



Evaluation of EU regional-level support to Central Asia (2007-2014)

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Consortium composed by
LA, Particip, ECDPM, Ecorys
Leader of the Consortium: Lattanzio Public Sector Advisory SpA (LA)
Contact: info@lattanziogroup.eu

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This report has been prepared by



Merzhauser Str. 183
79100 Freiburg, Germany
Phone: +49 761 790 740
Fax: +49 761 790 7490
E-mail: info@particip.de
Web: www.particip.de

Evaluation Team

Kris Prasada Rao (Team Leader)
Karen Roberts
Jörn Dosch
Matjaz Saloven
Simon Dietrich

***The opinions expressed in this document represent the authors' points of view
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Final Report

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List of acronyms and abbreviations

ADB	Asian Development Bank
AWARE	Subcomponent of EURECA to support awareness raising actions
BCP	Border Crossing Point
BIO	Business Intermediary Organisation
BMZ	German Federal Ministry for Economic Cooperation and Development
BOMCA	Border Management in Central Asia
CA	Central Asia
CABSI	Central Asia Border Security Initiative
CADAP	Central Asia Drug Action Programme
CAEP	Central Asia Education Platform
CAI	Central Asia Invest
CAMI	Central Asian Mammals Conservation Initiative
CAREC	Regional Environmental Center for Central Asia
CARICC	Central Asian Regional Information and Coordination Centre for Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances and their Precursors
CBD	Convention on Biological Diversity
CMS	Convention on Migratory Species
COP	Conference of Parties
CPI	Corruption Perceptions Index
CSTO	Collective Security Treaty Organisation
DCI	Development Co-operation Instrument
DG CLIMA	Directorate-General for Climate Action
DG DEVCO	Directorate-General for Development Co-operation
DG EAC	Directorate-General for Education and Culture
DG ENV	Directorate-General for Environment
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
DG TAXUD	Directorate-General for Taxation and Customs Union
DPU	Drug Profiling Unit
EACEA	Education, Audiovisual and Culture Executive Agency
EAMR	External Assistance Management Report
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECHO	European Commission's Humanitarian Aid and Civil Protection department
ECP	Eurasia Competitiveness Programme
ECTS	European Credit Transfer and Accumulation System
EEAS	European External Action Service
EEU	Eurasian Economic Union
EHEA	European Higher Education Area
ENPI	European Neighbourhood and Partnership Instrument
ENVSEC	Programme for Climate Change and Security in Eastern Europe, Central Asia and the Southern Caucasus

EQ	Evaluation Question
ETF	European Training Foundation
EU	European Union
EUD	Delegation of the European Union
EUR	Euro (currency)
EURECA	Regional Environmental Programme for Central Asia
EUSR	EU Special Representative
EUWI EECCA	EU Water Initiative for Eastern Europe, Caucasus and Central Asia
FAO	Food and Agriculture Organization of the United Nations
FLEG	Forest Law Enforcement and Governance
FLERMONECA	Subcomponent of EURECA addressing forest and biodiversity governance
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIS	Geographic information system
GIZ	Deutsche Gesellschaft für Technische Zusammenarbeit
GSP	General Preferential Scheme
HACCP	Hazard Analysis and Critical Control Point
HDI	Human Development Index
HE	Higher Education
HEI	Higher Education Institution
HERE	Higher Education Reform Experts
HLSD	High Level Security Dialogue
HQ	Headquarters
IAWG	Inter-agency Working Group
IBM	Integrated Border Management
ICSD	Interstate Commission on Sustainable Development (IFAS body)
ICWC	Interstate Commission for Water Coordination (IFAS body)
IFAD	International Fund for Agricultural Development
IFAS	International Fund for Saving the Aral Sea
IFCA	Investment Facility for Central Asia
IFS	Instrument for Stability
IOM	International Organisation for Migration
IP	Indicative Programme
ISAF	International Security Assistance Force
IWRM	Integrated Water Resources Management
JC	Judgement Criterion
JICA	Japan International Cooperation Agency
JRC	Joint Research Centre
KfW	Kreditanstalt für Wiederaufbau
KG	Kyrgyz Republic
KZ	Kazakhstan

MDGs	Millennium Development Goals
MEA	Multilateral Environmental Agreement
MFI	Microfinance Institution
MIFA	Microfinance Initiative for Asia
MIP	Multi-annual Indicative Programme
MONECA	Subcomponent of EURECA to strengthen environmental monitoring
MoU	Memorandum of Understanding
MSEs	Micro and Small Enterprises
NATO	North Atlantic Treaty Organization
NBSAP	National Biodiversity Strategies and Action Plan
NPD	National Policy Dialogue
NQF	National Qualifications Framework
NSOER	National State of the Environment Report
OECD	Organisation for Economic Co-operation and Development
OSCE	Organization for Security and Co-operation in Europe
PAMP	Public Employment for Sustainable Agriculture and Water Management Project
PPP	Purchasing Power Parity
PSD	Private Sector Development
QUADRIGA	Qualification Frameworks in Central Asia: Bologna-Based Principles and Regional Coordination
QUEECA	Quality of Engineering Education in Central Asia
RG	Reference Group
RoL	Rule of Law
RoLI	Rule of Law Initiative
ROM	Results-oriented Monitoring
RSP	Regional Strategy Paper
SCO	Shanghai Cooperation Organisation
SDC	Swiss Agency for Development and Cooperation
SEIS	Shared Environmental Information System
SME	Small and Medium-Sized Enterprises
SWAN	Towards Sustainable Water Resources Management in Central Asia
TACIS	Technical Assistance to the Commonwealth of Independent States
TARGET	Transfer of Appropriate Requirements for Global Education and Technology
TJ	Tajikistan
TM	Turkmenistan
ToR	Terms of Reference
TUCAHEA	Towards a Central Asian Higher Education Area
UN	United Nations
UNCCD	UN Convention for Combatting Desertification
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe

UNFCCC	United Nations Framework Convention on Climate Change
UNODC	United Nations Office on Drugs and Crime
US	United States
USAID	United States Agency for International Development
USD	US Dollars (currency)
UZ	Uzbekistan
VET	Vocational Education and Training
WECCOP	Subcomponent of EURECA supporting the development of an Environment and Water Co-operation Platform
WUA	Water Users' Association

Note: The Evaluation uses the common acronym "EC" to refer either to the "Commission of the European Union" (post-Lisbon Treaty) or to the "European Commission" (pre-Lisbon Treaty), as applicable.

1 EQ 1 on strategic orientation

Has the regional-level EU programme strategy for support (RSP, MIP) responded to the priorities and needs of the partner countries in Central Asia while being in line with the overall EU development and policy framework?

1.1 JC 11 Extent to which the regional programme for assistance to CA has responded to the priorities of governments in CA and to the needs in the region

1.1.1 I-111 Degree to which CA governments and stakeholders outside government were involved in the design of the strategy and the programming of the interventions.

Description (of the indicator)

Adequate involvement of local stakeholders in the design of development strategies and interventions is key to ensure local ownership and successful cooperation.

Findings

For the **2007 RSP**, the consultations between the EU and the CA governments were hampered by weak National Coordinating Units (NCUs). The NCUs were financed by the EU to coordinate the ministries in the programming process. However, the process was not organized around long-term goals, but mainly consisted of specific, ad-hoc questions submitted by the governments via the NCUs¹. Nevertheless, the EU discussed priorities with the governments and tried to align them with national plans². For the **2011 MIP**, CA stakeholders were first consulted during the preparation of the RSP mid-term review in Brussels. In a second step, the programming mission went to CA and exchanged with government officials (National Coordinators and key governmental ministries and agencies)³. Civil society organisations (CSOs) from all CA countries except TM have been consulted in the programming for the 2011 MIP. The EUDs had only limited involvement in the preparation of the 2014 MIP, which was led by Brussels.

At **intervention level**, the involvement of national stakeholders in the programming varied considerably across sectors and programmes. Regional programmes in Central Asia are frequently perceived by national stakeholders as European Commission driven.⁴

In the **environment** sector, according to ROM reports the involvement of CA stakeholders in the programming was insufficient for WMBOCA and WECOOP, both components of EURECA. National stakeholders were either not involved at all (in the case of WECOOP) or were only asked for comments once the description of the action was already drafted⁵. However, the findings of the ROM reports were disputed by some interviewees. Project partners in each country indicated that they were consulted during the design of the *Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia* project and that they agreed with the project objectives. One Ministry claimed that during a meeting in Brussels, EC presented a list of 15 regional/global project on water in CA, of which they were only aware of 5; the other CA countries did also not know about these projects or their results. The involvement of EUDs in the design of regional programmes was limited, except for the design of CASEP (CA Sustainable Energy Programme), which was led by the EUD in KZ. At the platform technical working group meeting in Brussels in 2015, CA country representatives provided suggestions for the next phase of EURECA.

In **border management**, national counterparts were involved in the programme preparation of BOMCA 8. However, there was little room for changes as the main elements of the support were already decided upon. This was especially the case for UNDP, the implementing agency, who claimed not to have been adequately involved in the programme design.⁶

For the Eurasia Competitiveness Programme, an **SME development** intervention, all major stakeholders were involved in the programme design. The OECD (the implementing agency) prepared

¹ KZ EAMR 06/2006

² European Court of Auditors (2013): *EU Development Assistance to Central Asia*

³ EC (2009): *Central Asia Mid Term Review Summary*

⁴ KZ EAMR 01/2009

⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*; EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.04*

⁶ EU (2013): *Monitoring Report: Border Management in Central Asia - Phase 8, MR-144935.12*

the intervention thoroughly and consulted both with national governments and non-government stakeholders.⁷ Business Intermediary Organisations (BIOs) which participated as stakeholders in Central Asia Invest (CAI) projects have been actively involved in the ongoing development of CAI. Stakeholder meetings/networking conferences at the regional level (involving all EU and CA CAI stakeholders and policy makers) in 2009, 2011 and 2014 in addition to regular consultations with CA BIOs provided a sizable input into programming which were applied to the next CAI phase. For example, CA stakeholders wanted to see an extension of project durations from 2 to 3 years. This was considered and projects under CAI 4 will now run for 3 years.

During the design of the Central Asian Education Platform (CAEP), a **higher education intervention**, extensive consultations took place between different EU agencies, European education institutions and other development partners active in CA. However, it appears that no CA stakeholders were involved in the programming.⁸ For the Tempus program the ministries responsible for higher education in CA identified priorities for national and regional projects for each of the six calls for applications, while the Executive Agency EACEA consulted the ministries, the National Tempus Offices (NTOs)⁹ and the EUDs in the course of the selection of projects to be funded.

There is some evidence that limited involvement of CA stakeholders in the programming led to low ownership of the partners during the implementation of the concerned interventions.

With regards to the involvement of non-government stakeholders it should be added that CSOs were regularly involved in the implementation of interventions in all CA countries except TM.¹⁰ However, in UZ the civil society is under control of the state and the cooperation was rendered very difficult by the UZ government.¹¹

1.1.2 I-112 Extent to which the RSP and the interventions are informed by a needs assessment and address priority issues of the five CA countries

Description (of the indicator)

One of the principles stipulated by the Paris Declaration is that priorities of development cooperation should be based on a clear analysis of partner countries' national development strategies, institutions and procedures.

Findings

Needs assessments

The drafting of the RSP 2007 was preceded by an analysis of the CA countries' policy agendas, an analysis of regional challenges and in-depth country analysis. The needs analysis identified the following common and shared challenges:

- Trade and access to world markets
- Business and investment climate
- Transport
- Management of shared natural resources
- Social development and poverty reduction
- Security

Four of the six focal sectors are clearly related to these challenges: SME development (related to business and investment climate), transport, environment (management of shared natural resources) and border management (security), while the fourth sector, higher education, is indirectly related to the (very general) challenge of social development and energy is not clearly linked to the identified challenges.

At the intervention level, all programming documents include kind of needs assessment, albeit with varying quality and detail.

Comparison of the 2007 RSP's regional priority sectors with national development strategies

The EU Regional Strategy Paper (RSP) for the 2007-2013 period covered both regional and bilateral cooperation. The regional cooperation focal sectors were energy, transport, environment, border

⁷ EU (2011): Monitoring Report: Eurasia Competitiveness Programme - Central Asia Initiative, MR-140432.05

⁸ EU (2013): Monitoring Report: Central Asian Education Platform, MR-146781.01

⁹ Renamed National Erasmus+ Offices (NEOs) in 2013

¹⁰ TJ EAMR 12/2013, KG EAMR 12/2014

¹¹ UZ EAMR 12/2014

management and higher education. SME development and business climate, was introduced as an additional sector by the 2011-2013 Multiannual Indicative Programme (MIP).

As a mid-income country, **KZ** was not engaged in the PRSP process, but adopted a medium term development plan in 2001 that covered the 2001-2010 period.¹² While natural resource management and reform of the higher education system were priorities of this strategy, it did not include many elements on SME development and was silent on border management.

In 2007, **Kyrgyzstan** has adopted a Poverty Reduction Strategy Paper (PRSP) for the 2007-2010 period indicating the development priorities of the country. In the environment sector, the plan prioritises the preservation of biodiversity and restoration of forests, reduced vulnerability to natural disasters as well as addressing transboundary environmental problems in cooperation with neighbouring states, which is in line with the EU approach. Other areas were SME development and business climate, focusing on business-friendly legislation, access to finance for SMEs and the promotion of business incubators, as well as higher education. The strategy did not include border management.

The 2007-2009 PRSP for **TJ** covered, among others, the SME, environment and higher education sectors. With regards to the SME sector, suggested measures included introducing business friendly legislation, cutting red tape and supporting business associations. In the environment sector, the strategy aimed at fighting degradation of forests and water bodies as well as pollution and proposed to establish an environmental monitoring system and improve transboundary cooperation for the effective use of water and energy resources. The higher education measures focused on the equality of access. Border management was not part of the strategy.

The 2005 interim PRSP for **UZ** included the SME and environment sectors, which was not the case for border management and higher education. The SME goals included reducing transaction costs of businesses, legalizing informal sector activities and improving the access to finance for small businesses. In the environment sector, the strategy proposed to establish an environmental monitoring system and improve transboundary cooperation, comparable to the Tajik PRSP environment priorities.

To our knowledge, in **Turkmenistan** there was no national development strategy in effect at the time of the formulation of the RSP.

Comparison of EU programmes and sector priorities of the CA governments

In the **environment** sector, the EU support mostly corresponded to the CA governments' priorities. In some cases, the projects were not in line with contemporary policies and legislations, but that was because they aimed at reforming the policies in place.¹³ In the case of the FLEG component of FLERMONECA, the project focus was reviewed during the implementation in cooperation with the CA partners as to better suit their needs.¹⁴

Regarding **border management**, the CA countries differ strongly in their willingness to reform their policies in line with EU's IBM principles. While KG and TJ are open to reform, authorities in KZ, TM and UZ are not. However, BOMCA applied a flexible approach, providing adjusted support to various beneficiaries' needs. The UZ government has expressed its preference for hard components, such as infrastructure and equipment, compared to the BOMCA approach mostly focused on soft components. In contrast, the objectives of the IfS project on border monitoring activities were in line with those of the partner countries UZ and TJ.¹⁵

The **SME development** programme Central Asia Invest had two components. The policy component – as implemented by the OECD-led ECP, was in line with the priorities of the CA countries¹⁶, while this was only partly the case with the grant project component on strengthening Business Intermediary Organizations (BIOs). TJ and Kyrgyzstan are open to develop the institutional capacity of BIOs with external assistance, but Turkmenistan and UZ are more reluctant to do so and KZ is somewhere in between.¹⁷

¹² The plan *Strategic Plan of Development of the Republic of Kazakhstan up to 2010* was part of the long term *Kazakhstan 2030* strategy adopted in 1997, which itself has been replaced by the *Kazakhstan 2050* strategy in 2012.

¹³ EU (2011): Monitoring Report: Regional coordination and support for the EU – CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05; EU (2013): Monitoring Report: Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.09

¹⁴ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁵ EU (2011): Monitoring Report: Border monitoring activities in the Republic of Georgia, Central Asia and Afghanistan, MR-144141.01; EU (2011): Monitoring Report: Border monitoring activities in the Republic of Georgia, Central Asia and Afghanistan, MR-144141.02

¹⁶ EU (2011): Monitoring Report, Eurasia Competitiveness Programme - Central Asia Initiative, MR-140432.10

¹⁷ EU (2014): Mid-Term Evaluation of the Central Asia Invest Programme

All CA governments have been transforming their **higher education** systems and seeking alignment with EU standards and/or EHEA standards. Although scope and pace of reforms differ, this clearly indicates that the EU support was in line with the government priorities in the sector.¹⁸

1.2 JC 12 Extent to which the regional programme for assistance to CA has been consistent with the overall EU policy framework for assistance to third countries

1.2.1 I-121 Level of coherence of 2007 RSP and the 2007, 2011 and 2014 MIPs with relevant EU policies in the environment sector.

Findings

The external cooperation of the EU in the environment sector is guided by a complex policy framework, influenced by multilateral agreements and EU internal policies¹⁹. However, there are two policy documents that are of particular importance: the Council Conclusions of 31 May 2001 *Strategy for the integration of environmental considerations into development policy to promote sustainable development* and the 2002 Communication *Towards a global partnership for sustainable development*.

The 2001 Council conclusions call for the following priority actions:

- enhanced policy dialogue with partner countries on environmental issues;
- systematically incorporating environmental considerations into the preparation of all strategic plans and programmes for EC development cooperation;
- mainstreaming environmental considerations into the six priority themes for EC development cooperation (trade and development, regional cooperation, poverty reduction, transport, food security and institutional capacity building);
- monitoring the progress made.²⁰

The priority objectives of the 2002 Communication are: i) *Ensure that current trends in the loss of environmental resources are effectively reversed at national and global levels by 2015* and ii) *Develop sectoral and intermediate objectives in some key sectors – water, land and soil, energy and biodiversity*. Among others, the Communication calls for the launch of a sustainable water resource management initiative (EUWI) and the development of a European Union action plan on forest law enforcement, governance and trade (FLEGT).²¹

Water is arguably the most critical issue of the EU-CA cooperation in the environment sector. The principles, rules and frameworks on EU support on water stem from the EU Water Framework Directive (WFD), established in 2000 as a European integrated river basin management approach. It was the first regional coordination initiative of its kind related to water management, aiming at improving water quality and involving citizens in the process. Today, the WFD serves as the normative foundation also for the EU external cooperation in the water sector.²²

The RSP and MIPs are mostly in line with the policies outlined above. They emphasize the importance of dialogue in the environment sector both at high political and at lower levels as well of environmental monitoring (2001 Council conclusions). Both EUWI EECCA and FLEG are important components of the strategy documents (2002 Communication) and the support in the water sector is based on the integrated river basin management concept outlined in the EU Water Framework Directive. However, the RSP and MIPs are silent on the mainstreaming of environment into the other priority sectors (2001 Council conclusions).²³

The approach to the environment sector outlined in the RSP and MIPs is also consistent with the EU-CA Strategy for a New Partnership (see box below).

¹⁸ EU (2013): Monitoring Report: Central Asian Education programme, MR-146781.01

¹⁹ This section draws upon the forthcoming *Thematic evaluation of the forthcoming EU support to environment and climate change in third countries (2007-2013)*, which includes an in-depth analysis of the policy framework of the EU external cooperation in the environment sector.

²⁰ EU (2001): *Strategy for the integration of environmental considerations into development policy to promote sustainable development* Council Conclusions 31 May 2001.

²¹ Communication from the Commission to the Council and the European Parliament *Towards a global partnership for sustainable development*, COM(2002) 82 final,

²² Lipiäinen, Tatjana and Jeremy Smith (2013): *International Coordination of Water Sector Initiatives in Central Asia*, EUCAM working paper 15

²³ EU (2000): *Directive 2000/60/EC of the European Parliament and of the Council establishing a framework for Community action in the field of water policy*

Environmental sustainability and water

Fair access to water resources will be a major challenge for the world in the 21st century. Most major environmental issues in Central Asia are related to the allocation, use and protection of the quality of water resources. With the region connected through cross-boundary rivers, lakes and seas, a regional approach to protecting these resources is essential. Linked to this is the need to improve forestry management. There is a need to have an integrated water management policy (upstream and downstream solidarity).

For the EU water cooperation is of particular interest, especially in view of achieving by 2015 the Millennium Development Goals on clean drinking water and good sanitation facilities.

Promoting cooperation on water management can at the same time foster regional security and stability and support economic development.

An EU-Central Asia dialogue on the environment was launched in Spring 2006 and will provide the basis for joint cooperation efforts.

Environmental issues related to the extraction and transport of energy resources as well as vulnerability to climate change and natural disasters are also matters of major concern. Questions pertaining to the protection of the environment should be taken into account in regional dialogue at all levels.

The EU will therefore:

- Support the implementation of the EECCA (Eastern Europe, Caucasus, Central Asia) component of the EU Water Initiative (EUWI EECCA) for safe water supply and sanitation and integrated water resources management.
- Promote transboundary river basin management as well as regional cooperation under the Caspian Sea Environmental Convention;
- Give particular support to the integrated management of surface and underground transboundary water resources, including the introduction of techniques for a more efficient water use (irrigation and other techniques);
- Enhance cooperation for appropriate frameworks for facilitating the financing of water related infrastructure projects, including through attracting IFI's and public-private partnership funds;
- Support regional capacity building on integrated water management and production of hydropower
- Cooperate with Central Asian countries on climate change including support for the introduction and further implementation of the Kyoto Protocol mechanisms at regional level;
- Cooperate with Central Asian countries in combating desertification and safeguarding biodiversity including support for the implementation of the UN Conventions on Biological Biodiversity and to combat Desertification;
- Improve sustainable management of forests and other natural resources in Central Asia, providing assistance for regional aspects of the indicative actions under the Forest Law Enforcement and Governance Ministerial process (FLEG);
- Encourage increased environmental awareness and the development of environmental civil society including through cooperation with the Central Asia Regional Environment Centre (CAREC).

In the context of the above priorities, the EU will also give attention to related issues:

- Support Central Asian States in developing policies for pollution prevention and control;
- Upgrade natural disaster preparedness and assessment capability in Central Asia;
- Intensify cooperation with EnvSec Initiative.

1.2.2 I-122 Level of coherence of 2007 RSP and the 2007, 2011 and 2014 MIPs with relevant EU policies in the border management and rule of law sector.

Findings

The analysis carried out in the 2013 *Thematic global evaluation of EU support to integrated border management and the fight against organised crime* has pointed to the lack of a single, well defined EU

policy for external cooperation in the area of integrated border management (IBM).²⁴ However, the EU has published in 2009 (and updated in 2010) the *Guidelines for Integrated Border Management in EC Cooperation*, which provide practical advice on the application of IBM in EU external cooperation interventions. The guidelines identify the following features of IBM:

- Three Basic Pillars (Intra-service, Inter-agency and International cooperation).
- Four Functions each corresponding to a specific agency (Border surveillance/checks – border guards; Goods control – customs; Animal inspection – veterinary service; Plant inspection – phytosanitary service), whereby each function is provided with six action items.
- Six Action Items (Legal & Regulatory Framework; Institutional Framework; Procedures; Human Resources & Training; Communication & Information Exchange; Infrastructure & Equipment).

In terms of definition, the guidelines aim to establish an open and comprehensive concept based on the following elements: “*National and international coordination and co-operation among all the relevant authorities and agencies involved in border security and trade facilitation to establish effective, efficient and integrated border management systems, in order to reach the objective of open, but well controlled and secure borders*”.²⁵

The MIPs explicitly state that the support to border management should be based on the IBM concept. This is further illustrated by the programming documents of BOMCA, the main EU intervention in the sector, which state that “*BOMCA’s main strategy is to promote the stability and security of the countries of Central Asia through Integrated Border Management and Regional Cooperation*”.²⁶

The EU-CA Strategy for a New Partnership also calls for EU support to be based on the IBM principles and mentions BOMCA as the main intervention in the sector (see box below).

Box 2 Border management in the 2007 EU-CA Strategy for a New Partnership

Combating common threats and challenges

Modern border management creating open and secure borders could facilitate trade and exchange in the region and help combat regional criminal activity, especially the international drug trade.

Assistance in fighting organised crime will be one of the priorities of the EU in the region aiming at a reduction of non-conventional threats to security.

Migration is one of the major global challenges of the 21st century. The impact of migration, both positive and negative, can be felt in all countries, including in Central Asia. The EU seeks to enhance dialogue and cooperation on migration with regions of transit, origin and destination through the EU’s Global Approach to Migration. As part of the Global Approach the EU proposes to launch a close dialogue on migration with the eastern and south-eastern neighbouring regions.

The EU will step up its support for the development of modern border management in the region of Central Asia, including the borders with Afghanistan. Afghanistan’s cooperation with its neighbours should be strengthened. Through BOMCA, the EU will seek a multilateral and regional approach.

The EU will broaden BOMCA activities and seek synergy with projects under implementation to reform customs services. The EU will seek better coordination and explore possibilities of close cooperation between BOMCA, the OSCE and other border projects from Member states and third countries.

The EU will:

- Continue to introduce the basic principles of integrated border management in border guard services and other relevant services;
- Work on specific border crossing points;
- Provide organisational assistance to support transformation of border guards from a conscript to a professional service; to support transition from a purely military system to a more police-style law enforcement agency and to support efforts to strengthen control mechanisms;
- Seek increased involvement of customs services to facilitate trade;
- Update the legal framework in accordance with international law in the field of combating organised crime (e.g.: UN Convention against Transnational Organized Crime and its Protocols), with a focus on illegal migration, trafficking in human beings, preventing and

²⁴ EU (2013): *Thematic global evaluation of the European Union’s support to Integrated Border Management and fight against Organised Crime*

²⁵ EU (2009): *Guidelines for Integrated Border Management in EC Cooperation*

²⁶ EU (2011): BOMCA 8 project description

countering drugs and precursors trafficking; improve institutional capacity of law enforcement agencies, and strengthen regional cooperation in fighting trans-national organised crime.

At the same time, the EU will continue to offer its assistance to help the interested Central Asian States -both at national and at regional level to manage migration in a more balanced manner, which implies setting up well functioning systems to match labour demand and supply, facilitating integration of legal migrants and providing international protection to asylum seekers and refugees and other vulnerable persons.

1.2.3 I-123 Level of coherence of 2007 RSP and the 2007, 2011 and 2014 MIPs with relevant EU policies in the SME development sector.

Findings

The EU defined its approach to private sector development in external cooperation in the 2003 document *Communication to the Council and the European Parliament: Community Co-operation with Third Countries: The Commission's approach to future support for the development of the Business sector*²⁷, hereafter COM (2003) 267. The strategy identified the following five priority areas of intervention:

- Overall policy dialogue and support, in particular as regards macroeconomic and trade policy, and good governance, providing the necessary regulatory framework, institution building and advice.
- Investment and inter-enterprise co-operation promotion activities
- Facilitation of investment financing and development of financial markets
- Support for Small- and Medium-sized Enterprises in the form of non-financial services
- Support for micro-enterprises

SME development is introduced in the 2010 MIP (the 2007 RSP and MIP covered that sector only very lightly). The 2010 MIP foresees policy advice to improve regulations (coherent with priority area 1 of COM (2003) 267), strengthen legal and business services for SMEs (priority area 4) and enhance relations with EU counterparts (priority area 2). In addition to that, the 2014 MIP suggested to also provide support in the area of access to credit for SMEs (priority area 3).

In the EU-CA Strategy for a New Partnership, SME development only plays a minor role in the section on *promotion of economic development, trade and investment*. According to the strategy, the EU will support economic diversification by promoting of SMEs and provide technical assistance and policy advice to facilitate the creation of legislative and institutional frameworks conducive to better business environments. Both points are covered by the 2010 and 2014 MIPs.

1.2.4 I-124 Level of coherence of 2007 RSP and the 2007, 2011 and 2014 MIPs with relevant EU policies in the higher education sector.

Findings

The EU approach to cooperation in the higher education sector was based on two main policies.²⁸

Firstly, the 2001 *Communication on strengthening co-operation with third countries in the field of HE*²⁹, which was driven by the Commission's motivation to launch a debate on international collaboration by the EU in the field of HE and thus to determine the position of the Member States in regard to international training market competitiveness. On this basis, the communication made the case for a more important position of HE in cooperation agreements. The communication essentially identified two objectives for cooperation between the EU and third countries:

- The development of high-quality human resources (in the EU and in partner countries), and
- The promotion of the EU as a leading player in the fields of university education, vocational training and research.

²⁷ For a detailed analysis on the see policy environment guiding the EU support to private sector development, please refer to the 2013 *Evaluation of the European Union's Support to Private Sector Development in Third Countries*.

²⁸ This section is based on preliminary analysis from the ongoing global thematic evaluation of EU cooperation in the higher education sector.

²⁹ Communication from the Commission to the Council and the European Parliament on *Strengthening co-operation with third countries in the field of Higher Education*, COM(2001) 385 final.

It also proposed a number of different measures and proposed criteria for international co-operation, including the orientation of programmes towards multilateral networks, partnerships between HEIs as a framework for exchanges and the use of accreditation systems and a credit system compatible with the European model (ECTS).³⁰

Secondly, the 2002 *Communication on education and training in the context of poverty reduction in developing countries*³¹, hereafter COM (2002) 116, which acknowledged the “vital importance of education in reducing poverty and in development and to present an overall framework for the objectives, priorities and methods of the Community in education and training in developing countries”³². Support to “HE, in particular at the regional level” is set out as one of three priority areas aiming particularly at:

- Developing information and communication technologies;
- Encouraging co-operation between European and third-country institutions, especially at regional level;
- Ensuring greater vigilance in regard to the impact of brain drain on these countries;
- Enhancing the institutional capacities of developing countries.

The 2007 RSP and MIP contain only little information on the higher education sector, but the 2010 MIP provides more details. It calls for investment in digital infrastructure and information technology (coherent with HE priority area 1 of COM (2002) 116), cooperation between HE institutions in the EU and within the partner countries (priority area 2) and strengthening of HE institutions through support to management, governance and quality assurance (priority area 4).

It should be noted that the EU has adopted a revised policy on HE in 2013 outlined in the *Communication European Higher Education in the World*. However, the 2014 MIP does not cover HE, because EU regional support to that sector for the 2014-2020 period is managed separately, and the other CA programming documents predate the new HE strategy, hence their coherence cannot be assessed.

The EU-CA Strategy for a New Partnership contains one section on education, but the provisions on HE are rather general.

1.3 JC 13 Extent to which the regional programme for assistance to CA has been adjusted reflecting a changing context and lessons learnt

1.3.1 I-131 Degree to which context trends were monitored in a systematic way and significant changes were identified.

Findings

The EU has used a variety of different tools to monitor the implementation of its interventions in CA.

- The Council has prepared biannual progress reports on the implementation of the EU-CA Strategy for a New Partnership (hereafter called EU-CA strategy). Four progress reports have been published (in 2009, 2010, 2012 and 2015).
- External Assistance Management Reports (EAMRs) are regular reports from the EUDs to HQ covering project implementation and planning in the respective country.
- Project and ROM reports contain information on the progress of the implementation of individual interventions and their context.
- External reviews and evaluations inform on the implementation, results and potential impacts of individual interventions and their context.
- Mid-term reviews of the 2007 RSP and the 2014 MIP (planned) assess the relevance of the programming documents and the potential need for adjustment.

Among these reporting tools, the EU-CA strategy progress reports are the ones that are most useful for the monitoring of changes in the CA context as they cover the whole CA region and are rich in contextual analysis. The EAMRs generally cover one single country, thus lacking a regional

³⁰ Report on the Commission Communication on strengthening co-operation with third countries in the field of HE, <http://www.timeshighereducation.co.uk/news/report-on-the-commission-communication-on-strengthening-co-operation-with-third-countries-in-the-field-of-higher-education/167564.article>.

³¹ Communication from the Commission to the Council and the European Parliament on education and training in the context of poverty reduction in developing countries. Brussels, 2002, COM(2002) 116 final

³² COM(2002) 116 final

perspective, and mostly report on operational issues, whereas project and ROM as well as external reviews and evaluations reports focus on single interventions.

The EU-CA strategy progress reports identified and analysed a number of important regional developments in CA, including: i) the situation in Afghanistan and possible spillover effects, threats posed by international terrorism networks, ii) tensions among CA countries related to shared water resources and other factors, iii) threats to the stability of CA governments because of rising public discontent and ethnic disputes, and iv) the role of Russia's integrationist agenda in CA and potential consequences of the Ukrainian crisis for EU-CA cooperation.³³

However, it remains unclear how the findings and recommendations of the EU-CA Partnership progress reports are used in the programming of EU cooperation with CA. While all RSP and MIPs recognize the importance of the EU-CA strategy, they do not mention the progress reports.

1.3.2 I-132 Extent to which programming was adjusted responding to relevant changes in context.

Findings

The 2007 Strategy for a New Partnership has been deemed of continued relevance and is thus continued for the next EU programming period, but while the strategy is relevant, it is also somewhat generic and does not provide specific guidance for prioritisation for EU support.

Over the evaluation period, one can observe an evolution of the principal EU objectives of the regional support to CA. The 2007 RSP stated that the "key feature of EU-CA assistance cooperation" was supporting "greater economic integration and a deepening of political cooperation at sub-regional and bilateral level." In comparison, the goals laid out in the 2014 MIP are more modest. The document reads: "EU regional programmes aim at supporting a broad-based process of dialogue and collaboration between CA countries, promoting an environment conducive to a non-confrontational approach within the region (...)." The 2014 MIP pursues more pragmatic and realistic, taking into account the challenging regional context.

The focus in the **environment** sector largely remained the same throughout 2007-2014 with a particular focus on water, but also on biodiversity, forest governance and climate change. There appears not to have been any significant contextual changes, which would have required strategic changes in this focus; the key environmental issues at the regional level remained the same, and although there were some contextual changes which affected individual interventions, these were not of a nature that had implications or required overall changes to the strategic approach to the regional level support for environment. However, in the 2014 MIP, the ambition to promote regional cooperation has been toned down compared to the RSP and earlier MIPs; reflecting the limited interest of CA governments to cooperate regionally, especially in relation to water and limited windows of opportunity due to the absence of a sufficiently strong regional environmental governance institution to collaborate with at the regional level.

At the individual project action level, the regional programmes in general made adjustments due to changes in the context and to utilise emerging windows of opportunity. For example, the UNDP implemented project *Toward a sustainable management of water resources in Central Asia* was modified to include climate change adaptation aspects as this was requested by the countries involved³⁴. In TJ, the government restructuring of the forest administration in 2013- 2014, required the related FLERMONECA country teams (FLEG and ERCA teams) had to be reorganised³⁵. Also in TJ, a presidential order issued in 2014 restricted the direct communication between foreign experts and government staff, and as a result the project support provided by FLERMONECA was since mid-2014 adjusted and only provided indirectly through national experts and the GIZ office and programmes based in TJ³⁶. In addition to that, in TJ the MONECA component of FLERMONECA replaced air pollution with climate change as pilot sector for environmental monitoring, due to political sensitivities

³³ EU (2009): *Progress Report on the implementation of the EU Central Asia Strategy*; EU (2010): *Progress Report on the implementation of the EU Central Asia Strategy*; EU (2012): *Progress Report on the implementation of the EU Central Asia Strategy*; EU (2015): *Progress Report on the implementation of the EU Central Asia Strategy*.

³⁴ UNDP (2013): Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182

³⁵ Letter from GIZ to the EUD in KZ, 10 February

³⁶ GIZ (2015): FLERMONECA Interim Narrative Report

between TJ and UZ related to air pollution. The relevance of WECOOP was enhanced by an increased interest of CA countries in the Green Economy.³⁷

The similarities between CA countries and the former Soviet states in Eastern Europe and Caucasus have gradually diminished over time. Acknowledging this, EU's regional support for water in CA will in the future not be provided through a joint programme that covers all three regions, as it was under EUWI EECCA; current plans are that regional support for water will probably instead be covered under the follow-up programme to EURECA (stakeholder interviews).

The EU support (BOMCA) has been adjusted to the changing context and lessons learnt in **border management** in the Central Asia. Different BOMCA phases took into consideration the previous project developments as well as adjusted their activities to the progress achieved and readiness of the beneficiaries for undertaking institutional and legal reforms in the security/border sector. In reaction to rise of security threats (see I-131), the EU has established a High Level Security Dialogue including all five CA countries to discuss security issues; meetings took place in 2013 and 2015, but the 2014 meeting was cancelled due to a lack of interest by CA states (see I-531).

The EU's support to **SME development** went through a steep learning curve. Central Asia Invest (CAI) adapted its approach following evaluation recommendations and lessons learnt. The 2010 CAI mid-term evaluation concluded that support should not only be provided to BIOs, but also directly to SMEs, which consequently was done in the subsequent phase. Overall, the focus of the SME assistance shifted from the regional level (involving, ideally, the entire CA region) to cross-border levels (involving BIOs from mainly two or sometimes three countries), due to differences in legislation, economic development, and openness to external cooperation as well as limited interest in regional cooperation by CA countries (see JC 63). ICFA is still a relatively new intervention and no major adjustments to the intervention as such have been deemed necessary yet. However, in KG – one of two main beneficiaries of IFCA - EBRD responded in a flexible manner to growing demand for its financial products. The EU-EBRD co-funded Kyrgyz Sustainable Energy Financing Facility (KyrSEFF I), established in December 2012 also under IFCA, was utilised faster than expected, confirming the strong demand from private finance institutions and the market. KyrSEFF II will be launched soon and aims to meet this growing demand for energy and resource efficiency

In the **Higher Education** sector, Tempus IV had an inbuilt mechanism to adapt assistance to the individual countries' needs: Each CA country defined its priorities for national and regional/interregional joint projects (JPs) and for national and regional/interregional structural measures (SM) prior to each Tempus IV call for proposals.³⁸ The priorities were defined in consultation with the National Tempus Offices (NTOs)/National Erasmus Offices (NEOs), the EUD and/or EACEA. Only projects addressing these priorities were eligible for support.

EU-CA policy and political dialogue as foreseen in the RSP and EU-CA Education Initiative did not take root during the evaluation period.³⁹ Commitment was not substantiated much during the first three notionally high-level meetings between May 2008 and September 2009. In 2011, the EC contracted a consortium to implement the Central Asian Education Platform (CAEP), which was launched in 2012. CAEP identified three thematic lines in a needs assessment. However, difficulties continued with understanding and endorsement of the project and activities in CA, in particular by UZ and TM and CAEP didn't achieve the desired progress during the evaluation period. After a number of adaptations in its management and communication in 2014 it was extended for a second phase in 2015. The described adaptations were not related to a changing context, but were rather to optimise the approach with a view to formal commitment by CA stakeholders.

The table below illustrates how the programming documents compare to the actual implementation. One can see that the alignment between the two differs strongly between the sectors. In the environment sector, the EU provided support to the sub-sectors featured in the 2007 and 2010 MIPs. In the other sectors, there is quite a discrepancy between programming and implementation. In the border management sector, the strategy reached further than the objectives of the sector programmes

³⁷ EC (2013): Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05

³⁸ For each of the Tempus IV calls for proposals (6 between 2008 and 2014) each partner country in CA chose relevant 'national priorities' for national and regional Tempus projects. A particularly useful indicator are the priorities for the so-called Structural Measures projects which address system level reforms and require the active involvement of the respective government(s). The national priorities are documented in the Tempus calls for proposals at

http://eacea.ec.europa.eu/tempus/funding/archives_funding_opportunities_en.php

³⁹ E.g. with regular regional and bilateral high-level meetings between the Commission and ministerial representatives from CA, with technical working groups chaired by individual countries reviewing education sectors, developing agreed policy responses, stimulate policy discussion at the national level;

BOMCA and CADAP, covering objectives such as adoption of international conventions, human trafficking, migration and asylum management, intellectual property rights and intelligence sharing. In the SME development sector, strategy and implementation were not aligned at all, a situation that only changed with the 2014 MIP and might indicate that the strategy was to a certain extent retrofitted to the actual implementation. The same holds for the higher education sector, where the 2007 MIP was hardly aligned to the implementation, a situation that changed with the 2010 MIP.

Table 1 Comparison of MIPs and implemented programmes

Sectors and sub-sectors	2007 MIP	2010 MIP	2014 MIP	Programmes
Environment				
Transboundary water management				WECOOP, WMOCA
National water sector reform				EUWI EECCA
Forestry				FLERMONECA (FLEG component)
Climate change				WECOOP (and to some extent covered across the other regional programmes)
Awareness raising				AWARE
Environmental data and monitoring				FLERMONECA (MONECA component)
Biodiversity				FLERMONECA (ERCA component)
Vulnerability to natural disasters				ENVSEC
Border management				
Institutional Reform (Integrated Border Management)				BOMCA 7, BOMCA 8, BOMCA 9
Technical capacity (equipment and training)				BOMCA 7, BOMCA 8, BOMCA 9
Drugs: Counter drug capacities of agencies working at borders				BOMCA 7, BOMCA 8, CADAP 4, Heroin Route
Drugs: Reduction in the demand for drugs.				CADAP 4, CADAP 5
International conventions				
Human trafficking				
Migration and asylum management				BOMCA 9
Intellectual property rights				
Intelligence sharing				BOMCA 8
SME development				
Strengthen links between CA and EU SMEs				Partly covered by a bilateral programme in UZ
Enhance foreign direct investments and export capacities				Partly covered by bilateral programmes in KZ and TJ
Support to Business Intermediary Organisations (BIOS)				Central Asia Invest (CAI)
Regulatory environment				CAI
Access to credit for SMEs				CAI, IFCA
Higher education				
Quality of HE (curriculum development, teaching methods, human resource development)			<i>Starting with the 2014-20 programming period, support to HE is managed separately from the CA</i>	Tempus, Erasmus Mundus Action 2
International exchange of students and staff				Tempus, Erasmus Mundus Action 2
Cooperation between HE institutions in the EU and in CA				Tempus, Erasmus Mundus Action 2
University governance				Tempus

<i>Sectors and sub-sectors</i>	<i>2007 MIP</i>	<i>2010 MIP</i>	<i>2014 MIP</i>	<i>Programmes</i>
Intra- and inter-regional cooperation between people, social partners and civil-society organisations			MIP.	Tempus
Access to high capacity communication networks				CAREN
EU-CA cooperation and dialogue on HE				CAEP, Tempus, Erasmus Mundus Action 2

Legend		Covered by MIP / programme
		Not covered by MIP / programme

1.4 JC 14 Extent to which EU support has promoted the integration of risk and resilience considerations in regional environmental co-operation

1.4.1 I-141 Extent to which environmental/climate considerations are considered/addressed in regional security dialogues and agreements.

Description (of the indicator)

Environmental degradation can be an important security concern. Land degradation and reduced water availability due to over-abstraction and degradation of hydrological systems can lead to disputes over scarce resources or further aggravate already tense situations. The impacts of climate change, e.g. on water resources is projected to further exacerbate water scarcity, and thus lead to increased competition for, and disputes over, water resources, and lead to increased migration due to reduced agricultural production. Conflict or the risk of disputes over resources often have a transboundary nature, such as disagreement between upstream and downstream countries over the use of water resources. It is thus important to take environmental risk into consideration in regional security agreements. The need to take environment and climate change and its implication for security at local, national and regional into consideration is increasingly acknowledged. This indicator explores whether these linkages have been taken into account in the regional security dialogues support by EU.

Findings

Due to the scarcity of water resources, there are increasing tensions between the CA countries. Upstream KG and TJ have hydropower as their main energy source and an ambition to increase hydropower generation to meet and increasing energy demand. At the same time, agricultural production in KZ, TM and UZ depends on the same rivers for irrigation water and is already abstracting water from the Amu River at unsustainable rates causing severe environmental degradation. So far, open conflict has been avoided, but there is a risk that in water scarce years, the situation deteriorates into a major economic, humanitarian and political crisis. Past attempts by the international community to reduce tension have had limited success, and the the political will in CA is limited.⁴⁰ Climate change and the resulting retreat of the glaciers and reduced snow cover feeding the rivers in the region is projected to further exacerbate water scarcity, thereby contributing to increasing the tension and the risk of open conflict.⁴¹

There is no evidence that environment, water and climate change have been on the agenda to a significant extent in the regional security dialogues and agreements during 2007-2014; nor did BOMCA address these themes. However, participants in BOMCA expressed in 2014 an interest in training on the rational use of natural resources, on the use of disputed lands and settlement of land disputes.⁴²

⁴⁰ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*; Jos Boonstra, Jacqueline Hale (2010): *EU Assistance to Central Asia: Back to the Drawing Board? EUCAM*

⁴¹ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05.*

⁴² BOMCA 8 final report, 2014

1.4.2 I-142 Extent to which security and conflict considerations are considered/addressed in regional environment dialogues and agreements.

Description (of the indicator)

As mentioned under I-151, environmental degradation and climate change can have significant security and conflict implications due to the competition over scarce resources. Hence, improved and sustainable management of natural resources can reduce tensions and the risk of open conflict. At the same time, open conflict can increase the pressure on the natural resources and armed conflict often has serious environmental implications, e.g. due to the lack of ability to control the use and ensure long-term perspective in the management of natural resources in a volatile context, but also due to direct damage caused by the use of weapons and displacement of large numbers of people increasing the pressure on natural resources in the recipient areas. Hence, it is important that the potential contribution of sustainable environmental management as a means to reduce conflict is capitalised on, and that the detrimental environmental impacts of conflict are taken into consideration in environmental planning and regional cooperation. This indicator explores whether these linkages have been taken into account in the regional environmental dialogues supported by EU.

Findings

Disputes over regional/transboundary natural resources did generally not figure prominently in the meeting agendas for regional dialogues and working group meetings and no specific agreements were made. Nor were disputes over water resources a significant topic at NPDs. Which is not surprising, since water resource disputes is a sensitive issue, which is also perceived to relate to national security, and bringing in this theme could potentially have blocked the dialogue process. Nonetheless, the issue did come up as part of some presentations related to water management in the NPDs. Initial intentions to have a cooperation between the WECOOP (environment) and the Rule of Law Platform (and the Education Platform) did not materialise to a significant extent and mainly took place as information sharing in the early life of WECOOP, so an opportunity for addressing the linkage between environment and conflict appears to have been missed.⁴³ Nonetheless, the fact that EU brought representatives from the CA countries together to share experiences and views has created an increased understanding of the challenges and views of the other countries, and opportunities for communication, which ultimately can contribute to enhanced cooperation and reduced tensions, although this is difficult to quantify.

At the Isfara Basin level, the GIZ implemented WMBOCA and the UNDP implemented *Toward a sustainable management of water resources in central Asia* project both supported a dialogue between Kyrgyz and Tajik water users and stakeholders on this shared resource, through several events. This dialogue specifically addressed water sharing and prevention of disputes over water resources. Stakeholders expressed that the meetings had been productive. The UNDP programme also provided training on cross-border cooperation and thereby enhanced local stakeholder capacities in relation to negotiation, peace building and conflict prevention as well as water resource distribution. An example of KG-TJ cooperation emanating from the dialogue established under WMBOCA is that in 2014 a mudflow damaged sections of a canal shared by KG and TJ, which affected Tajik farmers. The Kyrgyz and Tajik basin councils discussed the issue, and the Kyrgyz brought in machinery from Osh and repaired the canal for the benefit of the TJ farmers. The framework agreement on transboundary basin management between KG and TJ could potentially, if also signed by KG, support the establishment of mechanisms for preventing disputes in other shared basins.⁴⁴

1.4.3 I-143 Evidence of integration of resilience and risk considerations in planning and implementation of EU environment support.

Description (of the indicator)

As described in I-151 and I-152, there is a strong inter-linkage between environmental degradation, climate change, and security. But there are also other dimensions of risk and resilience in relation to

⁴³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

⁴⁴ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*; EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06*; EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.07*; EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.09*

environment and climate change. Firstly, environmental degradation and climate change can increase the frequency and magnitude of natural hazards (such as floods, drought and land slides). Secondly, environmental degradation can reduce the overall agricultural productivity and rural incomes and thereby reduce the capacity to cope with risk and hazards, thereby increasing the risk of hazards evolving into disaster. On the other hand, improved environmental management and adaptive measures to climate change can be important elements of disaster risk reduction. This indicator explores whether these linkages have been taken into account in EU's regional environmental support.

Findings

Risk and resilience considerations were addressed in a number of the regional programmes. As described in I-152, both WMBOCA and the UNDP implemented project facilitated dialogue and provided capacity building in relation to disputes and peace building on shared water resources in the Isfara Basin (KG and TJ). The basin management organisations and plans for joint management of the Isfara Basin means that an institutional framework for conflict management has been put in place (see I-431). The UNDP project also created water user associations and a water user federation to improve the management of irrigation water and create mechanisms to handle water disputes. Moreover, the UNDP project installed equipment for automated water distribution and measurement in Isfara Basin and Chu-Talas Basin, which makes water allocation more objective and thus reduces the potential for conflict. These contributions from EU are significant as disagreement over water sharing is frequent e.g. in KG.⁴⁵ Moreover, WMBOCA arranged a study tour for water managers from KZ, KG, TJ and TM to Portugal and Spain to study transboundary basin management, incl. conflict management.⁴⁶

Minor local land disputes related to the unclear demarcation of the border around TJ's Vorukh exclave affected WMBOCA's results: firstly, one reason that KG has not signed the KG-TJ interstate agreement appears to be that the border demarcation has not yet been carried out (although this link has never been officially confirmed), secondly, army skirmishes prevented the KG and TJ Basin Council's to meet for a six months' period in 2015. In Oct 2015 KG and TJ made a high-level agreement on demarcating the border and exchanging pieces of land over the coming two years; this would alleviate the land and related water issues.

WMBOCA also addressed disaster management and climate change adaptation in order to reduce risk and enhance resilience. The mountainous part of CA (mainly KG and TJ) is vulnerable to a range of natural hazards, i.e. flash floods, avalanches, rockslides, mudslides and earthquakes.⁴⁷ Moreover, the entire region is vulnerable to climate change, which is projected toacerbate the frequency and magnitude of the above-mentioned hazards (except earthquakes) as well as lead to increased frequency of droughts, extreme weather events, and general reductions in the water availability. WMBOCA supported the inclusion of disaster management provisions in the management of the Isfara Basin, e.g. by: a) conducting training on climate change adaptation, prediction of water availability, analysis and assessment of natural hazards (Mudflows, floods); b) producing a mud flow risk zone map for the basin; and c) providing a motor boat to the local office of the Kyrgyz Ministry of Emergency Situations for rescue operations in the Tortgul Reservoir.⁴⁸ The Tajik Isfara Basin management plan developed with support from WMBOCA has a specific section on disaster management. The Kyrgyz plan does not have this, but does include some actions the enhance the safety of settlements. In TM, WMBOCA facilitated a national Seminar on Adaptation to Climate Change (2013) and also procured an international expert who produced documents on climate change and water availability in the Murgab region, which was presented at the seminar.⁴⁹ A positive impact of the support provided by WMBOCA was a better understanding among beneficiaries of the broad range of considerations related to water management, incl. environment, biodiversity, disaster management, and the need for good relations with water users in neighbouring countries sharing transboundary basins.⁵⁰

⁴⁵ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.06*

⁴⁶ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*

⁴⁷ EC (2008): *Identification Fiche for Project Approach, Draft, Regional Environmental Programme for Central Asia, CRIS ref: 019-724*

⁴⁸ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-128*; GIZ (2014): *Water Management and Basin Organisations in Central Asia, Basin Planning for the Isfara River in Kyrgyzstan and Tajikistan, Bishkek, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*

⁴⁹ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-128*

⁵⁰ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.07*

The UNDP implemented project carried out a climate change vulnerability assessment and proposal for adaptation measures and carried out trainings on climate for the Chu-Talas Basin (KZ and KG).⁵¹

The Climate change and security in Eastern Europe, Central Asia and the Southern Caucasus project addresses the climate change-security nexus and covers all 5 CA countries (11 countries in total). The project is implemented by ENVSEC (the Environment and Security Initiative), which is lead by OSCE and also comprises UNDP, UNEP, UNECE, NATO and REC (The Regional Environmental Center for Central and Eastern Europe). Security is considered along three dimensions by ENVSEC: the political-military dimension, the economic and environment dimension, and the human dimension.⁵² The project has two specific objectives: 1) *Enhanced understanding and awareness of climate change as a security challenge and the consequent need for regional and transboundary cooperation in adaptation in the three regions*, and 2) *Enhanced capacity to anticipate, prevent and mitigate effectively and in a timely manner potential security risks resulting from climate change*. In relation to CA, three results are planned: 1.1 *Participatory assessments of security impacts of climate change are designed and produced for each region*; 1.2 *Information on security impacts of climate change and required adaptation measures are produced and disseminated in each region*; and 2.2 *Key stakeholders are trained on security impacts of climate change as well as conflict prevention related to climate change adaptation*.⁵³ By the end of 2014, the project had prepared desk studies, background papers, draft national risk assessments and a draft training syllabus and carried out national stakeholder consultations in all CA countries, the outputs of the consultations were taken into account in the revision of the written products. Geographic areas of security concern were identified and documented on maps. Regional consultations were initiated in early 2015, after the completion of these the project will proceed with implementing the recommendations emanating from the background paper; some areas were transboundary.⁵⁴

EU also funded PAMIR (Poverty Alleviation through Mitigation of Integrated high mountain Risk, implemented by Hilfswerk Austria International); which aimed to “*generate and appraise knowledge on the linkages between environment, disaster risk and poverty in selected communities alongside the Pjanj river (Tajikistan/Afghanistan) and Chong Alai valley (Tajikistan/Kyrgyzstan) to increase resilience of mountainous communities to geo-hazards*”. This project has among its activities carried out research and analytical work, such as computer modelling of the future risks of lake outburst floods and a policy review of participatory forest management systems. Hazard and social vulnerability risk assessments were also carried out for selected villages. This project is not among the selected sample projects for this evaluation.⁵⁵

Moreover, EUR funded two projects related to ensuring the uranium legacy sites (closed Soviet uranium mines) are managed sustainably and the radioactive contamination of water resources and the associated health risks are avoided: a) *Stakeholder Engagement for Uranium Legacy Remediation in Central Asia* (UNDP implemented); and b) *Establishment of a legislative and regulatory framework, regional watershed monitoring system and capacity building for remediation of uranium mining legacy sites in Central Asia* (Enconet Consulting implemented). These projects aimed at: strengthening the legislative framework; designing a water monitoring system; capacity building on analysis, radiation protection, environmental monitoring, remediation; and establishment of a web-based database: establishment of a water treatment facility; and enhancing stakeholder involvement in, and knowledge on, uranium legacy remediation. These projects are not among the selected sample projects for this evaluation.⁵⁶

⁵¹ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

⁵² ENVSEC interview

⁵³ ENVSEC (2014): *2nd Narrative Progress Report, Climate Change and Security in Eastern Europe, Central Asia and the Southern Caucasus*; (2013): *Climate change and security in Eastern Europe, Central Asia and the Southern Caucasus*, ENVSEC two-pager

⁵⁴ ENVSEC (2014): *2nd Narrative Progress Report, Climate Change and Security in Eastern Europe, Central Asia and the Southern Caucasus*; ENVSEC interview

⁵⁵ www.pamir.at

⁵⁶ EC (2013): *Annex 1 of the Commission Implementing Decision on the Annual Action Programme 2013 for Nuclear Safety Cooperation to be financed from the general budget of the European Union. Action Fiche Central Asia, C4.02/13 – Urgent measures for the management and remediation of high risk uranium legacy sites in Central Asia*; EC (2010): *Annex II-14, REG4.01/10: Establishment of a legislative and regulatory framework for the remediation of uranium mining legacy sites in Central Asia*

2 EQ 2 on dialogue

Have EU-CA policy and political dialogue and regional interventions reinforced each other in the fields of environment, higher education, rule of law and security?

2.1 JC 21 Extent to which regional interventions have leveraged EU-CA policy dialogue

2.1.1 I-211 Extent to which process support and inputs from regional interventions to policy dialogue has created a conducive environment for dialogue.

Description (of the indicator)

EU-CA, regional and interstate policy dialogues require careful preparation and facilitation, not least in a context where the relationship between the participating countries can be strained. This indicator explores whether EU's regional interventions have supported the planning and execution of the high-level dialogues and other regional dialogues and successfully created an enabling environment for a fruitful dialogue.

Findings

Environment: As described in I-411, EU programme support enabled different policy dialogue platforms at regional, interstate and national levels through the provision of dialogue facilitation, arranging seminars and workshops, preparing analytical and policy papers as inputs to dialogues, and capacity building. WECOOP provided support for the EU-Central Asia (EU-CA) High Level Conferences on Environment and Water. As part of the high-level dialogue and also facilitated by WECOOP, the EU-CA Joint Expert Working Group on Environmental Governance and Climate Change was set up to serve as the key mechanism for facilitation of the environment and water pillar of the EU-CA Strategy, strengthen regional policy cooperation and provide guidance for EU-CA cooperation activities. However, due to a lack of continuity of participants and a lack of work plans, the working group did not fully deliver these expected results (see I-411). WECOOP played a central role in supporting the dialogue process, also by bringing in EU experience and international best practice. However, some stakeholders found that WECOOP should have engaged in tangible implementation and not only focus on meetings and workshops, and that WECOOP was not sufficiently connected with what was happening in the countries – in TJ these constraints had a negative effect on stakeholders' ownership of, and interest in, WECOOP. The link between WECOOP and the other regional programmes was insufficiently strong; a perception among CA stakeholders of a stronger connection between WECOOP and the actions and results of the other EURECA components could potentially have raised the visibility and appreciation of WECOOP.

FLERMONECA facilitated informal regional exchange on pasture management and forest governance experiences, e.g. by arranging exchange visits and an international conference on pasture management in KG. (JC11, I-411)

WMBOCA and the EU funded, UNDP implemented project, toward a Sustainable Management of Water Resources in Central Asia facilitated transboundary dialogue between KG and TJ as part of a pilot initiative on joint management of the Isfara Basin; which led to enhanced dialogue and cooperation between the two countries. WMBOCA also held a regional policy dialogue meeting on IWRM in Bishkek in Dec 2013, where all five CA countries participated. (I-411, I-413, I-431)

EUWI EECCA supported National Policy Dialogues successfully promoted multi-stakeholder dialogue and thereby contributed to improving the coordination of, and enhancing the participation in, national water policy reform processes (I-432).

The high-level dialogue conferences and other regional dialogue fora supported by EU have generally not led to tangible cooperation or agreements on regional/transboundary environmental management (with the exception of WMBOCA in the Isfara Basin), but they have improved the mutual understanding and dialogue between CA countries as well as enhanced the dialogue between EU and the CA countries.

Border management and rule of law: The BOMCA supported Issyk-Kul Initiative on Border Security in Central Asia enabled conducive environment for dialogue with annual meetings of the Commanders of the five CA border services, which facilitated bilateral dialogues between the Commanders of Border services. Similarly, BOMCA and BOMNAF (Border Management Northern Afghanistan) co-hosted with the EUD in TJ and the Government of Japan inter-state dialogue between TJ and Afghanistan with the annually held *Conference on Trade and Security at the Tajik & Afghan Border*. Moreover, BOMCA's regional steering committee facilitated dialogue at the highest expert level between the CA countries. (I-521)

The interest among CA countries in the High-Level Security Dialogue has been somewhat limited, albeit showing recent improvements. For the first meeting in Brussels in 2013, some Central Asian governments sent only ambassador-level officials. A gathering planned for 2014 in TJ was cancelled owing to a lack of CA interest⁵⁷, but the second High-level Security Dialogue did take place in 2015 in TJ with participation at the level of deputy foreign ministries and chaired by the Deputy Secretary General of EEAS. The Dialogue provided a forum for addressing political and security issues of shared concern, including terrorism, extremism, drug trafficking and CBRN (chemical, biological, radiological and nuclear) risks. The participants agreed to reinforce their cooperation in the future.⁵⁸ Clear signs of the gradually improved regional dialogue are the endorsement of the updated EU Central Asia Action Plan on Drugs (2014-2020)⁵⁹ and the agreed Joint Plan of Action for the implementation of the UN Global Counter Terrorism Strategy in Central Asia⁶⁰. However, it should be noted that the CA states (except TM) were involved in the Shanghai Security Cooperation Organisation (SCO), which also includes China and Russia. SCO has made progress on counter narcotics, border management, counter-trafficking, counter-terrorism, and radicalism.⁶¹ In the framework of SCO, the CA countries participated in security exercises on counter-terrorism, border issues, drug trafficking, etc., which also developed capacities of the CA countries and contributed to the enhanced dialogue in the region. CA countries are also part of the Commonwealth of Independent States, which also promotes and engages them in cooperation on cross-border crime prevention.

EU tried in the BOMCA and CADAP context to engage in policy dialogue with TM, e.g. by organising regional events in Ashgabat such as the CADAP Regional Steering Committee or the CABS meeting planned for 2013. However, the Turkmen government did not participate significantly in BOMCA or CADAP, did not participate in regional events, and cancelled meetings (e.g. cancelled the 2012 BOMCA national steering meeting the day before.⁶²

According to the interviews with project staff as well as evident from project reports, the involvement of TM and UZ in the RoL Platform has been even weak to non-existent. Whilst TM only in a few occasions participated in the Rule of Law Platform, UZ has not engaged in the Rule of Law Platform at all due to the EU-UZ dispute on the legal basis of the UZ involvement. Similarly, UZ has not acceded yet to CADAP 6. (I-511)

The Rule of Law Platform (RoL) to a certain extent contributed to the regional dialogue, although TM only in a few occasions participated in platform activities and UZ did not engage at all due to the EU-UZ dispute on the legal basis of the UZ involvement in the platform (I-511). Similarly, UZ has not acceded yet to CADAP 6.⁶³

Private sector development (SMEs): In the absence of other regional cooperation mechanisms in the field of PSD and SME support, regular high level policy dialogues – facilitated by the OECD as part of the Eurasia Competitiveness programme and supported by the Central Asia Invest Programme (CAI) – have provided a unique opportunity for discussions on policy and legislative reforms among Central Asian governments that would not exist otherwise. Participation is at least at the level of deputy economy ministers. These policy forums enhanced the dialogue between CA countries and strengthened the environment for cooperation. Many interviewed stakeholders considered the forums (since 2013 they been known as Roundtables and taken place annually in Paris) as a potential stepping stone for a regional policy dialogue on private sector development. The CAI grant project component introduced a national level policy dialogue component as well as regional CAI stakeholder network meetings in the second phase. Three regional meetings have taken place to-date making a contribution to regional dialogues. (I-611)

Higher education: The EU-Central Asian Education Platform (CAEP) was established to facilitate regional dialogue and held a number of national and regional workshops, e.g. the regional workshop "Teacher Policies and Quality Approaches in Central Asian Education Systems" on 12-13 May 2014.⁶⁴

⁵⁷ EUCAM, »Reviewing the EU's approach to Central Asia, Jos Boonstra, February 2015

⁵⁸ http://eeas.europa.eu/statements-eeas/2015/150311_01_en.htm, 28th August 2015

⁵⁹ EU 11455/2012, Progress Report on the implementation of the EU Strategy for Central Asia – Implementation Review and outline for Future Orientations, page 7

http://eeas.europa.eu/central_asia/docs/20120628_progress_report_en.pdf

⁶⁰ KG EAMR 12/2013. The Joint plan of Action on the implementation of the UN Counter Terrorism was agreed in the context of a joint EU –UN project in cooperation with the UN Preventive Diplomacy Centre in Ashgabat (page 32)

⁶¹ http://iep-berlin.de/wp-content/uploads/2014/10/Paper_Yakovleva.pdf; International Conference "prospects of EU – Central Asian Relations: Security challenges in CA, Almaty 2014

⁶² KG EAMR 12/2012

⁶³ Information provided by the team leader of CADAP 6 during the interview in Kyrgyzstan

⁶⁴ CAEP website <http://www.caep-project.org/>; Jones, Peter (2010): The EU-Central Asia Education Initiative

Moreover, national Tempus workshops/seminars on human resources management were held, e.g. in Almaty (two workshops in 2014)⁶⁵, Tashkent (2014)⁶⁶, and Bishkek (2013)⁶⁷. Also in the frame of Tempus IV, the Executive Agency EACEA organised regional workshops. Further policy dialogue took place in the context of regional Tempus projects, for example the TuCAHEA and CANQA projects.

While the relevant cooperation and these events certainly contributed a conducive environment for dialogue, the countries engaged with differing intensity, continuity and participation of different levels of hierarchy. UZ and to some degree TM were less eager to participate in these activities. In particular, UZ and partly TM did not engage at high-level in CAEP activities.⁶⁸

In March 2015 a CAEP workshop on “*Employability, Quality and Mobility in Higher Education and Vocational Education & Training*” was organised in Istanbul to prepare the contents of the Central Asia Education Ministerial Conference (Riga, June 2015) and gather all stakeholders, draw up a proposal for a communiqué and a roadmap of future activities for 2015-2018 for endorsement in Riga.⁶⁹ The TuCAHEA⁷⁰ and CANQA⁷¹ projects (projects under Tempus) were involved in the preparatory activities for the Riga conference.⁷² TuCAHEA arranged an information and consultation meeting in preparation of the Riga conference, and a communiqué was signed by five education ministries in Rome in 2014 under the auspices of TuCAHEA⁷³. (see also JC-43)

External factors

Overall, the interest in regional dialogue appears somewhat modest among CA countries, due to the challenging relations and differing interests. However, there is an interest in dialogue with EU (since EU is a major global economic actor). It appears that for the three sectors, only limited regional and interstate dialogue takes place beyond the dialogue support by EU or other international organisations. It also appears that the engagement of other donors in this is limited and that EU is leading, except in relation to water where there are a number of events/processes (see I-343).

2.1.2 I-212 Evidence of regional stakeholders having used skills obtained from regional programme capacity building in regional policy dialogue.

Description (of the indicator)

The ability and interest to engage in a fruitful dialogue is shaped by the awareness and capacity of the participants, and ability to analyse and articulate positions. This indicator examines whether the EU's regional interventions has engaged in enhancing the capacity of CA countries to engage in dialogue in the four sectors.

Findings

Environment: WECOOP provided some capacity building support for the members of the EU-CA Joint Expert Working Group on Environmental Governance and Climate Change, regional institutions (IFAS) and CA government staff in the form of regional and national seminars on a range of topics, incl. EIA/SEA, Climate Change and risk management, green economy. WECOOP added value by bringing in EU MS experts to explain EU approaches and Eastern European experience with approximation to EU standards (e.g. Bulgaria's EIA experience), and by bringing in top international experts, e.g. on the green economy. However, this support mainly reached KZ, KG and TJ, and only benefited TM to a far less extent, and UZ did not participate in WECOOP activities. While it appears that the working group did use the learning in producing recommendations, the actual results achieved by the group were limited due to short-comings in the member composition and the implementation and reporting modalities (I-411). But, no clear link between this capacity building and the use of skills acquired in the regional policy dialogue was found.

Some capacity building was also provided by EUWI EECCA in the form of seminars and consultant inputs, but this mainly focused on national policy reform, although some support was provided to KG to enhance the capacity to engage in transboundary water dialogue and cooperation with KZ on Chu-Talas Basin. WMBOCA also supported the NPD process with a regional seminar on basin planning

⁶⁵ <http://www.caep-project.org/tempus-hrm-follow-up-activities-almaty-19-23-05-2014-and-25-29-08-2014/>

⁶⁶ <http://www.caep-project.org/tempus-hrm-follow-up-seminar-tashkent-22-23-01-2014/>

⁶⁷ <http://www.caep-project.org/tempus-hrm-follow-up-seminar-bishkek-24-10-2013/>

⁶⁸ CAEP 5th interim report 06/2015

⁶⁹ <http://istanbul2015.caep-project.org/>

⁷⁰ **TuCAHEA: Towards a Central Asian Higher Education Area: Tuning Structures and Building Quality Culture**

⁷¹ **CANQA: Central Asian Network for Quality Assurance and Accreditation**

⁷² <http://istanbul2015.caep-project.org/draft-programme-of-the-workshop/>

⁷³ TuCAHEA extension request 6.8.2015

(Bishkek, 2013) where representatives from CA countries exchanged their river basin experiences. (I-411, I-413, I-432).

A far more comprehensive capacity building support package (training and TA) for transboundary dialogue and cooperation was provided by WMBOCA in KG and TJ). Here capacity building was provided to an extent where it led to the development of basin management plans, basin management institutions were established and an interstate-agreement was drafted. This support resulted in a significantly enhanced dialogue between the two countries with more trust and open sharing of experiences and tangible cooperation between local authorities on both sides of the border, although KG is still to sign the agreement before the intended transboundary basin council can be established. (I-413).

Border management and rule of law: Capacity building did not specifically aim at improving regional policy dialogue, although study tours exposed the participants to different models for border management in EU member states. Training under BOMCA was mainly providing technical skills for officers at the operational level. For example, the dialogue and cooperation related training that was provided focused on conflict prevention and cross-border cooperation in the Fergana Valley and was provided to local authorities, border guards in Sughd (TJ) and Batgen (KG) oblasts (provinces) and Isfara (TJ), Batken (KG), Leilek/Djaburasluov (KG) and Spetamen) rayons (districts) (see I-511).⁷⁴ According to the Kyrgyz and Batken officials, conflict situations have reduced by about 40% as a result of community working group meetings and training.⁷⁵ Such training was not provided for the other CA countries.

Private sector development (SMEs): The regional programmes did not engage in capacity building aimed at supporting regional dialogue.

Higher education: No evidence was found where regional stakeholders used skills obtained from regional programme capacity building in high level regional policy dialogue. However, Tempus built capacities in regional projects and certainly contributed to a common understanding of structural and subject related issues in HE. For example, the CANQA and DoQUP projects disseminated and promoted the principles, mechanisms and benefits of a modern EHEA compatible quality assurance system; the TuCAHEA project and many others introduced or promoted the correct application of a European Credit Accumulation and Transfer System (ECTS). In UZ and KZ interlocutors confirmed the projects have enhanced a shared level of understanding on implications, challenges and benefits of EU/EHEA compatible reforms in CA.

2.1.3 I-213 Evidence of regional interventions having generated knowledge and evidence used in EU-CA dialogues.

Description (of the indicator)

An important prerequisite for fruitful dialogue is access to knowledge and information, so that the topics discussed and the issues are well known and informs the position of dialogue participants. This indicator examines whether the EU's regional interventions has engaged in producing and providing knowledge and analytical input to strengthen dialogue processes.

Findings

Environment: CA countries, EU and other donors presented their programmes, lessons and results achieved at the regional dialogue events. As described in I-421, EU's regional interventions prepared knowledge products and analytical reports. These had a national or sub-national focus and aimed at building technical capacity at the national and sub-national levels rather than providing the knowledge basis for regional and EC-CA dialogues. They supported national policy dialogue and reform processes (e.g. the analytical inputs prepared under EUWI EECCA to support the NPD processes, such as the benchmarking of IWRM integration in national legislations). But some of the products covered transboundary themes, such as the *Draft assessment of the water-food-energy-ecosystems nexus in the Syr Darya Basin* under EUWI EECCA (published May 2015). (I-411, I-421, I-432). For the Isfara Basin there is evidence of the knowledge generated feeding into interstate dialogue and cooperation; both WMBOCA and the UNDP implemented *Toward a Sustainable Management of Water Resources in Central Asia* project produced a number of studies and analyses, which served as inputs to the cross-border dialogue and cooperation process for the joint management of the Isfara Basin (I-413, I-421). No knowledge products were produced under WECOOP with the aim to inform regional dialogue.

⁷⁴ EU 2014, Border Management in Central Asia Phase 8 – Final report, page 26

⁷⁵ EU 2014, Border Management in Central Asia Phase 8 – Final report, page 26

Border management and rule of law: No analytical work was carried out under BOMCA or CADAP. Nor was any analytical work carried out under the Rule of Law Platform to inform regional dialogues. However, CA countries and other donors presented their programmes, lessons and results at the regional dialogue events (CABS) conferences. (I-531)

Private sector development (SMEs): The only regional-level knowledge products are the OECD-ECP policy handbooks which form the basis for regional-level discussions at the annual high-level policy Roundtables in Paris (see I-611). However, these reports are not specifically aimed at informing EU-CA dialogues. Neither documents nor stakeholder interviews provided evidence that results and lessons from EU funded PSD interventions (under regional and bilateral programmes) at the national level were used to inform the regional dialogues.

Higher education: Tempus carried out a study on HR management in HE, and CAEP did a study on quality in HE and VET, which provided a basis for policy dialogue in a series of dialogue events organised by CAEP and Tempus, such as regional workshops in Astana (2013)⁷⁶, at Lake Issyk-Kul (2013)⁷⁷ and in Istanbul (2014)⁷⁸. CAEP and CANQA exchanged information for the CAEP study on Quality in HE and VET. Country reports were produced under CAEP's quality study, but TM and UZ were not willing to endorse them since they felt insufficiently consulted. None of the CA countries had been asked to officially endorse CAEP, or CAEP studies, prior to their launch. In addition, interlocutors in UZ were confused over the added value of CAEP vis-à-vis Tempus and Erasmus Mundus projects and the activities of the Network of National Higher Education Reform Experts (HERE) under Tempus. (see I-733 and I-734).

2.2 JC 22 Extent to which regional policy dialogue has enhanced the implementation of regional interventions

2.2.1 I-221 Degree to which regional policy dialogue has strengthened the ownership and commitment to the objectives of regional interventions.

Description (of the indicator)

In a context where the interest in regional cooperation is not very high and affected by limited trust between countries, regional dialogues can play an important role in enhancing the understanding of the value added by regional programmes and thereby the interest and commitment to engage in them.

Findings

Environment: The EU-CA High-Level Dialogue as well as meetings of the EU-CA EU-CA Joint Expert Working Group on Environmental Governance and Climate Change and the EUWI EECCA Working Group reinforced the appreciation of the need to address regional issues and to share experiences among CA countries and between EU and CA.⁷⁹ Moreover, the progress of the regional programmes was on the agenda of these events, and so was the future implementation and strategic direction.⁸⁰

⁷⁶ <http://www.caep-project.org/torino-process-2012/>

⁷⁷ <http://www.caep-project.org/regional-workshop-issyk-kul/>

⁷⁸ <http://www.caep-project.org/regional-workshop-in-istanbul-12-13-may-2014/>

⁷⁹ I-411, I-413, (EURECA (2014): *EU – Central Asia Strategy for a New Partnership Platform Third Meeting of the EU Central Asia Working Group on Environmental Governance and Climate Change, Working Group Conclusions 11th and 12th June 2014, Almaty*; UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*; Peter Börkey: *Task Force for the Implementation of the Environmental Action Programme for Central and Eastern Europe, Caucasus and Central Asia, Group of Senior Officials on Urban Water Sector Reform, 13th EUWI-EECCA Working Group Meeting, 6th Joint meeting of the EU Water Initiative Working Group and the EAP Task Force Group of Senior Officials for Water Sector Reform in EECCA, Draft Summary Record, 24-25 November, 2009, Bucharest (Romania)*, OECD; EUWI EECCA WG meeting minutes 2010; EUWI EECCA WG meeting minutes 2011; EU Water Initiative National Policy Dialogues on IWRM Core Group meeting minutes 2011; OECD – UNECE (2015): *European Union Water Initiative Eastern Europe, Caucasus and Central Asia (EUWI EECCA) Working Group, Seventeenth meeting, 24 - 25 October 2013 Helsinki, Finland, Report on Implementation of the European Union Water Initiative National Policy Dialogues on Integrated Water Resources Management and on Water Supply And Sanitation*; GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*

⁸⁰ EUWI EECCA WG meeting minutes 2010 2011, EUWI EECCA WG meeting agenda 2010 2011, EU Water Initiative National Policy Dialogues on IWRM Core Group meeting minutes 2011; EURECA (2012): *EU – Central Asia Strategy for a New Partnership Platform for Environment and Water Cooperation Working Group on Environmental Governance and Climate Change 2nd meeting, Almaty, Kazakhstan - 13 - 14 September 2012 , Draft Agenda*; EURECA (2014): *EU – Central Asia Strategy for a New Partnership Platform for Environment and*

This helped enhancing the profile of EU programmes, and it is reasonable to assume that this involvement has contributed to creating ownership of the regional interventions. However, the priority in CA countries is still given mainly to national level actions with less interest in regional activities. For example, under FLERMONECA all five CA countries had a strong preference for allocating as many resources as possible for nationally implemented activities and far less interest in regional cooperation, as evidenced by the demand that no more than 7% of the FLERMONECA budgets should be allocated for regional activities.⁸¹ Another example which demonstrated that regional dialogue has only to some extent enhanced the commitment to regional action under FLERMONECA is that CA countries did not agree with the original intention to establish a regional FLEG (Forest Law Enforcement and Governance) working group with so instead FLERMONECA promoted informal regional exchange (I-411).⁸²

Border management and rule of law: The first ministerial EU-Central Asia Forum on security issues was held in Paris (2008)⁸³ and the Ministerial Conference on Border Management and Drug Control in Central Asia in Dushanbe (2008) led to a Partnership Declaration⁸⁴ with a commitment to reinforce regional and international cooperation to improve border management and drug control, forge closer collaboration between regional and international organisations, and support on-going and future efforts. The participants recognised the necessity of developing and implementing national border management and national drug strategies, as well as mechanisms for cross border cooperation, and expressed readiness to work with one another and with the international community. The Partnership Declaration also recognised the need to share and disseminate information on border management strategies and best practices through existing coordination and cooperation mechanisms such as, inter alia, the EU BOMCA/CADAP programmes and welcomed the extension of the Central Asian Border Systems Initiative (CABSI – founded in 2003 as a forum for coordination and discussion of BOMCA activities) as a coordination platform for all stakeholders.

CABSI participants found the CABSI annual conferences an important tool to promote a sustainable and integrated border management approach, as well as to facilitate legitimate trade between the five Central Asian countries. The conferences provided an opportunity for discussion about important topics as recent developments in the field of border security in Central Asia and coordination in this area among Central Asian states and international stakeholders contributing to border management modernisation in the region.⁸⁵ However, the extent to which this translated into a stronger commitment to BOMCA, CADAP and other regional interventions in the sector is not evident.

Private sector development (SMEs): The high-level political commitment expressed at Ministerial meetings in the context of ECP facilitated the implementation of project activities at technical level, such as the production of a series of handbooks on the implementation of investment policy, the promotion of SME financing in the region and the development of human capital in Central Asia.⁸⁶ In the absence of an EU-CA regional policy dialogue on PSD the ECP Roundtables were the only existing, and thus an important, diplomatic tool to engage all five CA governments on PSD.

Higher education: During the evaluation period, an EU-CA policy dialogue on education did not materialise. Dialogue on HE policy issues facilitated under CAEP in national and regional workshops and conferences did not significantly influence the commitment and ownership of the Tempus and ERASMUS programmes. Interlocutors described the situation as rather the other way round⁸⁷. CAEP sought advice from the National Tempus Offices (NTOs) on priority areas to address, carried out workshops at national level to follow-up on regional Tempus studies (e.g. related to human resource development in HE). TuCAHEA reports it had approached the CAEP team to explain the importance

Water Cooperation Working Group on Environmental Governance and Climate Change 3rd Meeting Hotel Tien-Shan, 115, Bogenbay Batyr, Almaty, Kazakhstan 11 – 12 June, 2014, Agenda; EUWI EECCA WG meeting agenda 2010; EUWI EECCA WG meeting agenda 2011

⁸¹ FLERMONECA Interim Narrative Report 2013

⁸² GIZ (2015): *FLERMONECA Interim Narrative Report*

⁸³ Joint Declaration of the Participants in the EU-Central Asia Forum on Security Issues in Paris, Paris 18 September 2008, http://www.consilium.europa.eu/uedocs/cmsUpload/Paris_Sec_Forum-Joint_Declaration_EN.pdf

⁸⁴ Partnership Declaration – Ministerial Conference on Border Management and Drug Control in Central Asia, Dushanbe 21–22 October 2008; <http://www.osce.org/tajikistan/34678?download=true>

⁸⁵ BOMCA 8 – Final report, 2014 – page 73

⁸⁶ OECD Eurasia Competitiveness Programme Central Asia Initiative (2013): *Investment and Competitiveness in Central Asia, Final narrative report for the whole implementation period 24 December 2009 to 31 December 2012, EU-OECD Contribution Agreement, 2009/229-011; OECD 2014. Strengthening the OECD's Global Reach*

⁸⁷ during phone interviews and country visits

and implications of TuCAHEA at regional level in order to ensure a joint effort during the preparation for the Regional Conference of Education Ministers in Riga in 2015.⁸⁸

Overall, the main added value of regional high-level policy dialogues and the associated platforms was that they provided an opportunity for CA countries to share experiences, network and engage in dialogue. This contributed to improved relations between the countries. Another imported added value was that they provided fora for regional dialogue between CA and EU, incl. an opportunity to highlight EU approaches. Hence, the main added value of the platforms (as well as the high-level dialogues) was as a diplomatic tool, rather than a programmatic or decision-making one.

2.2.2 I-222 Evidence that regional policy dialogue has helped shaping the focus and orientation of regional interventions.

Description (of the indicator)

The relevance of regional interventions is shaped by their responsiveness to the regional context and the priorities of regional stakeholders. Moreover, given the inter-state nature and policy oriented focus of the EU's Regional Interventions, high-level involvement in the shaping of the action and thus commitment are important factors for ensuring that they can be implemented effectively and deliver the intended results.

Findings

Environment: The High-Level Dialogue, the EU-CA Joint Working Group on Environmental Governance and Climate Change and the EUWI EECCA Working Group all played a role in shaping the focus of the regional interventions. The High-Level Dialogue provided overall strategic directions on where EU's regional support should focus and discuss strategic documents, such as "Enhanced regional cooperation EU-CA on environment and water resources issues"; and the 2nd High Level Conference (Ashgabat, 2008) agreed on establishing the EU-CA Joint Platform for Cooperation on Water and Environment for enhanced cooperation, and at the 3rd High Level Conference (Rome, 2009) it was agreed that the joint platform would focus on environmental governance, climate change and sustainable water management (I-411). The communiques from high-level meetings at least to some extent informed EURECA. For example, some of the key points presented in the communique from the high level conference in Bishkek in 2013 correspond to the projects implemented under EURECA, although most of the projects had been initiated prior to the conference. The EU-CA Working Group on Environmental Governance and Climate Change was established by the High-Level Conference in 2009 to serve as the key mechanism for facilitating the implementation of the environment and water component of the EU's Regional Strategy for CA. The intended role of the EU-CA Technical Working Group was to "provide guidance on cooperation activities between EU and CA" and oversee and support the implementation of regional interventions under the strategy (I-411).⁸⁹ The EU-CA Working Group meeting in 2014 reconfirmed the importance of access to data and information and agreed that the regional level cooperation on SEIS should continue.⁹⁰ However, as described under I-411, the EU-CA Working Group has for various reasons not fully delivered the expected results (see I-411), and it did not in practice serve its intended role vis-à-vis guiding EU's regional programmes.

The progress on implementation of the regional initiatives is reported to the High-Level Conferences, and the EU-CA Technical Working Group. For EUWI EECCA progress was reported to the EUWI EECCA Working Group, which also discussed and endorsed the annual work plan and budget.⁹¹ In 2015, the future direction of the EU's regional support on water management after the completion of EUWI EECCA was discussed in these fora, and it is clear that in the future, Central Asia will receive support separate from Eastern Europe and Caucasus (reflecting the currently different context of CA

⁸⁸ TuCAHEA extension request, August 2015

⁸⁹ General Secretariat of the Council, European Communities (2009): *The European Union and Central Asia: The New Partnership in action*, Brussels; EURECA (2014): *EU – Central Asia Strategy for a New Partnership Platform for Environment and Water Cooperation Working Group on Environmental Governance and Climate Change 3rd Meeting Hotel Tien-Shan, 115, Bogenbay Batyr, Almaty, Kazakhstan 11 – 12 June, 2014, Agenda*; EURECA (2012): *EU – Central Asia Strategy for a New Partnership Platform for Environment and Water Cooperation Working Group on Environmental Governance and Climate Change 2nd meeting, Almaty, Kazakhstan - 13 - 14 September 2012, Draft Agenda*

⁹⁰ EURECA (2014): *EU – Central Asia Strategy for a New Partnership Platform Third Meeting of the EU Central Asia Working Group on Environmental Governance and Climate Change, Working Group Conclusions 11th and 12th June 2014, Almaty*; I-422

⁹¹ EUWI EECCA WG meeting minutes 2010 2011, EUWI EECCA WG meeting agenda 2010 2011, EU Water Initiative National Policy Dialogues on IWRM Core Group meeting minutes 2011

compared to the other former Soviet States). One option considered is the integration of the support for water in the next phase of EURECA.

Border management and rule of law: As described under I-221, the Central Asia Border Security Initiative (CABSI) has provided a forum for coordination and discussion of BOMCA programme activities and strategic objectives. The communiqués and ministerial declarations informed BOMCA about high-level and ministerial priorities as well as recalled recommendations for the further improvement of security. However, CABSI did not have an oversight or supervisory role for BOMCA, and there is no evidence of the discussions having contributed to the shaping of BOMCA or CADAP.

Private sector development (SMEs): While the OECD-led Eurasia Competitiveness Roundtables promoted policy reform, there is no evidence that they provided inputs to or informed the EU-supported programmes in Central Asia. The approach to the Roundtables is best described as a peer-review exercise where the draft reform agendas for individual countries are discussed by all participants from the region. However, outcomes of the Roundtable meetings are not intended to feed back into regional programming. In a similar vein, there is no evidence of the CAI national policy dialogues informing or influencing programmes (I-611). As described in I-221, the link between dialogue and programme implementation was weak.

Higher education: As described under I-221, the link between the dialogue facilitated under CAEP and the implementation of the Tempus IV and Erasmus Mundus programmes seems to have been limited; and CAEP did not provide strategic guidance for these programmes. The Tempus projects (TuCAHEA and CANQA) actively participated in the preparation of the First Meeting of Ministers for Education of the Member States of the European Union and of the Central Asian countries in Riga in June 2015. For example, TuCAHEA coordinators promoted due reflexion of the TuCAHEA ministerial Communiqué from June 2014⁹² in the Riga Communiqué from June 2015 and the annexed Indicative Roadmap of Activities under the "Central Asia Education Platform (2015-2018)". The Roadmap contains a range of activities from regional stocktaking to conferences and policy dialogue, and the exploration/design of new projects related to qualifications frameworks and standards development, quality assurance and accreditation, employability of HE and VET graduates, capacity development and mobility of staff and students and Bologna Principles.

⁹² <https://www.unipi.it/index.php/english-news/item/4332-delegation-in-pisa-to-create-a-central-asian-higher-education-area>

3 EQ 3 on the regional dimension and complementarity

Has the EU regional-level support complemented and added value to EU's bilateral co-operation and the interventions of other EU DGs and EU Member States?

3.1 JC 31 Extent to which regional level components of the regional programme for support have complemented and reinforced the bilateral components of EU's support for CA.

3.1.1 I-311 Extent to which regional interventions provided knowledge, innovative approaches and frameworks, which were taken advantage of by country actions.

Description (of the indicator)

Regional interventions have the potential of generating knowledge and to gather lessons from several countries. They can also provide an opportunity to pilot innovative approaches, which lie outside the EU's strategy and framework for bilateral cooperation with a country. This indicator assesses whether such knowledge and innovations from regional interventions informed EU's bilateral/country actions and thereby strengthened their implementation.

Findings

Environment: The environment sector was mainly supported through the regional programmes, with only few bilateral interventions:

- KZ: Supporting Kazakhstan's transition to a Green Economy Model
- KG: Rural infrastructure – focus on irrigation
- KG: Four NGO grants below EUR 500,000 on ecological handicrafts production, irrigation efficiency, and sustainable community development
- TJ: Four NGO grants below EUR 1 mill on rural energy/watershed approach, natural resource management and habitat improvement, and sustainable community development
- TM: Support to the introduction of Sustainable Development policies and rational use of natural resources in the energy-environment sectors in Turkmenistan

No evidence was found of the regional programmes feeding knowledge or innovative approaches to the above bilateral interventions in KZ, KG and TJ. With the absence of an EUD, little information is available on complementarity in TM. In relation to the irrigation intervention in KG, the main link was to the NPD process of EUWI EECCA, which served as a forum for dialogue, information sharing and coordination for the sector. Due to the lack of a strong national presence of WECOOP and EUWI EECCA, they were reportedly not always fully coordinated with what went on in the individual CA countries. IFCA (Investment Facility for Central Asia) primarily invested at the national level in infrastructure related to water supply systems, renewable energy and energy efficiency (to reduce greenhouse gas emissions), and solid waste management; no synergies between these country-level actions (albeit funded through a regional mechanism) and the regional interventions have been identified.

However, two large projects on water resources in the Zerafshan Valley have been approved in 2015; these will build on the experiences of WMBOCA and UNDP in the Isfara Basin.

Border management and rule of law: There were a number of bilateral EU interventions in KZ, KG and UZ related to rule of law, but only one of these actions was related to border management, the *Fergana Valley Border Delimitation* project in KG.

BOMCA, CADAP and the Rule of Law platform reportedly complemented a number of other actions in KG, including the national rule of law programmes, trade projects, and IFS projects (Satellite Mapping Project, Heroin Routes II). But the nature of the complementarity and synergies is not clear.⁹³

Private sector development (SMEs): EU supported Private Sector Development (PSD), with a strong focus on SMEs, through both regional and bilateral interventions. At the regional level EU support was provided mainly through the Central Asia Invest (CAI) programme and the Investment Facility for Central Asia (IFCA). CAI also contributed to the OECD Eurasia Competitiveness Programme - Central Asia (ECP), which was directed at policy dialogue.

The bilateral EU projects related to PSD in all the CA countries were:

⁹³KG EAMR 12/2013

- KZ: Supporting Kazakhstan's Local Development Policies (KAZLOD)
- KZ: Supporting Kazakhstan's transition to a Green Economy Model
- KZ: Economic Development in Kazakhstan: Enhancing Economic Diversification and Competitiveness in Kazakhstan
- KG: Support to Economic Diversification in Kyrgyzstan, Agroprocessing (DCI AP2007)
- TJ: Support to Private Sector Development in Tajikistan
- TJ: Enhanced Competitiveness of Tajik Agribusiness Project (ECTAP)
- TJ: Support to the establishment of Single Window for import, export and transit procedures in the Republic of Tajikistan
- TM: Support to Economic Policies: Strategic Planning, Private Sector Development and Technical Regulations
- UZ: Management Training Programme (MTP); Capacity Building for SME Management in UZ

It is relatively safe to assume that there were no direct contradictions and incoherencies between the projects under the EU's bilateral and regional support. However, no evidence was found of complementarity between bilateral projects and the national projects under the regional programmes and synergies were limited. Reportedly, Central Asia Invest (CAI) was complemented by the country-specific interventions TAFP, ECTAP and Non-State Actors Programme, but none of the interviewed stakeholders involved in CAI had any knowledge of such complementarity.⁹⁴

Higher education: The EC covered HE mainly under its respective cooperation and mobility programmes for HE. There was a considerable number of bilateral EU projects in education subsectors not related to HE (primary education, secondary education, VET, system reforms)⁹⁵:

There were no bilateral EU interventions as such on HE in CA. However, the Tempus programme supported so-called national projects (a partnership between two or more EU countries and one CA country) in parallel to its regional projects (several partner countries from the EU and from CA). But for both types of Tempus projects, as well as with Erasmus Mundus and CAEP, the EU sought to a) foster (national and regional) voluntary convergence with EU standards and the EHEA/Bologna Process, and b) encourage regional dialogue and cooperation by broaching issues of common concern in the CA countries.

Hence, it appears there was a division of roles between the actions under the regional programmes (Tempus and Erasmus) and bilateral interventions, which minimised overlaps, but at the same time, the scope for synergies seems to have been generally limited. No examples of synergies were identified by the evaluation team. Nonetheless, synergies were reportedly achieved between the regional education programmes (TEMPUS, Erasmus Mundus, CAREN and the education platform (CAEP) and the TA contract under the bilateral education sector support programme in KG. The nature of complementarity is not fully described, but it seems that the regional programmes informed the formulation of the new Sector Policy Support Programme (SPSP) on Education for 2014-2020.⁹⁶ More generally, EUDs indicated that the HE programmes positively reflected on the EU, and increased the EUD's visibility and leverage in their host countries.

3.1.2 I-312 Degree to which EU bilateral interventions provided knowledge, upscaling, enhanced outreach, and/or leverage for regional interventions and dialogues.

Description (of the indicator)

The majority of EU development cooperation funding is spent on country level actions, and bilateral interventions are generally closely aligned with the partner countries' development strategies. Hence, bilateral interventions generally have a greater outreach at the country level and are implemented by national stakeholders. Hence, there can be significant scope for bilateral interventions to enhance the value of regional actions. On one hand, they can replicate, upscale and enhance the coverage of innovations and knowledge provided by regional programmes. And on the other hand, they can contribute to regional programmes and regional dialogue with detailed knowledge and lessons from the national and even sub-national levels.

⁹⁴ TJ EAMR 12/2014; TJ EAMR 12/2013; TJ EAMR 12/2012

⁹⁵ <http://dbase.caep-project.org>

⁹⁶ KG EAMR 12/2014; KG EAMR 12/2013, KG EAMR 12/2012

Findings

Environment: In TJ, the EUD has since 2013 led the water sector dialogue, and NGO support for water user associations and watershed management funded by both geographic (DCI-ASIE) and thematic (DCI-FOOD or DCINSAPVD) instruments generated experiences and lessons learned of relevance for the National Policy Dialogue (NPD) meetings established under EUWI EECA. For example, the practical experience with water user associations were presented and helped informed the ongoing water sector reform process, which promoted community involvement. Similarly, support in TJ to the Water and Energy Council, for the piloting of the irrigation infrastructure inventory methodology was instrumental for the selection of themes discussed at NPD Steering Committee meetings. Moreover, the bilateral Technical Assistance for the Ministry of Land Reclamation and Water Resources for the finalisation of the Irrigation and Drainage Sub-sectoral Reform Implementation And Investment Plan and the development of the Water Sector Reform Strategy were coordinated with the activities under the NPD in TJ, which served as a forum for dialogue, sharing of information and coordination for the sector reform process. The Public Employment for Sustainable Agriculture and Water Management Project (PAMP – funded under the Global Food Facility Programme) also assisted the Government in reforming the irrigation subsector.⁹⁷ No such linkages were identified in KZ and KG.

Moreover, NGO grants (under DCI-ENV and DCI-NSAPVD) for energy efficiency and alternative energy sources reportedly complemented the Technical Assistance component of the Regional Sustainable Energy Programme for Central Asia: Renewable Energy Sources - Energy Efficiency (RES-EE), but the nature and results of the complementarity is not clear.⁹⁸

No upscaling by bilateral programmes of innovations under the regional programmes took place. This is not surprising, considering that the main thrust for EU for the environment sector was the regional programmes. However, in TJ the upcoming two large projects on water resources in the Zerafshan Valley will in the future significantly upscale WMBOCA's and the UNDP project's approaches to IWRM, basin management and community/water user association participation from the Isfara Basin (see I-311).

Border management and rule of law: Considering the limited focus on border management in EU's bilateral interventions, it is not surprising that there is no evidence of EU's country interventions informing or upscaling regional programmes. The absence of a RoL Platform office or a permanent representative in the CA region negatively affected on the coordination between the platform and the bilateral RoL initiatives and programmes. Platform representatives in only very few cases participated in the RoL bilateral initiatives, indicating that the bilateral rule of law initiatives only in to very limited extent provided knowledge or enhanced outreach for the platform. Limited involvement of EUDs also posed a limitation for achieving synergies between the EU-CA RoL dialogue and the bilateral RoL programmes.

Private Sector Development (SMEs): Reportedly, CAI was complemented by the country-specific interventions TAFF, ECTAP and Non-State Actors Programme, but the nature of the complementarity is not clear. No evidence was found of complementarity between IFCA or ECP and bilateral interventions. Generally regional-level interventions were active in some areas (for example access to finance) which were not explicitly addressed by bilateral support (I-311).⁹⁹

Higher education: Reportedly, projects under the regional/global Tempus and Erasmus Mundus programmes were complemented by the national education programme in KG, but the nature of this complementarity is not clear, especially since the regional programmes focused on HE, whereas the bilateral programme did not, so there were not direct synergies, nor any duplication.¹⁰⁰ Nonetheless, it could be argued that there was complementarity in the sense that they addressed different parts of the education sector, thereby they in combination offered a more comprehensive package of EU support for the sector.

⁹⁷ TJ EAMR 12/2014; TJ EAMR 12/2013; TJ EAMR 12/2012; TJ EAMR 06/2011

⁹⁸ TJ EAMR 12/2014; TJ EAMR 12/2013; TJ EAMR 12/2012; TJ EAMR 06/2011

⁹⁹ TJ EAMR 12/2014; TJ EAMR 12/2013; TJ EAMR 12/2012

¹⁰⁰ KG EAMR 06/2011

3.1.3 I-313 Extent to which regional interventions supported important and emerging issues, which could not have been supported under the strategic focus for EU's bilateral engagement in CA countries.

Description (of the indicator)

The main thrust of EU country action is framed by the bilateral components of the EU's regional programming documents (RSP and MIPs), which are agreed with the partner countries, and thus take departure in the countries' development plans and national priorities. These bilateral components define a few focal sectors for EU support. However, while this approach is well in line with the Paris Declaration, there are sometimes important issues, which are not necessarily adequately covered by the priorities of the countries' development plans; this can for example be environmental issues, which are receiving less priority due to a focus on short term economic development. If a theme is not a priority in the country strategy, the opportunity to engage in such regional and thematic programmes, then the scope for addressing it through country interventions are limited. Moreover, emerging issues and approaches may not be fully accommodated within the provision of a country strategy. Regional interventions may thus provide an opportunity for EU to engage in such issues – especially if these issues are of a regional or global significance, such as climate change or counter-terrorism.

Findings

Environment: In the MIPs for 2007-2010 and 2011-2013, environment was mainly covered under the regional support. Environment was not a focal sector for the bilateral support to any of the countries; although the agriculture and rural/community development were focal sectors in KG, TJ, TM and UZ in 2007-2010 and there there are some potential linkages in terms of water and land resource management; but this link was not clearly spelled out in the 2007-2010 MIP. In the 2011-2013 MIP the link between these sectors was more clearly spelled out:

- For TM environmental sustainability was clearly spelled out as a priority for the rural development sector which specified that EU support would aim at improving water, land and biodiversity management. Moreover, sustainable energy was a priority area under the good governance and economic reform focal sector.
- For UZ, land and biodiversity management was identified in agriculture as an area to support.
- In KG, the main link to environment was irrigation, which related to water resource management.

As described in I-311 only few bilateral interventions had an environment focus. It is thus clear that the main opportunity for engaging in the environment sector was through the regional programmes. The reason for this strategic choice made by EU appears to be the transboundary nature of some of the main environmental issues, especially transboundary water resources management¹⁰¹ (which cannot be handled effectively by a single state in isolation), climate change, and weak regional framework which is unable deal effectively with transboundary/regional issues. In other areas, the CA countries share similar challenges, e.g. uranium legacy sites, environmental monitoring, land degradation, Soviet legacy in terms of environmental governance systems and government capacity constraints, and thus a need for policy reform to devolve responsibility to users. However, CA countries in general prefer national projects and activities over regional activities.

Prior to the regional programmes, environment was mainly addressed through several small grants, so the support was more fragmented and confusing to manage for the EU.

Border management and rule of law: Judicial strengthening/reform and rule of law was under the 2007-2010 MIP a focal sector in all CA countries except KZ, and in KG and TJ this included the enhancement of the border management capacity. In the 2011-2013 MIP, this picture changed; in this period judicial reform and rule of law was a focal sector in KZ, KG and UZ, but border management was not covered in any of these – although the focus in the overall MIP on border management was strong with *rule of law, border management, customs, and the fight against organised crime* being one of the regional focal sectors. Moreover, as described under I-311, border management was only to a limited extent addressed in bilateral interventions. It thus appears that it was decided to address border management mainly at the regional level and less so at the national level; the reason for this is not clear from the 2011-2013 MIP, but could perhaps be due to a recognition that improving the cross-border cooperation would be a critical factor for ensuring effective border management in CA, as well as limited absorption capacity in some countries, e.g. TJ. Nonetheless, in KZ, the *Enhancement of*

¹⁰¹ MIP 2007-2010, MIP 2011-2013

public service capabilities for social and economic reforms focal sector had improved trade, customs and taxation regulations as an expected result.¹⁰²

From a broader perspective, BOMCA has had a positive impact on the nexus between security and development in some border regions. BOMCA's investments in the border infrastructure and the applied simplified visa regime for Tajik and Afghan border residents contributed to facilitated movement of passengers across the borders, particularly for the local residents from the Tajik and Afghan border villages. This resulted in the development of cross-border local trade at the local border markets and enhanced opportunities for legitimate cross-border business activities. However, there is no evidence that improved border guards' skills, drug detection capacities and other BOMCA's outcomes would have any immediate impact on other sectors.

Private Sector Development (SMEs): PSD was generally not a focal sector at the bilateral level in the 2007-2010 MIP, although trade and investment was a focal sector in KZ and *energy sector market and regulatory reform* was a focal sector in KG and TM. Moreover, in TJ, TM and UZ rural development and poverty reduction was a focal sector, and this could potentially also have captured rural SME development, although not spelled out in the 2007-2010 MIP. The scenario changed significantly in the 2011-2013 MIP, where PSD incl. SME development was a focal sector in KZ, TJ and UZ. Moreover, in KZ, the *enhancement of public service capabilities for social and economic reforms* focal sector included improved regulations regarding taxation, investment, economic diversification, and SMEs. IAs described under I-311, there were several bilateral actions related to PSD and SMEs. Thus, the support for PSD/SMEs would have been well covered under the bilateral EU strategies for CA countries, even if there had not been regional programmes for this sector.¹⁰³ However, the regional-level support, particularly the SME Finance Facility for Central Asia, added a crucial component, i.e. access to alternative financing options, which complemented the bilateral actions. The same applies to the cross-border approach of CAI projects which also added important value to the bilateral approach (see I-321).

Higher education: Education was not a focal sector for bilateral action in any of the CA countries in the 2007-2010 MIP. In the 2011-2013 MIP, education reform had become a focal sector in KG and TM, and VET was captured in KZ and TJ under other focal sectors. However, HE was not covered in any of the national level EU strategies, except for TM, but here it appeared limited to focusing on international education cooperation (e.g. exchange programmes) and close coordination with Tempus and Erasmus Mundus was sought. As described under I-311, none of the bilateral interventions focused on HE, and there was a clear division of roles between regional programmes¹⁰⁴ and bilateral interventions, with the regional programmes covering HE and bilateral strategies covering other aspects of education. There is no reference to the rationale behind this choice in the strategies.¹⁰⁵

Overall: The EUDs find the choices made in terms of whether to cover a sector regionally or bilaterally were sound and relevant. For the environment and border management sector the choice is indeed logical, whereas for the private sector development and higher education, the support could in principle also have been provided at the bilateral level. Indeed, PSD support was increasingly provided by EU as bilateral support.

3.2 JC 32 Extent to which regional-level interventions have been designed and implemented so as to maximise the value added stemming from a regional, transboundary or cross-border approach.

3.2.1 I-321 Evidence that regional-level interventions addressed transboundary issues.

Description (of the indicator)

A significant difference between country interventions and regional interventions is that the latter have the potential to address transboundary or cross-border issues in a comprehensive and coordinated manner in the affected countries. Notable examples are projects on the management of transboundary river basins, or addressing smuggling and trafficking across borders. This indicator assesses the extent to which the regional EU interventions in CA have been used to address such issues.

¹⁰² MIP 2007-2010, MIP 2011-2013

¹⁰³ MIP 2007-2010, MIP 2011-2013

¹⁰⁴ In this context, 'regional programs' refer to actions in Central Asia under the (supra-regional) programs Tempus IV and Erasmus Mundus Action 2.

¹⁰⁵ MIP 2007-2010, MIP 2011-2013

Findings

Environment: As described in detail under EQ4, some regional environment programmes engaged in transboundary issues and interstate cooperation, whereas others had a more national focus. Overall, the level of transboundary/regional level action was lower than intended, due to difficulties encountered, such as the absence of a regional institutional entry point and unwillingness of UZ to engage in regional programmes related to water and also in WECOOP. WMBOCA (under EURECA) and the UNDP implemented *Toward a Sustainable Management of Water Resources in Central Asia* project both supported integrated and joint management of small transboundary basins (most notably the Isfara Basin shared by KG and TJ, but also the Chu-Talas Basin shared by KZ and KG, and the Ile-Bhalkash Basin shared by KZ and China), but despite the declared focus on transboundary management, WMBOCA in two out of three basins engaged in the management of such basins in a single country's part of the basin, due to a lack of available entry points in the other country (lower Aral-Syr Darya Basin in KZ and Murgab in TM). (I-413, I-431, EQ2)

FLERMONECA (under EURECA) engaged in regional biodiversity conservation, not by engaging in the management of specific transboundary ecosystems or migratory species, but by supporting the development of the regional and national programmes of work for the Central Asian Mammals Conservation Initiative (CAMI) as well as the development, coordination and implementation of the International Argali Action. However, FLERMONECA worked mainly at the national level, attempts were made to work at the regional level, but the countries had a strong preference for national level activities and worked against allocation of funds to the regional level. Hence, FLERMONECA also engaged in national policy reforms and in piloting wildlife management at the local level. (I-431, I-432, I-413)

By design, EUWI EECCA mainly engaged in national level policy reform processes, through its National Policy Dialogues (NPD). This meant that the regional dimension of EUWI was mainly confined to annual regional EUWI WG meetings for sharing, and that EUWI was largely a cluster of individual country-specific projects rather than addressing the regional dimension, although in KG and TJ the NDPs also included the enhancement of the capacity of the country to negotiate with neighbouring countries over shared water resources. (I-431, I-432).

The ENVSEC implemented *Climate change and security in Eastern Europe, Central Asia and the Southern Caucasus* project identified geographic areas of security concern due to environmental risk; some of these areas are transboundary, and the project also had enhancing the understanding of the need for regional and transboundary cooperation as one of its objectives (I-153).

IFCA's environment projects invested at the national level in infrastructure and did thus not have a transboundary focus.

Border management and rule of law: BOMCA initiated and enabled dialogue and exchange of information about transboundary issues through Annual Regional Meetings for the Commanders of the CA border services (Issyk-Kul Initiative on Border Security in Central Asia). (I-512, I-532)

Drug detection was also addressed through various trainings held at the national and regional level. In addition to this, a key transboundary issue was addressed; namely sharing information and intelligence in order to enhance fight against cross-border crime and terrorism (e.g. through Interpol, the Central Asian Regional Information and Coordination Centre for Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances and their Precursors Centre – CARICC). As described under EQ5, BOMCA promoted transboundary cooperation at operational level, such as joint border patrols, joint use of border facilities, and joint border checks, but the results of these efforts remained limited. The achievements made by BOMCA support at the inter-state level (e.g. joint patrols and joint border checks) were promoted at regional level through study tours, training courses, conferences, etc. in order to stimulate other CA countries to introduce similar cross-border cooperation models. However, due to the security concerns, the CA countries were not willing to introduce more advanced cooperation models. (I-522, I-523, I-531).

Private Sector Development (SMEs): Although small in volume, CAI provided a decisive value-added to bilateral interventions as it enabled cross-border cooperation and project implementation especially between KG and TJ. The cross-border approach facilitated the harmonisation of standards. For example, KG-TJ collaboration within CAI resulted in TJ adopting KG's more advanced standards in tourism. The activities of the project "Integrated approach towards promoting Central Asian Nuts, Dried fruits and Honey FOOD processing SME (CANDY)" under CAI 3 included supporting the National Association of Small and Medium Enterprises (NASMB), TJ, and the Association of Fruit &

Vegetable Processing Enterprises (ASVF), KG, in facilitating cross-border trade (import/export development) between TJ and KG.¹⁰⁶

Higher education: Some Tempus projects have addressed transboundary environmental issues, for example the project *Towards Sustainable Water Resources Management in Central Asia (SWAN)*. Other regional projects (e.g. CANQA, TuCAEHEA) touched upon the transboundary issue of recognition of individual degrees, study periods and accreditation of study programs and HEIs. So far, they have not resulted in tangible regional agreements or mechanisms facilitating academic or professional recognition of degrees and thus regional mobility and academic cooperation¹⁰⁷.

Overall: the European Court of Auditors found that the regional programmes were not truly engaging in the regional dimension, but rather comprised of clusters of country-level activities: *“The regional programmes did not achieve a genuine regional dimension; a significant share consisted merely of ‘multi-country’ facilities available to each partner country individually”*. However, it was also acknowledged that due to the sometimes tense relations between the CA countries, it would be difficult and not always feasible to engage in truly regional approaches, i.e. UZ’s and also TM’s participation in regional programmes was selective. Indeed, UZ is reluctant towards regional cooperation and focuses on national impacts rather than potential regional synergies. Therefore, some regional programmes (CADAP and BOMCA) were implemented as national projects in UZ.¹⁰⁸ In other regional programmes, UZ opted not to participate at all (WECOOP, WBOCA). While UZ appears to be the country most reluctant towards regional programmes, the other countries also have a strong preference for national action over regional activities. Overall, all CA countries’ primary interest in participating in regional projects was to advance nationally. Several interlocutors from governments in the four countries visited saw limited or no added value of regional cooperation on specific projects and/or in general; e.g. when all countries put pressure on GIZ to mainly focus on national level activities under FLERMONECA.

Another major limitation for the ability of the programmes to engage at the regional level was the absence of regional institutions, which had the capacity and buy-in from CA countries to provide an entry point at the regional level for EU support (but this consideration appears not to apply for the higher education sector).

Some staff at international institutions and analysts argue that a regional approach is not always the most appropriate for EU’s engagement in CA, considering a) the strained relationships between the CA countries, b) the reluctance towards regional cooperation, and c) the increasing diversity between the countries (in terms of economic development, political context, and culture); all factors have limited the tangible results achieved by EU’s regional interventions (see EQ4 and EQ5). Some find that bilateral interventions and interventions focusing on a smaller number of CA countries with an interest in collaboration on a given theme would often be more appropriate. In the regional higher education programmes, the size of the regional project consortia is often considered counter-productive with up to 45 partner institutions. Bilateral actions are in line with the interest of the CA countries in building bilateral relations with EU. Moreover, relations with EU partners and access to EU approaches and capacities rather than other CA countries are often the drawing card for CA partners engaging in a regional project. Actions with more countries should not necessarily be limited to the five CA countries, but could well involve the countries neighbouring CA, as it was/is practice in a number of Tempus IV projects, EUWI EECCA, and . It is noted that in general (with the exception of higher education), donors increasingly engage at the national rather than the regional level due to the greater impact that can be achieved.¹⁰⁹

3.2.2 I-322 Evidence that regional-level interventions created opportunities for cross-country cooperation, sharing and learning.

Description (of the indicator)

An important difference between country interventions and regional interventions is that the latter have the potential to bring countries together so they can share experiences and learn from each other. Regional actions also have the potential of engaging countries in cooperation on themes of shared interest. Finally, regional interventions can develop, test and refine approaches and then replicate the experience and lessons in other countries.

¹⁰⁶ EU (2014): *Evaluation of the Central Asia Invest Programme*

¹⁰⁷ Interlocutors mentioned an agreement between KZ and KG facilitating the recognition of degrees, but the exact source was not provided and reportedly the EU had no direct involvement.

¹⁰⁸ The European Court of Auditors (2013): *EU Development Assistance to CA- Special Report no. 13*; UZ EAMR 12/2014

¹⁰⁹ Interviews; Jos Boonstra (2015): *Reviewing the EU’s approach to Central Asia*, EUCAM

Findings

Environment: As described in detail under EQ4, the regional interventions created several opportunities for sharing and learning between countries, as well as an improved mutual understanding and dialogue. This was provided through the high-level dialogue, working group meetings, seminars, exchange visits and regional web portals, and a broad range of stakeholders were reached such as high-level policy-makers, technical staff at ministries and government agencies, sub-national government authorities and non-state actors. WECOOP provided some support to IFAS, the key regional environmental organisation (EC_IFAS, SIC-ICWC, SIC-ICSD) to promote the development of cooperation frameworks, until EC-IFAS was relocated to UZ, where WECOOP could not operate. (I-411; I-413; I-421; I-422).

Moreover, EUWI EECCA's National Policy Dialogue (NPD) approach was used in several countries, and thereby lessons, experiences and methods from one country helped fine-tuning the approach and also benefited other countries participating in EUWI EECCA.¹¹⁰

However, while the stakeholders widely appreciated the opportunities for sharing and dialogue, the actual collaboration between CA countries was generally limited, due to the strained relations between some of the countries and a limited commitment to regional cooperation, as evidence by that fact that the countries insisted that most of the FLERMONECA funds were allocated for country activities, rather than regional activities. Moreover, the modalities and membership of the EU-CA Working Group on Environment and Climate Change were not fully conducive to achieving tangible results and commitment to engage in cooperation. Cooperation was mainly achieved between KG and TJ in relation to the Isfara Basin. (I-411, I-431, I-321)

The opportunities for sharing and dialogue were widely appreciated by stakeholders, and in a few cases led to other countries replicating approaches, e.g. TJ worked with FLERMONECA/ERCA on pasture sector and forest sector reforms, with inspiration from the reforms in KG; and KG learned from TJs hunting sector experience.

The exposure to EU approaches and experiences and international best practice was particularly appreciated by CA stakeholders.

In the environment sector, IFCA primarily invested at the national level in infrastructure and did thus not have a focus on sharing and collaboration between CA countries.

Border management and rule of law: As described in EQ5, regional interventions in this sector also created several opportunities for sharing and learning between countries, as well as an improved mutual understanding and dialogue. This was provided through the Ministerial Conferences of the Central Asia Border Security Initiative, annual meetings of the CA commanders of border services, as well as various regional seminars, conferences, training courses and exchange visits. These mainly reached the managerial and technical staff at the border and customs agencies, with the exception of the high-level forums in 2008, 2013 and 2015¹¹¹. This way, BOMCA offered a rare opportunity for national experts to meet in a neutral environment and discuss technical issues related to border and security¹¹². (I-521, I-531)

For CA countries, sovereignty and state-building take priority over regional cooperation¹¹³, and not all the countries in the region are interested in regional collaboration in relation to border management or even in sharing experiences due to concerns pertaining to national security; TM and UZ remain unwilling to share their professional experience with other countries.¹¹⁴ (I-511, I-533)

Private Sector Development (SMEs): Although small in volume, CAI provided a decisive value-added to bilateral interventions as it enabled mutual learning for governments, BIOs and SMEs from different CA countries – especially TJ and KG – in key economic sectors (food processing, handicraft and tourism). The cross-border approach facilitated an exchange of best practises and even the harmonisation of standards. This was particularly the case for TJ and KG, countries with similar challenges in the sectors covered by CAI. Since Kyrgyz BIOs were often more advanced and experienced than their Tajik counterparts, the former provided training, capacity building and generally expertise for the latter. For example, KG-TJ collaboration within CAI resulted in TJ adopting KG's more advanced standards in tourism.

¹¹⁰ Interview

¹¹¹ EU 11455/2012, Progress Report on the implementation of the EU Strategy for Central Asia – Implementation Review and outline for Future Orientations, page 29;

http://eeas.europa.eu/central_asia/docs/20120628_progress_report_en.pdf

¹¹² Evaluation of BOMCA Programme – Final report, 2010 – Louis Blondiau, Ian Robinson

¹¹³ Evaluation of BOMCA Programme – Final report, 2010 – Louis Blondiau, Ian Robinson

¹¹⁴ 2013 EU, The European Court of Auditors: EU Development Assistance to CA- Special Report no. 13- page 29

The policy dialogues within the context of ECP were of a genuine regional nature,¹¹⁵ the CAI grant projects applied cross-border approaches (involving mostly two and sometimes three Central Asian countries), while IFCA worked primarily at national levels – despite being a regional programme. Hence, the regional interventions provided opportunities for dialogue and sharing of experiences between CA countries. Moreover, the regional interventions applied their implementation approach in more than one country, thereby creating the opportunity for the implementation in one country to benefit from lessons learned in other CA countries. The Ministry of Economy in KG sees the OECD-led Roundtable meetings as a prime opportunity in this regard. For example, in Central Asia the warehouse receipt financing scheme was first introduced in KZ and KG learned from KZ's experiences. However, while high-ranking government officials valued the work and input of the OECD as the facilitator of the Roundtables and the related peer-review process, they perceived GIZ with its wealth of technical “on the ground” expertise as the more important stakeholder in terms of its contributions to reforms in KG and the region.

Higher education: In particular Tempus IV promoted regional or inter-state cooperation in a number of regional projects, jointly developing bachelor, master and doctoral programmes and fostering intraregional partnerships and networks, such as for example a CA network of agencies for quality accreditation and assurance, and of academic recognition & information centres and a register of information on CA accreditation systems and measures (CANQA); a subject specific cooperation across CA to formulate common subject specific benchmarks and guidelines (TUCAHEA); a regional forum for the exchange of best practices in university management in CA ([ISMU](#))¹¹⁶.

A number of Tempus projects promoted cooperative regional educational programmes related to environment, for example the projects *Towards Sustainable Water Resources Management in Central Asia (SWAN)*, *Geoinformatics: Managing Energy, Resources, Environment (GEM)* and the intra-regional *Tempus Green Engine Project* (development and implementation of an MSc programme on “Eco-Engineering - environmental process and energy engineering based on renewable resources and bio-waste”).

The regional interventions in HE provided opportunities for sharing and learning between countries and improved mutual understanding and dialogue, through working meetings, seminars, trainings, conferences, shared web portals, and reached a wide range of stakeholders, from student to academic/administrative staff, rectors, technical staff at ministries and government agencies, government authorities and policy-makers, and non-state actors. However, the interaction between CA countries remained donor driven. (I-732)

3.3 JC 33 Extent to which regional-level interventions have been designed and implemented in coherence with interventions of other EU DGs.

3.3.1 I-331 Evidence that regional-level interventions were well coordinated with relevant interventions of other EU DGs.

Description (of the indicator)

While DEVCO is the designated DG for development cooperation and the regional programmes in CA are financed under DEVCO's budget; other DGs also have a role in relation to EU's cooperation and relations with CA countries for the four sectors covered by this evaluation. EEAS has a leading role in relation to the high-level dialogues, which in turn are facilitated by DEVCO financed programmes; such as WECOOP (under EURECA). In the environment sector, DG ENV and DG CLIMA are the DGs with technical and policy expertise and they play a central role in relation to global environmental governance processes. Moreover, DEVCO finance projects are sometimes led by other DGs, for example, the newly established DG NEAR has assumed the responsibility to oversee EUWI EECCA. Moreover, other DGs also have their own budgets for interventions in third countries. This indicator explores the extent to which the DGs coordinated their actions in order to benefit from potential synergies, to avoid duplication, and to avoid conflicting messages and results.

Findings

A general issue was that EUD's were often only to a limited extent informed about regional programmes and their status, unless they have the management responsibility, like the EUD in KZ has for EURECA, and the EUD in KG has for BOMCA, CADAP and CAI - albeit in some cases the EUDs were well informed about the regional programmes. EUD's were thus not always entirely certain about

¹¹⁵ EU (2011): *ECP Monitoring Report, MR 140432.05*

¹¹⁶ TEMPUS-JPGR «Institute for Strategic Management of Universities».

what they were expected to do in terms of supporting regional interventions in their country. This partly relates to coordination and the flow of information internally in the EU system. Moreover, EUDs tended to prioritise their bilateral programmes as staff constraints limits the capacity to follow regional programmes, when not having the management responsibility. As a result, the EUD were largely unable to use the regional programmes and their results in their policy dialogue due a lack of knowledge of the activities and results. Moreover, the EUDs could not adjust their bilateral programmes to harmonise with regional programmes.

The link between EUDs/regional DEVCO programmes and the EU Special Representative (EUSR) is currently not very strong, but was stronger in the past. The change appears to be due to the fact that the current EUSR was appointed recently. The EUSR participated in high-level conferences. The EUSR's office played an important role in relation to the preparation and facilitation of 2013 Inter-ministerial Conference in Bishkek, but not in relation to the 2015 Conference in Milan.

Coordination between different DGs and EU entities appears to a large extent to be driven by personal interest.

Environment: DEVCO had the overall responsibility for EURECA and EUWI EECCA, which were funded under the DEVCO managed ENRTP thematic programme (Thematic Programme for Environment and Sustainable Management of Natural Resources including Energy) – the DCI-ENV thematic instrument. The *Toward a Sustainable Management of Water Resources in Central Asia* project (UNDP implemented) was funded under the PP-AP instrument (Pilot Projects and Preparatory Actions). EUWI EECCA was managed by DEVCO HQ until DG NEAR was established as of January 2015 and took over the management of this programme. The EUD in KZ managed EURECA and the UNDP implemented *Toward a Sustainable Management of Water Resources in Central Asia* project. IFCA investments in environmental infrastructure (water, waste) were funded under the DCI-ASIE geographic instrument and managed by the EIB's IFCA unit in KZ (Astana).

EEAS – Coordinated the EU-CA high-level dialogue process in cooperation with the EU member states responsible for coordination, Italy (environment) and Romania (water). EEAS (the Service for Foreign Policy Instruments) was also responsible for the *Climate Change and Security in Eastern Europe, Central Asia and the Southern Caucasus* project (ENVSEC implemented) funded under the IFS instrument (Instrument for Stability).

Due to staff and financial constraints, DG ENV could not engage strongly in CA, and its engagement was limited to providing policy inputs to the EU-CA High-level Dialogue, the meetings of the EU-CA Working Group on Environment and Climate Change, and the EUWI WG meetings. DG ENV participated in some, but not all of these events. The level of involvement of DG CLIMA was similar to that of DG ENV. While DG ENV and DG CLIMA to some extent participated in the design of DEVCO programmes; their involvement in the implementation was generally limited.

In relation to the regional high-level policy dialogue and the WGs, EEAS closely coordinated with DEVCO and the EUD in KG; whereas the coordination between DEVCO and DG ENV appears to have been more limited; probably due to a) the fact that EURECA was managed by the EUD in KZ, not by the DEVCO HQ, and b) that DG ENV could only engage to a somewhat limited extent in CA.

However, insufficient coordination and communication between the Ministry of Environment, Land and Sea (MELS) of Italy, EEAS, DG CLIMA and the EUD in KZ was reported to have made implementation difficult for WECOOP, the EURECA component established for the facilitation of the High-level Dialogue and the EU-CA Working Group for Environment and Climate Change. Moreover, a challenge was that the different parties had different views on the role of WECOOP; MELS found that the intervention was politically sensitive and contacts with CA partners should be limited and coordinated by MELS in Italy; EEAS considered the role of WECOOP was to act as a technical secretariat; whereas the EUD saw WECOOP's role as being capacity building and initially also the strengthening of regional institutions (IFAS).¹¹⁷ Moreover, the intended coordination between the Environment Platform/WECOOP and the Rule of Law platform (and the Education Platform/CAEP) did not materialise to a significant extent (I-152).

In relation to the National Policy Dialogue process under EUWI EECCA, the coordination appears to have worked well, and both WMBOCA and the UNDP project provided significant inputs to the NPD processes, e.g. with lessons on basin planning. EUDs also participated in National Policy Dialogue meetings. (I-411, I-431, I-432).

EUDs were to some extent involved in the development of new IFCA projects, but EUDs were not invited to the IFCA board meetings, although the individual IFCA projects were national in scope.

¹¹⁷ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

Border management and rule of law: BOMCA applied a multi-focal approach aimed at adjusting the programme to changing needs. The design process for each phase of BOMCA was a shared responsibility between different DGs, i.e. DEVCO, EC Relex (EEAS) and EUDs, as well as implementing partners (UNDP and beneficiaries). However, the multi-focal approach led to increasing conflicts between the different actors, trying to find a balance between the security (terrorism and drug trafficking), development (trade, transit and institutional reforms) and justice aspects (human rights issues) due to different visions of the programme.¹¹⁸

Private Sector Development (SMEs): DEVCO had the overall responsibility for CAI and IFCA. While DG Trade has not been directly involved with its own interventions in Central Asia, PSD/SME support is prominently linked to trade-related assistance. EU regional-level support for SMEs includes a trade facilitation agenda. In the area of trade and investment the Central Asia Strategy focused inter alia on the accession of the entire Central Asian region to the World Trade Organisation and aimed at helping Central Asian countries take greater advantage of the EU's Generalised Scheme of Preferences (GSP). No information has emerged that would point to any differences in opinion between DEVCO and TG Trade in the implementation of the trade-related objectives of the regional strategy. For example, in 2012, Kyrgyzstan sought EU support on trade issues. DG Trade positively considered this need and initiated a study on the introduction of GSP/GSP+ (EU's General Preferential Scheme for Sustainable Development) in KG. The project started in January 2013 and was designed and implemented in close cooperation with DG Trade and DG TAXUD.

Apart from the specific issue of WTO/GSP, coordination for the PSD sector is not so much an internal EC issue (between DGs) but more one that involves the Commission vis-à-vis other EU-based stakeholders such as EBRD, GIZ and KfW which act both as implementing agencies but also have their own – usually much larger – own programmes and projects in support of PSD and SMEs (see EQ6 for details).

Higher education: The Education, Audiovisual and Culture Executive Agency (EACEA) was responsible for the management of Tempus IV and Erasmus Mundus in CA, under the direct supervision of EuropeAid (DEVCO). The Directorate-General for Education and Culture (EAC) brought its expertise and facilitated links with the EU's internal HE reform policies, for example in the context of monitoring education sector developments, informing the project selection procedure under Tempus and Erasmus, and activities supporting the network of Higher Education Reform Experts (HERE). The European External Action Service (EEAS) contributed to the strategic/political orientations of the programme. Funding for the programs in CA was drawn from the Development Cooperation Instrument (DCI).¹¹⁹ EUDs and NEOs did not indicate there had been specific cases where actions in the HE sector had, or should have benefited from further coordination with other EU DGs.

3.3.2 I-332 Evidence that regional-level interventions and interventions of other EU DGs benefitted from each other.

Description (of the indicator)

This indicator explores whether the potential synergies and added value of the interventions managed by different DGs were taken full advantage of and added value to the implementation and results.

Findings

Environment: A clear example of the value added between the interventions managed by different DGs is the National Policy Dialogues (NPDs) in relation to water sector reforms. The NDPs were led by EUWI EECCA, which was managed by DEVCO and later by DG NEAR (since 2014), but the EUD KZ managed WMBOCA project (under EURECA) and *Toward a Sustainable Management of Water Resources in Central Asia* project both provided inputs to the NDP process in relation to basin management, and helped shaping the focus of the NDPs (see I-411 and I-432).¹²⁰ Moreover, WECCOOP reportedly also provided inputs to the NPD in TJ. (I-331, I-411, I-431, I-432). Moreover, the FAO implemented PAMP (Public Employment for Sustainable Agriculture and Water Management Project) under the Global Food Facility Programme (EU funded), also engaged in the reform of the irrigation sub-sector in TJ within the framework of an IWRM approach and supported the development of a framework for introducing a basin management approach to replace the management system following administrative boundaries.¹²¹

¹¹⁸ EC /2010), Evaluation of the BOMCA programme, Final Report 2010, p. 28

¹¹⁹ Roberts, Karen and Elizabeth Kadri (2012): Mid-term Evaluation of the TEMPUS IV Programme, Final Report; EPRD Office for Economic Policy and Regional Development Ltd., 18 November 2012

¹²⁰ TJ EAMR 12/2014

¹²¹ KG EAMR 06/2011

Overall, only few synergies or mutual benefits between the regional programmes and the interventions of different DGs were identified. One reason may be that EUDs are not always aware of actions funded or managed by other DGs or even global/thematic DEVCO programmes (e.g. those funded under ENRTP), so “hidden” synergies may have taken place. An example of a synergy, which appears to have been unknown to EUDs as well as EU HQ is that FLERMONECA/ERCA coordinated with the global UNDP-UNEP Poverty-Environment Initiative (PEI, funded under ENRTP) on work related to environmental accounting in 2014-2015; ERCA worked on forest accounting and PEI on experimental accounting, using the same consultant. GIZ/ERCA and PEI met bimonthly to coordinate work. In the Isfara Basin (TJ), WMBOCA also had synergies with PEI; WMBOCA supported the development of a basin plan. This plan was integrated in the district development plan for Isfara, while PEI supported the integration/mainstreaming of environment and climate change concerns in the district development plan.

FLERMONECA also achieved synergies with other EU funded programmes in KZ. FLERMONECA cooperated with the the global UNDP BIOFIN project (funded by EU, Germany and Switzerland) in 2013-15 on capacity building on payment for ecosystem services; for example, a joint regional ToT was arranged in Ashgabat in May 2013. FLERMONECA also worked with EBRD on the green economy law; EBRD had initially supported the Ministry of Environment on legal amendments, and then GIZ/FLERMONECA took over and followed up on the initial work done by EBRD.

Border management and rule of law: Only limited evidence was found of synergies and benefits between BOMCA and CADAP and actions of other DGs. In KG, BOMCA and CADAP reportedly complemented actions under other instruments, DCI-MIGR migration projects at the regional and national levels, IfS projects (Satellite Mapping Project, Heroin Routes II), EIDHR projects, and trade projects¹²² However, only one tangible example of such synergies was identified; the IfS funded and DG JRC (Joint Research Centre) managed *Border Monitoring Activities in the Republic of Georgia, Central Asia and Afghanistan* project provided specialised equipment aimed at enhancing fight against illicit trafficking of nuclear and radioactive materials in TJ and UZ. This delivery complemented the equipment provided by BOMCA to various border crossing points in the region and provided synergies for both initiatives. (I-522)

BOMCA and CADAP benefited from each other in the field of illicit drugs. While BOMCA dealt with the enhancement of the CA states drug-detecting capacities, CADAP dealt with drug reduction in the CA countries by the implementation of different country and regional activities related to drug prevention and drug treatment (e.g. seminars, workshops, introduction of new treatment methods). The RoL Platform contributed to the amendments of some laws in CA, particularly in KG and TJ. Though not specifically linked to border management, the Administrative Procedural Law provisions and some other laws might be applied in certain border management situations and border proceedings (issuing permits and different administrative decisions, etc.). Thus, BOMCA and and RoL Platform had some indirect synergies (see I-511).

Moreover, BOMCA successfully cooperated with the *Border Management in Northern Afghanistan* (BOMNAF) project, which is a component of a large cooperation programme of assistance agreed between the European Union and the Government of Afghanistan. The synergies between BOMCA and BOMNAF can be clearly identified in the cross-border trainings which have been taking place in the Multi-Agency Dog Training Centre in TJ, which institutionally belongs under the Tajik Drug Control Agency.

Private Sector Development (SMEs): In principle, PSD and SME support is not the exclusive domain of DEVCO but also falls under the purview of DG Trade, when PSD is linked to broader issues of Trade Related Assistance (TRA). However, no evidence was found of regional-level support benefitting from DG Trade interventions.

Higher education: Erasmus, Tempus and the EU-Central Asia Education Platform (CAEP) were designed with clear reference to each other and other interventions, such as the EU’s Seventh Framework Programme for Research and Technological Development (FP7), the EU’s Central Asia Research and Education Network (CAREN), and the EU’s Central Asian Education Initiative as complementary actions; but it is unclear how synergies were pursued and whether they were obtained¹²³. No cases where regional-level interventions and interventions of other EU DGs (beyond DEVCO, EAC, EEAS) benefitted from each other were identified.

¹²² KG EAMR 12/2013; KG EAMR 06/2011

¹²³ For example: Central Asian Education Platform Standalone Project Identification Fiche 2010; Action Fiche for Central Asia: Erasmus Mundus External Cooperation Window, Central Asia Strand, 2008 and 2009; Erasmus Mundus II -Partnerships Action 2 (Strand 1) 2012 Identification Fiche; Tempus IV 2010 for Central Asia Action Fiche;

3.4 JC 34 Regional-level interventions complemented and added value to the regional interventions of EU Member States and other donors.

3.4.1 I-341 Degree to which EU policy/strategies for CA and selected Member State strategies for CA were coherent and mutually reinforcing.

Description (of the indicator)

Coherent development strategies are an important prerequisite for well-coordinated development interventions.

Findings

The only EU MS conducting regional-level interventions in Central Asia were Germany and to a lesser extent Finland. The German cooperation was based on the Central Asia Concept adopted by the Federal Ministry of Economic Cooperation and Development in 2005. This concept included three priority areas:

- Support to good governance, rule of law and civil society;
- Sustainable economic reform;
- Social services.

Regarding the priority area 1, the German cooperation supported a regional programme on reforming business and administrative law, which is coherent with the EU activities in the area of rule of law. The priority area 2 includes support to the access of finance of SMEs, which is also an objective of regional EU cooperation.

The strategy also touches upon the issue of border management and the fight against drugs, explicitly mentioning BOMCA. It suggests to accompany the EU intervention with projects providing alternative sources of income for opium farmers.

In addition to that, Germany is active in regional water management. It has launched the Central Asia Water Initiative (also called the 'Berlin Process'), which takes departure in the 2007 EU strategy for a new Partnership and is coherent with EU's programming documents (RSP and MIPs). It consists of the GIZ implemented programme '*Transboundary Water Management in Central Asia*', a regional research network on water in CA as well as a Master's programme in integrated water resources management offered at the German-Kazakh University in Almaty. Moreover, Germany-CA high-level dialogues are held in Berlin.

The Finnish regional support to Central Asia was part of the Wider Europe Initiative, which was launched in 2009 and focused on Eastern Europe, South Caucasus and Central Asia. The focal sectors for regional support to CA - security, judicial sector support, trade and private sector development, and environment - were almost identical to the EU's, except for the absence of the HE sector. In addition to that, the programme with the highest budget allocation in the Finnish strategy was EnvSec, which was also supported by the EU.¹²⁴

However, it should be noted that there are several parallel regional processes dealing more or less closely with water in CA. In addition to the initiatives led by the EU and Germany, these include processes steered by Switzerland, Japan, the World Bank, the OSCE, UNECE and the US. While the regional stakeholders, especially EC IFAS, welcome the engagement of many actors in that topic, there is a risk that the multitude of processes leads to a loss of focus and dilutes actions.

3.4.2 I-342 Extent to which regional-level interventions were well coordinated with relevant interventions of EU Member States and other development partners.

Description (of the indicator)

As per the Paris Declaration, donors are obliged to coordinate their development cooperation interventions. This indicator explores the extent to which EU's regional support for CA was coordinated with EU member states and other development partners, both at the regional and country levels.

Findings

Some stakeholders find that development partners in CA countries are not that well coordinated. In KZ and UZ, the EU member states' development assistance was limited, hence the need for coordination

¹²⁴ Finnish Ministry of Foreign Affairs (2009): Wider Europe Initiative

was also limited.¹²⁵ In KG and TJ the development partners had overall mechanisms established for coordination as well as thematic/sectorial sub-groups. In KG this coordination was reportedly effective and working well and also ensured that the development partners were informed/involved in the design of new interventions, but the two largest donors, Russia and China were not engaged in the coordination.¹²⁶ In TJ, however, the division of labour between development partners was a challenge (due to limited government capacity to coordinate donors), although donors did share information about their ongoing and planned interventions avoid duplication and ensure synergies; for example, the EUD invited engaged development partners in dialogue when planning new programmes.¹²⁷

In general, there were no formal government-led donor coordination at the sector-level for the environment, border management and PSD sectors in KZ and TJ – rather sector/donor coordination was led by the programmes themselves. In education, CA governments lead the coordination in KZ and UZ.

However, the involvement of the EUDs in the regional programmes was quite limited, except when they had the management responsibility, as the EUD in KZ had for EURECA, and the EUD in KG had for BOMCA and CAI. A challenge for some regional programmes was the lack of a strong in-country presence, which affected their ability to liaise with both government partners and donors at the country level.

At the regional level, coordination was affected by the absence of regional institutions, which could assume a coordinating role. Hence, there was not formalised coordination mechanism, and the coordination was done on a programme-to-programme basis.

Environment: At the overall regional level for this sector, the EUD in KZ participated in all donor coordination meetings related to water, environment and climate change; but these meetings took place on an ad-hoc basis.¹²⁸ There is no formal structure in place for coordinating the regional engagement by development partners in the sector, so regional donor coordination was done informally by the donors and projects themselves; this is not surprising since there is no strong regional institution for environmental management. This affected the effectiveness of the coordination between donors,¹²⁹ although it was originally intended that EURECA would support IFAS and IFAS should assume the responsibility for regional coordination of environmental issues, including coordination of development partners, and Italy would assume a coordinating role for EU and its member states.¹³⁰

However, donor coordination at the regional level in this sector was not fully satisfactory.¹³¹ For example, the various water-related regional dialogue initiatives were not well-coordinated and parallel to each other (see I-411 and I-342). EU has the High-level Dialogue on Environment and Climate Change and EUWI EECCA, Germany has the Berlin Process on water, and Switzerland has the Basel Conference on water (Nov 2014). In KG, participants these as well as donors are generally aware of the others. Other donors were invited to the EU-CA high-level conferences and working group meetings. However, it appears that the various water-related regional dialogue initiatives were not fully coordinated and parallel to each other (see I-411); and that there is a real risk of diluting the participation in a given event, due to the number of events addressing similar issues and aiming at promoting regional dialogue.

Moreover, there appears to have been a degree of donor crowding in water resources management in KG and TJ; and while there are only few donors active in KZ and donor crowding is not a general issue, several projects (WMBOCA, USAID, EU-UNDP, SDC, ACTED) worked in the same geographical areas of KZ¹³².

¹²⁵ KZ EAMR 12/2013; UZ EAMR 12/2014; UZ EAMR 12/2013

¹²⁶ KG EAMR 12/201; KG EAMR 12/2013; KG EAMR 12/2012; KG EAMR 06/2011; KG EAMR 06/201; KG EAMR 01/2010

¹²⁷ TJ EAMR 12/2014; TJ EAMR 12/2013; TJ EAMR 12/2012; TJ EAMR 6/2011; TJ EAMR 01/2010

¹²⁸ KZ EAMR 12/2014

¹²⁹ KZ EAMR 12/2014

¹³⁰ EC (2009): Action Fiche N° 2 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337; EC (2009): Action Fiche N° 3 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337

¹³¹ EC (2008): Identification Fiche for Project Approach, Draft, Regional Environmental Programme for Central Asia, CRIS ref: 019-724; EC (2009): Action Fiche N° 2 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337; EC (2009): Action Fiche N° 3 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337; WMBOCA1 Monitoring report, MR-144988.01, 2012, KZ

¹³² WMBOCA1 Monitoring report; MR-144988.01, 2012, KZ

At the individual intervention level, EU's regional interventions all proactively coordinated and cooperated with programmes of other donors, mainly at the country level, whereas regional coordination happened on a more informal and ad-hoc basis.

WECOOP mapped donor projects and was in contact with the other donors, and exchanged information and invitations to participate in events with projects of other development partners.¹³³

FLERMONECA (GIZ and CAREC implemented) was proactively coordinating and cooperating with the programmes of other donors. FLERMONECA reports that coordinating with other donors on hunting and wildlife issues was strengthened, incl. coordinated work of GIZ and UNDP experts. In TJ, the ERCA component established a Pasture Management Platform, which also served as a coordination mechanism. Moreover, in KG, ERCA supported the Pasture Management Council under the Ministry of Agriculture, which also serves as a coordination mechanism – thereby ERCA promoted coordination between the main donors to pasture management (IFAD, the World Bank, and FAO). Also in KG, the FLEG component promoted donor coordination of the support for the forest sector reform process by establishing a consultation and coordination council. Moreover, environmental monitoring activities (under the MONECA component) were closely coordinated and experiences exchanged with UNECE.¹³⁴ FLERMONECA actively contacted several other projects and institutions to present FLERMONECA objectives and activities and identify areas of common interest, such as ICARDA, IFAD, World Bank, FAO, EKF (German Energy and Climate Fund), and BMU.¹³⁵ FLERMONECA also participated in the meetings related to the UNECE WGEMA and JTFEI processes.¹³⁶

An important contribution of the National Policy Dialogue Platforms (NPDs) of EUWI EECCA (OECD and UNECE implemented) was to function as a forum for donor coordination for the water sector, as well as a general mechanism for water sector coordination and engagement of a broad range of stakeholders from government and outside government, including ministries and agencies, which do not have a lead role in the sector, but still have a role in water management (e.g. health, economy). Thus, the NPDs filled a gap in KG and TJ where there was no formal government-led coordination mechanism for the water sector (prior to the government reorganisation in KG in 2010, the Ministry of Water was leading donor coordination). Donor coordination sessions were organised as part of the NPD Steering Committee meetings, with the participation of EUDs, Finland, Denmark, Slovakia, Germany, Norway, Switzerland, USA, OSCE, UNDP, FAO, WHO, GEF, World Bank, EBRD, and ADB. Moreover, NPDs included a session where donors presented their plans to the NPD participants, and regular exchange of information took place through meetings and emails.¹³⁷ The NPD in KG has helped avoiding overlaps between projects of different donors, such as a UNDP-GEF project and the Finnish funded Fin-Water project, which both work in Chu-Talas. Involvement in the NPD in KG and government sector coordination mechanisms in KG and TJ helped the UNDP implemented project coordinating with other donors.¹³⁸

WMBOCA (GIZ implemented) coordinated with other donors by exchanging information and inviting them to participate in seminars and workshops, which helped in avoiding duplication. For example, WMBOCA conducted a coordination meeting in Bishkek (2012).¹³⁹

WMBOCA, the *Toward a Sustainable Management of Water Resources in Central Asia* (UNDP implemented), and other projects (e.g. the IWRM Fergana Valley Project implemented by Helvetas and funded by SDC) working with water resources in Sughd province (where Isfara is located) were well coordinated. In 2012, a meeting was a coordination meeting was held, and a donor mapping

¹³³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.0*

¹³⁴ GIZ (2015): *FLERMONECA Interim Narrative Report*; ; EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

¹³⁵ GIZ (2013): *Interim Narrative Report, FLERMONECA GIZ (2013): Interim Narrative Report, FLERMONECA*

¹³⁶ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹³⁷ Interviews, OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015); EU (2011): Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*

¹³⁸ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

¹³⁹ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.09*; GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*; GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-128*

matrix was prepared, coordination meetings were held, information was shared, and the different programmes invited each others to meetings and workshops.¹⁴⁰

Border management and rule of law: There were only a few bilateral EU Member States initiatives in the border management and rule of law sector. However, several other donors were active in this sector, such as Russia, China, Japan, the United States as well as different international organizations (e.g. IOM, OSCE, UNPD, UNODC). Most BOMCA and CADAP activities were coordinated with these donors either at the regional coordination platform – CABS (the Central Asia Border Security Initiative) or within the national coordination mechanisms in each CA country (donor coordination meeting). CABS provided a forum for coordination and discussion of BOMCA programme activities and strategic objectives. However, the idea of CABS acting as a coordinating mechanism was by no means universally accepted idea among different donors (with their own geo-political interests). BOMCA also hosted Border Security and Management Donor Coordination Meetings in all five CA countries, with the objective of bringing together all international partners to coordinate activities and exchange information in order to avoid duplication and overlaps.¹⁴¹

A clear example of donor coordination was between BOMCA and project funded by the United States on the Tajik-Afghan border. The United States military focused primarily on the western sector, whereas BOMCA focused on remoter sections to the east in Badakhshan. This geographic division ensured that development assistance was distributed for maximum impact and to make it easier for programed staff to travel to their respective part of the border. (I-522)

Moreover, international organisations were members of BOMCA's and CADAP's Steering Committees and consulted during the design of BOMCA (DCI 2013) and CADAP 6 (DCI 2012). These international partners were also invited to attend or co-fund BOMCA and CADAP events (I-531).¹⁴²

The first full-fledged Inter-Agency Working Group (IAWG) in CA was set up in UZ. This group consists of the Uzbek ministries of defence, security, foreign affairs, external economic relations, justice, emergency, health, water resources and agriculture, interior, customs and border guard committees. BOMCA performed the Secretariat function for IAWG and supported the coordination of international assistance. A tangible outcome of the coordination under IAWG is that the Japanese Government as a result of the discussions held engaged in supporting State Customs Committee by providing large scale scanners to border control posts.¹⁴³

Private Sector Development (SMEs): SME support, access to finance and interventions aiming at improving the business enabling environment in general are on the agenda of basically all donors and implementing agencies with PSD programmes/projects in CA, including most prominently, but not limited to, WB, ADB, IFC, GIZ, USAID, KfW, and EBRD. Reforms and changes that have taken place at national levels are almost always the result of joint donor efforts and often coordinated. For example, the Development Partners Coordination Council/DPCC in TJ has provided a very suitable framework for effective donor coordination. In the regional context, the fact that there is no counterpart as an interlocutor at the multilateral level requires coordination among the stakeholders involved. Such coordination has been proactively facilitated for instance by the OECD which held regular consultations and liaised with the EU and other main donors to avoid overlapping activities. USAID co-sponsored regular “donor forums” on economic issues in Central Asia, for example, with ADB, the World Bank and the EBRD.

The Investment Facility Central Asia (IFCA) also increased donor coordination¹⁴⁴. In 2012-13, the World Bank and the Asian Development Bank were awarded observer status within the Facility's governance structure and allowed to participate in the meetings of the financial institutions and to the meetings with the Member States.

Higher education: There were no structures in place for coordinating the regional engagement of development partners in the sector at regional level.

¹⁴⁰ Delegation of the European Union to the Republic of Kazakhstan and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH: *Description of Action, Supporting water management and strengthening Transboundary river basin administrations in Central Asia*; Delegation of the European Union to the Republic of Kazakhstan and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH: *Capacity building on river basin planning for water management organisations and joint river basin structures*

¹⁴¹ EU 2010, BOMCA 7 interim report; Annex no 3, Minutes of the Border Security and Management Donor Coordination Meeting, 25 October 2010 Bishkek – page 50

¹⁴² KG EAMR 2011; KG EAMR 12/2012

¹⁴³ Minutes of the Donors Coordination Meeting on Border Management, Trade Facilitation and Drug Trafficking, Tashkent 1 December 2010

¹⁴⁴ EU 2014: Ex-Ante Evaluation of the Investment Facility for Central Asia, Draft Report

At national level, the EU Delegations and National Tempus Offices/National Erasmus+ Offices engaged in information sharing and consultation with other donors. Other than that, the education authorities coordinate with donors bilaterally and made it clear they consider this efficient and sufficient.

For education in general, there is evidence of active coordination at national level, for example in KG. Here, the EU has been actively involved in consultations of Development Partners with the Government since 2011. This process led to the establishment of key principles and terms of a partnership for coordinating the technical and financial support provided to the education sector. As a result, in March 2013 the Government endorsed the Joint Statement (JS) of the Government of Kyrgyzstan and Development Partners (WB, ADB, EU, UNICEF, Soros Foundation, USAID, Aga Khan Foundation) on a Sector Wide Approach (SWAp) in Education. The JS was countersigned by the DPs in April 2013, which at the same time established the division of labour among the DPs.¹⁴⁵ As a result the EU co-chaired (among others) the DPCC subgroup for education together with UNICEF. In 2012 the EU discussed its draft IF and later AF (incl. indicators) of the SPSP in Education with the IOs involved in the education sector and presented the outline of the final version of TAP to donors during the DPCC meeting.¹⁴⁶

However, the CAEP study on quality in HE and VET observed fragmentation of interventions in the field of HE, but put forward no concrete examples¹⁴⁷. Specific projects and initiatives concerned the same or related fields and partners and required coordination, e.g. the “*Dialogue on Innovative Higher Education Strategies*” (DIES) funded by the German government and the EU-Central Education Platform (CAEP). The extent to which these were coordinated is unclear.

3.4.3 I-343 Degree to which regional-level interventions and interventions of Member States and other development partners benefitted from each other.

Description (of the indicator)

This indicator assesses the extent to which EU’s regional interventions and the interventions of EU member states and other development partners created benefits and add value for each other. The focus of this indicator is not on the economy of scale benefits obtained by cofunding, but rather on technical benefits, such as providing a structure for implementation, providing an approach for upscaling/replication, or having established human or institutional capacities or use to other programmes.

Findings

Environment: The regional programmes proactively pursued synergies and cooperation with other programmes. The synergies may not always have been those anticipated at programme design, but overall, significant synergies were achieved with programmes funded by other donors.

Moreover, GIZ (WMBOCA, FLERMONECA), CAREC (AWARE, WMBOCA, FLERMONECA), UNDP (UNPD IWRM project) and UNECE (EUWI EECCA) strategically pursued synergies between their EU funded projects and their projects funded by other donors (e.g. BMZ or the German Ministry of Foreign Affairs funded GIZ projects). For example, WMBOCA and FLERMONECA built on work initiated under the first phase of GIZ’s regional programme and the processes initiated under WMBOCA are continued under the next phase of GIZ’s regional programme (BMZ funded). Another example is that WMBOCA supported the “soft” component of establishing basin plans and basin councils in Isfara, whereas GIZ with German funding supported “hard” infrastructure rehabilitation. The UNDP IWRM project established water user associations and rehabilitated canals and installed gates, while other UNDP projects procured excavators and provided training on conflict management. All three agencies (GIZ, UNDP, CAREC) have a more long-term presence in the Isfara Basin (both prior to, and after, the EU funded programmes). In TJ, the FLEG component of FLERMONECA relied on support from GIZ’s regional programme, in terms of financial support for training and expert inputs for the elaboration of a forest sector strategy¹⁴⁸. This added value by creating continuity and an ability to provide more long-term support to follow processes through, thereby enhancing the outreach and impact as well as the likelihood of achieving sustainability – but it also to some extent came at the expense of EU visibility as CA partners would not always know which project/donor paid for a given activity. Examples of intended and achieved synergies with projects are presented in the table below.

¹⁴⁵ KG EAMR 12/2013

¹⁴⁶ KG EAMR 12/2012

¹⁴⁷ CAEP study on quality in HE and VET (p.25)

¹⁴⁸ GIZ (2013): *Interim Narrative Report*, FLERMONECA

Table 2 Synergies between EU's regional environment programmes and programmes of other donors (examples)

EU programme	Other donor	Country	Nature of synergy/complementarity
WECOOP	Human Health Institute	Regional	With the completion of WECOOP, the website was closed. Human Health Institute put some of the information from WECOOP on their website so that it remains accessible in the future (see I-421).
WMBOCA	Germany	Regional	GIZ's German funded regional programme for CA is a major component of the Berlin process. There are close linkages between WMBOCA and the regional programme, and WMBOCA can thus be seen as part of the Berlin process, and provided evidence and best practice for the political dialogue under the Berlin Process.
	USAID	KZ	CAREC will replicate the WMBOCA basin planning model in other basins under <i>Smart Water</i> , a new project funded by USAID.
	SDC	KG, TJ	The Swiss (SDC) funded <i>IWRM Fergana Valley project</i> built the capacity of grassroots organisations, which reinforced the integrated and participatory basin management approach promoted by WMBOCA. ¹⁴⁹
	USAID	KG, TJ	CAREC will continue the support under WMBOCA for the basin councils in the Isfara Basin with funding from USAID.
WMBOCA, UNDP project	USAID	TJ	USAID supported the restructuring of Isfara Water Department. This, combined with WMBOCA and the UNDP project contributed to improving the management of water resources for improved livelihoods in Isfara Basin.
UNDP project	Multiple	KZ, KG	The activities in Chu-Talas were one element of a significant donor presence in Chu-Talas helping developing basin management. Many donors, including EU had provided significant support to Chu-Talas even prior to 2007. The combined support has resulted in Chu-Talas being widely seen as the best example in CA of successful transboundary basin management.
	SDC	KG, TJ	Cooperation with SDC/Helvetas enabled the UNDP project to extend over more than one growing season. The project also cooperated with SDC on the replication/upscaling of automated water monitoring. ¹⁵⁰
EUWI EECCA, WMBOCA	EU Member States and associate states	KG, TJ, TM	Austria, the Czech Republic, Denmark, Finland, Germany, Norway, Slovakia and Switzerland provided support to the NPD process. ¹⁵¹ : Norway provided support for the NPD process in TM in 2012-2013. Finland supported the NPD process in KG in 2012-2013. Denmark funded an international expert to support the Government in TJ in preparing the water sector reform strategy as well as an international expert to assist in the development of the policy package on the river basin management plan for the Chu River in KG. Norway has provided support for the target setting process in KG. Switzerland supported the work on economic instruments for water resource management in KG. ¹⁵²
	German MFA	KG, TJ, TM	GIZ/WMBOCA with German Ministry of Foreign Affairs funding sponsored national NPD meetings with a focus on basin planning.

¹⁴⁹ Delegation of the European Union to the Republic of Kazakhstan and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH: *Description of Action, Supporting water management and strengthening Transboundary river basin administrations in Central Asia*; Delegation of the European Union to the Republic of Kazakhstan and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH: *Capacity building on river basin planning for water management organisations and joint river basin structures*

¹⁵⁰ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

¹⁵¹ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*

¹⁵² OECD – UNECE (2015): *European Union Water Initiative Eastern Europe, Caucasus and Central Asia (EUWI EECCA) Working Group, Seventeenth meeting, 24 - 25 October 2013 Helsinki, Finland, Report on Implementation of the European Union Water Initiative National Policy Dialogues on Integrated Water Resources Management and on Water Supply And Sanitation*

EU programme	Other donor	Country	Nature of synergy/complementarity
	Multiple	KG, TJ, TM	Several donors have made important contributions to the water sector reform process, incl. UNDP (with funding from EU and other donors), UNECE (with funding from EU and other donors), GIZ (with funding from EU and Germany), SDC, FAO, EU bilateral support. The EUD mobilised funds in 2011-13 for a framework contract to help driving the reform process. UNECE mobilised funds to discuss dam safety. (see I-432)
	UNDP	KG	UNDP organised/funded two of NPD meetings.
	World Bank	KG	The World Bank will with a new project provide support for the new Chu Basin Council, for which EUWI-EECCA supported the development of regulations.
FLER-MONECA	FAO, UNDP	Regional	FLEG, FAO and UNDP experts worked together on drafting chapters and involving national partners.
FLEG	UNDP	Regional	MONECA supported the development of the SIC-ICSD Ecoportal website. UNEP will provide further funding for the Ecoportal.
ERCA	CMS Secretariat	Regional	FLERMONECA cooperated with the CMS Secretariat on gaps and needs analyses in CA countries. ¹⁵³
MONECA	UNDP	KZ	ERCA provided inputs for analytical work carried out by UNDP. UNDP's hunting sector programme funded pilot projects, whereas ERCA focused on policy dialogue, which were mutually reinforcing.
	UNDP	KZ	UNDP is implementing projects, which build on ERCA results related to wildlife.
	World Bank, JICA, FAO	KG	FLEG provided technical support for the participatory forest management pilot projects funded by the World Bank, JICA and FAO, which in turn generated evidence for the sector reform process.
	FAO	KG	FAO initiated the sector reform and move towards implementing FLEG principles; and FLEG continued the support for the process.
	World Bank	KG	FLEG could use its flexibility to fill gaps/address emerging opportunities, which the World Bank project was unable to engage in. A new World Bank ecosystem project in KG will build on the activities of the ERCA and FLEG components of FLERMONECA ¹⁵⁴ .
	IFAD	KG	ERCA supported the reactivation and development of a business plan of the Pasture Users' Association so that it can better fulfil its role in the IFAD funded pasture management project.
	UNDP-GEF	Regional, KG	ERCA carried out a regional ToT on integrating economic valuation of ecosystem services into planning for state agencies (planning agencies and ministries of finance and economy) ¹⁵⁵ . In KG, ERCA with the UNDP-GEF global Rio+ Project initiated a study on inclusion of natural capital in accounting. A concept for accounting was designed and in Sept 2015, the compiling of information commenced (not ERCA funded). The State Committee on Environmental Protection was trained with funding from ERCA.
	FAO	TJ	Both FLEG and FAO supported the development of the Forest Management Strategy.
	UNDP	TJ	Both ERCA and UNDP supported the development of the draft Pasture Law.
	IFAD	TJ	ERCA support for policy reforms and sharing complemented IFAD pasture project activities on the ground, thus providing a direct link between policy and implementation and evidence to inform policy.
	SDC	TM	SDC provided a grant to CAREC to support NSOER development, since TM needed more support than other CA countries.
FLER-MONECA, AWARE	World Bank	TM, UZ	The World Bank funded CAMP4CA programme (launched in Nov 2015) will be used by CAREC to continue regional work on promoting SEIS principles.

Border management and rule of law: Synergies were achieved between BOMCA and US country level interventions (see I-522). For example, the Higher Border College in Dushanbe was established

¹⁵³ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁵⁴ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁵⁵ GIZ (2015): *FLERMONECA Interim Narrative Report*

and border crossing points renovated by BOMCA with financial support from the US Embassy. BOMCA also carried out joint trainings, workshops and seminars with OSCE and IOM in KZ and TM. BOMCA staff also participated in some OSCE activities at the national level, and thereby added value by transferring knowledge and experiences from other CA countries. (I-531)

Moreover, CADAP (implemented by GIZ) cooperated at the country level on drug issues with UNODC, WHO and other GIZ implemented projects with funding from other donors; the nature of this cooperation is not clear but appears to have included joint thematic meetings.¹⁵⁶

BOMCA also provided a conducive environment for the implementation of other donors' regional programmes, such as the UNODC bilateral Project XAC/K22, developed for establishment of the Border Liaison Offices (2009) which later on became a regional programme. In addition to this, BOMCA created a conducive environment for bilateral programmes such as the UNODC bilateral Project TD/TAJ/E24 on strengthening the control along the Tajik/Afghan border. The establishment of the Border Liaison Offices at the border-crossing points under the UNODC programme was much easier due to the changed mindset and increased willingness for cooperation, attained as the result of BOMCA's engagement and capacity building from 2003 onwards.

Private Sector Development (SMEs): By far, the most important and influential stakeholders of any EU member state in the PSD sector in Central Asia are GIZ and KfW. Synergies were mainly achieved because the two agencies implemented both EU-funded and Germany-funded interventions in the same areas. GIZ implemented two regional-level interventions: the already mentioned "*Support of regional economic cooperation in Central Asia*" (2005-2014) and "*Intra-regional and local economic development in Central Asia/Promoting small and medium-sized enterprises (SMEs)*" (2008-2013). At the same time GIZ was also very prominently involved in the implementation of the OECD component of CAI. GIZ drafted the OECD policy handbooks for KG and TJ and has been leading the implementation of the recommendations in KG (implementation in TJ has not yet started but will also involve GIZ). In a similar vein KfW is the lead agency for MIFA and simultaneously implements its own access to finance-programmes funded by Germany. Given the significant overlap between the EU and the GIZ/KfW agendas and the two agencies central role in the implementation of both EU and German projects, coordination and the related synergies happened quasi by default.

Higher education: Few specific examples were found of synergies between EU interventions and those of Member States and other development partners:

The British Council supports the enhancement of quality assurance in HE bilaterally in UZ and KZ, through its "Internationalisation of Higher Education" (IHE) program¹⁵⁷ which is still on-going in 2015:

- In KZ mainly through study visits to relevant UK institutions. Both the NEO and the British Council consider their assistance complementary.
- In UZ through support to the Ministry in the area of legislative reforms, policy dialogue with UK, participation in international conferences, and an in-service training for senior academic managers. In parallel, the British Council was a consortium partner in the national Tempus project QAPD (2011-2014)¹⁵⁸, and is reportedly still building on the project's results. In UZ this assistance was highly appreciated by the ministry and considered complementary to national and regional EU assistance.

In UZ the World Bank is in the process of preparing a HE project with the ministry with components on quality assurance, material-technical support to laboratories and an IMS (Information Management System). Here too ministry and NEO consider the plans will add value to Tempus interventions and capitalise on their impact by taking a step further.

¹⁵⁶ KG EAMR 12/2012

¹⁵⁷ <https://www.britishcouncil.uz/en/programmes/education-society/higher-education>

¹⁵⁸ QADP: Enhancement of Quality Assurance System through Professional Development of Academic Leaders, see www.qapd.uz

4 EQ 4 on environment

Has regional-level EU support to CA contributed to enhancing regional collaboration on environmental governance?

4.1 JC 41 Extent to which EU policy dialogue and technical support have fostered regional cooperation on transboundary environmental issues

4.1.1 I-411 Extent to which policy dialogue platforms at various levels have been established and have led to commitments/agreements on follow-up actions or collaboration.

Description (of the indicator)

Many environmental issues in Central Asia are of a transboundary nature, in particular issues related to the sharing of water resources. Hence, dialogue, mutual understanding and cooperation between countries in CA are preconditions for ensuring that water and transboundary natural resources are managed in an integrated, sustainable and equitable manner. Moreover, regional dialogue can be an important contributor to enhancing the capacity in the region to engage in sustainable environmental management, by creating the foundation for sharing experiences, best practices and environmental information.

Evidence of the change

The current collaboration between CA countries is insufficient to effectively manage regional natural resources in an integrated and sustainable manner. The relationship between some of the countries is strained (between KG and between UZ and TJ and UZ). Indeed, since independence, the trend has been that the countries move in different directions rather than towards increased regional cooperation. Furthermore, the priorities of the countries in the regions differ, which further complicate regional cooperation; the upstream countries (KG, TJ), which are the sources of most of the region's water, are at the same time the least economically developed countries and prioritise increasing the use of their water resources for hydropower generation and irrigation. This would be at the expense of the more economically developed downstream countries (KZ, TM, UZ), which utilise most of the region's water resources for agricultural production. Agriculture in the primarily arid region is almost entirely dependent on irrigation and the water resources in the two main basins (Amu Darya and Syr Darya Basins) are already overexploited as evidenced by the collapse of the Aral Sea. A particularly prominent example of the tension between upstream and downstream countries is the disagreement in 2012-2013 between TJ and UZ over the height of the planned Rogun Dam in TJ. Another issue is financing regional actions; such as the question of who pays for the management and maintenance of water infrastructure that benefits more than one country.¹⁵⁹ The implementation of a Regional Environmental Action Plan (REAP) endorsed in 2000 has so far been slow due to lack a financial commitments.¹⁶⁰

Moreover, capacity constraints limit the ability of CA countries to engage in integrated governance and management of water and other natural resources. However, there is at least some (albeit uneven) political will to cooperate, as evidenced by the regional institutions put in place in the 1990ies, such as the the International Fund for saving the Aral Sea (IFAS), the Interstate Council on the Aral Sea Basin, the Interstate Commission for Water Coordination of Central Asia (ICWC), and the Interstate Commission on Sustainable Development (ICSD), although their technical capacity and ability promote effective regional governance is insufficient and a major barrier to cooperation.¹⁶¹ In 2009 the five countries agreed on a joint technical programme on sustainable energy under ICSD, and the ICSD has also added new priorities to its work such as climate change, the Atmospheric Brown Cloud, integrated management of chemical substance, sustainability of mountain lakes, and renewable energy.¹⁶² There is also agreement that the protection of transboundary mountain ecosystems and ecotourism are good reasons for regional cooperation.¹⁶³ However, the implementation of these

¹⁵⁹ EC (2008): *Identification Fiche for Project Approach, Draft, Regional Environmental Programme for Central Asia*, CRIS ref: 019-724

¹⁶⁰ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

¹⁶¹ EC (2009): *Action Fiche N° 3 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337*

¹⁶² EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

¹⁶³ EC (2008): *Identification Fiche for Project Approach, Draft, Regional Environmental Programme for Central Asia*, CRIS ref: 019-724

intentions remains limited. A major challenge is that while IFAS and its bodies is the only regional institution for regional environmental governance and it has been established at the highest (Presidential) level, its effectiveness is severely limited due to:

- Very limited financial resources and dependency on international donor funding.
- Limited capacity of the IFAS institutions, although the SIC-ICWC (Scientific Committee of ICWC) is reported to produce work of good quality.
- Lack of continuity. The chairmanship and hosting of EC-IFAS (Executive Committee for IFAS) is rotating every three years between the CA countries. When EC-IFAS moves, the staff is replaced, files are not transferred so the institutional memory is lost, and programmes are not continued.
- Disagreement between CA countries on the structure and role of IFAS. Upstream countries, especially KG but also TJ, are dissatisfied with IFAS and finds that it needs to be reformed, but UZ does not agree to a major reform of IFAS. EC-IFAS is perceived as mainly serving the interests of the host country rather than the region, and this issue has become even more pronounced during the UZ chairmanship in 2013-2015. In the absence of reforms, KG is currently boycotting EC-IFAS; KG did not accept to become chairman/host in 2011 and is not sending representatives to EC-IFAS.

All CA countries participate in the 'Environment for Europe' process and in the OECD Environmental Action Programme Task Force, which is co-chaired by the EC.¹⁶⁴

Tangible cooperation is taking place in relation to the management of some of the smaller transboundary water basins, i.e. the Chu-Talas Basins (KG and KZ) and also the Isfara Basin (KG and TJ).

EU contribution

The EU promoted regional cooperation in CA and between CA and the EU through support for various dialogue fora at both regional and national levels. At the highest level were the EU-Central Asia (EU-CA) High Level Conferences on Environment and Water, which were chaired by Italy (Romania chaired water related regional meetings under EUWI EECCA). The EU, EU member states, CA governments (environment ministries and agencies), international and regional organisations, civil society and media participated in the High Level Conferences. The 2nd High Level Conference (Ashgabat, 2008) agreed on establishing the EU-CA Joint Platform for Cooperation on Water and Environment for enhanced cooperation, and at the 3rd High Level Conference (Rome, 2009) it was agreed that the joint platform would focus on environmental governance, climate change and sustainable water management, and that the platform would be promoted through regular dialogue on climate change.¹⁶⁵ At the 4th High Level Conference (Bishkek, 2013) it was decided to enhance dialogue through a series of regional seminars in 2013 and 2014.¹⁶⁶ The 5th High Level Conference was held in Milan in 2015. EU provided support through the WECOOP (the *EU CA Enhanced Regional Cooperation on Environment and Water Platform* under the *EURECA Regional Environmental Programme for Central Asia*) as the platform for the facilitation of these high level conferences and regional dialogue at the more technical level.

However, while it was agreed to share experiences, the High Level Conferences and the platform did not lead to tangible regional cooperation or agreements in environmental management. But, it was also not the objective of the high-level dialogue to directly lead to tangible agreements, nor would it have been a realistic expectation in the current context, which is not conducive for cooperation at the regional level. The stakeholders widely find that the High Level Conferences have improved the dialogue between CA countries, and thereby contributed to paving the way towards strengthened regional cooperation or at least to some extent countered the general trend of a reduced dialogue and

¹⁶⁴ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁶⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁶⁶ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*, Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

cooperation between the countries. Moreover, there is a widespread appreciation of being exposed to EU and international experiences, approaches, and best practice.

However, considering that the CA governments were represented by their environment ministries, but not by their finance, planning or economic sector ministries, the potential to influence economic development policy and making it more sustainable (effectively promoting a green economy) appears somewhat limited. Another limitation for the potential influence and tangible results of both the platform, working groups and high-level dialogue was that the CA delegations attending the meetings and conferences did not always comprise high/decision-level representatives, according to some interviewed stakeholders/meeting participants. No direct link between participation in the high-level dialogue or WECOOP and changes in national policy-making or planning were found.

Another limitation to the effectiveness of the high-level dialogue are the resources available from EU and its member states to engage and facilitate the dialogue. For example, the technical DGs (DG environment and DG CLIMA) did not engage strongly in the platform and the high-level dialogue due to staff and financial resource constraints (e.g. did not participate in all the high-level or working group meetings). Previously, the EU Special Representative to Central Asia's (EUSR) office had a Special Advisor to support the the high-level dialogue and the WECOOP platform, who played an important role in mobilising Italy (chairing the EU-CA High-level Dialogue on Environment and Climate Change) and Romania (chairing EUWI EECOA, see below) as chairing MSs and in establishing the Bishkek High Level Conference (2013); but the role of the EUSR in facilitating the dialogue process appears to have waned since then. Similarly, the role of the Chairing MS appears brought in political clout by bringing a ministerial level representation of EU, but appears not to have been utilised to its full potential at the political level, e.g. in terms of mobilising high-level engagement from CA countries.

The 2nd High Level Conference established the EU-CA Joint Expert Working Group on Environmental Governance and Climate Change to serve as the key mechanism for facilitation of the environment and water pillar of the EU-CA Strategy, strengthen regional policy cooperation and provide guidance for EU-CA cooperation activities.¹⁶⁷ This regional mechanism was intended to take place through EC-IFAS, which was hoped to become the regional platform for coordination on all regional environmental issues.¹⁶⁸ WECOOP helped facilitating the meetings and arranged capacity building (regional and national seminars, study tours) for the Working Group members, regional institutions (e.g. IFAS) and ministry staff on a range of topics, incl. EIA/SEA, Climate Change and risk management, green economy.¹⁶⁹ The Working Group comprised representatives from CA governments, regional organisations and civil society.¹⁷⁰ But, the capacity building did not reach the CA countries evenly; with far less training in TM than in other CA countries due to challenges with getting government approval for events, and no activities in UZ, which did not participate in WECOOP.¹⁷¹ The Working Group produced recommendations for fostering enhanced cooperation¹⁷², as well as for exchanging experiences.¹⁷³ However, the results achieved by the Working Group were significantly limited by a) members being insufficiently senior to make decisions; b) not having permanent members; c) meetings being infrequent; d) varying capacity of individual members; and e) no work plan or reporting obligations, which could ensure follow-up.¹⁷⁴ It is thus not surprising there was no visible impact of the

¹⁶⁷ General Secretariat of the Council, European Communities (2009): *The European Union and Central Asia: The New Partnership in action*, Brussels, Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU, EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁶⁸ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁶⁹ EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint Presentation, Tashkent, 9 July 2015 2015, Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU

¹⁷⁰ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

¹⁷¹ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁷² EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

¹⁷³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁷⁴ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*, Landell Mills Ltd (2014): *Regional*

WECOOP project, which mainly served to support the High Level Conferences and the Working Group. Nonetheless, the ROM report found that WECOOP was an important catalyst of increased awareness of the need for regional cooperation in CA.¹⁷⁵ At the high-level conference in Milan (2015) it was agreed that the working group should prepare an action plan.

Furthermore, the high-level dialogue and WECOOP provided a rare opportunity for civil society to participate in the regional dialogue with CA governments, through their participation in both high-level conferences and the Joint Expert Working Group.

Another central mechanism for dialogue established with EU support under the EUWI (EU Water Initiative) EECCA (Eastern Europe, Caucasus and Central Asia) programme is the National Policy Dialogues (NPD), which focused on a) integrated water resource management (IWRM, facilitated by UNECE) and b) water supply and sanitation (facilitated by OECD). These dialogues mainly had a national dimension and their thematic focus was based on national priorities. However, there was also to some extent a coverage of transboundary themes:

- In TJ, UNECE's work in IWRM in transboundary basins shared with KG (Isfara Basin), and Afghanistan (Upper Amu Darya/Pyanch Basin) was discussed at one NPD meeting.
- In TM, a focus area was the legal compliance with the UNECE Water Convention on transboundary waters.
- In KG, some support was provided to enhance the capacity to engage in transboundary water cooperation with KZ and TJ (the Chu-Talas Basin), albeit mainly with a focus on supporting the establishment of a basin management structure for KG's part of the Chu Basin.

EUWI EECCA supported the NPD process, e.g. by initiating the NPD process in CA countries (except UZ), facilitating meetings, ensuring the preparation of analytical inputs by local consultants, preparation of discussion papers. Moreover, the EUWI EECCA also established a regional Technical Working Group and Water (chaired by Romania), which met annually, enabled exchange of positions and experience between countries in CA, EU and EU's Eastern Neighbourhood. For example, this working group had a regional meeting in Geneva in 2014, where transboundary cooperation was discussed.¹⁷⁶ Some stakeholders emphasise that the working group offered a platform where the regional dimension of water resources management could be discussed without being over-politicised, and thereby, contributing to building awareness and trust among ministers and deputy ministers throughout the region vis-à-vis the added value of cooperation.

The GIZ and CAREC implemented WMBOCA (Water Management and Basin Organisations in Central Asia) project under EURECA also provided inputs and support to the NDPs on IWRM, such as a regional seminar on basin planning (Bishkek, 2013) where representatives from CA countries exchanged their river basin experiences.¹⁷⁷

WMBOCA also supported the work of the Inter-Ministerial WG of KG and TJ and its technical secretariats, such as support to the establishment of WGs on basin planning by KG and TJ and support to drafting the Inter-state Framework Agreement on the use of the international rivers.¹⁷⁸ The UNDP implemented project, Toward a Sustainable Management of Water Resources in Central Asia also provided inputs on IWRM to the NPD process in KZ.¹⁷⁹

Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014, EU

¹⁷⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁷⁶ EC: *Action Fiche under the Thematic Programme: Environment and Sustainable Management of Natural Resources, including Energy, (02) CRIS 149674 - Support to the Organisation for Economic Cooperation and Development (OECD) for the implementation of National Policy Dialogues in the Eastern Europe, Caucasus and Central Asia (EECCA) Region under the EU Water Initiative (EUWI)*; EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*; OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

¹⁷⁷ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*

¹⁷⁸ EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt, Tashkent, 9 July 2015*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.07*

¹⁷⁹ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

The EU funded, UNDP implemented project, Toward a Sustainable Management of Water Resources in Central Asia and WBOCA facilitated transboundary dialogue and cooperation between KG and TJ on joint management of the Isfara Basin, the most important river shared by KG and TJ (other than Syr Darya) (see I-413 and I-431).¹⁸⁰ However, the draft KG-TJ agreement on transboundary basins has so far not been signed by KG (only signed by TJ) and therefore the planned KG-TJ joint Isfara Basin Commission as not been established, and the cooperation remains informal, albeit well functioning. Moreover, while WBOCA had transboundary water management as its objective, work in the other two pilot basins of the project only involved one country, although these basins were transboundary (Syr Darya and Murgab); the reasons being that UZ did not want to participate in WBOCA (Syr Darya) and attempts by GIZ to involve Afghanistan in work on the Murgab basin were unsuccessful.

The GIZ implemented FLERMONECA project under EURECA attempted to establish FLEG (Forest Law Enforcement and Governance) national and regional working groups with nominated high level National Focal Points. However, the CA partner countries did not support the establishment of an official regional working group considering specific intra-national obstacles, so instead FLERMONECA promoted informal regional exchange.¹⁸¹ Nonetheless, FLERMONECA provided opportunities for regional dialogue and sharing on pasture management, forest governance and environmental monitoring through regional trainings and seminars. For example, transboundary biodiversity issues such as fences, cross-border poaching and illegal trade were discussed. A regional workshop was held in cooperation with the CMS Secretariat in and other organisations Ashgabat (Sept 2015) on wildlife and community-based approaches. Moreover, in response to the sudden loss of 80% of the saiga population in mid 2015 (due to disease), ERCA arrange a regional conference on saiga conservation in August 2015.

In addition to the above described continuous dialogue processes, a number of stand-alone regional events and visits for the sharing of experience have been supported by EU.

External factors

Only few donors were engaged in regional programmes on environment. In 2009, donor assistance focused mainly on health, water supply and sustainable water, energy and land use, but less effort was directed towards improving regional coordination.¹⁸²

However, EU Member States also supported dialogue processes, with Italy acting as lead coordinator for the High Level Dialogue and Romania chairing the Working Group for Eastern European, Caucasus and Central Asia (EECCA) under the EU Water Initiative (EUWI). Moreover, Germany provided EUR 15 mill for the Berlin Process on transboundary water management in CA (e.g. with a conference in Berlin in early 2015).¹⁸³ Moreover, Switzerland arranged dialogue meetings on water (e.g. a meeting in Basel in Nov 2014 and a planned meeting in Almaty). There are also a number of other regional dialogue initiatives related to water: Japan organised meetings at vice minister level (Nov 2015), WB has organised meetings at vice prime minister level on water and environment, OSCE organised a conference in Vienna (2014), the Shanghai Cooperation Organisation provides an occasion to discuss water, the UNECE-ESCAP Project Working Group on Water and Energy Resources holds biannual meetings, and the John Kerry process also has water on the agenda (gathered all MFA ministers in New York and is planning a meeting in Samarkand).

CA countries' efforts focused on establishing regional institutions to manage common water resources, especially under Aral Sea Basin Programme, but with mixed results.¹⁸⁴

EU project implementation in TM and UZ faced constraints related to formal approval; for example, WECCOP had challenges with getting approvals for activities in TM due to the lack of an in-country focal point and WECCOP and WBOCA could not get approval for any activities in UZ¹⁸⁵.

¹⁸⁰ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

¹⁸¹ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁸² EC (2009): *Action Fiche N° 3 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337*

¹⁸³ Council of the European Union (2010): *Joint Progress Report by the Council and the European Commission to the European Council on the implementation of the EU Central Asia Strategy*, Brussels

¹⁸⁴ EC (2009): *Action Fiche N° 3 for Central Asia Region, Regional Environment Programme for Central Asia - EURECA (2009) - DCI-ASIE/2009/021-337*

¹⁸⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

Moreover, strained relations between some of the countries, e.g. UZ and TJ as well as UZ and KG, posed a limitation for regional cooperation especially at the political level (at the technical level there is some cooperation), particularly in relation to transboundary IWRM. Overall, UZ appears to be less interested in regional cooperation than KZ, KG and TJ and UZ's position is that it is not willing to engage in regional EU programmes on water. Moreover, UZ chose not to be involved in WECOOP. Hence, the relocation of the EC-IFAS head office to Tashkent has isolated it from active involvement in EU's regional projects and the original intention to place IFAS in a central position in the implementation of EURECA and WECOOP was not possible.¹⁸⁶ Prior to 2008, EU supported IFAS, but after 2008, EU support for IFAS has been limited and provided through other organisations, which implemented some activities with IFAS bodies, (such as GIZ/CAREC activities with SIC-ICSD). TM is in general interested in regional cooperation in relation to water management¹⁸⁷, and the country is gradually becoming more open, but the engagement is still slow. CA countries in general have a stronger preference for national projects and a more limited interest in interventions at the regional level, as well as a preference for investments in infrastructure rather than projects focusing on dialogue.

The increased prominence of the UNFCCC (UN Framework Convention on Combatting Climate Change) and new climate change funding opportunities and the related increasing interest among CA countries in developing a green economy have in recent years contributed to creating a more conducive environment for regional dialogue and cooperation.¹⁸⁸

4.1.2 I-412 Extent to which the engagement of CA countries in multilateral environmental agreement (MEA) processes has been strengthened and progress has been made towards formulation of national policies and plans to meet MEA commitments.

Description (of the indicator)

Multilateral environmental agreements (MEAs) and the processes around their implementation is the main governance mechanism available to the international community to ensure that environmental issues of global or international importance are addressed, such as climate change, where greenhouse gas emissions do not only affect the country behind the emissions, but all countries. The main MEAs are usually signed by the majority of countries, but countries are then obliged to: a) ensure that national legislation is supportive of the commitment made vis-à-vis MEAs, and b) that appropriate plans and measures for the implementation of their commitments are put in place, and the national implementation is often lagging behind.

Evidence of the change

The table below provides a list of many of the major MEAs of relevance for CA. While CA countries have signed many MEAs, there are also several of conventions which some of the CA countries have not signed, including some major ones, which have been signed by most countries globally, e.g. CITES. In some cases because they do not apply to the country (e.g. the Tehran Convention on the Caspian Sea does not relate to KG, TJ and UZ), because it is perceived as unnecessary for the country (e.g. TM has not signed the St. Petersburg Declaration on forest governance as it does not have any significant timber harvest and trade), or because the country does not agree with the text of the MEA (e.g. KG perceives the Helsinki Convention on transboundary water as mostly beneficial to downstream countries).¹⁸⁹ In general, the conventions were signed by CA countries prior to the period under evaluation, but TM acceded to the Water Convention in 2012 and TJ signed the Bonn Convention on Migratory Species (CMS) in 2014. KZ, KG, TJ and TM adopted the 2013 Bishkek Declaration on the Conservation of the Snow Leopard (with World Bank and Snow Leopard Trust support).

¹⁸⁶ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*, UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

¹⁸⁷ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.08*

¹⁸⁸ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

¹⁸⁹ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.02*

Table 3 Major MEAs signed by CA countries

Title (year of signature)	Signed by				
	KZ	KG	TJ	TM	UZ
United Nations Convention on Wetlands of International Importance especially as Waterfowl Habitat (1971) – Ramsar Convention	X	X	X	X	X
The Convention on International Trade in Endangered Species of Wild Fauna and Flora (1975) – CITES	X	X	-	-	X
Convention on the Conservation of Migratory Species of Wild Animals (1979) – Bonn Convention	X	X	X	-	X
ECE Convention on Environmental Impact Assessment in a Transboundary Context (1991) – Espoo Convention	X	X	-	-	-
United Nations Convention on Biodiversity (1992) - CBD	X	X	X	X	X
United Nations Framework Convention on Climate Change (1992) – UNFCCC	X	X	X	X	X
ECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Water Convention) (1992) – Helsinki Convention	X	-	-	-	X
ECE Convention on the Transboundary Effects of Industrial Accidents (1992)	X	-	-	-	-
United Nations Convention to Combat Desertification and Land Degradation (1994) – UNCCD	X	X	X	X	X
United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses (1997)	-	-	-	-	X
ECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (1998) – Aarhus Convention	X	X	X	X	-
Protocol on Water and Health to the Water Convention (1999)	-	-	-	-	-
Framework Convention for the Protection of the Marine Environment of the Caspian Sea (2003) – Tehran Convention	X	-	-	X	-
Protocol on Strategic Environmental Assessment to the Convention on Environmental Impact Assessment in a Transboundary Context (protocol to the Espoo Convention) (2003)	-	-	-	-	-
Stockholm Convention on Persistent Organic Pollutants (2004)	X	X	X	-	-
Saint Petersburg Declaration on Forest Law Enforcement and Governance in Europe and North Asia (2005)	X	X	X	-	X

Sources: UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*; Volovik, Yegor (2011): *Overview of Regional Transboundary Water Agreements, Institutions and Relevant Legal/Policy Activities in Central Asia*, UNDP; EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*; EC: *Description of Action, Forest and Biodiversity Governance including environmental monitoring (FLERMONECA)*; MEA official websites

However, technical capacity and institutional constraints are posing limitations to the implementation in CA of the commitments under the MEAs as well as to their participation in international climate negotiations under the UNFCCC process.¹⁹⁰ For example, while KZ, KG and UZ have signed the CITES Convention on illegal trade in endangered species, they have difficulties with implementing the convention and curbing poaching and illegal trade in endangered species, such as snow leopard, saiga antelopes, and argali mountain sheep.¹⁹¹

Nonetheless, most CA countries have prepared action plans and report against their progress vis-à-vis CBD, as can be seen in the table below.

¹⁹⁰ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

¹⁹¹ EC: *Description of Action, Forest and Biodiversity Governance including environmental monitoring (FLERMONECA)*

Table 4 CBD National Biodiversity Strategy and Action Plan (NBSAP) and National Report (NR) status of submission to the CB Secretariat

Country	NBSAP	Latest NR
KZ	Submitted in 1999	2014: 5 th NR
KG	Submitted in 1999	2009: 4 th NR
TJ	Submitted in 2004	2014: 5 th NR
TM	Submitted in 2003 Study on NBSAP revision 2013	2015: 5 th NR
UZ	None submitted, draft scheduled for approval in 2015	2015: 5 th NR

Source: <https://www.cbd.int/>

All CA countries except UZ have signed the Aarhus Convention on public participation in decision-making and access to environmental information and justice. However, only KZ and KG have signed the Espoo Convention on transboundary Environmental Impact Assessment (EIA) and none of the CA countries had adopted the related Protocol on Strategic Environmental Assessment (SEA), and SEA has not been implemented in a meaningful way. While there is an initial legal basis for EIA in TJ, TM and UZ, which is partly drawing on EU experience, the capacity and policy framework to carry out transboundary EIAs is still insufficient. However, progress is being made; all CA countries are now promoting EIA and developing EIA and SEA systems and are in the process of joining the European Shared Environmental Information System (SEIS).¹⁹² Legislation is generally in place for EIA (but not for SEA) although the legal framework is not always fully in line with international standards (e.g. in TJ). Another positive development is that while TM has not signed the St. Petersburg Declaration, there is a keen interest in modernising normative documents for the forestry sector in line with the FLEG (Forest Law Enforcement and Governance) principles.¹⁹³ The other four CA countries have signed the St. Petersburg Declaration and prepared action plans prior to FLERMONECA/FLEG.

EU contribution

EU regional interventions have contributed to a strengthened implementation at the national level of a number of MEAs. For example, the National Policy Dialogue in TM (supported by EUWI EECOA and also by WMBOCA) facilitated the accession by TM to the ECE Water Convention (the Helsinki Convention) in 2012; and in 2014 and 2015, capacity building seminars were arranged in TM to facilitate accession of TM to the Convention's Protocol on Water and Health.¹⁹⁴ While KG has not signed the Helsinki Convention, KG is still interested joining its Protocol on Water and Health, and EUWI EECOA supported the development of a project proposal and a methodology for indicator development for the Protocol. The Project was subsequently financed by NORAD, and the indicators were used in the national strategy on sustainable development for 2013-2017 (compiled in 2013). Moreover, EUWI EECOA and the NPD process supported in both KG and TJ the drafting of national targets for the Protocol on Water and Health (although neither of the countries have yet ratified the Protocol); in 2013, KG submitted its national report to UNECE and WHO/Europe on the implementation of these targets. While the NPD process in KZ is still young, one of its objectives is to support KZ's ratification of the Protocol on Water and Health (KZ plans to ratify the Protocol in end 2016).

FLERMONECA has in relation to the UNFCCC convention on climate change financed consultant inputs to the scoping for the development of a livestock/pasture NAMA (Nationally Appropriate Mitigation Action) in KG, which provided the foundation for the development of a full NAMA proposal (which, however, was not successful in obtaining funding from the NAMA facility); and support was also provided for the participation of Kyrgyz delegates in UNFCCC COP15 (Conference of the Parties) in Peru in 2014. Also in KG, FLERMONECA financed consultant inputs for the elaboration of a climate change adaptation plan for forestry and biodiversity.¹⁹⁵

¹⁹² EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*, Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU

¹⁹³ GIZ (2013): *Interim Narrative Report, FLERMONECA*

¹⁹⁴ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.09*

¹⁹⁵ GIZ (2015): *FLERMONECA Interim Narrative Report*

In relation to the UNCCD convention on desertification and land degradation, FLERMONECA arranged with GIZ's Economics of Land Degradation (ELD) Initiative a ToT on integrating environmental services in development planning. Another example of UNCCD related action is the support FLERMONECA provided to the national Secretariat of the Central Asian Countries Initiative on Land Management (CACILM) in UZ for the revision of the National Action Plan (NAP) for the UNCCD.¹⁹⁶ More broadly speaking, the support provided by FLERMONECA for pasture management reforms (KG, TJ, TM) can be regarded as supporting the implementation of UNCCD, as improved pasture management will counter land degradation.

Biodiversity was the most significant area of MEA related support provided by FLERMONECA, with a particular focus on the CMS convention on migratory species, but also on CBD. Support was provided to the dialogue process in relation to the development of CBD National Biodiversity Strategies and Action Plans (NBSAPs) in TM and UZ, and financial support was provided for the participation of Kyrgyz delegates in the CBD Conference of the Parties (COP) in Korea in 2014.¹⁹⁷ In relation to CMS, FLERMONECA successfully supported the accession in 2013 of KG to the Convention.¹⁹⁸ FLERMONECA also facilitated national stakeholder meetings in all CA countries, which resulted in the development of Programmes of Work for the Central Asian Mammals Conservation Initiative (CAMI) in each of the countries as well as a regional joint Programme of Work; the Programme of Work was approved at the 11th CMS COP in Ecuador in 2014. Similarly, FLERMONECA also supported the development of the International Argali Action as well as its coordination and implementation during 2013-2014; this plan was also approved at COP11 to the CMS. Moreover, FLERMONECA ensured that an analysis of the status of the Bukhara deer in TJ was carried out and a conservation concept was drafted and presented at CMS COP11 (The plan has not yet been approved).¹⁹⁹

To support the implementation of the St. Petersburg Declaration in CA, one of the three components of FLERMONECA was the FLEG (Forest Law Enforcement and Governance) component, supporting the FLEG process in CA and the integration of FLEG principles in forest sector legal reforms. Inception missions, country-specific training workshops on the FLEG principles were carried out and support was provided to amend the legal frameworks and normative documents for the forest sector in line with the FLEG principles out all CA countries. Moreover, the FLEG action plans were revised and strengthened and capacity to understand and implement FLEG principles and the steps needed to implement the St. Petersburg Declaration were enhanced in KZ, KG and TJ, and UZ. In KZ, KG and TJ, this support was linked to the support for forest sector reforms and the development of forest sector strategies. Since TM is not a signatory to the St. Petersburg Declaration an Action plan was not developed, but TM still requested support for structures to enable the modernisation of normative documents in line with the FLEG principles.²⁰⁰

Environmental assessment (EIA, SEA) and monitoring in line with the Espoo and Aarhus Conventions were supported by WECOOP and FLERMONECA. WECOOP held regional and national (KG, TJ) training workshops on transboundary EIA and SEA, incl. best practises in EU and application of the procedures of the Espoo Convention (currently signed only by KZ and KG) and its protocol on SEA (not signed by any CA country). However, neither WECOOP nor any other regional programme engaged more substantially in a process of strengthening EIA or SEA practice in CA countries, so the results in this regard were limited to raising awareness (the programmes did not engage in supporting the undertaking of specific SEAs or EIAs to demonstrate EU best practice, nor in systematically building national SEA or EIA capacity).²⁰¹ Moreover, related to the Aarhus Convention and access to environmental information, one of the FLERMONECA components (MONECA) focused on environmental monitoring, including promoting the principles of the European Shared Environmental Information System (SEIS). Since one of the focal sectors for MONECA was biodiversity, the support also facilitated reporting to CBB (National Reporting), CMS and other biodiversity-related conventions; moreover, in TJ the other focal sector for MONECA was climate change, which thus facilitated reporting to UNFCCC for TJ (3rd National Communication and INDC). see I-422.

¹⁹⁶ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁹⁷ GIZ (2015): *FLERMONECA Interim Narrative Report*

¹⁹⁸ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

¹⁹⁹ GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁰⁰ GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁰¹ Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014, EU*

External factors

Other development partners also provide support to CA countries in relation to MEAs, not least in relation to the UNFCCC process, which is receiving significant political attention and very high and increasing levels funding globally compared to other MEAs, e.g. with the introduction of new funding windows like the Green Climate Fund. Other MEAs, such as those related to biodiversity and especially land degradation are receiving considerably less attention, and in most countries the political priority given to biodiversity and sustainable land management is much lower than that given to economic development; as evidenced by the usually low allocation of domestic budgets as well as the insufficient legal enforcement.

A general challenge for the implementation of MEAs is that environmental issues such as biodiversity conservation are not a political priority in CA. Climate change is a priority in CA due to the potential economic impact and impact on the available water resources, for example in TJ and TM. While water is a high priority, it is also a sensitive issue. For example, KG does not want to sign the Helsinki Convention, as it is seen as being more favourable to downstream than to upstream countries.

4.1.3 I-413 Evidence of cross-border agreements having been reached, e.g. on transboundary basins.

Description (of the indicator)

Political commitment and a shared vision between countries is central to ensuring effective collaboration on a) managing shared environmental resources, such as transboundary water and ecosystems, and b) handling environmental problems of a regional nature. A key step towards ensuring commitment to collaborate, shared goals and that the institutional framework can be put in place to handle specific environmental issues is formalised (and ideally binding) agreements between states.

Evidence of the change

The table below provides a list of regional and inter-state agreements in CA. The agreements were mainly entered prior to the period under evaluation (KZ only signed the Ashgabat Framework Convention after 2013), although three draft agreements on water resources were drafted but never adopted. Some agreements are between one or more CA countries and countries neighbouring the region (China, Russia, Iran). Not surprisingly, the majority of agreements relate to transboundary water resources.

A central element of a number of agreements is the establishment of regional/inter-state institutions, such as ICWC (the Interstate Commission for Water Coordination), ICSD (the Interstate Commission on Sustainable Development), and IFAS (the International Fund for Saving the Aral Sea), as well as basin management organisations for the two main transboundary rivers, Amu Darya and Syr Darya. These play a central role in regulating water use in the major basins.²⁰²

Water is still allocated between the CA countries according to the provisions of the allocations during the Soviet Union; the CA countries have agreed to keep these agreements.

Many attempts have been made to develop effective instruments for regional cooperation, but the political support appears uneven. One example is that the Turkmen Ministry of Nature Protection initiated the Ashgabat Framework Convention (2006), but it has not yet been signed by KZ and UZ.²⁰³ Moreover, the three draft agreements presented in the table below have been available since before 2005, but the CA countries had as of end 2015 not taken action towards their endorsement.²⁰⁴ Moreover, EC-IFAS (the Executive Committee of the International Fund for Saving the Aral Sea) has a limited capacity to implement, a decreasing level of activity and during its UZ chairmanship a low level of commitment towards solving regional problems²⁰⁵, and disagreement among CA countries on its structure and role (see I-411).²⁰⁶ The implementation by ISCD of the Regional Environment Action

²⁰² UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²⁰³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOOP, MR-146780.05*

²⁰⁴ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²⁰⁵ EC (2012): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.12*

²⁰⁶ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.04*

Plan (REAP), which all CA countries endorsed in 2000, is slow due to lack of financial commitment.²⁰⁷ Another example of the challenges is that while the regional agreements provide a legal framework for collaboration in water quality monitoring incl. harmonisation of systems, data sharing and joint projects, implementation is very limited.²⁰⁸

A more positive development was the establishment of the Kyrgyz-Kazakh Commission on the Chu and Talas Rivers, which was established prior to 2007. KZ has also established such bilateral commissions for basins shared with Russia and China (pre-2007).²⁰⁹ Moreover, KG and TJ established an Inter-ministerial Working Group for cooperation on water issues in 2008. A draft KG-TJ agreement on shared river basins has also been prepared and signed by TJ, but KG has so far not signed it and is planning to propose some amendments to the draft agreement.

Table 5 Regional and inter-state agreements in CA

Title (Year of Signature)	Institution	Signed by				
		KZ	KG	TJ	TM	UZ
Agreement on cooperation in the area of environment and efficient use of natural resources (1992)		X	X	X	X	X
Agreement between the Government of the Russian Federation and the Government of the Republic of Kazakhstan Concerning the Joint Use and Protection of Transboundary Waters (1992)	Joint commission	X				
Agreement between the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Uzbekistan, the Republic of Tajikistan and Turkmenistan on Cooperation in Joint Management of Use and Protection of Water Resources of Interstate Sources (1992)	ICWC* (Section 3.4)	X	X	X	X	X
Statute of the Basin Water-Management Joint Company (BWO) "Amu Darya" (1992)	Head appointed by ICWC					
Statute of the Basin Water-Management Joint Company (BWO) "Syr Darya" (1992)	Head appointed by ICWC					
Agreement on joint activities in addressing the Aral Sea and the zone around the Sea crisis, improving the environment, and ensuring the social and economic development of the Aral Sea region (1993)	Interstate Council on the Aral Sea Basin, ICSD**, ICWC* (Section 3.3)	X	X	X	X	X
Agreement between the Government of the Republic of Uzbekistan and the Government of Turkmenistan Concerning Cooperation on Water Management Issues (1996)	No institutions Established				X	X
Agreement between the Governments of Kyrgyzstan and Kazakhstan on cooperation in the sphere of environmental protection (1997)		X	X			
Agreement between the Government of the Republic of Kazakhstan, the Government of Kyrgyz Republic, the Government of the Republic of Tajikistan, and the Government of the Republic of Uzbekistan Concerning Use of Water and Energy Resources in Syr Darya River Basin (1998)	Earlier established institutions	X	X	X		X
Agreement on General Principles of interaction in the rational use and protection of transboundary water bodies of the Commonwealth of Independent States (CIS) member States (1998)		X	X			X
The Agreement about the status of IFAS and its organizations (1999)	IFAS***	X	X	X	X	X
The Ashgabat Declaration (1999)	Plenipotentiaries (government representatives)					
Agreement among Governments of Republic Kazakhstan, Kyrgyz Republic, Republic of Tajikistan and Republic of Uzbekistan on cooperation in the sphere of hydrometeorology (1999)		X	X	X		X
Agreement of the CIS member States on cooperation in the		X	X	X		X

²⁰⁷ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

²⁰⁸ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²⁰⁹ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

Title (Year of Signature)	Institution	Signed by				
		KZ	KG	TJ	TM	UZ
sphere of environmental monitoring (1999)						
Regional Environment Action Plan (2000) – REAP		X	X	X	X	X
Agreement between the Government of the Republic of Kazakhstan and the Government of Kyrgyz Republic on the Use of Water Management Facilities of Intergovernmental Status on the Rivers Chu and Talas (2000)	Commission was established later (in 2006)	X	X			
Agreement between the Government of the Republic of Kazakhstan and the Government of the People's Republic of China Concerning Cooperation in Use and Protection of Transboundary Rivers (2001)	Kazakhstan-China Joint Commission on the Use and Protection of Transboundary Rivers	X				
Agreement of the CIS member States on cooperation in the sphere of hydrometeorology (2003)		X	X			X
Framework Convention on Environmental Protection for Sustainable Development in Central Asia (2006) – Ashgabat Framework Convention			X	X	X	
Agreement between the Government of Turkmenistan and the Government of the Islamic Republic of Iran on Joint Exploitation of Dostluk Water Reservoir (2007)	Joint coordinating Commission/administration				X	
Statute of UN Regional Centre for Preventive Diplomacy for Central Asia (UNRCCA)	UN Regional Centre for Preventive Diplomacy for Central Asia (UNRCCA) (Section 3.14)	X	X	X	X	X
Agreement between the Governments of Kazakhstan and Uzbekistan on cooperation in the sphere of environmental protection and efficient use of natural resources		X				X
Draft, non-adopted transboundary agreements:						
<i>Between Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Uzbekistan, and Turkmenistan on the development of cooperation and division of functions of inter-state organisations for protection, management and development of water resources of the Aral sea</i>		X	X	X	X	X
<i>Between Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Uzbekistan, and Turkmenistan on water use in modern conditions</i>		X	X	X	X	X
<i>Between Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Uzbekistan, and Turkmenistan on joint planning and use of transboundary water resources.</i>		X	X	X	X	X

* ICWC: Interstate Commission for Water Coordination; ** ICSD: Interstate Commission on Sustainable Development; *** IFAS: International Fund for Saving the Aral Sea; Sources: Volovik, Yegor (2011): Overview of Regional Transboundary Water Agreements, Institutions and Relevant Legal/Policy Activities in Central Asia, UNDP; UNECE, CAREC: Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan; EC (2013): Monitoring Report, Regional coordination and support for the EU & CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05

EU contribution

EU's regional interventions contributed to the establishment and strengthened implementation of regional and inter-state agreements, mainly in relation to water resources.

WMBOCA supported the creation of Basin Councils in KG and TJ and the preparation of two basin management plans for the Isfara Basin, one in each country. WMBOCA also supported the work of the Inter-Ministerial Working Group of the Kyrgyz Republic and the Republic of Tajikistan and the work of its technical secretariats in the drafting of the Inter-state Framework Agreement on the use of the international rivers; WMBOCA facilitated Working Group meetings and provided expert analyses on legal and institutional matters.²¹⁰ The UNDP implemented Toward a Sustainable Management of

²¹⁰ GIZ (2014): Annex VI, Final narrative report, WMBOCA, Contract № 277-119, EC (2013): Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06, EC (2013): Monitoring Report, Supporting water management and strengthening transboundary river

Water Resources in Central Asia project also supported IWRM in Isfara Basin, working mainly with water users associations in both countries, but also by gathering and providing baseline information used in the elaboration of the basin management plans.

As of 2015, the transboundary agreement had been signed by TJ (in 2013) after an initial review. However, the agreement has not been signed by KG due to wishes for some revisions (e.g. KG is considering whether agreements should be made on a basin-by-basin basis rather than a single overall agreement), but also due to a complicated internal Government review process and political changes. Nonetheless, the Inter-Ministerial Working Group collaborated well, and KG is interested in signing an agreement with TJ in the future. Once an agreement is signed by KG, the planned joint Basin Council for Isfara River can be established and the two basin management plans can be merged into a single joint plan for the Isfara Basin. It is expected that the inter-state cooperation and decision-making will then become faster.²¹¹ Moreover, the UNDP project also supported KZ and KG in improving transboundary management of the Chu-Talas Basin in relation to automating water distribution for 22,000 hectares of irrigation land in KG and 20,000 hectares in KZ, to ensure an objective allocation of water; thereby reducing the risk of disputes over the provision of water.²¹²

WECCOP, WMBOCA and the UNDP implemented Toward a Sustainable Management of Water Resources in Central Asia project also attempted to support the promotion of transboundary cooperation at a more general regional level. However, this proved more challenging, progress was slow and the results were limited and mainly consisted of enhanced awareness. WECCOP provided some support to the major regional organisations, IFAS, ICWC and ICSD and national ministerial staff to promote the development of cooperation frameworks. Awareness raising and capacity development training on impact assessment and climate risk management was carried out. However, progress was slow and the results achieved are not clear.²¹³ The UNDP project was expected to promote regional IWRM dialogue, but this did not progress due to tensions at the national level and limited political will.²¹⁴ WMBOCA employed the NPD concept at regional level to promote transboundary water cooperation, and facilitated a regional seminar (Bishkek, 2013) with participation from all CA countries; and some positive results were seen, such as enhanced trust and more open sharing of experiences between the countries.²¹⁵

External factors

A number of external factors have significantly influenced the progress in establishing regional agreements and frameworks for regional and transboundary cooperation. On one hand, there is a will to engage in cooperation as evidenced by the large number of regional agreements, and by the progress made at the individual basin level (especially in the Chu-Talas and Isfara basins) and at the technical level. However, at the same time the political will is insufficient at the higher levels, and this has posed a significant limitation for the progress of EU support for regional cooperation, as evidenced in the limited success of attempts to foster cooperation on water resource management experienced by both WECCOP and the UNDP project.²¹⁶ In relation to FLERMONECA, the five CA countries all displayed an interest in reserving as many project resources as possible for national activities, and limited interest in pursuing regional cooperation.²¹⁷ This reluctance is also evidenced in the limited authority and capacity of regional institutions such as IFAS, ICWC and ICSD.²¹⁸

The limited or uneven will appears to be the result of two main factors:

basin administrations in Central Asia, MR-144988.09, EC (2015): EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt, PowerPoint presentation, Tashkent, 9 July 2015

²¹¹ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06*

²¹² EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.09*

²¹³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

²¹⁴ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.13*

²¹⁵ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*

²¹⁶ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.13*, EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

²¹⁷ GIZ (2013): *Interim Narrative Report, FLERMONECA*

²¹⁸ (EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.05*

- Different and sometimes conflicting national interests. Upstream KG and TJ only use a small proportion of the transboundary water resources flowing from their mountains, and thus are not facing major constraints in the access to water resources and have an interest in utilising a greater proportion of the water resources for hydropower generation and irrigation. Downstream KZ, TM and UZ are utilising the bulk of the regional water resources for irrigation at unsustainable levels, as evidenced by the collapse of the Aral Sea and are thus very concerned with acute water shortages degradation of water ecosystems and desertification. These differences are a major obstacle for regional cooperation.²¹⁹
- Strained relations between some of the CA countries. For example, UZ relations with KG and TJ are characterised by tensions, to an extent that the WBOCA ROM mission in 2013 found that in relation to the cooperation on the Isfara Basin: “Uzbekistan takes only 8% of the water from this basin, so its exclusion from this agreement should not have any far-reaching consequences. It is also possible that any attempt to include Uzbekistan could have upset Tajikistan and/or Kyrgyzstan thus jeopardising the whole FA [Framework Agreement]”.²²⁰

Bureaucratic and non-conducive Government rules and procedures are other obstacles. For example, a major obstacle for the ability of WECOOP to support EC-IFAS was its location in UZ, while UZ did not wish to participate in WECOOP other than as an observer. Due to the lack of a formalised national presence, WECOOP was prevented from implementing any support any IFAS related activities in UZ, even though EC-IFAS is a regional institution representing all CA countries.²²¹ Moreover, the prolonged delay in the signing by KG of the Inter-state Framework Agreement on the use of the international rivers with TJ is partly a result of a complicated and lengthy internal Government review process, where the draft agreement has to be approved by nine different committees.²²²

Only few development partners were engaged in supporting transboundary management of water resources in CA in 2007-2014²²³ or higher level regional cooperation processes. Both GIZ and UNDP have engaged in IWRM in CA through other projects under by other donors both prior to, during, and after the EU programmes, so the results and sustainability of WBOCA and the EU funded UNDP project cannot be seen in isolation. For example, the first draft KG-TJ agreement was prepared in 2010 with GIZ support prior to WBOCA, whereas WBOCA supported its revision and the preparation of the final draft. While KG has never given a formal explanation as to why it has not signed the agreement, the reason appears to be a combination of KG's overall view on transboundary water sharing and that it should be financially or otherwise compensated for eco-system services (provision of water), political changes/changes in government and government structure, and also periodical local conflicts over land due to unclear border demarcation, especially around TJ's Vorukh exclave.

4.2 JC 42 Extent to which EU support has contributed to enhancing the knowledge base on transboundary water and biodiversity issues in CA

4.2.1 I-421 Degree to which new knowledge has been generated through studies and been disseminated/made accessible.

Description (of the indicator)

A key element required to be able to manage environment sustainable is knowledge; knowledge about environmental processes, the nature and drivers of environmental degradation, and not least alternative options to improve environmental management. Knowledge is required, not only about technical options and solutions, but also about environmental governance options and how to ensure that social, economic and environmental consideration are taken into account in a balanced manner, as well as the different priorities and needs of different stakeholders. In a regional context, there is a particular need to understand transboundary systems and environmental issues and how these can be addressed, including understanding how processes and decisions in one country affect other

²¹⁹ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.06

²²⁰ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.07

²²¹ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP*, MR-146780.05

²²² GIZ (2014): *Annex VI, Final narrative report*, WBOCA, Contract № 277-119

²²³ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

countries. Knowledge needs not only to be generated, but also to be made accessible to decision-makers and stakeholders at all levels.

Evidence of the change

Knowledge and capacity gaps in relation to transboundary water and biodiversity issues, posed significant constraints and still do so, although the knowledge has increased. For example, while there is no doubt that CA is particularly vulnerable to the impact of climate change (with its predominantly semi-arid to arid climate where the bulk of water resources derive from glaciers and snow in the high mountains), but there is insufficient knowledge about the exact nature and magnitude of the impact. As elsewhere, there is also limited knowledge about the practical implications and implementation of new concepts such as NAMAs and payment for ecosystem services. Moreover, there is limited experience with integrated water resource management (IWRM), especially in a transboundary context. At the same time, the knowledge in CA on e.g. climate change has significantly increased during the period under evaluation.

EU contribution

An important element of EU's regional interventions had been the generation of new knowledge and making this accessible to stakeholders in CA, although the focus was more on capacity building, development of tools, and promotion of international/EU best practice/approaches than on the generation of new knowledge. Tools and manuals were also produced. For example, the UNDP implemented *Toward a Sustainable Management of Water Resources in Central Asia* project carried out a number of studies and produced knowledge products, although many of these did not deal with transboundary issues, but rather IWRM issues in a single country, such as policy and institutional reviews, like the publication on the *IWRM Experience in Kazakhstan* based on an analysis of the structures and activities in the Ile-Balkhash Basin. This publication was distributed to a wide range of water sector actors, incl. government staff, regional institutions and academia.²²⁴ Moreover, various feasibility studies were carried out and some were reportedly followed-up on by Government authorities. Furthermore, a methodology for the preparation of an inventory of water user associations was developed and replicated in five districts in TJ.²²⁵ The UNDP project also developed methodological guidelines on the implementation of the Water Code in KZ.²²⁶

EUWI EECCA prepared two benchmarking reports on the progress on implementing IWRM principles in national legislation the countries covered by the project; the first report was published in 2014. Moreover, the project prepared substantive reports on National Policy Dialogue activities; some of these had a transboundary coverage, such as the *Draft assessment of the water-food-energy-ecosystems nexus in the Syr Darya Basin* (published May 2015).²²⁷ Research was also carried out in 2015 by UNECE under the NPD process on modern irrigation and its possible application in KG, and OECD developed a methodology in 2015 on the payment for damage done to water resources in KG. Moreover, an EUWI EECCA study on modern irrigation will be disseminated widely by UNECE in the Chu Basin to inform farmers about water saving options in response to a request from the Kyrgyz Government.

WMBOCA carried out analytical work on water resources, climate change and land use for the Isfara Basin (KG and TJ) and in this context maps were produced on natural hazards (mudflows and floods), the administrative structure, soil classification, and topography; one map was prepared for each country, but it was not possible to prepare a single map for the entire basin due to lack of a clear border demarcation between the two countries. The project also prepared a "*Basin Planning Handbook*" and "*Training modules: Five Steps to a Basin Plan*", the latter, which was prepared by CAREC, is the first basin planning training module developed in CA. Moreover, networking and experience sharing among water management organisations in CA and Europe was promoted and a

²²⁴ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

²²⁵ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.13*

²²⁶ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

²²⁷ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*; OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

web-based platform was established with CAREC, the “*Eurasian River Portal*”, www.riverbp.net.²²⁸ The knowledge obtained by CA stakeholders from participation in WMBOCA is reportedly being put use by the participants and passed on to colleagues.²²⁹ WMBOCA held a regional seminar (Bishkek, 2013) for experience sharing among CA countries on basin planning.²³⁰ The project also established the EECCA-NBO network (Central Asia Eastern European Caucasus Central Asia Network of Basin Organizations) for experience sharing; this network is hosted by CAREC (see <http://www.eecca-water.net>).²³¹

The UNDP project helped Kazhydromet developing modelling and water forecasting (forecasting 100 years ahead) on the KZ part of the Ile-Balkhash River. It also developed training materials for water user associations in TJ on managing water conflicts, effective water use and technology, monitoring of works, financial management. Moreover, this project helped KZ and China with establishing an inventory and hydrological modelling on the Ile-Balkhash Basin.

FLERMONECA generated and disseminated knowledge on biodiversity, ecosystem conservation and sustainable land management, but not always with a transboundary focus. For example, the project has supported the conduct of national studies on the economics of land degradation in endangered ecosystems in the five CA countries.²³² In KG the project supported the installation of GPS collars to enable satellite tracking of the migration of argali mountain sheep. FLERMONECA also supported genetic differentiation of argali subspecies with scientists collecting samples for revising the taxonomy, in order enable a more focused, and hence more effective, protection of the specific argali subspecies, which is endangered. Moreover, conservation concepts were developed for Bukhara deer and capacity building materials on community-based wildlife management were prepared. FLERMONECA is currently supporting the development of five national case studies and one regional study for the development of a regional initiative on TEEB (the Economics of Ecosystems and Biodiversity) and ELD (Economics of Land Degradation). Another example of knowledge generation by FLERMONECA is the PRA (participatory rural appraisal) studies on the economic valuation of ecosystem services carried out to advice the formulation of a new pasture code on TM.²³³ In UZ, a FLERMONECA study on the integration of ecosystem services in development planning was used as an input in the preparation of UZ’s NBSAP (see I-412). Training and awareness raising was also provided on payment for ecosystem services and the economic importance of ecosystems both in KZ and at the regional level with a ToT in Ashgabat in 2013. FLERMONECA also provided expert inputs to TJ’s endangered species Red Book and funded the printing of 1000 copies.

Moreover, FLERMONECA enabled TJ, TM and KZ to learn from KG’s experience with forest and pasture reforms and community involvement, and KG to learn from TJ’s experience with community-based hunting management. To facilitate access to information and knowledge, FLERMONECA established the regional K-Link network (operational since 2015), an online platform that connects existing knowledge platforms, and link their document repositories under a single document management and full text search system. K-Link currently has six partners connected: CAREC, ICARDA/CACILM (Central Asian Countries Initiative for Land Management), UCA-MSRI University of Central Asia – Mountains Research Institute, Camp Alatoo, State Agency on Environment Protection and Forestry (KG), and EcoMuseum (KZ).

The AWARE (Targeted Awareness Raising for Enhanced EU-CA Partnership) project under EURECA focused specifically on awareness raising, and as part of this it also produced publications and disseminated knowledge. AWARE was not selected as a sample project for this evaluation and the available documentation was thus not assessed in detail. Examples of knowledge activities under AWARE include the preparation of five national reports on the potential use of return waters, gaps and needs assessment for the implementation of the EU promoted SEIS (Shared Environmental Information System) in CA and case studies on environmental governance.²³⁴

²²⁸ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119, GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-128, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.09

²²⁹ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.09

²³⁰ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

²³¹ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.04, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.09

²³² EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²³³ GIZ (2015): *FLERMONECA Interim Narrative Report*

²³⁴ GIZ (2014): *Annex VI, Final narrative report*, AWARE, Contract number: DCI-ASIE 2011/277-203

WECOOP brought in international experts to present European and international best practice, e.g. on EIA, SEA, climate change and green economy, and thereby raised awareness, but did not engage in more comprehensive capacity development to support the implementation of these approaches in the CA countries (see I-412). Moreover, WECOOP created a website with information and knowledge on environmental themes, such as EIA, SEA, green economy, green technologies, but this web portal was closed after project completion and no provisions for transferring the information to a more long-term platform were put in place.

External factors

EU is far from the only actor supporting the generation and dissemination of knowledge in CA. Other donors, as well as academia and civil society is also involved. For example, UNEP supports knowledge related work at the regional level. GIZ is also working on biodiversity, forests, natural resources management, and transboundary basins under its regional programme funded by BMZ. No systemic roadblocks affecting the ability of the regional EU interventions to produce knowledge and make it available have been identified. It is however, likely that specific issues at the project level would affect the delivery of individual knowledge products.

4.2.2 I-422 Evidence of strengthened environmental monitoring systems in relation to ecosystems/biodiversity, water resources and climate change.

Description (of the indicator)

Access to reliable data on a range of parameters covering environmental issues is critical to ensure a good understanding of the environmental status, which allows informed decision-making, prioritisation and appropriate action. Moreover, good environmental monitoring is also a prerequisite to track the impact of policies and implementation to track whether a) environmental protection measures are leading to the intended results, and b) measures in other sectors are leading to unintended negative impacts on the environment.

Evidence of the change

The environmental monitoring capacity in CA is not fully developed and inadequate. While the countries carry out environmental monitoring, the methodologies and indicators applied often derives from Soviet times and are not always according to international best practice. In 2015, NSOERs and environmental data was made publicly available on government websites in four CA countries, and TM will also make the NSOER data available on a government website. For example, the CA countries only monitor a limited number of water quality indicators, the standard sampling teams are rarely observed, and the use of monitoring data remains inefficient. Moreover, over the past two decades the technical infrastructure for water monitoring has degraded due to financial constraints. Weak coordination among agencies and lack of uniform national databases and procedures for exchanging data are missing.²³⁵ KG did not collect and share water quality data for 20 years. Environmental monitoring in general is more well-developed in KZ than other CA countries; e.g. the Kazhydromet website presents automated data on air pollution and water resources. In general, limited availability of data is major issue in all the countries.²³⁶ While the CA countries are generally reluctant towards sharing data with each other, hydrological data on transboundary basins (but not data on water quality) is generally shared between the countries.

EU contribution

EU support has engaged in enhancing environmental monitoring in CA. the MONECA (Environmental monitoring in Central Asia) component of the FLERMONECA project was the main intervention in this regards, with a focus on building the capacity in CA to undertake environmental monitoring in accordance with the principles and approach of SEIS (Shared Environment Information System in the EU and its neighbourhood); thereby MONECA continued and further expanded the SEIS awareness raising carried out under AWARE. At the regional level, MONECA supported the Scientific Information Centres of ICWC and ICSD (SIC ICWC and SIC ICSD); the results of this support were, a) the development of an open regional portal on water quality under the SIC ICWC Website (www.aralbasin.net) although this website appears not to be fully functional, and b) improvements to the existing SIC ICSD website website for making regional NSOER related data publicly available

²³⁵ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²³⁶ GIZ (2015): *FLERMONECA Interim Narrative Report*

(<http://ecportalca.kz/en/>).²³⁷ Moreover, a regional training was conducted on the development of National State of Environment Reports (NSOER) (Almaty, 2014).²³⁸ A simple and visual guidance on NSOER preparation was published: “*The State of the Environment Handbook – a cartoon summary*”. The main focus of FLERMONECA, however, went to improving the national capacity in all five CA countries to develop their NSOERs in line with the SEIS principles and improving inter-institutional cooperation on environmental monitoring.²³⁹ Support for the individual countries included:

- Training (e.g. on biodiversity indicators, air quality indicators, climate change indicators (TJ), indicator reporting – and introducing EU/UNECE indicators). Trainers from UBA (the Austrian Environmental Agency) trained staff from key agencies, such as hydro-meteorological services, statistical services, and environmental protection agencies. A study tour was arranged for the five countries to Austria, Slovakia and Belarus to learn about their environmental monitoring and NSOER experience, incl. automatization of data collection and provision of public access.
- Development of indicators on biodiversity and air quality (climate change in TJ), based on EU indicators, and collection of data on these.
- Establishment of one-stop electronic databases where different agencies enter the data they collect and automated reporting on environmental indicators.
- Preparation of pilot chapters on biodiversity and air pollution for online NSOERs (in TJ, pilot chapters were prepared on biodiversity and climate change).
- Online NSOER website development for reporting on environmental indicators.

All five countries have prepared NSOERs using the new approaches and tools introduced for the pilot sectors and made the information available on government websites (TM still to launch the website by end 2015). However, the financial and technical capacity to replicate the approaches to other environmental sub-sectors generally appears somewhat limited, albeit with differences among the countries (e.g. the capacity in KZ being significantly higher than in TJ).

TJ also used the monitoring data for the preparation of TJ’s input to UNDP’s GEO-6 report (6th Global Environment Outlook) and the INDC (Intended Nationally Determined Contributions) submitted to the UNFCCC COP21 in Paris in 2015 (see I-412). CAREC assisted TJ in the preparation of TJ’s contribution to GEO-6 under FLERMONECA.

FLERMONECA also supported the introduction of amendments to the law on environmental monitoring in KG; so the law now has defined responsibility for information provision and foresees three types of monitoring: state monitoring conducted every seven years, annual monitoring by hunting unions and protected areas, and public monitoring where citizens can participate. Based on the data collected for the NSOER reports, FLERMONECA published “*The state of the Environment in Central Asia, Illustrations of Selected Environmental Themes and Indicators*”, which provides a visual, at-a-glance overview of the status selected environmental indicators in CA. CAREC published under AWARE and with SDC co-funding an *Analytical Review – Towards Implementation of Shared Environmental Information Systems (SEIS) in Central Asia*, which provides an overview of current public environmental information systems in the five CA countries.

The ERCA (Ecological Restoration and Biodiversity Conservation in Central Asia) component of FLERMONECA developed the National Wildlife Information Data Centre, a database at the State Agency for Environment Protection and Forestry.²⁴⁰

The UNDP implemented Toward a Sustainable Management of Water Resources in Central Asia project established a GIS-based database for the Ile-Balkhash basin in KZ. The database enabled Kazhydromet to systemize its data and establish a GIS-based a framework for data updating on water resources and climate risk. Kazhydromet staff was trained on GIS. The activity strengthened the cooperation on monitoring and data exchange between the Ministries of Agriculture, Environmental Protection and Emergency Situations in KZ. This inspired GoKZ to expand this work into creating a single automated information system as part of Kazhydromet’s 2013 work plan, finance by GoKZ.²⁴¹

²³⁷ GIZ (2015): *FLERMONECA Interim Narrative Report*, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²³⁸ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²³⁹ EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint presentation, Tashkent, 9 July 2015, GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁴⁰ GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁴¹ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

External factors

An overall challenge to improved environmental monitoring in CA is that some natural resource users are not interested in effective state control, since it could lead to limitations being posed on their use of these resources, e.g. water.²⁴²

MONECA also faced a resistance from national stakeholders towards regional cooperation and sharing of data, which would require more time and intensive regional coordination to overcome.²⁴³ In TJ, the project experienced delays due to, a) lack of commitment from the Committee of Environmental Protection to follow UNECE recommendations on indicator sharing, b) internal conflicts in the Committee, and c) tension with UZ regarding transboundary air pollution, which led to a change toward supporting work on climate change indicators instead. Moreover, MONECA experienced delays in most countries (except KZ) due to limited availability of data needed for the development of indicators. In TJ, TM and UZ the government approval of MONECA work plans and working groups took longer than anticipated and was only completed in end 2014 or early 2015. In KZ, the Ministry of Environment was dissolved as part of a government reorganisation, and the environmental monitoring was shifted to the Ministry of Energy; this caused a 3-4 months delay.²⁴⁴ On the positive side, there is an increasing commitment towards open sharing of environmental data, as evidenced by UZ passing a new law on access to environmental information in 2014.

4.3 JC 43 Extent to which EU support has contributed to developing the capacity of environment and water institutions and stakeholders to engage in transboundary management

4.3.1 I-431 Extent to which transboundary management plans have been formulated for water and ecosystem resources and implementation measures have been put in place.

Description (of the indicator)

Central to the ability to management transboundary natural resources, such as water, ecosystems and migratory species, is an integrated approach and joint planning and implementation involving all major stakeholders and agreed targets and coordinated action between the countries sharing the resource.

Evidence of the change

With the post-Soviet independence, the major river basins and several smaller basins went from being largely national basins within the Soviet Union to become transboundary basins shared by 2-4 CA countries. This required a changed legal and institutional framework for the management of the rivers, although it was immediately after independence agreed to continue with the water allocation agreements of the Soviet Union, and over time a number of regional agreements have been made prior to the period under evaluations, see I-413, table 2 for an overview of these. At the higher regional level, new institutions were created, such as ICWC, ICSD and EC-IFAS, but the capacity and mandate of these are insufficient to ensure effective collaboration on transboundary basin management.²⁴⁵ Basin Water-Management Joint Companies have been established for the major rivers, Amu Darya and Syr Darya and Basin Water-Management Joint Company for the major rivers, Amu Darya and Syr Darya.

For the smaller basins, only the joint Kazakh-Kyrgyz Commission has been established for the Chu and Talas rivers. There was significant donor engagement in the Chu-Talas Basin prior to 2007, and this basin is considered the best practice in CA on transboundary IWRM.

Moreover, KZ and KG are in the process of formalising a Commission for the Isfara river. In many of the basins shared by KG and TJ, the old Soviet system is still used for water allocation.²⁴⁶ IWRM principles are still fairly new to CA,²⁴⁷ and in TM IWRM and a multi-stakeholder approach is still in its

²⁴² UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²⁴³ GIZ (2013): *Interim Narrative Report, FLERMONECA*, GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁴⁴ GIZ (2015): *FLERMONECA Interim Narrative Report*

²⁴⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.05*

²⁴⁶ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.07*

²⁴⁷ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.07*

infancy.²⁴⁸ Nonetheless, KZ created in 2006 eight basin councils covering its major basins, but only two are fully functioning, as the others have insufficient financial resources.²⁴⁹

Similarly, some mountain, steppe and desert ecosystems became transboundary with independence. There is some cooperation on the conservation of species migrating across borders; for example, KZ and UZ cooperate on the management of saiga antelopes. For example, the countries currently discuss how to enable saiga to migrate after the planned border fence has been erected as part of the requirements of the Eurasian Economic Union, which KZ is a member of.

EU contribution

EU's regional support has promoted collaborative and integrated management of water resources both in relation to transboundary basins and basins within a single country.

At the overall regional level, WECCOP initially sought to strengthen the capacity of EC-IFAS, ICWC and ICSD through a comprehensive training programme; but in relation to EC-IFAS and ICWC the programme could only be partly implemented due to the location in UZ (see the below section on external factors, I-411 and I-413). Hence, the focus was mainly on strengthening of ICSD by providing TA and logistical support, which reportedly enriched regional cooperation on policies, EIA and SEA, climate change and risk management and green economy.²⁵⁰ However, the 2013 EU ROM monitoring mission found that WECCOP could not be directly credited for improvements in the regional cooperation or EU-CA cooperation.²⁵¹ WMBOCA also provided training and equipment and the establishment of a database for EC-IFAS, but with the low regional ownership and upcoming move of IFAS to TM, this effort may also become obsolete.²⁵²

The *Toward a Sustainable Management of Water Resources in Central Asia* UNDP project also engaged at the overall regional level, with regional capacity building (e.g. regional IWRM trainings), but the results achieved were limited due to external factors, and the intended involvement of TM, UZ and China in the project only happened to a limited extent (TM did not participate at all). Efforts to link KZ and China at the policy level were unsuccessful, although at technical level it worked better.²⁵³ Indeed, the project was unable to engage comprehensively in IWRM at the regional level.²⁵⁴ National level activities under the UNDP project worked better than the overall regional support and the project helped catalysing IWRM policy and institutional development in TJ (see I-432). A range of capacity building activities were carried out, such as training on IWRM and transboundary arrangements for local authorities and water users in border regions of KZ.²⁵⁵

However, the most significant contribution to transboundary management from EU's regional support was in the Isfara Basin under WMBOCA and to a lesser extent the *Toward a Sustainable Management of Water Resources in Central Asia* UNDP project. Table 3 below provides an overview of the basins supported by EU's regional programmes.

²⁴⁸ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

²⁴⁹ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.05

²⁵⁰ Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECCOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU

²⁵¹ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP*, MR-146780.05

²⁵² EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.04, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.09

²⁵³ Bosch, H.M. (2012): *Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia»*, UNDP

²⁵⁴ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*, MR-132004.13

²⁵⁵ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182*

Table 6 EU regional support for IWRM in specific transboundary river basins in CA

Project	Basin				
	Isfara	Chu-Talas	Ile-Bhalkash	Aral-Syr Darya	Murgab
	Countries covered by EU's CA regional programmes				
	KG, TJ	KZ, KG	KZ, (China)	KZ	TM
UNDP	X	X	X		
WBOCA	X			X	X
EUWI EECCA		(x) KG only			

By far, the most notable results on integrated transboundary basin management were achieved in the Isfara Basin. WBOCA facilitated the establishment of an inter-ministerial KG-TJ working group on Isfara River, working groups/basin councils in KG and TJ for participatory basin planning, updating/revision of the draft transboundary agreement between KG and TJ, and the formulation of basin plans in KG and TJ for Isfara River (published in May 2014) (see I-413) – the Isfara Basin Plan is the first ever developed in TJ. The Basin Councils established do not have formal authority, but provide recommendations for district/provincial-level government. The inter-ministerial working group and the Kyrgyz and Tajik basin councils for Isfara Basin were provided with technical equipment and instruments, and supported with training and expert inputs, and economic instruments were covered in the capacity building applied in the preparation of the basin plans.²⁵⁶ However, the draft KG-TJ agreement was not signed by KG, and as therefore it was not possible to establish the planned joint KG-TJ Basin Committee for Isfara river.

A major achievement of the project is that it successfully established participatory and transparent modalities for basin planning, with a broad stakeholder representation from different government sector agencies, local authorities, water resource experts, and civil society. The plans were developed by the working group members themselves with guidance from experts. As a result, there is a very high level of ownership. Public hearings were also carried out, thereby ensuring a holistic and transparent planning approach for Isfara Basin. Moreover, the establishment of the new management structure reportedly also improved the involvement of the district and provincial administrations (even if the new structures are of an advisory nature); in the past, their involvement was reportedly ineffective. Another significant result is the enhanced dialogue and cooperation between the two countries; this resulted in agreement on a common basin planning methodology, biannual meetings between the two basin councils and representation in the meetings in each other's council meetings.²⁵⁷ The basin plans are accompanied by one-year operational implementation plans.²⁵⁸

The basin plans developed have been adopted in both countries but the transboundary framework agreement as so far not been signed by KG (see I-413). The two Basin Councils were planned to be merged through a gradual process into the joint Basin Council for Isfara River, but this organisation has not yet been established, since the KG-TJ agreement has not been signed by KG.²⁵⁹ A tangible example of the improved cooperation is that in March 2013 there were water shortages in Isfara River, and KG allowed TJ to use water from KG's reserves.²⁶⁰ Another example of the improved KG-TJ cooperation is that in 2014 a mudflow damaged sections of a canal shared by KG and TJ, which affected TJ farmers. The two basin councils discussed the issue, and the Kyrgyz brought in machinery and repaired the canal for the benefit of the Tajik farmers.

²⁵⁶ GIZ (2014): *Annex VI, Final narrative report*, WBOCA, Contract № 277-119, EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint presentation, Tashkent, 9 July 2015, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²⁵⁷ GIZ (2014): *Annex VI, Final narrative report*, WBOCA, Contract № 277-119, EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint presentation, Tashkent, 9 July 2015, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, GIZ (2014): *Water Management and Basin Organisations in Central Asia, Basin Planning for the Isfara River in Kyrgyzstan and Tajikistan*, Bishkek, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.09

²⁵⁸ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.07

²⁵⁹ GIZ (2014): *Annex VI, Final narrative report*, WBOCA, Contract № 277-119, EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint presentation, Tashkent, 9 July 2015, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²⁶⁰ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.06

Prior to WMBOCA, the UNDP project also supported local basin governance institutions in the Isfara Basin and 12 water user associations (6 in each country) and a water user federation (TJ) were created, which enabled a more organised and proactive role of water users in relation to managing the water resources. Analytical work was carried out in KG and TJ and a joint IWRM review was carried out, which also served as a baseline for the basin plans subsequently developed with WMBOCA support. Events were held to promote KG-TJ transboundary cooperation. Moreover, demonstration plots were established (e.g. on drip irrigation), selected water infrastructure was rehabilitated and a local government unit for operation and maintenance of drinking water supply systems was created, trained and provided with equipment.²⁶¹ As a result of demonstration projects implemented, the water use was reduced by 30% for the participating water user associations, while crop yields were increased by 20-35%.²⁶²

The UNDP project also supported the Chu-Talas Basin, by setting up improved hydrological monitoring and supporting the automation of water division works for 20,000 ha in Kg and 22,000 ha in KZ, which was a step forward for transparent water sharing.²⁶³ EUWI EECCA also supported the introduction of basin planning of the Chu Basin through the National Policy Dialogue process in KG²⁶⁴, a methodology for the implementation of basin planning was developed and an inventory of water infrastructure prepared. In 2013, the Chu Basin Council was created but while the NPD process has supported the process, its creation cannot be attributed to EUWI EECCA.

In the Ile-Bhalkash Basin, the UNDP project intended to promote KZ-China transboundary cooperation. However, the actual engagement of China in the project was limited, so the support was mainly focused on enhancing Balkhash-Alakol Basin (KZ part of Ile-Bhalkash Basin) institutions' capacity to implement IWRM in its management of the Kazakh part of the basin, although it did carry out some KZ-China discussions at the technical level, and KZ national experts were trained in China on water efficiency. Nonetheless, the inventory and hydrological modelling helped clarifying that the main issue affecting the water flow is not over abstraction in China, but rather due to water leakages an evaporation from the water infrastructure in KZ, thereby removing some tension between the two countries. Significant results in KZ were a) a formally approved Balkhash-Alakol Basin Plan, and b) the establishment of a functional Basin Council involving all major stakeholders.²⁶⁵

Overall, under the UNDP project various demonstration projects in the pilot basins covered different sectors and demonstrated IWRM principles and approaches.²⁶⁶ The project showed that demonstrating IWRM in practice at basin level in combination with national level activities is a way to promote IWRM and transboundary dialogue and cooperation. The final evaluation found that a lesson from the UNDP project is bottom-up processes starting from the local/national level and subsequently moving to the regional level provide a stronger foundation interstate cooperation than a top-down process starting at the regional level.²⁶⁷ However, the ROM monitoring mission found that the project did not manage to promote an effective link from the local to the national level, and that its achievements were limited. For example, while the project did manage to make progress in developing policies, which promoted transboundary collaboration in KG and TJ, but these were not informed by the demonstration projects implemented.²⁶⁸

WMBOCA also promoted IWRM in two other pilot basins (Aral-Syr Darya in KZ, Murgab in TM), but while these basins are transboundary these pilots only involved a single country and did thus not

²⁶¹ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia»*, EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182

²⁶² Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁶³ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁶⁴ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

²⁶⁵ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia»*, EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182, Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁶⁶ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia»*, EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182

²⁶⁷ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁶⁸ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.13*

tackle transboundary management. This is surprising, when considering that the overall objectives of WMBOCA were a) *to build and improve institutional capacities to manage river basins for selected transboundary rivers and sub-basins*, and b) *to develop individual and institutional capacities for joint river basin planning in selected transboundary rivers and sub-basins*. The reason for this engagement in only a single country was that a) UZ did not want to participate in WMBOCA, and b) that it proved unfeasible to engage Afghanistan in Murgab. Moreover, the number of transboundary basins within Central Asia is limited.

In the large Aral-Syr Darya basin, the project supported the Aral-Syr Darya Basin Council (KZ), and also facilitated the establishment of two small basin councils (Ugam-Kelles and Aralsk Small Basin Councils), each covering a section of the basin. Capacity building on IWRM and basin planning and analytical work was carried out, thereby strengthening the administrative processes.²⁶⁹ The small basin councils have a broad representation of stakeholders from inside and outside government; these councils provide advice to the Aral-Syr Darya Basin Council; thus strengthening its link to, and legitimacy at, the local level.²⁷⁰ Support for the carrying out of regular meetings reduced the number of water-related disputes.²⁷¹ WMBOCA's support inspired a decision by the Government of KZ to finance the establishment of a third sub-basin council in Aral-Syr Darya basin councils in other rivers from its own budget.²⁷² While WMBOCA support was at the national/sub-national level, it also contributed to enhancing the capacity of KZ to engage in transboundary management of the Syr Darya Basin (one of the two principal basins in CA), if UZ changes its position in the future. The sub-basin councils in Aral-Syr Darya is considered a best practice in basin management in CA, and WMBOCA brought the Head of the Syr Darya Inspection to KG, TJ and TM to share this experience with the other countries.

In the Murgab Basin (TM), WMBOCA implemented inter-sectoral dialogues at national and local levels on basin planning and climate change adaptation.²⁷³ Moreover, technical support on provided to provincial water administrations, and piloting of IWRM implementation was initiated in the Cepekyab sub-basin, with a) the development of a basin plan by a local expert which was at national stakeholder dialogues with ministries and agencies, and b) training for working groups. The focus of the national dialogues was to advocate for integrated basin planning and transformation from the current centralised water management in TM.²⁷⁴

To a lesser extent, EU's regional support has also engaged in regional biodiversity conservation under FLERMONECA. The support was not provided for the development and implementation of management plans for specific transboundary ecosystems/landscapes or individual wildlife populations migrating across boundaries in CA, nor was support provided for pilot actions on transboundary management of biodiversity or ecosystems. However, FLERMONECA supported the development of both regional and national programmes of work for the Central Asian Mammals Conservation Initiative (CAMI) as well as the development of the International Argali Action Plan (see I-413).

External factors

Several factors have influenced the ability of EU interventions to achieve the intended results or the scope for replication/upscaling. A number of these are already described under I-411 and I-413.

Some of the countries have strained relations to each other, which affected the ability to engage them in regional approaches.²⁷⁵ For example, TJ has limited trust of any organisation located in UZ, including EC-IFAS and SIC ICWC.²⁷⁶ (See I-411 and I-413). An example of a concrete challenge is the complex border system (KG, TJ, UZ) and the presence of different ethnic groups in the Isafara basin.²⁷⁷ UZ was not involved in the joint management of the Isfara Basin, although a minor proportion of the basin is located in UZ; on one hand inclusion of UZ would make it difficult to make progress due

²⁶⁹ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.09, EC (2015): *EU Regional Environmental Programme for Central Asia Phase I: Results and lessons learnt*, PowerPoint presentation, Tashkent, 9 July 2015

²⁷⁰ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-128

²⁷¹ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²⁷² GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-128

²⁷³ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

²⁷⁴ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

²⁷⁵ Bosch, H.M. (2012): *Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia»*, UNDP

²⁷⁶ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.04

²⁷⁷ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.07

to the tensions between the countries (see I-413), but on the other hand exclusion of UZ could potentially pose a risk.²⁷⁸

The interest in regional and transboundary cooperation is uneven, both among the CA countries as well as within the countries (see I-413). For example:

- The four main rivers in TM have their sources in other countries, and there therefore is an interest in transboundary cooperation (see I-413).²⁷⁹
- The Government in TJ is showing an increasing interest in IWRM.²⁸⁰
- The Government in KG intends to use the Isfara Basin as a model for other basins in KG, but due funding constraints such replication is unlikely to occur.²⁸¹
- In KZ, there political will to cooperate on transboundary basins is limited.²⁸²
- CA countries are more interested in using EU funding for national implementation than for regional actions (see I-413).²⁸³

Moreover, the economic dimension of water management is weak in water policies, including the design and implementation of economic instruments.²⁸⁴ In KG, TJ and TM the policy framework is gradually improving vis-à-vis IWRM.²⁸⁵ In KG, the policy framework is conducive for IWRM.

The institutional arrangements and capacity constraints have also created challenges for the achievement of the intended results of EU funded interventions. Examples include:

- There is poor coordination between the CA countries, but also between government agencies within the countries.²⁸⁶
- Decision-makers in CA countries are disappointed with the performance of EC-IFAS and have limited interest in the continuation of EC-IFAS, so any strengthening that may have been achieved could become obsolete.²⁸⁷ The lack of a strong and credible regional environmental organisation poses a significant challenge for EU support, as there is no obvious entry point (see I-413).²⁸⁸
- In China, the Ministry of Environment is responsible for transboundary water management, but KZ did not have ministry with such a mandate; the lack of an equal partner hampered the ability to reach a political agreement on transboundary cooperation. However, KZ is now restructuring and the Ministry of Environment will become responsible for transboundary water management. However, the restructuring in KZ also created temporary unclarity on water related mandates.²⁸⁹
- Cooperation with TM and UZ can be difficult for regional projects due to government procedures and rules (see I-413).²⁹⁰
- Lack of equipment and/or financial resources affect the maintenance of water infrastructure in CA.²⁹¹

²⁷⁸ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.04

²⁷⁹ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.08

²⁸⁰ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.07

²⁸¹ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.06

²⁸² EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*, MR-132004.13

²⁸³ GIZ (2013): *Interim Narrative Report, FLERMONECA*

²⁸⁴ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*

²⁸⁵ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

²⁸⁶ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*

²⁸⁷ EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.04

²⁸⁸ GIZ (2013): *Interim Narrative Report, FLERMONECA*

²⁸⁹ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

²⁹⁰ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

²⁹¹ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

- The regional capacity to implement technical projects is higher than that to implement soft components, such as institutional development, and awareness raising.²⁹²

Nonetheless, irrespective of the policy and institutional shortcomings at the national level, IWRM implementation at the basin level can still take place in CA countries. In TJ and KG, such this even applies to transboundary basins, as demonstrated in the Isfara Basin.²⁹³

Several development partners are engaged in the water sector in CA (e.g. in KG), incl. ADB, SDC, GIZ, UNDP and the World Bank, and overall changes at the national and regional levels are difficult to attribute to a specific donor.²⁹⁴ For example, several donors engaged in the Chu-Talas Basin, although donor support waned during the period evaluated. Both the World Bank and SDC are supporting the basin planning process in Chu. In Isfara, both UDNP and GIZ have implemented projects with funding from other donors. GIZ's regional water management programme (funded by Germany) engaged in Isfara prior to, during, and after WMBOCA, and initiated the work on preparing the KG-TJ agreement and carried out important infrastructural work, such as rehabilitating the Isfara headworks. Helvetas (SDC funded) also implemented activities in Isfara Basin. (see I-343)

The drop in global oil prices in 2015-2016 has significantly impacted KZ's economy, so while the government in 2014 and 2015 could allocated funds for basin councils, it is uncertain whether this is also possible in 2016. KG is also affected by the low oil prices, due to its economic dependency on Russia.

4.3.2 I-432 Evidence of environmental policy and regulatory reforms having taken place at the national level in line with the provisions and objectives of EU's regional support and policy dialogue.

Description (of the indicator)

An appropriate policy and legal framework and institutional structure is a prerequisite for sustainable environmental management and for the implementation of the commitment under MEAs, e.g. in relation to transparency and participation. Moreover, a strong and conducive national framework is important for regional and interstate cooperation. For example, the presence of a national frameworks are in place for IWRM will greatly facilitate, a transboundary basin management approach to the management of shared rivers; for example, national laws should give formal and legal recognition and authority for transboundary management organisations.

Evidence of the change

As described in I-421 the policy framework is not fully conducive for transboundary management of water resources and ecosystems and IWRM, although there are significant differences, e.g. with strong policy framework in KG and especially KZ, but a weak one in TJ.²⁹⁵ Nonetheless, progress has been made – and is being made – towards national policy reforms promoting IWRM, basin approaches, and decentralised environmental management with stakeholder and private sector participation, at least in KZ, KG, TJ and TM.²⁹⁶

A challenge for the promotion of integrated approaches in policy-making is the generally limited involvement of, and coordination between, different ministries and agencies with a stake in water resources and in environmental management.²⁹⁷ In general, the some of the legislation in CA countries needs updating or revision. There are discrepancies in the legislation between the CA countries, e.g. regarding IWRM implementation, economic instruments and participation, which are an obstacle for regional cooperation.²⁹⁸ Water policy and regulation is usually led by ministries of agriculture (irrigation

²⁹² Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁹³ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁹⁴ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.06, EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.09

²⁹⁵ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia*, MR-144988.09

²⁹⁶ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

²⁹⁷ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*; UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

²⁹⁸ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

is the main consumer of water). However, groundwater is regulated by other departments than surface water, i.e. by geological or mining departments; this setup is not conducive for integrated management.²⁹⁹ Other sectors also use, or have an interest in, water resources, but have until recently not been involved in water policy-making. Water management boundaries follow administrative boundaries rather than basin boundaries.³⁰⁰

Nonetheless, progress has been made in terms of policy reform, and in involving different ministries and departments in KG, TJ, and TM.³⁰¹ KG, TJ and TM are moving towards management responsibilities following basin boundaries.³⁰² In these countries, the legal framework is also being revised, e.g. to introduce water costing principles, and promote IWRM³⁰³ and establish a conducive institutional framework. Other environmental policies and legislations have also been passed. Notable progress includes:

- KZ: Creation of river basin councils,³⁰⁴ passing of a Green Growth policy also covering the water sector;³⁰⁵ and State Programme of Water Resources Management for 2014-2040 was drafted.³⁰⁶ Passing of the Law on Renewable Sources of Energy and the Strategy on Transition to a Green Economy was drafted.³⁰⁷ The 2012 Forest Code include private sector, and a decree from 2012 stating that 50% of costs in private sector afforestation would be subsidised by the Government (but the scheme did not work due to lack of capacity in the Forest and Wildlife Committee).
- KG: Adoption of new Water Code in 2005 based on IWRM and basin management principles (although the Water Code is not yet being implemented). Establishment of a National Water Council,³⁰⁸ establishment of a Basin Council and Basin Management Plan for Chu river,³⁰⁹ enhancing the status of the Water Management Authority to a State Committee in 2010.³¹⁰ Preparation of the National Sustainable Development Strategy for the Kyrgyz Republic for the Period of 2013-2017 (approved by cabinet in 2013). The ongoing forest sector reform focuses on decentralizing forest management to local forest enterprises. KG is a pioneer country on pasture management and adopted the new Pasture Law in Jan 2009, and amended in 2011, 2012, and 2014. The new law devolves the responsibility for pasture management to the pasture users /local self government level. A law on preserving wildlife in transboundary locations and facilitating their migration across borders was ratified in 2013.
- TJ: Revival of the National Water Council,³¹¹ draft National Water Sector Strategies Reform promoting basin planning and devolution of responsibility to the basin level,³¹² the amendment

²⁹⁹ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

³⁰⁰ UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

³⁰¹ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

³⁰² UNECE, CAREC: *Development of Regional Cooperation to Ensure Water Quality in Central Asia, Diagnostic Report and Cooperation Development Plan*

³⁰³ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

³⁰⁴ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

³⁰⁵ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.05*

³⁰⁶ Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014, EU*

³⁰⁷ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.01*

³⁰⁸ Bosch, H.M. (2012): Terminal Evaluation Report, «*Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia*», UNDP

³⁰⁹ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.09*

³¹⁰ EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*

³¹¹ EC (2013): *Monitoring Report, Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia, MR-132004.13*

³¹² GIZ (2014): *Annex VI, Final narrative report, WMOCA, Contract № 277-119, EC (2015): Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I, EC (2013): Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-*

of the Water Code in 2013 introduced IWRM and basin planning (amendment process still ongoing).³¹³ The Water Sector Reform Programme (strategy) for 2016-2025 partly transfers responsibilities to the private sector, clarifies respective responsibilities, formalise the adoption of IWRM principles and a results-based management approach, and has been submitted to the President for approval (formally approved under Presidential Resolution on 30 Dec 2015). Approval of the Forest Code in 2013, which promotes multipurpose forest management.

- TM: Amendment of the Water Code with inclusion of basin planning and IWRM principles, WUA rights and decentralised water management and the option of charging water fees.³¹⁴ Passing of a Climate Change Adaptation Strategy.

Another challenge is the implementation of policies and laws, which is limited by capacity constraints and insufficient funding. KG adopted its water code in 2005, but it is not being enforced.³¹⁵ Similarly, KZ is not enforcing its Water Code.³¹⁶

EU contribution

EU funded regional interventions have contributed to the national water and environment policy frameworks and reform process. While the focus of the policy inputs was most often not specifically aimed at transboundary management, they generally promoted inter-agency dialogue and cooperation, stakeholder participation, economic approaches/cost recovery, IWRM and basin approaches, all important elements for enabling transboundary approaches and cooperation. EU support thereby contributed both to the development of specific policies as well as to changing the policy-making process towards better coordination and dialogue between government agencies and a stronger involvement of local government and stakeholders outside government.

The key focus of EUWI was to support water policy development through policy advice, technical support, analytical studies, training, and especially facilitation of dialogue and coordination through the National Policy Dialogue (NPD) process in KZ, KG, TJ and TM, taking departure in the countries' priorities. Government ministries and agencies from different sectors, NGOs and academia participated in NPDs. In some cases, there was a regional or transboundary angle to some of the discussions under the NPDs, i.e. in KZ and TM on the formulation of policies in line with the commitments under the UNECE Water Convention, and in KG regarding engaging in regional negotiations and dialogue with KZ on the Chu-Talas Basin.³¹⁷ Important contributions from the NPD process and EUWI EECCA in general include:

- KZ: The NPD became operational in 2013. Hence, it is too early to assess the results of this NPD: Work was carried out on developing sustainable business models for water supply and sanitation in small towns.³¹⁸
- KG: Analytical work on water saving technology options for irrigation in the Chu Basin. Development of a regulation for the establishment of Chu River Basin Council, and an action

144988.07, OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

³¹³ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.09*, EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.07*

³¹⁴ GIZ (2014): *Annex VI, Final narrative report, WMBOCA, Contract № 277-119*, EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, EC (2012): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.03*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.08*, EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.09*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.09*, interviews

³¹⁵ Volovik, Yegor (2011): *Overview of Regional Transboundary Water Agreements, Institutions and Relevant Legal/Policy Activities in Central Asia*, UNDP, EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.06*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06*

³¹⁶ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06*

³¹⁷ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*; EU (2011): *Annex I DCI-ENV 12011/260-062, 2.1 Description of the action*; interviews

³¹⁸ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

plan and targets to achieve the water Millennium Development Goals through implementation of the Protocol on Water and Health.³¹⁹

- TJ: Facilitation of the design of the draft National Water Sector Strategies Reform, e.g. through support for the drafting of a development strategy for the irrigation sub-sector. Analysis of needed changes in legislation in relation to IWRM.³²⁰
- TM: Facilitation of the drafting of a new Water Code introducing basin management.³²¹ The participatory dialogue approach used for the Water Code Revision is now being replicated by GoTM in the drafting of other environmental laws, which is a significant change in TM, where decision-making is centralised. Establishment of inter-ministerial expert group which reviewed the national legislation in light of adopting the UNECE Water Convention.³²²

However, while the NPD processes in CA countries have contributed to the reform process, their contributions appear mainly to be in terms of facilitating discussion and dialogue, and the reform results achieved cannot be attributed directly to the NPDs, since more tangible policy formulation and pilot testing was carried out by other projects (incl. WMBOCA). Stakeholders in general find that the main value and contribution of the NPD process is that it provides a forum for discussion, sharing of information, and coordination. Some stakeholders report that the NPD is affected by that fact that apart from the lead ministry, the others are not represented at the Deputy Minister level but at the Director/Head of Unit level, and NPD meetings are therefore unable to make decisions. Moreover, while EUWI EECCA is noted for bringing in high quality technical experts, the ability to follow up on such inputs is constrained by the lack of on-country presence of the implementing partners (UNECE and OECD).

WMBOCA (GIZ, CAREC) contributed to NPD processes in CA led by EUWI (UNECE, OECD).³²³ WMBOCA funded two NPD meetings in KG and one in TJ with a focus on basin management/IWRM and the WMBOCA experience from the Isfara Basin. A study tour to Germany was arranged for water managers from CA so they could learn from the experience with the European Water Framework Directive; this experience influenced the water reform process on TJ by demonstrating the value of a basin approach. Moreover, WMBOCA developed a basin planning concept, to which national partners have agreed. In KZ, the small basin councils established in the Syr Darya basin inspired GoKZ to establish other basin councils from its own budget (see I-431), and also to approve a new law on basin management.³²⁴ WECOOP also supported the NPD in TJ, but the nature and extent of this support is unclear and appears to have been limited³²⁵; no awareness of this input was found among the Tajik stakeholders interviewed.

In KZ, WECOOP supported a public hearing/roundtable discussion (Almaty, 2014) on the Draft State Programme of Water Resources Management for 2014-2040, which provided recommendations submitted to the Ministry of Environment and Water Resources, but the extent to which these recommendations were incorporated is not known.³²⁶

The UNDP implemented project, *Toward a Sustainable Management of Water Resources in Central Asia*, also supported national policy reform processes and was found to be the terminal evaluation to be

³¹⁹ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062*, OECD - UNECE Annual Report (June 2014-May 2015), EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures*, MR-144991.09

³²⁰ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062*, OECD - UNECE Annual Report (June 2014-May 2015), GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

³²¹ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062*, OECD - UNECE Annual Report (June 2014-May 2015)

³²² OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062*, OECD - UNECE Annual Report (June 2014-May 2015)

³²³ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

³²⁴ GIZ (2014): *Annex VI, Final narrative report*, WMBOCA, Contract № 277-119

³²⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP*, MR-146780.03

³²⁶ Landell Mills Ltd (2014): *Regional Environment Programme for Central Asia – EURECA (2009) – Decision DCI-ASIE/2009/021-337, Regional Coordination and Support for the EU-CA Enhanced Regional Cooperation on Environment and Water: WECOOP, Identification No.: Europeaid/130-954/C/SER/Multi, Final Report, Service Contract Number: 262-949, February 2012 to July 2014*, EU

a catalyser for IWRM policy and institutional development in KG and especially in TJ.³²⁷ In KG, the project provided analytical work (e.g. a study on the impact of climate change on the water sector; an analytical paper on the water sector reform vis-à-vis IWRM principles; and guidelines for the development of an integrated financial strategy for water management although the strategy was never adopted by the Government of KG) and facilitated stakeholder meetings supporting the development of the National IWRM Strategy and the development and providing inputs to the water resources chapter of the National Strategy on Climate Change Adaptation, the National Agricultural Development Strategy (2013-2015). In TJ, the project supported the development and revision of laws, e.g. on drinking water and water supply and on dam safety; moreover, analytical work was carried out, such as analytical reports on IWRM in TJ, and in the Zeravshan and Isfara basins. Irrigation reform was also supported in TJ with the development of a methodology for developing an inventory of irrigation systems.³²⁸ The pilot work in the Isfara Basin demonstrated the value of embracing IWRM in water policies.³²⁹

FLERMONECA supported national policy reform in relation to biodiversity and ecosystem protection, and in particular in relation to forest governance. In relation to biodiversity and ecosystem laws and policies, the ERCA (Ecological Restoration and Biodiversity Conservation in Central Asia) component of FLERMONECA supported the following:

- KZ: Amendment of the law on flora and fauna. TA for the drafting of amendments of the Ecological Code, Administrative Code, Tax Code, Law on Protected Areas, regulations (e.g. on gas flaring and on saiga horn trading), and other laws and by-laws; Some, but not all, of the proposed amendments were incorporated in the *Law on Amendment to Legal Acts Related to Flora and Fauna*. Dialogue and TA on reforms in the hunting sector to delegate part of the authority to private concessions.³³⁰
- KG: Stakeholder dialogue and training for the introduction of system for integration of ecosystem services in environmental-economic accounting and planning (however, stakeholder interest was not sufficiently strong to further promote the concept). Support for the development of hunting regulations and rules of hunting licensing (the new Hunting Law was adopted in 2014).³³¹ Supported the Coordination Council in holding coordination meetings for government entities and donors, which lead to an MoU between Ministry of Agriculture and the State Agency for Environment Protection and Forestry.
- TJ: Support for public consultations on bylaws, technical review of draft bylaws and analysis of institutional setup for the new the pasture law (law endorsed in 2013, but not being implemented).³³² Input to the amendment of the Pasture Law. Established and facilitated the Pasture Management Platform (Dec 2013) for government entities for joint learning, discussions informing decision-makers and commenting on the draft law. Public hearings were arranged.
- TM: Drafting of a new law on pasture management (passed in 2015).³³³

Moreover, exchange visits were arranged so that TJ and TM could learn from KG's experience with hunting legislation and pasture reforms.³³⁴ An international conference on pasture management was held in KG (Nov 2014) and led to the establishment of the Regional Pasture Network.

Furthermore, sustainable use and management of wildlife resources was piloted at the local level with community-based wildlife conservation and hunting organisations in KG and TJ in order to test and inform policy reforms. Based on the experience from TJ, ERCA supported the establishment of two pilot community-based hunting conservancies. ERCA helped them with the establishment of the framework to obtain legal status and provided training on monitoring, business skills and eco-tourism.

³²⁷ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

³²⁸ UNDP (2013): *Final Report, 16 December 2008 – 15 December 2012*, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», EU-UNDP Project (2008 - 2012) Contribution Agreement no. 170-182

³²⁹ Bosch, H.M. (2012): Terminal Evaluation Report, «Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia», UNDP

³³⁰ GIZ (2015): *FLERMONECA Interim Narrative Report*

³³¹ GIZ (2015): *FLERMONECA Interim Narrative Report*

³³² GIZ (2015): *FLERMONECA Interim Narrative Report*

³³³ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, GIZ (2015): *FLERMONECA Interim Narrative Report*

³³⁴ GIZ (2015): *FLERMONECA Interim Narrative Report*

In KZ, a protected area for wildlife conservation was piloted in the former nuclear test site Semipalatinsk.³³⁵

The FLEG (Forest Law Enforcement and Governance) component of FLERMONECA aimed at improving the institutional capacity and legal framework for the forest sectors, to enhance transparency and stakeholder participation in forest governance. Capacity building (e.g. courses on participatory forest management in KG, TJ and UZ; capacity building in KZ on private sector afforestation in KZ; training on prosecution and business process modelling in TJ), TA (e.g. international and national expert inputs to the drafting of policy, legal and strategy documents), facilitation of technical working group and coordination meetings, analytical studies (e.g. of legal and policy framework, structural issues), and exchange visits were provided, including a visit to Germany (2014), TJ (Apr 2014), KG (Jun 2015), UZ (Aug 2015), Caucasus, and Turkey.³³⁶ However, in KZ and KG implementation and progress was initially limited and in TM and UZ the project start was delayed considerably, see below section on external factors. Nonetheless, FLEG influenced national policy processes to include FLEG principles, e.g. on transparency and stakeholder participation, as follows:

- KZ: Elaboration of the State Programme for Forestry Sector Development 2013-2020 and National Forest Plan, reforms piloted in selected districts.³³⁷
- KG: Amendment of National Forest Action Plan and setting up structure and arranging stakeholder dialogues for forest sector reform – a piloting decree was signed in 2015.³³⁸ FLEG also facilitated the coordination of donors and of pilot project funded by other donors to ensure that lessons were informing policy dialogue and the reform process.
- TJ: Amendment of the Forest Sector Development Strategy for 2015-2030 (finalised in Apr 2015 and scheduled for approval by end 2015)³³⁹. Integration of ecosystem services in the Forest Sector Strategy.³⁴⁰ Development of joint forest management procedures (endorsed in Oct 2015) and provisions (not endorsed yet). Development of regulations, provisions and procedures under the Law on Hunting Reserves (endorsed in 2014).
- TM: Legal and technical expertise provided for the amendment of the Forest Code and four bylaws (approved by law signed in 2015).³⁴¹
- UZ: Development of new National Forest Programme.³⁴²

The MONECA component of FLERMONECA supported the introduction of amendments to the laws on environmental monitoring in KG.

Mid-level specialists participated regional WECOOP events exchanged experiences with CA and European colleagues, and reportedly, they have subsequently influenced their ministers and environmental legislation, although concrete examples of this are not presented in the available project documentation, nor were any identified during the evaluation mission. In 2013, the ROM monitoring mission found that WECOOP was likely to have made a significant contribution to enhancing awareness and policy improvements in KZ, but that it was not possible to differentiate the contribution from that of other development partners.³⁴³ Similarly, the ROM Mission assumed that WECOOP enhanced the impact of the President's Strategy for Transition to Sustainable Development and a Law on Strategic Planning for Sustainable Development, but without tangible examples or explanations of how such influence was achieved.³⁴⁴ Indeed, no concrete examples of a link between WECOOP events and policy changes were found during the country visits, although WECOOP events may have raised awareness among participants, which in combination with other factors have influenced policy work. WECOOP's impact in TJ was limited by a low level of knowledge of the project and a lack of appreciation and ownership among stakeholders due to the absence of an in-country

³³⁵ GIZ (2015): *FLERMONECA Interim Narrative Report*

³³⁶ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, GIZ (2015): *FLERMONECA Interim Narrative Report*

³³⁷ GIZ (2015): *FLERMONECA Interim Narrative Report*

³³⁸ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, GIZ (2013): *Interim Narrative Report*, FLERMONECA

³³⁹ GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁴⁰ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*

³⁴¹ EC (2015): *Speaking notes for the presentation on the results and lessons learnt of the EURECA Phase I*, (GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁴² GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁴³ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.01*

³⁴⁴ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECOOP, MR-146780.02*

presence and the lack of a linkage to project implementation and tangible outputs and outcomes.³⁴⁵ WECCOP workshops and capacity building activities were stand-alone activities without a link to more long-term capacity building processes. No examples of tangible outcomes of WECCOP activities were found during the evaluation team's field mission to CA. A closer link between WECCOP and the other regional programmes could potentially have helped overcome the limitations and enhanced the ownership of WECCOP.

External factors

A number of external factors have influence the implementation of EU's regional interventions and the extent to which the intended results could be achieved. As mentioned under I-412, the political priority given to environment is often lower than that given to economic development, and financial allocation, policy implementation and legal enforcement is often insufficient. However, the picture is not even, and the countries do display political will in some ways. For example, TM is generally reported to attach significant importance to environmental protection.³⁴⁶ In KG, the picture is mixed, on one hand the government had the intention to commit significant funding to the implementation of the five-year plan for sustainable development, but at the same time the water code has been weakly enforced.³⁴⁷ KZ displayed a strong commitment to environmental issues, e.g. with its green growth policy, but there are also signs of this commitment having declined, as evidenced with the dissolution of the Ministry of Environment in 2014.³⁴⁸

Restructuring of government has in some cases caused delays or created challenges for programme implementation. The dissolution of the Ministry of Environment in KZ created problems for the coordination of the legal amendment process.³⁴⁹ Prior to this the movement of the responsibility for water policy in KZ from the Ministry of Agriculture to the Ministry of Environment caused delays.³⁵⁰ Political instability in 2010 in KG followed by change of President and shift from presidential to presidential-parliamentarian system delayed reform process in the environment and water sectors. In TJ, the restructuring of the Committee on Environmental Protection caused considerable delays for FLERMONECA³⁵¹, for example, after the Pasture Law was passed, there was no designated lead authority until 2015 and pasture lands fall under several institutions.

Capacity constraints and insufficient staffing within ministries and agencies has been a challenge for the promotion of IWRM, as overstretched staff have been reluctant to assume what was perceived as an additional workload. Capacity constraints and financial constraints also affects the capacity to implement policies.³⁵²

Issues related to approval have in several cases cause significant delays in programme implementation and thereby affected the ability to achieve the intended results, especially for FLERMONECA. In KZ, the Ministry of National Economy was unwilling to approve the State Forest Programme (the focus of FLEG) due to a difficult economic situation and a lack of GoKZ funds for new programmes; the Ministry of Agriculture complained about this decision, and in 2015 an agreement had still not been reached on whether the programme will be approved. The FLEG implementation agreements with UZ and TM were not signed until mid 2014 causing significant delay in national activities, although stakeholders from the two countries still participated in working groups and regional events.³⁵³

Several development partners are engaged in the water sector in CA and changes are difficult to attribute to a specific donor (see I-431). For example, in KG the donors operating in the IWRM sub-sector are: Norad, the World Bank (large basin planning project with funding from SDC – recently started), SDC (e.g. funding Helvetas projects), UNDP-GEF, GIZ/Germany (GIZ Regional Programme), Finnida (Finwater project), USAID. In TJ, several donors supported the water sector and contributed to the reform process, incl. UNDP (with funding from EU and other donors), UNECE (with funding from

³⁴⁵ EC (2013): *Monitoring Report, Regional coordination and support for the EU - CA enhanced regional cooperation on Environment and Water: WECCOP, MR-146780.03*

³⁴⁶ EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.08*

³⁴⁷ EC (2013): *Monitoring Report, Capacity building on river basin planning for water management organisations and joint river basin structures, MR-144991.06*, EC (2013): *Monitoring Report, Supporting water management and strengthening transboundary river basin administrations in Central Asia, MR-144988.06*

³⁴⁸ GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁴⁹ GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁵⁰ OECD – UNECE (2015): *European Community Contribution Agreement with an International Organisation, Europeaid/DCI-ENV/2011/260-062, OECD - UNECE Annual Report (June 2014-May 2015)*

³⁵¹ GIZ (2015): *FLERMONECA Interim Narrative Report*

³⁵² Interviews

³⁵³ GIZ (2015): *FLERMONECA Interim Narrative Report*

EU and other donors), GIZ ((with funding from EU and Germany), the World Bank, ADB, SDC, FAO, USAID, OSCE, JICA, EU bilateral support. The EUD in TJ also mobilised funds in 2011-13 for a framework contract to help driving the reform process.

Other environmental sub-sectors seem to receive less donor attention. In TJ, a number of donors are engaged in the pasture sector, such as IFAD, UNDP, GIZ (EU and German funding), whereas only few donors are engaged in the Forest Sector: FAO (since 2015), GIZ (EU and German funding).

KZ has embraced the green economy as a policy objective. But with the closure in Oct 2014 of the Ministry of Environment and transfer of the responsibility for environment to the Ministry of Energy and Forest and Wildlife Commission to the Ministry of Agriculture, the continued commitment appears uncertain. Moreover, the cooperation and coordination between the different ministries and agencies as well as a low level of understanding of the concept and is a hindrance to the implementation of the Green Economy Strategy. The closure of the Ministry of Environment affected FLERMONECA implementation and created some delays, e.g. in terms of passing draft laws and improving the Draft Forest Sector Programme. KZ is also significantly affected by a financial crisis due to the drop in oil prices and devaluation of the rubel. The Tenge was devaluated by 100% over 2014-2015 Government expenditure is being cut significantly. Hence, many programmes have not been approved, including the FLEG supported draft State Forest Programme, which has waited since Aug 2015 for approval. The reform processes supported by FLEG and ERCA were thus not completed during the lifespan of FLERMONECA.

5 EQ 5 on border management

Has the regional-level EU support to CA contributed to improving legal flows of passengers and goods and enhancing the fight against organised crime in CA?

5.1 JC 51 Extent to which EU support contributed to legal and institutional reforms of border services

5.1.1 I-511 Presence of ratified and implemented international agreements and amended national legislation.

Description (of the indicator)

International agreements may be concluded between two (bilateral) or more (multilateral) parties involved in border management. Such international agreements constitute the legal basis for cross-border cooperation and entail on the development of countries' legal frameworks. Multilateral international agreements are often used for general law enforcement cooperation while bilateral international agreements may prevail in the border management field, defining cross-border cooperation, delimitation and demarcation of common borders, defining the establishment joint or co-located BCP, etc. International agreements may either constitute the immediate legal basis for the introduction of specific types of work (joint patrols, joint operations, etc.) or constitute the legal basis for the development of subsidiary national legislative framework, necessary for the implementation of such agreements.

Evidence of the change

Bilateral agreements (named *Joint Control & Operation of Border Crossing Points*) have been signed between KZ and KG, and KG and TJ. Both Joint Integrated Plans were then approved by the Presidents of the respective countries and implemented.¹ However, no significant changes or improvements have occurred in practice due to the lack of institutional will to properly implement (I-532). Additionally, though the CA countries are signatories to a number of regional and bi-lateral transit conventions, the provisions of the conventions in practice were not applied in a standardised/harmonised way. Though KZ, KG, TJ and UZ have ratified the *International Convention on the Harmonisation of Frontier Controls of Goods* (aimed at facilitation of movement of passengers and cargo through the borders) this convention has not been signed by TM. Furthermore, the provisions of the *Convention on International Transport of Goods Under Cover of TIR Carnets* (TIR Convention), which are the main alternative to the regional and bilateral transit agreements, were misapplied.³⁵⁴ Finally, no CA country has ratified the *International Convention on the Simplification & Harmonization of Customs Procedures (Revised Kyoto Convention)*³⁵⁵, which is a benchmark for reforms and modernisation of customs administrations worldwide. Nonetheless, the CA countries have undertaken a reform of their criminal justice systems and most criminal codes and criminal procedural codes have been redrafted.³⁵⁶ For example, the new Kazakh criminal code toughens penalties for crimes the government deems to be terrorist/extremist acts. It also introduced a number of new offences related to terrorist/extremist crimes, such as the 'creation of bases for preparing mercenaries', 'participation in terrorist or extremist training, and 'participation in foreign conflicts'. These legal amendments have contributed to more stringent and efficient control of persons traveling across borders with aim of engaging in such practices in conflicts abroad. The government of KZ also passed amendments to its counterterrorism legislation (2014) that allowed for expediting cooperation and removing bureaucratic barriers among the government bodies engaged in combating extremism and terrorism. Kazakh security (border) services and law enforcement organisations may now deny entry of foreign nationals, including mercenaries, who may be involved in extremist or terrorist activities; previously foreign nationals could only be denied entry if they had been convicted of such crimes. The Kyrgyz Parliament proposed legislation that would assist the Prosecutor General's office in its prosecution of recruiters and its ability to charge Kyrgyz citizens for terrorist acts committed

³⁵⁴ 2009, Survey of the Trade & Transit Situation in Central Asia, James J. Lenaghan, page 15

³⁵⁵ The International Convention on the Simplification and Harmonization of Customs procedures (Kyoto Convention) entered into force in 1974 and was revised and updated to ensure that it meets the current demands of governments and international trade. The revised Kyoto Convention promotes trade facilitation and effective controls through its legal provisions that detail the application of simple yet efficient procedures. The revised Convention also contains new and obligatory rules for its application which all Contracting Parties must accept without reservation. The revised Kyoto Convention entered into force on February 3, 2006.

³⁵⁶ 2013, Rule of Law Platform Central Asia, third progress report – page 54

abroad.³⁵⁷ The legal amendments adopted are also in line with the *UN Security Council Resolution 2178 on Foreign Terrorist Fighters*³⁵⁸ (2014) aimed at more effective detection and prosecution of terrorist fighters crossing borders. UZ also adopted amendments to their criminal procedure code thus establishing grounds for mutual legal assistance and introducing the admissibility of evidence in accordance with UN conventions against crime and corruption.³⁵⁹

With regard to international conventions, it should be noted that none of the CA countries are signatories to the *Convention for the Protection of Human Rights & Fundamental Freedoms*, (that ensures adequate levels of human and migrants' rights during border crossing proceedings). Additionally, the *International Convention on the Protection of the Rights of All Migrant Workers & Members of their Families* has been signed and ratified only by TJ (2002) and KG (2003). Finally, no changes or improvements to national legislation have been observed in terms of respecting human or migrant rights.³⁶⁰

In KZ and KG, customs legislation was amended in line with the conditions for accession to the Euro-Asian Customs Union (related to the abolishment of customs controls among the Euro-Asian Customs Union member states. These legal changes were initiated and supported by the Russian Federation.

EU contribution

One of the most important overall objectives of BOMCA 8 was to help increase security in CA. The components of BOMCA 8 included training on counter terrorism, adjusted to the needs of border services with the aim of introducing measures for countering the movement of militants in and through the region by ensuring improved document security and increased capacity for detection of forged and false documents.

In 2007, the **EU Council** adopted the **Strategy for a New Partnership**. With this document, the EU committed itself to update the CA **legal framework** in accordance with international law in the field of combating organised crime such as the *United Nations Convention against Transnational Organized Crime* and its protocols.

In addition to this, the participants at the **EU-Central Asia Forum on Security Issues** in Paris (2008) signed a **Joint Declaration**, reiterating the need for compliance with international non-proliferation obligations, particularly with the resolutions of the UN. The Joint Plan of Action committed the CA states to adopt effective laws and to strengthen criminal justice systems, properly investigate offences, strengthen legislative frameworks and conduct specialised training for investigators, prosecutors and judges.

In 2010, the **CA countries** signed the **Joint Regional Action Plan** for the implementation of the UN **Global Counter Terrorism Strategy in CA**, aimed at preventing and combating terrorism. This agreement committed the CA states to ratify and become party to international counter-terrorism legal instruments, to define terrorist-related offences within domestic criminal law and to contribute to identifying measures **to address border management problems** in the region with due consideration for international refugee protection and human rights standards. For that purpose, the Joint Plan of Action resolved to enhance national, regional and international cooperation, information exchange and joint training between the police, security services and border forces across the region. The Joint Plan of Action **specifically addressed** and encouraged **BOMCA** to assist implementation by providing necessary support in the management of personal identity (handling of identity documents, establishing systems for machine-readable travel documents, etc.).

The **EU** and the Government of Norway **funded a project** to assist the CA states **to devise the Joint Regional Action Plan** to implement the UN Global Counter-Terrorism Strategy. The Joint Regional Action Plan for the implementation of the Global UN Counter Terrorism Strategy in Central Asia was adopted by KZ, KG, TJ and TM, with UZ opting for observer status (2011). The Joint Regional Action Plan was the first regional framework designed to address the threat of terrorism through a common approach, based on the UN Global Counter-Terrorism Strategy and strengthened international

³⁵⁷ 2014 - The US Department of State, Country reports on Terrorist 2014

- <http://www.state.gov/j/ct/rls/crt/2014/239408.htm>

³⁵⁸ 2014 United Nations - Resolution on Foreign Fighters
http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_res_2178.pdf

³⁵⁹ <https://www.unodc.org/centralasia/en/news/uzbekistan-adopts-amendments-to-the-criminal-procedure-code.html>

³⁶⁰ <http://indicators.ohchr.org/>

partnership.³⁶¹ The Joint Regional Action Plan committed the CA states to adhere to the relevant international agreements and amend the legal frameworks.

BOMCA promoted ratification of international conventions related to border management, trade facilitation, the fight against organised crime, drug trafficking, etc. at high level conferences, training courses, seminars, workshops, study visits, etc.

BOMCA **initiated** and **enabled** the annual regional meeting of commanders of the CA border services (*Issyk-Kul Initiative on Border Security in Central Asia*) where bilateral agreements between the Kazakh and Kyrgyz border troops and Tajik and Turkmen border guard services were developed (2011). Additionally, BOMCA provided advisory support to the development of the *Draft Agreement on the State Border* between the KG and the Peoples' Republic of China.

In KG, BOMCA **contributed** to the adoption of a 5-year Cooperation Plan for 2012-2017 by the Kyrgyz and Tajik local authorities, in close collaboration with the UNDP Peace Development Programme (PDP).

In November 2011, BOMCA and UNDP PDP jointly organised two training events on the *Art of Conflict Transformation* for Tajik and Kyrgyz local authorities, border guards and customs officers to provide hands-on skills and knowledge in conflict prevention and cross-border cooperation. The outcomes included the following joint decisions:

- Development of a Joint Plan of Action for Strengthening Cross-Border Cooperation between the Batken Oblast of KG and the Sughd Oblast of TJ (2012)
- Organisation of joint meetings to discuss and find solutions to common cross-border issues
- Assistance in solving the issue of crossing between KG and TJ by members of the border communities, using their national passports only
- Simplification of procedures for crossing the Kyrgyz-Tajik border

In the period January to June 2011, two additional training events on the same subject took place and as a result 5-year cooperation plan for 2012-2017 was concluded and signed by the cross-border Kyrgyz-Tajik authorities in the second half of 2012.³⁶²

BOMCA also initiated and contributed to the conclusion of the *Memorandum on Cooperation on Drug Profiling Units* between the CA states and the *Memorandum on Customs & Border Training Institutions' Consortia* (see I-521).

Only in KG (2013) did BOMCA advisory support allow progress in the development of new national legislation, thus:

- Amendment of the draft law on the state border
- Development of the concept of state border control based on the experience of EU member states
- Endorsement of the regulation governing the procedure for cooperation between government services at the border (October 2013)
- Development of the draft resolution on the approval of the single interagency information network³⁶³

Amended national legislation in KG provides for alignment and harmonisation of the national legislative acts with the provisions of bilateral and multilateral agreements.

From a broader legislative prospective, the Rule of Law Platform programme contributed to the amendment of some laws in CA, particularly in KZ, KG and TJ. More specifically, EU advisory support was related to the amendment of criminal procedure law, criminal codes, Code on Administrative Offences (KZ), Administrative Procedural Code, Administrative Process Law (KG), etc. In order to support the CA countries in amending their legal acts, the Rule of Law Platform programme performed activities such as training workshops on criminal procedure law and on law drafting techniques, a regional seminar on the right to a fair trial in criminal procedure and a regional background study on criminal procedures. Whilst KZ, KG and TJ have declared their readiness for cooperation with the EU in the framework of the Rule of Law Platform programme, no activities have taken place with UZ due to a disagreement on the legal basis regarding their cooperation in the programme.³⁶⁴

³⁶¹ http://www.un.org/en/terrorism/ctif/proj_centralasia.shtml

³⁶² EU 2014, BOMCA 8, Final report, page 79

³⁶³ EU 2014, Border Management in Central Asia 8, Final report, page 10

³⁶⁴ 2013, Rule of Law Platform Central Asia, third progress report, page 34

KG is the most advanced CA country with its new *Administrative Procedural Law*, taking general Kyrgyz procedural law one-step closer to alignment with EU standards. Though not specifically linked to border management, some provisions of this and other laws might be applied in certain border management situations and border proceedings (issuing permits and different administrative decisions, etc.). Thus indirectly, BOMCA and the Rule of Law Platform programme have achieved some useful synergies.

For KG and TJ, BOMCA mainly provided legal advice and expertise on changes to legislative and regulatory frameworks for border management. Actual amendment of border management legislation only took place in KG. The other CA countries were provided with legal advice but to a much lesser extent and although BOMCA supported the conclusion of some bilateral agreements and the promotion of international conventions, no significant achievements have been reached.

External factors

TM and UZ remain very suspicious of any external interference in security matters, while KZ is more committed to the Russian-led Customs Union. This means that in these three countries, there is limited scope to influence institutional and legislative reforms.³⁶⁵

5.1.2 I-512 Extent to which IBM Strategies and Action Plans have been developed, adopted and implemented.

Description (of the indicator)

In today's world, no single state administration can claim to be able to solve cross-border issues on its own. Border management covers a wide range of topics and tackles complex border issues which require efficient and effective cooperation between all relevant stakeholders. This is in order to address problems in a multi-disciplinary way, identify overlaps, conduct better resource planning and make optimal use of the expertise and competence of each service involved. For that purpose, it is good practice for border management stakeholders to develop a national IBM strategy for cooperation and a national IBM action plan for the implementation of the strategy. The aim of the IBM strategy is to identify and list the strategic and operational objectives, which can lead to improvement of cooperation, whilst the IBM action plan defines concrete actions and steps that have to be taken to reach the objectives of the strategy. These documents not only ensure a unified approach to IBM among all stakeholders, but also help to identify priorities and obtain the necessary political and administrative support for their implementation.

Evidence of the change

In 2007 none of the CA states had an IBM strategy and action plan in place. In TJ, an IBM Strategy Document was completed in 2009 and approved by the President in 2010. In 2011 a Presidential Decree was issued for the creation of a *National Interagency Coordination Group for the Implementation of the National Border Management Strategy*. This body was created to convene at the level of deputy minister and be responsible for submission of proposals to the government and relevant ministries/services for the implementation of the strategy. An Interagency Secretariat was created simultaneously to support the Interagency Coordination Group. It was envisaged that the Interagency Secretariat would be comprised of representatives from all relevant ministries/services and international experts with financial support from donor agencies. The government of TJ made a commitment to provide working accommodation but this was never made available.³⁶⁶ In November 2013 the Coordination Group members were replaced and since then no significant progress was made.³⁶⁷

KG adopted an IBM National Strategy in March 2012, which led to a reform of the whole border management system, including some radical changes to the legal framework and institutional setup; a process of decentralisation was started. Under previous phases of BOMCA support the governments in KG and TJ had gradually started adopting and integrating the concept of IBM into their border management strategies. Indeed, the government of TJ approved the National Strategy in April 2010. However, very limited progress was made in the implementation, particularly after BOMCA 8.

The border guard authorities of the CA are still a part of the Ministry of Defence and generally continue to follow a Soviet-style military approach, relying also heavily on conscripts. In CA, there remains a fundamental difference between the EU and the Soviet view on security; CA countries view border management/security as being a military operation as opposed to the EU view according to which

³⁶⁵ EU 2009, BOMCA 8 – identification fiche – page 4

³⁶⁶ 2012 - BOMCA 8 Progress Report – annex 3- Border International Working Group, May 2012

³⁶⁷ 2014 - BOMCA 8 Final Report, page 9

border guards should be transformed into law enforcement (police/civilian) agencies. Given the fact that Russia also perceives border issues through a military lens and provides significant donor support, it is unrealistic to expect the CA countries will fully adopt EU IBM principles.

No IBM Strategies and/or Action Plans were developed in KZ, TM and UZ.

EU contribution

BOMCA has to a significant extent promoted IBM strategies in the region over the last 10 years. Numerous awareness-raising events and study visits were conducted in order to demonstrate the effectiveness and efficiency of EU IBM methods to all CA governments.³⁶⁸ In the absence of interest from other CA countries, BOMCA focused its efforts on developing and supporting IBM strategies and action plans in KG and TJ.

BOMCA support was most successful in KG as the government adopted (2012) Resolution no. 183 on the implementation of the *National Strategy for the Establishment & Introduction of Integrated Border Management System in the Kyrgyz Republic* and linked *Action Plan for the Implementation of the National Strategy* covering the period up to 2022. Specific BOMCA support for this significant achievement included the organisation of meetings of a specially created working group to update and finalise the IBM strategy and action plan (2011) and the organisation of additional meetings with Kyrgyz government representatives to provide legal advice, consultant inputs and other support to ensure the approval of the IBM strategy. Additionally BOMCA also provided technical expertise supporting the work of the National Coordination Centre.³⁶⁹ An IBM evaluation mission was conducted by BOMCA (2014) in order to assist the Kyrgyz government to implement the IBM strategy and action plan as well as to provide recommendations for future development. The adoption and implementation of the IBM strategy and action plan resulted in institutional (see I-524) and legal reforms.

In TJ, the first draft of the national IBM strategy was prepared by OSCE and later distributed among other international stakeholder organisations; BOMCA provided input and comments to this draft strategy. Though not responsible for the development of the strategy itself, BOMCA was considered as a key partner for the implementation by providing advisory support.³⁷⁰ BOMCA experts contributed to the development of the linked action plan and conducted workshops, round-table meetings and study visits for staff from all border services. However, quite limited progress has been achieved in putting the IBM strategy and action plan into practice in TJ.³⁷¹ After more than 12 years of donor assistance, provided mostly by OSCE and partly by BOMCA, with more than 70 meetings related to the development of IBM strategy³⁷² having been held, there is still no self-sustainable IBM mechanism in place. The Tajik government has appointed no new members to the IBM Secretariat since 2013 and so it has not been operational since that time; from the Tajik side it is claimed this is due to a lack of further (EU) donor support. The current situation is, therefore, that implementation of the IBM strategy and action plan in TJ is limited, even stalled. Following the conclusion of BOMCA 8, the Tajik government has not taken the necessary measures to progress effective implementation of the IBM strategy and action plan, although, the EU IBM approach has been acknowledged as initiating the implementation of the Tajik Customs Development Strategy in 2009.

Despite strenuous efforts, BOMCA failed to convince the remaining three CA countries to develop IBM strategies. Nevertheless, there have been some changes in general attitude towards IBM regionally which can be attributed to the work of BOMCA, an important example being improved inter-agency cooperation.

External factors

Russia opposed to the introduction of the EU IBM concept in CA, a serious example of which was the expression of objections to the Tajik IBM Strategy raised by the Russian Ministry of Foreign Affairs (It was understood that Russia feared that the implementation of the strategy would close existing legal ambiguities in Tajik law and prevent Russia from reinserting itself into Tajik border security).³⁷³

The CA states fall into two groups: TJ and KG are willing but not capable of fully implementing IBM reforms due to the lack of resources whilst KZ, TM and UZ are simply unwilling to initiate IBM reforms.³⁷⁴ More concretely, KZ, TM and UZ are understood to not want BOMCA to interfere with their

³⁶⁸ EU 2010, Border Management in Central Asia, Phase 7 – Progress Report, December 2010, page 10

³⁶⁹ EU 2012, BOMCA 7 Progress Report – page 8

³⁷⁰ EU 2012 and 2014, BOMCA 8 Progress and Final Report

³⁷¹ EU 2012, BOMCA 8 Final Report – page 51

³⁷² IBM Strategy of Tajikistan – page 27

³⁷³ 2012, Open Society Foundation; Central Asia's Border Woes & The Impact of International Assistance, Geore Gavrilis, page 10

³⁷⁴ Ibidem

institutional border processes³⁷⁵. They have selectively participated in BOMCA activities which do not imply institutional changes.

Turkmen experts have withdrawn their participation from several regional events and initiatives, which resulted in cancellation of numerous meetings. An example is the sudden cancellation of the BOMCA national steering meeting in December 2012, a day before the meeting itself. A common pattern was to receive initial government authorisation, followed by a later and sudden reversal, leading to delays or postponement of the activity in question. This put the commitment of the Turkmen government cooperate with the EU into question and negatively affected policy dialogue.³⁷⁶

5.2 JC 52 Extent to which EU support has contributed to open but well-controlled borders

5.2.1 I-521 Evidence of enhanced professional capacities of border staff (training).

Description (of the indicator)

Good professional skills of staff engaged in border and customs controls is a prerequisite for efficient and effective border management. Staff needs to be well trained and aware of up-to-date techniques and procedures (profiling, thorough check of travel documents, vehicles, documentation, etc.).

Evidence of the change

The level of the professional capacities of border staff in CA varies from country to country. To demonstrate a bench-mark it can be said that in 2002 UZ had well established, equipped and functioning training academies, whilst border guard staff in KG received basic training for 6 months, mostly in military matters and in detecting forged or falsified documents with the support of Russian authorities. Meanwhile, in KG and TJ, training facilities lacked many of the basic requirements. Their training courses concentrated mainly on related laws and carrying out physical border controls. Since training facilities available were very limited or non-existent, results were equally poor.³⁷⁷ However, Russia discretely advised KZ and TJ (Russian Border Advisory Group) on border control and provided training for their border services.³⁷⁸

The training systems in all five CA states were based on knowledge transfer by experienced operational staff who were largely unaware of contemporary training tools and methods and who had generally received little pedagogical training before being appointed as instructors. Over the last few years, the border and customs training institutions in CA have shown a willingness to cooperate on the development of training curricula and have subsequently updated them.

The capacity for border management training has increased as a result of the development and refurbishment of several training establishments; positive examples are for dog handlers in KG, TJ and TM, for border guards in KG, TM and UZ and for Ministry of Agriculture in KG (responsible for phyto-sanitary controls at border).³⁷⁹ Additionally, the new multi-agency detector dog training centre under the management of the Drug Control Agency in TJ was used for several training events. Moreover, the centre also served to allow Afghan cynologists to enhance their knowledge and capacity, providing added value to inter-agency, cross-border and regional cooperation (establishment of informal networks and contacts, exchange of experience and knowledge, etc.) (see I-532).³⁸⁰

In general, in all five CA countries, border management staff participated in numerous national and regional training events. In KZ and TJ, training facilities were modernised, up-to-date training equipment was provided and professional skills were significantly strengthened when compared to the situation in early 2000s. Overall, the training process was modernised and has reached a high level of quality³⁸¹.

The role and contribution of Russia in enhancing professional capacities of border management staff should not be overlooked. Russia concentrated its efforts towards the improvement of the existing border management system, a legacy of the period of the Soviet Union. Russia has been providing

³⁷⁵ Stepantsova Lariisa, 24.04.2011, Monitoring report – Bomca 7, page 2 – relevance

³⁷⁶ EAMR 12/2013

³⁷⁷ 2002, Report of the EC Rapid Reaction Mechanism Assessment Mission; Central Asia, border management, Alfred Appei and Peter Skorsch

³⁷⁸ OSCE PPT presentation, Budapest 2014

³⁷⁹ EU 2010 – Evaluation of the BOMCA Programme, the Final Report, Lousi Blondiau and Ian Robinson, page 13

³⁸⁰ EU 2014 – BOMCA 8 Final Report – Annex 4, 129, Minutes of the Regional Steering Committee, Kazakhstan, June 2013

³⁸¹ EU BOMCA 8 Final Report – Annex 3, page 106, Minutes of the Regional Steering Committee, Kyrgyzstan, May 2014

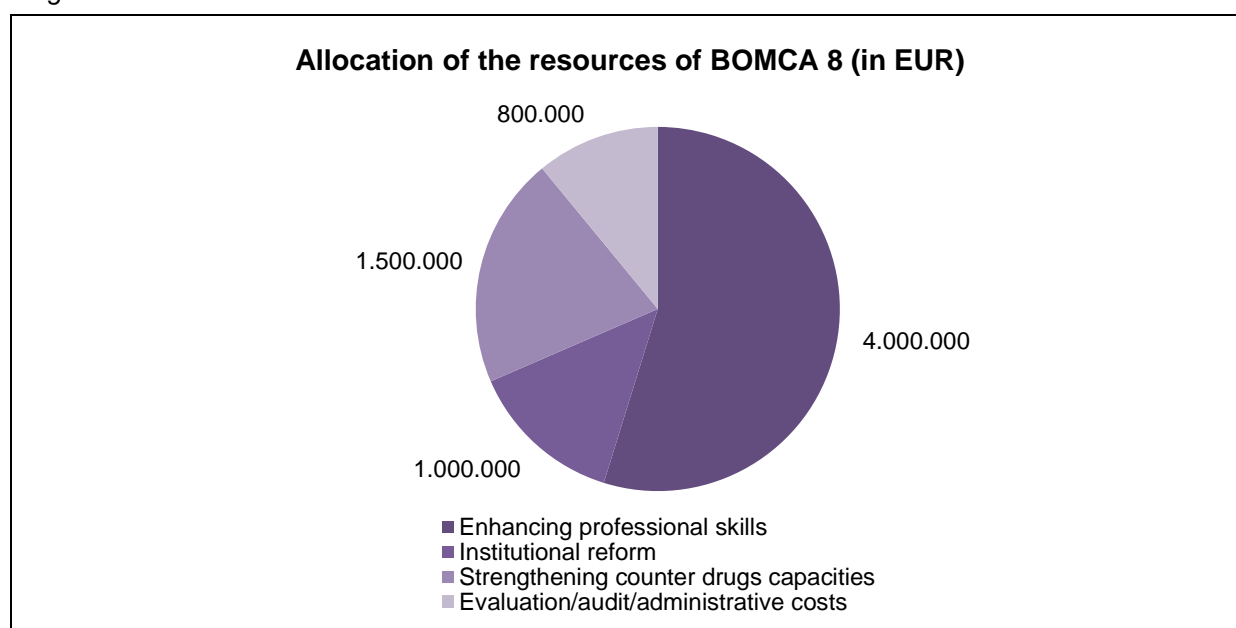
mentoring support and has taken an important share of training of the human resource of beneficiaries' border services. After graduation, Russian instructors continue 'on job training' in order to acquaint the newly-trained with practical aspects of border guarding and to transfer theoretical knowledge into practical action. In this regard, Russia has concluded bilateral treaties with KG and TJ (and reportedly with KZ although no evidence has been seen), on Cooperation on Border Issues. Based on these treaties, Russian advisors (30-50 officers in KG, several hundred in TJ) have been providing assistance in the protection of borders, the installation of equipment, joint activities in combating illegal activity on the state border, the exchange of information and experience, the exchange of legislation and normative experience on the development and perfection of legal norms and staff training. This in-country support was supplemented by specific assistance from Russian border control educational institutions including the FSB border academy, training events, on-the-spot mentoring and equipment provision. In TJ, Russian advisors were said to even assist with the transport of Tajik counterpart staff to remote border areas, by providing airlift, although direct evidence was not available.³⁸²

EU contribution

One of the underlying principles of BOMCA was to strengthen the professional skills of CA law enforcement officers working at borders by providing training that exposed them to EU best practice. Additionally, training events were designed and organised at regional level to allow border staff from all five CA countries to learn together, share professional experiences and to encourage cross-border cooperation.

Over the last decade, BOMCA invested significantly in terms of material, human and technical resources to meet the direct needs of the beneficiaries. BOMCA trained over 5,000 staff, provided them with tailored operational handbooks, and (re)constructed and equipped several BCP. The allocation of resource for BOMCA phase 8 shows that the largest part of EU support went to enhancing professional skills.

Figure 1 Allocation of resources for BOMCA 8



Source: 2009, BOMCA 8 – Identification Fiche for Project Approach, page 10

BOMCA 8 focused on training of trainers (ToT), including ToT for dog handlers and curricula developers in line with the IBM approach. Activities under this component, *inter alia*, comprised:

- Provision of ToT courses in areas such as document security, legal/illegal migration, and trade facilitation
- Revision of training curricula of border training institutions
- Renovation/refurbishment of and provision of equipment to training facilities, including canine training centres in TJ and KG

³⁸² 2011, Study on the Evaluation of the CA Border Security Initiative, Tamas Kiss and Žarko Perović, page 17

- Provision of training for detector dogs and dog handlers

BOMCA also established links to a number of EU training institutions, which hosted training events. CA border guard instructors were also supported in visits to counter-part CA countries, in order to strengthen professional links among the training institutions and staff. Along with national training events, a regional workshop was organised and conducted for CA customs training institution heads in Tashkent (2012). The main objective was to identify potential cooperation areas for CA customs personnel that BOMCA could support.

BOMCA also contributed to the development of model training curricula in five thematic areas and associated training materials for all CA countries. In order to develop this training curricula, a *Border Guards Regional Working Group Meeting for Modelling of Training Curricula in Thematic Areas* was organised in Bishkek (2011).

BOMCA support established consortia of border guard and customs training institutions in CA. KZ, KG and TJ have signed the *Customs Training Institutions' Consortium Memorandum* whilst KG and TJ have signed the *Border Guards Training Institutions' Consortium Memorandum*. The aim of these training consortia was to develop the national training institution capacities and to foster on-going cooperation and sharing of knowledge with similar EU training institutions. Unfortunately, these positive steps have not been self-sustainable. After BOMCA 8, there was no further EU financial support for consortia activities and the CA beneficiaries have not provided funding from their own resources. Thus, both the border and customs training institutions' consortia have collapsed and have not functioned since the end of BOMCA 8.

In some cases and to attempt to ensure sustainability, BOMCA used the approach of working directly with training centres and academies, jointly drafting curricula and conducting ToT. A positive achievement of this approach was the integration of the drug profiling methodology promoted by BOMCA within the curricula of the Uzbek Customs Academy. However, the sustainability of the benefits of BOMCA support appears limited, especially as there was often a high turn-over of the participants of study visits, training events and meetings who subsequently moving on to other work areas. Except in KG and partly in TJ, and despite numerous national and regional training events delivered by BOMCA, there is no obvious and clear link between training, equipment and institutional changes in the CA countries.

It should be emphasised here, that BOMCA and CADAP reports provide only limited information about training needs and the sustainability of the benefits of training delivered. In particular, even though BOMCA 8 focused its approach to working with the training institutions, there is no clear picture to which extent the training curricula have actually been updated and implemented; this is even the case after the field visit to KG and TJ since the majority of the staff in training institutions supported by BOMCA had been replaced and there was a lack of institutional memory. More positively, approximately 50% of the training subjects delivered at the Tajik Border Guard Training Academy was said to derive from BOMCA proposals and training materials. Additionally, English language courses have been introduced thanks to BOMCA initiative and support. BOMCA support allowed Tajik trainers to be trained in pedagogical skills and currently approximately 400 cadets per year benefit from improved training capacities in TJ.

Nonetheless, it appears that the BOMCA approach to training support was not based on a comprehensive training need analysis nor did BOMCA develop a strategic plan to ensure sustainability of the training support. This has been a critical issue, with the high degrees of staff rotation being a significant obstruction. In addition to this, a somewhat *ad hoc*, one-off approach to the delivery of some training has meant that some objectives were not further institutionalised with the knowledge transferred remaining at a very low level or even worse, being lost. Many training activities did not benefit from a strategic approach necessary to embed knowledge fully into training institutions or into a comprehensive ToT model.

Finally, it should be stated that on occasions BOMCA delivered joint training with organisations such as UNODC, OSCE and IOM. A positive example of this is the joint training courses on drug precursors and illegal chemical substances delivered in TJ by BOMCA and OSCE.

External factor

The border guard committee in KZ was cautious about joining the proposed consortium of training centres.³⁸³ In general, EU member states training institutions and other donors did not have access to the training curricula of CA border guard services due to a reluctance to share this material.

³⁸³ 2014- BOMCA Final Report, page 54

5.2.2 I-522 Degree to which border services are better equipped, and staff effectively operates the equipment.

Description (of the indicator)

In order to ensure adequate border control, it is important to provide the necessary equipment for effective border surveillance and efficient processing of passengers, vehicles and goods at BCP. Not every BCP needs to be equally equipped, but minimum standards should be met. In addition to equipment, physical structures such as offices, examination areas, storage, passenger facilities, etc., are also necessary to encourage compliance with border crossing formalities, to protect both travellers and staff, to offer physical security and an acceptable working environment. In certain locations and dependent on the threat, high-cost, high-tech equipment and facilities are also necessary, examples being measures taken to combat the trafficking of chemical, biological, radiological and nuclear materials (CBRN) and to those counter terrorism - both global priorities and/or the provision of x-ray cargo scanners.

Evidence of the change

The long land borders between Afghanistan, TJ and UZ are considered as high risk areas for the trafficking of CBRN materials from Central, South and Southeast Asia to Russia and further on to Europe, materials that could be used in the production of terrorist weapons.³⁸⁴

Since 2005, the United States has deployed CBRN detection equipment on the Tajik and Uzbek borders, but due to other priorities, the final phase of the deployment project was cancelled. As part of the programme 31 BCP were equipped and 3 vehicle-mounted mobile systems were deployed. In total more than 200 detectors were deployed.³⁸⁵

In some CA countries, border services are poorly equipped, minimally funded and beyond the control of their parent ministries in capital cities, due to their geographical remoteness and absence of appropriate communication means. Many outposts are located in remote stretches of land border and away from official BCP. In outposts that lack access to market towns and cold storage facilities, border officials grow crops, make bread, and even hunt and poach wildlife for subsistence. For these reasons, it was necessary to create modern border outpost facilities with cold storage, electricity, clean water, and sufficient barracks that provide border officials with a suitable degree of comfort and allow them to focus their energies on border controls.³⁸⁶

BCP and border outposts also lacked the simplest technical equipment such as endoscopes, ultraviolet lights, passport readers, etc. Equipment, originating from the Soviet Union was outdated, often in very bad condition or even inoperable. Border checks were reduced to registering people by hand and in books, a process carried out manually and performed superficially. Due to the lack of transportation, border surveillance was carried out by foot patrols. No communication network was established between the border outposts. The operational effectiveness of the border officials was very limited, particularly in KG and TJ, due to non-existent border facilities and equipment. Border checks were carried out in the open air and such infrastructure that was in place was outdated. Furthermore, the layout of most BCP precluded provision of special lanes for differing traffic types, especially transit traffic. Thus trucks in transit had to wait in line with non-transit traffic. In 2009, only KZ seemed to have any on-line connections between the central server database and selected borders. Some of the CA border services (especially Customs) did have computers linked to national databases, whilst paper based systems were also very common.³⁸⁷

KZ, UZ and TM appear to have sufficient financial means at their disposal to fund the infrastructure investment and equipment needed, but the capacities of KG and TJ are inadequate. This economic situation is directly reflected in the lack of border infrastructure and equipment in KG and TJ. A BOMCA assessment conducted in TJ revealed a total lack of infrastructure and equipment (and training), deficiencies that enabled the trafficking of opiates and precursor chemicals.³⁸⁸

EU contribution

BOMCA concentrated part of its funding on the Tajik-Afghan border, focussing its efforts on the remoter sections in TJ's Gorno-Badakhstan region. For example, three BCP on this border and built

³⁸⁴ 2011- Interim Report, July-December 2011

³⁸⁵ 2014- EU Border Monitoring Project in the Republic of Uzbekistan, JRC technical report, Veronique Berhou 2014

³⁸⁶ 2012, Open Society Foundation; Central Asia's Border Woes & The Impact of International Assistance, Geore Gavriliis, page 10

³⁸⁷ 2009, Survey of the Trade & Transit Situation in Central Asia, James J. Lenaghan, page 74

³⁸⁸ 2009 - EUCAM; »Beyond the Border Management Programme for Central Asia«, George Gavriliis

under previous BOMCA phases were further upgraded in 2012 and all units were equipped with specialist border equipment.³⁸⁹ In TJ, renovation works started in the second half of 2012 with BOMCA support - water supply, basic external renovation, electrical works, etc. In other CA countries BOMCA also trained border staff, provided operational handbooks and equipped BCP with vehicles, high frequency radios, night-vision equipment, generators, computers, drug-testing kits and passport readers.³⁹⁰

Since 2004, BOMCA has constructed, refurbished and/or equipped the following facilities in the five CA states:

- 52 BCP/border outposts
- 6 training centres for Border Guards
- 4 dormitories for training centres
- 3 detector dog training centres
- 3 veterinary units

BOMCA also provided more than 200 vehicles and various types of specialised border equipment³⁹¹, such as drug testing kits, night vision devices, binoculars, telescopes, etc. Many of the facilities were built in extremely remote and mountainous areas, which posed challenges for construction and upkeep. The equipment provided by BOMCA has, however, significantly improved the infrastructure capacities of the border guard and customs services. The supply of specialist search equipment, electronic devices, personal-issue tools, etc. enabled them to perform their activities more effectively and efficiently. Based on lessons learned, BOMCA 8 decided that instead of investing in completely new areas (e.g. refurbishment of other BCP), the results achieved by under previous BOMCA and CADAP phases should be further consolidated.

The project *Border Monitoring Activities in the Republic of Georgia, Central Asia and Afghanistan* provided the Uzbek and Tajik customs authorities with specialised equipment aimed at enhancing the fight against trafficking of CBRN materials. The equipment included radiation portal monitors (RPM), associated software and hardware, personal radiation detectors and radiation identification devices. In addition to the equipment, training for its use was delivered. In UZ, six RPM were delivered and installed at Tashkent International Airport together with communication systems and operator workstation. In addition to this, two vehicles with RPM were delivered and two pedestrian RPM (again with communication systems and operator workstation) were installed at the Karshi-Kerki land BCP on the border with TM.³⁹² However, no information regarding the extent of any increase in the detection of CBRN materials on the Uzbek – Turkmen border was available.

The newly constructed and refurbished border infrastructure (BCP, outposts, etc.) significantly improved the working conditions of border staff and facilitated the crossing of borders by legitimate travellers and traders, particularly at the Tajik-Afghan border. EU support of this kind has had a positive impact for border staff and travellers which should be sustainable and continue into the future. Indeed, this type of BOMCA activity has increased the quality of people's lives in rural communities, such as the remote Tajik areas bordering Afghanistan where numerous BCP were modernised, improving cross-border market infrastructure and allowing communities to trade more easily.³⁹³ However, assistance of this type offered by BOMCA was not always accepted by the CA states. The Uzbek authorities cancelled two BOMCA-financed infrastructure projects at the Adnarkhan-avto BCP on the Uzbek-Tajik border (radio communication equipment was procured instead) and the dormitory block for the Border Training Centre in Termez.³⁹⁴

However, despite BOMCA investment and support, the actual use of the equipment provided seems to be limited. In some cases very sophisticated and expensive equipment that had been delivered was not properly used or remained unused.³⁹⁵ Additionally, it appears that detector dogs, donated to the Tajik Border guards were not treated well, with one of them said to be used for dog fighting whilst two

³⁸⁹ 2014 – BOMCA 8 Final Report, page 36

³⁹⁰ 2009 EUCAM; »Beyond the Border Management Programme for Central Asia«, George Gavrilis

³⁹¹ Institutional Development and Capacity Building with BOMCA Tajikistan, PPT, Sukhrob Kakharov, http://eeas.europa.eu/delegations/tajikistan/documents/press_corner/2014/20140220/day2/3_4_presentation_bomca_en.pdf

³⁹² 2014- EU Border Monitoring Project in the Republic of Uzbekistan, JRC technical report, Veronique Berhou 2014, page 9

³⁹³ 2014 - BOMCA Final Report, Anex 3, page 112 - Minutes of the Regional Steering Committee BOMCA, Kyrgyzstan, 21st May,

³⁹⁴ 2012, ROM Report, Anton Petrenko

³⁹⁵ 2010, Minutes of BOMCA Steering Committee, Friday, July 16, 2010, Border Force HQ, Dushanbe, Tajikistan

others died. There also appears to have been a tendency for some border officials to appropriate EU funded equipment for private purposes. The extent of the problem is unclear because of the lack of monitoring of the use of donated equipment by the EU.

External factors

The governments of KG and – in particular – TJ, sometimes have difficulties in sustaining the infrastructure funded by international donors due to lack of resource for maintenance. This is particularly true for infrastructure in remote areas. This is a key reason why it was decided to discontinue the construction and refurbishing of additional BCP and outposts. Instead, funds were allocated to BCP and outposts in KG and TJ, which had been constructed/refurbished/equipped under previous BOMCA and CADAP phases and which were in need of further investment.

5.2.3 I-523 Evolution in the detection of drugs and the dismantling of cross-border criminal networks.

Description (of the indicator)

Drug trafficking is a global illicit trade involving the cultivation, manufacture, distribution and sale of illegal substances. It encourages very high levels of corruption. Drug trafficking has a negative impact on the business environment, health and social issues of a country by hindering investment, promoting insecurity and encouraging the growth of informal activities. As an example, almost half of all crime in KZ is said to be connected in one way or another to drug trafficking

Evidence of the change

All CA states face common threats to their border security such as trafficking in firearms, illicit drugs and illegal migration as well as threats to regional stability emanating from religious extremism and terrorism. Inadequate border management capacities and lack of trust and cooperation between law enforcement agencies operating at borders especially facilitates drug and chemical precursors trafficking. Currently, the detection of drug traffickers is not high at most of the CA-Afghan BCP. It is estimated that about a quarter of the trafficked drugs stay in the transit countries and are used for domestic consumption while the remainder is transported to the lucrative retail markets of Russia, Europe and, to some extent, the United States.³⁹⁶ The northern heroin route runs mainly through TJ and KG (or UZ or TM) to KZ and Russia. The value of this drug trafficking market is estimated to total USD 13 billion per year.³⁹⁷ The volume of narcotics flowing out of Afghanistan to CA and Russia appears to have decreased slightly over the past year.³⁹⁸

As per existing estimations, 90% of heroin trafficked to the Europe is produced in Afghanistan or from Afghan opium. An estimated 25 % (90 tons) of all Afghan heroin is annually trafficked through CA – mainly TJ – en route to Russia and Europe.³⁹⁹ Official Tajik data indicate that over 6.6 tons of drugs (including heroin: 483.85 kg; opium: 774 kg) were seized in 2013 and over 6.2 tons of drugs (including heroin: 507.55 kg; opium: 991 kg) were seized in 2014 by all law enforcement agencies in TJ, in individual and joint operations. Information suggests that almost all drugs seized in the country were trafficked into the country illegally from Afghanistan both through the porous green and blue border and BCP. Despite the challenges of terrain, resourcing and powerful criminal organisations, the Tajik border guards have been making efforts to undertake control along the borders particularly with Afghanistan.

According to the official statistics for 2014, Tajik border guards seized over 1.2 tons of drugs, including 67.7 kg of heroin, 154.7 kg of opium and over 1 ton of cannabis during this period. As a result, 19 smugglers were detained and the border guards also destroyed around 400 Indian hemp plants. The smuggling of drugs across the Tajik-Afghan border is characterised with regular exchanges of fire between traffickers and border guards. 125 cases of border violations were registered in 2014 and 235 border trespassers were detained. 27 armed clashes took place at the border and 15 violators were killed. In total, the border forces seized 21 firearms including 11 rifles and over 1.7 thousand rounds of ammunition. For the first 9 months of 2015, 19 cases of exchange of gunfire took place along the same border and 10 Afghans and 6 Tajiks were reportedly killed. 165 violators of border regulations were detained over this same 9 month period including 31 Afghan nationals, 6 Kyrgyz, 109 Tajik, 9 Uzbek, 8 Russian and 2 Chinese. Over 1 ton of drugs and 20 firearms have been seized along the

³⁹⁶ 2006, UNODC Security of Central Asia's Borders with Afghanistan - page 3

³⁹⁷ <https://www.unodc.org/unodc/en/drug-trafficking/>

³⁹⁸ <http://www.eurasianet.org/node/65066>

³⁹⁹ Funding Proposal to the Government of Japan to support UNODC National Project TAJ/E24

border over the report period.⁴⁰⁰ These figures support the conclusions of massive organised criminal activity and constant security threats and challenges.

Despite improvements in customs controls and the large number of border guards present at the borders, the majority of northern route opiates continues to flow nearly uninterrupted into TJ. Both large, well organised groups and small entrepreneurs appear to be engaged in trafficking. Trafficking into TJ or CA in general is not always smooth, however, as is demonstrated in the previous paragraph. The lethal exchanges between traffickers and border guards are a testimony to the insecurity associated with cross-border smuggling. Trafficking mostly occurs by road, although increasing seizures along regional train lines indicate that traffickers are diversifying their methods of operation.⁴⁰¹

In the last few years, there is evidence of a significant regionalisation of organised crime and contacts between criminal groups have become more interregional and transnational.⁴⁰² The Central Asian Regional Information & Coordination Centre for Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances & their Precursors (CARICC) has had an important role in dismantling cross-border criminal networks in CA while Interpol supported CA countries in the fight against organised crime globally. However, in TJ, not all BCP are connected to the *Interpol Stolen & Lost Travel Documents* database; indeed not all Tajik BCP are even connected among themselves. To a certain extent this prevents all types of cooperation including effective controlled deliveries which take place in CA countries, mostly with CARICC support. BOMCA and the EU-funded Heroin Route programme jointly contributed to better bilateral and regional cooperation and exchange of information and intelligence in drug trafficking cases.

EU contribution

The objective of drug control was introduced in BOMCA 7 following the restructuring of the CADAP programme (re-focused on demand reduction).⁴⁰³ Drug Profiling Units (DPUs) were established with BOMCA support in all five CA countries in order to target drug (and explosives) trafficking, to apprehend suspected traffickers and to collate and analyse information on illegal drug trafficking. However, the DPU have been operational only in KG whilst in TJ the DPUs were even abolished or reorganised.

BOMCA experts also introduced contemporary methods of information gathering to the participants of national training events in all CA countries. As an example, in UZ, officers from each ministry and service involved in the DPU in Tashkent Airport and Keles Railway Station participated (Ministry of Interior, State Border Guard and State Customs Committees and the National Security Service).⁴⁰⁴

A regional workshop on the enhancement of DPU operations was held in Dushanbe in 2012 with 45 participants from various law enforcement agencies (border guards, drug combating committees, customs, national security and ministries of interior). The workshop was primarily aimed at uniting all parties in a shared, common mission to improve of efforts.⁴⁰⁵

In 2014, a regional workshop on advanced practice of information exchange and analysis was held in Almaty in close collaboration with CARICC, BOMCA and the EU-funded *Heroin Route II – Information Networks* project. In total 75 participants representing illicit drug combating agencies discussed information exchange between law enforcement agencies. The workshop provided an opportunity for participants from various institutions to establish contacts with their CA counterparts.⁴⁰⁶ BOMCA support has led to substantial progress being made in the professional development of specialists in the fight against drugs, explosives, weapons and ammunition smuggling in KG.⁴⁰⁷ In KZ, BOMCA support is said to acted as a window on the EU and it's good practices in terms of combating drug trafficking⁴⁰⁸ EU and BOMCA support (through the expertise of international experts) for Tashkent

⁴⁰⁰ 2015(02), UNODC Bulletin – Regional Office for Central Asia

⁴⁰¹ 2012, UNODC Opiate Flows through Northern Afghanistan and Central Asia – a threat assessment, - page 14

⁴⁰² 2007, UNODC Central Asia Crime Report, https://www.unodc.org/documents/organized-crime/Central_Asia_Crime_Assessment.pdf

⁴⁰³ 2010, Evaluation of Boca Programme, Louis Blondiau, Ian Robinson

⁴⁰⁴⁴⁰⁴ PRESS RELEASE, National Training on Drug Profiling Units held in Uzbekistan, Tashkent, Uzbekistan, 20 October 2010

⁴⁰⁵ 2014, BOMCA 8 – Final report – page 30

⁴⁰⁶ 2014, BOMCA 8 – Final report – page 30

⁴⁰⁷ 2014, BOMCA 8 – Final report, page 110, annex 3, Minutes of the regional Steering Committee, Kyrgyzstan, May 2014

⁴⁰⁸ 2014, BOMCA 8 Final Report – annex 3, Minutes of the Regional Steering Committee, May 2014, Kyrgyzstan – page 115,

Cynology Centre is also appreciated by the beneficiaries, whilst the centre can be referred to as the most advanced cynology centre in CA, acknowledged by WCO with the granting an award in 2008.

Though no statistics are available on the number of dismantled criminal networks, BOMCA is regarded as having significantly improved CA border services' capacity on drug detection by providing a wide range of assistance. However, there is a need to make the reporting mechanisms more efficient and more decentralised in order to monitor the results accurately and comprehensively.⁴⁰⁹ This is in line with the EU – CA Action Plan on Drugs 2014-2020 which foresees measurable indicators regarding the reduction of availability of illicit drugs, through disruption of drug trafficking and dismantling of organised criminal groups.

The EU and a number of EU member states have been supporting CARICC though the main donor has been UNODC. CARICC signed a cooperation agreement with Interpol (2012), aimed at establishing cooperation and exchange of information between both parties in the area of drug trafficking. CARICC has been coordinating and assisting in several regional operations aimed at closing down drug smuggling channels. In addition to this, CARICC has been providing real-time information exchange between the participating states and has been coordinating controlled delivery operations. However, CARICC joint operations have been hampered by the prioritising of individual CA state agencies interests in counter narcotics over national and regional ones, by insufficient motivation for organising or participating in controlled deliveries and by low levels of confidence and mutual understanding between the competent authorities.⁴¹⁰

The regional programmes CADAP and BOMCA complimented each other in the field of illicit drugs, to the advantage of the beneficiaries. Whilst BOMCA dealt with the enhancement of the CA states' drug-detecting capacities, CADAP dealt with drug reduction with different country and regional activities related to drug prevention and drug treatment (seminars, workshops, introduction of new drug treatment methods, etc.). CADAP contributed to the development of the national CA drug policies, national and regional drug situation reports and developed the *Guidelines for Community Based Drug Prevention in Central Asia*. However, more advanced drug treatment methods have rarely been introduced in CA countries, mainly due to lack of financial resource and different beneficiary (Russian-led) views, concepts and approaches related to the treatment of addicts.

As is the story for BOMCA support, several CADAP initiatives or pilot-projects related to drug treatment collapsed following the conclusion of CADAP 5. This situation adds to the evidence that neither EU support (BOMCA and CADAP) nor the actions of individual CA governments was anchored in a strategic approach that could have greatly assisted the sustainability of the EU models and best practices introduced, significantly reducing the long term efficiency.

External factors

The frequent changes of senior managers in CA law-enforcement agencies put the sustainability of BOMCA support at risk. These changes led to losses in top level management buy-in and understanding of reforms, wasted time and required additional and repeated advocacy efforts, as new management often need to be convinced of the benefits of adopting EU models and good practices.⁴¹¹

The five CA countries have interacted very differently with the international community on drug issues. After many years of no communication on drug-related matters, the TM authorities are now showing positive signs of opening channels of communication with international agencies and with BOMCA.

5.2.4 I-524 Evidence for enhanced client-oriented services and procedures being provided by border management services related to the flow of persons and goods.

Description (of the indicator)

In order to facilitate the flow of persons and goods, it is necessary to provide appropriate BCP infrastructure, enhance professional skills and adjust border proceedings in accordance with the state-of-art standards and best practices, especially in terms of client focus and a user-friendly approach.

Evidence of the change

The transit of goods between CA countries and movement beyond is hampered by inefficient procedures at BCP. The complexity of border formalities, the range of documents that must be presented to meet these requirements, a lack of staff rotation or internal control and low salaries have created opportunities for bribery and corruption. Harassment of and extortion from travellers and

⁴⁰⁹ 2012, BOMCA 8 Progress Report – annex 3, Minutes of the Border Security Donor Coordination Meeting, March 2012, Tashkent – page 95

⁴¹⁰ PPT presentation, UNODC, Farkhudin Chonmakhmadov - CARICC

⁴¹¹ EAMR, 12/2013 (Kyrgyzstan)

traders have become everyday realities at many BCP⁴¹², dissuading legitimate travellers and traders from crossing the borders. In addition to this, visas – which are often only available in national capitals and are expensive for local people – are often required for border crossings.

Border checks in the region are rigorous and the lack of modern equipment at many BCP often results in delay due to time-consuming manual processing of traveller data and documents.

In 2002, there was a growing tendency to limit border management cooperation in CA, mostly due to the unilateral isolationist measures taken by UZ. There was hardly any movement of labour migrants between KG, TJ and UZ; most of the Kyrgyz and Tajik citizens who had previously worked in Uzbek factories were sacked. There was also a decline in border trade. The largest bazaars and markets of the border areas lost clients and visitors from neighbouring states, in particular due to the introduction of a visa regime by UZ. The situation was exacerbated by the fact that UZ did not effectively implement the visa mechanism introduced. There were no consulates or other diplomatic institutions to issue visas in the large border towns such as Osh and Khujand. The loss of traditional markets resulted in overproduction and bankruptcy for farmers and businesses. Later on, UZ also demolished some bridges and roads connecting the country with KG and closed a small number of BCP (some of which had been reconstructed on the Kyrgyz side with BOMCA support). Official Uzbek policy is in-the-main unchanged, though the cross-border cooperation of other CA border services with the Uzbek border guards at an operational level can now be said to be improved.

For the countries in CA, trade transaction costs are extremely high, and the time needed for delivering export and import goods is very long. The World Bank *Doing Business/Trading Across Border* data show that the cost to import and export in CA countries is around twice the global average and the time to export and import is 3-4 times longer. In terms of trade facilitation performance, even compared with other landlocked developing countries in Asia, the countries in CA lag behind noticeably.

However, progress has been made in the use of automated customs systems. The CA customs authorities significantly benefited from the *Regional Customs Modernisation & Infrastructure Development Project*, funded by the Asian Development Bank. The programme was aimed at reinforcing ongoing legal reforms and the simplification of customs procedures in order to facilitate trade and promote regional customs cooperation through tangible reforms and modernisation.

In 2009, the KZ Customs Service initiated the introduction of a single window system and embarked on the development of an automated information system for customs clearance. Within the ambit of this automated information system, an *Automated Control System over Goods Delivery* (ACSGD) was developed. The specific features of the ACSGD include a computerised system of registration of transport vehicles and automated identification of numbers on the license plates of trucks, their weight and size, electronic sealing and use of safe-packages. ACSGD was designed to reduce the time necessary for customs inspection and increase flow capacity at entry points, intensify control and prevent the entry of vehicles exceeding standard size and axis load.

KG and TJ were granted a loan by the Asian Development Bank for the development of a unified automated information system for their Customs Services. KG also enacted some normative legal acts with the aim of reducing procedures and documents and expediting the issuance of export/import related certificates and permits. In 2008, the Tajik Government decided to introduce a single window system to boost foreign trade.

UZ faced a number of challenges in the areas of trade and finance, customs administration and border control. There was a lack of transparency and uniformity in the interpretation of customs laws and regulations, sporadic border closures and unsynchronised operating hours at BCP.

Customs and border officials at some BCP still have little understanding of profiling and in many instances still require all transiting passengers to fill in questionnaires on both entry and departure, impeding legitimate travel of passengers. Moreover, vehicles registered in TJ are not allowed to enter UZ and vehicles with Uzbek license plates entering TJ are subject to taxation. In practice, it means there is no cross-border transport.⁴¹³ Such restrictions and inefficient border control procedures are not client-focused and do not facilitate the flow of passengers and goods.

However, some progress has been achieved. For instance, OSCE provided funding to link TJ's existing passport data readers at airports and land BCP to the Interpol database on stolen and lost documents and some governments of CA countries (e.g. UZ) have begun issuing biometric passports.

⁴¹² 2011, the EU Border Management Programme in Central Asia – BOMCA 8, Description of the action – annex I to Contract no. DCI-ASIE 2011/268-512, page 6

⁴¹³ <http://caravanistan.com/border-crossings/tajikistan/>

EU contribution

BOMCA has promoted state-of-art border check processes across the CA region. Based on this, various border services were acquainted with EU principles and best practices implemented in the EU. BOMCA 7 implemented a project component aimed at strengthening the border capacities along the trade and transit corridors in CA. For this purpose, BOMCA engaged an international consultant to update the existing survey on the trade and transit situation in the region. The survey - *Trade Facilitation & Logistics Development Strategy in Central Asia*. indicated potential trade facilitation activities with a view to the changing the business environment in CA.

A decentralisation process in KG, initiated in 2012, transferred some central managerial responsibilities of border guards to four newly formed regional border guard centres. Moreover, several border outposts were abolished or merged and some border guards were redeployed to higher risk border areas; these institutional changes were introduced upon BOMCA suggestions related to EU best practices.

BOMCA promoted the reduction of bureaucratic procedures and implementation of the state-of-art border technologies, aimed at stimulating the facilitated movement of goods and passengers across borders. As part of this effort, the main stakeholders in the five CA countries have become acquainted with EU standards and procedures. However, the presentations made by experts on EU border procedures remained remote from the local realities (infrastructure and access to technologies in TJ and KG; political agenda in TM, UZ and KZ).⁴¹⁴ Nevertheless, BOMCA assisted the CA states by detailing EU best practices, the delivery of studies and the strengthening of infrastructure capacities along trade and transit corridors (refurbishment and renovation of BCP).

However, it can be said that the Asian Development Bank regional programme has achieved more tangible results in the introduction of single window systems and trade facilitation.

External factors

Heavy-handed and time-consuming controls on the part of the border authorities continue to be an impediment to trade in CA. Customs officials typically resort to detailed documentary and physical inspection to verify value, classification and origin of goods. Complex and duplicative inspections and lack of a systematic risk profiling result in significant delays of goods at borders. The bench-mark goods transit system TIR is little used in CA due to high initial set-up costs.

The custom controls on the borders between Belarus, Russia and KZ were lifted in July 2011 when the single customs territory regime became fully operational. The operation of the Customs Union provided favourable conditions for the development of trade and industrial relations between border regions of Russia and KZ. This has considerably simplified the international trade regime both between the two countries and with third countries.⁴¹⁵ The establishment of the Eurasian Economic Union⁴¹⁶ has led KZ and KG (acceded in August 2015) to adopt Russian regional customs policy and mechanisms. There has been limited inclination of CA governments towards restructuring their border services and procedures in accordance with EU models. Whereas KG and partly TJ participated in the institutional reform component of previous phases of BOMCA, KZ, TM and UZ preferred their own methodology of institutional development.⁴¹⁷

5.2.5 I-525 Degree to which risk management tools have been introduced and risk analysis developed.

Description (of the indicator)

Border management is a continuous task of managing threats and their varying levels of risk. The use of risk analysis to inform management decisions is a central part of the process. The primary goal of information sharing is to systematically collect data for the purpose of making informed decisions. Border management services need to be able to collect and analyse statistical data and information. Risk assessments concern identifying the main threats and prioritising activity based on the assessment of actual or potential harm they could cause. The risk assessment process does not only

⁴¹⁴ EU 2009, Border Management in Central Asia - BOMCA 6&7 ROM report, Julian Schlubach, 23 October 2009, page- effectiveness

⁴¹⁵ "Analysis of Trade and Industrial Relations between Border Regions of Russia and Kazakhstan: Impact of the Customs Union and Common Economic Space" L.E. Limonov, International Centre for Social and Economic Research; <http://www.regionalstudies.org/uploads/Limonov.pdf>

⁴¹⁶ The original treaty establishing the Customs Union was terminated by the agreement establishing the [Eurasian Economic Union](#), signed in 2014, which incorporated the Customs Union into the EEU's legal framework

⁴¹⁷ 2011, the EU Border Management Programme in Central Asia – BOMCA 8, Description of the action – annex I to Contract no. DCI-ASIE 2011/268-512, page 12

refer to intra-service risk analysis but also to joint analysis with other services at the national, cross border or international levels. Risk analysis is key for efficient and effective border control and enables targeted activities based on the results of a logical, scientific and tested process. Combating organised crime and drug trafficking requires a well-organised and comprehensive system of information collection, processing and analysis, the secure exchange of the final product at national and regional levels and critical evaluation of results.

Evidence of the change

In CA, border management is still considered a military issue rather than that of law enforcement and therefore risk management has thus far not been adopted and implemented. Despite years of EU assistance, CA countries are still a long way from turning border management into a law enforcement activity. In all five CA countries, border control is based on conscription and patrolling along the land borders and at BCP, without the application of risk analysis, profiling or selectivity.⁴¹⁸

A good example concerns transit traffic. Risk management techniques are not being applied to transit traffic. In fact, there appears to be little if any differentiation between transit and non-transit traffic. In addition, in some CA countries each border service (usually 5-6) must provide its stamp/approval before TIR traffic can be cleared even if the service itself has no relevance to the cargo. Time consuming and inefficient multi-agency examinations of TIR traffic are routinely made without any consideration of a perceived risk.⁴¹⁹

Major deficiencies in the collection and sharing of information and data continue to hamper effective management of borders. There is a lack of understanding of the value of information in assisting effective law enforcement; a lack of planned, structured, systematic information gathering procedures within national law enforcement agencies, a lack of analytical capacity and skills and a lack of inter-agency cooperation and consequent sharing of information are all common features. In addition to the lack of intelligence capacity, poorly trained and ill-equipped border personnel hamper effective work.⁴²⁰

After the 2010 revolution in KG, Kazakh authorities abandoned the idea of risk management and began checking all goods inbound from KG. Kazakh border officials started to examine shipments in minute detail, opening crates and TIR carnets on shipments transiting across the territory. This created huge backlogs at the border and major problems for the shipments when they arrived at onwards destinations with broken seals.⁴²¹

EU contribution

In KZ, national training on new methods and techniques of search, international transport, profiling and risk analysis was organized in Merke (Kazakh-Kyrgyz border) in 2011 in partnership with OSCE and IOM. The training, which also included risk analysis as a topic, was delivered with the purpose of facilitating improved dialogue between border guard and customs services, introducing new working methods and to stimulating customs and border guard officers to work cooperatively.⁴²²

In addition to this, five national training events on IBM systems, border control procedures and risk analysis were performed in all five CA countries as part of BOMCA 8. The EU model of strategic risk analysis and the topic of risk assessment were presented and particular attention was given to the land BCP. The training included analysis of procedures at CA land BCP and provided recommendations aimed at achieving greater efficiency and effectiveness of border services in line with the EU standards. Post-training evaluation by participants gave a very positive rating.⁴²³

Furthermore, a three-day sub-regional workshop on risk management for customs administrations for the CIS countries took place in KZ. The workshop was organised by WCO and OSCE whilst BOMCA provided logistical and overall technical support to the participants. The workshop was designed for managers overseeing port operations, BCP and organisational change management. The workshop resulted in the positive step of agreeing the definition of a common approach for managing customs risks.⁴²⁴

Awareness of the importance of risk management, risk analysis and risk assessment was raised in all five CA countries through a wide range of training events, conferences, meetings, and study visits.

⁴¹⁸ EU 2011, A Study on the Evaluation of the Central Asian Border Security Initiative, Tamas Kiss and Žarko Petrović, page 12

⁴¹⁹ 2009, Survey of the Trade & Transit Situation in Central Asia, James J. Lenaghan, page 18 an 75

⁴²⁰ UNODC 2007, Securing Central Asia's Borders with Afghanistan – page 4

⁴²¹ 2012, Open Society Foundation; Central Asia's Border Woes & The Impact of International Assistance, Geore Gavrilis, page 10

⁴²² 2014, BOMCA 8 - Final report, page -18

⁴²³ 2014, BOMCA 8 - Final report, page -18

⁴²⁴ 2012, BOMCA 7- Progress report, page 19

With the introduction of the modern automated customs information systems (I-524), risk analysis has become a part of the routine working procedures within CA customs administrations. However it seems that border guard service still lack contemporary risk management tools, although the Kyrgyz border guards supposedly adjusted their own risk management model (2015) to be in line EU best practices as demonstrated in the events organised by BOMCA.

External factors

The current organisational structure for border management in CA is based largely on the structure inherited from the Soviet Union. A strict division of responsibilities exists between the various agencies and services and they are reluctant to cooperate and share information and data.

5.3 JC 53 Extent to which EU support improved co-operation at and across borders

5.3.1 I-531 Evidence of increased cross-border information and intelligence sharing.

Description

Cross border information and intelligence exchange enables the agencies to fight organised crime more effectively and efficiently. It is essential to set up effective external communication mechanisms in order to create functional interfaces between border management services internationally. Exchange of information and intelligence should be in place, as embedded and routine work activity at all levels - between BCP (local), between regional headquarters, at ministry or service level (central) and at multilateral/regional level.

Evidence of the change

Major deficiencies in information collection and intelligence sharing continue to hamper effective border management in CA. These deficiencies include a lack of understanding of the value of the information in border management, a lack of planned, structured, systematic information gathering procedures, a lack of analytical capacity and skills and a lack of inter-agency cooperation and consequent sharing of intelligence.⁴²⁵

CA officials have been reluctant to share intelligence including lists of most-wanted suspects.⁴²⁶ Indeed, several laws in various CA countries forbid or proscribe services from cooperating with cross-border counterparts.⁴²⁷ For example, in KG information sharing with other countries happens rarely and usually only by request in the context of human trafficking or organised crime investigations.⁴²⁸

However, the general security threat posed by Daesh and other fundamentalist groups related to cross-border movement of the foreign fighters⁴²⁹, requires CA law enforcement and border authorities to exchange information and intelligence more efficiently and effectively. In line with this, the CA countries took certain measures (amendment of legislation, strengthened intra-service and inter-agency cooperation, etc.) in order to improve the exchange of information and intelligence.

CARICC was officially inaugurated in Almaty in 2009.⁴³⁰ https://en.wikipedia.org/wiki/CARICC_-_cite_note-9 CARICC has established mechanisms and legal basis for information and intelligence exchange between competent authorities at regional and international level, ensuring real-time exchange between the services and countries in the course of operations. CARICC also produces and distributes notices on offenders wanted for involvement in drug-related crimes, collects information regarding drug trafficking and drug-related crime to be used by competent services of the CARICC member states.⁴³¹ All five CA states are members of CARICC.

The Tajik-Afghan *Conference on Trade & Security at the Tajik-Afghan Border* (2012) recognised and confirmed that security risks and border management requires securing the border from both sides,

⁴²⁵ 2007, UNODC, Securing Central Asia's Borders with Afghanistan, page 4

⁴²⁶ 2009 EUCAM: Beyond the Border Management Programme for Central Asia, George Gavrilis

⁴²⁷ 2009 EUCAM: Beyond the Border Management Programme for Central Asia, George Gavrilis – page 4

⁴²⁸ 2014, US Department of State – the Country Reports on Terrorism 2014

<http://www.state.gov/j/ct/rls/crt/2014/239408.htm>

⁴²⁹ The biggest change in TJ's security environment has been the acknowledgment that roughly 300 Tajik citizens are allegedly fighting against government forces in Syria and Iraq, and of the threat they could pose if and when they return.⁴²⁹

⁴³⁰ <http://www.unodc.org/unodc/en/frontpage/2009/December/intelligence-sharing-centre-opened-in-kazakhstan.html>

⁴³¹ <http://caricc.org/index.php/en/about-caricc/caricc-services>, CARIC web page

based on information exchange. In addition to this, the conference emphasised that enhanced cross-border cooperation between Afghanistan and TJ and the other CA is at the core of border security.⁴³²

All five CA countries are members of Interpol and through this the legal and technical pre-requisites were established for the introduction of the cross-border information and intelligence exchange.

EU contribution

The EU support enabled and supported different platforms, which served as fora for cross-border information exchange.

The *Conference on Trade & Security at the Tajik-Afghan Border* has been annually organised by the Delegation of the EU to TJ with support from BOMCA and the Embassy of Japan. It is primarily aimed at strengthening coordination and links between the Tajik and Afghan law enforcement authorities for cross-border cooperation and information exchange. During the EU-Japan Conference in February 2012, three key conclusions were adopted:

- Risk and border management require securing the border from both sides, with an equal level of commitment by government and should be based on proactive information exchange
- Enhanced cross-border political and economic cooperation between Afghanistan, TJ and other CA countries is at the core of border security and stability
- Particular emphasis should be put on legitimate trade and transit as one of the pillars for alleviating poverty and supporting sustainable economic growth in the region⁴³³

BOMCA also supported and initiated the annual regional meetings of CA border guard commanders. These meetings provided a forum for discussion of border management, regional and/or bilateral cross-border cooperation issues and exchange of general information in the CA countries, at the highest decision-making level. These meetings enhanced exchange of information, reduced tensions between the commanders of the CA border guard services and to a limited extent contributed to the reduction of conflicts in the region due to the established communication between the border guard commanders.

In collaboration with CARICC and EU-funded project *Heroin Route II – Information Networks*, BOMCA held a regional workshop (2014) focusing on information exchange between law enforcement agencies. During the 10th *Conference of the Central Asia Border Security Initiative (CABSI)*, supported by the EU, ministers and senior officials of the five CA countries acknowledged that CABSI was an important forum for information exchange, cooperation and coordination of regional activities. The ministers also recognised CARICC as an effective mechanism to promote regional cooperation, enhance cross-border cooperation, exchange best practices and information amongst CA authorities responsible for countering illegal drug trafficking, detection of chemical precursors and enhancing cross-border cooperation.⁴³⁴

Apart from organising regional workshops, the EU, through the project *Interpol in Central Asia (ICA)*, assisted the CA states to reinforce their technical capacity for exchange of criminal intelligence between Interpol National Bureaus and Interpol headquarter by extending Interpol capacity in each CA country. With EU financial support, Interpol expanded access to its global communications system (i24/7) to remote sites throughout the CIS, in order to give frontline officers direct access to Interpol's secure network and databases. The EU-funded TACIS project connected more than 50 sites in CA. Using technical solutions, law enforcement officers in the field can instantly access Interpol's wealth of data (such as 17 million records in the *Stolen & Lost Travel Documents database*) and carry out real-time searches.⁴³⁵

The most important information and intelligence exchanges in major cross-border criminal operations and investigations take place through CARICC, but it also occurs directly between neighbouring border authorities at the local level, sometimes informally without any legal basis. Training courses, workshops and conferences have had a positive impact on the promotion of the cross-border information and intelligence exchange as applied in EU member states. Learning from the EU approach is acknowledged to have changed the mind-set and created a conducive environment for enhanced cross-border cooperation, information and intelligence exchange, as opposed to the Soviet

⁴³² <http://www.unescap.org/sites/default/files/roctf2013-bomca.pdf>, 25th August 2015, PPT, page 8-12

⁴³³ http://eeas.europa.eu/delegations/tajikistan/press_corner/all_news/news/2014/20140220_en.htm, 28 August 2015

⁴³⁴ 2012, Ministerial Declaration of the Ministerial Conference of the Central Asia Border Security Initiative, Vienna 16th April 2012

⁴³⁵ 2009, EU Monitoring Report – MR 121549.01, <http://www.interpol.int/en/News-and-media/News/2009/PR022>

Union mentality and principles that still exist, which advocated closed borders and proscribing contacts with neighbouring counterparts.

BOMCA established a conducive environment for successor border management projects dealing with cross-border information and intelligence exchange. The UNODC programme, *Countering the trafficking of Afghan opiates via the northern route by enhancing the capacity of key border crossings points & through the establishment of Border Liaison Offices (BLOs)*, benefited from BOMCA investments and capacity building activities. The memorandum of understanding (MoU) on the DPU, developed under BOMCA, served as a basis for the establishment and development of the UNDOC MoU on BLO between CA countries.

External factors

The five CA states are still reluctant to cooperate and share information and intelligence with each other due to mutual mistrust, sensitivity of security issues and different political settings. The security sector is central to the political system in CA and therefore assistance programmes on border issues are always very sensitive.

5.3.2 I-532 Evidence of increased inter-agency cooperation between border authorities and existence of joint activities.

Description (of the indicator)

The goal of inter-agency cooperation between the customs and border guards services at national level is to strengthen the capacity and regularity of joint and coordinated activity between these two main border services in order to increase the detection of illegal goods, enable more effective management of the flow of passengers and goods and make better use of all resources. The services may establish formal coordination structures (in the form of inter-agency working groups), appoint and exchange liaison officers, set up joint offices for information sharing, convene regular meetings, introduce joint border checks and patrols.

Some of these forms of inter-agency cooperation may take place at national or international level. In an advanced stage of cross-border inter-agency cooperation, joint patrols at commonly agreed borders sections can take place and neighbouring border services inform each other about their planned activities to ensure that they do not duplicate efforts or put operations at risk.

Evidence of the change.

Inter-agency cooperation (national level)

Inter-agency cooperation between state bodies involved in border control at **national level** is rather weak in all CA countries.⁴³⁶ At BCP (which include airports and railway stations with international links), border guard staff responsible for control of travel documents and visas are part of separate departments and have little or no contacts with those responsible for security of the state border.⁴³⁷ However, inter-agency co-operation between border guards, customs services and other border management services has been developing across the region, although at different pace in different states.

KZ: The government counterterrorism plan enhanced interagency cooperation, coordination and information sharing though the extent to which this is actually occurring remains unclear. KZ has been implementing a single window concept, also referred to as united (joint) border crossing points (UBCP). Under the existing Joint Order, the five services involved closely interact at the UBCP. In 2011, there were 18 UBCP and it is envisaged that this model be extended to a further 180 locations.

KG: The customs service developed a *Joint Action Plan for Customs & Border Troops*, which resulted in joint controls at the border and operational information exchange at all BCPs.

TJ: The Government adopted the concept of a single window for export, import and transit procedures (2008). The concept promotes principles of joint control and delegation of responsibilities between services. In the framework of the implementation of this concept, the Ministry of Economy initiated the upgrade of related technology and the creation of the state enterprise *Single Window* as a supporting agency. Tajik border guards and customs officials were not accustomed to work together at BCP and competed for scarce provisions and housing. The situation has now improved, joint operations are now organised between the customs authorities, the Drug Control Agency, the Ministry of Internal Affairs and other law enforcement bodies relevant to drug control. But, it is still common at some

⁴³⁶ Project synopsis, BOMCA 6 & 7, 2008-2011

⁴³⁷ 2011, the EU Border Management Programme in Central Asia – BOMCA 8, Description of the action – annex I to Contract no. DCI-ASIE 2011/268-512, page 7

borders to see border guards and customs separated and working independently of one another. As a positive development following BOMCA support some renovated and newly constructed BCP allow border guard and customs staff to work together, to apply the one-stop approach.

TM: Inter-agency cooperation is carried out on the basis of an annual joint action plan. Several national services such as the State Border Service, State Customs Service, Ministry of National Security, Ministry of Internal Affairs and the State Service for Registration of Foreign Nationals take part in the preparation of this plan.

UZ: There is a common emergency plan, with the border guard service as the coordinating service at BCPs. The *Extraordinary Emergency Commission for the Republic* holds quarterly meetings and makes decisions on procedures that are mandatory for all stakeholders. The Border Guard, Customs and Sanitary, Emergency Ministry and Ministry of Internal Affairs were involved in the first joint emergency exercise in 2005.

An inter-agency working group has been established in TJ in order to coordinate border management issues at the governmental level and a similar inter-agency working group was also established in KG. In addition to this, some inter-agency protocols on mutual cooperation were concluded between the state services in KG.

Inter-agency cooperation (international level)

KZ: An intergovernmental agreement was signed with Russia (2010) on joint border control to coordinate the cross border flow of people, goods, vehicles and to exchange information on border traffic. This agreement is a part of the legal base of a Customs Union designed to facilitate the border-crossing process and trade between Russia, KZ and Belarus. The customs services of KZ and China agreed on the concept of joint control (2007) and recognised the need for ensuring phased introduction. In 2009, the *Regulation on Organization of the First State of Joint Customs Control between Customs of KZ & China* was signed and the BCP at Kalzhat – Dulaty was identified as the pilot site. It seems that the latter initiative was initiated under the Council of the Customs Heads of the EURASEC member states.

TJ: The Tajik and Afghan border guards carry out joint operations focusing on drugs and hostages taken among the local population. Additionally, each year, action plans are developed to cover cooperation between law-enforcement services in the framework of the fight against illegal smuggling of drugs, weapons, illegal migration and other offences. Inter-agency cross border cooperation has been developing in a positive direction in TJ. Regular contacts exist between border guard representatives with their neighbouring counterparts, particularly at local level and within CARICC (I-531). Meetings and exchange of information is conducted on a regular basis, based on the annual cooperation plans. However, there is a need to institutionalise the existing cooperation through bilateral agreements.⁴³⁸ The well-developed Tajik and Afghan cooperation has not only been introduced at the operational local level but also at the strategic level. BOMCA and the EU programme Border Management in Afghanistan (BOMNAF) organised some high-level conferences in order to support and facilitate regional liaison and cross-border, joint activities and information sharing. Representatives of the TJ Drug Control Agency are permanently based in Kabul as liaison officers and a number of joint counter narcotics operations have been successfully conducted.

EU contribution

BOMCA promoted inter-agency cooperation through the rational and institutionalised joint use of border facilities and equipment at national and international levels using awareness-raising events, study visits and workshops. However, BOMCA efforts to promote joint management and use of facilities were experimentally introduced only on the Kazakh-Kyrgyz border at the AI Jok BCP. However, this was an experiment without continued political will to maintain the approach and joint border checks were performed only for very short period (2008).

A useful tool for acquainting the CA border services with the EU principles of conducting joint activities and inter-agency cooperation is the *IBM Handbook for Central Asian Countries*, developed with EU support. The handbook, delivered to all five CA countries, identifies and provides concrete examples of EU and CA best practices, including joint border checks, joint border patrols, and joint actions.

BOMCA 7 organised several study visits to EU member states in order to promote and raise awareness about the benefits of joint border checks, joint border actions and joint use of equipment and resources. Many participants from CA were acquainted with the practical modalities.

One prominent achievement, supported by the EU, is the establishment of the inter-agency cynology centres in KG and TJ, which implement the idea of sharing resources by involving different law

⁴³⁸ 2014, Evaluation of IBM progress in the Kyrgyz Republic, BOMCA & ICMPD

enforcement agencies within the centres. The Multi Agency Dog Training Centre under the Tajik Drug Control Agency, which was refurbished and equipped by BOMCA, has been providing training courses for detector dogs and handlers from border guards, police, customs and the Drug Control Agency. The Centre also breeds its own dogs for the needs of these services. Moreover, Afghan border guards have participated in the training conducted in the this centre (2014). As recently as 2015, 18 trainers from other countries provided lectures in the centre. BOMCA has also organised meetings between the border guard commanders of Afghanistan and TJ to reinforce good working relations and further cooperation in the fulfilment of joint tasks.⁴³⁹

Finally yet importantly, meetings of the specially created *Inter-Agency Working Groups*, *National Steering Committees* and two high-level commander conferences served as platforms for discussing institutional reforms and creating a conducive environment for the implementation of the more advanced working methods. BOMCA provided advisory support to both the working groups and the high-level conferences.

External factors

The legislative frameworks of TM and UZ do not allow for the introduction of the IBM inter-agency cooperation and hence it is too early for more advanced developments such as joint border operations with neighbours. Moreover, the territorial disputes along the Tajik-Uzbek and Tajik-Kyrgyz borders have the potential to develop into armed conflict. There were several armed skirmishes between Tajik and Kyrgyz border guards in 2013 and 2014, particularly in the area of Isfara and the Vorukh enclave.⁴⁴⁰

Border demarcation and delimitation disputes remain potent sources of tension between local populations as well as governments. Border areas are often composed of large ethnic minority populations from neighbouring countries. For that reason, there are regular cross-border incidents. For example, in TJ's Isfara district, an incident along the border started in August 2015, when residents of the Kyrgyz village of Kok-Tash blocked the flow of water to the Tajik village of Chorkuh, which caused protests by Tajiks. In response to this residents of Chorkuh blocked a road that the residents of Kok-Tash use to reach a cemetery where relatives are buried. Some 200 people then gathered on both sides of the border and threw stones at each other. The crowd number reached about 500 people and residents again threw stones, injuring several people on both sides. Six Tajik citizens were wounded by gunfire.⁴⁴¹

A considerable number of landmines have been laid along stretches of CA borders. In TJ, the majority of mine fields are unmarked or information regarding their precise location and layout is lacking. Along the Tajik/Afghan border there are 607 known mined areas containing 242,000 anti-personnel landmines. The mined areas are localised along the border within the area of the coincidence of the Uzbek/Tajik/Afghan border to the town of Khorog. Along the Tajik/Uzbek border there are 58 known mined areas. These mined areas are placed in locations along the entire border and are the source of most of TJ's mine casualties. Landmines along the border have a negative impact in many respects, including for border security. Unpatrolled yet mined borders do not work as an effective deterrent for illegal cross border activities but the non-accessibility to these mined stretches hinder border guard movement, patrolling and monitoring.⁴⁴² In such circumstances, it is unrealistic to expect border guard services to implement joint patrols, activities and teams.

In general, experience shows that EU IBM concept is expensive to operate and depends on security and political cooperation of neighbouring countries and this also applies for CA. Most importantly, it requires political commitment at the highest levels of national government to initiate politically costly reforms and the administrative and financial capacity for full and effective implementation.

⁴³⁹ IBM Handbook for Central Asia, page 87

⁴⁴⁰ <https://www.osac.gov/pages/ContentReportDetails.aspx?cid=17576>; Tajikistan 2015 Crime and Safety Report

⁴⁴¹ <http://www.news.tj/en/news/tajikistan-kyrgyzstan-reportedly-reach-agreement-resolving-recent-border-incident>

⁴⁴² 2010, National Border Management Strategy of Tajikistan, page 11

6 EQ 6 on SME development

Has regional-level EU support to CA contributed to improving the business climate for SMEs and their competitiveness (emphasis on the non-extractive sectors)?

6.1 JC 61 Extent to which EU support has contributed to improved regulatory and legislative frameworks for the SME sector.

6.1.1 I-611 Extent to which weaknesses in regulatory and legislative frameworks have been identified and recommendations provided across the region.

Description (of the indicator)

Weak regulatory and legislative frameworks present a structural hindrance to SME-development. Institutional, legal, administrative and sector reforms are needed to improve public governance in general and are crucial stepping stones on the way towards a more conducive environment for SME to fulfil their potential as main pillars of national economies. However, structural weaknesses can only be efficiently and effectively addressed if they have first been identified in a comprehensive manner. Hence, this indicator looks at the extent to which EU-supported programmes have analysed legislative and regulatory limitations in Central Asian countries and linked diagnostics to sound recommendations.

Evidence of the change/ EU contribution

The regulatory environment in Central Asia – with national variations – is characterised by complex laws and regulations, which are not always systematically enforced. In some cases, the regulatory and legislative frameworks suffer from substantial gaps and a lack of clarity.

The most comprehensive approach to analysis and diagnostics has taken place within the context of the OECD Eurasia Competitive Peer Review Process as part of OECD-led Eurasia Competitiveness Programme (ECP).⁴⁴³ So far several OECD Policy Handbooks for KZ, KG and TJ have provided a detailed assessment of structural constraints to the respective business environment and related recommendations for legislative and regulative reforms.

Other direct outputs of the ECP, especially the “Central Asia Competitiveness Outlook” and other reports on competitiveness and private sector development made a contribution to diagnostics. The “*Competitiveness Outlook*’ report presented at the World Economic Forum in Davos in January 2011 provided an excellent first summary of the economic competitiveness of Central Asia.” (MR-140432.10, p. 4). The Outlook identified a significant skills gap; poor access to finance, constraining business development; and economic diversification as the main challenges facing Central Asian economies. According to the report, the growth of SMEs in the region is especially hampered by (i) limited access to bank finance, (ii) weak regulatory frameworks, including a major problem with corruption, and (iii) few alternatives for financing start-ups and young SMEs.⁴⁴⁴

Box 3 Main recommendations of the Central Asia Competitiveness Outlook, 2011

To attract further investment into a wide range of economic sectors, governments need to consult more closely with the private sector to implement reforms that target three priority areas:

Developing human capital

- Consulting with employers to create a better balance between higher education, vocational education and training and continuous education that meets job market requirements.
- Making public spending more cost effective: monitoring quality and avoiding unnecessary repetition of school years.
- Involving the private sector in education development strategies.

Enhancing SME financing

- Making SME finance a priority in financial sector reform.
- Providing incentives for financial institutions to invest in SMEs (especially in rural areas).
- Offering greater support for credit guarantee agencies.

⁴⁴³ OECD 2014: *Eurasia Competitiveness Roundtable Peer Review of Tajikistan. Background Information and Summary of Recommendations*

⁴⁴⁴ OECD 2011: *Central Asia Competitiveness Outlook*

- Improving skills through capacity building and linkage programmes between SMEs and foreign direct investors.

Capturing more and better investments

- Placing greater emphasis on land ownership regulations, titling and cadastre systems.
- Developing comprehensive investment promotion strategies to diversify FDI.
- Identifying and removing policy barriers to sector growth and responding to investor concerns.

Source: OECD 2011: *Competitiveness and Private Sector Development central Asia. Competitiveness Outlook*.

Building on the findings of the Outlook, the OECD in collaboration with the countries of Central Asia developed potential strategies and presented recommendations to overcome these obstacles by focusing on one specific policy tool within each of the three priority areas (see box 3.1). The reports were prepared and delivered as planned. All followed the same approach: The handbooks were based on

- the proceedings of OECD Working Group meetings (on “Human Capital Development in Central Asia”, December 2011 in Paris; “Access to Finance 4 for SMEs in Central Asia”, September 2012 in Istanbul; and “Investment Policy and Investment Promotion in Central Asia”, April 2012 in Vienna);
- self-assessment questionnaires for each country; and
- independent assessments conducted by the OECD.

All Central Asian countries fully participated in the activities, with the partial exception of TM, which did not complete the questionnaire for the handbooks 1 and 3. The three *Private Sector Development Policy Handbooks* are:

- “Developing Skills in Central Asia through Better Vocational Education and Training Systems” (2012): conclusions and recommendations related to human capital development and guidance for policy makers on implementing vocational education and training (VET) systems in order to better equip graduates with skills they need to get jobs.
- “Improving Access to Finance for SMEs in Central Asia through Credit Guarantee Schemes” (2012): conclusions and recommendations related to access to finance for SMEs and guidance for policy makers on establishing and operating credit guarantee schemes (CGSs) as a measure to facilitate access to finance for SMEs,
- “Promoting Investment and Job Creation in Central Asia through Business Linkage Programmes” (2013): conclusions and recommendations related to investment policy and promotion and guidance for policy makers on implementing business linkage programmes (BLPs) as a measure to increase investment promotion efforts.

ECP also planned to develop OECD competitiveness strategies for the individual Central Asian countries. So far, several reports have been published for three countries:

Table 7 Competitive Strategies per Country

Country	Strategic Document
Kazakhstan	“Competitiveness and Private Sector Development: Kazakhstan 2010 Sector Competitiveness Strategy” (2011) “OECD Private Sector Development Policy Handbook” for KZ (2013), comprising: <ul style="list-style-type: none"> • Enhancing Skills through Public Private Partnerships in KZ’s Information Technology Sector; • Promoting Investment in KZ’s Agribusiness Value Chain; • Improving Access to Finance in KZ’s Agribusiness Sector.
Kyrgyz Republic	“Expanding the Garment Industry in the Kyrgyz Republic” (2014) “Improving Skills through Public-Private Partnerships in the Kyrgyz Republic The Case of Agribusiness” (2014)
Tajikistan	“Enhancing access to finance for SME development in Tajikistan” (2015) “Increasing exports in Tajikistan The case of agribusiness” (2015)

In sum, the EU-supported ECP provided comprehensive analysis and recommendations for the Central Asian countries across key sectors relevant for private sector development in general and the strengthening of SMEs in particular.

“The project did a good job in providing high quality materials based on a professional economic research and analysis and in quite an efficient way”. In doing so, it provided some useful benchmarks on aspects related to the SME sector in other countries, giving the central Asian countries an understanding of policy instruments used in other countries to promote SME development in all its

aspects (innovation, employment generation, attracting investments, etc.)..⁴⁴⁵ All stakeholder groups (government, private sector, civil society) interviewed in TJ and KG confirmed the usefulness of the policy handbooks and their recommendations.

The process leading to the drafting of the policy handbooks and their recommendations was also unanimously perceived as a good example for a participatory approach. National working groups served as the main operational body for the policy handbook projects, providing the necessary data, developing the analysis and reviewing the materials produced. Interviews were conducted with most of the stakeholders who had participated in the working groups; all expressed their satisfaction with the process and the result and stated that their respective input to the working groups had been considered for the final reports.

While several government stakeholders in TJ stressed that the policy reports outlined well-known problems and challenges, they all recognised the importance and usefulness of the analytical work. The majority view was that without the OECD a comprehensive review of existing regulative and legislative weakness would not have happened in the same way, if at all. As one high-ranking official put it, “we had already started thinking about an analysis but we needed the OECD to facilitate the process”. Another added, “the policy reports state very well what needs to be done”.

External factors

The analysis of the regulatory and legislative frameworks in the region and the provision of policy recommendations was largely unaffected by external factors. All Central Asian countries actively participated in the OECD Working Groups, which formed the basis for the Private Sector Development Policy Handbooks, and related activities. The only partial exception was TM which did not provide official information for all reports.

6.1.2 I-612 Evidence that high level policy forums were held in the region, including businesses and NGOs, to enhance governmental support for SMEs.

Description (of the indicator)

Development co-operation can hardly be effective if it is not embedded in, and supplemented by, an elaborated system of policy dialogues which potentially contribute to achieving the objectives under regional and country strategies. The high-level involvement of partner governments in policy forums provide a suitable and promising entry point to addressing policy barriers to SME activities. The indicator looks at the way policy dialogues have effectively complemented and reinforced project support with the objective of improving the enabling environment for the development and strengthening of SMEs – through policies, legal frameworks, regulations and other formal mechanisms and incentives.

Evidence of Change

Unlike in other sectors, such as education, environment, justice and climate, there are no business-related high level policy forums in the region, let alone regional high-level multi-stakeholder dialogues comprising representatives of governments, businesses and NGOs. However, the OECD-led Eurasia Competitiveness Programme (ECP) established regular level policy meetings.⁴⁴⁶ These dialogue meetings are usually attended by the deputy economy ministers of all five Central Asian states. This is the only forum for exchanges of best practices in the drafting and implementation of reform agendas related to common challenges in PSD.

EU contribution

The OECD-ECP is supported by the EU-funded by the Central Asia Initiative (CAI). There have been three phases of the CAI until now; high-level policy forums have been held since the second phase. CAI 2 and 3 contributed a total of EUR 2 million to ECP.⁴⁴⁷

Only the ECP dialogues qualify as high policy forums (i.e. they were attended by high-level representatives from the respective central Asian governments) and are therefore covered under this indicator.

The first high level policy forum took place in 2010, when ECP organised a Ministerial Conference (with the participation of ministers of economy and deputy prime ministers from each of the Central

⁴⁴⁵ EU 2014; p. 29-30

⁴⁴⁶ <http://www.oecd.org/investment/psd/centralasiacompetitivenessinitiative.htm>

⁴⁴⁷ EU 2014:Mid-Term Evaluation of Central Asia Invest, p. 7

Asian countries)⁴⁴⁸ and also convened a meeting of its Steering Committee. The Ministerial meeting was co-chaired by the EU and France. Three regional Working Groups were established⁴⁴⁹ and the Central Asia Competitiveness Outlook report was produced and presented at the World Economic forum in Davos in January 2011 (see I-611)

Since then the most important meetings include:

- The OECD Eurasia Ministerial Meeting in Warsaw, Poland, in June 2013 which was attended by ministers and high-level representatives from Eastern Europe, the South Caucasus and Central Asia. Among other outcomes, the meeting launched the concept of the OECD Eurasia Competitiveness Roundtable as a forum for peer review and knowledge sharing on the implementation of reforms in favour of competitiveness (OECD 2013, *OECD Eurasia Ministerial Meeting Warsaw, 27-28 July, Warsaw*, <http://www.oecd.org/globalrelations/EN2406.pdf>)
- 1st OECD Eurasia Competitiveness Roundtable took place in December 2014 in Paris, followed by the 2nd and 3rd Roundtables in November 2014 and November 2015 respectively also in Paris as part of “Eurasia Week”.

The output and outcomes of the policy dialogue process is well documented by ECP and covered in several monitoring and evaluation reports. The assessments have usually been positive. In an early report ECP itself spoke of “*strong political commitment throughout.*”⁴⁵⁰ Even the otherwise rather critical 2011 ECP Monitoring Report found, “*There has been some impact at national level in most countries in that the various countries' Ministries and BIOs have joined in discussion of the topic of competitiveness. There has been an encouraging impact in Tajikistan. The impact at regional level is also significant in that the various countries' representatives have met and have had informal discussions. This is a step in the right direction although, privately, each has strong reservations as to the outcome of such talks aimed at integration*” (EU 2011: *ECP Monitoring Report, MR-140432.05*).

Government stakeholders interviewed in TJ and KG generally thought that, in the absence of other regional cooperation mechanisms in the field of PSD and SME support, the annual high level policy dialogues in Paris provided a unique opportunity for discussions on policy and legislative reforms that would not exist otherwise.

Given the significance of the ECP policy forums, it is surprising that the 2014 Mid-Term Evaluation of CAI does not elaborate on the policy dialogues apart from the notion that there was “*virtually no relation between the grant projects and the policy component of the CAI programme*” (MTE, CIA, 2014, p. 10). Indeed, as interviews confirmed, the EU missed its declared objective of CIA III “*that CAI grant projects will be better coordinated with the OECD policy component [...] for achieving more coherent and sustainable impact*”.⁴⁵¹ Yet, missing synergies between the CAI components are a different issue (see I-613) and do not devalue the importance of the ECP policy forums.

As outlined above, since 2013 The OECD-led high-level policy dialogues have taken the form of a roundtable/peer-review process which is essentially a three-year cycle. In the case of KG, for example, in 2013 private-public dialogue forums and multi-stakeholder workings groups (comprising representatives from government agencies, private sector and civil society) identified and discussed the policy/legislative reform agenda for PSD. These discussions led to draft policy reports which were

⁴⁴⁸ The Ministerial Roundtable took place in Paris in June 2010. The event was initially scheduled to take place in Bishkek, the Kyrgyz Republic in April 2010, with significant resources devoted to that effect. However, the event had to be rescheduled and relocated due to civil unrest in the country at the time. Ministers of Economy from the Central Asia Initiative countries, heads of Investment Promotion Agencies (IPA), and high-level representatives from OECD economies discussed challenges to investment, competitiveness and SME development in their respective countries. The Ministerial Roundtable was co-chaired by France and the European Union (MTE, *Central Asia Invest*, 2014, p. 9; *OECD Central Asia Initiative Ministerial Conference BEYOND THE CRISIS: SUPPORTING POLICIES FOR COMPETITIVENESS IN CENTRAL ASIA KEY OUTCOMES Paris, 17-18 June 2010*)

⁴⁴⁹ The regional working groups are chaired by an OECD member and attended by experts and practitioners from countries from Central Asia and OECD members. Each working group met twice during project implementation: a) *Investment Climate Policy and Promotion*, chaired by Germany; b) *Financial Market Development with a focus on Access to Finance*, chaired by the Czech Republic; and c) *Human Capital Development*, chaired by Korea (OECD Eurasia Competitiveness Programme Central Asia Initiative. *INVESTMENT AND COMPETITIVENESS IN CENTRAL ASIA Final narrative report for the whole implementation period 24 December 2009 to 31 December 2012, EU-OECD Contribution Agreement, 2009/229-011, 2013, p. 5*).

⁴⁵⁰ OECD 2013: *OECD Eurasia Competitiveness Programme Central Asia Initiative. Investment and Competitiveness in Central Asia. Final narrative report for the whole implementation period 24 December 2009 to 31 December 2012, EU-OECD Contribution Agreement, 2009/229-011, p. 17-18*

⁴⁵¹ *Action Fiche for Central Asia. Central Asia Invest III 2011/023-448*

peer-reviewed at the high-level policy roundtable within the context of the Eurasia Week in Paris in November 2013. In early 2014 the reports were finalised and published. The government has committed itself to implement reforms based on the reports' recommendations. The implementation process is being monitored by the OECD and progress will be reported to, and peer-reviewed by, the Roundtable meeting in November 2016 in Paris. The government is actively working towards implementing the recommendations and is particularly keen on rolling out the concept of warehouse receipt funding as a way of increasing access to finance for SMEs. For TJ the three-year-process began in 2014 and will lead up to the 2017 Roundtable in Paris. Although, the Tajik government has also declared its full commitment it has not yet started to implement the agreed recommendations. Thus, it cannot be determined if the declaratory commitment will lead to actual reforms.

External factors

The effectiveness of a regional dialogue on PSD/SME support is hampered by the poor relationships between some of the countries. In practise, even informal coordination is often difficult because of tensions among the five states. Due to these tensions, some of the region's borders are closed, and the five states rarely even meet under the auspices of international organisations (Andrew C. Kuchins, Jeffrey Mankoff, Aitolkyn Kourmanova, and Oliver Backes 2015. *Central Asia in a Reconnecting Eurasia—Kazakhstan, Washington DC: CSIS/Rowman & Littlefield 2015*, p. 12). Even the ADB-funded Central Asia Regional Economic Cooperation (CAREC) Programme - the only existing truly regional cooperation framework, which comprises all Central Asian countries as well as five South and East Asian countries – does not include a high level policy dialogue in the business sector.

6.1.3 I-613 Number and scope of legislative and regulatory developments in support of PSD.

Description (of the indicator)

The legislative and regulatory framework provides the “soft infrastructure” for private sector development and is a crucial pillar of the enabling environment. A conducive legislative and regulatory climate creates the necessary basis for addressing “hard” infrastructure constraints to private sector development, for example with regards to transport and energy and difficulties in accessing finance. This indicator investigates any legislative and regulatory change which has taken place in the Central Asian economies and assesses as to what extent, if at all, EU interventions have contributed to positive developments.

Evidence of the change

In all five countries substantial legislative, regulatory and policy developments in support of PSD in general and SMEs in particular have taken place during the evaluation period. The most important achievements are summarised in the table below.

Table 8 *Legislative, Regulatory and Policy Developments in support of SMEs at National Levels*

Country	Main Developments
Kazakhstan	<p>Legislation improvement: Amendments to Inspection law, Customs Law, Tax Code (on preparation phase), Law on Private Entrepreneurship, License Law, Registration Law.</p> <p>Procedures improvement: Commission on eliminating of administrative barriers and improvement of business climate for SME under the chair of the Prime Minister; Government Programs for 2006-2008, Moratorium on business inspections.</p> <p>SME support programmes: Concept of establishing of the regional socio-entrepreneurial corporations (fixed share of profit should be invested in SME development). Anti-crisis economic programs aimed at SME development. Innovative Industrial Development Strategy for 2003-2015. Business Roadmap 2020, for entrepreneurs and exporters in priority sectors, will provide assistance in the guise of subsidised interest rates, guarantees for bank credits, grants, co-financing of investment projects, and rescheduling of certain tax payments.</p> <p>Government institutions: SME Development Fund, Investment Fund (Equity financing), National Innovation Fund, State Insurance Cooperation (for exporters and investors). KazInvest and the Development Bank, the Fund “Kazyna”.</p> <p>Private-public dialogue: Foreign Investors Council and Council of Entrepreneurs under the President of RK.</p>
Kyrgyzstan	<p>Legislation improvement: The Law on State Support of Small Entrepreneurship, Tax code, Customs Code, Inspection law, Number of legal acts improving permits procedures; Law on Public Private Partnerships (PPP)</p> <p>Procedures improvement: Moratorium on business inspections, One-stop-shop principle (Business entry, Customs, Construction sector).</p> <p>The Kyrgyz Republic made registering property easier by simplifying documentation requirements and making notarization optional (Amendments to the Civil Code of the Kyrgyz</p>

Country	Main Developments
	<p>Republic #104 of 30.03.2009)</p> <p>The Kyrgyz Republic made paying taxes less costly for companies by reducing the rates of several taxes, including the corporate income tax (2010)</p> <p>The Kyrgyz Republic made paying taxes costlier for firms by introducing a real estate tax, though it also reduced the sales tax rate (2012).</p> <p>SME support programs: State Program on Entrepreneurship Development; anti-crisis economic programs aimed at SME development.</p> <p>Government institutions: Number of government commissions on SME development, Fund on Support of Private Entrepreneurship, Development Fund.</p> <p>Private-public dialogue: Private-public dialogue: Investment Council under the President of the Kyrgyz Republic; The Kyrgyz Republic Development Fund.</p>
Tajikistan	<p>Legislation improvement: the Law on state registration of legal entities and individual entrepreneurs and the Law on Joint-Stock companies, Tax and Customs Codes, Inspections Law, License Law, Collateral Law, Law on State Protection and Support of Entrepreneurship; legal constraints for agri-leasing lifted</p> <p>Procedures improvement: Introduction of moratorium on all kinds of inspections of small and medium enterprises, number of licenses decreased from 1500 to 59.</p> <p>SME support programmes: The Microfinance Development Program; anti-crisis economic programs aimed at SME development, Concept of Entrepreneurship Development 2015.</p> <p>Government institutions: State Agency for Antimonopoly Policy and Support of Entrepreneurship.</p> <p>Private-public dialogue: Consultative council on investment climate improvement under the President of Republic of Tajikistan.</p>
Turkmenistan	<p>Legislation improvement: Amendments in Constitution related to SME development. "National Strategy on Economic Revival and Reforming up to 2030".</p> <p>The Law on the Governmental Support to the SMEs and the Private Entrepreneurs Development.</p> <p>Concessional state financing (5% rate for support of business projects).</p> <p>A new foreign investment law introduced in October 2007 allows foreigners to create and fully own companies in Turkmenistan and allow foreigners to rent land on a long-term basis.</p> <p>The Law on Microfinance.</p> <p>The Law on the Union of Industrialists and Entrepreneurs.</p>
Uzbekistan	<p>The President announced 2011 "A Year of Small Business and Entrepreneurship".</p> <p>Legislation improvement: The Law "On guarantees of Entrepreneurship's freedom"; new Tax Code, Draft Law on permit Procedures, continuation of privatisation policy to cover approximately 1500 companies.</p> <p>Procedures improvement: introduction of "one-window" registration system, "notification method" for registration, improvement of liquidation procedure, introduction of Regulatory Impact Assessment procedures, cutting number of licenses.</p> <p>SME support programs: The Microfinance Development Program; Addressed SME development programs supported by banking sector in priorities sectors, anti-crisis economic programs aimed at SME development.</p> <p>Government institutions: the SME Coordination Council; the State Committee for De-monopolisation and Support of Competition and Entrepreneurship.</p> <p>Private-public dialogue: The private sector has recently strengthened voice through Business Forum under the Chamber of Commerce and Industry.</p>

Source: *Mid-Term Evaluation of the Central Asia Invest Programme, 2011, p. 19-20; World Bank Group, Doing Business Country Reports Kazakhstan, Kyrgyz Republic, Tajikistan, Uzbekistan, 2015 (no report available for Turkmenistan), EAMRs*

However, while the list of legislative, regulatory and policy developments looks impressive at first glance, the crucial question is: Have the reforms been translated into tangible benefits and improvements for SMEs? The example of KG is a case in point: "There is a Law on Public Private Partnerships (PPP) in place but how to implement this is proving difficult given that the private sector do not trust Government"⁴⁵².

The best approximation to an answer is based on data from The World Bank's *Doing Business* project. It looks at domestic SMEs and measures the regulations applying to them through their life cycle across 10 areas: starting a business, dealing with construction permits, getting electricity, registering

⁴⁵² EU 2013: *Eurasia Competitiveness Programme - Central Asia Initiative, Kyrgyz Republic, MR-140432.07*

property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. The ease of doing business ranking ranges from 1 to 189.⁴⁵³

Doing Business provides data for KZ, KG, TJ and UZ, but not for TM. While KZ is placed in the upper half of the league-table (at position 77), KG (102), UZ (141) and TJ (166) are positioned in the lower half. UZ and TJ are thus among the countries with the most unfavourable business environments in the world. Yet, some countries score well on selected indicators. For example, KG ranks among the top-10 in the world for registering a business and registering property, while UZ achieves a good result (28th in the world) on enforcing contracts.

Since rankings are only available for the 2014 and 2015 reports, it is not possible to determine whether the relative position of the Central Asian countries vis-à-vis their peers has improved since 2007. However, figures for four selected key indicators (starting a business, registering property, getting credit and paying taxes show improvements) and the respective sub-indicators show advances and progress across most categories in all four countries covered by the reports.

EU contribution

The general finding regarding reform is that donors have played an efficient and effective role in outlining and promoting reform agendas and providing the related technical solutions. Strong buy-in at the top-levels of government usually – sooner or later – results in the passing of policy, legislative and regulative reforms. This general commitment to reform has helped TJ, for example, to climb up the respective country rankings. However, the agreed reforms have not led to the much needed substantial structural changes as new laws and regulations are regularly not or not fully implemented.

At the same time EU support has evidently contributed to an improvement of the business climate in selected areas.

First, The OCED Policy Handbooks for KZ, KG and TJ have outlined the policy and legislative reform agenda. For example the Kyrgyz government has actively advanced the reform process based on the recommendations of the policy handbooks. Main emphasis has been given to the implementation of “warehouse receipt funding” as a major contribution to easing access to finance for SMEs in the food-processing sector (see I-622). This scheme is already in operation as a pilot. A law on warehouse receipt funding will go to parliament in early 2016 and is likely to come into effect shortly thereafter.

Second, CAI has been instrumental in contributing to legislative and regulative reforms in areas relevant to the main supported project sectors (food-processing, handicraft and tourism). Virtually all CAI projects have used their links and networks with the respective governments to lobby for policy and legislative change in their sectors, i.e. food processing, handicraft and tourism, to improve the respective business climate.

The EU support assisted Business Intermediary Organisations (BIOs), many of which were already involved in the advocacy field. Some examples of this include: in KZ, the (BIO) Atameken Business Association and Economic Council was supported through a grant and its role is to review all draft business related regulations drafted by the Government. The Law on State Control and Supervision reduced the number of planned inspections by 50,000 per year thereby reducing the burden on SMEs. In TJ, the business association MIDAT (BIO) has been involved in developing business legislation, including the Cooperatives Law, the Law on Entrepreneurship Support, and the Programme on SME Support 2012-2020. Another legislative change included the one-stop shop for business registration and reforms in the licensing and inspections areas. For instance, the legal constraints for agri-leasing were lifted during the first semester of 2012 and leasing is now a viable option for farmers to renew the obsolete machinery park. Furthermore, through adapted Technical Assistance, the Delegation has effectively supported TJ in the last and decisive phase of its WTO accession process and the country was accepted as WTO member on 10 December 2012. Its legal framework is now WTO compatible.⁴⁵⁴

The project on “Strengthening Tourism Business Intermediary Organisations for Sustainable Economic Development” in TJ had a positive impact on government decision-making and resulted in the ease of obtaining visas and simplifying the registration procedure for foreign tourists. The cost of tourist visas has also been reduced.⁴⁵⁵ Tourism builds on TJ’s natural and cultural potential and plays a significant role in the country’s economic development. The easing of visa and registration requirements potentially leads to increase in tourism and can thus directly benefit SMEs in the

⁴⁵³ World Bank Group, *About the World Bank Group Doing Business Annual Reports*, <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Methodology/Foreign/DB15OnePagerEnglish.ashx>

⁴⁵⁴ EU 2012: Tajikistan EAMR, 12/2012

⁴⁵⁵ MR-131992.01, 3; (RS-12154.01-MR-131992.01, Response sheet, Strengthening Tourism Business Intermediary Organisations for Sustainable Economic Development in Tajikistan, 22/09/2010

emerging tourism sector. Table 6 provides a summary of legislative and regulative reforms which can be attributed to activities of individual CAI grant projects.

Table 9 Contribution of CAI projects to legislative and regulative reforms in KG and TJ

Kyrgyzstan	Tajikistan
Individual CAI grant projects <ul style="list-style-type: none"> • achieved a change to the taxation code for handicraft products which increased the competitiveness of SMEs in this sector; • were instrumental in adopting a visa-free regime that was extended to EU member states. Visa-free entry to KG has not only significantly eased visits by tourists but also by business people; • contributed to the introduction and implementation of the HACCP (Hazard Analysis and Critical Control Point) standards in food production. This is a system that helps food business operators look at how they handle food and introduces procedures to make sure the food produced is safe to eat; • contributed to initiating an administrative reform that resulted in the transfer of competence for the tourism sector from a Ministry to separate governmental agencies with more resources, eliminating some bureaucratic obstacles. 	Individual CAI grant projects <ul style="list-style-type: none"> • successfully lobbied for a law regulating the handicraft sector that tackles some of the existing hurdles. The law has been passed by the Lower Chamber of the Tajik Parliament; • advocated for changes in export procedures by reducing the number of documents required and consequently encouraged the export of Tajik food products; • contributed to the introduction and implementation of the HACCP (Hazard Analysis and Critical Control Point) standards in food production. • Several CAI grant projects have been promoting new and improved legislative frameworks for the food processing and handicraft sectors but no results have been achieved yet.

Source: European Commission 2015. Central Asia Invest. Boosting small business competitiveness; stakeholder interviews in TJ and KG

EU contribution to legislative and regulative change could have been even stronger if there had been an explicit link between the CAI-supported OECD-ECP and CAI grant projects. The 2009 mid-term evaluation of CAI found that “*The OECD-led policy initiative is a standalone activity implemented at the top (ministerial) level in Europe, with little relevance to the CA national policies and with no BIODs or mid-level policymakers involvement. However, the Component’s potential can be high if adjusted to the CA countries’ national needs, with BIODs involvement and improved programme coordination and management*”.⁴⁵⁶ While the finding on the virtual lack of relevance of the OECD project no longer holds (as shown above), the verdict on the missing synergies between the two components of CAI still stands to a large extent.

In KG and TJ all interviewed stakeholders – both those involved in CAI and outside observers – confirmed that until recently there had not been any interaction between the CAI project component and the OECD-led policy component. The lack of cross-linkages between ECP and CAI grant projects was almost unanimously seen as the main shortcoming of EU support. CAI has not established any formal systems or structures for cooperation and coordination. However, some stakeholder stated that collaboration has improved recently. According to them, OECD missions to Central Asia now meet with stakeholders involved in grant projects. It should be added that some Business Intermediary Organisations (BIODs) have been involved in both CAI grant projects and the OECD working groups which served as the main operational body for the Policy Handbooks. Examples include Chamber of Commerce and Industry Tajikistan and National Association of SMEs Tajikistan. However, the working groups’ mandated ceded with the publication of the policy reports. Formal links between BIODs and the OECD-led ECP do not currently exist.

External factors

General issues related to weak governance capacities and other domestic constraints in several Central Asian states are often the most immediate reasons why legislative and regulative reforms have been slowed down, did not match the government rhetoric or were not fully implemented. Another important external factor to be taken into account for any assessment of the EU’s role is the contribution of other donors operating within the legislative area. These include the European Bank for Reconstruction and Development (EBRD), which is involved in the credit, turn around management (TAM) and Business Advisory Services (BAS) programme areas; International Financial Cooperation (IFC), Asian Development Bank (ADB) and USAID which cooperate on tax reform related issues; the

⁴⁵⁶ EU 2009: CAI Mid-term Evaluation, p. 12

GIZ project “Support of regional economic cooperation in Central Asia”; and the OECD, which in parallel to its regional work, launched a number of projects in KZ (co-funded by the EU and Kazak Government), for example, to help diversify sources of foreign direct investment and strengthen sector competitiveness.⁴⁵⁷

6.2 JC 62 Extent to which EU support has contributed to improved SME access to finance options in the region.

6.2.1 I-621 Number of SMEs utilising EU-funded financial advisory services across the region.

Description (of the indicator)

Banks are by and far still the main source of formal SME funding in Central Asia. However, reliance on bank lending in the region remains risky and many SMEs are looking for alternative sources. This is where EU-supported regional and bilateral interventions potentially play an important role in providing advice to SMEs which often do not have the opportunity and capacities to assess and access alternative financing options on their own.

Evidence of the Change

The OECD Central Asia Competitiveness Outlook identified access to finance as one of the main challenges for SMEs in Central Asia. High interest rate spreads (14% on average for the region, which however, can be significantly higher in some countries, for example up to 30-35% in TJ and KG) and collateral requirements hinder access to finance. Central Asian countries are high on the OECD Country Risk Classification scale (between 5 and 7 out of 7), which indicates a high risk to service their external debt. Interest rates for external financing are thus usually much higher than in other countries. Financial systems are not well integrated globally, with limited diversification of financial products.⁴⁵⁸ The International Finance Cooperation (IFC)⁴⁵⁹ estimates the funding gap for SMEs (in the formal and informal sectors) in Central Asia and Eastern Europe is USD 215 – 260 billion.⁴⁶⁰ Although finance is often available in principle, it is not accessible for SMEs or the product on offer is simply not suitable. For example, when KG joined the Eurasian Economic Union (EEU), a new Kyrgyz-Russian Development Fund for SMEs was established. However, the minimum loan size is USD 3.5 million while the duration is only 5 years. Yet, the vast majority of SMEs require small loans and long loan terms. Overall, access to finance for SMEs has not markedly improved during the evaluation period despite several legislative and regulative reforms in the banking sector. The most comprehensive study in this regards, the ADB’s Asia SME Finance Monitor 2015, finds that SMEs from Central Asia continue to “*have critically low access to bank credit*”⁴⁶¹

⁴⁵⁷ see for a summary of other donors’ interventions: EU 2011: Mid-Term Evaluation of the Central Asia Invest Programme, p. 21-22

⁴⁵⁸ OECD 2011. Competitiveness and Private Sector Development. Central Asia Competitiveness Outlook. Key Findings, p. 7, <http://www.oecd.org/globalrelations/46973993.pdf>; stakeholder interviews in TJ and KG.

⁴⁵⁹ IFC is a member of the World Bank Group and considered the largest global development institution focused exclusively on the private sector in developing countries.

⁴⁶⁰ EU 2014: Ex-Ante Evaluation of the Investment Facility for Central Asia,, p. 44

⁴⁶¹ P. 12

Figure 2 SME Policies and Financial Regulations in KZ, KG and TJ

Country		Regulators and Policymakers	Regulations	Policies
Kazakhstan	SME Promotion	DAMU (National Fund)	Private Entrepreneurship Law, N 124-III (2006)	(1) Stabilisation Program 1st Tranche (2007)
		Ministry of Investment and Development	Law on Entrepreneurship (amendment; 2014)	(2) Stabilisation Program 2nd Tranche (2008)
		Ministry of National Economy		(3) Stabilisation Program 3rd Tranche (2008)
	Banking Sector	Fiscal Policy Office, Ministry of Finance [state-owned banks]	---	(4) Damu-Regions Programs I-III (2010-2012)
		National Bank of Kazakhstan	Law on Banks and Banking Activities (1995)	(5) Damu-Komek Program (2011)
	Nonbank Sector		Law on Microfinance Organizations No.56-V (2012)	(6) Business Road Map 2020 (2012)
	Capital Markets		Securities Market Law (2003)	(7) Program of supporting SME manufacturers (2014)
Kyrgyz Republic	SME Promotion	Ministry of Economy	Government Resolution No.78 (1998), amended as Government Resolution No.590 (2002)	(1) National Sustainable Development Strategy 2013-2017 (2013)
		Ministry of Finance		(2) Subsidies for the Agricultural Sector Loans (2012)
	Banking Sector	National Bank of the Kyrgyz Republic	Law on Banks and Banking in the Kyrgyz Republic (1997)	(3) Municipal Guarantee Funds (2011)
			Law on Credit Unions (1999)	(4) Main Directions of the Banking Sector Development until 2017 (2013)
	Nonbank Sector		Law on Micro-finance organizations in the Kyrgyz Republic	(5) Microfinance Development Strategy 2011-2015 (2011)
				(6) Women Entrepreneurship Development Program (2014)
Capital Markets	State Service of Regulation and Supervision for Financial Market	Law on State Service for Regulation and Supervision of the Financial Market (2009)		
Tajikistan	SME Promotion	State Committee on Investment and State Property Management of Tajikistan	Law No.1107 on the Government Protection and Support of Entrepreneurship (2014)	(1) Program for supporting entrepreneurship up to 2020 (2012)
				(2) Entrepreneurship Support Fund of Tajikistan (2013)
	Banking Sector	National Bank of Tajikistan	Law on Banking Activities (2009)	
	Nonbank Sector		Law on Microfinance Organizations (2012)	
Capital Markets				

Source: Asian Development Bank 2015. *Asia SME finance monitor 2014*, p. 23.

The most important structural development in support of access to finance for SMEs and micro enterprises has been the introduction of laws on microfinance organisations throughout Central Asia. Microfinance Institutions do not only provide SMEs with an alternative and often easier access to loans as compared to banks (see I-622) but – often with the support of donors - also offer specific advisory services and training to SMEs and micro enterprises on a range of financial products.

EU contribution

Since it was established in April 2010, the Investment Facility for Central Asia (IFCA) has been allocated approximately EUR 20 million annually. Its main objective is to promote investments in key infrastructures in Central Asia. In particular, the project aims at:

- Improving access to financing for SMEs (availability of a larger range of financial products than what is currently available) at the different stages of enterprise creation, restructuring, modernisation, etc.
- Creating technological poles, enterprise incubators, etc.⁴⁶²

The Facility was designed to combine EU grants with other public and private financing. By reducing, through co-financing, the overall cost of the project or by subsidising interest rates and/or financing technical assistance, the Facility encourage the beneficiary governments, private sector and/or public institutions to carry out essential investments in sectors which would otherwise be postponed due to lack of resources

In In 2012, two major developments took place, notably the approval of the Microfinance Investment Debt Fund for Asia (MIFA); and the SME Finance Facility for Central Asia, which are addressed in more detail under I-622. MIFA includes the provision of preparatory TA to selected partner institutions.

⁴⁶² EU 2014: *Ex-ante Evaluation of the Investment Facility for Central Asia*, p. 6

Such assistance comprises capacity building in the form of advisory services, training, product and systems development. The total budget for TA is EUR 3 million.⁴⁶³ In TJ, where MIFA supported the largest number of MFIs in 2014 (8 out of 33 in Asia) the core focus of the TA support to was mainly credit underwriting and credit risk management and to a lesser extent, reporting capacity and compliance.⁴⁶⁴

In this context a TA programme for non-bank financial institutions (PFIs) also focused on strengthening local micro, small and medium enterprises (MSME) lending capacities and enhancing corporate governance is of particular interest. The programme was established as part of the action “*Turkmenistan: Strengthening Capacities of Financial Intermediaries for MSME Lending*” (see I-622 for details). The programme aims to build on the results achieved to date in the country, and will further support the MSME-lending functions in existing and new PFIs, in particular micro and small lending. It also covers a broader spectrum of targeted institutional capacity building measures to address issues of corporate governance, organisational structure, risk management, etc. The TA programme therefore provides institution building to the PFIs and ensures the efficient use of the existing and future MSME credit lines under the Facility. The overall budget for the TA programme is up to EUR 1.6 million, although the funding for the TA has been provided by the Early Transition Countries Fund (ETC Fund) so it has not utilised the IFCA funding.

Furthermore, in 2014, IFCA approved the project EBRD's Implementation of Enterprise Growth Programme and Business Advisory Services. The objective of programme is to provide advisory services through international experts in cooperation with local business consultants to SMEs in TM in order to foster their development. The IFCA contribution to this activity (which complements the SME Finance Facility in Central Asia) is EUR 2.5 million. Through its work to improve the quality and availability of local consultancy services, it aims at establishing a network of trained, experienced local advisers, and a thriving community of SMEs willing to pay for advice. This should in the future not only benefit SMEs by strengthening the overall management and operations of their businesses but also increase the involvement and capacity building of local consultancies. However, the project is too recent for any results to be known yet.

Overall, while EU support has contributed to better advisory services for SMEs, it is impossible to establish the EU's specific contribution and role relative to other donors. MFIs and MFI associations, such as the Association of Microfinance Organizations of Tajikistan (AMFOT), which has 87 members, interviewed in TJ and KG all reported about the existence of well-developed advisory services and training programmes for farmers, entrepreneurs and other stakeholders on loans, product marketing, value-chains etc. Yet, given the involvement of a range of donors in this sector, including but not limited to, IFC, IFC, ADB and KFW, EU visibility has been small and most interviewed MFIs/MFI associations were not able to identify specific benefits and results of EU support.

External factors

External factors discussed under I-622 and I-623 also apply here in a general sense. However, no evidence on external factors affecting advisory services has emerged.

6.2.2 I-622 Availability of new financing options for SMEs.

Description (of the indicator)

Access to finance in Central Asia is limited and loans are difficult to obtain as SMEs, often face high interest rates and collateral requirements that they are unable to meet. At the same time, often underperforming financial sectors insufficiently respond to the needs of the private sector and particularly SMEs. Difficulty in obtaining necessary credit constrains firm development, undermines competitiveness and lessens attractiveness to potential investors. The availability of new and alternative financing sources is therefore a crucial factor for SME development, which in turn is linked to economic diversification and ultimately increasing living standards.

Evidence of the Change

The overall picture is rather gloomy. The SME market for non-bank financial instruments, such as equity and bond financing, remains underdeveloped. The venture capital (VC) market in Central Asia is still perceived to be very risky, both on the demand and supply side due to the lack of appropriate securities markets for SMEs and their lack of familiarity/awareness with VC financing..⁴⁶⁵

⁴⁶³ KFW 2012: 1st Annual Narrative Report, MIFA

⁴⁶⁴ BlueOrchard Finance 2015: Microfinance Investment (Debt) Fund for Asia (MIFA). 2014 Social and Environmental Performance Report (SEPR)

⁴⁶⁵ EU 2014: Ex-Ante Evaluation of IFCA, p. 38

While the supply with financial services has increased in urban areas, SMEs in rural areas still face problems in accessing adequate financing, in particular longer term funds in local currency. This shortage hampers investments in capital stock and thus innovation and the creation of new jobs.⁴⁶⁶

More specifically, obstacles to SME growth in the region include: (i) limited access to bank finance, (ii) weak regulatory frameworks, including a major problem with corruption, and (iii) few alternatives for financing start-ups and young SMEs (OECD 2011 Outlook Report on Private Sector Development in Central Asia) According to the World Bank Business Environment and Enterprise Performance Survey (BEEPS), all Central Asian country firms noted that access to finance was a major obstacle to growth, and private sector firms in KG, UZ and TJ listed it as the number one obstacles.

An important non-traditional financing option is micro-finance. It emerged in Central Asia as the countries went through the transition phase from state-managed economies towards market-oriented economies accompanied by increased poverty and unemployment (since their independence in the 1990s). Microfinance institutions (MFIs) are divided into 4 groups: credit unions, NGO MFIs, commercial banks and microfinance banks. Commercial banks have been providing specialised lending services for SMEs and micro enterprises but this approach (through the retail banking outlets) proved not to have any significant outreach, particularly to low end clients. Microfinance banks were the last to develop in the region, with their aim to balance commercial and social needs with loans to SMEs and micro enterprises.⁴⁶⁷

MFIs usually consider and grant credit within a shorter period of time than banks, provide small loans and microcredits and often have softer collateral requirements. Moreover, donors, including World Bank, IFC, ADB and KFW, provide funds at low interest rates and in local currency to MFIs which, in turn, enables these MFIs to provide loans to SMEs in local currency and at lower-than-average interest rates. Banks usually only offer US-dollar loans bearing a high risk for SMEs due to exchange rate fluctuations.

- In TJ, for example, MFIs have grown substantially, are typically well governed, and are filling many gaps left by the weak banking sector. MFI, unlike banks, have adopted a code of conduct with respect to consumer protection.⁴⁶⁸ Generally, however, the country's banking system remains weak and the credit penetration to SMEs and the public is shallow.⁴⁶⁹
- In KZ the microfinance industry represents one of the most active non-bank institutions. The number of MFIs registered with the National Bank of KZ grew sharply, from 177 in 2005 to a peak of 1,780 in 2011. By the beginning of 2014, however, the number of registered microcredit organizations had slightly declined to 1,706 institutions, 45.7% of which are currently operating and only 26.8% are active.⁴⁷⁰
- In KG the microfinance sector is leading the way for nonbank lending to SMEs and individual entrepreneurs in KG, providing a good complement to the traditional banking sector, particularly for individual entrepreneurs and micro enterprises in rural areas.⁴⁷¹

EU contribution

EU contribution is based on three interventions:

- The SME Finance Facility under IFCA provides SMEs with the possibility to fund investments where funding cannot (yet) be obtained on the financial market;
- The Microfinance Investment Debt Fund for Asia (MIFA) supports MFIs which can then provide loans to SMEs at preferential conditions;
- Reforms implemented under the OCED-ECP have partly improved the legal and regulatory framework conditions for SME lending.

In 2012 the European Bank for Reconstruction and Development (EBRD) and the EU established the SME Finance Facility for Central Asia which is part-funded by IFCA. The total budget is EUR 86 million and the IFCA contribution is EUR 11 million. The lead financing institution is the EBRD contributing EUR 75 million. The Facility aims to help SMEs in Central Asia to invest in their production and trading capacities, thereby providing them with long-term financing, through both direct support in the form of loan guarantees and indirect support by helping financial intermediaries to increase their loan offer through technical assistance. The type of IFCA support is classified as risk sharing, guarantees and

⁴⁶⁶ EU 2012: MIFA, Description of Action

⁴⁶⁷ UN Economic and Social Commission for Asia and the Pacific 2005: Economic and Social Survey of Asia and the Pacific, History of Micro Credit in Central Asia

⁴⁶⁸ World Bank Group 2015. The World Bank Group-Tajikistan Partnership Program Snapshot, April, p. 3.

⁴⁶⁹ ADB 2015. Asia SME Finance Monitor 2014, p. 70.

⁴⁷⁰ ADB 2015. Asia SME Finance Monitor 2014, p. 49.

⁴⁷¹ ADB 2015. Asia SME Finance Monitor 2014, p. 61.

Technical Assistance. Although UZ is included as an eligible country, the EBRD is currently not active in UZ.

The SME Finance Facility approach is twofold:

- Direct support to SMEs (Window 1): The Facility provides risk buffers for loans, thereby decreasing their risk factor and leveraging new loans. Additionally, technical assistance is offered, particularly by organising consultancy services for SMEs to increase their business and financial expertise.
- Indirect support to SMEs (Window 2): The Facility addresses financial intermediaries with risk buffers for loans, financial incentives and technical assistance in order to encourage and enable them to increase their loan offer.⁴⁷²

Each Window has a budget of EUR 5.5 million. Window 1 will be discussed under I-623.

Funds under Window 2 are to be provided primarily in local currencies, in order to decrease the foreign exchange risks that SMEs currently have to bear. The Facility therefore aims to help strengthen the financing capabilities of local financial intermediaries of the Central Asian countries, although UZ was excluded, as the EBRD was not active in the country.

The EU contribution in the first year was EUR 5.5 million. Under Window 2, the EBRD has launched the first financing operation and has allocated a total of EUR 76,000 for a success fee to the first PFI joining the framework investment, out of the budgeted EUR 5 million of the Credit Enhancement Support/Guarantee Mechanism/Incentive Payments funds. In addition, under Window 2, the EBRD has committed an aggregated EUR 472,000 out of the EUR 500,000 of TA.

In 2013, no projects were included under Window 2, which was reportedly due to the following reasons: utilisation of existing available donor funding in the region; slower than anticipated uptake of the Action; and the difficult macro-economic situation in the region.

In 2014, the first financing operation under the Action was the TM MSME Finance Framework which has a budget of EUR 10 million, available for 5 years. This is designed to be utilised for the extension of loans to commercial banks and potentially PFIs in TM. The aim of the Framework is to increase financial intermediation to the country's private sector by enabling PFIs to expand lending to MSMEs. The first sub-project (and only one that falls within the evaluation period) under the TM MSME Finance Framework was an MSME loan to the International Joint-Stock Bank Garagum in the amount of up to USD 2 million, which was signed in November 2014. The proceeds of the MSME loan will be used for on-lending to MSME sub-borrowers meeting the Bank's eligibility criteria. The first loans were approved and disbursed in December 2014⁴⁷³

In June 2012 the Microfinance Initiative for Asia Debt Fund (MIFA) was launched under IFCA. The objective of the Fund is to provide credit and equity products in USD and local currency on commercial terms to micro and small enterprises/MSE as well as low income households, including in KZ, KG, TJ, TM and UZ. However, by 31 December 2014 in Central Asia only MFIs from TJ and KG had received funding. Of the total number of 33 banks which had benefitted from MIFA, 8 were based in TJ and 3 in KG. MIFA has supported MFIs of all tiers:

- Tier 1: Mature, financially sustainable, and large MFIs that are highly transparent
- Tier 2: Small or medium sized, slightly less mature MFIs that are, or are approaching, profitability
- Tier 3: Start-up MFIs or small NGOs that are immature and unsustainable.⁴⁷⁴

Within the Fund, IFCA funds are expected to be utilised efficiently by creating leverage through attracting IFIs and private investors, thus crowding in investors that would not have entered the CA market without the risk diversification effects of MIFA. That way an input of, for example, EUR 5 million can mobilise a total of EUR 20 million, as one stakeholder explained. The total budget for Central Asia is EUR 27.1 million and the IFCA (EU) contribution is EUR 3 million. The EU contribution is made up of EUR 2 million for risk capital operations and EUR 1 million for TA.

MIFA has an initial duration of 9 years and started its operations in the second half of 2012. The Fund is co-funded by Kreditanstalt für Wiederaufbau (KfW) which is also the lead agency, the International Finance Corporation (IFC) and the German Government (EU 2012: *MIFA, Description of Action*). The indirect support of the MSEs through MFI financing also supports the up-scaling of micro and small

⁴⁷² https://ec.europa.eu/europeaid/node/78827_pl

⁴⁷³ For more information see <http://turkmenistanmicrocredit.com/press-release-01-05-2015-eng.pdf>

⁴⁷⁴ Luminis: Microfinance Institution Tier Definitions, <http://www.microrate.com/media/downloads/2013/04/MicroRate-White-paper-Microfinance-Institution-Tier-Definitions.pdf>

enterprises into medium-sized enterprises which fosters the further development of the overall economy.⁴⁷⁵

Loans provided at favourable conditions (with interest rates which are significantly below the average market interest for the benefitting finance institutions) have strengthened the MFI sector and principally enabled MFIs to increase the financing options available to SMEs because

- loans are usually smaller than those provided by banks (in TJ, the range of the average loan provided by the 8 supported MFIs was between USD 1,020 and 5,095; in KG two MFIs provide smaller loans of an average size of USD 922 and 1,742 respectively, while the third MFI's average loan size was USA 114,392 – the only MIFA beneficiary with average loan sizes of more than about USD 9,000).
- loans can be provided at lower interest rates than the average market rates available at banks (for example in KG banks charge up to 35%, while the average interest rate for loans provided in local currency by MFIs is 22-25%) and
- the loan volume for microfinance loans has increased.

The Fund's portfolio diversification significantly increased in 2014 and the outreach included 33 MFIs, more than double the number in 2013, combined with 48 loans outstanding across 9 different countries (overall programme). The regional diversification of the portfolio was further expanded. The East Asia and Pacific region represented the largest region (40.57% of the MFI portfolio), followed by South Asia (34.86%), and Central Asia (24.57%). Within these three different regions India, Cambodia, and TJ (with 8 MFIs) were the largest country exposures for the Fund. In Central Asia the Fund also extended financing to KG (to 3 MFIs). In total, more than 150,000 micro entrepreneurs have been reached by the fund as 31 December 2014, with 61% of the MFI clients living in rural areas and 66% female.⁴⁷⁶

Table 10 MIFA Debt Fund Facts (as of March 2015)

Net Asset Value (NAV) in USD	102,552,276
Total Assets in USD	106,178,341
Average exposure per MFI in USD	2,534,326
Portfolio average life (in months)	20.008
Number of countries	9
Number of MFIs	33
Number of loans outstanding	48
Microfinance portfolio as % of Total Assets	79%

Source: BlueOrchard, *Microfinance Initiative for Asia (MIFA) Debt Fund, Investor Update as of 31 March 2015*, <http://www.software-systems.at/eda/docs/MIFA-20150331.pdf>

While a break-down of the figures in the tables above is not available for individual countries, it can be estimated that about 24,000 micro-entrepreneurs in Central Asia benefitted from the fund (given that TJ's and KG's exposure to MIFA was a combined 16% and the total number of micro-entrepreneurs reached by the fund was 150,084). As the fund is open to micro and small enterprises (MSEs) it is difficult to put a percentage figure to MFI end-borrowers (as a share of all MSEs) as statistics vary widely. According to the ADB, the total number of small enterprises and individual entrepreneurs (excluding farmers) was approximately 280,000 in KG in 2011; a study by the Central Asian University put the number of only "individual businesses" in 2012 in TJ at 200,000.⁴⁷⁷ If there were about half a million MSEs in KG and TG in 2013-14 combined, MIFA would have reached slightly more than 2%.

⁴⁷⁵ KfW website: https://www.kfw-entwicklungsbank.de/International-financing/KfW-Development-Bank/KfW-Entwicklungsbank_alt/About-us/Pressemitteilungen/Pressemitteilungen-Details_10073.html; KfW, 2012: 1st Annual Narrative Report, MIFA

⁴⁷⁶ BlueOrchard Finance 2015: 2nd Annual Report, MIFA; BlueOrchard Finance 2015: *Microfinance Investment (Debt) Fund for Asia (MIFA) 2014. Social and Environmental Performance Report (SEPR)*

⁴⁷⁷ ADB 2013: Private Sector Assessment Uodat PRIVATE SECTOR ASSESSMENT Update Kyrgyz Republic 2013, p. 30, <http://www.adb.org/sites/default/files/linked-documents/cps-kgz-2013-2017-oth-04.pdf>; Kanat Tilekeyev 2014. *Micro-, Small and Medium Enterprises in Tajikistan: Drivers of and Barriers to Growth*. University of Central Asia, <http://www.ucentralasia.org/downloads/UCA-IPPA-WP31-SME-Tajikistan-Eng.pdf>

Table 11 Social performance indicators (as of March 2015)

Total # of microentrepreneurs reached by MFIs in the portfolio	2,207,605
# of microentrepreneurs reached by the fund	150,084
# of employees	20,314
# of loan officers	8,372
% of rural clients	61%
% of female clients	68%
% of individual lending	75%
% of group lending	25%
Average loan size to microentrepreneurs across MFIs in USD	1,803
Median loan size to microentrepreneurs across MFIs in USD	848

Source: BlueOrchard, Microfinance Initiative for Asia (MIFA) Debt Fund, Investor Update as of 31 March 2015, <http://www.software-systems.at/eda/docs/MIFA-20150331.pdf>

Access to finance has also been improved as the result of bilateral cooperation, This was especially in the case in TJ where, according to the EU's own assessment, important results have been achieved. "The EU Private sector Development programme pursued its successful implementation and its two flagship projects (TAFF and TAFBEP) achieved substantial results in improving the access of farmers to finance and thereby their profitability".⁴⁷⁸

Overall, stakeholder interviews leave no doubt that the environment for SME financing is only slowly improving. Despite substantial donor efforts to increase the availability of finance the main challenges for SMEs remain high interest rates, the scarcity of loans in local currency as well as collateral requirements. These are major structural hurdles which cannot be eased with the relatively small volume of EU support through IFCA.

However, warehouse receipt financing – one of the core projects of the OECD-ECP reform agenda– has the potential to increase access to finance. Warehouse receipt financing allows farmers to obtain credit by using inventory, i.e. agricultural products, as collateral. The inventory is stored in warehouses, and warehouse receipts can be used as collateral to get bank credit. The credit is thus conducted as a three-party arrangement between a bank, a borrower and a warehouse operator. The main benefit of this instrument is that farmers can access financing for their working capital without selling their agricultural production. It allows them to sell their production at a time of their choosing, thus giving them stronger negotiating position to achieve a better price. IN KZ the system has already been implemented. In KG, where the approach is currently piloted, warehouse receipts are already accepted as collateral for loans by some banks. OECD has closely cooperated with ADB in the implementation of the project. ADB has provided loans to three banks on the condition that they lend to SMEs on the basis of warehouse receipts. A law on warehouse receipt funding will go to parliament in early 2016 and is likely to come into effect shortly thereafter. In the other Central Asian countries, no efforts have yet been made to adopt warehouse receipt funding.

The functionality of the warehouse receipt scheme depends on the availability of suitable storage facilities. In KG such facilities are currently only available to a limited extent where warehouses are still from Soviet times and no longer adequate for the needs of modern agricultural production.

External factors

The EU's and generally donors' efforts are hampered by the lack of or only slowly proceeding reforms in finance sectors across Central Asia. For example, the EBRD supported the Investment Council in KG and TJ. However, the national governments' domination over local economies and the presence of dominant players has negatively affected the range of potential SME beneficiaries under the Programme.⁴⁷⁹ The structural challenges at national levels are exacerbated by the current economic crisis which has affected Central Asian economies since 2014 when the price of oil started falling and Russia's economy began to weaken. Low oil and gas prices have affected the region's dominant hydrocarbon exporters, KZ and TM. The falling value of the Russian Ruble has affected the value of remittances made by migrant labourers from TJ, UZ, and KG to their home countries. TJ is the most remittance dependent country in the world. Remittances account for almost 50% of GDP (approximately 32% in KG and 20% in UZ).

⁴⁷⁸ EU 2012: Tajikistan EAMR 12/2012

⁴⁷⁹ EBRD. 2nd Annual Report, IFCA SME Finance Facility

Even before the current crisis, the economies' dependence on remittances posed a serious problem. While remittances are the primary income source for numerous households in TJ and KG, the payments rarely enter the domestic financial system and the productive economy. The vast majority of remittances are received in cash by migrants' relatives instead of being directly transferred to bank accounts. Remittances are then mostly used for consumption. This means that remittances have made only a limited contribution to the capitalisation of SMEs and the strengthening of the domestic financial system. Among the number of reasons why remittances have had such a limited effect is that confidence in financial institutions is low. The expansion of MFIs has had some limited positive effect (MFIs are more trusted than banks) but the overall deposit rates of remittances have not increased significantly.

There are a number of other large international donors in the region e.g. Russia recently developed three funding institutions, and Russia and KZ established the Eurasian Development Bank, which maintains a growing percentage of overall IFI infrastructure investments in the region. China has been very active in the region over the last 20 years. The Chinese Development Bank recently announced its intention to invest in infrastructure projects in Central Asia, noting a USD 10 billion loan for investment in infrastructure and energy. Furthermore, the traditional global players in the region include the ADB, with a total assistance in 2013 of USD 5.53 billion to Central and West Asia and the World Bank, with total assistance in 2013 of USD \$5.3 billion for Europe and Central Asia.⁴⁸⁰

6.2.3 I-623 SME take up of new financing options.

Description (of the indicator)

It is important that new and alternative financing options beyond bank lending are available to SMEs as a key factor in the overall development of the sector. However, the effectiveness of support to SMEs in the context of finance can only be assessed in the presence of information as to whether or not more SMEs have access to new or alternative options today than at the beginning of the evaluation period.

Evidence of the change

See I-622 for a general analysis. Interviews with MFIs and MFI Associations in TJ and KG indicate that gradually increasing access to finance has resulted in a more SMEs and micro enterprises taking up of new financing options, which are usually the result of donor support. However, there are no regional or national data available on the number - and changes to the number - of SMEs which have been benefitting from these financing options. However, some findings on the take up of EU-funded support can be presented.

EU contribution

According to the EBRD's 2nd Annual Report of February 2015, which covers the period until the end of 2014, under Window 1 the SME Finance Facility for Central Asia provided financing to 21 SME capital investment projects for the total amount of EUR 31.3 million, based on the 7:1 ratio of EBRD financing to EU risk-sharing funds (EUR 4.46 million). This financing in turn has supported a total of EUR 77.2 million of project costs. The table below shows the list of the projects with the amounts of EBRD financing.

⁴⁸⁰ EU 2014: *Ex-Ante Evaluation of the Investment Facility for Central Asia, draft report 2014, p. iv*

Table 12 List of EBRD projects signed under the Action 2013-2014.

Project	Country	Sector	EBRD financing (mio EUR)
2013			
MCFF - KICB Emilia	KG	Agribusiness	0.1
MCFF - KICB BTS	KG	Manufacturing and Services	0.4
DLF - Bear Beer	KG	Agribusiness	7.0
MCFF-DKIB Silk Route Trading	KG	Agribusiness	0.4
DLF - Nash	KG	Agribusiness	0.6
DLF - Fortuna Doors	TJ	Manufacturing and Services	0.7
DLF - Taze Hil	TM	Natural Resources	1.0
DLF - Toprak Paper-Making Plant	TM	Manufacturing and Services	3.7
DLF - Taze Ay	TM	Agribusiness	0.7
DLF - Bir Dunya	TM	Manufacturing and Services	0.7
Total 2013			15.3
2014			
MCFF - KICB Granit Yug	KG	Manufacturing and Services	0.2
DLF - Orion	KG	Property and Tourism	1.6
MCFF - KICB ERA	KG	Manufacturing and Services	0.4
MCFF - KICB Elnur Dan	KG	Agribusiness	3.2
MCFF - Bank Eshkata Rushdi Osiyo	TJ	Manufacturing and Services	0.4
DLF - Mahmal Zip Expansion	TM	Agribusiness	1.0
DLF - Biyat Expansion	TM	Agribusiness	1.5
DLF - Taze Ay II	TM	Agribusiness	4.0
DLF - Yager	TM	Agribusiness	1.0
DLF - AK Tam Warehousing	TM	Property and Tourism	0.6
DLF Ak Gap	TM	Agribusiness	2.0
Total 2014			16.0
Total 2013-2014			31.3

The table shows a reasonably representative spread across sectors, although it should be noted that the exclusion of the Tajik agribusiness sector limited the EBRD's project activities in TJ. The reason for the exclusion was the foreseen Enhanced Competitiveness of Tajik Agribusiness Programme (ECTAP), the contract for which was finally signed in December 2014 but it only covers the agro-food area. Therefore, the EBRD plans to propose utilising funding for Tajik agro-projects outside of food production. The EBRD notes that identifying viable projects in the countries has not been easy. The choice was particularly limited because of integrity issues: as not all potential borrowers met the EBRD standards. Furthermore, no equity or quasi-equity transactions were done in 2013 and 2014, as the EBRD assessed the opportunities as being too risky.

TJ and KG are classified as "low Income" countries by the OECD, and TM is classified as "lower middle income". Regarding the spread of projects by country, the EBRD notes that since the lower-transition, lower-income countries of the region, i.e. TJ, KG and TM, have a greater need for external funding resources than KZ, the activities under the Action concentrated on the three countries in question.⁴⁸¹

The EU foresaw that the financings extended to the SMEs in Central Asia under the Action are among the EBRD's highest risk assets; according to the EU it is reasonable to expect 1-2 defaults in 2014 and more over the ten-year life of the Action.⁴⁸²

Some examples and details of loans supporting SMEs are summarised here to provide some insight into the use of the financing from the Facility. Two from 2013 and 2 from 2014 are selected below.

2013:

- The Bear Beer company in KG, which has 150 employees and operates in the agribusiness sector as a beverage producer. The EBRD financing is EUR 7 million, at 6 years maturity with an 18 months grace period. The loan proceeds will be used to finance capital investment –

⁴⁸¹ EBRD 2014: 1st Progress Report - EU-EBRD SME Finance Facility for Central Asia

⁴⁸² EU 2012: Description of the Action - EU-EBRD SME Finance Facility for Central Asia - IFCA

expansion and improvement of the beverage production facility including the introduction of new world class production technology. The projected increase in revenues is expected to be 121% over 5 years.

- The Toprak/ES Toprak company in TM has 192 employees and operates in the manufacturing and services sector, specifically paper manufacturing. The EBRD financing is a USD 5 million loan, for a 7-year maturity and up to a 2 year grace period. The loan proceeds will be used to finance capital investment, with new equipment to collect recycled paper internally for conversion for the cardboard manufacturing process.. The projected increase in revenues is expected to be 51% over 5 years.

2014:

- The Elnur Dan company in KG has 200 employees and operates in the food processing sector. It was established in 2004, it is a flour mill that produces and sells flour and pasta. The EBRD financing is USD 2 million on a 50/50 basis with USD 2 million from the Kyrgyz Investment and Credit Bank (KICB). The proceeds of the loan will be used to expand the company production outside the region; and will be used for the purchase of a new site in the south, The projected increase in revenues is expected to be 39% over 5 years.
- The Mahmal Zip company in TM has 100 employees and operates in the agri-business sector as a beverage manufacturer. It The EBRD loan is USD 1.3 million with USD 300,000 from the company's own resources. Loan proceeds will allow the company to expand its product range, improve its soft drink quality and increase overall efficiency and output of the existing plant. The projected increase in revenues is expected to be 1941.8% over 5 years, given that the company is a start up operation.

The EBRD believes that its approach of financing selected projects will make a strong contributing towards the growth of the private sector in general.⁴⁸³ Yet, while r, all supported companies forecast to increase their revenues during the time of the EBRD/EU financing, with an average revenue forecast increase of 45 per cent over five years and there is expected to be a material increase in employees, this is all hypothetical at this stage.

Overall, there can be little doubt that the *SME Finance Facility for Central Asia* has made a difference to several companies in TJ, KG and TM which are benefitting from the Facility's financing options. However, as a small and a highly selective programme, Window 1 of the SME Finance Facility for Central Asia has not of building a better structural environment for SMEs in the respective countries and generating broader effects beyond the small number of SME that have taken up the financing. To put the IFCA-supported SME Finance Facility into perspective: In 2015 alone, the EBRD invested EUR 200 million in TJ. Compared to such as sum, IFCA's share for TJ is tiny and on its own IFCA is unlikely to contribute to structural change, let alone significant change.

Access to finance and other improvements of the business enabling environment are on the agenda of basically all donors and implementing agencies with PSD programmes/projects in Central Asia, including WB, ADB, IFC, GIZ, USAID, KFW and EBRD. Reforms and changes that have taken place are almost always the result of joint donor efforts and often coordinated (a good example is the Development Partners Coordination Council/DPCC in TJ). It is therefore difficult to attribute major regulative and legislative changes and reform to a single donor. However, there are some specific approaches of the EU support which are considered innovative. For example, the *SME Finance Facility for Central Asia* has supported the entire value chain in the food and agriculture sector. This model is now replicated by other donors.

External Factors

A number of external factors are apparent. Many banking sectors in the region suffered from the severe effects of the global financial crisis, which had negative implications on their lending capacities and therefore for potential borrowers. An example was KZ's banking sector which was hard hit by the crisis that resulted in four major banking institutes in the Republic to run into default by 2010 (Bloomberg news, 29/07/2010). The domination of national governments over local economies and the presence of dominant players has negatively affected the range of potential SME beneficiaries under the Programme.⁴⁸⁴ As in the case of other areas of EU-support, a focus on national initiatives suited to the partner countries best. This was due to a number of factors, not least the different

⁴⁸³ EBRD 2014: 1st Progress Report - EU-EBRD SME Finance Facility for Central Asia

⁴⁸⁴ EBRD: 2nd Annual Report, IFCA SME Finance Facility

political and legal/legislative environments and the economic status of each individual country (e.g. TJ compared to KZ in terms of wealth)..⁴⁸⁵

6.3 JC 63 Extent to which EU support has contributed to improved legal and business advisory support service (BIO) environment for SMEs.

6.3.1 I-631 Number and Scope of BIOs supported.

Description (of the indicator)

The role of business intermediary organisations (BIOs)⁴⁸⁶ is crucial because they can fulfil functions of advocacy as well as service delivery, including capacity-building and even advice regarding economy transformation and reform. These actions have the potential to result in a better enabling environment as well as a stronger private sector and can lead to sustainable and inclusive growth in the long-run. While the number of BIOs has increased over the past years has substantially increased in Central Asia, they very often lack expertise, resources management capacities. Therefore the indicator looks at way BIOs have benefitted from EU-support in quantitative and qualitative terms.

Evidence of the change

BIOs have developed since the countries of the Central Asia region gained independence in the 1990s. They are comprised of: chambers of commerce, sector-specific trade, industrial and professional associations, regulatory bodies and agencies promoting trade, investment and commercial activities as well as sector-based agencies. Their respective development has to be seen within the specific political context and level of political support. For example, TM's economy is centrally managed and most business decisions are politically motivated, which hinders potential advocacy or lobbying for changes in the SME sector. Historically, the Turkmen Government has not been actively engaged in efforts designed for boosting trade and investment particularly at the regional level (*Country Commercial Guide for U.S. Companies 2013: Doing Business in Turkmenistan*).

In contrast, KZ is the leading country in the region in terms of economic strength and reforms in the SME sector. Reform initiatives include, for example, the creation of the Commission for the elimination of administrative barriers and improvement of the business climate for SMEs under the chair of the Prime Minister; Government Programmes for 2006-2008; and the Business Roadmap 2020 for entrepreneurs and exporters in priority sectors, which provides assistance through subsidised interest rates, guarantees for bank credits, grants, co-financing of investment projects, and rescheduling of certain tax payments. In general, SMEs were relatively reluctant to make use of services provided by public business intermediaries, in particular when those institutions execute control functions required by the state. However, several BIOs were recognised as being good examples of being more independent and which would represent a point of reference for local business communities, i.e. the "Business Women Association of UZ, the "Independent Business Association" in KZ, and the "National Association of Small and Medium-sized Business" in TJ.⁴⁸⁷

However, the countries do share similar characteristics, such as a general lack of expertise and resources to support local SMEs and a lack of elaborated advocacy skills (EU 2007: *Action Fiche for Central Asia Invest*). Furthermore, BIO networks at regional and international levels are not yet fully established. In most cases BIOs are therefore restricted in their ability to deliver business services to SMEs such as legal, technical and economic advice, support to export and investment promotion, match-making (exhibitions, fairs, economic forums, etc.), and lobbying and advocacy functions in favour of SME or support in project management to enter new or expand existing markets.

A start had been made in creating networks at regional and international level, but they are not yet fully established. The basic management capacities of BIOs are limited due to missing know-how. In most cases they are not able to deliver proper business services to SMEs such as legal, technical and economic advice, support to export and investment promotion, match-making (exhibitions, fairs, economic forums, etc.), or provide support in project management terms to enter new or expand

⁴⁸⁵ PFH Private Hochschule Göttingen 2013: *Islamic Finance in the States of Central Asia: Strategies, Institutions, First Experiences*

⁴⁸⁶ The EU defines a BIO as follows: "It is a public or private sector operator representing SMEs. It could be a chamber of commerce, regulatory body promoting trade, investment or commercial activity, sector-specific trade, industrial and professional association (including local associations of European businesses), an employers' federation or agency promoting trade, investment and commercial activities, non-governmental organisation, or a sector-based agency concerned with working with SMEs" (EU 2015. *Central Asia Invest. Boosting small business competitiveness*, p. 7.

⁴⁸⁷ EC 2009: *Action Fiche for Central Asia Invest II*

existing markets. In-depth sector or trade-related knowledge has remained weak and the lobbying and advocacy functions in favour of SMEs need further development to meet any international best standards.

EU contribution

Although the contribution to improved advisory services of BIOs is an ongoing process, significant change is already evident. In fact, EU support to BIOs in the context of CAI is the one area within the PSD/SME sector which has resulted in the most substantial changes in Central Asia, and particularly in TJ and KG – the two countries which have benefitted most from CAI. It would be too far-fetched to suggest that the EU has single-handedly improved the support service environment for the entire SME and micro enterprises sector but CAI was instrumental in significantly improving the business climate and enabling environment for food processing (mainly dry fruits), handicraft and tourism enterprises and generally women entrepreneurs (see also table 5).

The CAI project has been working on two levels. Right from the start in 2007 on the level of Central Asia BIOs to improve their services for SMEs, and since 2010 also on the policy level to improve the overall business climate. The programme has so far with EUR 12 million co-funded 28 grant projects in support of BIOs selected through restricted Calls for Proposals:

- in 2008: 11 projects in Phase (EUR 4.2 million);
- in 2010: 9 projects in Phase 2 (EUR 4 million);
- in 2013: 8 projects in Phase 3 (EUR 3.8 million).

21 European BIOs and 29 Central Asian BIOs have participated in CAI (all three phases). This BIO-to-BIO cooperation process is likely to have facilitated a more effective learning and capacity building process than, say, an approach based on the sole provision of expertise by European consultants/consultancies.

Furthermore, CAI focussed on high-potential sectors for the generally Central Asian economies, namely food-processing, handicraft and tourism. The projects have addressed the whole value chain and cross-cutting issues (such as human resources)

CAI Phase I had two specific objectives at the meso level: (1) strengthening the skills and competences of BIOs, as well as (2) promotion of closer linkages between BIO both between EU and Central Asian organisations and as a means to strengthen regional economic integration. The grant projects (under CAI) mainly involved training, networking events, study tours and outreach (to SMEs) components.

Under CAI Phase II, the specific objective was refined to: a) reinforcing the role and the competences of CA BIOs, particularly with regard to their capacity to support SMEs and b) influencing policies in favour of micro and small scale companies.

For CAI Phase III, some improvements to the implementation were sought following comments from the CAI stakeholders meetings and the 2011 MTE. More specifically, it was recommended that, while still targeting and working through BIOs, the grant projects should have a direct impact on groups of SME which could benefit from their participation in the projects activities, for example with regard to international accreditation or the development of new export market opportunities. Partnerships would also permit the participation (as partners) of research institutions and think tanks from Central Asian countries, in order to backup the policy dialogue with stronger analytical capacity.

Figure 3 Map of Regional Distribution of CAI Projects



Source: EU 2015. Central Asia Invest. Boosting small business competitiveness

Overall, the CAI grant project component has performed very well. The relevance of the grant projects was good from the beginning and further improved over the 3 phases. Approximately half of the CAI grant projects had advocacy included in the activities. During CAI 1 and 2 most of the beneficiary BIODs spent between 20% to 80% of their time and staff resources on policy advocacy as one of their key activities, irrespective of their CAI commitments. BIODs which were particularly successful in the area of policy consulting included the Kazakh Forum of Entrepreneurs, and the Independent Association of Entrepreneurs (NAP), the Tajik National Association of SMEs, Chambers of Commerce and Industry in CA, the Turkmen Union of Entrepreneurs and Industrialists, and others.⁴⁸⁸ These were important indirect contributory aspects towards improving SME policies through developing partnerships between the governments and the business sector.

Between them several MTEs, monitoring reports, stakeholder interviews and other sources suggest that the BIODs include in CAI have been strengthened through the EU support while weaknesses of CAI 1 were identified and mostly addressed during subsequent phases of the programme.

External Factors

External factors include the critically important business environment in each country in which the BIODs operate. In Central Asia BIODs often lack support private sector support mechanisms with sufficient political backing. Furthermore, regulatory environments frequently limit the degree to which BIODs can successfully operate in support of SMEs and also have some influence on lobbying or contributing towards policy development (see also I-632).

In addition, the presence of other donors working with BIODs and/or the SME sector has to be considered as well. For example, recent and current SME-related donor activities include economic development in selected regions by GIZ, the World Bank's Rural Enterprise Support Project and the ADB's Small and Medium-Sized Enterprise (SME) Development Programme. USAID provides

⁴⁸⁸ EU 2011, Central Asia Invest Mid-Term Evaluation Report

consulting and trade promotion services to SMEs and supports short business training courses, e.g. marketing, business planning, and international accounting standards. At the regional level, EBRD provides a range of business development programmes, both to banks and directly to private enterprises. UNDP implements poverty-reduction-related schemes that include support to SMEs, and also has other programmes aiming to support private sector. USAID has provided TA in the following areas: economic policy reforms to strengthen fiscal management; tax administration, and decentralisation; improvements of regulatory and administrative environment for business; reduction of trade barriers and expanded access to market information; strengthening of agricultural productivity; and land market development. USAID supports SMEs and other businesses and involves them in efforts to achieve reforms in the aforementioned fields. The EU noted that these initiatives targeted SMEs directly, without investing in the potential role that could be played by BIOs in the development of private sector and in the policy dialogue.⁴⁸⁹ It is therefore fair to conclude that CAI is unique and no other donors/implementing agencies have had quite the similar approach to BIO support.

6.3.2 I-632 Evidence of successful BIO interventions in support of SMEs and increasing SME take up of BIO services

Description (of the indicator)

As the work of BIOs is directly linked to the activities of SMEs we can reasonably assume that stronger BIOs will result in a stronger private sector in general and better equipped and empowered SMEs in particular. This indicator investigates if the spill-over from the BIO to the SME level has actually taken place in Central Asia. In other words, have BIOs provided more and better services to SMEs and have an increasing number of the latter benefitted from supposedly growing support by BIOs?

Evidence of the change

There are neither data available on the number of SMEs utilising BIO services nor on the number of BIOs providing support to SMEs in Central Asia. The concept of BIOs is still relatively young in this region

EU contribution

In principle, *“focusing on BIOs in order to increase the effectiveness of project interventions creates a clever multiplier effect: Coaching 10 BIO consultants instead of the project directly consulting 10 SMEs enhances the outreach to SMEs - provided that those BIOs do reach out to those SMEs of course”*.⁴⁹⁰ The 2014 MTE estimated that during CAI 1 and 2 the 20 projects had 300-500 direct beneficiaries (SMEs and micro enterprises and sole entrepreneurs) in all types of activities and around 2-300,000 indirect beneficiaries (replication, dissemination, media campaigns). No such data is available for CAI 3 but based on project documentation and stakeholder interviews it can be estimated that the third phase reached out to at least 100 additional direct beneficiaries – taking into consideration that several CAI 2-projects continued under CAI 3 and therefore did not significantly expand the group of direct beneficiaries but deepened the capacities of those BIOs which had already been involved.

All CAI stakeholders interviewed in TJ and KG spoke of several teasing problems during CAI 1, which had also been addressed in early monitoring and evaluation reports. The main problem was the exclusive focus on BIOs at the time when concept and role of BIOs were still not well understood in most Central Asian countries. Projects initially *“struggled [...] by the double and ‘intra-linked’ programme objective of strengthening the private sector by strengthening BIOs.”* And related, *“The impact on BIOs is good, but the final impact on the SME-sector through those BIOs is rather limited. It seems that for several projects the strengthening of BIOs has become a goal in itself rather than a means of increasing and improving the outreach of BIOs supporting SMEs. [...] As a matter of fact this support to SMEs is clearly included in the CAI Programme logframe as “indicators of achievement”, but has been overshadowed by the focus on BIOs themselves”*.⁴⁹¹

Following the evaluation recommendations, CAI 2 added the policy level to its approach through a contribution agreement with the OECD, and more grant projects through the second Call for Proposals (CfP). CAI 2 also had a stronger sector and subject focus and better outreach to SMEs in the grant

⁴⁸⁹ EU: Action Fiche for Central Asia Invest II

⁴⁹⁰ EU 2010: Mid-Term Evaluation of Central Asia Invest Programme

⁴⁹¹ EU 2010, Mid-Term Evaluation of Central Asia Invest Programme.

projects (compared to CAI 1). CAI 3 further improved the emphasis on extended institution capacity building in the grant projects.⁴⁹²

The information dissemination activities under CAI 1 and particularly CAI 2 enabled many SMEs outside of the grant projects to be informed of the EU supported BIOs' services and products.

Overall, since CAI 2, service development by local BIOs reportedly became much better linked to the service delivery to SMEs and moreover embedded in the institution capacity building of individual BIOs or even of an entire sector. At the same time, the CAI grant project component became more focused and coherent focusing on a limited set of sectors such as agribusiness, handicraft and tourism; and subjects such as certification and export development. The grant projects are now better balanced, with a good mix of reaching out (geographically) to SMEs through the BIOs, including providing more institution capacity building of the latter group. This mainly applies to KG and TJ, where not only the best project proposals (and most grants therefore awarded) originated from, but also where the best project performances were evident.⁴⁹³

Interviewed stakeholders confirmed that lessons-learned during one project phase were applied to the next one. This also applies to CAI 4 which has made improvements over CAI 3 as the result of stakeholder feedback. For example, stakeholders requested longer project durations. As a result projects under CAI 4 will now be approved for three instead of previously two years.

Several BIOs have participated in more than one project and over two or even three CAI funding cycles. This clearly contributed to their professionalisation which, in turn, increased their sustainability. Stakeholder interviews left no doubt that several Kyrgyz and Tajik BIOs, which have been involved in CAI projects, have reached a level of sustainability that allows them to continue activities with SMEs without EU support. Many get funding from other sources as well and generate steady revenues through the provision of advisory services, training and capacity building. Examples in KG include the Chamber of Commerce and Industry, Association of Fruit & Vegetable Processing, Kyrgyz International Business Council, Kyrgyz Community Based Tourism and Kyrgyz Association of Tour Operators; and in TJ the Association of Scientific and Technical Intelligencia, National Association of Small and Medium Business of TJ and National Association of Business Women Association. The latter, for example, was able to – within the context of the project Tajik Women Economic Empowerment (CAI 3) – establish a business incubator for female entrepreneurs for which the government provided the space and full hardware equipment. This is a good example for sustainability.

Examples of BIO support to SMEs and the latter's take up of services provided by the former include:

- Certification: six Kazakh and Uzbek Transport companies have been assisted in getting ISO 9001 certification and more than 20 Kyrgyz and Tajik food processing SMEs have received support in preparing for HACCP/ISO 22000 certification.
- Branding and Marketing: Food processing SMEs have received advise and concrete help on the branding and marketing of their products, increasing in stronger competitiveness. For example, producers of dry apricots in TJ switched from 40kg boxes to 5kg boxes and later 200g packages which made the products more marketable internationally.
- Emphasis on women entrepreneurs: Several dozen small Kazakh, Uzbek and Tajik women-run tourism businesses were directly supported on all aspects of their activities; likewise CAI it helped numerous SMEs and micro enterprises, which often comprise one or two women to master and improve techniques for handicrafts development.
- Market access: In all countries several CAI projects strengthened the capacities of BIOs to provide training and consultation for SMEs on technical regulations and product standards with the long view of improving the prospects of stronger market positions or market access to Russia, Middle Eastern countries and the EU. The participation in trade fairs in Europe and China and other countries was also organised with this objective in mind. However, in the specific case of TJ, many stakeholders in the food processing and handicraft sectors cited access to new markets – and particularly the EU – as an anticipated result of their CAI participation. However, it is not known whether or not this has been achieved – at least in some cases – as such data do not exist. However, most CAI stakeholders, European and Tajik alike, were of the opinion that while CAI increased business opportunities, access to new markets had not been achieved yet.

⁴⁹² EU 2014: *Mid-Term Evaluation of Central Asia Invest III*

⁴⁹³ EU 2014: *Mid-Term Evaluation of Central Asia Invest Programme, Draft Evaluation Report*

CAI did not require the involvement of all CA states and several projects involved BIOs only from TJ and KG. While CAI is a cross-border project which aims at bringing together stakeholders from different CA countries, CAI was not designed to foster regional integration in CA. Intensified cross-border cooperation between BIOs from two or more CA countries might contribute to a growing regional consciousness and thus, ultimately, integration. But this is not an intended direct effect.

There was no specific country preference, but there were more and stronger proposals from KG and TJ in CAI 1 and 2.⁴⁹⁴ Furthermore, cooperation with these two countries was seen as particularly successful. Hence, CAI 3 placed the main emphasis on TJ and KG.

The regional approach facilitated an exchange of best practises and mutual learning. This was particularly the case for TJ and KG, countries with similar challenges in the sectors covered by CAI. Since Kyrgyz BIOs were often more advanced and experienced than their Tajik counterparts, the former provided training, capacity building and generally expertise for the latter. In the tourism sector TJ not only took the existing tourism structures KG as a reference point but even adopted Kyrgyz standards in tourism.

In sum, TJ and KG emerged as natural cooperation partners and, consequently, a large number of projects under CAI 2 and 3 (10 out of 17) comprised BIOs from these two countries. This has been the strongest bilateral pairing in CAI. As the reasons for the pre-eminence of BIOs from TJ and KG are well understood within the CAI network, this does not seem to constitute a problems. No evidence was found that this had been seen as an issue by stakeholders from other countries.

CAI has also facilitated a regional dialogue on PSD among EU stakeholders, Central Asian BIOs involved in CAI and policy makers, by organising three CAI networking events: in 2009, 2011 and 2014. While these were not high-level policy dialogues, lessons-learnt might well provide some input for the potential creation of a regional policy dialogue on PSD.

Although the networking meetings provided opportunities for the exchange of knowledge and the sharing of experiences, some stakeholders noted that the establishment of links, interaction and collaboration among BIOs involved in different CAI grant projects should be further encouraged and institutionalised. Some BIOs have working relations anyway but the encouragement of more formalised and regular exchange would likely have contributed to a systematic strengthening of BIOs in TJ's business environment, according to views expressed in interviews.

External factors

In general, there was mixed support of the CAI grant projects in the respective countries. In both TJ and KG a general willingness and openness to engage with CAI was noted. KZ, on the other hand, seemed to be too large and too well off in terms of wealth and economic development in order for stakeholders in the two main cities (Almaty and Astana, where most projects took place) to be very keen on the relatively small CAI grant projects. In UZ and TM there was interest to participate in initiatives to strengthen the SME-sector, but a reluctance towards developing the institutional capacity of BIOs with external assistance. This appears to be part of an overall suspicion among public sector stakeholders towards a perceived preference of international donors to work with NGOs.⁴⁹⁵ Particularly for the agro-food businesses and other export sectors new challenges have emerged in the wake of the establishment of the Eurasian Economic Union (EEU). The EEU currently comprises Armenia, Belarus, KZ, KG and Russia. The customs union has deepened KZ's and KG's already dominant economic relations further and significantly restricts future opportunities for trade diversification outside the customs union. This also affects SMEs. TJ is likely to join the EEU soon. Regional economic cooperation or even integration is unlikely to take place within Central Asia but will mainly be driven by the dynamics of the EEU. While the treaty establishing the EEU was only signed in May 2014, the Russia-led union had been looming large on the horizon for several years. Since the EU's Central Asia strategy has strictly focussed only on the five countries of the region, the EU support to PSD in general and BIOs/SMEs in particular could not flexibly respond to new emerging challenges for the private sector.

EU support to Asia is based on two regional strategies for Central Asia and Asia (South, Southeast and Northeast) respectively. This this approach has created an artificial dividing line between TJ (Central Asia strategy) and Afghanistan and Pakistan (both under the Asia strategy). TJ and Afghanistan have a long tradition of economic exchanges and interaction which is reinforced by the same language and other shared cultural features. Since TJ has no access to the sea and no navigable inland waterways, Pakistan's sea ports provide the shortest distance for Tajik trade shipments with distant markets. While regional projects on PSD/SME support involving TJ and

⁴⁹⁴ EU 2014: *Central Asia Invest Network Meeting*

⁴⁹⁵ EU 2014: *Mid-Term Evaluation of Central Asia Invest III*

Afghanistan and/or Pakistan would therefore make sense, the EU cannot support them as the two regional strategies do not interact with each other.

7 EQ 7 on higher education

Has EU regional support to CA contributed to enhancing quality and relevance of HE provision?

7.1 JC 71 Extent to which EU support has contributed to enhanced HE governance and management capacities across CA in line with EU standards

7.1.1 I-711 Extent to which modernised quality assurance mechanisms are in place at HEIs in CA.

Description (of the indicator)

Modernisation of quality assurance (QA) mechanisms implies increased convergence with the principles, mechanisms and processes established in the Bologna Process (BP) and European Higher Education Area (EHEA), within a continuous improvement cycle (i.e. activities to ensure and enhance quality). With a view to institutional autonomy, academic freedom and public accountability, the EHEA's quality assurance policies consider quality assurance to be – first and foremost – the responsibility of institutions, with independent agencies ensuring an external peer review for quality enhancement, and compliance with the standards set by public authorities.

The **Bologna Process (BP)** was a series of ministerial meetings and agreements between 1999 and 2010 between European countries, designed to ensure comparability in the standards and quality of higher education qualifications. As one of its main objectives, the **European Higher Education Area (EHEA)** was launched in March 2010, during the Budapest-Vienna Ministerial Conference. The decade 2010-2020 is aimed at consolidating the EHEA. For detailed information see www.ehea.info.

For HEIs, this implies having an institutional policy for internal quality assurance that is made public and forms part of their strategic management through appropriate structures, regular/cyclical processes, and with student and external stakeholder involvement. Regular self-assessment should encompass staff and program quality and development, the student life cycle, student support, learning resources, transparency and accessibility of information, and overall management. Regular self-assessment should feed into strategic planning of the institution.

Evidence of the change

As in most HE systems the traditional approach to quality assurance in CA is external quality control by the government, which periodically issues a state attestation for HEIs and degree programs based on input factors and/or state level standards, which are to be fulfilled by HEIs.⁴⁹⁶

During the evaluation period the CA governments have maintained the state attestation for degree programs and HEIs⁴⁹⁷. They have progressed with the definition of objectives and standards, the revision of legislation and the introduction of new mechanisms or models concerning quality assurance often following examples and practices from EU and/or EHEA countries⁴⁹⁸. At policy level all countries have sought to improve coherence with labour market needs and internationalisation by revising and/or introducing state standards accordingly. In all five countries, progress has been made with the involvement of academics, students, external stakeholders and foreign experts in evaluation processes, but to date KG, TJ, TM and UZ haven't introduced the notion of independent peer review.⁴⁹⁹

KZ is the most advanced in installing independent quality assurance mechanisms for HE: it has established formally independent national bodies for external evaluation and accreditation and issues state attestations based on their conclusions and recommendations. It has further introduced the option of programme evaluations by foreign agencies. This option is in fact utilised by an increasing number of HEIs in addition to the obligatory evaluation/accreditation by one of the licenced independent national agencies.

⁴⁹⁶ CAEP study on quality in HE and VET (2014)

⁴⁹⁷ It is in line with the EHEA policy framework for governmental authorities to reserve the right to issue accreditation decisions. This is also practice in a number of other EHEA member countries.

⁴⁹⁸ CAEP study on quality in HE and VET; Tempus Study 'State of Play of the Bologna Process in the Tempus Partner Countries (2012); Tempus Study 'The main achievements of the Tempus Programme in Central Asia 1994-2013'; Tempus CANQA project reports

⁴⁹⁹ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

Hence, HEIs in all CA countries have been developing, piloting and – to a certain extent – implementing new (external and) internal quality assurance principles, procedures and tools, which implies individual and institutional capacities have been developed further.

In KZ, the internal assessment of education quality is the responsibility of HEIs themselves and includes a system of quality management, various procedures of self-assessment, and monitoring of academic achievements. Self-assessment procedures include the opinion of students on the quality of teaching.⁵⁰⁰ HEIs in KG, TJ, UZ and TJ have also developed and tested QA procedures and strengthened capacities in this respect.

However, in all CA countries HEIs remain subject to external assessment by governmental bodies, or – as in KZ – have not yet fully introduced independent assessment (although KZ's education policy explicitly foresees the eventual independence of external quality assurance and accreditation decisions). The HEIs' responsibility mainly lies with the fulfilment of state standards, rather than HEI-driven efforts towards improving its processes, outcomes and its responsiveness to student needs and the socio-economic environment⁵⁰¹.

The shift from the traditional quality control and standard compliance approach towards institutional responsibility and the development of an effective quality culture⁵⁰² is clearly also dependent on the degree to which HEIs are granted operational autonomy in a given country. Here (other) EHEA member states are experiencing comparable challenges with the acceptance and integration of the EHEA's policy framework for quality assurance. While the progress in most CA countries seems slow, it deserves full acknowledgement in the given context.

While the desk review and country visits clearly indicate progress, there is little evidence of concrete baselines at the onset of the evaluation period, and of measurable changes at the end of the evaluation phase.

EU contribution

Between 2008 and 2014 Tempus has supported a range of projects directly addressing the modernisation of quality assurance in HE at programme, institutional or sectoral level, amongst others:

Table 13 Overview of Tempus projects addressing QE in CA, 2008-2014

Year	Project No	Action name	Project title	CA countries involved
2013	544134	SMGR	Enhancing quality of doctoral education at Higher Education Institutions in Uzbekistan (UZDOC)	UZ
2013	544601	SMGR	Einführung des Qualitätsmanagements im E-Learning an zentralasiatischen Hochschulen ⁵⁰³	KG, KZ, TM
2012	530326	SMGR	Quality of Engineering Education in Central Asia (QUEECA)	KG, KZ, TJ, UZ
2011	516996	SMGR	Enhancement of Quality Assurance System through Professional Development of Academic Leaders	UZ
2011	517340	SMGR	Documentation for Quality Assurance of Study Programmes (DoQuP)	KG, KZ, TJ
2010	510959	SMGR	Development of Quality Assurance System in Turkmenistan on the base of Bologna Standards (DEQUE)	TM
2009	159161	SMGR	Implementing tools and policies for quality work at institutional level (UNIQTUOL)	UZ
2008	145688	SMHES	Central Asian Network for Quality Assurance and Accreditation (CANQA)	KG, KZ, TJ

Tempus projects have clearly contributed to deepen the understanding, strengthen capacities and develop policies and tools for the modernisation of quality assurance mechanisms in HE in all CA countries⁵⁰⁴, for example:

⁵⁰⁰ EC/Tempus (2012): Higher Education in Kazakhstan

⁵⁰¹ CAEP study on quality in HE and VET (2014), ^{CANQA project} reports

⁵⁰² As promoted by the Bologna Process and the EHEA

⁵⁰³ Introduction of Quality Management in E-learning at Central Asian Higher Education Institutions

⁵⁰⁴ CAEP study on quality in HE and VET (2014)

- The Tempus CANQA project (2009-2012) set out to modernise policies for internal (and external) quality assurance in 17 partner HEIs across KG, KZ and TJ in terms of legislation, setting standards and guidelines, training/capacity building⁵⁰⁵ and tools development (e.g. manuals, templates, job descriptions), and piloting these in a first self-assessment exercise of the partner HEIs between 2009-2010.⁵⁰⁶ The project further supported the partner HEIs with the elaboration of strategic plans for quality assurance within these HEIs. However, the impact of the project is considered limited by the EACEA⁵⁰⁷ and stakeholders in KZ⁵⁰⁸. They observed challenges related to the project's implementation, to stakeholder involvement at ministry level, regional cooperation and exchange outputs and their sustainability. These were reportedly related to a high staff turnover in the Ministry (KZ), but also to a series of communication and coordination challenges, in particular for the EU coordinator. Still interlocutors in KZ confirmed that the project increased capacities and know-how at the partner HEIs and issued a useful set of tools (manuals, templates, job descriptions) at the final conference.
- With 16 partner universities from KZ, KG, TJ and Azerbaijan the Tempus DoQuP project (2012-2014) helped define a blueprint of standards, requirements and procedures for assuring the quality of study programmes and ensure a consistent approach with the *Standards and guidelines for quality assurance in the European Higher Education Area* (ESG). Interlocutors in KZ considered DoQUP to have been very useful; first and foremost with a view to awareness and capacity building at HEIs, but also in taking the new approach and knowledge on board in their related work. Nevertheless the concrete impact of the developed blueprint(s) at policy level remains unclear.

However, in all states except KZ, HEIs remain subject to external assessment by governmental bodies and the HEIs' responsibility mainly lies with the fulfilment of state standards. This project partners therefore can't integrate jointly developed quality assurance models from Tempus (or other) projects into their existing university system without the authorities initiating relevant reforms.⁵⁰⁹

Following an initial needs assessment in 2012, CAEP chose Quality in Vocational Education and Training (VET) and Higher Education (HE) as one of the three topics for policy dialogue. To prepare such dialogue CAEP conducted a study on Quality in VET and HE for all five countries. The validation of the results with national stakeholders was accomplished in KG and TJ and KZ in 2013 and early 2014. However, the UZ and TM authorities did not officially agree with the study, endorse its results or agree with their publication, since CAEP itself had been launched without prior endorsement by the CA countries, and CAEP lacked official status in UZ and TM.⁵¹⁰ CAEP still succeeded in hosting a regional workshop in Istanbul in May 2014 with regional participation. The workshop served as a platform to discuss the progress, benefit and common challenges related to quality assurance in HE, and other topics concerning HE and VET. In fact, even UZ ensured a limited attendance by staff members from the Ministry's VET department for the VET related strands of the workshop. However, the Ministry's HE department did not attend due to the situation described above. One of the common challenges identified at the conference was a mismatch of bottom-up experiences and top-down legislation, resulting in implementation gaps of existing regulatory frameworks and policy approaches.⁵¹¹

QA in HE continues to play a role in the consultations and policy dialogue organised under CAEP, while naturally the focus appears to be more on quality assurance at system level (and on other topics, such as on human resources management in HE⁵¹², interlinkages of education with the labour market, etc.).

The EU interventions have definitely assisted quality assurance to take a prominent place in the EU-Central Asia dialogue, as is evident from the Joint Communiqué of the First Meeting of Ministers for Education of the Member States of the European Union and of the Central Asian countries in Riga in

⁵⁰⁵ An expert group on internal quality assurance, all 17 experts are/were staff members of the partner universities' offices in charge of quality management and control - 4 from TJ, 6 from KZ, 7 from KG;

⁵⁰⁶ Reports of the Tempus CANQA project (2009-12)

⁵⁰⁷ EACEA/Tempus project officer's Emails from 16.04.2010 and 8.9.2011 re: 145688-2008-BE-SMHES: feedback from the field monitoring visits; Interviews during field phase in KZ;

⁵⁰⁸ In interviews during field phase in KZ.

⁵⁰⁹ CAEP quality study, CANQA project reports

⁵¹⁰ CAEP Project Overview March to August 2014 p.2; EU Monitoring Report re Central Asian Education programme 11/2013

⁵¹¹ CAEP 5th Interim Report July 2015

⁵¹² Human resources management in HE is the topic of an extensive Tempus study, which was not carried out by CAEP, but promoted and discussed with stakeholders in the context of CAEP activities.

June 2015⁵¹³. Already the third paragraph mentions Quality and Accreditation as one among three main priorities of future cooperation in education. “The meeting reaffirmed the commitment to strengthen further mutual beneficial cooperation in the field of education, within the context of the EU-Central Asia Strategy, addressing the following themes (i) Development of Qualification Frameworks and Standards (ii) Quality Assurance and Accreditation (iii) Employment and Labour Market Needs.”

External factors

In regional projects, a certain impasse is observable where important work under Tempus at institutional level lacks the policy framework, which would allow institutions to implement/apply project outputs. European and/or EHEA standards in quality assurance build on institutional autonomy, public responsibility and the notion of independent peer review. Context and status of HEIs in CA differ substantially and require context-specific responses to the continuous enhancement of quality and international recognition of national HE delivery in CA. HEIs are thus bound to modernise within the national frameworks.

As a matter of course, most decisive for the observed changes is certainly the CA countries’ individual commitment towards modernisation, quality enhancement, and international competitiveness of their HE systems. Here, KZ seems to be taking the lead while the issue has also gained importance for and in all other four CA countries.

In KZ, where progress is most advanced, the scope of reforms creates a dynamic momentum. Certain challenges were observed where capacities and resources reach their limits, or where different initiatives lack coherence. For example quality assurance units are formally set up in each HEI but lack the appropriate training, expertise and resources, or those put in charge of internal quality assurance encounter difficulties “with the transfer of abundant production of policy documents into daily practice”⁵¹⁴.

A progressive example in the context of the GIZ Programme for Professional Education⁵¹⁵ is the Kyrgyz State Technical University (KSTU), which established a study programme for a Bachelor of Science in Food Technology with a country specific orientation, based on Bologna compatible so-called reference curricula developed with colleagues from KZ, UZ, TJ and Germany. The program was accredited internationally in 2014, by a German accreditation agency, and the KSTU is preparing for further accreditation of Master of Science programmes in different specialisations. The experience gained so far in the complex accreditation process is shared with colleagues from other CA countries in colloquia.⁵¹⁶

GIZ, World Bank, ADB and British Council projects have been contributing to the development of quality assurance at policy, institutional and program level, but with the exception of the British Council (in KZ and UZ) their priority is VET rather than HE.⁵¹⁷

7.1.2 I-712 Extent to which mechanisms for evidence-based strategic planning and implementation at sector level are in place across CA.

Description (of the indicator)

This indicator investigates the mechanisms for the establishment and implementation of sector-wide quality standards for HEIs and programmes/qualifications. Are they based on an analysis of the situation and/or strategic development objectives? Is performance monitored against these standards and set objectives and are there mechanisms to support/enhance/sanction performance?

The indicator is addressing external quality assurance (as opposed to internal quality assurance in I-711). It is focussing on the strategic use of external quality assurance for HE governance and management at sector level, rather than on compliance of the standards, guidelines and mechanisms with EU and EHEA standards. (The latter is – to some extent – addressed in I-713).

Evidence of the change

All CA countries share a tradition of external quality control based on input-oriented standards determined by the principal authority, the education ministry. The competent ministry is responsible for

⁵¹³ https://eu2015.lv/images/notikumi/20150626_Communique_roadmap_EU_CA_EN.pdf

⁵¹⁴ CAEP study on quality in HE and VET (2014)

⁵¹⁵ GIZ: Förderung der nachhaltigen Entwicklung der beruflichen Bildung in Zentralasien (*Support to sustainable development of professional education in Central Asia*)

⁵¹⁶ Stehling, Christian (2015): Vom Frontalunterricht zu mehr praktischer Anwendung. Herausforderungen der Berufsbildung in Zentralasien (*From ex-cathedra teaching to more practice application. Challenges of professional education in Central Asia*)

the evaluation of HEIs and programmes and defines the general policy and strategy⁵¹⁸.

All CA countries have started reviewing their existing systems and are developing and piloting new standards and/or procedures, while during the evaluation period they have progressed to a differing extent. As described in I-711, TJ, TM and UZ HEIs remain subject to external assessment/inspection by governmental bodies and the HEIs' responsibility lies with the fulfilment of mainly input-oriented state standards.⁵¹⁹

KZ has progressed the furthest with modernising its external quality assurance system⁵²⁰. A new education law from 2007 together with amendments adopted in 2011 are presented as an important step towards improving the national system of quality assurance in education⁵²¹. In addition the State Education Program 2020 sets out strategic development parameters related to HE quality, meeting labour market demands, contributing to the country's industrial-innovative development, personal development, conforming with the world's best practice in education.⁵²² The new generations of state standards for degree programs in HE seek to reflect labour market demands and HEIs are required to substantiate the programs relevance in the respective documentation.

A number of government agencies and government-based committees under the education ministry's supervision carry out external evaluation of education quality provided by HEIs⁵²³ and lately KZ has involved some independent agencies to do the same, while the ministry maintains to make the final decisions⁵²⁴ and defines the standards against which the HEIs and programs are measured. For the entire education sector including HE, KZ has established a 'National system for Education Quality Assessment' (NCEQA). Its purpose is to conduct the overall assessment of education at all levels. Ultimately, the NCEQA intends to conduct research and analysis, providing information that can be used as a basis for decision-making processes at government and institutional levels and should contribute to enhancing the competitiveness of the national system of education based on a comparative analysis of international levels.⁵²⁵ This is an indication that KZ is moving towards a decentralised quality assurance approach, which provides a basis for strategic planning and development.

KG too has made important steps with the adoption of an education law in 2013 transferring the functions of the State Inspection for Licensing and Attestation to independent accreditation agencies. Criteria are to be defined by the agencies based on the state's requirements. External evaluation will involve students and employers and be based on a "written statement" by the education institutions.⁵²⁶ KG further adopted a "Strategy for development of education until 2020" with defined priorities. For HE they concern the improvement of quality and professional preparation based on market requirements, the modernisation of approaches to teaching and learning, the structure, content and organisation of study programs, internal and external quality assurance mechanisms, and a changed role for science. Strengthening cooperation between education institutions and employers is one of the main priorities, and progress has been made in this area in the 5 years prior to the adoption of KG's 2012-2020 education strategy (2013?): For the first time, employers were involved in the development of the 3rd generation of state standards for education (qualifications).⁵²⁷

By 2011, state employers still had no formal involvement in the higher education quality assurance system, and research cooperation between HEIs and their socio-economic environment were not well developed.⁵²⁸ By 2014 KZ, KG, TJ, UZ had a well-developed diagnosis capacity at system level for all education levels allowing the identification of common priorities for intervention across CA.⁵²⁹

⁵¹⁸ Ministry of Education and Science of the Republic of *Kazakhstan*. <http://www.edu.gov.kz/en/>

⁵¹⁹ CAEP quality study in HE and VET 2014; Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' 2012

⁵²⁰ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012) and the CAEP quality study in HE and VET 2014.

⁵²¹ Tempus: Higher Education in Kazakhstan 2012

⁵²² State Program of Education Development in the Republic of Kazakhstan 2011–2020, Astana 2010; approved by Decree No 1118 of the President of the Republic of Kazakhstan, December 7, 2010

⁵²³ Tempus: Higher Education in Kazakhstan 2012

⁵²⁴ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' 2012

⁵²⁵ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' 2012

⁵²⁶ According to the CAEP Quality study in HE and VET (2014) KG yet needs to develop and adopt a legislative framework to regulate accreditation until September 2014 when the law becomes effective. This requires follow up in the further course of the evaluation.

⁵²⁷ CAEP quality study in HE and VET 2014;

⁵²⁸ EC/Tempus (2011): Overview of Higher Education Systems in Tempus Partner Countries, Central Asia; A Tempus Study, Issue 05, April 2011

⁵²⁹ CAEP quality study in HE and VET 2014

The desk and field phases haven't sufficiently clarified the extent to which the five CA countries have established/improved mechanisms for evidence-based strategic planning and implementation at sector level and how this has concretely evolved between 2007 and 2014. However, the a/m examples clearly indicate that strategic objectives have been introduced to modernise HE in a way that it maintains and enhances its socio-economic relevance domestically and internationally. Mechanisms for governance and management and delivery of HE were adapted accordingly and there is concrete evidence of adaptations in the field of quality assurance.

EU contribution

A whole range of Tempus projects have been addressing cooperation of HEIs with the 'world of work', issues such as employability, entrepreneurship, the knowledge triangle⁵³⁰, qualifications frameworks, quality and relevance, and improving governance and management capacities.⁵³¹ These efforts have surely promoted and fostered a strategic approach to the development of HEIs, programmes and qualifications.

Projects such as CANQA and DOQUP projects supported HEIs and authorities in CA with developing standards and procedures for external quality assurance of institutions and study programmes, encouraged the involvement of employers and other social partners, piloted the newly developed models and promoted their benefit for the strategic development of the HE sector.

The regional project *Institute for Strategic Management of Universities* ([ISMU](#), 2011-2013) with KG, KZ, TJ, UZ mapped the university management competencies and needs in CA universities, set up an institute for strategic management of universities at each partner institution, and a regional online platform, to offer training to middle and top university managers and to create a regional observatory of best practices on CA university management.

The national project *High Objectives of National Organizational Reform* ([HONOR](#), 2012-2015) developed a training and retraining system for high level civil servants of KG. The aim was to help building a strong, modern and efficient civil service through developing and implementing a new training scheme that will significantly improve the management of the public sector and the promotion of principles of transparency, ethics and democracy.

The national project *Development of International Relations related to the Needs of the Higher Educational System of Turkmenistan* ([DoIT](#), 2010-2012) supported the development of a strategic plan for internationalisation and corresponding capacity building.

However, the available documentation provided little indication as to the concrete impact of the EU's intervention at system level. During country visits to KZ and UZ interlocutors confirmed the individual EU interventions (Tempus projects) had achieved little if any concrete impact at system level in CA, while projects clearly impacted at individual and sometimes at institutional level. HEREs and NEOs emphasised there were still indirect effects at system level (see I-713 for examples).

External factors

As in I-711, the strongest catalyst for change is the CA countries' individual commitment towards evidence-based strategic development of their HE systems and/or sectors.

The document review contained little if any concrete evidence as to other external factors contributing to the observed (or other) changes. Other actors such as the GIZ, World Bank, and ADB projects mainly refer to VET and not to HE.

7.1.3 I-713 Evidence of incorporation of EU/Bologna standards and good practice in the HE policy frameworks in Central Asia.

Description (of the indicator)

The indicator seeks to establish the status of the introduction of EU/Bologna standards and good practice in HE policy frameworks in the CA countries, focusing on the main elements of the EHEA/Bologna Process⁵³² at policy level: the countries' formal commitment, and their system's de facto convergence in terms of degree structure (Bachelor, Master, Doctorate), the introduction of the

⁵³⁰ The knowledge triangle refers to the interaction between research, education and innovation, which are key drivers of a knowledge-based society, and which contribute to economic development and higher education's international attractiveness.

⁵³¹ EACEA [table of Tempus projects](#)

⁵³² One of the Bologna Process objectives was to create the European Higher Education Area (EHEA). The EHEA became reality with the Budapest-Vienna Declaration of March, 2010. Since this evaluation report concerns the period between 2007 and 2014, it refers to the '*EHEA/Bologna Process*' for easier reference.

European Credit Transfer and Accumulation System (ECTS)⁵³³ and Learning Outcomes, the use of the Diploma Supplement⁵³⁴, the development of a National Qualifications Framework (NQF) compatible with the EHEA qualifications framework, a system of independent Quality Assurance based on HEIs' self assessment and peer review, the recognition of qualifications, and joint degrees and or programmes.⁵³⁵

Evidence of the change

Formal adherence to / convergence with the EHEA/Bologna Process

KZ joined the EHEA/Bologna Process in 2010 and is so far the only full member among the CA countries. KZ's commitment is clearly reflected in the 'State Program of Education Development in the Republic of KZ for 2011–2020' and the 2015 'Bologna Process Implementation Report'. KG participates in the Bologna Policy Forum since its setup in 2007⁵³⁶. The Lisbon Recognition Convention⁵³⁷ has been ratified by KZ (1998), KG (2004) and TJ (2012).

KG and TJ implemented Bologna-compatible reforms on a voluntary basis under the supervision of the respective Ministry of Education.

TM and UZ have not ratified the Lisbon Recognition Convention, and have established no specific mechanism for supporting the implementation of the Bologna principles and tools.⁵³⁸

Nevertheless, there are indications of a vested interest of all five countries in EU support for HE reforms along the lines of EHEA standards and good practice:

During the period under evaluation the CA countries demonstrated a keen interest in specific elements of the EHEA/Bologna Process policy areas⁵³⁹. All five countries indicated quality assurance as a priority since the beginning of the evaluation period, whereas qualifications frameworks progressively gained relevance and eventually became a defined priority for all five countries in 2012. In addition, TM, which seems most reserved towards system convergence, still gave priority to the development of international relations, thus opening up to policies and good practice in European partner countries⁵⁴⁰.

Degree structure

KZ, KG and TJ have been gradually implementing a two-tier structure of 240+120 ECTS (4+2 academic years) for bachelor and master studies and have defined learning outcomes in legislation/policy framework at sector level. KZ and KG are implementing a credit system (ECTS), which is based on student work-load and learning outcomes even though KZ is attributing a much higher student workload (1 ECTS for 40-50 hours) than KG (1 ECTS for 20-30 hours).⁵⁴¹ TJ is developing a credit system apart⁵⁴², but many HEIs in TJ are extending ECTS and using it correctly as a measure of student work load, while UZ has its own "well consolidated system" which can be easily

⁵³³ The [European Credit Transfer and Accumulation System](#) seeks to facilitate student mobility between institutions and the modularisation, planning, delivery and evaluation of study programmes. ECTS credits express the volume of learning based on the defined learning outcomes and their associated student workload. 60 ECTS credits are allocated to the learning outcomes and associated workload of a full-time academic year or its equivalent. In most cases, workload ranges from 1,500 to 1,800 hours for an academic year, which means that one credit corresponds to 25 to 30 hours of work.

⁵³⁴ The Diploma Supplement is attached to a HE diploma. Its purpose is to make the qualification easily understandable outside of the awarding institution's context. It provides a standardised description of the nature, level, context, content and status of the studies that were successfully completed by the graduate.

⁵³⁵ For an overview of the main Bologna elements, see the EUA's brief at <http://www.eua.be/eua-work-and-policy-area/building-the-european-higher-education-area/bologna-basics/Bologna-an-overview-of-the-main-elements.aspx>

⁵³⁶ The Bologna Policy Forum facilitates global dialogue between the EHEA member states and other important partners, such as for example Australia, Brazil, Canada, P.R. China, Israel, Japan, New Zealand, and the U.S.

⁵³⁷ The [Convention on the Recognition of Qualifications concerning Higher Education in the European Region](#) from 1997 facilitates the recognition of qualifications granted in one Party of the Convention in another Party. The Convention is essential for academic cooperation and mobility and its ratification a precursor to joining the EHEA/Bologna Process.

⁵³⁸ 2012 Tempus country profiles

⁵³⁹ For each of the Tempus IV calls for proposals (6 between 2008 and 2014) each partner country in CA chose relevant 'national priorities' for national and regional Tempus projects. A particularly useful indicator are the priorities for the so-called Structural Measures projects which address system level reforms and require the active involvement of the respective government(s). The national priorities are documented in the Tempus calls for proposals at http://eacea.ec.europa.eu/tempus/funding/archives_funding_opportunities_en.php

⁵⁴⁰ http://eacea.ec.europa.eu/tempus/funding/archives_funding_opportunities_en.php

⁵⁴¹ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁴² Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

related to ECTS since it is based on student workload and measured in time⁵⁴³. There have been attempts to develop a credit reference system for CA⁵⁴⁴, but concrete outcomes need to be verified during field visits and/or in interviews.

TM has different study structures, one long undergraduate cycle (5 years, 6 for Medicine) followed by a possible Candidate of Science and Doctor of Science levels, and no credit system.⁵⁴⁵

Diploma Supplement

The Diploma Supplement has been introduced in KZ and KG, while the other three countries use different formats.⁵⁴⁶

National Qualifications Framework

UZ is most advanced with developing a NQF, but KZ, KG and TJ are also in the early stages of development and have taken formal decisions for its development.⁵⁴⁷ Until 2012 TM had taken no steps in this direction⁵⁴⁸, but introduced the NQF to its national priorities in the 2012 Tempus call for proposals and subsequently engaged in the regional Tuning Project TUCAHEA.

Quality Assurance (see I-711 and I-712 for details)

KZ is featured as the most advanced in working towards independent quality assurance mechanisms for HE, including the establishment of relevant bodies for external evaluation/accreditation and programme evaluations commissioned to foreign agencies. The other four countries have evolved their policy frameworks to differing extents, with more limited involvement of academics, students, external stakeholders and foreign experts and to date no independent peer review⁵⁴⁹

Joint programmes and degrees

Only UZ has so far foreseen joint programmes in its national legislation.

EU contribution

The EHEA/Bologna Process provides a framework for the individual countries' modernisation agenda and policy goals in HE. Even where there is no immediate intention to formally join the EHEA it often constitutes an integrative factor for the CA countries. Since the EHEA/Bologna Process is substantially shaping the EU intervention in HE in CA we consider it part of the EU contribution to HE reforms in CA.⁵⁵⁰

⁵⁴³ Isaacs, Anne Katherine (2014): Building a Higher Education Area in Central Asia: challenges and prospects

⁵⁴⁴ Tempus Project TUCAEHA: 2012 Intermediate report on implementation of the project

⁵⁴⁵ EC/Tempus (2012): Higher Education in Turkmenistan

⁵⁴⁶ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁴⁷ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁴⁸ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁴⁹ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁵⁰ The EHEA/Bologna Process is an intergovernmental initiative driven by the Ministers of Education of its member countries, and not – as often assumed - an EU initiative per se. For further information see www.ehea.info and Sacha Garben (2012): The Future of Higher Education in Europe: The Case for a Stronger Base in EU Law

Table 14 Overview of Tempus projects addressing structural measures in CA, 2008-2014

Year	Project No	Action name	Project title	Countries involved
2008	145171	SMHES	Plan to Establish Research-Science-Enterprise oriented Universities for the benefit of Society (Perseus)	KZ, KG, TJ, UZ
2008	145686	SMHES	Awareness raising, Interest development, Desire creation and Action stimulation on the Bologna Process expansion in Central Asian countries and Russia (AIDA)	KZ, KG, UZ, (et al)
2008	145688	SMHES	Central Asian Network for Quality Assurance and Accreditation (CANQA)	KZ, KG, TJ
2010	511060	SMHES	Entwicklung und Implementierung nachhaltig wirksamer Strukturen zur Entrepreneurship Erziehung in der Russischen Föderation und Tadschikistan ⁵⁵¹ (EINSEE-RU-TJ)	TJ, (et al)
2012	530183	SMHES	Qualification Frameworks in Central Asia: Bologna-based principles and regional coordination (QUADRIGA)	KZ, KG, TJ
2012	530786	SMHES	Towards a Central Asian Higher Education Area: Tuning Structures and Building Quality Culture (TUCAHEA)	KZ, KG, TJ, TM, UZ
2013	544445	SMHES	Higher Education Structures to Enhance Public Health Learning and Teaching in the Republic of Uzbekistan (UZHelth)	UZ

Clearly Tempus Structural Measure Projects, which (must) involve governmental institutions as partners, addressed national policy issues such as Bologna principles, quality assurance and ECTS. Between 2008 and 2014 Tempus has supported a range of Structural Measure Projects, as presented in the table above.

Reports of Tempus IV, CAEP and Erasmus Mundus (in particular the two former) indicate that the EU interventions have had impact on the reform of the HE policy frameworks in the five countries, but mainly “as a useful support mechanism to help implement these reforms, working hand in hand with the Ministry of Education”⁵⁵². This indicates indirect support through dissemination, good practice and capacity building, which could or is feeding into the modernisation of policy frameworks, for example:

- With Tempus programme support, the five countries have nominated a total of 35 Higher Education Reform Experts (HERE) who obtain and disseminate EHEA/Bologna Process relevant information to institutions and ministries and are resource persons for the development of the national policy framework.⁵⁵³ Positive examples are HERE providing policy advice in ministerial working groups in KZ, e.g. on external assessment of students' learning achievements⁵⁵⁴, on the implementation of ECTS in Kazakh universities⁵⁵⁵, or by contributing to rules of organising credit-based teaching and learning⁵⁵⁶. In KG, in 2011 the HERE team developed a draft decree on the development of a two-cycle higher education system, which was adopted by the government to take effect in Sept. 2012.⁵⁵⁷ In 2009 HEREs had a working meeting with members of the Parliament so as to increase their awareness of the Bologna process and to prepare documents to harmonise legislation ready for a move to the two-cycle structure.⁵⁵⁸
- Individual HEIs in KZ and KG have joined the European Association of Institutions in Higher Education (EURASHE)⁵⁵⁹ and individual HEIs in KZ joined the Association of European Institutions of Higher Education (EUA). The field phase provided no evidence as to whether or

⁵⁵¹ Development and implementation of sustainable effective structures for Entrepreneurship Education in the Russian Federation and Tajikistan

⁵⁵² EC/Tempus (2014): From Tempus to Erasmus+, The main achievements of the Tempus Programme in Central Asia 1994-2013

⁵⁵³ Tempus IV set up a network of [Higher Education Reform Experts](#) (HERE) in all Tempus partner countries, including Central Asia. These are senior academics, (vice-) rectors, deans, directors of study, international relations officers and student representatives. HEREs analyse the status of higher education in their home countries, promote reforms, obtain regular training and participate in international events. (The network continues under Erasmus+, see <http://supporthere.org/>).

⁵⁵⁴ HERE activity report 2013

⁵⁵⁵ HERE activity report 2011

⁵⁵⁶ HERE activity report 2013

⁵⁵⁷ HERE activity report 2011

⁵⁵⁸ HERE activity report 2009

⁵⁵⁹ EURASHE has 3 individual Kazakh member HEIs, in addition to the membership of the EdNet Association, which represents 37 Kyrgyz HEIs. The EUA has 9 Kazakh members.

not such ties were a direct result of the EU contribution, given EURASHE's involvement in Tempus projects⁵⁶⁰ and the EUA's involvement in accompanying measures under Tempus⁵⁶¹ in Central Asia.

- With partners in KZ, KG and TJ the Tempus QUADRIGA project elaborated a sectoral framework for IT qualifications at Bachelor, Master and PhD levels reflecting employers' needs.⁵⁶²
- In 2012 the regional Tempus TUCAHEA project laid the foundations for a future credit reference system for CA, by developing a standard measurement to which the different national systems can connect.⁵⁶³

These outputs are generally considered useful, while interlocutors in KZ and UZ report that the projects have little if any concrete impact at system level (e.g. legislation, rulebooks, institution/capacity building). However, HEREs and NEOs see some indirect effects at system level:

In this context The EU support had a limited and mostly indirect impact on strategic reform design and/or decisions in HE in the CA countries. However, it provided indispensable technical support for their implementation - within the given frameworks and limitations set by each country.

- The critical mass of EU funded projects and the longevity of the EU programmes had contributed to a changing attitude among the academic community, increasing support for reforms in line with EU standards, as well as the capacities to implement such reforms. Some illustrative quotes:

"Our government defines our reform path. But without the EU's assistance we would have never progressed so quickly with the implementation of our reform agenda." (government authority)

"Our governments find the EU's way attractive because they can rely on the EU's substantial technical assistance. If similar programs had been run – for example - by the US over 20 years, we might be aligning with their system today." (academic community)

- A number of academics with long-standing EU programme experience were gradually occupying decision-making positions in HEIs, public administration and the government which made the systems more prone to cooperate with the EU and align with the relevant standards and good practice (e.g. the new education minister in UZ, the new head of the HE department in the education ministry in KZ).
- Members of the network of national Higher Education Reform Experts (HEREs) were involved in the preparation of a number of rules and regulations, e.g. in UZ where the PhD level was restructured by presidential decree "On further improvement of the system of training and certification of scientific and scientific-pedagogical personnel of higher qualification" in July 2012. One single doctorate level replaced the former two-tier postgraduate education. The purpose was to ensure international recognition of 3rd cycle degrees from UZ and bring it in line with the EHEA third cycle structure. Also in UZ, in December 2012 a presidential decree defined "measures for further improvement of the system of learning foreign languages". This decree contains elements of the *Common European Framework of Reference for Languages* (CEFR)⁵⁶⁴, and HERE participated in the working group preparing the decree. This development was further informed by the (national) Tempus CANDI project⁵⁶⁵.

This assessment explains the perhaps more careful formulation in Tempus programme reports which indicate that the impact of EU interventions at system level has its limits compared to institutional and individual level⁵⁶⁶, but that there is "impact on national policy reform in the five Partner Countries in the region"⁵⁶⁷.

In this context some interlocutors consider the involvement of decision makers in projects was and still is often not sufficient to ensure the absorption of project outputs at system level, even though their participation is formally required and documented in the project proposals. Some illustrative quotes:

⁵⁶⁰ E.g. in the CANQA project

⁵⁶¹ The EUA supporting the establishment and training of the Bologna Experts/HERE network

⁵⁶² <http://quadriga.uni-koblenz.de/index.php/en/basic-info/wp-6-sustainability>

⁵⁶³ Tempus Project TUCAHEA: 2012 Intermediate report on implementation of the project

⁵⁶⁴ www.coe.int/lang-CEFR

⁵⁶⁵ CANDI (2010-2013): Teaching Competency and Infrastructure for e-Learning and Retraining

⁵⁶⁶ Mid-term Evaluation of the TEMPUS IV Programme, Final Report, 2012; CAEP monitoring report

⁵⁶⁷ EC/Tempus (2014): From Tempus to Erasmus+, The main achievements of the Tempus Programme in Central Asia 1994-2013

- “Results are not implemented at system level when administrative decisions are required.” (academic community)
- “If you want system reforms, projects need to be implemented at system level.” (government representatives)

Interlocutors further suggested the Tempus program design and project management could be optimised to allow better impact of structural measures at system level.

- Projects addressing system reform needed to find innovative ways of ensuring full ownership, participation, follow-up and perhaps an increased accountability by the governmental authorities for the projects’,
- The size of project consortia in structural measures should be kept to a necessary minimum, in particular in regional projects. Instead of concentrating on the project objectives, in large consortia the complex organisation of project activities and ‘deliverables’ absorbed most resources. Deliverables were therefore often not officially adopted or integrated into policy frameworks. The size of such projects should be determined.

External factors

The CA countries’ commitment to harmonising their HE systems and system reforms with EU/Bologna standards and good practice has a profound influence on the strategic direction of HE in CA.

While the EU is certainly a reference for HE in CA, orientation is sought and provided by many other countries, geographic regions and systems of reference : Russia is an important factor of influence due to historical ties as well as academic and work force mobility. East Asian countries (China, Japan and Korea), the ADB and others run substantial cooperation programs and the HE in the US is also considered an important reference. KZ takes a particular interest in international rankings which have become an important performance indicator for its HEIs as well as its state education program.

A wide range of donors, programs and projects support CA governments with the reform of their policy frameworks in the education sector, providing additional financial resources, international expertise and participation opportunities. These include CA governments as well as international donors but mainly concentrate on education subsectors other than HE.⁵⁶⁸

7.2 JC 72 Extent to which EU support has contributed to reformed HE provision across CA in terms of academic teaching, learning, assessment and/or study programmes

7.2.1 I-721 Extent to which degree structures in CA HE systems articulate with the European Qualifications Framework and EHEA- Qualifications Framework

Description (of the indicator)

HE qualifications in the EHEA are located within three cycles: undergraduate / bachelor, graduate / master and postgraduate / doctoral degree. This indicator investigates the extent to which CA countries have introduced the corresponding degree structures including ECTS and learning outcomes and seek to develop national QFs in alignment with the QF-EHEA and EQF-LLL.

Qualification frameworks (QF) describe the qualifications of an education system and how they interlink, what learners should know, understand and be able to do on the basis of a given qualification, establish levels of qualifications, and describe how learners can move from one qualification to another within a system.

The overarching **Framework for Qualifications of the EHEA** (QF-EHEA) and **European Qualifications Framework for lifelong learning** (QGF-LLL) are articulation mechanisms between national frameworks and qualification systems.

Articulation of national QFs to the overarching QFs facilitates the understanding and recognition of qualifications from different national systems.

Evidence of the change

As already established in I-713, a two-tier structure for bachelor and master studies is introduced in all countries except TM, and KZ and UZ have introduced a third cycle (PhD level). The countries have introduced differing credit systems, which do not all reference to each other or the ECTS. Learning outcomes are gradually introduced, to differing extents: KZ, KG and TJ have defined learning

⁵⁶⁸ <http://dbase.caep-project.org/all-projects/>

outcomes in legislation/policy framework at sector level.⁵⁶⁹ However, during the field phase we gained the impression that the concept of learning outcomes is not yet well spread. Interviewees confirmed there were good practice examples of modularised curricula and the integration of learning outcomes in study programs – however, specific examples were not shared. Until 2012, TM had not adopted a two-tier system and maintained the traditional long undergraduate cycle followed by a first postgraduate Candidate of Science ('kandidat nauk') and Doctor of Science, and hasn't introduced a credit system.⁵⁷⁰ However, this might have changed after 2012, since in the 6th Tempus call in 2012, TM chose qualification frameworks as one of its national priorities for Tempus structural measures projects.⁵⁷¹

In KZ, KG, TJ and UZ a national qualifications framework is under way. KZ for example adopted a National Qualifications Framework (NQF) in 2012 and pursued its implementation as stipulated in the 'State program of education development in the Republic of Kazakhstan for 2011- 2020'⁵⁷². Based on the framework, first sectoral qualifications frameworks were developed (e.g. agriculture, IT). By 2015 12 frameworks covering all 8 levels of education are developed. Since 2013 this is followed by the development of professional standards (e.g. oil and gas industry, engineering, agriculture). By 2015, 31 professional standards for HE degrees were successfully registered by the Ministry of Justice.

Still many stakeholders encountered during visits to KZ and UZ seem to lack an understanding of the implications of QFs, their elements, interlinkage with quality assurance and benefits for international recognition and mobility of learners and graduates.⁵⁷³

EU contribution

During the evaluation period the EU has been supporting a wide range of projects directed towards degree system reform at various levels:

In Tempus IV, 38 *Joint Projects for Curricular Reform* involved one or several CA countries establishing or revising curricula in various disciplines and subject areas at bachelor, master and doctoral level, many of them involving not only partner HEIs but also education ministries and social partners.⁵⁷⁴ Program reports state that such bottom-up reforms encouraged certain education ministries to redesign the national HE degree structure along the Bologna model⁵⁷⁵ but interlocutors in KZ and UZ could not confirm this during the field phase. There is however agreement among project partners that the joint projects were effective in promoting innovation and change at institutional level.⁵⁷⁶

Several important structural measures projects under Tempus addressed reform of the degree systems in CA at system level. To name two examples:

- The project '*Qualification Frameworks in Central Asia: Bologna-Based Principles and Regional Coordination*' ([QUADRIGA](#)) was implemented with partners in KZ, KG and TJ. With the education ministries, QUADRIGA set out in 2012 to set up National Committees on Qualification Frameworks in the partner countries and form a Regional Network of Committees on Qualification Frameworks. With these committees it intended to improve national general regulations concerning education standards in particular fields, on the basis of qualification framework ideas, Bologna principles and the EU universities' experience. The project also planned to introduce new sectorised standards in the participating CA countries for HE programs and qualifications in informatics. However, according to interlocutors in KZ the project faced numerous difficulties in its early stages due to insufficient involvement of the ministry. During the evaluation period it had so far not impacted on the degree system, but

⁵⁶⁹ Tempus study 'Overview of the HE Systems in Tempus Partner Countries - Central Asia' (2012)

⁵⁷⁰ EC/Tempus (2012): Higher Education in Turkmenistan; Isaacs, Anne Katherine (2014): Building a Higher Education Area in Central Asia: challenges and prospects

⁵⁷¹ The Tempus programme is delivered in three strands, Joint Projects (JPs), Structural Measure projects (SM) and Accompanying Measures. Structural Measures seek to contribute to the development and reform of education institutions and systems at national level in the Partner Countries. They can address issues linked to the reform of governance structures and systems (qualification systems, quality assurance, national laws, organisation, coordination, accreditation, evaluation and the policy of higher education systems etc.) or enhance the links between higher education and society.

⁵⁷² adopted by the Decree of the President of the Republic of Kazakhstan No.1118 dated December 7, 2010

⁵⁷³ CAEP study on quality in HE and VET (2014)

⁵⁷⁴ Information on Tempus IV projects at

http://eacea.ec.europa.eu/tempus/results_compendia/projects_description_en.php

⁵⁷⁵ McCabe, Róisín, Philippe Ruffio and Chiara Tiberi (2014): The main achievements of the Tempus Programme in Central Asia 1994-2013.

⁵⁷⁶ Mid-term Evaluation of the TEMPUS IV Programme (2012), Interviews during country visits in KZ and UZ.

strengthened institutional capacities and developed tools and modules for future use at HEIs. The project was recently extended to enhance its impact.

- The project '*Towards a Central Asian Higher Education Area: Tuning Structures and Building Quality Culture*' ([TUCAHEA](#)) is implemented since 2012 with all five CA countries: 47 partners (8 HEIs from the EU, 34 for CA, five education ministries, 8 subject specific working-groups, five country groups, etc.) Applying the European Tuning⁵⁷⁷ methodology the TUCAHEA project developed generic and subject-specific competences for eight subject areas⁵⁷⁸ across CA, as well as subject area guidelines and reference points⁵⁷⁹. These and a reference system to relate the different credit systems across CA⁵⁸⁰ have the objective to assist the CA countries to harmonise their HE programmes and thus, eventually, their degree systems, achieve more comparability, mobility and mutual recognition in the region, and the establishment of a Central Asian Higher Education Area (CAHEA). At the time this report was written (12/2015-01/2016), the project has developed a range of tools, models and guidelines and substantially strengthened the understanding and technical capacities among the academic community involved in the process (possibly also among ministries, although this was neither contradicted nor confirmed during country visits). While by January 2016 TuCAHEA has achieved a number of impressive results (implemented the first regional mobility scheme in Central Asia and initiated a ministerial communiqué in Rome in 2016⁵⁸¹, the project has so far not led to concrete changes or adaptations of national degree systems.

The EU and ETF have been supporting the promotion and development of the overarching QF-LLL in CA. Here the focus was on levels relevant to Vocational Education and Training (VET). Involved stakeholders had a fair understanding of the interlinkages with HE and vice versa. The approach in UZ seemed fairly formal with an emphasis on 'transcribing' the existing classifications, levels and standards in HE to be compliant with the EQF⁵⁸². In KZ the ministry presented a more expansive approach including the development of professional standards across all (VET and HE) levels of the KZ NQF. Their major interest seemed to lie in the compatibility of a national qualifications framework. However, the linkages and thus to a raised the interest in aligning national HE degree structures with EU standards and practice.

In the context of the EU-CA Strategy CA countries have given the further development of qualifications frameworks first priority in the future cooperation with the EU in the field of education and endorsed a joint roadmap to advance in this area. For the second half of 2015 they foresee stocktaking, national meetings in CA countries, a regional conference on "Qualification Frameworks and Standards in Central Asia" and new projects building on the experience and work carried out under Tempus and by the ETF.⁵⁸³ These activities are likely to take place in early 2016.

External factors

The CA countries' individual commitment towards adapting HE degree structures is precondition for change, which is evident with KZ's and KG's earlier decision to develop a QF, and TM taking a backseat.

The GTZ and Asian Development Bank (ADB) have also been supporting the development of qualifications frameworks for levels relevant to VET⁵⁸⁴, and the GIZ to a limited extent in HE⁵⁸⁵. It can be assumed this has further contributed to a better general understanding of the benefits and implications of a national qualifications framework.

⁵⁷⁷ Tuning Educational Structures in Europe is an approach to (re-)designing, develop, implement, evaluate and enhance quality of first, second and third cycle degree programmes in line with the political objectives of the Bologna Process and at a later stage the Lisbon Strategy to the HE sector. Tuning focuses on the subject area level, i.e. the content of studies, and supports HEIs with establishing comparable curricula in terms of structures, programmes and actual teaching.

⁵⁷⁸ Business and Management, Economics, Education and Teacher Training (Pedagogy), Engineering Environmental Protection and Food Safety, History, Language, Law

⁵⁷⁹ EACEA e-mail to project coordinator re Feedback on field monitoring visits - project 530786, 07.08.2015

⁵⁸⁰ Isaacs, Anne Katherine (2014): Building a Higher Education Area in Central Asia: challenges and prospects

⁵⁸¹ Source: EACEA interview 15.4.2016

⁵⁸² No interview was arranged with the Ministry's VET department, and the EUD wasn't able to provide relevant information since it was only established in 2012.

⁵⁸³ Joint Communiqué of the First Meeting of Ministers for Education of the Member States of the European Union and of the Central Asian countries in Riga, 25-26 June 2015

⁵⁸⁴ CAEP project database: <http://dbase.caep-project.org/all-projects/>

⁵⁸⁵ Stehling, Christian (2015): Vom Frontalunterricht zu mehr praktischer Anwendung. Herausforderungen der Berufsbildung in Zentralasien (*From ex-cathedra teaching to more practice application. Challenges of professional education in Central Asia*)

7.2.2 I-722 Level of implementation of student-centred learning by HEIs (teaching staff, students, management).

Description (of the indicator)

Student-centred learning is about focusing the delivery of education on the needs of students (as opposed to those of educators). It implies that curricular reform is geared towards the development of learning outcomes in all three cycles and has implications for curriculum design, content, delivery, assessment and the role of the teacher. Learning outcomes are statements of what a learner is expected to know, understand and be able to do after successful completion of a process of learning.

Evidence of the change

The learning outcomes approach appears to be integrated in CA to a differing degree: In KZ it is formally adopted, all state standards for higher and post-higher education are formed with a 'competence-based' approach with consideration of Dublin descriptors. However, they are not fully applied in practice yet.⁵⁸⁶ In KG the learning outcomes approach has been introduced to HE in 2008⁵⁸⁷ and learning outcomes are integrated in the new generation of state standards for education through applying the tuning methodology. 1st and 2nd cycle qualifications are brought in line with the Dublin descriptors.⁵⁸⁸ In UZ too, learning outcomes form part of the state educational standards⁵⁸⁹ as stipulated in the country's Education Act⁵⁹⁰ and are gradually implemented⁵⁹¹. In TJ the learning outcomes approach is not officially adopted, but in 2012 the Ministry of Education developed new standards for each qualification⁵⁹². No evidence was found related to learning outcomes in TM.

While the concept of competence-based learning outcomes seems to have taken root in four of the five CA countries as far as state standards are concerned (i.e. a description of HE study programmes and qualifications), there is little information available about their use at the operational level, in the design of teaching modules and curricula, modular in teaching, learning and assessment at HEIs.⁵⁹³ Teaching methods are still not systematically affected and their adaptation still often requires approval by the authorities, e.g. by the 'Council of Methodology' in TJ⁵⁹⁴. In KZ interlocutors explained they were able to adapt elective courses as they saw fit, but were very limited in the adaptation of compulsory courses. Basically, HEIs only had the chance to suggest changes when the respective state standards were up for their periodical revision. Such applications required detailed justification and documentation. Once/If approved, HEIs were able and obliged to adapt their programs accordingly. In this context there was no mention during country visits of 'student-centred learning' as such, but rather to 'competence-based standards' and their compliance with labour market needs and to the reform of teaching contents to better qualify future graduates.

EU contribution

As demonstrated in I-721 the EU has been supporting a substantial number and range of projects directed towards curriculum and degree system reform with explicit or implicit impact on the introduction of new methods of teaching, learning, and assessment.

Learning outcomes were addressed at system level by Tempus structural measures projects⁵⁹⁵ such as CANQA and TUCAHEA in the context of state standards for HE programmes/qualifications.

The critical mass of (38) Tempus joint projects for curriculum reform at bachelor, master and doctoral level, as well as Tempus structural measures, for example the TUCAHEA project, have enhanced

⁵⁸⁶ CAEP quality in VET and HE study (2012) and interviews in KZ and UZ

⁵⁸⁷ CAEP quality in VET and HE study (2012)

⁵⁸⁸ European Commission/Tempus (2011): Overview of Higher Education Systems in Tempus Partner Countries, Central Asia

⁵⁸⁹ These standards are to ensure quality of education and provide detailed information on main features, structure, content and implementation of curricula, quality control of personnel training, the compulsory (core) components (the list of academic subjects), learning outcomes and descriptions of competencies.

⁵⁹⁰ European Commission/Tempus (2011): Overview of Higher Education Systems in Tempus Partner Countries, Central Asia

⁵⁹¹ CAEP quality in VET and HE study (2012)

⁵⁹² CAEP quality in VET and HE study (2012)

⁵⁹³ CAEP quality in VET and HE study (2012)

⁵⁹⁴ Lennart Ståhle: Evaluation Report of Target and Target II

⁵⁹⁵ The Tempus programme is delivered in three strands, Joint Projects (JPs), Structural Measure projects (SM) and Accompanying Measures. Structural Measures seek to contribute to the development and reform of education institutions and systems at national level in the Partner Countries. They can address issues linked to the reform of governance structures and systems (qualification systems, quality assurance, national laws, organisation, coordination, accreditation, evaluation and the policy of higher education systems etc.) or enhance the links between higher education and society.

individual and institutional capacities and provided a broad basis of good practice across all five CA countries. This was further reinforced by Erasmus Mundus II Action 2 (EM-A2) partnerships sharing knowledge and good practice of teaching methodologies with CA partners through student, teacher and staff mobility.⁵⁹⁶ For example:

- The Tempus joint project for curriculum reform ‘*Curriculum Invoking Bologna-Aligned Education Leading to Reform in Environmental Studies*’ ([CIBELES](#)) set out to reform curricula in three subject areas⁵⁹⁷ at Bachelor level, create a Master programme in environmental protection, and new doctoral schools in all five CA countries (and Georgia)..⁵⁹⁸ Other projects concentrate, for example, on state of the art in e-learning didactics in KZ and UZ⁵⁹⁹, develop a Bologna-compatible curriculum in water resources management⁶⁰⁰, etc.
- The rectors from CA partner institutions of the Erasmus Mundus Action 2 project ‘[TARGET](#) - *mobility from Central Asia to Europe*’ confirmed to external evaluators that the experiences provided through exchange was very important for reforming the teaching methods, and students who participated in the exchange said they had learnt about different teaching methods and interaction between teachers and students.⁶⁰¹

All these projects have indeed provided good practice and guidance for student-centred learning, curriculum/course design, teaching and assessment methods and new approaches implemented at institutional level.

Government officials confirm a range of existing and new programs have been informed by the respective EU supported projects. There were also more critical views: In KZ interlocutors reported that only very few new study program had been adopted/introduced as a result of an EU funded project between 2007 and 2014. They explained a full revision of programs was in principle possible if HEIs request a change of the respective standard or introduction of a new one, and provides evidence of changed labour market needs (e.g. with surveys, support letters). However, project partners were reluctant to engage in the demanding process and had been mainly revising their programs within the limits of existing state standards. On the other hand the EACEA also provided positive examples of projects which have created new study programmes in KZ 602.

External factors

The strong regulative power by state authorities was an impediment to reform at institutional and course level. The adaptation of teaching, learning and assessment methods often requires approval by the authorities, e.g. by the ‘Council of Methodology’ in TJ⁶⁰³, which hampered initiative at institutional or individual level.

7.2.3 I-723 Level of alignment of new and revised study programs and qualifications in HE with socio-economic needs

Description (of the indicator)

The reflection of socio-economic needs in the design and delivery of higher education study programmes and academic qualifications is a core issue in the Bologna/EHEA reform/innovation agenda. It is important with a view to the relevance and quality of education provision. It implies corresponding standards, mechanisms and sufficient flexibility of the system, of institutions and of programmes to regularly review and adapt syllabi and curricula. In this context, the indicator focuses on economic/labour market needs, with the understanding, that HE serves a wider range of purposes.⁶⁰⁴

⁵⁹⁶ Final report EM Target project 2010-2380/001/001/EMA2 (no date)

⁵⁹⁷ (i) forestry, (ii) industrial safety and water, and (iii) soil environmental science

⁵⁹⁸ Curriculum Invoking Bologna-aligned Education Leading to reform in Environmental Studies (CIBELES), Feedback from Field Monitoring Visits (UZ, GE) June & November 2011, 1st and 2nd interim report and CANDI and SWAN project webpages.

⁵⁹⁹ Tempus project ‘Teaching Competency and Infrastructure for e-Learning and Retraining’ ([CANDI](#))

⁶⁰⁰ Tempus project ‘Towards Sustainable Water Resources Management in Central Asia’ ([SWAN](#))

⁶⁰¹ Lennart Ståhle: Evaluation Report of Target and Target II

⁶⁰² 159025 Réseau Europe-Russie-Asie Centrale de Masters "Informatique Seconde Compétence" (ERAMIS), 517170 Development and implementation of the Master Programme -“Eco-Engineering - environmental processing and sustainable use of renewable resources and bio-waste”, 530793 Master programmes on Renewable Energy and Energy Efficiency in Buildings in Central Asia and Russia

⁶⁰³ Lennart Ståhle: Evaluation Report of Target and Target II

⁶⁰⁴ With the understanding, that the importance of HE competences in this respect reach from preparation for the labour market, preparation for democratic citizenship, personal development to the development of a broad and

Evidence of the change

In CA, issues of quality, transparency of qualifications and responsiveness to labour market needs are high on the policy agenda and the object of recent legislation/regulation and pilot initiatives. While there has been only limited interaction and reference between HE and employers after the end of the Soviet Union enhanced efforts to establish better connection between education and the labour market are observable in KG, KZ, TJ and UZ. Here the authorities are involving/consulting employers and social partners in the process of developing new state standards for HE⁶⁰⁵ and/or obliging HEIs to do so⁶⁰⁶. Dialogue with stakeholders is well organised at the national level⁶⁰⁷, and country visits revealed a number of examples of such interaction at institutional level. Still in practice the level of cooperation between HE and 'the world of work'⁶⁰⁸ requires further development, particularly at the level of individual institutions.⁶⁰⁹

KZ carries out an annual analysis and forecast of the labour market with a view to graduate employability and employers, seeks to organise partnerships with enterprises, organisations and firms, organises graduate fairs and conducts surveys among employers related to their satisfaction with newly employed graduates' skills and competences. In KG, strengthening cooperation between education and the private sector is a top priority in its strategy for the development of education 2020. In TJ, KG, and UZ employers are involved in the process for developing new state educational standards. In KG, they identify competences required by graduates of individual study programs. Universities must ensure that 60% of the respective curricula's content meet these requirements.⁶¹⁰

There are also some pioneering examples at institutional level, where universities in KZ, KG and TJ set up centres for the systematic cooperation with the private sector.

However, in general terms the understanding between the education sector and the labour market is still difficult with a view to agreeing on the definition of competences and how to 'translate' these into study programs.⁶¹¹ This could be one of the obstacles why the 'learning outcomes approach' for defining state standards has not yet been followed by substantial definition and use of learning outcomes at operational level, i.e. in academic teaching and learning (see I-722).

EU contribution

An explicit objective of TEMPUS IV is "to enhance the quality and relevance of higher education to the world of work and society in the Partner Countries". A wide range of Tempus and other EU funded projects have sought to strengthen the cooperation between the HE sector and social partners and employers at individual, institutional and system level, to increase the relevance of HE through standards, applied knowledge and practice and in the course of curriculum revision and design, for example:

- The CAEP carried out an extensive study on quality assurance in VET and HE across Central Asia, which highlights relevance and inter-linkages of HE with the labour market. CAEP has been further supporting policy dialogue on the issue, e.g. at the regional workshop "Torino Process 2012: VET Developments in Central Asia" co-organised with the ETF in Astana in February 2013 and national dialogue to examine the results and recommendations of the regional and ministerial forums.
- [QUADRIGA](#) (2012-2014), a structural measure project under Tempus, elaborated a sectoral framework for IT qualifications at all three levels of HE in KG, KZ and TJ. The national education ministries were to formally approve the framework after it was consulted with local enterprises, however, this has not yet been achieved.
- The Tempus structural measure project "Quality of Engineering Education in Central Asia" ([QUEECA](#)) (2012-2016) established quality standards for Engineering studies in KZ, KG, UZ, TJ which require, among others, that "the study programme should identify the educational needs of the labour market of reference, establish educational objectives coherent with the mission of the institution the study programme belongs to and the educational needs of the

advanced knowledge base. (Bergan, Sjur and Radu Damian (eds) (2010): Higher education for modern societies: competences and values. Council of Europe higher education series No.15)

⁶⁰⁵ CAEP study on quality in HE and VET (2012)

⁶⁰⁶ Country visit finding

⁶⁰⁷ CAEP study on quality in HE and VET (2012)

⁶⁰⁸ An explicit objective of TEMPUS IV is "to enhance the quality and relevance of higher education to the world of work and society in the Partner Countries"; http://eacea.ec.europa.eu/tempus/programme/about_tempus_en.php

⁶⁰⁹ CAEP study on quality in HE and VET (2012)

⁶¹⁰ CAEP study on quality in HE and VET (2012) and country visit findings

⁶¹¹ CAEP study on quality in HE and VET (2012)

labour market of reference, and learning outcomes coherent with the established educational objectives”.⁶¹² During the country visits it was confirmed [QUEECA](#) helped establish a national Agency for Engineering Education in KZ. However, the experts’ capacity is reportedly not sufficiently developed and a recent project evaluation led to an extension of the project to ensure stronger impact.

- The national Tempus JP ‘Création de 4 Ecoles Hôtelières Supérieures d’Application’ ([ESHA](#)) has been piloting a graduate school for hotel management in KZ⁶¹³, based on a needs assessment in the sector. With social partners and employers, the project identified key job profiles, competences and learning outcomes, and developed curricula in line with Bologna good practice and recommendations, trained teachers, and developed a tailor-made methodology for this process including an action plan and quality assurance measures for the KZ context. The pilot was carried out based on a partnership agreement between the concerned education providers, professional bodies and ministries.
- The regional Tempus project “Bachelor programme in Energy Management” (2010-2012) enhanced cooperation with external stakeholders based on a model of cooperation between educational, economy & public sector and introduced elements of blended learning. Interlocutors in KZ consider the project was highly successful in establishing mutually beneficial cooperation between HEIs and enterprises
- In UZ, a one-year energy management training course has been developed with Tempus support at the Tashkent State Technical University which was met with great interest from Uzbek industrial enterprises, whose employees were successfully trained by university teachers.

External factors

Issues of quality, transparency of qualifications and responsiveness to labour market needs are high on the policy agenda and the object of recent legislation/regulation and pilot initiatives in CA. KZ’s, KG’s and TJ’s commitment to relevant consultations and standards at system level are one precondition for an increasing socio-economic relevance of HE. However, HEIs have little flexibility in program design, between the adoption and revision of the corresponding state standards. This is a potential obstacle to a proactive approach of HEIs to engaging with their socio-economic environment and seeking alliances for constructive and foresighted dialogue and cooperation. During country visits, the emphasis of most interlocutors was clearly on formal compliance with ‘competence based standards’ or with the criteria to be fulfilled to introduce new or revise existing standards.

GIZ has supported institutions to improve labour market relevance of education provision at institutional level, in the field of food technology. Universities in KG (Kyrgyz State Technical University, Bishkek) and TJ (Technological University of Tajikistan, Dushanbe) have set up centres for the systematic cooperation with the private sector. These centres provide a range of services to the private sector, but also invite businesses to participate in developing study programmes and provide internships to students in the field of food technology.⁶¹⁴

In any context it is difficult to engage social partners (employers, public and private sector) in a consultation process for aligning study programs and/or qualifications. Both sides (education and social partners) have difficulties understanding their respective needs and expectations, have a highly specific focus, and may not see the advantage of such engagement.

The extent to which programs and courses can be flexibly adapted to socio-economic needs in CA at institutional level will be further investigated during the field phase.

7.3 JC 73 Extent to which EU support has contributed to strengthened regional co-operation in HE

7.3.1 I-731 Level of mobility of university students and staff and government officials.

Description (of the indicator)

(Increased) mobility of HEI students, staff, and of government officials implies strengthened regional contacts, exchange and cooperation.

⁶¹² QUEECA Standards and Guidelines for the internal quality assurance of study programs in engineering; Draft Rev.3; approved by MB in Bishkek on 28 March 2014; available at <http://www.queeca.eu>

⁶¹³ and other non-CA countries

⁶¹⁴ Stehling, Christian (2015): Vom Frontalunterricht zu mehr praktischer Anwendung. Herausforderungen der Berufsbildung in Zentralasien (*From ex-cathedra teaching to more practice application. Challenges of professional education in Central Asia*)

Evidence of the change

No comprehensive data or baselines are available as to mobility between CA countries and its development in the course of the evaluation period. Student mobility is documented to a certain extent for 2009⁶¹⁵ and for a later period of time (possibly 2013)⁶¹⁶.

According to the available data, KZ takes in the biggest number of students from the region, an indication of its HE system's attractiveness compared to the other CA states. No data is available for the intake of students from CA in UZ and Turkmenistan. The data indicate a general increase of international mobility of students from CA countries, with the exception of UZ where the numbers decrease by almost a third between 2009 and 2013. Only in KZ is there an increase of students from TJ and UZ, and in TJ an increase of students from UZ. All other data indicate a decreasing intake of students from other countries in CA.⁶¹⁷

Table 15 Overview of student mobility between CA countries

Year	Outgoing students	KG		KZ		TJ	
		Incoming students	% of total outgoing	Incoming students	% of total outgoing	Incoming students	% of total outgoing
Origin of outgoing students: KZ							
2009	46.142	3.370	7,3	-	-	n.a.	n.a.
2013	48.875	4.357	8,9	-	-	n.a.	n.a.
Origin of outgoing students: KG							
2009	4.284	-	-	526	12,3	141	3,3
2013	5.885	-	-	438	7,4	n.a.	n.a.
Origin of outgoing students: TJ							
2009	5.561	1.495	26,9	253	4,5	-	-
2013	9.749	885	9,1	588	6,0	-	-
Origin of outgoing students: TM							
2009	7.789	1.008	12,9	251	3,2	n.a.	n.a.
2013	35.854	369	1,0	722	2,0	426	1,2
Origin of outgoing students: UZ							
2009	26.318	10.173	38,7	3.427	13,0	2.107	0,1
2013	18.783	1.219	6,5	3.049	16,2	378	2,0

EU contribution

The primary EU support to regional mobility within CA has been provided through the Tempus IV program. In comparison with other regions regional mobility flows under Tempus in CA are the lowest (together with the Middle East), but still significant and without funding alternatives by other donors.⁶¹⁸

Regional Tempus projects, such as the CANQA and TUCAHEA projects for example, have provided for a certain mobility of government officials, academic and administrative staff and students between the CA partner countries. Both projects organised regular network meetings in the region and in EU partner countries. After the evaluation period TUCAHEA carried out a pilot a mobility scheme (late 2015/early 2016) between CA partner institutions, but without the participation of UZ. Preparations by the EU project coordinator and CA partners were intense and cumbersome and were one of the

⁶¹⁵ Voffal, Saïd Ould A. (2011): Higher Education in Central Asia, Central and Eastern Europe;

⁶¹⁶ UNESCO Institute for Statistics (2014): International Student Flow at

<http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx>; last accessed 09/2015. It is not mentioned which year/timeframe the data reflect.

⁶¹⁷ The data in in the table above requires verification since it builds on various sources and the time of data collection is not clearly defined.

⁶¹⁸ Mid-term Evaluation of the TEMPUS IV Programme, Final Report (2012)

reasons for the project's extension beyond the evaluation period. The fact that the project eventually succeeded in implementing this first regional mobility scheme is an important breakthrough.⁶¹⁹

Students and teachers from CA participate in the annual international summer schools organised by the Kazakh Agro Technical University in Astana. Participation costs are limited to travel costs. Amongst others participants are also attracted through contacts established by the CIBELES project.

A frequently mentioned weakness in regional EU projects: too large, too complicated to manage. The efforts to keep project activities going are overwhelming, to the detriment of sustainable results at system level. In particular this seems to concern structural measures projects under Tempus where Ministries therefore often remain involved only formally. One of the mentioned examples was TuCAHEA with more than 40 partners.

External factors

While the field monitoring reports by the EACEA imply that there is more potential for regional exchange, deepened networking and learning from each other⁶²⁰ interlocutors in KZ and UZ did not share this view. They rather emphasised the obstacles: Various government permissions for travelling abroad (entry visa, exit visa, ministry and in some cases even Cabinet of Ministers approval for staff missions) lack of information/motivation/incentives; unclear benefit, no perspective of recognition of study periods upon return, highly complicated recognition of foreign degrees.

Some involved individuals sensed a lack of appreciation by their peers at home, others found the conditions in the host country unfavourable, in two cases, interlocutors said they sensed a certain rejection or condescension in the host country (explicitly not on the side of their direct cooperation partners).

Interlocutors did not consider language an (important) obstacle: except for TM all countries speak closely related Turkic languages, and the majority of partners reportedly communicated in Russian or English.

E.g. TUCAHEA encountered difficulties for the mobility of government officials and HEI representatives: visa issues, various constraints and tensions with the authorisation to travel by domestic ministries, stifling bureaucracy, last minute cancellations of workshop/conference participations by entire national delegations (e.g. KG and UZ), in one case this was due to the lacking authorisation by an education ministry which is official partner to the project. Student mobility also faced difficulties. The project had to first overcome deep scepticism among the partner institutions and ministries due to perceived cultural incompatibilities, potential dangers and conflicts, and a high degree of uncertainty and diffidence by the students and their parents. Once overcome, TUCAHEA faced formal and organizational difficulties to pilot the planned mobility scheme in all three cycles of study in all TUCAHEA subject areas.⁶²¹

Some interlocutors saw an incentive in the opportunity of peer-to-peer exchange, others mentioned the donor support for international cooperation (with Europe), and in one case the opportunity to attract peers and students from neighbouring countries to attend summer schools organised by the interviewee.

Two centres in the region reportedly attract for academic mobility of students and teachers:

- The [OSCE Academy in Bishkek](#) founded in 2002 enrolls students from the entire region in its postgraduate Master programs. Since 2008 it further admits students from Afghanistan.
- The privately funded [University of Central Asia](#) (UCA) has campuses in Kyrgyzstan, KZ and TJ. The student population is from Central Asia including Afghanistan, Pakistan, India, China, and other neighbouring countries. Also, the UCA specifically targets students from mountain communities surrounding each of the three campuses.

From the five CA countries, KZ reportedly has the highest influx of students from the region.

Interlocutors gave the following reasons for individual mobility: reputation and/or ranking of the institution and program, the recognition of relevant degrees and certificates (in the home country or internationally), job perspectives, adequate living conditions during the period of study, and favourable financial conditions (wealthy families supporting the student, or scholarships).

⁶¹⁹ TUCAHEA interim report, April 2014; TUCAHEA extension request, August 2015; EACEA phone interview 15.04.2016

⁶²⁰ Email by Chiara Alba-Tiberi re: 145688-2008-BE-SMHES: feedback from the field monitoring visits, 16.4.2010 (CANQUA)

⁶²¹ TUCAHEA interim report, April 2014; TUCAHEA extension request, August 2015

7.3.2 I-732 Evolution of intraregional partnerships and networks.

Description (of the indicator)

Intraregional partnerships and networks concern for example information exchange on issues of joint concern between individuals, institutions and authorities, teaching and/or research cooperation, university or government partnerships and/or partnership agreements, research and or teaching cooperation and networks etc. These can take a formal and/or informal character.

Evidence of the change

EU support has encouraged and facilitated intraregional partnerships, networks and interaction during the evaluation period but no significant change was observed between 2007 and 2014.

Certain program reports consider that the regional dimension for HE is gaining value in CA⁶²² even though interviewees in the region did not explicitly confirm this.

Stakeholders in CA and the EU remain sceptical about the prospects of regional convergence (a 'CA Higher Education Area') and cooperation without external encouragement and prompting.⁶²³

EU contribution

The development and promotion of regional policy dialogue, cooperation and networks is a corner stone of the *European Education Initiative for Central Asia* and promoted at various levels.

Tempus IV alone generated and funded 20 projects with regional participation in CA during the evaluation period, fostering intraregional partnerships and networks, amongst others:

- a CA network of agencies for quality accreditation and assurance, and of academic recognition & information centres and a register of information on CA accreditation systems and measures (CANQA). However, the project had a very limited impact during the evaluation period (see I-711).
- subject specific cooperation across CA to formulate common subject specific benchmarks and guidelines (TUCAHEA), and contribute to the emergence of a CA Higher Education Area. Sustainable impact during the evaluation period was reportedly limited, e.g. no integration of tuning exercise results in national systems, no agreements on (mutual) recognition of study periods. (see I-731) However, after the evaluation period the TuCAHEA Consortium held an important meeting in January 2016 in Rome where a communiqué of the five CA education ministries was signed⁶²⁴.
- a regional platform for the exchange of best practices in university management in CA ([ISMU](#))⁶²⁵.
- a CA network of Career Centres at 12 HEIs promoting and supporting employment and entrepreneurship amongst students and developing tools and mechanisms for active involvement of enterprises in the Career Centres ([UNIWORK](#))⁶²⁶. The project was launched in 2014 and the relevant stakeholders we encountered in KZ and UZ were positive about the expected results for their respective countries. The topic is considered highly relevant for all 5 CA countries and individual interlocutors expect this will facilitate regional dialogue on potential solutions and good practice in CA.

The Tempus mid-term review 2012 clearly indicates a positive impact through Tempus: In an online survey 90% of Tempus project partners in Central Asia consider their projects strengthen and/or establish sustainable cooperation between institutions in CA⁶²⁷. However, during visits to UZ and KZ no example of donor-independent networks or partnership activities was found. Only at individual level interviewees indicated they had remained in contact with peers, at least for a certain time after the projects' closure.

External factors

National and international politics of the region often contrast with the proclaimed commitment for regional cooperation and exchange in the HE sector. KZ and KG are the front-runners in terms of

⁶²² Isaacs, Anne Katherine (2014): Building a Higher Education Area in Central Asia: challenges and prospects

⁶²³ CAEP quality in HE and VET study (2014).

⁶²⁴ EACEA phone interview 15.04.2016

⁶²⁵ TEMPUS-JPGR «Institute for Strategic Management of Universities».

⁶²⁶ TEMPUS-JPHES "Strengthening Career Centres in Central Asia Higher Education Institutions to empower graduates in obtaining and creating quality employment"

⁶²⁷ compared to 84,5% in Eastern Europe, 76,1 % in the Western Balkans and 60% in the South Mediterranean;

Bologna/EHEA and academic cooperation. Elsewhere academic cooperation and exchange is hampered by national sensitivities and external rivalries, e.g. between KZ and UZ.⁶²⁸

Regional partnerships and networks encounter similar difficulties across the region: lack of recognition of foreign degrees and study periods, visa regime (in particular with Turkmenistan)⁶²⁹ and travel arrangements (not all countries are connected with direct flight routes). (see also I-731)

Other actors have been funding projects including measures to encourage regional partnerships in HE: From 2001 to 2010 the German Government funded the joint programme of the German Academic Exchange Service (DAAD) and the German Rectors Conference (HRK) 'Dialogue on Innovative Higher Education Strategies' (DIES) for the five CA countries. DIES promoted international exchange of experience on questions of innovative HE policy and partnership-based cooperation between HEIs in industrial and developing countries in the field of HE management.⁶³⁰ The German Ministry of Economic Cooperation (BMZ)⁶³¹ funded the project 'Reform of Educational Systems in Central Asia' implemented by GIZ.

7.3.3 I-733 Evolution of regional policy dialogue on issues of common concern.

Description (of the indicator)

Increased regional policy dialogue on issues of common concern may refer to policy platforms and working groups, topical conferences, informal exchange of policy makers.

Evidence of the change

No information was available as to baselines or change in the frequency or nature of regional policy dialogue on issues of common concern in HE beyond EU supported initiatives. The EU has brought a substantial amount of individuals, institutions and government representatives together through Tempus, CAEP and Erasmus Mundus during but also prior to the period under evaluation period. To date no regionally driven HE dialogue processes are in place in CA.

EU contribution

The level of progress with reforming the education sector differs between the CA countries but all tend to apply certain Bologna/EHEA principles. They identify with the EHEA's goals in particular with a view to international comparability and competitiveness (I-713) and HE's contribution to economic development and a knowledge-based society. EHEA objectives, standards and good practice are clearly issues of interest and the EU's first choice for regional policy dialogue. The EU seeks to promote and support this dialogue through several strands.

Firstly, in the scope of the Tempus programme and its structural measures and joint projects aiming at the development and reform of programs, education institutions and national systems in regional networks as described in I-712, I-713, I-721, I-722, I-723, I431, 433.

Secondly through the EU-Central Asia Education Platform (CAEP), which was launched after a number of high-level meetings to prepare the ground for regular dialogues in 2008-2009. CAEP was launched to step-up policy dialogue on education with CA states and provide the opportunity for regional and high-level political discussion, as well as debate on more technical and operational matters. The project identified three priorities: teacher education and training, quality of HE and VET, and the interaction between VET and HE.⁶³² CAEP has encountered many difficulties during the evaluation period (a) related to its preparation, design and implementation, and (b) related to the overall challenges associated with regional cooperation and high level dialogue between the CA countries. Nevertheless the CA countries and the EU have reconfirmed the importance of its purpose and their respective commitment and EU support is secured for a second phase starting in 2015.⁶³³

Thirdly, at ministerial level the Latvian Presidency in cooperation with the European Commission and the European External Action Service organised the First Meeting of Ministers for Education of the Member States of the European Union and of the Central Asian countries in Riga, 25-26 June 2015. High-level representatives both from the five CA countries and from the EU agreed on further cooperation in higher and vocational education and adopted an Indicative Roadmap of Activities

⁶²⁸ Jones, Peter (2010): The EU-Central Asia Education Initiative

⁶²⁹ TUCAHEA project and monitoring reports; Isaacs, Anne Katherine (2014): Building a Higher Education Area in Central Asia: challenges and prospects

⁶³⁰ <http://dbase.caep-project.org/project/dialogue-on-innovative-higher-education-strategies-dies/>

⁶³¹ <http://dbase.caep-project.org/project/reform-of-educational-systems-in-central-asia/>

⁶³² Jones, Peter (2010): The EU-Central Asia Education Initiative

⁶³³ CAEP monitoring report 11/2013

according to common priorities.⁶³⁴ Preparations and meeting were – amongst others - supported by CAEP and the Tempus project TUCAHEA.

External factors

CA governments repeatedly confirm the importance of and their commitment to regional policy dialogue and are participating in EU supported opportunities for regional dialogue. But reluctance is apparent where the commitment requires active involvement, e.g. through inconsistent participation, the attendance of representatives without the power to take binding decisions for joint initiatives (e.g. participation in an operational technical working group), or to ensure their implementation in their home countries (e.g. arrangements for credit transfer).⁶³⁵

In direct conversation stakeholders see little relevance and expected benefit in regional cooperation, in particular at policy level. Even where regional partners have a shared interest to interact with EU partners and learn about good practice in specific areas, they don't see added value in regional consortia to do so. Some illustrative quotes:

- “If you want regional cooperation and policy dialogue, you need to carefully define your objectives” (international organisation)
- “The added value of the regional approach is that the EU can use its resources more efficiently. It also facilitates the involvement of weaker partners who would not attract EU partners on their own. Regional projects have no added value for us compared to national projects.” (academic community)

⁶³⁴ https://eu2015.lv/images/notikumi/20150626_Communique_roadmap_EU_CA_EN.pdf

⁶³⁵ Jones, Peter (2010): The EU-Central Asia Education Initiative