

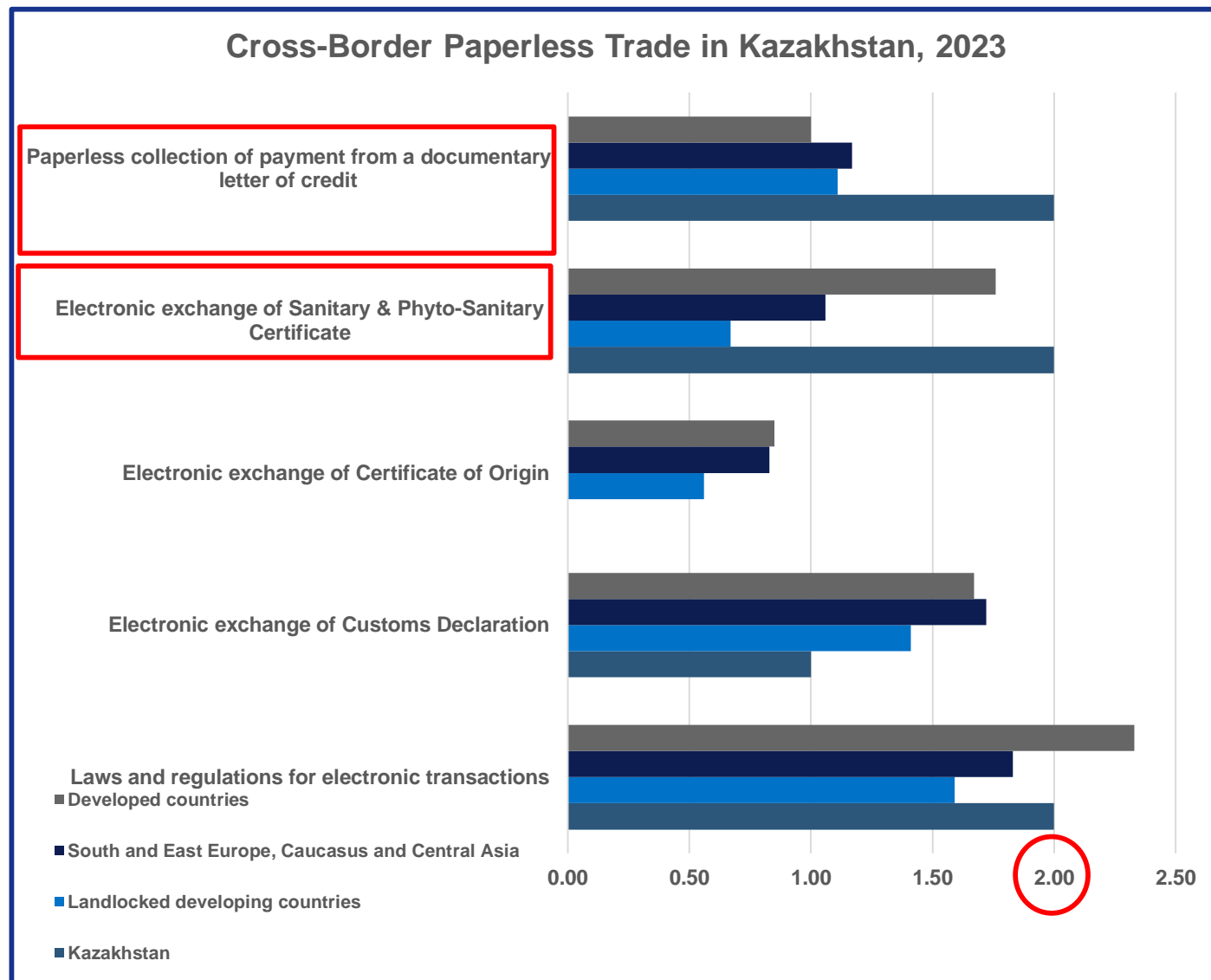


TRADE FACILITATION IN KAZAKHSTAN: ANALYSIS OF BUSINESS PROCESSES ALONG THE MIDDLE CORRIDOR

ASTANA, 2024

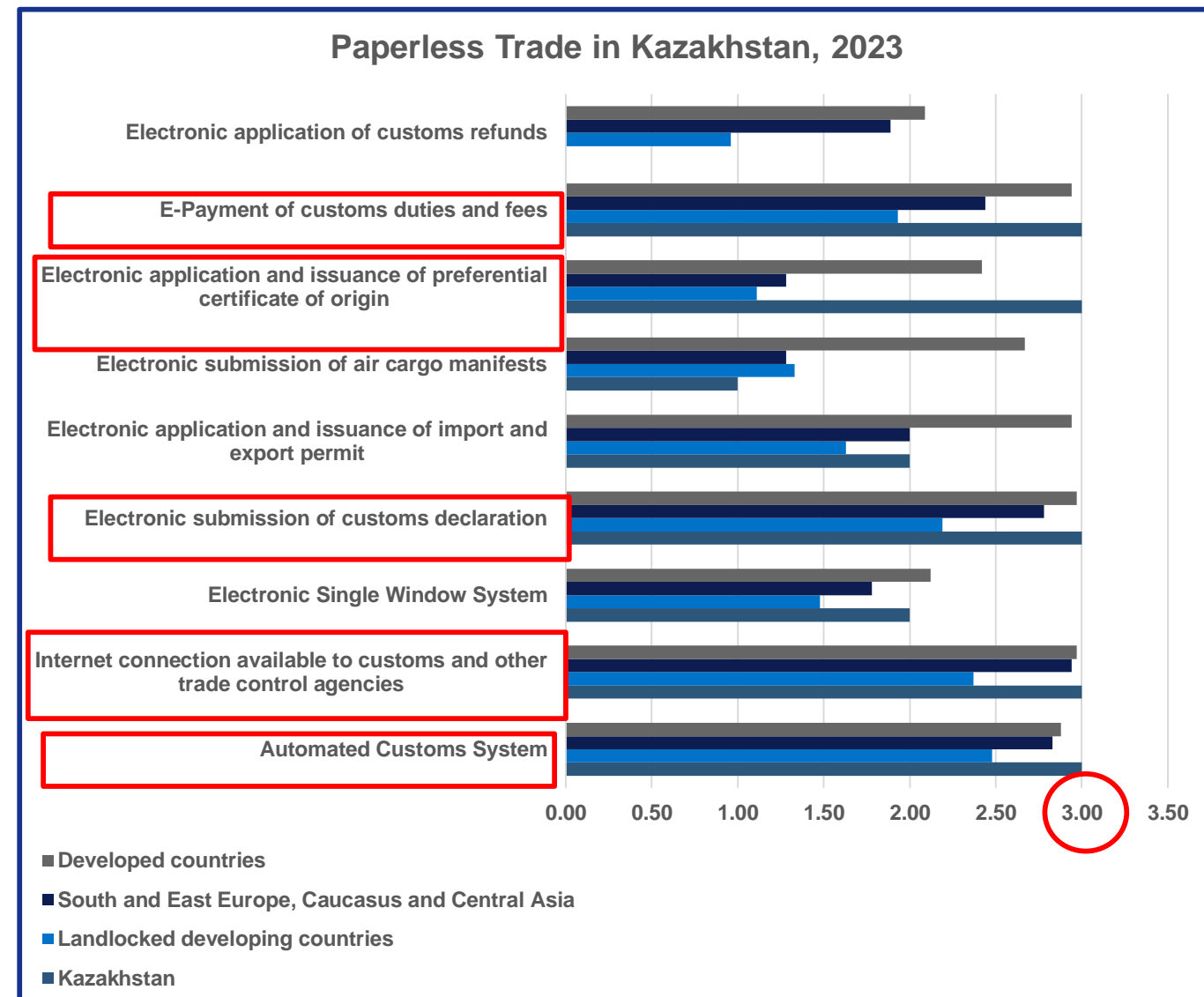
The level of development of cross-border paperless trade in Kazakhstan

* The UN Global Survey on Digital and Sustainable Trade Facilitation, max. 3 points



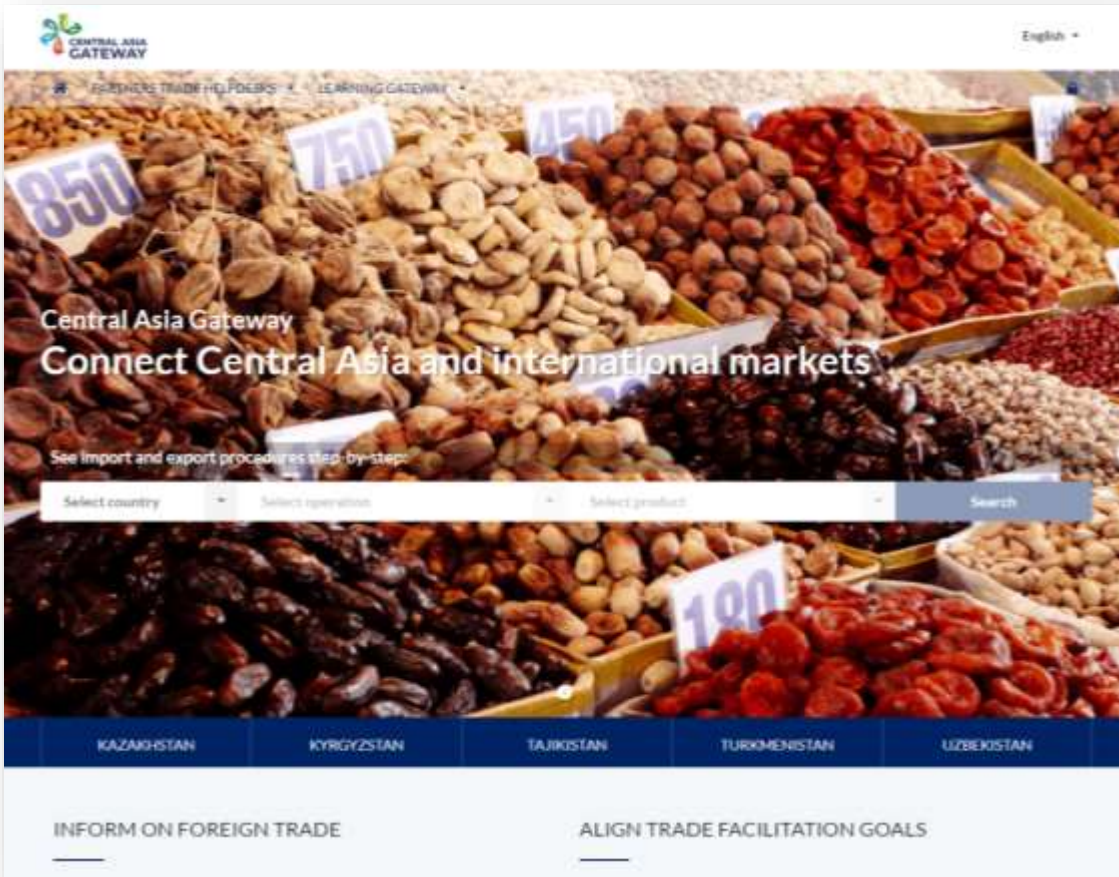
The level of development of paperless trade in Kazakhstan

* The UN Global Survey on Digital and Sustainable Trade Facilitation, max. 3 points



- The red squares mark those areas where Kazakhstan is ahead of the average of all countries, including developed ones
- Unmarked areas require close attention of the Kazakhstan's government

<https://infotradecentralasia.org/>



Launched in **May, 2023**

CA Gateway integrates **5** trade facilitation portals of the **Central Asian countries**



Accessible information **without authorization**

Automatically retrieves data from the national TF portals of the CA counties

In October 2023, was recognized by the UN as the **best trade information portal** in the world



Up-to-date and **useful source** of information on trade procedures for businesses

Helps the Central Asian governments in implementation of **WTO's TFA**

Helps to **diversify goods traded** between the CA countries

Growth of regional trade turnover volume in CA countries, billion US dollars

COUNTRY	2021	2022	Growth, %
Aggregate (CENTRAL ASIA)	8.5	10.7	24,7%
Kazakhstan	4.5	5.6	26,5%
Uzbekistan	2.2	2.7	21,9%
Turkmenistan	0.8	1	21,3%
Kyrgyzstan	0.6	0.7	17,0%
Tajikistan	0.5	0.7	35,2%

EXAMPLES of mutually documented procedures by CA countries

KAZ EXPORT of CEREALS = UZB IMPORT OF CEREALS

KGZ EXPORT of CEMENT = TJ IMPORT of CEMENT

TM EXPORT of RUGS = KAZ Import of RUGS

UZB EXPORT OF CHOCOLATE = KGZ IMPORT of CHOCOLATE

Official launch on July 4, 2022, as part of R4TCA project (ITC)

FUNCTIONS of KazTP:

- ✓ Useful source of information on trade procedures for foreign trade participants;
- ✓ Free access without authorization ;
- ✓ Prompt processing of business requests regarding trading procedures;
- ✓ Feedback tool for the Government of Kazakhstan on trade facilitation;
- ✓ Assistance to the Government of Kazakhstan in implementing the WTO TFA

Subsequent launch of the Regional Trade Facilitation Portal CENTRAL ASIA GATEWAY on May 16, 2023 (R4TCA)



- ✓ Integrates and retrieves information on trading procedures from 5 trade portals of CA countries

<https://infotradecentralasia.org/>

80 types of products:

- ✓ 38 product groups for export
- ✓ 49 product groups for import
- ✓ 2 temporary import
- ✓ 1 temporary export
- ✓ 1 re-export
- ✓ 1 re-import

Trade procedures are documented in the context of 5 modes of transport:



In detail:

- More than 355 procedures (export, import, transit, etc.)
- Separate procedures for within and outside the EAEU
- 50 involved organizations
- 59 legal acts
- 179 forms and documents

* Search by the following criteria: **type of trade operation** (export, import, etc.); **HS code**; **transit**

Number of users of KazTP since its launch



Average time spent on KazTP

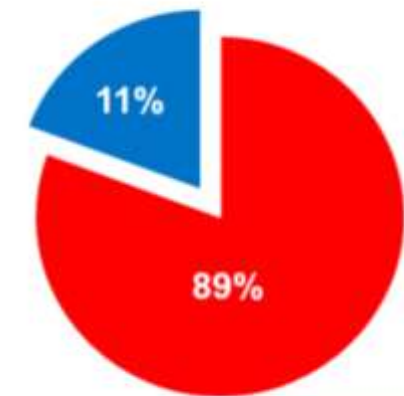


from 4 July 2022 to 06 June 2024

Countries (TOP-10) from where KazTP was accessed

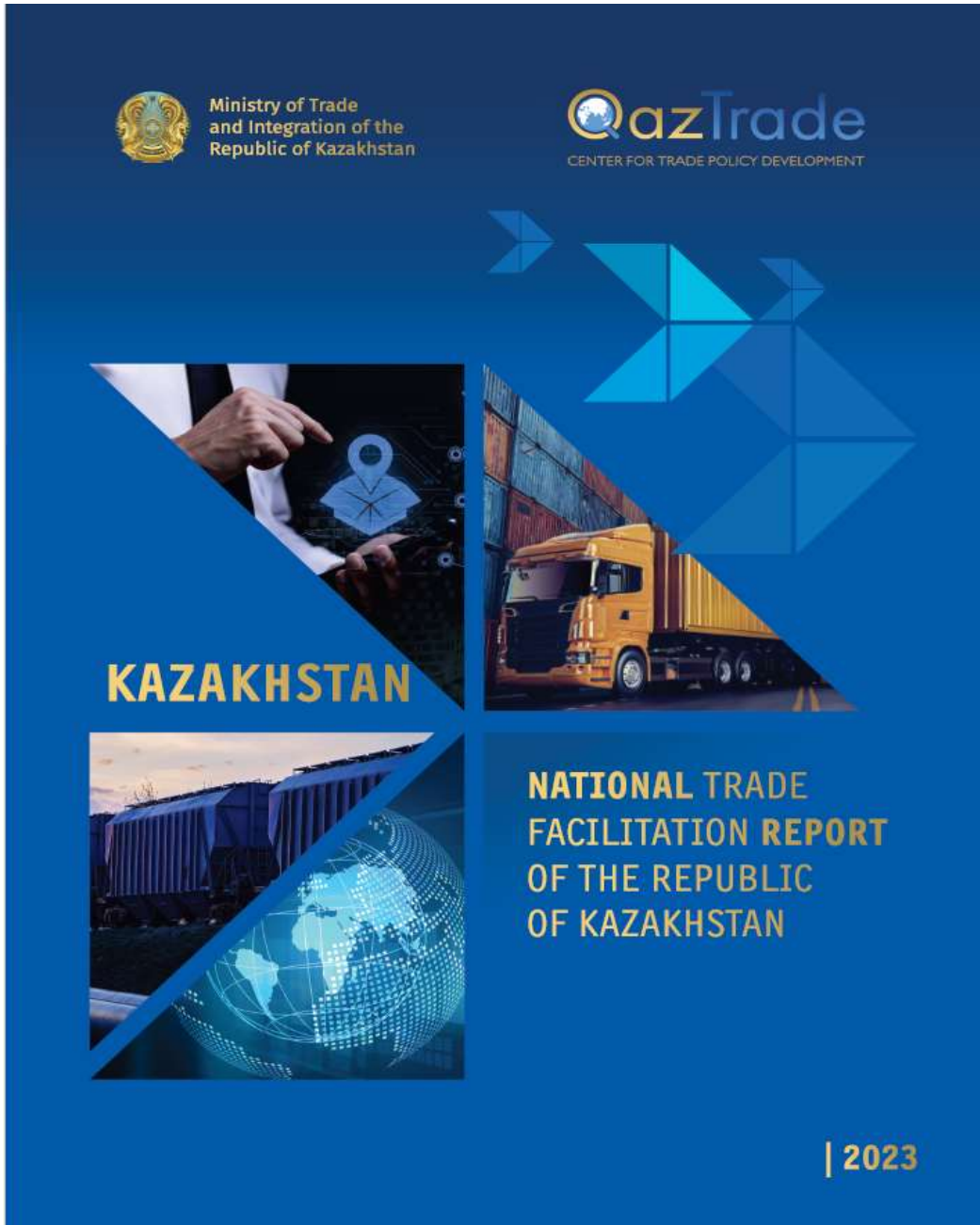
Kazakhstan	4,828	69.4%
Kyrgyzstan	516	7.4%
Switzerland	433	6.2%
USA	291	4.2%
China	104	1.5%
Russia	73	1%
France	55	0.8%
Uzbekistan	42	0.6%
Germany	39	0.6%
Netherlands	36	0.5%

New and returned users of KazTP



New users
Returned users

*Presented on December 20, 2023 for public and private sectors



CONTENT

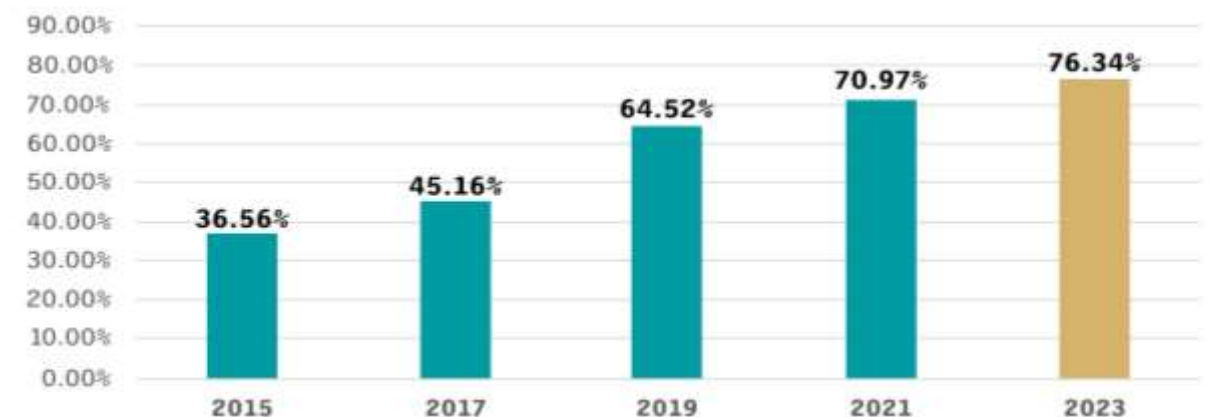
- ✓ **Trade Facilitation and the Global Value Chains**
- ✓ **Trade Facilitation Measures and Paperless Trade**
 - Institutional Measures
 - Transparency in Foreign Trade Processes
 - Customs Formalities
 - Facilitation of Transit Procedures
 - Paperless and Cross-Border Paperless Trade
- ✓ **Facilitation of Trade Procedures within International Projects:**
 UNCTAD, ESCAP, OECD, USAID, GIZ, ITC, SPECA
- ✓ **Trade Facilitation for Sustainable Trade:**
 - Capacity Building for SMEs in Cross-Border Trade
 - The Role of Women in Trade Facilitation
 - Trade Facilitation and Agriculture
 - Trade Facilitation during the COVID-19 Pandemic

KEY RECOMMENDATIONS

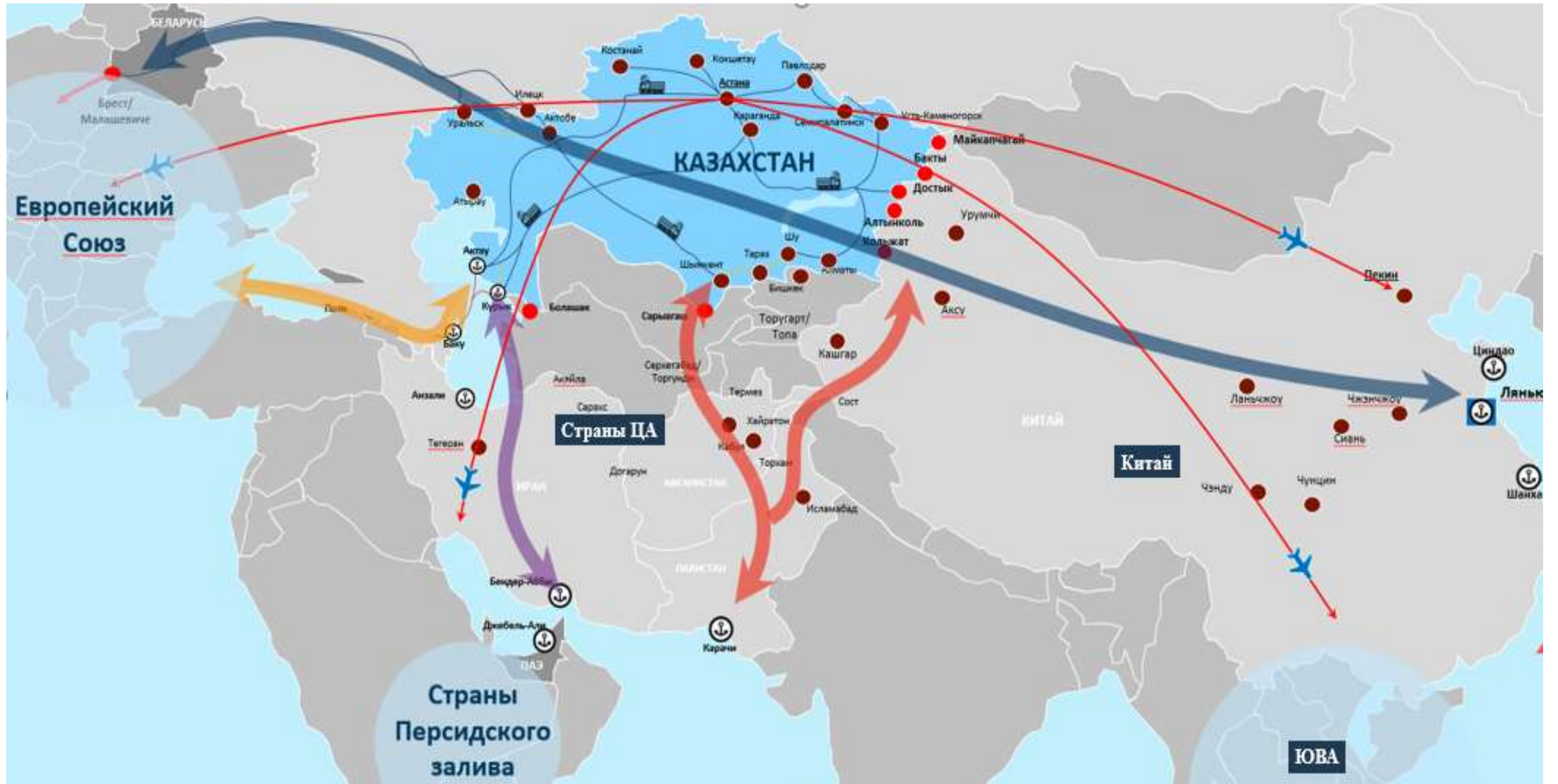
- ✓ Abolish the practice of requesting documents, despite **the possibility of retrieving** them from interdepartmental systems.
- ✓ Introduce the practice of **joint inspection**
- ✓ Conclude agreements with third countries on the electronic exchange of documents in the field of **agriculture and transport**
- ✓ Improve all aspects of **cross-border paperless trade**
- ✓ Increase **women's representation** in international trade
- ✓ Develop **soft infrastructure** along the **Middle Corridor** using advanced paperless trade technologies
- ✓ **Standardize requirements** and incentives for AEO status with Central Asian countries
- ✓ National reports should be the **main tool for self-assessment** for other countries of the Central Asia

“
Kazakhstan by February 2023 has completely fulfilled its obligations under WTO Trade Facilitation Agreement
 ”

Recent UN study shows that Kazakhstan demonstrates steady progress in trade facilitation*



*<https://www.untfsurvey.org/economy?id=KAZ>



BUSINESS PROCESS OF WHEAT EXPORT VIA TITR (RAILWAY + SEA)

Sequence of steps	1-3 ▼	4 ▼	5-9 ▼	10-13 ▼	14-15 ▼	16-19 ▼
Name of the procedure (step)	Preparation of commercial documents	Obtaining Phytosanitary Certificate	Obtaining Certificate About the origin	Obtaining Certificate About compliance	Typography Certificate Quality	Payment for port services Crossing the border
Administrative Government Entity (GE) or organization	KTZ	MINISTRY OF AGRICULTURE	NCE "ATAMEKEN"	B2B	B2B	ADMINISTRATION SEAPORT RAILWAY POST INTEGRATED CONTROL
LEVEL OF DIGITALIZATION (information systems involved)	FACE TO FACE	PORTAL ELECTRONIC GOVERNMENT E-GOV.KZ	SYSTEM ELECTRONIC DOCUMENT TURNOVER "DOCULITE" HTTPS://BUSINESS.DOCUMENTOLOG.KZ	PORTAL "SINGLE WINDOW FOR EXPORT-IMPORT OPERATIONS" EOKNO.GOV.KZ	FACE TO FACE	FACE TO FACE

In total, 19 steps are required to export wheat through the TITR (Middle Corridor), including the participation of:

- GE and organizations - 13 steps (KTZ, MA, NCE, Seaport)
- B2B (Conformity Assessment Bodies) - 6 steps

The level of automation of services was 53%

(9 steps require physical contact between the customer and service providers)

WHEAT EXPORT VIA TITR (RAIL + SEA)



Required **19 Steps**



9 Steps

Physical contact of the client with service providers is required



7 NGOs and organizations (including **2** B2B) participate in administration and issuance of permits



Level of automation of services in total – **53%**



37 Number of documents



8 duplicate documents

Partially automated documents: **3**
Electronic application but live visit



Cost of expenses:
about **69 thousand tenge**



Time between steps:
44 Hours (min.) – **120 Hours** (max.)



Number of days for export clearance
5,5 Days (min.) – **15,5 Days** (max.)



BEFORE

Level of automation of services in total– **53%**

19 steps to complete the operation

Number of days for export clearance **5,5 - 15,5 days.**

37 Number of documents

8 duplicate documents

Partially automated documents– **3**
Electronic application but live visit

7 GE participate in the administration and issuance of permits

9 steps require physical contact between the client and service providers

B2B (conformity assessment bodies)– **6** steps

Time between steps – **44 - 120 hours**

Cost of expenses: **about 69 thousand tenge**

AFTER

Level of service automation– **90%**

10 steps to complete the operation

Number of days for export clearance **3 - 8 days.**

25 Number of documents

0 duplicate documents

100% automated documents, **100%** electronic appeal

6 GE participate in the administration and issuance of permits

No physical contact of the client with service providers is required

No physical contact of the customer with B2B is required

The time between steps will be reduced by **25- 70 hours**

Cost of expenses **30 thousand tenge**