
Mid-Term Review of CAREC 2020

MTR Country Consultations
April-June 2016

Tashkent, Astana, Bishkek, Islamabad, Bangkok, Ashgabat
and Beijing



Outline

- CAREC 2020 Overview
- MTR Objectives and Scope
- Central Asia in the Post-Crisis Period
- Regional and Global Developments Affecting Central Asia
- The Way Forward for CAREC: Key Questions for Discussion
- Next Steps

CAREC 2020: An Overview

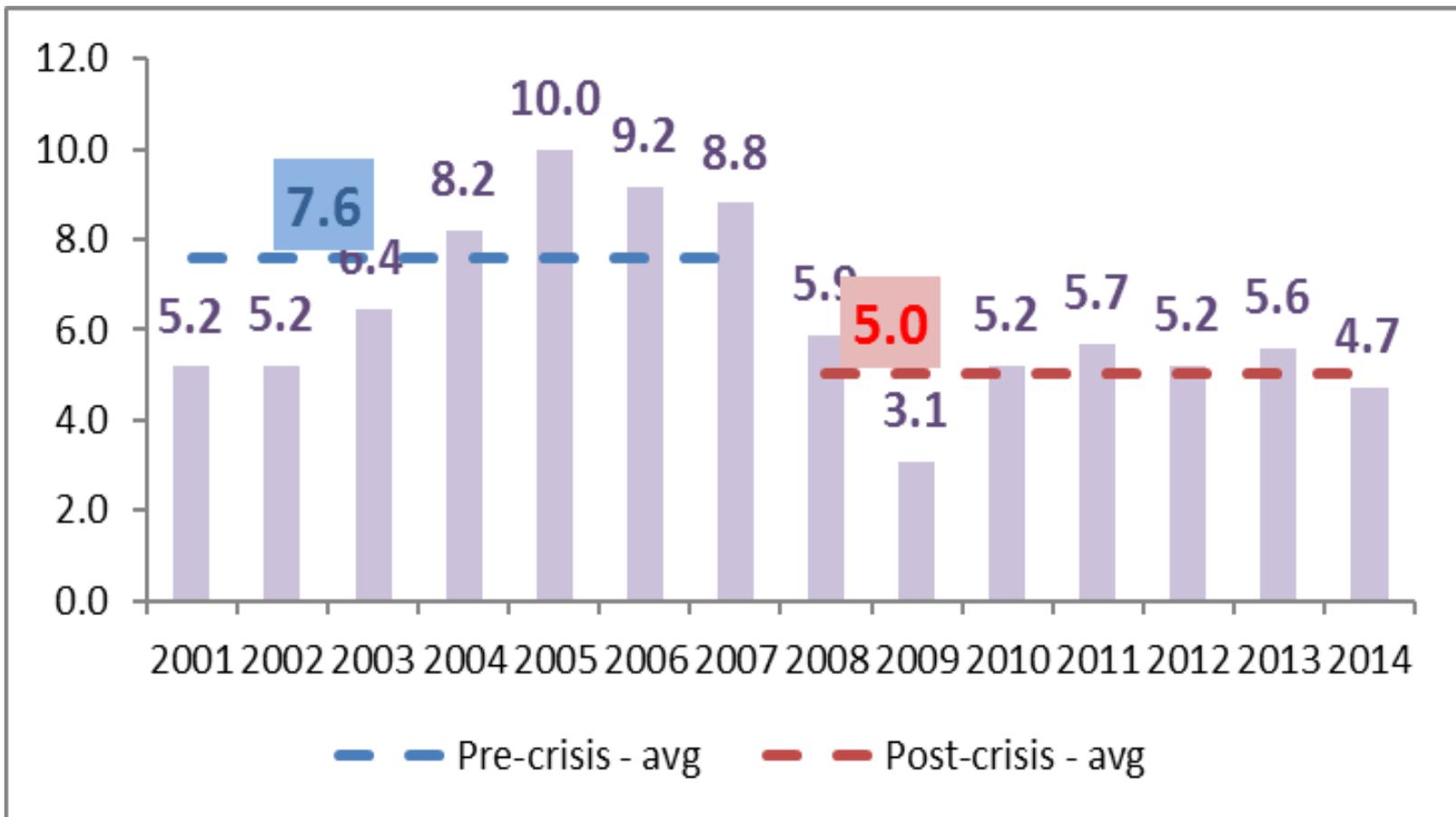
- A ten year strategy -- 2011-2020
- Two strategic objectives ---(i) expanded trade; (ii) increased competitiveness
- Seven operational priorities:
 - transport (investments in infrastructure)
 - trade facilitation (measures to facilitate the movement of goods and people)
 - trade policy (promoting trade openness)
 - **energy (securing reliable, secure and stable energy supply)**
 - *economic corridors (promoting investment, production and trade linkages)*
 - *the CAREC Institute (developing knowledge support); and*
 - *second-tier areas (social impacts of trade expansion, agriculture and the **environment**, among others)*

MTR Objectives

- Endorsed by the CAREC SOM, September 2015
- Review of strategies at program and **sector level**
 - Results
 - Relevance
 - Responsiveness
 - Refinements
 - Implementation performance
 - Effectiveness of CAREC institutions
 - Lessons learned
 - Strategies moving forward
- A mid-term review, not an evaluation

CAREC GDP Growth: Pre- and Post Crisis

Central Asian average growth plummeted to 2.9% in 2015.
Forecasts for 2016 project 2.1% and a slight recovery to 2.8% in 2017.



Regional and Global Developments (1)

- Weak and volatile oil and commodity prices
- Less fiscal space for investments
- Economic crisis – more cooperation or more focus on national interests?

Regional and Global Developments (2)

The emergence of mega frameworks for regional cooperation and integration

- Eurasian Economic Union
- One Belt One Road (PRC)
- New Silk Road (US)
- Eurasia Initiative (South Korea)
- OBOR-SCO-EAEU (Ufa Summit)

Regional and Global Developments (3)

Changing regional cooperation landscape in Central Asia

- Over the past decade and more, the CAREC Program has been one of the largest, if not the largest, regional cooperation initiatives in Central Asia.
- The institutional mechanisms for the mega frameworks have yet to take shape.
- Challenges to effectiveness of coordinating mechanisms for regional cooperation could emerge.

Implications?

- What do these challenges and issues imply for the CAREC strategy?
- How should CAREC position itself to address new and future challenges effectively?

The CAREC Program: A Quick Look Back

- A snapshot of accomplishments:
 - From six transport projects worth \$247 million in 2001, to 166 projects with a total cost of about \$28 billion in 2015
 - Power generation and interconnection are promoting reliability and security.

The Way Forward: Key Questions

- Looking ahead, to 2017-2020 and beyond ,we would like to seek your guidance, recommendations and suggestions on four key questions

Question 1: Infrastructure Initiatives

- With numerous large-scale initiatives in infrastructure development (OBOR, AIIB, Japan, Korea, etc.), how should CAREC position itself? What steps should CAREC take?

Question 2: Broadening the CAREC Agenda

- Should CAREC focus more on hard infrastructure financing or rather on soft issues?
- Are renewables becoming more relevant despite low energy prices?

Question 3: Internal Institutional Challenges

- How can CAREC enhance the effectiveness of its institutions?
- How can the role of the working groups, SOM and Ministerial Conference be improved?

Question 4: Beyond CAREC 2020?

- CAREC 2020 covers the period 2011-2020
- The MTR will make recommendations for the remainder of the Strategy period (2017-2020)
- Now is also the time to think ahead, beyond the current strategy, and lay the groundwork for CAREC 2030
- Looking ahead, what strategic work should CAREC carry out in 2017-2020 to pave the way for the future, beyond 2020?

Next Steps

Activity	Timeframe
Brainstorming workshop	Dec 2015
Review/inputs of Sector Committees	Q1 2016
Institutional Review (CAREC Secretariat)	Q1 2016
Country and Sector Consultations	April-June 2016
CAREC Senior Officials Meeting	July 2016
Special NFP Meeting	September 2016
15 th CAREC Ministerial Meeting	Q4 2016