



STATE OF PLAY OF CROSS-BORDER DATA EXCHANGE IN KAZAKHSTAN

Astana, 2024

Kazakhstan undertakes CB data exchange with the following countries

1 **PRELIMINARY INFORMATION**

(on goods and vehicles):

Kazakhstan signed **9** agreements with **China**, Türkiye, Iran, **Uzbekistan**, Azerbaijan, Georgia, Turkmenistan, Ukraine, Tajikistan

In force: **China, Uzbekistan**

Technical requirements being discussed: Turkey, Turkmenistan, Iran, Ukraine

Communication channels being set: Azerbaijan, Georgia

This creates favorable conditions for traders:

- acceleration of customs procedures;
- less documents;
- minimizing customs control by application of risk management system.

2 **VERIFICATION OF ORIGIN OF GOODS**

Information exchange system in the context of FTA between EAEU and third countries (Vietnam, Serbia, etc.)

3 **INTERNATIONAL TRANSIT**

Information exchange between EAEU countries:

- ✓ Per the 2017 EAEU Customs Code;
- ✓ Per the 2022 Agreement on Using Navigation Seals for Monitoring Traffic in the EAEU.

There's an additional agreement between KTZh and Russian Railways on planned exchange of packing list and invoice

4 **AUTHORIZED ECONOMIC OPERATORS (AEO)**

Work is being carried out on the mutual recognition of AEOs of Kazakhstan with:

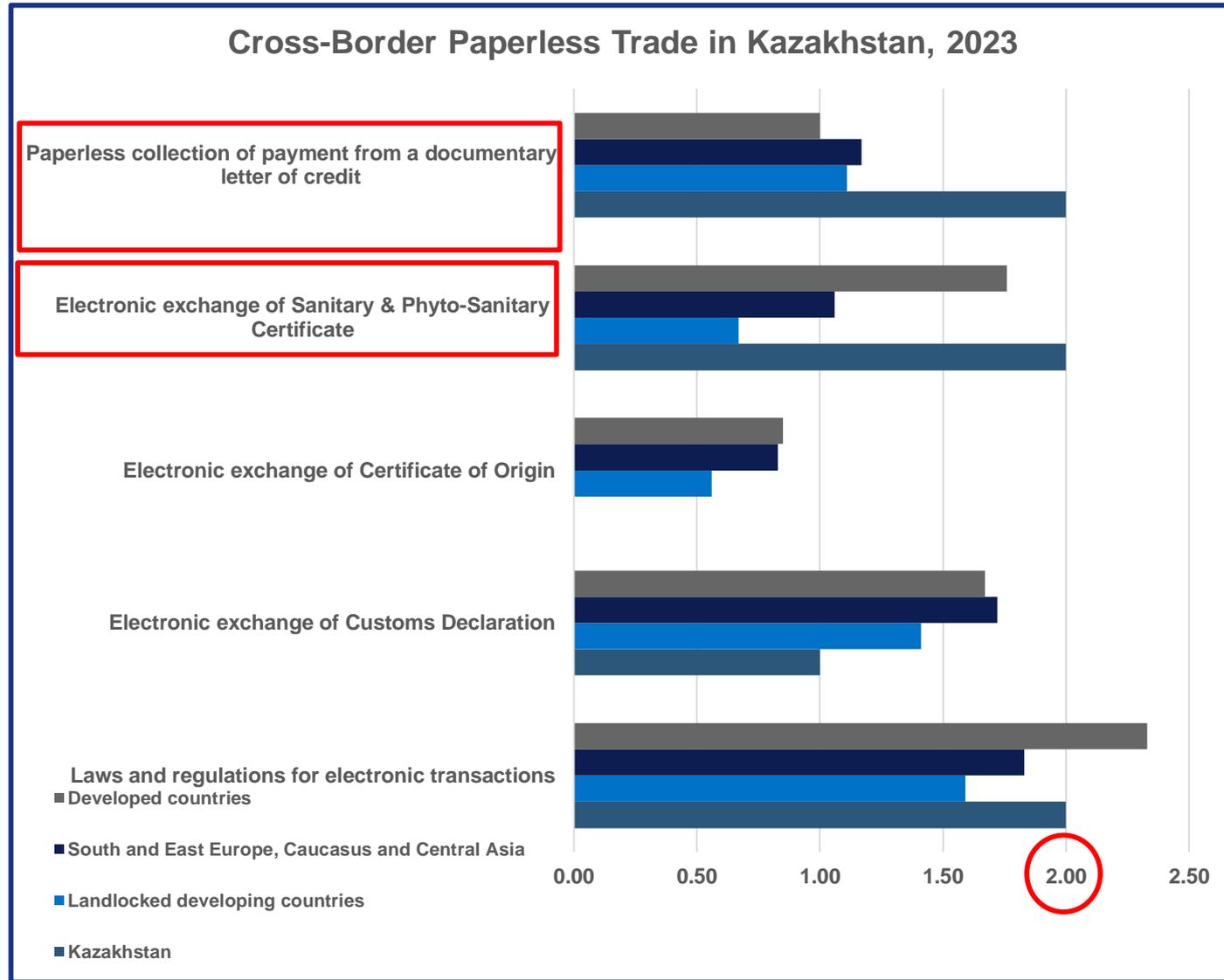
- ✓ China, Korea, Türkiye (bilateral agreements);
- ✓ EAEU- third countries (negotiation processes on FTA, Egypt, UAE, Indonesia, etc.)

5 **PERMIT DOCUMENTS**

In EAEU, since 2020, implementation of a mechanism on exchange of permit documents has been started (under EAEU's Common Processes' Integrated IS)

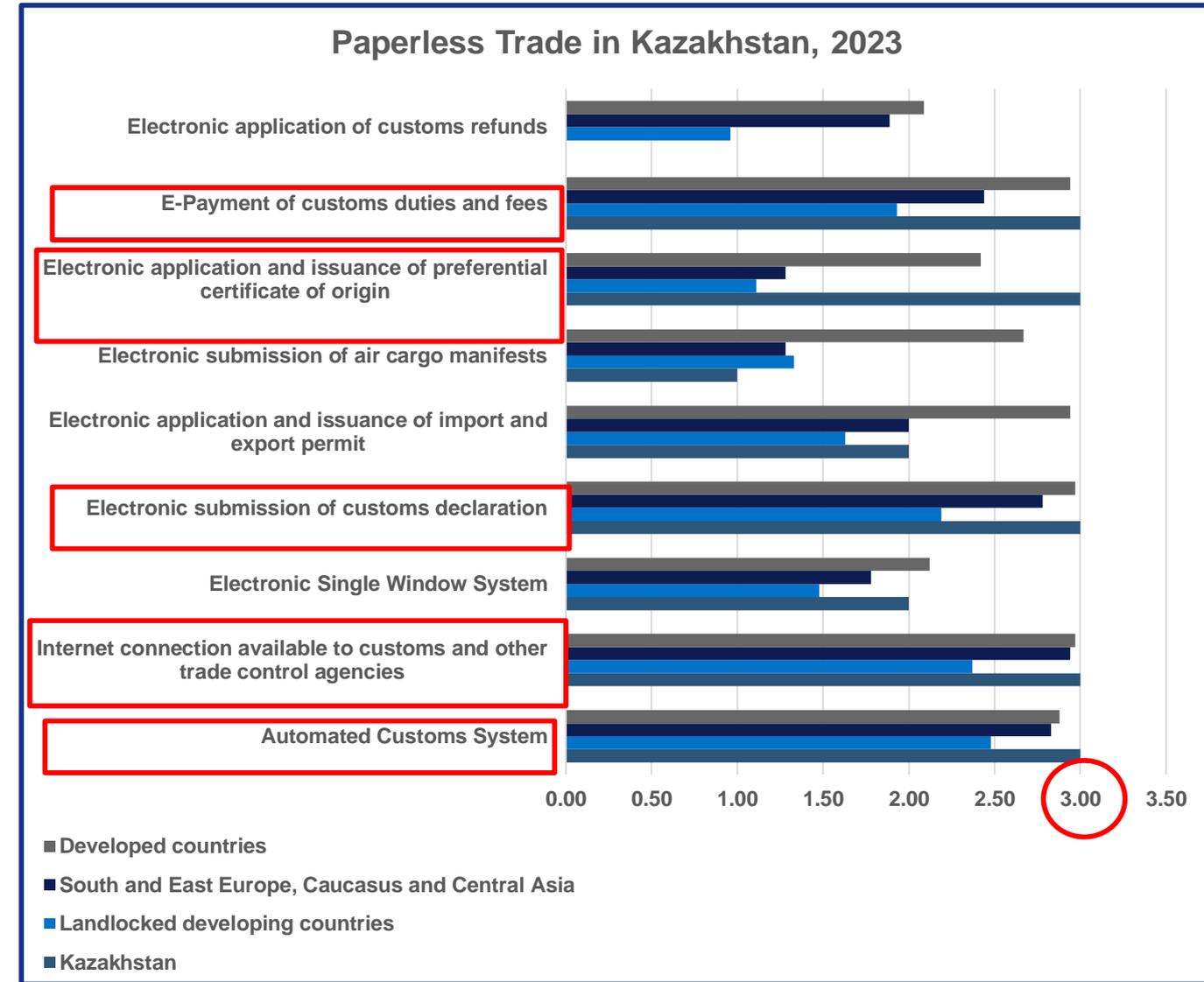
The level of development of cross-border paperless trade in Kazakhstan

* The UN Global Survey on Digital and Sustainable Trade Facilitation, max. 3 points



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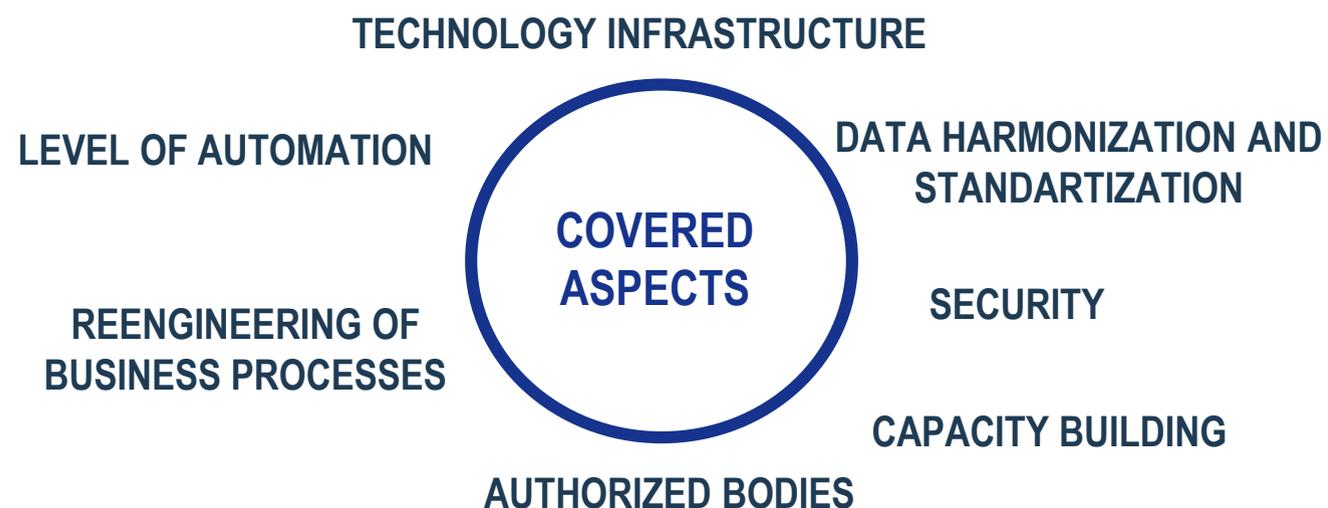
- The red squares mark those areas where Kazakhstan is ahead of the average of all countries, including developed ones
- Unmarked areas require close attention of the Kazakhstan's government

KEY TAKEAWAYS from QazTrade and ESCAP's joint study (2021-2022):

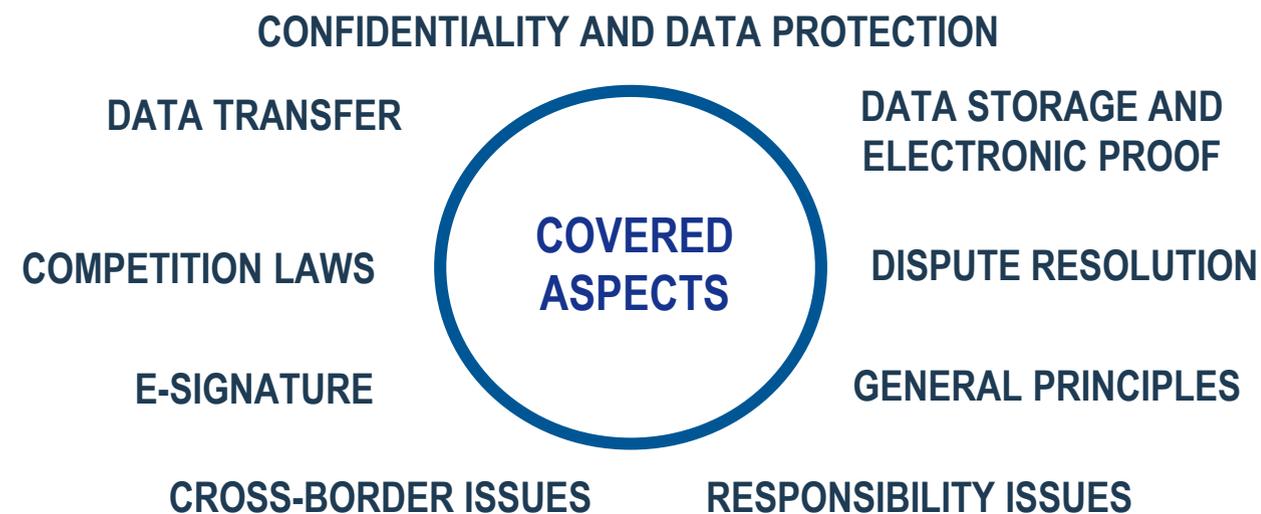
(«Readiness Assessment for Cross-Border Paperless Trade: Kazakhstan»)

<https://www.unescap.org/kp/2022/readiness-assessment-cross-border-paperless-trade-kazakhstan>

TECHNICAL READINESS



LEGAL READINESS



KEY RECOMMENDATIONS:

- Sign and ratify Framework Agreement on Facilitation of CBPT in Asia and the Pacific
- Enhance existing institutional mechanisms, including National Committee on TF
- Update and retrofit ICT (in the context of reengineering of business-processes)
- Issue most certificates electronically
- Review data models
- Enhance CB data exchange by mutually recognizing e-documents

KEY RECOMMENDATIONS:

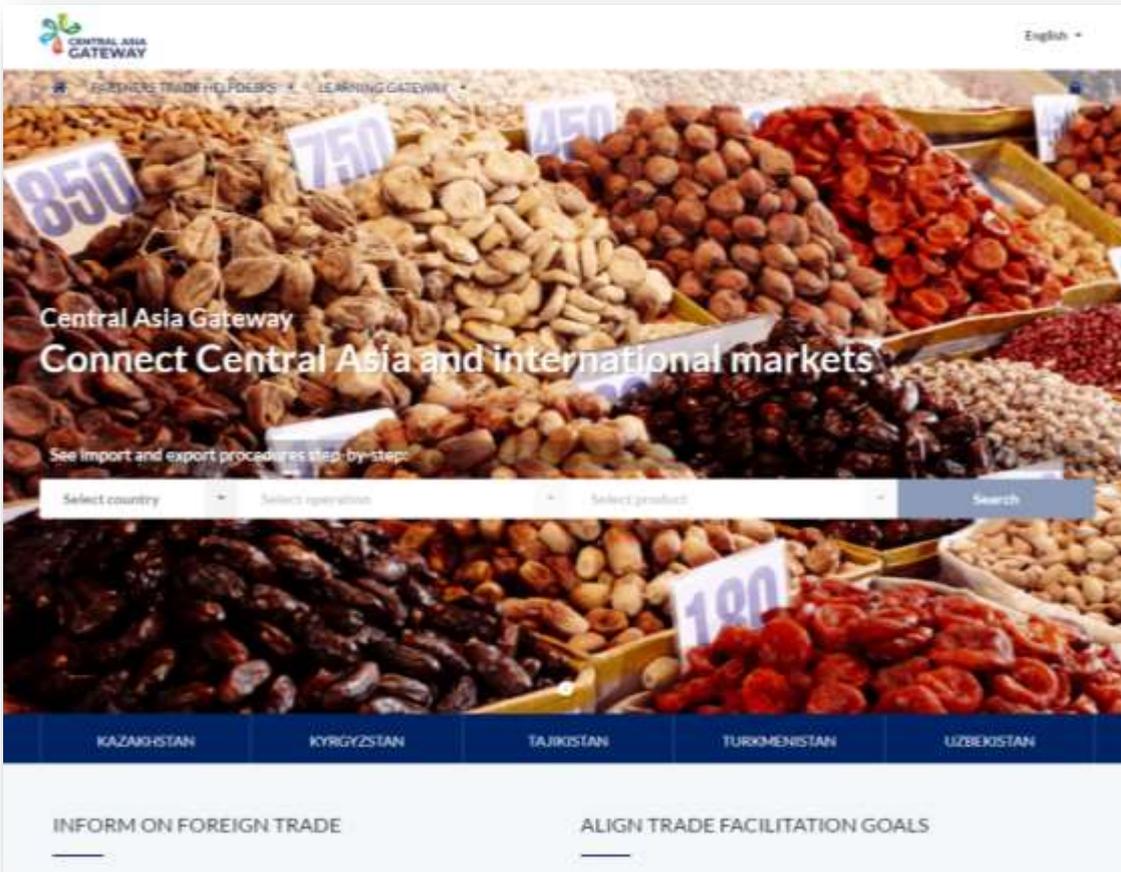
- Develop or update legal acts on e-transactions
- Make available different ways of authentication by use of simpler and less formal means
- Endeavor to develop a law on data regulation
- Adopt laws on information security, cybersecurity and confidentiality
- Ratify the UN Electronic Communications Convention

NOTE: Generally, Kazakhstan's level of technical readiness for CBPT is satisfactory.

* Financial and time costs were reduced mostly due to CB data exchange on import /export /transit and efficient electronic payment system and use of e-signature

DRAWBACKS: In Kazakhstan, there are almost no provisions for CBPT and special rules for the use of electronic messages in trade. Also, there's need to improve means for traders to submit trade information.

<https://infotradecentralasia.org/>



Launched in **May, 2023**

CA Gateway integrates **5** trade facilitation portals of the **Central Asian countries**



Accessible information **without authorization**

Automatically retrieves data from the national TF portals of the CA counties

In October 2023, was recognized by the UN as the **best trade information portal** in the world



Up-to-date and **useful source** of information on trade procedures for businesses

Helps the Central Asian governments in implementation of **WTO's TFA**

Helps to **diversify goods traded** between the CA countries

Growth of regional trade turnover volume in CA countries, billion US dollars

COUNTRY	2021	2022	Growth, %
Aggregate (CENTRAL ASIA)	8.5	10.7	24,7%
Kazakhstan	4.5	5.6	26,5%
Uzbekistan	2.2	2.7	21,9%
Turkmenistan	0.8	1	21,3%
Kyrgyzstan	0.6	0.7	17,0%
Tajikistan	0.5	0.7	35,2%

EXAMPLES of mutually documented procedures by CA countries

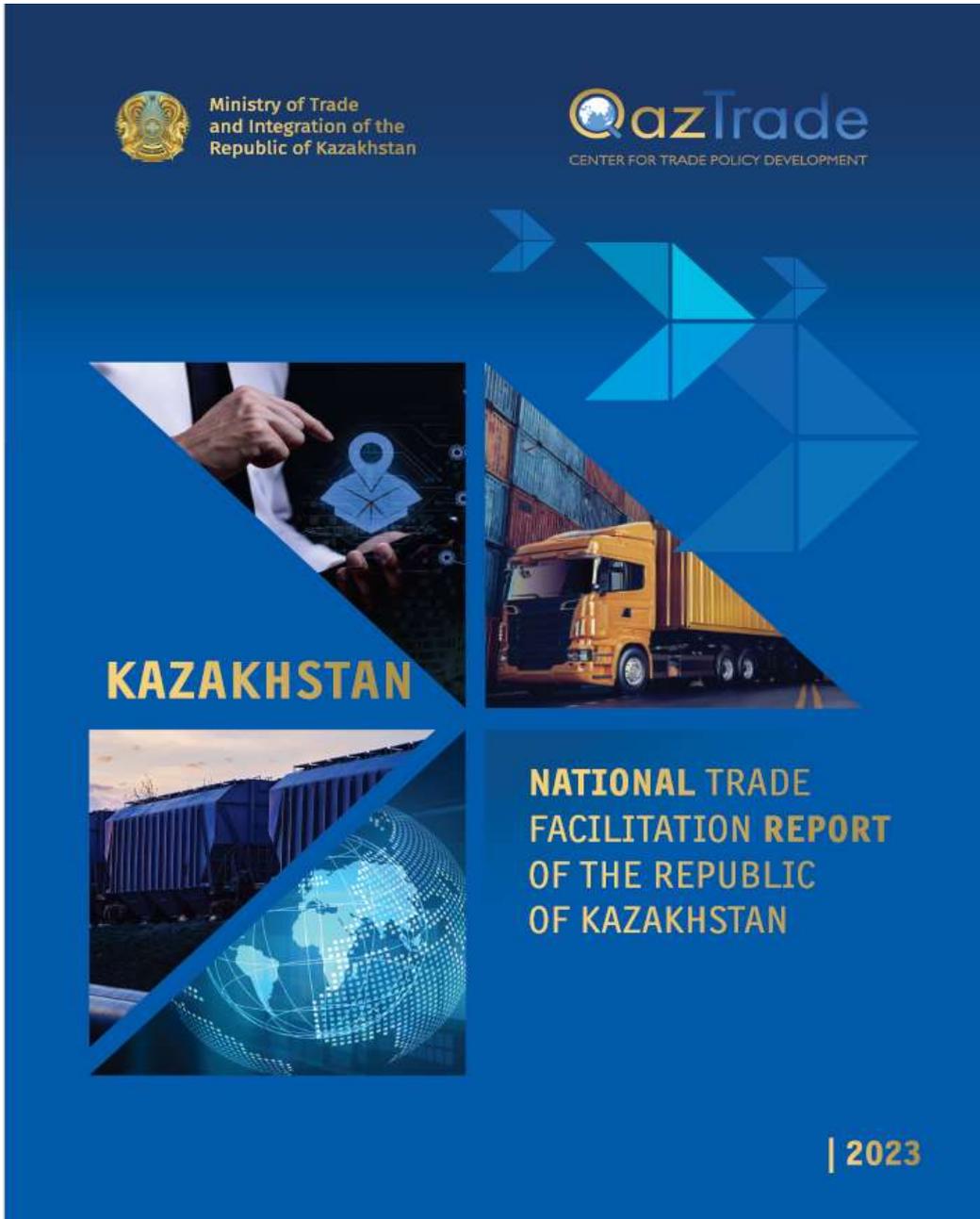
KAZ EXPORT of CEREALS = UZB IMPORT OF CEREALS

KGZ EXPORT of CEMENT = TJ IMPORT of CEMENT

TM EXPORT of RUGS = KAZ Import of RUGS

UZB EXPORT OF CHOCOLATE = KGZ IMPORT of CHOCOLATE

*Presented on December 20, 2023 for public and private sectors



CONTENT

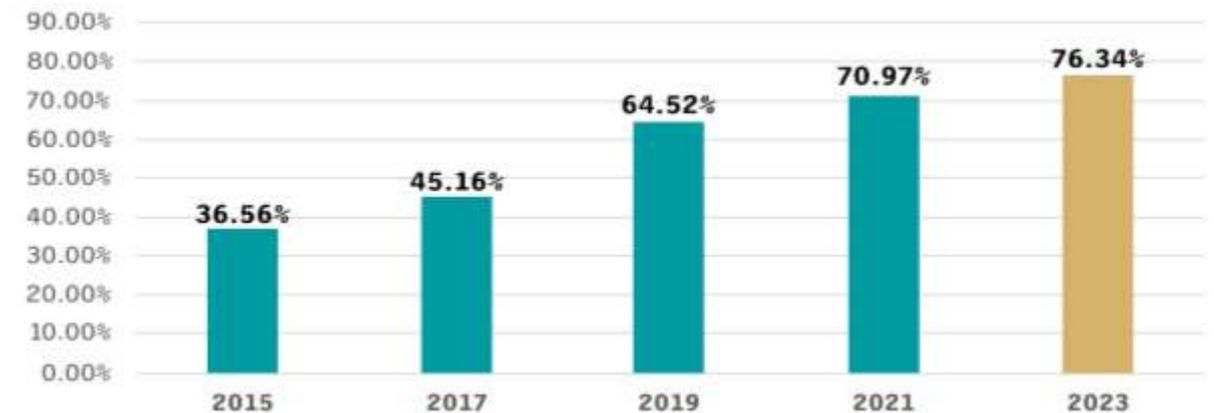
- ✓ **Trade Facilitation and the Global Value Chains**
- ✓ **Trade Facilitation Measures and Paperless Trade**
 - Institutional Measures
 - Transparency in Foreign Trade Processes
 - Customs Formalities
 - Facilitation of Transit Procedures
 - Paperless and Cross-Border Paperless Trade
- ✓ **Facilitation of Trade Procedures within International Projects:**
 UNCTAD, ESCAP, OECD, USAID, GIZ, ITC, SPECA
- ✓ **Trade Facilitation for Sustainable Trade:**
 - Capacity Building for SMEs in Cross-Border Trade
 - The Role of Women in Trade Facilitation
 - Trade Facilitation and Agriculture
 - Trade Facilitation during the COVID-19 Pandemic

KEY RECOMMENDATIONS

- ✓ Abolish the practice of requesting documents, despite **the possibility of retrieving** them from interdepartmental systems.
- ✓ Introduce the practice of **joint inspection**
- ✓ Conclude agreements with third countries on the electronic exchange of documents in the field of **agriculture and transport**
- ✓ Improve all aspects of **cross-border paperless trade**
- ✓ Increase **women's representation** in international trade
- ✓ Develop **soft infrastructure** along the **Middle Corridor** using advanced paperless trade technologies
- ✓ **Standardize requirements** and incentives for AEO status with Central Asian countries
- ✓ National reports should be the **main tool for self-assessment** for other countries of the Central Asia

“
Kazakhstan by February 2023 has completely fulfilled its obligations under WTO Trade Facilitation Agreement
 ”

Recent UN study shows that Kazakhstan demonstrates steady progress in trade facilitation*



*<https://www.untfsurvey.org/economy?id=KAZ>