“FACILITATING TRADE IN THE KYRGYZ REPUBLIC: PROGRESS AND PROSPECTS”

May 20, 2022
14:00 – 16:00 (Bishkek time)

Dr. Munawwar Alam, Head of the Office, United Nations Resident Coordinator’s Office

- Mr. Dmitry Mariyasin, Deputy Executive Secretary of UNECE
- Colleagues from UNECE and International Trade Centre (ITC)
- High-level Government officials
- Distinguished delegates,
- Ladies and Gentlemen,

A very good morning/afternoon to all of you!

On behalf of the UN Resident Coordinator and on my own behalf, I would like to welcome you to this event on “Facilitating trade in the Kyrgyz republic: progress and prospects” as part of the 38th UN/CEFACT Forum. [United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)]

I see this event as a forum for science-policy interface, and it is my honour to speak today at such an esteemed platform. I can see a number of senior officials from the Government, including from the Ministry of Economy and Commerce, Competence Centre for Trade Facilitation, Kyrgyz Customs, also the Kyrgyz Economic University, Chairman of the Association of the Carriers, and others. I am thankful to all of them! This is a real mix of stakeholders that have the potential of taking the trade to new heights in Kyrgyzstan.

I wish to congratulate UNECE, ITC and the Government of the Kyrgyz Republic for organising this event. It is very timely and relevant.

For a landlocked country like Kyrgyzstan, two major events – COVID and the current Ukraine crisis have shown that peculiar challenges.

- Intra-regional trade and export diversification in Central Asia are very low. Despite being geographic neighbours, the five Central Asian countries, do not trade extensively with each other.
Mobility barriers have had a particularly heavy impact on tourism as well as on trade in goods.

Regional trade is a paper-heavy system that relies too much on physical documentation.

So, what can be done about these issues:

- **First**, trade facilitation efforts need to be accompanied by efforts to promote value addition, diversification, ICTs, infrastructure development, and improved market access. For example, leveraging the [United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)](https://www.un.org/cefact) is a viable option.

- **Second**, trade facilitation efforts should focus more on improving the trade instead of becoming just a raw material provider.

- **Third**, is to promote regional digital connectivity:

- **Fourth**, in addition to e-commerce, a comprehensive promotion of e-fiscalization on a cross-border level is an important and necessary policy measure.

- **Fifth**, the potential of Blockchain technology in international trade and in particular in Central Asia.

  Blockchain has the potential to reduce a variety of trade costs substantially which is especially relevant for the landlocked countries in Central Asia with their higher transport and consequently trade costs.

  - Blockchain could help trade move closer to becoming paperless.
  - Blockchain could give rise to a new generation of services. e.g. insurance.
  - Blockchain could enhance government procurement processes;
  - Blockchain opens up new opportunities for micro, small and medium-sized enterprises (MSMEs) and small producers from developing countries.

Overall, Blockchain technology could make international trade smarter, but smart trade requires smart standardization – and smart standardization can only happen through cooperation.
Another possibility I would like to draw your attention to is the potential of South-South and Triangular Cooperation in facilitating trade in the Kyrgyz Republic. The country’s development challenges require transit opportunities, economic interlinkages, and technological spill overs, which are possible under South-South and Triangular cooperation.

Some of the potential areas are:

1. To support the Government of Kyrgyzstan in establishing and strengthening dedicated national institutions to plan and manage South-South Cooperation. This can be done by involving think-tanks through the Network of Southern Thinktanks (NeST) that assists in developing networks for inter-regional collaboration. In this regard, it is also vital to involve business associations, trade unions and chambers of commerce of the Southern countries to establish a dialogue among business partners from Kyrgyzstan.

2. Improve exchanges of experiences, appropriate technologies and adaptable development solutions among developing countries among Government policymakers, institutions, professionals, civil society, academia, and private-sector organizations.

   - Mobilize financial and in-kind resources and expertise through South-South and triangular cooperation partnerships through strategic alliances.

It is very encouraging to note that the Ministry of Economy and Commerce of the Kyrgyz Republic and the National Trade Facilitation Council are already taking lead on these policy reforms, and that too with participation of the public and private sector. I sincerely hope that UNECE and Ministry of Economy’s jointly developed National Trade Facilitation Roadmap of the Kyrgyz Republic for 2021-2025 will guide the implementation of comprehensive reforms. If we succeed in implementation of the roadmap, trade could well look radically different in near future in Kyrgyzstan and the region.
So, when I juxtapose challenges and solutions on trade facilitation, it seems to me that all segments of today’s event are very relevant. I wish all the participants a rich learning.

And once again, I congratulate the GoKR, UNECE, ITC, Kyrgyz Economic University, and all other partners for organizing this event.

Thank you for your attention.