

Joint Ministerial Statement
20th Ministerial Conference on
Central Asia Regional Economic Cooperation
17 November 2021

Connectivity, Cooperation, and Resilience in a Digital Era

Ministers from the Central Asia Regional Economic Cooperation (CAREC) member countries adopted the following statement at the conclusion of the 20th Ministerial Meeting on CAREC held virtually on 17 November 2021.

I. Connectivity, Cooperation, and Resilience in a Digital Era.

1. The 20th Ministerial Conference is a momentous occasion that showcases the success of the CAREC Program. The current circumstances have further reinforced the importance and need of our continued collaboration under this regional platform. Over the past two years, we have witnessed the global nature of the COVID-19 pandemic that has underlined the interconnectedness of communities around the world. No-one is safe until everyone is safe. We note the importance of connectivity, cooperation, and extensive use of digital technology in building resilient systems that can effectively cope with the ongoing health crisis. Enhancing integration has emerged as a strategic priority in these times, which reaffirms the role of CAREC as a key regional initiative within an evolving development landscape. We commend the CAREC Program for continuing to adapt and innovate as per the dynamics of a challenging operational environment.

II. Continued Progress on Implementation of CAREC 2030

2. **Economic and Financial Stability.** We welcomed activities aimed to strengthen economic resilience and improve the investment climate in the region, which included high-level policy dialogues that brought together various stakeholders, comprising of CAREC countries, the Asian Development Bank (ADB), the International Monetary Fund (IMF), the World Bank (WB), and other development partners. The implications of the pandemic on financial stability and regional cooperation were discussed and the pivotal role of economic and stability in strengthening the post-pandemic recovery efforts was recognized.

3. Trade, Tourism, and Economic Corridor Cluster

- **On trade,** we were pleased with the commitment demonstrated by CAREC member countries to align with and translate international obligations and standards under the World Trade Organization Trade Facilitation Agreement into domestic practices. We noted the commitment of CAREC member countries to continue their efforts towards modernizing Sanitary and Phytosanitary (SPS) measures to facilitate trade while managing transboundary risks to human, animal, and plant health. To that end, we welcomed country-specific SPS trainings for CAREC member countries, including Uzbekistan and Georgia, as well as consultation workshops in which research and capacity building priorities were identified. We also noted the key improvements under the CAREC Integrated Trade Agenda, specifically tackling challenges in e-commerce and e-trade related implementation. We commended the encouraging progress in e-commerce and digital trade cooperation, including the organization of CAREC Trade Week webinars on e-commerce experience sharing and applying digital innovations to trade, as well as the publication of knowledge products on Laws and Policies, and Infrastructure Development. We were pleased with the progress made on the technical assistance project on free trade agreement capacity building for CAREC countries, including on preparation of a roadmap to establish a CAREC wide FTA to deepen and expand the trade relationships among the member countries. We recognized the importance of strengthening exchanges and cooperation among border provinces and border towns, and resolved to explore establishing a mechanism for that purpose.
- **On tourism,** we welcomed the implementation of several regional initiatives under the CAREC Tourism Strategy 2030, including the development of a CAREC tourism portal as a tool for consolidating information on tourism zones in CAREC countries and promoting the services of local tourism businesses.
- **On economic corridors,** we were pleased with the expansion of the Economic Corridor Development (ECD) in the CAREC region, notably through transformative regional investment projects in the Almaty-Bishkek Economic Corridor (ABEC) and the implementation of the roadmap for the development of the Shymkent-Tashkent-Khujand Economic Corridor (STKEC). We also noted the work on developing the new ECD framework which will mainstream ECD operations.

We noted the rehabilitation and development of the Karabakh and Eastern Zangezur region of Azerbaijan, including establishment of the necessary infrastructure, enabling incentives for business development and implementation of new transport and economic corridors, which will contribute to the enhancement of regional cooperation.

4. **Infrastructure and Economic Connectivity**

- **On Transport,** we noted the large number of knowledge products and the various outreach and capacity building activities carried out including virtual events, webinars, and a road asset management training workshop for the Kyrgyz Republic. We were pleased with the impact study of COVID-19 on CAREC Aviation and Tourism and the scoping study on CAREC Ports and Logistics. We welcomed railway sector assessments (RSAs) covering all CAREC countries and the completion of the CAREC Road Safety Engineering Manual. We also commend the ongoing technical assistance work that has supported the various transport strategies.
- **On Energy,** we were pleased with the achievement of key deliverables committed under the CAREC 2030 Strategy. We welcomed the virtual meeting of the Energy Sector Coordinating Committee (ESCC) as well as a series of interventions, including the research of launching a green financing program, a region-wide energy efficiency awareness program and a framework for the region's first energy program dedicated exclusively to women. Six new Energy Working Groups were also established and operationalized, and a web portal was launched which comprehensively outlines information and updates concerning CAREC's energy program. We appreciated the efforts being undertaken to organize the CAREC Energy Investment Forum.

5. **Agriculture and Water.** We noted efforts made in the agriculture sector to operationalize international food safety standards. In that regard, advisory services were provided for member countries to harmonize domestic legislation and regulations with international norms, such as the development of a new Food Safety Law. We were pleased that sectoral capacities of member countries were developed through trainings on best practices related to food hygiene. We welcomed the assessment undertaken in Tajikistan and Turkmenistan to improve the food safety management system. In the water sector, we appreciated the work undertaken to prepare the scoping study for water sector cooperation among the five Central Asian countries. The study describes the development trajectory in the region as it experiences the impact of climate change on water supply amid a rising demand for

water. We were pleased with meetings held with representatives of the five Central Asia countries, inter-governmental and international organizations, development partners, and knowledge institutions.

6. **Human Development.** We endorsed the CAREC Health Strategy 2030 for promoting health security through regional cooperation. This strategy will support the various stakeholders in the CAREC region to develop high quality and resilient health systems through institutional integration and knowledge sharing. This will enable countries of the CAREC region to strengthen their capacity to deal with health crises such as the COVID-19 pandemic. We also appreciated the initiation of technical assistance for women's economic empowerment, which is being undertaken to implement the CAREC Gender Strategy 2030.
7. **Information, communication, and digital technologies (ICT).** We endorsed the CAREC Digital Strategy 2030 which aims to scale-up digital connectivity in the CAREC region by increasing public access to user-friendly IT services. This strategy will improve digital connectivity, help generate business activity, and stimulate economic growth in the CAREC region. We also appreciated the work being undertaken to improve the ICT connectivity in the CAREC Program, and for supporting start-up ecosystems in the CAREC region.

III. CAREC Institute

We commended the CAREC Institute (CI) for achieving progress in all its priority areas and effectively implementing diverse activities to strengthen regional cooperation. We welcomed the expansion of CI's research portfolio which shall contribute to an informed policy discourse in the region. We have noted that CI has increased its capacity to deliver capacity building and outreach activities through its dynamic online platforms. We encourage CI to further consult with Member Countries to fully understand their needs and provide tailored knowledge service, to support the inclusive, green and resilient post COVID-19 recovery.

IV. Enhancing Institutional Mechanisms

We appreciated the CAREC Development Effectiveness Review 2020, which is the first progress review of CAREC 2030 Strategy, and were pleased to note its emphasis on learning and continuous review of the CAREC program. We appreciated the

continued support of development partners towards the implementation of the CAREC 2030 Strategy. We agree to further study the necessity and feasibility to develop the CAREC Regional Infrastructure Project Enabling Facility. We noted the potential of the private sector in contributing to sustainable development in the CAREC region. We expressed our appreciation to the CAREC Secretariat, the sector coordinating committees, and the CAREC Institute for their dedicated support to the CAREC Program.

V. Conclusions and Acknowledgement

We thank the Government of the Republic of Azerbaijan for chairing and hosting this 20th Ministerial Conference, and the Asian Development Bank for the support provided. We look forward to coming together in 2022 under the chairmanship of the People's Republic of China.