

Central Asian Cooperation Organization

Member States: Kazakhstan, Kyrgyzstan, Russia (since May 28th, 2004), Tajikistan and Uzbekistan.

Observers: Georgia, Turkey and Ukraine

History:

The Central Asian Cooperation Organization was initially created under the name of Central Asian Economic Union in 1994, by Kazakhstan, Kyrgyzstan and Uzbekistan. Tajikistan joined the group in 1998, and the Organization was then renamed Central Asian Economic Cooperation (CAEC). On February 28th, 2002, the CAEC was transformed into the Central Asian Cooperation Organization, (CACO). On May 28th, 2004, Russia joined CACO as a member.

Structure:

The organs established for the Central Asian Economic Cooperation in July 1994 were kept as the organs of CACO after the transformation. These institutions are:

The Interstate Council

The Council of Prime Ministers

The Council of Foreign Affairs Ministers

The Central Asian Bank of Cooperation and Development

The Executive Council

Goals:

The purpose of CAEC, former name of CACO, was limited to foster the economic cooperation between the four Central Asian republics and create a single economic space. When established in February 2002, CACO has been given a broader scope of cooperation. CACO aims at the enhancing “the development of the economic integration in the region, the perfection of the forms and mechanisms of expansion of the political, social, scientific-technical, cultural and educational relations” between member states.

Achievements and Prospects:

The states participating to the central Asian Economic Cooperation had determined the areas in which the regional cooperation should be primarily developed, such as trade cooperation, creation of a single market for agricultural production, industrial cooperation, creation of a single transport and communication system and the area of fuel-energy resources. Unfortunately, except from improvements into tax harmonization, the partial elimination of double taxation and the creation of an Interstate Bank of Cooperation and Development, the steps taken within the CAEC framework were relatively unsuccessful. Indeed, the numerous resolutions taken were only rarely followed by the stage of implementation. One of the purposes of the creation of the CACO in 2002 was to improve its effectiveness, in order to distinguish it from its predecessor. During the CACO meeting in July 2003, the president of Kazakhstan has requested on behalf of CACO help from the IFI in the formulation of strategies in order to solve major regional

issues. As far as trade is concerned, the member states recently proposed the creation of a single market in the region, thanks to a “stage by stage” strategy, and the creation of an FTA within 15 years.

The recent integration of Russia into the agreement (May 28th, 2004) is very likely to change the center of gravity of CACO. The main focus of CACO is presently the improvement of regional safety and stability, as the basis for further improvement in the economic situation in the region.

Links:

Website of the Ministry of Foreign Affairs of Kazakhstan

www.mfa.kz

Website of the President of the Kazakhstan

www.president.kz

Website of the Ministry of Foreign Affairs of the Kyrgyz Republic

www.mfa.kg

Website of the President of the Kyrgyz Republic

www.eng.president.kg

Website of the Ministry of Foreign Affairs of the Russian Federation

www.in.mid.ru

Website of the President of Russia

www.president.kremlin.ru

Website of the Ministry of Foreign Affairs of Uzbekistan

<http://jahon.mfa.uz/>

Website of the President of the Uzbekistan

www.press-service.uz