

Free Trade Agreements in CAREC countries: highlights of the regional TA

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CAREC TRADE WEEK

Enhancing Cooperation in Digital Trade

21-30 SEPTEMBER 2021



Background

- CAREC countries have expressed keen interest to pursue FTAs.
- The coronavirus disease (COVID-19) pandemic has further highlighted the necessity of regional cooperation.
- ADB approved a regional knowledge and support technical assistance for Strengthening Knowledge and Capacities for the Design and Implementation of Free Trade Agreements Involving CAREC Countries on 31 August 2020.
- TA duration – by September 2023.
- TA budget - \$1,200,000.

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Scope and Objectives

IMPACTS

- Global and regional trade and investment opportunities expanded
- Integration of CAREC countries in the regional and global economies enhanced

OUTCOME

- CAREC countries' capacities for designing, negotiating, implementing, and monitoring of FTAs improved

OUTPUTS

- Evidence-based policy recommendations generated, and action plans developed
- Capacity of CAREC member countries to design, negotiate, implement, and monitor FTAs improved
- Roadmap for a CAREC FTA developed

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Key TA activities and deliverables (March – September 2021)

March 2021 - the team of highly qualified researchers has been engaged.



Dr. Jayant Menon

FTA Expert/
Trade
Economist and
Team Leader



Dr. Richard Pomfret

CAREC
Regional
FTA Expert



Dr. David Roland-Holst

Global
Computable
General
Equilibrium
(CGE) Model
Expert

March-April 2021 - a survey to design activities that are relevant to CAREC countries' needs has been conducted.

19 May 2021 - Inception Workshop.

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Key TA activities and deliverables (March – September 2021)

June 2021 - The international consulting firm Policy and Management Consulting Group (PMCG) with the policy research experts has been engaged to assist in the implementation of the capacity building component.



**Mikheil
Janelidze**

Team Leader,
Trade and
Investment /
Capacity
Building Expert



**Simon
Lacey**

Trade
Economist /
Capacity
Development
Specialist



**Shumon
Khalid**

International
Trade
Economist



**Dr. Meruert
Makhmutova**

Local Trade
Economist

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Key TA activities and deliverables (March – September 2021)

7 September 2021 - Country Consultation Workshop.

September 2021 - a focused Capacity Needs Assessment (CNA) with the purpose to assess the current institutional (macro-level) and the individual (micro-level) trade-policy capacities was launched.

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Summary and key findings from Inception and Country Consultation meetings

The following key issues have been identified:

- Differing levels of ambition across CAREC countries, a reflection of the regional diversity;
- The issue of reconciling EAEU membership with participation in a CAREC-wide FTA. This issue highlights the importance of moving away from preferential tariffs and focusing instead on rules affecting trade by concentrating on the priority areas;
- Some common ground in relation to priority areas and sectoral focus, that would be key in moving forward with a regional FTA.

Priority areas for capacity building activities

Based on the initial assessments conducted during the inception mission the capacity building activities will be directed on priority areas such as:

- Trade in goods, including RoO, TBT, SPS, TR, CTF;
- Trade in services, including financial services, ICT, services, transport services and professional services;
- E-commerce and digitalization;
- Trade-related aspects of intellectual property rights.
- Competition policy, Investment, Public procurement, SMEs.

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Next steps

1. The report will be finalized by the end of year
2. A dissemination workshop in Q1 2022
3. Capacity building methodology and Work Plan
4. FTA Capacity Needs Assessment in CAREC countries
5. CAREC FTA guidelines
6. Country specific Action plans (3)
7. National workshops (6) and a regional event
8. Targeted capacity development activities (4)

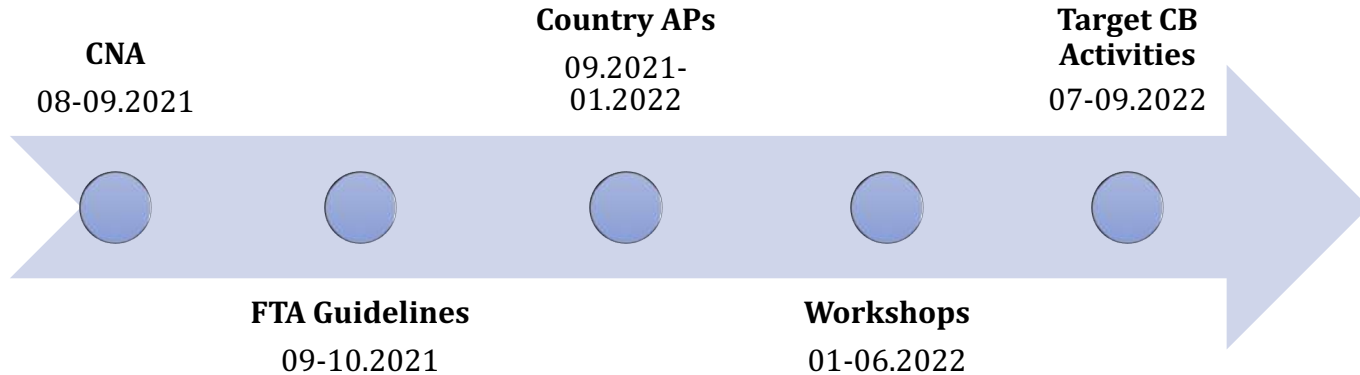
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The proposed workplan on capacity building activities



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Thank you !

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