



Session 2: Updates and Lessons from CAREC Trade Initiatives

Zulfia Karimova, Principal Regional Cooperation Specialist, CWRC
Pramila Crivelli, Economist, Economic Research and Development Impact Department
Dorothea Lazaro, Senior Regional Cooperation Specialist, CWRC

7th Meeting of the CAREC Regional Trade Group (RTG)
13 June 2025, Bishkek, Kyrgyz Republic

Trade Facilitation Initiatives

Paperless Trade

Continue supporting CCC members' priority capacity building needs, which consider technical and legal aspects, including digitizing service delivery of involved stakeholders in end-to-end cargo clearance processing.

Green Customs Initiatives

Undertake feasibility study to assess potential BCP improvements and physical infrastructure and explore establishment of expanded joint customs control and integrated border management features.

Regional Transit

Continue to enhance the prototype system software based on updated user requirements and conduct stakeholder consultations to demonstrate CATS/ICE

Corridor Performance Measurement and Monitoring (CPMM)

Collect information on the infrastructure, inspection procedures, and throughput of CAREC BCPs

Regional Improvement of Border Services (RIBS)

Conduct technical study to assess applicability of integrating smart solutions and green practices at select border crossing points (BCPs).

Collaboration with Development Partners

Conduct review of legal frameworks relevant to cross-border paperless trade, and pre-feasibility study to identify innovative and appropriate digital solutions for piloting in selected CAREC countries

CATS/ICE:

CAREC Advanced Transit System and Information Common Exchange

CATS/ICE

Designed as a regional **harmonized electronic system** for the control of the movement **of goods in transit** through CAREC member states.

- Technical working group* meetings (3) to formulate **technical documentation**: guidelines, procedures, and processes to enable CATS/ICE testing and implementation (February 2024 – March 2025)
- First **conformity test** of the prototype system functionality (1-5 April 2024)
- **Parallel tests** conducted (4-20 September 2024)
- Developed CATS/ICE ITC system, system upgrade to **prototype version 2**
- **Virtual consultations** with Pakistan and Tajikistan to potentially expand the pilot (February 2025)

- Legal and Regulatory Working Group
- Information Communication and Technology Working Group
- Customs Control Facilitation Working Group

Next Steps

- Multi-country CATS/ICE Agreement to support 'live' operation of CATS/ICE
- Enhance the prototype system software based on updated user requirements
- Conduct stakeholder consultations to demonstrate the CATS/ICE system
- Promote CATS/ICE to other CAREC countries

CARTIF:

CAREC Trade and Investment Facilitation Partnership

CARTIF

is a structured framework for enhancing trade and investment cooperation.

- **CARTIF Concept** presented at the CAREC Regional Trade Group Meeting (April 2024); further refined through a regional workshop (June 2024)
- **CARTIF Concept Note** developed and consultations on key chapters and institutional arrangements initiated
- **Virtual consultations** (14 March 2025) with CAREC Trade focals confirmed strong countries support.
- **CARTIF text** drafted (April–May 2025).
- **Consultations** prior the RTG Meeting (12 June 2025).

Next Steps

- CARTIF text is finalized and shared for endorsement to CAREC countries (July 2025).
- **CARTIF Joint Statement** for adoption at the CAREC Ministerial Conference/signing of a Declaration for participating countries.

Roadmap for Sustainable Investment Policy Reforms in Uzbekistan – OECD/ADB collaboration

RSIPR

Comprehensive approach using the OECD Policy Framework for Investment to assess the climate for domestic and foreign investment at sub-national, national or regional levels.

Chapters

- **Launch event:** 6 March 2024 by the OECD, EU, ADB and the Government of Uzbekistan [[link](#)]
 - **Facts-finding mission:** June 2024, OECD - ADB
 - **Diagnosis:** desk research, data collection and multi-stakeholder consultations, 2024-2025
 - **OECD Investment Committee:** RSIPR special session, 21 May 2025
 - **TTIF session:** 12 June 2025
1. Assessment and Recommendations
 2. Investment Trends and Performance in Uzbekistan
 3. **The Trade–Investment Nexus** (ADB-led)
 4. Legal Framework for Investment
 5. Investment Promotion and Facilitation
 6. Responsible Business Conduct and Sustainability
 7. Public–Private Dialogue and Institutional Framework
 8. Green Investment and Climate-Resilient Infrastructure
 9. The Digital Economy and Investment Opportunities
 10. Implementation, Monitoring and Evaluation

Next Steps

Roadmap finalization
Review, finalization, and launch

Implementation. Design and implementation policy reforms

Geographic Expansion
New model of the OECD Investment Policy Review that could be expanded to other CAREC economies

CAREC COP29 Declaration

CAREC Partnership for Trade, Climate, and Innovation

CAREC Partnership

pursues regional actions and innovative solutions to climate change and trade issues.

It complements the Baku Initiative for Climate Finance, Investment, and Trade (BICFIT)* Dialogue

*a key platform for mobilizing private sector for climate finance and promotes green product manufacturing using critical minerals.

Priority Initiatives

- UN Model Law on Electronic Transferable Records (**MLETR**)
- **ePhyto** (electronic phytosanitary certificate) Solution (**IPPC**)
- electronic exchange of **conformity certificates** (proposed, pilot with **KTNET**)
- QR-code technology for **carbon traceability** (pilot of ADB Trade and Supply Chain Finance Program)
- **Regional fund of funds (FoF)** to catalyze the deployment of venture capital for startup ecosystems that focus on climate solutions (feasibility)

Strong consensus on the need for regional cooperation, digital trade harmonization, climate-smart infrastructure, and innovation financing.

Members **ready to support** the CAREC Partnership and proposed a **plan of action** to operationalize it



WTO Accession

The **Uzbekistan** government at the 9th meeting of the Working Party on the Accession in 2024, reaffirmed its intention to advance negotiations and complete the process by 2026.

Turkmenistan, with support from ADB in collaboration with the Accession Division of the WTO Secretariat, is finalizing governmental approval of its Memorandum on the Foreign Trade Regime that will be circulated to WTO Members.

Azerbaijan is accelerating negotiations in preparation for the 17th meeting of the Working Party in 2025.

2nd Central Asia Trade Policy Forum was held from 3-5 June in Almaty, with the theme “Economic Integration through WTO Accession and Membership”

It promoted the **integration of Central Asia into the multilateral trading system through WTO accession**, and shared experiences and lessons learned from WTO accession and post-accession that enhanced participants’ knowledge of the policy implications of membership.

Digital Trade

ePhyto Solution

a global platform for the exchange of electronic phytosanitary certificates

- Uzbekistan, Pakistan, and Azerbaijan integrated into the ePhyto Solution. PRC, Georgia, Kazakhstan, Kyrgyz Republic are at the testing phase.
- A Webinar on ePhyto Solution to Support Digitalization of the Export/Import Process in Azerbaijan and Georgia on 30 July 2024 provided insights and technical advice to accelerate their participation in the platform.

Digital Trade and E-Commerce

- 2nd CAREC Digital Trade Forum focused on “Advancing Digital Solutions and Deepening Regional Cooperation for Trade”
- CAREC members participated in the Global Digital Trade Expo, a 5-day event in Hangzhou, Zhejiang Province of PRC, and discussed the role of emerging technologies such as AI in digital trade.
- Promote UN Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)

Pilot projects

- Georgia: use of Robotic Processes Automation (AI) for import processes
- Mongolia: minimum viable product for e-certificate of origin system issued by Chamber of Commerce to link with Customs or National Single Window

e-Conformity Certificate

- develop and pilot-test the electronic exchange of conformity certificates

New Technical Assistance to Support CITA

Implementing the CAREC Integrated Trade Agenda 2030 (Phase 2)

<https://www.adb.org/projects/58082-001/main>

Subprojects

Subproject 1: Trade Policy

Subproject 2: Trade Facilitation

Subproject 3: Digital Connectivity for Trade

Subproject 4: Climate Actions in Trade

Subproject 5: Services Trade for Diversification

Outputs

Output 1: Knowledge to expand, digitalize, and promote the greening of trade provided.

Output 2: Projects that expand, digitalize, and promote the greening of trade supported.

Output 3: Capacities of trade institutions for policy formulation, coordination, and implementation reinforced.

Thank you!