

CAREC INSTITUTE RESEARCH PROGRAM 2009-2011

**Jesus Felipe
Central and West Asia Department
Asian Development Bank**

**CAREC Meeting
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CAREC's MANDATE

- CAREC is a regional forum to promote the development of its country members through regional cooperation
- This is achieved through work in three areas:
 - Trade
 - Transport
 - Energy

How can regional cooperation be a catalyst of growth and development in Central Asia?

- (i) Geographical proximity offers considerable advantages in a time of economic globalization, and regional cooperation among developing countries has the potential to support national development plans

- (ii) For many developing countries, a regional orientation involving partners at a similar level of development may be a more viable option than an exclusive focus on the world market. Foreign competition within the region may be less difficult to handle and the probability of finding a level playing field is greater

WHY RESEARCH?

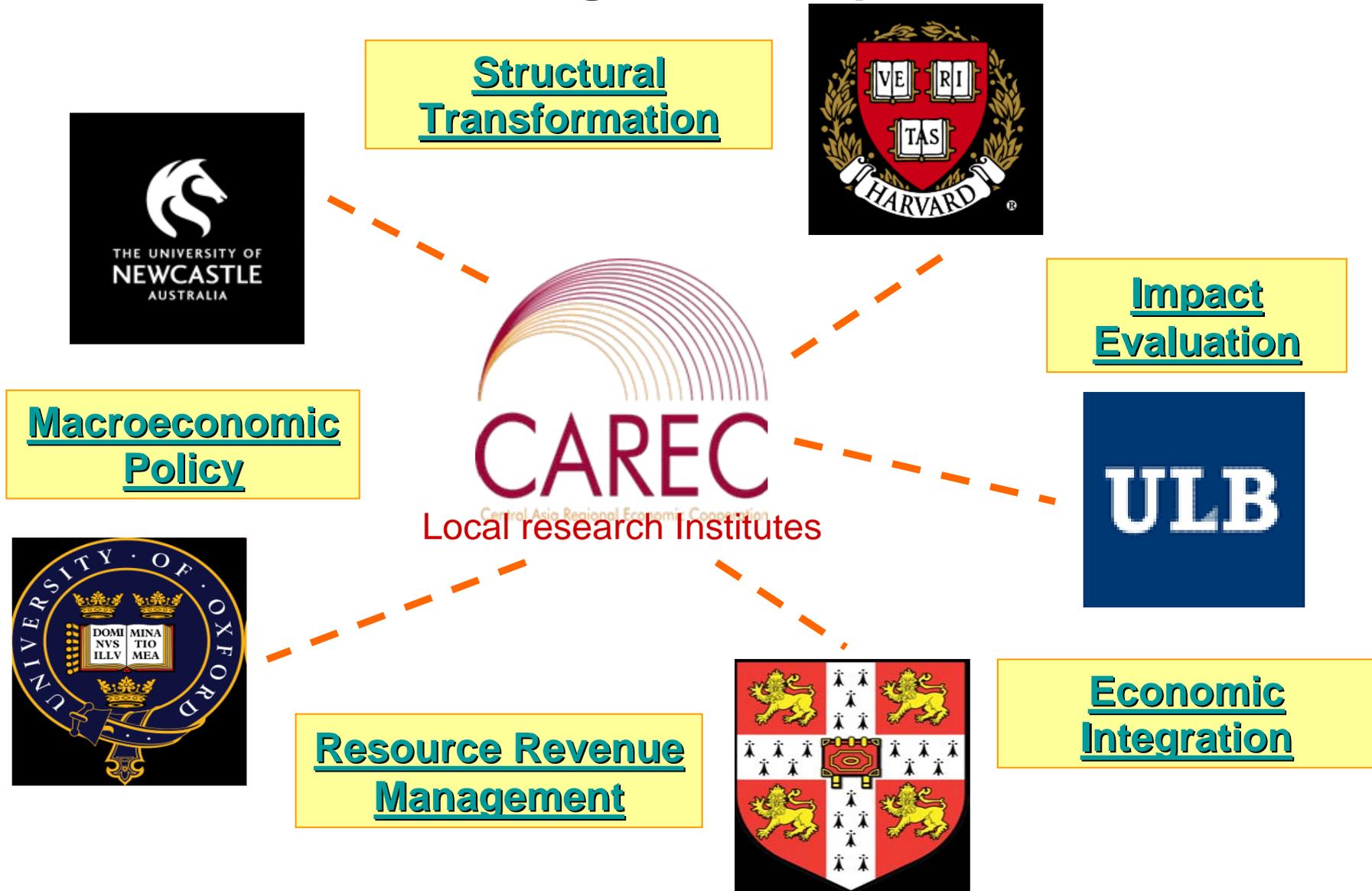
The CAREC's Institute was set up to (among other things):

- Provide an intellectual basis for CAREC's activities
- Ask relevant questions about regional cooperation and provide answers that can inform policy makers in the CAREC countries
- Help raise the research capacity of institutes in the region
- Establish a network of research institutes in the region

CAREC Institute

Research Program 2009-2011

Issues on Regional Cooperation



PRINCIPLES THAT WILL GUIDE CAREC'S RESEARCH

- Research will be **well-focused** (i.e., within the boundaries established in each three-year cycle)
- Research will be **flexible**. The research program will allow different views, perspectives and methodological approaches
- Research will be **relevant** (i.e., policy oriented) in the context of CAREC's objectives
- Research will be useful to CAREC and to the countries. It will be **results-oriented**
- Research will be **owned** and undertaken by the countries
- Research will allow **collaboration** among institutions in different countries

Region's Leading Research Institutes Welcome!



CAREC RESEARCH PROGRAM

For this program to succeed we need:

(i) Commitment

(ii) Ownership

(iii) Quality

(iv) Communication in English

MAIN ACTIVITIES

- Research undertaken by:
 - Leading institutions
 - Research centers in the region
- Technical training, e.g., structural change - trade negotiations (Harvard)
- Conferences, e.g.,
 - Second gathering of Central Asian research institutes (Summer 2009)
 - Annual CAREC research conference

Possible Next Steps

- Summer meeting, place to be decided
- Researchers from the leading institutions will give presentations on the different research areas
- Your institutes should start thinking of research topics for collaboration
- Prepare a brief presentation for the summer meeting on a topic in one of the areas in the research agenda
- Submit a research proposal
- Researchers from the leading institutions plus CAREC will evaluate the research proposals
- Role of CAREC
 - Intermediate
 - Financial assistance

Finance of research activities

- CAREC will support research based on the following guidelines:
 - Prepare research proposals on any of the approved topics for the 2009-2011 research agenda
 - Please use CAREC's application form
 - Each institute can submit a maximum of two research proposals
 - Proposals will have to follow CAREC's research principles
 - Proposals with a regional cooperation dimension are encouraged

Finance of research activities

- All proposals will be rigorously evaluated
- CAREC will not necessarily finance both proposals per institute
- CAREC will fund a maximum of \$30,000 per research proposal accepted
- Research period is 2009-2010. Research will be completed by end 2010

What we expect from this research program and collaboration

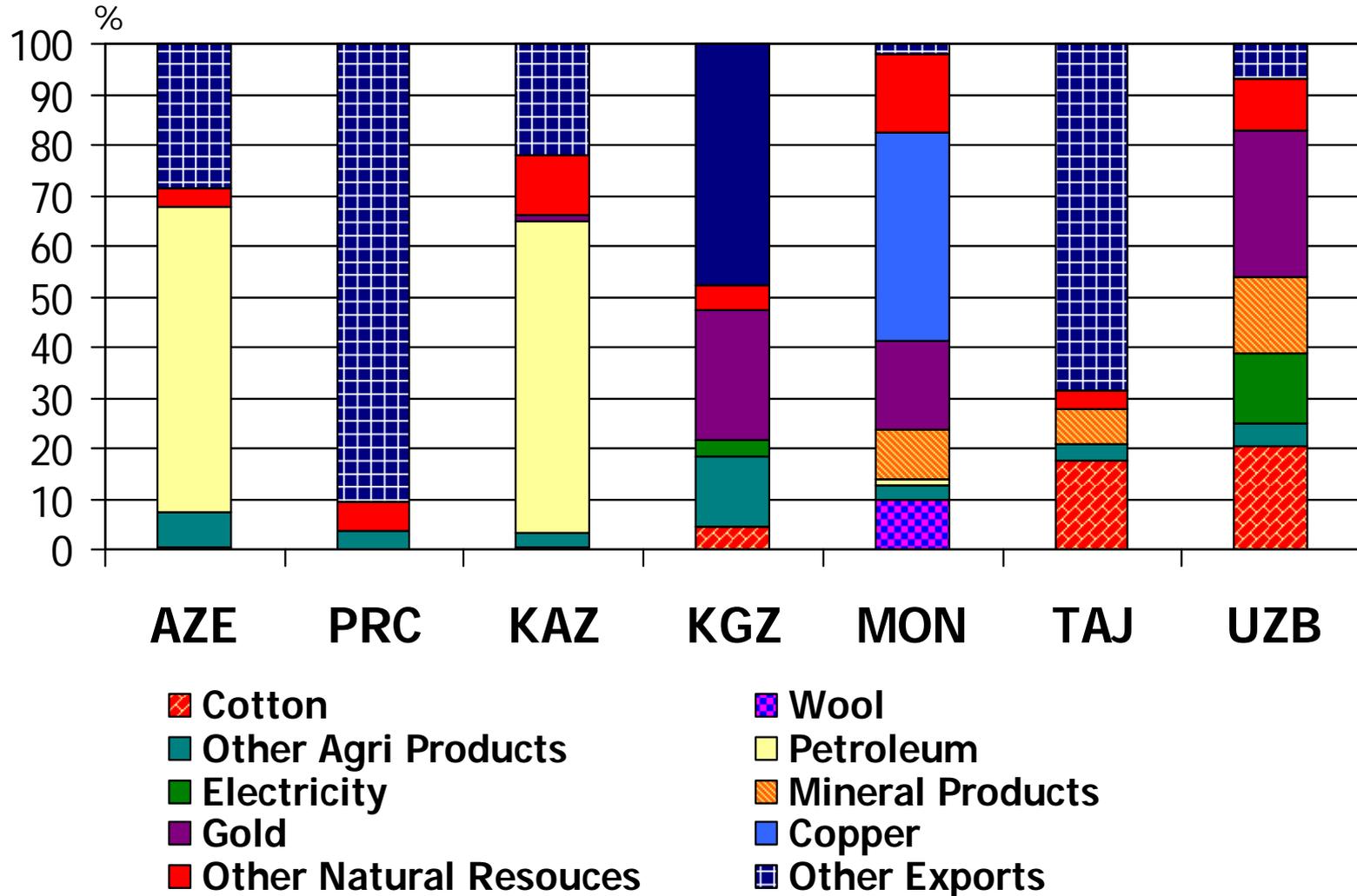
- To provide an intellectual basis for CAREC's activities (regional integration; trade; transport, etc.)
- To ask relevant questions (and provide answers) that can inform policy makers in CAREC countries
- To help raise the research capacity of institutes in the region
- To establish a network of research institutes in the region
- To produce useful outputs in the form of working papers, edited volumes, etc.

THANK YOU

Landlocked CAREC Countries

Country	Total Area (sq. km.)	Land Boundaries (km)	Border Countries	Coastline
Afghanistan	647,500	5,529	PRC, Iran, Pakistan, Tajikistan, Turkmenistan, Uzbekistan	Landlocked
Azerbaijan	86,600	2,013	Armenia, Georgia, Iran, Russia, and Turkey	Landlocked, borders the Caspian Sea
Xinjiang, PRC	1.660 million	15,106	Kazakhstan, Kyrgyz Republic, Tajikistan, Mongolia, Pakistan, India, Afghanistan, and Russia	Landlocked, Urumqi, the capital, is the most distant large city from a seaport in the world
Kazakhstan	2.717 million	12,012	PRC, Kyrgyz Republic, Russia, Turkmenistan, and Uzbekistan	Landlocked, borders the Aral Sea and Caspian Sea
Kyrgyz Republic	198,500	3,878	PRC, Kazakhstan Tajikistan, and Uzbekistan	Landlocked
Mongolia	1.565 million	8,220	PRC, Russia	Landlocked
Tajikistan	143,100	3,651	Afghanistan, PRC, Kyrgyz Republic, and Uzbekistan	Landlocked
Uzbekistan	477,400	8,220	Afghanistan, Kazakhstan, Kyrgyz Republic, Tajikistan, and Turkmenistan	Double landlocked, includes the southern portion of the Aral Sea

CAREC Exports by Commodity Group



Based on latest data available: 2006 for AZE, PRC, KAZ, KGZ and MON; and 2004 for TAJ and UZB.

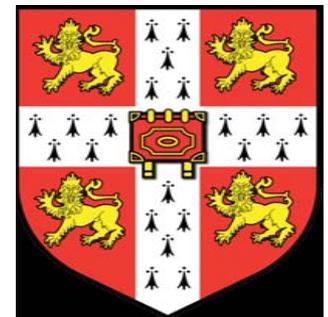
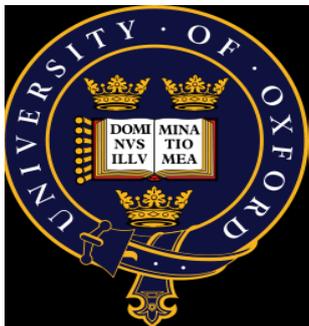
Research Program 2009-2011

- Analysis of options to upgrade and diversify the production and export structure with special attention to intra-regional trade
- Some work done on Kazakhstan and Kyrgyzstan
- Work in progress for other countries



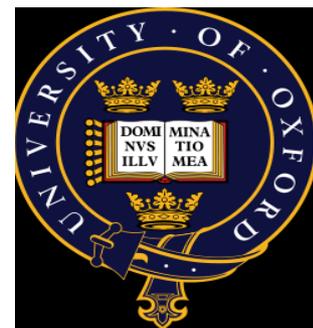
Research Program 2009-2011

- The influence of space, geography (landlocked economies with uneven distributions of natural resources) and regional cooperation on growth
- Analysis of the pattern of intra-regional trade compared to extra-regional trade
- Scope for further integration in CAREC: different options
- Work on scale economies and growth spillovers between countries in the region



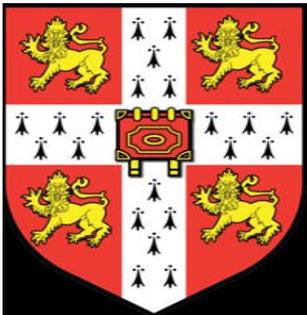
Research Program 2009-2011

- Discussion of best practices for managing resource revenues
- Implications for regional integration and resource management
- Optimal spending path for macroeconomic stabilization and growth



Research Program 2009-2011

- Macroeconomic risk assessment
- Employment creation
- Inflation targeting
- Growth and financial development, income distribution, poverty reduction and globalization
- Skills development



Research Program 2009-2011

- Despite billions spent, we know little about the ultimate impact of a given project:
- Did a given intervention (e.g., a road project) produce the intended benefits?
- What was the overall impact on the population surrounding the area?
- Could the project have been better designed to achieve the intended outcomes?
- Were resources spent efficiently?

Afghanistan

- National Center for Policy Research, Kabul University
- American University of Afghanistan

Azerbaijan

- Institute for Scientific Research on Economic Reforms
- Center for Economic and Social Development

People's Republic of China

- Chinese Academy of International Trade and Economic Cooperation
- Institute of Russian, East European and Central Asian Studies, Chinese Academy of Social Sciences

Kazakhstan

- Public Policy and Research Center
- Institute for Economic Research
under the Ministry of Economy and
Budget Planning

Kyrgyz Republic

- American University of Central Asia
- Public Association "Investment Round Table"

Mongolia

- National Development Institute
- Strategic Research Institute

Tajikistan

- Institute of Economic Research under the Ministry of Economic Development and Trade
- Center of Strategic Research under the President of the Republic of Tajikistan

Uzbekistan

- Center for Economic Research
- Institute of Forecasting and Macroeconomic Research