissions in 2010 and Projections to 2030 based on NDCs in CAREC Countries*

## Annex 1: SDG Indicators for CAREC countries

Indicators <sup>7</sup>	AFG	AZE	GEO	KAZ	KGZ	MON	PAK	PRC <sup>8</sup>	TAJ	TKM	UZB
<b>SDG1</b>											
% population below the international poverty line of \$1.9 / day	n.a.	0.5	9.8	0.04	1.3	0.22	6.1	1.85	19.5	n.a.	n.a.
<b>SDG2</b>											
Prevalence of undernourishment (%)	26.8	<5.0	7.4	<5.0	6.0	20.5	22.0	9.3	33.2	<5.0	<5.0
Prevalence of moderate or severe food insecurity in the population (%) <sup>9</sup>	45.8	5.9	28.4	7.5	21.0	17.7	42.2	4.1	12.9	n.a.	13.7
Agricultural area (% total land area) <sup>10</sup>	58.1	57.7	36.8	80.4	55	72.7	47	54.8	34.2	72	62.9
<b>SDG3</b>											
Maternal mortality ratio (per 100,000 live births)	396	25	36	12	76	44	178	27	32	42	36
Under-five mortality rate (per 1,000 live births)	91.1	31.7	11.9	14.1	21.3	22.4	81.1	10.7	44.8	51.4	39.1
New HIV infections (per 1,000 uninfected pop.)	0.03	0.12	0.28	0.21	0.16	0.02	0.09	n.a.	0.19	n.a.	0.01
Tuberculosis incidence (per 100,000 pop.)	189	69	99	89	144	428	270	67	87	70	79
Malaria incidence (per 1,000 pop.)	23.6	0	0	n.a.	0	n.a.	8.6	0	0	n.a.	0
Death rate due to road traffic injuries (per 100,000 pop.)	15.5	10	11.8	24.2	22	21	14.2	18.8	18.8	17.4	11.2
Mortality rate attributed to household and ambient air pollution (per 100,000 pop.) <sup>11</sup>	115	47	205	90	87	132	87	161	92	71	76.5
Mortality rate attributed to unsafe water, unsafe sanitation and lack of hygiene (per 100,000 pop.)	34.6	2.1	0.2	1.2	1.8	3.1	20.7	0.4	7.5	5.8	2.4
<b>SDG4</b>											
Primary completion rate <sup>12</sup> (% total pop.)	40.7	97.9	n.a.	99.7	99.5	97.8	60.9	n.a.	98.1	99.7	100
Lower secondary completion rate (%)	23.3	91.6	n.a.	99	96.7	89.4	45.5	n.a.	89.5	99	97.1
Upper secondary completion rate (%)	13.7	74.9	n.a.	91.1	85.1	79.9	19.5	n.a.	61.7	97.8	73.5
Enrollment ratio, tertiary educ. (%)	8.6	25.4	43.4	46.2	46.9	68.5	9.9	43.3	28.8	7.9	9
Literacy rate (% total pop. >15 y. old)	31.7	99.7	99.5	99.7	99.2	98.2	56.9	95.1	99.4	98.7	99.9
<b>SDG5</b>											
Proportion of seats held by women in national parliament (%)	27.7	16.9	11.3	26.2	19.2	14.5	20.6	23.6	19	25.8	16
<b>SDG6</b>											
% population using safely managed drinking water services <sup>13</sup>	n.a.	71.5	73	n.a.	66.3	n.a.	35.6	91.3	47.4	86.1	87
<b>SDG7</b>											
% population with access to electricity	89.5	100	100	100	99.8	85.6	97.5	100	99.9	100	100
% population with primary reliance on clean fuels and technology	17.3	>95	54.9	91.8	76.4	31.9	44.8	57.2	71.7	>95	90.3

<sup>7</sup> Global SDG Indicators Database, United Nations Statistics Division (UNSD). Last updated: 28 July 2017. Most recent data available included.

<sup>8</sup> No provincial data available. Data included refer to mainland China.

<sup>9</sup> Based on the Food Insecurity Experience Scale (FIES)

<sup>10</sup> FAO Statistics 2014.

<sup>11</sup> Global Health Observatory data repository (2012).

<sup>12</sup> UNESCO Institute for Statistics.

<sup>13</sup> WHO/UNICEF Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (2017). Data for PRC and Uzbekistan only refer to urban population.

Indicators	AFG	AZE	GEO	KAZ	KGZ	MON	PAK	PRC	TAJ	TKM	UZB
Renewable energy share in the total final energy consumption (%)	16.7	2.1	31.9	1.4	28.3	3.9	47.2	17.1	40.7	0.04	2.9
<b>SDG8</b>											
Growth rate of real GDP per cap. (%)	-5.1	-0.6	6.7	-0.3	1.8	0.6	3.4	6.4	1.9	5.2	5.3
Unemployment rate (% total pop >15 y. old) <sup>14</sup>	8.5	5.1	11.6	5.2	7.7	6.7	5.9	4.6	10.8	8.6	8.9
Youth unemployment rate (% 15-24 y. old)	18.3	14.2	28.7	5	14.9	15.1	10.8	10.6	15.8	17.3	17.9
<b>SDG9</b>											
Manufacturing value added, MVA (% GDP) <sup>15</sup>	11.2	5.3	11.7	10.3	14.6	5	12.6	32.8	17.3	14.1	18.4
% small-scale industries with a loan or line of credit	3.6	15.6	30.3	15	24.6	42.2	3.4	13.9	15.1	n.a.	26.3
Medium and high-technology industry VA (% of total MVA)	9.5	15.7	17.8	16.5	6.7	6.2	24.6	41.4	2.5	n.a.	n.a.
Access to a 3G mobile network (% pop.)	40	97.3	99	72.7	59	95	46	95	60	60	32
<b>SDG10</b>											
Gini coefficient <sup>16</sup>	n.a.	31.8	40.1	26.3	26.8	32	30.7	42.2	30.8	n.a.	n.a.
<b>SDG11</b>											
% urban population living in slums	62.7	n.a.	n.a.	n.a.	n.a.	42.7	45.5	25.2	n.a.	n.a.	n.a.
Air quality, urban annual mean PM 2.5 (µg/m3)	63.4	26.3	23	21.1	15.4	32.1	67.7	59.5	50.7	26.2	38.3
<b>SDG12</b>											
Compliance with the Basel Convention <sup>17</sup> (%)	16.7	100	100	33.3	83.3	16.7	100	100	16.7	n.a.	n.a.
<b>SDG14</b>											
Coverage of protected areas (% marine areas)	n.a.	0.44	0.67	1.05	n.a.	n.a.	0.77	3.77	n.a.	2.99	n.a.
<b>SDG15</b>											
Forest area (% total land area)	2.07	13.8	40.6	1.23	3.3	8.1	1.9	22.1	2.97	8.8	7.3
Sites for freshwater biodiversity covered by protected areas (%)	0.11	24.5	27.3	17.4	31.1	39.1	38.9	41.6	34.6	13.1	10.8
Sites for terrestrial biodiversity covered by protected areas (%)	6.14	39.4	29.3	16.3	22.6	42	40.3	52.1	21	14.6	16.2
<b>SDG16</b>											
% firms experiencing at least 1 bribe payment request	46.8	15.9	2.2	26.7	59.8	33.4	30.8	11.6	36.6	n.a.	6.98
<b>SDG17</b>											
FDI net inflows (% GDP) <sup>18</sup>	0.53	12.1	11.8	6.7	7.7	-37.4	0.7	1.8	6.1	10.3	0.1
Volume of remittances (% GDP)	1.6	2.4	10.5	0.11	25.7	2.2	7.1	0.4	28.8	0.04	4.7
Internet penetration rate (%) <sup>19</sup>	12	77	63	73	34	53	18	53	19	15	51
Share of global exports (%) <sup>20</sup>	0.003	0.07	0.01	0.23	0.01	0.03	0.13	13.1	0.01	0.07	0.06

<sup>14</sup> International Labour Organization. 2016

<sup>15</sup> UNIDO Statistics Data Portal. Database used also for small-scale industries with a loan and medium and high-tech VA.

<sup>16</sup> UNDP, Human Development Report 2016

<sup>17</sup> The Basel Convention (1989) aims at reducing hazardous waste generation and restricting transboundary movements of hazardous wastes and other chemicals.

<sup>18</sup> UNCTAD Statistics 2016.

<sup>19</sup> We Are Social Singapore, Jan 2017.

<sup>20</sup> UNCTAD Statistics 2016.



## Annex 2: Checklist on Intended Nationally Determined Contributions of CAREC Member Countries

CAREC Member Country	Mitigation Targets					Sectoral Measures						Adaptation Targets / Measures	Financing Reqs.
	Renewable Energy	Energy Efficiency	Carbon / GHG Emissions Intensity	Reduced Carbon / GHG Emissions	Carbon Neutral / Ecosystem Neutral GHG Emissions	A&R	Energy	I&T	Transport	Urban	Water		
Afghanistan				X		X	X	X	X	X	X	X	X
Azerbaijan				X		X	X		X	X			
Georgia			X	X		X					X	X	X
Kazakhstan				X									
Kyrgyz Republic				X									X
Mongolia				X		X	X	X	X	X	X	X	X
Pakistan				X		X	X		X	X	X	X	X
PR China			X			X	X	X	X	X	X	X	
Tajikistan				X		X	X	X	X		X	X	
Turkmenistan						X	X	X	X		X	X	X
Uzbekistan		X	X			X	X	X	X	X	X	X	

Source: Janet Arlene Amponin and James Warren Evans: Assessing the Intended Nationally Determined Contributions of ADB Developing Members, *ADB Sustainable Development Working Paper Series No. 44*, August 2016 (page 14 and Appendix 2), updated for Pakistan and Uzbekistan.

Notes: A&R = agriculture and natural resources; I&T = industry and trade

**Annex 3: GHG Emissions in 2010 and Projections to 2030 based on NDCs  
in CAREC Countries**

	Total Greenhouse Gas Emissions (metric tons of CO <sub>2</sub> equivalent per year)					Emissions per capita, 2010
	Volume 2010	Global rank, 2010	2030 volume, with INDCs		Per cent change	
			High	Low		
Afghanistan	31	99 <sup>th</sup> .	52	45	56.5%	1.1
Azerbaijan	55	82 <sup>nd</sup> .	53	53	-3.6%	5.7
China	11,321	1 <sup>st</sup> .	16,228	14,728	36.7%	8.4
Georgia	12	135 <sup>th</sup> .	35	31	175.0%	2.8
Kazakhstan	295	30 <sup>th</sup> .	315	278	0.5%	18.2
Kyrgyz Rep	16	123 <sup>rd</sup> .	15	12	-15.6%	3.0
Mongolia	27	108 <sup>th</sup> .	53	45	81.5%	10.0
Pakistan	393	26 <sup>th</sup> .	505	505	28.5%	2.3
Tajikistan	9	142 <sup>nd</sup> .	26	19	150.0%	1.2
Turkmenistan	77	65 <sup>th</sup> .	136	120	66.2%	15.2
Uzbekistan	219	35 <sup>th</sup> .	279	279	27.4%	7.9

*Sources:* based on Australian-German Climate and Energy College at the University of Melbourne, Factsheets at <http://www.climate-energy-college.net> (accessed 13 May 2017)

*Notes:* “high” and “low” primarily reflect conditional INDCs, submitted by developing countries conditional on receiving financial assistance to achieve their targets.