

**CENTRAL ASIA REGIONAL ECONOMIC COOPERATION PROGRAM
SENIOR OFFICIALS' MEETING
27–28 June 2018; Bangkok, Thailand**

SUMMARY OF PROCEEDINGS

I. Introduction

1. A Central Asia Regional Economic Cooperation (CAREC) Senior Officials' Meeting (SOM) was held in Bangkok, Thailand on 27–28 June 2018. Delegations from CAREC member countries participated along with representatives of CAREC multilateral institution partners and the CAREC Institute (CI). Mr. Ezizgeldi Annamammedov, Deputy Minister, Ministry of Finance and Economy of Turkmenistan chaired the SOM. Mr. Werner Liepach, Director General, Central and West Asia Department (CWRD), Asian Development Bank (ADB); Ms. Teresa Kho, Deputy Director General, East Asia Department, ADB; and Mr. Hong Wei, Deputy Director General, CWRD, ADB, co-chaired the meeting.

2. The objectives of the SOM were to: (i) review the progress made to date on the implementation of the CAREC 2030 strategy; (ii) discuss recent progress of CAREC operational areas; (iii) review the progress made in formulating the CAREC Integrated Trade Agenda 2030; and (iv) deliberate on the proposed structure and theme of the 17th CAREC Ministerial Conference (MC) to be held in Ashgabat, Turkmenistan. The agenda and list of participants are in Appendix 1.

II. SOM Highlights

3. **Progress of Implementation of CAREC 2030.** The SOM noted the positive regional dynamics of the CAREC region marked by the revival of growth, pick up in trade, improvement in economic fundamentals and greater openness to regional cooperation which provided further momentum for the implementation of the CAREC 2030 strategy. The SOM expressed satisfaction on the overall progress in the five operational clusters since the adoption of CAREC 2030 in October 2017, including activities and ongoing scoping studies under the new sectors and areas, as well as the continuous knowledge dissemination and profile-raising activities for increased general awareness of the CAREC Program. The SOM recognized the important role of development partners in effectively advancing the expanded CAREC agenda, supported by a strengthened CAREC Secretariat.

4. The SOM reviewed progress in the operational clusters and discussed key issues that need to be addressed.

- a. **Macroeconomic and Financial Stability.** The SOM welcomed the organization of the CAREC High-Level Forum “Macroeconomic Policies for Economic and Financial Stability” co-organized by the ADB, the International Monetary Fund (IMF), and the World Bank in Astana in May 2018. The SOM discussed the future cooperation activities proposed by the IMF in its presentation and acknowledged the importance to undertake high-level policy dialogue among CAREC member countries to improve macroeconomic policies, promote financial stability, and strengthen investment climate in the region. The SOM noted that mitigating price volatility is important for the CAREC countries, and countercyclical policy is an effective option to achieve stability during periods of economic slowdown. The SOM welcomed the recommendation of conducting annual high-level macroeconomic policy dialogue among CAREC ministries of finance, central banks, financial regulators, think tanks, and private sector practitioners. It also requested to

further deliberate on the frequency and locations of convening such dialogue taking into account busy schedule of CAREC ministers.

- b. **Transport.** The SOM expressed satisfaction with the implementation of the CAREC Transport and Trade Facilitation Strategy 2020 and the CAREC Transport Sector Work Plan 2017–2019, with road and railway infrastructure improvement targets set for 2020 having been surpassed. The SOM noted achievements in the areas of railways, road safety, road asset management, cross-border transport facilitation, and aviation, including (i) practical measures to implement the CAREC Railway Strategy 2030 through compilation and sharing of best commercial and operational practices; (ii) development and dissemination of three manuals on road safety engineering in advancing the CAREC Road Safety Strategy 2030; (iii) promotion of robust road asset management practices through knowledge sharing and implementation of performance-based road maintenance contracts; (iv) cross-border transport facilitation through assisting in improvement of border crossing infrastructure and implementation of the key international transport Agreements and Conventions within the entire CAREC region; and (v) dissemination of the CAREC Aviation Scoping Study findings. The SOM endorsed plans for the preparation of the CAREC Transport Strategy 2030, to be completed in 2019. The SOM reemphasized the “open and inclusive” nature of CAREC and underscored the importance of enhanced engagement with non-CAREC neighboring countries like Turkey.
- c. **Energy.** The SOM acknowledged the progress achieved by the Energy Sector Coordinating Committee (ESCC) on the key cross-border energy connectivity projects, and the efforts to move toward establishment of a common energy market in CAREC, to increase regional power supply and power trade, including off-grid solar technology and grid integration pilots. The SOM recognized the need to accelerate state-owned enterprises reform in the power utility sector to bring in private sector investment to narrow the financing gap. To this effect, the SOM welcomed the organization of the 3rd Energy Investment Forum with the theme “Financing High Technology for CAREC” to be held on 11–12 September 2018 in Batumi, Georgia, to further leverage private sector’s engagement, and encouraged active participation of member countries in this important event. The SOM noted the ongoing mid-term review of the ESCC Strategy and Work plan 2016–2020 and welcomed the subsequent formulation of the CAREC Energy Strategy 2030.
- d. **Trade.** The SOM supported the overall framework of the CAREC Integrated Trade Agenda (CITA) 2030 and its accompanying 3-year Rolling Strategic Action Plan (RSAP) 2018–2020. The SOM also appreciated the consultative and participatory approach that was followed in their formulation. The SOM requested to further review the full draft CITA 2030, the embedded RSAP and its results framework prior to the National Focal Points’ Meeting scheduled on 9–10 October 2018 to ensure ample time for internal consultations. The SOM was also apprised of the highlights of the Regional Trade Group (RTG) inaugural meeting, including the discussions on the terms of reference of the RTG, and the requirement of informing the CAREC Secretariat of the lead agency and relevant agencies for the RTG in each country. The SOM agreed that RTG will focus on over-arching trade issues. The Customs Cooperation Committee (CCC) will continue with the customs-related issues. The SOM instructed close coordination and cooperation between RTG and CCC.

The SOM appreciated the progress made on customs cooperation, implementation of the Trade Facilitation Agreement of World Trade Organization, improvement of border

crossing points and establishment of national single windows, and implementation of the CAREC Common Agenda for Modernization of Sanitary and Phytosanitary Measures for Trade (CAST). The SOM welcomed joint initiatives between Georgia and Azerbaijan on construction of joint border crossing point (BCP) and the pilot project for SPS infrastructural development on the railway BCP. The SOM endorsed the establishment of a regional SPS working group within the framework of the RTG. The SOM stressed the need to assess laboratory capacity for managing plant health, animal health and food safety. The SOM welcomed the proposed regional initiative to set up a CAREC Food Safety Network while requesting a concept paper for conducting further in-country discussions.

5. **Results Framework.** The SOM welcomed the work undertaken in refining the results framework to better align with the CAREC 2030 strategy and noted the progress made at the transport and trade sectors. The SOM agreed on the phased approach in the construction of the overall results framework. The SOM endorsed the proposed timeline of developing the draft transport results framework by end 2018 for CAREC members' inputs and comments, and the consolidated program results framework by 2020.

6. The SOM was apprised by the CAREC Institute on the implementation of the CI 2018 workplan. The SOM noted that the ongoing formulation of the CI Strategy 2018-2022 will be closely aligned with the operational clusters envisaged in the CAREC 2030, with a view to further enhancing the quality and effectiveness of the CAREC Program by providing evidence-based research, capacity building services and networking with research institutions. The SOM welcomed the organization of the Third Think Tanks Forum to be held on 17-18 July 2018 in Bishkek, the Kyrgyz Republic, and encouraged active participation from member countries.

7. The SOM affirmed that the 17th MC would be held in Ashgabat, Turkmenistan on 15 November 2018 with the theme along the lines of *“Trade and Competitiveness in Central Asia”* to deliberate on regional approaches in advancing the CAREC trade agenda, and concerted ways to strengthen trade and competitiveness as an engine of growth in CAREC member countries. The Government of Turkmenistan reaffirmed its commitment and readiness to host the 17th MC and requested high-level participation from member countries and development partners. The SOM appreciated the preparatory work conducted by the Government of Turkmenistan and instructed the sector committees and the CAREC Secretariat to expedite work to deliver the expected deliverables for the 17th MC.

8. The SOM expressed its appreciation to the Government of Turkmenistan, particularly the Ministry of Finance and Economy, for chairing the meeting. The SOM also expressed its gratitude to ADB for helping to organize and conduct the meeting. Recognizing the strong role of partnerships, the SOM extended its appreciation to CAREC's other multilateral development partners present in the meeting, namely, the AIIB, the European Bank for Reconstruction and Development, the International Labor Organization, the IMF, the Islamic Development Bank, the United Nations Development Programme, the World Bank, and the World Customs Organization, as well as the representatives of the CAREC Institute.

**CAREC SENIOR OFFICIALS' MEETING
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Bangkok, Thailand**

AGENDA

Day 1, Wednesday, 27 June 2018

0830–0900 **Registration**

0900–1700 **CAREC Senior Officials' Meeting (SOM)**
Venue: 1st Floor Ballroom, Anantara Siam Bangkok Hotel

Chair:

Mr. Ezizgeldi Annamuhammedov
Deputy Minister of Finance and Economy
Turkmenistan

To be assisted by the CAREC Secretariat:

Mr. Werner Liepach

Director General, Central and West Asia Department (CWRD), ADB

Ms. M. Teresa Kho

Deputy Director General, East Asia Regional Department (EARD), ADB

Mr. Hong Wei

Deputy Director General, CWRD, ADB

Participants: CAREC country delegations and representatives of development partner institutions.

0900–0910 **Opening Remarks**
Mr. Ezizgeldi Annamuhammedov
Deputy Minister of Finance and Economy
Turkmenistan

0910–0920 **Introduction of the Agenda**
Mr. Werner Liepach
Director General, CWRD, ADB

0920–1000 **Session 1: CAREC 2030 Moving Forward: General Overview**

The CAREC Secretariat will present the overall progress made to date in the implementation of the CAREC 2030 strategy since its endorsement last year at the 16th CAREC Ministerial Conference.

Presentation

1000–1045

Session 2: Advancing Cooperation in CAREC Operational Cluster 1

The IMF will present the initial thinking in advancing cooperation under Operational Cluster 1: Macroeconomic and financial stability. This will be followed by discussion of the Senior Officials.

Presentation and Discussion

1045–1115

Group photo/Coffee break

1115–1200

Session 3: Advancing Cooperation in CAREC Transport and Energy Sectors

Progress updates, key issues, and work program for 2018 will be presented in various areas of cooperation under CAREC 2030. This will be followed by discussion of the Senior Officials.

Transport including highlights from the 4th Road Safety Workshop and progress on transport priority areas such as railways, road asset management, aviation, and cross-border transport and logistics.

Presentation and Discussion

1200–1400

Lunch Reception hosted by the Asian Development Bank
Venue: Montathip1, 1st Floor, Anantara Siam Bangkok Hotel (tbc)

1400–1445

Session 3: Advancing Cooperation in CAREC Transport and Energy Sectors (continued)

Energy including progress on the development of the CAREC High Technology Roadmap and the 3rd Energy Investment Forum to be held in September in Georgia.

Presentation and Discussion

1445–1530

Session 4: CAREC Integrated Trade Agenda (CITA) 2030

The session will discuss the working paper on the CITA 2030 including its embedded 3-year Rolling Strategic Action Plan (RSAP) 2018-2020 which incorporates outcomes of stakeholders consultations held with government agencies, development partners and the private sector. The SOM will be also apprised on the agreements reached on the terms of reference of the Regional Trade Group (RTG) at its inaugural meeting. Senior Officials will provide further guidance on the way forward.

Presentation and Discussion

1530–1545	Coffee break
1545–1630	Session 4: CAREC Integrated Trade Agenda (CITA) 2030 (continued) Discussion
1630–1700	Wrap up of Day 1
Day 2, Thursday, 28 June 2018	
0900–1200	CAREC Senior Officials' Meeting (SOM) <i>Venue: 1st Floor Ballroom, Anantara Siam Bangkok Hotel</i>
0900–1000	Session 5: Advancing Cooperation in CAREC Trade Sector <i>Trade including progress made in customs cooperation, integrated trade facilitation, implementation of the World Trade Organization-Trade Facilitation Agreement, results of the Regional Sanitary and Phytosanitary Workshop, highlights of the Regional Trade Group inaugural meeting, and the proposed regional initiative to set up a CAREC Food Safety Network.</i> Presentations and Discussion
1000–1030	<i>Results Framework, including progress made on the development of results framework in transport and trade to be better aligned with CAREC 2030.</i> Presentation and Discussion
1030–1045	Coffee Break
1045–1130	Session 6: Theme and Structure of the 17th CAREC Ministerial Conference <i>The CAREC Secretariat will present the theme, structure of the 17th CAREC Ministerial Conference, including expected deliverables. The TKM delegation will present on the preparations for the 17th CAREC Ministerial Conference.</i> Presentation and Discussion
1130–1150	Session 7: Other Matters
1150–1200	Wrap-Up and Closing
1200–1400	Lunch <i>Venue: Montathip 1, 1st Floor, Anantara Siam Bangkok Hotel</i>

CAREC SENIOR OFFICIALS' MEETING
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LIST OF PARTICIPANTS

I. PARTICIPATING COUNTRY DELEGATIONS

A. Afghanistan

1. Mr. Nematullah Haidari, Deputy Minister of Public Works
2. Mr. Ahmad Reshad Popal, Director General of Customs, Ministry of Finance
3. Mr. Ahmad Khalid Stanikzai, Chief Executive Officer, DABS

B. Azerbaijan

4. Mr. Samad Garalov, Deputy Head of Customs Control Head Department, State Customs Committee
5. Mr. Elnur Abbasov, Head of Trade Policy Division, Ministry of Economy
6. Ms. Siala Rustamova, Chief Adviser, Risks Management Department, Food Safety Agency
7. Mr. Nijat Mikayilov, Senior Adviser, International Cooperation Department, Ministry of Transport, Communications and High Technologies

C. People's Republic of China

8. Mr. Li Rui, Director, Department of International Economic and Financial Cooperation, Ministry of Finance (MOF)
9. Ms. Zou Yanhui, Counsellor, Department of European-Central Asian Affairs, Ministry of Foreign Affairs
10. Ms. Xu Xiaojing, Director, Department of International Cooperation, General Administration of PRC Customs
11. Mr. Gao Wei, Deputy Director, Department of Regional Economic Department, National Development and Reform Commission
12. Ms. Yin Xiaolan, Deputy Director, Department of International Cooperation, Ministry of Commerce
13. Mr. Xiang Qianfei, Deputy Director, Department of International Cooperation, National Energy Administration
14. Mr. Wang Dongsheng, Deputy Director, Department of Finance, Inner Mongolia Autonomous Region
15. Mr. Zhu Xianqiang, Officer, Department of Finance, Xinjiang Uygur Autonomous Region
16. Mr. Zhang Ju, Officer, MOF

D. Georgia

17. Mr. David Javakhadze, Deputy Head of Transport and Logistics Development, Policy Department, Ministry of Economy and Sustainable Development
18. Ms. Margalita Arabidze, Head of Energy Efficiency and Alternative Energy Division, Ministry of Economy and Sustainable Development
19. Mr. Mikhail Peikrishvili, Main Specialist, International Relations Department, Revenue Service, Ministry of Finance
20. Ms. Tamari Bukhrashvili, Main Specialist, International Relations Department, Revenue Service, Ministry of Finance

E. Kazakhstan

21. Mr. Arman Abenov, Director General, Center for the Development of Trade Policy, Ministry of National Economy
22. Mr. Daulet Sultanov, Division Head for Project Preparation, Committee for Roads, Ministry for Investments and Development
23. Ms. Bibigul Maserbayeva, Division Head, Aid Coordination Division, Department of Public Investment and PPP Development, Ministry of National Economy

F. The Kyrgyz Republic

24. Mr. Almaz Sazbakov, Deputy Minister of Economy/CAREC NFP
25. Ms. Marina Asankulova, Director of Strategic Development and Investments Department, Ministry of Transport and Roads
26. Mr. Marat Zheenbekov, Head of Projects Preparation and Implementation Division, State Committee on Industry, Energy and Subsoil Management

G. Mongolia

27. Mr. Davaasuren Damdinsuren, State Secretary, Ministry of Foreign Affairs
28. Mr. Amarjargal Sharkhuu, Officer of the Strategic Policy Planning and Cooperation Department, Ministry of Roads and Transportation Development
29. Mr. Batsaikhan Namkhai, Director General, Supervision Department, Member of the Board of Directors, Bank of Mongolia

H. Pakistan

30. Mr. Syed Mujtaba Hussain, Joint Secretary, Economic Affairs Division, Ministry of Finance, Revenue, Economic Affairs, Statistics, and Privatization/CAREC NFP
31. Mr. Altaf Asghar, Senior Joint Secretary, Ministry of Communications
32. Mr. Taimur Tajamual, Joint Secretary, Ministry of Commerce
33. Mr. Muhammad Saleem, Chief, Federal Board of Revenue

I. Tajikistan

34. Ms. Gulru Kayumova, Deputy Minister, Ministry of Economic Development and Trade
35. Mr. Sherali Ganjalzoda, Deputy Minister, Ministry of Transport
36. Mr. Manuchehr Safarzoda, Head of Department, Development and Implementation of Investment Projects in Power and Water Resources, Ministry of Energy and Water Resources

J. Turkmenistan

37. Mr. Ezizgeldi Annamammedov, Deputy Minister of Finance and Economy
38. Mr. Batyr Hudayberdyev, Deputy Minister of Energy
39. Mr. Dovlet Bayryyev, Deputy Chairman of State Customs Service
40. Mr. Batyr Gajarov, Head, International Division, Public Finance and Economic Policy Department, Ministry of Finance and Economy

K. Uzbekistan

41. Mr. Jamshid Abdusalamov, Head, Division for Cooperation with IFIs and Attraction of Foreign Investments, Department on Investments, Innovation Development, Coordination of Free Economic and Small Industrial Zones Activity and Tourism, Cabinet of Ministries
42. Mr. Azizbek Salakhiddinov, Head, Department of Development of Transit Potential, Logistics and Transport Corridors, Ministry for Foreign Trade
43. Mr. Anvar Muhammadiev, Chief Inspector, Department of Customs Control, State Customs Committee

II. DEVELOPMENT PARTNERS AND INSTITUTIONS

A. Asian Development Bank

44. Mr. Werner Liepach, Director General, Central and West Asia Department (CWRD)
45. Mr. Hong Wei, Deputy Director General, CWRD
46. Ms. M. Teresa Kho, Deputy Director General, East Asia Department
47. Mr. Safdar Parvez, Director, Regional Cooperation and Operations Coordination Division (CWRC), CWRD
48. Mr. Ashok Bhargava, Director, Energy Division, CWRD
49. Mr. Ying Qian, Director, Public Management, Financial Sector, & Regional Cooperation Division (EAPF), EARD
50. Ms. Sujata Gupta, Director, Energy Division, EARD
51. Mr. Sohail Hasnie, Principal Energy Specialist, Energy Division, CWRD
52. Ms. Xinglan Hu, Senior Regional Cooperation Specialist, Economic Research and Regional Cooperation Department
53. Mr. Oleg Samukhin, Transport Specialist, Transport and Communications Division, CWRD
54. Ms. Samjhana Shrestha, Senior Economist, Environment, Natural Resources & Agriculture Division, CWRD
55. Ms. Dorothea Lazaro, Regional Cooperation Specialist, EAPF, EARD
56. Mr. Shintaro Fukuda, Audit Specialist, Office of the Auditor General
57. Ms. Nadejda Mochinova, Audit Specialist, Office of the Auditor General
58. Mr. Nasruminallah Mian, Senior Programs Officer, ADB Pakistan Resident Mission

B. Asian Infrastructure and Investment Bank

59. Mr. Evren Dilekli, Principal Strategy Officer, Policy and Strategy Department

C. CAREC Institute

60. Mr. Sanjaasuren Bayaraa, Director
61. Mr. Yergali Dosmagambet, Deputy Director II
62. Mr. Kashif Noon, Head of Strategic Planning Unit
63. Mr. Tianpeng Yan, Research Officer

D. European Bank for Reconstruction and Development

64. Dr. Hans Holzhaecker, Regional Lead Economist, Economics, Policy & Governance Department

E. International Labor Organization

65. Ms. Tomoko Nishimoto, Regional Director

F. International Monetary Fund

66. Mr. Albert Jaeger, Advisor, Middle East and Central Asia Department

67. Mr. Kevin Ross, Senior Economist, Middle East and Central Asia Department

G. Islamic Development Bank

68. Mr. Ifran Bukhari, Director, Country Relations and Services Department

H. United Nations Development Programme

69. Ms. Elena Panova, UN Resident Coordinator and UNDP Resident Representative in Turkmenistan

I. World Bank

70. Mr. Paul Vallely, Program Leader (Connectivity and Infrastructure), Central Asia Regional Office

J. World Customs Organization

71. Mr. Jo Hong-Young, Asia/Pacific Regional Office for Capacity Building

III. CONFERENCE SECRETARIAT

72. Mr. Guoliang Wu, Senior Regional Cooperation Specialist, CWRC, CWRD/Unit Head, CAREC

73. Ms. Shaista Hussain, Regional Cooperation Specialist, CWRC, CWRD

74. Ms. Carmen Maria Garcia Perez, Consultant (Regional Cooperation Specialist), CWRC, CWRD

75. Ms. Fatima Catacutan, Senior Programs Officer, CWRC, CWRD

76. Mr. Esnerjames Fernandez, Programs Analyst, CWRC, CWRD

77. Ms. Ruby Torralba, Senior Programs Assistant, CWRC, CWRD

IV. ADB CONSULTANTS

78. Mr. Sulaiman Ghafoori, Advisor to the NFP for Afghanistan

79. Mr. Ashraf Guliyev, Advisor to the NFP for Azerbaijan

80. Mr. Meder Turgunbekov, Advisor to the NFP for the Kyrgyz Republic

81. Ms. Battseveen Enkhmaa, Advisor to the NFP for Mongolia

82. Mr. Rustam Aminjanov, Advisor to the NFP for Tajikistan

83. Mr. Durdy Ilamanov, Advisor to the NFP for Turkmenistan

84. Mr. Nadir Safaev, Senior Advisor to the NFP for Uzbekistan

85. Ms. Guldana Sadykova, Senior RCC, Kazakhstan

86. Ms. Ganjina Fazilova, RCC, Tajikistan

87. Ms. Jennifer Lapis, RCC, ADB Headquarters

- 88. Mr. Patrick Low, former Chief Economist, WTO/ Asia Global Institute Fellow and Visiting Professor, The University of Hong Kong
- 89. Mr. Clemens Boonekamp, Partner, IDEAS Centre/ former Director, Agriculture Division and Trade Policy Division, WTO

V. INTERPRETERS

- 90. Ms. Svetlana Chirkova
- 91. Mr. Evgeny Sinelschikov