Dear readers,

Welcome to the inaugural issue of our Ready4Trade newsletter in Kazakhstan! In this issue, we are delighted to introduce the Ready4Trade Central Asia project, as well as to share some of our recent achievements. This project, funded by the European Union, provides targeted trade development support to five Central Asian countries, and we are happy to see Kazakhstan among them.

In line with the implementation of the EU Strategy on Central Asia: “New opportunities for a Stronger Partnership” and the need to ensure a stronger regional integration, Ready4Trade supports the development of intra-regional and international trade by enhancing the transparency of cross-border requirements, removing regulatory and procedural barriers, strengthening business capability to comply with trade formalities, as well as by improving cross-border e-commerce.

Our newsletter will keep you informed of important steps in our activities and plans, achievements and challenges. Each issue will be available online in English, Kazakh, and Russian on our website: intracen.org/Ready4Trade

I would like to take this opportunity to thank all the organizations and entities who made this project possible. In particular, I would like to acknowledge the central role of our donor, the European Union, for its generous support and constructive collaboration. Finally, I would like to thank the Ministry of Trade and Integration of the Republic of Kazakhstan, the Center for Trade Policy Development Joint-Stock Company “QazTrade”, the Ministry of Finance of the Republic of Kazakhstan for their support as well as Kazakhstan’s business associations who will be key in assisting us to identify the main challenges SMEs face in Kazakhstan and that need to be addressed through Ready4Trade. We are looking forward to continuing working with all stakeholders for an evermore thriving Kazakh economy.

Jalil Bulatov
ITC National Project Manager in Kazakhstan

ITC Executive Director and United Nations Assistant Secretary-General Pamela Coke-Hamilton:

‘This ambitious project signals a renewed effort to boost trade-led growth in Central Asian countries. ITC is pleased to work with policymakers and the business community to support a more inclusive and sustainable approach to economic development particularly by modernizing certain strategic areas such as trade facilitation and e-commerce’.
Businesses in Kazakhstan can look forward to more open trade with neighbouring countries and further afield with the Ready4Trade Central Asia project, funded by the EU and implemented by ITC with the support of the Ministry of Trade and Integration of the Republic of Kazakhstan and QazTrade.

Ready4Trade aims to spur an inclusive and sustainable economic development in Kazakhstan by boosting intra-regional and international trade and minimizing the negative impact of the COVID-19 pandemic on the economy of Kazakhstan. Ready4Trade targets two strategic areas in Kazakhstan: trade facilitation and e-commerce.

Stakeholders reviewed the initial outcomes of Ready4Trade as well as the next steps at a high-level online event held on 04 December 2020. Keynote speakers included H.E. Ms. Assel Zhanassova- Vice-Minister of Trade and Integration of the Republic of Kazakhstan who spoke on behalf of H.E. Mr. Bakhyt Sultanov, Minister of Trade and Integration of the Republic of Kazakhstan, H.E. Mrs. Zhanar Aitzhanova, Ambassador of the Republic of Kazakhstan to the United Nations and other international organizations in Geneva, H.E. Mr. Sven-Olov Carlsson, Ambassador of the European Union to the Republic of Kazakhstan, and Ms. Pamela Coke-Hamilton, Executive Director of ITC and Assistant Secretary-General of the United Nations.

More information: discover our [Press Release](#) on the event

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**Improving access to trade information through Trade Facilitation Portal**

The creation of a Trade Facilitation Portal (TFP) in Kazakhstan is a key tool to improve both the understanding and compliance of SMEs with cross-border trade requirements

As soon as the TFP is up and running, businesses will easily be able to keep abreast of cross-border trade formalities throughout the region through one single information center. The TFP in Kazakhstan is implemented jointly with the Center for Trade Policy Development QazTrade. As to enable the mapping of all trade procedures to populate the TFP, a meeting was held in September with Ready4Trade expert and the Vice-Minister of Trade and Integration, the Vice-Minister of Finance as well as representatives of relevant stakeholders.

As a result of this preliminary meeting, the Ministry of Trade and Integration established an official working group (WG) on TFP, consisting of 23 members from 10 public, quasi-state and non-governmental organizations. This Working Group will facilitate the TFP development, monitor its progress and ensure a smooth coordination between the various Government agencies involved.
Creating new trade opportunities for SMEs through e-commerce

According to Kazpost data, the e-commerce volume in Kazakhstan reached 435 billion tenge (US$1.05 billion) in the first half of 2020, which amounts to 9.4 percent of total retail. This figure is close to the 2025 target set by the government; e-commerce is fast becoming a significant channel for trade in the country, and one that offers the potential for renewed economic growth.

To support Kazakhstan, leverage the potential of digitalization, the Ready4Trade project is providing a series of capacity building, advisory services & awareness raising activities to support Kazakh SMEs trade internationally and intra-regionally through online channels. Ready4Trade will also review the e-commerce regulatory environment of Kazakhstan.

8 national coaches will become ITC’s experts through various Training-of-Trainers (ToT) sessions and will in turn coach 45 SMEs carefully selected throughout the country, ensuring both ownership and sustainability of the project. The beneficiary SMEs come from a range of sectors, including garment &textile, food & beverages, and handicrafts. The first module of ToT has already been completed, and the 8 national coaches have already each conducted a two-day training for their assigned SMEs.

Last but not least, national partners, SMEs and coaches all have access to ITC’s ecomConnect platform, a virtual community of e-commerce entrepreneurs engaged in the sustainable development of small businesses online by facilitating shared learning, innovative solutions, collaboration and partnerships.

Kazakh SMEs in a better position to export

Ready4Trade, in collaboration with QazTrade, has launched its export coaching initiative in Kazakhstan to boost the export potential of SMEs. 5 local Export Management Coaches have been selected based on their relevant experience soft skills in export management to benefit from ITC’s ‘Training-of-Trainers’ (ToT) and be able in turn to pass on their knowledge to an array of Kazakh SMEs. Increasing Kazakhstan's export potential by improving the capacities of national SMEs to comply with trade-related formalities is crucial for its economic growth.

The first ToT was conducted in Almaty in February 2021, based on a methodology which have proved effective in the past, and which includes a series of practical role-playing exercises, based on real-life case studies. Throughout the workshop, the selected coaches honed their knowledge on key issues for Kazakh exporters:

- Packaging and labelling;
- Mandatory and voluntary certifications and buyer’s standards;
- Customs and duties;
- International transportation by road, rail and air; and
- Export planning and pro-forma invoices.

The coaches also received a customized Coaching Manual, which provides detailed guidelines on how to identify and solve day-to-day problems faced by SMEs.

Ready4Trade experts also instructed the coaches to pay special attention to women-led enterprises, which face specific challenges in their cross-border management operations.
A validation meeting was held in March with relevant private sector representatives to discuss and review the key regulatory and procedural obstacles to international trade in Kazakhstan.

The main purpose of this meeting was to present the results of the questionnaire conducted by ITC targeting traders, regulators and service organizations. This questionnaire was developed to map and analyze existing trade barriers and discuss potential simplification of certain trade procedures. About 68 traders and 14 regulators completed the survey.

Participants to this validation meeting offered valuable feedback and comments to further define potential solutions to remove these obstacles to trade. The next step in this process will be to hold a similar validation meeting with regulators and public sector representatives.

“Obstacles of diary import truly exist and need to be addressed by Government. I want to point out obligatory digital labeling and traceability” – Valdimir Nikolayevich, head of Association of “Dairy Union of Kazakhstan”

“There is another high impact barrier to trade – the application of tariff restriction measures by Tajikistan and Uzbekistan.” – Yevgeniy Gan – President of Association of Legal Entities “Union of Grain Processors of Kazakhstan”

ABOUT READY4TRADE CENTRAL ASIA

With the ‘Ready4Trade Central Asia’ project, the European Union (EU) and the International Trade Centre (ITC) are joining forces to contribute to the overall sustainable and inclusive economic development of Central Asia by boosting intra-regional and international trade in the region.