

CAREC Integrated Trade Agenda 2030

Rolling Strategic Action Plan (RSAP) 2018-2020

Stakeholders Consultation Workshop

18-19 April 2018, Tbilisi, Georgia



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

Implementation approach

- **Pragmatic** – considering varying levels of capacities and progress among countries
- **Flexible** – allowing **2 or more countries** to initiate and implement regional projects (e.g., pilot projects)
- **Phased** and **incremental** – prioritizing targets and actions in the shorter-term
- Maintain **relevance** – updated annually

Some principles for priority-setting

C **Continue and deepen** the existing areas of **core competence** within CAREC, international best practices and innovation;

A **Adopt** and implement the latest **global agenda** relevant to trade including through dialogues and support for the development of enabling policies;

R **Reach out** to related existing and emerging sectoral, cross-sectoral, and broader policy areas where trade plays **key roles** and where there is cross- and inter-subregional linkages;

E **Evaluate** results objectively and consistently to strengthen program implementation while maintaining flexibility and adaptability;

C **Crush institutional silos** for seamless exchange of information and **create synergy** and strengthen partnership with relevant stakeholders, specialized agencies and development partners

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RSAP 2018-2020

- specific, **m**easurable, **a**chievable, **r**ealistic and **t**imely (SMART)
- A **monitoring framework** will be developed:
 - policy matrix to measure the progress in reforms
 - results-oriented approach with numerical targets/baselines used selectively in investment projects
 - progress reported regularly to Ministerial Conference through SOM and NFPs

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RSAP 2018-2020

6

TRADE EXPANSION FROM INCREASED MARKET ACCESS

Output

Targets/Action Items

Open trade policies

- Support for WTO post-accession (AZE), experience-sharing by new members (KAZ/KGZ), trade policy review exercise, drafting of anti-dumping and trade-related legislations (TAJ)
- WTO accession – application as an observer/roadmap for accession (TKM, UZB), consolidation of regulations on non-tariff regulations (UZB)
- Alignment of SPS regulations with international standards; accreditation
- Establish operational information exchange (e-portal on tariff and NTMs)(KGZ)
- Analysis on the benefits of trade liberalization (import substitution vis-à-vis industrial policy, FTAs, phased liberalization approach) (TAJ), tax regime reforms to enhance competitiveness (TKM)

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RSAP 2018-2020

7

TRADE EXPANSION FROM INCREASED MARKET ACCESS

Output

Targets/Action Items

Lower trade cost

- WTO Trade Facilitation Agreement (Category A and mandatory provisions, some Category C); simplify customs clearance procedures and risk management
- Establish SPS regional and national working groups to implement CAREC Common Agenda for modernization of SPS measures for Trade
- Regional upgrade of SPS measures for trade (RUST project) (MON & KGZ), food safety (TAJ)
- Feasibility of mutual/reciprocal recognition of SPS/technical standards; development of technical standards (TAJ)
- Establish green corridors for certain food products (UZB)
- Regional improvement of border services (RIBS project) (UZB), additional financing (MON)
- New border crossing point (AZE & GEO), improvement of KGZ BCP with TAJ and UZB

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RSAP 2018-2020

8

TRADE EXPANSION FROM INCREASED MARKET ACCESS

Output

Targets/Action Items

Lower trade cost (con't)

- Pilot of CAREC Advanced Transit System (CATS) and accelerate Information Customs Exchange (AZE, GEO, KAZ), sharing of experience and upscaling of participating countries
- Establish/develop existing logistics centers (UZB/KAZ), warehouse, cold storage (UZB)
- Analysis on legal issues for carriers/truck drivers (MON/KGZ)
- Quadrilateral Traffic Transport Agreement (QTTA) implementation (PRC, KAZ, KGZ, PAK)

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RSAP 2018-2020

9

GREATER DIVERSIFICATION

Output

Targets/Action Items

Adequate financing

- Awareness on ADB's Trade Finance Program
- Feasibility study on the establishment of a regional Trade Credit and Investment Guarantee Agency
- SME finance research (CAREC Institute and ADBI); MSME support (MON)
- Access to loans, securities market and bank payment infrastructure (UZB); customs bonds (MON)
- Sharing of good practices in cross-border investment facilitation measures, special economic zone, industrial zones and cross-border cooperation centers (KAZ), high-tech parks (KGZ)
- Knowledge-sharing on effective financing models (public-private partnership) including drafting skills for lawyers (UZB)

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RSAP 2018-2020

10

GREATER DIVERSIFICATION

Output

Targets/Action Items

Linkage with global and regional value chains

- Study on trade in services and/or movement of people – focus on highest impact or comparative advantage
- Feasibility study on financial, health, education, transport and tourist services (KAZ)
- Dissemination of best practices in E-commerce; scale up innovative and digital technologies in trade (KAZ), e-platform or paperless trade (UZB); Industry 4.0
- Study on potential regional value chain in CAREC or support development of strategies for economic diversification
- Sharing of lessons learned in economic corridors (KAZ, KGZ)
- Tourism clusters or infrastructure development (KGZ) or tourism development along the Silk Road
- Investment forum
- Establishment of labor market information, conclude international agreements on labor migration (UZB)
- Cooperate on mutual recognition of education framework

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RSAP 2018-2020

11

STRONGER INSTITUTIONS FOR TRADE

Output

Targets/Action Items

Coordinated sectoral
policies and priorities

- Establish and provide support to activities of National Committee on Trade Facilitation (NCTF) or similar mechanisms; staffing (MON)
- Information-sharing of national roadmaps or strategic planning including with EEU (KAZ); possible cross-country production clusters development (e.g., UZB-KGZ for textile, UZB-KAZ for auto)
- Sharing of best practices on regulatory governance; coordinate macro-economic and industrial policy (UZB)
- Transparency and publication of regulations (translation into Russian language)
- IT centers / trade portals(one-stop shop of information) for exporters (KAZ)
- Use of ICT or innovative means of sharing information or discussing issues among CAREC countries
- Establishment of contact points

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RSAP 2018-2020

12

STRONGER INSTITUTIONS FOR TRADE

Output

Targets/Action Items

Informed policy-making and negotiations

- Training on data indicators and analysis
- Training on policy analysis and negotiations (include trade lawyers and economists)
- Integrated system for collection and reporting of macro/micro data and publication of country statistics (UZB)
- Establish a market access analysis department (UZB)
- Special committee for simplification of procedures (KGZ/UZB)
- Logistics training program, academy of external trade and logistics (UZB)
- Regional dialogues and enhanced private sector consultations (CFCFA) and participation through PPP
- Cross-learning mechanism (e.g., experts database, national think tanks/ research institute engagement i.e., CAREC Institute)

Consultation questions

- Are the listed targets/action items in the RSAP 2018 – 2020 **consistent** and **relevant** to your country's regional cooperation & trade development plans?
- Are there targets/action items currently supported by **existing** or **planned interventions** in your respective countries?
- Taking into consideration CAREC's role, CAREC 2030 priorities, pipeline projects, and the SMART indicators, what specific or **additional targets** and **action items** needed to be included in RSAP 2018 – 2020?

Important considerations

- **Realistic targets** and **action items** for the next three years
- **Ownership** and **commitment** – ensuring appropriate follow-up at country-level (e.g., with Ministry of Finance on country operational program, identification of pipeline projects)
- **Synergy** and **continuity** – avoiding duplication and deepening interventions

Thank you.

