

Climate Change Impacts in the CAREC Region and Urgent Regional Actions Needed

Impacts cross-cut all Sectors

- Energy
- Water
- Agriculture
- Industry
- Transport
- Cities
- Health systems
- Disasters preparedness
- Education
- Social security

Increased Frequency and Pattern of Disasters



73.3%

of global emissions by
energy (power, heat
and transport)

Need for Comprehensive Solution

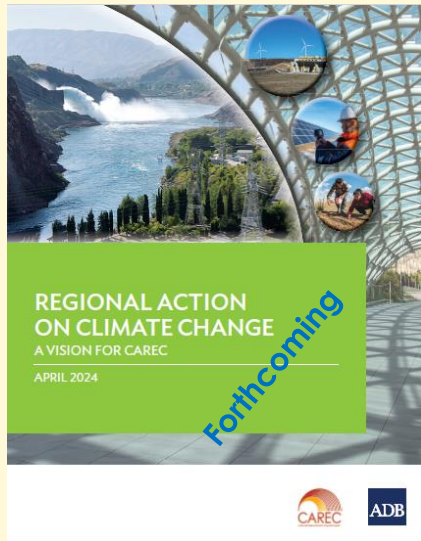
- Just Energy Transition
- Water and Energy Nexus
- Smart Agriculture
- **Climate-smart and Efficient Transport, Transit & Trade**
- Disaster-Risk Management and Financing
- Resilient Cities
- Cross-cutting Issue and Policy Reforms
- Develop new practices

Need to build strong knowledge, transfer of technology and capacity in CAREC DMCs to address climate change impacts with focus on cooperation

CAREC Climate Change Vision

Regional Action for Climate Change: A Vision for CAREC

A Region of Sustainable Development, Shared Prosperity, and Climate-Resilience



Climate Change Vision
endorsed by the CAREC
Ministers in November
2023

A Scoping Study
published in April 2023

3 Goals

Mitigate climate change
Adapt to climate change
Cooperate across borders

5 Principles

Align with national strategies
Deepen regional cooperation
Expand coordination with DPs
Include private sector/civil society
Build open regional platform

7 Priority Areas

(i) energy, (ii) water, (iii) agriculture, (iv) transport, transit, and trade, (v) climate-smart cities, (vi) climate-related disasters, and (vii) health, education and social protection

Mainstreaming and Implementing Climate Change Actions

A holistic approach towards CAREC Climate Change Vision

- CAREC Climate Change Steering Committee, and Cross-sectoral Working Group on Climate Change
- Strengthening cross-sectoral linkages (e.g., CAREC Integrated Trade Agenda, CAREC Transport Strategy, Agriculture and Food Security Framework, CAREC Digital Strategy)

Identifying and developing regional climate-related projects

- CAREC Climate Change Action Plan
- Proposed CAREC Climate and Sustainability Project Preparatory Fund (CSPPF)

CAREC Climate Change Vision: Focus on Trade

CAREC will promote the greening of regional trade and explore how trade can be part of climate solutions.

CAREC shall explore opportunities in reducing the carbon footprint of regional transport services (road, rail, and air) while **improving regional connectivity with climate-smart and efficient transport technologies, regulations, and border-crossing policies and infrastructure.**

Specific Areas

- Responses to decarbonization measures (e.g., EU's Carbon Border Adjustment Mechanism)
- Cooperation and regional approaches under CITA 2030, potentially on: (i) trade of environmental goods; (ii) multilateral climate agreements; (iii) digitizing trade processes and cross-border paperless trade, (iv) investing in smart and resilient border infrastructure facilities; and (v) accelerating economic diversification

Operationalizing CAREC Climate Change Vision in Trade Facilitation

- **Awareness raising, capacity building, and policy dialogue:** Customs officials, Trade policy makers/negotiators, relevant TF national stakeholders from private sector (incl. transport and logistics).
- **Research and analytics:** on key TF areas to support climate change mitigation and adaptation (ex. BCP scoping study, Cost-benefit analysis, emission accounting and tracking at the border including on waiting time, CAREC CPMM)
- **Institutional development:** to support economies set up well-functioning and informed TF institutions (ex. Customs Cooperation Committee (CCC)) and private sector partnerships

Mainstreaming Climate Objectives in CAREC Trade Facilitation Initiatives and Investment

Ongoing work

- **Enhancing customs/transit efficiency and transparency to lower carbon emissions:** CAREC Advanced Transit System [CATS] and Information Common Exchange [ICE], National Single Windows and Authorized Economic Operators Programs
- **Digitalizing customs procedures and application of smart technologies** in border control: CATS/ICE, SPS/ePhyto solution, AI, e-COs, blockchain technologies

Exploring new areas

- **Enhancing Resilience to Climate Change:** facilitating access and import diversification of critical goods for climate adaptation and natural disaster resilience (ex. drought-resistant crops, water conservation technologies, food, medical emergency supplies)
- **Regional and International Cooperation Green Customs:**
 - Facilitating access to environmentally friendly goods and services
 - Integration of Carbon accounting systems into existing customs and trade facilitation platforms.