

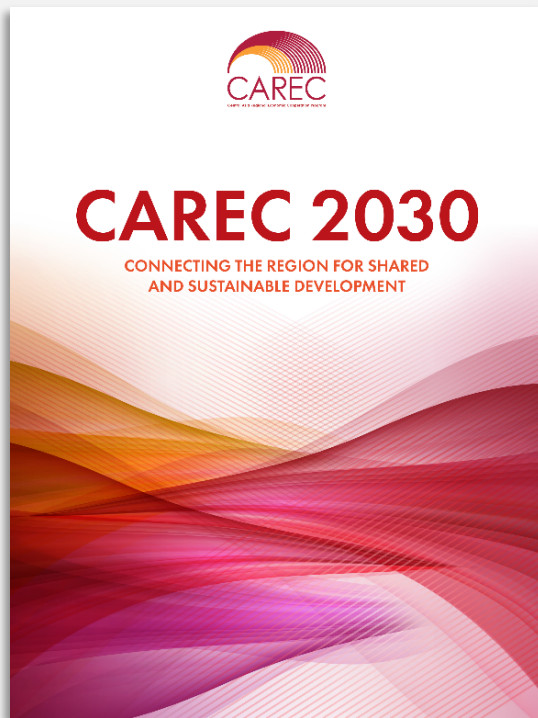
# **CAREC Integrated Trade Agenda 2030:** Highlights of Consultations and Updates on Formulation

Inaugural Meeting of the RTG  
25-26 June 2018, Bangkok

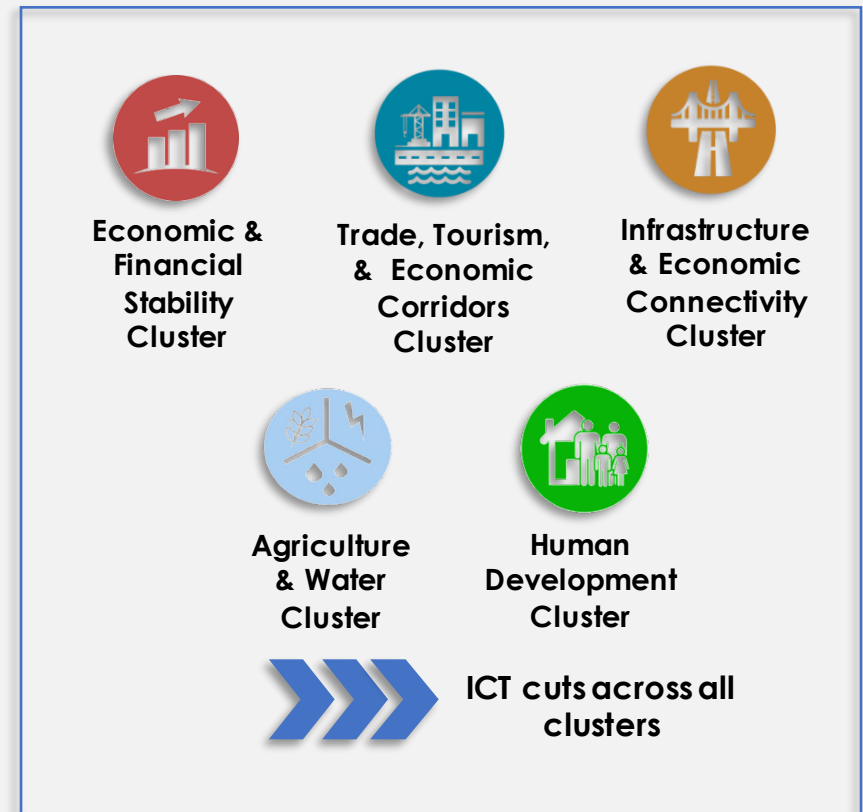


# CAREC Strategy 2030

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

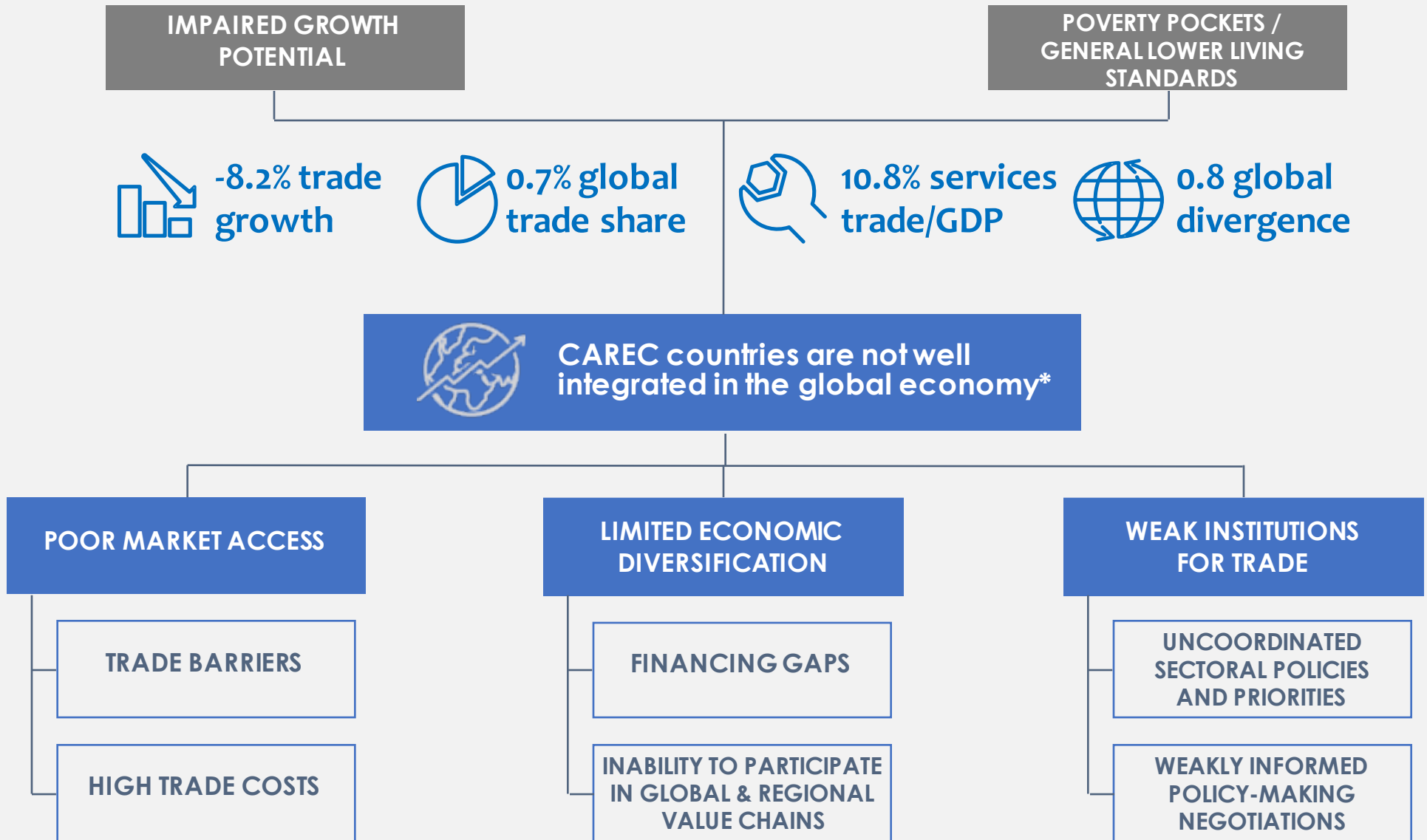


- **Expanding** operational priorities **selectively**



\*2030 Agenda for Sustainable Development and 21<sup>st</sup> Conference of the Parties to the United Framework Convention on Climate Change

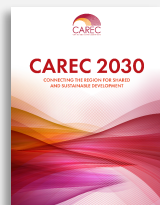
# Rationale



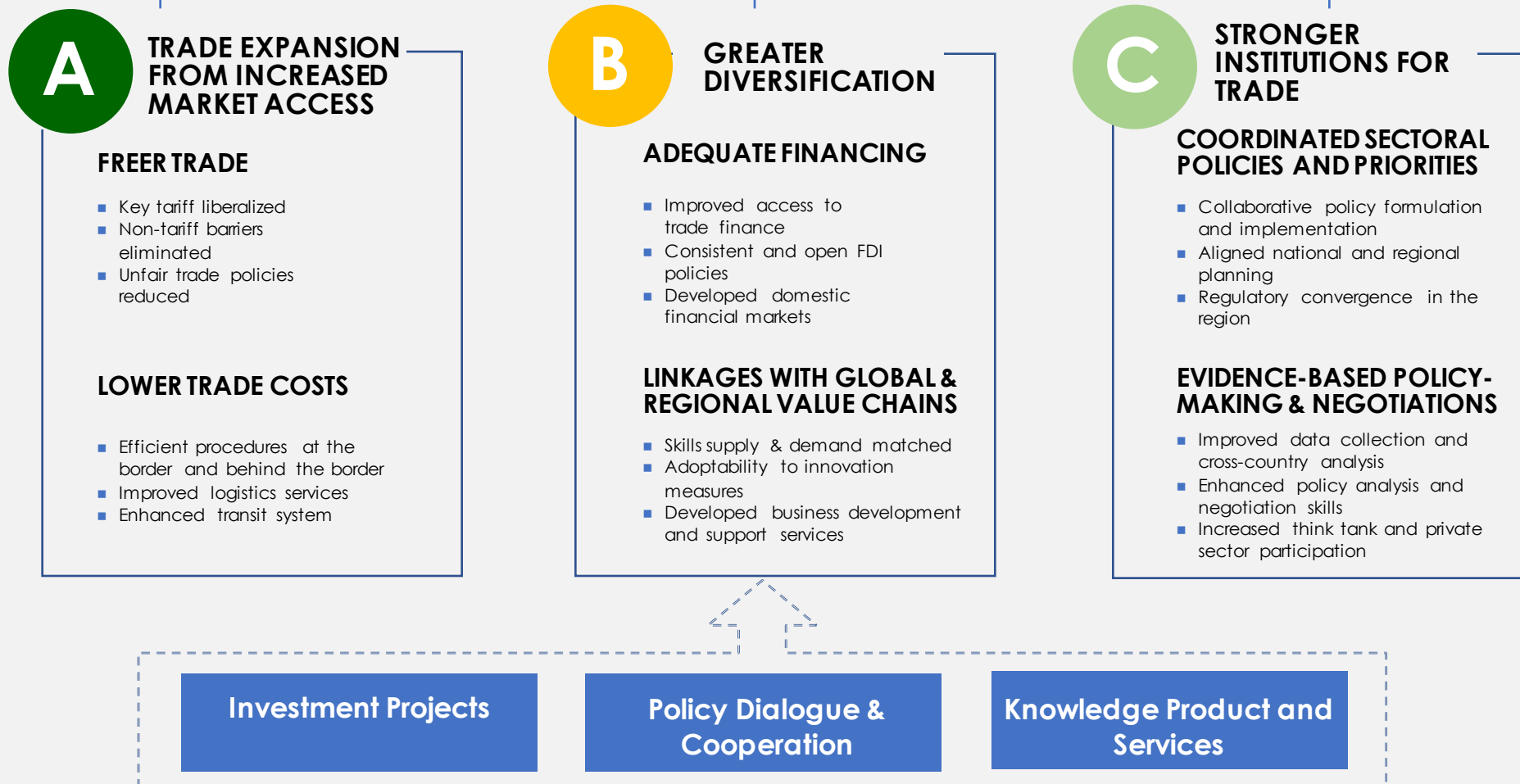
\* Data excludes PRC.

# CAREC Integrated Trade Agenda 2030


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## CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY

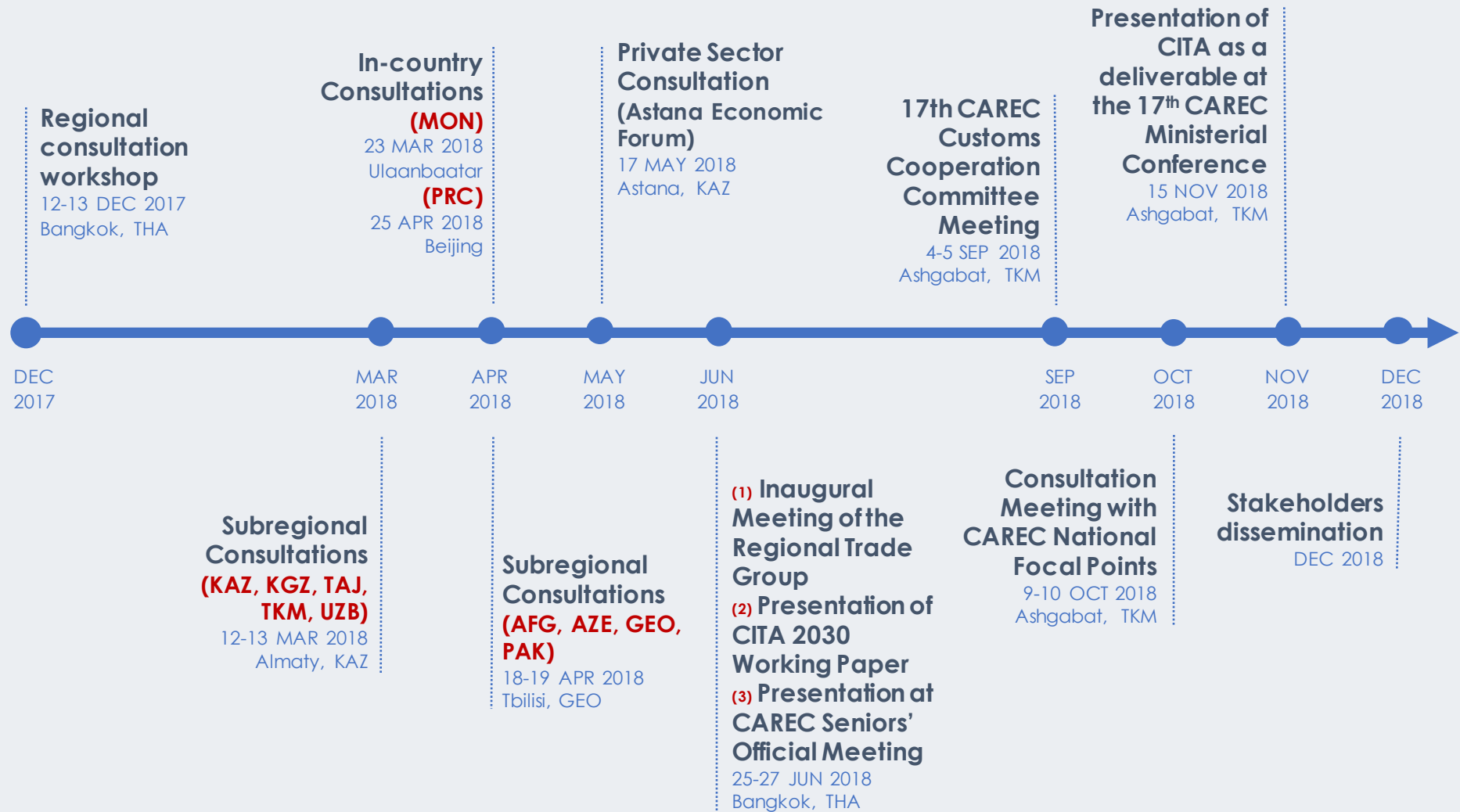


# CITA 2030: Timeline

 **CITA Consultation Paper (Feb 2018)**

 **CITA Working Paper (May 2018)**

 **CITA Review Paper (Oct 2018)**



# Highlights from consultations

- Broad scope of trade issues discussed
  - an ambitious agenda – needs prioritization, reflect reality, consistency with economy-wide reforms
  - how can non-WTO members benefit
  - structural reforms; industrial policy vis-à-vis import substitution
  - impact of FTAs and readiness of countries to engage in comprehensive or region-wide agreement
  - how to better coordinate with Eurasian Economic Union
  - how to create synergy with Belt and Road Initiative
  - how to create value-chain linkages with European and Asian markets
  - how to improve trade in services, encourage cross-border services trade or cooperation
  - issues on temporary movement of people and visa-related concerns

# Highlights from consultations

- General affirmation that CITA 2030 is relevant, responsive, comprehensive and aligned with national strategies of CAREC members
- Concrete project proposals and activities identified under Rolling Strategic Action Plan (RSAP) 2018-2020
- Emphasis on regional cooperation and role of private sector engagement
- Strong cross-sectoral linkages



# Pillar 1: Trade expansion from increased market access

- WTO accession and post-accession support
- WTO agreements on SPS, TBT and TFA with:
  - regulatory alignment with international SPS standards (CAST)
  - modernization of SPS (RUST project) & quality infrastructure
  - deepened customs cooperation and best practices (RKC, SAFE, RIBS project, transit CATS/QTTA, joint customs control)
- streamlined documentary requirements and procedures
  - towards mutual recognition, information exchange and ICT (NSW)
- analysis of impact of bilateral/regional FTAs
- addressing non-tariff barriers, uneven tax treatment and restrain from protectionist tendencies
- maintaining relevance with emerging WTO agenda
  - investment facilitation and MSMEs (Buenos Aires MC)



## Pillar 2: Greater diversification

- SME access to finance and trade insurance
  - ADB's TFP and SCFP, Proposed TCIGA
- Cross-border financial services and investment promotion and facilitation
- Effective financing model schemes (PPP schemes, start-ups)
- Trade in services and movement of people
  - policy work to develop key services sectors
  - facilitated visa regime (e.g., APEC business travel card or tourism clusters)
  - special permits for traders, truck drivers, migrant workers
  - regional collaboration, mutual recognition and upgrading of skills
- Enabling e-commerce initiative and digital trade
- Industrial and business development
  - sectoral clusters development, 4<sup>th</sup> Industrial Revolution (Industry 4.0)
  - cross-border economic zones, industrial parks or economic corridors
  - business promotion, trade missions, SME export and supply chain linkage

## Pillar 3: Stronger institutions for trade

- knowledge hub/online portal on trade statistics, regulations and policy developments, economic cooperation centers and contact points
- establishment or strengthening of National Committee on Trade Facilitation (NCTF) or similar mechanisms
- capacity building for officials (trade analysis, negotiations skills)
- trade and development strategies or roadmaps
- high-level fora (best practices and regulatory convergence)
- private sector dialogues and role (e.g., AEO scheme)
- leverage on regional arrangements and coordination with development partner programs; inter-subregional sharing of experience (ASEAN, GMS, EAEU)
- cross-learning and strengthened role of CAREC Institute

# Implementation approach

- **Pragmatic** – considering varying levels of capacities and progress among countries
- **Flexible** – allowing 2 or more countries (2+x) to initiate and implement regional projects (e.g., pilot projects)
- **Phased** and **incremental** through a three-year Rolling Strategic Action Plan (RSAP)
  - prioritizing targets and actions that are **s**pecific, **m**easurable, **a**chievable, **r**ealistic and **t**imely (SMART)
  - maintain relevance, updated annually

# Rolling Strategic Action Plan

RSAP 2018-2020

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|                         | Investment Projects including Scoping Studies   | Policy Dialogue and Cooperation  | Knowledge-Product and Services  |
|-------------------------|---|--|---|
| Increased Market Access | <ol style="list-style-type: none"> <li>1. Regional improvement of border services (RIBS) projects in KGZ, MON, PAK &amp; TAJ with components of national and/or cross-border Single Window systems</li> <li>2. Joint facility or RIBS project at AZE-GEO red bridge BCP</li> <li>3. Pilot joint customs control (JCC) including e-manifests (PRC-MON) and data exchange (GEO-AZE, PRC-KAZ)</li> <li>4. Regional upgrade of SPS for Trade (RUST) projects in MON; RUST scoping for KGZ; and border SPS needs assessment in PAK &amp; AFG</li> <li>5. CAREC Advanced Transit System (CATS) pilot implementation in AZE, GEO, KAZ</li> </ol> | <ol style="list-style-type: none"> <li>1. Potential mutual recognition of SPS certificates or accreditation</li> <li>2. Facilitated visa arrangements or special permits for traders and truck drivers, labor migrants</li> <li>3. Information-sharing on transit schemes (CATS, QTTA)</li> <li>4. Customs-private sector dialogue on standards developed by private sector transport and logistics operators (CFCFA)</li> </ol> | <ol style="list-style-type: none"> <li>1. Short paper on promoting BCPs to facilitate regional transport</li> <li>2. Technical support for WTO accession and experience-sharing by new members</li> <li>3. Support for WTO TFA implementation including forum</li> <li>4. Best practices seminar on paperless trading or e-certification</li> <li>5. Case study on FTA engagements (e.g., ASEAN/EU model) and model/template FTA for CAREC countries</li> <li>6. Research on developing trade in services (financial, health, education, transport and tourism) and movement of people</li> <li>7. Continuing collection of results management tools such as CAREC Corridor Performance Measurement and Monitoring</li> </ol> |

# Rolling Strategic Action Plan

RSAP 2018-2020

|                                 | Investment Projects including Scoping Studies   | Policy Dialogue and Cooperation   | Knowledge-Product and Services  |
|---------------------------------|---|---|---|
| Greater Diversification         | <ol style="list-style-type: none"> <li>1. Feasibility studies on free trade zones (UZB, PAK) or cross-border economic zones in PRC (IMAR)-MON, KAZ-PRC (XUAR)-MON</li> <li>2. Establishment of logistics centers in KAZ, MON and UZB</li> <li>3. E-commerce incubation in PRC</li> <li>4. Trade finance, guarantees and PPPs expansion</li> </ol> | <ol style="list-style-type: none"> <li>1. Investment forum on agriculture, tourism &amp; technology</li> <li>2. Information-sharing on strategic planning or roadmaps</li> <li>3. Identification of possible sectoral clusters between CAREC countries</li> </ol>   | <ol style="list-style-type: none"> <li>1. Experience-sharing through workshop or field visits on economic corridor development, cross-border cooperation centers</li> <li>2. Seminar on regulatory framework / best practices on e-commerce and innovation (Industry 4.0)</li> <li>3. Case study on benefits of industrial policy; phased liberalization approach</li> </ol>  |
| Stronger institutions for trade | <ol style="list-style-type: none"> <li>1. ICT - establishment of one-stop shop/online trade policy, best practices, and data portal for CAREC countries (subsite in CAREC website)</li> </ol>   | <ol style="list-style-type: none"> <li>1. Establishment of SPS working groups to implement Common Agenda for Modernization of SPS Measures for Trade (CAST)</li> <li>2. Relevant agenda for NCTFs through national-level consultations or country-specific needs assessment</li> <li>3. Support for TKM to be a WTO observer</li> </ol> | <ol style="list-style-type: none"> <li>1. Capacity building for NCTFs including through training or advisory support</li> <li>2. Training of trainers on SPS regulations and international standards on plant/animal health and food safety</li> <li>3. Trainings on data collection, policy analysis and negotiations</li> <li>4. Engagement of research institutions in collaboration with CAREC Institute</li> </ol> |

# Next steps

- Incorporate comments from the RTG Meeting, including refinements and clarification of terminologies
- Further stakeholders consultations, as required
- Finalization of the Results Framework
- Presentations to SOM, CCC and NFP Meetings
- Submission of the CITA Review Paper for endorsement at CAREC MC in November 2018



*planning or ongoing work for 2018 activities, early discussions and coordination of support, and communications plan*

# Thank you.

## **Dorothea Lazaro**

Regional Cooperation Specialist  
Public Management, Financial Sector  
and Regional Cooperation Division  
East Asia Department  
Asian Development Bank

