

ECONOMIC RESEARCH AND STATISTICS

Ongoing projects - 3

1. Project Title:	<u>“Agricultural statistics and Land Cover statistics from Earth Observations for selected ECO Countries”</u>
2. Project Objective(s):	enhancing the capacity in National Statistics Offices in the production of agricultural statistics using alternative data sources, in line with process of Modernization of Statistical Systems lead by the UN Statistical Commission
3. Project Budget (US\$):	USD500000 (five hundred thousand US dollars)
4. Project Funding Source:	TBD
5. Coordinating Country/Organization:	FAO
6. International/Regional Partner:	FAO
7. Duration of Project (Months):	TBD
8. Project Starting Time (M/Y):	-
9. Project Progress Ratio (%):	-
10. Expected Project Completion Time (M/Y):	-
11. Project Budget Released (%):	-

12. Background:

FAO and the ECO Secretariat are collaborating to implement a joint project on the use of Earth Observation Statistics in ECO member countries, with the aim of enhancing the capacity in National Statistics Offices in the production of agricultural statistics using alternative data sources, in line with process of Modernization of Statistical Systems lead by the UN Statistical Commission. In that regard, the 5th Meeting of Heads of National Statistical Offices (NSOs) of ECO Member States (June 29, 2021) highlighted that international organizations working on statistical capacity building must include the modernization and technological issues in their activities and plans (paragraph-21, report of 5th MHNSOs of ECO Member States).

Thus, the project full scope is targeting four ECO countries: Tajikistan, Kyrgyz Republic, Kazakhstan and Uzbekistan for an overall project value of 500.000 USD. A large part of these costs is due to the field surveys, which are required to gather in-situ georeferenced crop data, which in turn is needed for the scope of calibration and validation of geospatial products, namely “Crop Type Maps”. The duration of the project is tentatively assessed at 1.5 years.

As the required funds will not be fully available upfront before the project initiation, as an *ad-interim* solution the project will initially be implemented only in Tajikistan as pilot country, while resources will be mobilized for the other three countries. Tajikistan has been selected on the basis of the priorities expressed by the ECO Organization as well as taking into account its participation in FAO’s Hand in Hand initiative.

The technical proposal falls under the umbrella of FAO’s project named “EOSTAT”, led by the Office of the Chief Statistician, which aims at supporting the modernization of National Statistics Office by building capacity in the use of Earth Observations for the production of official agricultural and land cover statistics.

Earth Observations have been extensively used in the research domain for crop monitoring and for the estimation of crop statistics (acreage and yields). Knowledge of spatial and temporal dynamics in crop growth and crop type distribution is crucial in many applications related to land management, food security, yield forecast, and related prediction of commodity prices (Fritz 2013, Atzberger 2013; Rembold et al. 2013).

Building on the work of the EOSTAT project, this proposal will leverage on the experience gained from the pilot projects on crop mapping implemented in Senegal, Uganda, Afghanistan and in the broader context of the Hand in Hand initiative.

FAO proposes to use an innovative solution for crop type mapping based on time-constrained **Dynamic Time Warping** (DTW) classification algorithm, to classify EO data from Sentinel-2 into crop maps, based on the spectral similarity of objects. From the crop maps, crop acreage statistics are then extracted. Full technical description of the EOSTAT Crop mapper are available online: User Manual, Technical Report

The core characteristic of the tool is the crop signature library that is developed at the beginning of the project using available in-situ data, providing the coordinates of crop locations and crop labels.

13. Current Status:

Following Paragraph-51, I-Sector of ECO Program 2022, the Secretariat, upon finalizing the discussion within Secretariat (December 19, 2021) approached FAOSTAT for the possibility of a new joint statistical project. On March 28, 2022 a video conferencing discussion was held between ECO and FAO to discuss the matters relating to a new project-based cooperation. As the outcome of the discussion, the joint ECO-FAO draft project proposal was shared with ECO Member States for feedback. The draft proposal, along with the agricultural statistics, looks after the Compilation of Price Statistics within the project framework design.

During the 6th Meeting of ECO Heads of National Statistics Offices/ 8th High Level Experts' Group Meeting the delegation of Tajikistan as pilot country for the project stated its full support for the project proposal.

The 33rd Meeting of the Regional Planning Council (RPC) held on 16-19 January 2023 (paragraph 40, I-Sector, ECO Work Programme 2023) requested to take initial steps on the implementation of the project.

On August 1, 2023 ECO Secretariat (DSG J.Asanov, HoS PMS/ERS M.Zhagiparov, Desk Officer M.Malik) held online talks with **Lorenzo De Simone, PhD**. Technical Adviser Geospatial, Office of the Chief Statistician, FAO and

Valérie Bizier, Senior Statistician, Statistics Governance and Quality Assurance, Office of Chief Statistician, Food and Agriculture Organization. As the result of discussions the parties agreed that FAOSTAT will deliberate as regards the further steps in advancing this project and forward a written letter to ECO Secretariat.

On September 26, 2023 ECO Secretariat forwarded to FAOSTAT replies of the Statistical Agency of Tajikistan to specific questions of FAOSTAT.

14. Necessary Actions and Assistance Needed:

Elaboration of further steps in collaboration with FAO

15. Expected outcomes:

The core project deliverables are:

1. Field survey design and field data collection (if in-situ data is not available or not of adequate quality)
2. Library of crop signatures
3. Deployment of EOSTAT Crop mapper tool, free and available online
4. Production of crop maps and crop statistics (acreage) for the most recent year (depending on availability of in situ data)
5. Dedicated training delivered to the identified technical staff in the National Statistical Office and relevant line ministries
6. Methodological guidelines and user manual

1. Project Title:	<u>“Kazakhstan’s trade and economic potential in the markets of the ECO countries in the new geo-economic realities”</u>
2. Project Objective(s):	comprehensive analysis of the trade and economic potential of Kazakhstan within the framework of ECO markets

3. Project Budget (US\$):	USD10000 (ten thousand US dollars)
4. Project Funding Source:	Feasibility and General Purpose Fund (FGPF), ECO Secretariat
5. Coordinating Country/Organization:	ECO Secretariat and Economic Research Institute (ERI), Ministry of National Economy, Republic of Kazakhstan
6. Duration of Project (Months):	3 months
7. Project Starting Time (M/Y):	-
8. Project Progress Ratio (%):	-
9. Expected Project Completion Time (M/Y):	-
10. Project Budget Released (%):	-
11. <u>Background:</u> <p>The main idea of the project is to conduct a comprehensive analysis of the trade and economic potential of Kazakhstan within the framework of ECO markets. It is supposed to: analyze the export policy of Kazakhstan, explore opportunities for diversification and growth, as well as identify new areas of development. An analysis of logistics routes and competitive global markets will be carried out. Practical proposals and recommendations will be developed for the formation and development of Kazakhstan's trade policy and activation of its involvement in the global value chain system, and, accordingly, increasing the competitiveness of the economy within ECO members.</p> <p>In the context of a rapidly changing world order, the question of the need for economic diagnostics and the realization of domestic trade and economic potential within the framework of the diversification of world markets are acute and actual. In this regard, the republic faces tasks and challenges in the field of geo-economic</p>	

and geopolitical processes aimed at creating new global production links and entering competing world markets.

The aim of the project is to identify the main challenges in the new geo-economic realities for Kazakhstan, identify key factors of future growth and directions for increasing the trade potential of the state in cooperation with ECO members. In addition, it is necessary to mitigate the problem of the economy's dependence on the export of raw materials, reorientation of markets and sales structures by working out options for integrating Kazakhstan into global production chains, considering the geoeconomic advantages of Kazakhstan as a member of ECO.

12. Current Status:

Although this project is mainly related to the Economic Research it also has relation to statistics, since there will be figures as regards the possible benefit of Kazakhstan from close interaction with other ECO Member States.

The Project proposal was received from the Economic Research Institute of the Ministry of National Economy of the Republic of Kazakhstan and it was circulated among the Member States with Note Verbale No: ERS/2022/1637, dated 30.11.2022. The 33rd Meeting of the Regional Planning Council (RPC) held on 16-19 January 2023 (paragraph 8, I-Sector, ECO Work Programme 2023) welcomed a new economic research project proposal of the Republic of Kazakhstan titled “Kazakhstan’s trade and economic potential in the markets of the ECO countries in the new geo-economic realities” as a pilot project in a vision to be exemplary to other member states highlighting a need for economic research analyses and macroeconomic economic policy support.

In order to ensure greater transparency it was proposed to finance the project from the Feasibility and General Purpose Fund (FGPF) and seek for this the consent of the Council of Permanent Representatives (CPR). The matter was discussed at CPR’s 275th meeting (May 3, 2023), 276th Meeting (June 7, 2023) and 278th Meeting (July 31, 2023).

After comprehensive deliberations 278th meeting of CPR agreed to the financing of the project from FGPF and put the issue into a two week silence procedure.

At the end of the said two week period no Member State objected the decision of CPR and it was decided as approved (reference: ECO Secretariat's NV No.1191 from 14.08.2023).

On October 15, 2023 Secretariat with its NV No.1640 forwarded to the Embassy of Kazakhstan signed copies of ToR for hiring a consultant and Contract for implementation of the project.

13. Necessary Actions and Assistance Needed:

Signing of a contract by ECO Secretariat and Specialist

14. Expected outcomes:

The core project deliverables are:

1. Analysis of the trade and economic policy of the Republic of Kazakhstan with the ECO countries;
2. Analysis of cooperation relations and investments of the Republic of Kazakhstan with ECO countries;
3. Output 3: Identification of potential opportunities for cooperation between ECO countries, drawing up recommendations.

PROJECT TITLE:	Transformation of ECO Economic Journal
Project Location	Baku, Azerbaijan
Project Category	Service fee
Project Duration	Annual publication (2022-2023)

Implementing agent(s)/ entity(entities) and key partners	The Economic Scientific Research Institute of the Ministry of Economy of the Republic of Azerbaijan (The ESRI) and key partner – The ECO Research Centre (ERC)
2. Project Objective(s):	Establishment of ECO Economic Journal as part of ECO Research Centre and launch of its regular functions
3. Project Budget (US\$):	USD50000 (fifty thousand US dollars)
4. Project Funding Source:	Various sources, including ECO Trade and Development Bank (ETDB)
5. Coordinating Country/Organization:	ECO Secretariat and Economic Scientific Research Institute of the Ministry of Economy of the Republic of Azerbaijan (The ESRI) and key partner – The ECO Research Centre (ERC)
6. Duration of Project (Months):	-
7. Project Starting Time (M/Y):	-
8. Project Progress Ratio (%):	-
9. Expected Project Completion Time (M/Y):	-
10. Project Budget Released (%):	40% (ETDB has decided to allocated USD20000 for the project)
11. <u>Background:</u> ECO member states possess geostrategic, natural-climatic advantages with common borders comprising in total around 6 percent of world population, and 5.33 percent of total territory. Nonetheless, ECO member states have promising human potential, natural resources, including oil and gas and hydro capacity, arable land, a plenty of picturesque nature, transport and transit infrastructure.	

A long-term and optimal utilization of the aforementioned resources and economic capacity could play a particular role in resolving socio-economic problems of the region while providing impulse to both a rapid development, and a further expansion of existing economic relations of the member states.

This is exactly the reason why it is so important to carry out joint research on socio-economic issues and disseminate the findings among public in the region and worldwide. This kind of research also could help member states to mitigate negative impact of the world economic crises caused by spread of pandemic, wars and military conflicts.

In this respect, there is a growing demand for publication of ECO Economic Journal that would meet the highest academic standards.

12. Current Status:

On **August 31, 2022 6th meeting of the Editorial Board of the ECO Economic Journal (EBEEJ)** was held. Project Proposal of the ECO Economic Journal for USD50000 was presented by Mr Natig Madatov, Senior Researcher, Economic Scientific Research Institute (ESRI), Ministry of Economy, Azerbaijan. After intensive deliberations the proposed project proposal titled “ECO Economic Journal” was approved (*reference*: Report of the 6th meeting of the Editorial Board of the ECO Economic Journal, agenda item 5, paragraph 23, distributed with ECO Secretariat’s NV: ERS/EBEEJ/ 6th Meeting/ 2022/1238, dated September 8, 2022).

At the 33rd Meeting of the Regional Planning Council held on January 16-19, 2023 the Council requested the Secretariat to **consider the financing** of the ECO Economic Journal, which needs USD50000 (fifty thousand US dollars), aimed at transforming it into internationally recognized, widely disseminated and reputable publication among academic, scientific and policy oriented publications.

The Tashkent Communique adopted at the 26th Meeting of the ECO Council of Foreign Ministers (COM) held on January 24, 2023 expressed support to “the continuation of activities aimed at transforming the ECO Economic Journal borne by the Chief Editor’s office into an internationally recognized, widely disseminated and reputable publication” and called on the Secretariat “to **accelerate the procedure for financing** of the project proposal for the new concept of the journal”.

After the talks of the ECO Secretariat with the ECO Trade and Development Bank (ETDB) the board of the latter decided to allocate USD 20000 to the launch of the Journal (reference: note verbale of ETDB from August 29, 2023, NO: PO-018-2023-253).

On September 20, 2023 the ECO Secretariat with its note verbale No.1469 informed ECO Trade and Development Bank (ETDB) that it gives its consent to the transfer of ETDB technical assistance commitment directly to the Economic Scientific Research Institute (ESRI) of the Ministry of Economy of the Republic of Azerbaijan.

On November 27, 2023 the 282nd meeting of the Council of Permanent Representatives (CPR) of ECO endorsed the proposal of the ECO Secretariat to allocate from the Feasibility and General Purpose Fund (FGPF) USD5000 (five thousand US dollars) to the transformation of EEJ.

13. Necessary Actions and Assistance Needed:

Necessary steps for channelling the allocated funds

14. Expected outcomes:

The core project deliverables are:

1. Project team is selected and clear responsibilities are given;
2. ToR for Editorial Board prepared and approved;
3. Guidelines and requirements for the Journal are prepared and approved;
4. Articles are selected, edited and proofread;
5. Anti-plagiarism software is purchased and installed;
6. Domain and hosting are purchased;
7. ISSN and DOI code for Journal is purchased;
8. ECO Economic Journal is prepared and published;
9. Journal is distributed among readers and subscribers;
10. Online platform/portal for Journal is developed