

Update on the Almaty-Bishkek Corridor Initiative (ABCI)

Pradeep Srivastava

CWRC, ADB

ABCI: Towards an Economic Region

- Cities and urban economic regions; benefits of scale and agglomeration
- Forbes: America's next boom towns – # 1 Austin, population < 1 million
- #5 Raleigh, population < 0.5 million
- Population growth (in migration); % families with young children; % population 25-44 with college degree; Affordability; Business environment

Economic regions and CAREC

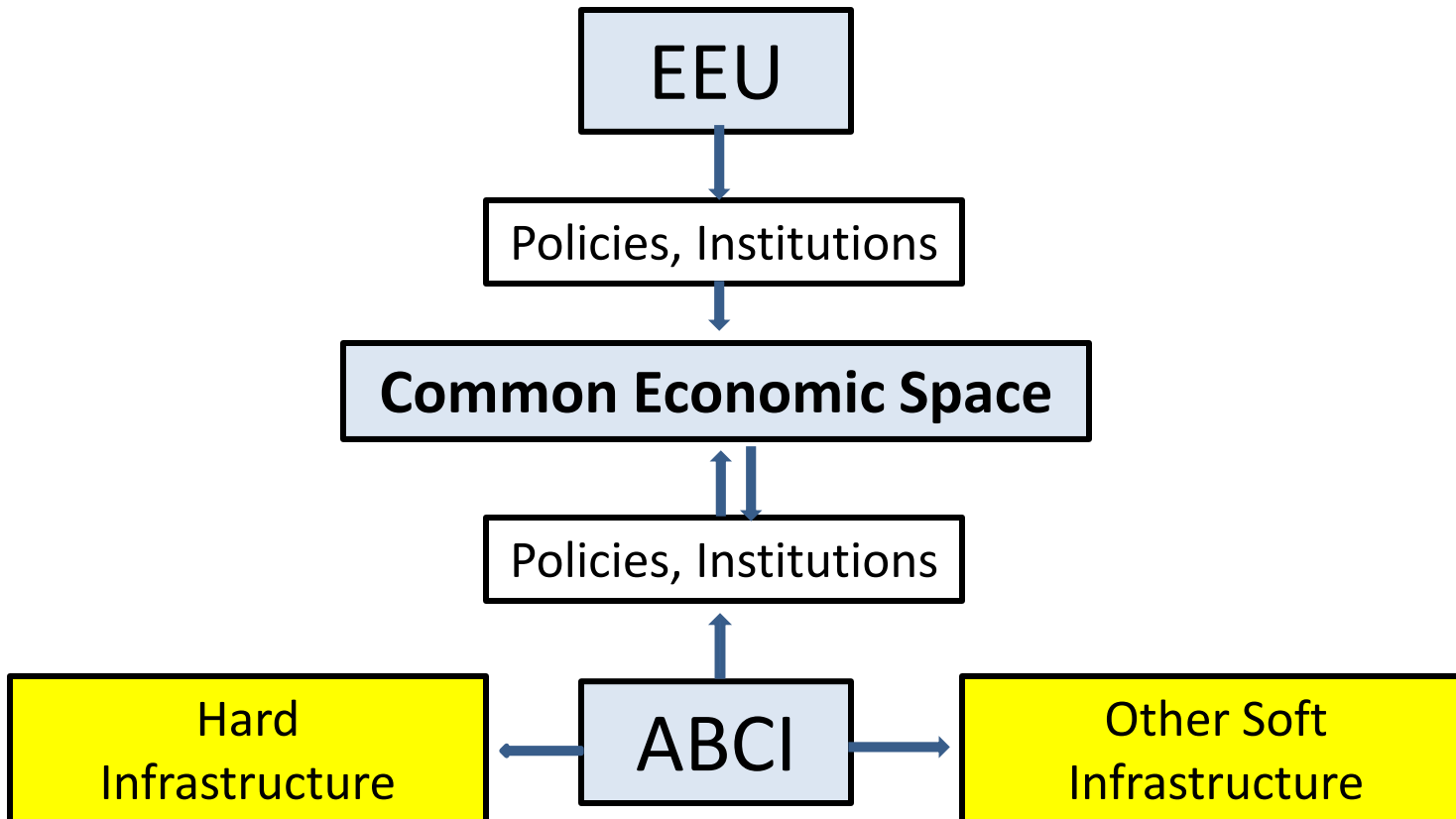
- BosWash
- UK HSR 2: London, Birmingham, Manchester
- Pearl River Delta
- Jingjinji
- Central Asia's economic geography
- Cross border

Pearl River Delta



ABCI and EEU

- Progress on ABCI is closely linked to progress on the EEU. Top down and bottom up complements + Inter-regional competition



EEU: ambitious... over time

- Customs controls on internal EEU borders abolished
- Tariff harmonization advancing but transition period needed
- Indirect taxes: modernization of revenue collection agencies, harmonization of systems, practices and ICT
- Common technical regulations to trade, SPS and veterinary standards under discussion; WTO compliance needed too
- Free movement of labor, but free movement of capital distant: alignment of laws and regulations on banking, capital and securities markets consistent with international standards
- Market access, competition, state support to industry and agriculture, transport, energy. Ambitious agenda, long term
- ABCI *initiates* process for Almaty Bishkek economic region to maximize integration benefits over a decade

ABCI: integrate <--> reduce distance

- Agriculture and agri-business
- Manufacturing, technological upgrade and special economic zones
- Tertiary education
- Advanced health services
- Tourism
- Sophisticated application of ICT
- Logistics and infrastructure development for the region
- Management of natural disasters
- Spatial planning and long-term urban growth

Looking ahead

- ABCI Steering Committee established by both countries (in May/June 2016)
- JWG4 and Steering Committee meeting proposed for August 2016
- Review and guide consolidated ABCI investment framework including policy, infrastructure, capacity building and knowledge initiatives; finalize sector analyses; prioritize subsequent agenda and identify next steps

Thank You