

**Protocol
of the First Session of the Regional Advisory Committee
of the UN Special Programme for the Economies of Central Asia (SPECA)**

8 February 2001, Almaty

General Provisions

1. The First Session of the Regional Advisory Committee of the UN Special Programme for the Economies of Central Asia (SPECA) was held on 8 February 2001 in Almaty.
2. The official delegations of the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, Turkmenistan, the UN Economic Commission for Europe (ECE), the UN Economic and Social Commission for Asia and the Pacific (ESCAP), the UN Development Programme (UNDP), the Executive Committee for the Interstate Council of the Central Asian Economic Community (CAEC), the Integration Committee of the Customs Union member-states, as well as representatives of the Organization for Security and Cooperation in Europe (OSCE), the Commission of the European Union (CEU), the World Bank (WB), the Asian Development Bank (ADB) and the Islamic Development Bank (IDB) took part in the session. The List of participants is attached herewith (Annex 1).
3. Mr.D.Akhmetov, Head of the delegation of the Republic of Kazakhstan, First Deputy Prime-Minister of the Republic of Kazakhstan was elected as the Chairman of the session by the proposal of Mr.Kim Hak-Su, ESCAP Executive Secretary. According to the SPECA Concept the Republic of Kazakhstan will chair the RAC for the period of one year up till February 2002, and after that the chairmanship will be handed over to the National coordinator of SPECA in the Kyrgyz Republic.
4. The Agenda of the session was unanimously adopted. The text of the Agenda is attached herewith (Annex 2).

General Debates

5. Mr.Kim Hak-Su, ESCAP Executive Secretary called the SPECA member states to render their support to the programme. Participation of all five Central Asian countries in SPECA activity would be a positive sign for the international community and donors. The Executive Secretary made a proposal to work out a resource mobilization programme within the framework of SPECA, in which the World Bank, the Islamic Development Bank, the Asian Development Bank, other donors and the private sector would play a key role. Projects for such a programme could be prepared by the Project Working Groups. Participation of all SPECA countries in elaboration of projects is an important condition for successful project implementation.
6. Chairman of the session Mr.D.Akhmetov emphasized the progress achieved in the process of the SPECA implementation, as well as importance of the programme, as a forum for internal resources mobilization, international support and donors' actions coordination.
7. Kazakhstan speaks in favour of coordinated activity of the world community for the purpose of strengthening stability in the region based on solution of social and economic matters. In this regard the expediency of establishing, on the basis of SPECA, the post of the UN

Special Coordinator on stability and development in Central Asia was emphasized. The organizational mechanism of SPECA would serve as a basis for work of the UN Special Coordinator. The essence of the Coordinator's activity would be attraction to the region additional resources, ensuring compatibility, inter complementarity and systematic character of international investment projects in Central Asia and the South Caucasus.

8. Mr.N.Tanaev, Head of the delegation of the Kyrgyz Republic, First Vice-Prime-Minister of the Kyrgyz Republic drew attention of the participants to the activity of SPECA in the field of power and water resources. Having noted the acuteness of these issues in the region, Mr.N.Tanaev called the international organizations, working in this field, to use coordinating opportunities of SPECA. In this case it would be possible to ensure multi sector approach, complementarity and inter strengthening work of the participating organizations. Such cooperation will allow to develop a regional strategy on efficient use of power and water resources.
9. Mr.A.Turadzhonzoda, First Deputy Prime-Minister of the Republic of Tajikistan noted that he hopes SPECA will assist in mobilizing additional internal and external resources in order to settle important matters of all Central Asian countries. Extension of regional cooperation will let each participating country work out of bounds of national markets and compete successfully in the world market. The common investment and trade-economic market of Central Asia would be more attractive for foreign investors.
10. Having made the point that SPECA could accelerate normalization of economic life in Tajikistan and strengthening interaction with economic partners, Mr.A.Turadzhonzoda expressed his hope that UN and the international community will asses the potential of this presidential programme in a proper way and use this as a basis for accomplishing tasks of promotion stability and development of Central Asia.
11. Mr.A.Turadzhonzoda highly appreciated the contribution of UN ECE and ESCAP to the work on organization of the International economic conference of SPECA on Tajikistan. He reminded of the request of Tajikistan to all SPECA participating states to send proposals on the issues of regional cooperation for the purpose of optimal use of available resources. Those proposals will be thoroughly considered and included into the Midterm strategy of Tajikistan's economic reforms. Mr.A.Turadzhonzoda also requested ECE to assist in working out the Plan of action on implementation of the Midterm strategy of Tajikistan's economic reforms.
12. Mr.M.Humphreys, Representative of the European Commission noted great significance of SPECA for the region of Central Asia. Promotion of coordinated policy in the field of transport and use of power and water resources can lay the foundations of regional collaboration in other fields. TRACECA and SPECA should be connected by close ties and support each other. At the national and regional levels the Intergovernmental commission of TRACECA could render its assistance in implementation of strategic decisions of SPECA. In the interests of long term development it was proposed to ensure close cooperation between all countries of the region and all its institutions.
13. Mr.S.Ramachandran, UNDP Representative emphasized the importance of SPECA for the nations of the region and expressed readiness to collaborate in all fields of SPECA. In particular, cooperation between SPECA and the "Silk Road" project has significant

perspectives. Mr.S.Ramachandran stressed the need of activity coordination and “inter complementarity” for achieving high efficiency of regional programmes.

14. Mr.H.Wang, ADB Representative noted that SPECA is a perspective programme, promoting political stability, stimulating regional economic cooperation and improving investment climate in the region. In order to gain this aim ADB is ready to coordinate its work with all donor-organizations, operating in the region.
15. Mr.N.Issingarín, Chairman of the Integration Committee of the Customs Union member-states of stressed closeness of aims and objectives of SPECA and the new Eurasian Economic Community (EEC). EEC could cooperate with SPECA by implementation of joint projects and programmes. Mr.N.Issingarín proposed to consider the possibility of establishing the Scientific expert council (commission) on economic matters of the Central Asian states and expressed readiness of the Integration Committee to take part in the activity of such a Council.
16. Mr.M.Sabirov, Chairman of the Executive Committee of the Interstate Council of the Central Asian Economic Community confirmed the readiness of CAEC to cooperate with SPECA in all spheres of the programme’s activity. He mentioned the work done by CAEC in the field of power and water resources, and drew attention to the need to attract the main trade partners of the Central Asian countries to SPECA activity.

Discussions of information provided by the Project Working Groups

Project Working Group on development of transport infrastructure and border crossing facilitation (the Republic of Kazakhstan)

17. The participants of the discussion made a note of the information on the work of the Group and reiterated readiness to regional cooperation on the issues of transport and border crossing facilitation. The participants agreed that the work of PWG is actively carried out and meets requirements of all participants of the Group.
18. The efforts of ECE and ESCAP on including the SPECA component (transport and border crossing facilitation) in the project, funded from the UN Development Account was supported.
19. There was expressed wish that the Project Working Group on transport and border crossing facilitation will be a regional centre for coordination of international activity in this sphere in all five participating countries.
20. The decision of the Project Working Group on holding negotiations between the Republic of Kazakhstan and the Kyrgyz Republic under the aegis of SPECA concerning border crossing facilitation and decreasing unphysical barriers on the way of transit of goods, services and people was approved. The participants expressed hope that positive outcomes of these negotiations will facilitate solving similar questions in other parts of the region.
21. The initiative on working out the Regional memorandum of understanding on the transit issues was supported. The participants expressed their wish that such a memorandum would cover all means of transport used in the region.

22. The participants of the discussion noted the importance of promoting the resolution 55/181 “Transit environment in the landlocked states in Central Asia and their transit developing neighbours” by Kazakhstan and other states of the region at the UN General Assembly. The chairman of the RAC is charged to consider the possibility of using this resolution for attraction of external resources to the region.
23. The text of the RAC decision on the work of the PWG-Transport and border crossing facilitation is attached (Annex 3).

**Project Working Group on rational and efficient use
of power and water resources (the Kyrgyz Republic)**

24. The participants agreed that PWG-power and water resources works actively, purposively and in good manner. Implementation of the joint ECE and ESCAP project on the issues of PWG, funded from the UN Development Account facilitates the work of the Group. The text of the RAC decision on the work of the PWG-Power and water resources is attached (Annex 4).
25. The participants took into account the corrected PWG’s plan of work for the current year.
26. It was mentioned that the passive role of the Republic of Uzbekistan and Turkmenistan negatively influences on the work of PWG. This makes difficult preparing technical balances of power and water resources of the region, does not allow conducting optimal calculations of efficient use of them. The chairman of the RAC is charged to inform the Republic of Uzbekistan after the First RAC session and to prepare the information on the contacts with the Republic of Uzbekistan and Turkmenistan for the next RAC session.
27. The need to coordinate the work of PWG-Power and CAEC on the issues of power and water was stressed.
28. For the purpose of coordination of all work carried out in the region in the field of power and water it is planned to hold on 13-14 February 2002 in Bishkek the Regional experts’ meeting on the subject “Power and water resources of the Central Asian region. The state of regional co-operation on power and water issues. The contribution of international organizations”. This meeting will be a part of the Third RAC session (13-14 February 2002, Bishkek).

**Project Working Group on the International economic conference on Tajikistan in the
regional context of Central Asia (the Republic of Tajikistan)**

29. The participants of the session made a note of the detailed information on the work of PWG-Tajikistan. The regional and international importance of the coming International economic conference was emphasized.
30. The participants took into account the readiness of Tajikistan to consider proposals and remarks of other countries on the issues of implementation of the Midterm strategy of economic development of Tajikistan and concrete economic projects.
31. It was decided to support the idea of using the International economic conference by the Project Working Groups to present regional investment projects in the relevant fields.

32. The participants decided to hold on 19-20 September 2001 in Almaty the Regional experts' meeting on the subject "Practical opportunities to accelerate economic development in the region on the basis of bilateral and multilateral cooperation" as a part of the Second RAC session.
33. The decision of the RAC on the information of PWG-Tajikistan is attached (Annex 5).

Programme of work of RAC for 2001-2002

34. The participants of the session adopted the programme of work of RAC for 2001-2002 (Annex 6). In accordance with the adopted programme of work the Second RAC session will be held on 19-20 September 2001 in Almaty.
35. The draft agenda of the Second RAC session:
- 1) Adoption of the agenda.
 - 2) The results of the experts' meeting on the subject "Practical opportunities to accelerate economic development in the region on the basis of bilateral and multilateral cooperation" – information of the RAC Chairman and the National coordinator of SPECA in Tajikistan and discussion.
 - 3) The information of the Chairman on implementation of the decisions taken by the RAC.
 - 4) The information of the Project Working Groups on the work done and approving plans of their work:
 - PWG-Transport and border crossing facilitation (the Republic of Kazakhstan);
 - PWG-Power (the Kyrgyz Republic);
 - PWG- International economic conference on Tajikistan (the Republic of Tajikistan);
 - PWG-Turkmenistan;
 - PWG-the Republic of Uzbekistan.
 - 5) The information of the RAC Chairman of the work on establishing the Business Council of SPECA.
 - 6) Consultations between the RAC Chairman, National coordinators of SPECA and representatives of international organizations, countries supporting SPECA.
 - 7) Adoption of the protocol of the session.
 - 8) Other matters.

Other matters

36. The participants of the session expressed their gratitude to the Government of the Republic of Kazakhstan for well-prepared organization of the First RAC session and kind hospitality.

Chairman

**Daniyal Akhmetov
First Deputy Prime-Minister
of the Republic of Kazakhstan**

Almaty, 8 February 2001