



*Delivering Progress*

# Key Growth Sectors and Emerging Investment Opportunities for the Private Sector

**David Tsiklauri, Senior Advisor, PMCG**

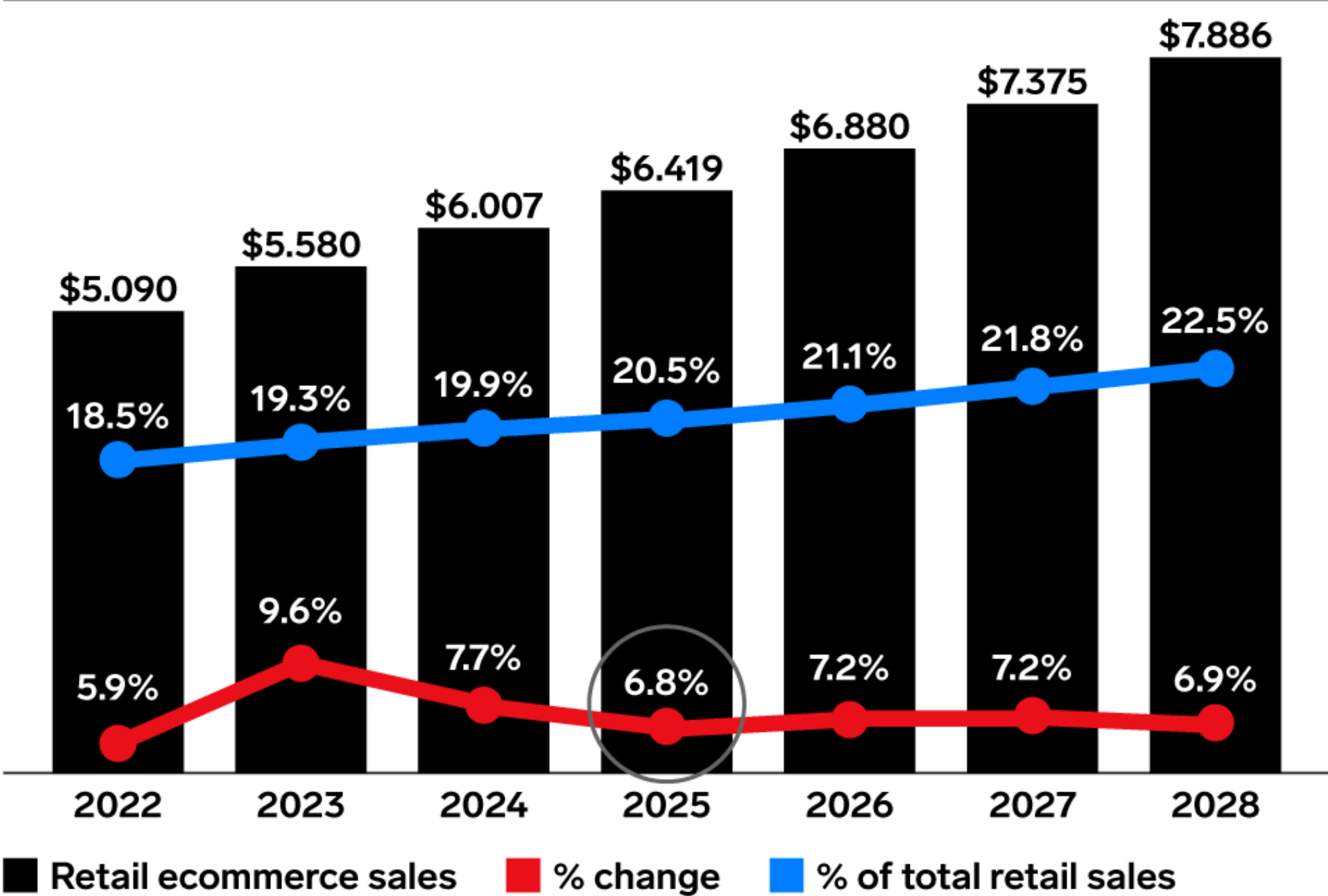
---

18.November.2025

# Global E-Commerce

## Worldwide Ecommerce Sales Growth Will Dip Slightly in 2025, Mostly Due to Softness in China

trillions in retail ecommerce sales worldwide, % change, and % of total retail sales, 2022-2028

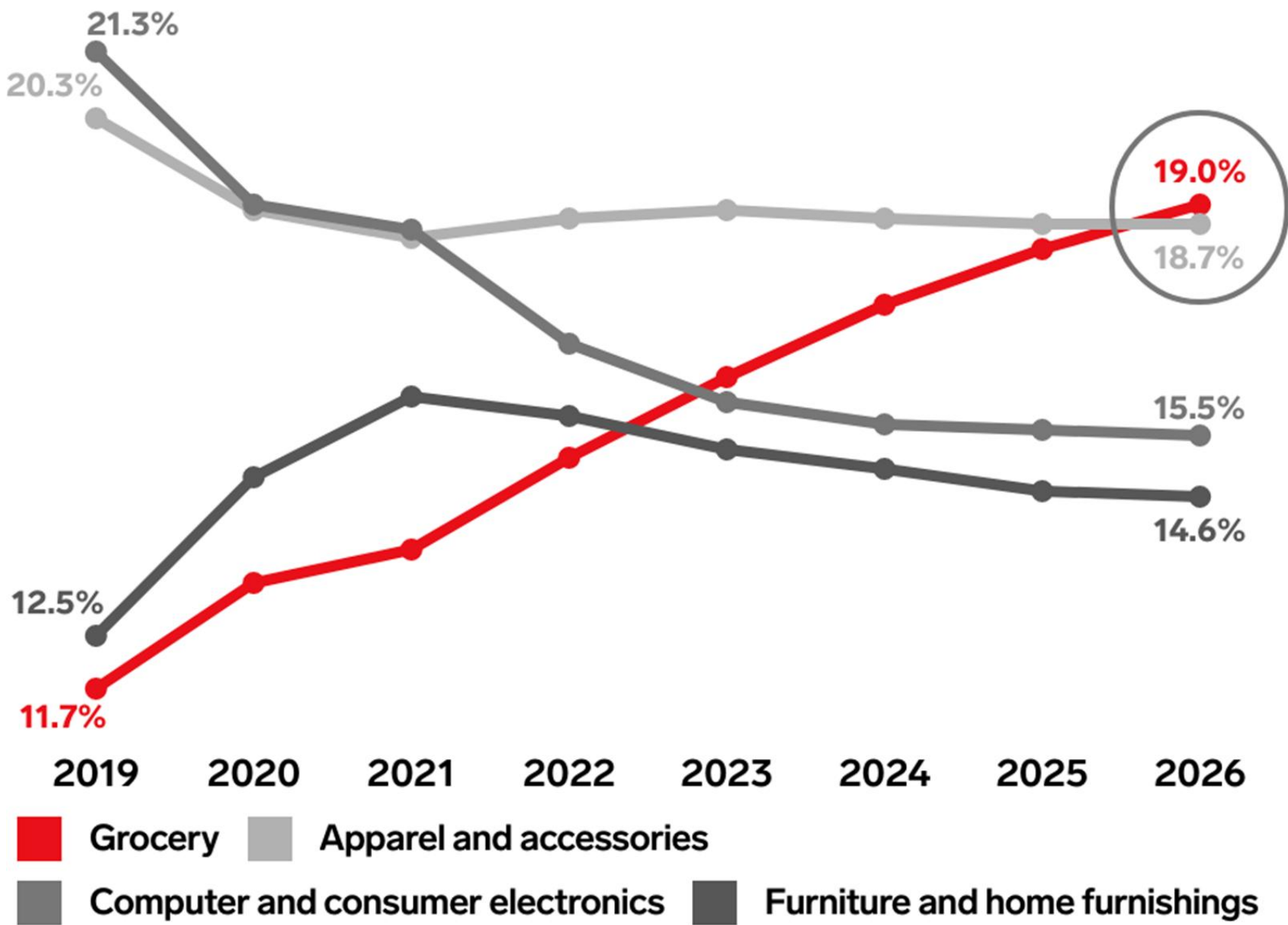


Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, restaurant sales, food services and drinking place sales, gambling and other vice goods sales  
Source: EMARKETER Forecast, Feb 2025

By 2026, grocery is forecasted to be the largest ecommerce category in the US, accounting for 19.0% of ecommerce sales, closely followed by apparel and accessories (18.7%), computer and consumer electronics (15.5%), furniture and home furnishings (14.6%) ([eMarketer](#))

## Grocery Will Become the Largest Ecommerce Category by 2026

% of US ecommerce sales, 2019-2026



Note: grocery includes food and nonfood grocery products ordered using the internet, regardless of method of payment or fulfillment; grocery items are products that people regularly buy from a grocery store, including food and beverages, pet food, household cleaning products, personal care products, and other household consumables; excludes restaurant sales  
Source: Insider Intelligence | eMarketer Forecast, Nov 2023



# E-commerce in CA

Central Asian e-commerce sector will expand at a compound annual growth rate (CAGR) of around 30+% through to 2033. Kazakhstan leads with the largest market, Kyrgyzstan and Uzbekistan show strong momentum, while Tajikistan and Turkmenistan are catching up

<https://russiaspivottoasia.com/russia-central-asias-e-commerce-market-a-deep-dive-introduction>



Estimated share of e-commerce in total retail trade:

- Kazakhstan – 14%
- Kyrgyzstan – 6%
- Uzbekistan – 4%
- Tajikistan – 4%





# Challenges to address

## E-Commerce in Central Asia: Challenges and Considerations



Infrastructure and logistics gaps



Digital payments and financial inclusion



Regulatory and policy fragmentation



Human capital and SME readiness



Cybersecurity and trust deficit

✓ Strengthen cross-border payments and SME capacity

✓ Harmonize digital trade policies regionally



- Weak last-mile delivery systems, especially in rural areas.
- High transport and customs costs due to landlocked geography.
- **Heavy reliance on cash-on-delivery.**
- Inconsistent e-commerce, taxation, and data protection laws.
- Barriers to cross-border trade.
- **Limited awareness and technical capacity among SMEs.**
- **Scarce training programs for small businesses.**
- Weak data protection and limited enforcement capacity.
- Low consumer confidence in online transactions.



# Supporting E-Commerce Sector - *Examples from our experience*

What	Why	Key Private Sector Partners
<b>Ecommerce Association - Georgia</b>	Established in 2020 with a passion for driving the growth and success of Georgia's e-commerce landscape. By strengthening the Association were created new services and increased collaboration in the sector	Mastercard, TBC Bank, TNET, others
<b>E-commerce Academy</b>	Gateway to advancing skills and knowledge in the dynamic world of e-commerce.	TBC Bank
<b>eCommerce Trustmark</b>	where consumers can shop safely and feel confident that the platforms they choose meet the highest standards of reliability, security and customer service.	TNET
<b>Public Awareness Campaigns</b>	Information campaigns designed to raise business and consumer awareness and increase confidence in electronic commerce.	Mastercard
<b>Digital Currency</b>	technological insights and expertise for the National Bank of Georgia 's central bank digital currency (CBDC) project, known as the Digital Lari.	Mastercard
<b>eCommerce Day</b>	Annual event where industry experts share expertise and promote e-commerce development in the country.	





# Agriculture and Agri-Tech

- Agriculture remains an important sector in Central Asia. In individual countries, it accounts for between approximately **5% and 25% of GDP** and about **one quarter to over one third of total employment**, depending on the country (OECD, 2023; World Bank, 2022; U.S. Department of Commerce, 2023).
- In the Kyrgyz Republic, agriculture contributes approximately **9 % of GDP and accounts for around 24 %** of total employment, reflecting its significance for the country's economy and rural livelihoods (International Fund for Agricultural Development [IFAD], 2024; World Bank, 2024).
- Although agriculture currently represents less than **10 percent of** total exports in most Central Asian economies, national strategies explicitly prioritize export-oriented agribusiness development.
- Recent studies show that agricultural technology (agri-tech) significantly improves productivity and resource efficiency. Precision agriculture technologies have been found to increase crop yields by **15–20 percent while reducing fertilizer and chemical inputs by 25–30 percent** (Kumar & Singh, 2024).

# Logistics Constraints – Central Asia's Agri-Exports

## Limited Transport Connectivity

- Landlocked region: exports must transit through Russia, China, or Caspian ports.
- **Transport costs 30–50% higher** than global averages for similar distances (World Bank, 2020).

## Weak Cold Chain & Storage Infrastructure

- Poor post-harvest handling causes major losses in perishable goods (fruits, vegetables, dairy).
- **30–40% of horticultural output lost** in Uzbekistan & Tajikistan due to inadequate cooling, grading, and packaging (World Bank, 2020).

## Border Delays & Non-Tariff Barriers

- Multi-day truck delays at regional borders.
- Causes: inconsistent documentation, duplicate inspections, and limited digital systems.
- Differing standards, certifications, and inspection regimes between countries hinder intra-regional trade and export competitiveness.



# Example of Travel Time (Uzbekistan → Poti (Georgia))

- The direct driving distance between Poti and Tashkent is about 3,743 km, with an estimated driving time of **~68 hours (3 – 5 days)** under normal conditions.
- Actual shipments take much longer—between 7.6 and up to **15 days**—due to loading, transfers, border checks, port procedures, and waiting times.
- A practical estimate for the economic cost of a lost truck-day in international freight transport is around **USD 1,000** per day, which includes the loss of vehicle revenue, driver time, and operational overheads, as well as indirect costs such as inventory carrying, contractual penalties, and lost sales (World Bank, 2023; OECD, 2023)
- **How much is wasted by 100,000 trucks per lost day?**





# Supporting Agriculture Sector - *Examples from our experience*

What	Why	Key Private Sector Partners
<b>Supply Chain Development</b>	Supported eight new husking, drying, and storage (HDS) facilities in Georgia to improve post-harvest handling for hazelnuts; 30,000+ trainings conducted for hazelnut producer groups.	Ferrero / AgriGeorgia
<b>Digital Trade Platforms</b>	Supported digital platforms / apps to connect farmers with agribusinesses/private buyers (e.g., the “Agronaut” platform)	Adjara Group
<b>Certification</b>	Supported lettuce growers in obtaining the international standard certification (Global G.A.P.) required by McDonald’s	McDonald’s
<b>Capacity Building</b>	GoTrade: Capacity building for SMEs on Agriculture logistics/trade-facilitation/export	DHL
<b>Export Facilitation</b>	Export Facilitation trainings for SMEs in the fresh fruits and vegetables sector	Bank of Georgia
<b>From Farm to Consumer</b>	Conferences and Forums "From Farm to Consumer".	TBC Bank, Retail Association, and Adjara Group







*Delivering Progress*

# Thank you

**[www.pmcg-i.com](http://www.pmcg-i.com)**

**[office@pmcginternational.com](mailto:office@pmcginternational.com)**