



CAREC

SENIOR OFFICIALS' MEETING

ЗАСЕДАНИЕ ВЫСОКОПОСТАВЛЕННЫХ ОФИЦИАЛЬНЫХ ЛИЦ

17–19 June 2025 | Issyk-Kul, Kyrgyz Republic
17-19 июня 2025 г. | Иссык-Куль, Кыргызская Республика

Opening Session

Opening Remarks

Mr. Sydykov Bakyt Tolomushevich

Minister of Economy and Commerce
Government of the Kyrgyz Republic

Setting the Stage

Mr. Yevgeniy Zhukov

Director General
Central and West Asia Department (CWRD)
Asian Development Bank (ADB)

Opening Session

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Mr. Sydykov Bakyt Tolomushevich

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Mr. Yevgeniy Zhukov

Director General
Central and West Asia Department (CWRD)
Asian Development Bank (ADB)

Session 1: Overview

Moderator

Ms. Lyaziza Sabyrova

Regional Head
Regional Cooperation and
Integration (CWRC), CWRD, ADB

Presenter

Ms. Dorothea Lazaro

Senior Regional Cooperation
Specialist (CWRC), CWRD, ADB

Tour de Table

Mr. Sanzharbek Bolotov

Deputy Minister
Ministry of Economy and Commerce
CAREC National Focal Point,
Kyrgyz Republic

**CAREC Member Countries
Development Partners**

Highlights of NFP Strategic Planning Meeting March 2025 | Manila



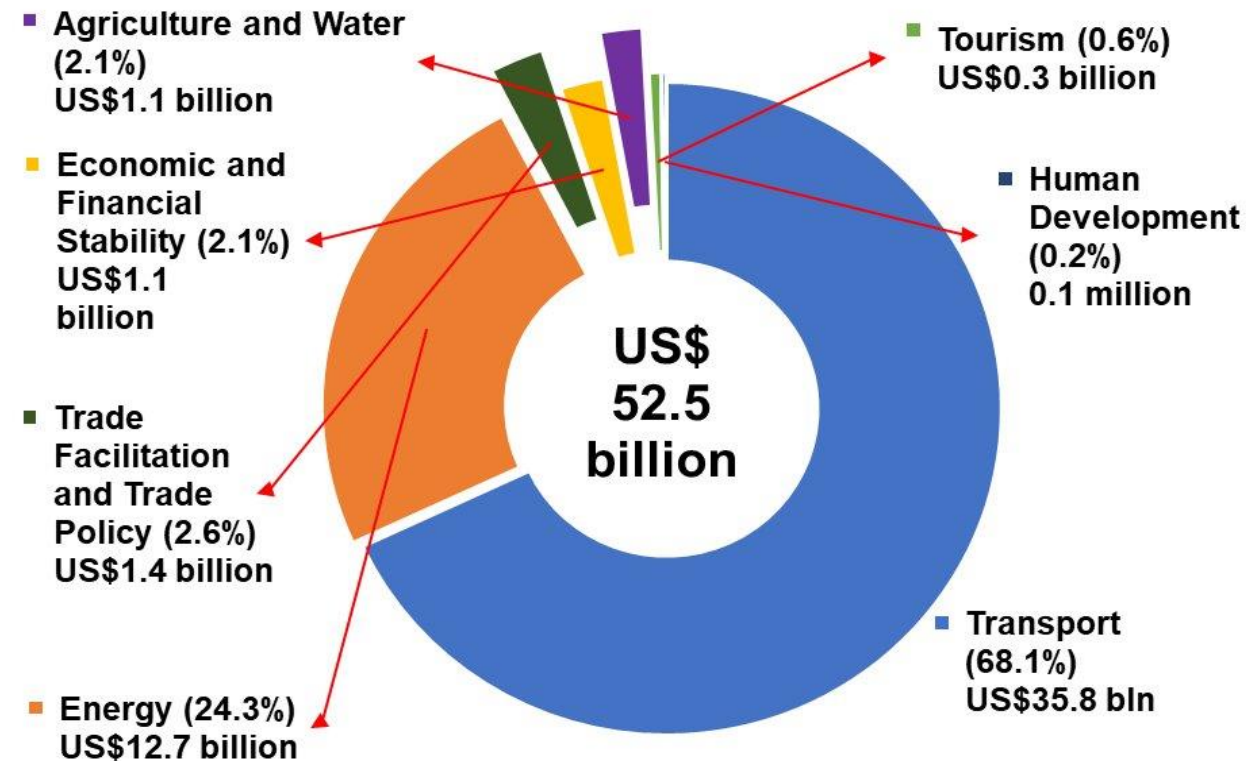
Highlights of NFP Strategic Planning Meeting

March 2025 | Manila

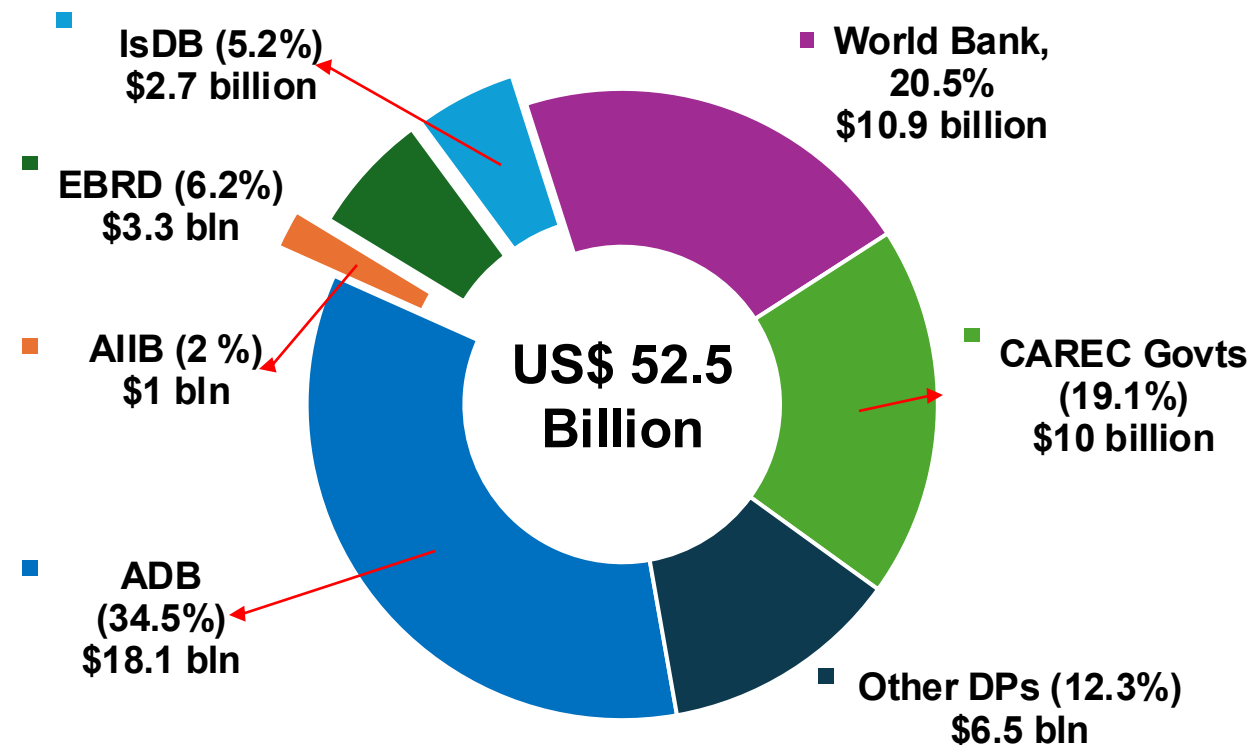


CAREC-Related Investments, 2001-2024*

Investments by Sector



Investments by Financing Source



*The amount of CAREC investments are estimates and subject to the ongoing review of the CAREC project portfolio database in consultation with Development Partners.

CAREC 2030 Strategy Midterm Review

10-Point Recommendations

- 1 Streamline Scope for Enhancing Impact of CAREC Initiatives
- 2 Review and Recalibrate Sector Strategies
- 3 Pursue Regional Public Goods (RPGs) to Address Common Issues
- 4 Reinvigorate Regional Ownership for Sustaining Outcomes
- 5 Promote Integrated and Climate-Smart Development
- 6 Strengthen Engagement with Development Partners and Private Sector
- 7 Improve Program Effectiveness and Monitoring
- 8 Strengthen the CAREC Secretariat
- 9 Enhance CAREC Institute's role as a Strategic Partner for Knowledge-Driven Development
- 10 Prepare the Midterm Review Implementation Action Plan

MTR Rolling Implementation Action Plan

**NFP Strategic
Planning Meeting
(March 2025)**

**Consultation
with Country
Stakeholders
and
Development
Partners (April -
June 2025)**

**Progress
updates on
Rolling
Implementation
Action Plan at
24th CAREC MC
(November 2025)**

**Draft Rolling
Implementation
Action Plan (IAP)
2025-2030 for
comments (May
2025)**

**MTRs of
transport and
trade
preliminary
findings for SOM
(June 2025)**

MTR Rolling Implementation Action Plan

- Operationalizing the MTR through concrete actions, activities, projects, initiatives, timeframe and responsible CAREC sectoral bodies or focals
- Updated annually to ensure its alignment with ongoing and planned initiatives and emerging regional and national priorities
- Promotes linkages and synergies between sectors and themes

Includes:

- **Strategic goals**—high-level goals, involving long-term planning and guidance on the overall direction and priorities of the CAREC operations
- **Operational actions and activities**—concrete projects and initiatives to implement the MTR recommendations.

Strategic Goals	Operational Actions and Activities		Projects and Initiatives	Status and Timeline	Responsibility
1. Streamline Scope for Enhancing Impact of CAREC Initiatives					
Adopt a more targeted and narrow approach	1.1	Conduct needs assessment at national, regional, and sectoral levels	In-country CAREC sector focals meetings led by NFPs to identify topics, areas, and focus of needs assessment or scoping studies	Regular, determined at country level	NFPs, CAREC sectoral bodies, RMs
Ensure long-term planning, project prioritization, and resource allocation			Periodic meetings between NFPs and CAREC Secretariat, with participation of SG and RMs as appropriate, to identify assessment needs	Quarterly/ biannual	CAREC Secretariat, NFPs, SG, RMs

MTR Rolling Implementation Action Plan

Enhancing Impact of CAREC Initiatives

Ensure long-term planning, project prioritization, and resource allocation

Focus on projects with greatest regional impact, benefits, and transformational outcomes

Prioritize interventions that are demand-driven and aligned with country programming

Establish a multi-year rolling pipeline for regional programs, projects, and technical assistance in each sector

Integration of CAREC proposed projects in ADB Country Programming exercise

Preparation, funding mobilization (CSPPF), and update of high-quality flagship regional projects

MTR Rolling Implementation Action Plan

Enhancing Impact of CAREC Initiatives

Adopt a more targeted and narrow approach

Enhance specialization and in-depth engagement

Focus on projects with greatest regional impact, benefits, and transformational outcomes

Refocus on subregional cooperation (2+X principle), enhance cluster approach, and maximize cross-sectoral initiatives

Joint or parallel meetings among sector groups (e.g., Health and Climate Change nexus)

Bilateral and subregional arrangements to pursue common trade and economic priorities

Economic Corridor Development II
Corridor 2 Development

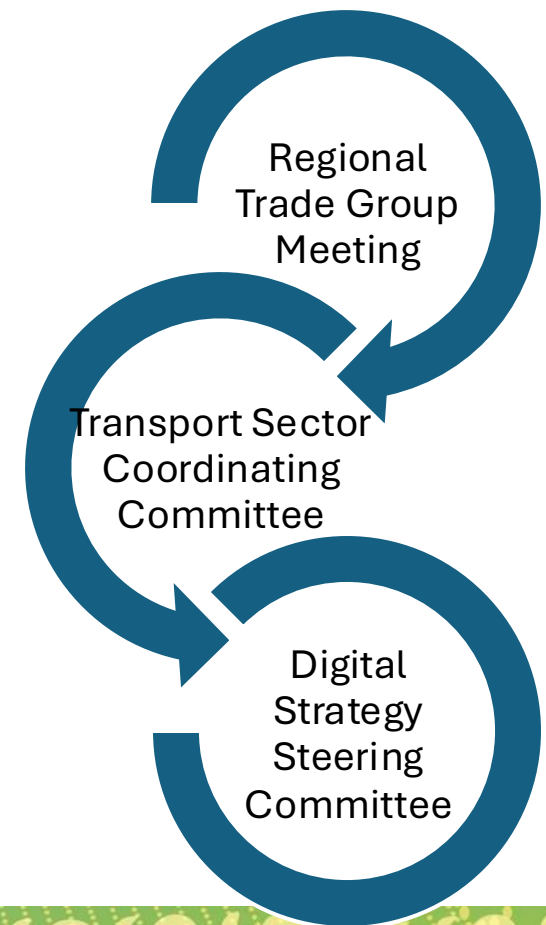
Developing investment projects on digital transformation and connectivity in CAREC sectors

MTR Rolling Implementation Action Plan



Review and Recalibrate Sectoral Strategies

- MON (Mar 2025)
- KAZ (Mar 2025)
- PRC (Mar 2025)
- AZE (Apr 2025)
- KGZ (Apr 2025)
- UZB (Apr 2025)
- TAJ (Apr 2025)
- GEO (May 2025)
- TKM (May 2025)
- PAK (May 2025)



MTR Rolling Implementation Action Plan

Pursue Regional Public Goods to Address Common Issues

- Regional Multi-Hazard Early Warning System
- Cross-border sustainable energy projects and transboundary water management system
- **Rogun Hydropower Plant (TAJ) and Kambarata-1 HPP (KGZ)**
- **Caspian Green Energy Corridor (AZE, KAZ, UZB)**



Promote Integrated and Climate-Smart Development

- Decarbonization of CAREC transport and trade corridors, One-Health component in CAREC BCPs projects
- COP29 Declaration on CAREC Partnership for Trade, Climate, and Innovation
- Regional centers of excellence (green skills, health, scientific institutions)
- Regional strategy to promote food security
- Innovative and green finance initiatives such as **Risk Layered Disaster Relief Finance Sector Development Program (KGZ and TAJ)**

MTR Rolling Implementation Action Plan

Institutions and Operations, Stakeholders Engagement and Communications



Session 2: Midterm Review of CAREC Transport Strategy 2030 and Pipeline Projects

Moderator

Mr. Yevgeniy Zhukov

Director General, Central and West Asia Department, ADB

Presenters

Mr. Chen Chen

Director of Transport, Transport Sector Office
Sectors Department 1 (SD 1-TRA), ADB

Mr. Masahiro Nishimura

Unit Head, PAU, SD 1-TRA, ADB

Mr. Begzod Djalilov

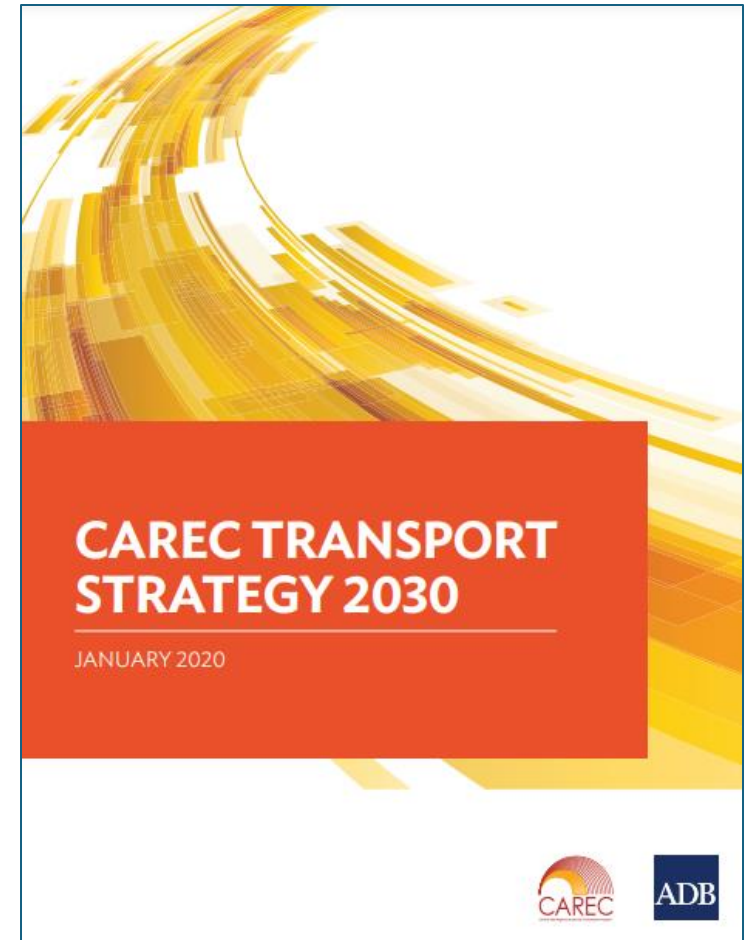
Regional Cooperation Specialist
CWRC, CWRD, ADB

Mr. Nurbek Anarbekin,

Director of PPP Center
Kyrgyz Republic

CAREC Transport Strategy 2030

1. Endorsed by CAREC Ministerial Conference in November 2019
2. Aligned with CAREC mission to: establish a regional cooperation platform to connect people, policies and projects for shared and sustainable development
- 2. Two objectives:** Connectivity and Sustainability
- 3. Five pillars:**
 - i. Cross-border Transport and Logistics
 - ii. Roads and Road Asset Management
 - iii. Road Safety
 - iv. Railways
 - v. Aviation.



CAREC Transport Strategy 2030

Midterm Review: Approach

1. Aligned with MTR of CAREC 2030
2. Incorporation of emerging issues
 - Climate risks, digital technology
 - Geographic dynamics
3. Focus on high-level strategic directions
 - Review of Railway Strategy and Road Safety Strategy
 - CAREC member country policies and priorities
4. Collaboration with MTR of CITA 2030 and CAREC Digital Strategy
 - Study on Corridor 2 (Middle Corridor) development
5. Enhanced ownership of the member countries
 - Thorough and comprehensive consultation with CAREC member countries and private sector
 - Collaboration with CAREC Institute
 - Consultation with development partners

CAREC Transport Strategy 2030

Midterm Review: Milestones and Timeline

Date	Activities
11–14 Feb	Mongolia country consultation
5-7 March	Discussions with the CAREC National Focal Points
11-13 March	Kazakhstan country consultation
17-20 March	PRC country consultation
4-8 April	Azerbaijan country consultation
10-11 April	Kyrgyzstan country consultation
21-25 April	Uzbekistan country consultation
28-29 April	Tajikistan country consultation
6-7 May	Georgia country consultation—online
16 May	Turkmenistan country consultation—online
2-3 June	Pakistan country consultation

- Q1-Q2 2025: Country consultation
- 21 May 2025: Side event at ITF 2025 Summit in Leipzig, Germany (completed)
- 16–17 June 2025: Endorsement in the **CAREC Transport Sector Coordinating Committee Meeting**
- **18–19 June 2025: Endorsement in the CAREC Senior Officials Meeting (SOM)**
- November 2025: Endorsement in the **CAREC Ministerial Conference**
- Q4 2025: Final publication

CAREC Transport Strategy 2030

Midterm Review: Overall Assessment

- CTS successfully delivered improvements in connectivity and sustainability and largely continues to be relevant.
- However, it needs to reflect rapidly changing regional landscape and incorporate emerging and innovative technologies.
- Transport corridors can unlock higher potential by transforming into economic corridors.
- Synergies with CITA and Digital strategies.

CAREC Transport Strategy 2030

Midterm Review: Recommendations (1/4)

1. Strengthen Cross-Border and Corridor Efficiency

- Establish financing facility for BCP improvements addressing infrastructure and soft-side needs and promote joint BCPs
- Promote economic corridor approach to comprehensively address transport connectivity, accessibility, and mobility; remove bottlenecks; and enhance economic activities along corridors
- Enhance capacity and connectivity of Corridor 2 through infrastructure upgrades, multimodal logistics hubs, harmonized regulations, and digital processes;
- Address bottlenecks in Caspian Sea transport and Black Sea ports by expanding port capacity and multimodal connection

Proposed BCP Facility

- Border crossing points (BCPs) remain bottlenecks at various locations of the CAREC transport network
- Improvement of each individual BCP separately is operationally inefficient considering their lengthy processing time, remote locations, and the need to study and produce similar documentation to each project
- ADB is in process to conceptualize a new regional, programmatic, and consultative approach BUILD (Borders Upgrades for Integration, Logistics and Development).
- BUILD aims to improve the efficiency of preparing and implementing new BCP projects in CAREC region by bundling them under one facility, which will also provide wider access to financing.

CAREC Transport Strategy 2030

Midterm Review: Recommendations (2/4)

2. Promote Modal Diversification and Smart Mobility

- Strengthen intermodal connectivity, especially among ports, railways, and roads to boost efficiency and lower logistics costs
- Encourage policy frameworks supporting modal shift to low-carbon transport options such as railway and waterborne transport
- Assist with logistics process harmonization and propose regional standards for multimodal documentation
- Create Smart Mobility Working Group to promote intelligent transport systems, transport digitalization, e-mobility, comprehensive public transport development, and sustainable urban planning

CAREC Transport Strategy 2030

Midterm Review: Recommendations (3/4)

3. Scale up Green, Resilient, Inclusive, and Digitalized Transport

- Include resilience as one of the strategic objectives of the CAREC Transport Strategy alongside connectivity and sustainability
- Support greening and electrification of transport (e.g., Green Roads Toolkit) and creating low emission zones in urban areas to support the nationally determined contribution targets
- Broaden road safety efforts by adopting the safe system approach and enhancing digital solutions
- Promote sustainable logistics practices and integrate trade-related digital platforms for international freight operators

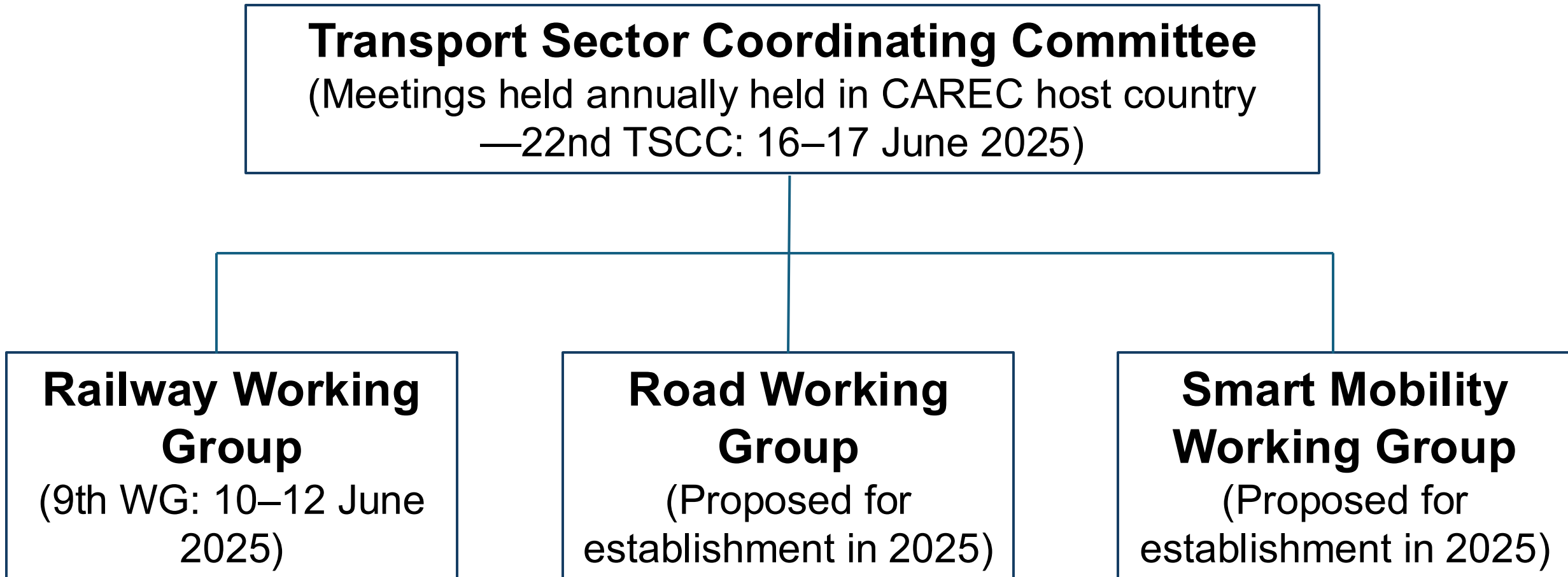
CAREC Transport Strategy 2030

Midterm Review: Recommendations (4/4)

4. Deepen Institutional Collaboration and Planning

- Enhance CAREC Institute's functions on transport and economic corridor planning, policy advice, and capacity building scaling up the CPMM function
- Regularly organize Smart Mobility, Road, and Railway working groups under the TSCC and strengthen the link with trade facilitation bodies on the CITA and CAREC Digital Strategy
- Prepare annual transport sector profile and flagship reports utilizing Asian Transport Observatory and CPMM
- Plan for post-2030 needs: trade shifts, climate risks, tech disruptions

Proposed TSCC and Working Group Structure



Highlights of 22nd Transport Sector Coordinating Committee Meeting

- Held on 16–17 June 2025 in Bishkek, the Kyrgyz Republic.
- About 60 participants from CAREC member countries, DPs, etc.
- Discussed CTS MTR recommendations and planned activities in (i) cross-border transport facilitation, (ii) road (asset management and safety), (iii) railways, logistics, and aviation, and (iv) urban and smart mobility.
- TSCC supported CTS MTR recommendations.



22nd Transport Sector Coordinating Committee Meeting

16–17 June 2025 • Bishkek, Kyrgyz Republic

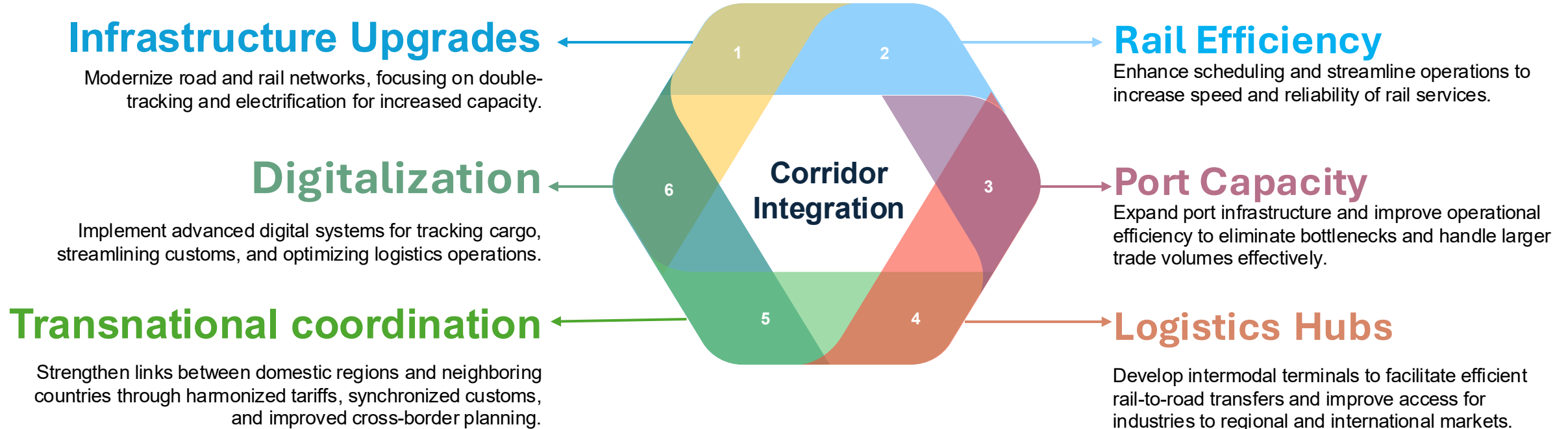
22-е заседание Координационного комитета по транспортному сектору

16–17 июня 2025 года • Бишкек, Кыргызская Республика



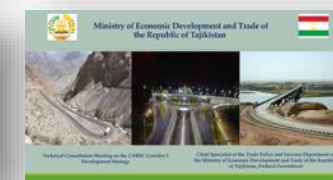
CAREC Corridor 2 Development: Identified Needs for Investment Projects

Strategic Objective: Competitive and sustainable corridor facilitating socioeconomic development



CAREC Corridor 2 Development: Consistency with National Priorities

Country	Key National Strategic Documents
AZE	Action Plan to Increase the Transit Potential of International Transport Corridors Passing through the Territory of the Republic of Azerbaijan and Stimulate Transit Cargo Transportation for 2024-2026
GEO	National Transport and Logistics Strategy, 2023-2030
KAZ	Concept for the Development of Transport and Logistics Potential of the Republic of Kazakhstan until 2030
KGZ	National Development Program of the Kyrgyz Republic until 2030 (forthcoming)
TAJ	National Development Strategy of Republic of Tajikistan until 2030 State Program for Transport Sector Development of the Republic of Tajikistan until 2025
TKM	Turkmenistan's Program of Transport Diplomacy Development for 2022-2025
UZB	Concept of Transport and Logistics Systems Development 2030 of the Republic of Uzbekistan



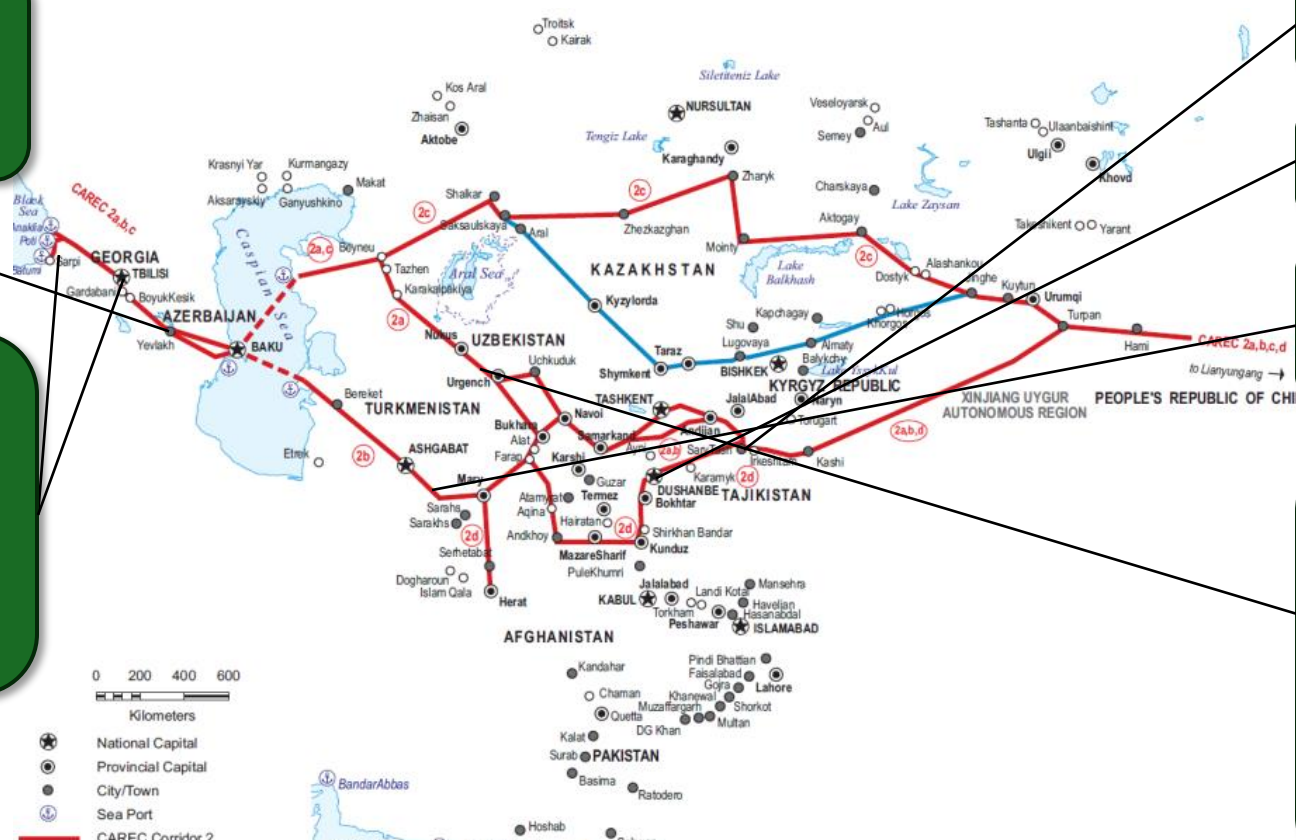
CAREC Corridor 2 Development: Pipeline Projects (2025-2028)

Azerbaijan:

- Railways Digital Transformation Project, 2025
- Railway Signalling and Electrification (Baku-Böyük Kəsik) Project, 2026

Georgia:

- Batumi-Sarpi Road Project, 2025
- Tbilisi Bypass Project Lots 4 and 5, 2026
- Railway Sector Reform Program, Subprograms 1 and 2, 2027-2028



Kyrgyz Republic:

- Transport Development Project (Border crossing point/Railway), 2028

Tajikistan:

- Green Road Improvement Project, 2028

Turkmenistan:

- Trans-Turkmenistan Railway Modernization Project:
Phase 1 (Ashgabat-Dushak) 2026
Phase 2 (Mary-Dushak) 2027

Uzbekistan:

- CAREC Road Corridor 2 Resilience and Modernization Project (92 km of A380 Section, 581 km-673 km), 2025
- CAREC Corridors 2 and 6 Road Modernization and Safety Project, 2027
- CAREC Corridors 2 and 6 Road Modernization Program, Tranche 1 (Navoi-Karman Bypass, 147-181.5 km section of M37 Road), 2028

- ✓ Facilitate coordination of approvals of project documents among line ministries
- ✓ Support project implementation readiness (e.g., procurement procedures)
- ✓ Continue support/guidance during annual programming missions (Mar-May)

Side Event: Cross-border PPP Projects & Success Stories

Objectives

- Promote understanding and awareness of PPP benefits and mechanism
- Facilitate dialogue and networking among CAREC country member stakeholders
- Identify and develop PPP opportunities in cross-border projects or national projects with regional impact or spillover
- Strengthen institutional capacity for designing and managing PPP projects, ensure alignment with regional priorities.

Focus

- International best practices in structuring cross-border PPP
- Current and potential ADB cross-border PPP projects
- How PPP projects contribute to development of key sectors of the economy

Session 3: CAREC Climate and Sustainability Project Preparatory Fund (CSPPF) and Climate Change Action Plan (CCAP)

Moderator

Ms. Lyaziza Sabyrova

Regional Head
CRWC, CWRD, ADB

Presenters

Ms. Altynay Arapova

Economist,
CWRC, CWRD, ADB

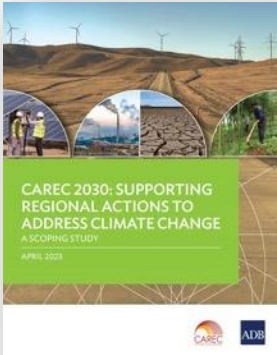
Mr. Kristian Rosbach

Senior Economist,
CWRC, CWRD, ADB

Ms. Kirthi Ramesh

Senior Social Sector Specialist,
Human and Social Development
Sector Office
Sector Department 3, ADB

Climate and Sustainability Project Preparatory Fund



- CSPPF is a **multi-partner trust fund** to **support the preparation of bankable regional projects** in **CAREC countries** with a strong **Regional Public Goods** and **sustainability focus**.

- In November 2024, the CAREC Ministerial Conference endorsed the **CAREC Climate Change Action Plan 2025-2027** and launched the **CSPPF**, signing of **Trust Fund Contribution Agreements with ROK and PRC**. (initial combined contribution amounting to **\$5 million**).

Eligible Recipients

Developing Member Countries of the CAREC members:

AZE, PRC, GEO, KAZ, KGZ
MON, PAK, TAJ, TKM and UZB

Priority Sectors



i. Energy



ii. Water



iii. Agriculture



iv. Transport,
Transit & Trade



v. Climate-smart Cities



vi. Climate-related
disasters



vii. Health, Education
& Social Protection

Use of Fund & Maximum Amount

TA	Project preparatory Activities	USD 800K
	Upstream Knowledge work	USD 250K

Investment (Grant Components)	USD 1M
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Direct Charges	USD 150K
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CSPPF: Progress and Next Steps

Activity	2025											
	Q1			Q2			Q3			Q4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Approval and Dissemination of CSPPF Implementation Guidelines		■	■									
Call for proposals and initial review				■	■	■			■	■		
Meeting of the Steering Committee for Technical Review of proposals						■					■	
Endorsement funding allocation of the Chair of Steering Committee								■				
Annual Consultation Meeting with Financing Partners (FPs)							■	■				
Fundraising with other potential FPs					- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -

* **Note:** This assumes that the technical review proceeds smoothly and there is no objection from the financing partners. (Financing partners may raise objections within 21 working days.) After the endorsement, the USER Department will process the project/activity for final approval following ADB's applicable policies and procedures

CSPPF: Proposals received, Progress and Next Steps

1. Almaty-Bishkek E-Bus Project (KAZ, KGZ)
2. CAREC HeatSafe: Regional Early Action for Urban Health (All CAREC DMCs)
3. Sustainable and Resilient Health Systems in the CAREC Region - Towards Net-Zero: Developing Low-Carbon, Climate-Resilient Healthcare (All CAREC DMCs)
4. Yavan Hydroelectric Power Plant Project (TAJ, UZB)
5. Strengthening Regional Health Security and Primary Healthcare Services Project (TAJ)
6. Ports, Logistics and Shipping Connectivity (All CAREC DMCs)
7. Developing Sustainable Border Crossing Points for CAREC Transport Corridors (All CAREC DMCs)
8. CAREC Corridor Planning and Utilization for Sustainable and Green Transport (All CAREC DMCs)
9. Scoping Study on the Impact of Heat Exposure and Air Pollution on Maternal and Newborn Health in Central Asia (KAZ, KGZ, TAJ, TKM, UZB)
10. Kyrgyz Republic-Uzbekistan Sustainable Cross-border Tourism Cluster Development (KGZ, UZB)

**As of 10 June 2025,
10 proposals
covering sectors
such as energy,
transport, and
climate-health,
submitted for
funding
consideration**

Climate Change Working Group

Key Outcomes of CCWG Meeting on 7-9 April 2025 in Bishkek

- Need to increase investments for CAREC assets' resilience (pilot assessments in Georgia, Kyrgyz Republic, and Tajikistan)
- Established a framework for regional resilience and decarbonization of health systems
- CAREC to collaborate with ADB's Glacier to Farms program for regional water management and glacier monitoring
- CAREC to continue collaborate with UNDP and WHO on regional EWS and health integration
- The WGCC to collaborate with the CAREC transport team on decarbonization measures
- The WGCC to identify training and capacity building needs for establishing regional carbon markets
- Submissions of CSPPF projects



CAREC WG on Climate Change



CAREC Climate Change Action Plan



Outcomes	Activities	Outputs 2025	Outputs 2026-27
Increased resilience of CAREC assets to climate impacts	Preparation of Climate risk assessments and adaptation plans	Pilots in Georgia, Tajikistan, and Kyrgyz Republic (Osh BCP)	Full CAREC Corridor Risk Study, Regional projects pipeline
Resilience of regional water infrastructure strengthened	Collaboration with the CAREC Water pillar and Glaciers to Farms	Identification of regional projects (Bakhri Tojik water reservoir, Chu River Basin)	Identification of regional projects
Increased resilience and preparedness on heat and air pollution	Collaboration with UNDP and WB on heat risk and early warning	Pre-Feasibility studies for climate and health information systems	Project proposal for a regional health and information systems
Increased resilience of health systems to climate impacts	Minimum requirements for health systems resilience	Two initiatives tabled at CAREC MC for endorsement	Resilience projects for health system
Decarbonization of CAREC Sectors and Workstreams	Transport, Energy, Trade, Health, and Tourism decarbonization; Regional Carbon market development	Integration of climate aspects in Transport Mid-Term Review, Health Decarbonization Strategy, Carbon Market Training, ABEC Green Tourism Plan	Regional Corridor Decarbonization Plan, grid readiness for green power trade, green digital trade measures (ePhytos)
Regional coordination on water management and glacier monitoring	Collaboration with ADB's Glaciers to Farms program	Requirements for a regional coordination platform	Set up of a regional climate platform and steering committee

Joint CCWG and Health Working Group Meeting

- Joint Meeting in April 2025 in Bishkek
- Discussed intersections of climate and health
- Experts' panel discussion on joint climate and health action and a participatory session discussing deliverables



Joint Proposals for SOM Consideration:

- Strategy for Healthcare Decarbonization in the CAREC Region (2026-2030)
- Regionally-Agreed Minimum Requirements for Climate-Resilient Health Facilities in the CAREC Region

Minimum Standards for Climate-Resilient Health Facilities

Scope: Requirements to enhance resilience:

OF:

- Healthcare **facilities** (not the whole health system)

TO:

- be able to be prepared for, respond to, recover from, and adapt to **climate-related shocks and stresses**. (e.g. flooding, extreme heat, extreme cold, tropical cyclones).

*Many other features which contribute to **high quality design of healthcare facilities** which should be considered alongside these requirements.*

Requirements are structured against **five** health facility **asset types**



Buildings
Infrastructure



Equipment & Products



WASH & Waste



Energy



Systems and
Processes

Regional Decarbonization Strategy: Strategic Areas

Evidence base for investment

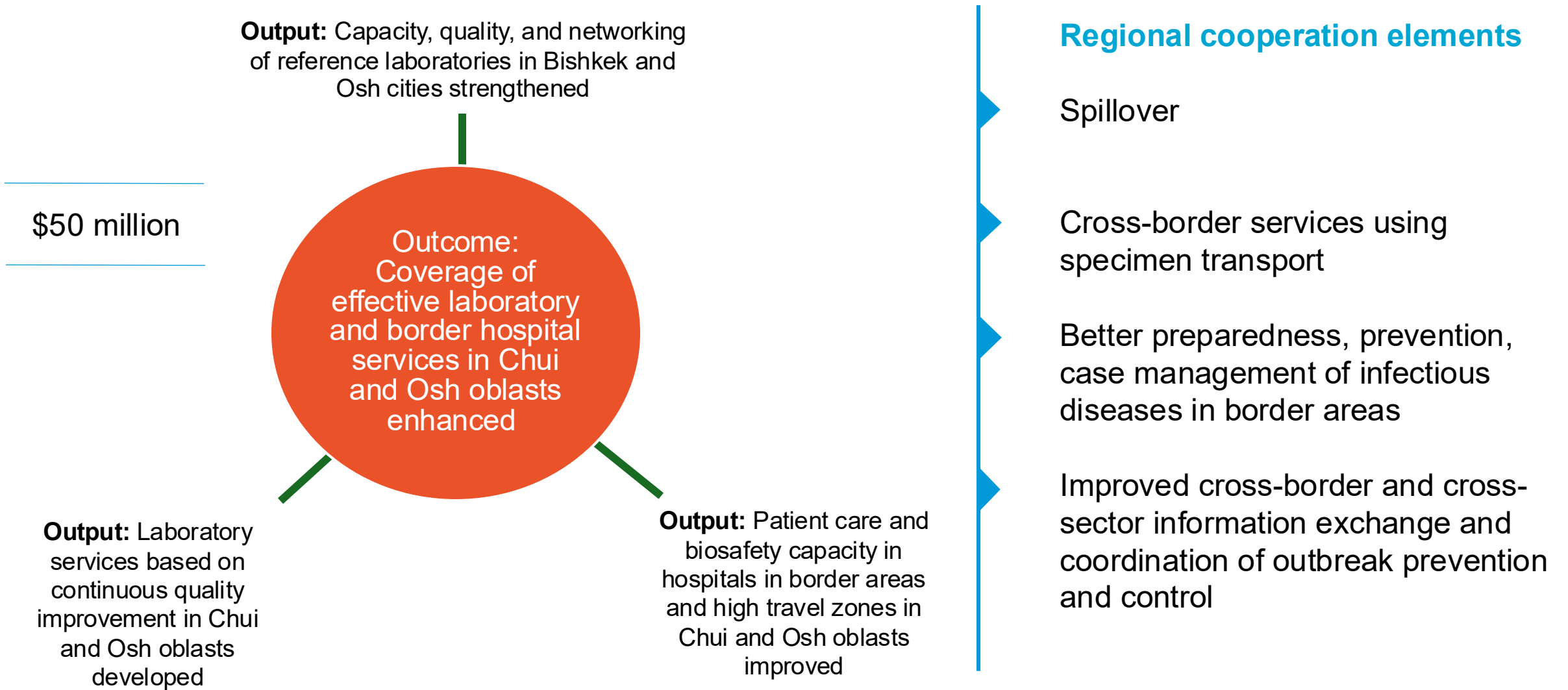
- Identify the **highest priority areas** to address in each individual health system
- Demonstrate how an **emissions reduction trajectory** can be achieved
- Understand the long-run **investment needs, benefits and health impacts** of system change
- Build enable **implementation, monitoring and validation** of progress over time

Take 'no-regret' actions today

- Actions that are **beneficial even in the absence of climate change** with immediate benefits
- **Proven effectiveness** in multiple real-world contexts
- Benefits to **patient outcomes** and improved **operational efficiency**
- **Cost-neutral at worst**, often with rapid payback on investment (e.g. LED lighting upgrades)

Regional Community of Practice

- **Network of health policymakers and practitioners mobilised across the region.**
- **Training and mentoring sessions on identifying, monitoring and trouble-shooting decarbonization measures as needed**
- **SWG on climate and health as starting point to oversee implementation and resolve common issues**



Mongolia: Border Efficiency for Sustainable Trade Project

Output 1: Efficient and climate-resilient border facilities developed.

Upgrade Border Crossing Points (BCPs) facilities and staff housing and expand passenger and cargo lanes, provide supporting infrastructure including water, energy, and communications.

Output 2: One Health coordination at the borders established.

Improve early warning, surveillance, detection, and response to infectious diseases of animals and humans, and biological contagion threats associated with agricultural products.

- (i) **construct One Health facilities** at selected BCPs, including detection and surveillance equipment; laboratories for testing plant pests, animal diseases, and food safety standards; and medical facilities for testing, consultation, and isolation of people;
- (ii) **improve capacity of border officials** related to biological threat preparedness and response, through training and simulation exercises;
- (iii) **prepare emergency coordination & response plan**, and operating procedures for BCPs.

Output 3: Trade facilitation systems enhanced.

Enhance the operational efficiency of border operations

Financing: \$100 million

Border Efficiency for Sustainable Trade Project

Session 4: Midterm Review of CAREC Integrated Trade Agenda 2030 and Related Initiatives

Moderator

Mr. Muhammad Ehsan Khan

Director General, East Asia Department
Asian Development Bank

Presenters

Ms. Dorothea Lazaro

Senior Regional
Cooperation Specialist,
CWRC, CWRD, ADB

Ms. Zulfia Karimova

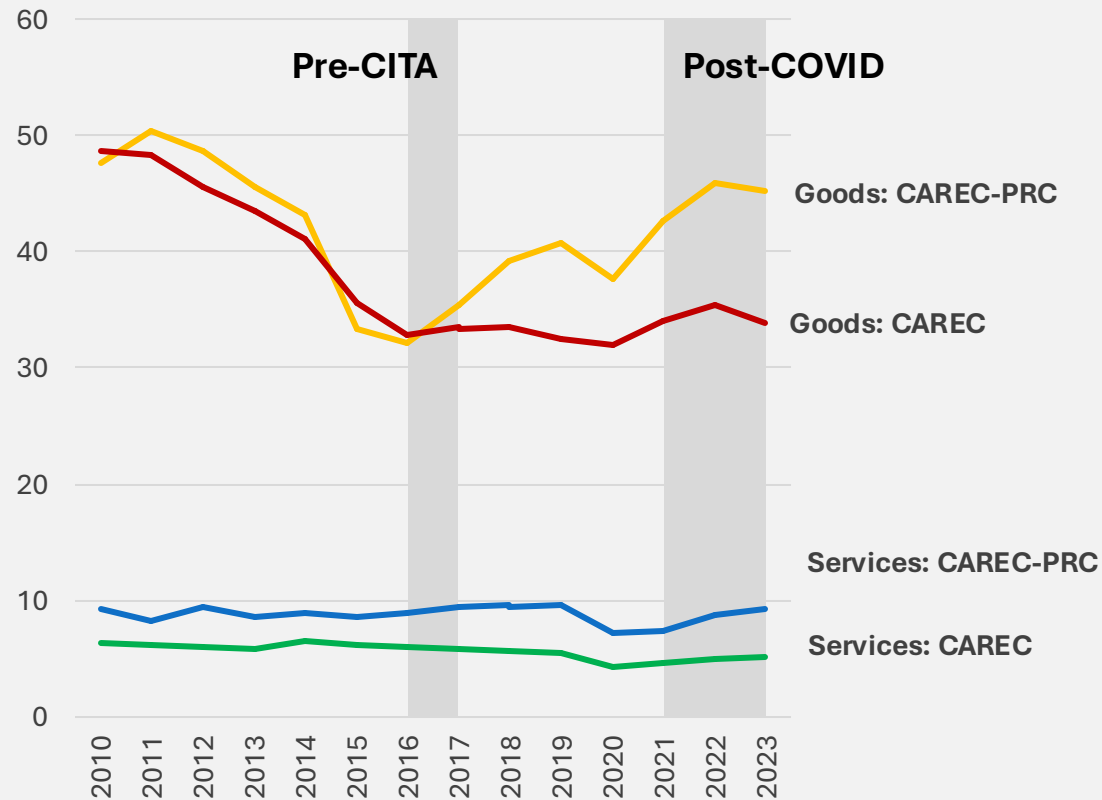
Principal Regional
Cooperation Specialist,
CWRC, CWRD, ADB

Mr. Roman Mogilevski

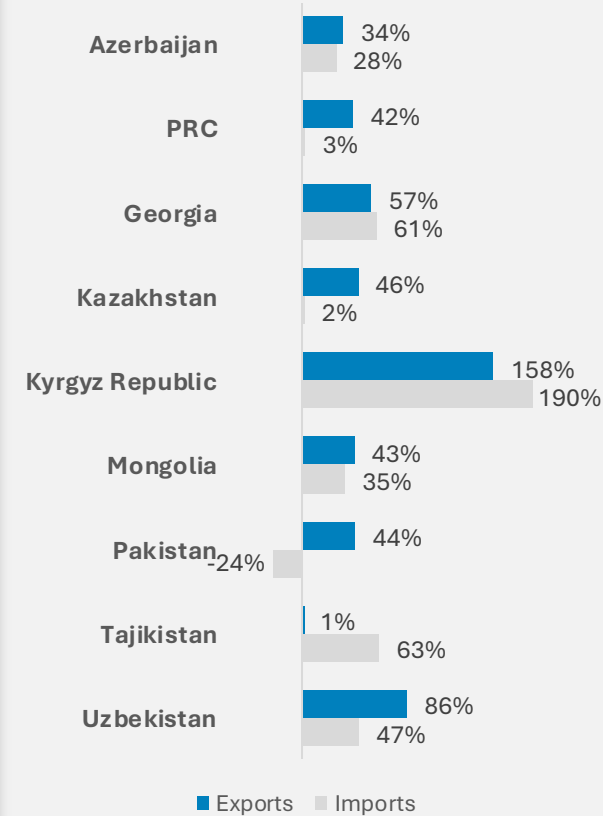
Senior Economist,
CWRC, CWRD, ADB

Trade in goods and services gradually improving

Trade in Goods and Services as % of GDP



Growth of Trade in Services



Trade in goods' share in GDP improved since 2016.

Trade in services contribution was constant, dropped slightly after 2019 due to the pandemic

Trade in goods is expanding faster than trade in services but the growth varies by country

Notes: CAREC excludes AFG. Georgia joined CAREC in 2016. Data excludes informal trade.

Source: World Bank. World Development Indicator

Source: CAREC Central Banks

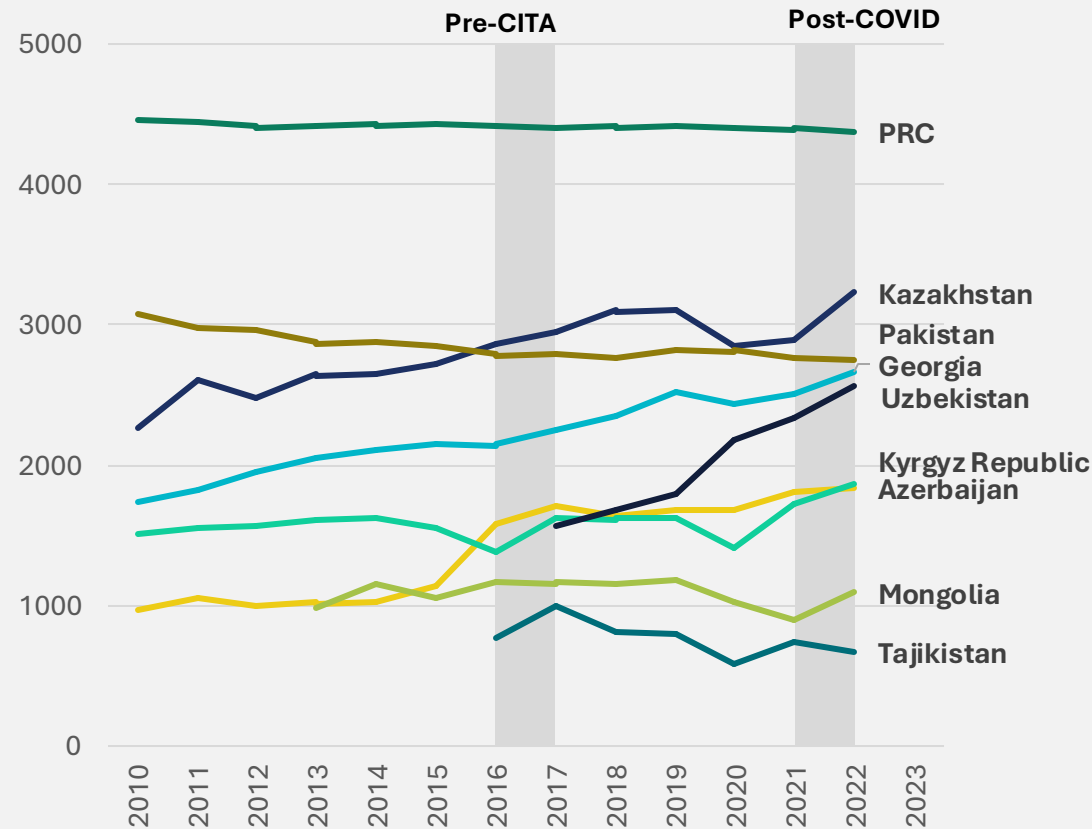
Meeting | 13-14 June 2023, Tbilisi, Georgia

CAREC exports slowly diversifying

Fuels and manufactures dominate export shares.

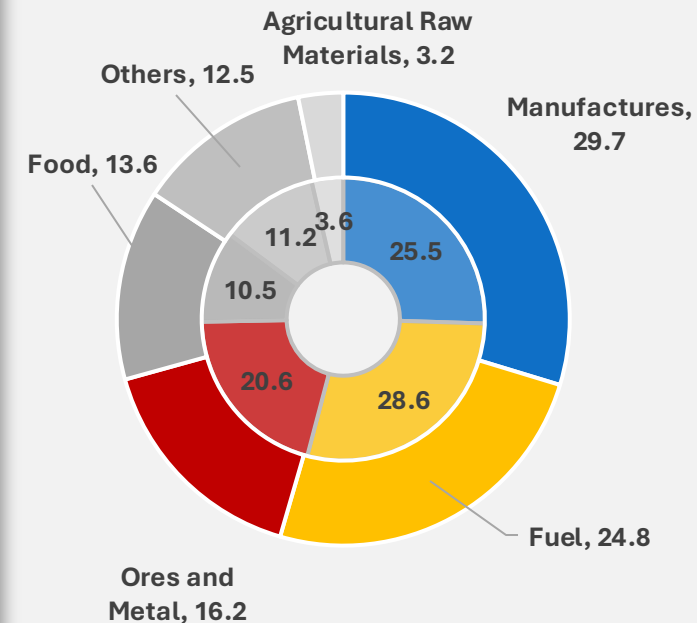
Georgia, Kazakhstan, Pakistan, and Uzbekistan are exporting more than 2,500 commodity lines. PRC's basket is most diversified

Number of Exported HS 6-Digit Products



Source: WITS, accessed 10 March 2025

CAREC Exports 2017 (inner) and 2023 (outer)

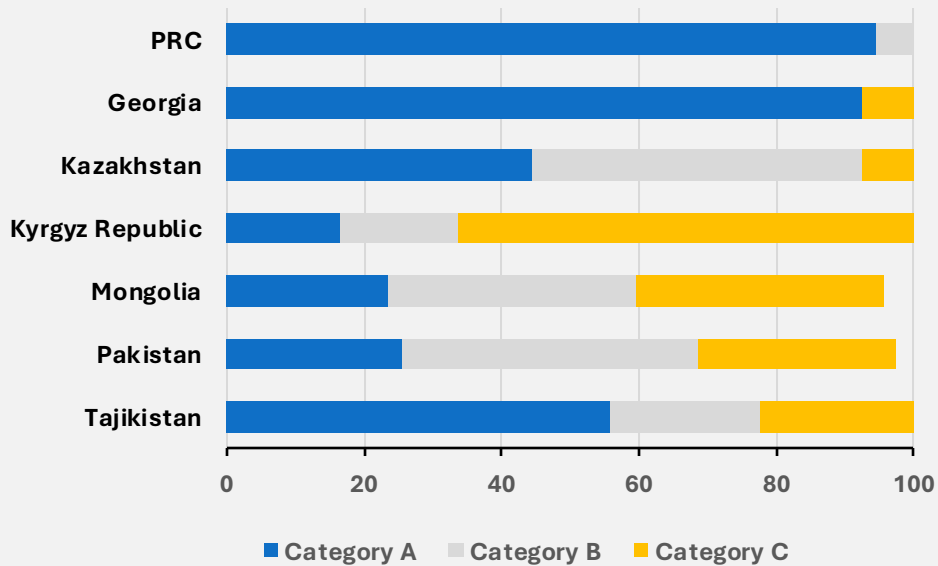


Note: CAREC excludes PRC, and Turkmenistan for which no data is available.
Source: World Development Indicators, accessed April 2025

Trade facilitation measures slowly taking effect

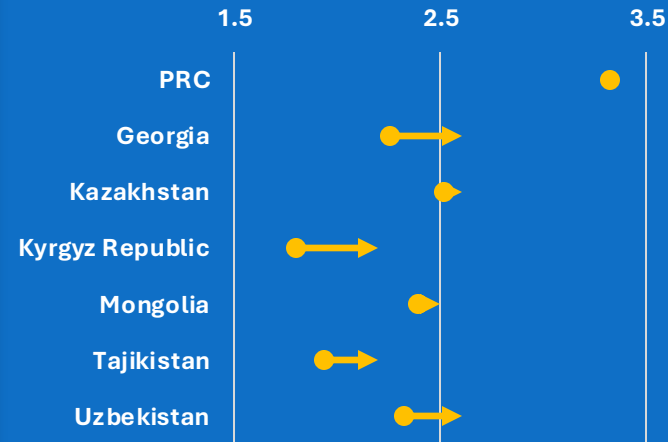
TFA Implementation in CAREC Countries

(as of 25 May 2025)



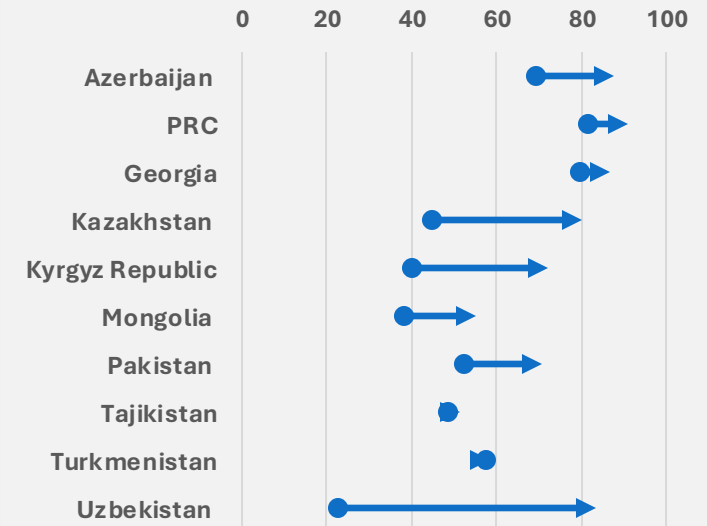
LPI: Customs score

2016 and 2023



Trade Facilitation Scores

2017 and 2023



Source: Trade Facilitation Agreement database.
<https://www.tfadatabase.org/en> (accessed 25 May 2025)

Source: Logistics Performance Index database.
<https://lpi.worldbank.org/index.php/international>
 (accessed 18 May 2025)

Note: The scores cover the indicators for Transparency, Formalities, Institutional Arrangement and Cooperation, Paperless Trade, Cross-Border Paperless Trade, Transit Facilitation, and Agricultural Trade Facilitation. The figures for Georgia are for 2019 and 2023. The data for Turkmenistan are only available for 2023.
 Source: UN Global Survey on Digital and Sustainable Trade Facilitation database. <https://www.untfsurvey.org/economy> (accessed 18 May 2025) and CITA 2030 MTR team's computations.

CITA 2030 Midterm Review: Background and Initial Findings

Objectives

1. Assess the **progress** of CITA 2030 implementation during the period 2018–2024
2. Ensure the **continued relevance** of CITA 2030 within the evolving global and regional context
3. Enhance its **effectiveness and efficiency** in fostering sustainable development across CAREC countries

Initial Recommendations

- Consider **longer-term and programmatic support** through investment projects
- Accelerate **digital/paperless trade** and e-commerce, and use of emerging technologies, establish **regional digital platforms**
- Promote **green and digital supply chain**, green trade corridors
Enhance **supply chain resilience**, diversify trade markets and routes
- Focus on **services trade** and **cross-border investment**
- Align with **international agreements** and good practices in trade policies and trade facilitation measures
- Strengthen **institution** and cross-sectoral with other sectors coordination (multi-modal trade networks and logistics hubs)
- Enhance **private sector** engagement, exporters including through trade promotion agencies, business innovators, startups and SMEs
- Use more **granular indicators** and establish specific targets for the CITA 2030 outputs

Highlights of the 7th Regional Trade Group Meeting

- CITA 2030 remains relevant and aligned with CAREC members' priorities and needs
- Ongoing and completed CAREC investment projects support modernization of customs, border crossing points, national single window, development of economic corridors and cross-border special economic zones
- CAREC can play an important role in deepening cooperation in cross-border trade and investment, including through timely negotiation of CAREC Trade and Investment Facilitation (CARTIF)
- Alignment with international agreements, standards (WTO/UN) and collaboration with regional initiatives important



CAREC COP29 Declaration

CAREC Partnership for Trade, Climate, and Innovation

CAREC Partnership

pursues regional actions and innovative solutions to climate change and trade issues.

It complements the Baku Initiative for Climate Finance, Investment, and Trade (BICFIT)* Dialogue

*a key platform for mobilizing private sector for climate finance and promotes green product manufacturing using critical minerals.

Priority Initiatives

- UN Model Law on Electronic Transferable Records (**MLETR**)
- **ePhyto** (electronic phytosanitary certificate) Solution (**IPPC**)
- electronic exchange of **conformity certificates** (proposed, pilot with **KTNET**)
- QR-code technology for **carbon traceability** (pilot of ADB Trade and Supply Chain Finance Program)
- **Regional fund of funds** (FoF) to catalyze the deployment of venture capital for startup ecosystems that focus on climate solutions (feasibility)

Strong consensus on the need for regional cooperation, digital trade harmonization, climate-smart infrastructure, and innovation financing.

Members **ready to support** the CAREC Partnership and proposed a **plan of action** to operationalize it



CAREC Advanced Transit System

CATS/ICE

Designed as a regional **harmonized electronic system** for the control of the movement of **goods in transit** through CAREC member states.

- Technical working group* meetings (3) to formulate **technical documentation**: guidelines, procedures, and processes to enable CATS/ICE testing and implementation (February 2024 – March 2025)
- First **conformity test** of the prototype system functionality (1-5 April 2024)
- **Parallel tests** conducted (4-20 September 2024)
- Developed CATS/ICE ITC system, system upgrade to **prototype version 2**
- **Virtual consultations** with Pakistan and Tajikistan to potentially expand the pilot (February 2025). To date, in addition to 3 pilot countries, 4 more countries expressed interest to join the expanded CATS/ICE.

Next Steps

- Multi-country CATS/ICE Agreement to support ‘live’ operation of CATS/ICE
- Enhance the prototype system software based on updated user requirements
- Conduct stakeholder consultations to demonstrate the CATS/ICE system
- Other CAREC countries to join CATS/ICE



CAREC Trade and Investment Facilitation Framework

CARTIF

is a structured soft framework for enhancing regional cooperation for trade and investment facilitation in CAREC region.

- **CARTIF Concept** presented at the CAREC Regional Trade Group Meeting (April 2024); further refined through a regional workshop (June 2024)
- **CARTIF Concept Note** developed and consultations on key chapters and institutional arrangements initiated
- **Virtual consultations** (14 March 2025) with CAREC Trade focals confirmed strong countries support.
- **CARTIF text** drafted (April–May 2025).
- **Consultations** prior the RTG Meeting (12 June 2025) to refine and finalize the draft text of the CARTIF partnership agreement by 30 June 2025.

Next Steps

- CARTIF text is finalized and shared for endorsement to CAREC countries (July 2025).
- **CARTIF Joint Statement** for adoption at the CAREC Ministerial Conference and signing of a **CARTIF Bishkek Declaration** for participating countries.



Side Event: Advancing Regional Tourism Cooperation Among Central Asian Countries

- CAREC Tourism Strategy 2030—Progress, Gaps, and Next Steps
- Visa Liberalization for Seamless Travel
- PPP in Tourism and Piloting Cross-Border Tourism Development Initiative
- Tourism Investment Pipeline: Regional Opportunities and Financing Modalities
- Promoting CAREC Region as a Single Tourism Destination
 - ❑ enhancing cross-border and inter-/intra-CAREC travel for tourists;
 - ❑ promoting green and tourist-friendly infrastructure through low-carbon transport solutions;
 - ❑ digital smart solutions to promote regional tourism; and
 - ❑ building institutional capacity and fostering regional cooperation.



Session 5: CAREC Flagship Projects— Ongoing and Planned Initiatives

Moderator

Mr. Yevgeniy Zhukov, Director General, CWRD, ADB

Presenters

Mr. Zheng Wu
Country Director
Kyrgyz Republic
Resident Mission, ADB

Mr. Farhod Khabibzoda,
Advisor, Office of Assistant
to the President on
Economic Issues, Tajikistan

Ms. Altynay Arapova
Senior Regional
Cooperation Specialist,
CWRC, CWRD, ADB

Caspian Green Energy Corridor Project

- Connects Azerbaijan, Kazakhstan, and Uzbekistan to establish a **green energy corridor linking Central Asia, the South Caucasus, and Europe.**
- **Facilitates renewable energy exports and enhances regional power exchange.**
- Strengthens energy security and optimizes energy distribution among participating countries.

ADB was requested to support

On December 27, 2024, three transmission operators signed a Shareholders Agreement to establish a joint venture (JV).

May 2024

June 2024

October 2024

December 2024

April 2025

June 2025

Azerbaijan, Kazakhstan and Uzbekistan signed an MOU in May 2024 on the Caspian Green Energy Corridor Project.

ADB mobilized Small Scale TA

In October 2024, ADB approved a Small-Scale TA to support this project

ADB, AIIB and three ministries of energy (AZE, KAZ and UZB) signed an MOU on support for the Feasibility Study

At the Stakeholders' roundtable, ADB presented TOR of the Feasibility Study

ADB mobilized funds for the Feasibility Study

The selection of a firm for the Feasibility Study will be announced in June

Side Event: Promoting Foreign Investment for Unlocking Critical Minerals Potential in the CAREC Region

Peer learning

All CAREC countries presented their national strategies in CRM

Participants gained **valuable insights into different policy approaches, regulatory frameworks, and strategic priorities across the region**. They also learned **what works well in similar economic and geological contexts** as well as successful elements from neighboring nations' policies.

Best practices

Participants learned from best practices of regional cooperation policies

Learning from established models like the Lithium Triangle (Argentina, Bolivia, Chile), ASEAN's mineral cooperation frameworks, and Australia's critical minerals strategy **provided participants with proven templates for regional collaboration**.

CAREC high-level assessment

High-level assessment for informed Investment and Development Decisions

This knowledge **enables better strategic planning** for infrastructure development, identifies opportunities for cross-border projects, and helps countries position themselves optimally within regional and global supply chains.

Networking and knowledge transfer

Participants gained technical expertise and networking opportunities

Networking opportunities that could lead to future bilateral cooperation agreements, joint ventures, and knowledge-sharing arrangements. **The knowledge transfer helps build institutional capacity and supports more effective decision-making**.

Session 6: Development Partners' Initiatives and CAREC-Related Projects

Moderator

Mr. Sanzharbek Bolotov

Deputy Minister

Ministry of Economy and Commerce

CAREC NFP for Kyrgyz Republic

Development Partners

Session 7: Preparations for 24th CAREC Ministerial Conference (2025) and Discussions for Commemorating CAREC's 25th Year (2026)

Moderator

Mr. Yevgeniy Zhukov
Director General
CWRD, ADB

Presenters

Ms. Lyaziza Sabyrova
Regional Head
CWRC, CWRD, ADB

Mr. Sanzharbek Bolotov
Deputy Minister
Ministry of Economy and
Commerce
CAREC NFP for Kyrgyz Republic

Mr. Chandmani Purevdorj
Director General of Economic
Cooperation and Integrated Trade
Policy Department
Ministry of Economy and Development
and CAREC NFP for Mongolia

24th CAREC Ministerial Conference (Nov 2025, Bishkek)

Day 1

17 Nov 2025

CAREC Technology Forum

- Theme: Accelerating Digital Transformation and Tapping Technologies for Sustainable Development
- Objective: Explore emerging technologies and facilitate engagement and partnership between governments, private sector and development partners

Day 2

18 Nov 2025

CAREC Business Forum

- Theme: Transforming CAREC Corridors: Exploring Business Opportunities Along Corridor 2
- Objective: Highlight economic and business advantages of Corridor 2, identify business opportunities and facilitate multistakeholder matchmaking

Day 3

19 Nov 2025

BDF (Kyrgyz Republic National Development Forum)

- TBC

Day 4

20 Nov 2025

24th Ministerial Conference of CAREC

- Proposed theme: **Green and Digital CAREC**
- **Three sessions focused on key deliverables**

Potential MC Outcomes and Activities

01. Physical Infrastructure and Connectivity

Transport and Economic Corridor Development

1. Endorsement of the **Midterm Review of CAREC Transport Strategy 2030**
2. **Alternative Road Almaty – Issyk-Kul Project** draft feasibility study
3. Almaty-Bishkek Economic Corridor (ABEC) **Cross-Border Transport Master Plan**
4. **ABEC** Regional Improvement of Border Services (RIBS) Project approval and signing of loan agreement
5. **ABEC e-Bus Project**: potential agreement with the private sector
6. **Regional Border Crossing Point Financing Facility** (concept note)
7. **Pipeline projects** for 2025-2028 to develop the **CAREC Corridor 2**

Energy

8. **Caspian Green Energy Corridor**: First phase of the Feasibility Study: progress and capacity building workshop for stakeholders

Potential MC Outcomes and Activities

02. Soft Infrastructure and Cross-border Digital Connectivity

Trade and Digital

1. Endorsement of the Midterm Review (MTR) of the CAREC Integrated Trade Agenda 2030 and CAREC Digital Strategy 2030
2. Declaration on CAREC Trade & Investment Facilitation (CARTIF)
3. Pilot Project on Electronic Certification of Conformity Certificates for four CAREC members
4. CAREC Fund Acceleration Platform concept, Feasibility of Regional Fund of Funds
5. Regional Diagnostic and Investment Framework, Digital Connectivity Feasibility Study
6. Technology Challenge and CAREC Tech/Digital Forum

03. People-to-People Connectivity and Human Development

Education/Skills

1. Signing of agreements with at least 5 regional agricultural universities under the CAREC Agricultural universities' accelerator program

Tourism

2. Feasibility of Kyrgyz Republic-Uzbekistan Cross-border Sustainable Tourism Cluster Development

Health

3. Updated Regional Investment Framework for Health 2022-2028

Health and Climate

4. Regional Decarbonization Strategy for Health and Regionally-agreed minimum requirements for climate-resilient health facilities

CAREC Technology Forum

Accelerating Digital Transformation and Tapping Technologies for Sustainable Development

Forum Objectives

- Promote digital transformation and tech adoption in CAREC
- Highlight emerging technologies for sustainable development
- Build partnerships among governments, private sector, and development partners to boost climate resilience
- Connect innovators with investors and funding sources

Expected Outcomes

- Government and business commitments to pilot and expand tech solutions
- Recommendations for aligning digital tools (e.g., smart grids) with climate strategies
- Increased visibility and funding for innovators
- Enhanced regional collaboration and knowledge sharing

K-Hub | ADB-Korea
Climate Technology Hub



CAREC Business Forum

Transforming CAREC Corridors: Business Opportunities Along Corridor 2

Forum Objectives

- Showcase trade and logistics benefits of CAREC Corridor 2
- Enable business matchmaking and partnerships
- Emphasize private sector roles in regional projects
- Share best practices among CAREC countries

Expected Outcomes

- Better understanding of regional logistics
- New business partnerships and investment ideas
- Policy recommendations for public-private partnerships
- Stronger CAREC business and government networks

CAREC Program's 25th Year in 2026

Preliminary Ideas

- **Prime Minister-level Meeting in Mongolia**
 - September 2026, Ulaanbaatar
 - Signing of Ulaanbaatar Declaration renewing commitment to CAREC
 - Bilateral/subregional agreement, launch of new projects or project facilities
- **CAREC Business Forum in Ulaanbaatar**
 - Cooperation with Chambers of Commerce and other Development Partners
- **Silk Road Cultural Event Press Tour, Awareness and Communications Products (coffee table and/or video) featuring CAREC Projects in CAREC countries**
- **CAREC Session** at ADB Annual Meeting (May 2026, Samarkand)