



**Central Asia Regional Economic Cooperation  
Energy Sector Coordinating Committee (ESCC) meeting  
25-26 March 2010, Almaty, Kazakhstan**

**MEETING SUMMARY**

**I. Introduction**

1. The ESCC meeting was convened in Almaty, Kazakhstan, on 25-26 March 2010. Delegations from all eight CAREC countries, as well as representatives from CAREC partner multilateral institutions and other development partners participated in the meeting. The meeting was chaired by Daryl Fields, Senior Energy-Water Specialist of the World Bank and Bayanjargal Byambasaikhan, Energy Specialist of the Asian Development Bank (ADB). The objectives of the ESCC meeting were to seek agreement on initial activities under the Energy Action Plan and on the ESCC work plan for 2010-11.

**II. Implementation of the Action Plan**

2. The ESCC was briefed on the draft CAREC Energy Sector Progress Report and noted that tangible progress has been made in implementation of the Energy Strategy. The ESCC noted that the action plan only covers part of the Energy Strategy and agreed to consider additional activities in the subsequent work plan.

**A. Energy Supply/Demand and Infrastructure Constraints**

3. The ESCC endorsed the proposal to conduct a diagnostic study on the energy supply/demand and infrastructure constraints and a Regional Technical Assistance (RETA): Regional Power Sector Master Plan for Central Asian countries and Afghanistan to identify the investment needs in generation and transmission in the region. The ESCC provided the following suggestions:

- (1) To consider environmental and climate change impact of various options.
- (2) Coordinate with updated, similar initiative in Afghanistan

**B. Regional Dispatch and Regulatory Development**

4. The ESCC was briefed on the recent international experience of the energy market integration. United States Agency for International Development (USAID) briefed the ESCC on the status of Regional Electric Market Assistance Program (REMAP) II, which will study the investment needs of both institutions and equipments related to communication and dispatch. The ESCC was updated on the status of the regional power transmission system of Central Asia and endorsed the proposal of a diagnostic study on regional energy trade. The ESCC also requested the World Bank, USAID and ADB to bring lessons from other jurisdictions through seminars and site visits.

5. The ESCC agreed to strengthen the capacity development activities in energy regulation and further sector reforms with the support of the CAREC Institute.

### **C. Energy Water Linkages**

6. The ESCC discussed and endorsed the proposed phase 1 initiative on Modeling and Decision Support Activities (M&DS) on Energy Water Linkages in the region. The objective of the two-phase M&DS activity is to strengthen regional cooperation through an analytical framework that integrates energy and water use in the region. The first phase will focus on consultation on the architecture of an agreed modeling framework and a rough "first generation" model based on publicly available data. The committee also had the following suggestions:

- (1) Foundation of the work - the proposed activities should be built upon existing studies and models and to help fill current information gaps.
- (2) Scope of the work - in addition to analyzing the tradeoff between irrigation and power generation regimes, the proposed study should also consider the comprehensive usage of other resources and facilities, and to analyze the needs in water and energy resources related environmental and climate change impacts.
- (3) Purpose of the work - training and capacity building should be built into the M&DS.

### **III. Monitoring and Management**

7. The ESCC discussed the draft energy sector indicators of the CAREC Results Framework, together with data collection mechanisms. The ESCC will further propose the draft indicators for consideration in July 2010.

8. To effectively coordinate the Action Plan activities, the ESCC proposed to establish subcommittees for each of the three key pillars. Upon endorsement by the CAREC Senior Officials, the subcommittees will be established, and specific work plans will be agreed.

### **IV. Other Discussion**

9. The ESCC was given a special presentation on Energy statistics and outlook for Asia and the Pacific, based on two publications prepared by ADB on *Energy statistics in Asia and the Pacific* (1990 – 2006), and *Energy Outlook for Asia and the Pacific*. The ESCC welcomed the study and agreed to provide country contact points as necessary for consultation and updated information to improve the ADB dataset and to identify potential training needs.

### **V. Conclusion and Next Steps**

10. The ESCC agreed to submit the Energy Sector Progress Report and Work Plan, and the Meeting Summary on the ESCC meeting to the CAREC Senior Officials' Meeting (SOM) on 16-17 April 2010.

11. Key deliverables for the 9<sup>th</sup> CAREC Ministerial Conference will include the updated Energy Sector Progress Report and Work Plan, the Diagnostic Study for Energy Supply/Demand and Regional Dispatch/Regulatory Development, update on Phase 1 of the energy-water linkages modeling.

12. The next ESCC meeting will be hosted by Mongolia in July 2010. The ESCC will review the progress of the diagnostic study works. The 3<sup>rd</sup> ESCC meeting in 2010 will be hosted by

Kyrgyz Republic in September 2010 to review and finalize the energy sector deliverables for the 9<sup>th</sup> CAREC MC.

The summary of the meeting has been approved by members of the ESCC.