OPENING REMARKS

FACILITATING TRADE IN THE KYRGYZ REPUBLIC: PROGRESS AND PROSPECTS

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10:00 – 12:00 (GENEVA, SWITZERLAND)

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Ladies and Gentlemen,

It is my pleasure to represent the International Trade Centre (ITC) today at the opening session of this event. I would like to thank UNECE for partnering with ITC for jointly organizing UN CEFACT forum despite the challenging circumstances arising out of COVID 19 pandemic. ITC is pleased to co-host the session on facilitating trade in the Kyrgyz Republic that is an important partner of ITC.

ITC has a unique mandate in the international trade system, it strives to support the internationalization path of small and medium enterprises, strengthening their participation in the global economy and boosting their international competitiveness.

We need to acknowledge that in the past two years we have been living and operating in unprecedented times that highlighted the importance of international dialogue and cooperation, the need for common solutions and joint actions for addressing challenges that affect us all. We have witnessed how restrictions to cross-border mobility have added complexity to import / export operations and directly impacted global trade in goods, to the extent that it has jeopardized entire value chains and food security for some regions.

In these times Trade Facilitation becomes one of the key factors for inclusive economic recovery. Trade Facilitation reforms simplify, modernize, and harmonize cross-border trade formalities and play a central role to boost the competitiveness of businesses, in particular SMEs, and facilitate their participation into global value chains.

Central Asia as a region and the Kyrgyz Republic in particular, have important potential for increasing intraregional, but also international trade through trade facilitation and support
for SMEs. SMEs in Kyrgyzstan contribute to around 39% of GDP and they constitute 35% of Kyrgyzstan’s total exports and these figures could further grow with as trade facilitation reforms progress.

ITC has been working with Kyrgyzstan government and private sector for the past two years through Ready for Trade Central Asia project, funded by the European Union. Throughout the project implementation we have witnessed great commitment, partnership and active engagement in streamlining trade facilitation agenda from the Ministry of Economy and Commerce, State Customs Service of the Kyrgyz Republic, JIA Business Association, Kyrgyz Economic University, Women Forum Kurak and many other stakeholders both public and private.

The Ready 4 Trade Central Asia promotes intra-regional and international trade in five Central Asian countries by increasing transparency of cross-border requirements through Trade Facilitation Portal, and removing regulatory and procedural barriers to trade in the region. We are looking at the concrete intraregional trade flows as well as trade flows towards the European Union and applying “whole of the supply” chain approach to define obstacles and provide concrete recommendations and solutions. In Kyrgyzstan, we are focusing on export of dairy products in Central Asia region and export of beans to the European Union and my colleagues will share more insights on this work in the next sessions of the event. We are also working with SMEs to strengthen their capacity to comply with trade formalities and standards, supporting gender responsive trade facilitation and improving cross-border e-commerce.

It is important to note that we are implementing all the activities in close cooperation not only with the national and regional partners, but also with international organizations to avoid duplication and ensure synergies, whenever possible. ITC and UNECE has a long-standing history of successful partnerships and in Kyrgyzstan we joined our efforts for Trade Facilitation Portal implementation as well as trade facilitation training programmes in partnership with Kyrgyz Economic University.
Before concluding, I would like to share with you some thoughts on evolving trends in international trade, which will be particularly important to account for in the light of changes in geopolitical situation in the region and globally.

First, digitalization. Going digital is no longer an option, it is now a ‘must have’. Digitalization took a quantum leap during COVID and this digital transformation will accelerate. We are all working in this area and would continue harnessing digital solutions to cut the time and cost to trade while enhancing the efficiency and effectiveness of border controls; be it TF portals, automation of licences and certificates, or other digital border reforms. For example, Kyrgyz Republic and ITC are currently implementing paperless trade readiness assessment and are getting ready to pilot virtual queue management system at the border.

Second, regional cooperation. Coordinating trade facilitation reforms at the regional level is crucial to reap the benefits of TFA and accompany the regional integration journeys worldwide. ITC is a strong advocate for regional approach to trade facilitation reforms and we are supporting Central Asia region in this endeavour, including through regional trade facilitation portal and cross-border procedural simplifications. We have just concluded a regional event in Nur- Sultan which brought together stakeholders from Kyrgyzstan, Kazakhstan, Tajikistan and Turkmenistan to discuss the way forward towards harmonized trade facilitation reforms and already devised concrete proposals for moving forward the implementation.

Third trend is trade and sustainable development. Trade facilitation can become a strong catalyst for policy action on sustainable development and environmental protection. If implemented in inclusive and sustainable manner, trade facilitation reforms will have a wide, long-term and far-reaching impact on societies and future generations – helping to achieve women empowerment, environmental protection, food security, youth inclusion and peace-building, among others. These impact areas shall be accounted for in National Trade Facilitation Roadmaps to drive the inclusive and sustainable reform process.
To conclude, let me highlight again the importance of regulatory convergence and cooperation within the country, in the region and globally, which is essential nowadays to achieve common objectives. I am confident that this session will give all of us a solid base of information, inspiring examples as well as opportunities to forge new partnerships and collaborations in the Kyrgyz Republic and in Central Asia as region. Thank you very much for your attention and I wish you all a fruitful event!