Central Asia Regional Economic Cooperation Program (CAREC)



• What is the CAREC Program?

• What has CAREC achieved?

• What is planned for the years ahead?





CAREC Participation Eight countries: Afghanistan Kyrgyz Republic Mongolia Azerbaijan PRC Tajikistan Uzbekistan Kazakhstan Six multilateral institutions: Asian Development Bank European Bank for Reconstruction and Development International Monetary Fund Islamic Development Bank United National Development Programme World Bank

CAREC's Goal

Development through cooperation, leading to accelerated economic growth and poverty reduction

CAREC's Priority Areas

- Three priority areas:
 - Transport
 - Energy
 - Trade (facilitation and policy)







CAREC Achievements

- A focused alliance of countries and institutions
- Policy dialogue contributing to transport, energy, and trade cooperation
- Mobilization of financial resources for cooperation
- Creation and dissemination of major knowledge products



Focused Projects Regional Perspective BISHKEK Shymkei YRGYZ REPUBLI Almaty-Bishkek Road Bishkek-Osh Road Kashgar Southern Transport Corridor Irkeshtam • Dushanbe-Kyrgyz JIKISTAN Border Road Kunjirap





Key Initiatives

- Sector Strategies:
 - Integrated Transport and Trade Facilitation Strategy
 - Energy Sector Strategy
 - Trade Policy Strategic Action Plan
- CAREC Institute



Integrated Transport and Trade Facilitation Strategy

- Three transport goals:
 - Establish competitive transport corridors across the CAREC region
 - Facilitate efficient movement of goods and people across borders
 - Develop safe, people-friendly transport systems that are environmentally sustainable



Integrated Transport and Trade Facilitation Strategy

- Three trade facilitation goals:
 - Realize a significant reduction in transaction costs and time by improving administrative efficiency, and simplifying, standardizing and harmonizing trade procedures
 - Encourage the free movement of goods and business people
 - Enhance the transparency of laws, regulations, and procedures, and share information on these and other trade facilitation issues











Key Messages

- Central Asia at the heart of the trend toward reintegration of Eurasia
- The Comprehensive Action Plan positions CAREC for a leap forward
- It is time to move
- CAREC's multilateral partners are committed to supporting the Program



Recent Transport Investment

Afghanistan

 ADB \$138-million loan/grant for North-South Corridor (09/06)

Azerbaijan

- ADB \$52-million loan for Yevlakh-Ganja and Qazakh-Georgian border sections (12/05)
- World Bank \$200-million loan for Alyat-Masally section of southern road (01/06)
- ADB preparing \$100-million loan for Masally-Astara section of southern road

Recent Transport Investment

PRC

 ADB preparing \$150-million loan for Korla-Kuqa road in Xinjiang

Kyrgyz Republic

- Islamic Development Bank \$9.2-million loan for Taraz-Talas-Suusamyr road
- China Development Bank, Kyrgyz Government, ADB credit agreement to cofinance southern road corridor improvement



Recent Transport Investment

Mongolia

 ADB preparing loan for western road links PRC and Russian Federation

Tajikistan

• ADB \$29.5-million loan for Dushanbe-Kyrgyz border road (11/05)

Recent Trade Facilitation Investments

- EBRD's continued support for regional trade financing
- UNDP support under phase II of Silk Road Area Development Program; European Commission/UNDP support for border management through Border Management Programme for Central Asia (BOMCA)
- Trade studies on individual countries under World Bank initiative on Trade and Transport Facilitation in Central Asia

Recent Trade Facilitation Investments

- ADB's Regional Trade Facilitation and Customs Cooperation Program (\$25 million: Kyrgyz \$15 million; Tajikistan \$10 million) (2002)
- ADB's Regional Customs Modernization and Infrastructure Development Project (\$18.2 million: Kyrgyz \$7.5 million; Tajikistan \$10.7 million) (2004)
- ADB's Customs Modernization Project, Mongolia (\$5 million) (2006)



