



# CAREC Institute Newsletter

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## CAREC Quarterly Economic Monitor No.4

Our fourth CAREC Quarterly Economic Monitor (QEM) is out with new data and findings. The new QEM writes that CAREC members are recovering relatively quickly from the deep recession caused by the COVID-19 pandemic in early 2020. GDP levels were 2.8% higher in the first quarter and 2.2% higher in the second quarter of 2021 at constant prices than in the corresponding periods of 2019. The recovery is led by agriculture, manufacturing, and services. For mining, the picture is more mixed.

Industrial production and retail sales indicate that both production and consumption exceeded 2019 levels in several CAREC economies in 2021, consumption less consistently though. Inflation, hotly debated internationally, substantially accelerated also in several CAREC economies, but does not look too worrisome. Average CAREC annual consumer price inflation accelerated to 8.6% by July 2021, a level not seen since 2011, however this is likely to be transitory given rather moderate food price inflation, consumption that spiked in some months but has remained largely below 2019 levels, and rather slow wage and income growth. Social and economic mobility has not fully recovered yet from the COVID-19 pandemic, but the correlation between mobility and economic performance appears broken. Vaccination progress and the vaccine acquisition rate of the CAREC region is however relatively low, on average, posing new threats to public health and the economy.

Export growth has turned positive in most CAREC economies in 2021. The CAREC region's future foreign trade performance, terms of trade, and their impact on the overall economy, will strongly depend on whether recent re-increases in commodity prices are sustained. For net commodity exporters, high commodity prices mean prosperity, for net commodity importers, high commodity prices are challenging.

The new QEM discusses many other areas including some regional news. Read more [here](#).

## Research: E-Commerce in CAREC Countries - Laws and Policies

A collaborative work of the CAREC Institute and the Asian Development Bank (ADB) titled “E-Commerce in CAREC Countries: Laws and Policies” has been released in August 2021. This study examines the legal environment of electronic transactions along with opportunities and challenges in developing e-commerce among CAREC members.

The study argues that digital trade is improving the efficiency of domestic economies and creating new jobs, thereby helping developing economies and least-developed countries narrow development gaps and the rural–urban divide. The COVID-19 pandemic and changing global landscape have heightened the need to facilitate digital trade. However, the commercial laws governing these e-commerce transactions have not always kept up with the new realities. The countries that have amended their national laws with e-commerce in mind have often taken different paths. In an era of global and regional economic blocs, these differences can create inefficiencies or barriers to trade.

This study aims to explain the legal and policy issues that affect e-commerce development among CAREC members and to improve the understanding and receptiveness of governments to constructive and coordinated reforms. The authors present analysis of legislative and regulatory texts available online and with English translation as of December 2019 from all CAREC countries (and few updates from 2020) relating to e-transactions, privacy, cybercrime, and consumer protection. Read more [here](#).

## Working Paper: Enhancing Connectivity and Trade in Central Asia

Our Chief Economist Dr. Holzhaecker has contributed to the ADB Institute (ADBI) working paper series with a paper titled “Enhancing Connectivity and Trade between Central Asia Regional Economic Cooperation Countries and the World: Benefits, Risks and Policy Implication,” released in June 2021.

The paper argues that transportation corridors and reduced trade costs are essential to develop CAREC countries’ foreign trade. However, to intensify intra-CAREC trade as well as the region’s global exports, the product portfolio of CAREC countries’ industry and agriculture has to be broadened. Otherwise, these countries will just face strong import competition or become pure transit territories.

The need and opportunities of change brought about by global decarbonization efforts and green transition, widely discussed now in connection with efforts to revive the global economy after the slump caused by the COVID-19 pandemic, make this even more urgent, especially for hydro-carbon exporters. At the same time, the green transition and the general move to more science-intensive production provides opportunities for new products and employment.

Broadening and expansion of the export range of products and services require a robust set of measures in areas such as trade policy, coordination of sectoral policies, diversification, and business reforms. In particular, the countries that are in the center of the CAREC region’s trade flows, such as Uzbekistan and Kazakhstan, should step up their initiatives for industrial change and closer cooperation among CAREC members.

The paper analyses the importance of such initiatives by CAREC countries and discusses the need for further steps in developing production that is based on countries’ natural or historically accumulated comparative advantages. The paper suggests that initiatives can be clustered into economic corridors that provide economies of scale and scope and good connectivity, and therefore the impact can be scaled up. However, corridor development must be well-aligned with the overall economic policies and development plans of the countries involved. Read more [here](#).

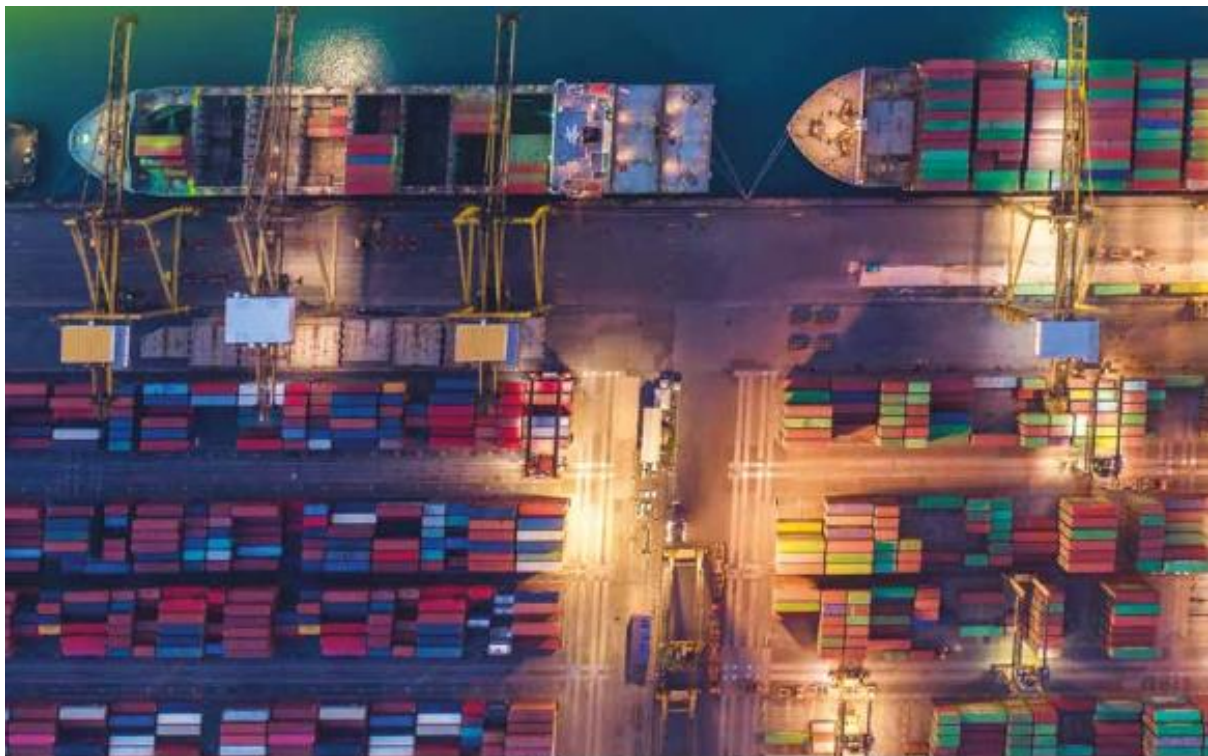
## Joint Report: Digital and Sustainable Trade Facilitation in CAREC

The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and CAREC Institute have released a [joint report](#) on digital and sustainable trade facilitation in CAREC.

The report presents results of the 2021 United Nations global survey on digital and sustainable trade facilitation for ten CAREC members. It presents a detailed analysis based on 58 trade facilitation measures which are classified into four groups ("General Trade Facilitation," "Digital Trade Facilitation," "Sustainable Trade Facilitation," and "Other Trade Facilitation") and further 11 subgroups covering both binding and non-binding WTO TFA measures and measures beyond the scope of WTO TFA+.

The report suggests that most trade cost reductions are associated with paperless trade measures rather than conventional trade facilitation measures. Implementing both binding and non-binding WTO TFA measures could result in a 4-9% decrease in trade costs. In contrast, 'Digital Trade Facilitation' measures enabling the seamless electronic exchange of trade data and documents across borders could result in a reduction of about 17% in a full implementation scenario. For countries to reap the benefits from digital trade facilitation, the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA) could support countries by providing a dedicated, inclusive and capacity-building focused intergovernmental platform.

The topics of digital trade and innovation in CAREC were also discussed by experts and CAREC government officials at the [23 September conference](#) organized by the CAREC Program.



# Virtual Conference on E-Commerce Development in CAREC Countries

The CAREC Institute Director Syed Shakeel Shah participated in the CAREC Program virtual conference titled “E-Commerce Development in CAREC Countries: Assessment and the Way Forward,” held on 21 September 2021. The conference reviewed outcomes of ADB and CAREC Institute’s joint studies on e-commerce development in CAREC focusing on regulatory framework and infrastructure development. Other global or regional initiatives and developments related to the theme were also discussed.

Researchers presented key finding of their projects on the topic. Fariz Gulliyev, Member of Board Council, Innovation Agency, Ministry of Transport, Communication and High Technologies of Azerbaijan, chaired the session and delivered opening remarks highlighting the increasing role of e-commerce in economic growth and development. Safdar Parvez, East Asia Department of ADB, in his opening remarks, highlighted that there has been a big push in e-commerce development due to COVID-19 mobility restrictions. However, there are bottlenecks, like regulatory limitations and low digital literacy, which are inhibiting growth of e-commerce in most of CAREC countries.

John Gregory and Michael Minges, ADB consultants, shared key findings on opportunities and challenges in e-commerce development with regard to required regulatory reforms and infrastructure development. Representatives from Pakistan, Kazakhstan, and Mongolia shared country experiences on e-commerce development. An expert panel comprising of Oswald Kuyler from International Chamber of Commerce and Tumurpurev Dulambazar from the CAREC Institute, along with ADB consultants, shared some further insights and responded to questions.

In the wrap-up session, Syed Shakeel Shah, Director of the CAREC Institute, summarized the proceedings. The research, presented by ADB consultants, clearly establishes that CAREC countries have a lot of potential for e-commerce development. Although, most countries have developed some related legislative and regulatory framework, there is a need for more harmonization with international standards. Moreover, infrastructure deficiencies in most CAREC countries also present a good opportunity for high quality FDI, provided attractive policies are put in place. The research by ADB and the CAREC Institute provides a good starting point for initiating reforms.

## E-Commerce Development in CAREC Countries: Assessment and the Way Forward

The webinar will present the outcomes of Asian Development Bank and CAREC Institute’s studies on e-commerce development in CAREC countries focusing on: (i) regulatory framework; and (ii) infrastructure development. Other global or regional initiatives and country experiences will also be discussed.

**21 September 2021**  
1400-1600H (Manila time)      **Jointly organized by**  
ADB and CAREC Institute

<p style="text-align: center; font-size: 8px; color: #0070C0;">WELCOME REMARKS</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">SAFDAR PARVEZ ADVISOR, EAST ASIA DEPARTMENT ASIAN DEVELOPMENT BANK</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">CLOSING REMARKS</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">SYED SHAKEEL SHAH DIRECTOR CAREC INSTITUTE</p> </div>	<p style="text-align: center; font-size: 8px; color: #0070C0;">Country Chair: Azerbaijan</p> <p style="text-align: center; font-weight: bold; font-size: 10px;">Mr. Fariz Gulliyev, Member of Board Council, Innovation Agency, Ministry of Transport, Communications and High Technologies</p> <p style="text-align: center; font-size: 8px; color: #0070C0;">Country Interventions</p> <p style="text-align: center; font-weight: bold; font-size: 10px;">Aisha Humera Moriani, Senior Joint Secretary (e-commerce), Ministry of Commerce, Pakistan</p> <p style="text-align: center; font-weight: bold; font-size: 10px;">Erbol Dauletbekovich Medeuov, Deputy Director, Department of Digitalization, Kazakhstan</p> <p style="text-align: center; font-weight: bold; font-size: 10px;">A. Ariunna, Counsellor, Foreign Trade and Economic Cooperation Department, Ministry of Foreign Affairs, Mongolia</p>	<p style="text-align: center; font-weight: bold; font-size: 10px;">Session 1: Presentation on Research Findings</p> <p style="text-align: center; font-weight: bold; font-size: 10px;">Session 2: Panel Session</p>
		<p style="text-align: center; font-size: 8px; color: #0070C0;">SPEAKER</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">DOROTHEA LAZARO REGIONAL COOPERATION SPECIALIST EAST ASIA DEPARTMENT ASIAN DEVELOPMENT BANK</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">SPEAKER</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">JOHN GREGORY LEGAL EXPERT, CONSULTANT ASIAN DEVELOPMENT BANK</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">SPEAKER</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">MICHAEL MINGES E-COMMERCE EXPERT, CONSULTANT ASIAN DEVELOPMENT BANK</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">MODERATOR</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">JUNG WOO KANG PRINCIPAL EXPERT, ECONOMIC RESEARCH AND COOPERATION DEPARTMENT WWW.DEVELOPMENT BANK</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">SPEAKER</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">OSWALD KUYLER MANAGING DIRECTOR ICE DIGITAL STANDARDS INITIATIVE</p> </div> <p style="text-align: center; font-size: 8px; color: #0070C0;">SPEAKER</p> <div style="text-align: center;">  <p style="font-size: 8px; color: #0070C0;">TUMURPUREV DULAMBAZAR SENIOR RESEARCH SPECIALIST CAREC INSTITUTE</p> </div>

Enhancing Cooperation in Digital Trade

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## 20th Meeting of the CAREC Customs Cooperation Committee

On 28 September 2021, Dr. Iskandar Abdullaev, Deputy Director Two of the CAREC Institute, attended the 20th meeting of the CAREC Customs Cooperation Committee (CCC), organized by the CAREC Secretariat, where CAREC members discussed technical aspects and specific programs on facilitating trade and achieving a sustainable cross-border supply chain. Automation of processes, innovative technologies, national strategies on paperless trade, and revisions to the terms of reference under the rolling strategic action plan 2021-2023 were also discussed.

The World Customs Organization representative shared information about the recent COVID-19 related project to assist customs administrations in dealing with unpredictable and disruptive events. The ADB representative presented a special report which marks ten years of the Corridor Performance Measurement and Monitoring (CPMM) mechanism. This new report summarizes significant trade facilitation initiatives, focusing on those promoting cross-border trade, with evidence from the CPMM data. It also highlights recommendations and forward-looking insights that address impediments and gaps. Another assessment was presented on the capacity and readiness of CAREC customs agencies for cross-border e-commerce consignments which reviews the legislative framework, customs procedures, and customs information systems in CAREC for managing and facilitating cross-border e-commerce. It suggests recommendations including reforms on de minimis threshold regime, pre-arrival processing, immediate release or expedited clearance, simplified declarations, digitizing postal labels, and using non-intrusive inspection equipment.

Dr. Abdullaev presented the latest projects and activities of the CAREC Institute, including the digital CAREC project, research reports and capacity building activities related to e-commerce, fintech, and ePhyto. He highlighted the role of the Institute in the CPMM advocacy, and in shaping the new trade and connectivity related projects. More [here](#).

## Participation in IsDB Webinar on Regional Cooperation

The screenshot shows a Zoom meeting interface. The main content is a webinar slide with the following details:

- Event:** Tashkent 2021 Annual Meetings
- Title:** BUILDING BACK BETTER THROUGH DEEPER REGIONAL COOPERATION AND INTEGRATION (RCI)
- Organizer:** Islamic Development Bank (IsDB)
- Panelists:**
  - Dr. Bahgat Abu El Nasr, Director General of the Arab Economic Integration Department, LAS
  - Azhar Jaimurzina, Chief of the Transport Connectivity and Logistics Section, UNESCAP
  - Tamerlan Taghiyev, Acting Director, Center for Analysis and Coordination of the 4<sup>th</sup> Industrial Revolution
  - Dr. Iskandar Abdullaev, Deputy Director CAREC Institute
- Opening Speech:** Amer Bukvic, Acting Chief Product and Partnership Officer, IsDB
- Co-moderated by:**
  - En'amulrahman Malkawi, Lead Youth Empowerment Specialist, IsDB
  - Dr. Kadir Basboga, Senior Regional Integration and Trade Promotion Economist, IsDB
- Date and Time:** TUESDAY 24 AUGUST 13:00 - 14:00 (GMT+3)

On the right side of the Zoom window, there is a vertical grid of video thumbnails for participants, including Amer Bukvic, En'amulrahman Malkawi, Tamerlan Taghiyev, Dr. Bahgat Abu El Nasr, and Dr. Iskandar Abdullaev.

On 24 August 2021, the CAREC Institute Deputy Director Two Dr. Iskandar Abdullaev attended the Islamic Development Bank (IsDB) event titled “Building Back Better through Deeper Regional

Cooperation and Integration” where participants exchanged the best practices of regional responses to the COVID-19 crisis.

Dr. Abdullaev argued that efficacy of regional governments could be strengthened considerably by coordinating with neighboring countries. “They need to re-orient their regional cooperation strategies and focus on mitigating the impact of COVID-19 with a special emphasis on capacity building including the country’s human, scientific, technological, organizational, and institutional resources,” he said. In this context, global and regional development institutions are expected to play an intermediary role in facilitating coordination among countries, also among global policy and financing actors.

Dr. Abdullaev shared a host of best practices from CAREC countries, including the launch of e-license and ePhyto solutions to allow online approval of permits for international road freight and expedite agricultural trade, introduction of authorized economic operators program in more CAREC countries, and plans for expansion of green lanes for efficient cross-border trade, negotiations to launch a joint customs control among several CAREC countries, conversion of airports into cloud-based facilities for efficient passenger processing, etc. He said these and other examples inspired hope for future regional cooperation. He also noted that more efforts are required. Dr. Abdullaev called on partners to support additional in-depth studies on potential impact and opportunities of regional cooperation.

## Participation in the Maritime Silk Road Forum

Dr. Liang at the 2021 Guangdong 21st Century Maritime Silk Road International Expo Theme Forum, 24 September 2021.



On 24 September 2021, Dr. Liang Ziqian, Deputy Director One of the CAREC Institute, was invited to participate in “2021 Guangdong 21st Century Maritime Silk Road International Expo Theme Forum.” With the theme “New Stage, New Philosophy, New Pattern,” the forum discussed the opportunities and challenges of Asia-Pacific regional cooperation, Belt and Road Initiative (BRI) cooperation, digital health trends and health responsibilities in the post-COVID-19 era, science and technology innovation, and reconstruction of global value chains, among others. Around 800 people including senior

government officials, ambassadors, and other important guests attended and addressed the forum online and offline.

Dr. Liang stressed in his presentation that CAREC and BRI share extensive commonalities in terms of geographic locations and development domains. On the one hand, at least four out of six CAREC transport corridors overlap completely or partially with BRI economic corridors, thereby bringing dual benefits to CAREC economic development. On the other hand, both cooperation frameworks have similar objectives to contribute to open, inclusive, and balanced regional economic cooperation.

He also noted that CAREC, as one of the major regional cooperation programs in Asia, has created a favorable regional environment for BRI development. In turn, BRI will effectively boost further economic cooperation in CAREC. Besides, he talked about the challenges brought about by the COVID-19 pandemic to CAREC economies.

In the end, Dr. Liang called on deeper cooperation between CAREC and BRI in conducting joint research on relevant topics. He also offered the CAREC Institute as a capacity building and knowledge sharing platform to exchange insights and share best practices.

## Participation in the 18th Western China International Fair

Dr. Liang at the 18th Western China International Fair, 16 September 2021.



On 16 September 2021, Dr. Liang Ziqian, Deputy Director One of the CAREC Institute, was invited to participate in an opening ceremony of the 18th Western China International Fair (WCIF) and the 10th Western China International Cooperation Forum themed “New Era of China, New Opportunities for Western China.” The WCIF is an important window for the opening up of the PRC. It has created an

important platform for Western China to participate in BRI and deepen exchange and cooperation with the rest of the world.

Dr. Liang visited more than 10 exhibition sections, such as the BRI International Cooperation Pavilion and the Industry New Drivers Pavilion. He was also invited to attend Western China International Digital Economy Cooperation Forum. The forum introduced the development achievements and innovative applications of the People's Republic of China's (PRC) digital economy industry and highlighted the important role of the digital economy in regional economic integration. Besides, the forum introduced some specific industrial parks, leading enterprises, big data, AI, 5G, blockchain, cloud computing, digital government, and other digital information technologies in a smart society.

## Partnership for Biodiversity and Finance under COP15

On 31 August 2021, Dr. Liang Ziqian, Deputy Director One of the CAREC Institute, was invited to participate in a consultation meeting on a draft joint initiative by the Partnership for Biodiversity and Finance (PBF) under the 15th Conference of the Parties to the UN Convention on Biodiversity (COP15).

The PBF format was established to address the urgent biodiversity challenges and considerable action and financing gaps, including integrating biodiversity risks into the investment decision-making process of the financial institutions.

Renowned experts from Agence Francaise de Development, ADB, Asian Infrastructure Investment Bank (AIIB), Bank of China, UN agencies, Global Green Growth Institute, and other development partners, institutions, and banks joined and shared thoughts and insights on the final draft of the initiative. Dr. Liang concurred with the view that PBF is an important and very timely initiative. Environmental damage has come close to a tipping point, where a reversal could become extremely costly or even impossible. The COVID-19 pandemic has shown that mankind has come to a point where old ways to live have to be re-thought in many ways and the world has to be built forward better.

Dr. Liang also commented that even though the CAREC Institute is not a financial institution itself, it is an intergovernmental organization keen to contribute to a positive development globally and especially in the CAREC region and is ready to participate in research about how financial institutions and regulators of the CAREC region comply best with the aims of the PBF and what policy recommendations should look like. He expressed readiness of the Institute to help with organizing capacity building events on relevant topics.

## Participation in China Council on Environmental Development

On 7-8 September 2021, the CAREC Institute Deputy Director Two Dr. Iskandar Abdullaev was invited by the Ministry of Ecology and Environment of the PRC and the China Council for International Cooperation on Environment and Development (CCICED), where he serves as a special advisor, to the 2021 Annual General Meeting of CCICED titled "For Nature and Humanity: Building a Community of Life Together."

The participants discussed that while the world is still struggling to recover from the global pandemic, we are constantly reminded of the urgency of the climate crisis by increasingly frequent extreme climate events. As part of the response, countries and regions, which make up nearly 70% of the global economy, have committed to achieving carbon neutrality by the middle of this century. Combining a stable economic recovery in the short term and the zero-carbon transition in the longer term is crucial to the success of such commitments. The world's major economies, including the PRC, are actively



exploring the implementation of a systematic socio-economic transformation through a new economic growth logic.

During the session on Implementing the PRC's 2030/2060 Carbon Targets and Empowering a High-Quality Development, Dr. Abdullaev presented the view on the regional importance of the PRC's championship of the climate change agenda. The PRC could provide both example and leadership on setting regional climate cooperation. The climate change brings serious economic losses to Central Asian economies, most notably in the [agricultural sector](#).



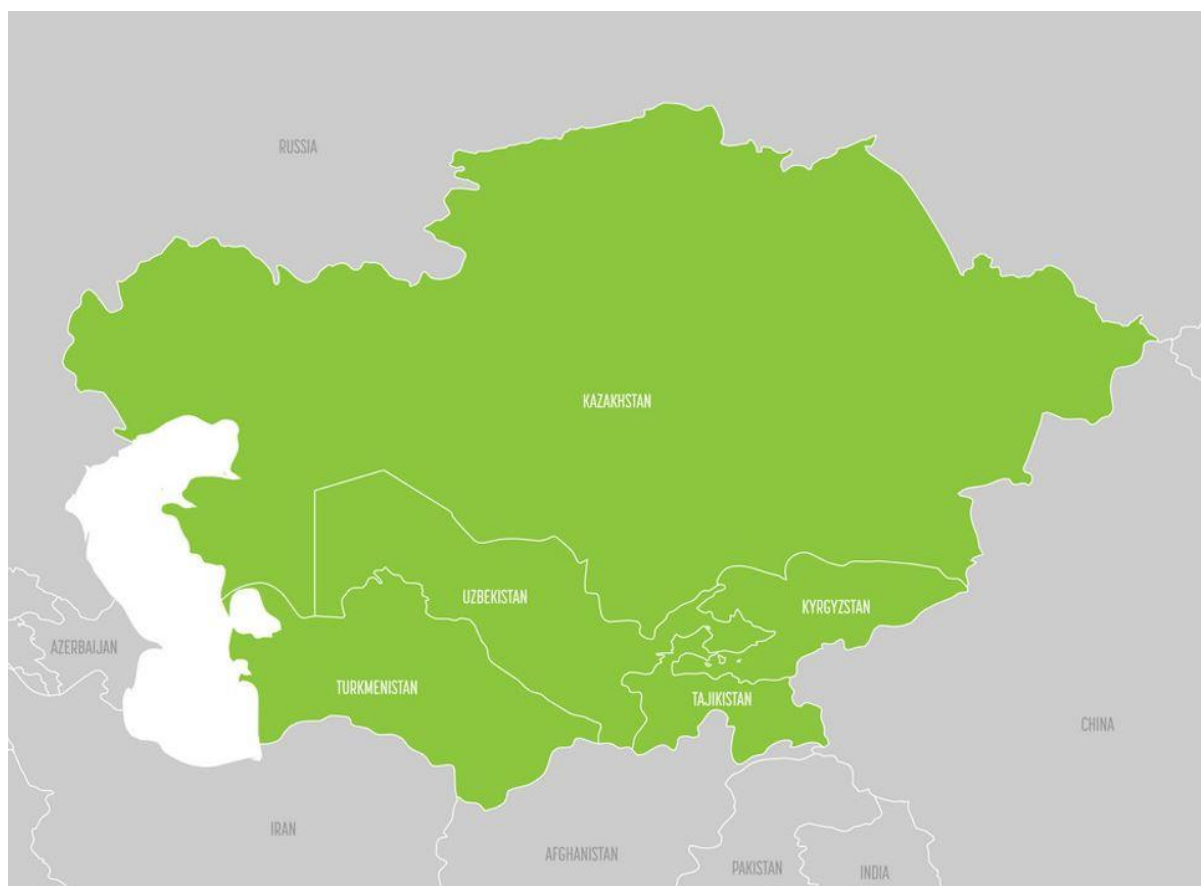
Therefore, prioritizing the investment strategies towards climate adaptation and mitigation will be important. Actively designing suitable mitigation and adaptation mechanisms will help reduce environmental externalities, vulnerability of population, especially in rural areas. The PRC could be a source for both advanced technologies and policies on adaptation and mitigation when it comes to climate change. The CAREC countries could benefit from the PRC's expertise on setting up financial tools and mechanisms in the field of credit, insurance, subsidies, carbon market, and taxation.

## Participation in Adelphi Climate Security Webinar

On 13 August 2021, the CAREC Institute Deputy Director Two Dr. Iskandar Abdullaev attended the climate security seminar organized by Adelphi think tank (Berlin) for Germany's International Diplomatic Academy. Dr. Abdullaev presented the current trends in climate change in Central Asia, and talked about growing water scarcity, and increasing need for investment in the water sector. He also shared findings from the Institute's recent publications on these topics.

Ambassador Achim Schkade - Head of Division of Environmental Foreign Policy at the Federal Foreign Office of Germany presented Germany's new initiative Green Central Asia and potential cooperation options. The event brought important exchanges for better understanding of climate and water challenges in Central Asia and mapping new activities in connection with new developments. The

participants also recognized the potential of close cooperation among the CAREC Institute, Adelphi, and Federal Foreign Office of Germany on climate and water issues in Central Asia.



## Participation in the Symposium on Agricultural Reforms 30 Years After

On 25 August 2021, the CAREC Institute Deputy Director Two Dr. Iskandar Abdullaev attended the 31st International Conference of Agricultural Economics, a session on agricultural reforms in post-soviet period and presented a case of water-land reforms in Central Asia alongside professors from Justus-Liebig-Universität Giessen (Germany), Leibniz Institute of Agricultural Development in Transition Economies (Germany), Hebrew University of Jerusalem (Israel), Swedish Institute of International Affairs (Sweden), and Georgetown University (USA).

The participants discussed how agriculture provided income to more than one quarter of the workforce in the last years of the Soviet Union. After the collapse of the system, in the decades to follow, policymakers, analysts as well as farm managers and rural workers struggled with restructuring the former collectives into alternative farming models considered fit for the envisaged market economy.

Widely considered as overstaffed, inefficient, and import-dependent, the post-soviet food economy drew on vast resources of crop and pastureland, thus attracting investors with an eye on rising domestic demand and export opportunities. Land privatization and creation of land sales and rental markets emerged as contentious political issues.

Dr. Abdullaev highlighted that Central Asian republics, once cotton producers of the Soviet Union, only hesitantly embarked on the agricultural restructuring process after independence. Monoculture,

existing water infrastructure, and political standstill were among the main reform obstacles. His presentation evaluated the progress so far and provided an outlook on current challenges.



## Participation in GHG Emission Control Workshop

On 25-27 August 2021, our Economist Kamalbek Karymshakov participated in an ADBI hosted virtual workshop which aimed to present new research and country-level case studies on the effectiveness of policies aimed at meeting greenhouse gas (GHG) emission reduction targets.

The participants argued that many developing Asian countries are committed to GHG emission reduction targets, or Nationally Determined Contributions, under the Paris Agreement on Climate Change, however, the effectiveness of the policies implemented, such as carbon taxes and emission trading schemes, is challenged by policy design issues, energy prices, and the COVID-19 crisis.

Dr. Karymshakov presented on the topic of air pollution along the Almaty-Bishkek economic corridor. The main sources of pollution in these cities constitute residential heating, transport vehicles, coal-based central heating, and urban construction. Kamalbek noted that clean air action plan, urban transport electrification project, and investments under the livable cities program are highly relevant for these two cities. Other policy recommendations included enhancing household access to gas; development of financial mechanism to support household transition to gas heating; development of alternative energy sources; and long-term urban planning with consideration of environmental challenges. Read more [here](#).