

One region, one objective – Trade Facilitation in Central Asia

Context

In history, Central Asia benefitted from being at the centre of the Silk Road, connecting East Asia to the Middle East and Europe. Today, with its young and educated population, natural resources, strategic location, the region has immense prospects for economic development. Especially trade in agricultural goods offers considerable export potential to both regional and international markets.

Central Asia is integrated into the global economy only marginally despite of the fact that countries have joined different international and regional trade agreements and make efforts to modernize their control agencies and to improve procedures for trade. Cross border trade and transportation of goods in/from the region remain costly, long queues of trucks and people, documents are checked repeatedly and procedures are delayed.

Cooperation and information exchange among customs and border control agencies are not efficient yet. Physical inspections do not ensure safety of the countries since they are not based on risk management criteria. Application of information technologies is not systematic and complemented by parallel manual procedures. All these challenges mean increased transaction costs for companies and contribute to the negative image of trading and doing business in Central Asia.

Project name	Trade Facilitation in Central Asia
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Countries	Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan
Main partners	Ministry of Trade and Integration of the Republic of Kazakhstan Ministry of Economy of the Kyrgyz Republic Ministry of Economic Development and Trade of the Republic of Tajikistan Ministry of Investments and Foreign Trade of the Republic of Uzbekistan
Duration	01/2020-12/2022 (3 years)

Our objective

We aim to improve implementation of trade facilitation measures in Central Asia. This will positively impact trade-oriented companies leading to reduction of costs and boosting their competitiveness.

Our measures

We collaborate closely with partner institutions responsible for economic development and trade, customs authorities and other border control agencies. Working closely with business associations and companies is the key and principal element in our methodological approach.



From left to right: A truck passing through the vehicle inspection system at the BCP Torugart, KR.

Monitoring of cargo passage process in the Situation Center of the State Customs Committee of RUz.

Risk management and border cooperation

Together with our partners we strengthen capacity of customs authorities and border control agencies in risk management system and pre-arrival information. This system allows reducing the number of physical inspections and focusing on goods with high risks. Harmonization and standardization of procedures as well as close cooperation among involved state agencies contribute to faster and more efficient customs clearance and border crossing.



We support further development of information systems and use of digital technologies for export, import and transit procedures. Considering the potential of the region we facilitate effective application of “green corridors” for agricultural products.

Public-private dialogue and pilot projects

In order to ensure transparency of the decision-making process and to protect interests of all involved parties our project promotes the public-private dialogue on trade facilitation issues. Our experts conduct trainings and workshops to increase awareness and active participation of the private sector in reforms. We also implement activities to enhance regional cooperation on reducing barriers to trade.



Adopted legal changes and decisions should not stay on paper only. We plan to pilot innovative approaches at selected border crossing points. To further distribute progressive solutions it is necessary to have regular feedback from the private sector.

Our results

- Improved risk management system with reduced and efficient physical inspections
- Effective cooperation and data exchange among customs and other border control agencies
- Reduction of delays for transit goods
- Increased visibility of innovative approaches and positive results of reforms
- Beneficial cooperation between public and private sectors at national and regional level

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