



2nd CAREC Digital Trade Forum: Advancing Digital Solutions and Deepening Regional Cooperation for Trade

ADB

17 April 2024, Astana

## Background

Digital trade and e-commerce continue to grow beyond their uptake during the coronavirus disease (COVID-19) pandemic. They have provided vast opportunities for tapping new markets, especially for small and medium-sized enterprises (SMEs), but progress across Central Asia Regional Economic Cooperation (CAREC) countries has been uneven. As countries endeavour to develop e-commerce and digital ecosystems, it is opportune to accelerate the adoption of international conventions, model laws and common standards, as well as address the gaps in infrastructure and services. Regional cooperation can help CAREC countries address shared challenges and, in turn, promote inclusive e-commerce, develop services and data infrastructure, expand digital connectivity, and accelerate digital trade.

The CAREC <u>Digital Trade Forum</u> launched in November 2022 is a knowledge platform that aims to promote the use of digital solutions and strengthen regional cooperation to enhance supply chain connectivity and expand trade, as part of the broader <u>CAREC Integrated Trade Agenda</u> (<u>CITA) 2030</u>. It serves as a cross-learning network of policy makers, regulators, trade promotion agencies, private sector, development partners, think tanks, and other key stakeholders to share effective policies and practices to harness digital trade. This aligns with <u>CAREC 2030</u>'s aspiration to strengthen CAREC's role as a catalyst for trade expansion and economic diversification through the integration of information and communication technology (ICT) across CAREC operations, as well as the <u>CAREC Digital Strategy 2030</u>, which seeks to create an interconnected digital ecosystem that will fuel digital transformation and support the seamless flow of data across the region. Digital trade will also be part of climate action for sustainable growth, in support of the recently endorsed <u>CAREC Climate Change Vision</u>.

The Second CAREC Digital Trade Forum will discuss progress made thus far and lessons from pilot projects on digital trade solutions; policy instruments and regional mechanisms for crossborder data transfer; infrastructure investments to expand digital connectivity, including data infrastructure and digital payment systems; and digital public infrastructure.

**Target Participants**: The Forum will bring together representatives of CAREC member countries from government, business and global leaders, development institutions working in the region on various aspects of trade digitalization and digital ecosystem development.

DRAFT AGENDA 17 April 2024, Astana		
09:30 - 10:00	Registration and Networking	
10:00 - 10:10	Opening Session and Setting the Scene	
	<b>Kairat Balykbayev</b> , Vice Minister, Ministry of Trade and Integration (MTI), Kazakhstan	
	<b>Lyaziza Sabyrova</b> , Regional Head, Regional Cooperation and Integration of Central and West Asia Department (CWRD), Asian Development Bank (ADB)	
10:10 – 10:30	Group Photo and Coffee Break	
10:30 – 12:00	Session 1: Enabling Policy Environment, Regional Mechanisms, and Systems for Cross-Border Data Flows	
	<b>Moderator: Jong Woo Kang</b> , Director, Regional Cooperation and Integration Division, Economic Research and Development Impact Department, ADB	
	Cross-border data flows underpin digital trade, but also raise policy concerns of privacy, competition, cybersecurity, and national security, prompting countries to regulate the movement and storage of data. For digital trade to develop, data governance must balance free data flow with these legitimate concerns. While there is yet no universal set of standards, various frameworks and mechanisms are available, including the UN International Data Governance Pathways to Progress, G-20 principles, OECD Guidelines, World Economic Forum (WEF)'s Data Free Flow with Trust Initiative, APEC Cross-Border Privacy Rules System, ASEAN Digital Data Governance Framework and UNCITRAL Model Laws. Trade and other agreements (e.g., Digital Economy Partnership Agreement (DEPA)), also help reduce data flow frictions.	
	Panelists:	
	<b>Jong Woo Kang</b> , Director, Regional Cooperation and Integration Division, Economic Research and Development Impact Department, ADB ( <i>Rationale, existing frameworks/mechanisms and key data provisions in</i> <i>trade agreements, key principles for CAREC</i> )	
	<b>Luca Castellani</b> , Legal Officer, United Nations Commission on International Trade Law (UNCITRAL) ( <i>Foundational principles for</i> <i>governance of transborder data flows</i> )	
	Junichi Ishii, Data Privacy Subgroup Chair, Asia-Pacific Economic Cooperation (APEC) Digital Economy Steering Group (APEC Cross-Border Privacy Rules System and overview of the APEC Framework for Securing the Digital Economy)	
	<b>Representatives from CAREC countries</b> <b>Chu Yumeng</b> , Deputy Director, Department of International Trade and Economic Cooperation, Ministry of Commerce, the People's Republic of	

	China (PRC) (Regulations on cross-border data flows; Plans regarding MLETR)
	<b>Nurlan Kulbatyrov</b> , First Deputy Chief Executive Officer, the QazTrade Center for Trade Policy Development (Joint-Stock Company), under MTI, Kazakhstan ( <i>Current cross-border digital data exchange; Central Asia Gateway</i> )
	Open Discussion
12:00 – 13:00	Lunch (Asakusa and Riviera Restaurant, 2 <sup>nd</sup> floor)
13:00 – 15:00	Session 2: Infrastructure for Digital Trade
	Moderator: <b>Arndt Husar</b> , Senior Public Management Specialist, Climate Change and Sustainable Development, ADB
	The underlying infrastructure necessary for digital trade is continuously being strengthened in CAREC since the 2022 ADB-CAREC Institute report on <i>E-Commerce in CAREC Countries: Infrastructure Development</i> . These are in the areas of internet exchange points, data centers, and digital payment systems.
	Panelists:
	Internet Exchange Points (IXPs), Data Centers, Cloud Services: Daniel Vertesy, Economist, ICT Data and Analytics Division, International Telecommunications Union (ITU) (Overcoming connectivity barriers at the middle mile)
	<b>Gulnaz Bokuchava</b> , Main Specialist of Communications, Information and Modern Technologies Department, Ministry of Economy and Sustainable Development of Georgia ( <i>Perspective on regional data infrastructure, role in</i> <i>resilience of regional connectivity, and future vision for infrastructure build-</i> <i>out</i> )
	<b>Digital Payments:</b> <b>Anton Zinovyev</b> , Business Enabling Environment Lead for Central Asia and Country Manager for Kazakhstan, United States Agency for International Development (USAID) Future Growth Initiative ( <i>Payments interoperability for</i> <i>digital trade and e-commerce in Central Asia</i> )
	<b>Muhammad Asim Farooq</b> , Director – Head of Digital Payments, Telenor Microfinance Bank, Pakistan ( <i>EasyPaisa cross-border payments using blockchain technology of Alipay</i> )
	Saida Nur, Director for Business Development, Mastercard (Digital Tenge; Digital payment trends in Kazakhstan)
	Open Discussion
15:00 – 15:10	Coffee Break

15:10 - 16:40	Session 3: Use of Emerging Technologies and Digital Public
	Infrastructure
	Moderator: <b>Dorothea Lazaro</b> , Senior Regional Cooperation Specialist, Regional Cooperation and Integration, CWRD, ADB
	Constantly evolving information technology has endless applications in trade. Georgia will use artificial intelligence (AI) in automating its customs procedures for imports and warehousing. Mongolia is testing blockchain technology to process certificates of origin. Public services are increasingly being delivered through digital public infrastructure (DPI), a set of shared digital systems that are secure and interoperable and built on open technologies to deliver equitable access at a societal scale. Encompassing digital identity, payments, and data exchange, DPI is a critical enabler of digital transformation and has huge potential for accelerating the SDGs. Countries are thus encouraged to invest in DPIs.
	Panelists:
	<b>Nino Jincharadze</b> , Revenue Service, Georgia ( <i>Automation and digitalization of Georgia's trade processes using Robotic Process Automation</i> )
	<b>Magnaibaatar Tsendsuren</b> , Deputy Chief Executive Officer, Mongolia National Chamber of Commerce and Industry, Mongolia ( <i>Digital ledger</i> <i>technology or blockchain for e-Certificate of Origin of Mongolia</i> )
	<b>Sung Young Kang</b> , General Manager of International Business and Cooperation, Korea Trade Network (KTNET): ( <i>Regulatory and system</i> <i>harmonization as essential to DPI development; African Economic</i> <i>Community and Mercosur/Southern Common Market cases</i> )
	<b>Yann Duval</b> , Chief of Trade Policy and Facilitation Section, UN Economic and Social Commission for Asia and the Pacific (ESCAP) ( <i>Pathways to a digital future; CAREC readiness for transborder data flows</i> )
	Open Discussion
16:45 – 17:00	Wrap up, Next Steps and Closing
	<b>Kairat Balykbayev</b> , Vice Minister, Ministry of Trade and Integration, Kazakhstan
	<b>Lyaziza Sabyrova</b> , Regional Head, Regional Cooperation and Integration, CWRD, ADB
17:00	Welcome Reception and Networking

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