

Summary of Joint Workshop: Innovative Solutions for strengthening regional cooperation on water and energy in Central Asia

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*As part of Central Asia: Towards sustainable future through strong regional institution”
hosted by International Fund for saving the Aral Sea (IFAS)*

Co-organizers

- Organisation for Economic Cooperation and Development (OECD)
- Scientific-Information Center of Interstate Commission for Water Coordination of Central Asia (SIC ICWC)
- European Union (EU)

Moderator

- Dr Dinara Ziganshina, Director, SIC ICWC

Welcome remarks

- H.E. Mr. Daler Juma, Minister of Energy and Water Resources of the Republic of Tajikistan
- H.E. Ms. Terhi Hakala, the Special Representative for Central Asia, the European Commission

Scene-setting presentation

- Mr Takayoshi Kato, Lead, Water-Energy-Land use Nexus in Central Asia, OECD

Panel discussion: Good practice and ways forward for efficient water and energy management in Central Asia

- Mr Tulegen Sarsembekov, Expert, Republic of Kazakhstan
- Mr Abdurashid Mirzaev, Chief Dispatcher, Coordination Dispatch Center “Energy”
- Mr Torsten Brezina, Cluster Coordinator Regional Programmes in Central Asia, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- Mr. Bakhtiyor Rahimov, Public Organization "Water for sustainable development OBRU"

Rapporteur

- Mr Takayoshi Kato, OECD

Approximate number of participants:

- 65-70 people (in-person)

This workshop aimed to facilitate roundtable discussion on emerging and innovative approaches to enhancing regional co-operation between water and energy management in a changing climate. The session brought together experts within and outside the Central Asia region to provide concrete examples of such innovative solutions that could be applied to the region. The workshop was co-organised by the European Union, Scientific Information Centre of ICWC, and the OECD.

Welcome remarks were made by the Minister of Energy and Water Resources of Tajikistan Daler Juma and Special Representative of the European Commission for Central Asia Terhi Hakala. Takayoshi Kato, set the scene and outlined the key questions for discussion.

During **the panel discussions** Tulegen Sarsembekov and Abdurashid Mirzaev presented examples of good practice and remaining challenges concerning effective regional cooperation between water and energy sectors. Bakhtiyor Rakhimov shared his experience from the ongoing project using digitalisation to improve irrigation management systems in Tajikistan. Torsten Brezina provided his views on how Central Asian countries could further

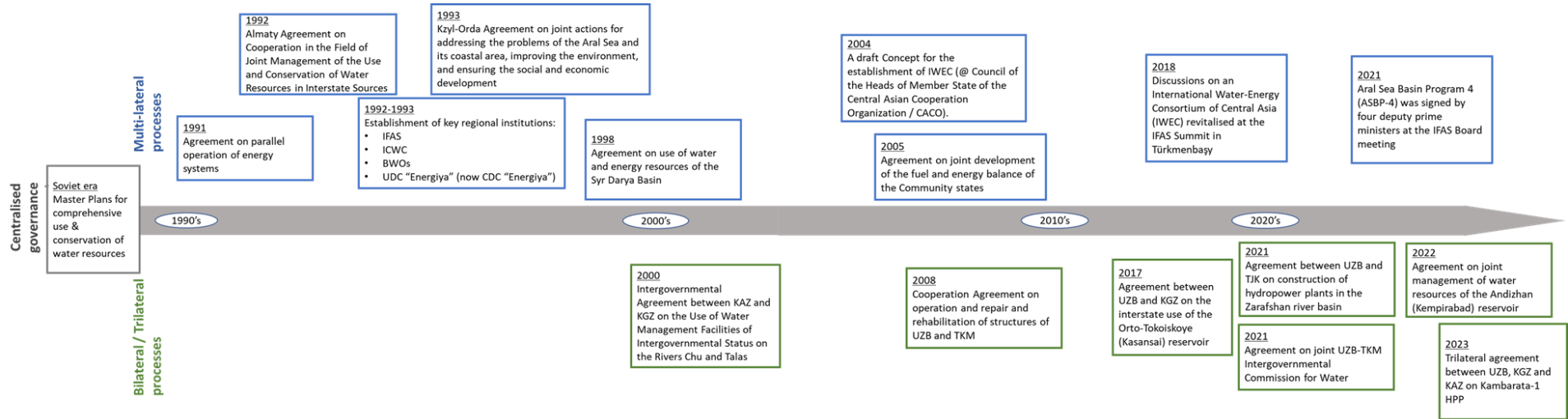
work together among themselves and with development partners, to mobilise more financing to support innovative solutions for water and energy management across the region.

The key points highlighted by participants during inspirational, technical and emotional discussions as follow:

- **Innovative thinking is needed** to combine new technologies with existing institutions and wisdom which Central Asian countries have acquired over the past decades.
 - There have been a wide range of innovations at different levels on water and energy, which have been tested and adopted over the past 30 years, which we often forgot (See also Figure 1). Innovative solutions for strengthening regional cooperation on water and energy should be tailored to the local context and combined with existing institutions and on-going process of strengthening them.
 - Efforts to further strengthen water and energy co-operation in Central Asia require multi-faceted discussions including on economic and financial, engineering, institutional, legal, and scientific aspects.
 - International support should be designed considering the needs of Central Asian countries and their rich experiences which they have already acquired over the past 30 years.
- **Innovation is not just about technology** but rather the successful integration of new ideas in management, institutions, policy, finance, investment, education and all other areas.
 - Technological innovations, management-related innovations, institutional arrangements (including innovative financing mechanisms), and policy frameworks necessary for addressing persisting and new challenges in the region, including the rising impacts of climate change and a diversification of water use (not only irrigation but other sectors), have been discussed.
 - A value chain or cluster approach was proposed for water and energy coordination. Such an approach aims to establish a system in which all stakeholders see their own benefits from its successful operation as a whole. This approach can be scaled up to regional level from the national and local levels, where it used to support agricultural productivity and promote exports.
 - An example of technological innovation was introduced, which focuses on innovative Irrigation Management based on Geoinformation Technologies, which uses satellite images to assess fertility of lands and productivity, in order to identify technical solutions for improving agricultural productivity and what kind of cultivation should be undertaken.
 - Replication and scaling of the pilot project could be possible across the region, yet would require enhanced financing and capacity.
 - Different forms of cooperation on water and energy, including a coordination council on water and energy sectors, have been suggested.
- **Finance is a key** to support innovation for improving water and energy coordination but needs to be backed up by political will, the enabling environment and smart choices.

- Financial flow to the water and energy sector can be secured once the political will and the enabling environment is sound and strong enough to build confidence among investors.
 - There are a plenty of possibilities to attract finance from international sources either directly or through specially established an inter-state fund or facility to mobilise finance for supporting innovation for water management and climate action.
 - To build confidence among investors in innovation, a range of issues in policy frameworks still need to be addressed, and political dialogues are needed for comprehensive discussion on policy reforms in ecological protection, water pollution, climate change mitigation and adaptation, land management and renewable energy, highlighting the importance of the water-energy-food nexus approach.
 - The sound economic mechanisms and assessments are the must to inform the policy and investment decisions on water and energy both at national and regional levels.
 - It is critical to ensure the financial sustainability of the existing regional institutions and agreements, and the economic feasibility of actions to fulfil their requirements.
- **Education, capacity building and research** are the key prerequisites for success to identify, adopt and maintain innovations.
 - **A common vision** about the Central Asian countries' priorities for innovations in water-energy coordination is needed, where the ecosystem requirements should be equally presented.

Figure 1. The evolution of water-energy coordination mechanisms in Central Asia



Source: OECD, based on SIC ICWC (forthcoming) Rethinking Institutional and Financial Mechanisms on Water and Energy Cooperation in Central Asia: Discussion paper (Tentative title)