CAREC Integrated Trade
Agenda 2030 and
Rolling Strategic Action Plan
2018-2020 –
Role of the Private Sector

9<sup>th</sup> Annual Meeting of CAREC Federation of Carriers and Freight Forwarders (CFCFA) Ashgabat, Turkmenistan 4 September 2018



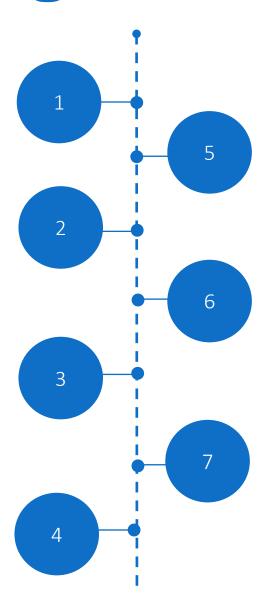
### **Global and Regional Context**

Recent pick-up in global and regional trade and uncertainty in future trade

Rise of Global Value Chains and increased trade in intermediate goods

Expansion of services trade remains challenging in the course of economic diversification in the region

Growing importance of e-commerce (incl. for remote areas)



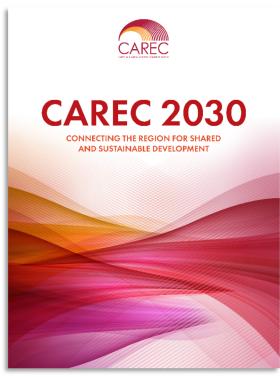
Surge of protectionist sentiments in various parts of the world

Non-tariff barriers (NTBs) continue to hamper trade expansion in the region

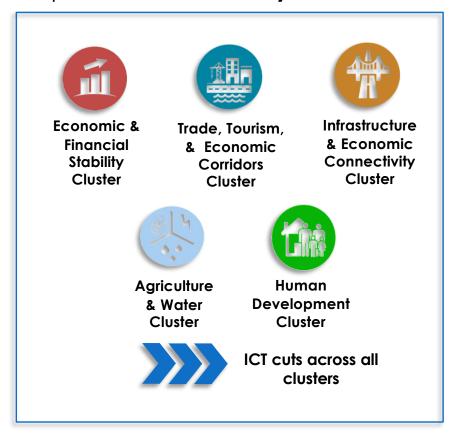
Continuous efforts of CAREC countries to integrate into the multilateral trading system

### **CAREC Strategy 2030**

- Connecting the region for shared and sustainable development
- Aligning with national strategies and supporting SDGs and COP21\*



Expanding operational priorities selectively



### **CAREC Integrated Trade Agenda 2030**

### CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY

TRADE EXPANSION FROM INCREASED MARKET ACCESS

### **FREER TRADE**

- Key tariff liberalized
- Non-tariff barriers eliminated
- Other trade distorting measures

### **LOWER TRADE COSTS**

- Efficient procedures at the border and behind the border
- Improved logistics services
- Enhanced transit system

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### GREATER DIVERSIFICATION

### **ADEQUATE FINANCING**

- Improved access to trade finance
- Consistent and open FDI policies
- Developed domestic financial markets

### LINKAGES WITH GLOBAL & REGIONAL VALUE CHAINS

- Skills supply & demand matched
- Adoptability to innovation measures
- Developed business development and support services

STRONGER INSTITUTIONS FOR TRADE

### COORDINATED SECTORAL POLICIES AND PRIORITIES

- Collaborative policy formulation and implementation
- Aligned national and regional planning
- Regulatory convergence in the region

### **EVIDENCE-BASED POLICY- MAKING & NEGOTIATIONS**

- Improved data collection and crosscountry analysis
- Enhanced policy analysis and negotiation skills
- Increased think tank and private sector participation

**INVESTMENT PROJECTS** 

POLICY DIALOGUE
AND COOPERATION

KNOWLEDGE PRODUCT
AND SERVICES



### Trade expansion from increased market access

- Support for WTO
   accession and post accession
   commitments
- Reduction of non-tariff barriers and alignment with international standards including modernizing SPS systems or quality infrastructure
- Impact analysis of bilateral and/or regional FTAs



Implementation of WTO agreements on TBT, SPS and TFA



 Restraint from trade distorting measures and responding to emerging global agenda

### **Greater diversification**

- Growth of trade in services and development of key services sector
- Facilitation of movement of people, collaboration towards skills upgrading and labor market information
- Investment promotion and facilitation, crossborder finance and effective schemes to meet financing demands

- SMEs access to trade and supply chain finance and credit insurance
- Industrial and business development including special/border zones,
   economic corridors and industrial parks
- E-commerce and promotion of digital trade



### Stronger institutions for trade

- Establishment or strengthening of National Committees on Trade Facilitation or similar mechanisms
- Promotion of regulatory convergence and collaborative policy implementation
- Development of online trade portal for information and best practices exchange

- Capacity building on negotiation skills and policy analysis for trade officials
- Improved coordination with other regional arrangements, crosslearning and strengthened CAREC Institute
  - Enhanced publicprivate sector dialogue and participation

### **Institutional Structure**

**Development Partners** (e.g., WTO, WCO, etc.)

organizational support **CAREC Secretariat Fechnical &** 

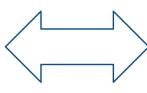
### **CAREC Ministerial Conference**

### **Senior Officials' Meeting / National Focal Points**

### **Regional Trade Group**

- Overarching trade issues
- National composition: NCTF equivalent
- Participation: ARC+
- Country leadership

**Enhanced** Coordination



### **Customs** Cooperation **Committee**

Customsrelated issues

Knowledge Support

**CAREC Institute** 

(e.g. CFCFA, etc. **Private Sector** 

SPS working group

Other experts groups

Other specific trade areas

### **An Open and Inclusive Platform**

### **Regional Trade Group**

### Scope and function

- Policy dialogue and strategy formulation (CITA/RSAP)
- Project pipeline development, implementation & monitoring
- Institutional strengthening & stakeholders coordination

### Membership

- Appointed Representative of Country
- contact points and agency list

### Meetings and support

- Regular meetings (annual and technical meetings)
- Agenda-driven and issues-based
- Chairperson appointed by Host Country (rotation)
- CAREC Secretariat, ADB and other DPs support

### **Role of the Private Sector**

- Private sector's integral role in trade facilitation esp. the CFCFA is well-recognized
- CITA aims to strengthen dialogue mechanisms and private sector engagement, to identify and address issues and challenges faced by the private sector in expanding trade
- CAREC will also explore the possibility of establishing CAREC Chamber of Commerce and Industries to serve as a regional businessto-business platform

## 1. Increased Market Access

### **Rolling Strategic Action Plan**

**RSAP 2018-2020** 

### **Investment Projects including Scoping Studies**

- Regional improvement of border services (RIBS) projects with customs automation in KGZ-TAJ, MON & PAK (ongoing) and AZE, GEO, UZB (planned)
- 2. National Single Window (PAK)
- 3. Pilot **joint customs control** (JCC) including e-manifests (PRC-MON)
- 4. Establishment of new border crossing point (**BCP**) with JCC (AZE-GEO)
- Regional upgrade of SPS for Trade (RUST) projects in MON; scoping for KGZ; border SPS needs and cold chain in PAK & AFG; laboratory capacity in AZE, TAJ & UZB
- 6. CAREC Advanced Transit System (CATS) including information common exchange (ICE) pilot implementation in AZE-GEO-KAZ

### Policy Dialogue and Cooperation

- 1. Development of regional/subregional animal and pest surveillance systems
- 2. Potential mutual recognition of SPS certificates or accreditation
- Facilitated visa arrangements or special permits for traders and truck drivers, labor migrants or temporary movement of people
- 4. Information-sharing on **transit schemes** (CATS, QTTA, NCTS) to promote implementation
- Customs-private sector dialogue on standards developed by private sector (CFCFA)
- 6. Technical barriers to trade (**TBT**) regulatory mapping including on conformity assessment procedures

### **Knowledge-Product**and Services

- Implementation of Common Agenda for Modernization of SPS Measures for Trade (CAST)
- Support for WTO accession and implementation
- **3. WTO TFA** implementation including inter-subregional forum
- 4. Best practices seminar on paperless trading or e-certification
- 5. Case study and best practices FTAs
- 6. Study on border trade development
- 7. CAREC Corridor Performance Measurement and Monitoring (CPMM)

### **Rolling Strategic Action Plan**

**RSAP 2018-2020** 

### **Investment Projects including Scoping Studies**

### Feasibility studies on special zones (UZB, PAK) or cross-border economic zones in PRC (IMAR)-MON, KAZ PRC(XUAR)-MON Fetablishment of logistics centers in

- 2. Establishment of **logistics centers** in KAZ, MON (ongoing) and UZB (planned)
- 3. Awareness and access to trade and supply chain **finance**, guarantees and expansion of PPP operations

### **Policy Dialogue** and Cooperation

- 1. Investment **forum** on agriculture, tourism & technology
- 2. Strategic planning or **roadmaps** for CITA implementation
- 3. Explore possible sectoral or industrial clusters between CAREC countries

### **Knowledge-Product**and Services

- Research on developing trade in services (finance, health, education, transport and tourism)
- Workshops or field visits on economic corridor development, cross-border cooperation centers
- 3. Case study on value-chain development
- 4. Seminar on regulatory framework / best practices on **e-commerce** and innovation (Industry 4.0)

### 3. Stronger Institutions for trade

**Diversification** 

2. Greater

- ICT establishment of one-stop shop/online trade policy, best practices and data portal for CAREC countries
- Support for establishment of WCO accredited training centers (scoping for PAK)
- Establishment of SPS working groups to implement CAST and develop national SPS strategies
- Enhanced implementation of WTO TFA (freedom of transit, AEOs, border management strategy and customs cooperation)
- 1. Capacity building for **NCTFs** including through training or advisory support
- 2. Trainings on SPS regulations and international standards (CAST)
- Trainings on data collection, policy analysis and negotiations
- Improved research capacity and coordination of national think-tanks and CAREC Institute

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# Thank you!

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