

15th CAREC Energy Sector Coordinating Committee

June 6-7, 2013
Ashgabat, Turkmenistan

MEETING SUMMARY



Central Asia Regional Economic Cooperation Program

Agenda for 15th ESCC Meeting

Purpose: To move Energy Work Plan (2013-2015) approved in November 2012 into implementation

❖ Meeting reviewed current projects (**DISCUSSION**) and approved proposals for additional activities (**DECISION**) for each of six (6) elements of EWP

- 1 Developing the CA-SA Energy Corridor --**DISCUSSION**
- 2 Resolving Resolving Energy Dispatch Issues --**DECISION**
- 3 Managing Energy-Water Linkages -- **DECISION**
- 4 Mobilizing Funds for Building Assets -- **DECISION**
- 5 Implementation of Energy Sector Priority Projects -- **DECISION**
- 6 Capacity Building and Knowledge Management -- **DISCUSSION**

ESCC Discussion (1)

- **Element 1: Central Asia/South Asia Trade**

- ❖ **Objective:** Develop energy corridors between Central Asia and South Asia
- ❖ **Discussion:** Two complementary regional activities were presented:
 1. **CASA-1000:** Links summer hydropower surplus in Tajikistan and Kyrgyz Republic with energy deficits in Pakistan, transiting through Afghanistan. Negotiations on commercial agreements are progressing
 2. **TUTAP:** Links Turkmenistan, Uzbekistan, Tajikistan with the proposed Afghan electricity grid, with connections to Pakistan (TUTAP). Investments have begun with Turkmen/Afghan 500kV interconnection and new capacity in Turkmenistan.
 - Several non participating countries, including Mongolia and Kazakhstan indicated their interest in trade opportunities. Uzbekistan expressed its concern *on hydro development linked with trade.*

- ❖ **Next Steps:** Continue to coordinate CASA and TUTAP to maximize the benefits of both initiatives.



ESCC Discussion (2)

- **Element 6: Capacity Building & Knowledge Management**
 - ❖ **Objective:** To bridge the capacity gap in CAREC countries in energy management and cooperation
 - ❖ **Discussion:** A 2011 ESCC list of topics was reviewed; Numerous additional suggestions made which will be coordinated with USAID support
 - ❖ **Next Steps:** The list of topics will be updated and serve as the guide for capacity-building activities. Several members expressed a desire for CAREC Institute to support project and feasibility studies, although it was recognized this currently lies outside the scope for CAREC Institute as agreed by Ministers.

- **ESCC Membership**
 - ❖ Existing membership list is outdated
 - ❖ Members are requested to revise appointments in coordination with National Focal Points by July 31, 2013
 - ❖ Appointments should take into consideration:
 - 2 appointments (policy maker at Deputy Minister level + technical specialist)
 - Continuous attendance during implementation of Energy Work Program 2013-2015



ESCC Decisions for SOM (1)

Element 2: Resolving Energy Dispatch and Trade Issues

- ❖ **Objective:** To exploit the value of energy trade within Central Asia by addressing individual constraints and problems to interconnection.
- ❖ **Discussion:** A concept emphasizing step by step improvements that help each member country engage in trade was discussed. Terms of Reference would be prepared taking into consideration the suggestions of the Director of CDC.
- ❖ **Decision:** The ESCC approved the approach.

Element 3: Energy-Water Linkages

- ❖ **Objective:** Help decision-makers better understand energy-water linkages
- ❖ **Discussion:** A set of activities were proposed to strengthen the key elements of a knowledge platform and decision support system (capacity; data; modeling; governance)
- ❖ **Decision:** The proposed set of activities were supported, with the addition of topics on hydropower development.



ESCC Decisions for SOM (2)

Element 4: Mobilizing Funds for Building Assets

- ❖ **Objective:** To identify financing challenges, capacities and options in each of the five countries of Central Asia, with a focus on private sector engagement and Project Development Facilities at the country and regional scales.
- ❖ **Discussion:** It was recognized that very significant financing needs of the CAREC countries (over \$30 billion over ten years) pose a serious threat to the goals of CAREC. The need for pragmatic solutions was underscored by the countries.
- ❖ **Decision:** Terms of reference for an investment study to identify pragmatic solutions and emerging opportunities were approved.

Element 5: Implementation of Energy Sector Priority Projects

- ❖ **Objective:** Finalize a list of medium term priority projects list and track the progress
- ❖ **Discussion:** The MC's emphasis on this list was reported to the ESCC.
- ❖ **Decision:** A draft list with CAREC criteria will be circulated for comments as follows: each country will (i) update their planned project list; and (ii) indicate, where needed, concern with projects identified by other countries

