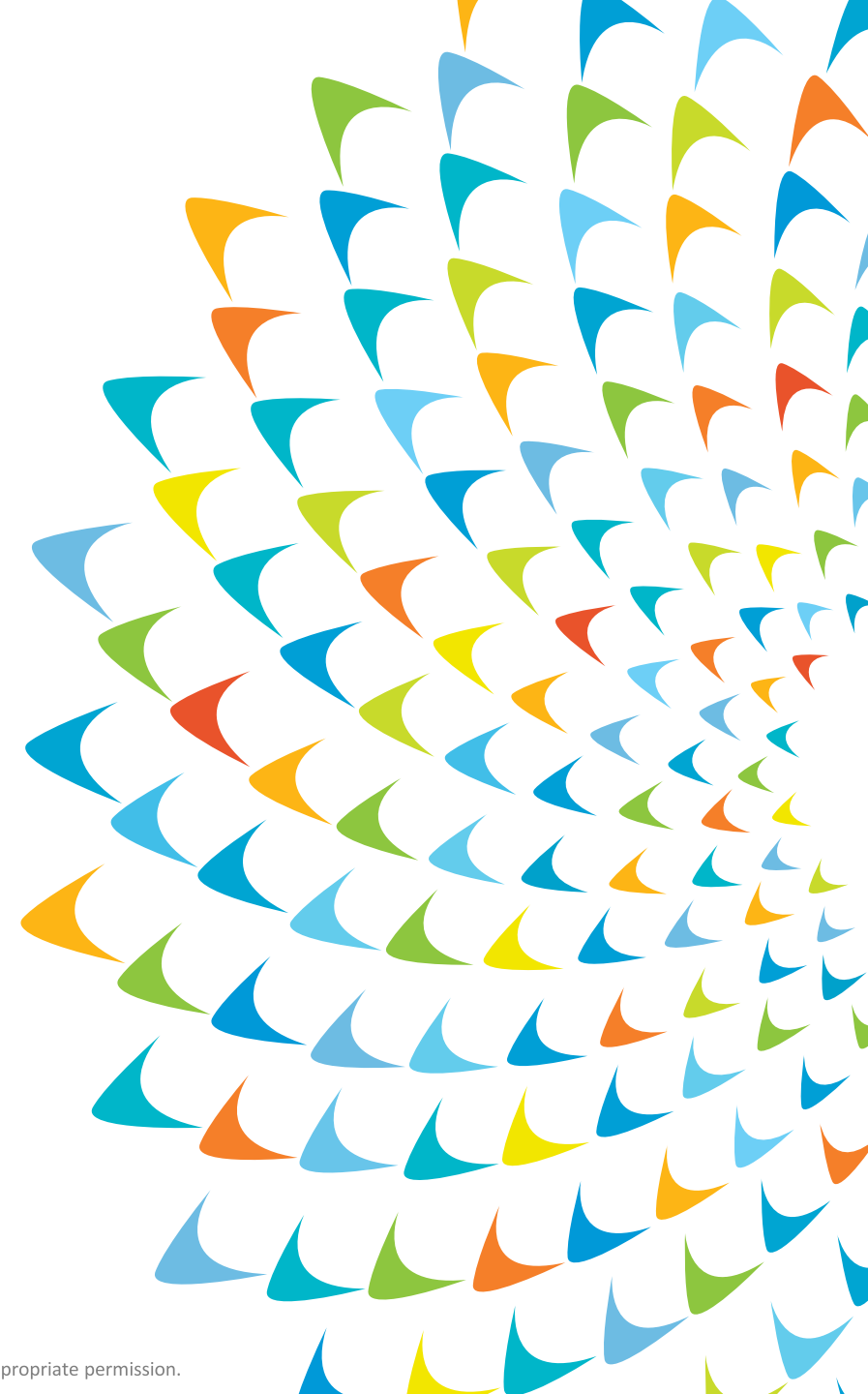




Developing Regional Investment Framework and Key CAREC Activities



Why a Regional Investment Framework?

CAREC 2030 Strategy Midterm Review

Ensure long-term planning, project prioritization, and resource allocation through a **robust multi-year rolling pipeline** for regional programs, projects, and technical assistance

CAREC Digital Strategy 2030

Encourage **investment in digital infrastructure** across the region to close connectivity gaps.

Accelerate the development, knowledge sharing and **cooperation** on innovation, and leverage digital technologies for development.

Digital/ICT as cross-cutting theme.



ADB Strategy 2030 Midterm Review

ADB's strategic focus areas include private sector development, regional cooperation and public goods, **digital transformation**, climate action



While demand for digital solutions rising rapidly, few operations focus on investment in cross-border digital infrastructure

Lack of robust investments in digital infrastructure and of regulatory frameworks for digital governance, risks of disruption and institutional fragmentation

ADB targets

- sovereign and nonsovereign operations **digital transformation** to grow year over year
- 30% of operations contribute to **regional cooperation and integration and public goods** by 2030

CAREC Partnership for Trade, Climate, and Innovation

COP29 Declaration

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



Examples of Pipeline Digital Projects (Sovereign)

Country	Project	Description	Type/Modality	Related Sector
TAJ	Social Insurance System Modernization and Digitalization Project	Agency for Social Insurance and Pensions (ASIP) processes and services digitalized to improve performance of state social insurance and pension systems through better administration and digitalization	Grant	Human and Social Development
PAK	Digitalization of Federal Bureau of Revenue	Reforms and measures to digitalize revenue system	Policy-based Loan	Public Sector Management and Governance (PSMG)
KGZ	Business Service Center (BSC) Development	Review existing BSC business processes, identify areas for modernization, and develop a roadmap and timeline for implementation of e-BSC services	Loan (SEFF)	PSMG
UZB	Climate-Resilient Water and Sanitation Services Project	Address climate vulnerabilities and enhance public health and economic conditions by ensuring inclusive access to safe, reliable, climate-resilient, and sustainable WSS services for the residents of Andijan, Djizzak and Fergana provinces; and the Republic of Karakalpakstan.	Loan	Water and Urban Development (WUD)
UZB	Climate-Smart Water Management Improvement Project	The project aims to improve water security, reduce climate vulnerability, and increase access to safe and reliable water supply in Uzbekistan by improving the operational efficiency of its water supply and sanitation (WSS) utilities. It will modernize water management systems based on smart IT solutions to improve asset management and sustainability of service delivery	Loan	WUD
GEO	Rural Water Supply Delivery Program	ADB is supporting the delivery system of water in several locations - the FFM will happen in June 2025	Results – based Loan	WUD

Example of Proposed National TA (non-exhaustive)

Country	Project	Description
AZE	National Spatial Data Infrastructure, Artificial Intelligence, Tech startup ecosystem	Conduct study and scoping for NSDI. Identify platforms to integrate AI (including business to business matching), and identify binding constraints to tech startup investment and growth

Existing TAs (non-exhaustive, implemented by ADB Digital Sector Office)

Country	Project	Description
GEO, UZB, MON	TA 6672-REG: Empowering Developing Member Countries to Use Multi-Spectral Satellite Images and Artificial Intelligence for Land Use and Coastal Planning	(i) operationalized cloud-based platform; (ii) integration of EO technology solutions into projects; and (iii) improved knowledge in adopting EO-based solutions
PAK	TA 6954-REG: Expanding Connectivity and Affordability to Address the Digital Divide	(i) identify and adopt innovative, cost-effective, and sustainable digital connectivity solutions and business models in unconnected or under-connected communities; (ii) strengthen investment strategies related to digital connectivity infrastructure; and (iii) enhance policy frameworks to improve coverage, quality, and affordability of broadband internet.
AZE, KAZ, PRC, MON, TAJ	TA 9794-REG: Digital Development Facility for Asia and the Pacific	(i) identifying digital development opportunities, (ii) enhancing design quality of digital technology components in ADB projects, and (iii) improving the capacity of DMCs through knowledge activities.
GEO, MON, UZB, AZE, PAK, TAJ	TA 10396-REG: Support to Capacity Building and Implementation for cybersecurity in DMCs	(i) knowledge on the implementation of cybersecurity measures strengthened, (ii) capacity of selected developing member countries (DMCs) in cybersecurity enhanced, and (iii) implementation of projects incorporating cybersecurity measures and partnership building supported

Regional Digital Corridors

ADB is keen to support the development of regional digital corridors through targeted investments in digital infrastructure

Benefits: Harmonization of digital policies to support cost-efficient connectivity across CAREC can support digital trade, logistics and enhance regional integration

Challenges: Lack of funding and investment, geopolitical and security risks, technical and operational issues

Terrestrial connectivity

- Improving network connectivity of landlocked countries across CAREC and boosting access to global/regional digital connectivity routes
 - *Development of a feasibility study to explore efficient and cost-effective connectivity routes from PAK*
 - *Identification of regional digital hubs*

Submarine cable connectivity

- Investing in submarine cable connectivity to facilitate access to international networks and provide redundancy
 - *Early conversations on supporting regional submarine cable systems to connect East Asia to Europe*

Proposed Regional Technical Assistance

Cross-border Opportunities via Regional Resilience, Infrastructure, Data, and Open Regulations in Asia and the Pacific (**CORRIDOR**)

Regional Connectivity and Infrastructure, Interoperability, and Data Exchange

Trade Digitalization and Cross Border trade and supply chains

Regional Investment Mechanisms

Regional Digital Public Goods Alignment

Digital Policy and Regulation

ASIA AND THE PACIFIC

Accelerating Digital Transformation and Connectivity in CAREC Countries

Regional Data Centers and Cloud Infrastructure

Cross Border Digital Corridors

Regional Fund of Funds

Integrated Smart and Green Trade Facilitation Systems

AI Innovation and Testing Zones

Interoperable Digital Government Solutions

Cybersecurity, Data Governance, Data Privacy, and Telecoms Governance Policies

ADB Transaction Advisory Service : Green Data Center Project for the Kyrgyz Republic



Project and Mandate Overview

Sector	Energy Renewable energy generation
Name of Client	Ministry of Digital Development (MDD) Public-Private Partnership Center (PPPC)
Estimated Project Size	Approx. \$15 million



Project Background and Description

- ❖ A renewable energy-powered green data center.
- ❖ The Project will contribute to 1) development of digital sector and support the government's digital transformation in Kyrgyz Republic by introducing international best practices in data storage and management, and 2) expand the opportunities for consumption of clean and diversified energy projects.



Scope of Work

- ❖ ADB will provide technical support for project structuring, assisting in documentation evaluation, management of bidding process and capacity building.
- ❖ ADB will assist the Client in achieving financial closure by coordinating with the lenders and other relevant parties.



Status

- ❖ The Agreement of Transaction Advisory Service (TAS) was signed between MDD, PPC and ADB in October 2024.
- ❖ MDD has identified some potential sites for the data center and ADB is assessing their viability.
- ❖ ADB carried out site visits in June 2025 to these sites.



ADB Requests

- ❖ To ensure the timely start of various activities under the Project, potential project sites in Bishkek and its vicinity should be identified and secured as soon as possible so the relevant studies can commence.

24th CAREC Ministerial Conference: Green and Digital CAREC (Nov 2025, Bishkek)

17 Nov 2025 **CAREC Technology Forum**

- Potential MOU signing, business-to-business matching
- Launch of digital initiatives

18 Nov 2025 **CAREC Business Forum**

19 Nov 2025 **Kyrgyz Republic National Development Forum**

20 Nov 2025 **24th CAREC Ministerial Conference**

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



Next Steps

1. Circulation of CAREC 2030 Strategy Midterm Review Report (July 2025)
2. Preparation of regional TA and fund mobilization (July to December 2025)
3. Scoping studies for Digital Corridor, Regional Fund of Funds (Ongoing) and regional digital diagnostics (to be confirmed)
4. Preparations for the CAREC Technology Forum and invitation to potential partners (now to November 2025)