

Digital and Sustainable Trade Facilitation in the Central Asia Regional Economic Cooperation (CAREC)

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Digital and Sustainable Trade Facilitation
in the Central Asia Regional
Economic Cooperation (CAREC)

Based on the 2023 United Nations Global Survey
on Digital and Sustainable Trade Facilitation

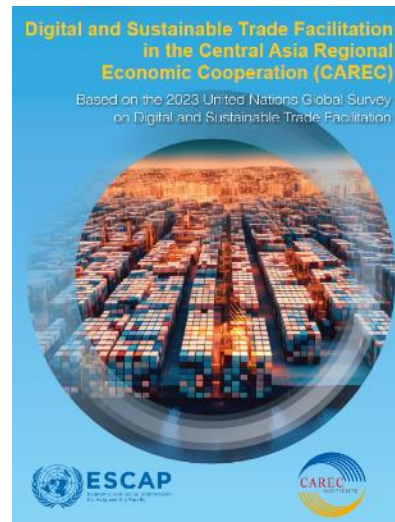


Content

- Introduction
- Overview of trade facilitation implementation in CAREC countries
- A closer look at the implementation of trade facilitation measures
- Impact of trade facilitation on trade cost
- Recomendaciones



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Survey Scope: WTO TFA+

General: WTO TFA-related measures

+ **Digital TF:** paperless trade & cross-border paperless trade

+ **Sustainable TF:** SMEs, Agriculture, and Women

+ **Other TF:** trade finance, TF in times of crisis

60 trade facilitation (TF) measures

UPCOMING

- E-commerce facilitation
- Green TF



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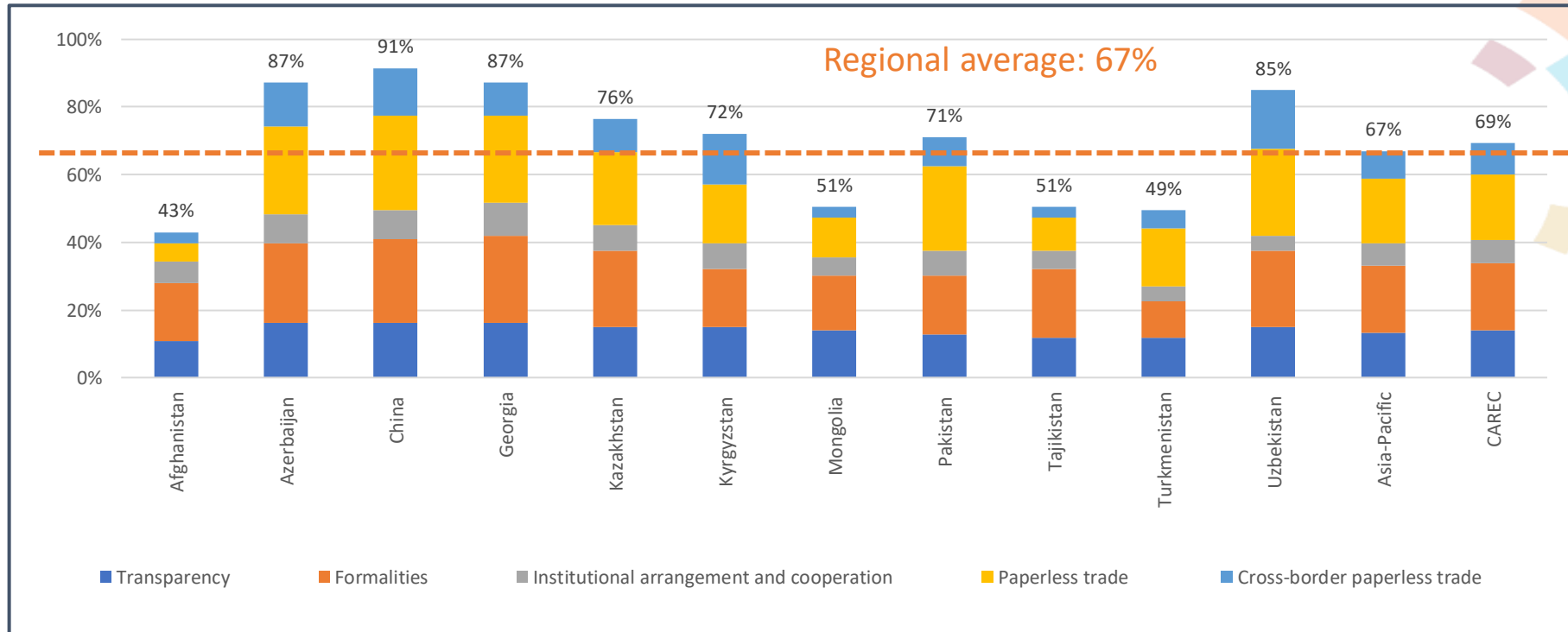
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Implementation varies widely across CAREC countries

- » CAREC average implementation rate at 69%
- » China, Azerbaijan and Georgia leading the CAREC subregion

Overall implementation of trade facilitation measures in CAREC countries

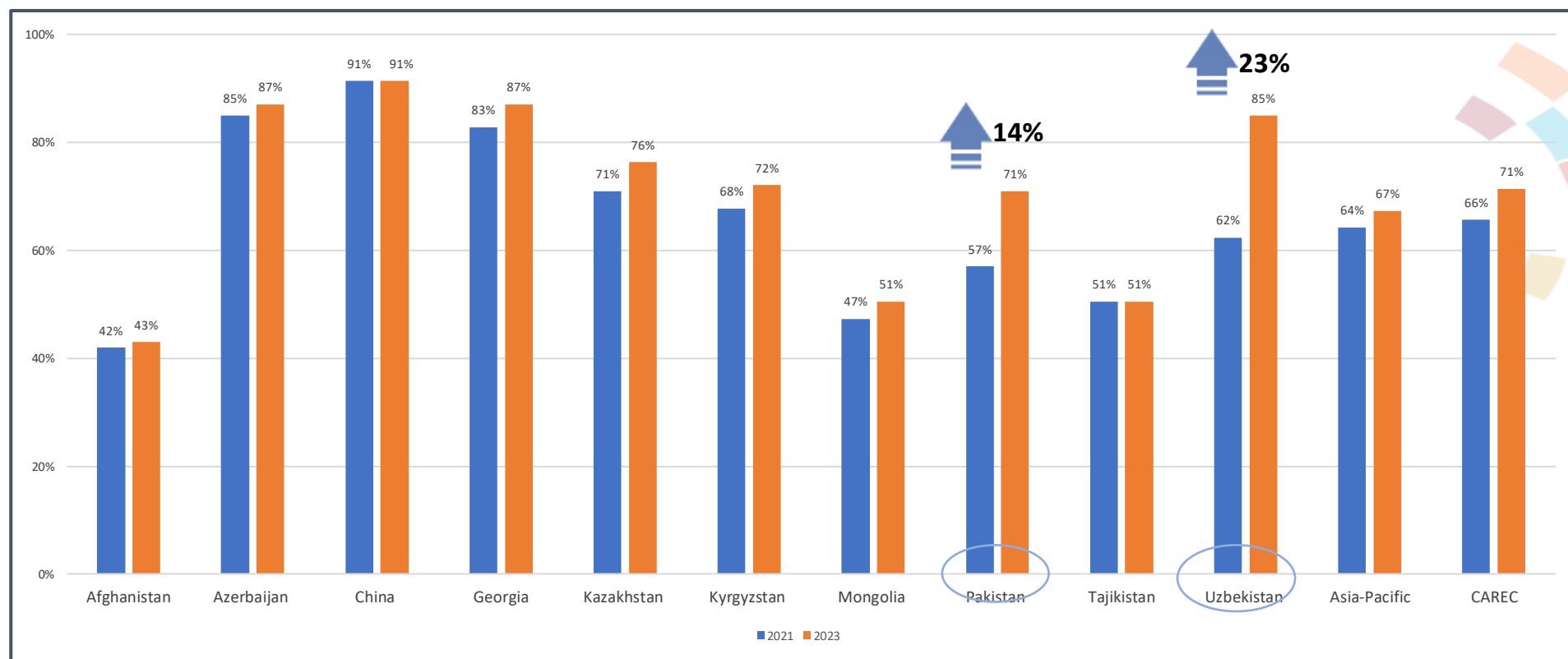


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. www.untfsurvey.org

Implementation improved in CAREC subregion

- » CAREC average implementation: increased by 5 percentage points
- » Significant progress observed in Uzbekistan and Pakistan

Trade facilitation implementation by CAREC countries between 2021 and 2023

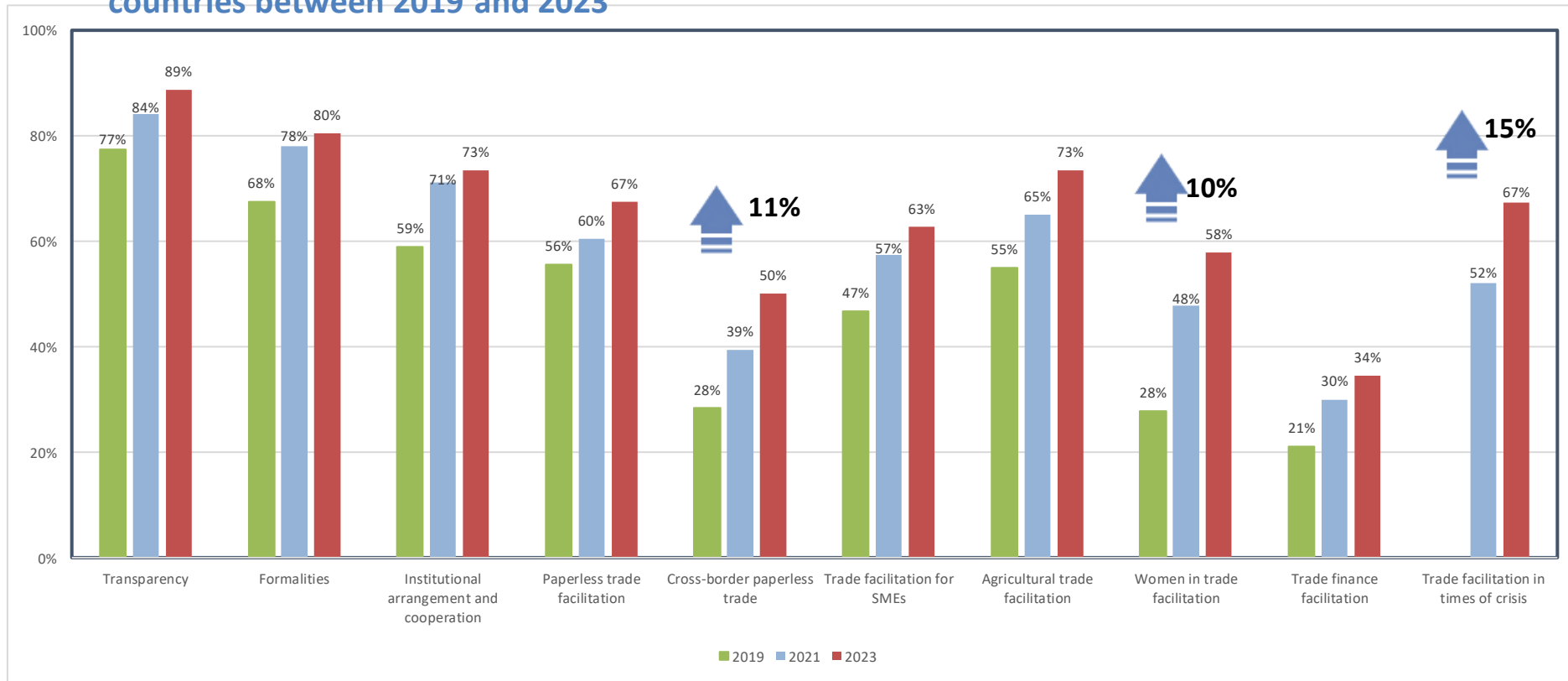


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. www.untfsurvey.org

Implementation varies across different sub-groups

- » WTO TFA related measures well implemented (>70%)
- » Cross-border paperless trade and sustainable TF measures implementation relatively low, despite good progress made

Average implementation of different sub-groups of trade facilitation measures by CAREC countries between 2019 and 2023

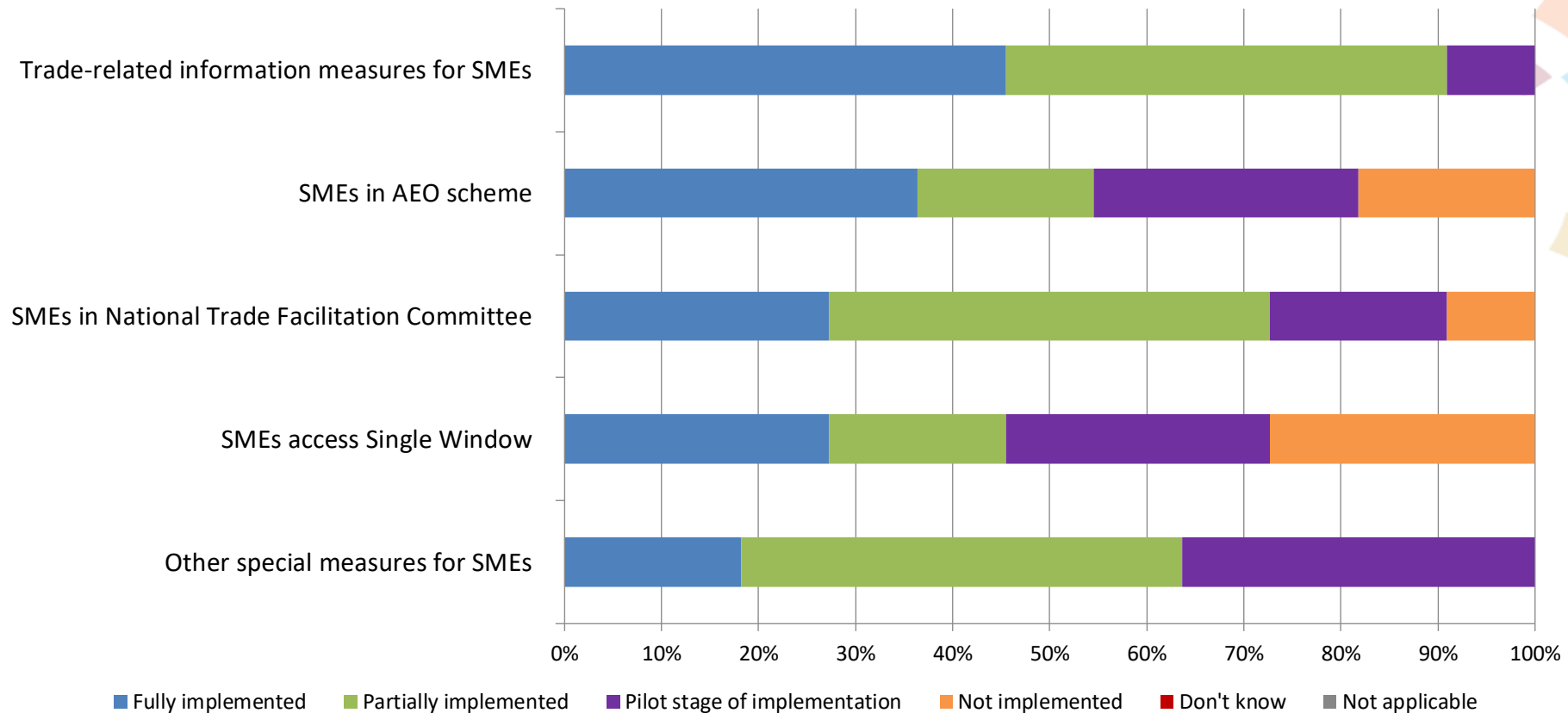


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. www.untfsurvey.org

Trade facilitation for SMEs

- » CAREC countries exhibit a higher level of implementation on all five measures, compared to the Asia-Pacific region
- » Still, considerable variations in the level of implementation

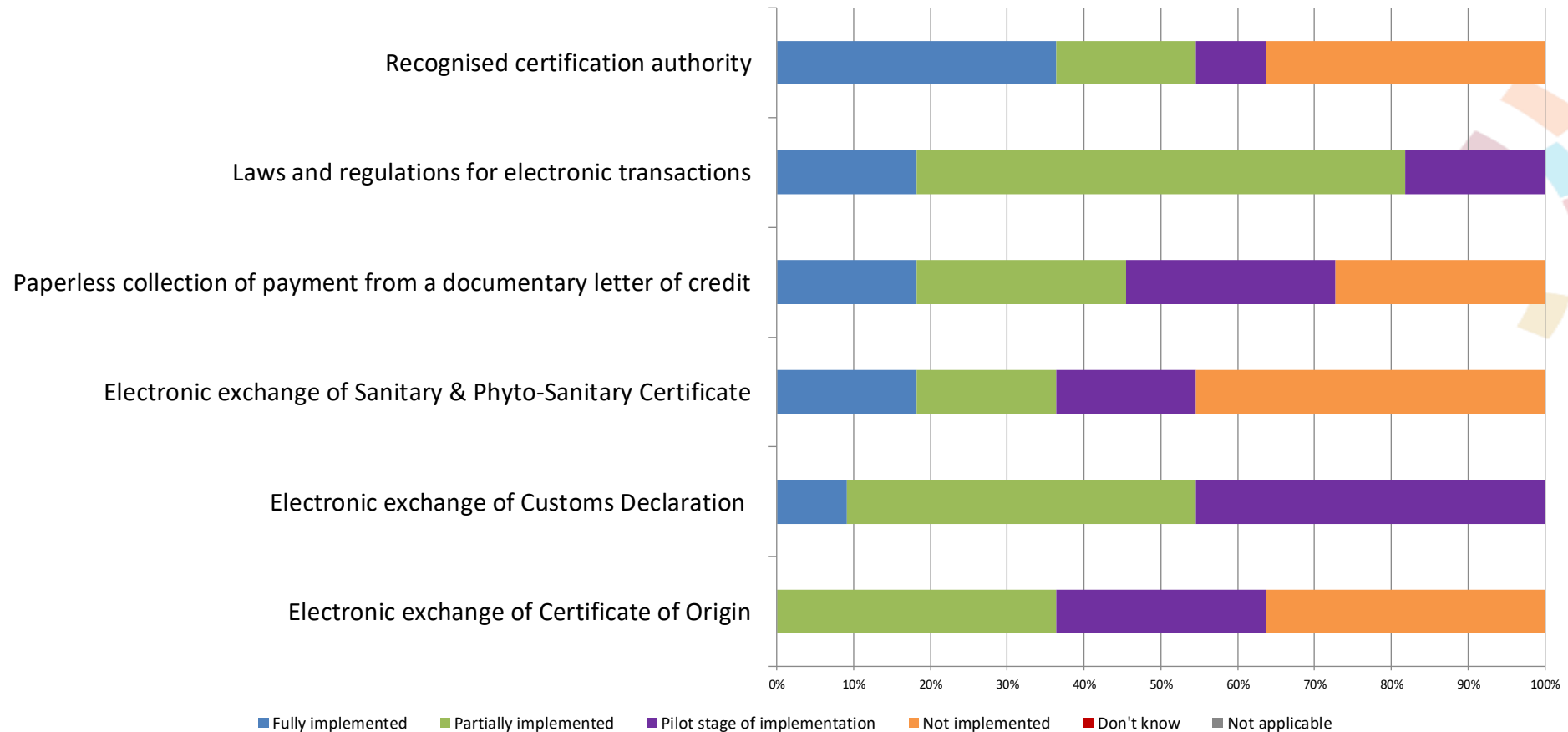
State of implementation of 'trade facilitation for SMEs' in CAREC



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. www.untfsurvey.org

Implementation of cross-border paperless trade measures remains low

State of implementation of 'cross-border paperless trade' in CAREC



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. www.untfsurvey.org

Significant room to cut trade costs through trade digitalization

» Digital trade facilitation can reduce trade costs by 15% in CAREC region

Expected trade cost reduction from alternative trade facilitation reforms

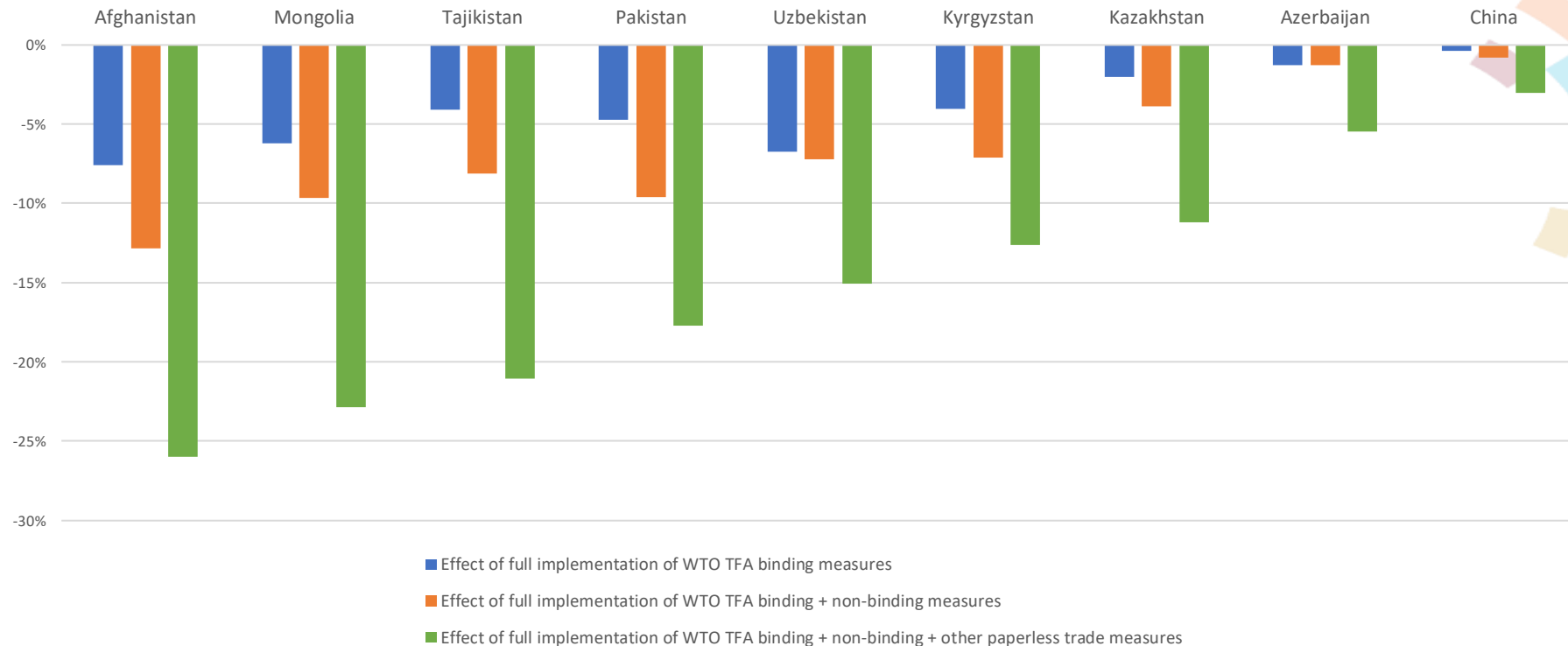
CAREC: trade costs model	WTO TFA (binding only)		WTO TFA (binding + non-binding)		WTO TFA+ (binding + non-binding + other paperless and cross-border paperless trade)	
	Partially implemented	Fully implemented	Partially implemented	Fully implemented	Partially implemented	Fully implemented
Model 1						
Overall trade facilitation	-0.94%	-4.14%	-1.73%	-6.74%	-7.60%	-15.02%
Model 2						
General trade facilitation measures	-0.77%	-3.09%	-0.93%	-4.23%	-1.23%	-4.74%
Digital trade facilitation measures	-	-	-0.84%	-1.75%	-6.43%	-9.84%

Source: United Nations ESCAP, based on data from www.untfsurvey.org and ESCAP/World Bank Trade Cost database.

Impact of trade facilitation implementation on trade cost

» (cross-border) paperless trade leads to significant cost reductions in all CAREC countries

Impact of trade facilitation implementation on trade costs of CAREC economies



Source: United Nations ESCAP, based on data from www.untfsurvey.org and ESCAP/World Bank Trade Cost database.

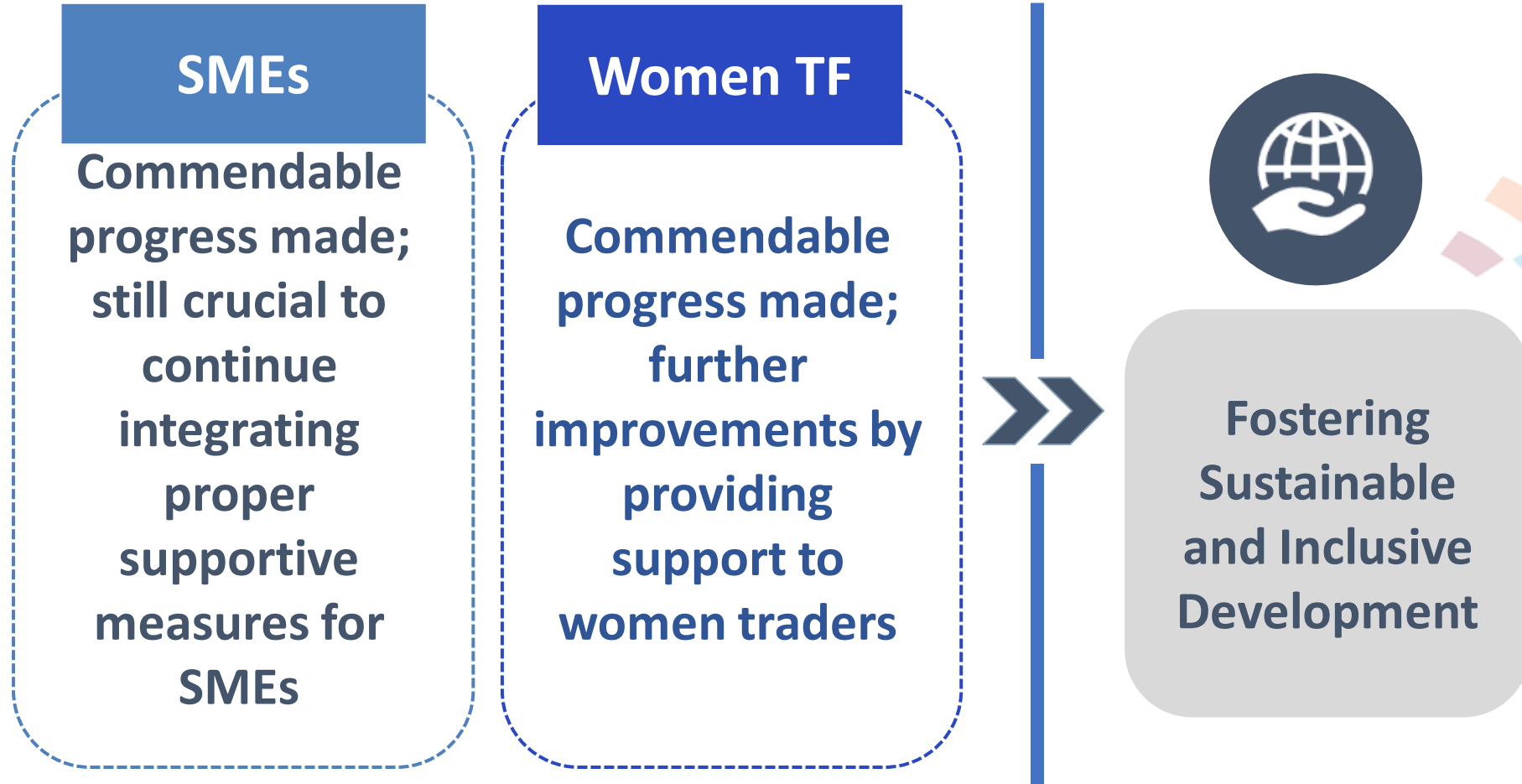
Recommendation 1: Advancing trade digitalization



Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)

- **A UN Treaty: enabling and action-oriented** – open to interested (53) ESCAP member states to become parties
- **Objective**
 - To facilitate cross-border paperless trade (data exchange) by providing a dedicated intergovernmental framework to develop legal and technical solutions
 - CAREC countries could promote their own initiatives and solutions and receive support for the advancement of their national Single Windows and other paperless systems

Recommendation 2: Enhancing sustainable trade facilitation



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