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# CAREC Institute: Getting Started

Negmatjon Buriev  
Senior Advisor to the President on  
Economic Policy  
Tajikistan



# Ministerial Endorsement/ Senior Officials' Commitment

## The Urumqi Declaration

"To coordinate our much needed research, training, and dialogue activities, we (the Ministers) endorse the formation of a CAREC Institute."

## Report of Senior Officials to Fifth MC

"Upon Ministerial approval of the concept, the CAREC Secretariat will prepare a step-by-step plan of action for establishing the Institute."

# Key Functions of the Institute

Key functions of the Institute, as outlined in the CAP:

- **Research:** to combine the research strengths of CAREC countries and MI partners, increasing our ability to design and implement mutually beneficial regional initiatives
- **Training:** to form a cadre of officials skilled in regional cooperation processes
- **Outreach activities:** to broaden the inclusiveness of the CAREC Program and to build greater understanding of the benefits of regional cooperation

# Order of Priority

Country Consultations (People's Republic of China, Kyrgyz Republic, Kazakhstan, Tajikistan), January 2007:

- First priority: dialogue and building understanding
- Training ranked first by one country, and second by others
- Research ranked second by one country, third by others
- Key Message: start modestly, small scale, virtual basis.

# Current CAREC Activities

Leads to the CAREC Institute:

- CAREC's US\$140,000 pilot research grants program, to encourage research on regional cooperation and integration
- CAREC Unit (Secretariat) is currently preparing a comprehensive training program for 2007/08
- CAREC's dialogue and outreach activities are being expanded; in-country and regional workshops; policy research briefs
- ADB RETA for CAREC under preparation, includes substantial support for CAREC Institute

# Initial Step for Establishing the CAREC Institute

## Pragmatic/Results-based Approach

- Avoid formal incorporation
- Simply an extension of the CAREC Unit in Almaty
- Assign research, dialogue and training activities of CAREC Program
- Approximately \$1 million available for startup research/training/dialogue activities
- Support by CAREC Unit, Domestic Advisors, Regional Cooperation Specialists, International Advisors
- Appointment of an Interim Director, from the region
- Build a track record of accomplishments

# Step-by-Step Approach to CAREC Institute

Options for Follow-up Consideration:

- Option 1: Continuation of the start-up phase
- Option 2: A formal inter-state institution, perhaps in the form of the Eurasian Development Bank (EDB) or the ADB Institute
- Option 3: Registration as a non-profit, non-governmental foundation

# Option 1: Continuation of the Start-up Phase

Pros and Cons:

- Minimizes controversy; avoids question of location and incorporation
- Research, training and dialogue activities tailored specifically to CAREC Program
- Ownership issue: CAREC countries versus MI leadership
- Resource mobilization: may be difficult to broaden participation if so closely under the CAREC Unit



## Option 2: A Formal Inter-State Institution

### Pros and Cons:

- CAREC Institute could start on a two plus principle, in the manner of the Eurasian Development Bank
- Subsequent membership by additional CAREC countries would underscore ownership and commitment
- Inter-state institutions inherently difficult to establish (e.g., the proposed SCO Development Fund)
- Formal step of this nature inconsistent with informal, results-based focus of CAREC Program

# Option 3: Registration as a Non-Profit, Non-Governmental Foundation

## Pros and Cons:

- Thailand Development Research Institute as a possible model
- Essentially a private sector institute, but with a Council of Trustees and Board of Directors representing interests of government, business sector, academia and civil society
- Mission statement in support of regional cooperation/integration
- Possibility of mobilizing wide-based support
- Greater independence of research, training and dialogue activities; a pro or con depending on perspective

# Guidance Required

- Initial steps for establishing the CAREC Institute
- Long-term vision for the Institute
- Desired option for realizing the vision