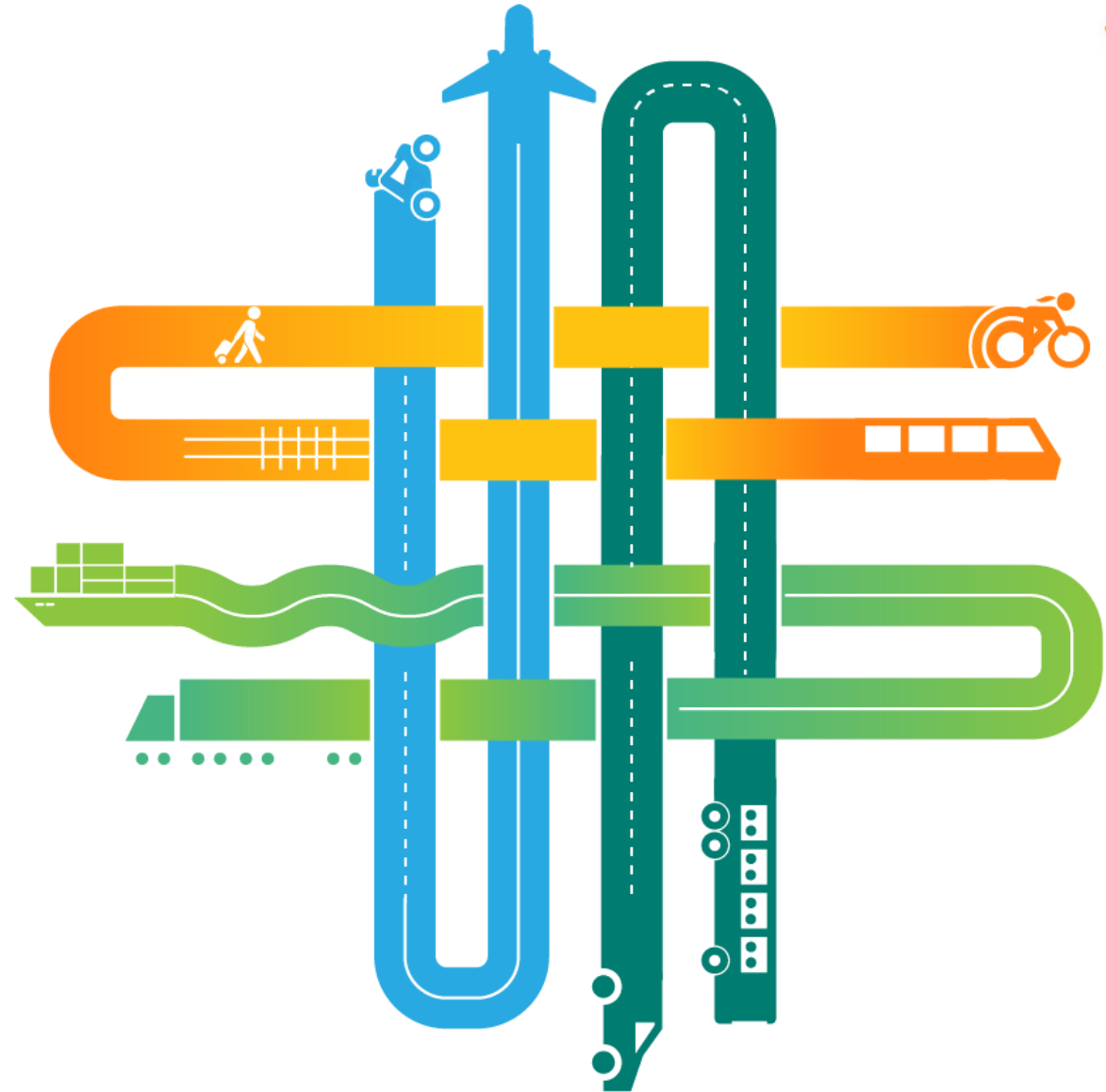


# CAREC Corridors



by Dr. Ilhom Abdulloev  
Chief of Capacity Building  
CAREC Institute

# Regional Economic Integration: A Path to Prosperity

Enhanced  
Economic  
Welfare

Boost in Trade  
Flows

Economies of  
Scale

Global  
Competitiveness

Foreign Direct  
Investment  
Growth

Economic  
Stability

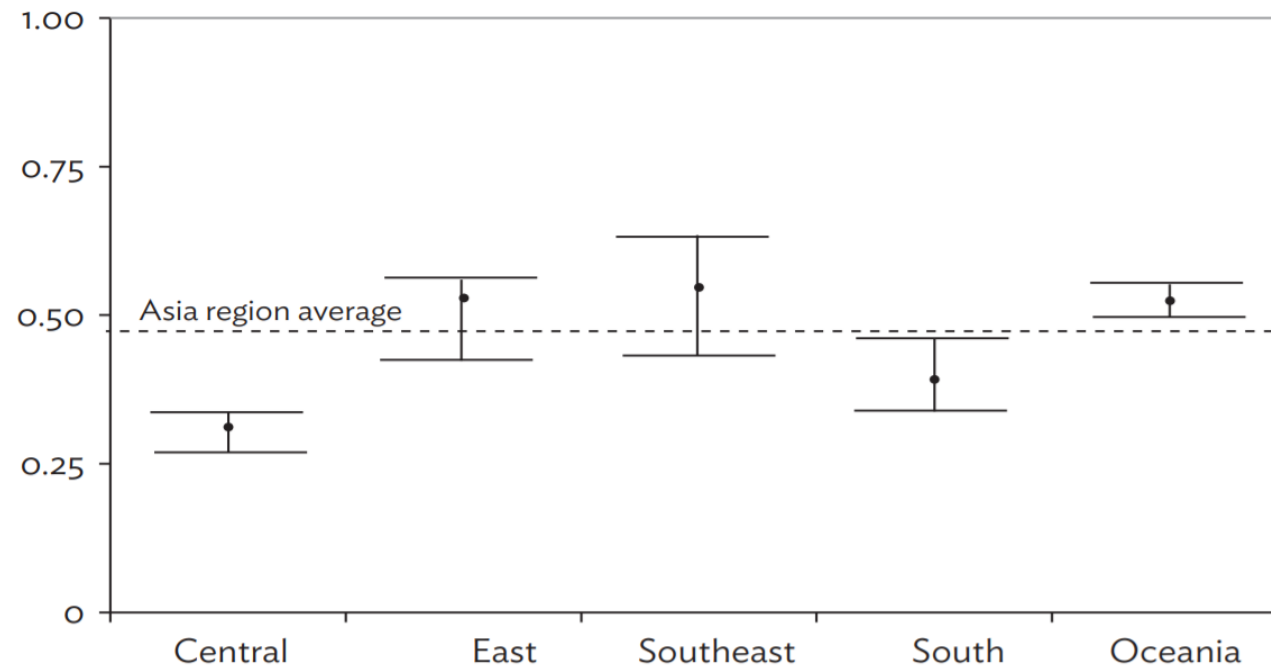
Political and  
Diplomatic  
Cooperation

Broader  
Consumer  
Selection

Streamlined  
Administrative  
Processes

Knowledge and  
Expertise  
Exchange

Skilled Workforce  
Attraction



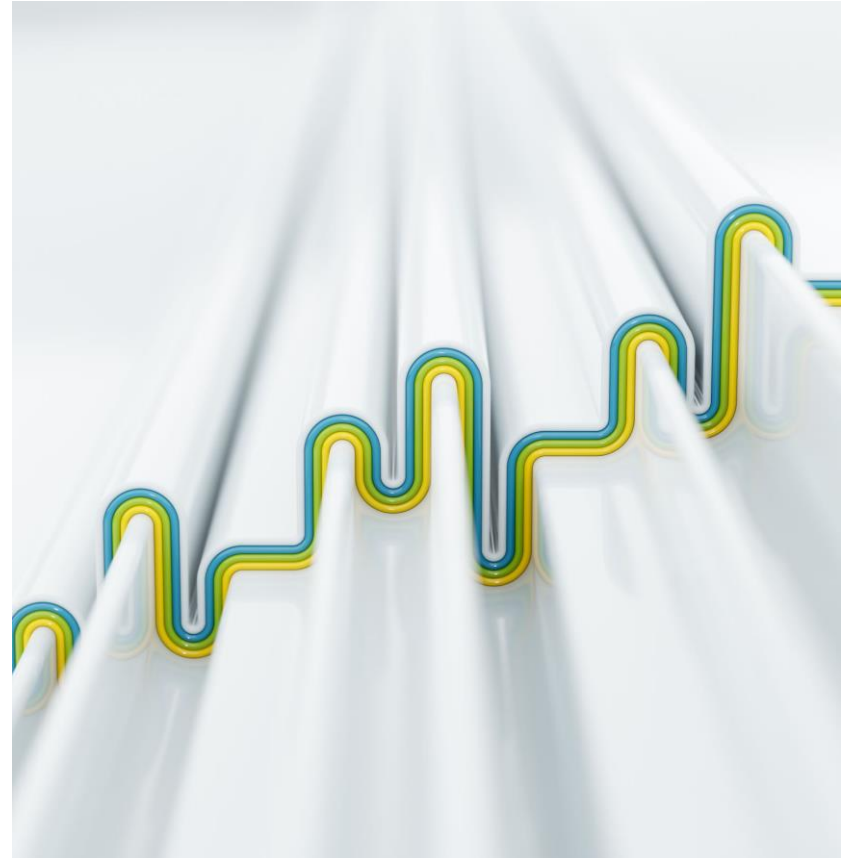
- Central Asia continues to be the most disintegrated region in Asia, despite possessing substantial opportunities to benefit from the current robust economic expansion.

## Regional Integration

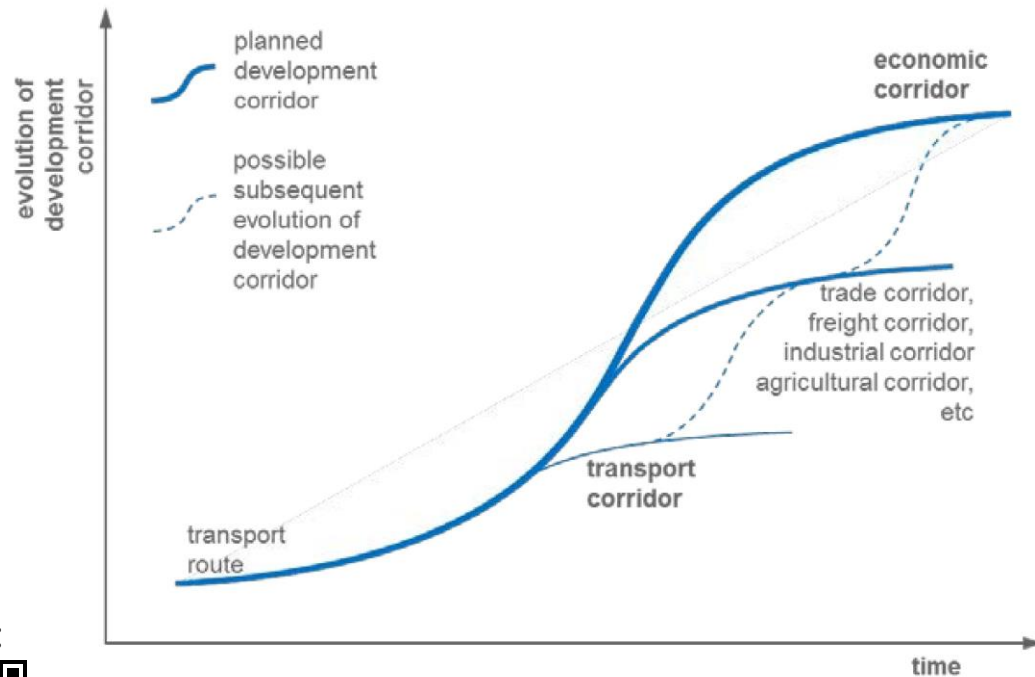
# Regional Integration Corridors

---

- **Definition:** Corridors are networks fostering the flow of goods, services, capital, and people between neighboring regions.
- **Objectives:**
  - Reduce trade barriers
  - Boost regional connectivity
  - Harmonize policies & regulations
- **Key Components:**
  - Large-scale infrastructure (roads, railways, ports, pipelines)
- **Impacts:**
  - Economic: Stimulates growth & trade
  - Social: Improves living standards & employment
  - Environmental: Balances development with sustainability
- **Success Factors:**
  - Political will for regional cooperation
  - Collaboration among participating nations and stakeholders
  - Effective governance frameworks
  - Management of potential challenges



# Corridors in the CAREC Region



Source:



**Transport  
Corridors**

**Economic corridors**

- Energy, digitalization, trade, tourism, health, gender, etc.

**Knowledge  
Corridors**

# CAREC Strategy 2030

Source:



## Economic and Financial Stability Cluster

- Macroeconomic Policy Coordination
- Promoting Financial Stability
- Strengthening the Investment Climate

## Trade, Tourism, and Economic Corridors Cluster

- Trade
- Tourism
- Economic Corridors Support
- Urbanization

## Infrastructure and Economic Connectivity Cluster

- Transport
- Energy

## Agriculture and Water Cluster

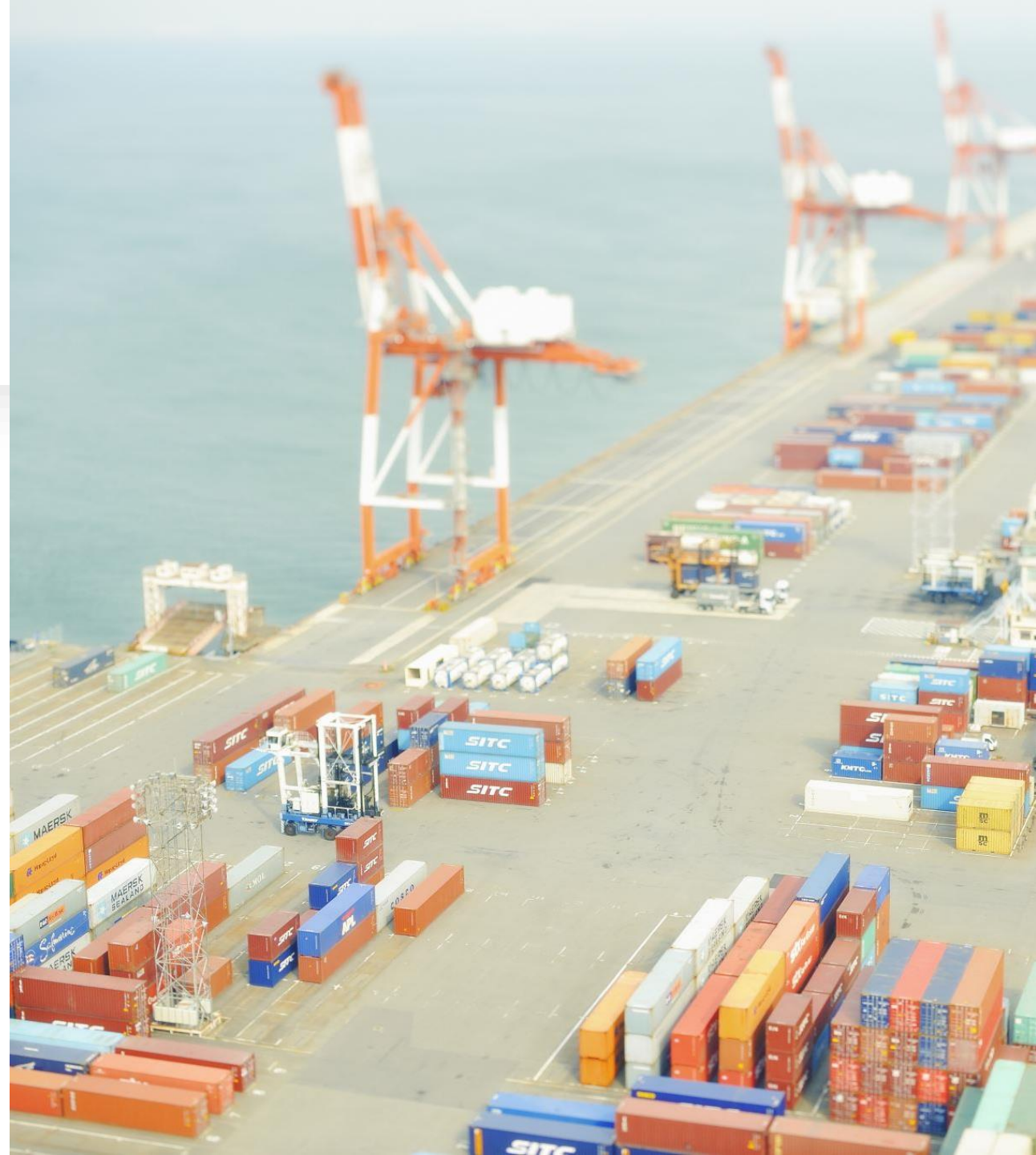
- Agriculture
- Water Management

## Human Development Cluster

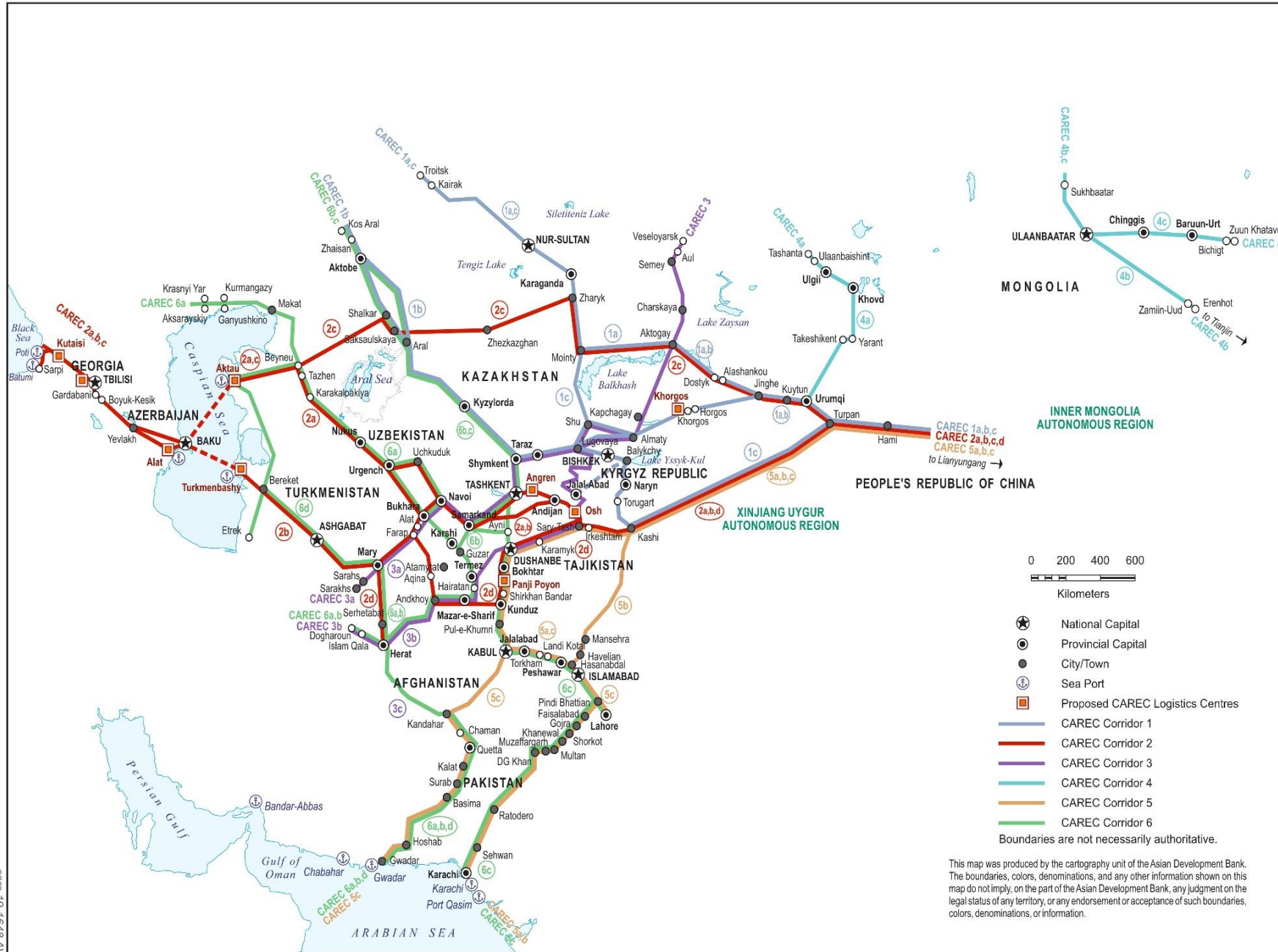
- Education
- Health

# Transport Corridors

- Enhancing connectivity and trade within the region and with the world.
- Development and improvement of transportation infrastructure:
  - Roads
  - Railways
  - Ports
  - Airports



**Map 1: CAREC Multimodal Corridors**



This map was produced by the cartography unit of the Asian Development Bank. The boundaries, colors, denominations, and any other information shown on this map do not imply, on the part of the Asian Development Bank, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries, colors, denominations, or information.



# Regional Strategies for Transport Corridors

## **CAREC Transport Strategy Pillars:**

- Cross-Border Transport and Logistics Facilitation
- Roads and Road Asset Management
- Road Safety
- Railways
- Aviation



## **CAREC Road Safety Strategy Pillars :**

- Road safety management
- Safer roads
- Safer vehicles
- Safer road users
- Postcrash care



## **CAREC Railway Strategy Components:**

- Developing Effective Rail Infrastructure
- Developing Robust Commercial Capabilities, and
- Improving Legal and Regulatory Frameworks



# Economic Corridors: Energy Sector Investments

- around 300 billion USD by 2030 (without the PRC)
- only government investments are and will not be sufficient
- share of the renewables in energy balance are negligibly low in the countries of CAREC region
- accessibility, investments, and resource efficiency are key areas of CAREC program's Energy Sector Strategy

Source:



# Economic Corridors: Energy Sector

- Coal and oil -from 15 to 75% of energy production in CAREC countries
- High share of fossils in energy mix adversely effects energy security as affordability dimension becomes vulnerable.
- Overall, oil, gas, coal and other mineral resources in both trade and energy in the region are very important.
- GDPs of Azerbaijan, Kazakhstan, Turkmenistan, and Uzbekistan are dependent on price to these mineral resources.
- Tajikistan, Kyrgyz Republic, and Georgia are having high share of hydro energy in the energy balance.

Source:



# Economic Corridors: Energy Cooperation

CAREC Energy Sector Strategy defines three pillars:

- I. Better Energy Security through Regional Interconnections
- II. Scaled-Up Investments through Market-Oriented Reforms
- III. Enhancing Sustainability by Greening the Regional Energy System

Source:



# Economic Corridors: Digital Gap

- Green highlighted - lower digital divide
- Red highlighted - higher digital divide

Source:



Indicators	Azerbaijan	Georgia	Kazakhstan	Kyrgyz Republic	Mongolia	Pakistan	Tajikistan	Uzbekistan
Cost and Affordability	5	7	8	2	6	3	1	4
Access and Infrastructure	7	6	8	3	4	1	2	5
Internet Quality	3	8	6	7	2	5	4	1
Regulations	4	8	6	5	7	2	1	3
Digital Security	7	6	8	3	2	4	1	5
ICT Output	6	3	8	5	7	4	2	1
Digital FDI	1	2	8	3	6	7	4	5
\`CDDI	6	7	8	3	5	2	1	4



# Economic Corridors: Cooperation on Digitalization

CAREC Digital Strategy's objectives:

- Encourage investment in the digital infrastructure.
- Harmonize digital and data legislature.
- Develop new digital skills.
- Attract talent into the region to strengthen innovation ecosystem.
- Reduce regional trade barriers, particularly in e-commerce.
- Improve the digital foundations and create interoperable digital platforms.

Source:



# Economic Corridors: Trade

---

Streamlining cross-border procedures

---

Harmonization of standards and regulations

---

Encouraging private sector participation

---

Coordinating policies and strategies

---

Negotiation and implementation of free trade agreements



# Economic Corridors: CAREC Corridor Performance Monitoring and Measurement (CPMM)

## Time taken to clear a border-crossing point

Average length of time (in hours) taken to move cargo across a border from the exit point of one country to the entry point of another. The intent is to capture both the complexity and the inefficiencies inherent in the border-crossing process.

---

## Cost incurred at a border-crossing point

Average total cost (in \$), of moving cargo across a border from the exit point of one country to the entry point of another.

---

## Cost incurred to travel a corridor section

Average total costs (in \$) incurred for one unit of cargo traveling along a corridor section within a country or across borders. Both official and unofficial payments are included.

---

## Speed to travel along CAREC corridors

Average speed, in kilometers per hour (kmph), at which a unit of cargo travels along a corridor section within a country or across borders. Distance and time measurements include border-crossings.

Source:





# Economic Corridors: CPMM major products

**REPORT** for experts who prefer to see in-depth policy research

**DATA** for researchers to look in details at issues and their causes and conduct research analysis

**BRIEFs** for policy makers who are interested in research findings and recommendations.

**Policy briefs inform about current impediments to regional trade that require change:**

1. Communicate findings for delivering impact at the national level.
2. Engage in national policy dialogues, bringing the research evidence into national policies.
3. Engage in two-way communication with governments, which undertake necessary policy measures based on CPMM findings.

Source:



# Economic Corridors: Tourism, Health, & Gender

**CAREC Tourism Strategy** promote sustainable, safe, and inclusive tourism development through cooperation on

- Connectivity and Infrastructure
- Quality and Standards
- Skills Development
- Marketing and Branding
- Market Intelligence



**CAREC Health Strategy** aims to enhance regional health security by supporting

- Leadership and human resource capacity
- Technical preparedness
- Surge demands and access to supplies
- Vulnerable population groups and border health



**CAREC Gender Strategy's** objectives are:

- Promote women's access to economic opportunities.
- Contribute to women's social empowerment.
- Support women's regional networks and policy reform for women's empowerment.
- Enhance women's access to information and communication technology.





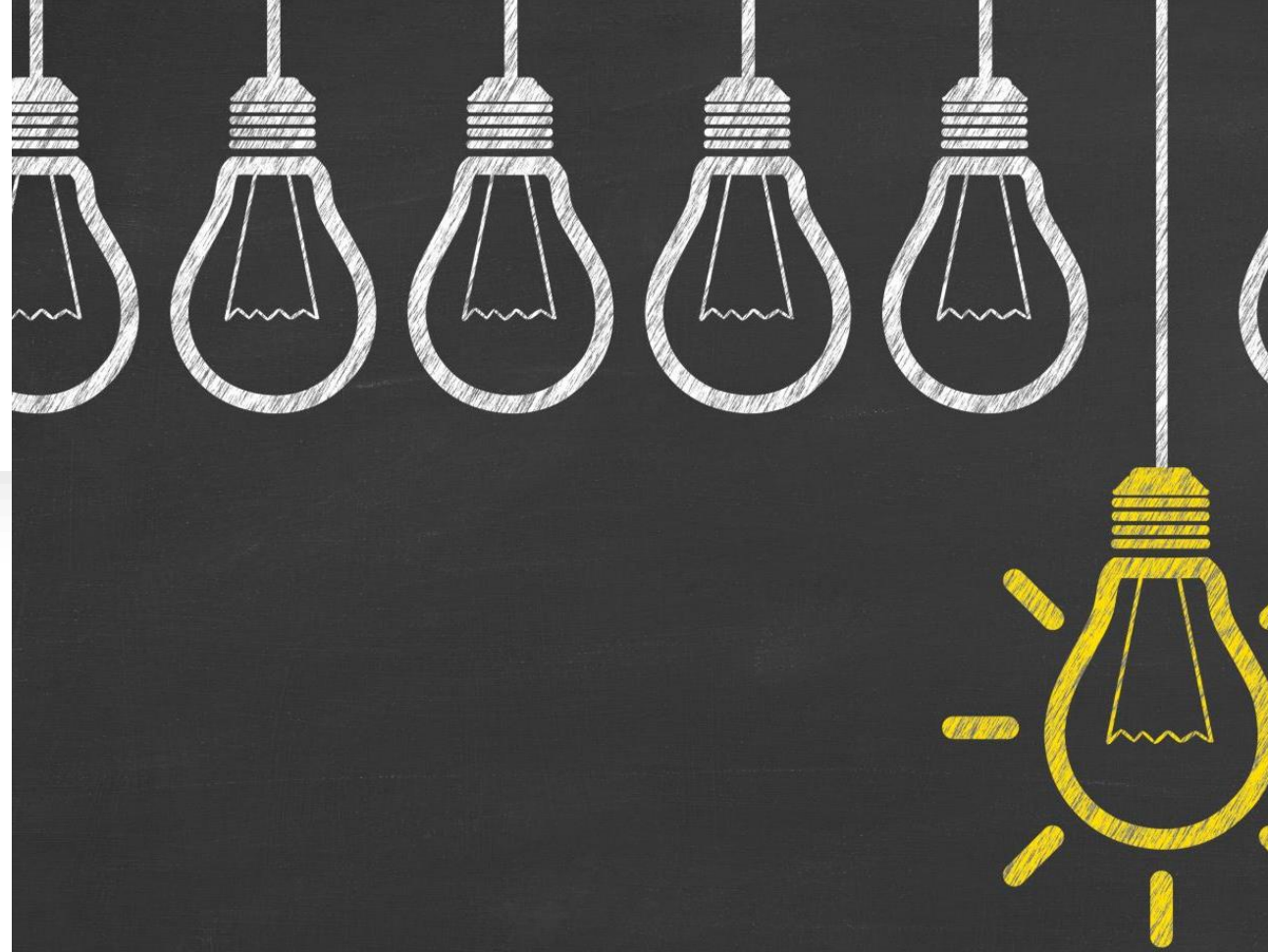
# Knowledge Corridors

- **Dynamic Pathways for Knowledge Transfer:** Facilitate the exchange of research and expertise between nations.
- **Informed Policy Advocacy:** Drive evidence-based policy decisions through international collaboration.
- **Enhancing Regional Integration:** Align strategies and harmonize practices across borders, fostering cooperation and trust.
- **Supporting Sustainable Development:** Promote shared growth and social cohesion by leveraging collective wisdom. 3
- **The CAREC Institute acts as a key knowledge broker in developing the CAREC knowledge corridors.**

# Capacity Building

- The CAREC Institute helps enhance the skills and knowledge of policymakers, thereby contributing to socioeconomic and sustainable development leading to prosperity across the region.
  - Schools for Policymakers
  - E-Learning
  - Policy Dialogues
  - Hybrid or Blended Learning Programs
  - Trainings of Trainers
  - Cascading Learning Programs
  - Regional Workshops
  - Country-Specific Workshops
  - Chai Events
  - Communities of Practice

Source:



# Research and Policy Support

- CAREC Institute's research and policy support initiatives play a crucial role in supplying the knowledge that shapes regional policies and projects, guiding decision-making processes:
  - Annual Development Reports
  - Annual Books
  - Research Reports
  - Research Papers
  - Journal Papers
  - Quarterly Economic Monitors
  - Policy Briefs
  - Economic Briefs
  - Blogs
  - Visiting Fellowships
  - Research Grants

Source:



# Knowledge Management and Communication

- The CAREC Institute communicates technical and complex knowledge in more accessible and simplified information formats to a wider audience.
  - E-newsletters
  - Booklets
  - Brochures
  - Infographics
  - Research Digests,
  - Knowledge Adaptations
  - Branding
  - Media outreach
  - Social media
  - Website

Source:



# Networking and Partnerships

- The CAREC Institute promotes knowledge collaboration in the region by facilitating the exchange of ideas, research, and best practices among CAREC member countries:
  - Research Conferences
  - Think Tank Networks
  - Think Tank Development Forums
  - Memorandums of Understanding
  - Joint Research and Capacity Building Projects
  - Exchange of Experts

Source:



# Conclusion

Website:



eLearning:



- **Current Integration Status:** Central Asia remains the least integrated region in Asia, yet holds vast potential to capitalize on the current high economic growth.
- **Opportunity for Enhanced Connectivity:** Strengthening connectivity and cooperation among CAREC countries is crucial to unlocking these opportunities.
- **Diverse Corridors:**
  - **Transport Corridors:** Enable efficient movement of goods and people, reducing delays.
  - **Economic Corridors:**
    - Facilitate the secure and reliable flow of energy resources across borders.
    - Promote seamless exchange of digital information and services, enhancing communication.
    - Streamline export-import operations, boosting trade volumes.
    - Support various forms of cross-border cooperation, driving regional integration.
  - **Knowledge Corridors:**
    - An interconnected network of virtual exchanges, ideas, and insights from knowledge enablers.
    - Contribute significantly to sustainable development and regional cooperation within the CAREC region.