



THE SIXTH CAREC THINK TANK DEVELOPMENT FORUM REPORT

RECALIBRATING GROWTH DYNAMICS FOR INCLUSIVE AND SUSTAINABLE ECONOMIES

15–16 SEPTEMBER 2022 | BAKU, AZERBAIJAN

Disclaimer

This report summarizes the proceedings of the Sixth CAREC Think Tank Development Forum, held online on 15 to 16 September 2022.

The views expressed in this publication are those of the authors and do not necessarily reflect the views or policies of the CAREC Institute, its funding entities, or its Governing Council. The CAREC Institute does not guarantee accuracy of the data included in this publication and accepts no responsibility for any consequences of its use. The terminology used may not necessarily be consistent with the CAREC Institute's official terms. The CAREC Institute accepts no liability or responsibility for any party's use of this publication or for the consequences of any party's reliance on the information or data provided herein.

By making any designation of or reference to a particular territory or geographic area, or by using country names in the report, the authors did not intend to make any judgment as to the legal or other status of any territory or area. Boundaries, colors, denominations, or any other information shown on maps do not imply any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries, colors, denominations, or information.

This publication is available under the Creative Commons Attribution 3.0 IGO license (CC BY 3.0 IGO) <https://creativecommons.org/licenses/by/3.0/igo/>. By using the content of this paper, you agree to be bound by the terms of this license. This CC license does not apply to other copyright materials in this paper. If the material is attributed to another source, please contact the copyright owner or publisher of that source for permission to reproduce it. The CAREC Institute cannot be held liable for any claims that arise as a result of your use of the material.

Central Asia Regional Economic Cooperation (CAREC) Institute
No 376 Nanchang Road, Urumqi, Xinjiang, the PRC
f: +86-991-8891151
LinkedIn: km@carecinstitute.org
www.carecinstitute.org

TABLE OF CONTENTS

List of Acronyms and Abbreviations	5
Introduction to the Forum	8
<i>CAREC Institute</i>	9
<i>CAREC Think Tank Network</i>	9
<i>CAREC Think Tank Development Forum</i>	10
<i>Expected Output and Outcomes</i>	11
Session I: Opening Ceremony	12
<i>Welcome Remarks</i>	12
<i>Opening Remarks</i>	15
<i>Keynote Address</i>	18
Session II: Context Setting	21
<i>Lead Speaker: Professor Dr Albert F Park, Chief Economist and Director General, ADB</i>	21
<i>Discussant I: Dr Hans Holzhacker, Chief Economist, CAREC Institute</i>	26
<i>Discussant II: Dr Kamalbek Karymshakov, Vice Rector/Associate Professor, Kyrgyz-Turkish Manas University</i>	30
<i>Participants' Feedback and Open Discussion</i>	31
Session III: CTTN Regional Research Report	36
<i>Speaker I: Mr Emin Mammadov, Senior Researcher/Economist, Center for Economic and Social Development, Baku, Azerbaijan</i>	36
<i>Speaker II: Dr Gulnaz Alibekova, Deputy Director, Institute of Economics, Almaty, Kazakhstan</i>	39
<i>Speaker III: Dr Abid Suleri, Executive Director, Sustainable Development Policy Institute, Islamabad, Pakistan</i>	42
<i>Speaker IV: Peter Malvicini, UNESCO Chair Anticipatory Governance and Sustainable Policymaking Center for Policy Research and Outreach, Westminster International University in Tashkent, Uzbekistan</i>	44
<i>Participants' Feedback and Open Discussion</i>	46
Session IV: Sustainable Development Goals	49
<i>State of progress on United Nations Sustainable Development Goals in the CAREC Region. Lead Speaker: Ms Elena Danilova-Cross, Program Specialist on Poverty and Inequality, UNDP Istanbul Regional Hub, Turkey</i>	49
<i>Kyrgyzstan Case Study</i>	51
<i>Tajikistan Case Study</i>	54
<i>Turkmenistan Case Study</i>	58
<i>Participants' Feedback and Open Discussion</i>	59
Session V: Climate Change and Green Energy	61
<i>Climate vulnerabilities and the case for green energy in the CAREC region</i>	
<i>Lead Speaker: Dr Farhad Taghizadeh-Hesary, Associate Professor, School of Global Studies, Tokai University/Tokai Research Institute for Environment and Sustainability, Japan</i>	61
<i>Climate Disaster in Pakistan</i>	65
<i>Azerbaijan Case Study</i>	67
<i>People's Republic of China Case Study</i>	68
<i>Kazakhstan Case Study</i>	69
<i>First Day Recap</i>	72

Session VI: Geopolitical Uncertainties, COVID-19, and the Impact on Growth and Inclusivity	75
<i>Lead Speaker: Dr Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development, UNESCAP, Bangkok, Thailand</i>	75
<i>Mongolia Case Study</i>	80
<i>Georgia Case Study</i>	82
<i>Pakistan Case Study</i>	84
<i>Participants' Feedback and Open Discussion</i>	87
Session VII: Building Alliances for Shared Prosperity	92
<i>Lead Speaker: Dr Debapriya Bhattacharya, Distinguished Fellow at the Centre for Policy Dialogue, Dhaka, Bangladesh</i>	93
<i>Discussant I: Dr Dolores Borisovna Tyulebekova, Director of the World Economy Research Center, Economic Research Institute, Nur-Sultan, Kazakhstan</i>	99
<i>Discussant II: Mr Eldor Tulyakov, Executive Director, Development Strategy Center, Tashkent, Uzbekistan</i>	103
<i>Discussant III: Mr Natig Madatov, Research Fellow, Economic Scientific Research Institute, Baku, Azerbaijan</i>	104
<i>Discussant IV: Dr Tuvshintugs Batdelger, Director, Economic Research Institute, Ulaanbaatar, Mongolia</i>	105
<i>Participants' Feedback and Open Discussion</i>	106
CTTN Progress Report	109
<i>Participants' Feedback and Open Discussion</i>	111
Closing Remarks	113
Agenda Framework	117
Biographies of Resource Persons	122
List of Participants	141

LIST OF FIGURES AND TABLES

Figures

Figure 1. CAREC region performance through COVID-19 and following the Russia–Ukraine conflict	22
Figure 2. Income inequalities among CAREC members compared to the rest of the world	23
Figure 3. CAREC region RCI performance and performance across other dimensions of integration	24
Figure 4. GNI per capita, PPP (current international USD), percentage of US GNI per capita	26
Figure 5. Global Innovation Index 2019	27
Figure 6. Share of population below USDxx daily income (in 2019 or 2018)	29
Figure 7. ICT usage by sector in Azerbaijan	38
Figure 8. Profiling results after a review of additional sectoral and regional strategies, programs, and development plans of the Republic of Tajikistan	55
Figure 9. Examples of indicators using the 4As framework	62
Figure 10. Use of renewable energy resources in the agri-food chain	63
Figure 11. Pakistan 2022 Monsoon floods humanitarian response snapshot	85

Tables

Table 1. Digital Adoption Index	28
Table 2. The system of the most important development indicators of Tajikistan during the implementation of RPS 2016-2020 (excluding the impact of the COVID-19 pandemic)	57
Table 3. Dynamics of Tajikistan's advancement in international ratings and indices during the implementation of MTDP 2016-2020	57
Table 4. The 4As framework	62
Table 5. Energy	77
Table 6. Food	77
Table 7. Fiscal space	77
Table 8. External financial flows	78
Table 9. External debt	78
Table 10. Banking sector	78
Table 11. Equity market	79
Table 12. Overview	79
Table 13. SDGs and their ability to provide a framework for partnership among CAREC members	96
Table 14. Areas of global partnership in CAREC countries and their relevance to SDGs and related targets	98
Table 15. CTTN RGP 2019-2022	110

LIST OF ACRONYMS AND ABBREVIATIONS

ASEAN	Association of Southeast Asian Nations
AZN	Azerbaijani Manat
BP	British Petroleum
BRI	Belt and Road Initiative
CACO	Central Asian Cooperation Organization
CAREC	Central Asia Regional Economic Cooperation
CBSG	community based saving group
CESD	Center for Economic and Social Development
CI	CAREC Institute
CIS	Commonwealth of Independent States
COP	Conference of the Parties
CPD	Center for Policy Dialog
CSF	countercyclical support facility
CSO	civil society organization
CTTDF	CAREC Think Tank Development Forum
CTTN	CAREC Think Tank Network
DMC	developing member country
DSA	debt sustainability analysis
EBRD	European Bank for Reconstruction and Development
EC	economic corridor
ECD	early childhood development
ECD¹	energy circular debt
ECO	Economic Cooperation Organization
ECOSOC	Economic and Social Council
ERI	Economic Research Institute
ESRI	Economic Scientific Research Institute
EurAsEC	Eurasian Economic Community
FAO	Food and Agriculture Organization
GEL	Georgian Lari
GHG	greenhouse gas
GMS	Greater Mekong Subregion
GVC	global value chain
GW	gigawatt
HLPF	high-level political forum
IEFI	International Economics and Finance Institute
IFC	International Finance Corporation
IFI	international financial institution
INFF	Integrating National Finance Framework program
KPK	Khyber Pakhtunkhwa
kW	kilowatt
kWh	kilowatt hour
LNOB	leave no one behind
MAPS	mainstreaming, acceleration, and policy support

MC-12	12th WTO Ministerial Conference
MDG	Millennium Development Goals
MNT	Mongolian Tögrög/Tugrik
MoU	memorandum of understanding
MTDP	Medium-Term Development Policy
Mtoe	Million tonnes of energy
MW	megawatt
NCOC	National Command and Operation Center
NDP	national development plan
NDS-2030	National Development Strategy 2030
NR	National Report
ODA	official development assistance
OECD	Organisation for Economic Cooperation and Development
OIC	Organisation of Islamic Cooperation
PBL	policy-based lending
PISA	Programme for International Student Assessment
PM	prime minister
PPA	power purchase agreement
PPE	personal protective equipment
PRC	People's Republic of China
RCI	regional cooperation and integration
RCII	Regional Cooperation and Integration Index
RGP	research grants program
RKSI	Regional Knowledge Sharing Initiative
RUB	Russian Ruble
SAARC	South Asian Association for Regional Cooperation
SASEC	South Asia Subregional Economic Cooperation
SCO	Shanghai Cooperation Organisation
SDR	special drawing rights
SSC	South–South cooperation
SOE	state-owned enterprise
TABIB	Administration of Regional Medical Divisions
TERI	The Energy and Resources Institute
TVET	technical and vocational education and training
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNOSSC	United Nations Office for South–South Cooperation
UPR	Universal Periodic Review
VNR	Voluntary National Review
WEF	World Economic Forum

INTRODUCTION TO THE FORUM

2022 will be a challenging year; it can be anticipated that economic growth will be modest and global trade is expected to lose steam, resulting in a difficult economic environment. The world is still facing a threat from the pandemic as new strains and mutations of the virus keep on appearing. Although normalization is under way with the loosening of restrictions, the risk of the reimposition of mobility prohibition remains. Unprecedented supply chain disruptions and geopolitical volatility mean more shocks for commodity markets and surging food and energy prices. In the wake of historically high inflation, the subsequent upward adjustment in the policy rate, and quantitative tightening in the United States, the risks for emerging markets' currencies, debt sustainability, and financial stability are expected to multiply.¹

PROGRESS ON THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The volatile regional and global geopolitical and geo-economic landscape leaves CAREC countries with an additional burden to craft careful, prudent, and diligent economic policies to place people and their wellbeing at the center. *Inter alia*, the pandemic has hampered progress, which was already low, on achieving the United Nations (UN) sustainable development goals (SDGs). The recently launched United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) SDG progress report presents a gloomy picture of the slowing down of target achievements in Asia and the Pacific region. The region is unlikely to achieve any of the SDG targets; at the current pace, the expected year of achieving the SDGs has been shifted from 2030 to 2065.² The North and Central Asia region is no exception, with limited to zero progress in achieving the targets set under the goals. Major geopolitical conflicts, COVID-19, and climate change have added additional negative externalities to this bleak scenario.

GROWTH, INCLUSIVITY, AND SUSTAINABILITY

COVID-induced economic shocks have further exacerbated existing inequalities. 'The worst health and economic downturn in our lifetime has laid bare and exacerbated the vulnerabilities in our economies and societies, leading some to describe COVID-19 as the inequality virus.'³ Economic growth needs to be humanized and the outcome of growth has to be poverty alleviation, among other things. Nations in the Central Asia Regional Economic Cooperation Program (CAREC) region need to consider this a top policy priority. Hundreds of millions of poverty-stricken individuals have graduated from extreme poverty in the last three decades, mostly in emerging economies, spearheaded by the People's Republic of China (PRC), and followed by India, albeit distantly.⁴ Climate change is a complex global challenge that continues to threaten key sectors such as water supply, agriculture, energy, food systems, and

¹ IMF World Economic Outlook Update: Rising Caseloads, A Disrupted Recovery, and Higher Inflation, January 2022.

² ASIA AND THE PACIFIC SDG PROGRESS REPORT 2022 Widening disparities amid COVID-19, UNESCAP.

³ <https://news.un.org/en/story/2021/04/1089872>

⁴ The path to sustainable and inclusive growth, McKinsey & Company, 6 April 2022.

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/the-path-to-sustainable-and-inclusive-growth>. Accessed on 7 April 2022.

supply chains in the CAREC region with the potential to further deepen inequality. In order to mitigate the risks posed by climate change to sustainable economic development in the region, the need for a broad spectrum of policy and technical responses on a regional level is essential.

In order to make economic growth inclusive and sustainable, governments need allies. Alliances need to be built across the private sector, academia, and other actors who stand to benefit from inclusive and sustainable economic growth. The investment needed for sustainable and inclusive economic growth alone is astronomical. Some estimates suggest investments to the tune of USD5 trillion each year until 2030 to ensure a sustainable future.

CAREC INSTITUTE

The CAREC Institute (CI) is an intergovernmental knowledge organization, headquartered in Urumqi, Xinjiang Uygur Autonomous Region (XUAR), the People's Republic of China (PRC). CI functions as the knowledge arm of the CAREC Program and is governed by its 11 member countries: Afghanistan; Azerbaijan; People's Republic of China; Georgia; Kazakhstan; Kyrgyzstan; Mongolia; Pakistan; Tajikistan; Turkmenistan; and Uzbekistan.

As a regional knowledge connector, the CI acts as the secretariat of the CAREC Think Tank Network (CTTN)—a network of leading think tanks in the region—established to promote regional knowledge sharing and cooperation.

CAREC THINK TANK NETWORK

Established in 2017 in Urumqi, during the second CAREC Think Tank Development Forum (CTTDF), following the adoption of its founding document 'Urumqi Declaration,' the CTTN is a network of leading think tanks from member countries of the CAREC Program.⁵ In line with CAREC 2030 objectives to promote policy dialog among members and development partners and to deliver and disseminate quality knowledge services for regional economic cooperation, the CTTN brings together leading regional think tanks to promote regional cooperation and integration (RCI) through shared ideas, information, and joint research. To this end, the CTTN administers a research grants program (RGP), which encourages member think tanks to undertake research on pressing regional issues and organizes the CTTDF annually to serve as a platform for the exchange of ideas and knowledge. This year's RGP focused on COVID-19 induced inequalities: education, health, digital access, and women's workforce participation. In addition to the CTTDF, the CTTN facilitates dialog among think tanks and manages knowledge and experience sharing through the Think Tank Series and Blog.

⁵ The CAREC Program comprises Afghanistan, Azerbaijan, Georgia, the PRC, Kazakhstan, Kyrgyzstan, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan.

CTTDF is CI's flagship event organized annually under the auspices of the CTTN.⁶ The CTTDF has steadily evolved into one of the most attractive regional platforms for policy discourse on the region's key challenges.

The CTTDF was launched in June 2016 in Astana, Kazakhstan under the theme, 'Promoting Economic Cooperation for an Integrated Central Asia.' The second CTTDF was held in Urumqi, PRC in September 2017 under the theme, 'Exploring Knowledge Solutions for Regional Cooperation and Integration.' The third CTTDF was held in Bishkek, Kyrgyzstan in July 2018 with a thematic focus on 'Building Knowledge Corridors along the Silk Road.' The fourth CTTDF was organized in Xi'an, Shaanxi, PRC under the theme, 'Trading for Shared Prosperity.' The fifth CTTDF was organized in virtual format in November 2021 under the theme, 'Economic Corridors: Pathways to Regional Growth.'

In its sixth year, the CTTDF attracted leading practitioners from think tanks, multilateral development partners, governments, and the private sector to brainstorm regional challenges and offer diverse perspectives and intelligent solutions to address regional challenges through dialog, experience sharing, and knowledge collaboration.

The forum was held in a **hybrid format** (online and physical) on **15 and 16 September 2022 at the Hyatt Regency in Baku, Azerbaijan** to deliberate on, among others: (i) the CTTN regional research project; (ii) the state of progress on the SDGs; (iii) climate change and green energy in the CAREC region; (iv) geopolitical uncertainties, COVID-19, and the impact on growth and inclusivity; and (v) building alliances for shared prosperity. Lead presentations by well-known institutions and renowned experts on each topic were complemented by country-specific case studies by leading CTTN representatives.

The sixth CTTDF was organized in partnership with the ADB-PRC Regional Knowledge Sharing Initiative (RKSI), the Economic and Scientific Research Institute (ESRI) of the Ministry of Economy of Azerbaijan, and the Center for Economic and Social Development (CESD) of Azerbaijan; it was supported by the ADB.

Participation

Around 137 participants attended the sixth CTTDF. CTTDF participants were drawn from CTTN member think tanks, CAREC diplomats/government representatives, the private sector, multilateral development partners, co-organizers, and the media. The diversity of participants offered rich perspectives on this year's forum topics.

⁶ <https://www.carecprogram.org/uploads/Urumqi-Declaration-1-1.pdf>

EXPECTED OUTPUT AND OUTCOMES

The forum aimed to:

- Provide a platform for CTTN members and other stakeholders to engage in meaningful discussions on forum topics and arrive at viable policy options responding to the forum's thematic focus.
- Promote and facilitate interaction among CTTN members and the private sector to forge partnerships and alliances for undertaking/sponsoring joint research and capacity-building initiatives to deepen RCI.
- Collate and produce a synopsis of policy recommendations to chart an inclusive and sustainable growth trajectory for the CAREC region.
- Produce a detailed forum report summarizing speakers' presentations, participants' interventions, and moderated discussions.

WELCOME REMARKS

Syed Shakeel Shah, Director, CAREC Institute

Dear Mr Shixin Chen, Vice President of the ADB,

Dear Mr Samad Bashirli, Deputy Minister of Economy of Azerbaijan,

Esteemed Representatives of Think Tanks, Development Partners, and Government Functionaries,

It is my pleasure to welcome you all to the sixth CTDF in the beautiful city of Baku!



Syed Shakeel Shah, Director, CI delivering his welcome remarks at the sixth CTDF in Baku, Azerbaijan

Over the last three years, we have all endured the devastation wreaked by one of the worst pandemics in a century. The unpredictable and turbulent geopolitical, economic, and social events that followed have affected all aspects of our lives. These events served to underline our interdependency and interconnectedness, hence the need for collaborative solutions to our common problems.

The volatile, regional and global, geopolitical and geo-economic landscape leaves CAREC countries with an additional burden to craft careful, prudent, and diligent economic policies

to place people and their wellbeing at the center. A more human-centric approach is needed to accommodate livelihoods, and social and health dimensions in regional economic development.

In the past, CTTDF has deliberated on a wide set of issues, such as: the economic prospects, opportunities, and challenges in the region; exploring knowledge solutions and building knowledge corridors; increasing trade, market access, and greater diversification; and on economic corridors as opportunities for growth. We never had an opportunity to touch upon the important subjects of human development and inclusive and sustainable growth.

Therefore, this year we decided to hold our forum discussions on sustainability and inclusivity issues, touching upon the agenda of sustainable and inclusive growth in the region by focusing discussions—albeit, by no means limiting—on the following: SDGs; climate change; green energy; impacts of geopolitical uncertainties; COVID-19; and our CTTN research project on 'COVID-19 induced inequalities in health, education, digital access, and women's participation in the workforce.' In addition to the lead speakers, CTTN member representatives will present 13 country-specific case studies and their research findings. Furthermore, the think tanks will engage in a discussion to explore the role and significance of alliances and partnerships for shared prosperity. This is the CTTN's renewed approach to sharing knowledge and information, and listening to and learning from each other.

The CI, as the secretariat of the CTTN, gives a unique importance to this forum and today's forum is the first physical event that the CI has organized since the pandemic broke out in early 2020. The CAREC program—owned by 11 member countries, initiated by the ADB, and supported by other major development partners—has strong consultation mechanisms at different levels of government. Today's CTTDF is the only event in the CAREC region that enhances collective intelligence by think tanks, research institutions, and the private sector for effective cooperation to foster policy research and knowledge solutions to support governments. Last year, the CTTN moved beyond our region becoming part of the Global Coalition of Think Tank Networks, coordinated by the United Nations Office for South–South Cooperation (UNOSSC).

The ongoing and emerging developments and challenges in the world and the region require the adoption of new approaches to how we carry out business. Changing priorities, mounting complexities, and diminishing resources put pressure on all of us. Therefore, based on our own institutional experience, I would encourage our regional think tank partners to adopt the following recommendations: i) accelerate digital transformation for better and faster sharing and knowledge delivery; ii) learn to work in times of crisis to avoid disruption; and iii) become more active through stronger engagement with key stakeholders by taking a more proactive, rather than reactive, approach.

In addition to being an intergovernmental organization, the CI itself is a regional think tank. In order to move ahead in this 'VUCA' world (volatile, uncertain, complex, and ambiguous), we are redefining our vision and formulating a new institutional strategy; as well as understanding the challenges faced by the region, clarifying complex issues from different perspectives, and bringing agility to all spheres of our work. Accordingly, the CI has adopted a more proactive approach in our knowledge generation, services, and management. The CI created a new e-learning platform and at the same time we shifted our focus to issues that

required an immediate response, such as COVID-19 induced inequalities, vaccinations, resilience, and recovery.

Finally, let me extend our gratitude to our long-term partners, the ADB and the ADB-PRC led RKSI, which have supported the CTTDF since its inception. It is a great honor for us to have present with us the ADB Vice President Mr Shixin Chen and ADB Chief Economist Mr Albert Park, which is demonstrative of the importance provided to the CTTDF by the ADB. Having reliable partners gives us a strong sense of enthusiasm, confidence, and motivation to move forward with our initiatives.

Baku is known as the city of winds in the land of fire. We are blessed with the hospitality afforded to us by our hosts, especially the Ministry of Economy of Azerbaijan, our co-organizers ESRI under the Ministry of Economy of Azerbaijan, and CESD, an independent think tank. My special thanks goes out to our friend and colleague Mr Samad Bashirli, who played a key role in promoting the CTTN and CTTDF in its infancy.

Last, but certainly not least, our special thanks goes to the development partners attending today's forum in person in Baku and those joining us virtually from across the globe. As the CI's host country, we are highly indebted to the generous support of the Government of the PRC. Participants from the PRC could not attend this forum in person owing to COVID-19 related travel restrictions, but I am sure many are attending proceedings virtually.

I wish you all fruitful discussions and an insightful forum ahead!

Thank you and *tesekkur ederim* ('thank you' in Azeri),

OPENING REMARKS

Mr Shixin Chen, Vice President, ADB

Dear Director Shakeel Shah,

His Excellency Mr Samad Bashirli, Deputy Minister of Economy of Azerbaijan,

Ladies and Gentlemen,

Good morning. I am delighted to join this forum and extend a warm welcome to all participants on behalf of the ADB.



Mr Shixin Chen, Vice President, ADB delivering his opening remarks at the sixth CTDF in Baku, Azerbaijan

The CTDF, organized by the CI, provides a unique opportunity to review and discuss regional issues of significance and urgency. I am very pleased to see that the CI's CTTN is leading this effort in South–South cooperation (SSC) by joining the Global Coalition of Think Tank Networks for SSC, jointly established by the UNOSSC and United Nations Development Program (UNDP).

The damage caused by the COVID-19 pandemic has been unprecedented. The pandemic has significantly slowed our efforts to achieve the SDGs. We have seen millions forced back into poverty, rising food insecurity, and learning interrupted for more than a billion children and young people around the world.

In order to help Asia and the Pacific address the pandemic, the ADB provided close to USD29 billion in financing, including vaccines, to developing member countries (DMCs). Furthermore, USD3.5 billion went to the Central and West Asia region last year. In our non-sovereign operations, significant support was provided to small and medium-size enterprises (SMEs) to help create more jobs in the region.

Regional cooperation and integration (RCI) also played a significant role in helping to respond to the pandemic effectively. For example, the CAREC Health Strategy 2030 and CAREC Digital Strategy 2030 were initiated to mobilize the region's collective efforts to respond to the COVID-19 pandemic.

Another challenge is climate change and millions of people in the CAREC region have lost their livelihoods and have been exposed to the immense threats posed by water shortages, food insecurity, health issues, and natural hazards. This year's heatwave and flooding in Pakistan are only the recent extraordinary evidence of the impacts of climate change on livelihoods and development.

Fighting climate change is a top priority for the ADB. In 2021, the ADB elevated its climate financing ambition to USD100 billion for the period 2019 to 2030. In the Central and West Asia region, ADB—through CAREC and other initiatives—is providing its member countries, including Azerbaijan, with a broad spectrum of technical, financial, and capacity development support and knowledge sharing. These are helping to promote the region's economic growth, environmental sustainability, and decarbonization efforts.

Geopolitical conflicts and international confrontations are taking a toll on the world economy. The Russia and Ukraine war is also taking a toll on economies in the CAREC region; we are seeing growing inflation, and rising food and energy insecurity in the region.

Against this backdrop, ADB has approved a ceiling of USD18 billion in policy-based lending (PBL) between 2022 and 2024. In May of this year, to better support DMCs facing economic shocks, ADB enhanced its countercyclical support facility (CSF). Five CAREC member countries—namely Mongolia, Kyrgyzstan, Uzbekistan, Tajikistan, and Pakistan—have requested CSF support to increase social protection, protect food and energy security, and provide support to SMEs.

CTTN and the CI are set to evolve further into a platform where experts and regional think tanks develop and share ideas on core regional issues. ADB reiterates its support to the CI and its flagship annual CTTDF. Moving ahead, I would like to encourage member think tanks to play a proactive role in providing innovative solutions to RCI. First, attaching a higher importance to customized solutions: facing the pandemic, climate change, and energy and food security challenges, there were lots of efforts focused on formulating strategies, master plans, and action plans and these have been quite well conducted, which is very encouraging. DMCs have a greater desire now for purpose-built solutions. For instance, in Azerbaijan the increased cost of solar owing to supply chain issues, soaring interest rates for SMEs, and the limited economy of scale of capital markets are some of the binding constraints on growth. Researchers in all these areas are needed in DMCs and I believe think tanks can provide customized solutions through a country-based approach.

Second, supporting DMCs' own capacity building in research is important. One good example that I came across, as I was visiting India last week, is 'The Energy and Resource Institute' (TERI). TERI has been becoming a renowned think tank in India that provides a broad scope of knowledge services in terms of renewable energy and new technology; capacity building is a core element of its success. I would like to encourage the CI and CTTN to look for more opportunities in supporting DMCs in building their own research capacity, which I also believe will assist in enhancing the alliances and partnerships between regional think tanks.

Third, I would like to stress the linkage between think tanks and cooperation among various subregional platforms. There have been many rigorous efforts in subregional program development—CAREC, South Asia Subregional Economic Cooperation (SASEC), and the Greater-Mekong Subregion (GMS), among others. The research function of these subregional programs has been very well developed. However, knowledge sharing among these subregional programs remains limited when compared to the demand of DMCs across these subregions. It is highly recommended that the CI and CTTN play a leading role to narrow the gaps in this endeavor.

In closing, let me warmly thank Azerbaijan for their great hospitality in hosting this important event. Thank you all for your participation and I wish you all a successful meeting in the coming two days.

Thank you.

KEYNOTE ADDRESS

Mr Samad Bashirli, Deputy Minister, Ministry of Economy, Azerbaijan

Dear Director Shakeel Shah,

Dear Vice President Shixin Chen,

Distinguished Participants and Honorable Guests,

Ladies and Gentlemen,

Firstly, on behalf of the Ministry of Economy of the Republic of Azerbaijan, His Excellency Mr Mikayil Jabbarov, it is my pleasure to greet all of you at this prestigious annual forum organized for the first time in Azerbaijan. I would also like to avail myself of this opportunity to convey my profound appreciation to the venerable panel members and speakers.



Mr Samad Bashirli, Deputy Minister, Ministry of Economy of Azerbaijan delivering his keynote address at the sixth CTDF in Baku, Azerbaijan

It can be clearly observed that success in achieving sustainable development is being hampered by some severe impediments—constraints that have been gravely aggravated by the COVID-19 pandemic and geopolitical uncertainty in the region. Despite these setbacks, the SDGs should remain our roadmap to achieving a better future for all. SDGs remain the common language and vision across all countries in three dimensions of development, namely economic, social, and environmental. Despite an unpredictable future, we can use our imaginations and design to overcome the challenges.

We meet at a time when the global economy is facing opportunities for expansion as well as mounting challenges, complicated by rapid changes in the global landscape. In this regard, think tanks are beginning to prove their usefulness in the domestic and international policy sphere—as information transfer mechanisms and agents of change—by aggregating new knowledge through collaboration with diverse actors. The proliferation of think tanks across the globe has increased the potential for international communication and creative policy analysis.

As a result of the COVID-19 pandemic and the consequences of economic and political processes in the region, we are seeing: restrictions in trade and other economic activities; increasing protectionist tendencies; inflation; and problems arising in global supply chains. These problems require the implementation of more flexible approaches and policy measures.

Supply chain obstacles were caused by backlogs across major hubs and this trend continues in 2022, negatively affecting and reshaping trade flows across the world. The current geopolitical tensions may result in renewed trade confrontations, with important repercussions for global supply chains, as countries could move production to locations that are closer geographically and politically.

The CAREC region also faces challenges such as landlocked economies, vast distances, underdeveloped infrastructure, small private sectors, and issues in overcoming intersectoral coordination issues. Coping with these challenges requires cooperation, collaborative steps towards common goals, and—in particular—investment, which is where the role of initiatives like the CAREC Program can take on significance.

Furthermore, the green economy can be seen as a pathway towards achieving a sustainable environment, both in the CAREC region and globally. The green economy is linked to almost all SDGs, in particular to the targets most focused on economic production and its environmental sustainability.

As you know, Azerbaijan attaches great importance to the implementation of the SDGs. Our country is entering a strategic phase in this new post-pandemic and post-conflict era, which spans from 2021 to 2030. Acknowledging global trends and challenges, the Government of Azerbaijan sets the country's long-term development vector and pathways to socio-economic and environmental development through national priorities aligned with the 2030 Agenda.

Globally, Azerbaijan has become a strategic contributor to the world's energy security, equipped with a stable and sustainable economy backed by considerable financial resources and a strong geopolitical and geo-economic standing.

One of the blazing pages of regional collaboration is cooperating to build prosperity in the frame of the CAREC Program. The projects in the framework of this program have helped to improve transport, trade, energy infrastructure and policies, and have spread the benefits of better connectivity. Key investments have been made in an international transport corridor linking East Asia to Europe.

The expansion of economic corridors (ECs) creates huge opportunities for the development and growth of the CAREC region. Recently we have observed high growth in transit flows

through the Middle Corridor. The implementation of the Zangazur Corridor will further enhance the reliability of this route.

Taking into account the significance of regional integration in the CAREC region, through knowledge generation and capacity building, broadening cooperation ties plays a vital role in widening the opportunities for think tanks. Therefore, the signing of today's memorandum of understanding (MoU) will contribute to the creation of new cooperation relations between the ESRI of the Ministry of Economy and the CI. I hope this document will be a trigger for many endeavors in joint research, participation in technical assistance projects, and partnership in the field of design and implementation of policies, programs, and projects aiming to promote RCI.

Nowadays, with disrupted global value chains (GVCs) and an international food crisis, it is especially important to promote RCI. The CAREC platform allows us to move together in a united front to overcome new challenges, adapt to new realities, and take advantage of new opportunities while ensuring peace and prosperity for all.

Finally, I would like to renew the assurances of my highest consideration for all participants, as well as the organizers, and convey my belief that the sharing of experiences will be useful in promoting policy dialog among members and development partners towards regional economic cooperation and sustainable development.

I hope the sixth CTDF, under the theme 'Recalibrating Growth Dynamics for Inclusive and Sustainable Economies,' will have a positive contribution towards building partnerships in the CAREC region through shared ideas, information, and joint research. If we are to achieve our goals then we must merge our powers. To this end, let us work together, becoming agents of change and making the world a better place.

I wish you all productive and fruitful discussions!

Thank you.



Group photograph of participants attending the sixth CTDF in Baku, Azerbaijan

SESSION II: CONTEXT SETTING

Moderator Dr Norbert Funke, Director CCAMTAC, IMF, Almaty, Kazakhstan

The purpose of this session was to briefly review the structure and growth models/strategies of the CAREC economies in achieving sustainable and inclusive economic growth, to identify gaps, and to make policy recommendations. How big of an adjustment in growth strategies is needed to achieve these objectives?

Moderator The moderator observed that strong growth is in many respects a precondition for better living conditions, but that strong growth is not enough, on its own, to get better living conditions for everyone; therefore, the key question is how can the benefits of strong growth can be shared across all segments of the population? Finally, the moderator opined that this task has become more challenging, owing to the financial crisis, the pandemic, and the war, and the implications of these on commodities and uncertainty.

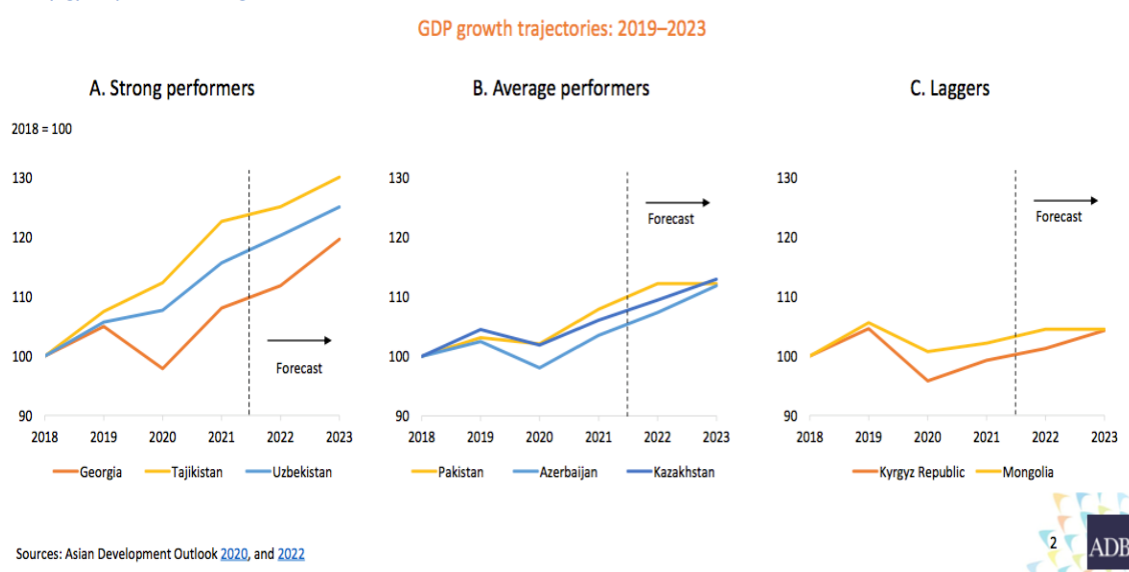
**LEAD SPEAKER: PROFESSOR DR ALBERT F PARK, CHIEF ECONOMIST AND
DIRECTOR GENERAL, ADB**

ADB puts great emphasis on RCI as an important facilitator for inclusive growth. This presentation talked about setting a broad stage for the patterns of growth since the pandemic, as well as inclusivity and sustainability in CAREC countries. Time was also spent discussing some of the policies that can make growth more inclusive and sustainable in the CAREC region.

The recovery from the pandemic, globally and among the subregions of Asia and the CAREC countries, has been uneven. Certain countries performed relatively better than others during the recovery.

Figure 1. CAREC region performance through COVID-19 and following the Russia–Ukraine conflict

Georgia, Tajikistan, and Uzbekistan have performed much better through the pandemic and the Russian invasion of Ukraine, compared to the Kyrgyz Republic and Mongolia.



Three economies have performed the best. Georgia recovered quickly, as it rapidly reopened for tourists and is now benefiting from inflows of Russian skilled workers. Tajikistan and Uzbekistan also performed well owing to healthy remittances and exports of metals and textiles. They are among the few economies that recorded growth in 2020 and their performance has been strong since then. Still, growth in these countries is expected to slow down in 2022 and 2023 because of their close ties with the struggling Russian economy and an expected downturn in global growth. Azerbaijan, Kazakhstan, and Pakistan have been CAREC's average performers. Gross domestic product (GDP) in these countries is expected to be around 10 percent above 2018 levels by 2023. In Azerbaijan and Kazakhstan, recoveries have been supported by manufacturing and more recently by high energy prices. While Pakistan has also been an average performer, driven by healthy remittances and textile exports, its outlook is clouded by significant difficulties as well as the recent floods, which will pose a tremendous challenge. Meanwhile, recoveries have been slower in Kyrgyzstan and Mongolia, and these economies will not recover to pre-pandemic GDP levels before 2024. In Kyrgyzstan, growth has been sluggish because of construction, and agriculture and growth is expected to remain slow this year and next year owing to the spillovers of recession in Russia. In Mongolia, growth was constrained by disruptions to trade with the PRC but it is expected to accelerate, partly thanks to rising coal prices.

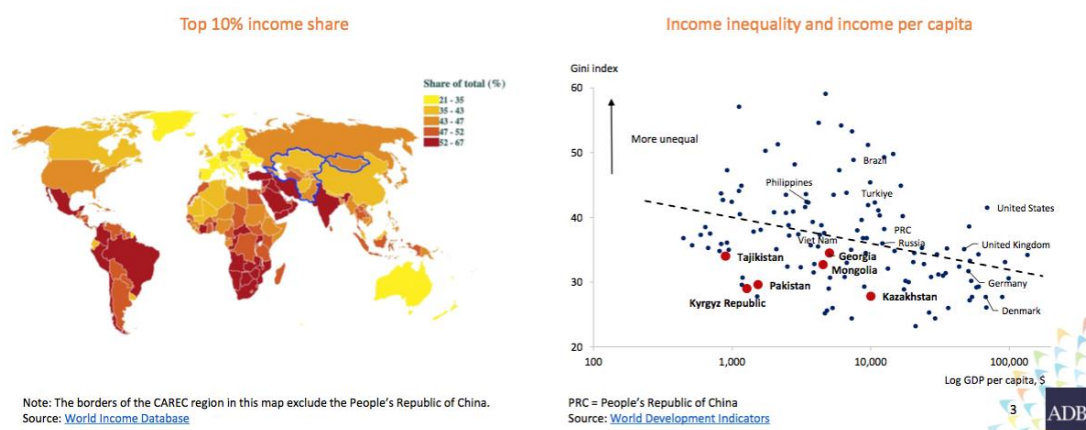
Income inequality is moderate in CAREC economies, even considering their level of development. Inclusivity reflects the extent to which various groups benefit differently from economic growth. Here the focus is on gaps in income and gender. Income distributions are relatively equal in CAREC economies, compared to many developing economies. In CAREC economies, the richest 10 percent receive 40 percent to 50 percent of national income. This is more than in Europe, where the richest 10 percent receive about one third of total income, but much less than in many developing economies, notably Brazil, India, and Turkey, where the top 10 percent receive 60 percent to 70 percent of income. The GINI index is another way

to measure income inequality. On average, GINI coefficients are lower in advanced economies, but CAREC economies also have relatively low inequality, especially compared to countries with a similar level of income per capita.

Figure 2. Income inequalities among CAREC members compared to the rest of the world

Income inequalities are moderate in CAREC economies ...

... even considering their level of development.



This is encouraging but it does not mean that there should be complacency in thinking about inclusivity, as it is an important priority when considering growth strategies.

Gender gaps in education and labor force participation are immense in some CAREC members. Gender gaps remain very large in Afghanistan and Pakistan but are much lower in other CAREC member countries, particularly in terms of access to education. In Afghanistan, the share of men with a secondary education is 24 percentage points higher than the share for women. The gap in Pakistan is similarly wide. In contrast, gender gaps in education are low in other CAREC members, which outperform even most high-income economies. In Kyrgyzstan and Mongolia, women even have better access to schooling than men. Increasingly, in many countries, especially among the younger cohorts, girls are becoming more educated relative to men. In terms of gender gaps in labor force participation, the largest gaps again are in Afghanistan and Pakistan. In both countries, only 22 percent of women above 15 years old are in the labor force. Gender gaps in labor force participation are much smaller in other CAREC countries but still relatively high in Kyrgyzstan, Turkmenistan, and Uzbekistan. They are much lower in Mongolia, Kazakhstan, and Azerbaijan.

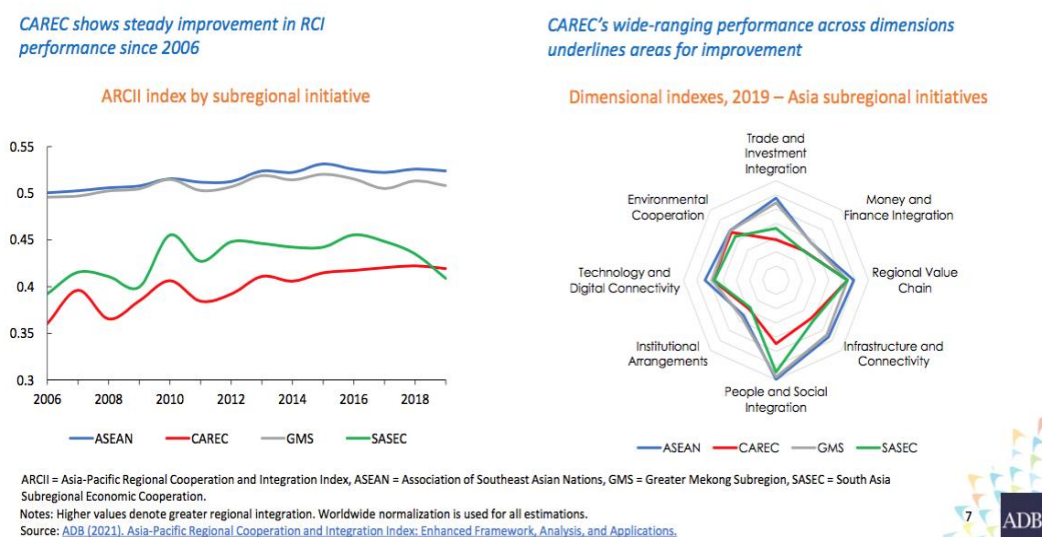
In the Caucasus and Central Asia, expected losses in future earnings owing to school closures during the pandemic are about 50 percent higher for the poorest kids and about 30 percent higher for girls. A very robust finding from research on learning loss is that the pandemic has been very disequalizing. Poor children have been much harder hit than others. The differences in learning levels with respect to poverty have widened in the pandemic. In developing Asia as a whole, school closures during the pandemic led to six months of lost learning on average, which will hamper future ability to earn income. These learning losses affected girls and children from poor households disproportionately, reinforcing income and gender inequalities. Kids in richer households had better access to distance learning, as they tend to have better access to information and communication technology (ICT) tools and the internet.

Kids from poor households are also more likely to drop out of school and start working when the economic situation worsens. In the Caucasus and Central Asia, kids from the poorest 20 percent of households may lose 7 percent of their lifetime earnings, compared to 5 percent for kids in the top 20 percent of households. Girls are also more likely to drop out of school when the family's economic situation worsens. Lost learning is also more costly for women because the rate of return to education for girls is higher. On average, girls in the Caucasus and Central Asia may lose 7 percent of their lifetime earnings, compared to 5 percent for boys.

In most CAREC economies, emissions per capita are below the global average. There is quite a lot of variation in greenhouse gas (GHG) emissions in the CAREC countries. Kazakhstan, Mongolia, and Turkmenistan stand out, with emissions two to three times higher than the global average. There are several explanations for this. One is the widespread use of coal for heating during the harsh winters in Kazakhstan and Mongolia. In Turkmenistan, emissions are mostly caused by methane leakages from natural gas extraction, but everywhere a key determinant of emissions is how electricity is produced. The carbon intensity of electricity production in Kazakhstan and Mongolia is higher as these countries are burning coal; it is still high but not as high for Turkmenistan, Uzbekistan, and Azerbaijan, which mostly use natural gas. Tajikistan, Kyrgyzstan, Afghanistan, and Georgia have the least carbon intensity, as electricity is largely decarbonized because it is produced from hydropower.

The integration of the CAREC region with Asia has been gradual and new channels of cooperation are emerging. ADB's research shows that RCI is associated with higher and more inclusive growth. This is why it is central to ADB's Strategy 2030 Agenda. The CAREC region has made steady progress in achieving integration with the rest of Asia, as measured by ADB's Asia-Pacific Regional Cooperation and Integration Index (RCII).

Figure 3. CAREC region RCI performance and performance across other dimensions of integration



CAREC economies, however, are still much less integrated than members of the Association of Southeast Asian Nations (ASEAN) or the GMS. By enhancing regional linkages, CAREC economies can diversify risk and strengthen resilience, making growth more sustainable. In

particular, trade, investment, and infrastructure have been the main drivers of cooperation for the CAREC region but the channels of cooperation are changing. Digital connectivity and regulatory cooperation are increasingly important to create jobs and develop solutions, notably in education, tourism, and health. Environmental cooperation is also central to align climate mitigation and adaptation efforts. Developing cooperation among CAREC economies in these aspects is essential to ensure inclusive and sustainable growth going forward.

Integration within the CAREC region has improved and could further support recalibration.

Further integration among CAREC members and untapped channels of integration can make growth more sustainable. Regional integration within CAREC members has also made progress. Specifically, progress has been striking for 'technology and digital connectivity' and 'infrastructure and connectivity.' Most CAREC members also have strong extraregional linkages, in particular with Russia. The pandemic and the war in Ukraine have exposed some of the vulnerabilities arising from these linkages. Ensuring resilience may thus require some recalibration, including strengthening linkages both within the CAREC region and with Asia. Although progress has been made, there is still much room for improvement in RCI. One example is digital services, which are a driver of diversification and resilience. The share of digital services in cross-border trade in services grew from 34 percent in 2005 to only 39 percent in 2020 in the CAREC region. In contrast, it grew from 35 percent to 55 percent in the Asia-Pacific region as a whole. In order to reach this potential, the CAREC region needs to invest in digital connectivity and skills and to provide appropriate regulatory environments. These priorities were outlined in the CAREC Digital Strategy 2030 last year.

There is growing evidence that excessive inequality hurts long-term growth prospects. In order for growth to be sustainable, it needs to be inclusive. Today, climate change is a major challenge to growth sustainability. However, there are some policies that can make growth more inclusive and sustainable, which include: (i) mobilizing taxes for development; (ii) reducing gender inequalities; (iii) mitigating climate change; and (iv) achieving more and better RCI. Countries should broaden their tax base, strengthen tax administrations, increase progressivity, widen social safety nets, limit untargeted subsidies, and limit tax-polluting activities. Countries should avoid providing outright subsidies but rather keep providing focused, targeted subsidies to the poorest and most vulnerable in order to reduce distortion. Reducing gender gaps requires deliberate efforts to support the hiring of women and facilitating career progression. This also means investing in childcare to prevent young mothers from dropping out of the job market. With regards to the climate, massive investment is needed, starting by replacing coal. ADB has been supporting renewable energy production and has piloted an energy transition mechanism, which mobilizes funds from a number of different sources to compensate investors to retire fossil fuel power plants earlier than scheduled. This is being piloted in Southeast Asia but will likely be scaled up to other regions including Central and West Asia. The CAREC countries have great potential for renewable energy such as solar, wind, and hydroelectric power. Investments are also needed for the decarbonization of public transport, both intercity and urban, and to improve heat insulation in cold climates such as Kazakhstan and Mongolia.

Finally, in terms of regional cooperation, emphasis should be placed on boosting digital services. The CAREC economies need to invest in digital infrastructure but also other pre-requisites like human capital, digital literacy, and regulatory reforms on cyber security, data privacy and data protection. Furthermore, CAREC countries need to participate in

international and regional cooperation and integration and harmonize digital rules and standards, which can make the digital services trade or any trade more accessible to SMEs.

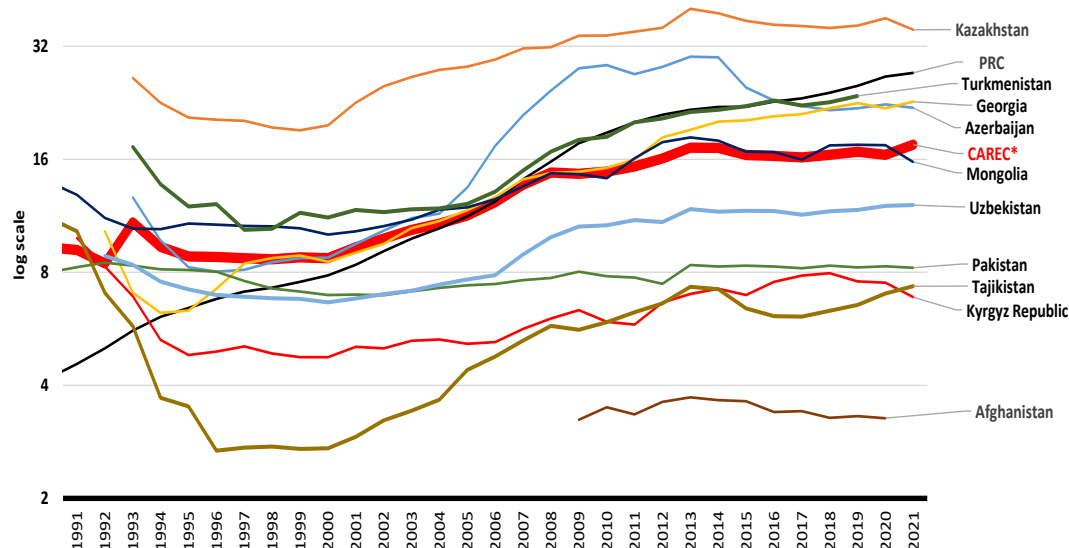
Moderator As this session concluded, the moderator noted that it is encouraging that the CAREC countries are a bit more equal than other countries at the same level of development, but that there are also areas where a lot of improvement is needed—for example, gender, climate, and digital trade. Finally, the moderator noted that where there is room for improvement there are also many opportunities for cooperation and integration.

DISCUSSANT I: DR HANS HOLZHACKER, CHIEF ECONOMIST, CAREC INSTITUTE

The speaker addressed the question on how much recalibration is needed for inclusive and sustainable growth by highlighting some stylized facts and indices that indicate the needs of the CAREC region, concentrating mostly on productivity and inclusiveness.

Catching up with developed economies has slowed. A new productivity push is needed. In Figure 4, the lines representing gross national income (GNI) per capita, as a percentage of the United States (US) income per capita, show that the catching up progress of the CAREC economies with developed economies had significant momentum until about 2013 but that this has since slowed. The CAREC economies were able to increase their average GNI per capita from 8.7 percent of the US GNI on average in the CAREC region in 2000 to 17.2 percent in 2013—that is, by 8.5 percent (the red line).

Figure 4. GNI per capita, PPP (current international USD), percentage of US GNI per capita



* Simple CAREC average

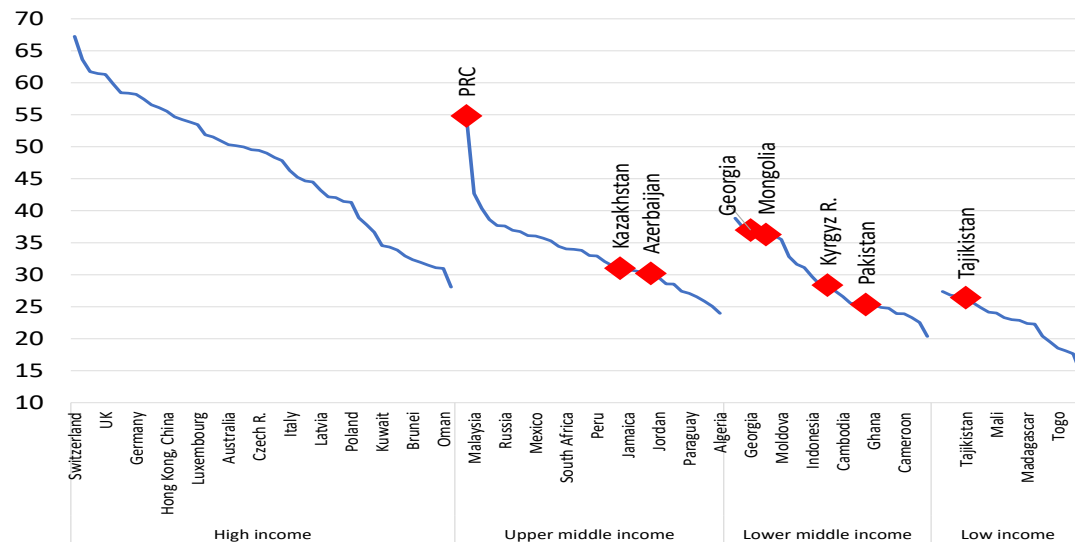
Source: World Bank, World Development Indicators, authors' calculations

Then, between 2013 and 2021, there was an increase of only 0.3 percentage points to 17.5 percent. Easy gains from basic economic reforms, favorable terms of trade, capital inflows, and technology transfer seem to be exhausted to some extent. A new productivity push is needed.

Where is this productivity push to come from?

- Innovation, digitalization, and technology
- Foreign trade and the related utilization of comparative advantages
- Foreign direct investment (FDI), which allows technology and management skills transfer and can provide economies of scale by including local companies in larger networks and value chains

Figure 5. Global Innovation Index 2019



Source: Cornell University, INSEAD, WIPO, Global Innovation Index

Figure 5 shows that the PRC is doing pretty well in terms of innovation but that the other CAREC economies might need to accelerate. This is easier said than done, of course, and involves many aspects, from national innovation systems to education, infrastructure, and more. (The red diamonds represent the CAREC economies, the blue line the other countries of the world.)

One major driver of innovation is digitalization. The CAREC Digital Strategy 2030 states, '[...] digitalization will not only help the COVID-19 recovery but also allow member countries to develop robust solutions in important areas such as healthcare, education, agriculture, finance, trade, and tourism.'

Table 1. Digital Adoption Index

Country	Digital Adoption Index (Rank)*	Digital Adoption Index
Kazakhstan	45	0.671
Georgia	68	0.599
Azerbaijan	71	0.594
PRC	74	0.586
Mongolia	84	0.538
Kyrgyzstan	<i>96</i>	<i>0.499</i>
Uzbekistan	<i>121</i>	<i>0.401</i>
Pakistan	<i>122</i>	<i>0.400</i>
Afghanistan	<i>134</i>	<i>0.343</i>
Tajikistan	<i>141</i>	<i>0.323</i>
Turkmenistan	<i>154</i>	<i>0.272</i>
Average of 180 countries	90.5	0.516

* Among 180 countries; blue italics indicate scores below global average (assigned by the authors)

Source: Digital Adoption Index 2016

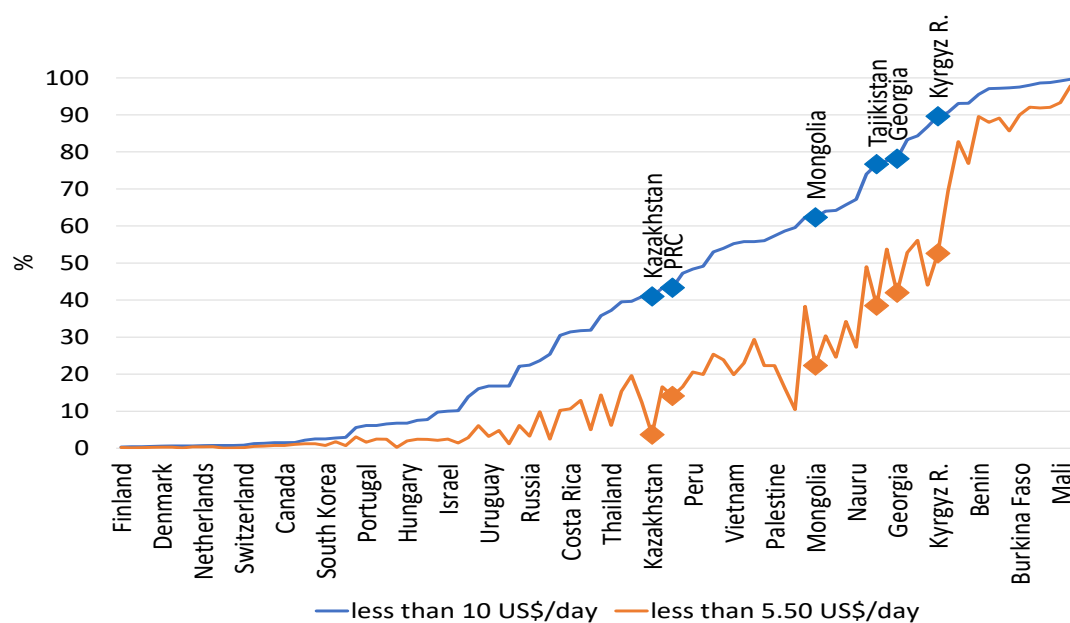
Table 1 indicates that about half of CAREC economies are below the global average when it comes to the adoption of digital applications. Most CAREC economies have digital development programs, but despite this there remains significant room for improvement.

Productivity is not an end by itself but should serve to benefit the people. Productivity does not just derive from technology but also has a strong social component—suppressed and uneducated people cannot be productive. Low incomes and poverty, although generally improved, have remained a serious issue in the CAREC region. COVID-19 has re-aggravated the situation.



Left to right: Dr Norbert Funke, Director CCAMTAC, IMF, Almaty Kazakhstan; Professor Dr Albert F Park, Chief Economist and Director General, ADB; and Dr Hans Holzhaecker, Chief Economist, CAREC Institute during session II of the sixth CTDF in Baku, Azerbaijan

Figure 6. Share of population below USDxx daily income (in 2019 or 2018)



Source: WB World Population Review, author calculations

COVID-19 has worsened gender-inequality: starting with female workforce participation, to schooling, to domestic violence. Even before the Taliban takeover, things were looking bad for Afghanistan and Pakistan; these two countries are also not looking very good. As you know, even in the advanced economies there is still a substantial way to go; there has been very little progress in narrowing the gender pay gap.

Some CAREC members need faster improvement in education. The school years do not look bad, except for Afghanistan and Pakistan. However, the Programme for International Student Assessment (PISA) studies point to the need to improve the quality of education that is being delivered. Poverty has remained a serious obstacle to education. Female access to at least some secondary education is generally not much below male access in the region. However, in Afghanistan and Pakistan, female access to secondary education is far below male access. Above Bachelor's degree level, women's attainment also lags behind men's in other CAREC countries. Raising productivity, especially the scope for production and services, requires better higher technical education and vocational education and training (TVET).

The quality of health systems is roughly in line with GDP per capita but should be further upgraded. The CAREC Health Strategy 2030, published in May 2022, aims to strengthen regional leadership, coordination, and workforce capacity. Sufficient workforce skills and capacity are required, especially in public health emergency leadership, public health, epidemiology, and research. The strategy calls for improved health surveillance and laboratory infrastructure, along with early warning systems, and regionally aligned awareness-raising materials on communicable diseases. Furthermore, to counter future pandemics there is a need for strong political resolve, skilled governance, and preparation.

In conclusion, the answer to the initial question of 'How much recalibration is needed?' is quite a lot!

DISCUSSANT II: DR KAMALBEK KARYMSHAKOV, VICE RECTOR/ASSOCIATE PROFESSOR, KYRGYZ-TURKISH MANAS UNIVERSITY

Sustainable and inclusive growth is a broad topic but a timely one for the CAREC region and it is high on the current agenda. The economic growth perspective in the CAREC region is complicated by the impact of COVID-19 and recent geopolitical tensions. Sustainable development is a long-term challenge that the region faces today. Two things to note here are dedication to sustainability and climate/environmental challenges, which are interconnected with topics like poverty and energy security. Most CAREC economies have a high enrolment in education in general, but because of COVID-19 and the technological shift, which has accelerated recently, the education systems in the CAREC countries need to be upgraded in order to bring about skills that are in demand in the current labor market—digital skills are needed. In surveys conducted among private sector entrepreneurs, it can be observed that finding the skills that entrepreneurs require in the labor market is one of the major challenges for firms in the CAREC region, especially in Central Asian countries. On the impact of COVID-19 on poverty and education, it is noteworthy that vulnerable households were required to spend more on basic needs, while spending on children's education decreased. This contributes to a worsening situation on the return to education in the long term, which necessitates government support to households with regards to accessing education services.

Another thing to be noted is the human dimension of the integration process in the CAREC region, which addresses social and people integration and is one of the less integrated parts of the integration process. More attention needs to be paid to labor mobility, education, cultural exchange, and tourism through program-oriented actions in the CAREC region.

Another point related to sustainability and energy security is that the reliance of some CAREC economies on coal use prolongs perspectives on green energy concepts in the CAREC region. Lack of a sustainable energy supply in the region puts pressure on long-term sustainable economic growth because more energy is needed to generate new economic dynamics. This is not only an economic issue but also a social one because of the uncertainties in terms of energy security. This again may require governments to support vulnerable households.

Another topic is the relationship between climate change, food security, income inequality, and poverty. This relationship is complicated and it needs comprehensive measures, including the adaptation of agriculture to climate change, participation in GVCs, and food security. These areas are crucial for income distribution and poverty issues. Some CAREC economies are still faced with serious issues of poverty that were exacerbated by COVID-19.

Finally, the current challenges to inclusive growth are not limited to one country, but rather they are regional issues. Hence, better cooperation is needed to overcome these issues and the CAREC economies need to unite.

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Question from Dr Hamza Malik, UNESCAP I would like to discuss the policies that were recommended by Mr Albert Park towards the end of his presentation. We understand the importance of mobilizing additional taxes for development purposes, but how do you reconcile this when countries are struggling with uncertain or low growth prospects, as the ability to raise additional taxes rests on growth prospects? In this context, are you talking about additional taxes, reconfiguration of taxes, or a realignment of priorities? If you could elaborate and provide a little more detail on this, it would be appreciated. I agree with the broader principle that more taxes are needed, but how does one go about doing that? Thank you.

Answer from Dr Albert F Park Of course, each country's situation is going to differ. In many parts of Asia, despite the multitude of changes in the global economic environment since the pandemic started and then with the war, most countries are still growing, so there are resources in the region. Many countries are seeing domestic demand recovery, employment recovery from the pandemic, less restrictions on mobility, and so on. Although I agree that it is a tough time, the truth is that if you look at the macroeconomic management situation, there are so many priorities for governments. Many Asian countries have been very effective macroeconomic managers after learning from the global financial crisis and the earlier Asian financial crises. Owing to this, when the pandemic hit, most countries could be fairly relaxed about providing assistance to vulnerable groups and tax breaks in order to soften the effects of the pandemic. However, this elevated debt levels and now many countries are causing concern when it comes to debt sustainability. We have seen things fall apart in Sri Lanka and become more concerning in a number of countries in the region. This means that if countries want to continue to support vulnerable groups and continue to be able to finance important

investments in the green transition and in growth, then mobilizing more revenue is very important. History has shown that, in times of crisis, populations often understand that changes are needed and there is generally more openness to bigger reforms than in normal prosperous times, which is kind of paradoxical to some extent. I still think that overall there needs to be more revenue generation, not just shifting around. Obviously one would like these tax increases to be non-distorting and progressive if possible, but even if they are not progressive, if you have more funds you can still redistribute more. It really depends on what governments prioritize. I am not going to step back from the overall recommendation that this is a time when governments should be thinking hard about how they can mobilize more revenue.

Moderator I would like to lend support to this view from the International Monetary Fund's (IMF) perspective. It is very important to work on good revenue administration and continue to increase revenue, while at the same time improving the targeting of social benefit systems. I think Mr Kamalbek Karymshakov also mentioned targeting in his intervention.

Comment from Dr Albert F Park I would also like to add that the tax to GDP ratio in most Asian economies is still lower than international norms, so by that metric there is also some scope.

Moderator In some cases this may mean reviewing tax expenditures, which are often very poorly targeted.

Question from Dr Debapriya Bhattacharya, CPD Thank you to the moderator for recognizing me. Since I take the floor for the first time, let me start by thanking the organizers for inviting me. I compliment the keynote speaker and also the two interventions that followed. I would like to add to the debate on the fiscal side of the current situation in the CAREC countries. My point is that it is very well recognized that we need more revenue, particularly for various kinds of new priority. The point I want to add to this fiscal discussion is related to the external sector situation, whether with relation to the current account balances, trade balances, or overall balance of payments circumstances, given the global economic changes, which are affected by both fuel and food and other uncertainties like the disruption in supply chains and the high cost of maritime transportation of goods. While recognizing the need for domestic resource mobilization, given the circumstances which are unfolding and the pressures on the external balance, to what extent should there be coherence between fiscal policy and external monetary policies and others to be balanced in this case? Which policy is going to get the priority in terms of leading the reform, which you have just mentioned? Thank you.

Answer from Dr Hans Holzacker I have two answers: one short term and one long term. The two key words are targeted and balanced. Debt levels have risen, even so in terms of GDP they actually came down in 2021 compared to 2020 not because debt was lower but because GDP was higher. However, the situation is tense and a good target is needed in terms of monetary policy. We have inflation and the weakening of exchange rates—there is no alternative but to raise interest rates. However, in this region we do not have a very good transmission mechanism, so one also has to look at the banking system and so on. It is not so easy to raise rates; it is a complicated issue and here you have to strike the balance between letting the economy grow, having sufficient finance, controlling inflation, and at the same time stabilizing exchange rates. Different countries have different answers. In the long term, the raising of revenue is more relevant and is related to the topic of inequality. When it comes to

broadening the tax base, there are two issues. One is the progression of the tax rate and the other is that more parts of the population need to pay taxes.

Moderator Thank you, Dr Hans. It is clear that the situation is much more challenging than it was prior to the pandemic because fiscal space is lower, but there is also a lot of difference between, for example, oil-exporting countries and oil-importing countries. There are two questions in the chat. One is regarding the climate, how does the ADB assess climate impact? The second question is regarding the informal economy, which many people are working in and these people are hit very hard by current developments. How can these people be better protected?

Answer from Dr Albert F Park The ADB has really pivoted to a very strong focus on climate challenges. The ADB's objective is to become the climate bank of Asia. Another slogan we often use is that the war or the fight against climate change is going to be won or lost in Asia because Asia does account for the vast majority of carbon emissions globally. What this has meant in practical terms is that ADB has committed to provide a very large amount of financing—described by Vice President Mr Shixin Chen this morning—of USD100 billion by 2030. In addition, we are pivoting so that everyone is thinking more about climate issues and scaling up to be able to provide knowledge support to many countries to that end as well. One thing I have realized, talking to government officials in Georgia and Azerbaijan on this trip, is that there are quite a lot of challenges that are not just about financing. A lot of it is about creating electric grid systems that can allow for new and renewable energy projects to plug in and also to liberalize electricity markets or come up with pricing formulas that make it really attractive for the private sector. The other aspect of this is that the ADB believes that the private sector has to be heavily involved in renewable energy projects in order to mobilize a sufficient amount of resources for green projects, which should be profitable. We see that often countries cannot get access to financing or access to a pricing structure that removes sufficient risk, so there is a lot of work to do on that front.

On informality, it has always been a challenge in many economies; CAREC has less informal employment compared to many other regions in the world with the exception of a few countries. Informal workers were most vulnerable to the pandemic in terms of losing jobs and struggling in a variety of ways to get public assistance. One encouraging thing is that a lot of countries in the region—thanks to strong government will to expand social safety nets to support vulnerable groups—innovated and found ways to find informal workers or larger vulnerable groups in the population. As a result, we saw a lot of innovation in social care provision by necessity, in terms of using digital information but also being a bit more generous in response to the crisis and I think now that budgets are tight, as we discussed, it is hard to keep distributing all of those funds to broad social safety nets. I think the key again is to be more targeted and to use available technologies to make that as efficient as possible so vulnerable groups can be supported without taking huge shares of the government budget.

Moderator Thank you very much. As we started a little late, we will take only two more questions. I will take these together and then hand over to the panel.



Ms Vusala Jafarova, Head of Department, Center for Economic Reforms and Communication of Azerbaijan asking the panel a question during session II of the sixth CTDF in Baku, Azerbaijan

Question from Ms Vusala Jafarova, Head of Department, Center for Economic Reforms and Communication of Azerbaijan Welcome everyone and thank you to the panel for their enlightening interventions. My question is regarding growth strategies because our Center has been dealing with Azerbaijan's 2020 Strategy and is now focusing on the 2022-2026 Strategy. When we policy makers draft growth strategies, I wonder whether the main focus should be on social development strategies or private sector led growth strategies? During the pandemic, Azerbaijan was one of the best countries in terms of the provision of government support for combating the pandemic. You just mentioned the privatization of the electricity sector; when the privatization of state-owned enterprises (SOEs) takes place, often thousands lose their jobs. As a policy maker, when drafting growth policies, what is the balance that needs to be struck when looking out for the most vulnerable but also the economy not being government dominated but private sector led? Thank you.

Moderator Thank you very much. That is a very important question. Let me also read the question that is in the chat room and then we will finish with final summaries of 30 seconds each from the panel. In the chat room, the question was again related to the progressivity of the tax system, why not making it more progressive? Also, is there any role for central banks in this area to promote inclusiveness?

Answer from Dr Hans Holzacker Thank you, Mr Norbert. I would like to make just one remark on privatization issues and this will be my final intervention. We have quite a history—a 30 year history since the collapse of the Soviet Union. In my personal view, it is too easy to speak just about privatization or non-privatization. It depends very much on the kind of privatization you carry out. You need a framework where privatization will lead to an increase in efficiency and do the work carefully with the potential bias from the private sector. One of the issues is

definitely the framework: what to do with employees that will be set free in order to increase efficiency. So you have to have social networks otherwise the privatization will not work well and there may be a backlash in society against the whole reform program.

Answer from Dr Albert F Park Just quickly on the state of enterprise reform, which is a very challenging issue. I have done a lot of research on this issue in China and they went through a lot of stages of reform. One thing important to remember is that even in China, or anywhere for that matter, it is the private sector that has been the source of employment growth and that is where the dynamism is in the economy. I think it is still important to move ahead with privatization if state enterprises are dominant or in sectors where there is no really compelling policy justification for them being operational. I do agree that how you go about this is very important. In China, there were very generous subsidies given, especially to older workers in such firms. One has to think about the kinds of worker present—for example, young workers can transition but there are always going to be those that struggle. The government needs to be attentive and focus on that group. As we switch away from coal, it is sometimes hard to make these changes.

Answer from Dr Kamalbek Karymshakov Regarding fiscal space, we need programs to reduce the informal economy and drive digitalization and infrastructure development. On privatization and the potential large amount of public sector spending in the economy, we see that during the pandemic government spending is an increasing share of GDP. However, for some economies, public sector reform may not be easy because of the active state involvement in the manufacturing and export of natural resources. Finally, transitions are very challenging issues, but they need to be addressed and can be solved only by international cooperation.

Moderator Thank you, everyone, for your contribution. The main message from this session, I think, is that achieving inclusive growth requires a multifaceted approach. Let us all work together on this; there are a lot of resources that can help us to learn. I look forward to the remaining sessions. Thank you.

Moderator Ms Marzia Mongiorgi-Lorenzo, Principal Economist, ADB, Manila, Philippines

In this session, four case studies—one each from Azerbaijan, Kazakhstan, Pakistan, and Uzbekistan—on COVID-induced inequalities in health, education, digital access, and women's participation in the workforce were presented. These regional reports were produced under the umbrella of the CTTN RGP, aimed at fostering regional knowledge-sharing cooperation among member think tanks.

SPEAKER I: MR EMIN MAMMADOV, SENIOR RESEARCHER/ECONOMIST, CENTER FOR ECONOMIC AND SOCIAL DEVELOPMENT, BAKU, AZERBAIJAN

Education The 'National Strategy of Education Development' led to significant progress in the education sector in Azerbaijan. Allocation for education from the state budget increased to 3.2 percent of GDP in 2020. In 2019, the majority of adults aged 25 to 64 had attained medium-level education (76.4 percent), while 16.6 percent had completed higher education, and 7.1 percent had primary education or lower. However, as the pandemic started to spread across the country, a nationwide quarantine came into effect in March 2020, which resulted in the closure of all educational institutions, affecting more than 1.9 million children and young people. The statistics obtained from the United Nations International Children's Emergency Fund's (UNICEF's) weekly assessment on children's access to education, conducted in different districts of Azerbaijan, revealed that 70 percent of school children were supported by some form of remote education (vocational school, messaging), while about 93 percent received regular support from teachers. Just 36 percent of preschool-age children were supported by home-based learning platforms.

It has become clear that children living in poverty were affected comparatively more, given that their parents or caregivers were not able to provide them with the basic tools required for distance learning. The lack of appropriate ICT infrastructure, essential for online education in rural areas, was a limiting factor to distance learning and so was the cost of internet services. Different surveys conducted in Azerbaijan prove that neither educational institutions nor students were ready to transition to a digital system. Major challenges are reflected in the poor infrastructure, which include frequent electricity blackouts and comparatively high internet costs. It is beyond doubt that certain regions in Azerbaijan were hampered by a lack of appropriate infrastructure essential for distance learning. Hence, there was a marked difference between large cities and rural regions in the process of transitioning to online education. The data acquired, during interviews with education experts, indicates that more than 90 percent of students in large cities had access to online education, while in regions lacking infrastructure this figure was 70 percent.

Health services The state budget for healthcare was significantly increased from 2006, reaching a figure of AZN1,687.6 million in 2020 (USD992 million).⁷ All specialized health facilities, general hospitals, and the largest share of hospital workers are mostly concentrated

⁷ <https://www.stat.gov.az/source/healthcare/?lang=en>

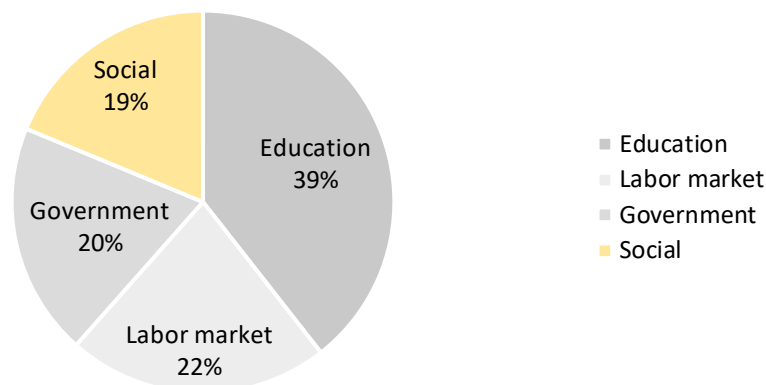
in the capital city Baku. Healthcare in Azerbaijan is provided by public and private healthcare institutions and regulated through the Ministry of Healthcare. Public hospitals are managed by the state and medical care is offered free of charge for Azerbaijani residents. Azerbaijan had over 790,820 confirmed cases of COVID-19 as of March 2022. The shortage of an adequately trained workforce and a lack of medical equipment negatively affected the process. The country faced a shortage of personal protective equipment (PPE)—namely masks—which required the opening of new production plants to meet national demand.

In order to address these shortages, the local production of facemasks, along with disposable protective clothing, disinfectants, sanitizers, and so on, has been launched in Azerbaijan as the next step to fight the pandemic. In response to the pandemic, the government allocated USD2.7 billion from the budget, as a socio-economic relief package to minimize the impact of Covid-19 on the population and on the national economy. The Administration of the Regional Medical Divisions (TABIB), established by the State Agency on Mandatory Health Insurance, was in charge of providing essential information related to the spread of COVID-19 in the country. Following the survey conducted by the Center for Social Research in Baku, Absheron, and seven regions of Azerbaijan, 46.5 percent of people were afraid of possible side effects and 25.3 percent were unsure about the quality of the vaccines. As of March 2022, the total number of people who received the second dose of the vaccine was 4,805,594.⁸ In the meantime, the World Health Organization (WHO) has been supporting Azerbaijan to achieve a vaccination target of 70 percent by mid 2022.

Digital access ICT is playing a leading role in the economic diversification of Azerbaijan. Shifting to digital processes was observed in major sectors of the economy, including health, business, and education. Varying from sector to sector, the transition differed in its context. While in business communities digitalization brought more optimism and raised expectations about the further implementation of reforms related to remote working, education faced several shortcomings and the further expansion of existing gaps. Although education required a more detailed approach during the transitional period, the process was not comparatively smooth since the lack of appropriate infrastructure became apparent in many places across the country. Nevertheless, the statistics gained from surveys and consultations with experts in the field of digital technology indicate that digital access increased in education (39 percent), the labor market (22 percent), government (20 percent), and the social sphere (19 percent).

⁸ <https://koronavirusinfo.az/az>

Figure 7. ICT usage by sector in Azerbaijan



In 2020, ICT accounted for 2 percent of GDP. The biggest increase over the last ten years was observed in the use of websites and software development (see Figure 7).

The lowest indicator depicting the social sphere may be explained by the tendency of younger segments of the population to use these services the most and access being high to begin with.

Female labor force participation As a result of COVID-19 spreading across the globe, employees reported myriad pandemic-related challenges such as a lack of opportunities and a stagnation period, to loss of connectivity and a sense of belonging with colleagues. While assessing the labor market, it becomes clear that women in emerging economies struggled comparatively more, reporting greater challenges than workers in developed economies. Women became more vulnerable since the spread of the pandemic owing to increased workloads and loss of income, exacerbated by a decrease in paid working hours. Social packages provided by the government were not gender-sensitive. Statistics gained from the nationwide survey, conducted by the United Nations Population Fund (UNFPA) Azerbaijan, indicated that women and men were not equally hit by job losses and reductions in paid working hours.⁹ Only 24 percent of men lost their jobs, while 8 percent of women ended up losing theirs. In addition, comparing the indicators of self-employed women, it becomes clear that females who own and operate businesses were affected more by the pandemic compared to employed women, with indicators composed of 55 percent and 48 percent, respectively. More women than men took fully paid leave from work, but they also surpassed men in being forced to take unpaid leave. This may be explained by the fact that women are predominantly employed in sectors that shut down owing to the introduction of restrictive measures and lockdowns, such as education and service provision. An additional crucial factor is the presence of an illegal labor market and shadow economy.

In conclusion, the impact of the pandemic differed from sector to sector. However, the study revealed the common tendency of increased indicators related to digital technologies. It is an undeniable fact that digitalization played the main role during the pandemic, since the

⁹ <https://euneighbourseast.eu/wp-content/uploads/2021/07/factsheet-azerbaijan-fin-min.pdf>

majority of all activities were switched to a digital regime. Azerbaijan, as a whole, demonstrated effective capacity in crisis management and provided a satisfactory response to the pandemic.

SPEAKER II: DR GULNAZ ALIBEKOVA, DEPUTY DIRECTOR, INSTITUTE OF ECONOMICS, ALMATY, KAZAKHSTAN

The limitation of this research was that it was done in an interregional aspect, as Kazakhstan is very large, which is why policy diversification is needed on a case-by-case basis; hence, a regional analysis was provided.

The COVID-19 pandemic affected the economy of Kazakhstan more than the recent financial and economic crises. In 2020, the national GDP declined by 2.6 percent and GDP per capita by 7.1 percent. Oil prices plummeted to USD20 per barrel. Global trade flows fell by 8.5 percent (the highest fall in the last 11 years). Global investment flow is down by 40 percent. The services sector fell by 5.6 percent. The sectors of trade, logistics, and tourism were the ones most severely affected. Excess mortality was more than 24 percent higher than the average for the period from 2017 to 2019. This was especially noticeable in the urban population.

Kazakhstan allocated about 8 percent of GDP to support employment, monthly payments for loss of income by citizens, housing construction, compensation for losses of local budgets, and other areas including infrastructure projects. Government support included lending on favorable terms for SMEs, lending to priority projects ('Simple Economy') and interest rate subsidies, state guarantees for fulfillment of obligations, tax and payment holidays, and more. In 2020, the following economic measures were approved by presidential decree: measures to ensure socio-economic stability; further measures to stabilize the economy; and an employment roadmap for 2020-2021.

It is crucial to study COVID-induced inequalities. The most favorable method was found to be statistical descriptive analysis, in terms of the given time schedule and researcher workload. An expert interview was possible only for the health services study.

Health services There was a two-fold (193 percent) increase in the amount of all health services in 2020 to 2021. In 2020, the health service growth rate was 131 percent. According to statistics, before the pandemic the number of hospitals was decreasing annually by 3 percent to 7 percent. The total rate of decline from 2015 to 2019 was 17 percent. In 2020, when the pandemic started, the decline turned to a positive rate almost everywhere except for Turkestan and Kyzylorda, where since 2015 the number of hospitals declined by 80 percent and 34 percent respectively. In 2020, the number of hospitals in the Northern Kazakhstan region nearly doubled.

The total number of hospital beds in Kazakhstan decreased by 6 percent from 2015 to 2019. There was a positive change only in the Almaty region and the cities of Nur-Sultan and Almaty. The highest decline (-30 percent) was once again in the Turkestan region. Compared to 2019, in 2021 the total number of hospital beds increased by 30 percent.

The number of nurses in the Republic is gradually increasing. The total growth rate in 2015 to 2019 was 10 percent, except for the Turkestan region (-20 percent), North Kazakhstan (-7 percent), and Almaty (-6 percent). The Government of Kazakhstan needs to pay special attention to these regions. In 2021, the lack of growth was reversed. The highest growth of nurses was seen in Shymkent city (14.8 percent) and Atyrau region (8.9 percent). As for doctors, 83 percent of all doctors work in the city and only 17 percent in rural areas.

The expert interview on healthcare services showed that experts made the following recommendations:

- Training of epidemiologists, virologists, and infectious disease specialists
- The provision of high-quality equipment for hospitals of infectious diseases
- All clinics to have infectious diseases departments
- Develop telemedicine services
- Creation of a multidisciplinary association with opinion leaders to work with doctors and the public
- Work with related state organizations (exercises, rehearsals)

Female labor force participation In Kazakhstan, women's labor force participation rate is lower than men's. In 2021 the gap was 11.5 percent, whereas in 2019 it was 11.7 percent. During the pandemic, the unemployment rate increased significantly among the preretirement age population (50 to 59 years), from 0.7 percent to 1.2 percent. At the same time, a decrease in the unemployment rate was observed for women aged 15 to 19 (by 1.5 percentage points) and 45 to 49 years (by 0.9 percentage points). It should be noted that the unemployment rate among women is higher than among men: -5.5 percent and 4.2 percent, respectively.

There is also a difference in wages between men and women. In 2019, the difference was 32.2 percent, while in 2020 the gender wage gap amounted to 25 percent. It should be noted that this reduction, which is quite significant, occurred during the pandemic; the wage growth rate for women was significantly higher than for men. Compared to 2019, women's wages increased by 21.16 percent, while men's wages increased by only 9.44 percent. However, women's wages are lower than the average monthly nominal wage in the country (182,679 tenge versus 213,003 tenge in 2020).

Education (preschools) In 2020, compared to 2019, there was a decrease of 7,200 children in preschool organizations. During the pandemic, many preschools were closed and admission for the new school year did not take place. In 2021, the situation improved and the number of children in preschools increased by 37,300. Based on statistical data, it can be concluded that preschool education had almost completely stopped during the pandemic. In this situation, not only did children suffer but also parents, who had to give up work and stay at home. This has significantly worsened the economic situation of many families.

Secondary schools In 2019, before the pandemic, the number of schoolchildren grew by 16,800 (10.6 percent). In 2020, when the pandemic was spreading, the number of children enrolled in secondary school decreased by 5.3 percent and in 2021 by 30 percent in comparison to 2019. However, it is difficult to say to what degree the pandemic, as opposed to demography, affected these trends.

Higher education In 2018, the number of students enrolled in higher education was 542,458 and in 2019 this figure grew by 11.4 percent. Starting from 2020, the dynamics show a negative trend and in 2021 the number of students decreased by 28,834 in total. There may be various reasons for this, such as the closure of borders with other states or the financial instability of the economy and residents of the country. Since 2019, student numbers has increased in the cities of Almaty, Nur-Sultan, and Shymkent, as well as in the East Kazakhstan, Kyzylorda, and Almaty regions. The regions that suffered most from declining enrolment were Mangystau (35 percent), Shymkent (23 percent), West Kazakhstan (15 percent), Atyrau (11 percent), Zhambyl (-11 percent), and Aktobe (-10 percent). However, introducing online education in colleges and universities was easier during the pandemic than in schools. Universities already had some experience in distance teaching technologies owing to mass open online courses, academic mobility programs, and programs for disadvantaged students.

Digital access Today, ICT is the driver of development in many areas of the economy. In 2019 and 2021, the highest number of ICT users aged 16 to 24 years old was recorded in the Mangystau, Zhambyl, Kyzylorda, and Turkestan regions. The highest number of ICT users aged 25 to 74 years old in 2021 were in Almaty city and the regions of North Kazakhstan, East Kazakhstan, and Kostanay.

Policy recommendations according to the research findings are as follows in each area of study:

- *Healthcare* Growth of healthcare financing; digitalization of the industry; modernize medical equipment; increase the prestige of the medical profession; introduce international standards and quality management to improve the quality of medical services and patient safety.
- *Female labor force participation* Transition from a protective ideology in relation to women to increase their competitiveness and salary in the labor market; safeguard against discriminatory acts against women; provide women employment in the industrial and high-tech sector; develop the system of social support for motherhood, including the reintegration of women into the labor force, in particular through training programs, wage incentives, and new skills.
- *Education* digital infrastructure (reliable proctoring systems, digital educational platforms, streaming connections); digital skills of teachers; internet speed in rural areas; ensure individual flexible study; formalize online education.
- *Digital access* Ensure proper digital access to official information; provide access to ICT for all, including disadvantaged and marginalized and vulnerable groups; encourage research on the information society, including innovation in networking and adaptation of ICT infrastructure, ICT tools and applications, and digital access; and provide access to fiber-optic infrastructure, thereby improving the quality of communication in rural areas and shrinking the digital divide between urban and rural areas.

The reason Pakistan makes a good representative case in the region is because of its demographic and geographic characteristics; Pakistan has a population of 230 million people and lots of varying regions, which are each equal to if not larger than the size of a Central Asian country. Some regions did extremely well and others could not manage the situation as effectively.

The impact of the pandemic was not only direct, like mortalities owing to the virus, but also indirect, such as the difficulty in meeting the economic needs of such a large population. In 2020, as the pandemic spread, there was stagflation and unemployment with many people losing their jobs and also a large impact on the provision of educational services. In response, the government intensified its efforts to reduce inequality. The silver lining of the pandemic is that social sector spending was reintroduced onto the government spending agenda, as the government realized that it just could not be ignored.

The researchers at SDPI were trying to measure the state of pre- and post-pandemic education, digital access, health, and women's participation in the workforce. The methodology adopted was a desk study followed by key informant interviews.

Health Compared with many neighboring states, Pakistan fared very well in terms of healthcare. However, there were some problems in the beginning, like those related to the import of testing kits and having to send samples to China to identify COVID-19 infections. There were also issues in procuring ventilators, but within months most problems were overcome and the country enhanced its capacity in these areas. One very important factor responsible for this success was the establishment of the National Command and Operation Center (NCOC) that became operational very early on and this coordination made the task much easier. Health indicators when it came to the uptake of vaccinations and the hospitalization of patients fared very well. This was also in large part because of the support provided by the PRC, which gave Pakistan PPE, vaccines (Sinopharm and SinoVac), and technical knowledge.

However, some vulnerabilities of the health sector also became apparent; these remained and are now being further aggravated in the wake of the recent floods, which were some of the most serious in the country's history.

Education and digital access In terms of education, this sector can be looked at through both a negative and a positive lens. The spread of the pandemic provided an opportunity to test online education and this has created opportunities. Perhaps, in this respect, the pandemic has given a boost to Pakistan's efforts to embark upon the fourth industrial revolution. Technical and vocational training educational classes were the most affected as in-person learning was restricted. Again, primary school students also suffered more than secondary and higher education students, as the latter were already tech savvy. It was difficult for younger age groups to adapt to online learning either owing to a lack of technical skills or the absence of the tools and infrastructure required and, in some cases, parents may also not have had the necessary skills to facilitate this process. In terms of provincial comparisons, Khyber Pakhtunkhwa (KPK), the province that borders Afghanistan, was the worst hit in terms

of access to digital infrastructure. The government of KPK was still able to take care of many of these things after allocating a higher budget and carrying out reforms. In interviews conducted by SDPI, students and parents often complained about participation, engagement, and willingness to learn, with too many distractions or a lack of discipline among younger age groups. Teachers also had similar complaints and administrators found it difficult to manage time and carry out student evaluation. Part of Pakistan has access to digital technology that is on a par with any part of the developed world, but there are also parts that are completely lacking in digital infrastructure. There is a large divide between urban and rural areas. In many households with more than one child, owing to low incomes there were insufficient numbers of devices for all to be catered for; the average number of children in a family in Pakistan is three. The gender gap in education actually widened during the pandemic and once again there is a divide when it comes to access to education in rural and urban areas. This was exacerbated during the pandemic.

Women's participation in the workforce The gender parity index for Pakistan is quite high with a lot of disparity. The gender parity index was further aggravated during the pandemic. COVID-19 led to an increase in unemployment among women in Pakistan and it also led to an increase in the wage difference between men and women.

Policy recommendations The impact of COVID-19 needs to be studied in further detail so that key takeaways can be implemented in the future, especially in the context of the recent floods so that Pakistan has the capacity to deal with disasters of such magnitude.

The triple C crisis—COVID-19, conflict, and crisis—has struck many countries and lessons need to be learnt from this in order to recalibrate. One of the things done extremely well in Pakistan was not to impose a complete lockdown. The government policy of smart lockdowns worked fairly well and only selective lockdowns were imposed. This allowed the government to look after the livelihoods and welfare of the people without increasing poverty.

The second thing learned from the pandemic is devolution of powers, which means that in certain cases the provincial authorities can respond better. In the case of COVID this worked very well. The recommendation is that devolution, not only of authority but also of fiscal responsibility and financial management, is the way forward.

Third, innovative models for public–private partnerships in health, education, and digital access are needed. Information systems require substantial improvements, especially in remote areas. There are several challenges in those areas bordering Afghanistan, especially with a lack of physical and digital infrastructure. The international private sector needs to be motivated to invest in socio-economic sectors.

Finally, there needs to be an increase in the budget allocation for the health sector overall and special focus needs to be paid in the education sector to quality education that can have a positive effect on increasing livelihoods. Education for the sake of education will not work; rather, what is needed is quality education that can meet the demands of jobs in the future. On digital access, gender and geographic inequalities need to be bridged, female labor force participation needs to be considered, and flexible labor policies need to be drafted. These were some of the recommendations from SDPI's research. The detailed research paper is

available on the CAREC website and can be downloaded for individuals that are interested in specifics.

SPEAKER IV: DR PETER MALVICINI, UNESCO CHAIR ANTICIPATORY GOVERNANCE AND SUSTAINABLE POLICYMAKING CENTER FOR POLICY RESEARCH AND OUTREACH, WESTMINSTER INTERNATIONAL UNIVERSITY IN TASHKENT, UZBEKISTAN

In Uzbekistan, there were many similar observations to the other three research projects. The government of President Mirziyoyev implemented extensive changes in governance, and economic, social, and democratic policies and practice; the majority of these changes are irreversible. In common with all CAREC countries, COVID-19 brought immense challenges across many sectors in Uzbekistan. Perhaps one difference is that there was a strong economic momentum before the pandemic began and therefore some degree of resilience to address the challenges more effectively. In many areas, Uzbekistan had already been planning for future pandemics and this only increased during the pandemic.

The global COVID-19 pandemic, with its negative effect on the global economy, had a damaging impact on the socio-economic status of the people in Central Asian countries, including Uzbekistan. Starting in early March 2020, the economic crisis affected every sector, including national healthcare, education, and employment. In Uzbekistan, the most significant decline in economic activity during the quarantine period was in the first ten days of April 2020. The volume of trade on the commodities exchange fell by an average of 30 percent, unemployment rose to 11 percent, and the sales of some goods decreased by almost 80 percent (World Bank 2020). In these circumstances, Uzbekistan has been taking certain measures to mitigate the impact of the coronavirus pandemic and the global economic crisis on economic growth; however, the crisis did not affect all people equally.

The study assumes differences based on gender, location, and level of income. Inequality points more to quantitative evidence, while inequity often implies injustice in a more qualitative experiential form. Although the terms are used interchangeably, both dimensions are expressed in the report. The study focuses on education, digital access, female labor force participation, and health service sectors before, during, and 'after' the COVID-19 pandemic and aims to identify negative impacts and propose policy and relevant implementation recommendations. There were some limitations in looking at the effect of COVID-19 on inequality owing to a lack of data.

Education The education system of Uzbekistan had little to no experience in online teaching and learning before the COVID-19 pandemic. In all sectors of education, classes were organized in traditional in-person formats. Owing to the COVID-19 pandemic, the system has been significantly affected. Nevertheless, these changes did not affect all people equally. In many cases, quality and accessibility dropped, while concurrently, Uzbekistan strengthened its capacity to apply blended learning (creative online/offline teaching and e-learning approaches). The closure of all educational establishments was announced on 18 March 2020. More than 9,700 secondary schools, 1,500 secondary specialized and professional schools, and 98 higher educational institutions closed their doors to students in the country (UNICEF 2020). Universities should be given more oversight and control of what methods to employ for e-learning, rather than this being under the control of various ministries. Furthermore, the

government needs to invest in digital connectivity and infrastructure to create a conducive environment, especially for those without internet access and/or the technical knowledge to access e-learning platforms. There should also be screening for teacher commitment, as there has been a type of malaise in the lack of investment in development. It is important to raise the profile of teachers and attract and retain good staff. However, this is not easy and it is a long-term goal.

Digital access The COVID-19 pandemic has revealed and highlighted deep-seated inequalities among nations, from the most sophisticated to the economically impoverished. The pandemic frequently exacerbates existing socio-technical disparities and various types of exclusion, marginalization, and vulnerability arise. In common with other countries, there is a rural–urban divide in Uzbekistan; some areas are worse than others, yet the excluded and vulnerable do not have a voice. Because of lockdowns and social-distancing conventions, the pandemic has expedited the usage of digital technology and applications. The association between social-distancing measures and growing usage of the internet, electronic services, and digital gadgets is one of the repercussions of COVID-19. The pandemic, by necessity, pushed internet adoption to the next level; at the start of 2022, 10.11 million people in Uzbekistan did not access the internet, implying that 29.6 percent of the population was still offline. However, according to a Kepios investigation, the number of people using social media in Uzbekistan rose by 1.7 million between 2021 and 2022. The findings of the report show that at the start of 2022, Instagram's advertising reach in Uzbekistan was comparable to 20 percent of the country's internet users (Kemp 2021). Furthermore, the government was quick to respond and focused on the provision of services through television and cellular devices. There should be an increase of internet in public spaces and the availability of devices through attractive financing.

Female labor force participation The World Economic Forum's (WEF's) 2020 report on the Global Gender Gap Index indicates that globally 55 percent of women aged 14 to 64 are in the labor force compared to 78 percent of men. As of March 2020, of the total population of 34 million people, 17 million are women—nearly half of Uzbekistan's population. Employment and job creation have been a constant focus of the government of Uzbekistan since 1991. Any legislative act does not limit women's participation in the labor market or entrepreneurial activity. Although women make up 49.6 percent of Uzbekistan's population, their share of informal employment (45.7 percent) is lower than that of men (54.3 percent). Moreover, the labor market displays clear gender patterns. Women predominate in social sector jobs while men are more numerous in technical and other more profitable fields. The limited number of local formal sector jobs and the lack of necessary education, qualifications, and skills make women in rural areas much less competitive in the labor market. Working and living conditions should be made safer for women and safety nets should be available in times of crisis.

Health services Uzbekistan's healthcare sector prior to the COVID-19 pandemic could be characterized by continuously developing and enhancing infrastructure and management, with the burden of non-communicable diseases such as cardiovascular diseases, stroke, diabetes, and cancer accounting for over 60 percent of all causes of death (Healthdata.org 2022). For two years prior to the COVID-19 pandemic, Uzbekistan accumulated knowledge, experience, and evidence on how to combat pandemics similar to COVID-19 and how to better adjust healthcare systems in the event of a pandemic: including disease treatment; epidemiological measures to prevent the spread of infection; and the availability of vaccines

to prevent infection in the first place. This practice continued and intensified with the outbreak of the pandemic. However, there is still a need for ambulances and the provision of healthcare services in rural areas. International financial institutions (IFIs) and international donors also contributed by providing laboratories, hospital beds, vaccines, and so on. However, most donors are not skilled in emergency response and engage ministries. Telemedicine services can be increased to address these gaps. There is also a need to improve the training of healthcare workers as well as increase the number of doctors and the supply of medicines.

COVID-19 with its new strains and permutations is not entirely over. Adaptation to the new situation and preparation for future pandemics is ongoing; this study attempts to express these and recommend broad and specific new policies and new implementation practices. Again, there is a presumption that COVID-induced inequalities are being addressed in different ways. The paper reviews the evidence to make the case that adapting to a new situation and preparedness for future challenges is an ongoing process across different sectors. Adopting inclusiveness and building resilience for future crises—especially those effecting people living in poverty—requires concerted, future-focused efforts. These must go beyond strengthening existing approaches to adopting very different transformational policies and practices. Uzbekistan can also draw on the experience of other countries.

Moderator The moderator noted that the wealth of data analysis and information was overwhelming, that the results of these research projects could be discussed for days, and that there were common findings, common issues, and common actions to be taken. The moderator listed some of the main points of the session, which included digital infrastructure and literacy, gender-sensitive support from governments, addressing the urban–rural divide, and involving the private sector.

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Question from Mr Fahad Karimli, CESD My question is to Dr Abid. What kind of policies did the Government of Pakistan implement to increase female labor participation in rural areas? And if there were any gaps, what recommendations would you have to address these?

Answer from Dr Abid Suleri I think, theoretically speaking, in Pakistan, the policies in place are quite conducive to increasing female labor force participation, but of course there are some issues of cultural sensitivity in rural areas—for example, in KPK and Balochistan. In these areas, women may not participate in the labor force. The government, during the last 10 to 15 years, has taken positive steps, such as the establishment of the Ombudsmen for Harassment Against Women and Girls in the Workplace, which has given some assurance to females in the workplace. Similarly, the mandatory requirement to sign a code of conduct against harassment in the workplace is an important step. The major challenge is daycare centers, as there are many women who would like to be part of the workforce, but with a family this becomes problematic. Almost 45 million women have children; the lack of availability of daycare is another limiting factor and having them in such large numbers is also a difficult task to achieve, especially in rural areas and the peripheries where this cannot really be managed. Another factor instrumental in bringing women into the labor force is increased inflation, which is now becoming a reality. It is now broadly understood that one person can

no longer earn for a whole family and women have to be more proactive; this breaks down patriarchal attitudes amid the triple C crisis we have been discussing.

Question from Mr Katai, Economic Researcher, Pasha Holdings I have a question for the panel. Almost all of you mentioned that the quality of education decreased during the COVID-19 pandemic owing to online teaching. However, a lot of e-learning platforms do provide very good quality education. It would be interesting to know if the governments in your respective countries are interested in continuing with the provision of education services through digital mediums or are they likely to go back to in-person, offline methods as the pandemic subsides? Thank you.

Answer from Dr Abid Suleri This is an opportunity for countries like Pakistan, where lack of infrastructure constricted education in rural areas. A lot has improved despite initial setbacks. Many institutions have indeed gone back to old methods, but two distance-learning, virtual universities have been established (Virtual University and Allama Iqbal Open University) that are taking this as an opportunity and delivering to those in far-flung areas. Importantly, with such a large population, such methods are also a lot more cost-effective for the government rather than having to build entire universities. However, it is more challenging for younger children in primary school, as online methods did not work well for them.

Answer from Ms Gulnaz Alibekova This year we stopped online education in Kazakhstan and returned to offline education. However, the online experience was valuable and will be used by higher and secondary institutions to expand it for wider implementation—like with younger children, disadvantaged children, and marginalized segments of the population to spread the benefits of education widely and reduce inequality.

Answer from Mr Emin Mammadov There has also been a return to offline teaching in Azerbaijan. However, owing to the application of electronic services, it was a good opportunity for educational institutions—for example, universities all invested in online platforms, which helps a lot with administrative issues and allows for effective communication between teachers, students, and university administrations. The Minister of Education launched a new program aimed at improving the provision of IT skills in schools in Azerbaijan. An additional recommendation would be to focus on the most vulnerable children in marginalized communities. I think, in the medium term, this will have a good impact on the use of digital services.

Answer from Dr Peter Malvicini There are many platforms available, but there are issues with platform accessibility—which is certainly not universal—as you see less usage with declining income owing to costs and also availability of digital infrastructure in less developed areas. Furthermore, not all students learn the same way; online works for some but not for all, as some really need interaction and rely on the social aspects of learning. Motivation is uneven especially when looking at secondary and higher education. There are many different kinds of student.

Moderator I would like everyone to make a final statement on any lessons learned on how to improve vaccine delivery and manufacturing.

Answer from Dr Abid Suleri With the help of the PRC we have started to manufacture and produce COVID-19 vaccines. However, what is important is the ability to carry out genome sequencing. As there have been four waves, we see that the virus keeps evolving; if countries have access to genome sequencing, they can pre-empt and produce better vaccines. Vaccine production and delivery is there, but genome sequencing is limited in Pakistan. This is where strengthening and collaboration is needed.

Answer from Dr Gulnaz Alibekova Regarding vaccines, there are many options including production of the local QazVac vaccine and also Chinese vaccines. Vaccination is voluntary and in my opinion it should be voluntary and the government understands this. Vaccination is no longer a priority in the country.

Answer from Mr Emin Mammadov The CESD carried out research on people's views regarding the vaccines and some people did express concerns about the quality of vaccines and their side effects. In my opinion, raising awareness, especially in rural areas, is very important to acquaint people with the benefit of the vaccines.

Answer from Dr Peter Malvicini My point exactly—the same as Mr Emin—that is, to dispel the myths about vaccination, which prevent people from receiving vaccinations even when they are available.

SESSION IV: SUSTAINABLE DEVELOPMENT GOALS

Moderator Mr Khalid Umar, Chief, Strategic Planning Division and Coordinator, CTTN

The CAREC region is projected to miss nearly all SDGs by 2030. This session took stock of the progress on 17 goals, the bottlenecks, and the policy recommendations for achieving SDG targets.

Moderator The moderator commented that the CAREC region is lagging behind when it comes to progress on the SDGs. Furthermore, while there has been some progress with regards to the development of green energy in this region and in Asia-Pacific, progress on other SDG indicators has been slow and at times has even regressed—for example, climate action, violence against women, and gender equality; there are significant challenges to SDG progress that have to be addressed by the international community. The moderator commented that there is a timeline to achieve the SDGs, which was agreed in 2015 by the international community as being 2030, but that at this pace it is unlikely these SDGs will be achieved until 2065. The moderator observed that, looking at Central Asia and North Asia, this subregion is not on track to achieve any SDGs. In conclusion, the moderator stated that the current challenges have been further exacerbated by man-made calamities as well as natural disasters, wars, and geopolitical uncertainties.

STATE OF PROGRESS ON UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS IN THE CAREC REGION. **LEAD SPEAKER** MS ELENA DANILOVA-CROSS, PROGRAM SPECIALIST ON POVERTY AND INEQUALITY, UNDP ISTANBUL REGIONAL HUB, TURKEY

The speaker started by giving a review of SDGs from 2016 when countries started presenting their reviews at the high-level political forum (HLPF). Countries are performing very well in terms of presenting their reviews; some presented their reviews three times and some are scheduled for next year. What is interesting is that there is no evidence about reporting at a local level. Voluntary national reviews (VNRs) are in place, but local reviews are not developed in the region. At the same time, what is different from the millennium development goal (MDG) era, when national and MDG reports were commonplace, is that now countries prefer to carry out VNRs and present them at HLPFs. When countries are scheduled for VNRs and universal periodic reviews (UPRs), it is a good time to try to make some changes to national programs.

Most countries have a very well established SDG coordination mechanism; as, to succeed, a large institutional architecture is required. The majority of these SDG mechanisms are chaired by prime ministers (PMs), many of which have supporting technical secretariats or working groups of line ministries focused on SDGs. In addition to this, there are also statistical agencies, analytical units, and financing units for SDGs. Many of these coordination institutions also have web portals—for example, Georgia. It is also noteworthy that countries have whole of government and whole of society approaches. The limitation is that coordination is more horizontal rather than vertical, so when it comes to the federal/central level, coordination is high but at lower levels localization of SDGs and coordination is often weak. On a more

positive note, more and more parliaments are engaged in SDG oversight, monitoring and budgeting activities.

It is important that national priorities, especially through national development plans (NDPs), are harmonized or aligned with SDGs and this is established practice in the region that analysis like this is carried out to align policy with SDGs. As diagnostics are carried out, national plans are aligned with SDGs not just at the level of targets, but also at the level of indicators that are used to measure the success of implementing national development strategies. The analysis of how NDPs are contributing to SDGs is lacking intersectionality or does not include trade-off analysis. In order to accelerate progress on SDGs, there is a need for a more multidimensional, integrated, and systemic approach. COVID-19 definitely uncovered the importance of SDG localization.

A review of all VNR reports reported by countries in the region has been conducted and almost all of the countries on the list performed the diagnostics on how various strategies and plans are aligned with SDGs at various levels. Countries selected a different number of documents for their reviews. Kazakhstan chose 80 documents and Tajikistan used ten documents when conducting their VNR in 2016. Interestingly, countries are increasingly considering prioritization of NDPs and the metrics used are almost identical to those used for reporting of SDGs.

However, there are several challenges. Unfortunately, many governments are still using the 'leave no one behind' (LNOB) approach. One of the challenges is the grouping approach. There is a tendency to use groups of the population (elderly, disabled) but the understanding of intersectionality and individual deprivations are missing because one person can belong to different groups at the same time. What should be done and by who? The problem here is the inadequate prioritization of national development planning and lack of institutional coordination. For example, if it is the Ministry of Health it will speak of some groups and if it is the Ministry of Digitalization or Ministry of Education they will have different groups. In terms of measurement there is no clear methodology, rather there are several methodologies to measure LNOB and there is also a lack of aggregation of statistical data, especially at the local level. Then there are also the phenomena of segments of the population that are invisible or hard to reach and these voices are not being heard—for example, people who are homeless or institutionalized, and so on. In terms of advancing accountability for LNOB, there is a lack of monitoring and evaluation mechanisms and financing for LNOB groups, even in social protection programs. Those who are left behind are not equally participating in consultations and in negotiations so policymakers/donors are unaware of their wants and needs.

After reviewing what VNRs have been saying about vulnerable groups, of course there are classical traditional groups but increasingly specific groups are being used—like internally displaced people, ethnic minorities, and migrants—which were not common in this region before and this is certainly alarming. In terms of analysis, it was mentioned that not many countries are using methodologies, but here the example of Kyrgyzstan is notable. Kyrgyzstan, in its 2020 VNR, used the five-factor LNOB methodology, which means people are considered using a much wider range of factors like geographic location, socio-economic status, exposure to risks of climate change, and so on. Many countries report on measures to promote social protection—for example, Azerbaijan and Uzbekistan. However, most CAREC countries are not

using the notion of social inclusion yet; nearly all of them highlight the lack of data issues and programs to address these needs.

Coming to SDG financing, many NDPs are not budgeted for and many lack sufficient finance; the total amount of financing gaps is not identified. More innovative solutions are needed, such as the 'Integrating National Finance Frameworks Program' (INFFP) developed by the UN, in which Azerbaijan and Georgia are involved. Under the INFFP, countries were involved in conducting development finance assessments, budgeting, reviews, incorporation of SDGs through a common language in citizens' budgets, and efforts to program mid-term budgeting; despite this, more innovative solutions are needed in this respect.

The pressure owing to expenses from COVID-19 and recent developments is evident. The private sector needs to be engaged for alternative sources of financing to achieve and maintain SDGs. During COVID-19, UNDP carried out some impact assessments; the main impact for Central Asian countries was: loss of household wage income; loss of remittances; food price inflation; spillovers such as rising household debt; inability to afford out of pocket payments such as those for healthcare and education; and women being more negatively affected than men. The high incidence of informality also had a significant impact on precarious employment. The UNDP's global study titled, 'Addressing the Cost of Living in Vulnerable Countries,' modeled poverty and vulnerability projections as a result of soaring food and energy prices; this study showed that for most countries these projections were mid or high impact.

Statistical macro-economic indicators point to the fact that international commodity prices have risen consistently. For example, the price of lithium, which is essential for green energy technology, has gone up. There is huge inflationary pressure and consumer price index (CPI) inflation has reached double digits in most countries. There is a looming debt crisis and indebted countries were struck hard as their debt burdens increased substantially, which in turn makes financing debt difficult. One interesting phenomenon is that high inflation may be eating up the debt, but prevents governments from accessing finances and disrupts market development.

This region is not performing well; a fundamental shift is needed in the SDG pathway, along with investment in human capital. In terms of digitalization—for example, SDG Goal 9—one of the indicators is 4G for mobile phones and there is huge convergence in many countries in the region on this (almost 100 percent) but affordability and accessibility is low. Looking at SDG 17—about internet use—for some countries this is still lacking and not even hitting 50 percent. Finally, there is much work to be done and huge hope that the recovery will be quick and will catch up by 2030.

KYRGYZSTAN CASE STUDY

Mr Altaaf Hasham, Management Program Liaison Officer, AKDN, Bishkek, Kyrgyzstan

Background

Over the past two years and more, countries have been struggling to determine ways to manage and reduce their exposure to external shocks. One response—adopted by several

countries, companies, and institutions—has been to reduce their overall exposure to external shocks by decoupling their trade and other linkages. The idea is that decreasing their reliance on others would help safeguard their position—or, in the case of the SDGs, progress against key indicators. While that might yield certain results, this presentation underlines that it is important to explore growth that builds on internal resources and allows for stronger ties that yield win-win relations. Interdependence is not necessarily a bad thing; it is a reality and more so once it is understood that it can help countries build back better. This is particularly true for a landlocked country such as Kyrgyzstan, which is heavily reliant on such linkages, given its high dependence on remittances from economic migrants, tourism, agriculture, and not having a fossil fuel-based economy.

Country context

The COVID-19 pandemic and, more recently, the war in Ukraine have had a major impact on the livelihoods and overall quality of life of people in Kyrgyzstan. The country's high dependence on key imports has resulted in an inflation rate of about 15 percent, with food inflation hovering at rates of around 20 percent. With remittances from economic migrants making up about 30 percent of GDP, loss of wages or jobs altogether has resulted in a notable loss of income, particularly for the most vulnerable households who are more dependent on family members working abroad. With poorer households spending about two-thirds or more of their monthly income on food, people have resorted to various coping mechanisms like consuming less food, less nutritious food, or even skipping meals altogether. This has had a significant impact, particularly on women and children, as seen in high levels of anemia and malnutrition. Anemia is particularly concerning, given the high levels of maternal mortality.

Possible solutions

The pandemic and other major regional developments are accelerating efforts by the government and all development partners to explore ways to mitigate their impact. A core focus of these efforts is to explore ways to strengthen the country's major resources—its people, particularly young people—to prepare them adequately for the workforce—and those already contributing to economic development.

Skills Development As the country's prosperity will be dependent on economic migrants for the foreseeable future, an important starting point is to accelerate efforts to ensure that jobseekers have skills and qualifications that will allow them to secure meaningful employment that is stable and better paid.

With education being a key pillar for sustained growth and progress towards the SDGs, the focus needs to be on giving students an early start and relevant skills as they reach adolescence. The provision of 21st century skills has had a positive impact on helping young people better understand and explore the opportunities available to them. In addition to youth-based activities, another important area for greater consideration is to scale up access to quality early childhood education and development opportunities. There is considerable and growing evidence on the importance of providing children with an early start at the earliest possible age and that this has a much 'higher rate of return' than interventions made during the primary and secondary years. An interesting initiative has been to provide early

childhood development (ECD) opportunities for children who travel with their families to mountain pastures from spring to autumn.

Beyond learning opportunities, ECD centers are excellent venues to encourage active participation of parents, strengthen community cohesion, and provide a platform for other development related considerations such as nutrition. Enhanced livelihoods can also be a platform for other programs such as 'community-based savings groups' (CBSGs), which have had significant positive impact in terms of economic development as well as on strengthening social solidarity. CBSGs themselves are a great platform to increase financial inclusion. Ironically, Kyrgyzstan, similar to other CAREC countries, is facing the dual challenge of malnutrition and obesity, especially among young children. This is particularly disconcerting given that 50 percent of deaths in the country are attributed to non-communicable diseases, the bulk of which are related to cardiovascular complications.

Enhanced nutrition and livelihood opportunities During the pandemic, international organizations scaled up programming to provide vulnerable households with the necessary support required to maintain nutrition levels and livelihoods. An interesting approach, piloted by the Food and Agriculture Organization (FAO) in Kyrgyzstan was a 'Cash+' program, whereby vulnerable female-headed households were provided with cash transfers as well as some agro-inputs (livestock or seed packages for crops). The idea was that, while cash transfers might help them maintain a basic standard of living, the additional assistance would help them move beyond mere subsistence. The main aim is to address poverty alleviation, alongside improving nutritional status and increasing the potential for income generation.

Other related efforts are ways in which social support can be better targeted to reach the most vulnerable households. The Government of Kyrgyzstan is exploring more objective ways in which digitalization can help ensure that recipients of social assistance are indeed the most vulnerable. This exploration is still at an early stage, but it is clear that enhanced computing could not only help increase the capacity of the state and other development partners to store and access such data, but also to use it to mine information on which households to target through various assistance programs.

Also related to the efforts of the FAO was an initiative led by the University of Central Asia, which worked with a small group of farmers to introduce sweet potato into vulnerable communities that required improved nutrition and livelihoods. The added benefit of this complex approach ensured climate-friendly solutions and helped address challenges such as soil and water erosion.

Overall These examples highlight the importance of developing and implementing programs that have a wide-lens approach and can address multiple SDGs. It is clear that the most effective efforts are those that consider a broad approach by considering linkages between poverty, nutrition, education, livelihoods, the broader climate, and deepening social bonds and linkages. These are not always easy to determine and implement, particularly during crises. That said, there are growing examples of successful initiatives that shed light on what further action is needed, particularly through a concerted approach among various partners.

Dr Rustam Babadjanov, Deputy Director, Analytical Center 'NAVO,' Dushanbe, Tajikistan

Results of SDG implementation in Tajikistan

The United Nations developed a proposal to strengthen the consultation process on development issues after 2015 in 100 countries of the world, including Tajikistan. In this regard, on 8 February 2013, a cycle of national consultations—'World After 2015'—was launched in Tajikistan. Consultations were held in all regions of the country, with the participation of representatives of various groups and strata of the population. As a result of these consultations, a report was prepared that clearly formulated what proposals Tajikistan makes to the process of a new international development system after 2015 and sent to New York.

Consequently, the SDGs are formulated on the basis of national priorities, which in Tajikistan formed the basis for the development of the National Development Strategy 2030 (NDS-2030). NDS-2030 takes into account the international obligations of the Republic of Tajikistan on Agenda 21 and the SDGs and was approved by the 70th session of the UN General Assembly in September 2015. The main focus of the SDGs is the concept of sustainable human development. The main goal of the long-term development of Tajikistan is to improve the living standards of the country's population on the basis of sustainable economic development.

Country profile assessment based on the initial results of the MAPS mission to Tajikistan in December 2016

Mainstreaming, acceleration, and policy support (MAPS) mission: Tajikistan was among the top ten missions in the world and was the second in the Europe and CIS region. The main objective of the MAPS mission to Tajikistan was to contribute to the roadmap of the Government of the Republic of Tajikistan for the implementation of the SDGs in Tajikistan. In Tajikistan, UNDP conducted a comprehensive assessment of two state programs and eight sectoral programs in relation to the SDG targets.

An SDG target map was drawn up and 93 targets were identified that are relevant to Tajikistan (78 percent of the 119 targets). Areas of general policy such as water, gender, environmental issues, agriculture, health, justice, and the labor market were covered.

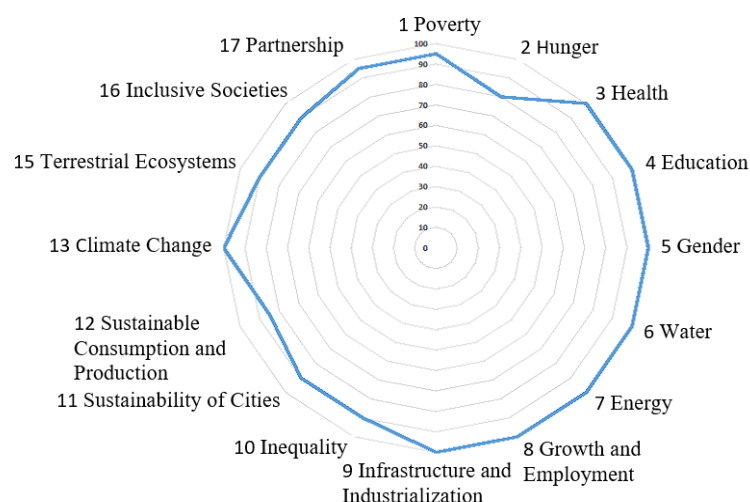
Based on the analysis of the multisectoral targets of the SDGs

A map/profile of Tajikistan was drawn up in the context of the SDGs, which allowed the MAPS mission to confirm that the NDS-2030 Project, when developing the relevant sections, clearly highlighted the inclusion of the SDGs (see Figure 8).

From 5 to 9 December 2016, the MAPS mission in Tajikistan held several presentations of its review. During the discussions, attention was drawn to the low level of compliance of some SDGs with the goals and objectives of the development of Tajikistan proclaimed by the Government of the Republic of Tajikistan and development partners.

The results of the analysis made it possible to form the following picture of the profile of Tajikistan in the context of the SDGs (see Figure 8).

Figure 8. Profiling results after a review of additional sectoral and regional strategies, programs, and development plans of the Republic of Tajikistan



This country profile is, in essence, an 'expectation profile' for the implementation of the goals and objectives of the strategies and programs for the development of the country, sectors, industry, peoples, and territories of Tajikistan in the context of the SDGs. In this regard, it is proposed to use the new term 'SDG trap,' which means establishing the dependence of the profile country expectations in the context of the SDGs from the monitoring and evaluation profile (SDG implementation in the country).

Not all SDGs and targets can be achieved in the same way and at the same time, which implies revitalization of ongoing activities with an impact on multiple SDG targets. The priority should be to reform economic policies to provide appropriate incentives for the private sector to advance sustainable human development, industry, and infrastructure.

In 2017, Tajikistan initiated the preparation of a VNR in the country for presentation at the HLPF. The main goal of the VNR was to analyze the process of implementing the SDGs at the country level, integrating the 2030 Agenda into the NDP through the broad participation of all stakeholders.

This VNR examines the process of nationalization of the SDGs through the achievement of two strategic goals for the development of the country, defined in the NDS-2030 as follows:

- 1) Ensuring energy security and efficient use of electricity
- 2) Ensuring food security and access of the population to quality nutrition

Other SDG targets are also reflected in the VNR as intersectoral issues; these include gender equality, industrialization, access to safe drinking water, and climate change.

VNR results

Tajikistan has made some progress in developing a mechanism for the nationalization of the SDGs. The main achievement is the development and adoption of key strategic development documents for the long and medium term.

The VNR was the first analytical document on achievements related to the SDGs that allowed us to determine what stage the country is at in relation to the nationalization and implementation of the SDGs, and the existing gaps and problems on the way to implementation.

Purpose of the national report

The national report (NR) is a key element of the process of reviewing the implementation of national strategic documents in the context of the SDGs. Its purpose is to determine the status and process of implementing certain areas and directions of the country's development within the framework of the NDS-2030 and the medium-term development program (MTDP) 2020 in conjunction with the SDGs. In addition, the NR allows countries to identify existing problems in the implementation of strategic documents, including issues of data collection and quality, coordination, and financing to make timely decisions and change the development trend within the framework of the NDS-2030 and the SDGs.

Objectives of the national report

At the time of the adoption of the MTDP for 2016 to 2020, indicators of progress under the SDGs had not yet been nationalized. Therefore, when adopting the MTDP 2016-2020, there was formally no system of indicators for ensuring sustainable development. However, a process in this direction has been launched and it is expected that this year the parameters for SDG indicators will be agreed.

According to the 2019 SDG Index and Panel Report, produced annually by Bertelsmann/SDSN, Tajikistan ranks 71st (out of 162 countries included in the study); Tajikistan's score (69.2 points) suggests that, on average, the country has passed 69.2 percent of the 'path to the best possible outcome on the 17 SDGs.' The least amount of progress is noted in health and wellbeing (SDG 3) at only 47.2 percent.

In the context of individual goals, the country has relatively better indicators for the following SDGs:

- SDG 13 'Combating climate change'—96.2 points
- SDG 4 'Quality education'—96 points
- SDG 7 'Affordable and clean energy'—91.9 points
- SDG 1 'Eradication of poverty'—86.3 points

The worst performance is observed for:

- SDG 9 'Industrialization, innovation and infrastructure'—9.6 points
- SDG 2 'Zero hunger'—47.2 points

Table 2. The system of the most important development indicators of Tajikistan during the implementation of RPS 2016-2020 (excluding the impact of the COVID-19 pandemic)

	2015 actual	2020 target value	Average annual growth (2016-2019), percent	Evaluations for 2020
The volume of GDP, billion somoni (approximately in 2020 prices)	61.5	80.1	7.2%	≈ 86.7
The volume of GDP per capita, thousand somoni (approximately in 2020 prices)	7.2	8.4	4.8%	≈ 9.1
Population poverty level	31.3	20	-1.3%	≈ 24.8

Table 3. Dynamics of Tajikistan's advancement in international ratings and indices during the implementation of MTDP 2016-2020

	2015 actual	2020 target value	Evaluations for 2019	Ratings progress for the period 2015-2019
Human development index (index value)	0.642	0.667	0.656	There is progress
Gender development index, position in ratings	3rd group level of development	2nd group level of development	5th group level of development	There is a deterioration in positions
Doing business, position in ratings	132nd place	no lower than 80 places	106th place	There is an improvement in positions
Competitiveness of the national economy, position in ratings	80th place		104th place	Positions are deteriorating

Main problems

There is difficulty in calculating LNOB. It is not difficult to nationalize indicators, but how can they be unified and crosscutting for all regions of Tajikistan? Then, there are also issues of institutionalizing indicators and making them mandatory for data collection.

The way forward—is the 2023 VNR

TURKMENISTAN CASE STUDY

Mr Charymuhammet Shallyev, Head of Management Department, Turkmen State Institute of Economics and Management, Ashkhabad, Turkmenistan

It is common knowledge that lingering uncertainties related to COVID-19 require new approaches to decision making and development. The pandemic crystallized the inextricable link between economic development and human health. This study aims to provide best practices and share knowledge in cross-country contexts on education, science, technology, and cooperation to accelerate RCI. Despite some headwinds, Turkmenistan's economy has seen stable growth on the social, environmental, and economic fronts. Turkmenistan has close relations with many US agencies and many international economic organizations.

Turkmenistan was one of the first countries in the world to hold consultations in 2016 on the adaptation of the SDGs with the broad involvement of various stakeholders and UN agencies. There were 17 consultation meetings held for each global goal. Having considered the recommendations in 2016, the government approved the national list of SDGs, thereby defining the country's key environmental, economic, and social priorities up to 2030. The UN Sustainable Development Cooperation Framework's Article Eight is related to strategic program planning, which is a framework for collaboration and cooperation between UN agencies and the Government of Turkmenistan.

In order to carry out a thorough analysis of the SDGs, the book of Turkmenistan's national leader outlines the country's roadmap to achieving the SDGs and this is a useful reference point; this book was presented at the 73rd session of the UN General Assembly and published in 2018. It is a unique example of Turkmenistan's commitment to the SDGs and highlights the main achievements of the country, as well as putting forward new tasks for the accelerated growth of the economy in order to achieve sustainable development. The Ministry of Finance and Economy is the main coordinator for implementation of SDGs in the country; second is the Department of Statistics, which is responsible for methodology, collection of reports, and maintenance of the SDG database. An important criterion of achieving the SDGs is planning at state level and all government programs are geared towards achieving sustainable development. The integrated assessment of government programs means that 85 percent of SDG goals and targets are integrated in national programs.

Two higher educational institutions of Turkmenistan—the International University of Oil and Gas, and the Institute of Telecommunications and Informatics—were included in the final impact rankings of 2022. These rankings were published by *Times Higher Education*—one of the world's leading rating organizations. In the beginning of 2021, Turkmenistan adopted a new national program for the 30 year period from 2022 to 2052 in which an important place is given to the achievement of the 2030 Agenda for sustainable development.

The first VNR by Turkmenistan was presented at the HLPF in July 2019. Based upon its VNR, Turkmenistan has made significant progress on social policy, environmental measures, and economic development. This document envisions that by 2025 the country will make significant progress on achieving national development goals aligned with the SDGs, with UN support in three areas of strategic priority: the first being people-centric governance and rule

of law; the second being inclusive and green economic growth; and the third being high-quality inclusive healthcare, education, and social protection.

Turkmenistan's second VNR is to be presented in 2023 at the UN Economic and Social Council (ECOSOC) HLPF. One of the key tasks in the development of the global economic system is the issue of sustainable development financing. Turkmenistan fully supported the Addis Ababa Agenda at their third international conference. In May 2021 a joint expert group was established in the country to study and develop proposals for financing SDGs in Turkmenistan and the introduction of financing mechanisms. At present, there is significant progress on many SDGs, implementation of measures, and the diversification and increase in competitiveness of the economy. The GDP per capita is USD7,065 and Turkmenistan is classified as an upper middle income country.¹⁰ Despite the economic crises in this century, Turkmenistan has had a steady rate of economic growth and measures to mitigate climate change, protect social safety nets, and promote economic growth continue to be implemented. Particular attention has been paid to the inclusiveness of national reforms, the greening of economic policies, the rational use of natural resources, and ensuring equal opportunities and the full participation of women in the development of the country.

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Question from Dr Hamza Malik, UNESCAP I am curious about SDG financing. What are the exact mechanisms to effectively pursue SDGs in country-specific cases? Our research shows substantive investment gaps in what is flowing towards SDGs and what is required. Some examples here would be appreciated.

Answer from Mr Altaaf Hasham It is a fantastic question. Clearly, in the case of Kyrgyzstan, with a country where 30 percent of its GDP is from remittances, when we are looking at state funding towards education and health it is quite high in relative terms, but in absolute terms still quite low. When one looks at what a country can do in its existing capacity there are clearly areas that require greater development, but the challenge is that the pie is so small it still doesn't give the gains needed.

Answer from Dr Rustam Babadjanov In our case, we have macroeconomic analysis and we conduct macroprudential policy and create ad hoc committees in order to finance SDG goals. Also, as I mentioned before, 70 percent of GDP is directed towards social protection.

Answer from Mr Charymuhammet Shallyev Above 70 percent of GDP is directed to social protection.

¹⁰ <https://www.worldbank.org/en/country/turkmenistan/overview>



Dr Hamza Malik, Director, Macroeconomic Policy and Financing for Development, UNESCAP, Thailand, putting a question to the panel during session IV of the sixth CTDF in Baku, Azerbaijan

Answer from Ms Elena Danilova-Cross I would like to elaborate on this question. We are also lagging behind in financing for SDGs because it was an underexplored area. In the past, we tended to think that it is only the government—using public finances—that is responsible. Now there is a realization that there are different pockets of money coming in, which can be redirected or scrutinized through the SDG lens and each transaction has to be approved in light of its contribution to SDGs. For example, Uzbekistan traded green bonds that were traded on the London Stock Exchange. There are a lot of innovative instruments that are now being tried out to engage money from the private sector, remittances, and even citizens. Many countries are now using the national financing frameworks and developing financing strategies to do this. All the Central Asian countries, like Georgia and Azerbaijan, are part of this to some extent.

Question from Dr Abid Suleri We are referring to Goal 17—international collaboration and cooperation. One of the worst affected aspects after health was international cooperation, as borders were closed and resources were not shared. Now, with climate change and conflict in Ukraine, international collaboration is being further damaged. I would like to get the panel's view on this. How does the panel see international collaboration in the CAREC region in this context? Thank you.

Answer from Mr Altaaf Hasham The response when we look at Kyrgyzstan/Tajikistan, given their small sizes, is that these countries can only look inwards so much and they will have to come back to looking at international trade and increasing collaboration. Kyrgyzstan is heavily reliant on remittances and Tajikistan is also heavily dependent on exports; however, it has gone down, but where do we go from here? Collaboration has also gone down. One cannot shut down completely, but people are looking across borders and the next year will be

interesting. A lot of issues for collaboration are beyond the borders of international countries, but, if investor confidence returns, I hope we see a trajectory towards further collaboration.

Question from Ms Tsalmegsaikhan Lkhagva, Executive Director, Independent Research Institute of Mongolia In Mongolia, in November 2020, we adopted a new law that directly relates to government powers. All governments took many restrictive legislative decisions to reduce stakeholder decision making. Civic involvement has become very limited. How do you see the engagement of civil society in the space of the SDGs?

Answer from Mr Altaaf Hasham We are seeing two things: one is the shrinking of space, as a lot of decisions had to be made very quickly or there were very restrictive decisions, and then we can see the lingering impact of more hierarchical decision making and centralization. The question is, how do we regain this lost space? As we have talked about LNOB, perhaps governments will now realize that every person has to be on board. Although there has been centralization, there is also a grassroots approach to look at different regions through the lens of inclusivity and sustainability. How these forces unfold will be different in each context.

Moderator It is very important to provide easy and affordable finance to communities that are on the fringes. The CAREC region is not faring well in this regard and access to finance is a big challenge and a serious issue; this could be a trigger for economic growth and prosperity in the region. Thank you, Elena from Turkey, and to all our panel members. The SDGs are now in the seventh year of implementation and progress is very slow, exacerbated by recent events. Perhaps it is time to reflect on the timeline and our approach to SDGs moving forward.

SESSION V: CLIMATE CHANGE AND GREEN ENERGY

Moderator Mr Ilham Humbatov, Senior Research Fellow, ESRI, Baku, Azerbaijan

The CAREC member states are all faced with multifaceted challenges, including the threat of climate change and dependency on commodities. Climate change is one of the most serious long-term and short-term challenges that has the potential to affect food and energy security. How can CAREC economies reposition themselves to address these challenges for a sustainable growth future?

CLIMATE VULNERABILITIES AND THE CASE FOR GREEN ENERGY IN THE CAREC REGION. **LEAD SPEAKER** DR FARHAD TAGHIZADEH-HESARY, ASSOCIATE PROFESSOR, SCHOOL OF GLOBAL STUDIES, TOKAI UNIVERSITY/TOKAI RESEARCH INSTITUTE FOR ENVIRONMENT AND SUSTAINABILITY (TRIES), JAPAN

Background and definition of energy security

Energy security is multidimensional and a measure of a unique nexus encompassing economic, political, geopolitical, institutional, legal, and regulatory aspects of a country or region (Taghizadeh-Hesary et al. 2019). Energy security can be defined as an adequate and reliable supply of energy resources at a reasonable price (Toman 1993, Bohi & Toman 1996, Bielecki 2002). However, this definition is incomplete and considerations have to be made to include different aspects of energy supply and demand to measure the level of energy security.

It is essential to include all aspects of the energy environment to assess energy security clearly. Taghizadeh-Hesary et al. (2019) proposed four perspectives for measuring energy security (4As framework): availability (scientific/resource); applicability (engineering or technological); acceptability (environmental and social); and affordability (economic).

Figure 9. Examples of indicators using the 4As framework

	Availability	Applicability	Affordability	Acceptability
IAEA	<ul style="list-style-type: none"> • Share of households without electricity • Reserves to production ratio • Diversification of Primary Energy Demand • Dependence on imports (mtoe) 	<ul style="list-style-type: none"> • Share of households without electricity • R&D • Energy use per unit GDP • commercial and transport energy intensity • energy efficiency measures 	<ul style="list-style-type: none"> • Share of household income spent on fuel and electricity • Energy use per capita 	<ul style="list-style-type: none"> • GHG emissions per capita • GHG emissions per unit GDP • Ambient air pollutant concentrations
APERC	<ul style="list-style-type: none"> • Reserves to production ratio (R/P ratio) 	<ul style="list-style-type: none"> • Energy use per unit GDP • Industrial, household, agricultural, commercial and transport energy intensity 	<ul style="list-style-type: none"> • Energy use per capita 	<ul style="list-style-type: none"> • GHG emissions per capita • GHG emissions per unit GDP
IEEJ and ASEAN Center for Energy		<ul style="list-style-type: none"> • Energy use per unit GDP • Industrial, household, agricultural, commercial and transport energy intensity 	<ul style="list-style-type: none"> • Energy use per capita 	

Source: Chang and Taghizadeh-Hesary (2019)

Using the 4As framework to measure the energy security in the CAREC region

Chang and Taghizadeh-Hesary (2018) applied the 4As framework to assess the status of energy security in the CAREC region. The framework requires a good number of indicators for each dimension and corresponding data over a certain period to diagnose energy security status in a country or region and to derive policy implications.

Table 4. The 4As framework

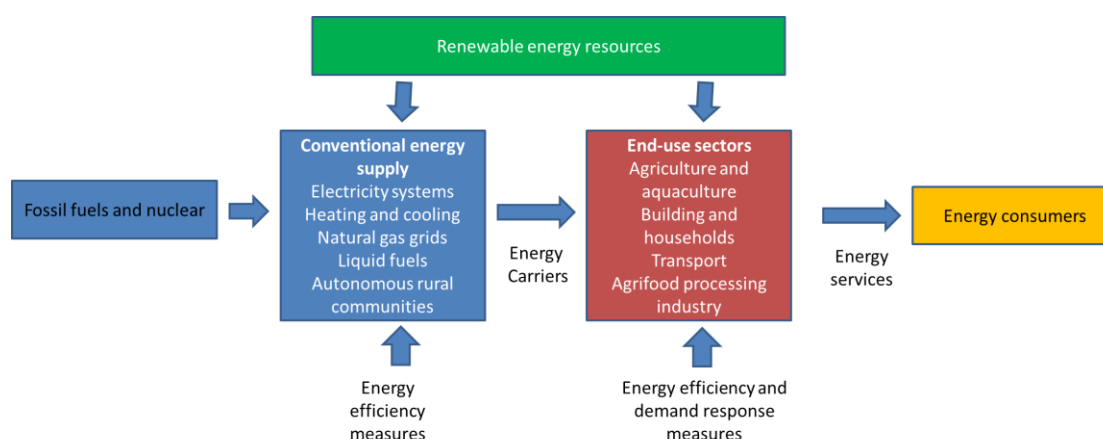
Dimension		Indicator
Availability (endowment)	AV1	Reserve-production (R/P) ratio of oil (years)
	AV2	Share of renewable electricity output (percent)
Applicability (efficiency)	AP1	CAREC countries' energy intensity (MJ/USD2011 PPP GDP)
	AP2	CAREC countries' carbon intensity (t CO ₂ /toe)
Acceptability (preference)	AC1	CO ₂ emissions per capita (t CO ₂ /person)
	AC2	Share of renewable energy consumption (percent)
Affordability (capability)	AF1	Energy consumption per capita (toe/person)
	AF2	Access to electricity (percent)

Application of the 4As framework Equal numbers of indicators for each dimension are collated and the corresponding data is compiled. This data is coded and normalized using ordinal scales. Each indicator contributes equally to each dimension of the 4As—availability, applicability, acceptability, and affordability. The scale ranges from 1 to 10, 1 being the lowest status and 10 being the highest. The four dimensions with ordinal values constitute a rhombus, where a perfect rhombus indicates the best energy security status. The area of the rhombus represents the overall status of energy security in a country or region (Taghizadeh-Hesary et al. 2019).

Energy and food security nexus

Energy has always been essential for the production of food. As a result of the industrialization and consolidation of agriculture, food production has become increasingly dependent on energy derived from fossil fuels. This study examines the linkages between energy prices and food prices in eight Asian economies. The empirical study done by Taghizadeh-Hesary et al. (2020) opened up new policy insight and provided recommendations to increase food security while developing energy-sustainable agriculture.

Figure 10. Use of renewable energy resources in the agri-food chain



Source: IPCC (2011)

Energy carriers, especially fossil fuels (oil, gasoline, diesel, natural gas), are widely used in the primary production of agricultural products.

- a) Farm equipment: fuel for tractors and machinery
- b) Water consumption: pumping, treating, and moving water for agricultural consumption requires a great deal of energy
- c) Fertilizer production: industrial farms use huge quantities of synthetic fertilizers, which require significant energy inputs (primarily natural gas) to be produced
- d) Greenhouse production: in protected cropping in greenhouses
- e) In fishing and aquaculture, livestock, and forestry

Limited access to cheap fossil fuels and greenhouse gas (GHG) emissions that cause climate change are the two main challenges that the agricultural sector of Asia has in using fossil fuels.

Ambitions to increase global food supplies in Asia through increased productivity of crops, animals, and fish resources may be partly constrained by the limited future availability of cheap and accessible fossil fuels. Small-scale agricultural and fishery production systems in low-income countries in Asia may not be able to emulate the past efforts of high-income countries in achieving desirable productivity increases if doing so will depend on increased reliance on fossil fuels. The modernization of food supply chains has been associated with higher GHG emissions from both pre-chain inputs (fertilizers, machinery, pesticides,

veterinary products, transport) and post-farm gate activities (transportation, processing, and retailing) (FAO 2016).

Energy prices are expected to be one of the significant reasons behind food price fluctuations. Recently, in developing Asia, inflation rates have increased. Part of the reason for this higher rate of inflation is higher food prices. Supply-side factors—in particular, higher energy (oil) prices—are expected to be one of the main causes of higher food prices.

Conclusion

It is essential for CAREC member governments to use a comprehensive framework to measure the level of energy security by including environmental indicators and setting targets for achieving a higher level of energy security.

Based on the results of the empirical study, any shock from rising oil prices is followed by rising agricultural food prices. An increase in oil prices may directly increase the cost of production of agricultural commodities and food products.

The research findings revealed that a higher rate of inflation has a significant positive impact on food prices. Inflation means an increase in the price of various inputs to produce agricultural products—including wage rates, price of machinery, seeds, fertilizers, price of energy inputs, and other inputs—which raises the cost of production and drives up the price of agricultural production costs, in turn increasing food prices.

This study revealed that real interest rate movements also significantly explain the volatilities in food prices. An increase in the real interest rate increases food prices. An increase in interest rates increases the cost of capital in agricultural production. As a result, there is an increase in the cost of production in different sectors, including agricultural products, thereby raising the prices of agricultural products and foods. Recently, the agricultural sector has become more automated, which means it has become more capital-intensive than in the past and hence more elastic in relation to interest rate movements.

Policy implications

Diversification of the energy basket in the CAREC region is crucial. Because of the major impact of energy price fluctuations on agricultural product prices and because of an increasing share of industrialized agricultural production and more GHG emissions—the result of more use of fossil fuels in this sector—it is necessary to diversify energy consumption from too much reliance on fossil fuels to an optimal combination of renewable and nonrenewable energy resources.

Toward energy-sustainable agriculture Renewable energy resources can be used directly by the end-use sectors of the agri-food chain or indirectly through integration with conventional energy supply systems that are based mainly on fossil fuels.

CLIMATE DISASTER IN PAKISTAN

A brief overview by HE Mr Bilal Hayee, Ambassador of the Islamic Republic of Pakistan to Azerbaijan

The videos and news about what is happening in Pakistan have been seen all over the world. People in Pakistan are experiencing superfloods of biblical proportions that have impacted 30 million people. Today, one-third of the landmass of Pakistan is under water, which is more than three times the territory of Azerbaijan. This gives a sense of the huge challenge confronting the people of Pakistan. In particular, the Monsoon phenomenon—which brings rain for three months and has been occurring for a very long time—has also led to such floods in the past, but the frequency has increased tremendously in the last few years.

The last big floods of the subcontinent were in 1932, then in the 1970s, and then in 2010. The gaps were 35 to 40 years, but now again in 2022 the country is experiencing superfloods; this is a very short time and the impact is greater because the world is in the age of globalization. The number of people impacted is also huge. Not only have 1,400 lives been lost but also critical infrastructure has been damaged. 249 bridges have collapsed, 6,500km of road has been swept away, around 751,000 cattle have been lost, and more than 1.69 million houses are totally or significantly damaged. The infrastructure damage is huge and the UN Secretary-General has visited, in addition to the ADB being present on the ground.

As of now, it is estimated that the total loss may exceed USD30 billion. The relief, rescue, rehabilitation, and resettlement phases are going to be very challenging. Goal 17 of the SDGs is often a weaker link and this is a time when Pakistan needs international cooperation.



Left to right: Mr Ilham Humbatov, Senior Research Fellow, ESRI; HE Mr Bilal Hayee, Ambassador of the Islamic Republic of Pakistan to Azerbaijan; Mr Kamran Huseynov, Deputy Director, Azerbaijan Renewable Energy Agency; and Ms Lidiya Parkhomchik, Chief Expert of the Eurasian Studies Program (IWEP) during session V of the sixth CTTDF in Baku, Azerbaijan

As the UN Secretary-General has said, '[W]hat has happened in Pakistan is not a climate disaster, it is a climate catastrophe.' Furthermore, this disaster has not been one that has been created by Pakistan; the carbon emissions of Pakistan are less than one percent of global emissions, but it is in the top ten countries that are going to be affected by climate change.

Nobody should be condemned unheard. However, this is a case of punishment without any culpability. This is a collective war with nature and nature is showing its revenge. Today it is Pakistan and tomorrow it could be anyone else. All countries are in the same boat and it is time to talk and discuss, but also a time for action as members of the international community. Pakistan is very grateful to the international community and to Azerbaijan, which has delivered USD2 million in aid and the UN flash appeal that has raised USD160 million. It is time for the international community to assist the country as no government can handle such a disaster alone. The world also needs to come up with a system that protects vulnerable countries and that can mitigate the effects of future disasters related to climate change.

AZERBAIJAN CASE STUDY

Mr Kamran Huseynov, Deputy Director, Azerbaijan Renewable Energy Agency, Baku, Azerbaijan

Mr Huseynov provided brief information on current renewable energy projects in Azerbaijan, future plans, and their implementation strategy.

Based on the national priorities for the social and economic development of Azerbaijan for 2030, it was identified that one of the pillars is a clean environment and a country of green growth, which consists of a high quality ecological environment and green energy zones.

As part of the UN Climate Change Conference (COP) 26 in Glasgow, Azerbaijan has committed to reducing emissions by 40 percent by 2050. It was also stated that the liberated lands would be a net zero emission zone by 2050. Another important target is increasing the renewable energy share in total installed capacity to 30 percent by 2030.

The potential for renewable energy in Azerbaijan comes to around 27,000MW onshore, consisting of more than 23,000MW of solar potential and around 3,000MW of wind potential. Azerbaijan also has huge offshore wind potential, with a technical potential of 147GW. Total installed capacity is around 7,937MW and the existing share of renewables in the energy mix is 17 percent, which the government would like to increase to 20 percent by 2030. There is a plan to add an additional 440MW of renewable energy by 2023, another 460MW by 2025, and another 600MW by 2030—a combined addition of 1,500MW.

How will these ambitious targets be implemented? The first pillar is the development of legal and regulatory frameworks, the determination of supporting mechanisms in order to incentivize this area, the preparation for auction of renewable energy zones, and cooperation with international investors like energy companies that are transitioning away from fossil fuels.

The law of the Republic of Azerbaijan on the usage of renewable energy sources and production of electricity was adopted in 2021. The government is now working on auction rules, the development of which has been supported by the European Bank for Reconstruction and Development (EBRD); these are currently under review after submission to a number of national and international institutions. Furthermore, work is being carried out on the rules for application of net metering and a calculation scheme; this law is in the approval process, a part of which involved developing templates for power purchase agreements (PPA) and connection agreements that will be part of the package when negotiations take place with investors on auction rules for renewable energy products in certain areas.

The government will propose guarantees to the investor. Once the government negotiates a contract—for example, a PPA—the state will provide a guarantee in terms of connection and priority in dispatching. These agreements can cover a period of 20 years, but could also be extended in the future. There is also a possibility of indexation of payments in foreign currency, which is very important for investors. Investments will also be protected through the provision of investment certificates—not only in renewable energy, but also in other areas of the economy.

There are currently two options to achieve the implementation of renewable energy projects. The first option is through auctions and the other is through bilateral agreements. Pilot projects have already been launched in 2020 and 2021. One is a 240MW wind power plant signed with ACWA Power Company and another is a 230MW solar power plant signed with Masdar Company. The groundbreaking work for both projects took place earlier this year.

In the future, once regulations are finalized, the auction conditions for international investors will be decided upon. Also, there is cooperation with ADB on a floating solar energy project. The pilot project was launched with a capacity of 100KW to study its viability. An offshore wind roadmap has been developed by the International Finance Corporation (IFC) and the World Bank that identifies major potential on the Caspian Sea at about 157GW and 35GW in the shallow water part, which is important for investors. EBRD are carrying out research on a 'low-carbon hydrogen market' to cover domestic demand for hydrogen and prospects for the supply of hydrogen to other countries. The recently liberated areas have also been defined as a green energy zone with big potential and a master plan proposed by Tokyo Electric Power Services Co. is being developed. The application of the green energy zone concept will soon be launched and in the future this will be rolled out in other parts of the country.

PEOPLE'S REPUBLIC OF CHINA CASE STUDY

Ms Zhang Minwen, Deputy Director General, International Economics and Finance Institute (IEFI), Beijing, PRC (online)

Climate change is a challenge for all of humanity. China has always attached great importance to the response to climate change and has actively developed and implemented a series of strategies, measures, and actions aimed at addressing it. In 2020, China announced the goal and vision of striving to peak carbon dioxide emissions before 2030 and achieving carbon neutrality before 2060. In 2021, China announced a decision to stop building new coal-fired power projects overseas, demonstrating its concrete actions in response to climate change.

In recent years, China has made great strides in its climate change response. Firstly, we coordinate economic development with the aim of transitioning to a low-carbon economy. While promoting sound socio-economic development, China has been making headway in carbon emission reduction and the green transition. Secondly, remarkable results in revolutionizing energy production and consumption were achieved. In recent years, non-fossil fuel energy sources have developed rapidly in China, energy consumption intensity has been significantly reduced, and the transformation to a clean and low-carbon energy consumption structure was prominently accelerated. Thirdly, the government promotes low-carbon industrial transition for the purposes of green development. China has established the most complete industrial chain in the manufacture of wind power and photovoltaic power generation equipment, while seeing its new energy vehicles industry taking off. Fourthly, desertification control and afforestation efforts were carried out to improve the ecological environment. From 2016 to 2020, China conducted desertification control on almost 11 million hectares, increased forest coverage by 36 million hectares, and nurtured a total of 42 million hectares of existing forested areas.

These results could not have been achieved without China's introduction of climate change-related policies and international cooperation. In terms of domestic policy firstly, China has

strengthened policies from the top-down, set different goals to be reached in different stages, and established implementation mechanisms. The central government has formulated and released a top-level design document for peaking carbon emissions and achieving carbon neutrality, and set tiered provincial-level carbon emission caps. Secondly, China has been using all the policy tools at our disposal—such as the carbon market as well as financial, fiscal, and technical policies—to support emission reduction efforts. Thirdly, China has implemented a strategy to alleviate poverty through the development and utilization of energy resources in poor areas, effectively boosting the economic development capacity of the population. Fourthly, China has been advocating green and low-carbon lifestyles, as well as requiring public institutions to play an exemplary role in energy conservation and energy efficiency enhancement.

China has also made great efforts in international cooperation. Firstly, China has been an active and constructive participant in international climate talks and efforts to build a fair and rational global climate governance system for win-win results. Secondly, China is committed to the principle of common but differentiated responsibilities and upholds the goals, principles, and framework set in the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement. Thirdly, China provides assistance and support within its means to other developing countries on climate change mitigation and adaptation. The PRC has helped other countries to build low-carbon demonstration zones and provided them with climate-related supplies such as clean cooking stoves. Fourthly, China offers its approach to global climate governance through the construction of a Green Silk Road, as well as enhancing policy communication, information sharing, and technological exchanges. Finally, China has been engaging with international organizations on climate cooperation as well as working with multilateral development institutions like the World Bank and ADB.

KAZAKHSTAN CASE STUDY

Ms Lidiya Parkhomchik, Chief Expert of the Eurasian Studies Program, Institute of World Economics and Politics (IWEP), Nur-Sultan, Kazakhstan

As a developing country that is energy rich, Kazakhstan is deeply concerned over its role in global energy security. The potential impact of volatility in oil prices has clearly demonstrated the necessity for Kazakhstan to accelerate the process of transitioning from a hydrocarbon-oriented economy to a diversified model of economic development focused on green energy and technology.

Developing renewable energy, introducing clean technologies, and promoting decarbonization of the economy is something that CAREC countries can no longer delay. Kazakhstan is planning to unlock its renewable energy potential and achieve carbon neutrality by 2060.

In 2013, Kazakhstan adopted a 'Green Economy Concept,' which calls for the country to generate 50 percent of its electricity from renewables by 2050; this could include nuclear energy. In 2020, the government adopted an action plan for implementing the Green Economy Concept. In 2014, the government approved the 'Concept for the Development of the Fuel and Energy Complex' until 2030, and in June 2020 introduced an amended version of this document. In 2016, Kazakhstan signed the Paris Agreement pledging to reduce GHG

emissions by 15 percent by 2030—relative to levels in 1990. At the Climate Ambitions Summit in December 2020, President Tokayev declared his country's commitment to achieving carbon neutrality: a zero balance of greenhouse gases by 2060. To achieve this goal, Kazakhstan has also adopted a new environmental code.

Moreover, Kazakhstan has developed a long-term 'Doctrine of Carbon Neutral Development' until 2060—a framework with a clear sustainable recovery, low-carbon development pathway, and energy sector transition. The doctrine provides a set of key measures to reduce emissions and decarbonize the economy.

Kazakhstan intends for renewable energy to constitute 3 percent of electricity generation by 2020 and now seeks to increase this to 15 percent by 2030 and 50 percent by 2050. By 2060 the share of non-renewable energy sources is expected to decrease 3.4-fold to a total of 20 percent, while the share of renewable energy sources will climb up to 70 percent of the country's total energy balance.

Green energy potential

Kazakhstan's **solar** power potential is estimated to reach 2.5 billion kilowatt hours (kWh) per year. The potential of wind energy in Kazakhstan is nearly 920 billion kWh per year. The total hydropower potential of Kazakhstan is 170 billion kWh per year, while its technical potential—which is a part of the total potential that can be efficiently utilized—amounts to 62 billion kWh per year.

Based on the results of 2021, there are 134 renewable energy stations in Kazakhstan: 40 wind power stations; 49 solar power stations; 40 small hydropower stations; and five bio-power stations. By the end of 2022, it is planned to put into operation ten facilities with a total capacity of 2,906MW. Kazakhstan plans to launch another 40 renewable energy projects by 2025.

The total installed capacity of existing renewable energy stations in the country is 2,010MW. According to the results of 2021, the generation of electricity by renewable energy facilities amounted to about 4.2 billion kWh. Renewable sources currently generate around 3.5 percent to 4 percent of the electricity in the country.

Green energy transition

In 2021, a total of 114.3 billion kWh of electricity was generated at the country's power plants. Coal is by far the largest source of electricity production in Kazakhstan. In 2021, approximately 67.8 percent of total electricity generation was coal-based. Gas ranked second at about 20 percent, bringing Kazakhstan's fossil fuel share to nearly 90 percent.

However, since September 2021 Kazakhstan has had a deficit of electricity power generation because of a sharp increase in consumption by industry and the digital mining sector. This deficit is addressed by importing electricity from Russia. The situation gets worse when one looks at the obsolescence of power generation equipment in traditional coal-based stations and hydropower plants (the age of 55 percent of equipment in traditional coal-based stations

is more than 30 years and the age of 66 percent of equipment in hydropower plants is more than 30 years).

Therefore, there is an urgent need to address problems in the power industry, which hinders the potential growth of the renewable energy sector. In this regard, by 2035, it is essential to ensure the commissioning of new generation capacity, including renewable energy systems.

Future goals

In order to achieve all goals for carbon neutrality by 2060 there is a need to modernize climate policy. The basic element of the modernization of climate policy and the strategy for achieving carbon neutrality until 2060, should be the improvement of the carbon regulation system that stimulates decarbonization. The current system of carbon regulation in Kazakhstan will not allow carbon neutrality and other climate goals to be achieved.

Moreover, there is a need to reduce the risk of investment in clean energy. Investment in the country's energy transition has grown over the past decade, but this surge in investment came during a decade of economic growth and was fueled in part by accommodative monetary policy and low benchmark interest rates. To date, the funding gap remains significant so reducing the financial risk of energy investments is critical.

Finally, equity and fairness must be at the center of the energy transition. Maintaining the availability of energy is essential not only for economic growth and social wellbeing but also to support climate change policies.

In general, the process of decarbonization in the country requires systematic work and the adoption of appropriate investment, legal, and institutional reforms both in the field of public administration and in the sphere of planning the development of the national economy.

FIRST DAY RECAP

Dr Ghulam Samad, Senior Research Specialist, CAREC Institute

The opening remarks and introduction to the sixth CTDF highlighted the significance of the devastating impact of the COVID-19 pandemic, geopolitical uncertainty, and climate change. How these underlying considerations impact progress on SDG goals in the CAREC region formed the main part of the deliberations. Three key recommendations were presented to recalibrate growth dynamics for inclusive and sustainable CAREC economies:

- Stronger engagement with key stakeholders was encouraged
- Capacity enhancement initiatives were mentioned
- Regional cooperation and integration with customized solutions were encouraged

What followed was an overview of the CAREC economies and how much recalibration is needed for inclusive and sustainable growth. The following recommendations were made:

1. To ensure growth, inclusivity, and sustainability, the mobilization of taxes for development, mitigation of climate change, mitigation of gender inequality, strengthening of digitalization, and enhancing regional cooperation were emphasized.
2. Catching up with developed economies requires a productivity push in the CAREC economies that will come from higher technical and vocational education, innovation, foreign trade, and FDI.
3. Lack of educational skills development and job mismatch are the key impediments to sustainable economic development being resolved.
4. A well thought out and tailored fiscal and monetary coordination mechanism needs to be worked out for sustainable and inclusive growth in the CAREC region.

Four case studies from Azerbaijan, Kazakhstan, Pakistan, and Uzbekistan were presented and addressed access to health, education, digital technology, and women's participation in the workforce:

1. The pandemic has severely impacted Azerbaijan's economy. Several policy initiatives (education, health services, and digital sectors) were taken to overcome the crisis. Despite challenges the country managed the pandemic well.
2. The impact of the pandemic on Kazakhstan's economy was significant. The services sector, investment, and GDP all plunged. Oil prices plummeted and mortality rates went up. The following recommendations were made to overcome the losses:
 - Increase healthcare financing
 - Increase female labor market participation
 - Increase digital accessibility
3. The pandemic has significantly impacted Pakistan's economy both directly and indirectly:
 - Gender and geographic inequalities in the digital sector need to be decreased through digital literacy, especially in rural areas.
 - Effective federal and provincial coordination were highlighted to overcome the negative consequences of the pandemic.

4. Like other CAREC countries, Uzbekistan's economy proved no exception to the negative impact of COVID-19 in terms of health, education, digital accessibility, and women's participation in the workforce.
 - Invest and accelerate *technology-driven teaching and learning* across the country, focusing on rural and low-income areas
 - Offer *tax incentives* for communication operators who prioritize *internet connections* and install fiber-optic lines to improve broadband connection in rural areas

Presentations on the state of progress on UN SDGs in the CAREC region raised the following important points:

1. The varying level of SDG progress across the CAREC region has been highlighted. Along with other key highlights, SDG financing is the key challenge. To cover the financing gap, more innovative financing solutions are required.
2. The overall picture of Kyrgyzstan looks very encouraging. A number of challenges that existed before the pandemic continued in 2021, such as diversifying the economy, attracting foreign investment, and the delivery of better government services, notably in the health and education sectors.
3. The achievements and realization of SDGs has been mentioned by Tajikistan and Turkmenistan. Again, figuring out SDG financing and financing mechanisms is the key challenge for these economies.

Climate vulnerabilities and the case for green energy in the CAREC region were discussed and can be summarized in the following points:

1. The 4As framework to measure energy security in the CAREC region was presented. Using this framework, between 2011 and 2015 availability and affordability appear to have improved while acceptability appears to shrink considerably and applicability seems likely to do the same.
2. Transitioning towards renewable energy resources was encouraged. Also, it can be used directly by the end-user sector.
3. Renewable energy and green energy zone initiatives were also presented. The main challenge is of 'implementation strategy,'—that is, the development of regulatory and legal frameworks.
4. Major progress, commitment, and initiatives in the form of domestic policies and international cooperation on climate change in China were presented. The design of domestic Chinese policies can be a key takeaway for the rest of the CAREC countries.



Signing of the 'Memorandum of Understanding' between CI and ESRI of the Ministry of Economy of Azerbaijan on day one of the sixth CTDF in Baku, Azerbaijan. Pictured here: Director Syed Shakeel Shah, CAREC Institute; Mr Samad Bashirli, Deputy Minister of Economy of Azerbaijan; and Mr Shixin Chen, Vice President, ADB.

Finally, the following key recommendations can be made from the sessions held on the first day of the sixth CTDF:

1. CAREC members need to focus on building their fintech foundations; bolstering ICT and digital infrastructure; ensuring regulatory quality; and enhancing required capabilities to advance inclusive trade and finance.
2. Developing countries with limited fiscal space will need to prioritize resources and make an effort to target areas of the highest impact through social support programs.
3. The pandemic has shown us how regional cooperation and integration can be a desirable goal; therefore, regional cooperation and integration with customized solutions is encouraged.

SESSION VI: GEOPOLITICAL UNCERTAINTIES, COVID-19, AND THE IMPACT ON GROWTH AND INCLUSIVITY

Moderator: Ms Kanako Mabuchi, Head of UN Resident Coordinator's Office, Baku, Azerbaijan

Geopolitical uncertainties and the pandemic-induced economic slowdown have added more dimensions to inequality, as the poor are experiencing a disproportionately high impact arising from the crisis, in the form of a sharp escalation in food prices, higher energy prices, and overall inflationary trends in global commodity markets.

LEAD SPEAKER DR HAMZA ALI MALIK, DIRECTOR, MACROECONOMIC POLICY AND FINANCING FOR DEVELOPMENT, UNESCAP, BANGKOK, THAILAND

Crisis upon crisis: main implications and policy analysis

Main message

The economic recovery momentum from the impact of the pandemic has been disrupted owing to ongoing geopolitical uncertainties. Rising inflation and the associated increases in interest rates are likely to dampen economic prospects, adversely affect the poor, pose additional fiscal challenges to an already constrained fiscal space, and increase debt pressures. This will prove challenging for inclusive economic recovery and sustainable development. As seen during the COVID-19 pandemic, the socio-economic impact was amplified owing to the lack of investment in resilience and people. Therefore, economic policies will need to be people-centric and go beyond GDP growth.

Main implications

The COVID-19 pandemic took a heavy toll on people and livelihoods. Regional economic growth plunged into recession in 2020. Working hours lost in 2020 totaled an equivalent of 140 million full-time jobs and the situation is still not back to pre-pandemic levels. Years of progress towards SDG Goal 1 on poverty reduction experienced a major setback, with 85 million people estimated to have been pushed back into extreme poverty in Asia-Pacific by the end of 2021.

The swift and strong economic rebound in 2021, however, was uneven and fragile. The strong rebound was in part boosted owing to a low base from the previous year. Recovery has been uneven across different sectors; consumer-facing and tourism-related sectors have been slower to recover and are still growing below pre-pandemic levels. For the region, the output loss between 2020 and 2022 is estimated to be at USD2 trillion. The impact from the pandemic will likely leave lasting scars on economies through disruption to labor markets, lower investments in capital and research & development, and the long-term consequences on learning and earning potential from prolonged school closures.

Countries in the Asia-Pacific region deployed substantial fiscal measures to save lives and livelihoods and reinvigorate their economies, which consequently led to stressed fiscal positions. Recent geopolitical uncertainties have compounded these economic challenges,

interrupting an already fragile recovery through weaker economic growth, widening fiscal and current account deficits, and higher financing costs in the region.

The current inflationary pressures have been brought about by supply disruptions and sanctions owing to the geopolitical uncertainties, leading to a surge in the price of food, fuel, and key commodities. Inflation has reached double digits in several economies and surpassed central bank targets. Monetary tightening in advanced economies has increased the risks of capital outflows from the Asia-Pacific region, along with domestic inflationary pressures, which has compelled central banks to shift their monetary policy stance and raise interest rates to curb inflation and exchange rate volatility concerns. Rising interest rates imply higher borrowing costs, further squeezing fiscal space and rising debt-servicing costs. Not surprisingly, debt sustainability concerns have come to the fore for many economies. Amid rising interest rate trends globally and associated financial tightening conditions, sustained recovery and effective pursuit of the SDGs will be challenging.

Policy considerations should focus on controlling inflation and easing fiscal and debt distress. Lastly, continued efforts to pursue a more resilient, green, and fairer growth can help cushion the impact in times of crises.

Exposure of CAREC economies to the interlinked crises of food, energy, and finance¹¹

This analysis identifies which CAREC economies are considered more exposed to the crisis than others. In more exposed economies, the economic structure and conditions are closely linked with channels through which the crisis could potentially affect them. For example, they may rely heavily on imported food and energy, whose prices are surging, and on tourism receipts and workers' remittances, which are dampened by weaker global demand. Countries with larger external debt stocks are also more exposed amid rising global interest rates. In essence, more exposed economies tend to face larger *potential* impacts of the crisis, although the *actual* impacts are also influenced by how countries respond to this shock.¹²

The exposure analysis covers three areas that tend to be markedly affected by the crisis: energy, food, and debt and financial flows.

Energy A country is deemed exposed to higher energy prices if its net fuel exports are sizeable relative to GDP (hence, potentially much larger energy import bills), peoples' access to electricity remains rather limited, and domestic electricity generation relies heavily on fossil fuels as key energy sources.

¹¹ For more details, see ESCAP (2022) 'The Russian-Ukraine crisis: impacts, exposure and policy issues in Asia and the Pacific'; available at www.unescap.org/kp/2022/war-ukraine-impacts-exposure-and-policy-issues-asia-and-pacific

¹² While related, exposure and vulnerability are two different concepts. Two countries that are equally *exposed* to an adverse shock may not be equally *vulnerable* if one has greater coping ability. For example, a highly exposed country can be less vulnerable if the fiscal multiplier effect is large and most people including informal workers are covered by social protection schemes with generous benefit levels.

Table 5. Energy

Energy	
<i>Meeting <u>all</u> these criteria...</i> <ul style="list-style-type: none"> ○ Net fuel imports/GDP>3 percent ○ People without access to electricity/total population>10 percent ○ Electricity production from oil, gas, and coal sources/electricity production from all sources>50 percent 	Pakistan

Food More exposed economies rely heavily on imported food items for domestic consumption and are already facing serious concerns regarding food insecurity. The focus here is on cereals (such as wheat, rice, and maize), meat, seafood, vegetables, and fruit.

Table 6. Food

Food	
<i>Meeting at least <u>two</u> of these criteria...</i> <ul style="list-style-type: none"> ○ Net imports/domestic supply quantity of cereals>50 percent ○ Net imports/domestic supply quantity of meat or fish>50 percent ○ Net imports/domestic supply quantity of vegetables or fruit>50 percent <i>...as well as at least <u>one</u> of these criteria...</i> <ul style="list-style-type: none"> ○ Prevalence of moderate or severe food insecurity>30 percent of population ○ Prevalence of undernourishment>10 percent of population 	Georgia

Debt and financial flows This covers five sub-areas, involving domestic/external and public/private aspects of financial flows.

Fiscal space Countries are considered more exposed if their tax revenues are small relative to GDP, below the potential level, and highly sensitive to economic growth, as future tax collection would be dampened further by sluggish economic activity. Countries with large fuel subsidies will also face larger fiscal burdens if these subsidies are maintained amid increasing global fuel prices. Finally, countries with higher fiscal risks, as suggested by the risk of public debt distress or wider sovereign bond yield spreads, are more exposed given rising financing costs.

Table 7. Fiscal space

Fiscal space	
<i>Meeting at least <u>three</u> of these criteria...</i> <ul style="list-style-type: none"> ○ Tax revenue/GDP<10 percent ○ Tax gap/GDP>3 percent ○ Tax buoyancy>1.20 ○ Fuel subsidies/GDP>3 percent ○ 'High' risk of public debt distress ○ Ten-year government bond yield spread versus the United States>5 percent 	Afghanistan

External financial flows Given weaker global demand, countries that have relied on international tourism receipts and personal remittances could be particularly affected.

Together with subdued demand, higher production costs and supply chain disruptions will undermine FDI inflows. Countries that rely on official development assistance (ODA) are also more exposed owing to tighter fiscal conditions in donor countries.

Table 8. External financial flows

External financial flows	
<i>Meeting at least <u>three</u> of these criteria...</i> <ul style="list-style-type: none"> o Net official development assistance (ODA) received/GDP>10 percent o Personal remittances/GDP>10 percent o Migrants working in Russian Federation/all migrants>50 percent o International tourism receipts/GDP>10 percent o Net foreign direct investment (FDI) inflows/GDP>10 percent 	Georgia

External debt Countries with larger total (public and private) external debt stocks and debt servicing burdens relative to their foreign currency earnings and foreign exchange reserves could be at a greater risk. Some major factors at play are currency depreciation owing to capital outflows, dimmer prospects of goods and service exports, shrinking official reserves amid terms-of-trade shock and wider current account deficits, and rising interest rates.

Table 9. External debt

External debt	
<i>Meeting at least <u>two</u> of these criteria...</i> <ul style="list-style-type: none"> o Present value of external debt/exports of goods, services, and primary income>200 percent o Total external debt stocks/official reserves>300 percent o Total debt service/exports of goods, services, and primary income>30 percent 	Georgia Kazakhstan Pakistan Tajikistan

Banking sector Countries where domestic credits to the private sector are large, but the banking sector is facing relatively low capital adequacy and high default loan ratios are more exposed. The ability of businesses to fulfill debt obligations will be hampered by weaker revenues and lower profits, especially if they absorb part of higher production costs. Meanwhile, large household debt stocks also pose a risk to banking sector stability given deteriorating household balance sheets owing to higher inflation, weaker employment conditions, and higher borrowing rates.

Table 10. Banking sector

Banking sector	
<i>Meeting at least <u>two</u> of these criteria...</i> <ul style="list-style-type: none"> o Domestic credit to private sector/GDP>100 percent o Bank capital/assets<8 percent o Default loans/total loans>5 percent o Household debt/GDP>80 percent 	Pakistan

Equity market Clouded by notable economic uncertainty, stock markets in developing countries can be subject to a sudden sell-off, especially where the perceived market risk level

is high or where stock prices are high relative to firms' earnings. The negative spillover effects to the rest of the economy will rise with the size of a stock market.

Table 11. Equity market

Equity market	
<i>Meeting at least <u>two</u> of these criteria...</i> <ul style="list-style-type: none"> o Market capitalization of listed domestic firms/GDP>100 percent o Equity risk premium>10 percent o Price/earning>20 percent 	None of the CAREC economies

Based on the number of indicators in any sub-area on debt and financial flows, where a country has exceeded the threshold values, Kazakhstan, Pakistan, and Tajikistan meet the criteria of at least six of all 20 indicators used in this assessment.

Table 12. Overview

	Fiscal space				External financial flows				External debt		Banking sector				Equity market	
Kazakhstan																
Pakistan																
Tajikistan																

Overall, this exposure analysis suggests that **Georgia, Kazakhstan, Pakistan, and Tajikistan** are four CAREC economies that are deemed more exposed to the interlinked crisis than others.



Left to right: Ms Kanako Mabuchi, Head of UN Resident Coordinator's Office, Azerbaijan; Dr Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development, UNESCAP, Thailand; Dr Giorgi Khishtovani, Research Director, PMC Research Center, Georgia; Dr Tuvshintugs Batdelger, Director, Economic Research Institute,

MONGOLIA CASE STUDY

Dr Tuvshintugs Batdelger, Director, Economic Research Institute, Ulaanbaatar, Mongolia

Impact of the Russia–Ukraine Conflict on Mongolia

Situated between Russia and China, Mongolia covers an area of 1.5 million square kilometers with a population of 3.35 million. Because of its geographical proximity to Russia, Mongolia started experiencing the impact of the Russia–Ukraine war on its economy early on. Since the country is dependent on the import of Russian petroleum and electricity and since Russia is one of only two neighboring countries, the conflict had both a direct and an indirect effect on the economy.

It is expected that the Russia–Ukraine conflict will have a long-lasting impact on the Mongolian economy. It will cause continuous disruptions in food and energy supplies and as a result, indirectly, it will have a greater impact on the economy in general.

The conflict will have an impact on the economy through the following direct channels:

- a) Energy supply disruptions and price increases
- b) Cross-border trade disruptions
- c) Friction in financial flows and FDI

Mongolia is dependent on Russian petroleum products. As the conflict started causing disruptions in the supply of these products, the government provided subsidies, price controls, and soft loans to farmers and food producers to reduce the negative effect of the war on households and enterprises. To keep the price of diesel fuel stable and ensure its supply, an excise tax of MNT (Mongolian Tögrög/Tugrik) 280,000 per ton of diesel fuel imported through Altanbulag, Sukhbaatar, and Zamyn-Uud border crossings has been exempted until the end of 2022, which will have a negative impact on the budget revenue.

Since the beginning of the conflict, the economy contracted owing to transport and logistics difficulties and the disruption of export and supply networks, not only because of the Russia–Ukraine war but also because of China's strict policies against COVID-19. It should be noted that as the government budget deficit remains high, amid rising prices for imported fuels, food, and consumer goods, and a deepening current account deficit, the economy has stagnated leaving little room for expansionary policies. Moreover, inflation and uncertainty is expected to continue owing to the war and supply chain disruptions.

Economic growth reached 3.8 percent in the first quarter of 2022. The main reason for the contraction is a decline in mining exports and production, as border restrictions continue owing to China's 'zero COVID' policy. **Inflation** reached 15.7 percent, the highest level since 2014. 12 percent of total inflation accounted for rising food import prices and 40 percent for non-food import prices.

The continuation of supply disruptions and the government's expansionist policies in relation to combating COVID-19 risk destabilizing the economy further unless issues of bottlenecks in transportation and logistics and the high current account deficit are resolved. Moreover, in the first quarter of 2022, the balance of payments deficit increased by USD770.2 million more than compared with the same period the previous year. This worsening was mainly because of a rise in the current account deficit by USD774.6 million to reach USD1,098.2 million. The financial account surplus also decreased by USD75.7 million to USD294.7 million.

Owing to factors such as increased external uncertainty, supply chain disruptions, rising inflation, depreciation of MNT, the economic growth slowdown caused by the Russia–Ukraine war, and border restrictions related to the COVID-19 pandemic in China, the Bank of Mongolia tightened its monetary policy in the first half of 2022 by raising its policy rate twice by a total of 3 percentage points, from 6 percent to 9 percent. Moreover, the required reserve ratio for domestic currency deposits was raised by two percentage points to 8 percent.

Thus, major macroeconomic indicators show that economic activity has started to slow down and the Russia–Ukraine conflict will continue to dampen it in the near future.

Dr Giorgi Khishtovani, Research Director, PMC Research Center, Tbilisi, Georgia

Summary

Global uncertainty is brought on by many factors, which are also relevant for Georgia: supply chain disruptions arising from the COVID-19 pandemic; a potential new wave of the virus; risks of the reimposition of pandemic-related restrictions; soaring food and energy prices; record high rates of inflation; the Russia–Ukraine war; increased geopolitical tensions in the region; increased risks of capital outflow from developing countries; and so on. The sustained conflict in the region, with no end in sight as of now, exacerbates all the problems listed above for Georgia—which is located close to the conflict zone and has close economic ties with both countries involved in the conflict.

Economy

Despite many risks and challenges hanging over Georgia's economy, it has shown notable growth after shrinking by 6.8 percent in 2020. In 2021, the Georgian economy grew by 10.4 percent and this high growth trend has continued so far in 2022. In the first quarter of 2022, growth was estimated at 14.9 percent, peaking to 18.0 percent year-on-year (YoY) in January. All other months in the first half of the year (except April and June) also experienced double-digit growth and average growth over the first half of 2022 was at 10.5 percent. However, it should be noted that this apparently high growth rate is partially attributable to the low base, as in the first half of 2021 numerous pandemic-related restrictions were still being enforced in Georgia. Moreover, a huge portion of this growth stemmed from a combination of one-off external factors, most of which were triggered by the outbreak of war in Ukraine. Finally, GDP growth has not been inclusive and has been disproportionally reflected among citizens from different income groups.

Growth rates

The multifaceted uncertainty present in Georgia has been reflected in the sizable differences between various forecasts published by Georgian and international institutions, with forecasts for the real GDP growth rate in Georgia for 2022 ranging from 2.0 percent to 12.2 percent. There have been large differences between the forecasts made by the same institutions, even within the space of a few months. For example, before the conflict in Ukraine, the World Bank projected a GDP growth rate of 5.5 percent for Georgia in 2022. When the conflict began, this forecast decreased to 2.5 percent, as tourism, trade, and remittances were all expected to decline. However, as economic performance during the first quarter of 2022 exceeded expectations, the World Bank has since raised its forecast back to 5.5 percent. The World Bank and other institutions behind these forecasts attribute such variability mostly to the uncertainty regarding the potential effects of the Russia–Ukraine conflict on the Georgian economy.

Inflation

Throughout the last 12 months, double-digit YoY inflation trends were present, with YoY inflation peaking at 13.9 percent in January 2022. Looking at contributions of different spending categories to the monthly YoY inflation, soaring prices for food and non-alcoholic beverages are the main contributors to inflation. In June 2022, 7.8 percentage points out of 12.8 percent inflation were attributed to the price rises in food and non-alcoholic beverages. While the rise in food prices affects everyone in one way or another, food still makes up a smaller portion of the consumption basket of richer households, while many poor families spend most of their income on food. Accordingly, if prices continue to rise, having a disproportionately high impact on the poor, it will exacerbate poverty and inequality in the country.

Inclusivity

When assessing growth and inclusivity, together with real GDP growth, it is also crucial to look at data on salaries of paid employees. In Georgia, nominal salaries of employees paid in GEL (Georgian Lari) grew by 50.7 percent from 2015 to 2021. However, when adjusted for inflation, the growth of salaries over the same period was actually just 12.2 percent. If nominal salaries of paid employees expressed in USD are examined, the salary growth is even lower—only 6.2 percent. It is worth noting that real GDP growth from 2015 to 2021 totaled 22.4 percent, which is more than 10 percentage points higher than the growth for inflation-adjusted salaries and about three times more than the growth of salaries expressed in USD. This suggests that GDP growth has not been reflected proportionally in workers' salaries.

Remittances

The Georgian economy is heavily dependent on remittances—the share of remittance inflows in GDP was as high as 14.1 percent in 2021. Thus, remittances continue to play an essential role in the lives of poor migrant families left behind in Georgia. In the first half of 2022, remittance inflows increased by 65 percent compared to the corresponding period of 2021 and by 132 percent compared to the corresponding period of 2020. The share of Russia in remittance inflows during this period amounted to 42 percent as remittances from Russia increased by 306 percent compared to the corresponding period of 2021, and by 414 percent compared to the corresponding period of 2020. However, the spike in remittances from Russia is largely elusive and is related to arbitrage. The arbitrage opportunity was created as a result of sanctions imposed on Russia that drove Georgian emigrants residing in Russia to start sending their savings to Georgia and the limited access to USD in Russia caused erratic shifts in the USD/RUB (Russian Ruble) exchange rate. This resulted in different official and black market rates for RUB in Russia, creating opportunities for arbitrage. Therefore, a significant number of Russians started to send money to Georgia, converting it into USD and then bringing the converted USD back to Russia and selling it on the black market—making a profit in the process.

Conclusion

Finally, while talking about growth and uncertainty in Georgia, it is worth noting that equity investments in Georgia have been declining since 2019 and, in general, FDI has been maintained mainly by reinvesting earnings. In 2021, the share of reinvestment of earnings in total FDI was as high as 61 percent and in the first quarter of 2022 this figure was 56.0 percent.

The Georgian economy has fared significantly better than expected in the first half of 2022, especially considering that there is a severe conflict raging nearby. Specifically, it has grown by an average of 10.5 percent over the first half of 2022. However, this growth could be attributed to a combination of various one-off factors, while key macroeconomic indicators in Georgia such as inflation and unemployment remain high, implying that underlying growth is not inclusive. This finding is validated by comparing the fact that the growth of inflation-adjusted salaries and salaries expressed in USD lags behind the GDP growth rates of the Georgian economy significantly over the period of 2015 to 2021. Furthermore, even though the effects of the war between Ukraine and Russia on the Georgian economy have been manageable so far, there are certain groups of people/firms in particular that have been negatively affected, such as those on low incomes (owing to rising prices), students (because of increased rent prices), and wheat processing firms (owing to difficulties in importing wheat).

PAKISTAN CASE STUDY

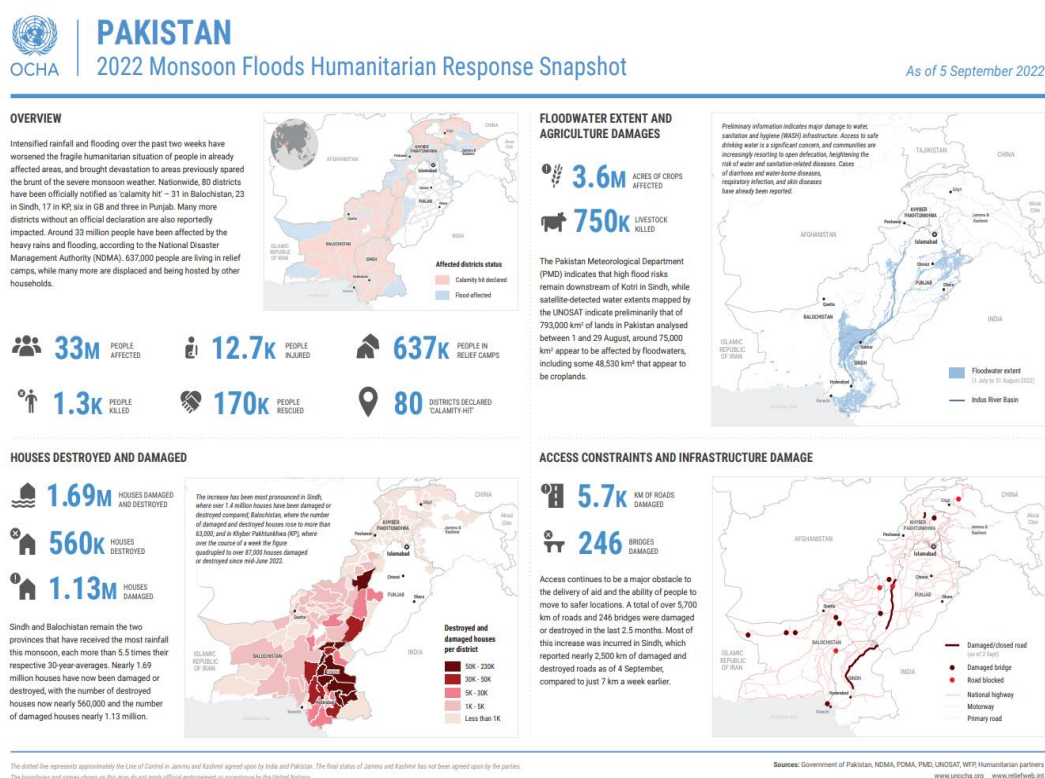
Mr Zeeshan Salahuddin, Director for Regional Connectivity, Tabadlab, Islamabad, Pakistan

Given the sheer volume of crises that Pakistan is facing on a daily, weekly, monthly, and yearly basis, it certainly feels like COVID-19 was a long time ago. This is purely because many events have taken place since, which have also had a negative effect on growth and inclusivity in Pakistan.

It is impossible not to speak about the recent floods in Pakistan because no conversation about growth and inclusivity, as many of my co-panelists have suggested, can take place without talking about inflation and in Pakistan certainly not without talking about the effects of climate change. The recent floods in Pakistan are much worse than those that hit the country in 2010.

Three key areas that will certainly be impacted by the floods for some time to come are health, education, and social protection. While there are some initial efforts being carried out to mitigate the effects on these three areas, a lot of these stopgap mechanisms are tied to immediate humanitarian aid and not a lot of effort is put into long-term thinking, in terms of how to improve inclusivity and growth. As always, women and vulnerable groups are worst affected. It is important to establish the scale of how massive the recent floods have been.

Figure 11. Pakistan 2022 Monsoon floods humanitarian response snapshot



Pakistan is a country of 234 million people with a median age of about 23 and 117 million are below this age. The floods have directly affected 33 million people and that is the scale of the problem Pakistan is dealing with. Initial estimates for damages caused by these floods are now in excess of USD40 billion and it has been reported that, had it not been for global warming, the severity of these floods may have been 50 percent less than it actually was.

The pandemic was a devastating reminder of both the frailty of human life and human institutions. Pakistan was spared the worst effects of the pandemic, but economic mishaps this year have really caught up with the country. Pakistan is now in a deep economic crisis; after decades of rent-seeking behavior, a lack of focus on FDI, remittances, and exports is leading to severe effects on growth and inclusivity. The lasting impacts that have been discussed, especially when it comes to COVID-19, some of these issues will not be resolved for years—for example, within the education sector, learning losses are estimated to be somewhere between 0.3 and 0.8 years. How that will impact learning potential, employment, and education down the line is something that will be seen only in the long term.

The IMF's World Economic Outlook growth projections show that growth in Pakistan in 2019 was positive at 2.4 percent and showed a contraction of 0.4 percent in 2020. In contrast, global growth rates were at all-time lows of -4.9 percent with advanced economies at around -8 percent.

The initial impacts of the COVID-19 pandemic elicited a strong response with a lot of support from government. In the first few months, there were about 18,000 cases and 1,600 deaths. Perhaps the most important factor here is that, of the 234 million people in Pakistan, 56.6 percent were identified as being socio-economically vulnerable, which is a massive chunk of the population and the bulk of this is made up of women and children, home-based and piece-rate workers, daily wagers, and marginalized groups.

The response to COVID-19 was strong, with increased spending on crisis response, including emergency healthcare, social protection, and business support—especially for daily wagers. One of the key steps taken by the government was the creation of the NCOC to take real-time data from every part of the country and make evidence-based key-insight decisions about where to intervene, what to do, how to implement resource packages, and so on.

The other thing Pakistan was one of the first countries to do was go into full-blown lockdown, even though it was quickly lifted because of the impact on low-income groups. Micro lockdowns that focused on small areas, such as neighborhoods or streets, for certain periods of time, followed the full lockdown.

The economic slowdown is very real, but still the country fared a lot better than the rest of the world in terms of the pandemic—a fact that has been recognized by the WHO. The World Bank's growth reduction prediction for Pakistan was 2.4 percent in 2020 and 1.1 percent in 2021 with a fiscal deficit of 10 percent.

The post-pandemic environment is mired in geopolitics, which is affecting many things happening in Pakistan. The global growth slump was at 5.7 percent in 2021 and 2.9 percent in 2022; this will continue into 2023 and 2024 owing to the conflict in Ukraine. The conflict has disrupted and will continue to disrupt activity, trade, and investment in the short to medium term; this has a direct impact on supply-chains, energy security, and food security. Despite global economic expansion in 2021, the IMF has downgraded its forecasts for 2022 and 2023.

Pakistan is now at a very high risk, which is a problem for multiple reasons because lesser revenue for Pakistan means there will be serious difficulty in debt servicing, services will be disrupted, and poverty will increase.

Global oil prices have been steadily rising and Pakistan's energy circular debt (ECD) is at a whopping 2.6 trillion rupees. The reasons for such large ECD figures are numerous, but mainly because there has been a tradition of rent-seeking industries like cement, sugar, and steel. With the introduction of independent power producers, the electricity and energy crises in the country have taken on a whole new scale and scope. Pakistan's installed capacity, as far as generation capacity is concerned, cannot be fully utilized, as almost a third of it is lost owing to a very weak and inefficient grid/transmission system.

The current economic crisis is also in large part owing to a huge fuel subsidy announced in February 2022 by the previous government, which rapidly depleted the country's foreign exchange reserves and led to the current debt crisis. That decision was reversed thanks to IMF stipulations, which is why the loan program finally resumed at the end of August 2022. Currently, the country is also facing record high inflation. This has been further exacerbated by energy prices to consumers and then by the floods. 2 to 3 million acres of agricultural land

has been destroyed; not only is Pakistan unable to export its traditional food as a result, but it will also have to import a lot of food, which will inevitably place further pressure on the balance of payments. As mentioned earlier, inflation is at an all-time high and by some estimates food inflation is hovering at around 28 percent.

What needs to happen? The development of a rules-based regional union is necessary; this is very important for Pakistan, as it currently has to traverse a precarious political tightrope on an international level. Transnational infrastructure should be developed; this is happening to some extent, but more efforts need to be made to use Pakistan's ports (Gwadar, Bin Qasim, Karachi) to offer regional connectivity and trade routes for the CAREC region. Stronger and more cohesive narratives on geo-economics need to be established at both national and regional level—for example, between CAREC countries. The scaling up of digital infrastructure and the provision of digital access allows for the democratization of those voices that are the most vulnerable and this has a direct impact on both growth and inclusivity. Leveraging market interdependence—like the demand for electricity at different times of the year in South Asia and Central Asia—should be focused on as there are clear synergies in many market variables in the region, which can be capitalized upon. Finally, it is essential to connect economists, businesspersons, and security analysts to find a sweet spot and offer tailored solutions that are acceptable to government and citizens, are cost-effective, and can be effectively implemented.

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Question from Dr Debapriya Bhattacharya, Distinguished Fellow, Center for Policy Dialog

Listening from yesterday and also today it seems that we are, as has been mentioned, heading towards a bit of a grim future. So the issue is whether we are facing a situation where there is a huge trade-off between pursuing a growth policy rather than a stabilization policy. Between growth and stabilization, what would be the major policy pillar in this case? I listened to Dr Hamza Malik very carefully and it was only at the end he mentioned much smarter, targeted measures related to public expenditure. In the discussions, the amount of attention that resource mobilization receives is not also given to public expenditure review. There are issues regarding subsidy composition and possibilities to review this looking at operational costs of governments. Also, how does one manage debt-servicing liabilities—particularly domestic debt issues? My question to my colleagues here and Mr Hamza Malik, in particular, is about that stabilization with inflations at its core. If you cannot control external factors, how do you use public expenditure more effectively as a whole, moving beyond just targeted interventions?

Answer from Dr Hamza Malik Thank you Professor Deb for a very precise and important question. For me, the debate is not an issue between stabilization and growth—it is about growth and sustainability. Coming to the specificity of the approach, I deliberately did not focus on the spending side of it. Our most recent publication is entirely on public spending, shifting through the data from Asia-Pacific and seeing which one works and which one does not work, specifically from the point of view of inclusive recoveries; we focused in on those three highlighted elements that emerge from the data itself. Those countries that invest in these three areas of education, healthcare, and social protection tend to fare better as they have better resilience and better recovery. The research we have carried out also builds on

something you are highlighting—what we call 'build forward better.' This is trying to answer what I heard first, is there necessarily a trade-off between things?

As economists we are trained to think about trade-offs—for example, stabilization versus growth—when push comes to shove, as seems to be the case right now, we tend to zero in on stabilization first and then focus on growth. The thinking, when it comes to growth versus inclusivity and sustainability, tends to be let's grow first and then we will worry about the distribution of that increase in the size of the pie. We try to question this kind of thinking and why it can't be done together. However, to study this, you need a relatively longer-term horizon of about ten years. We do see benefits in that. You can naturally have high growth potential, not as high if the focus was entirely on growth, but the trajectory would be on a high level if concerns regarding climate change were addressed simultaneously. Very briefly, the three areas that emerge are: investments in social services, investments in digital transformation and digital infrastructure, and investments in clean and green energy. Over the ten-year horizon you end up having benefits on the three economic and social fronts. To me, inflation is and should be the priority, not because it is an issue of stabilization *per se* like food items, but because it actually has serious implications in terms of how much growth can take place and whether it will be inclusive or not. Therefore, controlling inflation should be a priority to begin with. How to do that becomes more interesting and again in the context of your question, spending is going to be an important thing. There is another conventional way of thinking that we have tried to challenge, or at least try and raise concerns about, which is 'thou shall not spend beyond a certain level when it comes to fiscal positions and this is an implicit international rule of thumb.' 60 percent debt to GDP ratios and 3 percent fiscal deficits are the markers; when things go beyond that, it is assumed that something is wrong. I don't think this should be the case, so the spending requirements, whether to stabilize or to give subsidies for instance to control inflation, should be driven by the requirements of that country and then one should work backwards in order to draft policies that can meet these requirements. There are many ways to do this and the tax fairly part that I was highlighting, you can actually show that it is an issue of priorities.

One controversial thing that I've said many times, especially in the case of Pakistan, is that Pakistan spends huge amounts of resources on defense; it is just a matter of reprioritization of resources. In such cases, developing countries should not complain that they do not have the fiscal resources to provide subsidies to control food price inflation; it is just a matter of reprioritizing existing and available resources, but there is a whole bunch of geo-economics and geopolitics involved in that.

Question from Mr Shakeel Shah, Director, CI We have just seen the case studies and the overall scenario in which we see a number of challenges that are exacerbated by geopolitical events. Some countries are clearly coming under debt stress and that can also be seen in the literature; more than 20 countries are in debt stress. My question to Dr Hamza and the panel is: isn't it the right time to start discourse on the role of IFIs, as well as the IMF, in these scenarios? Right now, countries are facing huge debts and those in programs are facing the frontloading of reforms, which are further increasing inflationary pressures within the economy. On one side is price-hike inflation—the cost of fuel and food going up—and then on the other, more taxation is being advocated. The situation is clearly leading to a possibility where there is room for social upheaval in many countries. Perhaps policies like the redistribution of special drawing rights (SDR), from those countries that have not needed it or

maybe never will need it, to those countries that need it more in this critical scenario, lowering the cost of lending and promoting some counter-cyclical financing for those countries, should be discussed. Is there a need for dialog on rethinking the entire role of IFIs as well as the IMF in this scenario?

Question from Mr Vusal Huseynov, Central Bank of Azerbaijan My question is to Mr Hamza Malik. You talked a great deal about inflation and what drives it; my response is that, in response to skyrocketing inflation, central banks have been raising interest rates but we have seen that inflation is not going down—it is mostly going up or staying stable at high levels. I would like to know your views on how far central banks can go raising interest rates, to control inflation, without destroying the economy? And do you think we need to move beyond simple interest rates to other tools in order to control inflation that we haven't seen in decades?

Answer from Mr Zeeshan Salahuddin I think there is a real opportunity here, because there is quite a bit of crossover between debt-stressed countries and countries that are vulnerable because of climate change; Pakistan is a great example of this. There is a lot of conversation within Pakistan and also globally on instruments through which debt servicing can either be delayed, cancelled, or perhaps some of that money can be used instead for climate financing, specifically in the case of Pakistan towards adaptation and not mitigation because Pakistan contributes less than 1 percent of greenhouse gases. In pursuit of that, the point raised about SDRs by Mr Shakeel is entirely accurate and true. I think the distribution of the SDRs is very lopsided; it disproportionately benefits countries that don't necessarily need it and have in fact contributed to the climate change crisis; the countries that need it the most don't actually benefit from the SDRs. SDR redistribution is a key area that we should look at and start having conversations about.

Answer from Dr Giorgi Khishtovani Let me combine all three questions and tell you all about what is happening in Georgia at the moment. In Georgia's case, because growth was higher than expected, we had higher tax incomes than anticipated early this year. Georgia's recovery combines two actions. Firstly, to decrease debt levels in line with our strategy to keep debt levels under 60 percent and secondly, to redistribute funds to socially vulnerable groups because of the risks of social unrest. Of course, it is more like a stabilizing policy to be fiscally stable and at the same time to have social stability in the country, but it is not a growth promoting policy. Regarding monetary policy rates, this was a huge discussion in Georgia because we also have record high inflation rates. The explanation of the National Bank of Georgia is that, because growth figures are fragile and inflation is owing to external factors, it has to intervene even more and keep rates high. As Dr Hans mentioned yesterday, transition channels are not working as well as expected in this region and that is why increases in monetary rates do not mean inflation will be controlled. Therefore, I think we need to discuss whether monetary rates need to be increased as much as possible and whether they have an immediate impact.

Answer from Dr Hamza Malik I'll take the second question first and then come to the first question after. In my previous role, before I joined the United Nations, I was heading the monetary policy department in the State Bank of Pakistan, so I am very well aware of these debates. This is one of the most fundamental questions and also one of the most difficult ones to answer—to what extent should central banks continue raising interest rates? Especially if raising rates is not having an impact on inflation and this inflation is being driven by food prices.

There are a few basic factors that can be checked by looking at the data to pin down the sources of inflation more minutely; how the transmission is taking place depends on the availability and variation of data. One key consideration is what we gauge as purchasing power or real wages—does the country have data on wages? If so, then to what extent are wages responding to higher inflation? If wages are responding, then you will create problems by not increasing rates. My Mongolian colleague alluded to the overheating of the economy. One option is to delay rate increases if the cost to growth prospects cannot be borne. However, doing this will not make it go away; if the pressure on wages is building and purchasing power is being eroded, then central bankers will have to respond. The other factor tends to be, which is currently the case—what is happening in the global environment? Interest rates are going up globally, so even if one country does not want to increase rates they will not be left with a choice. In this case, the other option is to significantly devalue the currency, but countries are not always willing to do that either. This often depends on the level of reserves and to what extent they can intervene in the market to affect currency rates. There are all these policy trade-offs involved but from data, at a country level, one can somewhat determine what level you should increase rates up to and whether it is likely to have an impact or not. It is not a general rule that if inflation is high, interest rates should be put up, which is what I am basically trying to say; this is a much more nuanced discussion. The last factor is the credibility of central banks. People think this is a broad notion and that it does not really matter in practice, but it certainly does. What is the central bank's credibility? If they say they mean business by controlling inflation, they have to develop and build up their credibility over several years. If a country's central bank announces inflation targets and keeps missing them year on year, they will not have credibility in the market. In such cases, people and expectations will not respond and wages are going to go up. Institutional strengthening, which is a medium- to long-term issue, also helps considerably in influencing inflation dynamics going forward.

The question Mr Shakeel raised, on debt distress and the international financial architecture, is extremely important—this was part of the conversation that just concluded last week at the Group of Twenty (G20) where I was representing UNESCAP in some of the working groups, out of which one was based on reworking the international financial architecture. The point is spot on, and again from my previous experience at central banks, we were engaged with the IMF for over eight years, even during the floods of 2010, trying to argue against frontloading and imposing certain restrictions on countries like Pakistan, which was experiencing high inflation owing to the floods and other factors.

However, they have their own parameters. I have serious issues with the definitions of debt distress—how does one define that? You have to engage in a serious conversation and it is actually a rule of thumb, a yardstick. This is what I was mentioning, that in our forthcoming research we are trying to stress that limit. In this research we are looking from the perspective of SDG investments primarily. Why should a country go belly up at 60 percent of debt to GDP ratio? Why not 80 percent? What if the requirement to invest in people is much more than what your hypothetical debt limits impose on you? Part of international financial architecture reform is to actually question some of the underlying principles, which in turn inform the policies of the IMF. That is part of the recommendation that has gone through the G20 once again; to revisit the debt sustainability analysis (DSA) and bring in climate considerations; to bring in elements of SDG investment requirements—which are huge—and then talk about distress, which should inform policy decisions accordingly. Until this happens, countries that are in the IMF programs will continue to face the old methodology. Please remember that the

IMF was created in a very different time for a very different purpose. This original need no longer existed after 1973 when the Bretton Woods system collapsed; since then, they have reinvented themselves for—and are playing—a different role. Increasingly, there are calls for reforms in governance and policy, and so on. The IMF has introduced some notional changes but bigger things are still there. My colleague from the IMF is raising both his hands and wants to intervene immediately, but that is the reality. This is how things are evolving at the moment, so there is a genuine need for reform of the IMF; more participation is needed from developing countries and the underlying principles driven by a very market-led ideology need to be revisited so that one can come up with alternatives.

On the last point of SDR allocation—this is 100 percent correct. It is a part of the conversation. There is a body called the 'crisis response consultative group,' formed by the UN Secretary-General, which is made up of three streams: one is on food crises; one on energy crises; and one on financing issues. One of the recommendations within this body is the voluntary transfer of SDR allocated to countries that do not really need it, to countries that can actually use the resources much more effectively. We have not yet had success at that level, but the conversation is taking place and the issue is high on the agenda.

SESSION VII: BUILDING ALLIANCES FOR SHARED PROSPERITY

Moderator: Dr Sarah Geraldine Michael, Country Manager, World Bank Group, Baku, Azerbaijan

To make economic growth inclusive and sustainable, regional alliances must be built across governments, the private sector, civil society, academia, and other actors such as development partners who support inclusive and sustainable economic growth. This session focuses on the role and responsibilities of these stakeholders in shared prosperity.



Panel members of session VII of the sixth CTDF in Baku, Azerbaijan listening as Lead Speaker Dr Debapriya Bhattacharchya, Distinguished Fellow, CPD, Bangladesh, delivers his presentation titled, 'Reinvigorating Partnerships for Navigating the Turbulent World.'

Moderator The moderator opened this session noting that a complex set of development changes and predictions suggest that more difficulty will be faced in the coming years, amid potential sharp declines in global growth and the possibility of a global recession. Furthermore, the moderator noted that the region and the world faces increasing downside risks and headwinds including stagflation, energy and food insecurity, social and geopolitical tensions, climate-related risks and disasters, and fragmentation of trade and financial networks; all of these mean that greater collaboration and effective coalitions will be even more important for the world to achieve the SDGs, end extreme poverty, and achieve shared prosperity. In light of this, the moderator stressed the importance of partnering for development impact through the following actions: strategic alignment and advocacy on global development priorities; technical collaboration and coordination on the ground; joint financial and investment platforms across local, regional, and global levels; and the inclusion of actors and voices across all of these different groups.

Reinvigorating partnerships for navigating the turbulent world

1. Context

Partnership is a vehicle for strengthening international and national cooperation to collectively address multidimensional socio-economic agendas. In the context of this forum, it is worth looking at not only international partnerships but also regional partnerships and partnerships within countries. The framework of partnership is based on four core elements:

1. Shared objectives—countries in the CAREC region may not share all objects but do share some objectives that are critically important for their participation.
2. Guiding principles—there have to be certain guiding principles that are shared. Without a set of guiding principles within a framework, it has never been possible to discuss all the issues that arise when matters like trade and investment are being worked on.
3. Inclusive modalities—inclusive modalities address matters of how to create an environment in which smaller and bigger partners both receive a fair share of the positive outcomes arising out of a partnership.
4. Accountable results—there has to be an accountable, results-based mechanism in order to assess what has been achieved and how the distribution of results has taken place.

The interesting question for this house would be to what extent CAREC, as a framework with high potential and high levels of resourcefulness, really addresses these four elements? And also, how is CAREC dealing with these four core elements as the partnership evolves? No regional cooperation framework has ever been born with these four elements; they usually evolve as the process moves along.

Multistakeholder partnerships can arise among major stakeholders such as the government, international development partners, private entities, local communities, civil society organizations, and philanthropic organizations.

The different modalities of development partnership may broadly fall under (a) international, (b) regional, and (c) national (and subnational) collaborations. The need to forge partnerships has gained momentum in light of current trends in the global, regional, and national situations and trends. Therefore, it is also important to ask, has CAREC acquired more importance and more actual value to deal with the evolving global situation?

SSC and Triangular Cooperation (South-South-North) are also attracting more attention. Countries across continents are caught in the epicenter of intersecting crises:

- *Waves of COVID-19 pandemic*
- *Conflict in Ukraine*
- *Commodity price increases, particularly in food and fuel*
- *Breakdown of supply chain of goods, including computer chips*
- *Increase in transportation cost, particularly maritime*
- *Tensions in financial markets and networks*

- *Mounting concern about cyber security*
- *Compounding climate adversities*

Recent global macroeconomic and socio-economic trends

- **Post-pandemic trade slowdown**—July 2022 *World Economic Outlook* projected global trade volume to moderate from 10.1 percent in 2021 to 4.1 percent in 2022.
- **Supply chain disruptions and inflationary pressure**—July 2022 *World Economic Outlook* projected increased global inflation from 4.7 percent in 2021 to 8.3 percent in 2022.
- **Stagnated economic growth projections**—July 2022 *World Economic Outlook* projected lower global growth from 6.1 percent in 2021 to 3.2 percent in 2022.

Recent crises have set back years of socio-economic progresses

Reversed global human development index (HDI), particularly for life expectancy, was recorded for the first time in 30 years (*UNDP 2021/22 Human Development Report*). Nearly 80 countries worldwide are a step away from facing national debt crises (*UNDP 2021/22 Human Development Report*). Furthermore, altered global patterns of trade, production, and consumption of food commodities, owing to the Ukraine situation, can worsen acute food insecurity till the end of 2024 (*World Bank April 2022 Commodity Markets Outlook*).

2. CAREC country characteristics

The 11 CAREC member countries include a mix of **five upper-middle income** (Azerbaijan, China, Georgia, Kazakhstan, and Turkmenistan), **four lower-middle income** (Kyrgyzstan, Pakistan, Mongolia, and Uzbekistan) and **two low-income** (Afghanistan and Tajikistan) countries. A total of **eight** CAREC countries are landlocked (Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Turkmenistan, and Uzbekistan). Physical/digital connectivity issues will likely become a major factor in whether partnerships like CAREC can succeed.

Among CAREC member countries, **China** is an outlier in terms of size of the economy, population, and industrial production. This creates a possibility for a mechanism that is less than full reciprocity, which essentially means a two-track system where some countries enjoy more privileges than other countries in the region.

Kazakhstan, Turkmenistan, and Uzbekistan are endowed with significant coal, gas, and oil reserves, while Tajikistan and Kyrgyzstan have strong potential for hydropower generation. **Perhaps energy cooperation among CAREC countries could be the second most important element in the CAREC framework.**

Many CAREC countries are members of multiple regional cooperation mechanisms such as the Shanghai Cooperation Organisation (SCO) and the Central Asian Cooperation Organisation (CACO). It is important to consider how these CAREC members will synchronize various international commitments that are made under different frameworks into the CAREC framework.

Among the CAREC countries, there is fractured integration with GVCs owing to the absence of a high-quality physical transport and logistics infrastructure. There is a lack of diversification

of export commodities; primary commodities such as precious stones and non-monetary gold dominate the export basket. Cross-border frictions are affecting trade mobility—for example, there are complex customs procedures and difficulties in loading and unloading commodities.

Getting into GVCs and how regional cooperation can support that will also become a major point as this process moves forward. The CAREC countries must diversify into service-sector exports and manufacturing exports; in this regard, how does the CAREC framework support those goals?

Social barriers are resulting in gender disparity such as lack of access to decent work, education, and health services for women. The *UNDP Gender Gap Index* of 146 countries ranks **Georgia** (55) as the best performing country among CAREC members and **Afghanistan** (146) as being the weakest. How can those that are left behind and those that are victims of various kinds of discrimination be engaged? This regional partnership has to be inclusive to enable those left behind or pushed behind to receive the benefits of this cooperation.

Experience from the South Asian Association for Regional Cooperation (SAARC)—which unfortunately is stalling—for the last 30 to 40 years is that there is an issue in that all countries are equal but some countries should be treated as less equal than the others. This essentially means that some countries are weaker—even with this framework—which is why in the South Asian framework, avenues for less than reciprocity have been built in. Dispute settlement mechanisms are also vital as disputes will always arise and should be resolved at intergovernmental level. Furthermore, experience has shown that regional frameworks can become paralyzed in bilateral issues. It is no secret that the SAARC has been held back because of India–Pakistan. It is important that bilateral issues do not overwhelm regional integration initiatives, which is why dispute settlement mechanisms are important. Finally, there is definitely a need for tier 2 cooperation, with the private sector and think tanks, to support government processes continuously as cooperation evolves.

Partnership can play a critical role in addressing these challenges by building on the region's resources.

3. SDGs can provide a framework for reinvigorated partnership

Table 13. SDGs and their ability to provide a framework for partnership among CAREC members

SDG	Areas of partnership	Forms of partnership
Goal 1	Eradication of poverty	<ul style="list-style-type: none"> Resource mobilization through enhanced development cooperation to implement programs and policies to end poverty (Target 1.a) Sound policy frameworks at national, regional, and international levels to support pro-poor and gender-sensitive development strategies (Target 1.b)
Goal 2	Eradication of hunger and promotion of sustainable food security	<ul style="list-style-type: none"> Investment in agricultural infrastructure through international cooperation (Target 2.a) Easing trade restrictions and distortions in global agriculture markets (Target 2.b)
Goal 3	Promotion of healthy lives and wellbeing	<ul style="list-style-type: none"> Strengthen capacity of developing countries for management of national and global health hazards (Target 3.d)
Goal 4	Inclusive and equitable quality education	<ul style="list-style-type: none"> Facilitate training to increase the number of qualified teachers through international cooperation (Target 4.c)
Goal 5	Achieving gender equality and women's empowerment	<ul style="list-style-type: none"> Ensure women's participation and equal opportunities for leadership in political, economic, and public life (Target 5.6)
Goal 6	Sustainable management of water and sanitation	<ul style="list-style-type: none"> Transboundary cooperation (Target 6.5) International cooperation (Target 6.a) Partnership with local communities (Target 6.b)
Goal 7	Ensure access to affordable, reliable, sustainable, modern energy for all	<ul style="list-style-type: none"> International cooperation for efficient and clean energy (Target 7.a)
Goal 8	Inclusive and sustainable economic growth and decent work	<ul style="list-style-type: none"> Improve resource efficiency and achieve economic growth without environmental degradation (Target 8.4) Policies for sustainable tourism for job creation and promotion of local culture (Target 8.9) Increase Aid for Trade support for developing countries through Enhanced Integrated Framework for LDCs (Target 8.a)
Goal 10	Reduce inequality within and across countries	<ul style="list-style-type: none"> Implementation of planned and well-managed migration (Target 10.7)

Goal 13	Ensure access to combat climate change and its impacts	<ul style="list-style-type: none"> Developed countries jointly mobilizing USD100 billion to address the needs of developing countries through the Green Climate Fund (Target 13.a)
Goal 14	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	<ul style="list-style-type: none"> Enhanced scientific cooperation at all levels (Target 14.3)
Goal 15	Sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	<ul style="list-style-type: none"> Global support and partnership with local communities to combat poaching (Target 15.c)
Goal 16	Peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels	<ul style="list-style-type: none"> International cooperation (Target 16.8) Enhanced partnership with national institutions (Target 16.a)
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> International support to enhance domestic revenue mobilization (Target 17.1) Enhancement of development cooperation in technology transfer and knowledge-sharing (Target 17.6) Partnership between civil society, public, and private sectors (Target 17.17)

4. Relevance of SDGs with global experiences of partnership in CAREC countries

The following are some of CAREC's achievements on efforts related to SDGs. The emergence of the CAREC framework is not totally absent with regard to SDGs; there are some project-based interventions and strategies also being formulated. The areas of health, education, youth, and sustainable development are being looked at by CAREC. It is important for CAREC to work in these areas as the examples of what happened with the Southern Common Market (MERCOSUR), SAARC, and even the European Union (EU) show.

Table 1. Areas of global partnership in CAREC countries and their relevance to SDGs and related targets

Areas of global partnership	Relevance to SDGs and related targets
Regional cooperation in the health sector <u>CAREC Health Strategy 2030</u> aims to strengthen regional health security by developing healthcare systems through regional cooperation	SDG 3 (Target 3.d)
Vaccine equity Tajikistan was the first country in Central Asia to receive COVID-19 vaccines from the <u>COVAX Facility</u> in March 2021	SDG 3 (Target 3.d)
Addressing fallouts of the violent situation in Ukraine <u>Government-to-government</u> basis import of wheat by Pakistan from Russia amid supply chain disruption owing to sanctions on Moscow	SDG 2 (Target 2.b)
Knowledge sharing and capacity building An international conference brought together <u>government, academicians, and educators</u> in Georgia to facilitate knowledge sharing in childhood education and care	SDG 3 (Target 3.d) SDG 4 (Target 4.c)
Poverty alleviation and hunger eradication The European Neighbourhood Programme for Agriculture and Rural Development (ENPARD), established in 2013 and funded by EU in cooperation with the Georgian Government, to promote rural development and create social and economic work diversifications beyond agriculture	SDG 1 SDG 2 (Target 2.a)

6. Looking forward

The way forward for global partnership:

- Implementing a multilateral system, which is rules-based and open
- Creating inclusive platforms for non-state actors
- Strengthening transit regimes to ensure harmonized customs operations and multimodal transport with efficient border logistics
- Creating transcontinental communication networks, trade facilities, financial and IT connectivity
- Global and regional measures to address food and energy security challenges
- Strengthening initiatives to deal with the COVID-19 aftermath

The way forward for domestic partnership:

- Ensuring country-led partnerships through revealed political commitment
- Promoting democratic accountability and making space for civic voices and activities
- Creating a business friendly environment, through well-performing institutions and processes
- Engaging with local communities based on inclusive and accountable participation

No global partnership can be sustained without partnerships within countries because the actors that are going to participate in the process have to be brought in, whether it is the private sector, non-governmental organizations, or local communities. These actors have to be afforded protection, which is a crucial aspect of SDG goal 16. Quite often those dealing with domestic issues and those dealing with overseas interactions are distinct communities that do not communicate with each other. The important aspect of the SDG framework is that whatever is required from others should also be given to citizens.

DISCUSSANT I: DR DOLORES BORISOVNA TYULEBEKOVA, DIRECTOR OF THE WORLD ECONOMY RESEARCH CENTER, ECONOMIC RESEARCH INSTITUTE, NUR-SULTAN, KAZAKHSTAN

Deglobalization

The world economy is currently in a phase of deglobalization. Evidence of this is the declining intensity of international economic ties, growing protectionism, and increasing political tensions in the world. Today, countries that do not have an economic alliance with a major state face significant economic—as well as social—risks, as we saw with the COVID-19 pandemic. In this era of deglobalization, building regional alliances will enable countries to cooperate and respond effectively to global economic fluctuations and emerging crises.

External cooperation of the Republic of Kazakhstan

Regional cooperation is generally recognized as an important tool of sustainable development. To this end, Kazakhstan, as a participant in global processes, is actively involved in the activities of the SCO, Eurasian Economic Community (EurAsEc), the Economic Cooperation Organization (ECO), and the Organization of Turkic States.

Significant attention is paid to scientific cooperation—for example, within the SCO, the Consortium of Analytical Centers was established in 2020. In 2021, ESRI chaired this platform and prepared a strategic package of recommendations to SCO leaders based on joint discussions of key challenges for SCO member states. China is chair of the platform this year. On 22 September, under the auspices of the SCO Summit in Samarkand, a joint analytical report will be presented on the post-pandemic situation in the world and the region.

In general, since the establishment of its sovereignty, Kazakhstan has advocated progressive integration throughout Eurasia, which, in our opinion, gives a powerful multiplier impetus to global economic development. For example, thanks to its participation in the ECO, Kazakhstan has been able to become a key link in the Europe–China transit route.

Trade relations with the Turkic world

Kazakhstan attaches great importance to the Turkic world. In 2009, on Kazakhstan's initiative, the Cooperation Council of Turkic-speaking States (Turkic Council) was established. Traditional historical and cultural ties have potential for economic development. Over ten years, the share of the Turkic Council countries in the turnover of Kazakhstan has grown more than twofold; from USD4.5 billion in 2010 to USD9.3 billion in 2021. Kazakhstan's fruitful multilateral cooperation within the Turkic world has significant potential to deepen cooperation in virtually all sectors of the economy.

Country-specific cooperation

Azerbaijan has long-term, strategic plans for the development of the transport and logistics infrastructure, which will increase the volume of cargo flow between the two countries and increase the overall transit potential of our countries. In 2021, the total import of goods to Azerbaijan amounted to USD11.7 billion, while Kazakhstan ranked only 20th among exporters with a volume of USD95 million. From 2020 to 2021, the trade turnover between Kazakhstan and Azerbaijan increased by 28 percent—from USD109.3 million to USD139.7 million. **Exports from Kazakhstan to Azerbaijan increased by 13.2 percent over the past year, from USD84.3 million to USD95.4 million. The volume of imports to Kazakhstan in 2021 amounted to 44.3 million USD, which is 77 percent more than in 2020.** Already, in the first six months of 2022, mutual trade between Kazakhstan and Azerbaijan increased three-fold to USD194 million, owing to a sharp increase in exports from Kazakhstan consisting of wheat, petroleum products, locomotives, rail, ferrous scrap, fertilizers, confectionery, and other food products. This indicates both the demand for the trans-Caspian transit route for re-export and the growing need for Azerbaijan to diversify external sources of high-grade products. Imports from Azerbaijan increased by USD38 million (up 2.1 percent) owing to the import of dredgers, ethylene polymers, pipes and profiles made of ferrous metals, beverages, nuts, fruit, cargo, passenger ships, and others. In order to achieve more balanced mutual trade, it is necessary to increase exports from Azerbaijan to Kazakhstan. There are also great prospects in the investment sphere. Both Kazakhstan and Azerbaijan have a positive investment in climate change and there are plans to implement major investment projects.

Turkey and Kazakhstan have significant potential for the development of a green economy, IT technologies, space activities, industrial cooperation, healthcare, geology, tourism, and education. An agreement on trade in services is being prepared. Traditionally, there is strong

cooperation in the manufacturing industry, construction, and the agro-industrial complex. The transport and transit partnership also has development opportunities—this includes completing the trans-Caspian international transport route and expanding the geography and number of air routes between the two countries. From 2010 to 2021, trade turnover between Kazakhstan and Turkey increased almost two-fold—from USD2 billion to USD4 billion. Accordingly, during this period, Turkey rose from 12th to 5th place among the main trading partners of Kazakhstan. Turkey is traditionally an importer of Kazakh oil and metals. The share of finished products in Kazakhstan's exports to Turkey remains at the level of 1 percent—raw materials and semi-finished products still dominate. Kazakhstan's exports to Turkey have grown by 140 percent over the past ten years, from USD1.2 billion to USD3 billion. The structure of Kazakhstan's imports from Turkey, on the contrary, has changed qualitatively—if semi-finished products prevailed in 2010 (52 percent), then in 2021 the main share was made up of finished goods (59 percent). These are light industrial products, medicines, machinery and equipment, and household appliances. Based on the existing disparity in the structure of mutual trade, Kazakhstan's interest in industrial investments from Turkey is obvious. Kazakhstan and Turkey are World Trade Organization (WTO) members. In addition, Turkey is a member of the Organization for Economic Cooperation and Development (OECD), which Kazakhstan aspires to join.

Uzbekistan ranks second among Kazakhstan's trade partners from the Commonwealth of Independent States (CIS) countries. The potential for the development of trade with Uzbekistan is significant, owing to geographical proximity, a well-established transport infrastructure, and the presence of a free-trade regime. The manufacturing, agriculture, construction, and transport sectors have priority in cooperation with Uzbekistan. In the industrial sector, mechanical engineering, light and chemical industries are the most attractive for investment. Stable areas of cooperation between the two countries are energy and the agro-industrial complex, which will give a serious impetus to the expansion of mutual trade. In addition, there are opportunities for joint implementation of projects, including deep processing of meat products, vegetables, and fruit. From 2010 to 2021, the trade turnover between Kazakhstan and Uzbekistan increased 2.5 times—from USD1.5 billion to USD4 billion. Uzbekistan has risen from 14th to 6th place among the main trading partners of Kazakhstan. Uzbekistan is traditionally an importer of metal, fertilizers, wheat, flour, vegetable oils, and other agricultural and food products from Kazakhstan. Kazakhstan's exports consist mainly of raw materials. In the composition of Uzbek exports to Kazakhstan by 2021, finished products prevail (45 percent) compared to 2010, when the main share was raw materials (61 percent). In addition to fruit and vegetables, Uzbekistan began to supply cars, car bodies, ethylene polymers, bricks, and household appliances to the Kazakh market. Deeper industrial cooperation between the two countries will increase the stability of the regional economy.

There is also potential for developing cooperation with **Kyrgyzstan** in the field of both traditional (hydropower) and alternative (solar) energy sources. Development in IT technologies, transport and logistics complexes, and the tourism and education sectors is a priority for cooperation between the two countries. In 2021, compared with 2010, the trade turnover between Kazakhstan and Kyrgyzstan increased by 14 percent and amounted to almost USD1 billion. Kazakhstan's imports from Kyrgyzstan have also increased over the past year from USD233.6 million to USD345.6 million. The main exports from Kazakhstan to Kyrgyzstan are tobacco products, coal, water, raw gold, cars, natural gas, building mixes, and pasta.

The trade turnover between Kazakhstan and **Tajikistan** in January to July 2021 amounted to more than USD600 million, which is 38 percent higher than the previous year (USD436 million). At the same time, the share of processed goods in the structure of exports from Kazakhstan to Tajikistan was 67 percent, and in the opposite direction—2 percent. From 2010 to 2021, the trade turnover between Kazakhstan and Tajikistan increased 4.3 times—from USD276.3 million to USD1.2 billion. **Exports from Kazakhstan to Tajikistan have increased 3.2 times over the past ten years, from USD259.7 million to USD818.5 million. The volume of imports to Kazakhstan in 2021 amounted to USD360 million, which is 22 times more than in 2010.** The main exports of Kazakhstan to Tajikistan consist of wheat, natural gas, steel rods, aluminum oxides and hydroxides, petroleum products, sunflower oil, flour, rapeseed oil, flat rolled products, and pasta. The main imports to Kazakhstan from Tajikistan are ores and concentrates of non-ferrous metals, aluminum rods and profiles, vegetables and fruit, and light industry products. The composition of mutual trade between Kazakhstan and Tajikistan is made up mainly of raw materials and semi-finished products. There is also potential for joint cooperation in the production and sale of higher-grade products.

The trade turnover between **Turkmenistan** and Kazakhstan in January to November 2021 amounted to USD200 million. From 2010 to 2021, the trade turnover between Kazakhstan and Turkmenistan increased 2.5 times—from USD101 million to USD254.3 million. **Exports from Kazakhstan to Turkmenistan have grown 2.3 times over the past ten years, from USD91.5 million to USD211.5 million. The volume of imports to Kazakhstan in 2021 amounted to USD42.8 million, which is 4.5 times more than in 2010.** Wheat, smartphones, flour, steel bars, asbestos, televisions, and so on, are exported from Kazakhstan to Turkmenistan. Vegetables, lubricating oils, bed linen, synthetic fabrics, fertilizers, and packing bags were brought in from Turkmenistan. In summary, further development of cooperation will increase trade turnover, attract investment, realize the hidden potential of countries, and also strengthen interstate relations, at both state and civil levels.

Transit potential

For Kazakhstan—the largest country in the world without access to the open sea, but occupying an advantageous geostrategic position in the center of Eurasia—it is vital to further develop the transit potential of the country and the region as a whole—for example, transport corridors connecting Asia and Europe, and transport and logistics centers. The trans-Caspian international transport route passing through Kazakhstan, Azerbaijan, Georgia, and European countries plays a special role.

At the same time, it is advisable to unify transit routes in the region to optimize infrastructure investments. For Kazakhstan, which has already attracted significant investment, it is extremely important to negotiate with partners in the region on the joint use of new infrastructure on mutually beneficial terms.

Conclusion

In conclusion, Kazakhstan, being a sovereign state adhering to democratic values and principles of international law, pursues an active foreign policy aimed at mutually beneficial partnerships with all states of the world. The priority for the Republic of Kazakhstan is to maintain harmony and stability, deepen cooperation with partner countries and diversify and

optimize commodity flows, including through participation in international transport corridors. The increase in transit potential makes it possible to increase mutual and external trade turnover, reduce the number of intermediaries, reduce the cost of products for the final consumer, and increase the speed of deliveries.

Most importantly, balance, in terms of the volume and structure of industrial cooperation and mutual trade, ensures mutually beneficial and stable cooperation of all member countries of the regional alliance.

DISCUSSANT II: MR ELDOR TULYAKOV, EXECUTIVE DIRECTOR, DEVELOPMENT STRATEGY CENTER, TASHKENT, UZBEKISTAN

Central Asia has always been a priority in foreign policy for Kazakhstan and now the next strategy from 2022 to 2026 has seen South Asia being added as a priority. Uzbekistan has been paying attention to establishing tighter cooperation, beyond the regions of Central Asia and South Asia, with other partners as well and this has been a priority for the country in current political reforms—for example, the Turkish Council.

The annual SCO summit is currently being held in Uzbekistan and this will be a good push for further economic prosperity between these countries and also for regional integration.

Uzbekistan has taken the lead in peace processes in Afghanistan and has held large events where relevant stakeholders attended. Security is a huge factor for regional cooperation in these times. In order to increase this cooperation, Uzbekistan has liberalized tariffs and exchange rates, opened the economy for trade and FDI, and also reduced taxes.

According to the OECD, real GDP growth accelerated to 5.6 percent in 2019 but slowed in 2020 to 1.5 percent owing to COVID-19. Uzbekistan has set the goal of becoming an above average income country by 2030. Furthermore, Uzbekistan's commitment to the SDGs has been implemented since 2015. In October 2021, the Government of Uzbekistan approved national goals related to sustainable development by 2030.

There are 16 SDG goals that the government aspires to meet through its national goals, which focus on environmental, social, and economic problems. These goals comprise 125 related tasks and 206 SDG indicators. In order to implement and monitor implementation of these goals, a specific department for interdepartmental coordination was established.

The government monitors the effectiveness of reforms through 23 global ratings indices, including the global SDG rating, according to which Uzbekistan ranked 52nd out of 162 countries in 2021. The newly adopted development strategy, up to 2026, fully coincides with the UN's SDGs and numerous experts have commented on how similar all these outcomes are. SDG alignment is also reflected in the concept of integrated socio-economic development of Uzbekistan till 2030 and the poverty reduction strategy of Uzbekistan up to 2030. The current strategy focuses on the principles for human honor and dignity, which touches upon certain issues previously mentioned by Dr Debapriya Bhattacharya.

One of the main tasks of the current government is to halve the poverty level in Uzbekistan by 2026. In particular, the government's plan is to increase GDP per capita from the current level of USD2,000 to USD2,800 by 2026.

Despite the negatives of COVID-19, experts have mentioned the success of Uzbekistan in achieving national SDGs. Uzbekistan has made great strides in decreasing the number of people living in poverty as well as inequality; the number of people living in poverty decreased from 27.5 percent in 2001 to 12.8 percent in 2015 and 11.5 percent in 2020. As most vulnerable people in Uzbekistan are women and young people, Uzbekistan has been paying particular attention to their needs; there is a committee on women and family affairs as well as a committee for youth affairs. More than half a million families were removed from the category of needy in a short period. Moreover, to provide targeted social support, there are special registers—for example, the iron notebook, the youth notebook, or the women's notebook—where the government specifically lists those with special needs. As a result of reforms—for example, in the field of entrepreneurship—the number of entrepreneurs has almost quadrupled during the past five years, which has also supported the creation of jobs.

A food security strategy was adopted in 2019 and Uzbekistan rose by nine positions in the world rankings of food security from the 80s in 2018 to 71st place in 2019. Of course, there are many other goals—for example, health targets, education targets, and the provision of clean water. All this information is available on the website of the Development Strategy Center of Uzbekistan.

DISCUSSANT III: MR NATIG MADATOV, RESEARCH FELLOW, ECONOMIC
SCIENTIFIC RESEARCH INSTITUTE (ESRI), BAKU, AZERBAIJAN

Picking up on the presentation delivered by Dr Debapriya Bhattacharya, Mr Natig suggested the addition of shared or common values to the core concepts for regional integration because many CAREC countries have commonalities in culture, religion, and language. These aspects could also bring CAREC member states closer together as they have common problems and common traditions; this could also become one of the key elements for future partnerships.

Azerbaijan has significant oil and gas resources, which helped the country to become a real driver for regional economic development. The country has initiated many oil and gas projects in the region, connecting east and west, and has been part of transport projects that have increased connectivity. Azerbaijan has a favorable location as a bridge between East and West, providing a corridor for cooperation. Moreover, it is not only a matter of geography but also a matter of infrastructure, in which Azerbaijan has invested a great deal, which has made the country a real hub.

With regards to future cooperation there should also be a focus on cross-border cooperation issues—for example, in the European Union there is a specific cross-border cooperation program that provides grants for loans and projects in sectors such as infrastructure. CAREC member countries could also use this approach to promote cross-border cooperation.

Azerbaijan is a member of many international organizations such as ECO, the Turkic Council, and the Organisation of Islamic Cooperation (OIC). The country also has the status of partner

in the SCO; Azerbaijan is open to cooperation and being a reliable partner there is a good opportunity for this to take place.

In terms of economic activity, Azerbaijan has adopted a new strategy titled the 'National Strategy 2030 for socio-economic development,' which outlines the main direction of our economy. This strategy provides opportunities for cooperation and dialog between civil society, development partners, and the private sector. The national strategy puts emphasis on SMEs as the real drivers of growth in the future and highlights the importance of private–public cooperation. Furthermore, the SDGs have also been kept in mind and the national strategy addresses SDGs like an inclusive society based on justice and more competitive and innovative human capital. Azerbaijan, in the future, would like to play a critical role in regional economic development by initiating transport projects that can enhance regional connectivity and enhance Azerbaijan's capacity as a regional partner. Using platforms like CAREC will strengthen our cooperation.

DISCUSSANT IV: DR TUVSHINTUGS BATDELGER, DIRECTOR, ECONOMIC
RESEARCH INSTITUTE, ULAANBAATAR, MONGOLIA

Regarding SDGs, Mongolia has a very long-term outlook; one year ago Mongolia formulated the 'Vision 2050' strategy. In the future, Mongolia sees itself as a democratic, sustainable, and well-planned economy. In this context, what can Mongolia do to enhance cooperation among CAREC countries?

The most important thing is to use the platform for knowledge sharing because the period of the last 30 years, after the Soviet Union ended, was very volatile for Mongolia. The country has a lot of lessons to share. Quite a few of the Central Asian economies have mineral economies. Mongolia is no exception; it has had a lot of highs and lows, as it is also dependent on its mineral sector. In this regard, policy-making and effective macroeconomic policy is important.

Secondly, social issues need to be focused on, in terms of knowledge sharing, because inequality and poverty are worsening. Poverty in Mongolia is at 28 percent; this should not be the case, as Mongolia is a high-growth economy, which means that inequality is prevalent—although the GINI coefficient says otherwise. In light of this, CAREC cross-country studies on poverty eradication are needed; despite it being a hot topic for the past 20 to 30 years, there has been no real solution.

Income inequality has also become a big issue, especially for mineral economies. Mining is a capital-intensive activity and because of the nature of many CAREC economies, in the longer term, income inequality will be a big challenge. This platform can be used to share experiences and thoughts on how to address the factors contributing to inequality and how this issue can be addressed overall.

Thirdly, on the economic front, the Belt and Road Initiative (BRI) closely links these countries; however, as Mongolia is situated between Russia and China, it is not really tightly connected to Central Asia. For example, Mongolia does not have a common border with Kazakhstan; the countries are separated by only 60 kilometers of the Russian countryside. The impact of the

BRI has to be studied to see its effect on these countries and how such initiatives can be taken advantage of.

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Question from Dr Norbert Funke, IMF How do we build alliances in the current context, where we see a lot of fragmentation within these countries? On the previous discussion, regarding the role of IFIs, we should not underestimate the role they are playing and the enormous change they are going through. If you think about the pandemic, the IMF provided emergency financing and there was also the debt suspension and relief initiative, which benefited some CAREC members. There is a lot of economic and political advice for countries in the region that is offered by IFIs, which is important. Also, the debt sustainability framework for emerging markets is being changed and in the future will include the possibility of analyzing and addressing climate change. The IMF is also looking at its lending policies in general and the SDR allocation.

Question from Dr Giorgi Khishtovani My question is to all my colleagues on the panel. How much and in what way are civil society organizations and think tanks involved in the policy formulation and policy implementation process in each of your countries? How is the landscape changing? Please also share good practices, when think tanks and other civil society organizations have contributed to positive changes in policy making in your respective countries.

Question from Dr Shakeel Shah, Director, CI My question is to Dr Bhattacharya. You have advocated multilateral approaches for cooperation; as far as trade is concerned, the center stage for that approach is the WTO. However, after the Doha agenda the WTO has faced major challenges and not much progress has been made. Developing countries developed their own perspectives on this whole multilateral process and to make things worse it suffered further setbacks and the dispute settlement mechanism was dysfunctional for a long time and it is still not fully operational. Do you see a real chance for a multilateral system to deliver on a set type of cooperation initiative? Lack of progress pushes countries towards adopting approaches that are regional and local.

Answer from Dr Deb Bhattacharya On domestic alliances—that is a landmine question. Our experience shows that it is the era of identity politics. The task at hand is about building all the identities into a much more inclusive framework, through a much more democratic franchise. How do we create institutions through which people are heard not only on an international level but also on a local level? Institutions through which voices can be heard are important. If that voice is not available, it affects the development process and inequalities and social cohesion is weakened; this is an issue for the ruling elites to understand. Do elites benefit from creating domestic alliances, ruling through local government or through integrating identity issues into the national democratic process? The big vision that ruling elites want to propagate will not be deliverable without grassroots involvement; that enlightened self-interest issue is where I see the possibility of strengthening the integration process and inclusivity. The issue is whether the current generation of ruling elites will be able to transform them into the next phase to make what has been considered as the big bargain in development? This is something to be seen and definitely it is very contextual within the countries; those who want to get into the European Union will face certain types of issue and

those who want to participate in more SSC will face another set of issues. There is no simple recipe to this, but there is a shared position on that particular point.

Regarding shared history and values, is it an asset or a baggage? My aim was to focus more on the objectives and partly on the principles for cooperation like openness. In South Asia, we always thought we had this commonality in culture, history, and so on, and this took us to a certain point but no further, because there were much more important political and structural barriers, which held back cooperation.

On the issues of local partnerships, I am very happy that domestic partnerships are also being recognized for having much stronger and substantive cross-border partnerships.

Civil society organization (CSO) participation is shrinking across the world and this is because the space for engagement from CSOs is also shrinking, partly because of elected authoritarianism and many other issues. Wherever CSO participation is not being squeezed, it is becoming highly politicized and divisive. If you go around the region, particularly South Asia, you will see there is less and less space for independent civil society and reduced access to resources—both international and local. Furthermore, the division within the civil society (the loved ones and the unloved ones) is also apparent. Having said that, running a civil society think tank for 25 years, the selling point or sustainability of the civil society is based on its excellence. I have faced criticism on many occasions and almost sent to jail; however, the reason I survived was that what I said was always based on figures and analysis, and I could stand by this, and in the end this was validated. My appeal to civil society is to strive for excellence.

On multilateral and trade issues, everyone was pessimistic about how things would turn out after the 12th WTO Ministerial Conference (MC-12). As part of the G20 preparatory process, everyone was suggesting that the leaders of the G20 should not meet and should not be asked to speak on a podium, but rather have recorded video addresses. In the WTO because the EU and others asked to weaponize trade, to make sanctions multilateral through the WTO, there was a sense of a practical approach not to jeopardize the WTO and these requests were not made a part of the formal agenda. The MC-12 joint declaration is one of the successes of international cooperation, even in the days of COVID-19 and the Ukraine conflict. If one looks at who is objecting to the dispute settlement mechanism of the WTO, it is the United States who are not appointing their judges because some of the decisions were not favorable for them. We are seeing a reverse multilateralism, in that those who created the rules are now not enjoying them and their implementation. My concrete point here is that SSC—which is all about frameworks like CAREC, SASEC, and the South Asian region—has emerged as a much more viable option for international cooperation, but is the South ready? I see the opportunity but I do not see that we adequately realize the challenges involved or the application of political capital needed to resolve these challenges.

Answer from Dr Delores Tyulebekova In Kazakhstan, think tanks and CSOs are more involved in policy making on different issues. Ministries often ask CSOs to formulate or prepare the direction of foreign policy or trade policy. Accordingly, ideas of multilateral cooperation and domestic cooperation are evolving. Personally, I am a fan of transport cooperation, which has transit potential. Any relationship depends on the level of infrastructure development and

regional cooperation between countries should not be based on trade turnover, but on good infrastructure and logistic roles.

Answer from Mr Eldor Tulyakov The trend of CSO participation is that it is changing in a positive way because the involvement of CSOs and think tanks is rising in Uzbekistan. Currently, public participation and public opinion is a priority in policy making. The President has stated that dialog with people is a priority. The government establishes different working groups when carrying out institutional/legislative reforms and often think tanks are there in these working groups to represent society. The media is also active and has also become very critical of this process of consultation. People are using media platforms to express themselves and officials are also carefully watching the media, so there is a dialog between society and the government through the media. In addition to that, government officials often go out to districts and regions to meet people face to face and gauge their thoughts on reforms. As for the challenges, in order to improve and increase CSO engagement, one of the challenges is the need for professionals in CSOs and think tanks who can compete with public officials and speak at the same level.

Answer from Mr Natig Madatov In our country the role of think tanks in policy making has increased because the government has encouraged it. The Economic Ministry created ESRI and our goal is to become a modern think tank that is actively involved in the policy making process and provide alternative views on all kinds of topics. ESRI played a key role in recent national policies and will have a role in implementation, as well as analyzing and measuring the success of policies—for example, monitoring and evaluating the success of initiatives launched for entrepreneurs. Civil society can play a key role in transforming the attitude of government towards the private sector and vice versa. In our country, CSOs also participate in projects funded by international donors—for example, ESRI has participated in the provision of training to entrepreneurs in rural areas. These types of project will also increase the level of awareness about the importance of economic activity and the role of business in Azerbaijan's economic development.

Answer from Dr Tuvshintugs Batdelger In Mongolia, right from the beginning, we understood the importance of independent voices in policy making. Ideally, we should have think tanks to assess policies and share their results with policy makers, but in reality that is not happening. In Mongolia, we do not have such government think tanks, apart from one, and also not many independent think tanks. In such a situation, it is difficult to nurture independent think tanks and we have to think about how we can get support for that, but the demand for such think tanks is certainly there. We have legislation on how any law should be submitted to parliament and within that there are provisions that any law has to be accompanied with policy studies and the effects of proposed policies on the budget and the economy. There is a legal framework but for now the practice is that ministries themselves carry out assessments and submit them, which sort of defeats the purpose. The demand is there and the need is there, but the capacity is not. The lack of expertise is a huge obstacle for us in Mongolia.

Mr Batsaikhan Zagdragchaa, Senior Strategic Planning Specialist, CAREC Institute

As secretariat to the CTTN, this session was held to update CTTN members on the progress of the network and share future plans, including a demonstration of the CTTN blog.

About the CTTN

The definition of think tanks is quite broad and the growing trend of think tanks globally and in this region can be seen. The 'Global Think Tank Index' report ranks 90 think tanks from Central Asia, Mongolia, China, and also the Caucasus region. CAREC's 2030 Strategy aims to engage think tanks, academia, and the private sector in order to support and promote people-to-people connections.

Over 60 think tanks, research institutions, universities, and policy centers from CAREC countries are part of CTTN. The ADB-PRC led RKSII has been an important partner for us and has supported us in continuing our activities. The aim of the CTTDF is to invite eminent speakers and resource persons to discuss key aspects of regional challenges and steps that can be taken to enhance cooperation and integration. Furthermore, the CTTDF is also held to discuss critical networking issues among think tanks in the region.

CTTN activities

Key activities of the CTTN include:

- CAREC Annual Think Tank Development Forum (launched in 2016)
- CTTN Research Grants Program (launched in 2019)
- Think Tank Talk Series/Dialog (launched in 2021)
- CTTN Blog/Depository of Knowledge (to be launched in 2022)

Research grants program (RGP)

In 2019, CTTN launched its RGP to support scholars and researchers from CTTN members to produce targeted knowledge products, which will add to the body of knowledge on regional cooperation in CAREC. Over the past four years the program has supported 14 research projects and successful research outcomes have been presented at various development platforms.

Table 15. CTTN RGP 2019-2022

2019	2020	2021	2022
<p>(i) Assessing participation of CAREC countries in global and regional value chains</p> <p>(ii) Study of cross-border tourism value chains between Uzbekistan and Kyrgyzstan</p> <p>(iii) Impact of sanitary, phytosanitary, and quality-related standards on the trade flow between CAREC countries and Georgia</p> <p>(iv) Opportunities and challenges for agri-food trade between Kyrgyzstan and Pakistan</p>	<p>(v) Exploring exports-driven growth: learning from Pakistan-China free trade agreement, and</p> <p>(vi) Prospects of tourism sector development in Kazakhstan and Kyrgyzstan including Almaty-Bishkek Economic Corridor</p>	<p>(vii) Community entrepreneurship in Central Asia: Learning from the 'One Tambon, One Product' Program in the Greater Mekong Subregion</p> <p>(viii) The CAREC and its neighboring regions: a diagnostic of the intra-bloc and extra-bloc trade</p> <p>(ix) Trade efficiency and influencing factors in CAREC region: based on Stochastic Frontier Gravity Model</p> <p>(x) Technology gap and productivity spillovers from Chinese outward foreign direct investment</p>	<p>Access to health, education, digital technologies, and women's participation in the workforce: case studies from Azerbaijan, Kazakhstan, Pakistan, and Uzbekistan</p> <ul style="list-style-type: none"> - CESD, Azerbaijan - Institute of Economics, Kazakhstan - SDPI, Pakistan - CPRO, Westminster International University, Uzbekistan

Partnerships and dialog

CTTN sees partnerships as being very important because, as a new network, CTTN needs to learn from its partners and also share its experiences with others.

This year CTTN became a member of the Global Coalition of Think Tanks Networks, coordinated by UNOSSC, and attended the fifth Steering Committee Meeting for South–South Global Thinkers. CTTN also participates in other global and regional forums—for example, the ADB's Asian Think Tanks Development Forum and the Global Think Tanks Forum.

Think Tank Talk Series

Another activity that was initiated last year and one that is going to be expanded is dialog held through the Think Tank Talk Series. This is the kind of activity that think tanks are invited to in

order to share their experiences and discuss specific thematic topics. For example, in March 2021, webinars were held that focused on the theme, 'Thinking through the crisis—the role of think tanks.'

Blog and depository of knowledge

This year CTTN aims to launch the CTTN Blog, which will encourage researchers to share material on topics, as a lot of work has moved online and fast responses are needed in the current environment. All think tanks and researchers in the region are encouraged to contribute to this blog, which will provide policy insights and inputs to the public and to legislators. Hopefully, this will also allow member think tanks to share experiences from across the region. The blog will welcome postings in all languages and CI will have a mechanism to translate and edit these contributions.

For discussion

On the forum:

- How can the forum be made more effective and impactful?
- Will there be a broader engagement of policy makers and businesses?
- Are CTTDF and CTTN fulfilling the objectives set out in the Urumqi Declaration?
- Design, duration, and setting of the CTTDFs

On other CTTN activities:

- Renewed approach of the RGP
- How should CTTN RGP be linked with key regional issues?
- What other activities will be beneficial to CTTN?

On the role and engagement of CTTN:

- How can network members better engage in CTTN activities?
- What can CTTN members offer to the network?

What is the role and contribution of CTTN in the overall CAREC program?

PARTICIPANTS' FEEDBACK AND OPEN DISCUSSION

Mr Khalid Umar, Coordinator, CTTN We want to engage our think tanks in the region through this blog. We would welcome simple blog postings in any language, as CI will have a mechanism of editing that and also translating those posts. The point is to make a contribution on regional issues. Currently, our interaction with think tank members is not very strong. Therefore, we would like to know how to make this forum impactful and effective. Are we moving in the right direction and what can we do better to make this more productive?

Comment from Dr Abid Suleri, SDPI This is an excellent opportunity for us think tanks to engage with our peers in Central Asia and China and across the region, especially owing to

language barriers. If this platform were not there, it would be very difficult to interact and find out about all the great work being carried out in this region. Second, the CTTN RGP works very well, especially for mid-career researchers and matching researchers and think tanks with each other. The ability to conduct joint research is very valuable. Coordination could be done better but credit has to be given to CAREC for continuing online. Excluding the three years of COVID, which had a negative impact on CAREC's overall performance, personally I am quite satisfied from where we started in Urumqi to where we are today as a lot has been gained. If these pandemic barriers are not there in the years to come, then a push has to be made to cover the ground lost over the last two and a half years. One needs to expand on the ritual of this annual meeting, so perhaps that can be done through the secretariat or virtual spaces where we can all communicate more often; think tanks could go about synchronizing their calendars/events and reciprocity, whereby contact can be increased. People-to-people and think tank-to-think tank contacts are important to forge partnerships. These partnerships can be strengthened, whether virtually or in person. The Sustainable Development Policy Institute's support is there for CAREC in its future endeavors.

Mr Khalid Umar Thank you, Dr Suleri. We agree that certainly we can increase the frequency of our meetings and dialog by leveraging digital spaces.

Comment from Mr Zeeshan Sohail, TABADLAB Expansion of who is a part of these forums—whether that is from the private sector, security professionals or political analysts—that level of cross-collaboration and cross-pollination is necessary. We often operate within our own bubbles, so it would be good to have a wider network to reach out to and this would also amplify our voices. The second part is goal setting related to the RGP specifically; in the think tank space we have a tendency to churn out knowledge and produce report after report, but there isn't any goal setting about where that is going to lead to. Is it going to be placed on the floor of Parliament? Is it going to get raised in some parliamentary committee? Some kind of goal setting is needed in terms of what is the eventual end state of these knowledge products. We have a triangular model in that, for any kind of real change to happen, you have to have data and evidence, package it in the right format, and engage with the right political actors in the larger political economy. In terms of matchmaking and people-to-people contact, the CTTDF can do a great job even outside the forum. Perhaps a quarterly format to update each other or a newsletter could achieve this—once a year is not frequent enough. In this regard, digital talks can be held that focus on various subjects. There needs to be better networking during and after these forums. There are a lot of people here, but you cannot possibly interact with everyone.

Mr Khalid Umar Thank you, Mr Zeeshan, for your excellent ideas. We have taken note of these. Regarding your comment on getting out of the think tank bubble and engaging multiple stakeholders, we have tried our best to engage with the private sector. This year too, we reached out to the chambers and industries of all member countries. This year, the SCO summit coincided with our CTTDF and there is also a business summit on the sidelines because of which many companies and associations could not make it. We received only two confirmations promising to attend online. Private sector engagement is what we are aiming for but we have not been successful so far, as they have deep pockets and think tanks need their support for sustainability. We are working on this, but progress has so far been limited.

Comment from Professor Giorgi Khishtovani, PMC Research Center We would like to emphasize that it would be nice to incentivize, in the framework of RPG, cooperation between member think tanks so that grants where CTTN members can jointly apply would help increase the level of cooperation. Second, it would be nice to offer the CTTN member think tanks to build up a panel to have more ownership of the panel and panel topics. This will give more ownership to members and would perhaps be a good way to increase participation. We agree that is very important to involve more groups/associations like business and security institutions. It would be of added value if policy makers, not only from host countries but also other CAREC member countries, can also participate. It would help to organize events within CAREC member countries for capacity building and finding roles for member think tanks in this process, which would also increase their participation and contribution to the CTTN.

Mr Khalid Umar Thank you, Giorgi. It is a good suggestion that we collaborate to submit joint proposals to win grants, as think tanks cannot be the masters of all trades. If a grant were in a particular field, like that of renewable energy, then perhaps the expertise of various think tanks would complement each other and allow competitiveness in the grants process. CTTN members should think about this and one objective of this forum is to talk to each other, come up with ideas, and work together. We did establish a CTTN advisory panel three years ago, but owing to some reasons like COVID-19 and the tendency of high turnover in think tanks, we lost four to five members of the panel in the end. We have to revamp it in a much better way.

Comment from Ms Tselmegsaikhan Lkhagva, Executive Director, Independent Research Institute of Mongolia The focus of this format is nice and so is the fact that there are so many think tanks involved. Perhaps the first day can be focused on just think tanks and perhaps the second can involve other stakeholders. It would be a good idea to map the landscape of the think tank ecosystem in the 11 CAREC member states. For example, only three think tanks from Mongolia are here. Perhaps having a map or rapid assessment of the landscape to know the specialization and size of various think tanks would be beneficial. Having a general picture like this would enable synergetic endeavors and identify clusters of think tanks in the region. It would also allow CI to design more tailored activities for think tanks. Maybe in the next forum, a session focusing on a development roadmap for the next five to ten years, based on rapid assessment results, would be beneficial. Mapping would require resources and perhaps the participant think tanks could volunteer to collect information in their own respective countries. In this way resources can be mobilized.

Mr Khalid Umar Thank you for your suggestions. Think tanks will remain core to this gathering—but broadening its scope, perhaps breakout sessions and events can be held for other actors—but the core will remain think tanks. It is an excellent suggestion to undertake a scoping study to understand the capacity and breadth of regional think tanks. Perhaps we can have this in our next RGP and then have it presented at the next forum.

CLOSING REMARKS

Syed Shakeel Shah, Director, CI:

Dear Honorable Guests,

Dear Participants,

I would like to thank you all very much for two very intensive days of discussions. It was great to see the exchange of ideas and to learn from all the very informative research papers and presentations delivered. I am happy to have seen a healthy level of debate and lots of questions and illuminating answers.

The challenge before us is very clear—we all want growth, but this growth has to be inclusive and sustainable, and there are no two ways about it: the challenges posed by inequality and sustainability have to be dealt with and cannot be ignored. Inequality manifests in many forms—for example, through access to basic services, the provision of health and education, and livelihood opportunities. Although we have seen that some countries are faring better than others, inequality persists as an overarching problem and in some cases it is worsening. As our colleague Dr Hans Holzhacker says, poverty is a bleeding wound and we should never forget that. The provision of economic opportunities for all is the underlying principle for all strategies that are being drawn up in order to recalibrate growth dynamics.

Digitalization also came up for discussion and there are big differences within the CAREC region when compared to other parts of the world and this has implications on several other areas as well. In terms of digital access, the affordability of digital technology and its quality, the CAREC region is lagging. The CI is working on a project that involves a digital gap analysis for this region; this has been completed and the second phase of this project concerns the calibration of FDI policies, so investment can be channeled into the digital sector. This study will soon be available on CAREC's website.

Over the past two days, we have heard about issues regarding deficits and how they have been exacerbated by multiple challenges in very quick succession. The balance of payments crisis triggered by many factors but mainly owing to geopolitical tensions has led to a very sharp escalation in fuel and energy prices. All this inflation, from the supply side, has a direct bearing on inequality outcomes and it has a very strong inequality bias as it affects those who are already at a disadvantage. These are the challenges. What are the solutions?

Countries can respond, as can policy makers. In energy and sustainability we heard about the promise of renewables and the 4A framework put forward by Dr Farhad. The cost of renewables is going down and a lot of financing instruments are available. Governments that have heavily invested in the energy sector in the past 20 to 30 years and how they need to transition is where the role of think tanks comes in. Think tanks have to carry out all the research and gather knowledge in order to simplify such issues and present it as policy briefs to policy makers. There is a very strong role for think tanks in bridging the gaps that exist.

There was also talk of domestic resource mobilization and increasing revenue with distributive effects, which is very important at this junction when those who are already down are being hit hard by inflated food and energy prices. In order to increase resources we have to resort to those areas that have redistributive effects; this has to be done through direct taxation, whereas at the border taxes, which are regressive in nature, have to be done away with.

Digitalization is a process that holds a lot of promise and is very conducive to equitable outcomes. Countries need to channel investment into the digital sector and formulate regulations in such a way that makes this sector available to a wide segment of the population and also many enabling sectors, like fintech, can enhance people's reach to finance and banking.

In the penultimate session, we heard about how to conceive, on a big scale, this whole notion of regional cooperation. Thank you, Dr Debapriya, for discussing this. The framework of guiding principles, inclusive modalities, and a results-based mechanism was very insightful. Research on regional integration and how the CAREC program can go forward needs to be thought about and brought into the mainstream along with the strategies we already have, some of which were discussed by Dr Debapriya Bhattacharya.

I am very happy and pleased with the two days of deliberations that we have had here in Baku—these very intense and long sessions. The level of participation was very good this year from the ADB, as yesterday we had Vice President Mr Shixin Chen and also from Azerbaijan we had the Deputy Minister Mr Samad Bashirli. This demonstrates the growing importance of the CAREC process and also the growing realization that think tanks have a big role in bridging the knowledge gap required for policy making. I would like to thank our partners here in Baku, the ESRI and CESD; they have been working with our team and making most of the arrangements for this event. Also, I would like to convey my thanks to the ADB for its very wide-ranging support to CI, not only through technical assistance but also the RKSI, which has been a partner for this forum and network from day one. I would also like to thank the Government of the PRC for hosting CI and providing generous support for its operations in Urumqi, Xinjiang Uyghur Autonomous Region, PRC. Also, I would like to thank our team who have been working for many hours, days, and months on this event; thank you, Mr Khalid Umar, Ms Dilraba, and Mr Batsaikhan for all your hard work and putting this together over many months.

Last, but not least, thank you to all the participants for attending, travelling here to participate, and taking the time out to attend this event. I would also like to thank you all for the excellent contributions you have made to this year's forum. We can use these discussions, presentations, and reports to contribute to policy making in the CAREC region. CI is currently working on one of the three key deliverables for this year's ministerial conference for CAREC, which is one of the highest forums we have. One of the deliverables is a framework for green, sustainable, and equality-based growth; Dr Hans Holzhaecker from CI is leading this research and Mr Khalid Umar will share this report with certain CTTN member think tanks. After receiving feedback and incorporating their suggestions, the research will be presented at the ministerial level meeting. With that, I would like to conclude my remarks and the sixth CTTDF.

Thank you all once again,



Left to right: Mr Albert Park, ADB's Chief Economist; Director Syed Shakeel Shah, CAREC Institute; and Mr Samad Bashirli, Deputy Minister of Economy of Azerbaijan applauding proceedings in the final session of the sixth CTTDF in Baku, Azerbaijan

AGENDA FRAMEWORK

The Sixth CAREC Think Tank Development Forum (CTTDF)

'Recalibrating Growth Dynamics for Inclusive and Sustainable Economies'

15-16 September 2022 | Hybrid Format | Guba Ballroom, Hyatt Regency Hotel, Baku, Azerbaijan

14 September, Wednesday	Arrival of Participants Welcome Dinner @ Amirov Room 07:00-08:30 pm Hosted by CAREC Institute
DAY ONE: 15 SEPTEMBER, THURSDAY	
08:30-09:00	Registration
	Session I: Opening Ceremony
	Welcome Remarks by Mr Syed Shakeel Shah , Director CAREC Institute (5 minutes)
09:00-09:40	Opening Remarks by Mr Shixin Chen , Vice President, Asian Development Bank, Manila, Philippines (5 minutes)
	Keynote Address by Mr Samad Bashirli , Deputy Minister, Ministry of Economy, Azerbaijan (7 minutes)
	MOU signing between CI and ESRI (5 minutes)
	Group photo (15 minutes)
Session II: Context Setting	
<p>The purpose of this session is to briefly review the structure and growth models/strategies of the CAREC economies in achieving sustainable and inclusive economic growth, identify gaps and make policy recommendations.</p> <p>The Speaker is expected to make a 20-minute presentation on the topic, and the two discussants will supplement the presentation with their views and thoughts on the topic (10 minutes each). The moderator facilitates the discussion (25 minutes) by inviting questions from the participants as well as asking questions from the Speaker and discussants.</p>	
09:40-10:45	An overview of CAREC Economies and how much recalibration is needed for inclusive and sustainable growth
Moderator Dr Norbert Funke Director, CCAMTAC, IMF Almaty, Kazakhstan	Lead Speaker: Dr Albert F Park , Chief Economist & Director General, ADB (ADB), Manila, Philippines Discussant I: Dr Hans Holzhacker , Chief Economist, CAREC Institute, Urumqi, the PRC Discussant II: Dr Kamalbek Karymshakov , Vice Rector/Associate Professor, Kyrgyz-Turkish Manas University, Bishkek, the Kyrgyz Republic (Online)

Participants' Feedback and Open Discussion

10:45-11:00

Coffee @ Guba Foyer

Session III: CTTN Regional Research Report

In this session, four case studies, one each from Azerbaijan, Kazakhstan, Pakistan, and Uzbekistan, on COVID-induced inequalities in health, education, digital access, and women's participation in the workforce will be presented. This Regional Report is produced under the umbrella of the CAREC Think Tank Network (CTTN) Research Grants Program (RGP), aimed to foster regional knowledge-sharing cooperation among member think tanks. Each researcher will present the case for **15 minutes**, followed by participants' feedback and open discussion for **30 minutes**.

11:00-12:30

Moderator

Ms Marzia Mongiorgi-Lorenzo

Principal Economist, ADB,
Manila, Philippines

Access to Health, Education, Digital Technologies, and Women's Participation in the Workforce: Case Studies from Azerbaijan, Kazakhstan, Pakistan, and Uzbekistan.

Speaker I: Mr Emin Mammadov, Senior Researcher/Economist, Center for Economic and Social Development (CESD), Baku, Azerbaijan

Speaker II: Dr Gulnaz Alibekova, Deputy Director, Institute of Economics, Almaty, Kazakhstan

Speaker III: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Islamabad, Pakistan

Speaker IV: Dr Peter Malvicini, PhD, DSc, UNESCO Chair
Anticipatory Governance & Sustainable Policymaking Center for Policy Research and Outreach Westminster International University in Tashkent, Uzbekistan (**Online**)

Participants' Feedback and Open Discussion

12:30-13:30

Lunch @ Shusha Room

Session IV: Sustainable Development Goals (SDGs)

CAREC region is projected to miss nearly all SDGs by 2030. The session will take stock of the progress on 17 goals, the bottlenecks, and policy prescriptions for achieving the SDGs' targets.

The Lead Speaker is expected to present (**20 minutes**) an overview of the CAREC Region on SDGs progress on the above-stated parameters. Three speakers (**10 minutes each**) for this session are drawn from CTTN member think tanks who will present their respective country case studies on the state of progress of SDGs. The moderator facilitates discussions (**30 minutes**) by taking questions from the participants.

13:30-14:50

Moderator

Mr Khalid Umar

State of Progress on UN Sustainable Development Goals (SDGs) in the CAREC Region

Lead Speaker: Ms Elena Danilova-Cross, Program Specialist on Poverty and Inequality, UNDP Istanbul Regional Hub, Turkey (**Online**)

Chief, Strategic Planning Division/Coordinator, CAREC Think Tank Network	<p>Kyrgyzstan Case Study: Presented by Mr Altaaf Hasham, Management Program Liaison Officer, Agha Khan Development Network (AKDN), Bishkek, Kyrgyzstan</p> <p>Tajikistan Case Study: Presented by Dr Rustam Babadjanov, Deputy Director, Analytical Center 'NAVO,' Dushanbe, Tajikistan</p> <p>Turkmenistan Case Study: Presented by Mr Charymuhammet Shallyev, Head of Management Department, Turkmen State Institute of Economics and Management, Ashkhabad, Turkmenistan</p> <p>Participants' feedback and Open Discussion</p>
14:50-15:15	<p>Coffee @ Guba Foyer</p> <p>Session V: Climate Change and Green Energy</p> <p>The CAREC economies are confronted with multifaceted challenges, climate change being the most formidable threat to regional food, agriculture, and energy security. The Speaker is expected to take stock (20 minutes) of the magnitude of the challenge and how CAREC economies can reposition themselves to minimize the threat posed by climate vulnerabilities and shift to a green and sustainable energy future.</p> <p>Three CTTN member think tanks will present (10 minutes each) their respective country's case studies on the topic. The moderator will anchor participants' feedback and discussions (30 minutes).</p>
15:15-16:45	<p>Climate Vulnerabilities and the Case for Green Energy in the CAREC Region</p> <p>Moderator Mr Ilham Humbatov Senior Research Fellow, ESRI Baku, Azerbaijan</p> <p>Lead Speaker: Dr Farhad Taghizadeh Hesary, Associate Professor; School of Global Studies, Tokai University/Tokai Research Institute for Environment and Sustainability (TRIES), Japan (Online)</p> <p>Azerbaijan Case Study: Presented by Mr Kamran Huseynov, Deputy Director, Azerbaijan Renewable Energy Agency, Baku, Azerbaijan</p> <p>People's Republic of China (PRC) Case Study: Presented by Ms Zhang Minwen, Deputy Director General, International Economics and Finance Institute (IEFI), Beijing, PRC (Online)</p> <p>Kazakhstan Case Study: Presented by Ms Lidiya Parkhomchik, Chief Expert of the Eurasian Studies Program, Institute of the World Economics and Politics (IWEP), Nur-Sultan, Kazakhstan</p> <p>Participants' Feedback and Open Discussion</p>
16:45-17:00	First Day Recap by Dr Ghulam Samad, Senior Research Specialist, CAREC Institute
18:30-20:00	Gala Dinner @ Sheki Qala Restaurant, hosted by ESRI

DAY TWO: 16 SEPTEMBER, FRIDAY

08:30-09:00**Registration****Session VI: Geopolitical Uncertainties, COVID-19, and the Impact on Growth and Inclusivity**

Geopolitical uncertainties and the pandemic-induced economic slowdown have added more dimensions to inequality as the poor are experiencing the disproportionately high impact of these factors in the form of a sharp escalation in food prices, higher energy prices, and overall inflationary trends in global commodity markets. The Speaker enlarges upon **(20 minutes)** the impact of these factors on CAREC countries.

Three CTTN members present **(10 minutes each)** their respective country's case study, highlighting the impact of these factors. The moderator collects participants' feedback and leads an open floor discussion **(30 minutes)**.

09:00-10:20**Geopolitical Uncertainties, COVID-19, and the Impact on Growth and Inclusivity**

Moderator

Ms Kanako Mabuchi

Head of UN Resident
Coordinator's Office
Baku, Azerbaijan

Lead Speaker: Dr Hamza Ali Malik, Director, Macroeconomic Policy and
Financing for Development Division, UNESCAP, Bangkok, Thailand

Mongolia Case Study: Presented by **Dr Tuvshintugs Batdelger**, Director,
Economic Research Institute, Ulaanbaatar, Mongolia

Georgia Case Study: Presented by **Dr Giorgi Khishtovani**, Research Director,
PMC Research Center, Tbilisi, Georgia

Pakistan Case Study: Presented by **Mr Zeeshan Salahuddin**, Director for
Regional Connectivity, Tabadlab, Islamabad, Pakistan

Participants' Feedback and Open Discussion

10:20-10:40**Coffee @ Guba Foyer****Session VII: Building Alliances for Regional Prosperity**

To make economic growth inclusive and sustainable, regional alliances must be built across governments, the private sector, civil society, and other actors such as development partners who support inclusive and sustainable economic growth. This session will focus on the role and responsibilities of these stakeholders in shared prosperity.

The Speaker delivers a presentation **(20 minutes)** on the possible role and responsibilities of the stakeholders. Stakeholders' representatives (government, the private sector, civil society, and development partners) to dilate upon **(10 minutes)** their respective roles in forging alliances for promoting regional prosperity.

The moderator opens the floor for discussion and Q&A to capture broader perspectives from the forum participants **(30 minutes)**

10:40-12:10**Building Alliances for Shared Prosperity**

Moderator Dr Sarah Geraldine Michael Country Manager, World Bank Group, Azerbaijan	Lead Speaker: Dr Debapriya Bhattacharya , Distinguished Fellow at the Centre for Policy Dialogue (CPD), Dhaka, Bangladesh Discussant I: Dr Dolores Borisovna Tyulebekova , Director of the World Economy Research Center, Economic Research Institute (ERI), Nur-Sultan, Kazakhstan Discussant II: Mr Eldor Tulyakov , Executive Director, Development Strategy Center (DSC), Tashkent, Uzbekistan Discussant III: Mr Natig Madatov , Research Fellow at Economic Scientific Research Institute (ESRI), Baku, Azerbaijan Participants' Feedback and Open Discussion
12:10-12:40	CTTN Progress Report Presentation by Mr Batsaikhan Zagdragchaa , Senior Strategic Planning Specialist, CAREC Institute Participants' Feedback and Discussion
12:40-12:50	Wrap up and vote of thanks
12:50-14:00	Lunch @ Shusha Room
14:00-17:00	Networking and Old Baku Tour, organized by ESRI

BIOGRAPHIES OF RESOURCE PERSONS

Syed Shakeel Shah, Director, CAREC Institute, PRC



Mr Shah is a career civil servant under Pakistan's Customs Service with extensive experience in public policy, international trade, and regional cooperation, spanning over two decades.

He played a leading role in a collaborative engagement with the World Bank in developing the reform vision and a plan for Pakistan Customs through a Technical Assistance funded by the Trust Fund for Accelerated Growth in Revenue.

Being a focal person for the World Bank's Ease of Doing Business report, he has led reforms in Pakistani Customs to enhance efficiency and reduce cost and time of border compliance. In another governmental capacity, he has contributed to negotiations regarding Free and Preferential Trade Agreements with Turkey, Thailand, and the PRC. Mr Shah coordinated complex assignments across the government, private sector, and development partners as the Head of Economic Affairs Wing in the Prime Minister's Office, including activities pertaining to China–Pakistan Economic Corridor, Prime Minister's Delivery Unit, and the Youth Development Program. He also served as a Community Welfare Attaché at the Consulate General of Pakistan in Barcelona, Spain.

Mr Shah holds MA in International Trade Law and Economics from the World Trade Institute, Bern (Switzerland), and MSc in International Relations from Quaid-e-Azam University, Islamabad (Pakistan).

Shixin Chen, Vice President (Operations 1), Asian Development Bank, Philippines



Mr Shixin Chen is responsible for operations in the South Asia Department and the Central and West Asia Department.

Prior to joining ADB, Mr Chen headed the Department of International Economic and Financial Cooperation at the Ministry of Finance of the PRC.

Mr Chen held senior positions in the Ministry of Finance of PRC, overseeing areas of public finance and partnerships with multilateral development banks. He was a Board Director in the ADB's Trust Fund Credit Guarantee and Investment Facility from 2012 to 2014. He was the World Bank's Executive Director for the PRC from 2013 to 2016 and a Board Director for the PRC in the New Development Bank and the Asian Infrastructure Investment Bank from 2016 to 2018.

Mr Samad Bashirli, Deputy Minister, Ministry of Economy, Republic of Azerbaijan



Mr Samad Bashirli has served as the Deputy Minister of Economy of the Republic of Azerbaijan since July 2022. In his current role, he leads and supervises industrial and trade policy, food security, and reconstruction and development of liberated territories. Between 2020-2022, he headed the industry department and advised the Minister of Economy.

Between 2016-2019 he remained associated with the Central Asia Regional Economic Cooperation Institute (CAREC Institute)—an intergovernmental organization—headquartered in Urumqi, the People's Republic of China. In his capacity as head of the strategic planning division and later as head of the capacity building division, he led the formulation of CAREC Institute's inaugural long-term strategy and revamped and scaled up the capacity building portfolio by introducing new approaches and methodologies.

Earlier in his career, he held various positions as lead/senior consultant and mid-level manager in trade, economy, and industry ministries.

In recognition of his meritorious services, in 2012, the President of the Republic of Azerbaijan awarded him the medal 'For Distinction in Public Service.'

Mr Bashirli holds a bachelor's degree in Economics and Administrative Sciences from the Turkish Gazi University. He has two master's degrees—an MA in Political Sciences from the Academy of Public Administration under the President of the Republic of Azerbaijan and an MSc in Finance from the University of Birmingham, UK.

Norbert Funke, Director, IMF Capacity Development Center (CCAMTAC), Almaty, Kazakhstan



Norbert Funke is the Director of the IMF Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC), which was launched in February 2021. He brings significant experience in IMF capacity development, surveillance and program work. He was Assistant Director/Division Chief of the IMF Institute for Capacity Development (ICD), where he headed the African Division and later the Asian Division. In 2012-16 he was Director of the Joint Vienna Institute (JVI).

Prior to this, he served as mission chief and country economist for several middle- and low-income countries in the African Department, where he also led regional surveillance and worked as a country economist.

Before joining the IMF in 2000, Norbert worked at McKinsey & Company, the Organization for Economic Cooperation and Development (OECD) and at the Kiel Institute for the World Economy. A German national, he holds a doctorate in Economics from the University of Cologne.

Albert Park, Chief Economist, Asian Development Bank, Philippines



Mr Albert Park is Chief Economist of the ADB and Director General of its Economic Research and Regional Cooperation Department. He is chief spokesperson on economic and development trends and leads the production of ADB's flagship knowledge products and support for regional cooperation fora.

Mr Park has more than two decades of experience as a development economist. A well-known expert on the economy of the People's Republic of China, he has directed several large-scale research projects in the country. He has also served as an international consultant for the World Bank and a member of the steering committee for the Asia-Pacific Research Universities' Population Ageing Hub. Mr Park has worked on a broad range of development issues including poverty and inequality, intergenerational mobility, microfinance, migration and labor markets, the future of work, and foreign investment.

Mr Park is Chair Professor of Economics and Director of the Center for Economic Policy at HKUST (on leave). Previously, he served as a founding director of HKUST's Institute for Emerging Market Studies, professor at the University of Oxford, and associate professor at the University of Michigan. He has also held editorial positions at several leading economic journals.

A national of the United States, he received his bachelor's degree in economics from Harvard University and his doctorate in applied economics from Stanford University.

Hans Holzhacker, Chief Economist, CAREC Institute, Urumqi, PRC



Dr Hans is currently Chief Economist at the CAREC Institute. For two years before joining the CAREC Institute, he was Lead Economist for Central Asia with the EBRD, based in Almaty, Kazakhstan. Hans was chief economist at the Golomt Bank in Mongolia and the ATFBank in Kazakhstan. He also taught at the Turan and the Narxoz universities in Almaty. Earlier, he was a Vienna-based economist at several banks, focusing mostly on countries of Central and Eastern Europe and the former Soviet Union. He was also a Senior Economist at the Institute of International Finance in Washington DC. Hans holds a PhD in Sociology and a MA in Economics from the University of Vienna. He completed a postgraduate scholarship at the Economics Department of the Institute for Advanced Studies in Vienna.

Kamalbeck Karymshakov, Vice-Rector, Kyrgyz-Turkish Manas University,
Kyrgyzstan



Mr Kamalbek Karymshakov is Vice-Rector of the Kyrgyz-Turkish Manas University. He was economist at CAREC Institute. He has 15 years of experience as an economist in Central Asian economies.

Kamalbek holds a PhD in Economics from Yeditepe University (Istanbul, Turkey). He also had a post-doctoral research fellowship at Free University of Berlin (2010-2011). His research interests include labor economics, migration, economic integration, infrastructure development, economic growth and development in Central Asia. He has applied economic analysis experience. He has project and consultancy experience on various topics of labor market, migration, public policy, and rural economic development.

Marzia Mongiorgi-Lorenzo, Principal Economist, East Asia Department,
Philippines.



Marzia has more than 23 years of professional experience in project, program, and portfolio related work in development, including extensive fieldwork. She has worked for consulting firms, NGOs, and the United Nations in Central America, Africa, and Asia, before joining the Asian Development Bank in Manila in 2000.

Marzia is currently the Principal Economist in the office of the Director General of the East Asia Department of the ADB, covering economic work and knowledge management for the People's Republic of China (PRC) and Mongolia. She just returned to HQ after six years as Head of the Economics and Strategy Unit in the Beijing office of ADB, where she led strategy development, knowledge management, and regional cooperation work in the PRC. Marzia led the work for the latest ADB's country partnership strategy for the PRC.

Over the years, she has led multidisciplinary teams throughout the project cycle, from identification to design and from implementation to self-evaluation of ADB's environment, natural resources, agriculture, food security, and rural development strategies and programs in South Asian countries (Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka) and Southeast Asian countries (Cambodia, Indonesia, Lao PDR, Myanmar, Philippines, and Vietnam).

Marzia holds an MSc in Development Economics from the London School of Economics, London, UK, 1998, and a Laurea (MS Equivalent) in Economics from Bocconi University, Milan, Italy, 1996. Marzia attended three postgraduate courses on Circular Economy and Sustainability Strategies, from Judge Business School, University of Cambridge (virtual), on Agribusiness and Value Chains, at Wageningen University, and on Rural Development Strategies, at the School of Oriental and Asian Studies, London.

Mr Emin Mammadov, Researcher, Center for Economic and Social Development (CESD), Azerbaijan



Mr Emin Mammadov holds Researcher position at the Center for Economic and Social Development (CESD). He holds a bachelor's degree in World Economy from Baku State University and an MA from Italy and Germany with a double degree program in the field of International Economics and Management.

His research covers the field of economics, entrepreneurship, and energy, with an additional emphasis on social issues. Emin Mammadov also gained experiential knowledge in internships in Europe.

He has worked in CESD since 2021. During the period he prepared a number of monthly and yearly reports, wrote a research brief on current economic and political issues that has been published on the website and international open knowledge sources attracting scholars' attention.

Emin has additional experience in translations, oral interpretation, reviewing the fit of academic journals for publishing and in suitability and meeting academic standards. Simultaneously, he has actively participated in the implementation of different projects held by CESD.

Emin Mammadov is academically fluent in English and has very good knowledge of Russian and German. He can also speak good Italian.

Gulnaz Alibekova, Deputy Director, Institute of Economics, Ministry of Education and Science, Kazakhstan



Dr Gulnaz Alibekova is the deputy director at the Institute of Economics under the Ministry of Education and Science. Her research interests include technology transfer, technology commercialization, scientometrics, R&D funding, entrepreneurial university, and digital economy, among others. She has led research projects within the national fundamental and applied research program of the Ministry and has authored about 100 publications.

She has held various teaching assignments at Kazakh-American University, Turan University (2003-2006), Al-Farabi Kazakh National University, Turan University (2017-currently).

Between academic and research careers, she worked for the 'National center for S&T information' (head of departments 2006-2011), Parasat S&T Consortium (deputy director of TTO 2011-2012), and Elsevier publishing house (freelance trainer 2012-2015), Turan University International Leadership Institute (director 2017-2018), Institute of Economics (head of an information department 2018-2021).

Dr Gulnaz is a market expert for technology commercialization projects of the Science Fund, an associated member of the Alliance of technology transfer professionals (Kazakhstan). She holds a PhD degree from Narxoz University.

Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute, Islamic Republic of Pakistan



Dr Abid Qaiyum Suleri is Executive Director at SDPI. At present, he serves on different policy making forums and advisory boards, including National Advisory Council of the Planning Commission of Pakistan, and the Pakistan Climate Change Council. He is Convenor of the National Coordination Committee on Prime Minister's Agriculture Transformation Plan.

Some of the international policy making forums, where Dr Suleri is currently serving are: Member of Permanent Organizing Committee of South Asia Economic Summit, Co-Chair of Board of Climate Action Network South Asia, and lead expert for World Economic Forum's 'Transformation Mapping' initiative from Pakistan.

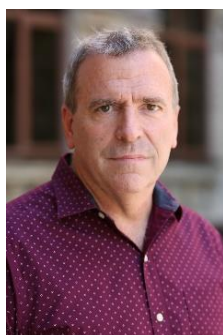
Earlier, he served as a member of the Prime Minister's Economic Advisory Council; a member of the Finance Minister's Macro-Economic Policy Group, and a member of the Board of Management (Board of Directors) of Pakistan State Oil (PSO).

Dr Suleri has represented Pakistan in various official delegations, including the UN Sustainable Development Summit; the UNFCCC Conference of Parties (COPs); and WTO Ministerial

Conferences. His current research interests include sustainable development, inclusive and sustainable economic growth, food security, regional trade, and the political economy of development.

He is a regular guest speaker and delivers lectures on different aspects of sustainable development. He is an acclaimed writer and besides publishing in academic journals, he also contributes his policy analysis on sustainable development issues in mainstream print and electronic media. He is also Editor-in-Chief of the SDPI peer-reviewed journal, 'Journal of Development Policy, Research, and Practice.' Dr Suleri earned his PhD in food security from the University of Greenwich.

Peter Malvicini, Founding Director of the Center for Policy Research and Outreach (CPRO), Westminster International University, Uzbekistan



Malvicini is the named UNESCO Chair for Anticipatory Governance and Sustainable Policy, and the founding Director of the Center for Policy Research and Outreach (CPRO) based at Westminster International University in Tashkent (WIUT). CPRO's research cooperates with government ministries, the private sector, and development partners.

Malvicini has worked with universities and international development agencies for over 25 years. Malvicini is an expert in research methods, governance, and policy analysis. He has applied his skills to strategic planning and institutional development for development organizations.

Early in his career, he advised and studied the vast decentralization of governments in Southeast Asia. He researches and works across sectors with line ministries and development agencies. He has worked with senior policy and decision makers. Beyond research and teaching he has developed national and regional postgraduate programs in the Philippines and a consortium across Asian countries.

He earned a PhD and master's degrees in international development, program planning and evaluation, and adult learning from the College of Agriculture and Life Sciences, Cornell University, Ithaca, New York, USA. He is a Fulbright Scholar, Kellogg leadership Fellow and has worked in over 20 countries across Asia, Africa, and Latin America. He also holds a DSc in Economics awarded by the Supreme Attestation Commission under the Cabinet of Ministers of the Republic of Uzbekistan.



Mr. Khalid Umar is the Chief of the Strategic Planning Division (SPD) and Coordinator of the CAREC Think Tank Network (CTTN) at the CAREC Institute (CI). He joined CI in late 2016 and has been instrumental in the conception, design, and implementation of CI's long-term strategies, and operational plans, building strategic alliances and establishing and nurturing networks and partnerships. At CI, he also held the portfolio of the head of finance, HR, and administration for a year and worked with a group of ADB-supported consultants to draft rules, regulations, and procedures for streamlining financial and human resource management. His professional interests include strategic management, economic policy, regional economic cooperation and integration (RCI), financial inclusion, and fintech.

Earlier in his career, as a civil servant, he has worked in various departments in the government of Pakistan, including the Prime Minister's office, the office of the Auditor General of Pakistan, and PIFRA—a World Bank-funded project of public financial management—on multiple assignments in economic policy and public financial management. Before joining the civil service, Khalid worked in the NGO sector in Pakistan.

Khalid is a Fulbright Scholar and holds an MA degree in International Economics and Finance from Brandeis University, Massachusetts, the USA, and another master's degree in Economics from Quaid-e-Azam University, Islamabad, Pakistan. He attended two courses on disruptive strategy and strategic management from Harvard Business School and Wharton Business School (Online).

Elena Danilova-Cross, Programme Specialist on Poverty and Inequality, UNDP, Turkey



Ms Elena Danilova-Cross has over ten years of professional experience in integrating human and sustainable development into policy practice as well as statistical, mainstreaming, acceleration and policy support for Agenda 2030 and SDGs. Initiates and manages studies, research and publications on social inclusion, human development, multidimensional poverty and inequality, including coordination and quality assurance and evaluation of human development reporting, policy papers and other cross-thematic reports.

Her areas of expertise include design and implementation of regional research and programmes on regional trends in poverty, inequality, vulnerability and social exclusion; measuring and monitoring multidimensional poverty, social inclusion, inequality, and sustainable human development, including in SDGs and national development strategies; HDR quality assurance and forward-looking assessments of the human development reporting system; and Support to MAPS missions and MAPS follow-up, including for Voluntary National Reviews.

She holds an MA degree in Statistics and Information Science from Moscow State University of Economics, and an MBA from the High School of Business under State Economic University, Tashkent, Uzbekistan.

Altaaf Hasham, Management and Program Liaison Officer, Agha Khan Development Network Representation Office, Kyrgyzstan



Mr Hasham has been directly involved in the conception, implementation, and oversight of development programs for over 20 years. He has held various posts within the Agha Khan Development Network (AKDN) in East Africa and Central Asia. Between 2004 and 2006, Mr Hasham served as Lead Advisor for an innovative UNHCR Durable Solutions Program and was based in the Office of the Prime Minister, Uganda.

In his current capacity, Mr Hasham supports AKDN program and institutions spanning several program sectors, including education, health, financial services, culture, and disaster risk reduction, including the University of Central Asia (UCA).

Mr Hasham holds a BA in International Relations from McGill University, Montreal, and an MSc in International Politics of Asia and Africa from the University of London, School of Oriental and African Studies (SOAS).

Rustam Babadjanov, Deputy Director/Research Coordinator, Analytical Center (NAVO) Tajikistan



Mr Babadjanov Rustam is the Deputy Director/Research Coordinator Analytical Center 'NAVO' since 2015. He is a member of the Government working groups for the development of NDS-2015, PRS 2007-2009, NDS-2030, MDPT 2016-2020, RPS 2021-2025, and several other sectoral strategies and programs of the Republic of Tajikistan. He led a team and co-authored Tajikistan Human Development Reports: 'Employment in the context of human development (2009)'; 'Institutions and Development (2012)'; 'Poverty in the Context of Climate Change (2013)'; 'Access to Resources for Human Development (2014).'

His research interests include labor market issues, employment, and migration; human development; social politics; professional education; poverty and the environment; investments—in the socio-economic and sociopolitical processes of the Republic of Tajikistan, monitoring and evaluation of strategies, programs, and projects. His is author of over 450 published papers.

He holds a PhD degree in economics from the Academy of Sciences of the USSR (Moscow, 1983). He has interned and participated in conferences and training in the CIS countries, China, Turkey, Japan, USA, France, Italy, Switzerland, Slovakia, Ethiopia, and South Africa. He also

worked on projects of the World Bank, Asian Development Bank, European Union, UNDP in Tajikistan, and ILO.

Shallyev Charymuhammet, Head of Department of Management, Turkmen State Institute of Economics and Management, Turkmenistan



Mr Shallyev Charymuhammet is the head of the Department of Management at the Turkmen State Institute of Economics and Management since 2006.

He worked in the Department of International Economic Relations at Turkmen State University named after Makhtumkuli from 1987 to 2002.

Mr Shallyev published Macroeconomics textbook in 2015, and Anglo-Turkmen Dictionary of Economics in 2019.

Mr Shallyev had his bachelor's degree from the Turkmen State Institute of Economics and Management. He also spent six months in Japan at Tokyo International University in 2000 and attended Junior Faculty Development Program (JFDP) at Indiana University in USA for one year in 2003-2004.

Ilham Humbatov, Senior Research Fellow, Economic Scientific Research Institute (ESRI), Republic of Azerbaijan



Mr Ilham Humbatov is a senior research fellow at the Economic Scientific Research Institute (ESRI). He has extensive experience in both private and public sectors, having worked for the Ministry of Education and Science of the Republic of Azerbaijan, served as a Member of the Supervisory Board of the Youth Foundation under the President of the Republic of Azerbaijan, and taught at universities, both domestic and international. Mr Humbatov also acts as National Contact Point for the EU's flagship science funding program Horizon Europe. His areas of expertise include higher education, research, and fostering

international cooperation.

He holds BA and MA degrees in History from Baku State University, as well as an MA in International Studies and Master of Public Administration degrees from Lindenwood University. He is also a PhD candidate at the Institute of History of Azerbaijan National Academy of Sciences.



Dr Farhad Taghizadeh-Hesary is an associate professor of economics at Tokai University in Japan. In addition, he is vice-president and co-founder of the International Society for Energy Transition Studies (ISETS), based in Australia.

He is a recipient of the Excellent Young Researcher (LEADER) status from the Ministry of Education, Culture, Sports, Science, and Technology of Japan (MEXT). Presently he is also a visiting professor at Keio University (Japan), a visiting professor at Chiang Mai University (Thailand), a visiting professor at the Technology Studies Institute (Iran); a member of the research core on sustainability studies at Tehran University (Iran) and a distinguished research fellow and external scientific member at the University of Economics Ho Chi Minh City (Vietnam), among others.

Dr Taghizadeh-Hesary has published a wide range of topics, including energy economics, energy policy, green finance, small and medium-size enterprises finance, monetary policy, banking, Asian economics, and contemporary Japanese economy. He is currently serving as Editor-In-Chief of the Journal of Environmental Assessment Policy and Management and associate editor/board member of several other journals, including Economic Change and Restructuring, Energy Efficiency, Singapore Economic Review, Global Finance Journal, Journal of Risk Finance, China Financial Review International, Frontiers in Energy Research and, Vision - The Journal of Business Perspective.

He was nominated as a top global scholar in green finance based on a recent journal paper published in Renewable Energy (Elsevier) in 2022. Author of over 200 academic journal papers, book chapters and editor of 15 books, Dr Taghizadeh-Hesary has led several consulting projects for international organizations and institutions.

Dr Farhad Taghizadeh-Hesary holds a PhD degree in economics from Keio University, and a Master's in energy economics from Tehran University, Iran.

HE Bilal Hayee, Ambassador, Embassy of the Islamic Republic of Pakistan,
Republic of Azerbaijan



Mr Bilal Hayee joined the Foreign Service of Pakistan in 2001 and attended the 28th Common Training Programme in Lahore.

He holds a Bachelor of Laws (LLB) from University of the Punjab and Master of International and Comparative Laws from Monash University, Australia. Completed an intensive French language training course from CAVILAM, Vichy in France.

He served in Pakistan's Permanent Mission to the United Nations in New York from 2004-2008 and represented Pakistan in the Third Committee of the United Nations dealing with human rights and humanitarian issues. Also, he served as Political Counsellor in the Embassy of Pakistan, Washington DC from 2012 to 2017.

At the Ministry of Foreign Affairs, Islamabad, Bilal Hayee held various positions in the Administration, South Asia, Americas and Europe Divisions. He also served as Director Foreign Affairs at the President Secretariat, Islamabad from 2008-2010 and Director to the Foreign Minister in 2011-2012.

Prior to joining the Embassy of Pakistan in Baku, Bilal Hayee headed the Americas Division in the Ministry of Foreign Affairs, from September 2018 to September 2020.

Kamran Huseynov, Deputy Director, Azerbaijan Renewable Energy Agency,
Republic of Azerbaijan



Mr Kamran Huseynov was born in Baku on 8 July 1986. In 2008, he completed a bachelor's degree in Business Administration and Management at the Azerbaijan State University of Economics.

Kamran Huseynov was working at different positions in finance, information technology, and marketing fields between 2007-2009.

In 2011, he received a Master of Business Administration (MBA) degree from the University of Glasgow (UK), funded by SOCAR Foreign Scholarship Program.

Kamran Huseynov held various positions at the Head Office of SOCAR, including working as the specialist in Marketing Planning department, moreover as the specialist, senior specialist, and the head of Investors Relations department from 09.01.2012 to 20.12.2021. He participated in the commercial negotiations with international oil and gas companies on the Southern Gas Corridor project within ENT (Export Negotiation Team).

He has been awarded a PMP®-Project Management Professional certificate by the PMI Project Management Institute.

Kamran Huseynov was appointed as a Deputy Director of Azerbaijan Renewable Energy Agency under the Ministry of Energy of the Republic of Azerbaijan by Order of the Minister of Energy dated 23 December 2021.

Zhang Minwen, Deputy Director General, International Economics and Finance Institute, Ministry of Finance, PRC.

Ms Minwen Zhang is the Deputy Director General of the International Economics and Finance Institute (IEFI), Ministry of Finance of the People's Republic of China. She leads IEFI to conduct research on China's bilateral and multilateral economic cooperation, global and regional economic and financial cooperation, global economic governance, as well as international development cooperation.



Before joining IEFI in January 2021, Ms Minwen Zhang worked as the Alternate Executive Director in the World Bank Group during 2016-2020. She has served in the International Department of the Ministry of Finance of China since 2001, mainly responsible for cooperation between China and major MDBs such as the World Bank and Asian Development Bank. Besides, she worked as an advisor to China's Executive Director in ADB during 2004-2006.

She holds a master's degree in Economics from the University of International Business & Economics, Beijing.

Lidiya Parkhomchik, Chief Expert of the Eurasian Studies Program, Institute of World Economics and Politics, Kazakhstan



Ms Lidiya Parkhomchik is a chief expert of the Eurasian Studies Program at the Institute of World Economics and Politics under the Nursultan Nazarbayev Foundation.

The sphere of her scientific interests includes evolution integration processes in the Eurasian space, geopolitical transformations in the Caspian region, and global energy transition.

She worked at the Kazakhstan Institute for Strategic Studies under the President of the Republic of Kazakhstan, as well as in the Eurasian Research Institute, and the Institute for Philosophy, Political Science and Religion Studies CS MES RK.

She graduated from the Kazakh University of International Relations and World Languages named after Abylai Khan.

She participated in internships and other advanced level training program at the Institute for Energy Markets and Policies (EPPEN), the Diplomatic Academy of the Ministry of Foreign Affairs of Russia, as well as the Development Research Center of the State Council of China.

Ghulam Samad, Senior Research Specialist, CAREC Institute, PRC



Dr Ghulam Samad is a Senior Research Specialist at the Central Asia Regional Economic Cooperation (CAREC) Institute, ADB. Before joining CAREC Institute, Dr Samad was a Senior Research Economist at the Pakistan Institute of Development Economics (PIDE), Ministry of Planning, Development, and Special Initiatives.

Dr Samad also served as an Economist at the Planning Commission of Pakistan.

Dr Samad holds a PhD in Economics from Colorado State University, USA. He brings an experience spanning over 15 years of high-level research and teaching, along with providing valuable contributions to peer-reviewed national and international journals and several international books on key economic themes.

As a consultant, Dr Samad worked for International Development Research Centre (IDRC) Canada, World Bank, Asian Development Bank, United Nations Development Program (UNDP), United Nations Environmental Program (UNEP), and UN World Intellectual Property Organization (WTO).

Kanako Mabuchi, Head of the UN Resident Coordinator's Office, UN, Azerbaijan



Ms Kanako Mabuchi is the Head of the UN Resident Coordinator's Office (RCO) in Azerbaijan since April 2022. As the Head of RCO, she provides strategic guidance to the UN Resident Coordinator and the UN Country Team on integrated UN support to Azerbaijan's implementation of the 2030 Agenda and the Sustainable Development Goals.

Kanako has 18 years of experience working for the UN system in humanitarian, development, and transition settings. She is an experienced strategic planner and a change management expert, having facilitated UN system-wide strategic planning and programming processes often at critical junctures in the countries' socio-economic development. In addition to steering complex inter-agency coordination and cultivating multistakeholder partnerships for sustainable development, she also has hands-on experience in emergency preparedness and in planning and coordination of humanitarian response.

Prior to Azerbaijan, Kanako served in Timor-Leste, Zimbabwe, Myanmar, and Egypt, as well as in the headquarters of the UN Population Fund (UNFPA) and the UN World Food Programme (WFP).

A national of Japan, Kanako has a Master of Philosophy (MPhil) in Modern Middle Eastern Studies from the University of Oxford.

Hamza Ali Malik, Director of Macroeconomic Policy and Planning for Development Division (MPFD), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Thailand



Dr Hamza Ali Malik leads ESCAP's research that analyzes economic conditions and emerging development challenges in Asia-Pacific countries and evaluates potential policy options and financing strategies in their pursuit of the 2030 Agenda for Sustainable Development. Under his guidance, MPFD publishes its annual flagship report—the Economic and Social Survey of Asia and the Pacific—and an edited analytical book, once in two years, on selected Financing for Development issues. He is a member of ESCAP's editorial board and supervises the publication of MPFD's working papers and policy briefs on various economic and financing issues.

Before joining UN-ESCAP, Hamza Malik worked as the Director of Monetary Policy Department at the State Bank of Pakistan (SBP)—the country's central bank—from June 2007 to November 2014. He was a member of Bank's internal Monetary Policy Committee (MPC), and a member of the Government of Pakistan teams that participated in negotiations with the International Monetary Fund (IMF) and that successfully issued sovereign bonds in international capital markets. He also served as the editor of SBP's working paper series and its chief spokesperson to communicate SBP's monetary policy stance.

In 2013, Hamza Malik spent three months at the Department of Politics and International Relations, University of Oxford as a Charles Wallace research fellow and conducted independent research on the political economy of monetary institutions.

Prior to joining the policy world, Hamza was an assistant professor in the Department of Economics at Lakehead University, Canada where he taught macroeconomics, monetary economics, and international finance. He graduated from McMaster University with a PhD in economics in 2002.

Tuvshintugs Batdelger, Director, Economic Research Institute, Mongolia



Dr Tuvshintugs Batdelger is the director of the Economic Research Institute (ERI), and an associate professor of economics at the National University of Mongolia. He has a bachelor's degree in Economics from the National University of Mongolia, a master's degree in Economics from the University of Manchester, UK as well a PhD in Economics from Boston University, USA.

He has experience working at the Bank of Mongolia and was the Head of the Economics Department of the University of Mongolia from 2014 to 2017. He has been a member of the Economic Policy Council under the Prime Minister of Mongolia since

2012 and was a member of the Monetary Policy Committee from 2011 to 2016. He is actively involved in policy discussions in the country through the establishment and operation of ERI since 2010, one of the longest-running think tanks in the country. Through ERI, he successfully contributed to the policy discussions on wide-ranging economic and social issues by coordinating and implementing many projects by international organizations such as World Bank, Asian Development Bank, and Japan International Cooperation Agency.

In particular, he successfully led research teams conducting an economic assessment of big mining and industrial projects on the country's economy and society in general and conducted and published policy research studies in international peer-reviewed journals and publications. He also authored chapters on the Mongolian economy in numerous books. His current research interests are the role of mining in the economy and society, the role of monetary policy in regulating the Mongolian economy, and the impact of economic development on income distribution and the country's middle class.

Giorgi Khishtovani, Research Director, PMC Research Center, Georgia



Giorgi Khishtovani is a Research Director at PMC Research Center. His research focuses on the political economy and governance, on fiscal policy, human capital development, migration, international trade and global finance. He has more than 12 years of professional working experience at public, private and non-governmental sectors in Georgia and abroad. Before joining PMC Research Center Giorgi worked as the Deputy Dean of faculty of business administration and economics at Tbilisi State University (2009-2011), in 2011-2014 he was as a Research Fellow at the University of Bremen, while in 2015-2016 he worked as the Head of Research

at Institute of Development of Freedom of Information (IDFI) and in 2015-2017 he worked as the Director of grants and programs at the National Science Foundation of Georgia (SRNSF).

Giorgi has an extensive experience as a researcher, trainer, and consultant within the framework of various international projects conducted by the World Bank, the IFC, the European Commission, UNDP, UNIDO, CAREC Institute and Federal Foreign Office of Germany. Currently, Dr. Khishtovani is an Associate Professor and Head of Department of Finance and Investments at the Business School of Ilia State University and previously taught economics and business administration at the University of Bremen and Caucasus International University. He has published numerous papers in academic journals. Giorgi is fluent in German, English, Russian, and Georgian.

Zeeshan Salahuddin, Director, Center for Regional Global Connectivity (CRGC),
Tabadlab, Pakistan



Zeeshan Salahuddin serves as the Director for the Center for Regional and Global Connectivity (CRGC) at Tabadlab. He oversees the key partnerships, linkages, and collaborations with a range of institutions, and leads the CRGC unit in the firms' advisory work and thought leadership portfolios. He also heads the strategy function, managing internal and external organizational planning and growth. Previously, he was the Director Programs and Strategy at the Center for Research and Security Studies (CRSS) in Islamabad. Prior to his work in the development sector, he was a full-time broadcast journalist, having launched two national primetime channels in Pakistan. He has a bachelor's and master's degree from Ithaca College, NY.

Sarah Geraldine Michael, Country Manager, World Bank, Republic of Azerbaijan



Dr Sarah Geraldine Michael is the World Bank Country Manager for Azerbaijan. She joined the World Bank in 2004 and has since held various positions, including Manager—Strategy, Analytics, Financing Solutions & Knowledge in the World Bank's Fragility, Conflict and Violence Group, and Program Leader for Sustainable Development and Infrastructure in the South Caucasus Country Unit.

Dr Michael has over 20 years of experience in sustainable development, with a focus on post-conflict recovery, social inclusion, community-driven development, social service delivery, livelihoods, and youth development. Before joining the World Bank, she worked on the international Commission on Human Security and on a variety of development and security programs at the Global Equity Initiative, a research and policy institute at Harvard University.

She is an author and co-author of numerous academic and practitioner publications on sustainable development, including on youth inclusion and development, health, and human security. Her first book was published by James Currey and Indiana University Press in 2005. She holds BA and BSc (Hons) degrees from Queens University (Canada) and MPhil and PhD degrees from Cambridge University (UK).

Debapriya Bhattacharya, Distinguished Fellow, Centre for Policy Dialogue,
Bangladesh



Dr Debapriya Bhattacharya is a member of the United Nations' Committee for Development Policy (CDP); Founding Chair of Southern Voice network of think tanks; Chair of LDC Monitor—a development alliance; and Convenor, Citizen's Platform for SDGs, Bangladesh, and a member of the Supervisory Board of BRAC International. He is a Non-Resident Fellow at Centre for Global Development (CGD), Washington DC.

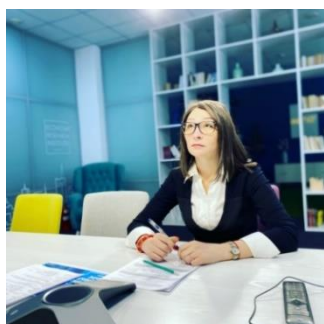
He was Bangladesh's Ambassador and Permanent Representative to the WTO, UN Offices, and other international organizations in Geneva and Vienna, with concurrent accreditation to the Holy See. He was the Special Adviser on LDCs to the Secretary General, UNCTAD and Chair of the UNCTAD governing board, leader of the Least Developed Countries (LDCs) group in the UN system, Geneva.

He had been engaged in high-level policy designing in various committees of Bangladesh Government and involved in overseas consultancies for several international financial institutions including the World Bank and ADB.

His edited books include Bangladesh's Graduation from the Least Developed Countries Group—Pitfalls and Promises (2018) and Southern Perspectives on the Post-2015 International Agenda (2016), both published by Routledge. His forthcoming co-edited book is Delivering SDGs in South Asia in Post-pandemic Context: Issues and Challenges, Springer.

He holds a PhD in Economics from Plekhanov National Planning Institute, Moscow and had been a Post-Doctoral Fellow at Queen Elizabeth House, Oxford. He held several visiting positions including Senior Fulbright Fellow at the Centre for Global Development (CGD), Washington DC.

Dolores Borisovna Tyulebekova, Director, World Economic Research Center,
Economic Research Institute (ERI), Republic of Kazakhstan



Ms Dolores Borisovna is the Director of the World Economic Research Center of the Economic Research Institute (ERI). She leads ERI to provide expert and analytical support in the framework of international cooperation of the Republic of Kazakhstan and the world economic processes.

Before joining Economic Research Institute JSC in 2020, Ms Dolores Borisovna worked as the Expert of the Department of International Relations of the Ministry of Transport and Communications of the Republic of Kazakhstan during 2007-2014. Besides, she worked as Chief Expert of the Department of Economic Integration of the Ministry of Investment and Development of the Republic of Kazakhstan in 2014. Then, she

worked as Director of Economic Integration Department of the National Chamber of Entrepreneurs of the Republic of Kazakhstan during 2014-2017.

She holds a master's degree and PhD in International Relations from the Warsaw State University.

Eldor Tulyakov, Executive Director, Development Strategy Center, Uzbekistan



Mr Eldor Tulyakov is the Executive Director of the Development Strategy Center in Tashkent, Uzbekistan.

In 2015-2019, he was a member of the Legislative Chamber of Oliy Majlis (Parliament) of the Republic of Uzbekistan, the Committee on Budget and Economic Reforms of the Lower Chamber, and the Central Council of the Milliy Tiklanish Democratic Party.

Mr Tulyakov is currently a member of the Tashkent Council of People's Representatives (City Parliament) and the Chairman of the Standing Committee on the Rule of Law and Combating Corruption.

Mr Tulyakov holds BA (Hons) degree from the University of Westminster (2008) and LLM Degree from the Institute for Law and Finance (2011), Frankfurt am Main, Germany.

He is an author of more than 20 scientific publications and numerous newspaper articles. He writes on governance, public administration, civil society, legal reforms, and investments.

Natig Madatov, Research Fellow, Economic Scientific Research Institute (ESRI), Ministry of Economy, Republic of Azerbaijan



Mr Natig Madatov is currently a Research Fellow at the Economic Scientific Research Institute (ESRI) of the Ministry of Economy of Azerbaijan. He has worked for about 15 years in the public sector, in the system of Ministry of Economy. His area of experience is coordination of EU technical assistance in Azerbaijan and EU integration issues, bilateral economic cooperation, export & investment promotion, and SME development issues.

Working in the field of export and investment promotion he has prepared presentations on business climate and investment opportunities of Azerbaijan to the potential foreign investors, assisted and organized negotiations with investors, analysed local investment climate and proposed reforms, participated in development of investment and export promotion strategy, and so on. Working for SME development direction he was involved into issues like current needs of SMEs, application of different SME support mechanism, providing of trainings and consultancy to SMEs.

He also has experience as a business trainer providing trainings to SMEs on different topics, like preparation of business plans, marketing, and communication, and as a lecturer for MBA students at Azerbaijan State University of Economics (UNEC) in project management.

Natig has obtained bachelor's and master's degrees in general economics specializing in international economic relations at Azerbaijan State Economic University. He is also doing postgraduate study at Institute of Economy of Azerbaijan National Academy of Sciences.

Batsaikhan Zagdragchaa, Senior Strategic Planning Specialist, CAREC Institute, PRC



Mr Batsaikhan is Senior Strategic Planning Specialist at the CAREC Institute. He has 20 years of experience working in Governments and international organizations in Mongolia, Bhutan, the Philippines and the People's Republic of China.

Prior to joining the CAREC Institute, Batsaikhan was First Secretary and Acting Deputy Director in the Ministry of Foreign Affairs of Mongolia. Before his work in diplomatic service, he was a World Bank consultant in the Ministry of Finance, an ADB consultant in the Ministry of Health (both in Mongolia) and a UNDP consultant for the Royal Government of Bhutan. From 2002 to 2008, he has been a UN staff working with UNHCR and UNIFEM offices.

Batsaikhan has MPA degree from Lee Kuan Yew School of Public Policy of National University of Singapore (2009), and BA degree from Bogazici University, (Istanbul, Turkey, 2001). He has diplomas in leadership and management from the East-West Center (Hawaii, USA) and Clingendael Institute of International Relations (Hague, the Netherlands).

LIST OF PARTICIPANTS

I. CAREC COUNTRIES

A. Azerbaijan (17)

1. *Mr Galib Bayramov, Chair, Economic Research Center (ERC)*
2. *Mr Vugar Bayramov, Chairman, Center for Economic and Social Development (CESD)*
3. *Mr Mahir Humbatov, Chairman of the Board, Economic Scientific Research Institute (ESRI), Ministry of Economy*
4. *Ms Esmira Jafarova, Member of the Board, Air Center*
5. *Ms Vusala Jafarova, Head of Projects Department, Center on Analysis of Economic Reforms and Communication*
6. *Mr Samad Bashirli, Deputy Minister, Ministry of Economy*

7. *Mr Vusal Huseynov, Economist, Central Bank of Azerbaijan*
8. *Mr Ibrahim Ibrahimov, Head of Budget and Forecasting Department, State Oil Fund*
9. *Mr Kamran Huseynov, Deputy Director, Azerbaijan Renewable Energy Agency under the Ministry of Energy*
10. *Mr Khatai Abbasov, Junior Economist of Macroeconomic Research Department, Pasha Holding*
11. *Mr Mehrab Baghirli, Economist of Macroeconomic Research Department, Pasha Holding*
12. *Mr Masud Asgarzadeh, Director of Business Development and Strategy Department, SR Group*
13. *Mr Orkhan Abdullayev, Business Development Manager, SR Group*
14. *Mr Vusal Humbatov, Chief Specialist of the Corporate Sales Department, Access Bank*
15. *Mr Elchin Suleymanov, Leading Specialist of the Treasury and International Relations Department, Access Bank*
16. *Mr Ramil Khalilov, Director of Business Development Department, Turan Bank*
17. *Mr Khaqani Gasimov, Consultant of Membership Services Department, Azerbaijan-Germany Trade Chamber (AHK)*

B. People's Republic of China (Online, 18)

18. *International Economics and Finance Institute*
19. *China Public Private Partnerships Center*
20. *Agricultural Development Bank of China*
21. *International Finance Forum*
22. *Shanghai National Accounting Institute*
23. *Chinese Academy of Fiscal Sciences*
24. *Xiamen National Accounting Institute*
25. *Beijing National Accounting Institute*
26. *Institute of Standardization of Xinjiang*
27. *State Administration of Taxation Xinjiang Uyghur Autonomous Region Taxation Bureau*
28. *Xinjiang University*
29. *Research Center of China-Pakistan Economic Corridor, Kashi University*
30. *Hohai University*
31. *Shihezi University*
32. *Belt and Road Institute for International Cooperation and Development, Shenzhen University*
33. *Xinjiang Academy of Social Sciences*
34. *Xinjiang Institute of Ecology and Geography Chinese Academy of Science*
35. *Xinjiang University of Finance and Economics*

C. Georgia (3)

36. *Ms Ekaterine Metreveli, President, Georgian Foundation for Strategic and International Studies*
37. *Ms Ana Burduli, Senior Researcher ISET Policy Institute*
38. *Mr Giorgi Khishtovani, Research Director, PMC Research Center*

D. Kazakhstan (4)

39. *Ms Lidiya Parkhomchik, Chief Expert of the Eurasian Studies Program, Institute of the World Economics and Politics (IWEP)*
40. *Ms Dolores Borisovna Tyulebekova, Director of the World Economy Research Center, Economic Research Institute (ERI)*
41. *Ms Gulnaz Alibekova, Deputy Director, Institute of Economics of the Science Committee of the Ministry of Education and Science of Kazakhstan*
42. *Mr Aybek Sharipov, First Secretary, Embassy of the Republic of Kazakhstan in the Republic of Azerbaijan*

E. Kyrgyzstan (4)

43. *Mr Altaaf Hasham, Management Program Liaison Officer, Aga Khan Development Network (AKDN)*
44. *Mr Roman Isaakovich Mogilevskii, Associate Director/Senior Research Fellow, Institute of Public Administration and Policy of the University of Central Asia*
45. *Mr Baianbek Tilek, Expert of SDG Unit, Political and Economic Research Department, The Administration of the President of the Kyrgyz Republic*
46. *Mr Kairat Osmonaliev, Ambassador, Embassy of the Kyrgyz Republic in the Republic of Azerbaijan*

F. Mongolia (3)

47. *Mr Tuvshintugs Batdelger, Director, Economic Research Institute*
48. *Mr Enkhbayar Namjildorj, Head of the Economic Policy Research Unit, Institute for Strategic Studies (ISS)*
49. *Ms Tselmegsaikhan Lkhagva, Executive Director, Independent Research Institute of Mongolia (IRIM)*

G. Pakistan (4)

50. *Mr Zeeshan Salahuddin, Director, Regional Connectivity, Tabadlab*
51. *Mr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI),*
52. *Ms Zehra Waheed, Director, Centre for Business and Society, Lahore University of Management Sciences (LUMS)*
53. *Mr Bilal Hayee, Ambassador, Embassy of the Islamic Republic of Pakistan In Azerbaijan*

H. Tajikistan (4)

- 54. *Mr Rustam Babadjanov, Deputy Director, Analytical Center “NAVO”*
- 55. *Mr Abduaziz Kasymov, Senior Research Specialist and Fundraising Director, Zerkalo-Analytics*
- 56. *Mr Lutfullo Saidmuradov, Chief Researcher, The Institute of Economics and Demography of the Academy of Sciences of the Republic of Tajikistan*
- 57. *Mr Rustam Soli, Ambassador, Embassy of the Republic of Tajikistan in the Republic of Azerbaijan*

I. Turkmenistan (4)

- 58. *Mr Charymuhammet Shallyyev, Head of the management department, Turkmen State Institute of Economics and Management*
- 59. *Mr Myrat Tuvakov, Division Head, History and education science division, Academy of Science of Turkmenistan*
- 60. *Mr Nuryagdy Aynazarov, Senior Lecturer, Specialized department for Finance discipline, Turkmen State Institute of Finance*
- 61. *Mr Sultan Achylov, First Secretary Embassy of Turkmenistan in the Republic of Azerbaijan*

J. Uzbekistan (4)

- 62. *Ms Nodira Jabborova, Senior Researcher, Institute of Forecasting and Macroeconomic Research*
- 63. *Mr Eldor Tulyakov, Executive Director, Development Strategy Center (DSC)*
- 64. *Mr Fukat Yunusov, Deputy Director, Development Strategy Center (DSC)*
- 65. *Mr Bakhadir Mirzaev, Rector, Tashkent Institute of Irrigation and Agricultural Mechanization Engineering (TIAME)*

II. DEVELOPMENT PARTNERS

A. Asian Development Bank (7)

- 66. *Mr Shixin Chen, Vice President*
- 67. *Ms Marzia Mongiorgi-Lorenzo, Principal Economist*
- 68. *Ms Candice McDeigan, Country Director, Azerbaijan Resident Mission*
- 69. *Mr Nail Valiyev, Senior Economics Officer, Azerbaijan Resident Mission*
- 70. *Mr Kristian Rosbach, Economist (Regional Cooperation), CWRC*
- 71. *Mr Ashraf Kuliyeu, Advisor to CAREC National Focal Point in Azerbaijan*
- 72. *Mr Hsiao Chink (Benzhe) Tang, Head, Regional Knowledge Sharing Initiative (RKSI), PRC Resident Mission*

B. Others (10)

- 73. *Ms Kanako Mabuchi, Head of UN Resident Coordinator's Office, Baku, Azerbaijan*
- 74. *Mr Bariz Mehdiyev, Assistant FAO Representative, FAO in Azerbaijan*
- 75. *Mr Vladimir Gjorgjiev, Chief of Mission, IOM in Azerbaijan*
- 76. *Ms Sarah Michael, Country Manager for Azerbaijan, Europe and Central Asia, World Bank in Azerbaijan*
- 77. *Mr Fuad Ibrahimov, Associate Banker, EBRD in Azerbaijan*
- 78. *Mr Norbert Funke, Director, CCAMTAC, IMF, Almaty, Kazakhstan*
- 79. *Mr Mirhasan Seyidzade, Executive officer, WCO European Regional Office for Capacity Building (ROCB) in Baku*
- 80. *Ms Samira Rafizade, Head of International and Internal Affairs Division, TRACECA*
- 81. *Mr Baurzhan Kussubayev, Head of Policy Development and Monitoring Division, TRACECA*
- 82. *Mr Murat Seitnepesov, Chairman of the Organizing Committee, Caspian Week Forum (Switzerland), Chairman of the Board, Integral Group (Switzerland)*

III. CO-ORGANIZER

A. CESD (3)

- 83. *Ms Nigar Islamli, Senior Researcher*
- 84. *Mr Emin Mammadov, Senior Researcher*
- 85. *Mrs Gulnar Ismayilova, Financial Manager*

B. ESRI (13)

- 86. *Ms Arzu Huseynova, First Deputy of the Chairman of the Board*
- 87. *Mr Natig Madatov, Leading Research Fellow, Local and international cooperation department*
- 88. *Mr Ilham Humbatov, Senior Research Fellow, Science, and Education Department*
- 89. *Ms Pervin Idrisli, Research Fellow, Sectoral Analysis of Economy Department*
- 90. *Mr Shukur Guliyev, Research Fellow, Local and International Cooperation Department*
- 91. *Mr Elsevar Latifli, Research Fellow, Science, and Education Department*
- 92. *Mr Abbas Mammadli, Research Fellow, Analysis of Entrepreneurship Policy Department*
- 93. *Ms Samira Mirzaliyeva, Junior Research Fellow, Local and International Cooperation Department*
- 94. *Ms Shahla Babayeva, Junior Research Fellow, Local and International Cooperation Department*
- 95. *Ms Zenfira Guliyeva, Junior Research Fellow, Science and Education Department*
- 96. *Mr Karim Hajiyevev, Junior Research Fellow, Analysis of Entrepreneurship Policy Department*
- 97. *Mr Anvar Hajiyevev, Specialist, Finance, Procurement, and Administrative Department*
- 98. *Mr Yusif Cherkezev, Specialist of Finance, Procurement, and Administrative Department*

IV. RESOURCE PERSONS (8)

- 99. *Mr Albert F Park, Chief Economist and Director General, Economic Research and Regional Cooperation Department*
- 100. *Mr Farhad Taghizadeh-Hesary, Associate Professor, School of Global Studies, Tokai University/ TOKAI Research Institute for Environment and Sustainability (TRIES), Japan (Online)*
- 101. *Mr Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development Division, UNESCAP, Bangkok, Thailand*
- 102. *Mr Debapriya Bhattacharya, Distinguished Fellow the Centre for Policy Dialogue (CPD), Dhaka, Bangladesh*
- 103. *Ms Elena Danilova-Cross, Programme Specialist, Poverty and Inequality, UNDP Istanbul Regional Hub, Turkey*
- 104. *Mr Kamalbek Karymshakov, Vice Rector/Associate Professor Kyrgyz-Turkish Manas University, Bishkek, the Kyrgyz Republic (Online)*
- 105. *Mr Peter Malvicini, UNESCO Chair, Anticipatory Governance & Sustainable Policymaking Center for Policy Research and Outreach, Westminster International University in Tashkent, Uzbekistan (Online)*
- 106. *Ms Zhang Minwen, Deputy Director General, International Economics and Finance Institute (IEFI), Beijing, PRC (Online)*

V. CAREC INSITITUTE (5)

- 107. *Mr Syed Shakeel Shah, Director*
- 108. *Mr Hans Holzhacker, Chief Economist*
- 109. *Mr Khalid Umar, Chief of Strategic Planning Division/Coordinator Think Tank Network*
- 110. *Mr Batsaikhan Zagdragchaa, Senior Strategic Planning Specialist*
- 111. *Mr Rovshan Mahmudov, Senior Capacity Building Specialist*

VI. INTERPRETERS (2)

- 112. *Mr Huseyn Humbatov*
- 113. *Mr Adil Bunyad*

VII. RAPORTEURS (1)

- 114. *Mr Mehryar A Khan, Independent Consultant, Islamabad*

VIII. MEDIA (17)

- 115. *AzTV*

- 116. *iTV*
- 117. *Xazar TV*
- 118. *Space TV*
- 119. *ARB TV*
- 120. *ATV*
- 121. *Real TV*
- 122. *CBC TV*
- 123. *Baku TV*
- 124. *AZƏRTAC*
- 125. *Report*
- 126. *Trend*
- 127. *APA*
- 128. *Interfax*
- 129. *Oxu.az*
- 130. *Azvision.az*
- 131. *Modern.az*



Central Aisa Regional Economic Cooperation (CAREC) Institute
No. 376 Nanchang Road, Sha Yi Ba Ke District, Urumqi, 830000
Xinjiang Uygur Autonomous Region, the People's Republic of China



f: +86.991.8891151 | www.carecinstitute.org



km@carecinstitute.org | www.carecinstitute.org