

CAREC Integrated Trade Agenda (CITA) 2030

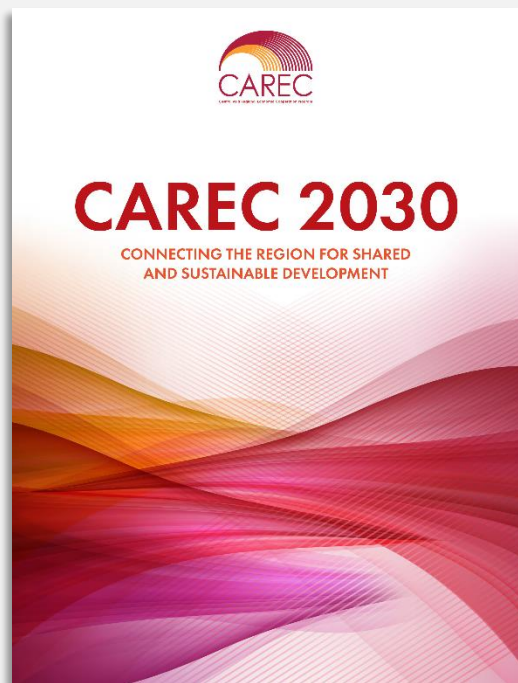
Stakeholders Consultation Workshop

12-13 March 2018, Almaty, Kazakhstan

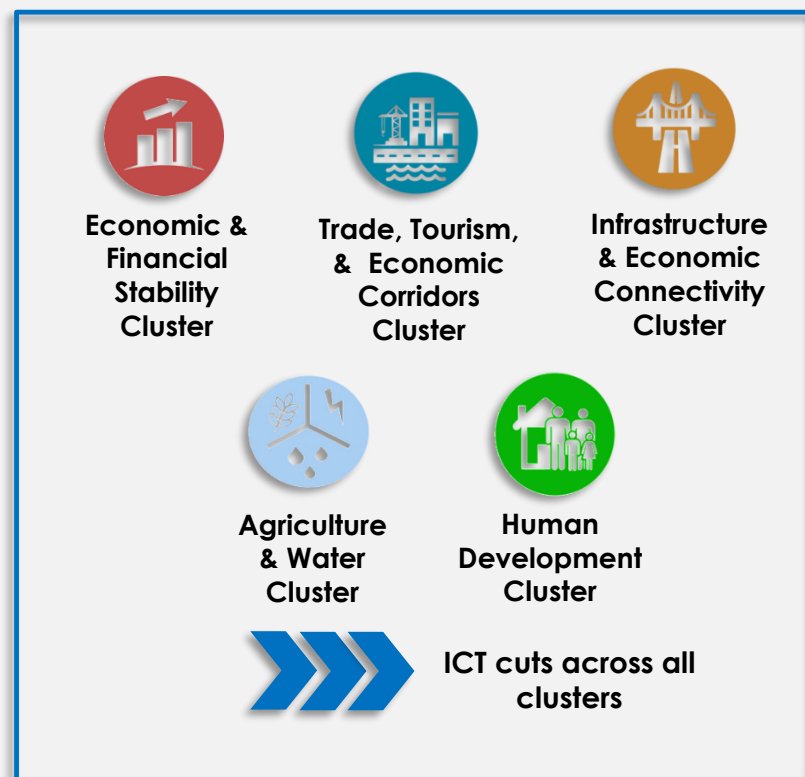


CAREC Strategy 2030

- **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 21st 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
- 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

IMPAIRED GROWTH POTENTIAL

POVERTY POCKETS / GENERAL LOWER LIVING STANDARDS



-8.2% trade growth



0.7% global trade share



10.8% services trade/GDP



0.8 global divergence



CAREC countries are not well integrated in the global economy

POOR MARKET ACCESS

TRADE BARRIERS

HIGH TRADE COSTS

LIMITED ECONOMIC DIVERSIFICATION

FINANCING GAPS

INABILITY TO PARTICIPATE IN GLOBAL & REGIONAL VALUE CHAINS

WEAK INSTITUTIONS FOR TRADE

UNCOORDINATED SECTORAL POLICIES AND PRIORITIES

WEAKLY INFORMED POLICY-MAKING NEGOTIATIONS

* Data excludes PRC.



CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY



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



GREATER DIVERSIFICATION

ADEQUATE FINANCING

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

LINKAGES WITH GLOBAL & REGIONAL VALUE CHAINS

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



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 & NEGOTIATIONS

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



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TRADE EXPANSION FROM INCREASED MARKET ACCESS

Freer trade

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Lower trade costs

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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 Integrated Trade Agenda 2030



CAREC COUNTRIES ARE MORE INTEGRATED IN THE GLOBAL ECONOMY



Investment Projects

Knowledge Sharing & Capacity Building

Policy Dialogue & Cooperation

Research & Analytical Support

- **Regional Trade Group** 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

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

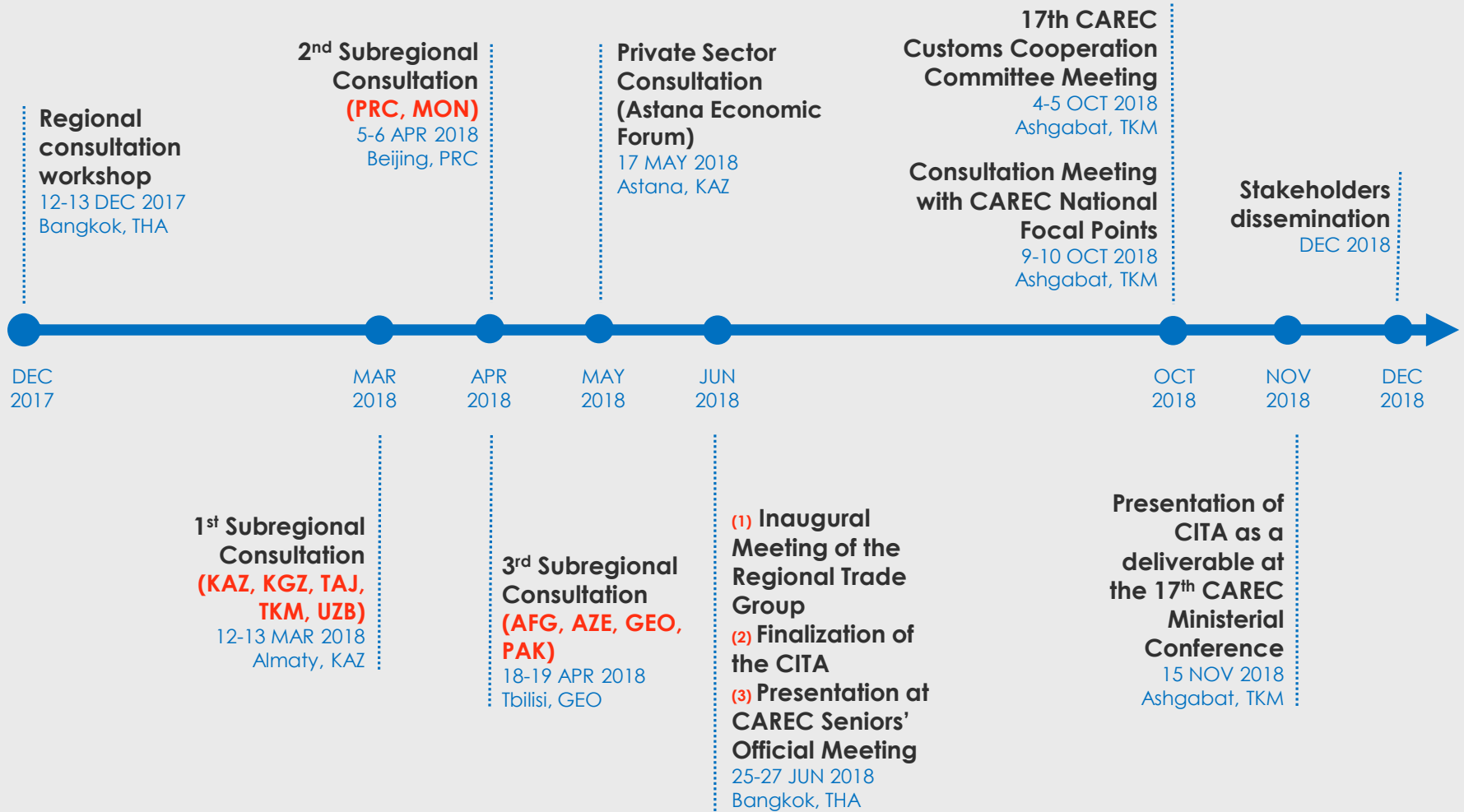
Increased stakeholders participation

- 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



Thank you.

