

Evaluation of the United Nations Special Programme for the Economies of Central Asia (SPECA)¹

Summary of key findings and recommendations

Executive Summary

The present report outlines the key findings and recommendations of an evaluation conducted from September to December 2017 on the Special Program for the Economies of Central Asia (SPECA), as stipulated by the decision of the 11th session of the Governing Council, held on 23 November 2016 in Ganja, Azerbaijan.

Relevance

Most people interviewed welcomed a neutral UN platform in support of regional economic cooperation, although admitted that SPECA was not able to take full advantage of its potential added value. The potential of SPECA as a platform for policy dialogue and coordination should be promoted. Other regional organizations were much more effective in garnering support for the implementation of regional projects given their large scale funding and institutional set up, but SPECA, as the only organization that focuses solely on exchanges between the landlocked countries of Central Asian, Azerbaijan and Afghanistan, is potentially seen as an ideal platform to coordinate policies, overcome barriers to cooperation, exchange information, commission studies and learn from each other so that they could, as a group, be in a stronger position to negotiate with and integrate into larger processes.

However, SPECA countries displayed lack of interest and lack of ownership of this program, demonstrated by low level participation in meetings, lack of willingness to chair the annual sessions of the Governing Councils, and lack of participation in fund raising for projects and agenda setting for meetings. Re-engaging countries more actively so that they take more ownership requires revisiting the rationale of SPECA as an entity, especially in light of the possible reentry of Uzbekistan, and how this platform can be used for the national and regional interests of the countries.

Effectiveness

SPECA is invariably seen as a programme of the UN (with very little funding and little impact), a capacity-building initiative (which seems *ad hoc* and not always relevant), a platform for mere exchange of information (without necessarily much follow-up or networking opportunities), and a technical assistance programme of the UN that is not very relevant nor effective because it does not include projects that are adequately funded. Respondents lamented a number of shortcomings: The lack of concrete impact, neither policy or project wise; That the capacity being built was *ad hoc* and random; That documents coming out of the SPECA meetings were declarative in nature, without concrete implementation nor follow up; That while some TWGs were opportunities for exchanges, few had long-term impact on the policies of the countries.

The effectiveness of SPECA has been affected by both political and operational challenges, including lack of cooperation between countries, the entry of much better funded and institutionalized regional platforms for cooperation, etc.

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Efficiency

While Regional Commissions have meticulously raised funds for SPECA activities, responses by the participating countries have been less than optimal. The system of National Coordinators at the very high level to systematically follow up on decisions between meetings has been eroded. Convincing countries to hold the annual meetings has also become more difficult, with that falling on the responsibility of the rotating Regional Commissions. One of the biggest problems of following-up on SPECA decisions and processes is the high staff turnover in national ministries and the loss of institutional memory.

The Economic Forums have been held each year with different relevant themes, and background papers have been prepared for these meetings by the Regional Commissions. Their added value is in the introduction of different themes that are strategic to the region and their openness to the participation by experts, NGOs and international organizations. Yet the agenda is heavily dominated by the Regional Commissions and other UN organizations, with little systematic participation of representatives of SPECA countries. While some Thematic Working Groups are working together towards a specific regional strategy (such as the trade one), others are mostly opportunities for *ad hoc* exchanges of information and capacity building workshops without a specific goal and without follow-up between meetings. .

SPECA has limited sustainable resources available in the Regional Commissions. UNECE has raised funds for SPECA-specific activities through a Trust Fund, mostly financed by the Russian Federation. ESCAP supports the activities of SPECA mostly through its sub-regional office in Almaty and through tapping into its other programme areas. Without a proper secretariat/implementing agency, adequate and dedicated budget, SPECA acts like an add-on to existing work of substantive units and sub-regional offices, increasing burden with little clarity about the impact and added value. The appointment of a Secretariat for SPECA that is well staffed and well-funded will alleviate the burden on the two Commissions.

Sustainability

SPECA was not created with adequate budget neither for its operational nor programmatic work, and the task of finding finances has fallen on the Regional Commissions. The TOR stipulates for SPECA participating countries to provide financial support to the implementation of the Programme, yet, only Kazakhstan is contributing financially to SPECA activities.

For the future, SPECA may need to revamp its identity and activities to show its value as a platform for policy dialogue and coordination among participating countries, and not as a series of one off meetings organized by UN Regional Commissions, nor as a mechanism for implementation of projects.

Recommendations

Four options are provided, with number 2 being the most desirable one:

- Option 1: Status quo, with doubling of efforts by UN Regional Commissions to engage countries.
- Option 2: Reforming SPECA to make it more country led and country driven, in support of developing processes of integration and cooperation in the region.
- Option 3: Transforming SPECA into a member driven, and member financed inter-governmental organization, where members decide what role the UN should play.
- Option 4: A gradual closure of SPECA and absorption of its operational functions and technical capacity development as part of existing ESCAP and UNECE programmes.

1. Background, purpose and methodology

The Special Programme for the Economies of Central Asia (SPECA) was established by the Tashkent Declaration on 26 March 1998, signed by the Presidents of the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, the Republic of Uzbekistan and the Executive Secretaries of UNECE and ESCAP. The Islamic Republic of Afghanistan, the Republic of Azerbaijan and Turkmenistan joined the Programme later as per their own request.

The Eleventh Session of the SPECA Governing Council, held on 23 November 2016 in Ganja, Azerbaijan, welcomed the proposal to conduct a forward-looking evaluation on strengthening the role of SPECA as a mechanism for cooperation in the implementation of the 2030 Agenda for sustainable development in line with the Ganja Declaration. To this aim, ESCAP commissioned an evaluation to:

- a) analyze programmatic achievements and results of SPECA;
- b) identify strengths and challenges in the current institutional and organizational setup;
- c) highlight significant partnership arrangements and resource mobilization efforts;
- d) formulate recommendations for strengthening SPECA in fulfilling its mandate in the context of the 2030 Agenda for Sustainable Development.

The key results and key recommendations are presented hereby for the 12th session of the SPECA Governing Council in Dushanbe, Tajikistan. The full evaluation report will be issued at the end of December 2017. The evaluation hopes to contribute to discussions on how to strengthen SPECA at its 20th year anniversary in Astana, Kazakhstan in 2018.

The evaluation was based on a mix of desk analysis of documents, questionnaires and interviews. During the month of September 2017, the consultant undertook a number of missions to meet with:

- Focal points of SPECA in Azerbaijan, Kazakhstan, Kyrgyzstan and Tajikistan.
- Selected representatives of missions of SPECA countries to the United Nations.
- Management and staff of ESCAP and UNECE.
- Representatives of international organizations (namely UNDP, UN Resident Coordinators and UN Regional Center for Preventive Diplomacy in Central Asia).

A number of challenges may affect the outcome of the evaluation. They include:

- Overall limited interest in the Central Asian countries in engaging with a SPECA evaluation.
- The lack of response from some participating countries to the questionnaires sent at the end of September.
- Loss of institutional memory in the Regional Commissions and at the country level.
- Lack of sufficient discussions with other international organizations such as UNDP, ADB etc.

2. Key findings

Relevance

Overall added value

When asked about the added value of SPECA, respondents were overall hopeful given that they saw cooperation with their neighbors as more important, and at the moment missing, than cooperation with more distant countries. The majority of people interviewed welcomed a neutral UN platform for discussion on strategic issues of regional economic cooperation, although admitted that as it is, SPECA was not able to take full advantage of its potential added value.

The Central Asian region does not lack in regional organizations working to promote regional economic or security integration and cooperation. Countries are party to such groupings as the Eurasian Economic

Union (EEU), the Shanghai Cooperation Organization (SCO), the Commonwealth of Independent States (CIS), the Economic Cooperation Organization (ECO) and the Organization of Islamic Cooperation (OIC), as well as the Cooperation Council of Turkic Speaking States (CCTS) for some. The body that most closely resembles the objectives of SPECA is the Central Asia Regional Economic Cooperation (CAREC) Programme, which in October 2017 endorsed its long-term strategy CAREC 2030 with more than \$5 Billion support from the Asian Development Bank (ADB).

Yet, SPECA is different and should take advantage of its comparative advantages:

- First it is the only organization that focuses solely on exchanges between Central Asian countries as landlocked countries and allows them to also cooperate with Azerbaijan and Afghanistan whose economies are linked to that of their region. It is for now the only forum specifically created to bring together only the countries of the subregion to exchange experiences, build a common vision, and look for common solutions.
- SPECA is also the only organization which is Central Asia centric. The other regional organizations all include the membership of extra-regional powers be it China, Russian Federation, or Islamic Republic of Iran, Pakistan, Turkey, etc. SPECA allows for a coordination of policy positions among countries before they are able to play a more decisive role within larger frameworks of which they are part.
- The weakness of SPECA is also its advantage: Because it is not always successful in raising funds for large regional projects, it should not be billed as an implementation entity, like CAREC is for example, but instead focus on its identity as a policy forum.

What SPECA represents, i.e. a platform for cooperation at the regional level, remains more relevant than ever, now that Uzbekistan is more proactively pursuing regional cooperation and now that regional trade is increasing, as is the imperative for cooperation to achieve the SDGs.

Specifically, SPECA countries could use this platform to coordinate their policies, overcome barriers to cooperation, exchange information, commission studies and learn from each other so that they could, as a group, be in a stronger position to negotiate with and integrate into larger processes. As such, the rationale of SPECA is different from other existing bodies, making it potentially unique.

Ownership

While countries welcome the role of the UN in establishing a neutral platform for discussions on regional economic cooperation, they themselves have been demonstrating little ownership over SPECA as a forum. The question of increasing national ownership by countries has been raised at different occasions during the past few years. SPECA went through a comprehensive reform in 2005 in Astana which concluded with proposals on institutional and organizational reforms to increase its ownership and effectiveness. The 2014 and 2015 sessions of the SPECA Governing Council also reviewed the Programme with a view of raising its effectiveness and increasing its ownership by participating countries. Yet, revisiting the question of ownership of SPECA was limited to making decisions about whether to extend or not the term of chairmanship of the Governing Council and how to ensure that countries contribute funds to the organization or to the meetings.

In the meantime, the lack of ownership by SPECA countries has become increasingly demonstrated by, among other indicators, dwindling interest in participation in activities of SPECA in terms of high level participation; the dispatching of lower level participants to meetings including to the Governing Council ones; lack of willingness to chair the annual sessions of the Governing Councils, increasing more burden on the Regional Commissions to carry out their responsibility; and lack of participation in fund raising for projects and agenda setting for meetings. At conferences held in the region, the mention of SPECA is most often only made in speeches by the UN as examples of regional cooperation and not mentioned in the speeches of representatives of the countries. Other indicators of lack of interest and ownership include dwindling effectiveness of institutional set up at the national level, with Deputy Prime Ministers

no longer acting as SPECA National Coordinators, lack of appointment of National Focal Points who can coordinate among other ministries and very high staff turnover in ministries leading to loss of institutional memory.

A preliminary study of representation in Governing Council sessions show a dwindling level of high-level participation, i.e. Ministerial or Deputy Minister, since 2006. The presence of ministerial level representatives (Minister or Deputy Minister) is noted only when a country has organized a meeting in its capital (such as Kyrgyzstan in 2009, Turkmenistan in 2011 and 2014, Tajikistan in 2015). etc.). Representatives of Uzbekistan participated in the first session of the SPECA Governing Council and the 2007 SPECA Economic Forum. Regular participation of high-level decision makers could offer opportunities for systematic political level consultations and increased weight to decision of TWGs needing high level endorsement to become policy.

Re-engaging countries more actively so that they feel and take more ownership requires revisiting the rationale of SPECA as an entity, especially in light of the possible reentry of Uzbekistan, and how this platform can be used for the national and regional interests of the countries. Frank discussions may need to be started on the genuine commitment of the countries to regional cooperation, as well as their intention to use the potential of such a neutral UN Platform more proactively to discuss and solve matters of common interest. Following from that, questions related to effectiveness, mandate, structure, funding, relevance of existing structures, the themes and *modus operandi* of TWGs, budget and governance could be revisited and a road map drawn out.

Platform for implementing the 2030 Sustainable Development Agenda

A decision was made at the 10th session of the Governing Council in Dushanbe, Tajikistan in 2015, and reinforced at the 11th session in Ganja, Azerbaijan, to reinvigorate SPECA as a platform for achieving the Sustainable Development Goals and targets which necessitate regional cooperation. These can include water management, the rational use of the region's energy wealth, sustainable transport, trade, knowledge based development, innovation, gender equality and strengthening statistical capacity for monitoring progress. SPECA can indeed be a platform for supporting progress towards SDGs that can be addressed through regional cooperation, a platform for exchanging of best practices, for coordinating policies, for capacity-building, for joint discussions and solving of impediments to solving cross-border SDGs.

The Focal Point from Azerbaijan, when asked through the Questionnaire, how SPECA can be used to supporting countries in implementing the 2030 Agenda for Sustainable Development, noted a host of suggestions, especially given that Azerbaijan has created a national SDG Unit within the Ministry of Economy. Suggested activities included preparatory workshops on the exchange of best national practices among SPECA countries; support to statistical development including for SDG indicators, monitoring and evaluation; and building capacity for aligning SDGs to national strategies and priorities. While this list is laudable, most of these activities could be done through existing programmes of UNECE, ESCAP or even other UN agencies. Instead of capacity building for national implementation of SDGs, focus should be put on aligning policies for the realization of trans-boundary SDGs on water, environment, trade, energy, etc.

While a decision has been adopted to use SPECA as a platform to help countries achieve SDGs already, three concerns come to mind: First is the question of the UN agenda and ownership of countries. Second, should focus be on national level SDGs or regional ones. The third question concerns coordination with other UN agencies also in charge of helping Central Asian countries, Azerbaijan and Afghanistan in achieving SDGs at the national level.

First of all, while all countries have adopted Agenda 2030 and the SDGs as their national targets, it is mostly the UN that has been tasked to follow up the implementation. If SPECA solely becomes a platform for the realization of SDGs through regional cooperation, it may be continued to be seen as mostly a UN-driven initiative and the question of ownership will not be solved. To this end, it may be

more strategic to concentrate instead on thematic priority areas that require regional cooperation (such as for example enhancing connectivity, boosting regional trade, reversing the impact of natural and man-made disasters such as the Aral Sea, coordinating the transport and energy corridors) etc. rather than fitting and naming them into SDG terminology.

To address the second question, SPECA could add value as a platform to pursue only those SDGs that can benefit from cross-country/trans-boundary, regional cooperation, and not the full gamut of national goals. To lift the potential of SPECA to become a platform for the realization of SDGs that would benefit from regional cooperation, countries could sit together to decide which of the SDGs to pursue regionally and how, including what type of support would be needed from Regional Commissions. By developing a baseline, with the support of the UN Regional Commission, on where the sub region stands in terms of SDGs, SPECA participating countries will be in a position to review, measure, and adapt implementation on a cooperative basis, annually, through the year 2030.

The UN could then provide assistance to SPECA in the realization of SDGs that can be facilitated through regional cooperation according to the added values and mandates of the Regional Commissions in the following areas: a) Knowledge and data generation work, which would include research and analysis, as well as the generation and sharing of data and indicators; (b) Consensus building, on key priorities of the region and how they are built into wider global processes; c) Technical assistance, which can include advisory services and capacity building in key areas of SDGs and guiding, designing and facilitating implementation of policies and tools, d) Coordination and mobilization of support from partner institutions working in the region level.

Finally, as other UN organizations are heavily involved in supporting the implementation of SDGs, namely the UN Resident Representative, UN Country Team and especially UNDP, better cooperation and coordination with international partners is imperative to ensure success and avoid duplication of efforts. Members of other UN organizations (e.g. UNDP, UNRCCA, DPA, UNIDO etc.) interviewed for the evaluation mentioned that they had been invited to and participated in Economic Forums of SPECA but that they would have liked to see better cooperation through regular exchanges of information and coordination of activities.

Effectiveness

The effectiveness of SPECA in carrying out its objectives

The evaluation aimed to determine in which area SPECA has been most successful in projecting its added value, inevitably by being most efficient and visible. Respondents were asked through a questionnaire to rank the objectives of SPECA outlined in its TOR according to whether they had been met or not. The answers in writing as well as the interviews showed that SPECA had been most effective as a platform for exchanges of information and experiences between countries. The first objective of the TOR, to provide a neutral UN platform for regional economic cooperation, was only ranked as the fourth most effective outcome of SPECA.

Discussions revealed that as is, SPECA is invariably seen as a programme of the UN (with very little funding and little impact), a capacity-building initiative (which seems *ad hoc* and not always relevant), a platform for mere exchange of information (without necessarily much follow-up or networking opportunities), and a technical assistance programme of the UN that is not very relevant nor effective because it does not include projects that are adequately funded.

With the entry of better funded regional structures taking the attention of Central Asian countries away, the relevance and effectiveness of SPECA may have eroded in the past few years. Respondents lamented a number of shortcomings that had contributed to diminishing interest in the work of SPECA: The lack of concrete impact, neither policy or project wise; That the capacity being built was *ad hoc* and random; That documents coming out of the SPECA meetings of the Economic Forums or sessions of the Governing Council were declarative in nature, without concrete implementation nor follow up;

That some of the Thematic Working Groups (TWGs) produced a better process than others, involving ideas and exchanges between experts, but that the TWGs mostly had no long-term impact on the policies of the countries.

These negative perceptions have been accumulated primarily because SPECA is seen as a programme of the UN without a large budget for activities and a secretariat specifically in charge of its implementation, in an environment in Central Asia, Azerbaijan and Afghanistan, where donors, UN agencies and IFIs have been implementing large scale programmes with large scale funding which dwarf the interventions of SPECA. Lack of financing for implementation of projects by SPECA has led consequently to its marginalization by much better funded entities with more ability – and mandate - to raise resources and investments.

But lack of finances would not have been such a problem if SPECA had been able to show the added value of its original purpose: To act like a platform for cooperation among Central Asia countries and among them and Azerbaijan and Afghanistan. However, a few reasons, both (geo)political and operational, have detracted from the effectiveness and relevance of SPECA to national and regional priorities:

- The withdrawal of Uzbekistan from regional cooperation schemes, including from SPECA, hampered efforts to cooperate on common challenges in the region until very recently.
- Cooperation around questions of water have become too difficult and political to be handled through SPECA. For cooperation on issues related to trade, transport etc., other organizations have grown in membership, relevance and size in the region, some much better funded and owned by international development banks (such as ADB supported CAREC) or larger political processes backed by giants of the region (such as the Eurasian Economic Union).
- Immediate regional concerns related to trade among neighbors, transport routes and water sharing have become diluted with the addition of new extra-regional countries with other poles of interest: Azerbaijan pursuing interest in becoming a door between Central Asia and the West and continuing conflict and fragility in Afghanistan impeding its full potential as a bridge to the warm ports of Pakistan and the Islamic Republic of Iran.

Efficiency

Governance, institutional and organizational arrangement

In the SPECA TOR, it is stipulated that the decision-making body is the Governing Council, composed of National Coordinators at the Deputy Prime Minister or Minister level appointed by the governments of SPECA participating countries or their representatives as well as the Executive Secretaries of the UNECE and ESCAP. SPECA is chaired by one of the participating countries, elected by the Governing Council on a rotational basis normally for a period of one year. The Governing Council holds its annual sessions, chaired by a National Coordinator of a SPECA Chair country or its representative at a date and venue agreed by participating countries.

Findings however show that the effectiveness of the governance system is not as smooth as the TOR would want:

- The system of National Coordinators at the Deputy Prime Minister level or Minister levels does not seem to be the rule for the recent past. The National Coordinator role is more likely to be dedicated to the Deputy Ministers of Economy, who make decisions about the level of participation in sessions of the Governing Council and the SPECA Economic Forum, in accordance with the subject matter under consideration.
- Interviewees mentioned that the National Coordinators only chair the meetings when their country hosts SPECA events but do not act as convener of decisions between meetings. Convincing countries to hold the annual meetings has also become more difficult, with that falling on the responsibility of the rotating Regional Commissions, who may end up organizing

the Governing Council sessions in their headquarter, in Bangkok or Geneva. Tajikistan for example agreed in October only to host the 2017 SPECA Economic Forum and the 12th session of the SPECA Governing Council in Dushanbe on 5-6 December, after Turkmenistan which had agreed to do so at the 11th session pulled out and Azerbaijan, who had been approached as alternative, had already committed its budget for the year by then.

- Chairmanship and organization of the Governing Council sessions are often seen as a burden. Working Group chairmanship on the other hand has potential but needs follow up mechanism.

One of the biggest problems of follow-up on SPECA decisions and processes is the high staff turnover in national ministries and the loss of institutional memory. While this problem is characteristic of the administrative set-up of most transition countries, it is also an evidence of the lack of prioritization that SPECA has at the national level. If SPECA was an important platform, countries would dedicate a focal point who could follow the activities systematically. Furthermore, the problem of loss of institutional memory could be overcome by the establishment of a permanent secretariat among Central Asian countries, Azerbaijan and Afghanistan, with dedicated appointments etc., which has not been institutionalized even though the issue has been discussed several times. As is, the system of follow-up seems very much on an *ad hoc* basis.

Inter-governmental coordination of SPECA activities is the task of the Ministry of Economy. However, as the counterpart to the Regional Commissions and international organizations, it is the Ministries of Foreign Affairs that are responsible for handling correspondence on SPECA matters with external partners. This leads to disconnect and added bureaucracy which is not always conducive to rapid response and coordination.

SPECA Economic Forums

One of the main institutional set ups of SPECA is the annual Economic Forum, held around the Governing Council sessions, which are meant to focus on selected strategic issues of economic development and cooperation in the SPECA region, provide a platform for high-level policy dialogue and make concrete recommendations to the Governing Council. Representatives of other UN agencies, relevant international and regional organizations, donors, IFIs, the private sector and the academic community are invited to participate in the SPECA Economic Forums.

An assessment of documentation gathered on the website of SPECA hosted by UNECE², shows that the Economic Forums have been held each year, and that background papers have been prepared for these meetings systematically by the staff of Regional Commissions. The SPECA Economic Forums focus on selected strategic issues of economic development and cooperation in the SPECA region. Their added value, in addition to the fact that they introduce different themes to the regional agenda, is that their participation is open to members of experts, non-government organizations and representatives of other regional and international organizations. As such, they get the most profile among SPECA partners. Yet, here also the relevance and ownership by countries themselves is less than evident. The agendas of Economic Forums are heavily dominated by speakers from the two regional commissions and UN organizations, with little systematic participation of representatives of SPECA countries. The change in the theme from year to year and the superficial treatment of themes also does not create opportunities for in-depth treatment, coordination of knowledge etc. The choice of the themes is made by the regional commissions in consultation with participating countries but there is no systematic way to solicit interest and ideas for the agenda by them.

² <https://www.unece.org/speca/welcome.html>

The Thematic Working Groups

The operational side of SPECA side is institutionalized through Thematic Working Groups, the numbers of which increased from two (2005) to six (2006) following decisions taken at the Astana meeting of the Governing Council in 2005:

- WG on Water, Energy and Environment
- WG on Sustainable Transport, Transit and Connectivity
- WG on Trade
- WG on Statistics
- WG on Knowledge-based Development
- WG on Gender and Economy.

Each Thematic Working Group is supposed to be chaired by one or two SPECA participating countries. The TWGs hold annual sessions, have a TOR and annual work programmes and prepare annual reports to the Governing Council on progress made and important policy conclusions.

A study of documentation however points out to the *ad hoc* nature of some of their work and the heavy reliance on the staff of the UNECE and ESCAP in the preparation of the documents. While some TWGs are working together towards a specific regional strategy (such as the trade one), others examine in an *ad hoc* way the implementation of global and wider regional conventions facilitated by UNECE or ESCAP and are mostly opportunities for exchanges of information without a goal.

Participants of these TWG Meetings that were interviewed pointed out to the value of these exchanges of information and opportunities to get to know counterparts in other countries, but lament the lack of follow-up between meetings. Between the annual sessions, the TWGs are supposed to carry out their activities (trainings, seminars, studies, etc.) in accordance with their work programs. However, there is not much evidence of this collective work being carried out in all the TWGs systematically. TWGs (with some notable exceptions) are *de facto* once a year meeting of different experts, many of whom have no institutional memories given the change in sub-themes. The annual meetings end up being organized by ESCAP and UNECE on a rotational basis, except that ESCAP has pulled out in recent years from a number of the TWG.

The *ad hoc* character of the TWGs is reinforced by the fact that the annual meetings have to be latched on to capacity building workshops that Regional Commissions organize because that allows them to be funded. With the lack of follow up between meetings, lack of networking between experts, and TWG sessions turning into capacity building opportunities under different sub-themes each year, it may be safe to say that most TWGs (against, with the exception of a few) operate as workshops and not a group with a mission per se.

A more in-depth analysis of the outputs and outcomes of each TWG will be presented in the full report. For now, findings point to the following:

- While it seems that the question of trade, water and energy and transport are key to regional integration and cooperation, requiring intense work to harmonize policies, solve conflicts, align positions regionally and globally, other TWG themes seem to have less priority relevance.
- Very few of the TWGs can show evidence of concrete impact of the work of the group in terms of policy advancements. TWGs that work together on a concrete task, such as the TWG on trade which is preparing a regional trade facilitation task, are deemed more relevant and efficient than those that simply offer an opportunity for ad hoc exchanges once a year.
- When asked about the process of nomination to the SPECA TWGs, SPECA countries respond to the invitations from the organizers as there is not a system of thematic focal points and

experts who would benefit from systematic coordination and follow up with each other. Instead, changing themes mean changing personnel and lack of any institutional memory.

- As per the TOR of SPECA, countries need to ensure the financial cost for the participation of personnel in the TWG meetings. However, except for Kazakhstan that has funded its own and other country's participation in the transport TWGs, SPECA country have not been funding their own participation so far, prompting extra burden for fundraising by the two regional commissions as part of their other capacity building activities.
- The work/activities of the TWGs is supposed to be discussed during the sessions of the Governing Council. Yet, because of the short time devoted to these meetings and the large number of TWGs, sufficient time is not devoted to the examination and discussion on the results of the meetings, the advancement of the agendas, the needed policy reforms, result of any project implementation, etc.
- The TWGs were praised not as opportunities for the harmonization of policies in those fields, but as forums for exchanges with other countries and with counterparts from other republics. Yet, the TWGs have the potential to become more relevant institutions for developing and coordinating thematic policies, leaving the task of networking, information exchange and even capacity building to other parts of the UNECE and ESCAP activities.

In rethinking the rationale and *modus operandi* of the TWGs in order to make them more effective, SPECA may need to decide on priority areas and assign to each relevant TWG a key task, such as for example the preparation of a regional strategy, conducting research and providing strategic recommendations, conducting a feasibility study, coordination of legislation and policies etc. The preparation of these outputs by dedicated experts from the countries could be facilitated by the Regional Commissions. The work of the TWGs can be done online and reporting done to the chairs electronically, and not necessarily each time through a workshop, which could facilitate saving on budget and concentrating instead on outputs. The capacity building aspects of thematic areas could be separated from the actual tasks of the TWGs and absorbed into the existing workshops and other, on-going or planned initiatives of the UNECE and ESCAP.

Role of the UN

The work of the two commissions was highly evaluated by respondents, for their efforts in preparing all substantive documents related to the SPECA meetings, for supporting organizational issues and for responding to the needs of the countries. The support from the ESCAP-SONCA in Almaty and dedicated ECE staff and focal points in Geneva was especially welcomed. The qualification and quality of personnel of both commissions were highly praised. The coordination between them and exchanges of information in the preparation of the regular sessions of the Governing Council and Economic Forums proved effective. Coordination at the level of thematic units in charge of preparing the TWG meetings varied from group to group, and went beyond personal contacts and good will between officers and depended on whether the Regional Commission chose to be implicated in that particular group or not.

Nonetheless, shortcomings exist in the role and involvement of the UN in SPECA activities:

- SPECA is seen by all as a Special Programme of the United Nations, hence the responsibility and ownership fall on that of the UN. For UNECE, such a platform makes more sense as it provides a strong rationale for focusing activities on the developing part of the European mandate. For ESCAP, which already has a myriad of other programmes and projects in Central Asia SPECA may be less needed per se. Given that representatives from SPECA countries also participate in activities of both Regional Commissions, it is not always clear wither a project is implemented as part of the Commissions' regular work in Central Asia, Azerbaijan and Afghanistan or as part of SPECA. For example, a number of representatives from Central Asia and Azerbaijan participated in a workshop on SDGs organized by the ESCAP Sub-Regional Office for North and Central Asia (SONCA) in Almaty at the end of September 2017, but the

event was not reported under SPECA.

- SPECA may be a programme but it is one without adequate and sustainable resources available in the Commissions, both in terms of human and financial. UNECE has been able to raise funds for SPECA-specific activities through a Trust Fund, currently mostly financed by the Russian delegation. ESCAP supports the activities of SPECA mostly through its sub-regional office in Almaty. Within UNECE, SPECA was the responsibility of a regional advisor until 2016. After retirement of that personnel, the responsibility of focal point fell on the lead of the Trade TWG. The accumulation of knowledge in certain staff and the loss of institutional memory when they consequently retire or change portfolio is also one of the results of the lack of proper embodiment of the Special Programme in the work of the Commissions. That combined with the heavy responsibility of organizing annual meetings of the various structures of SPECA, often in the absence of active involvement of the chairing countries, puts extra burden on the financial and human resources of both Commissions.
- Without a proper secretariat/implementing agency, adequate dedicated budget, field presence, SPECA cannot operate effectively as a programme of the UN Regional Commissions. It acts like an add-on to existing work of substantive units and sub-regional offices, increasing burden with little clarity about the impact and added value.

Secretariat support provided by ESCAP and UNECE

The TOR of SPECA stipulates that the two Regional Commissions are to provide secretariat support on a rotational basis to the preparation and organization of the sessions of the Governing Council, Economic Forums and sessions of the TWGs, including the preparation of documents and studies as well as maintaining records of their activities. Indeed, ESCAP and UNECE coordinate with each other to prepare these sessions, even though ESCAP has withdrawn from a number of TWGs. The tasks however are very labor intensive, especially because of lack of evidence of substantive support from the SPECA countries themselves in preparing documents, studies, maintaining records etc.

While it was the wish of the original participating countries that any secretariat should be funded by the UN, there is *no de facto* permanent secretariat for SPECA at the moment. ESCAP-SONCA, the Sub-Regional Office of ESCAP for North and Central Asia, located in Almaty, provides facilitation support to the work of the SPECA WG on Sustainable Transport; Transit and Connectivity, TWG on Water, Energy and Environment, as well as organizes (in cooperation with the UNECE) and SPECA high-level events when ESCAP is the lead organization. On other thematic groups, UNECE staff in charge of relevant thematic groups provide support directly from the headquarters in Geneva. ESCAP-SONCA is not the Secretariat of SPECA. Until 2016, an UNECE staff was also located there to help with SPECA activities on behalf of UNECE but he has since been relocated to Geneva and given a portfolio related to the theme of the environment.

The appointment of a Secretariat for SPECA that is well staffed and well-funded will alleviate the burden on the staff of the two Regional Commissions, including of the ESCAP-SONCA office in Almaty, so that the extra work is not seen as a burden on top of their other work. As the respondent to the questionnaire from Azerbaijan also suggested, the creation of its own Secretariat will allow SPECA to be more efficient and coordinated. The ideal model is for participating countries to take more ownership of SPECA and establish a Secretariat, even if it is virtual, housing representatives of each country seconded and funded by its own government. The Secretariat could be either virtual and online, with focal points coordinating together in to advance SPECA activities and interests.

Sustainability

Resources available for SPECA activities

SPECA was not created with adequate budget neither for its operational nor programmatic work, and the task of finding finances has fallen on the Regional Commissions. As stipulated by the TOR, the

costs of participation of National Coordinators and experts in the sessions of the Governing Council and Economic Forums as well as in the sessions of the SPECA TWGs shall, as a rule, be borne by the governments of the participating countries. In addition, the UNECE and ESCAP shall provide financial support, within their available resources. The reality however has been that the participation of representatives of SPECA countries to events are solely covered by UNECE and ESCAP, with the exception of a Kazakh contribution. The TOR also stipulates for SPECA participating countries to provide financial to the implementation of the Programme, yet, only Kazakhstan is contributing financially to SPECA activities by support the TWG on Sustainable Transport, Transit and Connectivity to the tune of an annual contribution of USD 15,000 USD since 2010.

Examination shows that the cost of TWGs has been mostly related to the organization of annual meetings and capacity building workshops that have been born by ESCAP and UNECE through their donors, such as for example the Islamic Development Bank for the Working Group meeting on Transport. Financial support was provided almost for 10 years by the Russian Federation to the UNECE activities, in particular to SPECA activities (TWG on Knowledge-based Development, Governing Council sessions and Economic Forums). Thanks to the new contribution of the Russian Federation in 2016, a SPECA Trust Fund was created in UNECE to strengthen the capacity of SPECA countries to achieve the SDGs. The two-year contribution of Russian Federation to the SPECA TWGs and organization of Governing Council sessions and Economic Forums totals USD 547,000. At the moment, there are no other donors to the Trust Fund.

Because of the misnomer Special Programme, and because of the presence of a large number of UN organizations in these countries that have provided twenty years of technical assistance, discussions with officials from SPECA country point to an unrealistic expectation: There is a general impression that SPECA, as a programme of the UN for the countries of the region, needs to raise funds to implement programmes and deliver technical assistance. Respondents continuously asked this evaluator what SPECA had done for their country, instead of seeing themselves in the drivers' seat leading a platform for regional discussion and cooperation. Given the low evaluation of the impact of the programme on national policies, it would also be a hard sell to show governments that most if not all of the money spent on SPECA has gone to the organization of sessions and meetings that have produced what they consider as declarative statements with no substantive follow up.

For the future, SPECA may need to revamp its identity and activities to show its value as a platform for policy dialogue and coordination among participating countries, and not as a series of one off meetings organized by UN Regional Commissions, nor as a mechanism for implementation of projects, in which case it would never been able to compete with such structures as CAREC.

Countries should also be encouraged to provide a contribution for their participation, no matter how small it may be, according to their capacity. The funding should at least be towards the participation of their officials in the relevant meetings (of the TWGs, the sessions of the Governing Council and/or the Economic Forum). While most countries might not be in the position to offer financial support to SPECA activities, they might chose to offer in-kind support (conference facilities, translation, etc.) to facilitate the organization of annual sessions of various SPECA institutions more actively.

3. Conclusions

It transpires from the evaluation that SPECA has a lot of untapped potential to become an effective platform for cooperation. The identity and added value of SPECA should become much more clear for the countries themselves. They need to take strategic decisions on how they would want to use this platform, for what priority areas and issues, by when and how. In other words, the evaluation findings point to the need for a revisit of the rationale and *modus operandi* of SPECA, a process that needs to start now in order to use the occasion of the twentieth anniversary as a launching ground.

As far as relevance is concerned, there is much potential value in cooperation through SPECA, especially as the only platform that includes only the countries of Central Asia, Azerbaijan and Afghanistan, allowing them to coordinate their policies among themselves. Yet, the potential of SPECA as a platform for policy dialogue and coordination should become more highlighted and political will demonstrated by the countries.

To become more effective, the impact of the various meetings of the TWGs, Economic Forums and Governing Council should become more mainstreamed into national policies. Declarative statements need to be implemented and followed-up adequately.

The institutions set up by SPECA and the support provided by the UN could be boosted in order to respond to the new impetus to activate the policy platform. TWGs should be given more specific tasks to support priority areas of cooperation and integration. Adequate institutional support is necessary from the UN, including human and financial resources.

But the question of sustainability is not only through developing partnerships with regional banks and IFIs or generous donors that could support large scale projects. For the future, SPECA may need to revamp its identity and activities to become a strategic platform for policy coordination and not a fundraising platform, and nor merely an opportunity for exchange of information.

The return of Uzbekistan to the regional scene, as demonstrated by commitments made at the Samarkand Conference of 9-10th November 2017 on enhancing regional cooperation on sustainable development and security by the Uzbek President Shavkat Mirziyoyev on the creation of a High Level Consultative Group of the Heads of States seem promising. Central Asian states, in response, did not foresee the creation of a formal institution or inter-governmental super-structure at this point but endorsed the creation of a consultative platform which could also help integrate Afghanistan into the regional economies for peace and prosperity. Priority areas highlighted were cross-border trade, transport, borders, energy, agriculture, water, ecological issues related to the Aral Sea, exchanges of private sector, cultural exchanges and of course security. If Heads of States start meeting regularly, then decisions about issues related to cooperation along some priority areas need to be worked out at the technical level by some technical groups of Senior Officials. That is where SPECA could locate itself, to provide analytical capacity and other support to these thematic SOMs, by riding on the advantages of the UN Regional Commissions per se, which entails ideas, best practices, norms, examples, data/evidence/analysis etc.

4. Recommendations and next steps

Option 1: Status quo with the two Regional Commissions making concerted efforts to engage member States more extensively in the work of SPECA. This approach has not proven successful in the past. The chances are that even in the redoubling of efforts it will not succeed because of the low ownership of SPECA by its members.

Option 2: Reforming SPECA in order to make it more a country-owned and country-led loose structure which could help existing or developing regional processes of cooperation (such as Consultative Platform proposed by Uzbekistan if the idea materializes). In this option, the countries and their needs become priorities and UN regional commissions take a back seat as facilitating role. SPECA becomes a platform for technical support to decisions taken by Heads of States.

If SPECA is seen relevant to the future of Central Asian cooperation by its participating countries, then they should support a process whereby a redesign could take place. Together with the two Regional Commissions, they should then work out a Roadmap for this process in the lead up to the meeting of the 20th Year Anniversary of SPECA to be held at the end of 2018 in Astana.

The recommendation would be for participating countries to appoint a Task Force with the specific task of reviewing options for reviving/revitalizing/redrawing SPECA for this purpose. The two Regional Commissions can serve as the secretariat for the task force. The areas that the Task Force can look into

include the following:

- Mandate and objective
- Governance structure
- Organizational structure, including responsible agencies and leaders at the national level
- Structure, location, function and funding for the SPECA secretariat
- Funding modality and financial sustainability
- Activities (policy coordination and coordination of positions on key trans-border/regional issues)
- Thematic priority areas which determine the number of TWGs
- Functions, reporting and tasks of the TWGs
- Partnerships
- Relationships to other regional initiatives.

Option 3: Transforming SPECA into a member driven, and member financed inter-governmental organization, where members decide what role the UN should play.

While this option may be the most desirable one in the long term, it may be premature for now as there is no appetite for institutionalizing a formal process of integration in the region yet.

Should the decision be to move towards this desired direction, a step by step approach is needed, starting with a light coordination structure, such as a cyber secretariat, and the development of a more formal structure when members become more comfortable with the idea and when the time comes.

Option 4: A gradual closure of SPECA and absorption of its operational functions and technical capacity development as part of existing ESCAP and UNECE programme of work as well as the work of UN agencies, funds and programmes.

This option may save much energy and resources put on a programme that has run its course and is no longer relevant and efficient. The problem of ownership will be solved as the UN Regional Commissions fully take back the activities of SPECA under their own umbrellas and mainstream them into their ongoing work in the region.

The problem with this drastic option include: Lost opportunity to take advantage of the new changes in the region and the growing impetus for regional cooperation; Lost opportunity to build on effectively the only existing platform for dialogue solely between Central Asian countries, Azerbaijan and Afghanistan; Lost opportunity to show that dialogue and policy coordination are as important as implementation of regional infrastructure projects, etc.