



CAREC

SENIOR OFFICIALS' MEETING

ЗАСЕДАНИЕ ВЫСОКОПОСТАВЛЕННЫХ ОФИЦИАЛЬНЫХ ЛИЦ УДИРДАХ АЛБАН ТУШААЛТНУУДЫН УУЛЗАЛТ

11-12 June 2026
Ulaanbaatar, Mongolia

11-12 июня 2026 года
Улан-Батор, Монголия

2026 оны 6-р сарын 11-12
Монгол Улс, Улаанбаатар хот

Opening Session



Welcome Remarks

*Ms. Davaasuren Sodnomdarjaa
Vice Minister of Economy and
Development, Mongolia*

Setting the Stage

*Ms. Leah Gutierrez
Director General, Central and West Asia
Department (CWRD), ADB*



25th Senior Officials Meeting of CAREC

Objectives

1. Advance Regional Project Development

Reorient CAREC institutional meetings from policy discussions to decision-oriented platforms focused on the formulation, endorsement, and financing of concrete regional projects, while retaining essential soft and policy components.

2. Accelerate implementation of existing commitments

Identify priority deliverables of the 25th Ministerial Conference and accelerate implementation of the 24th Ministerial Conference outcomes (including signed MOUs).

3. Formulate together CAREC's Vision beyond 2030

Refine and narrow the strategic focus of the CAREC Program to channel limited resources toward tangible, high-impact multisectoral projects. The 25th Anniversary Declaration might include measurable, time-bound commitments to anchor this vision.

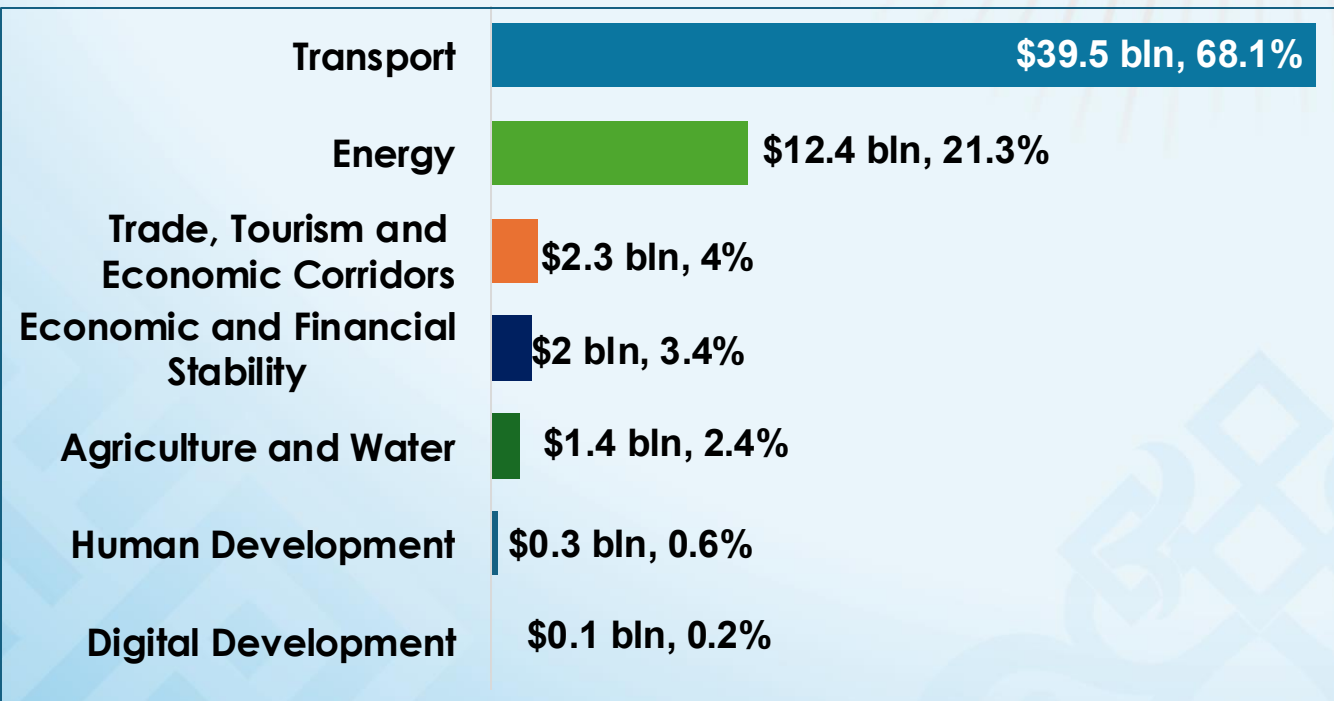
4. Enhance Development Partner Coordination and Financing Alignment

Deepen collaboration between CAREC member countries and development partners to align financing with regional priorities, mobilize co-financing for technical assistance and project preparation, and strengthen the CAREC project pipeline through the Development Partners Forum and Business Forum.

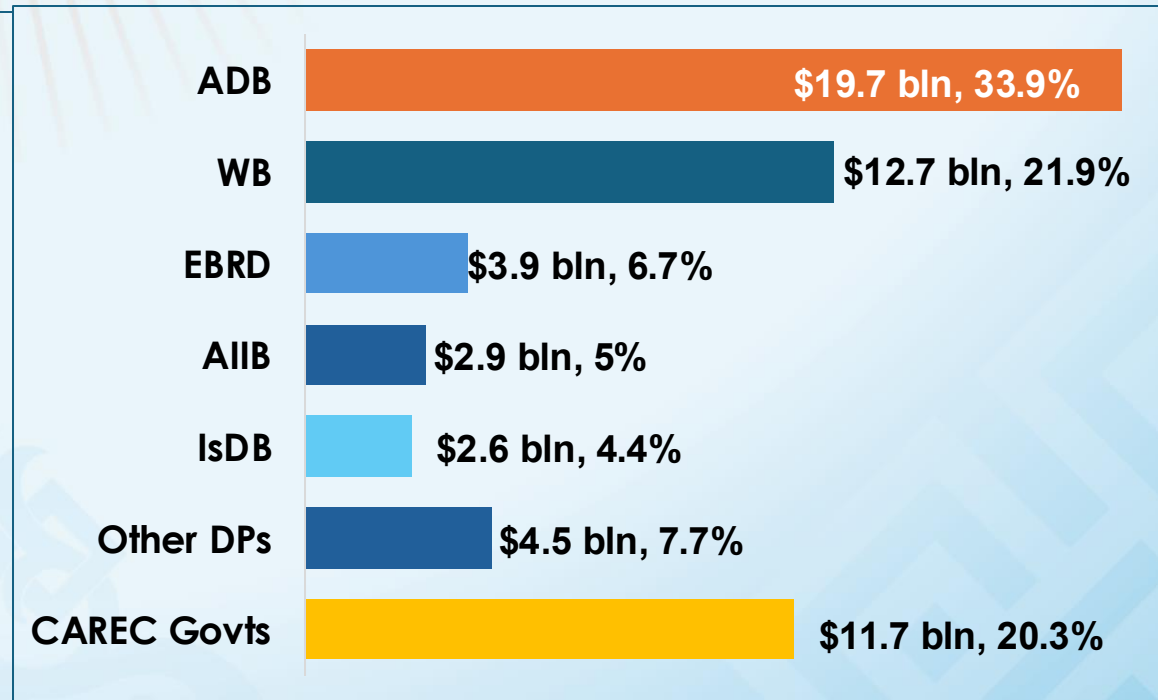
\$57.9 billion mobilized for CAREC-Related Investments

ADB's support to CAREC: \$19.7 billion in investments
43 active CAREC TA projects=\$58 million in TA support

Investments by Sector



Investments by Funding Source:



**Numbers may not add up due to rounding, for confirmation with Development Partners*

Outcomes of the 24th CAREC MC

- **\$10 billion pipeline from 2025-2030.** ADB announced a **\$10 billion investment pipeline** through 2030 for the CAREC region to foster regional connectivity, energy security, and digital transformation, inclusive of **\$3.7 billion in investments for CAREC Corridor 2**, and **support for the region's energy connectivity projects.**
- **Midterm Reviews of CAREC Strategies and other Documents Endorsed.** The **Midterm Reviews of the CAREC Transport, CAREC Integrated Trade Agenda and CAREC Digital Strategy 2030** was endorsed by the Ministers, as well as the **Regional Decarbonization Strategy for Health and Minimum Requirements for Climate-Resilient Facilities.**
- **Bishkek Ministerial Declaration.** Formal launch of negotiations under the **CAREC Trade and Investment Facilitation Partnership Agreement (CARTIF)** signed.
- **Support for Regional Initiatives.** MOUs supporting the development of **regional digital corridor, regional tourism cooperation** between KGZ and UZB, **CAREC regional tourism development**, pilot project on **electronic exchange and mutual recognition of conformity certificates**, establishment of a **facility to catalyze innovation and venture investments (CIVIC)**, and implementation of the **testing phase of CATS/ICE** were signed.

Key Initiatives under the CAREC Program



Transforming CAREC Corridors into Economic Corridors through Multi-sectoral Investments

- **CAREC Corridor 2:** mobilizing over \$3 billion in a multi-sector pipeline through 2030
- Launch of the **Border Upgrades for Integration, Logistics (BUILD) Facility:** \$400 million with a programmatic, corridor-based approach.
- Joint BCPs in CAREC
- Sustainable tourism clusters



Advancing role of CAREC as part of the Pan-Asia Power Grid Initiative

- **Caspian Green Energy Corridor**
- **CAREC Regional Balancing Market Framework for CAPS**
- **Kambarata-1 and Rogun HPPs**
- **Sector reforms and enabling environment** for the private sector
- Ongoing and planned projects for grid expansion
- **Critical minerals Financing Partnership Facility**



Accelerating digital connectivity in CAREC along the Asia Pacific Digital Highway

- **CAREC Digital Corridor** approval starting in 2026-2027 and mobilize over **\$500 million investments in the region**
- **Shift from fragmented ICT investments** toward **scalable regional digital infrastructure and policy solutions**, aligned with CAREC economic priorities and national digital transformation strategies.



Innovative Financing and Mobilizing Private Sector Financing

- Institutionalization of **CAREC Capital Markets Development Forum**
- Establishment of **CAREC Climate and Disaster Risk Transfer Facility**
- Development of a **regional SME Financing Framework**
- Establishment of **CAREC Innovation and Venture Investment Catalyst (CIVIC) Facility**.

Session 1: Scaling Up and Implementing CAREC-related Investments and Strengthening the Role of CAREC National Focal Points



Moderator

*Ms. Erdenetuya Darinchuluun
Director General, Trade and Economic
Cooperation Policy Department, Ministry
of Economy and Development, Mongolia*



Presenter

*Mr. Asad Aleem
Regional Head, Regional Cooperation
and Integration, CWRD, ADB*

Indicative ADB Regional Project Pipelines in CAREC Countries, 2026-2029, \$6.5 billion

AZE: Railway Signalling and Electrification (Bilajari-Yalama and Baku-Böyük Kəsik)

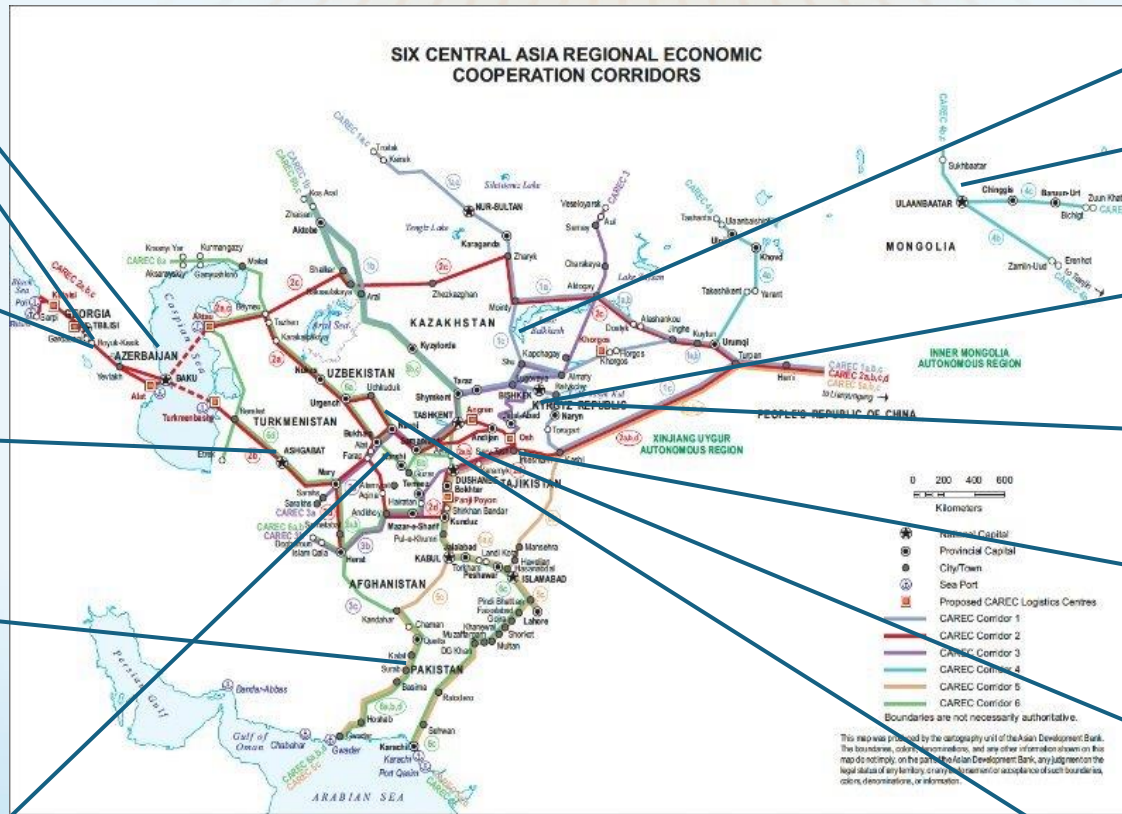
GEO: Tbilisi Bypass Project (Lots 4 and 5)

GEO-AZE: Joint Border Crossing Point Development

TKM: TransTurkmenistan Railway Modernization Project

PAK: Enhancing Trade, Logistics and Private Sector Development Program

UZB: CAREC Corridors 2 and 6 Road Modernization Program, Tranche 1 (Navoi-Karman Bypass, 147-181.5 km section of M37 Road)



KAZ: CAREC Corridors 3 and 6 Construction and Operation of Turkistan Oblast Highway (Saryagash Bypass) Project

MON: CAREC Road Transport and Logistics Development

KGZ: Kambarata-1 Hydropower Plant Project

KGZ: Skills Development System Transformation Program

TAJ: Enhancing Sustainability: Financing for the Rogun Hydropower Project

TAJ: Integrated Regional Health Security and Primary Healthcare Services Project

UZB: Modernization of Vocational Education for Green Economy Project

Transforming CAREC Corridors into Economic Corridors

Multi-Sector Finance for 2026–2030

\$10 Billion+

ADB committed finance
envelope through 2030

~40 Projects

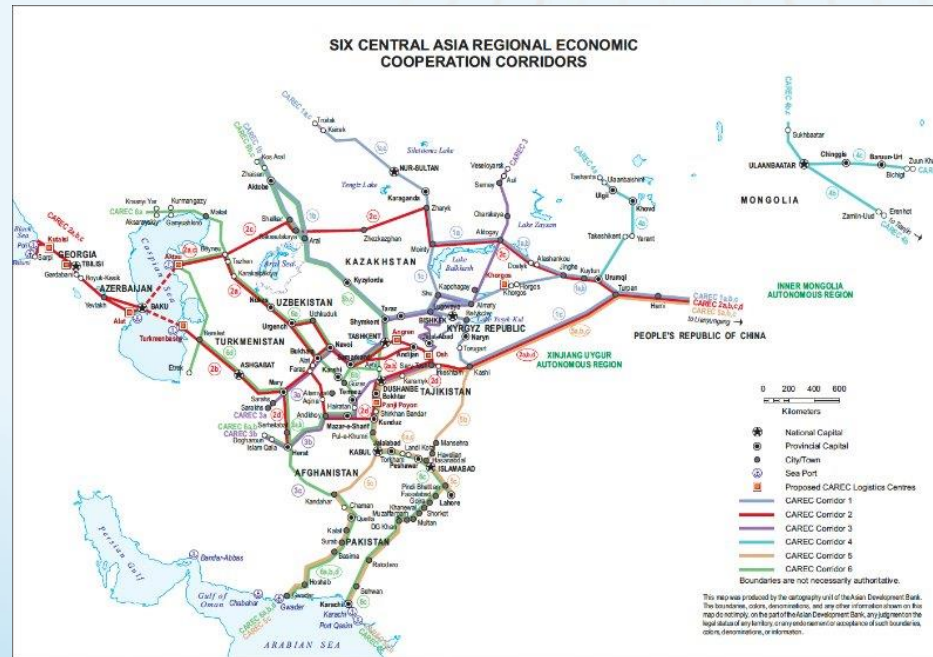
Pipeline operations across
CAREC member countries

6 Corridors

Spanning 11 countries
from East Asia to Europe

Investment Themes

- Economic Corridor Development (~\$3.4B)
- Digital Connectivity & Transformation (~\$500M)
- BUILD Facility for Border Modernization (~\$400M)



Strategic Vision

- Moving beyond transit corridors to integrated economic corridors with multi-sector investments in transport, energy, trade, digital, tourism, and agriculture
- Leveraging 10+ years of Almaty-Bishkek Economic Corridor experience to scale the economic corridor model across all 6 CAREC corridors
- Anchored in CAREC 2030 Strategy and ADB's Operational Approach for Revitalizing RCI (March 2026)

CAREC Corridor 2

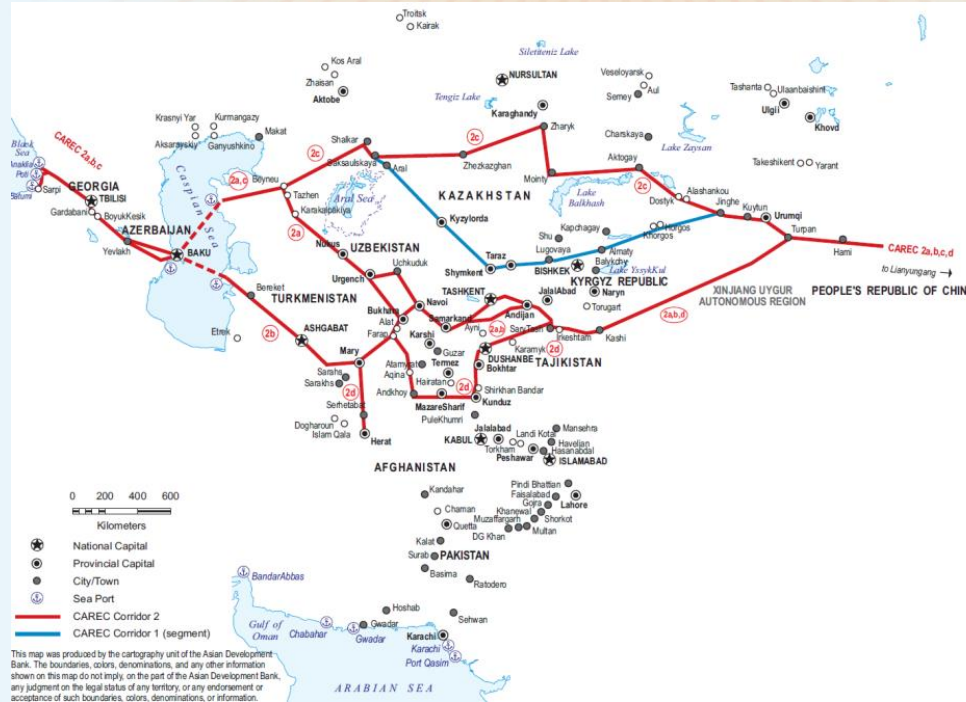
Indicative \$3.7 billion for 18 projects (2025–2028)

Transport & Logistics

- Railway sector reforms and upgrades (AZE, GEO, TKM, UZB)
- Road rehabilitation and modernization (KAZ, UZB)
- Port capacity development and multimodal connections (AZE, GEO, KAZ, TKM)

Border Infrastructure

- Joint border crossing points (AZE–GEO)
- Digital solutions in queue management (KGZ–UZB)



Strategic Projects

- Azerbaijan Railways Digital Transformation (\$47M, 2025)
- Batumi-Sarpi Road Project, Georgia (\$360M, 2025)
- CAREC Corridor 2 Resilience & Modernization, UZB (\$233M, 2025)

Cross-Sector Integration

- Agribusiness, manufacturing, tourism, clean energy
- New economic nodes along secondary cities and border areas
- Coordinated investments across transport, logistics, energy, digital

Corridor 2 largely coincides with the Trans-Caspian International Transport Route (Middle Corridor), a critical link for Eurasian supply chain diversification

Corridor 2 Working Group: Multi-Sector Coordination



Establishing a Working Group to ensure timely delivery of multi-sector investment projects on CAREC Corridor 2

Composition

Representatives of ministries in charge of:

- State investment programs
- Economic corridors and economic development
- Transport and infrastructure planning

Focus Countries

AZE Azerbaijan

KAZ Kazakhstan

UZB Uzbekistan

TKM Turkmenistan

PRC People's Republic of China

GEO Georgia

KGZ Kyrgyz Republic

TAJ Tajikistan

MON Mongolia

Mandate

Promote multi-sector investments in transport, skills development, healthcare, agriculture value chains, governance, services, and digital connectivity along Corridor 2

Almaty–Bishkek Economic Corridor (ABEC)

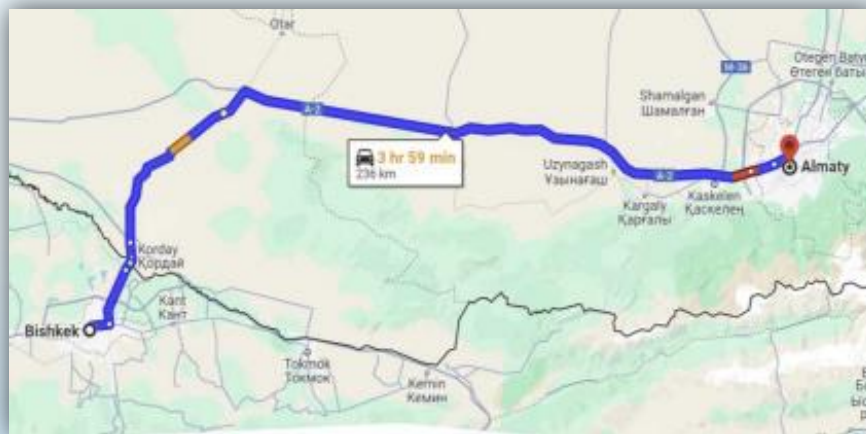
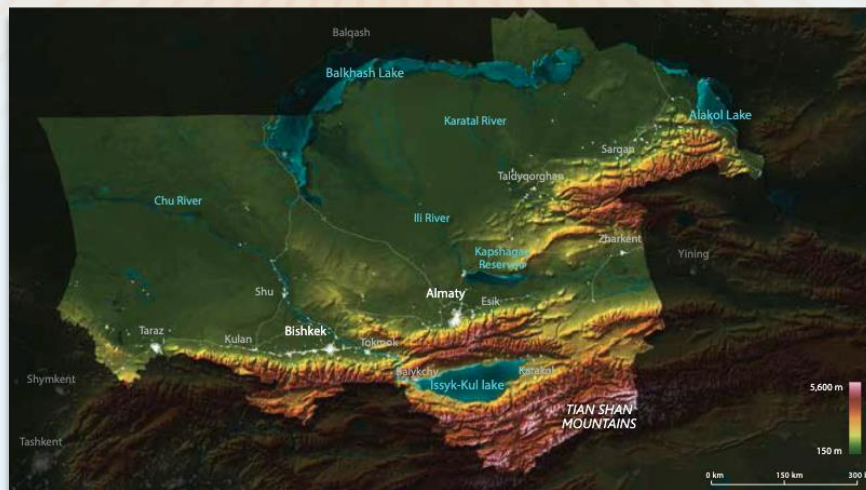
CAREC's First Pilot Economic Corridor — 10+ Years of Results

Approved Projects (Kyrgyz Republic)

- Strengthening Health Security (\$30M)
- Climate-Resilient Agricultural Value Chain (\$40M)
- Issyk-Kul Environmental Mgmt & Sustainable Tourism (\$56M)
- Regional Improvement of Border Services (\$30.7M)
- Bishkek Energy Efficiency & Clean Heating (\$8M)

Ongoing Initiatives

- Almaty–Issyk-Kul Alternative Road PPP
- ABEC Electric Bus Project (pilot intercity EV)
- ABEC STREAM (transboundary river management)
- ABEC Trade and Logistics Center (Uzyganash)



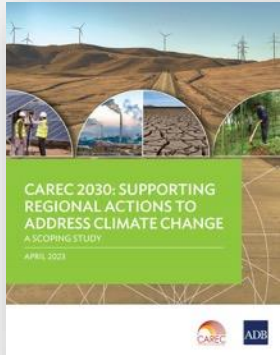
Tourism & Standards

- Harmonized Accommodation Classification System (approved by KGZ Cabinet, March 2025)
- ABEC Tourism Master Plan Green Update (2026)

Replication Model

- ABEC serves as the model for scaling economic corridor development across all 6 CAREC corridors
- Future corridors: Corridor 2 Segments Karakalpakstan ECD
- Recognized as emerging transformative initiative under ADB's RCI Operational Approach (March 2026)

Climate and Sustainability Project Preparatory Fund (CSPPF)



- 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**).



The Government of the People's Republic of China



The Government of the Republic of Korea

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
	Direct Charges	USD 150K

Summary of Approved Proposals (2025 1st & 2nd Batch)

	Project Title	Recipient DMC	Sector	Modality & Amount
B1	Almaty-Bishkek Economic Corridor: Sustainable Transboundary River Enhancement and Adaptation Management	KAZ, KGZ	Water	TA \$250K
B1	Kyrgyz Republic-Uzbekistan Sustainable Cross-border Tourism Cluster Development	KGZ, UZB	Tourism	TA \$250K
B1	Yavan Hydroelectric Power Plant Project	TAJ, UZB	Energy	TA \$250K
B1	Developing Sustainable Border Crossing Points for CAREC Transport Corridors	All CAREC DMCs	Transport	TA \$250K
B1	Almaty-Bishkek E-Bus Project	KAZ, KGZ	Transport	TA \$50K
B2	Blueing the Caspian Sea	TKM, KAZ, AZE	Water	TA \$225K
B2	Enhancing Climate-Resilient Ports, Logistics and Shipping Connectivity in the CAREC Region	All CAREC DMCs	Transport	TA \$250K
B2	Scoping for Digital Climate-Resilient Trade Facilitation and E-Logistics to Support Pipeline PBLs and Investments in Selected Central Asian CAREC Countries	KGZ, TAJ, UZB	Trade	TA \$250K

Total : \$1,775,000

Guiding Questions:

- How can the CAREC Program strengthen delivery, partnerships, and financing leverage to develop a regional investment pipeline?
- What are the ongoing good practices in CAREC countries that ensure alignment of country programming with CAREC regional priorities and the role of NFPs in coordinating across line ministries?
- How can we facilitate and effectively translate good ideas into concrete project concepts, mobilize financing, and implement projects?

Session 2: Transport and Digital Connectivity



Moderator

*Mr. Muhammad Ehsan Khan
Director General
East Asia Department, ADB*

Presenters



*Mr. Chen Chen
Director
Transport Sector Office
Sectors Department 1, ADB*



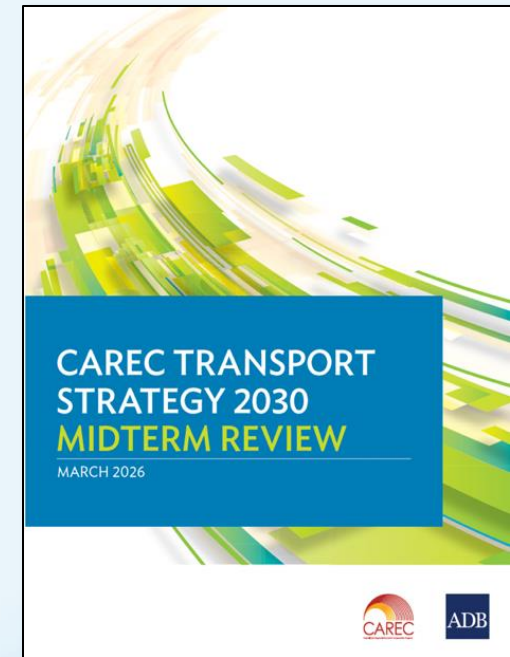
*Mr. Bayarmagnai Myagmarsuren
State Secretary
Ministry of Road and Transport
Mongolia*



*Mr. Antonio Zaballos
Director
Digital Sector Office
Sectors Department 2, ADB*

MTR of CAREC Transport Strategy 2030 Recommendations

1. Strengthen Cross-Border and Corridor Efficiency
 - Establish **financing facility for border crossing point** improvements
 - Enhance capacity and connectivity of **Corridor 2**
 - Address bottlenecks in **Caspian Sea transport**
2. Promote Modal Diversification and Smart Mobility
 - Create **Smart Mobility Working Group**
3. Scale up Green, Resilient, Inclusive, and Digitalized Transport
4. Deepen Institutional Collaboration and Planning
 - Establish **Transport and Logistics Center** in CAREC Institute



Border Upgrades for Integration, Logistics, and Development (BUILD) Facility

- **New financing facility** for border crossing point (BCP) improvements in the CAREC region (expected approval in June 2026)
 - address infrastructure and soft-side needs
 - promote joint BCPs
- **ADB financing of \$400 million** to finance a series of individual BCP projects along the CAREC network
 - seeking approx. \$150 million grant and concessional co-financing
- ADB's extensive experience on BCP projects show significant **cost and time reduction at BCPs**
- **TA (\$1.25 million)** supporting the BUILD preparation and implementation approved in April 2026
- **Priority projects** include Azerbaijan–Georgia joint border crossing point



Enhancements in CAREC Transport

Establishment of New Working Groups

Transport Sector Coordinating Committee

(23rd TSCC: 8–9 June 2026 @Mongolia)

Railway Working Group

(10th WG: 3–5
June 2026
@Mongolia)

Road Working Group

(1st WG: 11–12
March 2026
@PRC)

Smart Mobility Working Group

(1st WG: 21 May
2026
@ADB HQ)

Ongoing Initiatives

- Create a CAREC/Pan-Asian **transport model** and conduct **supply chain study**.
- Establish a **Transport and Logistics Center** in the CAREC Institute
- Conduct a study in **waterborne transport** to address bottlenecks in Caspian Sea transport and Black Sea ports
- Publish a report on **carbon pricing** in the transport sector

Results from the 23rd Transport Sector Coordinating Committee Meeting

- Held during 8–9 June 2026 in Ulaanbaatar, Mongolia.
- Chaired by Mongolia—the Minister of Road and Transport opened the meeting.
- Joined by about 50 participants including delegations from 10 CAREC countries and 8 development partners (DPs).
- Discussed status and next steps of recommended actions from the Midterm Review of the CTS 2030.
 - The proposed BUILD facility and the proposed CAREC Institute’s Transport and Logistics Center plan were unanimously supported.
 - Outcome of Railway, Smart Mobility, and Road WGs reported.
- Surveys conducted to gauge country interest in AI utilization and next financing facility following BUILD.



MONGOLIA'S INITIATIVE TO ESTABLISH INTERNATIONAL ROAD TRANSPORT MOTOR VEHICLE INSURANCE SYSTEM IN ASIA AND THE PACIFIC REGION



Expert Group Meeting
on Prospective Areas of Work in Land Transport Connectivity
Bangkok (online)
24-25 November 2025

CONCLUSIONS and RECOMMENDATIONS

1. The Expert Meeting on Prospective Areas of Work in Land Transport Connectivity was organized by the Transport Division of the Economic and Social Commission for Asia and the Pacific and held online and virtual hosting from Bangkok on 24 and 25 November 2025.
2. The Meeting was attended by a total of xx registered online participants from the government authorities of ESCAP member States, representatives of international organizations and invited resource persons. The participants are attached in Annex 1. The programme of the Meeting is attached in Annex 2.
3. The Meeting welcomed the information of the ESCAP secretariat provisions of the recently adopted Awaza Programme of Landlocked Developing Countries for the Decade 2024-34 and transport connectivity and emphasized the need for collective efforts of landlocked developing countries and transit for its successful implementation.
4. The Meeting was informed of ESCAP's Regional Strategic Framework for Facilitation of International Road Transport, adopted in 2017, and the secretariat's activities on its update in the current year, and agreed of their relevance and timeliness.
5. The Meeting was informed of the recommendations of the Sixth Meeting of the Working Group on Dry Port Connectivity (2023) regarding the establishment of a dialogue between different transport corridor initiatives which as a means of achieving a more uniform vision of transport connectivity. Participants were further informed of approach to establishing a joint strategy for improving multimodal connectivity. Participants were further informed of approach to establishing a joint strategy for improving multimodal connectivity. Participants were further informed of approach to establishing a joint strategy for improving multimodal connectivity. Participants were further informed of approach to establishing a joint strategy for improving multimodal connectivity.

States (CIS) and of the Organization for Cooperation between Railways (OSJD).

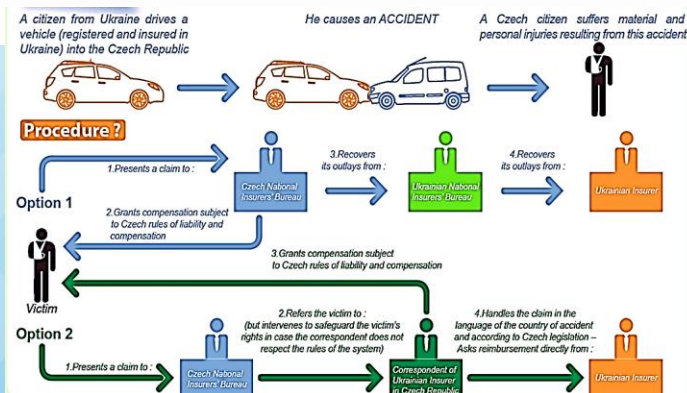
6. Participants were apprised of several existing evidence-based information tools on transport connectivity developed by the Asian Transport Observatory (ATO), the United Nations Economic Commission for Europe (UNECE) and the International Transport Forum (ITF), they highlighted their complementarity and considered that closer cooperation and coordination of efforts for further development of information tools on transport connectivity would bring considerable benefits to end-users in ESCAP member States.

7. The Meeting has been informed by the secretariat on the currently existing international motor vehicle insurance systems ("the card systems") which cover the countries of Asia and the Pacific region and on the request of Mongolia to ESCAP to explore establishment of a new international motor vehicle insurance system to cover the whole Asia-Pacific region.

8. In this respect, participants agreed on the following course of actions which could be undertaken by the secretariat, subject to availability of resources:

- Conduct a study on the existing motor vehicle insurance systems;
- Disseminate its results and collect feedback from relevant stakeholders in ESCAP member States;
- Discuss the options for broadening the scope of motor vehicle insurance systems in the Asia-Pacific region with ESCAP member States;
- Prepare policy recommendations on the development of international motor vehicle insurance systems in Asia and the Pacific;
- Report the policy recommendations to ESCAP's relevant legislative bodies (Ministerial Conference on Transport and/or Committee on Transport) for follow-up actions, if any.

9. These conclusions and recommendations were agreed upon at an online session hosted from Bangkok on 25 November 2025.



- Mongolia has launched the “Mongolia’s Initiative to Establish a new International Road Transport Motor Vehicle Insurance System in the Asia-Pacific Region” similar to the Green Card System, and has requested support for its implementation in the Asia-Pacific region with ESCAP engagement.
- The Expert Meeting on Prospective Areas of Work in Land Transport Connectivity was organized by the Transport Division of the ESCAP, and held online with virtual hosting from Bangkok on 24 and 25 November 2025.
- During the meeting, the Mongolia’s initiative was greatly supported, and the participants together with the ESCAP Secretariat agreed on the following measures and actions:
 - Conduct a study on the existing motor vehicle insurance system;
 - Disseminate its results, and collect feedback from relevant stakeholders in the ESCAP member States;
 - Discuss the options for broadening the scope of motor vehicle insurance systems in the Asia-Pacific region;
 - Prepare policy recommendations on the development of international motor vehicle insurance systems in the region;
 - Report the policy recommendations to ESCAP’s relevant legislative bodies (Ministerial Conference on Transport and/or Committee on Transport) for follow-up actions.



Digital Connectivity

Asia-Pacific Digital Highway (APDH)

- Flagship digital transformation initiative announced at ADB's Annual Meeting in Samarkand in May 2026 for seamless regional digital connectivity
- **Linking countries through:**
 - High speed broadband (fiber, satellite, submarine cables)
 - Data infrastructure (data centers, cloud systems)
 - Interoperable digital public infrastructure
 - Cross-border digital services and data flows
- **Aims to**
 - Facilitate cross-border data exchange and digital trade
 - Enhance supply chain integration through smart borders and digital logistics systems
- **Targets \$20 billion** of investment by 2035 – public & private financing
- **CORRIDOR TA** to support investment-ready projects, capacity building

CAREC Digital Corridor – a key subregional component of APDH

Strengthening CAREC Regional Connectivity through Resilient and Diversified Fibre Routes

The **CAREC Digital Corridor** promotes **Cross-Border Digital Connectivity**, **Stronger Regional Cooperation**, and more **Inclusive Access** to help **reduce the Digital Divide** for CAREC countries.

Finding of the Scoping Study

- **Pakistan** can serve as a strategic **gateway to global submarine cable** networks.
- Existing and planned **fibre networks** can support **regional interconnection**.
- The Corridor can improve **redundancy** through alternative connectivity routes.
- Stronger connectivity can help **reduce the digital divide in landlocked** and underserved areas.
- **Regulatory** and infrastructure gaps must be addressed for secure and resilient connectivity.

Presented in the Ministerial Conference November 2025

Signing of the MOU

- Scoping Study findings formally presented to Ministers
- Strong endorsement of the CAREC Digital Corridor concept
- MOU framework adopted and opened for signature

6

Countries Signed MOU

1

Countries Expressed Interest

3

Countries Engagement Initiated

Kyrgyz Republic

Signed MOU

Mongolia

Signed MOU

Pakistan

Signed MOU

Turkmenistan

Signed MOU

Kazakhstan

Signed MOU

Tajikistan

Signed MOU

Uzbekistan

Expressed Interest

CAREC Digital Corridor – Feasibility Study

Following Ministerial endorsement and MOU signing, the CAREC Secretariat and DIG are leading a 10-country Feasibility Study from January to October 2026 to prepare a bankable CAREC Digital Corridor investment pipeline

STUDY SCOPE AT A GLANCE

Technical Infrastructure Assessment

Infrastructure mapping, capacity, IXPs, quality of service

Route Survey & Geospatial Analysis

Geospatial analysis, terrain, right-of-way, alternative routes

Legal & Regulatory Framework

Regulatory review, cross-border frameworks, model agreements

Financial Modelling & Investment

Demand forecasting, IRR/ NPV etc. bankability

Data Governance & Cybersecurity

Data protection, cybersecurity architecture, incident response

Commercial Structuring & PPP Models

PPP advisory, SPV/consortium design, market sounding

Project Team Composition

CAREC Secretariat & Digital Sector Office

Deloitte

Lead Consultant & Coordinator

6 International Specialists

10 Local Consultants

Action Plan & Timelines

7 KEY MILESTONES



Note: In-Person Digital Corridor Consultation Meeting will be held in Islamabad, Pakistan in July 2026

FEASIBILITY STUDY PHASES – JAN to OCT 2026

JAN '26	FEB '26	MAR '26	APR '26	MAY '26	JUN '26	JUL '26	AUG '26	SEP '26	OCT '26
Planning & Contracting									
			Data Collection & Analysis & Report Writing						
				Report Modeling & Data Models					
					Country Interventions				
							Validation & Finalization		

Support Needed from Participating Countries

YOUR PARTNERSHIP IS ESSENTIAL

Step 1: Appoint a Focal Person

- Single point of contact for study coordination
- Facilitate access to ministries, regulators, and agencies
- Coordinate data requests and stakeholder consultations

Step 2: Engage Public Sector Stakeholders

- Key ministries (ICT, Digital Infrastructure etc.)
- Telecom regulators and cross-border data authorities
- Alignment with regulatory reforms and national strategies

Step 3: Engage Private Sector Stakeholders

- Facilitate connection with telecom operators, fibre owners, and data centre providers
- Encourage participation in interviews and surveys

Step 4: Provide Data & Insights

- Share existing datasets (infrastructure maps, capacity)
- Provide policy, regulatory, and investment information
- Enable access to relevant agencies and data holders

Step 5: Respond and Validate

- Complete surveys within agreed timelines
- Review, Validate & Endorse country findings

Step 6: Champion the Initiative

- Advocate for the corridor in Regional and Global forums
- Promote alignment with bilateral and multilateral partners

Guide Questions:

- How can each country contribute to and accelerate the implementation of infrastructure connectivity projects and digital/ICT initiatives (e.g., policy reforms and regulatory coherence)?
- What are other opportunities and mechanisms to improve transport connectivity and synergize different CAREC corridors, and how can we respond better to the evolving global uncertainties?
- What are the key national-level reforms needed to fully benefit from the CAREC Digital Corridor? How can we better coordinate the Digital Corridor with other partners and initiatives?

Session 3: Advancing CAREC Trade and Tourism Agenda



Moderator

*Ms. Leah Gutierrez
Director General, CWRD, ADB*

Presenters



*Mr. Batkhoo Idesh
State Secretary,
Ministry of Economy
and Development*

*Mr. Enkhtaivan Gelegjamts
Deputy Director General,
Mongolian Customs
General Administration*



Action Plans on CAREC Trade MOUs

Key Developments under CITA 2030 since 24th Ministerial Conference

Early implementation of CITA 2030 MTR key recommendations:

- **Modernize BCPs and trade facilitation measures**
- **Digital trade and cross-border e-commerce**
- **CARTIF Negotiations**
- **Promote trade in services and cross-border investment**

Series of trade-related dialogue and capacity-building activities

Additional financing for TA Cluster supporting CITA 2030 (Phase 2)

MOU/Document	Signatories + New Participants	Target by 25th MC (Sep 2026)
Bishkek Ministerial Declaration on the Launch of Negotiations for the CARTIF Partnership Agreement	PRC, GEO, KAZ, KGZ, MON, PAK, TKM, UZB + TAJ	Establishment of Working Groups and capacity-building Framework Agreement and its Protocol finalized
MOU on Expanded CAREC Advanced Transit System and Information Common Exchange (CATS/ICE)	AZE, KGZ, PAK + GEO, MON, UZB	Multi-country Framework Agreement (MCFA) finalized
MoU on Pilot Project on Electronic Exchange and Mutual Recognition of Conformity Certificates	AZE, KGZ, PAK, UZB + TAJ	Diagnostic assessment, product selection, minimum viable dataset and specifications
MoU on CAREC Regional Tourism Development	AZE, GEO, KGZ, MON, PAK, UZB + PRC, KAZ, TAJ	Reactivation of Tourism Working Group LOI between ADB and UN Tourism

Outcomes of Joint Regional Trade Group and Customs Cooperation Committee

NOTED

- Early achievements of trade initiatives aligned with CITA Midterm Review recommendations
- Action Plans of MOUs and initiatives signed at 24th CAREC MC in 2025
- Progress of WTO accession efforts of remaining CAREC Member countries
- Forthcoming establishment of CAREC BUILD Facility; where CAREC members are invited to submit proposals for BCP modernization projects

AGREED

- CARTIF Negotiation Modalities and continuing momentum to finalize the Framework Agreement and its Protocols

WELCOMED

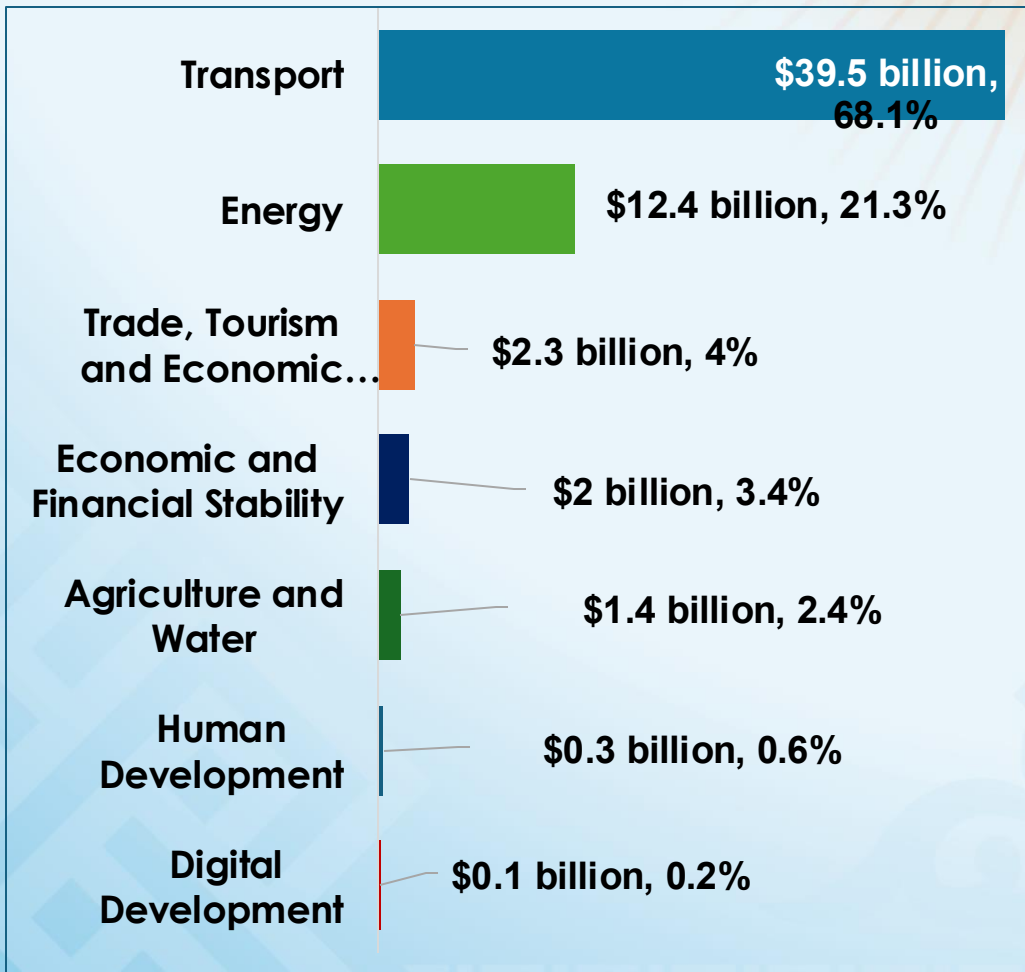
- Mongolia's participation in CATS/ICE initiative
- Support among development partners and possible synergies
- Opportunities to collaborate on digital economy, e-commerce, services and investment facilitation



Next Steps: Coordinate with other agencies (agriculture, food safety, transport, digital) on trade-related investment projects and submit proposals on projects, policy reforms, advisory support and policy dialogues

CAREC Trade-Related Investment Projects

CAREC Investments by Sector
In billion US\$ as of December 2025



IFI	Country Project Title
ADB	PRC: Inner Mongolia Sustainable Cross-Border Development Investment Program
	KGZ: Regional Customs Modernization and Infrastructure Development Project
	MON: Border Efficiency for Sustainable Trade Project
	MON: Regional Improvement of Border Services Project
	MON: Regional Upgrades of Sanitary and Phytosanitary Measures for Trade Project
	MON: Developing the Economic Cooperation Zone Project
	PAK: Central Asia Regional Economic Cooperation Regional Improving Border Services Project
World Bank	PAK: Improved Resource Mobilization and Utilization Reform Program, (Subprogram 2)
	TAJ: Regional Customs Modernization and Infrastructure Development Project
	KAZ: Customs Development Project
World Bank	PAK: Trade and Transport Facilitation II Project
	TAJ: Financial and Private Sector Development Project
IsDB	TAJ: Import Financing Facility for Import Agricultural Inputs

Outcomes from CARTIF Zero Round of Negotiation

Agreement on several key matters, the **Negotiation Modalities** and Terms of Reference—covering institutional structure and the negotiation approach:

- Application of the "**Silence Procedure**" alongside the window allotted for comments
- Provisions permitting the reopening of items already noted as convergent
- How **protocols** should be classified, together with the formation of **Working Groups (WGs)**
- Whether an "Early Harvest" might be feasible
- Criteria for determining what qualifies as a sensitive or complex issue

Initial comments on **Framework Agreement (FA)** text, CAREC members to provide further comments.

NEXT STEPS

- **Written submissions** from Participating Countries on the FA and all protocols by **3 July 2026**
- CAREC Secretariat to circulate the inputs received, while also determining which WGs should be set including WG dedicated to the FA, in which the Chief Negotiators will take part
- Ahead of the CAREC Ministerial Conference, virtual WG negotiations, helping bring negotiations on the FA and low-divergence protocols
- Hold the next in-person **Chief Negotiators' Meeting** (**Sep 2026**)

Pilot Project on Conformity Certificates

Establish a pilot model for the electronic exchange and interoperability of Certificates of Conformity (e-CoC) and Test Reports (e-TR), creating a foundation for regional digital trade infrastructure cooperation

Kick-Off Workshop (Incheon, ROK, 1-2 June 2026)

- Preliminary comparison of baseline institutional and technical readiness of pilot countries
- Discussion on pilot products for e-conformity certificates and test results
- Global benchmarks and lessons learned from IPPC's ePhyto, APEC and others;
- Study tour at Korea Conformity Laboratories



Phase 1 Hub Development (M1–M12)

- ▶ Situation diagnostics & gap analysis
- ▶ Public key registry & CAB common code infrastructure
- ▶ SOP draft finalized and submitted to ADB
- ▶ Hub development (document + metadata exchange, authenticity verification)
- ▶ Hub management portal (default connectivity for participants)

Phase 2 Pilot Operation (M13–M24)

- ▶ SOP refinement & pilot arrangement discussion
- ▶ Pilot operation (target: 60+ exchanges)
- ▶ Final pilot report submitted to ADB
- ▶ CAB registration & connectivity testing (arrangement-based)
- ▶ Performance management (KPI monitoring)

Regional Tourism Development

MoU on CAREC Regional Tourism Development | November 2025, Bishkek

- Reaffirms commitment under CAREC Tourism Strategy and develop regional tourism clusters

MoU on the Kyrgyz Republic–Uzbekistan Cross-Border Sustainable Tourism Cluster Development | November 2025, Bishkek

- Study the feasibility of sustainable cross-border tourism and integrate tourism services in the socio-economic development plan of Chatkal district, develop a Roadmap for Sustainable Cross-Border Tourism Cluster implementation

CAREC and the Global Silk Road: Connecting Regions through Tourism | May 2026, Samarkand

- Discussed opportunities in leveraging Silk Road heritage and modern connectivity to create a regional brand, and position CAREC as a global tourism corridor
- ADB and UN Tourism signed a **Letter of Intent** to jointly pursue initiatives in support of regional tourism.

Moving Forward: CAREC Region's Tourism Future

 **CONNECT**
Connectivity and seamless travel

 **TRANSFORM**
Digitalization and skills development

 **BUILD**
Resilient, sustainable and inclusive tourism



Outcomes of 25th Customs Cooperation Committee

Progress

Customs Development

- RIBS and BEST projects in Mongolia
- CAREC Corridor Performance Measurement and Monitoring
- Concept of Logistics Passport (KAZ)
- CAREC BUILD Facility

Customs Technology

- Software to be finalized, user manuals underway, the Multicountry Framework Agreement is under domestic review

Customs Services

- Regional Readiness Scorecard and assessment framework were formulated

Next Steps

- Share emerging priorities, scoping studies, and concept proposals to support the development of future technical assistance and regional work programs
- Continue CATS/ICE pilot project and its expansion to other members
- Encourage National Trade Facilitation Committee to have stronger coordinating role in trade reforms
- Strengthen integrated risk management systems through greater use of artificial intelligence, data analytics, and digital technologies
- Collaborate in improving corridor performance and reducing trade costs

Pilot Test of CAREC Advanced Transit System (CATS)/ Information Common Exchange (ICE)

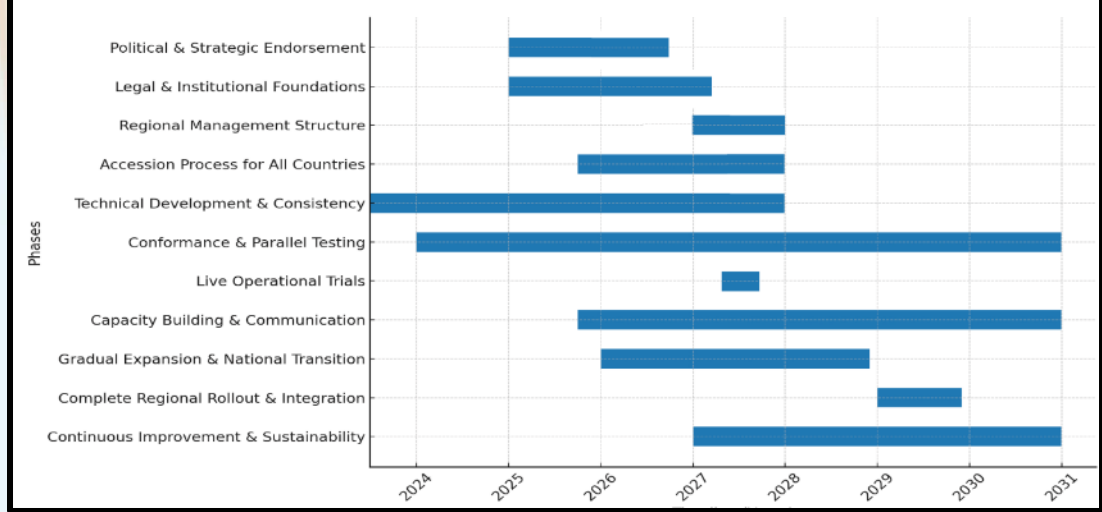
MILESTONES

- Multicountry Framework Agreement to Support the Implementation of CATS/ICE - country comments on draft are being discussed
- CATS/ICE software - Version 3 being finalized; conformity and parallel testing planned in 3rd quarter
- CATS/ICE User and Training Manuals – in progress; Procedural Manuals are to be prepared



Mongolia joins CATS pilot project

Roadmap to Full CATS/ICE Live Operations



2026 Workplan

1. Establish regional legal framework
2. Update software based on user requirements
3. Develop manuals and provide training
4. Engage with stakeholders - Insurer and Guarantor Liaison Group met in Sept 2025

Guide Questions:

- How can each country contribute to and accelerate the implementation of trade policy and facilitation initiatives, including policy coherence and regional cooperation?
- What regional tourism initiatives and emerging investment areas in the tourism sector can be developed under CAREC?
- How can CAREC further strengthen project delivery, partnerships, and financing leverage to accelerate implementation and maximize the regional impact of the trade and tourism investment pipeline?

Session 4: Strengthening Energy Security, Regional Cooperation, and Private Sector Development in the Energy Sector and Critical Minerals Value Chains



Moderator

*Mr. Aiming Zhou,
Deputy Country Director,
PRC Resident Mission, ADB*



*Mr. Serik S. Zharkinbayev,
Energy Specialist, SD-1, ADB*



*Mr. Kwang Jo (KJ) Jeong
Senior Regional Cooperation
Specialist, CCSD, ADB*



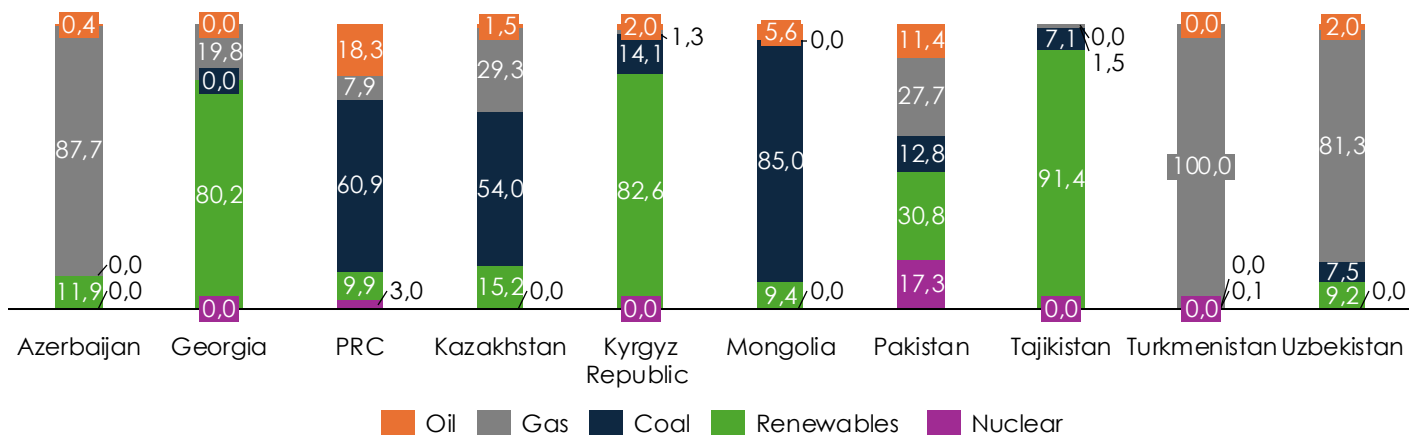
*Mr. Jose Carlos Edo Monfort
Senior Energy Specialist, Energy
Transition – Sectors Group, ADB*

ADB launched the Pan-Asia Power Grid Initiative to advance regional energy cooperation

- The Pan-Asia Power Grid Initiative (PAGI) will connect national and subregional power systems so renewable energy can flow across borders.
- Under PAGI, ADB will work with governments, utilities, the private sector, and development partners to mobilize **\$50 billion by 2035 for cross-border power infrastructure that can unlock renewable energy at scale.**
- By 2035, **ADB aims to integrate about 20 gigawatts of renewable energy across borders,** connect 22,000 circuit-kilometers of transmission lines, improve energy access for 200 million people, create 840,000 jobs, and cut regional power sector emissions by 15%.
- **ADB expects to finance about half of the \$50 billion initiative from its own resources** and raise the rest through cofinancing, including from the private sector. **Up to \$10 million in technical assistance** will support efforts to align regulations, adopt common technical standards, prepare feasibility studies, and advance other work needed for major projects.

CAREC is part of the Pan-Asia Power Grid Initiative

Total energy supply by sources in CAREC countries, 2024



Key issues of the energy sector in the region:

- Electricity demand annual growth 7% annually
- Up to 70% of networks and power plants are outdated (in CCA countries)
- Unbalanced energy mix in CAREC and seasonal imbalances
- Low capacity in integrating new power plants
- Need for transition to a regionally balanced model



ADB's Investment pipeline in the CAREC energy sector by 2035
~\$5 billion

01

Caspian Green Energy Corridor project

A cross-border interconnection to Europe via the Caspian Sea. ADB is financing the Feasibility Study.

02

Rogun and Kambarata-1 HPPs

ADB aims to invest over \$800 million to advance two of the largest hydropower projects in the CAREC region.

03

Transmission grid expansion and strengthening

ADB is planning to finance the integration of renewables into the energy mix and grid expansion and coastal infrastructure for future offshore wind integration in the Caspian region.

04

Upstream support for enabling environment

ADB is supporting power sector reforms to create a regulator and an energy market, and a partial credit guarantee to mitigate offtake risk and non-sovereign loans to support private sector investments.

New initiative: Regional Balancing Mechanism (RBM)

To address imbalances due to more renewables and the lack of coordinated balancing across CAPS countries and further expansion to the rest of the CAREC countries.

Key Issues

- Imbalances largely absorbed by **Kazakhstan & Russia** > not sustainable
- **Monthly ex-post settlements** > weak signals
- **Limited hourly metering & real-time data**
- **Bilateral arrangements** > low transparency, high coordination burden

Country Positions (stated in April 2026, Tashkent):

- **KGZ, TAJ:** strong support (flexibility providers)
- **KAZ, UZB:** support concept, prefer **TSO-led practical approach**
- **CDC:** supports RBM; highlights need for metering & system upgrades

Consensus

- Balancing is a **precondition for market development**
- RBM can start **before the full market (DAM/IDM)**, which is planned by REMIT from WB

Next Steps

- Develop **simple RBM framework (methodology + pricing)**
- Target alignment for **Energy Investment Forum, on the sidelines of the MC 2026**



Critical Minerals

ADB's Vision in advancing integrated and responsible Critical Minerals Value Chains



- Build diversified, resilient and sustainable critical minerals-to-manufacturing (CMM) value chains
- Strengthen integrated linkages across the value chain including recycling and circular value chains
- Promote domestic and regional value addition
- Ensure high environmental, social, and governance (ESG) standards and Regional Cooperation and Integration (RCI)

Update on Policy Dialogue and Analytical Work

Regional Initiatives

- RCI Conference, Oct. 2026
- CAREC CMM MOU, CAREC MC, Sept. 2026
- Regional Copper / Lithium economic corridors
- South-South knowledge sharing
- OECD Responsible Minerals Conference

Kazakhstan

- Critical Minerals Strategy; consultants being engaged

Uzbekistan

- Supporting resource efficiency in extractives; consultant being engaged
- Technical Assistance to support sustainability reporting



Mongolia

- Critical mineral strategy delivered
- Contribution to the Country Partnership Strategy
- Logistics study for Critical Minerals / REE
- Clean energy supply for mine project

Tajikistan

- Supported 2025 Dushanbe Investment Forum
- Engagement with Ministry of New Industries and Technology for electric vehicle battery recycling support

Pakistan

- Input into Country Partnership Strategy
- Public financial management to strengthen sustainability and fair benefit sharing
- Board approval of Reko Diq financing

ASCEND = Advance Sustainable Clean Energy Network for Development; EITI = Extractives Industries Transparency Initiative; HVDC = High-Voltage Direct Current; IEA = International Energy Agency; RCI = Regional Cooperation and Integration; SOM = Senior Officials Meeting; TA = Technical Assistance

CMM Financing Partnership Facility (CMM FPF)

Scaling Up Investments and Partnership across Region

Critical Minerals-to-Manufacturing Financing Partnership Fund (CMM FPF)

Grant Window

→ **Contribution Agreements** with Sovereign governments

- CMM Trust Fund for Japan, UK
- Policy and Regulatory Reform
- Supply chain mapping and ESG studies
- Project preparation and due diligence



Catalytic Finance Window

→ **Framework Arrangements** with Financing Partners

- Project specific Co-financing
- Concessional Loans
- Risk-sharing instruments



➔ **CMM FPF Launched on 3 May 2026, ADB Annual Meeting in Samarkand**

KEXIM = Export-Import Bank of Korea; JBIC = Japan Bank for International Cooperation; K-SURE = Korea Trade Insurance Corporation

Main Financing Partners

\$20M

JAPAN: Grant Window

Grant contribution to the technical assistance window.

\$1.6M

UK: Grant Window

Grant contribution to the technical assistance window.

\$500M

Korea Eximbank: Catalytic Finance Window

Cofinancing with Loan and Guarantee

\$500M

K-SURE: Catalytic Finance Window

Cofinancing with Guarantee

- Diversified and resilient supply chains
- Value-added manufacturing in DMCs
- Mobilization of large-scale private capital
- Reduced concentration and supply risks.

Eligibility Criteria of CMM FPF

A Platform to Bridge Financing Partners and DMCs

Grant Window



- Priority given to Group A, B, and select C DMCs, with flexibility on a selective basis

Catalytic Financing Window



- Priority given to Group A, B, and select C DMCs, having potential to diversify the CMM value chains

Eligibility Criteria

Target Beneficiaries



- Central and local governments



- Government agencies



- State-owned enterprises



- Private sector firms



- Entity fully owned/controlled by private sector

- Entity fully owned/controlled by a sovereign but undertaking commercial activities



- Entity jointly owned/controlled by private sector and a sovereign operating commercially



- Local government or sub-sovereign entity able to contract and obtain financing independently from central government



*ADB's classification and graduation of developing member countries (DMCs): ADB uses the three-tier classification system – group A (concessional assistance-only countries), group B (ordinary capital resources or OCR blend countries), and group C (regular OCR-only countries)

Developing CMM Economic Corridors in CAREC

Three-Corridor Architecture for CAREC Critical Minerals

Integrated corridors connecting our mineral resources to processing hubs, qualified buyers, and global markets

Northern Trans-Caspian EC

Anchor DMCs: Kazakhstan; Uzbekistan

Route: Kazakhstan and Uzbekistan resource base → Caspian crossing → South Caucasus → European and Türkiye buyer markets

Key minerals & products:

Copper (Almalyk, Aktogay);
Rare earths (Kuyrektykol);
Tungsten & Specialty metals (UzTMK, Ulba);
Titanium sponge (UKTMP);
Beryllium, niobium, tantalum (Ulba)

Trans-Indus Southern Corridor

Anchor DMCs: Pakistan

Route: Reko Diq and Saindak resource base → Quetta-Karachi rail → Karachi, Port Qasim, Gwadar → Gulf, East Asia, and Indo-Pacific buyer markets

Key minerals & products:

Copper, gold, molybdenum (Reko Diq, Saindak); Chromite (KP);
Antimony (Chagai, Khuzdar);
REE-bearing pegmatites (Chitral, Gilgit-Baltistan)

Caucasus Spur

Anchor DMCs: Armenia; Azerbaijan; Georgia

Route: Specialty processing hubs in ARM, AZE, GEO → Black Sea ports and Türkiye land routes; TRIPP connectivity if Armenia-Azerbaijan settlement holds

Key minerals & products:

Molybdenum & rhenium (ZCMC Kajaran, Armenia);
Copper-gold polymetallics (Karabakh, Madneuli);
Manganese with battery-grade upgrade potential (Chiatura, Georgia);
Gold and copper (Syunik, Lori)

CMM corridors, the relevant function is neither pure transit nor general trade, but **the creation of a geographically coherent system that turns mineral or secondary feedstock into qualified industrial products and services.**

Five-Pillar CMM Market Development Strategy

Each pillar applies across the three corridors; sequencing follows national project readiness in each member country

P1 Geological Readiness

Modern exploration; certification of resources to international standards (JORC, NI 43-101); shared regional geological data; new resource discovery for the Tier 1 minerals.

P2 Midstream Processing Hubs

Smelting, refining, separation, and chemical processing in CAREC-hosted hubs, located near resources and utilities. Output based on global demand (cathode, oxide, alloy, chemical).

P3 Downstream Manufacturing

Component and intermediate manufacturing in special economic zones and technoparks. Built around skills and supplier ecosystems.

P4 ESG, Circularity, and Just Transition

Regional standards and traceability: recycling of tailings, scrap, and battery materials; community-benefit and worker-transition frameworks aligned with OECD, EU CBAM, and EU CRM Act.

P5 Corridor Connectivity

Cross-border customs digitalization; rail and port capacity sized for mineral products; alignment with CAREC Corridor 2 and Middle Corridor work; Caspian and Caucasus logistics interoperability.

Airborne geophysical country mapping: from data to decisions

Specialised aircraft fly precise grids over a country, carrying magnetometers, radiometric and gravity sensors. The raw signal is processed into maps that reveal subsurface geology — the foundation for mineral, groundwater and infrastructure decisions.

01

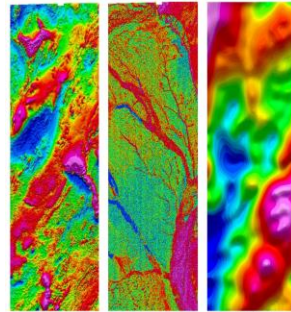
Acquisition



Aircraft fly precise grids over the country with magnetometers, radiometric and gravity sensors.

02

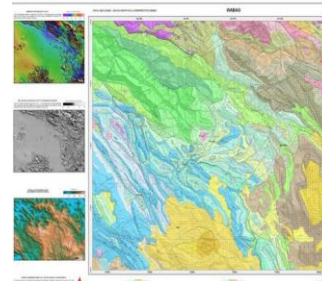
Processing



Raw signal becomes calibrated maps of magnetic, radiometric and gravity anomalies.

03

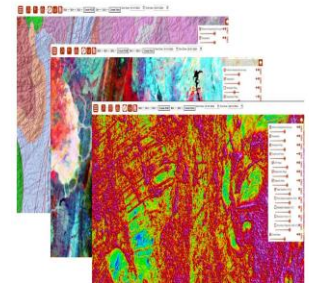
Interpretation



Geologists overlay anomalies onto known geology to identify mineral systems, aquifers and structures.

04

Delivery



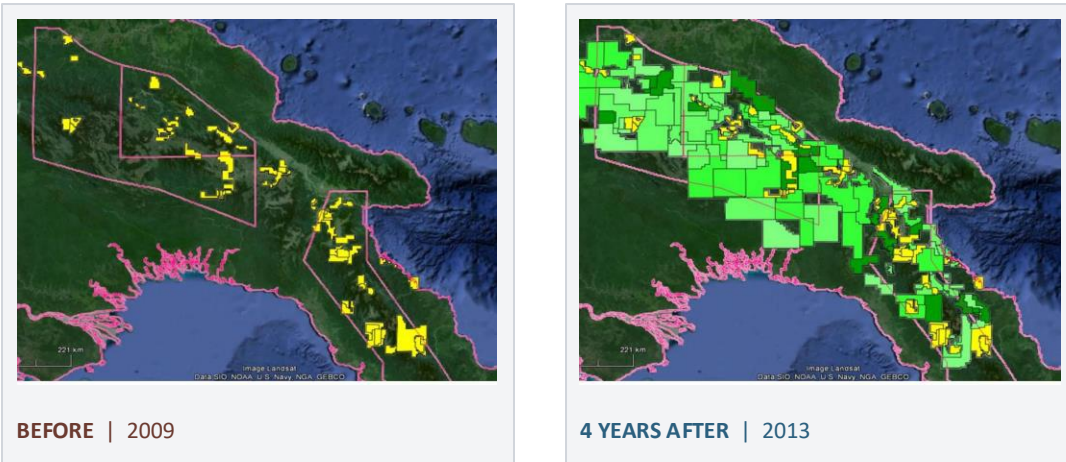
Open data portals, geological maps and decision tools — feeding government and private decisions.

Why it matters: Pre-competitive data is the geophysical baseline a government produces and releases openly so the private sector can compete on top of it — de-risking exploration and converting a one-off public outlay into recurring fiscal and employment returns.

Pre-competitive data unlocks private exploration capital

PROOF OF CONCEPT — PAPUA NEW GUINEA

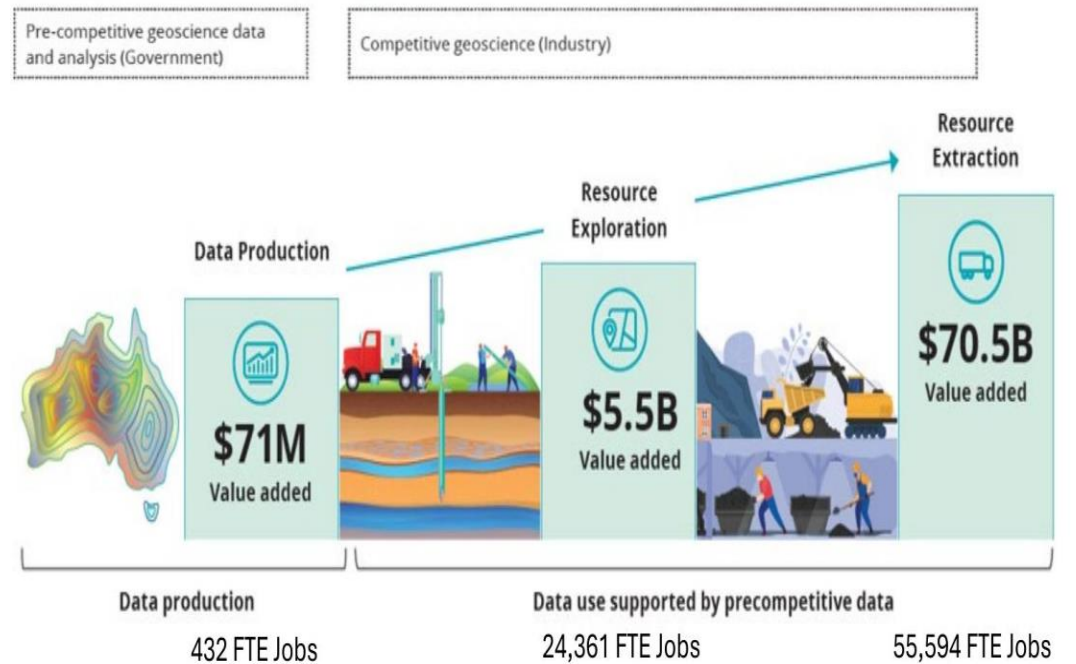
Mining exploration licences after public release of airborne geophysical data



Release of 290,000 line-km of public airborne magnetic and radiometric data triggered a **multi-fold expansion of licensed exploration** in just four years.

THE VALUE CHAIN — GEOSCIENCE AUSTRALIA

USD 71 M of pre-competitive data enabled USD 70.5 B in resource extraction value-added.



THE CAREC CONTEXT

- No modern country-wide airborne geophysical coverage in most CAREC members
- Surging critical mineral demand — copper, lithium, rare earths for energy transition
- Country-wide mapping de-risks exploration and channels private capital responsibly

Policy-based country loans for the critical-minerals enabling environment

Policy-based loans, country by country, financing three integrated reform pillars:

1 Pre-competitive data

Country-wide airborne geophysical mapping (magnetic, radiometric, gravity, EM) plus open data portal — the baseline that attracts private exploration.

2 Legal & licensing reform

Modern mining code, transparent tenure and digital one-stop permitting — converts geological potential into bankable concessions.

3 Institutional capacity

Strengthened national geological institutes, labs and trained personnel — sustainable beyond the loan.

PROVEN PRECEDENT

World Bank — Peru

USD 200 M · March 2026

The World Bank Board approved a USD 200 M project for Peru the following architecture: **(i)** cutting-edge geoscientific data, National Drill Core Library and geochronology laboratory; **(ii)** a Digital One-Stop permitting platform; and **(iii)** strengthened institutions and governance — to unlock private investment in critical minerals.

The junior mining finance gap — and an ADB JMFF for CAREC

THE FUNDING GAP

77%

of new Western-world mineral discoveries in 2023 came from junior miners, yet grassroots exploration is at a record low 22% share

-3%

Global exploration spend fell to \$12.5B in 2024

-12%

Junior fundraising at \$10.3B — five-year low

IEA projects **lithium demand nearly 5x by 2040** and the top 3 refining nations control 86% of supply (China-led).

Why juniors cannot tap private capital

No revenue

Equity only viable instrument pre-feasibility

10–20 yr lead times

Beyond the horizon of most private investors

Concentrated in 2 markets

TSX-V (Canada) and ASX (Australia) — none in CAREC

Valley of death

Discovery → feasibility gap; lenders won't bridge it

THE RESPONSE — ADB JMFF FOR CAREC

Critical mineral value chain

Exploration

Grassroots → resource definition

Pre-feasibility

PEA → PFS → Feasibility

Processing

Refining and midstream

Manufacturing

Batteries, components, recycling

JMFF

JMFF + FPF

CMM FPF

Three building blocks already in place

1

CMM Financing Partnership Facility

Launched 3 May 2026. Target \$2–3B. Japan \$20M grant; Korea Eximbank + K-SURE \$500M each. Covers midstream/downstream.

2

Technical Assistance

Capacity-building, regional cooperation, and project pipeline development.

3

ADB JMFF · Upstream window

Instrument mix to be defined. Fills the upstream gap that CMM FPF leaves open.

Guide Questions:

- **Priority Needs and Constraints:** (i) What are your country's key priorities and challenges in strengthening energy security and advancing the energy transition? (ii) What are your country's priority initiatives related to energy connectivity, critical minerals, or value chain development? (iii) What are the key constraints (e.g., financing, infrastructure, regulatory frameworks, cross-border coordination)?
- **Private Sector Engagement:** (i) What are the main barriers to attracting private sector participation in your priority areas? (ii) What specific support from ADB could help address these barriers?
- **Regional Cooperation Opportunities:** (i) Where do you see concrete opportunities for cross-border cooperation (e.g., shared infrastructure, trade, integrated value chains)? (ii) How can CAREC facilitate progress in these areas?

Session 5: Strengthening Development Partners' Role in CAREC



Moderator

*Ms. Erdenetuya Darinchuluun
Director General, Trade and Economic
Cooperation Policy Department, Ministry
of Economy and Development, Mongolia*

Session objectives

The session will provide an opportunity for CAREC countries and development partners **to discuss concrete project pipelines and align financing with regional priorities**. The outcomes of these sessions will lay out the groundwork for improved collaboration among development partners on projects and initiatives, including the CAREC Development Partners Forum and/or the CAREC Business Forum, as well as regional policy dialogues.

Following the development partners session at the sideline of the 24th CAREC Ministerial Conference in November 2025, **each development partner will discuss concrete proposals, their possible role in initiatives to support CAREC 2030 priorities**, such as but not limited to:

- **Supporting working groups of select CAREC clusters, themes, and sectors**
- **Co-leading sessions at the CAREC Business or Development Forums**
- **Mobilizing co-financing for CAREC technical assistances and/or project preparation facilities**
- **CAREC Project Dashboard and Communications**

Current Development Partners' Role in CAREC



Financing and/or
co-financing
CAREC-related
projects



Participation in
CAREC high-level
events and working
group meetings



Co-organization of
regional **workshops**
and events



Joint **knowledge
generation** and
dissemination



Technical expertise
(resource persons,
subcontracting in TA
projects)



**Information
Exchange** and
Coordination

Current Development Partners' Role in CAREC

Cross-Cutting Themes (Digital, Gender, Climate)

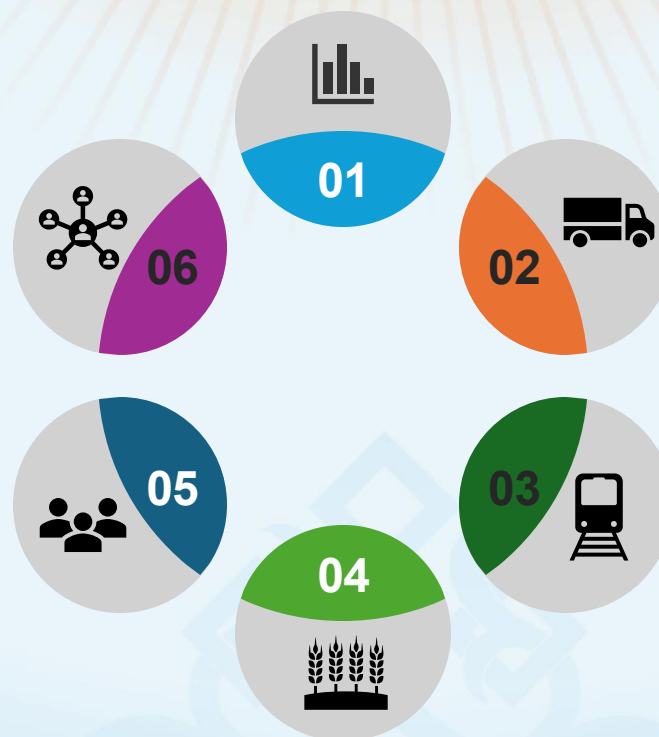
- Project financing (AIIB)
- Technical expertise, joint events and information exchange (ADB, UNDP, EBRD, CAREC Eco, GCF, WB, UNDP, WHO, WMO, IsDB, ITU, FAO)

Human Development

- Project financing (ADB, WB)
- Technical expertise, joint events and information exchange (ADB, ILO, IOM, WHO, US CDC)

Agriculture and Water

- Project financing (ADB, WB)
- Information exchange and coordination (ADB, WB, OECD, GIZ)



Economic and Financial Stability

- Joint events (ADB, IMF, WB)
- Project financing (WB)

Trade, Tourism and Economic Corridors

- Project financing (ADB, EBRD, IsDB, WB)
- Technical expertise, joint events and information exchange (ADB, UNCTAD, WTO, UNESCAP, UNECE, WCO, EU, ITC, OECD, GIZ)

Infrastructure and Economic Connectivity

- Project financing (ADB, AIIB, EBRD, IsDB, WB)
- Information exchange and coordination (ADB, AIIB, WB, OECD, EU, GIZ, EDB, EFSO)

Session 6: Financing the Future—Capital Markets, Disaster Risk Financing, Carbon Readiness and Innovative Finance



Moderator

*Mr. Dulguun Battulga
Director General, Securities Market Department,
Financial Regulatory Commission, Mongolia*



Presenter

*Mr. Kristian Rosbach
Senior Regional Cooperation Specialist
CWRC, CWRD, ADB*



Presenter

*Mr. Mohd Sani Mohd Ismail
Director, Finance Sector Office
Sectors Department-3, ADB*

CAREC Capital Markets Development Forum (CMDf)



Bank-dominated systems limit long-term financing

Capital markets remain shallow, with limited corporate bonds, weak institutional investors, and low trading activity across most CAREC economies



Uneven development of the capital markets

Capital markets vary widely in depth, liquidity, and regulatory maturity across CAREC countries, with limited cross-border coordination



Growing demand for diversified financing

Large investment needs for infrastructure, connectivity, and climate transition cannot be met by banks alone



Underdeveloped sustainable finance ecosystems

Policy frameworks, lack of standardized taxonomies, limited institutional capacity, and fragmented approaches hinder the scaling of green, social, and climate finance



Opportunity for greater regional cooperation

Capital market reforms are largely pursued at the national level, with no dedicated mechanism for sustained policy dialogue, peer learning, or development of regional public goods

Institutionalizing CMDF

Local Currency Finance

Needed to support

- **infrastructure**
- **SME growth**
- **climate transition**
- **disaster resilience**

CMDF would help keep capital market development high on the policy agenda, alongside banking sector reforms.



Cross-Border Capital Flows

CMDF would help build regional dialogue among:

- **regulators**
- **exchanges**
- **market participants**

toward greater harmonization, and eventually cross-border capital flows.



Green & Sustainable Finance

Many CAREC countries are working on **green finance frameworks and taxonomies**.

CMDF would allow countries to align approaches and accelerate the development of sustainable capital markets.



Peer Learning & Capacity Building

A regional forum would create a **dedicated platform for peer learning and capacity building**, allowing more advanced markets to share practical experiences while helping less-developed markets avoid costly trial and error.



ADB Support

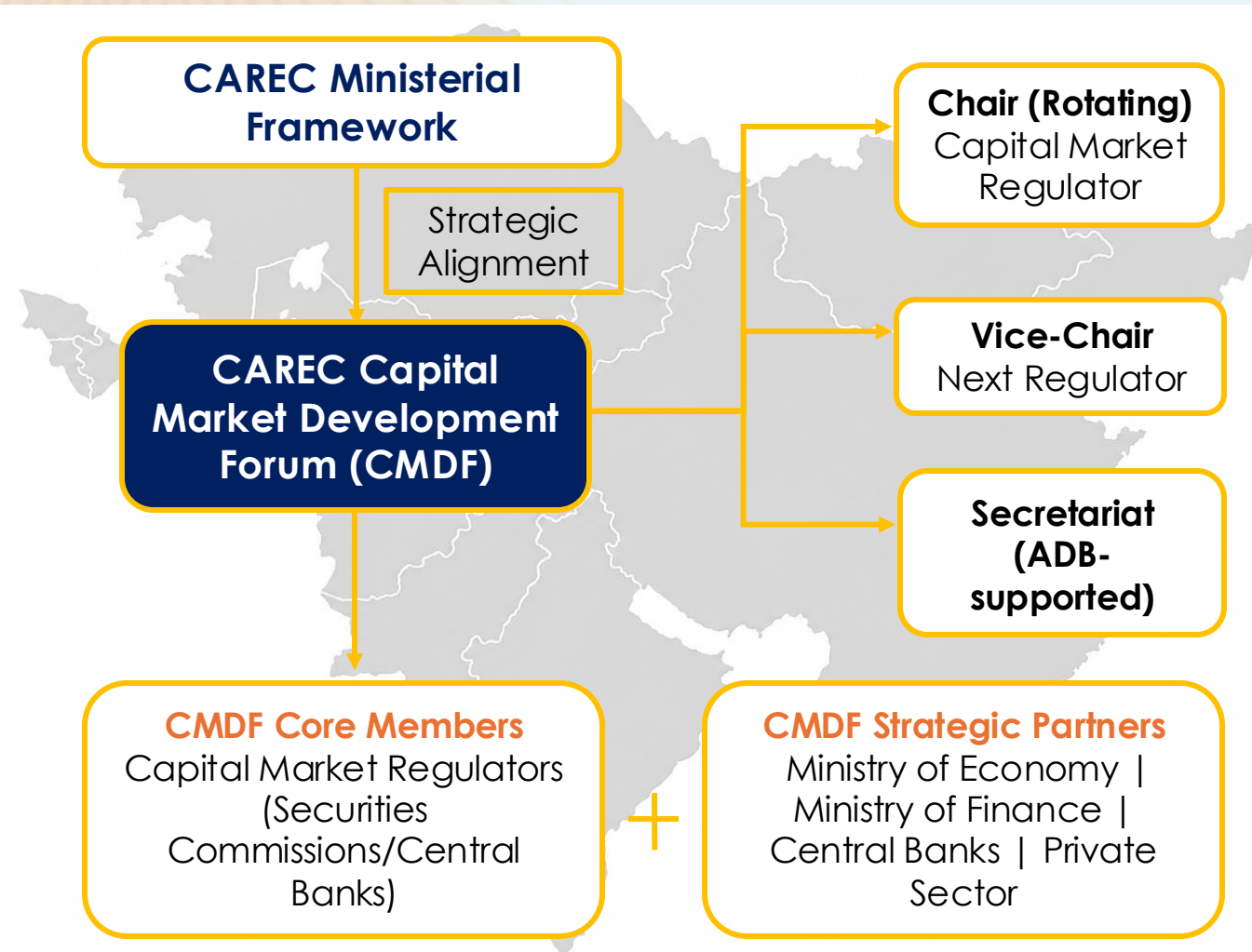
ADB can support the regional development objective through:

- **technical assistance,**
- **policy reforms,**
- **investment and lending operations**
- **connecting CMDF with ACMF & ABMF**



CMDF Governance Structure

- ✓ Regulator-led, country-owned platform
- ✓ Rotating Chair aligned with CAREC cycle
- ✓ Strategic oversight by Heads of Regulators
- ✓ Operational coordination through Strategic Partners
- ✓ Dedicated Secretariat for execution and continuity
- ✓ Thematic Working Groups drive technical outputs



ADB's CAREC Capital Markets Initiative (TA Support)

Regional TA

TA aims to lay the foundation for a regional sustainable capital market ecosystem in CAREC, enabling regional cooperation, harmonized standards, and cross-border investments.

Strategic Approach and Solution:

TA will deliver a set of regional initiatives focused on capital market development, policy alignment, and knowledge sharing.

Institutionalize the **CAREC Capital Market Development Forum (CMDF)** as a platform for regular dialogue among CAREC capital market regulators, ensuring structured agendas and sustained engagement to advance regional cooperation.

Develop (i) CAREC Sustainable Capital Market Roadmap; (ii) Regional Green Taxonomy; and (iii) Regional online platform to consolidate and disseminate data on capital market instruments

Capacity building and secondment programs.
Collaboration with the **ASEAN Capital Markets Forum (ACMF)** to showcase best practices, regulatory innovations, and sustainable finance frameworks from both regions.

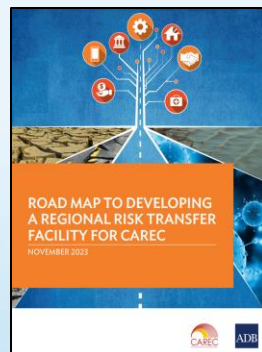
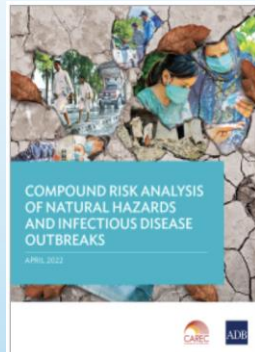
Expected Outcome:

Enhanced development of bond markets, regional markets, and sustainable finance across the CAREC region.

Regional Disaster Risk Financing Solutions

ADB-funded TA on “Developing a Disaster Risk Transfer Facility in the CAREC Region” (\$2.75 million, Nov 2020–Feb 2024)

- ❑ Country Disaster Risk Profiles
- ❑ Protection Gap Assessment
- ❑ Building Resilience to Future Outbreaks
- ❑ Compound Risk Analysis
- ❑ Road Map to Developing a Disaster Risk Transfer Facility for CAREC



Developing a Disaster and Climate Risk Transfer Facility for the CAREC Region (Phase 2)

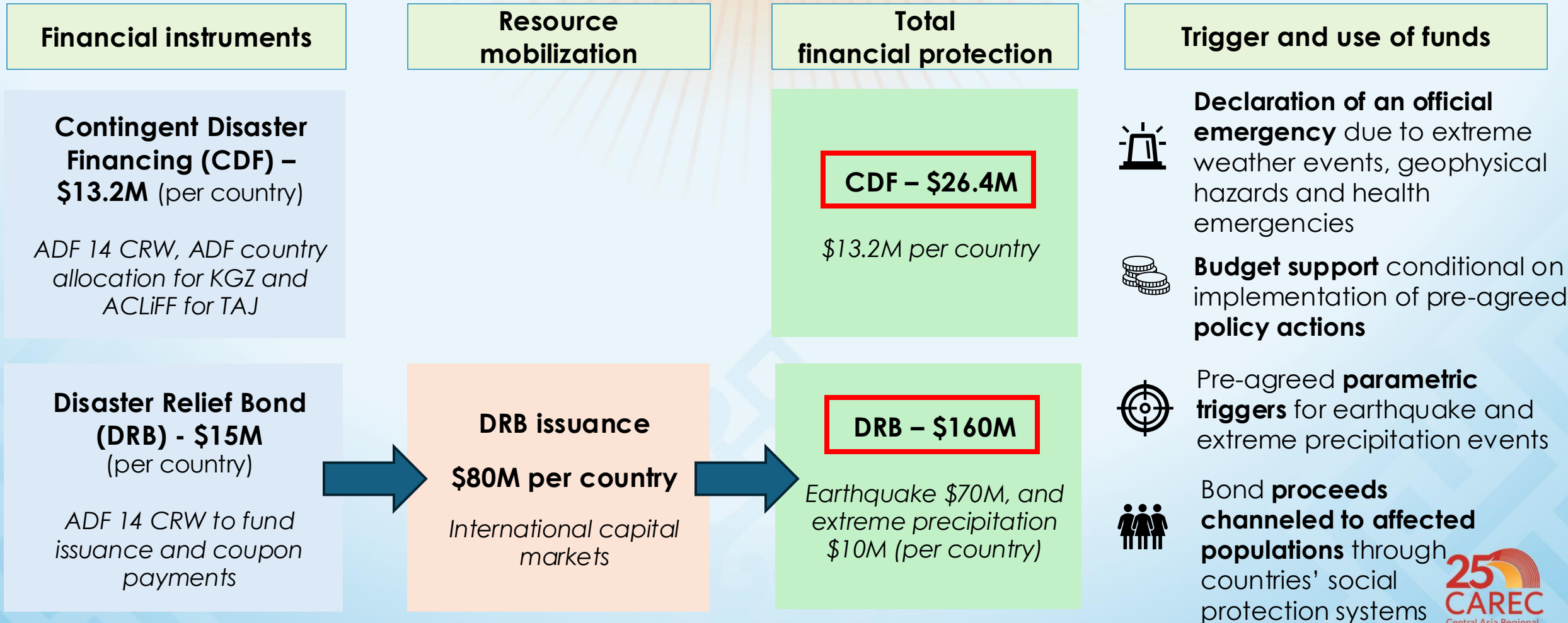
(\$3.14 million, Nov 2024–Oct 2028)

Outputs	Status
1. Piloting an ADB-issued disaster relief bond (DRB) for selected CAREC countries*	Pilot DRB for TAJ and KGZ issued in 2026
2. Advancing the implementation of the road map to developing a CAREC disaster risk transfer facility	To be initiated in Q3/Q4 2026 including regional DRF workshop
3. Providing capacity building and knowledge support on disaster risk management and financing on a demand-driven basis	Analytical work supporting DRF projects in CAREC countries (KAZ, KGZ, MON, TAJ).

*Output 1 only involves the Kyrgyz Republic and Tajikistan as pilot countries (group A countries eligible to receive Asian Development Fund support). The product may be replicated in other countries subject to availability of resources for premium payments and country's readiness and ownership.

Regional Disaster Risk Financing Solutions

Risk-Layered Disaster Relief Finance Program (KGZ and TAJ)



CAREC Innovation and Venture Investment Catalyst (CIVIC) Facility

Unlocking early-stage venture capital in the CAREC region and beyond



CIVIC MOU signed at the 24th CAREC Ministerial Conference by ADB, Kyrgyz Republic, Mongolia, Pakistan, and Uzbekistan (Nov 2025, Bishkek)

ADB TA with initial \$1,000,000 funding to implement the CIVIC Facility provided by ADB Market Acceleration Platform for Asia and the Pacific Trust Fund (AMAP).

Scope: Regional initiative to support growth-oriented SMEs.

Objective: Address need for professionally managed early-stage venture funds that can provide both risk capital and hands-on support to help startups and tech-enabled SMEs scale up.

Key Activities: (i) Diagnostics Framework and Scorecard; (ii) Policy Toolkit; (iii) Build Capacity and Strategic Finance Platform; (iv) Development and Operationalization of Investment and VC Platforms.

→ *Tailored to specific country needs*

CIVIC Facility: Asia Venture Capital Academy

THE PROGRAM

A practical 3-month VC Academy

Global best practices · local fund experience · mentor support · Limited Partnership (LP-readiness preparation · legal and financial structuring · Demo Day exposure to potential LPs.

HOW IT WORKS

Implementation, not executive education

Participants complete weekly activities, receive structured feedback, and build the real components needed to launch, structure, or strengthen a VC fund — not just learn about them.

EXPECTED OUTPUTS · WHAT PARTICIPANTS WILL DEVELOP

01

Fund thesis and investment strategy

02

Limited Partnership (LP) fundraising plan and soft-commitment pipeline

03

Correct Fund-size and portfolio construction model

04

Legal structure and core fund documentation package

05

Practical construction of the fund and starting of its registration

06

First soft commitments from several LPs

07

Demo Day presentation and generation of additional LP commitments

08

Creation of the Network of General Partners (GPs)

CIVIC Facility: Rapid Diagnostic Assessment of the startup and VC ecosystem in Mongolia

STAKEHOLDER LANDSCAPE — MONGOLIA STARTUP & VC ECOSYSTEM

PUBLIC SECTOR

Parliament & Government, Line Ministries
Independent Regulators
Public Finance Instruments

UNIVERSITIES & STEM

Higher Education Institutions STEM & entrepreneurship program
Research & Technology Transfer

STARTUPS & FOUNDERS

Beneficiary & driver of the ecosystem

PRIVATE SECTOR

Commercial Banks
Domestic VC & Angel Investors
Accelerators & Incubators
Corporate Sector & Diaspora Networks

Multilateral Development Banks & IFIs

DIAGNOSTIC FOCUS AREAS — THREE PILLARS, ONE FOUNDATION

PILLAR 01

TALENT & KNOWLEDGE

Education & entrepreneurship pathways

Diaspora & global knowledge networks

University–industry collaboration

PILLAR 02

ACCELERATORS & ECOSYSTEM

Incubation & acceleration infrastructure

Ecosystem coordination & connectivity

Regional & international integration

PILLAR 03

RISK CAPITAL

Early-stage capital landscape

Venture capital enabling conditions

DFI instruments & exit pathways

POLICY & REGULATORY ENVIRONMENT — cross-cutting enabler for all three pillars

Assessing the legal and regulatory framework — company law, investment law, tax incentives, and innovation policy — to identify targeted measures that can strengthen all three pillars

CAREC Carbon Market Regional Readiness Plan

Purpose

- Supporting carbon market readiness using Article 6 cooperation to mobilize climate finance for NDC delivery of CAREC countries
- Respond to rising expectations for credible Monitoring Reporting and Validation (MRV), registries, and carbon pricing systems driven by global carbon markets and trade measures
- Part of CAREC Climate Change Action Plan implementation supported through the CAREC Climate Change Working Group (CCWG)

Vision

CAREC countries operate credible and integrated carbon market systems:

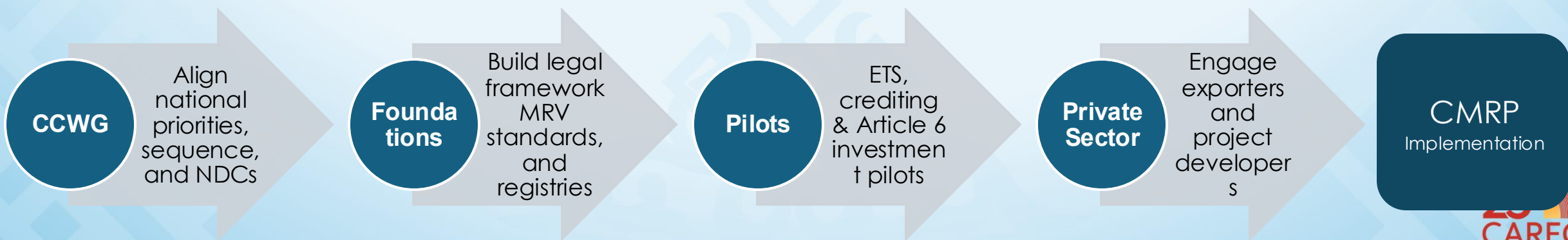
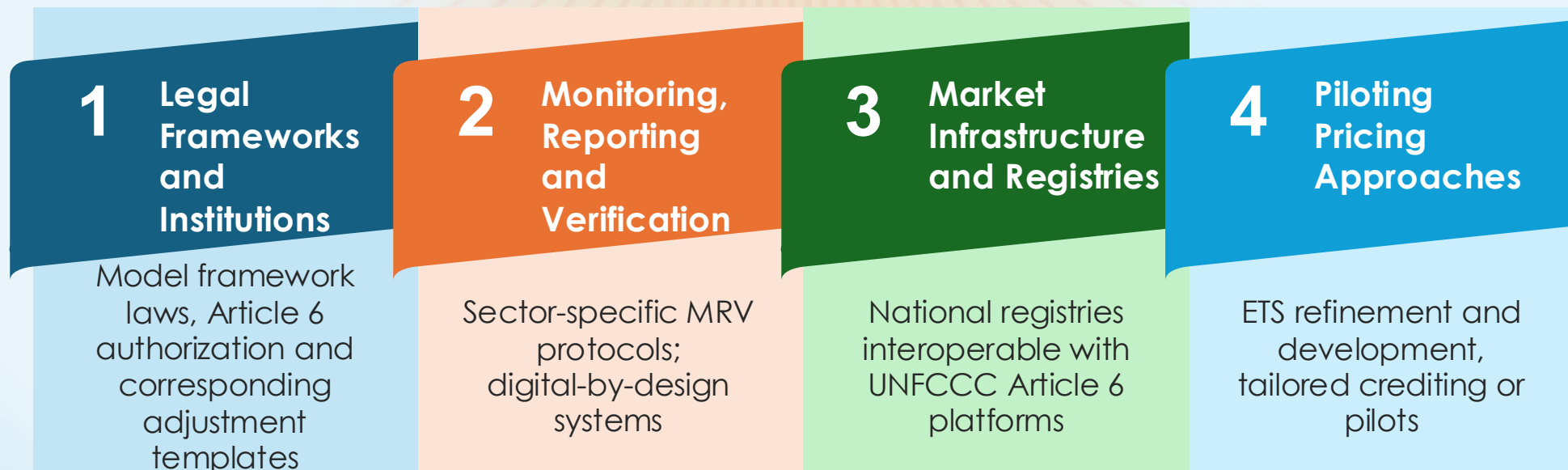
- Reliable MRV of emissions
- Transparent national registries for credits and allowances
- Appropriate pricing approaches (ETS, crediting, carbon taxes) aligned with NDCs

Why This Matters

- Enables international carbon transactions under Paris Agreement Article 6
- Strengthens competitiveness through robust emissions data
- Unlocks climate finance and supports cost-effective mitigation



CMRP Framework and Roadmap



Guide Questions:

- What are the key barriers to developing deep and liquid capital markets in the region?
- How can CAREC support countries in preparing bankable projects that attract private and institutional investment, while supporting SMEs and emerging startup ecosystems, including utilizing the CIVIC facility?
- How can CAREC members collaborate to develop regional disaster risk financing solutions that enhance financial preparedness and reduce the fiscal impact of climate-related shocks?
- What role can carbon markets play in financing the region's green transition?

Session 7: Preparations for the CAREC Ministerial Conference—25 Years of Partnership: Shaping the Future Together



Moderator

*Ms. Leah Gutierrez
Director General, CWRD, ADB*

25th Ministerial Conference and related events in Ulaanbaatar, Mongolia

Day 1, Monday
28 September 2026
13:00-17:00

CAREC Development Partners' Forum

CAREC Development Partners Forum to strengthen all DPs' role in CAREC and identify key flagship joint projects.

Day 2, Tuesday
29 September 2026

CAREC Ministerial Conference

For MC 2026, the CAREC Secretariat is working with sector focals to prepare tangible deliverables

Day 3, Wednesday
30 September 2026

CAREC Business Forum, Day 1

CAREC Business Forum to showcase investment opportunities across the CAREC region.

CAREC Institute's Governing Council meeting, 14:00-16:00

Day 4, Thursday
1 October 2026

CAREC Business Forum, Day 2

CAREC Capital Markets Development Forum (Technical Meeting), Day 1

Day 5, Friday
2 October 2026

CAREC Capital Markets Development Forum, Day 2

Concept of the CAREC Business Forum

Scaling Up Investment, Driving Infrastructure Transformation

Dates: 30 SEP –1 OCT 2026 (2 days)

Location: Ulaanbaatar, Mongolia

Host/Co-organizers: Government of Mongolia; ADB/CAREC Secretariat

Objectives

- Showcase investment and business opportunities across the CAREC region, especially in green energy, smart transport and logistics, and critical minerals.
- Facilitate public-private-partnership (PPP) investment
- Foster dialogue and collaboration among private sector, governments and development partners for advancing regional cooperation and integration.
- Enhance understanding of ADB's updated procurement policies and frameworks,
- Build capacity of participants on Merit Point Criteria (MPC) and evaluation processes in ADB procurement opportunities
- Position Mongolia as a major hub for energy and regional connectivity

Day 1

High-level Plenary and Subforums

High-Level Plenary

- Welcome and opening remarks
- Strategic Policy Dialogue: Where to invest in CAREC – Opportunities in clean energy, transport, and smart logistics, and critical minerals
- Expert Panel Discussion: Bridging the Investment Gap – Addressing Challenges in Capital Mobilization and Cross-border Financing

Thematic Subforums

1. Energy & Interconnectivity – renewables, regional power trade, smart grids, PPP.
2. Smart Transport & Logistics – corridor development, multimodal integration.
3. Critical Minerals– downstream value addition, value chains.

Day 2

Mongolia in the Regional Spotlight

Morning Session

- Presentations on Mongolia's infrastructure & energy strategy
- Panel Discussions: Energy exports, transit corridors, critical minerals, investment climate
- Investor's roundtable: Pipeline projects, PPPs, role of private finance

Afternoon Session

- B2B and B2G matchmaking and signing ceremony

Session objectives

This session will focus on preparing concrete deliverables for the CAREC's 25th year and vision for CAREC beyond 2030.

Tour de Table and Open discussions (60 minutes)

All CAREC NFPs are invited to share their insights and perspectives with emphasis on certain areas:

- Trade and corridor connectivity
- Digital and energy corridors
- Financing and private sector development
- New strategic sectors