

Meeting Summary
NGO Forum on ADB and Office of External Relations
“Central Asia”
09.00-10.00, 31 March 2005

ADB explained that while it maintains a country-focus in its Central Asian operations, regional cooperation is a priority and focuses on transportation, energy, and trade facilitation. ADB's transportation projects all entail upgrading of existing roads, and cause no involuntary resettlement. In the area of trade, ADB supports customs cooperation and analytical work focused on removal of trade barriers.

In the energy sector, ADB is working with governments on their development of long-term power trade contracts among governments, and supporting rehabilitation of Soviet-era electricity grid facilities. In response to an NGO Forum question as to whether ADB would finance hydro power development in Tajikistan, ADB replied that it would have to consider the proposal and conduct required due diligence. NGO Forum also asked if ADB would support a pipeline between western Kazakhstan and PRC, and ADB responded that it would consider extending support, if asked, and if the pipeline would be for natural gas exports. Such assistance would also need to be assessed in the context of country strategies.

ADB highlighted the importance of regional cooperation in light of the region's small, land-locked economies. Being sparsely populated, it is important that the countries collaborate to create economies of scale, although mutual suspicion and concerns over loss of national sovereignty have hindered development of closer links. Nonetheless, growth prospects are positive, with Kazakhstan emerging as a growth pole, riding on natural resource exports.

NGO Forum argued that ADB is delaying reform by working with repressive regimes, and urged the Bank to follow the example of the EBRD. ADB responded that it is aware of the debate over engagement in the region. With regard to specific countries, ADB noted that it has no loans or CSP in Turkmenistan, and does not intend to provide program loans to Uzbekistan. All assistance that ADB provides is closely scrutinized in terms of development effectiveness and direct benefits it delivers to poor people on the ground. Efforts are being made to encourage Turkmenistan to join the regional cooperation body, CAREC, in which ADB, EBRD, and other institutions collaborate with Central Asian states.

NGO Forum stated that local NGOs are monitoring ADB support to educational reform in Uzbekistan, and would like to learn more. ADB expressed openness to discussing details with interested individuals, e.g. during missions of project officers, by e-mail with headquarters staff, or with senior staff and Management at the upcoming ADB Annual Meeting in Istanbul. NGO Forum said that meetings between visiting project staff and the local residents would be the most useful.

NGO Forum stated that it was common knowledge that development aid was subject to “fees” (corruption) in Central Asia and that human rights should be addressed in

CSPs. ADB replied that its projects are geared toward empowerment of communities through the enhancement of income-generating opportunities and involvement of rural people in decision making. ADB noted that it shares information and works with major international NGOs, like the International Crisis Group and Aga Khan Foundation, and through Bank support to rural development projects is helping to address the problem of farmer debt in Tajikistan.

Both ADB and NGO Forum agreed that more ADB documents, including CSPs, should be translated into the Russian language.

List of Attendees:

NAME	ORGANIZATION
<p><u>NGO</u></p> <ol style="list-style-type: none"> 1. Pasiuk, Oleski 2. Dossani, Sameer <p><u>ADB Staff</u></p> <ol style="list-style-type: none"> 3. Miller, Jeffrey 4. Wignaraja, G. 5. Terway, Anil 6. Ruthenberg, Adrian 7. Edes, Bart 	<p>CEE Bankwatch Network NGO Forum</p> <p>ECRD ECRD ECRD ECOC NGOC</p>

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Participants

ADB

Adrian Ruthenberg, ECRD

Anil Terway, ECRD

Ganesh Wignaraja, ECRD

Jeffrey Miller, ECRD

Bart Édes, NGOC

NGO Forum on ADB

Oleksi Pasiuk, CEE Bankwatch

Sameer Dossani, NGO Forum