



Central Asia Regional Economic Cooperation Program

Reference Document
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CAREC Institute 2012–2017: A Strategic Knowledge Framework (Draft for consultation)

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1. This paper lays out a strategic framework for CAREC Institute (CI) during 2013-2017. The paper is a work-in-progress, and will go through consultations for further improvements.

2. **CAREC 2020 and CI** – CAREC 2020 reaffirms Good Neighbors, Good Partners, and Good Prospects as the overarching goal of economic cooperation in the region. CI is to support the achievement of this goal. This requires that CI be at the intellectual forefront of regional economic cooperation pertinent to CAREC. To build CI towards such an institution, it is imperative to adopt a strategic knowledge framework.

3. **The strategic knowledge framework** has three components: knowledge generation, knowledge services and knowledge management.

- *Knowledge generation* will encompass research and studies on key issues regarding economic cooperation which are of regional, country-wide or sectoral significance or ramifications. These activities are conducted either directly under CI or through partner institutions or individuals.
- *Knowledge services* will involve knowledge sharing through capacity building interventions such as learning programs and related activities (seminars and workshops).
- *Knowledge management* will include organizing and processing existing knowledge/information and transforming it into knowledge products for wide dissemination using appropriate means, including portals and CAREC website.

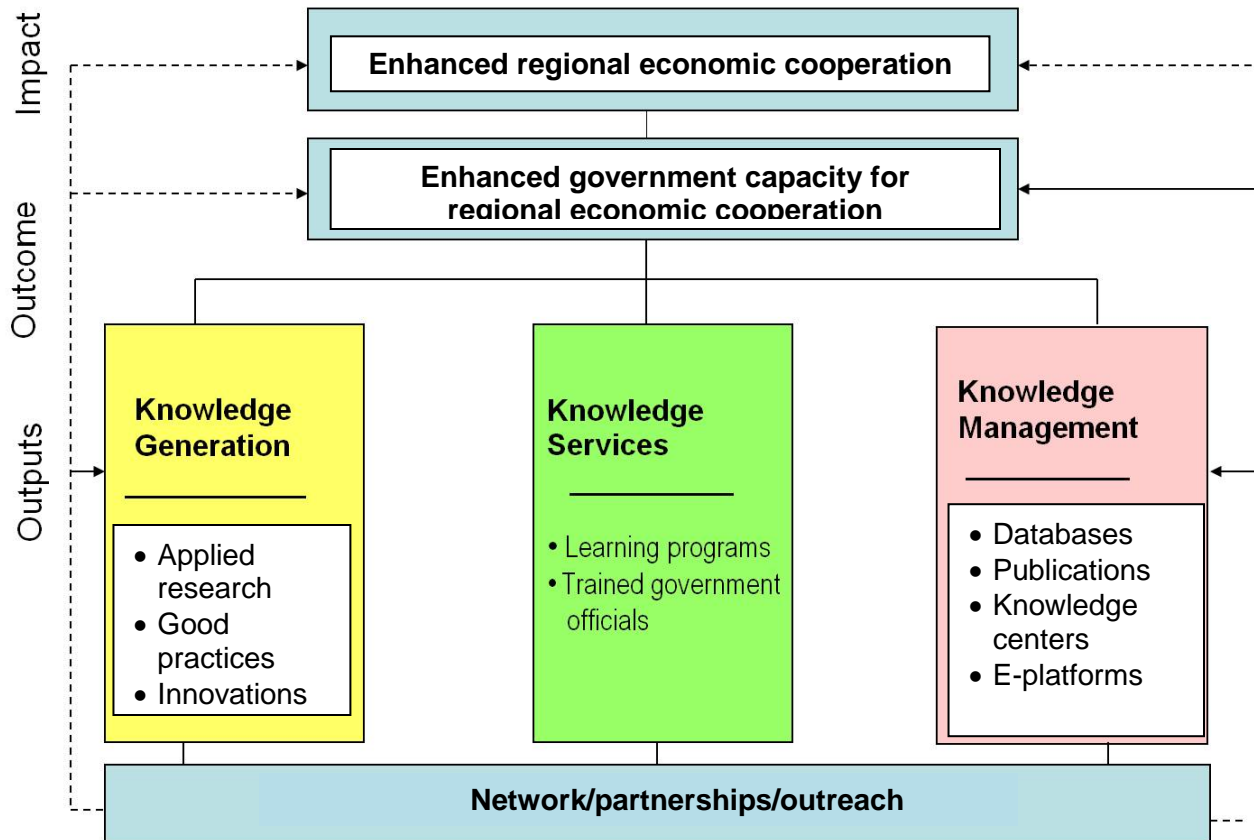
4. **An integrated approach** is essential to implementation under the strategic knowledge framework. This approach requires better strategic planning, with key emphasis on the complementarity and synergy among the three knowledge components. For example, if the economic impact of Common Economic Space were to become a research topic, then how this knowledge product would benefit CAREC countries and the general public should be integrated into the planning. That is, in what form and format should this knowledge product benefit the capacity, knowledge and relevant decision-making of CAREC countries, and how this would interact with the general public, should be considered and planned from the very outset.

5. **Results-based.** CI should be results oriented, as called for by CAREC 2020. This would require a proper results-framework for CI. Given the specificities of knowledge in terms of monitoring and measurement, there is considerable work to be done in setting up the results framework, including deciding on appropriate indicators, establishing baseline data, and proper monitoring and reporting mechanisms.

6. **Partnership and networking.** Closer partnerships are essential to achieving CAREC's overarching goal. CI is no exception. Two sets of key stakeholders of partnerships are i) MI partners within CAREC; and ii) players outside CAREC. Collectively, MI partners within CAREC possess considerable intellectual and other resources. CI should play an effective coordinating role in garnering these resources for better results on all three knowledge components than achieved so far. Players outside CAREC include, first and foremost, relevant institutions in CAREC countries, other multilateral and bilateral agencies, and individuals. Together, they represent extensive networks which have huge potentials for knowledge generation, services and management. Partnerships and networking should be flexible and selective, with future results firmly in mind.

7. Figure 1 illustrates schematically CI's strategic knowledge framework within CAREC.

Figure 1



8. **Indicative areas of CI work.** Guided by the principles above, CI's work should focus on facilitating the achievement of the two main goals of cooperation as articulated in CAREC 2020, namely, i) trade expansion through transport connectivity, transport and trade facilitation, trade openness, and energy trade; and ii) improved competitiveness through economic corridor development, and the development of related services.

9. Expanding trade between countries and across regions, and increasing economy wide competitiveness are complex development processes rather than single-project based endeavors. Effectively addressing these fresh challenges would require enhanced coordination and planning at the country and program level (as against at a sector level), and effective implementation of investment and policy measures across sectors in step with each other, both at the borders, but more importantly, behind the borders. It is to these areas CI should focus its contribution. CI should also work selectively on "second tier areas", in particular those which have clear regional significance and ramifications such as communicable disease control, agriculture, disaster risk management, and climate-change adaptation and mitigation, among others.

10. **Interim base at ADB and its governance.** CI has been virtual since its inception. There are pros and cons of turning CI into a physical structure. Given the proposed strategic knowledge framework, the key consideration is whether a permanent physical structure would best facilitate building CI into a leading institution on regional economic cooperation in the region; and relatedly, whether physically locating various components of the framework in different countries would most help to implement the integrated approach with synergetic results; and if so, what would be the opportune timing. These issues relating to effectiveness and sustainability have proved to warrant further analysis and consideration.

11. In the interim, it is proposed that CI be located in ADB to allow immediate and stepped-up efforts to implement the strategic knowledge framework. This arrangement would allow better planning, execution, and monitoring in a more effective and accountable manner.

12. **CI governance.** A dedicated ADB team will be managing, and be accountable for, the implementation of the strategic knowledge framework. An advisory board (AB) should be set up within 2013. The key role of AB is to guide CI in achieving its stated goals.

13. **Resource requirements.** Implementing the strategic knowledge framework would require considerable resources. ADB will provide a team of dedicated staff at CI's interim base at ADB HQ for a few years. ADB will mobilize other resources from MI partners, CAREC countries, as well as from its own.

14. **Evaluations.** Annual evaluation of CI performance will be undertaken, with clear indicators established at the start of the new CI strategic period. An assessment of the CI's work will be conducted at mid-term in 2015, and in 2017.

15. **Timetable.** CI will provide a draft work plan for 2012-2014 as well as an indicative work plan for 2015-2017 within 2012.

16. **Issues for SOM Guidance:**

- i) Is the strategic knowledge framework proposed (figure 1) acceptable?
- ii) What are the views on the proposed interim location of CI at the ADB?
- iii) How would the SOM envision CI's governance structure, including the establishment of an Advisory Board and its role?
- iv) What are the views/suggestions on CI funding sources?
- v) Would the SOM concur with the preparations of a work plan for 2012-2014, and an indicative work plan for 2015-2017?