

# CAREC Integrated Trade Agenda (CITA) 2030

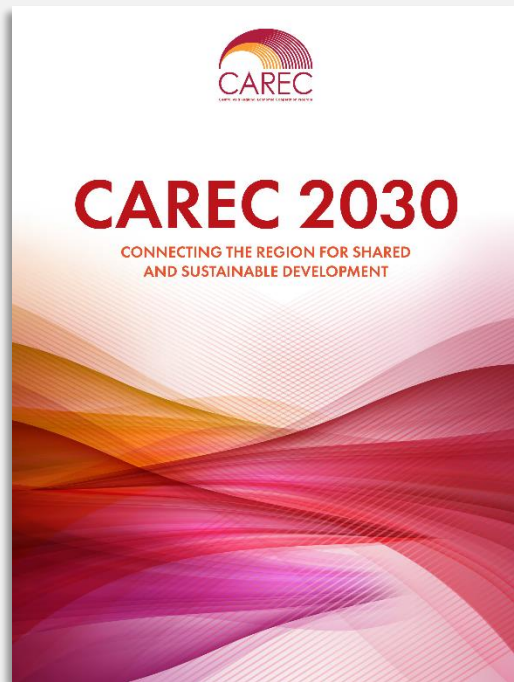
## Stakeholders Consultation Workshop

18-19 April 2018, Tbilisi, Georgia



# 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

## Previous iterations of CAREC trade work

- Transport and Trade Facilitation Strategy 2020
- Trade Policy Strategic Action Plan (2013-2017)
- Common Agenda for Modernization of Sanitary and Phytosanitary (SPS) Measures for Trade

## Identified priorities

- World Trade Organization (WTO) accession and post-accession, Trade Facilitation Agreement (TFA)
- alignment with Revised Kyoto Convention (RKC)
- deepened customs cooperation and integrated trade facilitation
- new opportunities from shifting global and regional trade paradigms (e.g., services, e-commerce, tourism & trade promotion)



Trade, Tourism,  
& Economic  
Corridors  
Cluster

# CAREC 2030 – Cross-sectoral linkages



**Economic &  
Financial  
Stability  
Cluster**

- Trade finance
- Small and medium enterprise financing
- Multilateral trade credit & investment guarantee
- Effective financing models



**Agriculture  
& Water  
Cluster**

- Alignment of SPS measures with international standards
- Product quality and diversity
- Shipment linkages



**Infrastructure  
& Economic  
Connectivity  
Cluster**

- Cross-border private sector investment
- Universal customs guarantee
- Cross-border transport agreements for freight and passengers
- Economic corridors



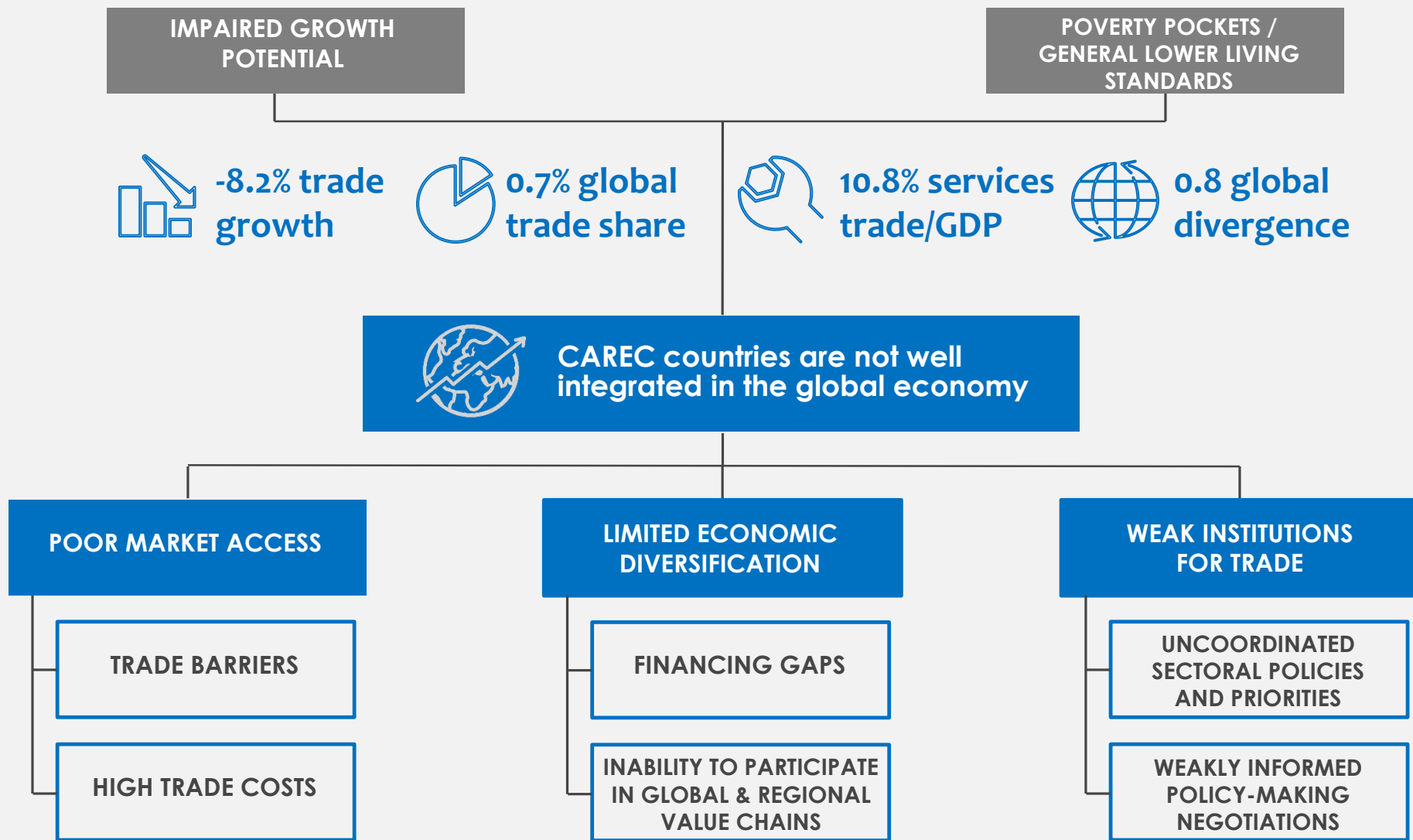
**Human  
Development  
Cluster**

- Regional labor market information, job search and placement services
- Mutual recognition of skills and qualifications



**Information and  
Communications  
Technology  
Cluster**

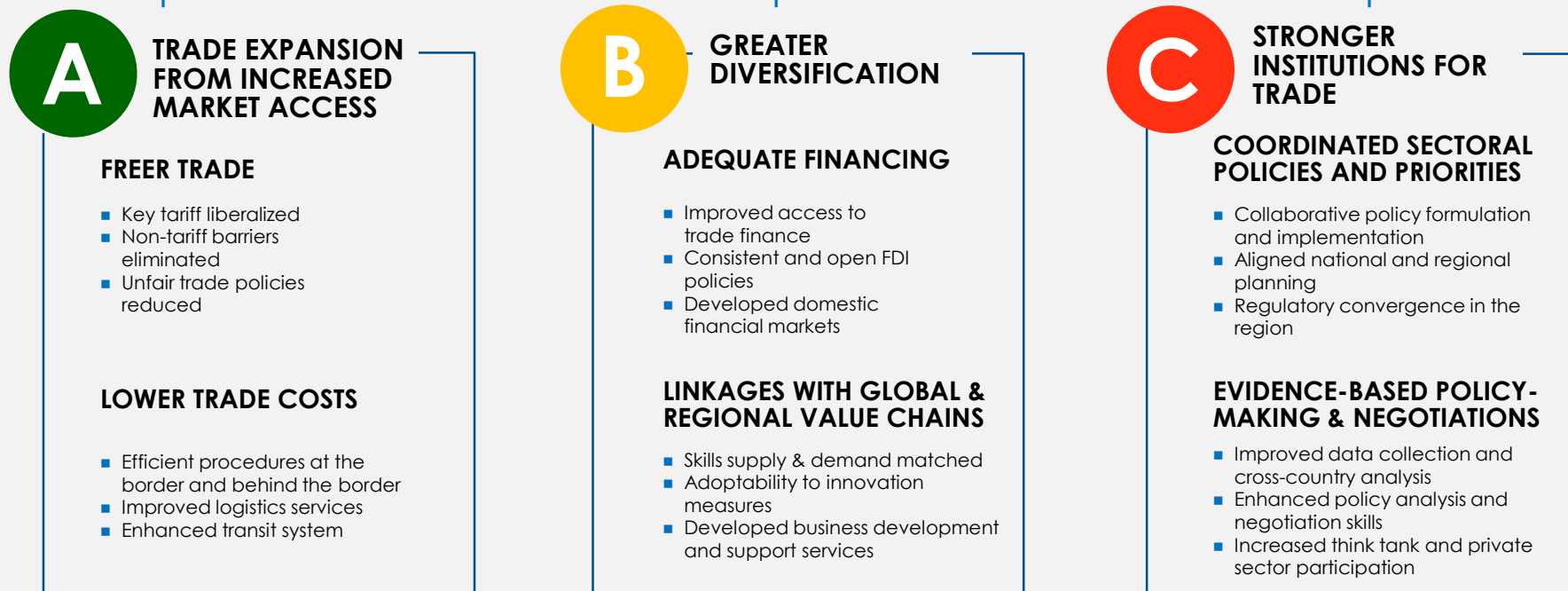
- E-commerce
- Knowledge and technology on goods and services production



\* Data excludes PRC.



## CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY





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## TRADE EXPANSION FROM INCREASED MARKET ACCESS

### Freer trade

- Key tariff liberalized
- Non-tariff barriers eliminated
- Unfair trade policies reduced

### Lower trade costs

- Efficient procedures at the border and behind the border
- Improved logistics services
- Enhanced transit system



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## **B** GREATER DIVERSIFICATION

### **Adequate financing**

- Improved access to trade finance
- Consistent and open FDI policies
- Developed domestic financial markets

### **Linkages with global and regional value chains**

- Skills supply and demand matched
- Adoptability to innovation measures
- Developed business development and support services





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## STRONGER INSTITUTIONS FOR TRADE

### Coordinated sectoral policies and priorities

- Collaborative policy formulation and implementation
- Aligned national and regional planning
- Regulatory convergence in the region

### Evidence-based policy-making and negotiations

- Improved data collection and cross-country analysis
- Enhanced policy analysis and negotiation skills
- Increased think tank and private sector participation



## CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY



Investment Projects

Knowledge Sharing & Capacity Building

Policy Dialogue & Cooperation

Research & Analytical Support

# Institutional structure

- **Regional Trade Group (RTG)** to be established to:
  - deliberate on trade policy and trade facilitation issues in a synergistic manner
  - comprise officials and experts from trade-related agencies
  - develop a trade strategy
  
- **Customs Cooperation Committee** to continue to carry out customs cooperation functions
  
- **Working groups** to be organized in new technical areas such as in sanitary and phytosanitary measures; technical barriers to trade

# Implementation approach

## Issues-based

ownership and cross-learning

## Flexible

2 more more countries

## Collaborative

CAREC Institute, MDBs, CFCFA, BRI and other initiatives

## Incremental

Three-year Rolling Strategic Action Plan (RSAP)

# Rolling Strategic Action Plan

RSAP 2018-2020

## Areas

## Targets/Action Line

**Open trade policies**

**Lower trade costs**

**Enhanced transit**

**Improved access to trade finance**

**Consistent and open FDI policies**

**Developed domestic financial market**

**Skills supply & demand matching**

**Innovation measures**

**Business development support**

**Policy collaboration & alignment**

**Improved data collection**

**Enhanced officials skills**

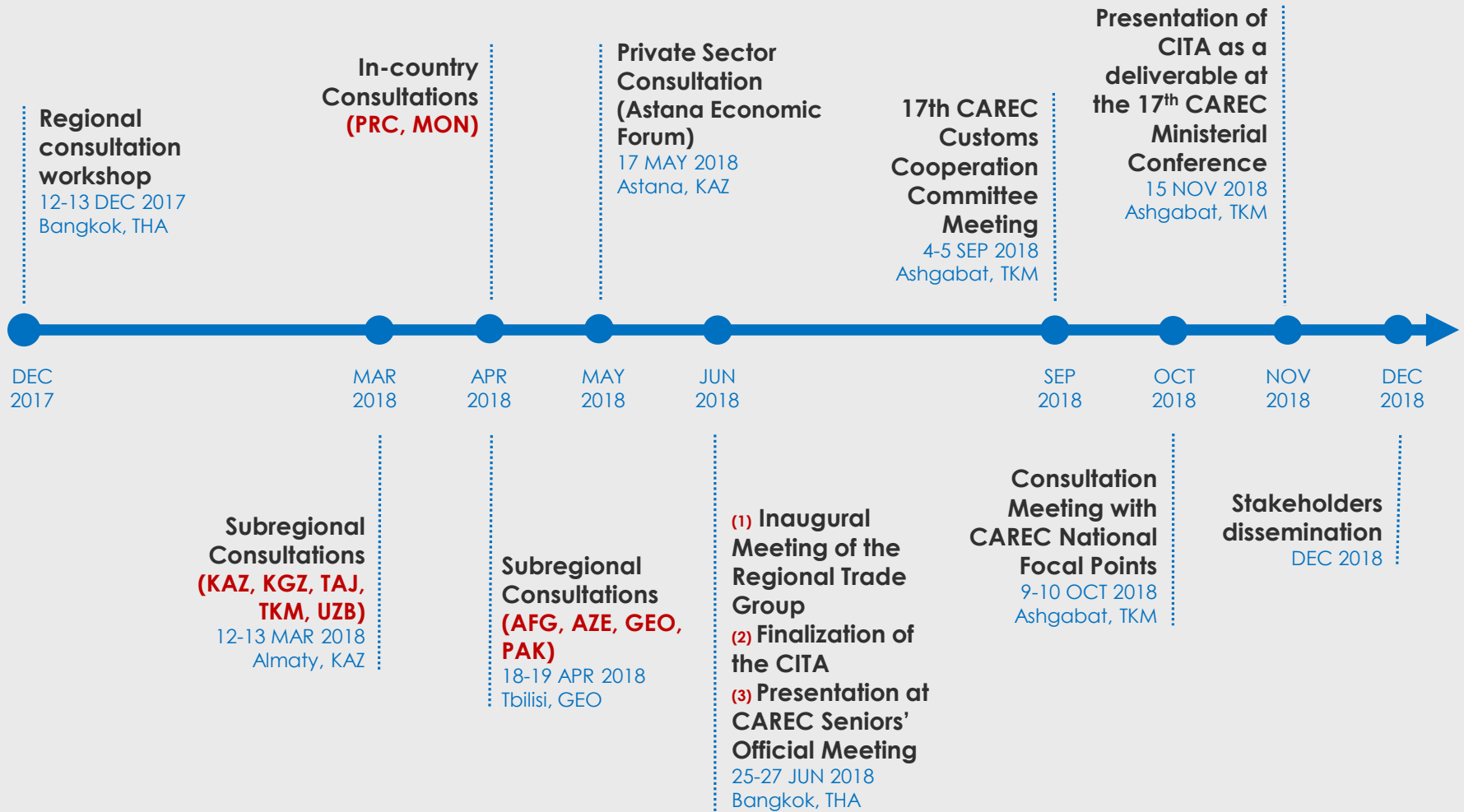
**Increased stakeholders participation**

- Adoption of policy measures
- Compliance with international agreements
- Alignment with international standards
- Institution-building
- Training and capacity-building
- Investment projects in enabling infrastructure
- Experience- and knowledge-sharing and cross-learning mechanisms
- Policy dialogue
- Scoping studies, research and analytical support

# Consultation questions

- Are the overall objectives and scope of the CITA aligned with your countries strategies?
- Are there other priorities or actions or new developments and issues that CAREC program needs to include or consider from your country perspectives?
- How should CAREC position itself as a catalyst for boosting intra-regional and inter-regional trade for the benefit of the member countries?
- Are there other innovative means or good practices that are worth incorporating or replicating for the proposed CITA for CAREC program to deliver more efficiently and effectively?

# Timeline and next steps



# Previous consultation meetings

16



## CAREC Workshop on Trade and Trade Facilitation Reforms—WTO Trade Facilitation Agreement and Consolidated Trade Agenda

12-13 Dec 2017 | Bangkok, Thailand

- Total of 25 participants comprising senior-level representatives from ministries of commerce, economy, finance, trade, agriculture, and foreign affairs of CAREC countries and development partners attended
- Panel experts from WTO, WCO, ADB, CAREC Institute, ESCAP, GIZ, and Korea Customs share knowledge and good practices in the workshop





# Previous consultation meetings



## Stakeholders Consultation Workshop for Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan

12-13 Mar 2018 | Almaty, Kazakhstan

- 21 representatives from government and national research institutions
- International trade experts and development partners (ESCAP, USAID, and GIZ)



## Stakeholders Consultation Workshop for Mongolia

26 Mar 2018 | Ulaanbaatar, Mongolia

- Representatives from 7 Mongolian agencies and 5 development partners (World Bank, UNDP) and civil society

# Highlights from previous consultations

- General affirmation that CITA is relevant, responsive, comprehensive and aligned with national strategies or economic plans
- Trade expansion from increased market access
  - Transparency, trade openness and address non-tariff barriers, issue of double taxation, FTAs
  - Support for WTO accession (observer status), sharing of experience by new members, Trade Policy Review
  - Challenges for non-WTO members, legal support on international trade issues
  - Continued interest in single window interoperability, paperless trade, exchange of information among trade authorities, guidance on joint customs control

# Highlights from previous consultations

- Trade expansion from increased market access
  - Adoption of international standards, mutual recognition and modernization of Quality Infrastructure and SPS facilities
  - Disseminate information on CAREC Advanced Transit System (CATS), possible bilateral transit arrangements and alignment with regional plans
  - Accession to international conventions (e.g., RKC, Istanbul convention, TIR)
  - Interconnection of trade work with real sectors – customs with transport strategy, multilateral logistics standards (3PL, 4PL) and BCP improvements; SPS with agriculture (green corridor); technical standards with industrial development

# Highlights from previous consultations

## ■ Greater diversification

- SME access to finance and trade insurance
- how CITA relates with new initiatives under the WTO – e-commerce, investment facilitation and MSMEs
- Sectoral clusters development
- Trade in services and movement of people (visa regime simplification), tourism clusters
- information and communication technology (ICT)
- cross-border financial transactions
- innovation and industrial development – development of economic zones (including R&D), economic corridors and export diversification (industrial policy vs import substitution)

# Highlights from previous consultations

## ■ Stronger institutions for trade

- Support for development of national strategies, roadmaps (e.g., how to add value-added in products, phased approach to liberalization)
- Strengthen National Committee on Trade Facilitation (NCTF)
- Creation of Regional Trade Group (RTG), permanent contact points
- knowledge hub/online portal on trade statistics, regulations and trade policy developments
- Electronic platform to discuss issues in between meetings
- information on donor support programs in CAREC
- meetings and roundtables with private sector
- leverage regional arrangements/program (e.g., BRI)

**Thank you.**

