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USAID PROJECT IN SUPPORT OF CAREM (CENTRAL ASIA REGIONAL ELECTRICITY MARKET)

Enhancing regional cooperation, increasing power trade transactions and building a regional electricity market

The USAID project in support of CAREM is providing technical assistance and capacity building to the five Central Asian countries to help them create an economically viable regional electricity market.

Through USAID's support, the USAID project in support of CAREM is working closely with the Central Asian governments, donors and other key stakeholders to establish the technical regulations and institutions needed to maintain a secure and stable regional electricity market. An integrated CAREM will save money, enhance energy security, and economic stability while also facilitating commercial trade transactions and attracting investments in the power sectors of all five Central Asian and neighboring South Asian countries. A regional power market will also deploy the lowest-cost power from across the Central Asian countries to meet the needs of each country, lowering costs in support of greater economic and social development. The USAID project utilizes a hands-on and collaborative approach to build and maintain trust-based working relationships with the five Central Asian governments in order to ensure their acceptance and readiness to implement a regional electricity market.

AREAS OF SUPPORT

- Develop a regional power market
- Implement electricity sector reforms
- Increase power trade transactions

CREATING AN ECONOMICALLY VIABLE REGIONAL ELECTRICITY MARKET IN CENTRAL ASIA

In Central Asia, the creation of a regional electricity market requires the participating governments engage in dialogue and collaboration to strengthen institutions while adopting reforms, rules, market designs and business models. **The USAID project is helping the Central Asian countries to implement these needed electricity and technical reforms and rules to increase power trade transactions and develop a regional power market.**

INCREASING POWER TRADE TRANSACTIONS

The USAID project is supporting the Central Asian governments to create the conditions for increasing cross-border flows and supporting regional energy trade by providing tools, technology and global best practice analysis. The USAID project conducts numerous pilot assessments and studies to assess the national and regional economic benefits of regional trade as well as the Central Asia Power System's ability to support increased trade. All assessments and studies are shared with Central Asian government partners for review and concurrence to ensure the findings and recommendations are effective tools in building a regional electricity market.

IMPLEMENTING ELECTRICITY REFORMS

The USAID project is providing thought leadership and extensive technical assistance to build the capacities of Central Asian government policy makers and energy specialists in electricity sector governance. Throughout its life-time, the USAID project conducts workshops and trainings for Central Asian government policymakers on multiple topics ranging from grid code compliance, regional and national benefits of CAREM, and the fundamentals of electricity markets structure and operation. The USAID project works to ensure these trainings build the capacities, skills and knowledge of Central Asian partners to allow them to implement needed electricity reforms to create a functional and reliable regional electricity market.

DEVELOPING A REGIONAL POWER MARKET

The USAID project closely collaborates with the Central Asian government partners to develop the necessary tools and analysis that will guide the implementation of a safe, secure and reliable regional electricity market. To create functional coordination with the governments, the USAID project formed the CAREM working groups (WGs) to focus on the technical, legal and market issues that underpin CAREM's implementation. The USAID project worked with the WGs to draft the CAREM Roadmap and Action Plan, a first-in-region landmark document that will guide all parties to build a regional power market. On October 20, the Central Asian ministries of energy officially endorsed the Roadmap and Action Plan and agreed to continued work with the USAID project in implementing CAREM.

FOR MORE INFORMATION:

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