

# Newsletter

## Symposium “China – Central Asia Cooperation on Digital Economy Innovation and Governance”

On July 5, the CAREC Institute hosted a hybrid symposium on “China – Central Asia Cooperation on Digital Economy Innovation and Governance” in partnership with Beijing Association for Science and Technology, Beijing Technology and Business University (BTBU), and Economic Cooperation Organization Science Foundation. The symposium was organized as part of the Global Digital Economy Conference 2023, themed “Data Driven Development, Intelligence Leading the Future,” which aimed to create a platform for exchanges and cooperation for the advancement of the global digital economy development landscape.

Mr. Kabir Jurazoda, Director of the CAREC Institute, in his opening remarks emphasized the importance of international collaboration in overcoming the complexities of the global digital economy that are transcend national borders and require collective action. By developing strong partnerships, sharing best practices, and engaging in constructive dialogue, countries can create a global ecosystem that thrives on collaboration, trust and mutual understanding.

The CAREC region is strategically located at the crossroads of Europe and Asia, offering enormous potential for trade, connectivity and innovation. In recent years, the CAREC region has witnessed remarkable progress in digital development. National governments and private sectors have collaborated across borders to use technology and innovation for economic diversification, job creation and social transformation. Initiatives such as developing digital infrastructure, promoting e-commerce, and establishing digital innovation hubs have propelled the region toward a digitally empowered future. “More importantly, CAREC countries are sharing their knowledge and policy best practices to support the development of the digital economy, and the CAREC Institute is helping to do this by leveraging the knowledge potential of developing countries, making the region more prosperous and integrated,” said Director Kabir Jurazoda.

Continued on the next page ➡

### Inside This Issue

China—Central Asia Knowledge Cooperation Symposium .....	3
Urumqi International Aviation Hub Construction Forum. ....	4
International Young Scientists Forum.....	5
Quarterly Economic Monitor.....	6
Partnership Meetings .....	7
Announcement.....	11

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- [News](#)
- [Events](#)
- [E-Learning Platform](#)
- [Publications](#)
- [CAREC Program](#)



Symposium participants in Beijing.

During the thematic seminar of the symposium, which was moderated by Deputy Director One of CAREC Institute Dr. Huang Jingjing, researchers from the CAREC region — Dr. Asif Razzaq, Senior Research Specialist of the CAREC Institute, Dr. Rahat Sabyrbekov, Postdoctoral fellow at the OSCE Academy, Mr. Farrukh Khakimov, Head of the Department on Foreign Policy and Security of the Development Strategy Center of Uzbekistan, Mr. Azimzhan Khitakhunov, Senior Research Fellow of the Eurasian Research Institute of the Khoja Akhmet Yassawi International Turkish-Kazakh University, Mr. Asif Javed, Research Coordinator of Sustainable Development Policy Institute, Dr. Di Yuna, Associate Professor of the BTBU School of Economics and Management, and other scholars — held an in-depth discussion on the potential, policies and mechanisms of digital economic cooperation between China and Central Asia.

During the symposium Director Kabir Jurazoda and Mr. Liu Minhua, Vice President of BTBU, signed the memorandum of understanding between the CAREC Institute and BTBU. The partnership aims at supporting the mechanisms for the exchange of knowledge and experience. The parties agree to jointly organize and participate in forums, conferences, trainings, seminars, and academic and professional meetings, provide necessary mentorship and learning opportunities for young professionals, conduct joint research, and foster capacity building activities.



The signing ceremony of the Memorandum of Understanding.

# Development Knowledge Cooperation Between China and the Five Central Asian Countries

The CAREC Institute contributed to the discussions at the China and Central Asia Development Knowledge Symposium hosted by the Center for International Development Knowledge (CIKD) in Beijing on July 27, 2023. The symposium aimed to share lessons and examples of existing knowledge partnerships, as well as to discuss opportunities for strengthening knowledge and development cooperation between China and the five countries of Central Asia -- Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan. Representatives of think tanks, universities and the private sector from all six countries participated in the symposium in person and online.

The Director of the CAREC Institute, Mr. Kabir Jurazoda, delivered the online opening speech at the symposium emphasizing the importance of human-centered economic policies that integrate livelihood, social and health aspects into post-pandemic recovery. Green and inclusive economic growth is the focus of the CAREC Program and the CAREC Institute and is a key component of the CAREC 2030 Strategy. All CAREC member countries work together to address economic growth and development challenges through enhanced and effective regional cooperation. Over the past two years, the CAREC Institute has devoted considerable attention and efforts to economic research on post-pandemic recovery. In 2022, the CAREC Program and the CAREC Institute worked together on the Post-Pandemic Framework for a Green, Sustainable, and Inclusive Recovery, which was endorsed at the 21<sup>st</sup> CAREC Ministerial Conference. The Framework establishes the need for CAREC countries to consider efforts to promote regional cooperation initiatives to achieve the Sustainable Development Goals and green and inclusive economic growth that should include digital transformation, appropriate infrastructure development, and innovative financing models and deepening regional economic integration. “Economic growth must be humanized, and the result of growth must be, among other things, the reduction of poverty,” said Mr. Kabir Jurazoda.

During the discussion session of the symposium, Dr. Huang Jingjing, Deputy Director One of the CAREC Institute, talked about the replication of China's experience in using digital technologies to eradicate poverty in the CAREC region. Like many other countries of the world, CAREC countries have made tremendous progress in reducing poverty and improving people's well-being over the past few decades, but poverty remains a major challenge due to the devastating effects of the COVID-19 pandemic. The CAREC region currently faces severe food security and environmental challenges that are limiting further poverty reduction. Recent studies by the CAREC Institute show that countries in the CAREC region still have a huge digital divide between individuals, households, firms, provinces, and countries. CAREC countries can learn from China's digital poverty reduction agenda, and they must focus not only on continuously strengthening digital infrastructure construction, but also on continuously strengthening demand-side policies, learning user needs and experience, and ensuring that everyone can effectively participate in digital transformation. Dr. Huang Jingjing suggested that CAREC countries promote digitalization, develop digital industries, establish a digital mechanism for long-term monitoring of poverty reduction, and establish a data management framework. “More importantly, CAREC countries must strengthen multi-stakeholder knowledge sharing cooperation to help reduce digital poverty in the region. And the CAREC Institute will help share poverty reduction experience, best practices, and development knowledge for the CAREC region through policy dialogues, empirical research, academic exchanges, partnerships, trainings, and more,” said Dr. Huang Jingjing.

After the symposium, from July 28 to 29, representatives of the Central Asian countries with staff of the CIKD and the CAREC Institute visited Huzhou in China's Zhejiang province to learn about China's experience in eliminating digital poverty, preserving the environment in rural areas, and achieving harmonious development between man and nature.



Dr. Huang Jingjing speaks at the symposium in Beijing.



## CAREC Institute Contributes to Discussions about International Aviation Hub Construction in Urumqi

On July 6, Dr. Huang Jingjing Deputy Director One of the CAREC Institute, provided an overview of civil aviation development in the five Central Asian countries during the Urumqi International Aviation Hub Construction Forum. Under the theme “Aviation Hub Connects Asia and Europe, Openness and Sincerity for Win-Win Cooperation,” the forum aimed at discussing the development of Urumqi passenger transport hub, freight logistics hub and airport economy, and brought together governmental officials, experts from civil aviation administrations, airlines, key airport hubs, service guarantee units, aircraft manufacturers, general aviation enterprises, research institutions and universities from China and Western and Eastern Asia.

Dr. Huang Jingjing noted that civil aviation remains a key sector of the national economies of the five countries of Central Asia – Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan, improving through increased investment and market. Aviation plays an important role in developing trade, talent and technology, promoting the diversified development of the national economy. However, in order to catch up with the developed countries, the five countries need to continue reforming the aviation industry, moving towards marketization and sustainability, and creating upstream and downstream aviation industry value chains. The CAREC Institute attaches great importance to promoting cooperation and development of the civil aviation industry in Central Asia. Using knowledge cooperation as a bridge, the Institute has established long-term cooperative relationships with the civil aviation authorities of CAREC member countries, universities and think tanks. “The CAREC Institute is ready to support the newly established Silk Road Civil Aviation Cooperation Alliance to develop cooperation with the countries of Central Asia through policy dialogues, research, academic exchanges and training, contributing to the liberalization, commercialization, and development of aviation in the Central Asian region,” said Dr. Huang Jingjing.

The forum was jointly organized by China Air Transport Association, China Southern Airlines Co., Ltd., and Xinjiang Airport Group Co., Ltd, with the support of the People’s Government of Xinjiang Uygur Autonomous Region of China and the Civil Aviation Administration of China.



Dr. Huang Jingjing speaks at the Urumqi International Aviation Hub Construction Forum.

# CAREC Institute Contributes to Discussions of the International Young Scientists Forum

On July 8, the CAREC Institute, represented by Director Mr. Kabir Jurazoda, Deputy Director One Dr. Huang Jingjing, and Senior Research Specialist Dr. Asif Razzaq, took part in the 2023 International Young Scientists Forum on Ecology and Resource Sustainable Development of Silk Road in Urumqi, Xinjiang, China. The forum was organized by the Xinjiang Institute of Ecology and Geography of the Chinese Academy of Science and aimed to promote the establishment of both the Innovation Base of the International Sciences Academy of Silk Road and the Central Asian Young Scientists Association.

During his welcoming speech, Mr. Kabir Jurazoda noted that sustainable economic development is at the forefront of the CAREC Program and CAREC Institute and is a key component of the CAREC 2030 strategic outlook. All CAREC member countries work together to address regional development challenges through enhanced and effective regional cooperation. On this front, the CAREC Institute, as the knowledge arm of the CAREC Program of the Asian Development Bank, provides innovative knowledge support in collaboration with international and national stakeholders. The CAREC Institute hosts many activities related to regional sustainable economic development such as policy dialogues, evidence-based research, capacity-building, knowledge-sharing, and networking and partnership with renowned think tanks and academia. “Knowledge sharing and collaboration across borders become increasingly vital as countries pursue sustainable development goals, and the CAREC Institute will continue to play an important role as a knowledge connector, taking advantage of Xinjiang’s location as the core zone of the Silk Road Economic Belt, accelerating the enhancement of scientific and technological innovation capabilities, deepening open cooperation and promoting the common prosperity and development of CAREC countries,” said Mr. Kabir Jurazoda.

During the concurrent roundtable discussion on “Inclusive Digitalization and Digital Divide in CAREC Region,” Dr. Asif Razzaq presented the results of a recent study of the CAREC Institute [“Digital CAREC: Analysis of the Regional Digital Gap.”](#) highlighting the current state of digitalization in the region, the progress made and the persisting gaps. He discussed the factors contributing to the digital divide, including socioeconomic disparities, gender inequality, rural-urban divide, and infrastructure limitations. The roundtable also delved into the policy and regulatory frameworks necessary to promote inclusive digitalization, focusing on the importance of public-private partnerships and cross-sector

collaboration. Infrastructure development emerged as a key topic of discussion, with participants emphasizing the need to expand broadband connectivity, particularly in underserved areas.

Dr. Asif Razzaq stressed the importance of estimating the cumulative digital divide considering cost and affordability, access and infrastructure, Internet quality, digital security, regulations, digital FDI, and ICT output. He shared that Kazakhstan and Georgia are the least digitally divided countries, while Azerbaijan and Mongolia are moderately divided in the digital spectrum, whereas Uzbekistan, the Kyrgyz Republic, Pakistan, and Tajikistan are the least performing economies, confirming a higher digital divide and highlighting the need for inclusive digitalization practices. Dr. Asif Razzaq mentioned the potential of regional cooperation to improve infrastructure, such as the establishment of shared cross-border fiber optic networks and the harmonization of regulations.



Round table on Inclusive Digitalization and Digital Divide in CAREC Region.

Digital skills and education were another crucial aspect of the conversation, as participants recognized the importance of equipping individuals with the necessary knowledge and abilities to fully participate in the digital economy. Dr. Asif Razzaq stressed the need for comprehensive digital literacy programs and emphasized the importance of bridging the gender gap in digital skills.

The roundtable also highlighted successful initiatives and best practices from other regions that have tackled similar challenges, underscoring the importance of international cooperation and knowledge sharing in addressing the digital divide.

## Quarterly Economic Monitor No. 10



The new issue of the Quarterly Economic Monitor (No.10) is available on the CAREC Institute's website now. The new issue of the Quarterly Economic Monitor discusses GDP, industrial production, and retail sales in the CAREC region, along with foreign trade, inflation, monetary policy developments, and credit growth - as usual. The Quarterly Economic Monitor No.10 discusses more in detail the region's exports and their structure. The Quarterly Economic Monitor concludes that while CAREC growth will remain generally rather strong in 2023, the imminent slowdown, though moderate, once again points to the necessity of upgrading the region's production and export profile to secure high and sustainable growth long-term.

Regional economic cooperation is not only one of the factors facilitating to live up to the challenges

and opportunities of the new time but also the core mandate of the CAREC Institute. Annex 1 of the Quarterly Economic Monitor gives – also as usual – an overview of recent regional cooperation initiatives. Given that the green transition and climate change adaptation have moved to the forefront of the global and regional agenda, the Annex 2 of the Quarterly Economic Monitor No. 10 provides news on these topics.

## CAREC Institute Contributes to Discussions About New Finance

On July 5, Dr. Asif Razzaq, Senior Research Specialist of the CAREC Institute, spoke online at the International Conference on "New Finance and Economics" and Global Communication, which was hosted by the College of International Education, Southwestern University of Finance and Economics, China. His presentation was on "Revolutionizing Finance and Sustainability: Uncovering the Intersection of Digitization, Green Growth, and Big Data."

Based on his recent research, Dr. Asif Razzaq talked about how digital finance drives green growth and how the relationship between them differs across regions in China. The People's Republic of China, adhering to the practice of green growth, has achieved significant results in the use of digital finance, which has expanded the financial inclusion and opportunities of the green economy towards green growth, contributing to the efficient allocation of financial resources and achieving equitable development. Digital finance has positively impacted green growth in China by reducing energy poverty and improving the digital transformation of enterprises. A significant positive effect of digital finance is observed in the eastern and central regions of China and to a lesser extent in the western region, due to the abundant and

concentrated resources, technical capabilities and environmental protection mechanisms. The western region is underdeveloped, which limits the role of digital finance in promoting green growth.

In his presentation, Dr. Asif Razzaq recommends policymakers to further promote the deep integration of digital technology and financial business and strengthen digital finance oversight. Local authorities should seize the opportunities of digital finance to reduce energy poverty and increase the digitalization of enterprises. Funding should be directed towards clean and sustainable technologies, research and development, and corporate products to optimize energy development efficiency and use efficiency. In order to strengthen the role of digital finance in expanding green growth opportunities, it is necessary to promote a digital finance development model supported by digital technologies and with the participation of various financial actors. Public-private partnerships will contribute to the strengthening of digital infrastructure in less developed regions and for the development of fintech companies. "Underdeveloped regions should use the experience of developed regions in building digital finance and digitalization of local enterprises," said Dr. Asif Razzaq.



## Delegation from the China Development Bank visits the CAREC Institute

On July 25, the delegation of the Xinjiang Branch Office of the China Development Bank visited the CAREC Institute to discuss the areas of potential cooperation. Established in 1994, the China Development Bank mobilizes economic resources and channels them towards socioeconomic development, such as infrastructure, energy, environmental protection, advanced equipment manufacturing, public services, inclusive finance, poverty alleviation and others. The China Development Bank works closely with the financial institutions of Central Asian countries to promote inclusive and sustainable financial sectors in these countries.

Dr. Huang Jingjing, Deputy Director One of the CAREC Institute, welcomed the delegation and informed its members about the Institute's knowledge activities. As the knowledge arm of the ADB's CAREC Program, the Institute conducts strategic research on regional economic and financial stability, trade, tourism and economic corridors, infrastructure and connectivity, agriculture and water management, and human development dimensions. The CAREC Institute

organizes capacity building and training activities to build, strengthen, and develop member countries' expertise in areas of regional cooperation. The Institute conducts forums, conferences, policy dialogues, round table discussions, webinars, and trainings to share best practices for mutual development. The Institute promotes the exchange of knowledge among stakeholders in the CAREC region to enhance government and individual capacities to effectively participate in evidence-based decision making. Dr. Huang Jingjing invited the China Development Bank to attend the Seventh CAREC Think Tank Development Forum which will be held under the theme of "Embracing Digital Technology for Sustainable Economic Development" on August 16-17, 2023, in Urumqi, the PRC; and the Third CAREC Institute Research Conference "Prospects for an Inclusive Green Growth and Sustainability in the CAREC Region" to be held virtually on September 5-6, 2023 (tentative dates).

Both sides agreed to hold regular meetings to discuss further cooperation in research and capacity building.



Meeting with the delegation from the China Development Bank.

## Partnership Meeting with the School of International Economics and Management, Beijing Technology and Business University

On July 6, Mr. Kabir Jurazoda, Director of the CAREC Institute, met with Professor Guo Yi, Party Secretary of the CPC at the School of International Economics and Management, Beijing Technology and Business University (SIEM BTBU), and Professor Zhan Xinyu, Dean of the SIEM BTBU.

During the meeting, Dean Zhan Xinyu spoke about the history of the SIEM BTBU and its major educational programs like big data management and application, digital intelligence tourism, digital economy, and financial technology. The school cooperates with several think tanks such as the Digital Economy Research Institute, the Cultural and Tourism Development Research Institute and the Digital Economy and Capital Development Innovation Center, actively serving the needs of high-quality development of China's capital city in the new digital era. Director Kabir Jurazoda presented the history and main activities of the CAREC Institute on knowledge generation, capacity building and knowledge sharing to promote regional economic cooperation and economic integration in Central Asia.

Both sides discussed in detail the issues of cooperation, team building and writing a policy report on Digital Wisdom Tourism and agreed to further promote the Belt and Road Initiative, the Global Development Initiative, and the United Nations Sustainable Development Goals as important basis for practical cooperation among CAREC countries.



Partnership meeting with the School of International Economics and Management, BTBU.



## Modern Heat Management Training Course Now Available on CAREC Institute e-Learning Platform

The CAREC Program held a training course on “Modern Heat System Management” from May 17 to June 15, 2022, as part of the capacity building program for civil servants, technical experts, business representatives and public organizations of Kazakhstan. The leading German engineering consulting company Dornier Group was engaged by the Asian Development Bank and the Ministry of Energy of the Republic of Kazakhstan to conduct trainings with the participation of international and national experts to support the development of heat energy sector legislation in Kazakhstan. Organizational and technical support was provided by the Kazakh-German University.

The training course includes 14 webinars on 4 modules — technological, planning, tariff setting and institutional. Each webinar was held in an interactive format with answers to participants’ questions and discussion of controversial issues and problems identified by the speaker and proposed by the participants themselves.

The training course will help CAREC member countries to effectively manage the heat supply system. All videos and materials are available at the [CAREC Institute E-Learning Platform](#).

## Delegation of the CAAC International Cooperation and Service Center Visits the CAREC Institute

On July 7, a delegation from the International Cooperation and Service Center of the Civil Aviation Administration of China (CAAC), led by Deputy Director Mr. Fang Ruifeng, visited the CAREC Institute. Mr. Kabir Jurazoda, Director, and Dr. Huang Jingjing, Deputy Director One of the CAREC Institute, briefed visiting guests about the institute’s research projects in civil aviation in Central Asian countries.

The CAAC International Cooperation and Service Center was established in 1996, and its main activities include civil aviation foreign affairs, consultancy and research on civil aviation laws and regulations, and international exchange and cooperation, etc. As the office of the CAAC “Belt and Road” Initiative Cooperation Platform, the Center has produced a series of country-specific reports on civil aviation and hosted many high-profile international civil aviation conferences and events, as well as capacity-building activities.

Since 2018, in partnership with the CAAC International Cooperation and Service Center, the CAREC Institute has implemented two research projects on the development of the civil aviation industry in Central Asian countries and provided support to “2021 CAAC-Fellowship Training Programs for Aviation Personnel from the Belt and Road (Asian) Countries on Preventing the Spread of COVID-19 through Air Transport.” The CAREC Institute is currently implementing the third research project on the recovery and development of air transport in

Central Asia, which is also financed by the Center. Director Kabir Jurazoda noted that the support of the CAAC International Cooperation and Service Center allowed the CAREC Institute to expand its research on studying aspects of the development of the civil aviation industry in Central Asian countries and promote regional connectivity through knowledge products and services.



Partnership meeting with the CAAC International Cooperation and Service Center.

## Partnership with the Eurasian Fund for Stabilization and Development

On July 13, the CAREC Institute and the Eurasian Fund for Stabilization and Development launched an official partnership by exchanging letters of intent for cooperation.

The two organizations decided to establish a new partnership to better serve their member countries in the CAREC region and contribute to regional economic development and stability by expanding cooperation in the areas of macroeconomic analysis, debt and financial sustainability, and support in the energy, transport, and water sectors. The Eurasian Fund for Stabilization and Development regularly participates in the CAREC Ministerial Conference and the CAREC High-Level Forum on Economic and Financial Stability.

The Eurasian Fund for Stabilization and Development is a regional financial arrangement in the amount of US\$ 8.513 billion established by Armenia, Belarus, Kazakhstan, the Kyrgyz Republic, Russia, and Tajikistan to overcome negative crisis consequences, to provide long-run sustainability and to foster economic integration of its member countries. The fund provides the following assistance to the member states: 1) financial credits for budget support and (or) balance-of-

payments support, available to governments only; 2) investment loans, provided either to EFSD member states or to companies; and 3) grants to finance government programs in the social sector.

As a regional knowledge broker, the CAREC Institute partners with national and international partners to provide high-quality research and capacity-building services and knowledge products which can be translated into effective policy actions for the benefit of countries in the CAREC region.



Partnership meeting with the Eurasian Fund for Stabilization and Development.

# ANNOUNCEMENT

## The Seventh CAREC Think Tank Development Forum

On August 16-17, 2023, in Urumqi, the People's Republic of China (PRC), the CAREC Institute will host the Seventh CAREC Think Tank Development Forum (CTTDF) in partnership with ADB-PRC Regional Knowledge Sharing Initiative (RKSII) and with the support of the Asian Development Bank (TA 6694-REG: Supporting the Central Asia Regional Economic Cooperation Institute). The forum serves as a platform for CAREC Think Tank Network (CTTN) members and other stakeholders to engage in meaningful discussions on topics of regional importance and to generate viable policy options. It promotes interaction between think tanks and the private sector to build partnerships and alliances for joint research and capacity building initiatives to deepen regional cooperation and integration.

The forum will be held under the theme "Embracing Digital Technology for Sustainable Economic Development" and will consist of seven sessions on the role of digital technology in driving sustainable economic growth, the readiness of the CAREC region for digital adoption, the promotion of digital technologies, investments in key digital infrastructure and favorable business environment, the development of e-commerce and digital finance; and discussions of opportunities and challenges for the labor market, digital governance, and the CAREC startup ecosystem. In the closing session, CTTN members will discuss how think tanks, through strategic advocacy, can provide policy makers with the information and guidance they need to develop effective policies that promote economic growth, stability and prosperity.

The forum will bring together about 120 participants from CAREC think tanks, universities, senior government representatives, multilateral development partners, the private sector, and media. Among key speakers are representatives from the United Nations Women, Asian Development Bank, Islamic Development Bank, Alibaba, Tencent Research Institute and other national research institutes and think tanks.

Please follow this page for updates to the agenda and other related forum information.



## The Seventh CAREC Think Tank Development Forum

Embracing Digital Technology for Sustainable Economic Development

### Hybrid Event

- Online Via ZOOM
- Hilton Hotel, Urumqi, The PRC



### Language Support

English  
Chinese  
Russian

### 16-17 August, 2023

08:30-17:00 (UCT+8)  
[www.carecinstitute.org](http://www.carecinstitute.org)

### About CAREC Institute

The Central Asia Regional Economic Cooperation (CAREC) Institute is an intergovernmental organization dedicated to promoting the economic cooperation in the Central Asia and along the Silk Road through knowledge generation and sharing. The CAREC Institute is jointly shared, owned, and governed by eleven member countries.

The Institute acts as a knowledge connector among the five CAREC themes—economic and financial stability; trade, tourism, and economic corridors; infrastructure and economic connectivity; agriculture and water; human development—to ensure coherence in design and implementation of policies, programs, and projects to promote regional economic cooperation and integration.

