

CAREC Institute Newsletter

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CAREC Institute Hosts Reception in Beijing

21 June 2019

Beijing, PRC

The CAREC Institute held a reception in Beijing in conjunction with the Belt and Road Development Forum on 21 June 2019 to host distinguished guests represented by Ambassadors of CAREC member countries in the People's Republic of China (PRC), representatives of international development organizations and think tanks based in the PRC, and prominent government and public officials of the PRC, including Ms. Zou Jiayi, Vice Minister of Finance of the PRC.

Keynote speeches were delivered by Excellences Ambassadors of Azerbaijan and Georgia, diplomats from Pakistan and Uzbekistan, Vice Minister of Finance of the PRC, and representatives of the Xinjiang Uygur and Inner Mongolia Autonomous Regions of the PRC.

The Diplomats emphasized deepening strategic partnerships among their countries and the PRC, favorable geostrategic location of CAREC countries, and the importance of the Belt and Road Initiative (BRI) which the guests viewed not only as a platform for cooperation that brings economic dividends but also an important mechanism to enhance people-to people contact, tourism, cultural exchange, and serve the cause of stability, security, and peace in Eurasia.

The guests remembered the great Confucius - "when the paths are different, people don't make plans together" - however, in the CAREC region, "we have joint plans and projects as the path to sustainable development is one."

Read more on our website www.carecinstitute.org

Distinguished guests at the reception, among them Ambassadors of CAREC countries, and Ms. Zou Jiayi, Vice Minister of Finance, PRC



CAREC Institute Leadership Speaks with PRC Media

10 June 2019

Beijing, PRC

The CAREC Institute leadership spoke with the PRC media represented by the People's Daily, Xinhua News Agency, Economic Daily, China Daily, China Radio International, Global Times, and china.org.cn on 10 June 2019 in Beijing, PRC.

The media inquired about the CAREC Institute's mandate and its work, characteristics of CAREC economies, competing trade interests of dominant global economies, globalization, Belt and Road Initiative (BRI), and more.

The CAREC Institute leadership elaborated on importance of knowledge corridors along with economic corridors. To continue the tradition of the Silk Road which contributed to the development of the region and the world not only through trade, but primarily through knowledge exchange, the CAREC Institute is invested in the knowledge corridor development 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.

As for the BRI, the leadership responded that the CAREC Institute sees importance of coordinating the CAREC agenda with the BRI as the two platforms complement each other.

The topic of tourism was also covered. The CAREC is a diverse region with areas and routes rich in history and culture, fine culinary traditions and an outstanding range of unspoiled natural resources that

traverse national boundaries. The CAREC countries have a lot to offer to the world. There is a need to build a coherent and persuasive positive tourism image, individually and in combination, with a strong identification with the Silk Road. In this respect, the CAREC Institute will hold a tourism forum later this year to enable development and promotion of tourism in the region.

Read more on [People's Daily](#), [Xinhua News](#) websites, and print editions of other media outlets.

CAREC Institute interaction with the PRC media



New Deputy Director Joins CAREC Institute

In June 2019, the CAREC Institute welcomed a new Deputy Director Two - Mr. Iskandar Abdullaev from Uzbekistan.

Mr. Abdullaev possesses distinct expertise in the fields of water management and environment. He has worked and conducted academic research in the Central Asian countries, 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. He is a Special Advisor to the China Council for International Cooperation on Environment and Development (CCICED).

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 (TIAME) where he also taught classes during 1992-1999. He continues teaching at the German-Kazakh University (2013-present).

In July 2019, the CAREC Institute bids farewell to its Mongolian Director Ambassador Bayaraa Sanjaasuren. The onboarding process for the new Director from Pakistan is being finalized.

CAREC Institute New Deputy Director Two - Dr. Iskandar Abdullaev



Workshop on Economic Globalization Statistics

10-15 June 2019
Jakarta, Indonesia

With the aim to bridge critical data and analytical gaps in the economic information systems in the CAREC region, the CAREC Institute organized a workshop in partnership with the Asian Development Bank (ADB) and the Islamic Development Bank (IsDB) on the economic globalization statistics, paired with a conference on mapping value chains on 10-15 June 2019 in Jakarta, Indonesia.

The principal objective of this workshop and all related initiatives is to facilitate evidence-based policy making and monitoring of the progress towards economic and social milestones, such as the Sustainable Development Goals (SDG).

The ADB Vice-President Mr. Bambang Susantono spoke at the workshop highlighting data management as critical for development given its important role in promoting evidence-based policy making.

More than 70 statistics and economics experts from government and private institutions from 15 countries participated. The workshop provided rigorous hands-on training on the compilation and analysis of supply-use tables (SUTs), input-output tables (IOTs), sub-national and inter-country IOTs, extended IOTs, social accounting matrices (SAMs), and trade-in-value added (TiVA) statistics. Further, conceptual, methodological, and data issues related to FISIM, production accounts, capitalization, inventories, subsidies, taxes, housing services, public expenditures, and household expenditures were discussed comprehensively through case studies.

In addition, the ADB-IsDB-CAREC Institute coordination team guided each country delegation to develop and commit to a viable project implementation plan under the knowledge support and technical assistance (KSTA) facility with clear milestones and concrete outputs.

National Statistics Officers during the practical exercise at the workshop.



CAREC Institute Discusses Paperless SPS Certificates with PRC Customs

10 June 2019

Urumqi, PRC

The CAREC Institute met with the Director of Animal and Plant Quarantine Division of Urumqi Customs of the PRC to get an update about Sanitary and Phytosanitary (SPS) measures implemented in the PRC and progress on the bio-security channel between the PRC and Kazakhstan. The CAREC Institute also introduced the outline of its research project on "Regional Sanitary and Phytosanitary Regulatory Regime: Framework for Mutual Recognition and Electronic Exchange of SPS Certificates" and received valuable input from officials of the Urumqi Customs.

The Director of Urumqi Customs informed that the CAREC agricultural imports are regulated under the SPS quarantine regime to prevent plant and animal disease and ensure import of hygienic food and agricultural products into the PRC.

He mentioned that joint cross-border inspection facilities need to be built to encourage trade of agricultural products and increase the efficiency of customs clearance. At present, the PRC and Kazakhstan are pursuing a bio-safety channel project at Khorgos (border between PRC and Kazakhstan) which has all necessary inspection, testing, and clearing arrangements to support cross-border trade between the countries. Similarly, a pilot project can be initiated between the PRC and Pakistan to develop cross-border bio-safety channels, said the Director.

Both sides reasoned that a paperless SPS certificate exchange system can be a very important supporting component to facilitate cross-border trade of agricultural products. Through the application of e-certificates system, both the performance of trade efficiency and trade cost will be optimized.

The parties discussed potential areas of cooperation to cover data sharing, exchange information on good practices, share research, and participate in capacity building activities.

Check out SPS resources: [ADB publication: Modernizing Sanitary and Phytosanitary Measures in CAREC: An Assessment and the Way Forward](#), [World Trade Organization Standards and Trade Development Facility](#), [World Organization for Animal Health](#), [International Plant Protection Convention](#), [European and Mediterranean Plant Protection Organization](#), [FAO-WHO Codex Alimentarius](#)



Policy Issues in Agriculture, BRI Dimension, and Two-Mountain Theory

12 June 2019

Urumqi, PRC

The CAREC Institute and the International Food Policy Research Institute (IFPRI) are finalizing a joint study on review of trends, challenges, and opportunities for agricultural development in the CAREC member countries. The IFPRI delegation visited the CAREC Institute office in Urumqi on 12 June 2019 to discuss the findings.

While agricultural systems of the CAREC countries are too diverse to suggest a one-size-fits-all strategy, some common threads appear when discussing avenues for further growth, namely:

- 1) Policymakers should target improving the capacity of small farmers throughout the region. Smallholder farming is a crucial employer of the CAREC region's large rural population. Understandably, smallholders demonstrate low capacity to get SPS and other certification to access new markets and integrate into value chains, compounded with the issue of product traceability, difficulties to achieve mechanization and improve logistics, and absence of a working public-private partnership (PPP) mechanism to make impact on a large scale. A primary

and immediate need is to set in place systems that allow farmers access to modern technology, inputs, and knowledge.

- 2) Investments in public goods, such as irrigation and road infrastructure can provide the type of support that would aid household farmers and farm businesses of all types. Investing in public infrastructure must also focus on improving governance of these institutions which manage irrigation resources, road networks, and border points.
- 3) Improvements in agricultural infrastructure, development of storage and logistics facilities. Many countries in CAREC lack capacity to extend the shelf-life of horticultural goods that would allow them to be marketed at a maximum economic gain. The accompanying institutional and regulatory frameworks are also essential. Improving veterinary, SPS inspections and certification services would help increase trade in meat and animal products.
- 4) To unleash the growth potential of their economies, countries in the region will have to identify constraints and apply improvements to all aspects of their respective agricultural sectors, with an eye at changing nature of agricultural trade, competing trade interests, characteristics of market integration, e-commerce, issues of diversification and specialization, and how the Belt and Road Initiative (BRI) can change the dynamic.
- 5) Water becomes a key constraint in agricultural production, including PRC.
- 6) Identify and act on missed opportunities to learn from one another how to handle land ownership, productivity issues, etc.
- 7) How agricultural development and food security can become nutrition driven, necessity for nutrition strategies, a need to place more value money on good environment, and how to bring nutrition into the BRI to conform to PRC's two-mountain theory to take effective measures in ecology and transform the ecological advantage into the economic and development advantage.

The CAREC Institute and IFPRI joint research team underlined that there is a need to augment governments' research capacity, continue research, and develop a comprehensive policy framework to replace the piecemeal policy advice and action to achieve tangible results. [Contact us](#) for more.

Dr. Kevin Chen of IFPRI speaks during the visit



CAREC Think Tanks Network Research Grants

In 2019, the CAREC Institute has launched its Research Grants Program to support scholars and researchers from members of CAREC Think Tanks Network (CTTN) to produce targeted knowledge products which will add to the body of knowledge on regional cooperation in CAREC.

Scholars from member Think Tanks are encouraged to research CAREC region integration topics and undertake comparative analysis between (sub) regions to draw lessons for promoting and deepening regional integration among CAREC member countries.

The 2019 grants have been awarded to five researchers who will have an opportunity to present preliminary findings during August 2019 Think Tanks Forum. The topics include:

- Assessing participation of CAREC countries in global and regional value chains
- Study of cross-border tourism value chains between Uzbekistan and Kyrgyzstan
- The impact of sanitary, phytosanitary, and quality-related standards on the trade flow between CAREC countries and Georgia
- Developing value chains in readymade garments: Pakistan's linkages with CAREC economies
- Building bankable and viable regional cooperation programs based on trust

Visiting Fellowship Program at CAREC Institute

The CAREC Institute and the Asian Development Bank (ADB) plan to launch a three-month long Visiting Fellowship Program at the CAREC Institute in Urumqi, PRC, to foster a research environment and deliver new insights on topics that promote regional integration and cooperation in CAREC, particularly as anticipated in the [CAREC 2030 strategy](#) and stated operational priorities including (i) economic and financial stability; (ii) trade, tourism, and economic corridors; (iii) infrastructure and economic connectivity; (iv) agriculture and water; and (v) human development.

Positive spillover effects of proposed policies should guide the selection of research proposals, including, where possible, a history of policy interventions and adjustments that have shown limited results, but have the possibility of policy changes, innovations, reversals, and readjustments. A research that has clear cross-border dimensions and overt policy prescriptions to promote regional integration, and which showcases comparative perspectives on regional integration efforts to provide policy lessons will be given an advantage.

Fellows will be selected from all member countries of ADB, particularly those who have an interest in comparative inter- and intra-regional studies. Follow our announcements on www.carecinstitute.org and www.adb.org

CAREC Institute Advisory Council Meeting

28 June 2019

Tashkent, Uzbekistan

The CAREC Institute held an Advisory Council meeting on 28 June 2019 in Tashkent to discuss issues of institutional strengthening and climate change, namely how the CAREC Institute shall collaborate with the global green initiatives for strengthening capacities of CAREC countries in climate change financing.

The Advisory Council serves the CAREC Institute as a sounding board and a source of new ideas to enhance its strategies and approaches.

Research evidence suggests that climate change influences agricultural production, livelihoods, nutrition, and other essential areas of people's lives. The CAREC Institute Advisory Council discussed how to build a case for early and scaled-up investments in both climate change mitigation and adaptation, since both have been demonstrated as effective in reducing future costs to society.

Participants included the CAREC Institute representatives, five prominent experts from Turkmenistan, Tajikistan, Mongolia, Pakistan, and Uzbekistan, and special guests from the Asian Development Bank (ADB), Nazarbayev University of Kazakhstan, Asia Pacific Development Finance Institute of the People's Republic of China (PRC), European Institute of Asian Studies of Belgium, and TIAME of Uzbekistan.

In addition, the CAREC Institute leadership interacted with the Uzbekistan media regarding the climate change issues.

The CAREC Institute Advisory Council Meeting in Tashkent, 28 June 2019.



Meeting with the Innovation Center for the Aral Sea Basin

13 June 2019

Urumqi, PRC

The International Innovation Center for the Aral Sea (IICAS) Basin visited the CAREC Institute in Urumqi to deliver a presentation on the IICAS activities and discuss possibilities of bilateral cooperation between the CAREC Institute and IICAS.

The IICAS is a research and innovation center with access to the newly established Aral Sea Trust Fund. The organization pursues several objectives, among them improvement of the ecosystem and sustainable livelihoods in the saline lands of the dried bottom of the Aral Sea, development of public-private partnerships to overcome consequences of the ecological tragedy, and development of eco-tourism.

The parties discussed the prospects of cooperation.

Agreement with Qingdao Smart Science City Investment Group

5 June 2019,

Urumqi, PRC

The CAREC Institute signed a Strategic Cooperation Agreement with the Qingdao Smart Science City Investment Group Co. Ltd. which is positioned as the third party investment service company in PRC and is committed to facilitate investments in the Asia Pacific region for various strategic development projects.

The Agreement will allow parties focus on research and exchange experience in the fields of transport, economic corridors, energy, and facilitate cooperation and development of institutions in CAREC countries.