

12th Conference of the Central Asia Border Security Initiative (CABSI)
Cross-border Cooperation in Central Asia

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SESSION 3 - Trade Facilitation and Envisaged Benefits for Central Asia People

SESSION 3: CONCEPT NOTE

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Questions for discussion

- What are the challenges you see nowadays in the cooperation amongst national stakeholders and with Central Asia regional partners in the field of trade facilitation?
- How can the international community support Central Asian governments in making borders more secure while improving legal cross-border travel and facilitating trade?¹
- What are examples of good practices of Central Asian states in promoting trade facilitation (current situation, objectives and activities, cooperation with neighbouring states)?

Key Phrases: WTO Trade Facilitation Agreement, trade facilitation, E-Customs, Single Windows concept, Integrated Border Management

In an interview with the Asian Development Bank on 11 June 2013, the Secretary General of the World Customs Organization Kunio Mikuriya stressed the need for harmonized customs procedures and practices to boost trade connectivity and promote economic growth in the Central Asia Regional Economic Cooperation (CAREC) region.

During the High Level Security Dialogue between the European Union and the countries of Central Asia in Brussels on 13 June 2013, it was agreed to foster improved connections between the EU programmes in Central Asia (BOMCA, CADAP) and Afghanistan (BOMNAF) along the shared borders in the region, in order to enhance security, trade and transit in border regions and promote economic development.

Discussions on trade facilitation issues were continued at the 11th Conference of the Central Asia Border Security Initiative (CABSI) in Ashgabat, Turkmenistan, on 2-3 October 2013. The aim of the 11th CABSI Conference was to further develop a coordination platform to promote joint efforts in the area of border security in Central Asia, as well as to underline the political importance of stability in Central Asia and its regional and global implications.

¹ The beneficiaries - WTO member states: Kyrgyz Republic, Tajikistan, Kazakhstan and WTO Observer governments: Uzbekistan, Afghanistan (Ministers formally approved Afghanistan's WTO membership terms at a special ceremony held at the WTO's Tenth Ministerial Conference (MC10) in Nairobi on 17 December 2015).

At the 11th CABSI Conference 2013 the situation in the area of trade facilitation in Central Asia was summarized as follows:

- Cross-border trade facilitation is beneficial for regional economic development;
- Interregional trade is growing slower than imports from China;
- Transit of goods between the Central Asian countries and beyond is hampered by poor road connections and inefficient procedures at international Border Crossing Points (BCPs);
- Road network development in Central Asian countries should be matched with improvements in border management procedures.

May we say that such summary is different today? Obviously, opinions differ when discussions touch upon effectiveness of recent trade facilitation developments in the field of E-Customs and implementation of Single Window concept. Perhaps this is an area that might be considered worthwhile to discuss from the perspective of countries in the region.

According to the Central Asia Regional Economic Cooperation program (CAREC) Transport and Trade Facilitation Strategy 2020, regional cooperation in transport and trade facilitation will require greater attention and focus given the vast geographic expanse of Central Asia and the consequential demand for connectivity including access to gateways.

In the EU policy, the trade facilitation issue is addressed as one of the main topics in promoting economic growth and social development within the EU and worldwide. Thus, a number of projects relating to trade facilitation have been initiated and financed by the European Commission during recent years, including the 9th phase of the EU-funded BOMCA Programme (BOMCA 9). As well as being involved in regional cooperation, the EU-BOMNAF Project also creates and supports cross-border market infrastructure and promotes trade facilitation across the region.

Another positive example is UNDP's JICA-BMP Project which aims to promote the stability and security of cross border regions of Tajikistan and Afghanistan, as well as to assist Tajik-Afghan border adjacent communities, in particular women, in pursuing cross-border trade that contributes towards stronger resilience and stability of the region. In addition the project supports trade facilitation and amenities created at cross-border markets.

As a result of successful implementation of international stakeholders' activities in the area of trade facilitation, it is envisaged that Central Asian states may benefit more from essential cost savings for the Governments and the trade community. Since trade facilitation is an integral part of a modern Integrated Border Management, sustainable policies and IBM strategies support long-term vision to trade development.

Therefore there is a need to discuss possible future instruments for the continuous involvement of Afghanistan in cross-border activities as well as enhance overall cooperation between Afghanistan and neighbouring Central Asia states in border management. It is also envisaged that deliberations will lead to actionable suggestions and follow-up actions for relevant stakeholders in countries in the Central Asia region in the overall context of security and sustainable development.