



Technical Assistance Report

Project Number: 54070-001
Knowledge and Support Technical Assistance (KSTA)
August 2020

Strengthening Knowledge and Capacities for the Design and Implementation of Free Trade Agreements Involving Central Asia Regional Economic Cooperation Countries

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
ARTCF	–	Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility
CAREC	–	Central Asia Regional Economic Cooperation
CITA	–	CAREC Integrated Trade Agenda
EARD	–	East Asia Department
FTA	–	free trade agreement
PRCF	–	People’s Republic of China Poverty Reduction and Regional Cooperation Fund
RCI	–	regional cooperation and integration
RTA	–	regional trade agreement
TA	–	technical assistance
WTO	–	World Trade Organization

NOTE

In this report, “\$” refers to United States dollars.

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KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 54070-001
Project Name	Strengthening Knowledge and Capacities for the Design and Implementation of Free Trade Agreements Involving Central Asia Regional Economic Cooperation Countries	Department/Division EARD/EAPF
Nature of Activity	Capacity Development, Policy Advice, Research and Development	Executing Agency Asian Development Bank
Modality	Regular	
Country	REG (AFG, AZE, GEO, KAZ, KGZ, MON, PAK, PRC, TAJ, TKM, UZB)	
2. Sector	Subsector(s)	ADB Financing (\$ million)
		Total 0.00
3. Operational Priorities		Climate Change Information
✓ Accelerating progress in gender equality		GHG Reductions (tons per annum) 0
✓ Strengthening governance and institutional capacity		Climate Change impact on the Project Low
✓ Fostering regional cooperation and integration		
		ADB Financing
		Adaptation (\$ million) 0.00
		Mitigation (\$ million) 0.00
		Cofinancing
		Adaptation (\$ million) 0.00
		Mitigation (\$ million) 0.00
Sustainable Development Goals		Gender Equity and Mainstreaming
SDG 1.a		Some gender elements (SGE) ✓
SDG 8.2		
		Poverty Targeting
		General Intervention on Poverty ✓
4. Risk Categorization	Low	
5. Safeguard Categorization	Safeguard Policy Statement does not apply	
6. Financing		
Modality and Sources		Amount (\$ million)
ADB		0.00
None		0.00
Cofinancing		1.20
People's Republic of China Poverty Reduction and Regional Cooperation Fund (Full ADB Administration)		0.50
United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility (Full ADB Administration)		0.70
Counterpart		0.00
None		0.00
Total		1.20
Currency of ADB Financing: US Dollar		

I. INTRODUCTION

1. The knowledge and support technical assistance (TA) will strengthen capacities for designing, negotiating, implementing, and monitoring free trade agreements (FTAs) involving the Central Asia Regional Economic Cooperation (CAREC) countries. The CAREC Strategy 2030 stipulates that the region will assess and respond to the shifting landscape of global and regional trade paradigms and the potential of moving toward with FTAs in the region.¹ The TA will support the implementation of the CAREC Integrated Trade Agenda 2030 (CITA 2030), which includes enhancing the evidence base for decision-making regarding trade negotiations, capacity-building, and knowledge-sharing for the new generation of FTAs.²

2. **Continued interest on free trade agreements in the post-coronavirus disease era.** CAREC countries have expressed keen interest to pursue FTAs as effective tools to boost the region's economic growth and integration with the global economy.³ However, the regional cooperation and integration (RCI) index for CAREC (estimated at 0.351) is low compared with other regions in the Asia and the Pacific region which is 0.503 at average with maximum at 0.654 for Southeast Asia.⁴ In 2019, the share of intra-subregional trade for Central Asia was only 3.3%, compared with 35% in East Asia and 23% in Southeast Asia. There is ample scope for CAREC countries to expand intra- and inter-regional trade, including through taking advantage of FTAs. The coronavirus disease (COVID-19) pandemic has further highlighted the necessity of regional cooperation and importance of strengthening resilience to risks arising from cross-border movement of goods and people. Trade will continue to be a driver for achieving the sustainable development goals and CAREC countries' post-pandemic recovery. CAREC must therefore continue their efforts to keep trade open and smooth to revitalize globalization, deepen regional cooperation, and achieve sustainable growth.

II. ISSUES

3. **Knowledge and capacity deficits.** FTAs can be key drivers of stronger trade relationships among countries. By doing so, they support the development of the agricultural value chains, small and medium-sized enterprises, women-led businesses, and start-ups that often benefit the world's poor and the less advantaged people.⁵ However, the FTA-associated gains are not automatic. Experience suggests that achieving the trade diversification and greater integration that FTAs can deliver depends greatly on the breadth and depth of the agreement and the extent to which the FTA commitments are implemented and enforced. In this connection, CAREC countries must build greater analytical and institutional capacities to develop a solid understanding, strategies, and best practices necessary to ensure maximum benefits from FTAs. Effective FTAs must also advance and not contradict the free trade principles of the World Trade Organization (WTO). When properly designed, negotiated, implemented, and monitored, FTAs can help liberalize global trade. Eight CAREC members are WTO members and three are at various stage of acceding to the WTO, while the majority of CAREC members are undertaking

¹ ADB. 2017. *CAREC 2030: Connecting the Region for Shared and Sustainable Development*. Manila.

² ADB. 2019. *CAREC Integrated Trade Agenda 2030 and Rolling Strategic Action Plan 2018–2020*. Manila. In particular, pillar 1 (trade expansion from increased market access) and pillar 3 (stronger institutions for trade). The TA first appeared in the business opportunities section of ADB's website on 1 July 2020.

³ Central Asia Regional Cooperation Program. 2019. *Consultation Meeting with the CAREC National Focal Points*. Tashkent, 24–25 September. <https://www.carecprogram.org/uploads/2019-NFP-Meeting-Summary.pdf>.

⁴ ADB (Asia Regional Integration Center). 2017. *Asia-Pacific Regional Cooperation and Integration Index*. Manila. https://aric.adb.org/pdf/aeir/AEIR2017_7_asia-pacific-regional-cooperation-and-integration-index.pdf. ADB. 2019. *CAREC Regional Integration Index: Interpretation and Policy Implications*. Working Paper. Manila.

⁵ World Development Report. 2020. *Trading for Development in the Age of Global Value Chains*. Washington, DC: World Bank.

policy and institutional reforms in transitioning to market-based economies. A differentiated approach to accommodate the varying priorities and different stages of FTA development across the region will ensure CAREC members benefit from knowledge and capacity-building initiatives on FTAs.

4. **Uneven participation and limited geographic reach.** To date, 20 FTAs have been concluded with 4 more FTAs and 2 preferential trade agreements being negotiated amongst CAREC member countries.⁶ Most FTAs are bilateral and do not have the breadth and depth as those in ASEAN or European Union agreements. Few multilateral FTAs such as the Commonwealth of Independent States (CIS) and the Eurasian Economic Union (EAEU) FTA include selected CAREC countries. However, despite the rising numbers of FTAs involving CAREC members, participation is uneven across the region. FTA activity has grown in Georgia, Pakistan, Kazakhstan, and the People's Republic of China. Meanwhile, the remaining CAREC countries have at least one FTA, most are bilateral preferential arrangements with their neighbors, with limited scope and coverage, and merely eliminating tariffs on trade in agricultural and manufacturing goods. Few can be considered new-generation FTAs that cover WTO-Plus and WTO-X provisions, including trade in services, investment, trade facilitation, competition policy, digital trade, e-commerce, intellectual property rights, and labor and environmental protection.⁷

5. **The complexity of regional FTAs.** CAREC countries expressed interests to explore potential regional FTA among three or more countries on a voluntary basis.⁸ They have resolved to “travel the last mile” by exploring a potential CAREC-wide FTA. This will require a comprehensive understanding of the dynamics, complex processes, and institutional and structural changes involved. There are important politically sensitive considerations, as some CAREC countries are already members of the EAEU, while other CAREC countries may potentially also seek to join. These geopolitical considerations may generate complex and sensitive impacts amongst the CAREC countries, which require careful management. A regionwide FTA could deliver greater economic integration for their member countries. Ideally, such an FTA should cover both trade in goods and services, and promote greater integration within the CAREC region.⁹ Similarly, a CAREC FTA must not raise barriers to trade between WTO parties and individual FTA members, and complement rather than act as a substitute for the global multilateral trading system.

6. **Strategic fit.** The CAREC 2030 strategy recognizes the role that FTAs can play in creating an open and inclusive regional cooperation platform that connects people, policies, and projects in Central Asia for shared and sustainable development (footnote 1). CAREC Regional Trade Group (RTG), a leading consultative and coordinating body with full operational authority over CAREC work on trade, has been mandated to carry out initiatives to develop a potential CAREC-wide FTA as embodied in CITA 2030. The TA will support these initiatives and is aligned with

⁶ ADB. Asia Regional Integration Center Database. Update as of 19 August 2020. Preferential trade agreements provide preferential (low or lower than other countries) tariffs and may be free trade agreements (zero tariffs between parties) or customs unions with common external tariffs.

⁷ WTO-Plus refers to policy areas under the WTO mandate: customs regulations, technical barriers to trade, sanitary and phytosanitary standards, and trade in services. WTO-X refers to policy areas not covered in WTO agreements: investment measures, intellectual property rights, and competition policy. UNESCAP. 2019. Asia–Pacific Trade and Investment Agreement Database.

⁸ ADB. 2019. *CAREC Integrated Trade Agenda 2030 Issues Paper*. Manila.

⁹ Article 24 of the General Agreement on Tariffs and Trade states that a RTA must: not create obligation for RTA parties- WTO members; not impose unjustified restrictions on the 3rd country trade; notify the WTO; liberalize trade.

ADB's Strategy 2030 operational plan for RCI and the priorities under the CITA's Rolling Strategic Action Plan 2019-2021.¹⁰

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

7. The TA is aligned with the following impacts: (i) global and regional trade and investment opportunities expanded, and (ii) integration of CAREC countries in the regional and global economies enhanced.¹¹ The TA will have the following outcome: CAREC countries' capacities for designing, negotiating, implementing, and monitoring of FTAs improved.¹²

B. Outputs, Methods, and Activities

8. **Output 1: Evidence-based policy recommendations generated and action plans developed.** The TA will distill international best practices on FTAs that are relevant to CAREC and support the development of action plans for CAREC to effectively formulate or improve FTAs. The TA will review the conceptual foundations for FTAs, take stock of FTAs involving CAREC countries, assess the evidence on their impacts, and make policy recommendations. The TA will draw on lessons from within the CAREC region and beyond to identify the best practices in designing, negotiating, implementing, and monitoring FTAs. These, in turn, will feed into the training and capacity-building under the TA (output 2). The TA will also support deep dive of key issues that are relevant to establishing a FTA among CAREC countries, such as trade in goods and services, investment, economic and technical cooperation, intellectual property, and competition policy. Corresponding FTA-related action plans will be developed for selected CAREC countries.¹³ The findings will be shared at a regional workshop; published in a single volume or as separate papers; and disseminated through blogs, op-ed pieces, and contributions to ADB's corporate publications.

9. **Output 2: Capacity of CAREC member countries to design, negotiate, implement, and monitor FTAs improved.** The TA will support capacity building for the crucial skill sets and technical knowledge through three initiatives: (i) national workshops in select CAREC countries; (ii) regional events where countries comparatively more advanced in the implementation of FTAs will share their lessons and best practices; and (iii) regional training of trainers on how to design, negotiate, and implement FTAs. The innovative and effective modes of delivery, including virtual online modules and live clinics will be explored. Examples from CAREC countries as well as other regions will be used to illustrate key principles and concepts. Capacity building will target mid-level officials in relevant ministries, while knowledge dissemination will involve senior officials. Given the diverse range of FTA-related competencies across CAREC countries and emerging needs and priorities, targeted hands-on capacity building support to relevant government officials will be provided.

¹⁰ ADB. 2019. *Strategy 2030 Operational Plan for Priority 7: Fostering Regional Cooperation and Integration, 2019–2024*. Manila. operational priority 2: expanded global and regional trade and investment opportunities. The [CITA Rolling Strategic Action Plan 2019-2021](#), approved in 2019, includes best practices on FTAs, development of model or template FTA for CAREC countries and seminar on priority FTA issues such as rules of origin and role of customs.

¹¹ ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila. ADB. 2017. *CAREC 2030: Connecting the Region for Shared and Sustainable Development*. Manila; and ADB. 2019. *CAREC Integrated Trade Agenda 2030 and Rolling Strategic Action Plan 2018–2020*. Manila.

¹² The design and monitoring framework is in Appendix 1.

¹³ The selected CAREC countries to develop action plans will be determined based on the TA country consultations.

10. **Output 3: Roadmap for a CAREC FTA developed.** In line with the objectives of CITA 2030, the desirability, feasibility, readiness, and related institutional arrangements required to pursue a CAREC FTA will be explored and examined.¹⁴ Consultations with governments and other stakeholders will be organized, findings disseminated, and recommendations for ways forward proposed. Key policy and institutional measures to design and implement a proposed regional FTA for CAREC countries will be identified. Building on these, the TA will prepare a roadmap to establish a CAREC wide FTA to deepen and expand the trade relationships among the member countries.

11. The TA will build on the work completed under earlier ADB TAs.¹⁵ Experience from previous ADB TAs highlights the importance of providing support that is both comprehensive and responsive to individual country needs. This lesson is reflected in the design of the TA. The TA will promote an open and inclusive regional cooperation platform and maintain high degree of flexibility to accommodate the priorities and different stages of FTA development on various CAREC countries.¹⁶

C. Cost and Financing

12. The TA is estimated to cost \$1.2 million, of which \$500,000 will be financed on a grant basis by the People's Republic of China Poverty Reduction and Regional Cooperation Fund (PRCF), and \$700,000 will be financed on a grant basis from the United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility (ARTCF), both administered by ADB. The key expenditure items are listed in Appendix 2. The ARTCF will finance consulting services, training events, conferences, and workshops. The participating CAREC governments will provide counterpart support in the form of counterpart staff, office premises, office supplies, secretarial assistance, domestic transportation, and other in-kind contributions.

D. Implementation Arrangements

13. ADB will administer the TA as the executing agency. ADB's East Asia Department (EARD) will be the implementing agency. The Public Management, Financial Sector, and Regional Cooperation Division will serve as the principal focal point for the TA administration, working closely with the CAREC unit of ADB's Central and West Asia Department, the resident missions in the CAREC countries, and ADB's Economic Research and Regional Cooperation Department and Regional Cooperation and Integration Thematic Group. ADB will be coordinated with (i) CAREC RTG and regional TA projects; (ii) ongoing research and capacity-building activities being undertaken by the CAREC Institute, the China Council for the Promotion of International Trade, and the Regional Knowledge Sharing Initiative; and (iii) the research and capacity-building activities of other development partners such as the WTO, the World Customs Organization, and the United Nations Economic and Social Commission for Asia and the Pacific.¹⁷ ADB will follow

¹⁴ ADB. 2019. *CAREC Integrated Trade Agenda 2030 and Rolling Strategic Action Plan 2018–2020*. Manila.

¹⁵ ADB. 2006. *TA for Free Trade Agreements in Asia: The Way Ahead*. Manila; ADB. 2014. *TA for Capacity Building for Designing, Negotiating, and Implementing Free Trade Agreements in Selected Asian Developing Member Countries*. Manila.

¹⁶ CAREC adopts the 2+X principle whereas 2 or more countries could initiate a project and others may join later on.

¹⁷ ADB. 2018. *Technical Assistance for Implementing the Central Asia Regional Economic Cooperation 2030 Strategy for Sustainable Regional Development*. Manila; ADB. 2018. *Technical Assistance for Modernizing Sanitary and Phytosanitary Measures to Facilitate Trade*. Manila; and ADB. 2019. *Technical Assistance for Implementing the Integrated Trade Agenda in the Central Asia Regional Economic Cooperation Program*. Manila.

the reporting requirements of the ARCTF and PRCF.¹⁸ A monitoring and evaluation plan to measure the progress of the knowledge and support TA objectives will be prepared and implemented.

14. **Consulting services.** The TA will require an estimated 60 person-months of international and national consultant inputs, including resource persons to be recruited to serve as presenters or facilitators at workshops. ADB will engage consultants and resource persons following the ADB Procurement Policy (2017, as amended from time to time) and its associated procurement staff instructions. The TA will not involve procurement of goods and works. The implementation arrangements are summarized in the table below.

Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	September 2020–August 2023		
Executing agency	ADB		
Implementing agency	ADB's East Asia Department will implement the TA in coordination with the CAREC Institute, Regional Knowledge Sharing Initiative, ADB's Central and West Asia Department, and ADB resident missions in CAREC countries.		
Consultants	To be selected and engaged by ADB		
Description of services	Firm: QCBS selection Description: Designing and administering needs assessment; preparing the case studies on FTA design, negotiations, monitoring, and implementation; model-based study of the economic effects of the FTA	International expertise (21 person-months) National expertise (8 person-months)	\$328,680 \$24,640
	Individual consultants: Individual selection Description: Preparing the CAREC best practice manual on designing and negotiating FTAs; conducting FTA training and capacity-building workshops; program management	International expertise (7 person-months) National expertise (18 person-months)	\$103,180 \$49,500
	Resource persons: Individual selection Description: Distinguished experts or policymakers specializing in trade-related issues	International expertise (6 person-months)	\$85,800
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time).		

ADB = Asian Development Bank, CAREC = Central Asia Regional Economic Cooperation, FTA = free trade agreement, QCBS = quality- and cost-based selection, TA = technical assistance.

Source: Asian Development Bank.

IV. THE PRESIDENT'S DECISION

15. The President, acting under the authority delegated by the Board, has approved (i) the Asian Development Bank (ADB) administering a portion of technical assistance not exceeding the equivalent of \$700,000 to be financed on a grant basis by the United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility; and (ii) ADB administering a portion of technical assistance not exceeding the equivalent of \$500,000 to be financed on a grant basis by the People's Republic of China Poverty Reduction and Regional Cooperation Fund for Strengthening Knowledge and Capacities for the Design and Implementation of Free Trade Agreements Involving Central Asia Regional Economic Cooperation Countries, and hereby reports this action to the Board.

¹⁸ Progress reports will be submitted in compliance with ARTCF and PRCF requirements (i) submitting semiannual progress reports; (ii) notifying the SDTC-RCI and SDPF of changes in the project scope, duration, or funding arrangements; and (iii) ensuring the visibility of funding from the Governments of the PRC and UK.

DESIGN AND MONITORING FRAMEWORK

Impacts the TA is Aligned with			
(i) Global and regional trade and investment opportunities expanded (Pillar 2 of ADB's Strategy 2030 operational priority 7: fostering regional cooperation and integration) ^a (ii) Integration of CAREC countries in the global economy enhanced (CAREC Integrated Trade Agenda 2030 and Rolling Strategic Action Plan 2018–2020) ^b			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome CAREC countries' capacities for designing, negotiating, implementing, and monitoring of FTAs improved	By 2023: a. FTA related action plans and roadmap for a CAREC FTA adopted by at least three (3) CAREC countries (2019 baseline: 0)	a. CAREC Ministerial Conference (MC) summary of proceedings [for an FTA roadmap] and TA progress reports	Possible high staff turnover in implementing agencies
Outputs 1. Evidence-based policy recommendations generated and action plans developed	By 2022: 1a. Comprehensive analysis of the state-of-play of FTAs involving CAREC countries and policy recommendations produced (2019 baseline: 0) 1b. CAREC FTA guidelines on the design, negotiation, implementation and monitoring of FTAs prepared; 1c. At least four thematic assessments on key issues facing FTAs in CAREC, such as trade on goods and services, investment, e-commerce, and competition policy, produced (2019 baseline: 0) 1d. At least three country specific action plans to improve the institutions, capacity, and practices in participating and implementing FTAs developed (2019 baseline: 0)	1a. Published CAREC FTA comprehensive analysis and TA progress reports; CAREC MC summary of proceedings 1b. Published FTA guidelines and TA progress reports; CAREC MC summary of proceedings 1c. Published thematic assessments and TA progress reports; CAREC RTG summary of proceedings 1d. FTA-related action plans drafted. CAREC RTG summary of proceedings.	Difficulties in data collection lead to delays or revised terms of reference.

<p>2. Capacity of CAREC member countries to design, negotiate, implement, and monitor FTAs improved</p>	<p>2a. FTA knowledge and capacity development needs assessments in CAREC countries conducted (2019 baseline: 0)</p> <p>2b. At least 60% of participants (one-third women) at 6 national workshops in select CAREC countries demonstrate improved knowledge and skills on FTAs (2019 baseline: 0)</p> <p>2c. At least 60% of participants (one-third women) at a regional event sharing FTA lessons and best practices demonstrate improved knowledge and skills on FTAs (2019 baseline: 0)</p> <p>2d. At least 60% of participants (one-third women) at the regional training of trainers (ToT) on how to design, negotiate, and implement FTAs demonstrate improved knowledge and skills on FTAs (2019 baseline: 0)</p> <p>2e. Targeted capacity development activities on FTAs in at least 4 countries delivered (2019 baseline: 0)</p>	<p>2a. TA reports</p> <p>2b.-d. Post-workshop survey and evaluation</p> <p>2e. Post-training evaluation and TA reports</p>	
<p>3. Roadmap for a CAREC FTA developed</p>	<p>3a. Feasibility and desirability for a CAREC FTA assessed, and the institutional arrangements to implement it prepared (2019 baseline: 0)</p> <p>3b. Initial global general equilibrium model-based study on the economic impacts of a CAREC FTA conducted</p> <p>3c. Roadmap and action plan for establishing a CAREC FTA prepared and consultation with CAREC countries held (2019 baseline: 0)</p>	<p>3a. Analytical report on CAREC FTA feasibility with recommendations prepared.</p> <p>3b. The [GCGE] Model-Based Study on the Economic Effects of a CAREC FTA prepared.</p> <p>3c. Draft CAREC FTA roadmap, TA reports, mission reports</p>	

<p>Key Activities with Milestones</p> <p>1. Evidence-based policy recommendations generated</p> <p>1.1 Engage international and national consultants (October-December 2020).</p> <p>1.2 Conduct preliminary desk research (January–February 2021).</p> <p>1.3 Hold inception workshop (March-April 2021).</p> <p>1.4 Prepare background paper, policy paper, special topic studies and action plans (February-April 2021).</p> <p>1.5 Prepare research outputs for publication (May–August 2021).</p> <p>1.6 Hold six back-to-back national FTA knowledge-sharing workshops (between May–December 2021 and January - March 2022).</p> <p>1.7 Hold subregional knowledge-sharing workshops and disseminate published volume (May 2021, February 2022, and June 2022).</p> <p>1.8 Present research findings and recommendations at the CAREC Ministerial Conference (November 2022).</p> <p>2. Technical capacity of CAREC member countries to design, negotiate, implement, and monitor FTAs improved</p> <p>2.1 Prepare workshop design for output 2a (March 2021).</p> <p>2.2 Engage resource persons to serve as experts and paper presenters for output 2a (February–March 2021).</p> <p>2.3 Deliver regional workshop for output 2a (August 2021).</p> <p>2.4 Engage international consultants to design learning modules for output 2b (July 2021, to be held back-to-back with activity 1.6).</p> <p>2.5 Develop training materials for output 2b (August–November 2021).</p> <p>2.6 Pilot-test training materials on selected participants from ADB headquarters and resident missions (December 2021).</p> <p>2.7 Deliver regional workshop (March-April 2022).</p> <p>3. CAREC FTA explored</p> <p>3.1 Engage international consultant to prepare background study (April 2021).</p> <p>3.2 Conduct preliminary desk research and prepare inception report (May–June 2021).</p> <p>3.3 Hold consultations with CAREC governments and other stakeholders (July–December 2021).</p> <p>3.4 Prepare background study (July–December 2021).</p> <p>3.5 Hold second round of consultations to disseminate findings and discuss ways forward (January-March 2022).</p> <p>TA Management Activities</p> <p>Provide regular reporting and supervision until Q2 2023.</p> <p>Manage contracts from Q3 2021 until Q2 2023.</p> <p>Ensure the preparation of progress reports until Q2 2023.</p> <p>Prepare and implement a monitoring and evaluation plan to measure the progress and achievement of the knowledge and support TA objectives.</p> <p>Inputs</p> <p>People’s Republic of China Poverty Reduction and Regional Cooperation Fund: \$500,000</p> <p>United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility: \$700,000</p> <p>Note: The governments will provide counterpart support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, domestic transportation, and other in-kind contributions.</p> <p>Assumptions for Partner Financing</p> <p>Not applicable.</p>

ADB = Asian Development Bank, CAREC = Central Asia Regional Economic Cooperation Program, FTA = free trade agreement, Q = quarter, RFI = results framework indicator, TA = technical assistance.

^a ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

^b ADB. 2017. *CAREC 2030: Connecting the Region for Shared and Sustainable Development*. Manila; and ADB. 2019. *CAREC Integrated Trade Agenda 2030 and Rolling Strategic Action Plan 2018–2020*. Manila.

Contribution to the ADB Results Framework:

RFI A: Measures to improve the execution of provisions in existing or new trade or investment agreements supported in implementation (number).

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
A. United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership Facility^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	292.2
ii. National consultants	74.1
b. Out-of-pocket expenditures	
i. International and local travel	117.2
ii. Miscellaneous administration and support costs ^b	9.8
2. Training, seminars, workshops, forum, and conferences	
a. Facilitators	32.0
b. Travel costs of ADB staff acting as resource persons ^c	24.0
c. Venue rental and related facilities	24.0
d. Participants	105.6
3. Contingencies	10.3
4. Publications	10.0
5. Goods/equipment ^d	0.8
Subtotal (A)	700.0
B. People's Republic of China Poverty Reduction and Regional Cooperation Fund^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	244.9
b. Out-of-pocket expenditures	
i. International and local travel	18.8
2. Training, seminars, workshops, forum, and conferences	
a. Resource persons	25.6
b. Travel costs of ADB staff acting as resource persons ^c	12.0
c. Venue rental and related facilities	36.0
d. Participants	158.4
3. Contingencies	4.3
Subtotal (B)	500.0
Total	1,200.0

ADB = Asian Development Bank.

Note: The technical assistance (TA) is estimated to cost \$1,200,000, of which contributions from the United Kingdom Fund for Asia Regional Trade and Connectivity under the Regional Cooperation and Integration Financing Partnership and the People's Republic of China Poverty Reduction and Regional Cooperation Fund are presented in the table.

^a Administered by ADB. The PRCF will finance operational expenses including consulting services, training, conferences, workshops.

^b Such as translation, editing, proofreading, communication, and administrative support costs.

^c ADB (Budget, Personnel, and Management Systems Department; and Strategy, Policy, and Partnerships Department). 2013. Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs. Internal Administrative Expenses Budget. Memorandum. 26 June (internal). If ADB staff act as resource persons and/or facilitators, travel costs may be charged to the TA.

^d Purchase of a Microsoft 365 software license for the national consultant to use in accessing ADB office systems and in the performance of official work related to the TA. The license will be purchased and renewed as needed.

Source: Asian Development Bank estimates.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=54070-001-TARreport>

1. Terms of Reference for Consultants