



Senior Officials' Meeting

13–14 June 2023



CAREC 2030: Agriculture & Water

July 2022 to June 2023

Central Asia Regional Economic
Cooperation (CAREC) Program



CAREC WATER SECTOR PROGRESS REPORT AND WORK PLAN

JULY 2022 - SEPTEMBER 2023¹

Reference Document
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¹ Proposed Workplan as of September 2023

SUMMARY PROGRESS REPORT FOR THE CAREC WATER PILLAR

I. KEY DEVELOPMENTS AND RESULTS

- The TA 9977-REG: Developing the Central Asia Regional Economic Cooperation (CAREC) Water Pillar was approved on 12 May 2020 in the amount of \$225,000 with an original closing date of 30 June 2021 that has subsequently been extended to 31 December 2023. The outcome of the initial phase was scoping of the CAREC Water Pillar developed with three outputs (i) future demand for water resources in the Central Asia region up to 2050 estimated, (ii) water resources development opportunities identified and (iii) policy and institutional strengthening framework prepared. The TA initially covers five Central Asian developing member countries (DMCs) of Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan. A scoping study report comprising a summary of the analysis and the agreed Water Pillar framework was completed in December 2021 following regional and national consultations and was published on the CAREC website in January 2022. The framework that will shape future support for the Water Pillar comprises three blocks (i) climate resilient and productive systems, (ii) sustainable water resources and water services and (iii) nexus solutions and cross-sector learning.
- In December 2021, the TA was increased to \$413,000 to extend the scope to include preparation of concept notes for priority project activities under the second output and to define the institutional arrangements for the Water Pillar under the third output. In response to the desire of CAREC member countries to gradually extend Water Pillar activities beyond Central Asia, the TA amount was further increased in May 2022 to \$728,000. Georgia has confirmed interest in exploring the opportunities of partnering with the Water Pillar. Additional work related to geographic expansion will involve analysis of water resources and climate impacts under Output 1 and developing additional concept notes and disseminating guidance on climate-resilient infrastructure and systems under Output 2.
- A draft interim report entitled ‘From scoping to implementation’ was prepared by the consultants in August 2022 and included a longlist of potential regional project activities under each of the three blocks of the Water Pillar framework as well as a summary of the mapping exercise of related development partner projects. The report formed the basis of national consultations with the five Central Asian DMCs in September 2022 and, following revisions reflecting the feedback received, was circulated for consideration at the first CAREC Water Pillar Regional Workshop held in Tashkent on 29-30 November 2022.² The Regional Workshop provided an opportunity for representatives from each of the Central Asian developing member countries and relevant regional agencies to prioritize the types of activities proposed for support under the initial phase of implementation of the Water Pillar framework including infrastructure that demonstrates regional benefits, knowledge generation and sharing activities and capacity development. Proposals for establishing a working group and thematic expert groups for the Water Pillar to help guide its future direction and content were also discussed at the Workshop. Consultations were held with the Executive Committee for the International Fund for Saving the Aral Sea (EC-IFAS) on providing institutional support for their ongoing reform process.
- The schedule for the remainder of 2023 will involve (i) finalization of technical assistance support covering knowledge generation, institutional support to national and regional agencies

² [Regional Workshop on Water Pillar | CAREC Program Event](#)

and initiation of screening studies for priority infrastructure projects, (ii) scoping studies related to geographic expansion of Water Pillar activities and (iii) regional consultations on future institutional arrangements for the Water Pillar.

Table 1: Work Undertaken since SOM 2022

Item	Work undertaken since last SOM under Water Pillar (Agriculture and Water Cluster)
Regional Consultations	Regional Workshop on the Water Pillar held in Tashkent in November 2022
National consultations	Consultations completed in 5 Central Asian countries (national or virtual) in September 2022
Mapping exercise of related projects	Desk study completed.
Development of project longlist	Initial list included in interim report prepared for the regional workshop and subsequently updated.
Reports	(1) Interim report (<i>From scoping to implementation</i>) drafted in September 2022 and revised in November 2022 as background document for the Regional Workshop (2) Draft ADB technical assistance report under preparation

II. CHALLENGES AND KEY ISSUES

- 2022 saw the gradual re-establishment of normal working conditions after the restrictions experienced by all organizations during the COVID-19 pandemic meaning that missions by the consultant team to the region could be held in September 2022 and the regional workshop could be held in-person in November 2022.
- The process of developing the Water Pillar has generated considerable interest and resulted in a longlist of project ideas that requires further prioritization through screening studies to be undertaken during 2023-24. In parallel, a set of knowledge generation and capacity development activities can be initiated starting from Q3, 2023.
- As reported last year, many of the activities identified in the for the Water Pillar will require improvement in data acquisition systems and the sharing of hydrological and other information. The Water Pillar envisages a ‘building block’ approach to support other ongoing initiatives by development partners and national agencies by incorporating a focus on improved data sharing in each of the bilateral or regional projects to be supported.
- Expanding the involvement of CAREC member countries beyond the initial Central Asian DMCs will be a gradual process as demand arises. The mix of different types of activities including contribution to knowledge generation, participation in capacity development, and involvement in bilateral or broader regional project development provides multiple opportunities to suit the context of individual countries.

III. PROPOSED WORK PROGRAM

Table 2: Proposed Work Plan until September 2023

Item	Proposed work
Support for initial activities through technical assistance	Draft TA report circulated for review in Q2/3 2023 with implementation scheduled for Q3/4 2023 including screening studies for potential investment projects of regional significance.
Scoping analysis for expansion of geographic area	Climate assessment due in September 2023 Draft scoping prepared by Q4 2023
Regional consultation	Knowledge event on related issues planned for Q4, 2023
Institutional arrangements for CAREC Water Pillar	Initial draft to be circulated in June 2023 Revised draft – August 2023 Establish sector working group – November 2023