

# **CAREC Trade Policy: Progress Report, Post-2017 Agenda, and Issues for Consideration**

CAREC Senior Officials' Meeting  
Tbilisi, Georgia  
June 20-21, 2017

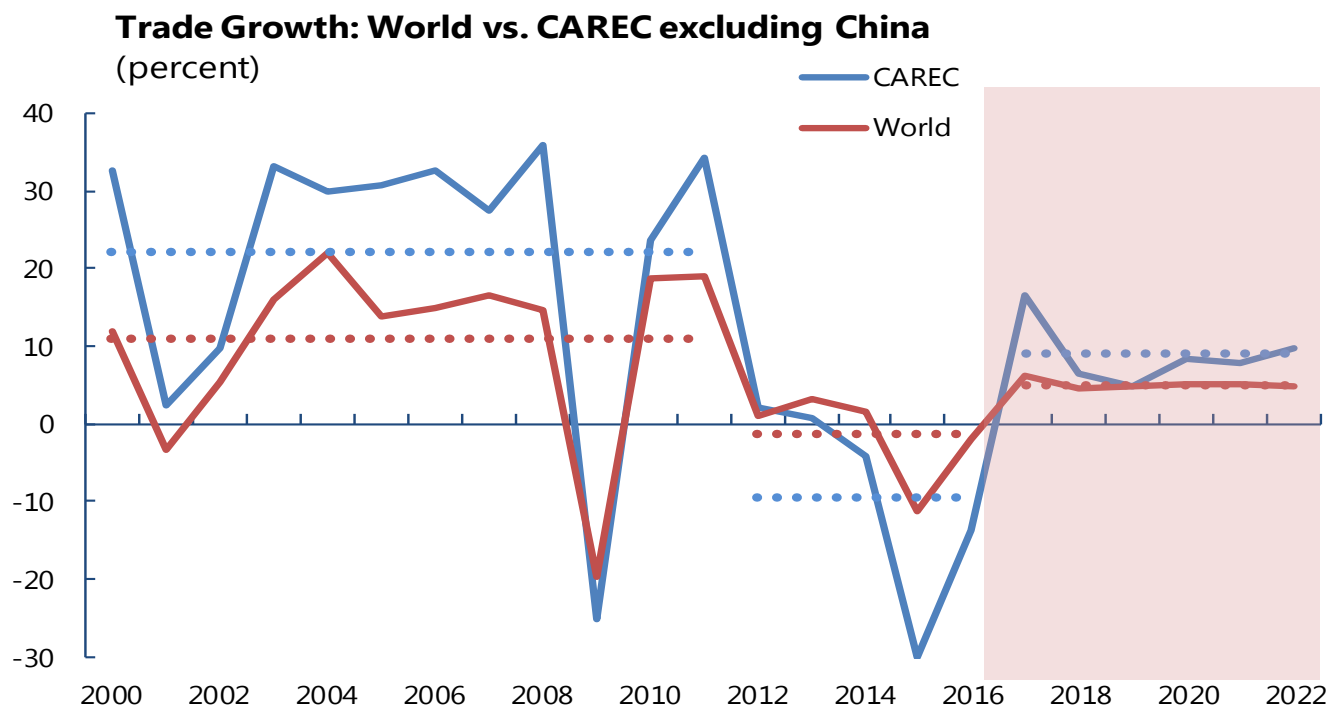


# Highlights from 24<sup>th</sup> TPCC Meeting

- Global trade trends: What's happening?
- Stocktaking on measures: Where are we?
- Knowledge sharing: What's new?
- Looking ahead: What's next?

# Global Trade Trends: What's Happening?

- Global and CAREC trade growth have slowed substantially and are expected to remain slow over the medium term

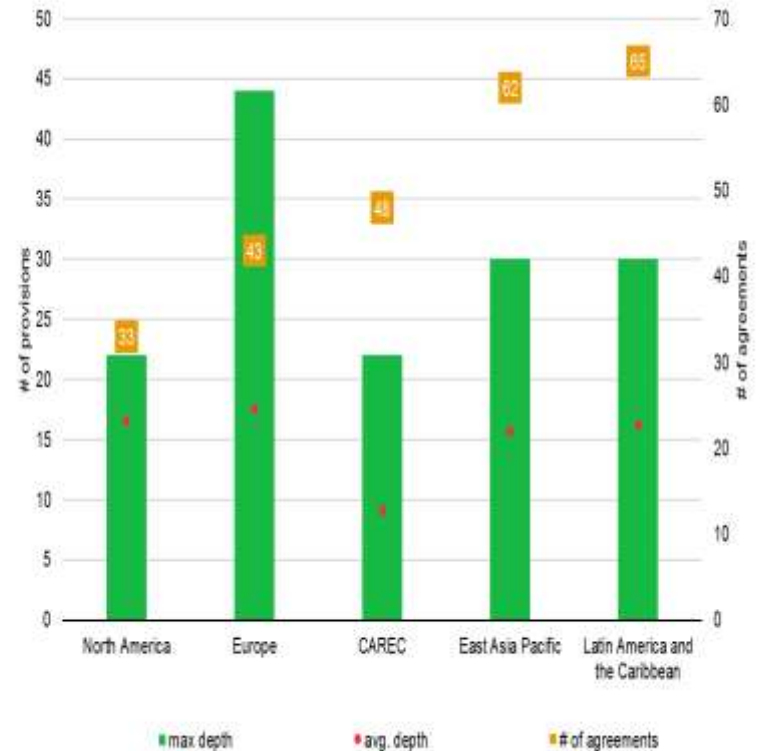
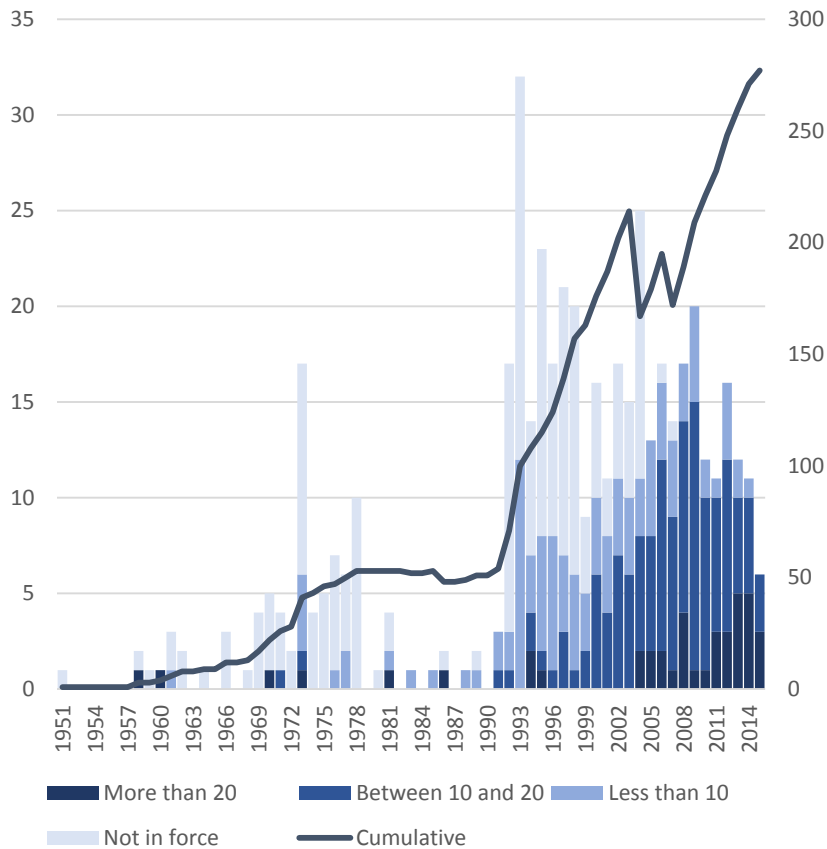


- WTO focused on trade facilitation

# Global Trade Trends: What's Happening?

Growing number of "deep" preferential trade agreements (PTAs)

CAREC PTAs tend to be "shallow"



# Stocktaking on Measures: Where are We?

## Trade Measures to Be Implemented by end-2015

<b>Measures: Due by end-2015</b>	<b>AFG</b>	<b>AZE</b>	<b>CHN</b>	<b>KAZ</b>	<b>KGZ</b>	<b>MNG</b>	<b>PAK</b>	<b>TJK</b>	<b>TKM</b>	<b>UZB</b>
#1: Adopt legislation compliant with the SPS and TBT agreements	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#2: Prepare a SPS strategy and action plan to guide the gradual transition to WTO compliant systems	Not completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Not completed
#3: Begin reviewing the existing and new regulations by NJCs	Not yet submitted	Not completed	Completed	Not completed	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#4: Start producing annual report of NJCs in 2015	Not yet submitted	Completed	Completed	Not completed	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#5: Complete national studies to assess key bottlenecks to expansion of trade in services	Not completed	Not completed	Completed	Not completed	Completed	Not completed	Completed	Not completed	Not yet submitted	Not completed
#6: Confirm whether a bilateral agreement has been put in place for temporary labor movement	Not yet submitted	Not completed	Completed	Not applicable	Completed	Not completed	Not completed	Completed	Not yet submitted	Completed
#7: Prepare annual report on regulatory improvements for trade in services	Not completed	Not completed	Completed	Not completed	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#8: Participate in the ADB' TA program for modernization of SPS measures	Completed	Completed	Completed	Not applicable	Completed	Completed	Not applicable	Not completed	Not applicable	Completed



Completed  
 Not applicable



Not completed  
 Not yet submitted

# Stocktaking on Measures: Where are We?

## Trade Measures to Be Implemented by end-2016

<b>Measures: Due by end-2016</b>	<b>AFG</b>	<b>AZE</b>	<b>CHN</b>	<b>KAZ</b>	<b>KGZ</b>	<b>MNG</b>	<b>PAK</b>	<b>TJK</b>	<b>TKM</b>	<b>UZB</b>
#1: Encourage key regulatory changes based on national studies for expanding cross-border trade in services	Not yet submitted	Not completed	Completed	Not completed	Completed	Not yet submitted	Not completed	Not yet submitted	Not yet submitted	Not completed
#2: Develop mutual recognition agreement for professional qualifications in the context of bilateral labor agreements	Not yet submitted	Not yet submitted	Completed	Not applicable	Completed	Not yet submitted	Not yet submitted	Completed	Not yet submitted	Not completed
#3: Review the existing and new regulations on trade in services by NJCs	Not yet submitted	Not yet submitted	Completed	Not completed	Not completed	Not yet submitted	Not completed	Not yet submitted	Not yet submitted	Not completed

 Completed  
 Not applicable

 Not completed  
 Not yet submitted

# Stocktaking: Where are We?

## Main Themes

### Achievements

- Afghanistan, Kazakhstan, and Tajikistan joined WTO
- Almost all countries reported setting up NJC secretariats
- Commitments on tariffs, SPS, and TBT largely met
- Knowledge sharing commitments generally met

### Challenges

- But Azerbaijan, Turkmenistan, and Uzbekistan not yet WTO members
- But most commitments related to outputs by NJCs not met
- But commitments related to trade in services largely not met
- But commitments requiring bilateral agreements on labor movements largely not met

# Knowledge Sharing: What's New?

- Presentation on changes in export quality in CAREC countries since 2000 (IMF)
- Presentation on deep preferential trade agreements: Trends and opportunities for CAREC countries (WB)
- Presentation on proposed concept: Regional Trade Credit and Investment Guarantee Agency (ADB)
- WTO-Trade Facilitation Agreement in CAREC countries: Preliminary assessment (ADB)



# Looking Ahead: What's Next?

## Menu Choices

- Continue with “common or set menu” approach, i.e. continue to establish the same trade policy commitments for all members
- Or shift to “à la carte menu” approach, i.e. members can pick and choose trade policy commitments from a given menu

## Post-2017 Menu

1. Keep/extend present trade policy commitments
2. Integrate trade policy and trade facilitation under CAREC
3. Narrow focus toward trade in services
4. Narrow focus toward capacity building
5. Broaden focus toward areas beyond WTO core areas

# Looking Ahead: What's Next?

## Outcome of TPCC Discussion for Post-2017 Agenda

- ✓ Fully supported the new CAREC strategy
- ✓ Possible Trade Vision: Establishment of a CAREC Regional Trade Agreement. Need to conduct an ex-ante impact assessment.
- ✓ 2018 will be a transition year to complete the unfinished measures in the current TPSAP
- ✓ Priority areas going forward: (i) non-tariff barriers, including SPS and TBT, (ii) trade in services, including e-commerce, and (iii) implementation of and alignment with WTO-TFA
- ✓ Possible merging of trade facilitation and trade policy to be a single trade group for addressing trade issues in a coordinated and comprehensive manner
- ✓ Consolidated feedback by countries to be provided by early July