



# CAREC Institute

May 2019

## Contents

Who We Are.....	3
Our Story – From A to Z .....	4
Vision and Mission .....	7
Main Activities .....	8
Governance .....	9
Management.....	10
Partnerships .....	11

## Who We Are

The Central Asia Regional Economic Cooperation (CAREC) Institute is an intergovernmental organization dedicated to promoting the economic cooperation in the Central Asia and along the Silk Road through knowledge generation and sharing. The Institute is headquartered in Urumqi, Xinjiang Uygur Autonomous Region, the People's Republic of China (PRC).

The CAREC Institute is jointly shared, owned, and governed by eleven member countries: Afghanistan, Azerbaijan, the PRC, Georgia, Kazakhstan, Kyrgyzstan, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. It is a knowledge support arm of the CAREC region.

The Institute acts as a knowledge connector among the five CAREC themes to ensure coherence in design and implementation of policies, programs, and projects to promote regional economic cooperation and integration. To fulfil its objectives, the CAREC Institute:

- 1) Provides high-impact knowledge solutions and analytical underpinnings to facilitate an inclusive regional cooperation for catalyzing balanced development solutions synergizing national development challenges and priorities with regional aspirations.
- 2) Facilitates sharing of good practices of the region and the world to enable the member countries to respond effectively to regional challenges and capitalize on opportunities.
- 3) Enhances the capabilities of government officials to engage in regional cooperation processes, design and implement regional cooperation projects, and conduct sophisticated policy analysis for informed policy decisions.
- 4) Conducts strategic research by mobilizing relevant intellectual resources to enhance regional cooperation and accelerate growth.
- 5) Improves the effectiveness of decision making among the member countries through facilitation of policy dialogue and dissemination of findings at high-level platforms.
- 6) Facilitates development of think tanks in the region to serve as a resource base for strategic research and knowledge sharing.

## 5 CAREC CLUSTERS:

► ECONOMIC AND FINANCIAL STABILITY

► TRADE, TOURISM, AND ECONOMIC CORRIDORS

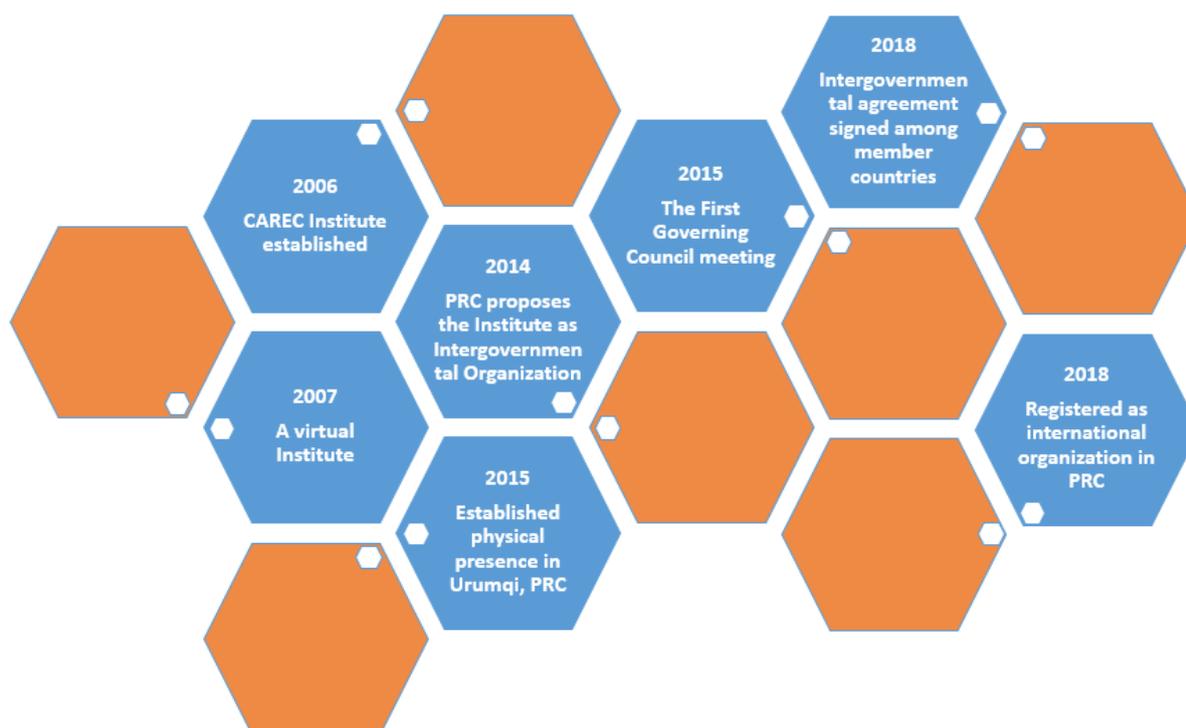
► INFRASTRUCTURE AND ECONOMIC CONNECTIVITY

► AGRICULTURE AND WATER

► HUMAN DEVELOPMENT

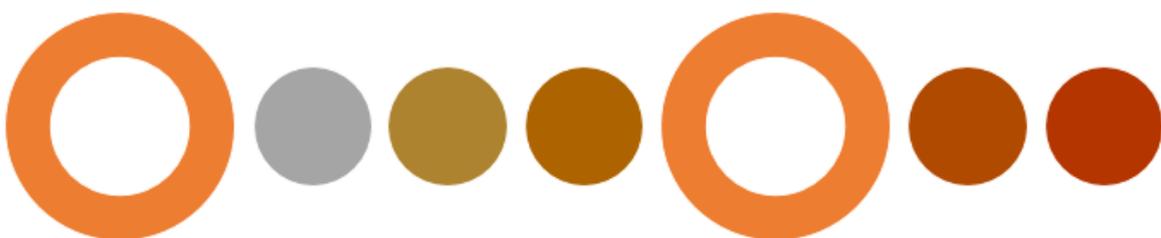
## Our Story – From A to Z

- A. In October 2006, at the 5th Ministerial Conference in Urumqi, Xinjiang Uygur Autonomous Region, the PRC, the CAREC Ministers agreed to establish the CAREC Institute.
- B. In November 2007, at the 6th Ministerial Conference in Dushanbe, Tajikistan, the CAREC Ministers endorsed the CAREC Institute Prospectus, and agreed that the CAREC Institute would take the form of a virtual institute for three years (2008-2010).
- C. In September 2012, the Senior Officials Meeting (SOM) in Bangkok, Thailand reached a principle agreement on the CAREC Institute’s establishment, and confirmed the CAREC Institute strategic knowledge framework for the period of 2012-2017.
- D. In October 2012, at the 11th Ministerial Conference in Wuhan, the PRC, the CAREC Ministers agreed to establish a physical base of the CAREC Institute.
- E. In October 2013, at the 12th Ministerial Conference in Astana, Kazakhstan, all member countries accepted the offer of the PRC to host the physical base of the CAREC Institute in Urumqi, Xinjiang Uygur Autonomous Region, the PRC.
- F. In November 2013, the International Department of the Ministry of Finance of the PRC, established the preparatory working group for founding the CAREC Institute. In February 2014, Ministry of Finance, the PRC, formally initiated the internal coordination group to prepare for the establishment of the CAREC Institute entity.
- G. In April 2014, the CAREC National Focal Points (NFP) meeting in Kuala Lumpur, Malaysia, discussed and finalized the discussion paper on the CAREC Institute.



- H. In November 2014, at the 13th Ministerial Conference in Bishkek, Kyrgyzstan, the Ministers endorsed the announcement on the establishment of the physical base of the CAREC Institute, and approved creation of the Governing Council of the CAREC Institute.
- I. In December 2014, the PRC Foreign Minister Wang Yi addressed a note to nine CAREC member countries through diplomatic channels proposing to set the CAREC Institute as an intergovernmental organization.
- J. In March 2015, the launching ceremony and the inaugural knowledge sharing workshop of the CAREC Institute was held in Urumqi, Xinjiang Uygur Autonomous Region, the PRC. Same month, the first Governing Council meeting convened. It established the Recruitment and Selection Committee and the Budget and Audit Committee, and appointed the first Director and the first Deputy Director One.
- K. In June 2015, the second Governing Council meeting approved the interim salary and the benefits package, the recruitment plan for the CAREC Institute staff for 2015-2016, the 2016 operational plan with 20 activities, some basic features for the draft intergovernmental agreement, and recruitment of Deputy Director Two.
- L. In June 2015, a memorandum of understanding (MOU) between the CAREC Institute and the International Food Policy Research institute (IFPRI) was signed in Beijing, the PRC. A conference on agricultural development was jointly hosted in Shenzhen in December 2016 to start more work in this area and promote development and cooperation in agriculture.
- M. In January 2016, a delegation of the CAREC Institute participated in a special NFP meeting held in Guangzhou, the PRC. At the meeting, a draft agreement of CAREC Institute's establishment was discussed. The meeting reached a consensus that the document would be revised and circulated in April 2016 for further consideration by the CAREC country NFPs.
- N. In July 2016, the CAREC Institute has conducted four rounds of recruitment, through which seven national staff and nine international staff were recruited. The CAREC Institute started the first round of selection of the seconded specialists from member countries based on applications received. With the new staff on board, the core capacity was formed to start delivering knowledge products.
- O. In July 2016, at the 4th Governing Council meeting in Pakistan, Rules and Procedures for Budget Report Preparation was approved, and Rules of Procedure of Advisory Council were endorsed. Same month, a strategic cooperation agreement was signed between CI and the PRC Public Private Partnerships (PPP) Center to develop and strengthen collaboration by sharing knowledge and experience in the area of PPP.
- P. In June 2016, the CAREC Institute hosted the CAREC Think Tank Development Forum (CTTDF) in Astana with the theme of "Promoting Economic Cooperation for an Integrated Central Asia."
- Q. In October 2016, at the 15th Ministerial Conference in Islamabad, representatives from the PRC, Kyrgyzstan, Pakistan, and Uzbekistan signed the IGA. Other countries expressed their commitments.
- R. In December 2016, at the 5th Governing Council meeting in Shenzhen, the PRC, the CAREC Institute submitted the 2017 Work Plan and the report on Selection, Appointment and Rotation Procedures of the Institute's management.

- S. In June 2017 in Vienna, Austria, a joint declaration was signed between the CAREC Institute and the United Nations Industrial Development Organization (UNIDO) to cooperate on capacity building in the area of inclusive and sustainable industrial development.
- T. In June 2017, the CAREC Institute signed a Memorandum of Cooperation with Xinjiang University of Finance & Economics to promote knowledge cooperation and seek mutual research collaboration and capacity building.
- U. In June 2017, at the 6th Governing Council meeting in Tbilisi, Georgia, the Mongolian nominee was appointed as the second Director of the CAREC Institute. The logo and the flag of the Institute were approved in the meeting.
- V. In April and June 2017, Uzbekistan and the PRC ratified the IGA respectively, Mongolia and Pakistan both ratified the IGA in August 2017.
- W. In 2017, the CAREC Institute has finalized its flagship research on macroeconomic monitoring and forecasting which provided a learning tool to government officials to conduct analysis of current state of the economy, and forecast near-term challenges and prospects.
- X. In December 2018, the status of IGA was reported as signed and ratified by ten countries with Kazakhstan being in the process of signing and ratification, and Turkmenistan having already initiated the ratification process.
- Y. The CAREC Institute and the PRC signed the headquarter (host country) agreement in 2018 to enable the Institute fulfill its purpose fully and effectively.
- Z. In April 2019, the CAREC Institute held a series of meetings with the World Bank (WB), International Monetary Fund (IMF), Global Environmental Facility (GEF), and diplomatic representations to the UN in Washington D.C. and New York City (USA) regarding the policy dialogue on CAREC priority topics, provision of resource persons for knowledge service activities, coordination of trainings, and participation in CAREC Institute's Advisory Council.



## Vision and Mission

In 2019, the CAREC Institute marks the fourth year of establishment of its physical base in Xinjiang Uygur Autonomous Region and providing hands-on support to the CAREC member countries through research, knowledge services, and knowledge management. The Institute focuses on building and developing a culture of trust and knowledge sharing across the CAREC member countries and harmonizing all levels of cooperation between partners and governments into an integrated approach to regional economic development.



LEADING KNOWLEDGE CENTER  
PROMOTING ECONOMIC COOPERATION  
IN THE CAREC REGION  
FOR SHARED AND SUSTAINABLE  
DEVELOPMENT.

Under this vision, the CAREC Institute aims to enhance the quality and effectiveness of the CAREC Program by providing evidence based research, capacity building services, dissemination of knowledge products, and networking with research institutions.

Under the CAREC Institute strategic knowledge framework components:

- ▶ the knowledge generation encompasses research and policy studies on key issues of economic cooperation which are of regional, country- or sector- wide significance;
- ▶ knowledge services involve knowledge sharing through capacity building interventions, such as learning programs, seminars, workshops;
- ▶ knowledge management includes organizing and processing existing information and transforming it into knowledge products for wide dissemination using the relevant media.

The CAREC Institute 2018-2022 strategy provides a framework for supporting the CAREC member countries, builds upon the foundation established by the institute in previous years and aligns objectives with CAREC 2030 priorities.

The CAREC Institute's long-term vision: "Leading knowledge center promoting economic cooperation in the CAREC region for shared and sustainable development" is consistent with CAREC 2030 mission: "A Regional Cooperation Platform to Connect People, Policies, and Projects for Shared and Sustainable Development."

## Mission

To enhance the quality and effectiveness of the CAREC Program by providing evidence based research, capacity building services, dissemination of knowledge products, and networking with research institutions.

## Main Activities

With the regional integration objective at its heart, the CAREC Institute engages with the member countries on numerous activities annually. The institute uses the Rolling Operational Plan (ROP) tool to plan its activities with consideration of the following criteria: i) regional dimension; ii) alignment with the CAREC program; iii) alignment with national development programs; iv) impact on the activities in the relevant field; and v) availability of financial sources. Among these activities are:

**Workshops** on topics ranging across WTO trade facilitation agreement implementation; improving border crossing services; promoting economic diversification in the CAREC region; enhancing quality of key economic indicators; road asset management; road safety engineering; reforming state-owned enterprises; regional tourism promotion; energy security; and food safety. Annually, workshops target around 300 government officials. The CAREC Institute is looking into approaches to expand the coverage through various modalities.

**Research** on key policy issues, some of the prominent ones include:

- a. macroeconomic monitoring and forecasting which provides a learning tool for conducting analysis of current state of the economy, forecasting near-term challenges and prospects, enabling policy makers and researchers to build new models considering peculiar domestic economic conditions using methodology and econometric codes provided in the study.
- b. The CAREC Regional Integration Index (CRII) which measures the state of the regional integration across six socioeconomic indicators, namely: trade and investment integration; monetary and financial integration; regional infrastructure and connectivity; institutional and social integration; regional value chain integration; and free movement of labor. This index provides a user-friendly tool for both public and private stakeholders to assess the level of integration in each of the dimensions and identify gaps to apply relevant policy measures.
- c. Joint research on the PRC's best practices in relation to e-commerce policies, SME development, fiscal policies for development, PPP financing to promote infrastructure construction and development, poverty alleviation policies, public sector reform, sustainable urbanization and municipal services, trade policy and trade facilitation reform, and technical vocational education in order to promulgate best practices throughout the region.

**Think Tanks Development Forum** where thoughts and ideas of knowledge enablers (government), knowledge articulators (think tanks), knowledge generators (universities), and transformers (business sector) interact to develop directional frameworks and translate knowledge into tangible gains.

**Research Grants Program** to support scholars and researchers from members of the CAREC Think Tanks Network to research topics on integration and undertake comparative analysis to draw lessons for promoting and deepening regional integration.

**Networking and forging partnerships** with academia, development institutions, Belt and Road Initiative, and other entities to exchange information, initiate and improve research and academic programs, exchange experts and resource persons, cooperate in the government policy consultations, build platforms to facilitate collaboration of the regional enterprises and business groups, and contribute to the sustainable development in the region.

## Governance

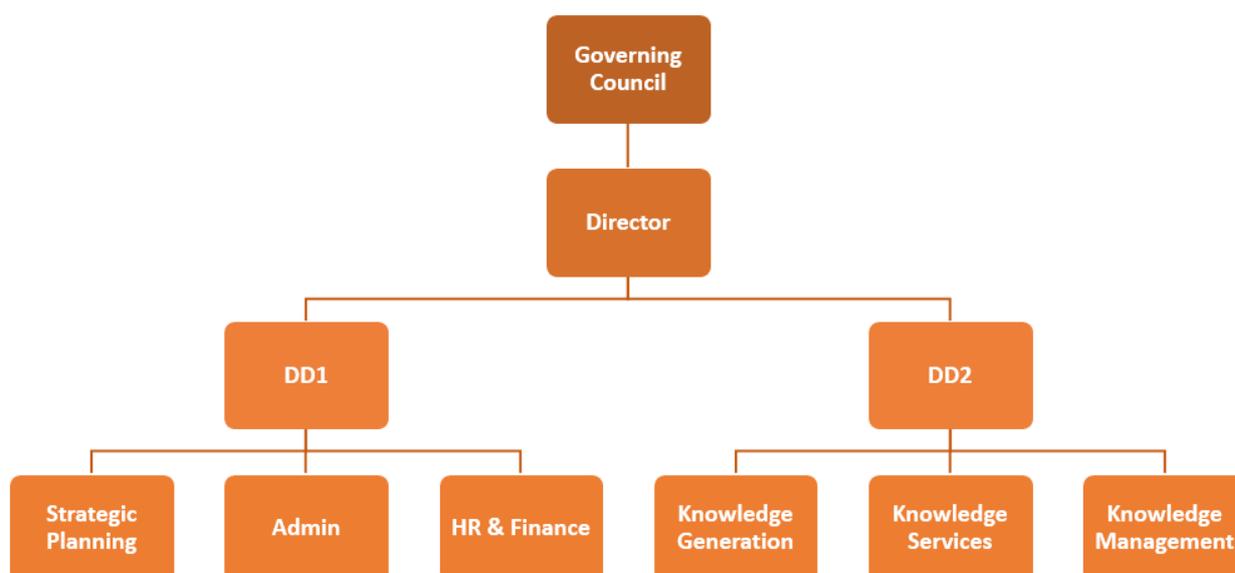
The governance of the CAREC institute is represented by the council of eleven member country representatives (also called National Focal Points) composed of high-level government officials from the line ministries designated by their respective governments.

The Governing Council (GC) is vested with the mandate and responsibility to guide, oversee and supervise the strategic objectives and plans, organizational structure, appointment and dismissal of the management, rules and regulations, annual budget, and audit statements of the Institute.

The chairmanship of the Governing Council is held by the country chairing the CAREC Program, following the system of alphabetical rotation among CAREC member countries. The Governing Council makes decisions on the basis of consensus, and may establish an Advisory Council and committees as it deems necessary. Currently, under the CAREC Institute Governing Council, there are two committees: Selection and Recruitment Committee, and Budget and Audit Committee.

The 7th Governing Council meeting of December 2017 endorsed rules of procedure of the Advisory Council to serve as a sounding board and counsel the CAREC Institute on ideas to enhance its strategies and approaches. The first Advisory Council convened in November 2018 in Beijing.

The CAREC Institute management consists of one Director and two Deputy Directors. The member countries take turns for the position of Director in alphabetical order. The two Deputy Directors are recruited competitively. Deputy Director One (DD1) is appointed by the host country, the PRC. Deputy Director Two (DD2) is selected from the CAREC member countries and must hold a different nationality from the Director and DD1. The CAREC Institute has six units: Knowledge Generation, Knowledge Management, Knowledge Services, Strategic Planning, HR and Finance, and Administration. The staff is recruited from the CAREC member countries competitively on the basis of openness, balance, transparency, and merit.



## Management

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**Mr. Sanjaasuren, Bayaraa**  
Director 2017-2019

Mr. Sanjaasuren served as a Counselor and then Ambassador in the Embassy of Mongolia in Delhi during 2008-2015. He has been reporter and Editor-in-Chief of various newspapers since 1984, and an adviser to international think tanks and non-profit organizations since 1997.

In addition, Mr. Sanjaasuren held the post of the Executive Director of the Journalist Association in Mongolia and has been a visiting Professor at the National Museum of Ethnology in Japan in 2005-2006.

Mr. Sanjaasuren holds a Diploma in Physics from Dresden University in Germany (1978) and MA in Journalism from the Mongolia State University (1980).

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**Mr. Liang, Ziqian, Ph.D.**  
Deputy Director One (DD1)

Mr. Liang has been a senior official of the PRC Ministry of Finance since 1992 until 2015. After serving as a senior advisor to the board of the World Bank in 1992-2001, Mr. Liang took the Board Member post for the China Development Bank in 2008. Since then, he has been engaged as a Council and Committee member and Vice Chair of high profile funds and boards including Global Environmental Facility and Green Climate Fund.

Mr. Liang holds a Diploma in Civil Engineering from the Taiyuan Industrial University, MBA from Zhongnan University, and Ph.D. in Economics from the Chinese Academy of Agricultural Sciences. He is a distinguished fellow of H.J. Heinz scholarship under the University of Pittsburgh (USA).

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**Mr. Abdullaev, Iskandar, Ph.D.**  
Deputy Director Two (DD2)

Mr. Abdullaev has over 25 years of experience in water management and environmental topics. His academic and professional experience include Central Asia, Sri Lanka, Iran, Pakistan, Thailand, Israel, USA, Germany, and Netherlands. Mr. Abdullaev held various advisory, editorial, research, and senior posts with GIZ, ZEF Center of Bonn, NGOs, boards, and associations.

Mr. Abdullaev is well linked with the academic circles. He is a member of editorial boards of few internationally peer reviewed journals. He himself authored three monographs, over 30 peer reviewed articles, and over 150 conference papers.

Mr. Abdullaev holds MSc and Ph.D. degrees from the Tashkent Institute of Irrigation and Agriculture Mechanization Engineers where he also taught classes during 1992-1999. He continued teaching at the German-Kazakh University (2013-present).

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## Partnerships

Asian Development Bank	<a href="http://www.adb.org">www.adb.org</a>
Asian Development Bank Institute	<a href="http://www.adb.org/adbi/main">www.adb.org/adbi/main</a>
The World Bank	<a href="http://www.worldbank.org">www.worldbank.org</a>
International Monetary Fund	<a href="http://www.imf.org">www.imf.org</a>
United Nations Development Programme	<a href="http://www.undp.org">www.undp.org</a>
Islamic Development Bank	<a href="http://www.isdb.org">www.isdb.org</a>

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