



Central Asia Regional Economic Cooperation Program

Reference Document for the TPCC Meeting

USAID Trade Related Activities in the CAREC Region

22nd Trade Policy Coordinating Committee Meeting
16 June 2015
Bangkok, Thailand

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- **A-five-year \$16 million USAID Macroeconomic Project (MEP), October 2011 – September 2016.** Aims to assist the Government of **Kazakhstan** and **Turkmenistan** to diversify its economy and promote more inclusive and broad-based growth through macroeconomic stability, enhanced competitiveness, effective trade policies and expanded private sector participation. The project supports the Government of **Turkmenistan** in three broad areas - Public financial management, Private sector development and Trade policies. The project supports the Government of **Kazakhstan** in two broad areas - regulation and business environment; and trade policy.
- **A-five-year \$9.3 million Regional Economic Cooperation Project (REC), October 2011 – September 2016.** Facilitates trade among Central Asian countries, **Afghanistan**, as well as large trading partners of these countries. Through capacity building initiatives and gender integration strategies, REC expands firms' export potential, while building business network connections in the region. REC also works towards improving Central Asian countries' pro-trade policies and procedures, increasing transport corridor performance, supporting **Tajikistan's** post WTO accession activities, and strengthening the capacity of trade promotion agencies. USAID's REC Project undertakes a range of trade facilitation activities within its six components:
 - Strengthening Export Partnership Groups (EPG) and encouraging the creation of new EPGs. REC continues to build and reinforce EPGs and cultivates new groups so that participating firms increase their exports.
 - Evaluating the export potential of **Kazakhstani** and **Uzbekistan** firms and industries through market research. REC provides technical assistance to exporters from **Kazakhstan** and **Uzbekistan** through market research. REC addresses export capacity shortcomings, identifies formal and informal barriers to trade, and proposes solutions.
 - Testing barriers to export along the export chain through selected pilots.
 - Supporting Women's Economic Symposium (WES) follow-on activities. Through its grant activities REC will continue its support for building the capacity of and linkages between women in Central Asia and between Central Asia and South Asia.
 - Support **Tajikistan's** post WTO accession activities. REC helps **Tajikistan** to further develop and fully implement WTO related legislation, fulfil commitments taken during the accession process, thus promoting trade liberalization and improving business environment.
 - Helping Central Asian countries implement pro-trade policies, regulations and processes. REC will continue to consult with regional stakeholders to identify the chief obstacles to transport corridor performance improvement and organize training and roundtables to mitigate them.
- **A- four-year \$77.8 million dollar activity, The Afghanistan Trade and Revenue Project (ATAR), August 2013 – August 2017.** Supports **Afghanistan's** accession to the World Trade Organization (WTO), increases **Afghanistan's** international trade, and provides the government with support to improve its ability to generate revenue to replace donor assistance. ATAR support Afghanistan by 1) improving the capacity of

the Government of the Islamic Republic of **Afghanistan** (GIROA) to formulate and implement a liberal policy framework for trade and investment in accordance with international standards, including WTO accession, 2) supporting bilateral and multi-lateral agreements with the Central Asian Republics, **Pakistan** and India, including support for implementation of harmonized tariffs, simplified border crossing procedures, and private sector linkages, and 3) supporting the improvement in customs revenue collection capacity, including the implementation of electronic payments.

- **A five-year \$15 million activity, PREIA, August 2015 (tentative) – July 2020.** Aims to increase access to international markets in order to enhance **Pakistan's** regional economic integration with its neighbours. By strengthening public and private sector capacities to effectively implement trade policy reform and by improving trade promotion and facilitation, PREIA aims to improve the bilateral and international trade environment, resulting in increased trade and transit volumes. The new project has four planned focus areas – (1) improving the GOPs ability to develop and implement reforms to policies which affect trade; (2) strengthening public and private sector engagement in trade policy-making and its reform; (3) improving regional trade and transit facilitation by **Pakistan** Customs; and (4) improving regional business to business linkages. It is expected that PREIA will begin implementation by August 2015.
- **\$900,000 Commercial Law Development Program (CLDP), June 2014 – TBD.** The U.S. Department of Commerce supports semi-annual meetings of the **Afghanistan**-Central Asia Working Groups on Customs, Standards, and Sanitary and Phytosanitary (SPS) Measures. The meetings aim to bring together expert-level officials from **Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan** with expertise relevant to each Working Group. The Working Groups meet to develop capacity and establish and utilize a platform for cooperation and communication. The goals of the Working Groups include a reduction in non-tariff barriers to trade and an increase regional trade and investment flows. CLDP is working to gradually transfer the responsibility for running the Working Groups to the participants. CLDP will endeavour to provide standing advisors to the Working Groups to assist in developing viable recommendations that can then be communicated within the participants' countries, in multi-lateral forums such as the U.S.-Central Asia Trade and Investment Framework Agreement (TIFA) Ministerial meeting, and to other development initiatives working in the region.