
**Enhancing regional integration of landlocked developing countries
in North and Central Asia through infrastructure connectivity**

6 – 7 September 2017
Issyk-Kul, Kyrgyzstan

CONCEPT NOTE

1. Context

North and Central Asia¹ inherits an immense potential to be a centre of global economic integration given its strategic location between Asia and Europe. The integrated space across Eurasia can accommodate a market of one third of global outputs and bring about job-creating and economically-diversified growth through seamless movement of goods and services, as well as human, knowledge, financial and natural resources, if realized.

However, most countries in the subregion are landlocked and still have missing links in roads and railways. The energy transmission between energy-deficit and energy-abundant countries is not fully realized even though it provides economic stimulus on the energy-dependent countries in this subregion. The old infrastructure network needs modernization and diversification. Insufficient infrastructure in information and communication technology hinders customs and transit procedures and increases the cost and time of transportation.

As the integration of Asia and the Pacific enters the new stage it provides new opportunities for North and Central Asia to become a transit hub between Europe and Asia. For the last two decades, Asia and the Pacific became the driving force of economic development as well as integration processes advancing economic ties at a higher pace. There are a number of infrastructure projects in Asia and the Pacific at regional, subregional and national level at different stages of implementation. Most recently, China launched its ambitious and comprehensive initiative, the Belt and Road Initiative (BRI), to revive economic corridors along the ancient Silk Road passing through North and Central Asia. Participated by all the North and Central Asian countries, BRI can stimulate regional economic integration and cooperation in the subregion by actively mobilizing its investment funds and its cooperation mechanism.

The process of economic integration at the subregional level is also enhancing. Together with the Economic Cooperation Organization and the Shanghai Cooperation Organization, the Eurasian Economic Union (EAEU) serves as a workhorse to transform the subregion into an integrated market through policy coordination and harmonization. EAEU aims to establish a single energy market in its territory: the common electricity market will be

¹ North and Central Asia consists of Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan.

established by 2019, followed by the launch of the common oil and gas market by 2024 and 2025 respectively. This enhances soft infrastructure for further economic integration and creation of a wider Eurasian common economic market.

At this momentum, landlocked developing countries in North and Central Asia should strategically leverage these unprecedented opportunities for their sustainable infrastructure development. Understanding the current state of ongoing initiatives at the national, subregional and regional levels is a prerequisite to effectively and efficiently fill the national and border infrastructure gap. In addition, synergy in multisectoral infrastructure development needs to be well recognized in order to build sustainable and resilient infrastructure.

To this end, Economic and Social Commission for Asia and the Pacific (ESCAP) is well positioned to support landlocked and transit countries in North and Central Asia for three reasons. First, ESCAP has supported member States to implement internationally agreed agendas, including the 2030 Agenda for Sustainable Development and the Vienna Programme of Actions for Landlocked Developing Countries for the Decade 2014-2024 (VPoA). Looking forward to its medium-term review in 2019, ESCAP will further promote the implementation of the VPoA in North and Central Asia through accelerating capacity building and knowledge sharing.

Second, ESCAP has multisectoral and multidisciplinary expertise in infrastructure development.² With a wide range of intergovernmental agreements and initiatives on infrastructure,³ ESCAP can offer a comprehensive policy option to take into full account the sustainability and multisectoral synergy of infrastructure development. With its political neutrality, ESCAP also has provided objective assessment and analysis on infrastructure development and proposed concrete policy recommendations built on existing initiatives from various institutions.

Third, ESCAP possesses a convening power for a wider range of countries and stakeholders for policy discussion and decisions. With the established four Subregional Offices and five Regional Institutions, ESCAP can better address the needs of all member states including countries with special needs. As a norm-setting platform at the Asia-Pacific level, ESCAP launched its regional agenda for economic integration: Regional Economic Cooperation and Integration. Placing enhanced connectivity across Asia and the Pacific at its core, the agenda will form enabling environment for economic cooperation to achieve connectivity in Asia and the Pacific. The perspectives and ideas from the seminar will be documented in a summary report and feed into the Ministerial Conference on Regional Economic Cooperation and Integration, schedule to be held on 21 to 24 October 2017, for further regional action.

Thus, ESCAP cordially invites government officials and experts for a seminar “Enhancing regional integration of landlocked developing countries in North and Central Asia through infrastructure connectivity”.

² ESCAP has three subprogrammes for transport, ICT and energy infrastructure.

³ Asia Pacific Information Superhighway, Asia Pacific Energy Superhighway, Trans-Asia Railway, Asia Pacific Highway

2. Purpose of the seminar

This seminar aims to improve policy-making capacity of landlocked developing countries in North and Central Asia to formulate and implement infrastructure development policies and programmes by taking into full consideration sustainability and multisectoral synergy in infrastructure planning. It will also enhance knowledge-sharing and partnership through active participation of stakeholders in support of achieving seamless infrastructure connectivity.

3. Structure of the seminar

The capacity development seminar will be held in Hotel Aurora Plus, Kyrgyzstan, on 6 to 7 September 2017. Simultaneous interpretation in English and Russian is provided.

The seminar has five components. First, two major initiatives in this subregion, the BRI and the EAEU, are discussed. Second, landlocked countries in North and Central Asia explain development policies to reduce infrastructure gap, challenge in implementation and needs for cooperation with transit countries and international organizations. Third, transit countries present infrastructure development policies and potential to address the needs from the landlocked countries. Fourth, ESCAP, the World Bank, the Asia Development Bank and Eurasian Development Bank present their initiatives and projects. Lastly, based on the presentations and discussion, participants will discuss how countries better translate the intergovernmental initiatives into further connectivity development.

4. Documentation

A background document on the theme of the meeting will be prepared in advance of the event to lay the basis for the discussion.

ESCAP will also formulate a summary report for further actions at the subregional level.