



**Central Asia Regional Economic Cooperation
7th Energy Sector Coordinating Committee (ESCC) Meeting
April 23, 2008, Baku, Azerbaijan
Minutes of the Meeting**

The meeting was attended by delegations from Islamic Republic of Afghanistan, Republic of Azerbaijan, Peoples' Republic of China, Republic of Kazakhstan, Kyrgyz Republic, Mongolia, Republic of Tajikistan and Republic of Uzbekistan. The International Financial Institutions (IFIs) represented were Asian Development Bank (ADB), Islamic Development Bank, and the World Bank. The meeting was co-chaired by the representative of Azerbaijan, Mr. Rasim Mammadov, Head of Apparatus at the Ministry of Energy and Industry of Azerbaijan, and Mr. Charles Feinstein, Energy Sector Manager, Sustainable Development Department for Europe and Central Asia of the World Bank. The list of the delegates who attended the meeting is given in Attachment.

The Agenda for the meeting was confirmed with a modification to include a presentation on the Energy Sector Progress Report since the last SOM in November, 2007. The Progress Report was endorsed by the participants with certain modifications reflecting specific sector developments in member countries.

Following SOM guidance and comments from CAREC countries, a revised and condensed CAREC Energy Sector Strategy (Strategy) was presented. The countries broadly endorsed the focus and the key elements of the Strategy, pointing out that it adequately presents the strategic vision for the sector and related approaches and principles for the Strategy implementation covering relevant dimensions of regional work.

The delegates pointed out that the discussion on water utilization issues should not only consider water-energy nexus aspects – including energy production, irrigation and water supply – but also broader economic, environmental, social and cultural implications. Some of the delegates recommended that the Strategy may make reference to drawing upon the experience of other relevant inter-governmental bodies.

The following aspects were also discussed for inclusion in the Strategy:

- Azerbaijan's longer-term role as a bridge between Central Asia and Europe in terms of export of energy resources.
- Strengthening of aspects related to energy efficiency and clean energy development.
- Review of the international legal framework. Delegates judged this inclusion useful and emphasized the need to highlight the status of entry-into-force of the relevant international agreements and conventions. The revised draft Strategy will also include the fact that accession to such conventions and agreements is a decision of sovereign governments.

- Reporting on progress in implementing the Strategy, while recognized as a key component of the Strategy, will be voluntary and on the basis of national best efforts. Further comments from the ESCC members on the feasibility of supplying relevant data were encouraged.

Delegates provided detailed comments on the appendices relating to projects and were encouraged to harmonize these comments to the extent possible through bilateral discussions. Text will be added to the main body of the Strategy as well as in Appendix 7 to clarify (i) the indicative nature of projects listed there, and (ii) the fact that the inclusion of these projects in the table(s) does not imply commitment or approval.

Delegations also provided updates on progress in implementing their national energy programs. This was complemented by a presentation by the Asian Development Bank on the results of the Third Annual Meeting of the CAREC Members' Electricity Regulators Forum.

Next Steps:

- The ESCC members are expected to submit to the World Bank in writing any appropriate clarification of their comments expressed at the meeting by May 15, 2008.
- The World Bank would then update the draft Strategy in light of the comments and circulate the revised document back to the ESCC members within a month thereafter with the request that each ESCC member recommend the draft Strategy be tabled for consideration by the next SOM in the Fall of 2008. Countries may seek bilateral consultations with the World Bank in order facilitate this process.
- To ensure continuity of the CAREC energy sector process, the ESCC members present at today's meeting are requested to remain the focal points for handling this matter.
- Future meetings of the ESCC will consider the development of an action plan and related measures to promote further implementation of the Strategy.

Energy Sector Coordinating Committee Meeting
23 April 2008; Baku, Azerbaijan

LIST OF COUNTRY DELEGATES
(as of 23 April 2008)

PARTICIPATING COUNTRIES

A. Afghanistan

1. Mr. Mir Mohammad Sediq Ashan, Deputy Minister, Ministry of Energy and Water

B. Azerbaijan

2. Mr. Rasim Mammadov, Head of Apparatus, Ministry of Industry and Energy
3. Mr. Idris Rzabeyov, Head of Oil and Gas Exploitation Department, Ministry of Industry and Energy
4. Mr. Tahir Jafarov, Head of Energetics Department, Ministry of Industry and Energy
5. Mr. Islam Rofibeyli, head of department, "Azerenergy"
6. Mr. Vugar Alekberov, Economic department, SOCAR
7. Mr. Vusal Ahmedov, senior advisor, Ministry of Industry and Energy
8. Ms. Atesh Isayeva, head of sector, Ministry of Industry and Energy
9. Mr. Anar Suleymanov, advisor, Ministry of Industry and Energy
10. Mr. Tofiq Allahverdiyev, head of department, Ministry of Industry and Energy
11. Mr. Mir Mehdi Seyidov, head of renewable energy department, Ministry of Industry and Energy

C. People's Republic of China

12. Mr. He Yang, Deputy Director, Power Market Regulation Department, State Electricity Regulatory Commission

D. Kazakhstan

13. Mr. Duysenbay N. Turganov, Vice Minister, Ministry of Energy and Mineral Resources

E. Kyrgyz Republic

14. Mr. Marat Mamytov, Head of Energy and Gas Department, Ministry of Industry, Energy, and Fuel Resources

F. Mongolia

15. Mrs. Sarangerel Purevsuren, Deputy Director, Fuel Policy and Coordination Department, Ministry of Fuel and Energy
16. Mr. Enkhtaivan Gundsamba, Director, Energy Department and Research Division, Ministry of Fuel and Energy

G. Tajikistan

- 17. Mr. Akram R. Suleymanov, Deputy Minister, Ministry of Energy and Industry
- 18. Mr. Abdullo Yorov, Head, Energy and Industry Department, Executive Office of the President of Tajikistan

H. Uzbekistan

- 19. Mr. Shukhrat Pulatov, Deputy Director General, JSC 'UzbekUgol'
- 20. Mr. Jalolitdin Mastankulov, Lead Specialist, Uzbekneftegaz

PARTICIPATING MULTILATERAL INSTITUTIONS**A. Asian Development Bank**

- 21. Mr. Hong Wang, Director, Infrastructure Division, CWRD
- 22. Mr. Rune Stroem, Principal Energy Specialist, Infrastructure Division, CWRD
- 23. Mr. David Husband, senior advisor for CAREC, East and Central Asia Department
- 24. Mr. David Kruger, senior regional cooperation specialist, Country Coordination and Regional Cooperation Division, Central and West Asia Department

B. Islamic Development Bank

- 25. Mr. Nik Zainal Abidin, director, regional office in Kazakhstan

C. World Bank

- 26. Mr. Charles Feinstein, Sector Manager for Energy, Europe and Central Asia Region
- 27. Mr. Loup Brefort, Uzbekistan Country Manager
- 28. Mr. Christian E. Petersen, Lead Economist & CSC for South Caucasus, Sustainable Development Department, Europe and Central Asia Region
- 29. Mr. Venkataraman Krishnaswamy, Advisor, Policy and Strategy, Central Asia Energy Team
- 30. Mr. Nikolay Nikolov, Operations Officer, Central Asia Energy Team
- 31. Mr. Sodiq Haitov, Operations Officer, Central Asia Energy Team
- 32. Ms. Malika Saidkhodjaeva, Consultant, Uzbekistan Country Office