

**Statement by Ms. Indu John-Abraham**  
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Let me first congratulate all the CAREC member countries for a very productive year. Special thanks to Kazakhstan for their excellent chairmanship and to the CAREC Secretariat for their support.

The Midterm Review of the CAREC 2030 Strategy demonstrates the organization's achievements over the past 25 years. \$14.7 billion worth of projects approved since the strategy's adoption is a clear sign of its importance. This represents 29% of all CAREC projects since its inception. I'm sure the current challenges and needs of CAREC countries will lead to further financing of priority areas outlined in the strategy.

I would like to comment on several of the MTR recommendations that are also priorities for the World Bank.

**Streamlining.** First, we fully share the need to streamline CAREC initiatives to enhance impact. To achieve this, we need a firm commitment, if not formal agreement, from CAREC member countries on the proposed pipeline of regional programs. We also need to ensure that development partners are ready to support these programs with the resources available. The World Bank is planning to update its Regional Engagement Framework for Central Asia in 2025 based on available funding from IBRD and IDA21 replenishment. It would be beneficial to coordinate project identification between development partners to ensure synergies, while avoiding duplication.

**Global Public Goods.** We also share CAREC's commitment to regional and global public goods, particularly around addressing climate change. The World Bank's mission has been expanded to reflect this – to end extreme poverty and promote shared prosperity on a livable planet. In Central Asia, some of the most urgent challenges caused by climate change require a high level of regional cooperation and coordination, in particular, improved water resource management and increased hydropower energy generation. Both sectors could produce vital public goods for the people of Central Asia and beyond by decarbonizing energy production, improving water use efficiency, and promoting regional trade. We strongly believe that these two sectors in Central Asia could benefit from cooperative efforts of all countries. Joint water-energy work in the five Central Asian countries could be a good platform for proposed refocusing on sub-regional cooperation and cross sectoral work as suggested in the MTR.

The World Bank is fully committed to more integrated and climate-smart development. We are increasing requirements for our projects regarding climate co-benefits, especially for adaptation measures. We are confident that cross-sectoral efforts like the One Health approach indicated in the MTR are crucial for preventing future pandemics and require grant or highly concessional support, especially for technical assistance and capacity building. We should not forget that any investment in pandemic prevention is economically and socially much more beneficial than investment to fight pandemic consequences.

**Regional ownership.** We fully share the recommendation to reinvigorate regional ownership of CAREC activities. This could be achieved by more active engagement with regional organizations like IFAS and Central Asia Regional Environmental Center, funny enough also CAREC, within larger CAREC activities.

**Private Sector.** Finally, on the recommendation to strengthen engagement with the private sector, the investment needs to achieve the CAREC 2030 strategy are clearly beyond the resources available from development partners. We should significantly increase efforts to mobilize private sector financing and ensure an institutional framework within the region capable of supporting private investment to implement the 2030 Strategy. We are pursuing a similar path within the bank through closer alignment between the WB working with governments and the IFC/MIGA supporting with the private sector on complementary investments. We encourage CAREC to engage IFC more actively in those sectors where major private sector investment is needed. In the CAREC framework of “Good Neighbors, Good Partners, Good Prospects” we have achieved significant progress on Good Neighbors and Good Partners elements. It is now time to convert those into Good Prospects.

Thank you.