



Reference Document
For Session 2 of the Senior Officials' Meeting
31 October 2010

Summary of CAREC Institute Performance Assessment Review (CIPAR): Interim Recommendations for Next Phase of Development

**9th Ministerial Conference on
Central Asia Regional Economic Cooperation
31 October – 2 November 2010
Cebu, Philippines**

ABBREVIATIONS

| | | |
|---------|---|--|
| ADB | - | Asian Development Bank |
| BCP | - | border-crossing point |
| CAREC | - | Central Asia Regional Economic Cooperation |
| CAP | - | CAREC Action Plan |
| CBTA | - | Cross-Border Transport Agreement |
| CCC | - | Customs Coordinating Committee |
| CFCFA | - | CAREC Federation of Carrier and Forwarder Associations |
| CI | - | CAREC Institute |
| CIPAR | - | CAREC Institute Performance Assessment Review |
| CMERF | - | CAREC Members Electricity Regulators' Forum |
| CPMM | - | Corridor Performance Measurement and Monitoring |
| CWRD | - | Central and West Asia Department |
| ELDP | - | Executive Leadership Development Program |
| EurAsEC | - | EurAsian Economic Community |
| ESCC | - | Energy Sector Coordinating Committee |
| FGD | - | focus-group discussion |
| FRP | - | Flagship Research Program |
| GMS | - | Greater Mekong Subregion |
| IMF | - | International Monetary Fund |
| LDI | - | Leadership Development Initiative |
| MI | - | multilateral institution |
| PPP | - | Public-Private Partnership |
| PRC | - | People's Republic of China |
| PSMC | - | Public Sector Management Course |
| SCO | - | Shanghai Cooperation Organization |
| SEW | - | Single Electronic Window |
| SRGP | - | Small Research Grants Program |
| SRW | - | subregional workshop |
| TA | - | technical assistance |
| TCD | - | time-cost-distance |
| TNA | - | Training Needs Assessment |
| TPCC | - | Trade Policy Coordinating Committee |
| TSCC | - | Transport Sector Coordinating Committee |
| TTFS | - | Transport and Trade Facilitation Sector |
| UNDP | - | United Nations Development Programme |
| UNECE | - | United Nations Economic Commission for Europe |
| USAID | - | United States Agency for International Development |
| WCO | - | World Customs Organization |
| WTO | - | World Trade Organization |

NOTE

IN THIS REPORT, "\$" refers to US dollars.

CONTENTS

| | Page |
|--|-----------|
| Executive Summary | i |
| I. CIPAR: OBJECTIVES, APPROACH AND METHODOLOGY | 1 |
| A. Objectives and Approach | 1 |
| B. Methodology: Data Collection and Instruments | 2 |
| C. Methodology: Subject Programs of Assessment..... | 3 |
| II. SUMMARY OF ACTIVITY ASSESSMENT | 4 |
| A. Capacity Building | 6 |
| B. Research..... | 10 |
| C. Outreach. | 13 |
| III. SUMMARY OF “BROADER ASPECTS” ASSESSMENT..... | 14 |
| IV. CONCLUSIONS..... | 17 |

APPENDIXES

- 1: CAREC Institute: Its Mission
- 2: CAREC Institute: Prospectus and Work Plan (2009 – 2011)
- 3: CAREC Institute as a “Virtual” Institute
- 4: Gender: Female Participation in CAREC Institute Programs
- 5: CAREC Institute: ADB Regional Technical Assistance Programs as Funding Sources

EXECUTIVE SUMMARY

The CAREC Institute Performance Assessment Review (CIPAR) serves as an interim assessment for the purpose of eliciting guidance on the design of the Institute's subsequent activities and programs. Since the Institute became operational only in 2009, the outcomes of several programs are not yet evident, and the impacts of the programs may need a few more years to take root. A full and more objective assessment is therefore not warranted and could not have been accomplished at this early stage.

Nevertheless, this exercise was conducted given the need to: (i) offer considerations for the Institute work plan for 2012–2014 and, (ii) complement the review of the overall CAREC Program's strategic directions, as sought in the CAREC 10-year Commemorative Study. By carrying out this assessment in conjunction with the Commemorative Study, it seeks to offer suggestions that can help the CAREC Institute support the CAREC Program more effectively and directly.

In carrying out the assessment, relevance, effectiveness, efficiency, and impact-sustainability were the criteria used to assess each of the CAREC Institute programs. Given the limitations outlined above, however, using all the criteria was generally difficult and sometimes impossible. Systemic problems that the Institute has encountered were also elicited and considered.

The CAREC Institute programs that were considered in the assessment comprised: (i) those that were conducted by the Institute itself, and (ii) those that were initiated by other CAREC stakeholders, such as the sector coordinating committees and other multilateral institutions (MIs), but for which the CAREC Institute took on a coordinating role.

Among those conducted by the Institute itself were: the Leadership Development Initiative (LDI); Flagship Research Program (FRP); Small Research Grants Program (SRGP); Public-Private Partnership (PPP) workshops; some issue-specific studies¹, and *Outreach* activities. Some recommendations drawn up for their future development include: for LDI, the inclusion of more materials relevant to regional cooperation, field visits to more operational agencies, and targeting participants with a similar level of experience; for PPP, more in-depth and practical training, and prospective tapping of training providers in the region; for FRP and SRGP, research should be merged with sector or issue-specific concerns in the next phase, more stringent selection process of participants and the wide dissemination of outputs; for Outreach, the timely dissemination of information through the website; consideration of establishing a website forum where people can raise and discuss issues and the design of a special publication series for outputs of participants from CAREC countries.

For those that were initiated by other CAREC stakeholders, among the programs assessed were: Corridor Performance Measurement and Monitoring (CPMM) workshops; Single Electronic Window (SEW) workshops; WTO and other seminars on trade development; CAREC Members Electricity Regulators' Forum (CMERF); Tier 2 sector training and knowledge sharing; sector studies, and some issue-specific studies.² Some considerations were also drawn up on these programs.

¹ The issue-specific studies conducted by the CAREC institute include CAREC Results Framework, CAREC 10-Year Commemorative Study, and CIPAR.

² Covered the Cross-Border Transport Agreement (CBTA).

Through the assessment exercise on each of these activities and programs, the CIPAR also identified a number of common issues that call for systematic and integrated approaches all throughout the program cycle – from identification to the development and implementation of priority *Capacity Building* and *Research* programs. In connection with this, the CIPAR recommends improved interfaces with sector coordinating committees, partner governments, and other multilateral institutions (MIs) and local institutions. In addition, the CIPAR suggested the enhancement of the CAREC Secretariat functions as administrator and coordinator of the CAREC Institute.

These recommendations cannot be overemphasized. This is because of the CAREC Institute's mandated role to serve as a mechanism for relevant and effective *Capacity Building*, *Research* and *Outreach* activities. This role has taken on greater importance as the CAREC Program moves further in the implementation stage under the CAREC long-term strategy and its accompanying sector action plans. As the CAREC Program moves further, the CAREC Institute must pursue programs that would be more responsive to the needs of the CAREC Program.

This CIPAR should be seen as an initial step towards continuing efforts to improve the Institute's programs. In seeking the institutionalization of post-program evaluation, for example, the CIPAR hopes to build enough information that can help a full assessment of the Institute after an assessable period of implementation has elapsed (possibly five years). By that time, it could look at the cost-effectiveness of programs. In the case of *Research*, estimates of research adoption rates and the benefits of innovation can be the points for assessment. Taking these factors and making the assessment of CAREC Institute programs a continual effort, this should help improve their relevance, effectiveness, efficiency and impact-sustainability in supporting the CAREC Program moving forward.

Finally, the CIPAR also took note of some management issues that were raised in the subregional workshops (SRWs): (i) funding and (ii) the optimal structure for the Institute.

Currently, the Institute draws from ADB's regional technical assistance on the *Central Asia Regional Economic Cooperation (CAREC) Institute, 2009–2012*³ for most of its programs, with some components funded by other ADB technical assistance programs, other MIs and PRC. The suggestion was made by CAREC country delegations that, in addition to ADB and other partner MIs, it would be necessary to seek new funding sources both within and outside the CAREC region, in order to respond to the huge capacity building and research needs of the CAREC Program.

On the point of the Institute's optimal structure, the CIPAR offers some discussion points for CAREC partner countries to consider a "virtual" as against physical structure. The CIPAR found that while a physical institute may be administratively more efficient, attract visitors, and foster alumni identification and have staffing stability, many factors also weigh in favor of a virtual entity.

³ ADB. 2008. *Technical Assistance for the CAREC Institute, 2009 – 2012*. Manila. (TA 6488-REG, \$5.2 million, approved on 24 September).

I. CIPAR: OBJECTIVES, APPROACH AND METHODOLOGY

A. Objectives and Approach

1. From its earliest years, the Central Asia Regional Economic Cooperation (CAREC) Program recognized that achieving greater levels of coordination and harmonization, increasing the region's international competitiveness and overcoming barriers to cooperation (in the priority areas of trade policy, trade facilitation, transport and energy) would require the generation and application of knowledge to specific problems and concerns.¹ This led to the establishment of the CAREC Institute as an operational mechanism for providing capacity building and research programs to support the CAREC Program.

2. The CAREC Institute, operationalized as a virtual entity, was tasked with clearly specialized objectives. Its Prospectus envisages it as a region-based institution covering the CAREC Program's specific needs for research, training, and knowledge solutions to common problems, with the end-view of bringing about more effective regional cooperation. Given this mandated role, it is critical for the Institute to be responsive to the CAREC Program. As such, it must endeavor to continually look at its programs and activities, assess whether these are relevant and effective, and make the necessary improvements where needed.

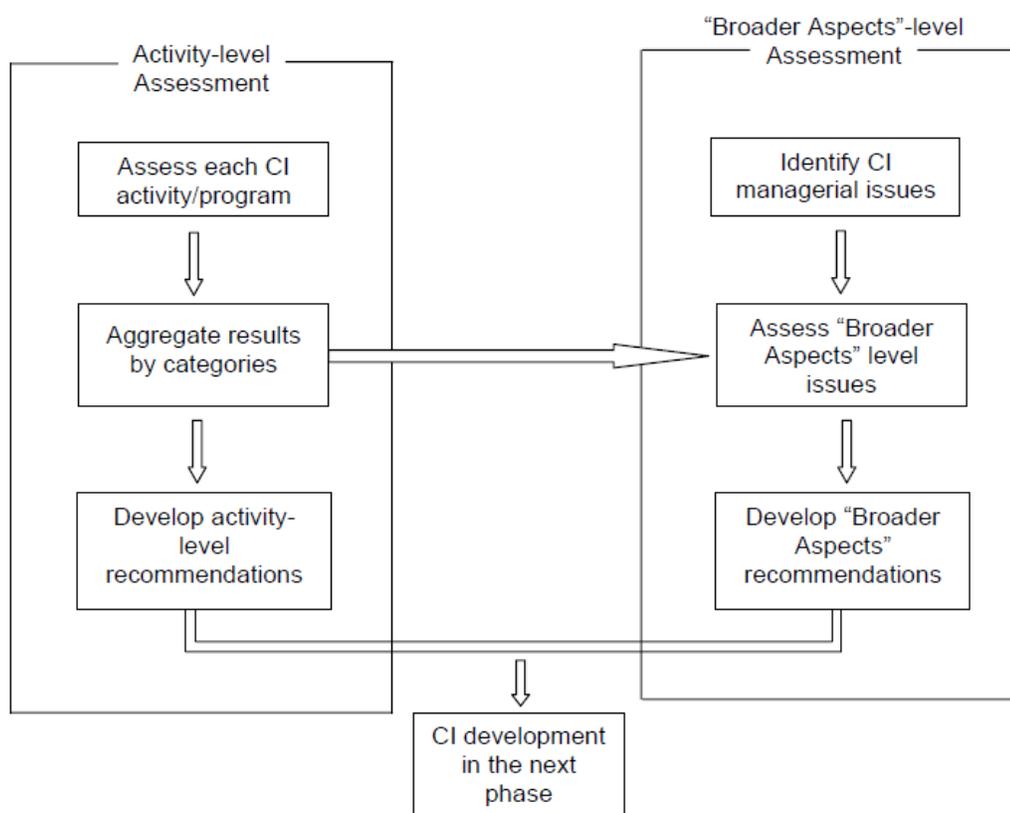
3. This CAREC Institute Performance Assessment Review (CIPAR) is the initial step to such efforts. As an interim assessment, the CIPAR is undertaken for the purpose of eliciting guidance on the design of subsequent activities and programs of the Institute. Since the Institute became operational only in 2009, the outcomes of several programs are not yet evident, and the impacts of the programs may need a few more years to take root. A full and more objective assessment is therefore not warranted and could not have been conducted at this early stage. However, the value of an interim assessment lies in the lessons that current programs can yield within this limited time – which can offer reasonable bases for decision-making and enable the CAREC Institute to make the necessary adjustments or improvements

4. On that note, the findings of this exercise can be used to: (i) offer considerations for the Institute work plan for 2012–2014, and (ii) complement the review of the overall CAREC Program's strategic directions, as sought in the CAREC 10-year Commemorative Study. By carrying out this assessment in conjunction with the Commemorative Study, it seeks to offer suggestions that can help the Institute support the CAREC Program more effectively and directly.

5. The assessment is conducted at two levels (Figure 1), i.e., at the activity level and at the “broader aspects” level. The activity level assessment looks at the early accomplishments and on-going programs of the Institute in the areas of: *Capacity Building, Research and Outreach*. The results of the activity level assessment helped frame recommendations in two ways: (i) by offering up specific improvements to activities, and (ii) by yielding common themes that can be addressed at the “broader aspects” level, or those systemic factors that relate to the Institute's institutional setting (e.g., interface with sector coordinating committees, administration function of the CAREC Secretariat, and coordination with other institutions and networks in the region). Also included under “broader aspects” are some management issues that affect the operations of the Institute, such as the sustainability of financing and its optimal structure (i.e., “virtual” of physical institute), among other concerns.

¹ ADB. *CAREC Institute Prospectus*. Sixth Ministerial Conference on Central Asia Regional Economic Cooperation (CAREC). 2–3 November 2007. Dushanbe, Tajikistan.

Figure 1. CIPAR: Two-Fold Approach



6. Relevance, effectiveness, efficiency, and impact-sustainability are the criteria used to assess the CAREC Institute programs. Although applying all of them is generally difficult and sometimes impossible in view of the limitations indicated at the outset, qualifying factors for each criterion² yielded the initial lessons that were sought in this assessment. Taken together, the activity and “broader aspects” level assessments framed key considerations for the CAREC Institute for its next phase in 2012–2014.

B. Methodology: Data Collection and Instruments

7. As most of the Institute’s programs are on-going and have yet to produce their outcomes, it is not possible to assess such on-going programs based on the outcomes straightforwardly. To supplement this weakness, the CIPAR used several instruments and tapped various stakeholders of the CAREC Institute programs (e.g., government officials in CAREC countries, available past and current participants in CAREC Institute programs, participants’ supervisors, multilateral institutions (MIs), research and training institutions and

² Under *Relevance*, the following were considered: (i) whether the activities/programs reflected the strategic goals and needs of the CAREC Program and sectors; (ii) the utility of skills and tools imparted in the activities and programs, and (iii) activity design. For *Effectiveness*: (i) quality of the instruction and (ii) course content. For *Efficiency*: (i) the selection process and (ii) administrative processes involved. For *Impact Sustainability*: (i) whether participants can leverage the new skills or tools in the workplace enabling them to reinforce and solidify learning, (ii) the availability of alternative or complementary programs or service providers, and (iii) availability of resources that can feed into the programs.

other development partners, including the private sector), so as to gather as much information and comments from an array of informed sources.

8. To maintain maximum possible objectivity for what is otherwise a subjective analysis, formalized systems of data collection for performance assessment was used in combination.³ Instruments used include review of relevant documents, multi-functional questionnaires, focus-groups discussions (FGDs) supplemented with “faceless forums” (to capture any comments that might have been missed out or stifled in the public forum), and interviews (conducted either face-to-face or by telephone, with some comments received by e-mail). The survey questionnaires, which were translated in Russian and Chinese for respondents’ convenience, were framed in such a way as to approximate the impact of respondents’ participation in Institute programs on their professional and/or institutional environment.

9. Over 65 respondents filled out questionnaires on completed and on-going programs of the CAREC Institute. FGDs, piggybacked on the sub-regional workshops (SRWs) organized in connection with the CAREC 10-Year Commemorative Study, were convened in Uzbekistan (Tashkent), Kazakhstan (Astana and Almaty) and PRC (Beijing), and had representatives from the government and private sectors. SRWs had CAREC national focal points, sector focal points, advisors and regional cooperation coordinators giving their inputs on programs and macro factors relating to the CAREC Institute. The SRWs and FGDs counted the participation of over 80 CAREC regional representatives. Taking the survey, SRWs and FGDs altogether, almost 150 CAREC representatives provided inputs to the assessment of Institute programs.

C. Methodology: Subject Programs of Assessment

10. The subject programs include all the *Capacity Building, Research and Outreach* programs implemented under the CAREC Institute⁴. The programs are classified according to: (i) implementing bodies – while the CAREC Institute initiates, develops, and implements some of its programs, most are initiatives of sector coordinating committees, CAREC countries and other MIs. For these programs, the CAREC Institute functions as coordinator to confirm the relevance of programs to the overall CAREC Program, avoid overlapping, encourage timely progress and so on; (ii) funding sources – though covered mostly by ADB’s regional technical assistance on the *Central Asia Regional Economic Cooperation (CAREC) Institute, 2009–2012*⁵, several have been financed by other funding sources, including other ADB regional technical assistance programs, MIs, People’s Republic of China (PRC), and other development institutions.

11. The subject programs with the corresponding instruments used for the assessment are in Table 1.

³ These include: *Stakeholder Analysis* – which involves ADB staff, other MIs and development partners, participants in Institute activities, representatives from governments and private sectors, etc.; *Community-Based Participatory Appraisal* – through the use of focus-group discussions (FGDs) to facilitate information sharing and an exchange of viewpoints; *Beneficiary Assessment* – consisting of systematic and/or ad hoc listening of feedback on Institute activities by field-based ADB staff; *Semi-structured Interviews*; *Secondary Data Review* – covering documents, materials and website, and *Random Content Analysis* – covering the diverse materials documenting activities of the Institute. These are discussed more extensively in: ADB. 2010. *Augmenting the Performance of the CAREC Institute*. Manila. (TA 6488-REG). p.5.

⁴ Programs that were started before the CAREC Institute was established but were implemented or continued under the CAREC Institute umbrella are included as subject programs of assessment.

⁵ ADB. 2008. *Technical Assistance for the CAREC Institute, 2009 – 2012*. Manila. (TA 6488-REG, \$5.2 million, approved on 24 September).

Table 1. Subject Programs by Categories and Instruments Employed for Assessment

| Area | Subject Programs of Assessment by Categories | Instruments |
|-------------------|--|--|
| Capacity Building | 1) Leadership Development Initiative (LDI) <ul style="list-style-type: none"> ▪ Executive Leadership Development Program (ELDP)* ▪ Public Sector Management Course (PSMC)* 2) Sector Training and Knowledge Sharing <ul style="list-style-type: none"> ▪ PPP workshops* ▪ Corridor Performance Measurement and Monitoring (CPMM) ▪ Single Electronic Window ▪ CAREC Members Electricity Regulators' Forum (CMERF) ▪ WTO and other knowledge-sharing seminars on trade 3) Tier 2 Sector Training and Knowledge Sharing | Interviews FGDs Faceless forum/s Questionnaires |
| Research | 4) Sector Studies <ul style="list-style-type: none"> ▪ Foundation Study on Transport and Trade Facilitation ▪ Trade and Institutional Environment in Central Asia ▪ Diagnostic Study on Energy Demand/Supply Balance and Infrastructure Constraints 5) Research Programs with Capacity Development Aspects <ul style="list-style-type: none"> ▪ Flagship Research Program (FRP)* ▪ Small Research Grants Program (SRGP)* 6) Issue-specific studies (e.g., CBTA, CAREC Results Framework*, CAREC 10-Year Commemorative Study*) | Interviews FGDs Faceless forum/s Questionnaires |
| Outreach | <ul style="list-style-type: none"> ▪ Website* ▪ Policy briefs (e.g., CAREC Notes, etc.)* ▪ Seminars, conferences and other events* | Website Publications FGDs Questionnaires |

* – programs initiated, developed and implemented by the CAREC Institute.

II. SUMMARY OF ACTIVITY ASSESSMENT

12. This chapter summarizes the findings and interim recommendations for the subject programs/activities of the CAREC Institute. Assessment for each is aggregated, based on the nature of programs, into 7 categories: 3 categories in *Capacity Building*, 3 categories in *Research*, and 1 category for *Outreach* activities taken altogether. The activity assessment gave rise to specific suggestions for improvement and also revealed “broader aspect” issues that can be addressed through a systemic and integrated approach. Chapter III discusses the revealed “broader aspect” issues in greater detail to elicit the corresponding recommendations. The summary of CAREC Institute programs in terms of participation are set out in the following table.

Table 2. CAREC Institute: Programs and Participation⁶

| Area | Programs | CAREC Participants | Country Participation |
|--------------------------|---|--------------------|--|
| Capacity Building | Executive Leadership Development Program (ELDP) <i>(2 deliveries)</i> | 57 | Full |
| | Public Sector Management Course (PSMC) <i>(2 deliveries)</i> | 88 | Kazakhstan; Kyrgyz Republic |
| | Public – Private Partnership (PPP) <i>(6 workshops)</i> 1 case study workshop 5 in-country awareness workshops | 348 | Full Kazakhstan; Kyrgyz Republic; Mongolia; Tajikistan; Uzbekistan |
| | Corridor Performance Measurement and Monitoring (CPMM) <i>(4 workshops)</i> | 136 | Full |
| | Single Electronic-Window (SEW) <i>(3 workshops)</i> | 78 | Full |
| | WTO and Other Trade Developments | 13–15 | Full |
| | CAREC Electricity Regulators' Forum | 32 | Full |
| | CAREC High-Level Veterinary Officials' Visit to PRC | 14 | Afghanistan; Azerbaijan; PRC; Kazakhstan; Mongolia; Tajikistan; Uzbekistan |
| | Human Avian Influenza | na | na |
| | Zoonotic Diseases | na | na |
| | Disaster Risk Mitigation | na | na |
| Research | Flagship Research Program <i>(2 workshops)</i> | 34 | Full |
| | Small Research Grants Program (SRGP) | 15 | Kazakhstan; Kyrgyz Republic; Mongolia; Tajikistan; Uzbekistan |
| Outreach | Seminar: Building Seamless Connections for New Prosperity ⁷ | - | Full |
| | Renewable Energy in Central Asia: Enhancing Food Security and Improving Social and Economic Conditions in Remote Locations ⁸ | na | na |
| | Promoting Regional Cooperation and Development in Central Asia ⁹ | na | na |
| | Private Sector Participation and Investment in Physical Infrastructure for CAREC | 31 | Full |

Full – indicates participation by 8 CAREC countries

na – not available

⁶ Data was referenced from the CAREC Institute website, www.carecinstitute.org.

⁷ Piggybacked on the 43rd Annual Meeting of the ADB Board of Governors in Tashkent, Uzbekistan.

⁸ Co-financed with Carnegie Endowment for International Peace, the Joint Stock Company SystemAvtomatika (Dushanbe, Tajikistan), and the Renewable Energy Association of Tajikistan.

⁹ Co-financed with Carnegie Endowment for International Peace and the Wolfensohn Center for Development at the Brookings Institution.

A. Capacity Building

1. Category 1: Leadership Development Initiative (LDI)

13. Subject programs:

(i) The LDI sprang from a Training Needs Assessment (TNA) in 2007.¹⁰ It consists of two programs: **the Executive Leadership Development Program (ELDP)**, targeting senior officials and **the Public Sector Management Course (PSMC)**, targeting mid-level officials. Delivery spans three years starting in 2009, in collaboration with the Lee Kuan Yew School of Public Policy of the National University of Singapore. Both programs are being implemented by the CAREC Institute.

(ii) Two deliveries of ELDP so far sought to provide senior executives with analytic tools and skills-set to proactively deal with challenges they encounter in leading change and achieving results. The course focused on effective decision-making processes, shaping individual and organizational behaviors, improving negotiation styles, and managing relationships for greater impact. It also exposed participants to innovative approaches to leadership, along with highlighting global best practices in public sector management.

(iii) PSMC sought to provide middle-level government officials with updated practical knowledge and skills in public sector management and finance. Participants were briefed on modern tools and best practices that will strengthen their work within government institutions and enhance accountability, transparency, and efficiency in the use of public resources.

14. Findings:

(i) Participants rated both courses very highly in terms of content, relevance, materials and delivery. ELDP participants found case studies, strategic thinking and planning, field visits, and developing a culture of negotiation, coordination and communication to be useful and informative. PSMC course materials likewise showed good coverage on the principles of public finance and management, including key points that should underpin policy decision-making. Examples from selected countries were also well-received by participants.

(ii) However, it was also pointed out that the program design and contents need to be oriented more towards regional cooperation. Picking up from participants' comments, the program should consider more CAREC-related components while field visits can be directed to the more operational agencies/organizations. [*relevance, effectiveness*]

(iii) Determining the impact of LDI was difficult as the concepts taught in the program (e.g., leadership, public management, etc.) do not readily yield to measurement. The program tackles broad and “soft” areas that may take a few years to take root. While the senior executives may have learned new concepts, any positive changes, e.g., in decision-making or management style, may not be immediately evident. It is also likely that the existing program duration (i.e., one week for ELDP) as well as one-off type of

¹⁰ ADB. 2006. Central Asia Regional Economic Cooperation (CAREC): Capacity Development for Regional Cooperation in CAREC Participating Countries Phase I. (TA 6375-REG).

programs (such as the PSMC) may be difficult to produce sustainable impacts unless the Institute tries to “measure” positive change by way of, e.g., Likert-scaled surveys¹¹ administered at specific intervals and follows through on the learning in some way. [*impact sustainability*]

(iv) Participants’ selection is critical for this program as they should occupy positions where they can leverage the things they learn into their work place. The short preparation time (a period of two months) largely constrained the first delivery of ELDP, including the selection of candidates to the program. For the second delivery, requests for nominations were sent out well in advance, with attention being paid to achieving a similar level of experience among participants. Ample time for selection should continue to be observed for subsequent deliveries. [*impact sustainability, efficiency*]

15. Interim Recommendations:

(i) **Program design and materials development.** Substantive involvement of the CAREC Secretariat at the design and materials development stages is needed to ensure in-depth coverage and treatment of regional cooperation as well as inclusion of more CAREC-relevant course contents. This can include use of CAREC papers as discussion materials (e.g., CAREC 10-Year Commemorative Study, sector and issue-specific papers) as well as the preparation of CAREC case studies. [*relevance, effectiveness, impact sustainability*]

(ii) **Selection of participants.** The programs should target, to the extent possible, a similar level of experience among participants. Also, in order for the programs to have reasonable sustainability of impacts, the participants should be in a position to leverage regional cooperation initiatives or are very likely to represent their respective governments in CAREC activities for a reasonable period time. Once participants are selected, program materials should also be sent ahead of the course period to ensure reasonable preparation. [*effectiveness, impact sustainability*]

2. Category 2: Sector Training and Knowledge Sharing

16. Subject programs:

(i) This category covers: **Public-Private Partnership (PPP) Workshops, Corridor Performance Measurement and Monitoring (CPMM) Workshops, Single Electronic Window (SEW) Workshops, Seminars on WTO and Other Trade Developments, and CAREC Members Electricity Regulators’ Forum (CMERF).** These programs were initiated by the corresponding sector coordinating committees, except for the PPP workshops which were initiated by the CAREC Institute. These took place at both regional and country levels.

(ii) The programs sought a number of objectives: (i) provide CAREC government officials and private sector representatives a broad overview of new concepts (e.g., PPP and SEW) and, in some cases, detailed discussion of new methodologies and topical issues (e.g., time-cost-distance (TCD) for CPMM and WTO accession); (ii) expose participants to international best practice through site visits (e.g., PPP workshop in

¹¹ A Likert scale is the most widely used scale in survey research, where a participant/respondent is asked to rate something along a well-defined, evenly spaced continuum to measure satisfaction, importance and/or direction and intensity of attitudes. The scale is named after its inventor, psychologist Rensis Likert.

Chengdu, PRC and the SEW in Singapore); (iii) coordinate data-collection efforts in different CAREC countries (e.g., CPMM), and (iv) provide participants with a forum for discussion of sector-specific issues (e.g., Seminars on WTO and Other Trade Developments and CMERF).

17. Findings:

(i) These programs were well-received by participants in view of the practical skills and tools taught. Other aspects positively noted were: (i) relevance of program design to tasks and responsibilities of participants, (ii) usefulness of materials and case studies, especially on international best practices, and (iii) good course deliveries by staff and consultants involved.

(ii) The participants also recognized the value of both regional and in-country workshops. Where the regional workshops offered the chance to interact and foster linkages with CAREC colleagues, in-country workshops enabled greater specificity of content and materials to national conditions and capacities. [*effectiveness*]

(iii) The programs are linked to CAREC priority sectors, on either sector-specific or cross-cutting issues (e.g., PPP). These are also phased or conducted at intervals, which build learning cumulatively thus enabling participants to develop depth of knowledge on the subject matter at a substantial level. The engagement of the private sector in some of these programs (e.g., CPMM and SEW) not only serves an important function of outreach but also fosters ownership and shared responsibility. [*relevance, effectiveness, impact sustainability*]

(iv) It was pointed out that some of these activities may have corresponding or even overlapping components with those being implemented by other MIs and international organizations. Such would require better coordination and information exchange among the organizations to avoid duplication while ensuring substantial coverage of CAREC countries' sector training and knowledge needs. [*efficiency, impact sustainability*]

18. Interim Recommendations:

(i) **Greater focus on in-depth and practical training.** While general training is a necessary initial step in capacity building, follow-on programs in sector training require a more targeted approach, which should take into account differing levels of preparedness and capacities across CAREC countries. This was an observation held in common in the FGDs and interviews. Moreover, the participants found very useful those programs that impart practical skills and tools which they can use and integrate in the professional work place. Given that sector coordinating committees have relatively greater familiarity with sector concerns and in-country coordinating teams with national challenges, respectively, they would be better-positioned in terms of anticipating needs. It is thus important for them to have substantive involvement in program design and materials development. [*relevance, effectiveness, efficiency, impact sustainability*]

(ii). **Coordination with other MIs and international organizations.** The CIPAR exercise found that there are various capacity development and awareness activities being conducted by other MIs and international organizations parallel to the programs of the CAREC Institute in, among others, PPP, SEW and energy. Therefore, it is recommended that the sector committees coordinate with these organizations and

pursue information exchange measures to avoid duplications. This will help the Institute concentrate on specific niches rather than seek to cover many things that may be better served by other organizations' programs. For PPP, an updated needs assessment may be desirable before the Institute moves forward to the next phase of PPP programs. [*efficiency, impact sustainability*]

(iii) **Engagement of local training providers.** Even though the Institute Prospectus indicated this as a prospective direction, the engagement of local training/educational institutions for the delivery of some of the programs, in part or in full, has yet to be explored. The FGDs and SRWs pointed to a large number of such institutions in the region. In connection with this, it is necessary to organize and maintain information exchange with other training providers to identify prospective areas where they can slot in and possibly undertake the training programs with the CAREC Institute. Particular arrangements can then be initiated, including collaboration with local training institutes (perhaps, some on cost-sharing basis), training of trainers, data and specialized software-sharing (e.g., in the case of CPMM), among others. [*effectiveness, efficiency, impact sustainability*]

3. Category 3: Tier 2 Sector Training and Knowledge Sharing

19. **Subject programs.** The Institute coordinated a few training and knowledge sharing activities in Tier 2 sectors with other MIs and PRC, including workshops on human avian influenza, zoonotic diseases, and disaster risk mitigation.

20. Findings:

(i) The topics covered refer to regional public goods thus, widespread knowledge sharing and information dissemination of international best practices would be highly desirable. Information exchange on these issues has proved beneficial for cooperation among CAREC countries, as shown by, e.g., continual study visits on avian influenza and zoonotic disease. [*relevance*]

(ii) However, the workshops in these areas were mostly conducted on an ad-hoc basis and piggybacked on MIs' advocacies. This raises the issue of sustainability once the MI grants would have run their full course. While the MI grants and technical assistance in these areas have been key to raising the profile and level of awareness on such concerns, it is important to leverage such assistance in developing a sustained agenda and schedule of activities for capacity building on Tier 2 issues moving forward. Information exchange should be a component to such activities. [*effectiveness, efficiency*]

21. Interim Recommendations:

(i). **Needs assessment and engagement of appropriate partners for Tier 2 topics.** Needs assessment exercise would be a good starting point in this area given the necessity of identifying the most pressing issues for Tier 2 sectors in the region, capacity building requirements of potential beneficiaries, and active training providers in who can be engaged to provide intellectual and financial resources and who are interested in collaborating with the CAREC Institute. In this area, the CAREC Institute should, in general, confine itself to a coordinating role, given the level of expertise

required for a diverse range of topics that may already have institutions or countries carrying out the requisite programs. [*relevance, efficiency*]

B. Research

4. Category 4: Sector Studies

22. Subject programs:

(i) The sector studies covered in this exercise are: **Foundation Study for Transport and Trade Facilitation (TTF), Trade and Institutional Environment for Central Asia, and Diagnostic Study on Energy Demand/Supply Balance and Infrastructure Constraints**. These activities were initiated by the sector coordinating committees, with support from ADB (through the CAREC Institute), the International Monetary Fund (IMF) and the World Bank. The Foundation Study for Transport and Trade Facilitation was completed in 2009 while the other two are being finalized.

(ii) The TTF Foundation Study provides a detailed picture of project activities in the sector since 2000 and projects planned and implemented by MIs and other development agencies in the CAREC region. It identifies gaps and areas of potential overlap in funding agency plans. It also identifies possible constraints to the efficiency of development activities in the region. The Trade and Institutional Environment for Central Asia study seeks to identify key institutional impediments to trade in CAREC countries. It reviews the state of knowledge about institutions and trade globally, and includes some evidence for CAREC countries. It will also present an agenda for improving institutions in CAREC countries.

(iii) The Diagnostic Study on Energy Demand/Supply Balance and Infrastructure Constraints is one of three diagnostic studies covering three energy pillars comprehensively. These were carried out under the CAREC Energy Action Plan Framework. The Diagnostic Study on Energy Demand/Supply Balance and Infrastructure Constraints, in particular, seeks to contribute to the regional power sector master plan to identify optimal infrastructure investments.

23. Findings:

(i) The CIPAR considered the Diagnostic Study on Energy Demand/Supply Balance and Infrastructure Constraints to be a potentially useful sector baseline document. It gives a comprehensive overview of the sector and also lays down the action points at specific timelines. In the aspect of utility, the Diagnostic Study on Energy moves forward by way of subsequent actions to ensure the implementation of the study. The preparation of a regional power sector master plan and a prospective rolling investment plan for energy are consistent and in keeping with the directions outlined in the Diagnostic Study. Thus, the utility of the study as an information document is reinforced by action on its recommendations thereby enhancing its impact sustainability. [*relevance, impact sustainability*]

24. Interim Recommendations:

(i) **Timely updates.** This is one area where the sector coordinating committees would have to continue to take the lead in view of their greater familiarity with sector

needs and concerns. To ensure that the studies remain relevant and useful bases for decision-making, the sector committees and the Institute should carry out timely updates to the studies to reflect the latest developments in the sectors. Such will enable the committees to make the necessary adjustments, especially in areas of policy across the CAREC countries, in keeping with the pragmatic and results-based thrust of the CAREC Program.

5. Category 5: Research Programs with Capacity Building Aspects

25. Subject programs:

(i) Activities in this area are: **Flagship Research Program (FRP)**, and **Small Research Grants Program (SRGP)**. These were initiated and implemented by the CAREC Institute.

(ii) The FRP aims at exploring fundamental economic questions in five areas critical to supporting and deepening regional economic cooperation among CAREC countries: (a) The Influence of Space and the Impact of Regional Cooperation on the Growth of CAREC countries; (b) Management of Resource Revenues in the CAREC Region; (c) Macroeconomic Policy Issues in the CAREC Region; (d) Structural Change in the CAREC Region; and (e) Impact Evaluation of ADB Projects in the CAREC Region. Papers covering the first four areas are under development. The output for the fifth area is being finalized.

(iii) The SRGP aims to encourage research by local institutes and researchers that will advance regional economic cooperation in the priority areas of transport, energy, and trade, and will support interaction among researchers and development of research networks in CAREC participating countries. The outputs for the SRGP are being finalized.

26. Findings:

(i) Based on feedback in the FGDs, partner researchers and institutes highlighted their exposure to new methodologies, e.g., product-space, as a positive take-away from the program. The opportunity to work with eminent international researchers and learn from their inputs was also cited as contributing to capacity building efforts for their institutions.

(ii) Government and sector committee representatives also expressed their wish to be part of the process to ensure that the themes covered would be relevant to and be utilized as inputs to the policy process. The need for better interface with sector committees on program themes and topics was conveyed for both the FRP and SRGP. [*relevance, effectiveness, impact sustainability*]

(iii) As the research outputs are still being finalized, it is too early to assess the effectiveness and impacts of the programs. But the CIPAR exercise found that there is concern on the probability of the FRP to produce outputs of reasonable quality given that the program themes require high-level analytical skills that can only be developed over a relatively long period of time. [*effectiveness*]

(iv) The CIPAR found several factors that hampered the development of outputs: (i) lack of clear-cut guidelines on selection of participating institutes and researchers; (ii) language problems – the researchers were encouraged to write in their mother tongue (mainly Russian and Chinese), with interpreters engaged for translating their outputs in English. Comments from international researchers and ADB reviewers were likewise translated from English to the researchers' mother tongues. However, the interpreters did not have the technical background to ensure an accurate translation of concepts, which no doubt contributed to the difficulties of researchers in appreciating feedback; and (iii) inadequate review mechanisms for SRGP – ADB staff undertook review functions for a limited time but such could not take the place of a more constructive review process, either peer or external. [*efficiency; effectiveness*]

27. **Interim Recommendations:**

(i) **Integration of research with either Category 4 (Sector Studies) or Category 6 (Issue-specific Studies).** Given that research conducted under this category is not expected to constitute purely academic research but should be more practical, themes should be selected to reflect the needs of CAREC countries. These could be ensured through better interface with sector coordination committees and the CAREC country governments on all stages of implementation – from selection of themes to development and dissemination. Future research programs of this category should be merged in either: (i) sector studies, or (ii) issue-specific studies. [*relevance, effectiveness, efficiency, impact sustainability*]

(ii) **Adoption of guidelines and appropriate mechanisms.** Capacity development dimensions can still be observed by putting in appropriate mechanisms that can help lead to better outputs. These include: (i) careful selection of program participants, with emphasis on those capable of and oriented towards acquiring modern research methodologies; (ii) engagement of interpreters with the requisite technical/sector background to ensure accurate translation of concepts and feedback; (iii) proper peer/external review and collaboration with reputed scholars to enable local researchers to receive constructive comments that can help improve research undertakings. [*efficiency, impact sustainability*]

(iii) **Utilization of research outputs.** Research outputs with reasonable quality should be utilized, as much as possible, by CAREC policy makers in charge of the relevant fields. Feedback from sector coordinating committees and country teams would also be desirable to ensure the utility of outputs to the policy-making process. [*effectiveness, impact-sustainability*]

6. **Category 6: Issue-Specific Studies**

28. **Subject programs:**¹²

(i) This category includes: **CAREC Results Framework, CAREC 10-Year Commemorative Study, and Cross Border Transport Agreement (CBTA).** The

¹² The CIPAR is also in this category but is excluded from the subject programs.

CAREC Institute is implementing the first two activities while the CBTA is being initiated by the sector coordinating committee.

29. **Findings:**

(i) CBTA seeks to simplify and harmonize procedures and regulation to facilitate cross-border movements across CAREC countries. The CAREC Results Framework is a performance monitoring mechanism that outlines indicators and data collection mechanisms at three levels to enable the CAREC Program to monitor the lessons and gains of the CAREC Program. The CAREC 10-Year Commemorative Study consists of two parts: Part I looks at the achievements, issues and challenges of the first decade of the CAREC Program while Part II will propose enhancements to the CAP. All of the programs have high relevance to the CAREC Program. [*relevance*]

(ii) The undertakings in this area are still in progress thus, assessment of their effectiveness and impact sustainability will only become possible after completion of these papers. [*relevance, effectiveness, efficiency, impact sustainability*]

C. **Outreach**

30. The Institute's Outreach component seek to extend the impact of its training and research programs more broadly by informing a wider audience of the goals, work and achievements of the CAREC Program.

31. **Subject programs:**

(i) Outreach activities include: **the CAREC Institute website, publications, and seminars, conferences and other events.** The CAREC Institute is in charge of the implementation of these outreach programs.

(ii) The CAREC Institute portal, www.carecinstitute.org, has been active for less than a year and has mirror sites in English and Russian. The portal provides information on CAREC and its activities, including the Institute's capacity development and research programs, the database of projects in CAREC countries, a collection of regional cooperation studies and reports and a calendar of CAREC events.

(iii) Publications so far covered three issues of CAREC Notes and an updated CAREC brochure in English, Russian and Chinese. More publications are expected in 2010-2011, with the forthcoming research outputs. The publications are uploaded to the website as well as distributed in hard copy to the CAREC countries.

(iv) The seminars, conferences and other events organized by the CAREC Institute for experts, business leaders, financial institutions and international organizations have thus far been a series of one-off events on different issues related to the CAREC agenda. Sector coordinating committees may also have specific topics that can build into such events.

32. **Findings:**

(i) In general, the website, publications and public events present CAREC activities to audiences in and outside the region with reasonable completeness and depth. So far,

the website has averaged almost a thousand unique visitors per month from January–August 2010. It is recommended to further develop this vital portal, tailoring it in a more focused way to specific requests and information needs of the CAREC countries. [effectiveness]

(ii) The FGDs and interviews also pointed out that many CAREC activities and programs are hardly known outside the circle of their immediate participants and users, with such having limited visibility in the media. This means that the CAREC Institute has to improve the profile of its activities, including the messages that it seeks to communicate within and outside the region. [effectiveness]

33. **Interim Recommendations:**

(i) **Website.** Information on CAREC projects, events and publications should be uploaded to the website promptly in both site languages. As a way of engaging current and prospective users in the region, one enhancement proposed by participants is the establishment of a website forum where people can raise and discuss issues. [effectiveness]

(ii) **Publication series for outputs of research programs.** A publication series should be prepared corresponding to specific activities of the Institute that would be distinct from the existing CAREC Notes. [effectiveness, impact sustainability]

(iii) **CAREC dissemination strategy.** The CAREC external relations strategy is now being prepared. There should be a determination of audience-message interface in order to raise the profile of CAREC activities and communicate the desired themes more effectively. Such themes can also be utilized to program one-off events on a more defined schedule. The CAREC Institute should effectively support the implementation of the strategy, where appropriate. [effectiveness]

III. SUMMARY OF “BROADER ASPECTS” LEVEL ASSESSMENT

34. This chapter covers “broader aspects” issues: (i) institutional structure issues and (ii) some management aspects that can affect the operations of the CAREC Institute. Some of the recommendations were drawn from common issues yielded by the activity level assessment that call for systematic and integrated approaches. Matters relating to funding sources, and the optimal structure for the Institute are among independent cross-cutting issues that would also be of importance to the CAREC Institute management.

35. **Institutional Structure Issues.** Enhancement or development of institutional linkages at several levels is critical to ensure relevance, effectiveness, efficiency and impact sustainability of the next phase of CAREC Institute activities and programs:

- (i) **Strengthen interface with sector coordinating committees and governments.**
 - (a) The CAREC Institute should establish tighter interface with sector coordinating committees and governments in order to get their substantive inputs to: design and content of training courses; setting the research agenda; development of research outputs, and forging a balance between national and regional undertakings. Sector coordinating committees can also

provide information on other institutions' programs and activities in CAREC priority sectors.

- (b) In-country teams composed of the national focal point, sector focal points, advisors and regional cooperation coordinators can consider undertaking regular meetings to discuss short- and medium-term plans for their respective jurisdictions.
- (ii) **Enhance better coordination with other partner MIs and institutions.** Recognizing that there are several areas where programs and activities of MIs and other international organizations may overlap, it is important to develop synergies while avoiding duplications. The CAREC Partnership Forum can be an opportunity to explore or discuss:
- (a) mechanisms for information exchange and coordination;
 - (b) identification of overlaps and/or duplication;
 - (c) parameters for joint efforts, where possible, and
 - (d) a unified calendar of activities that will be widely disseminated in the CAREC region.
- (iii) **Enhance CAREC Secretariat functions.** The CAREC Secretariat functions as administrator and coordinator of the CAREC Institute. Central to this role is the adoption of a strategy – through its work plan – that is relevant, effective, efficient, and impact-sustainable so it can deliver activities and programs that respond to the needs of the CAREC Program in general and the countries in particular. Moving forward, it should pursue an integrated and programmed approach that will, among others, enable governments to anticipate activities and enhance planning as well as selection of participants.¹³
- (iv) **Retain flexibility for quick-response.** In view of differing capacities across countries, there may be activities that would have to be undertaken at the national level, i.e., capacity development would first be required in each country before it can participate in activities on a regional scale. Such may cover either one-off activities, such as the engagement of technical expertise for a specific topic, or cumulative activities, such as a series of training for national or provincial officials that are more tailor-made to country conditions. To enable the Institute to address these, the CAREC Institute should consider framing guidelines that can serve as decision points for action on such ad hoc needs.
- (v) **Institutionalize post-program assessment.** For the Institute's next phase and to facilitate the build-up of information that can help a full assessment of the Institute (after a substantial period has passed), it is recommended to institutionalize post-program assessment. As baseline sources of information, participants' evaluation sheets should be developed and made a requirement for all Institute programs, in addition to continuous consultations with sector representatives. The evaluation should cover, among others:

¹³ The transfer of some functions being undertaken in the ADB headquarters to the Almaty office can be an option to maximize its geographical advantages which, by virtue of proximity, may make for easier coordination with Central Asian governments and institutions.

- (a) achievement of course objectives;
- (b) relevance of topics;
- (c) relevance and sustainability of training materials;
- (d) effectiveness of presentations;
- (e) satisfaction with lecturer or resource persons;
- (f) logistics and organization;
- (g) suggestions on topics and content, and
- (h) follow-on training, if necessary.

36. **Some Management Issues:**

(i) **Funding sources for next phase operations.** The current ADB regional technical assistance for the CAREC Institute, for 2009-2012, is the main financing source for Institute programs. For the next phase, it would be desirable for the Institute to seek diversified financing sources for its programs and activities. It was suggested by CAREC country delegations at SRWs that, in addition to ADB and other partner MIs, it would be necessary to seek new funding sources both within and outside the CAREC region. In order to cover the extensive needs of capacity building and research activities in the region, better coordination with other international/local organizations should be explored. This will not only bring about synergies and donor coherence but also enhance stewardship of financial resources.

(ii) **Optimal structure (i.e., “virtual” vs. physical) for the Institute¹⁴.** Since its inception, the CAREC Institute has been promoting networks among participants by physically bringing them together and having them meet in various activities at the most suitable venues. In its current operating environment, the “virtual” aspect of the CAREC Institute is its lack of a physical structure and permanent address in the region. While a physical institute may be administratively more efficient, attract visitors, and foster alumni identification and have staffing stability, many factors also weigh in favor of a virtual entity. Among other things: (i) it would require considerable construction and operational funds to sustain a physical institute; (ii) physical location in one country could undermine regional ownership, as it may not attract all others equally and may not expose participants to the whole region, and (iii) rotating around countries promotes uniformity of approaches and affords the opportunity to engage all countries, with sites selected by relevance to topic. In this regard, CAREC Institute programs would be facilitated if it remains virtual in structure.

(iii) **Other issues.** At the SRWs, **climate change** was mentioned as a new theme that the Institute should cover among its capacity building and research programs. Initial activities on this theme have started very recently. Program development should be considered in full consultation with relevant sector committees in the next phase of the CAREC Institute work plan. It was also suggested that increased attention be paid to enhancing **gender aspects** across CAREC programs. As a preliminary step, statistics on female participation across Institute programs should be tracked. The female participation rate in past CAREC Institute activities is presented in Appendix 4.

¹⁴ This section intends to provide an unbiased discussion on “pros” and “cons” of CAREC Institute’s being a “virtual” institute as a base for future consideration of possible form of the Institute. Appendix 3 examines further this issue.

IV. CONCLUSIONS

37. In its initial phase, Institute activities and programs have been well received by CAREC partner countries. At the SRWs and FGDs during the CIPAR exercise, CAREC delegations expressed general satisfaction with the Institute's initial operations, with high ratings being given by participants particularly to capacity building programs. At the same time, strong needs to further develop project-related capacity of countries in the CAREC priority sectors were expressed during the CIPAR exercise.

38. The CAREC Institute has a mandate to serve as a mechanism to provide effective capacity building, research and outreach activities for the CAREC Program. In carrying out its mandate, the CAREC Institute has had to take on multiple roles. One of them is to initiate and implement programs on its own. The Leadership Development Initiative (LDI), Flagship Research Program, Small Research Grants Program, Public-Private Partnership (PPP) workshops, some issue-specific studies¹⁵ and Outreach activities are such examples. For programs initiated by other CAREC stakeholders such as sector coordinating committees and other MIs, the Institute takes on a coordinating role.

39. Many of these programs initiated by the Institute are still on-going thus, it was not possible to make a straightforward assessment of their performance – with most of their outcomes not yet evident and the impact of which may need a few more years to take root. Nonetheless, the CIPAR elicited some recommendations to improve these programs on the points of relevance, effectiveness, efficiency, and impact-sustainability for the next phase of the CAREC Institute. The summary of the recommendations are shown in Table 3.

Table 3: Summary of Recommendations for CAREC Institute Programs Initiated by the CAREC Institute

| Programs | Activity-level Recommendations | “Broader Aspects”-level Considerations¹⁶ |
|--|--|--|
| Leadership Development Initiative (LDI) <ul style="list-style-type: none"> ▪ ELDP ▪ PSMC | <ul style="list-style-type: none"> ▪ Include more materials on regional cooperation and CAREC sectors ▪ Direct field visits to more operational agencies/organizations ▪ Target a similar level of experience among participants, i.e., those with sufficient organizational leverage to regional cooperation initiatives | <ul style="list-style-type: none"> ▪ Substantive involvement of CAREC Secretariat at the course design and materials development stages to ensure relevance of program design and content ▪ Send requests for nomination well in advance to facilitate selection of participants |
| Priority Sectors' Training and Knowledge Sharing <ul style="list-style-type: none"> ▪ PPP workshops | <ul style="list-style-type: none"> ▪ Focus on in-depth, tailor-fit and practical training: taking account of differing levels of preparedness and capacity across countries | <ul style="list-style-type: none"> ▪ Conduct needs assessment to identify training niches the Institute should fill ▪ Improve coordination with other MIs and international organization to develop synergies ▪ Engage or seek possible collaboration with local training |

¹⁵ The issue-specific studies conducted by the CAREC institute include CAREC Results Framework, CAREC 10-Year Commemorative Study, and CIPAR.

¹⁶ These are also absorbed in the Summary of Recommendations indicated in Table 4.

| Programs | Activity-level Recommendations | “Broader Aspects”-level Considerations ¹⁶ |
|--|---|--|
| | | providers |
| Tier 2 Sector Training and Knowledge Sharing | | <ul style="list-style-type: none"> ▪ Needs assessment and engagement of appropriate partners for Tier 2 topics |
| Research Programs with Capacity-Building Aspects <ul style="list-style-type: none"> ▪ FRP ▪ SRGP | | <ul style="list-style-type: none"> ▪ Integrate with sector or issue-specific studies ▪ Adopt guidelines and appropriate mechanisms: <ul style="list-style-type: none"> – careful selection of capable program participants; – engagement of translators with appropriate technical backgrounds; – proper peer/external review mechanisms ▪ Utilize and disseminate research outputs |
| Outreach <ul style="list-style-type: none"> ▪ Website ▪ Policy briefs and publications ▪ Seminars, conferences and other events | <ul style="list-style-type: none"> ▪ Observe timely uploading of information on CAREC projects, events and publications should be ▪ Explore possibility of establishing a website forum where people can raise and discuss issues ▪ Design a special publication series for outputs of participants from CAREC countries | <ul style="list-style-type: none"> ▪ Draw up CAREC dissemination strategy targeting audience-message interface to communicate CAREC themes more effectively |

40. From the assessment of individual activities, the CIPAR identified a number of common issues that call for systematic and integrated approaches – from identification to the development, and implementation of CAREC Institute programs. In connection with this, among the recommendations are: improved interfaces with sector coordinating committees, partner governments, and other MIs and local institutions as well as the enhancement of CAREC Secretariat functions as administrator and coordinator of the CAREC Institute. The summary of such recommendations are set out in Table 4.

Table 4: Summary of Recommendations for “Broader Aspects”

| “Broader Aspects”-level Recommendations | Detailed Considerations |
|--|---|
| Strengthen interface with sector coordinating committees and country teams | <ul style="list-style-type: none"> ▪ CAREC Institute, sector coordinating committees and country teams to enhance lines of coordination and communication on: <ul style="list-style-type: none"> – design and content of training courses – setting of research agenda – development of research outputs – determining balance between national and regional undertakings ▪ CAREC sector committees and CAREC country teams to: <ul style="list-style-type: none"> – disseminate program calendar to government and private sector organizations – advise them to anticipate participation of representatives to relevant activities – specify criteria for participants – advise sector representatives to observe continuity in participants for sequenced training, and – outline possible “re-entry” guidelines to enable learning to filter into the work place and facilitate regional cooperation initiatives |
| Better interface with other institutions/ networks in the region | <ul style="list-style-type: none"> ▪ CAREC Institute to coordinate with MIs, other regional organizations to: <ul style="list-style-type: none"> – define mechanisms for information exchange and coordination; – identify overlaps and/or duplication; – lay out parameters for joint efforts, where possible |
| Enhanced CAREC Secretariat functions | <ul style="list-style-type: none"> ▪ CAREC Institute to: <ul style="list-style-type: none"> – pursue an integrative and programmed approach that will enable governments to anticipate activities and enhance planning as well as selection of participants – rationalize tasks and responsibilities between ADB HQ and ADB Almaty office, including possible transfer of some functions to ADB Almaty office |
| Flexible response | <ul style="list-style-type: none"> ▪ CAREC Institute to draw up guidelines on quick-response mechanism to respond to ad hoc concerns |
| Institutionalization of post-program assessment | <ul style="list-style-type: none"> ▪ CAREC sector coordinating committees to establish baseline sources of information, with the end view of institutionalizing needs assessment, through: <ul style="list-style-type: none"> – continual consultations with sector representatives – formalization of participants’ evaluation sheets for all activities which should cover: <ul style="list-style-type: none"> ➢ achievement of course objectives; ➢ relevance of topics; ➢ relevance and sustainability of training materials; ➢ effectiveness of presentations; ➢ satisfaction with lecturer/resource person; ➢ logistics and organization; ➢ suggestions on topic/content, and ➢ follow-on training, if necessary. |

41. These recommendations cannot be overemphasized, especially as the role of the CAREC Institute has taken on greater importance with the CAREC Program moving further in the implementation of the CAREC long-term strategy and its accompanying sector action plans. As the CAREC Program moves further, it is key for the CAREC Institute to pursue activities that would be responsive to the evolving needs of the CAREC Program.

42. This CIPAR should be seen as an initial step towards continuing efforts to improve the Institute's programs. In seeking the institutionalization of post-program evaluation, for example, the CIPAR hopes to build enough information that can help a full assessment of the Institute after an assessable period of implementation has elapsed (possibly five years). By that time, it could also look at the cost-effectiveness of programs. In the case of *Research*, estimates of research adoption rates and the benefits of innovation can be the points for assessment. Taking these factors and making the assessment of CAREC Institute programs a continual effort will help improve the relevance, effectiveness, efficiency and impact-sustainability of the Institute in support of the CAREC Program moving forward.

CAREC Institute: Its Mission

1. From its earliest years, the Central Asia Regional Economic Cooperation (CAREC) Program recognized that achieving greater levels of coordination and harmonization, increasing the region's international competitiveness and overcoming barriers to cooperation (in the priority areas of trade policy, trade facilitation, transport and energy) would require the generation and application of knowledge to specific problems and concerns. It implemented cross sectoral and sector-specific activities to bring about these objectives.

2. In 2006, through the Urumqi Declaration¹, it sought to bring together and formalize all research, training and dialogue activities through the formation of a CAREC Institute. A year later, the Institute's Prospectus was adopted at the 6th Ministerial Conference in Dushanbe, Tajikistan, to serve as guidepost for its activities. The Prospectus² set out the following purposes for the Institute:
 - i. To enhance the capabilities of CAREC government officials to engage in regional cooperation processes, and improve their capacities to plan and implement regional cooperation projects, and
 - ii. To apply new solutions and best practices based on empirical research to regional challenges and cooperative processes, and build up policy analysis capabilities in the region.

3. The CAREC Institute's areas of activity are delineated under: *Capacity Building, Research* and *Outreach*.³ The objectives for each area of activity and its components in broad strokes are set out in the table below.

CAREC Institute: Activity Areas, their Objectives, and Components

| AREA | OBJECTIVES | COMPONENTS |
|-------------------|---|---|
| Capacity Building | To strengthen the knowledge and skills of government officials and other stakeholders in priority areas related to regional cooperation | <ul style="list-style-type: none"> ▪ Development and update of HRD agenda ▪ Development of training modules: generic, off-the-shelf and tailor-fit to meet the needs of CAREC country stakeholders ▪ Institutional capacity-building through "twinning arrangements" and "centers of excellence" ▪ Fellowship program |
| Research | To generate new knowledge, innovation and applied solutions that will facilitate more meaningful and effective regional cooperation for the region's long-term development | <ul style="list-style-type: none"> ▪ Development of research network ▪ Definition of research agenda through committees and working groups ▪ Dissemination and channeling of research outputs to relevant CAREC bodies |
| Outreach | To extend the impact of the Institute's training and research more broadly and to foster a broader understanding of the benefits of regional cooperation and the costs of non-cooperation | <ul style="list-style-type: none"> ▪ CAREC Institute portal ▪ Policy briefs (e.g., CAREC Notes, other publications) ▪ Workshops and seminars, including Distinguished Speakers' Series |

¹ Central Asia Regional Economic Cooperation (CAREC). Fifth Ministerial Conference. 20 October 2006. Xinjiang Uygur Autonomous Region, PRC.

² CAREC Institute Prospectus. Central Asia Regional Economic Cooperation (CAREC). Sixth Ministerial Conference. 2 – 3 November 2007. Dushanbe, Tajikistan. p. 2.

³ ADB. 2008. *Technical Assistance for the CAREC Institute, 2009 – 2012*. Manila. (TA 6488-REG, \$5.2 million, approved on 24 September). pp. 3 – 6.

CAREC INSTITUTE: PROSPECTUS AND WORK PLAN (2009 – 2011)

| CI PROSPECTUS | | | WORK PLAN 2009-2011 | | |
|-------------------|---|---|--|--|---|
| AREA | OBJECTIVES | COMPONENTS | ACTIVITIES/PROGRAMS | | |
| Capacity Building | To strengthen the knowledge and skills of government officials and other stakeholders in priority areas related to regional cooperation | 1) Preparation of HRD agenda (updated regularly) | <ul style="list-style-type: none"> ▪ Training Needs Assessment for Transport and Trade Facilitation (2009) | | |
| | | 2) Development of training modules and courses <ul style="list-style-type: none"> I. Generic, off-the-shelf II. Tailor-fit to meet the needs of CAREC country stakeholders | <ul style="list-style-type: none"> ▪ Leadership Development Initiative (LDI) <ul style="list-style-type: none"> i. Executive Leadership Development Program (ELDP) ii. Public Sector Management Course (PSMC) ▪ Technical training for sector committees <ul style="list-style-type: none"> i. PPP workshops ii. Corridor Performance Measurement and Monitoring (CPMM) iii. Single Electronic Window (SEW) iv. Seminars on WTO and other trade developments v. CAREC Electricity Regulators' Forum ▪ Technical Training for Tier-2 sectors <ul style="list-style-type: none"> i. Human Avian Influenza ii. Zoonotic Diseases iii. Disaster Risk Mitigation | | |
| | | 3) Institutional capacity-building <ul style="list-style-type: none"> i. Twinning arrangements ii. Centers of excellence | | | |
| | | 4) Fellowship program <ul style="list-style-type: none"> i. Mid-level ii. Senior level | <ul style="list-style-type: none"> ▪ Under consideration | | |
| | | | | | |
| Research | <ol style="list-style-type: none"> 1) To generate applied solutions to obstacles in priority areas of regional cooperation 2) To identify international best practice in regional cooperation and lessons learned 3) To identify and develop strategies for regional cooperation projects 4) To generate applications to improve the efficiency of regional cooperation processes 5) To monitor the benefits of regional cooperation and improve their impact 6) To produce the necessary information and knowledge to support evidence-based CAREC programming and policy-making | <ol style="list-style-type: none"> 1) Establishment of research network 2) Dissemination and channelling of research outputs to relevant CAREC bodies 3) Definition of research agenda through committees and working groups | <ul style="list-style-type: none"> ▪ Sector Studies <ul style="list-style-type: none"> i. Foundation Study for Transport and Trade Facilitation ii. Institutional Environment and Trade in Central Asia iii. Diagnostic Studies for Energy ▪ Flagship Research Program: [<i>commenced in 2009, with outputs expected by 2011</i>] <ul style="list-style-type: none"> i. Structural Transformation ii. Resource Revenues Management iii. Regional Cooperation iv. Macroeconomic Policy Issues ▪ Impact Evaluation of ADB Projects in the CAREC Region ▪ Small Research Grants Program [<i>outputs under finalization</i>] ▪ Issue-specific papers: [<i>under finalization</i>] <ul style="list-style-type: none"> i. CAREC Results Framework ii. Cross Border Transport Agreement (CBTA) iii. CAREC Commemorative 10-Year Study | | |
| | | | 1) To extend training and research impact more broadly | 1) Website | www.carecinstitute.org |
| | | | 2) To foster a broader understanding of the benefits of regional cooperation and the costs of non-cooperation | 2) Policy briefs/newsletter/journal | <ul style="list-style-type: none"> ▪ CAREC Notes ▪ Other publications |
| | | | | 3) Seminars, conferences, workshops and other events | |

CAREC INSTITUTE AS A “VIRTUAL” INSTITUTE:¹ Pros and Cons of Being a “Virtual” Institute

A. A Virtual or a Physical Institute?

1. The virtues of a physical or virtual center are variously presented in the literature, little of which relates to international development situations. To make a valid comparison it is necessary to: (a) view the advantages and disadvantages of both physical and virtual centers and (b) to consider which is more suited to the specific situation.

2. First it is important to dispense with current management theory in which virtual organizations are often conceived as temporary alliances to focus on a specific task and may be little more than opportunistic collaborations. They share such characteristics as:

- crossing disciplinary and other boundaries;
- assembling complementary skills;
- being geographically dispersed;
- being comprised of compatible partners;
- having no legal status, and
- using IT extensively.

3. They share these characteristics with the CAREC Institute, but in other ways are dissimilar as they are either established for a short and defined task, or for commercial benefit – they collaborate on such matters as preparing a joint bid or selling services or goods.

4. Of some relevance is the experience of virtual educational organizations where, for example, a class may operate across a region or the world such that participants from diverse locations ‘assemble’ in the same ‘virtual classroom’. Yet this again differs in that the electronic media substitutes for physical classes. The CAREC Institute, while using electronic media so far as possible, seeks to promote relationships between participants through their physical meeting. Thus in the terms commonly considered, the only virtual aspect of the CAREC Institute is its lack of a physical structure and permanent address in the region.

5. The CAREC Institute’s situation is characterized by such factors as:

- the need to serve a region;
- the need to promote common systems and organization;
- maintaining balanced participation;
- accessing elite inputs internationally;
- conducting collaborative research across national borders and
- in all of these objectives, building local capacity.

6. It shares many of these characteristics with the virtual organization of ADB’s Phnom Penh Plan project in the GMS, which provides an instructive example through a comparison with the physical organization of the Mekong Institute. The Mekong Institute, which was built and supported by NZ aid, provides a valued input to its region yet is potentially disadvantaged compared to the PPP by:

¹ Professor Lindsay Falvey, Performance Assessment Expert, contributed this appendix.

- the overheads of rental and/or maintenance costs on the multistory training and administrative building in Thailand;
- reduced flexibility of delivery sites in other GMS cities, and perhaps elsewhere in Thailand;
- greater feeling of ownership by its country of location, which has become a financial supporter;
- higher management costs required for seeking support to maintain donor financing for the physical facilities, and
- ambivalence among aid donors other than the initiating donor, which in turn seeks to extract itself to make the project self-sustaining.

7. In the case of the Mekong Institute, its national government and innovative management have made it successful, although it must be noted that this is assisted by PPP using it as a venue for a few courses where it is deemed to be an appropriate location.

8. From these perspectives, the relative merits of a virtual and a physical center can be considered with respect to the CAREC Institute; the following matrix compares these for some general capacity development institutional criteria and their relevance to the CAREC Institute. The scores entered are subjectively based on experience in other situations to provide an indication of the relative merits of the approaches. In general terms, the weight of the scores favors the virtual institute approach as it was originally foreseen to operate. The comparison is not conclusive yet provides an indication of the value of the virtual institute approach. In addition, other factors favor the virtual institute such as; experience in other ADB projects, uncertainties in the dynamic environment of Central Asia, and the objectives of each country to develop their own national institutions.

9. Past models for joint research activities may suggest that research could be separated from the training and outreach functions of the CAREC Institute and be coordinated through one national institution in the region. However, global experience indicates that such models are yielding to research networks that have no need of a physical center and retain flexibility to convene physically wherever is most suitable to the research subject. Thus all functions of the CAREC Institute may be well served by retaining the virtual institute approach at this time.

Indicative Criteria to Determine a “Physical” or “Virtual” Institute

| General Criteria | Physical | Virtual | Relevance to a Virtual CAREC-I <i>(scored 1 to 10)</i> |
|-----------------------------------|----------|---------|--|
| Administrative efficiency | ✓ | | A single location allows a common administrative approach (4) |
| Alumni identification | ✓ | | Alumni may identify with a fixed location and build image for others (6) |
| Attracting visitors | ✓ | | Academics tend to visit/take sabbaticals at physical locations (3) |
| Attractive to all donors | | ✓ | Donors favor fund going to activity more than physical overheads (7) |
| Balanced participation | | ✓ | A location in one country may not attract all others equally (8) |
| Building regional capacity | | ✓ | One location may not expose participants to whole region (8) |
| Central library | ✓ | | National centers of excellence can better sustain libraries than projects (2) |
| Collaborative regional research | | ✓ | Research networks are now a common management approach with no center (8) |
| Common regional systems | | ✓ | Rotating around countries promotes commonality of approaches (8) |
| Elite international inputs | | ✓ | Advanced institutes are attracted to outstanding programs and motivated donors (8) |
| Regional feeling of ownership | | ✓ | Physical location in one country undermines regional ownership (8) |
| Flexibility of delivery sites | | ✓ | Opportunity to engage all countries and select site by relevance to topic (9) |
| Global accessibility | ✓ | | A physical location in a major capital city would be most accessible (5) |
| Linkages to national institutions | | ✓ | Easier maintained by locating activities with national institutions (7) |
| Overhead costs | ✓ | | Physical centers have high maintenance costs for buildings (8) |
| Permanent staff | ✓ | | Physical centers can retain permanent staff (4) |
| Relevance to regional projects | | ✓ | Staff contracting and site flexibility allows maximum relevance (8) |
| Serve all countries | | ✓ | No bias toward one country (8) |
| Specialist equipment | ✓ | | A physical center may house special training equipment; so do national sites (3) |
| Staff stability | ✓ | | Physical stability allows permanent staff recruitment (4) |
| Susceptibility to IT failure | | ✓ | Physical sites tend to use IT to bring in additional participants; CAREC-I does not (6) |
| Sustained funding | | ✓ | Construction and operational funds from one donor initially may deter donor partnerships later (7) |

GENDER: FEMALE PARTICIPATION IN CAREC INSTITUTE PROGRAMS

| Area | CAREC Institute Programs | No. of Participants ¹ | No. of Women Participants ² |
|--------------------------|---|----------------------------------|--|
| Capacity Building | Executive Leadership Development Program or ELDP (2 deliveries) | 57 | 11 |
| | Public Sector Management Course or PSMC (2 deliveries) | 88 | 51 |
| | Public – Private Partnership or PPP (6 workshops) | 348 | 105 |
| | Corridor Performance Measurement and Monitoring or CPMM (4 workshops) | 136 ³ | 21 |
| | Single Electronic-Window (SEW) Development (3 workshops) | 78 ⁴ | 9 |
| | WTO and Other Trade Developments | 13 – 15 ⁵ | 3 – 5 |
| | CAREC Electricity Regulators' Forum | 32 | 9 |
| | CAREC High-Level Veterinary Officials' Visit to PRC | 14 | 2 |
| | Human Avian Influenza | na | na |
| | Zoonotic Diseases | na | na |
| Disaster Risk Mitigation | na | na | |
| Research | Flagship Research Program (2 workshops) | 34 | 9 |
| | Small Research Grants Program (SRGP) | 15 | 3 |
| Outreach | Seminar: Building Seamless Connections for New Prosperity ⁶ | 200+ | na |
| | Renewable Energy in Central Asia: Enhancing Food Security and Improving Social and Economic Conditions in Remote Locations ⁷ | na | na |
| | Promoting Regional Cooperation and Development in Central Asia ⁸ | na | na |
| | Private Sector Participation and Investment in Physical Infrastructure for CAREC | 31 | 5 |

na – not available

¹ Includes only participants from CAREC countries.

² Includes only participants from CAREC countries.

³ May include double-counting due to repeat attendees.

⁴ May include double-counting due to repeat attendees.

⁵ Covers the core group of the TPCC.

⁶ Piggybacked on the 43rd Annual Meeting of the ADB Board of Governors in Tashkent, Uzbekistan.

⁷ Co-financed with Carnegie Endowment for International Peace, the Joint Stock Company SystemAvtomatika (Dushanbe, Tajikistan), and the Renewable Energy Association of Tajikistan.

⁸ Co-financed with Carnegie Endowment for International Peace and the Wolfensohn Center for Development at the Brookings Institution.

**CAREC Institute: ADB Regional Technical Assistance Programs
as Funding Sources**

| Name | Amount (\$ million) | Approval | Description |
|---|--------------------------------|-----------------|---|
| CAREC Institute, 2009-2012 (TA 6488) | 5.2 | December 2008 | The umbrella technical assistance package for the first three-year cycle of the CAREC Institute |
| Integrated Trade Facilitation Support for CAREC (TA6437) | 3.0 | December 2007 | Covered the CAREC trade facilitation activities |
| Strengthening CAREC, 2007 – 2011 (TA6409) | 5.2 | August 2007 | Covered activities such the Cross Border Transport Agreement (CBTA) |
| CAREC: Capacity Development for Regional Cooperation in CAREC Participating Countries – Phase I (TA 6375) | 0.49 | December 2006 | Covered the first delivery of the Small Research Grants Program (SRGP) |

- (i) TA 6488 is co-financed by PRC Regional Cooperation and Poverty Reduction Fund and the Regional Cooperation and Integration Fund under the Regional Cooperation and Integration Financing Partnership Facility.
- (ii) Tier 2 activities have been funded by ADB, MIs and PRC