LAUNCH OF THE NATIONAL TRADE FACILITATION ROADMAP OF THE KYRGYZ REPUBLIC 2021-2025

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The Roadmap – what is it and why?

• This Roadmap outlines the trade facilitation measures needed to help advance the country’s economy, to respond to the negative impact of COVID-19 on the economy and trade, and to embark on a sustainable and inclusive recovery from the COVID-19 pandemic. In addition, the activities included in this Roadmap will assist in the implementation of the WTO TFA and improve the country’s trade, economic relations and indicators in international ratings.
The Roadmap - Content

- Vision statement
- Assessment of the current situation and impediments
  - Impact of COVID-19 on trade and the economy
  - The Kyrgyz Republic’s response to the COVID-19 pandemic
  - Assessment of the pre-COVID-19 trade facilitation scenario
  - Trade facilitation during COVID-19
  - Legal and regulatory framework for trade facilitation
  - Sector specific challenges for top four export goods
  - Time and cost to export and import
  - Implementation status of the WTO TFA
- Goals and activities
  - Description of the goals and activities
  - Prioritization of activities (COVID-19)
  - Implementation schedule
- Governance structure
- Implementation risks
- Resource mobilization
- Annexes
By 2025, the Kyrgyz Republic targets to:

- **Digitalize trade facilitation services**: Transform its trade facilitation services to digitally-enabled services to achieve 60% implementation of the digital trade facilitation measures in the United Nations Global Survey on Digital and Sustainable Trade Facilitation.

- **Eliminate paper documents for essential trade**: Fully eliminate paper-based documents for export and import of essential goods.

- **Improve ranking**: Be in the top 60 countries in the Trading Across Borders section of the Doing Business ranking.
The Roadmap - Assessment of the current situation and impediments

Trade facilitation implementation in Central Asia in the United Nations Global Survey for Digital and Sustainable Trade Facilitation in 2019

Trade Facilitation Implementation in Central Asia (by country)

Source: UNECE. Based on the Trade Facilitation Agreement Database. Available at www.untfsurvey.org
The Roadmap – Evolution of trade facilitation performance of the Kyrgyz Republic

Source: UNECE. Based on the Trade Facilitation Agreement Database. Available at www.untfsurvey.org
## The Roadmap – Time and cost to export

<table>
<thead>
<tr>
<th><strong>Dried fruit</strong></th>
<th><strong>Textile</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain a phytosanitary certificate (Part 1/2)</td>
<td>Obtain certificate of conformity</td>
</tr>
<tr>
<td>Obtain a registered declaration of conformity</td>
<td>Arrangements transportation</td>
</tr>
<tr>
<td>Obtain a voluntary certificate of conformity</td>
<td>Pass border crossing point (BCP) at the Kyrgyz-Kazakh border</td>
</tr>
<tr>
<td>Obtain a certificate of origin</td>
<td>Pass BCP at the Kazakh-Russian border</td>
</tr>
<tr>
<td>Register with REX for self-certification of origin for the EU market</td>
<td>Sign a handover protocol</td>
</tr>
<tr>
<td>Organization of cargo transportation (road transport)</td>
<td>Order payment</td>
</tr>
<tr>
<td>Obtain a phytosanitary certificate (Part 2/2)</td>
<td></td>
</tr>
<tr>
<td>Obtain an insurance policy</td>
<td></td>
</tr>
<tr>
<td>Customs clearance, crossing the border, covering transportation costs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Cost</strong></th>
<th><strong>Time</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>300 KGS</td>
<td>5 hours – 2 days</td>
</tr>
<tr>
<td>6301 KGS</td>
<td>6 – 7 days</td>
</tr>
<tr>
<td>Optional</td>
<td></td>
</tr>
<tr>
<td>1800 KGS</td>
<td>15 minutes – 3 hours</td>
</tr>
<tr>
<td>Free</td>
<td></td>
</tr>
<tr>
<td>9550 KGS</td>
<td>2 – 14 days</td>
</tr>
<tr>
<td>13013 KGS</td>
<td>4 hours – 5 days</td>
</tr>
<tr>
<td>Total</td>
<td><strong>33 964 KGS</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Cost</strong></th>
<th><strong>Time</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>16924 KGS</td>
<td>7 – 40 days</td>
</tr>
<tr>
<td>101540 KGS</td>
<td>5 – 7 days</td>
</tr>
<tr>
<td>1692 KGS</td>
<td>1 day</td>
</tr>
<tr>
<td>170 KGS</td>
<td>3 days</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120326 KGS</strong></td>
</tr>
</tbody>
</table>

Source: UNECE. Based on the preliminary data of the Kyrgyz trade information portal as of 1 November 2020 and UNECE Business Process Analysis (BPA) undertaken in 2021.
The Roadmap - Response to the COVID-19 pandemic

- Establishment of institutions
- Support to healthcare
- Customs regulation
- Financing
- Taxation
- Procurement
The Roadmap - Goals and sub-goals

<table>
<thead>
<tr>
<th>Goals</th>
<th>Sub-goals</th>
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</table>
| Improve the legal, regulatory, and strategic framework for trade facilitation for EAEU and non-EAEU countries | • Accede to the International Convention on the Simplification and Harmonization of Customs Procedures of 18 May 1973 (Revised Kyoto Convention)  
• Accede to the Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific  
• Improve the regulations, structure and functioning of the NTFC |
| Enhance digitalization of administrative procedures for export and import | • Improve transparency  
• Improve formalities  
• Improve institutional arrangements and cooperation  
• Expand paperless trade  
• Introduce cross-border paperless trade |
| Develop sustainable trade facilitation measures, ensuring continuity in the import and export of essential goods during states of emergency, pandemics or periods of crisis | • Trade facilitation measures for SMEs, agriculture, and women entrepreneurs  
• Ensure efficient movement of essential goods across borders  
• Reduce the number of documents required for the export and import of essential goods |
| Build the capacity of Kyrgyz stakeholders engaged in trade facilitation and improve access to knowledge for the beneficiaries of trade facilitation | • Establish a centre of trade facilitation competence  
• Develop an online training course on trade facilitation |
The Roadmap - prioritization of activities

Quick wins, medium and strategic plans

Green indicates that the activities can be implemented by responsible parties without additional support.
Red indicates the need for additional support.
The Roadmap – Governance structure

National Trade Facilitation Council

NTFC Secretariat

Approved by the Order of the Ministry of Economy and Finance of the KR on August 21, 2017
Head of the secretariat: Head, Division of International Customs and Tax Relations of the

Approved by the Decree of the Kyrgyz Government on July 18, 2017
Chairperson: Minister of Economy and Finance of the KR
Co-chairperson: President of the Association of Suppliers of the KR

NTFC Working Groups

WG 1 on draft regulations
WG 2 on single window issues
WG 3 on issues of customs procedures
WG 4 on issues of the risk management system
WG 5 on cooperation issues
WG 6 on transit issues

Source: UNECE. Based on information received from the Ministry of Economy and Finance
Risk Management

Key risks:
- Lengthy and complex procedures to approve new laws and regulations
- Conflict between positions of different AGAs.
- Lack of collaboration of government agencies
- Lack of information and unavailability of data
- Lack of financing

Resource mobilization:
- Improve the organizational structure of the state authorized agencies
- Conduct briefing and training for employees of the state authorized agencies and other stakeholders, as well as for the private sector
- Ensure the active participation and collaboration of the private sector.
- Implement all necessary legislative amendments
- Mobilize and ensure internal and external human, financial, legal and material resources
The Roadmap – Annexes

Annex 1. Action plan to implement the WTO TFA measures
Annex 2. BPAs for export of textile and import of pharmaceutical products
Annex 3. Regulations on the National Trade Facilitation Council of the Kyrgyz Republic
Annex 4. Order of the Ministry of Economy and Finance of the Kyrgyz Republic on the NTFC secretariat
Annex 5. Composition of the NTFC working groups on Trade Facilitation in the Kyrgyz Republic

The Roadmap publication will be available at: https://unece.org/publications/oes/welcome
Overview of cooperation with the Kyrgyz Republic in trade facilitation, 2020-2022

1. National TF Roadmap
   Development of a National Trade Facilitation Roadmap for including policy recommendations and action plans for sustainable COVID-19 recovery in cooperation with the Trade Facilitation Council and other relevant stakeholders in Kyrgyz Republic

2. Business Process Analysis
   Development of two business process analysis reports on the export of textiles and garments and import of pharmaceuticals

3. Trade Information Portal
   Support the development of the Trade Information Portal for two export and import products. (in cooperation with ITC)

4. Cooperation with Kyrgyz Economic University
   Support Center the Kyrgyz Economic University:
   - Development of training modules
   - Workshops and outreach

5. Other Activities
   Organize concluding Conference and organize other activities

Support Center the Kyrgyz Economic University:
- Development of training modules
- Workshops and outreach
Business Process Analysis (BPA): Export of textile products from the Kyrgyz Republic to the Russian Federation

Business Process Analysis (BPA): Import of pharmaceutical products from the Russian Federation to the Kyrgyz Republic
Grant Memorandum of Understanding with the Kyrgyz Economic University

Purpose

To support the Kyrgyz Economic University to strengthen the capacity of the Kyrgyz stakeholders in trade facilitation.

Target

Policymakers and experts of the National Trade Facilitation Council, regulatory agencies and other relevant stakeholders

01 • Prepare modules on trade facilitation

02 • Organize three training seminars on trade facilitation

03 • Organize one roundtable

04 • Develop communication and outreach material
Development of the National Trade Facilitation Council Webpages (in development)
Thank You

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