International Conference on Strengthening Sub-regional Economic Cooperation in Central Asia and the Future Role of the UN Special Programme for the Economies of Central Asia (SPECA)

Organized by the Government of Kazakhstan in cooperation with UNICE and UNESCAP
(Astana, Kazakhstan, 25-27 May 2005)

BACKGROUND

Strengthening sub-regional economic cooperation is an important condition for promoting prosperity, stability and security in Central Asia and in the broader region, achieving by countries of Central Asia the Millennium Development Goals and facilitating their progress towards sustainable development.

In early 2004, the United Nations Secretary-General launched an initiative aimed at reinvigorating the Special Programme for the Economies of Central Asia (SPECA). The Programme was established in 1998 with a view to strengthening sub-regional cooperation in Central Asia and its integration into the world economy. Currently it involves Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan and is jointly supported by UNECE and UNESCAP. The Secretariats of the two UN Regional Commissions, in consultation with interested countries and other partners, are currently developing a set of proposals for improving the institutional set-up, working methods and funding of SPECA, as well significantly broadening the scope of cooperation within its framework. In September 2004, the Government of Kazakhstan proposed to convene in Astana in May 2005 an international conference on SPECA with broad participation of countries, international organisations and financial institutions and other partners, at which issues related to the strengthening of SPECA would be placed in a broader context of sub-regional cooperation in Central Asia as well as more general efforts of the international community in the region in support of this objective. In light of this initiative the Government of Tajikistan suggested to convene, in conjunction with the Astana Conference and taking into account its results, a special session of the supreme body of SPECA – the Regional Advisory Committee (RAC).

OBJECTIVES OF THE CONFERENCE

The main objective of the Conference is to provide a forum for the representatives of member countries and other interested countries as well as of UNECE, UNESCAP, UNDP and other international organisations, IFIs and bilateral donors to engage in action-oriented discussion of ways of further strengthening sub-regional cooperation in Central Asia, including the future role of SPECA. The discussions are expected to demonstrate that stronger sub-regional cooperation would bring overwhelming advantages to all SPECA member States. It would greatly facilitate the implementation of their national development strategies and achievement of the Millennium Development Goals; improve the prospects of their integration into the world economy; and contribute to the strengthening of stability and security in the region.

Another important objective of the Conference would be to consider, on the basis of lessons learned and experience gained in the implementation of SPECA, possible ways and means of reforming and strengthening the Programme as a mechanism aimed at
supporting sub-regional cooperation in Central Asia and in the broader region. The results of these discussions will be submitted to the Special meeting of the SPECA Regional Advisory Committee at the level of National Coordinators, which will be held in Astana immediately after the conclusion of the Conference, in order to take action on the future functioning and direction of the Programme, including inviting Afghanistan to join the Programme, and deciding on institutional and organisational reforms that would provide for more effective involvement in the SPECA work of other interested countries, as well as international organisations and donors.

The Conference would also aim at enhancing coordination and cooperation among various international and regional organisations and donors in support of efforts of the Central Asian Governments to achieve greater prosperity and stability in the sub-region through sub-regional cooperation. This would include achieving greater synergy and complementarity of efforts between the activities of SPECA and CAREC, as well as with the work carried out under the aegis of various regional cooperation and economic integration organisations involving the Central Asian States, such as CACO, CIS, SCO, ECO, EurAsEC, IFAS and others.

PARTICIPANTS

The Government of Kazakhstan is inviting to the Conference:

1. Ministers, SPECA National Coordinators and senior officials/experts from countries members of SPECA – Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.
2. Minister or a senior representative from Afghanistan.
3. Ministers or senior representatives from China, Iran, Mongolia, the Russian Federation and Turkey.
4. Senior representatives of the European Union.
5. Executive Heads or senior representatives from international organisations – UNECE, UNESCAP, UNDP, UNDESA, UNCTAD, etc.
6. Heads or senior representatives of international financial institutions (ADB, EBRD, IMF, IsDB and the World Bank).
7. Heads or high-level representatives of bilateral donor agencies from Austria, Canada, Germany, France, Japan, the Republic of Korea, Sweden, Switzerland, the United Kingdom and the United States of America.
8. Heads or high-level representatives of the Secretariats of regional cooperation and integration organisations – CACO, CIS, EurAsEC, ECO, IFAS, OSCE and SCO.
9. Representatives of the private sector, NGOs and other stakeholders.

FORMAT OF THE CONFERENCE

Plenary sessions (see Annotated provisional agenda below)

25-26 May 2005: Expert/Senior Officials segment and planned parallel event(s) involving private sector and civil society.

27 May 2005: High-level segment (followed by the Special Meeting of SPECA Regional Advisory Committee at the level of National Coordinators).
Sequential meetings of the Thematic Working Groups

25 May (afternoon) and 26 May (all day) 2005

The **Thematic Working Groups** will consider, with involvement of SPECA member countries, representatives of other countries, as well as international organisations and other participants in the Conference, proposals for the SPECA 2005-2007 Work Plan which was elaborated by UNECE and UNESCAP. The results of the thematic Working Groups’ deliberations will be presented to the High-Level segment of the Conference in the morning of 27 May 2005, and subsequently to the Special Session of SPECA RAC (afternoon of 27 May 2005).

Parallel special event

25 and/or 26 May 2005

The **Round table** on "Business and sub-regional cooperation in Central Asia" will comprise three segments:

- **Business forum organized by the SPECA Business Council.** This segment will discuss opportunities how stronger sub-regional cooperation could improve the climate and conditions for private businesses in the SPECA region and promote domestic and foreign investments.

- **Forum on knowledge-based economy and sub-regional cooperation.** This segment will discuss how sub-regional cooperation could strengthen the knowledge-based economy in the SPECA region. It will work out proposals on how objectives of the knowledge-based economy could be better integrated into SPECA.

- **Round table on gender and economy.** This segment will discuss how sub-regional cooperation could advance in the process of mainstreaming gender into economic policies, including how sub-regional projects promoting women entrepreneurship could be developed within the SPECA framework.
Annotated provisional agenda of the Conference

25 May 2005

**9.30 - 11.00 Opening of the Conference**

Opening statement by the Minister for Foreign Affairs of Kazakhstan, H.E. Mr. K. Tokaev, on behalf of the Host country.

Opening statements by Mr. Kim Hak-Su, the Executive Secretary of UNESCAP and Ms. Brigita Schmögnerová, the Executive Secretary of UNECE.

Opening statements by the Heads of delegations of other SPECA member countries: Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

**Expert/Senior Officials segment**

**11.00 - 11.30 First session:** Overview of economic trends and prospects in Central Asia: how sub-regional cooperation would support economic development and integration into the world economy

Presentations by UNECE and UNESCAP.

**11.30 – 13.00 and 15.00 – 16.00 Second session:** Sub-regional economic cooperation - a key factor for stability, security, and achievement of developmental goals of the international community

Presentations and discussions will focus on current work and policies of various countries, grouping and organisations aimed at promoting economic cooperation among the Central Asian countries and in the broader region as an important means for promoting stability, security and prosperity in Central Asia and beyond. The participants could also discuss the current and potential effect of the EU policies to extend the zone of stability and prosperity beyond the borders of the EU. Although the European Neighbourhood Policy covers only one SPECA member country, - Azerbaijan, strengthening sub-regional cooperation could significantly increase the ability of the Central Asian States to take advantage of closer economic ties and extended cooperation with the EU as well as other countries. *(Invited speakers include Chairman of UNECE (also on behalf of the Presidency of the European Union), representatives of China, Russian Federation and United States, as well as representatives of CIS, OSCE and SCO).*

Presentations and discussions will also focus on the importance of sub-regional cooperation for the achievement of the Millennium Development Goals and implementation of the outcomes of major UN conferences, like the International Conference on Financing for Development (Monterrey, 2001) and the World Summit on Sustainable Development (Johannesburg, 2002). This in turn would help reduce poverty and create better opportunities in the sub-region for addressing pressing social problems and improve the education and health-care systems, as well as access of people to social services, fresh water and energy. *(Invited speakers include UNDP, UNDESA, and UNCTAD).*
Additional presentations will demonstrate that many challenges faced by the Central Asian States, for example water management, energy, transport and the environment, can be solved more effectively in a cooperative manner. (Invited speakers include UNECE, UNESCAP, IFAS and CAREC).

16.00 – 18.00 Third session: Cooperation with neighbouring countries and sub-regional and regional economic organisations

Discussions will focus on beneficial effects of the improved sub-regional cooperation in Central Asia on trade, economic and transport ties with neighbours, like the Russian Federation, China, Turkey and the European Union and relevant work carried out by sub-regional and regional organisations involving the Central Asian States to promote economic cooperation and integration. Discussion could also address the benefits offered by more active involvement in the Central Asian economic cooperation of Afghanistan, which could facilitate international reconstruction efforts in Afghanistan through programmes and projects in such areas as water, energy, trade and transport. At the same time, the process of stabilisation of Afghanistan opens up new possibilities for the landlocked countries of Central Asia, including easier access to seaports. (Expected speakers include Minister for Foreign Affairs of Afghanistan, representatives of China, Iran, Mongolia, Russian Federation and Turkey, as well as Secretary-General of ECO and representatives of CACO and EurAsEC).

26 May 2005

9.00 – 12.00 Fourth session: Cooperation with multilateral and bilateral financial institutions

Representatives of multilateral and bilateral donors will be invited to present their priorities and on-going and planned projects and activities in Central Asia. Discussions could identify opportunities for strengthening cooperation and achieving greater synergies and complementarity of efforts between international and regional organisations and bilateral and multilateral financial institutions. (Expected speakers include representatives of ADB, EBRD, IMF, IsDB and the World Bank, as well as bilateral donor agencies, including from Canada, the Republic of Korea, Sweden, Switzerland, the United Kingdom and the United States of America).

12.00 - 13.00 and 15.00 – 17.00 Fifth session: SPECA: achievements, shortcomings and the way forward

Presentations and discussions will focus on the proposals aimed at reforming and strengthening SPECA being elaborated by UNECE and UNESCAP in consultation with SPECA member States and other partners (Related papers will be circulated at the end of April 2005). The proposals on institutional reform, new working methods and more stable long-term financing of SPECA, taking into account the results of the discussions, will be put on the agenda of the Special meeting of National Coordinators, scheduled immediately after the Conference. (Presentations by the Executive Secretaries of UNECE and UNESCAP).

Representatives of SPECA member States will be invited to discuss the follow-up to the past and on-going SPECA activities and to propose new areas of cooperation which could be included into the SPECA framework, like trade, statistics, ICT for development and others. They could indicate in which areas their Governments would
be willing to take the lead. *(Invited speakers include representatives of Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan).*

Discussions will also focus on ways and means of strengthening cooperation and achieving greater complementarities and synergies between SPECA and other ongoing international programmes in Central Asia, such as CAREC, IFAS and TRACECA, as well as possibilities offered by SPECA in supporting the Central Asian Governments in implementing their recent initiatives and agreements reached within regional economic organisations of which they are members, like ECO and CACO.

Representatives of governments, international organisations, financial institutions and bilateral donors could identify their interest in cooperating with the Central Asian Governments within the SPECA framework and in supporting specific projects and activities which will be discussed by the Thematic Working Groups (see above).

17.00 – 18.00 Sixth session: Reports by the Chairperson(s) of the special parallel event followed by discussions among the Conference participants

27 May 2005

10.00 – 12.00: High-level segment of the Conference

Report(s) by the Chairperson(s) of the sessions on the work and recommendations of the Expert/Senior Officials Segment of the Conference

Discussion and adoption of conclusions and recommendations of the Conference

Closing statement by the Chairperson of the Conference

Other closing statements

Conclusion of the Conference.

12.00 Press conference

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15.00 - 18.00: Special Meeting of SPECA RAC at the level of National Coordinators

The special meeting of the Regional Advisory Committee, taking into account the outcomes of the Conference, will take decisions on the future functioning of SPECA and its thematic programme of work. The special meeting will be chaired by Mr. Asadullo Gulomov, Deputy Prime-Minister of Tajikistan and SPECA National Coordinator.

Participants in the special meeting would include member States of SPECA: Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan; Afghanistan as a special guest; UNECE and UNESCAP.

Other countries and organisations participating in the Astana Conference would be invited to participate in the meeting of RAC as observers.
Provisional agenda:

1. Presentation of the main outcomes of the Astana Conference, particularly those, which are directly relevant to future work of SPECA.
2. Membership of Afghanistan in SPECA.
3. Institutional reform of SPECA (including future functioning of RAC and working groups, modalities for strengthening cooperation with other countries and other international organisations, steps to secure better funding, etc.)
4. SPECA Work Plan for 2005-2007 (including selection of lead countries which would co-chair the Working groups).
5. Arrangements for the next meeting.