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# Mid-Term Review of CAREC 2020

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MTR Country Consultations  
April-June 2016

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



# Outline

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- 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

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- 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)*

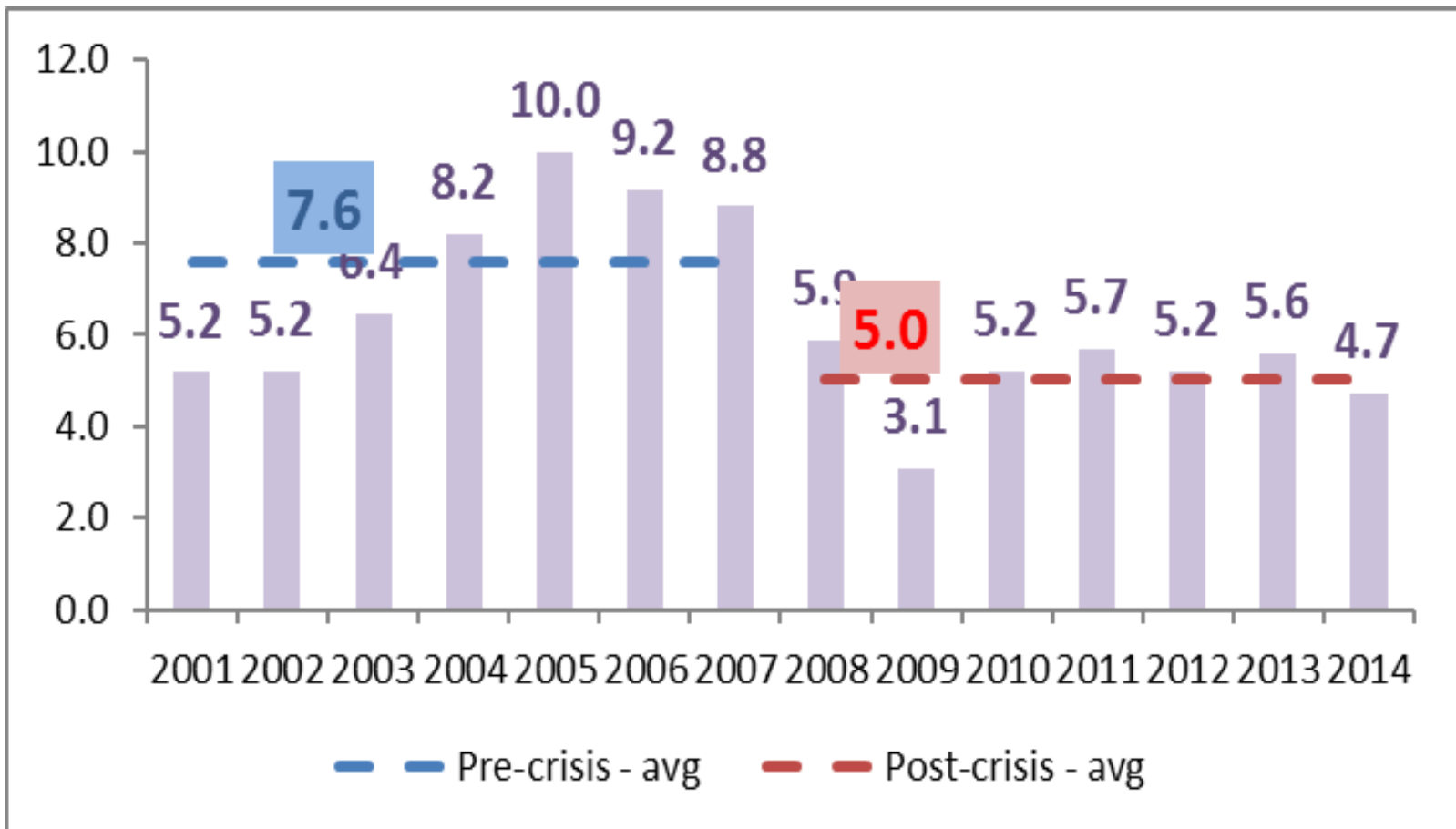
# MTR Objectives

- 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)

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- 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)**

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## **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)

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## 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

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- 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

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- 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

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- 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

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- 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

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- 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?

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- 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

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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 <sup>th</sup> CAREC Ministerial Meeting	Q4 2016