

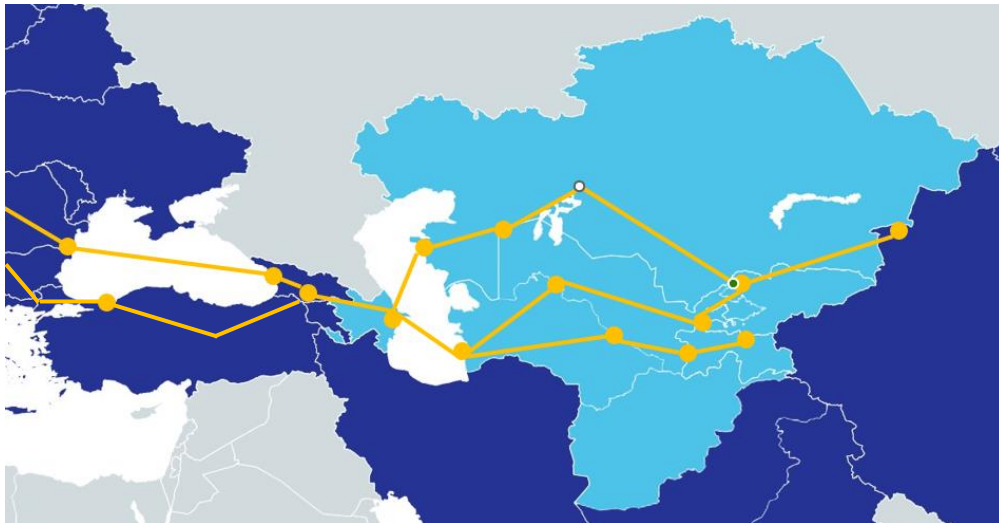
# Digital transformation for enhanced trade connectivity in the SPECA Region



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# The Trans-Caspian Transport Corridor - both an opportunity and a challenge for SPECA countries

TCC is the shortest route km wise, but shipments must go through at least 10 border crossing points before entering the EU



Operations on the TCC remain long, costly and unpredictable

Transit time on the Trans-Caspian corridor can vary from 14 to 60 days<sup>1</sup>

Shipping a cargo to Europe through the Trans-Caspian corridor costs 3x more than on the Tran-Siberian route: from 6 to 17k\$<sup>2</sup>

Lack of procedural harmonization makes the route very expensive for businesses

Current challenges reduce the attractiveness of the corridor for traders

# The bureaucratic maze discourages traders to use the Middle Corridor

**Formalities to export aluminium towards the EU**

	<b>From Tajikistan to Turkmenbashi by road</b>	<b>From Kyrgyzstan to Aktau by road</b>
Time	<b>25 days</b> (excl. transport)	<b>40 days</b> (excl. transport)
# of docs	<b>65</b> unique docs.	<b>78</b> unique docs.
# of interactions with Gvt	<b>68</b>	<b>72</b>
# of institutions involved	<b>16</b>	<b>20</b>
Trade costs	<b>~5'000\$</b>	<b>~4'000\$</b>



# EU-Funded Ready4Trade project - designed to improve connectivity through better and sustainable trade

**Remove obstacles to cross-border trade**



Substantial time and cost of cross-border trade within the region and with the European Union, and coupled with a lack of transparent and foreseeable regulations governing trade formalities

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**Build capacities of small businesses to export**



Capacity gap of SMEs to trade across border and effectively comply with destination markets requirements

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**Improve e-commerce**



Low level of e-commerce penetration in Central Asia depriving SMEs of opportunities to connect to markets

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**Foster women's participation in trade**



Support participation of women in sustainable cross-border activities and improve inclusivity of customs and border environments

# Trade Information Portals to close information gaps on trade formalities in a regionally harmonized manner

5 National Portals brought together under one regional platform



A dwell of information attracting many visitors

150

Formalities made transparent

280

Product groups documented\*

182 000

Unique visitors

3'000

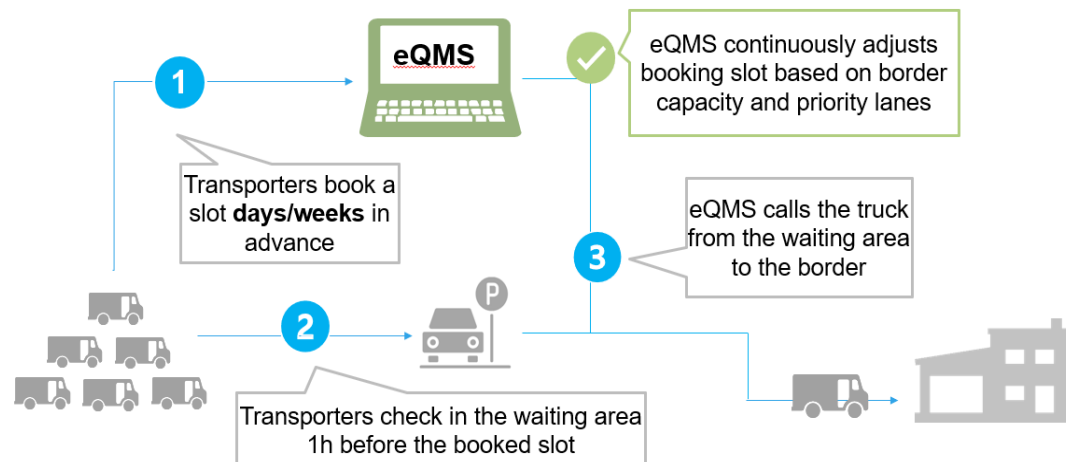
New visitors, every week !

# Digital transformation initiatives in Central Asia

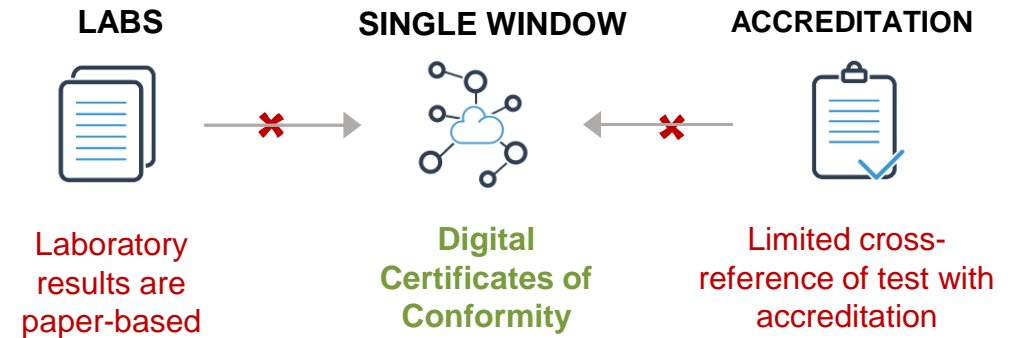
## Electronic Exchange of COs

- ✓ Transition to electronic CO in the Kyrgyz Republic through the SW platform
- ✓ Building momentum towards regional exchange of electronic preferential COs

## Electronic Queue Management



## Digitalization of Laboratory Tests



## CART.IS – Mapping of E-Systems

- ✓ Methodology to map B2G and G2G solutions supporting trade: e-systems, data-exchange;
- ✓ A tool to identify bottlenecks and support governments to prioritize and rationalize digitalization efforts



# Lessons Learned



**Leverage international standards, frameworks, and recommendations**, such as UN/CEFACT, ISO and others



**Adopt a comprehensive approach** - digitalisation encompasses all facets of trading including IT, legal/regulatory, operational, business usability



**Develop localized solutions**, including IT, where possible - to ensure ownership and sustainability



**Establish adequate governance and funding** model to ensure sustainability



**Support coordination and collaboration** among countries sharing the border

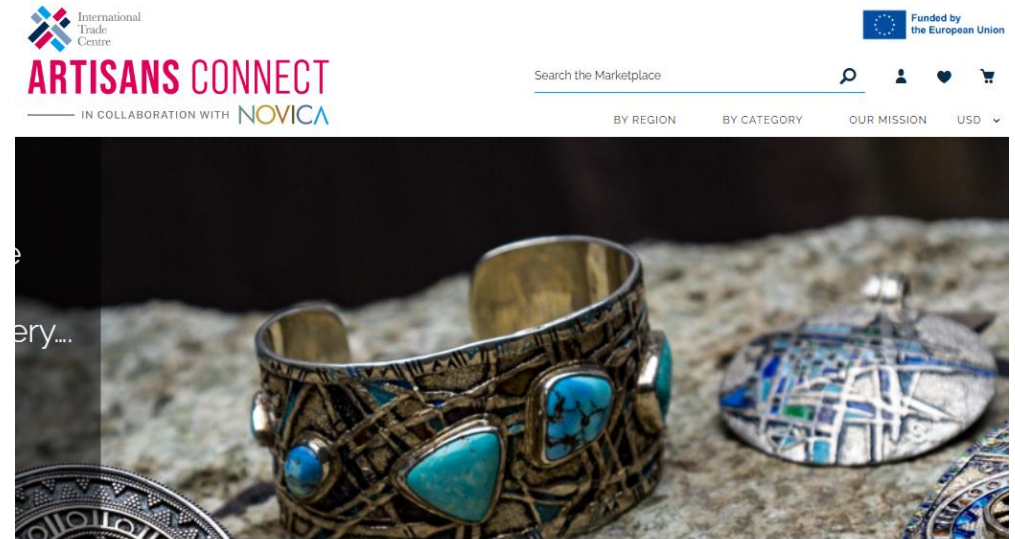


**Leave no one behind** – build capacity of the private sector to engage in digital trade (Ex. [Silk Road regional page](#) , Artisan Empowerment Hub and Artisans Connect)

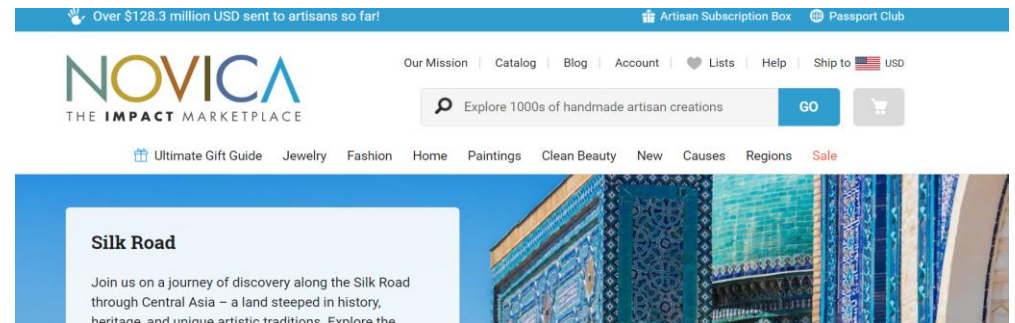


# Strategic partnership with NOVICA

- ✓ The e-commerce platform [NOVICA](#) launched the [Silk Road regional page](#) , Artisan Empowerment Hub and [Artisans Connect](#) online store in Central Asia to support small businesses to sell handmade goods online.
- ✓ The Hub provides essential services to artisans including product training, creation of listings, shipping and customer care.
- ✓ There are currently 43 artisans listed selling 700 products to destinations worldwide.



Empower artisans and  
preserve culture







Thank you for your attention