Dear readers,

We are pleased to introduce the first issue of Ready4Trade Newsletter in Uzbekistan! In this issue, we are delighted to introduce the Ready4Trade Central Asia project and 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 Uzbekistan 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, our plans, our achievements and the challenges we face. Each issue will be available online in English, Russian and Uzbek 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. I would also like to thank the Ministry of Investments and Foreign Trade and the State Customs Committee, who are both longstanding supporters of ITC’s work in Uzbekistan, as well as the research institutes, business associations, and representatives of the private sector who will be key in assisting us to identify the main challenges faced by SMEs in Uzbekistan and that need to be addressed through Ready4Trade. We look forward to strengthening our collaboration with all relevant stakeholders for the prosperity of the Uzbek economy.

Khayrulla Mashrabov  
ITC National Project Manager in Uzbekistan

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’.
How to ease trade and increase competitiveness in Uzbekistan through compliance with the WTO Trade Facilitation Agreement

One of the potential stumbling blocks for Uzbekistan on the road to its full-fledged World Trade Organization (WTO) Membership is ensuring its compliance with the WTO Trade Facilitation Agreement (TFA). This can be challenging as the entry into force of the TFA creates binding obligations for all WTO members to improve the transparency, predictability, fairness and efficiency of the cross-border environment. But introducing the right reforms should have massive positive impacts on the Uzbek economy: complying with the TFA will boost the speed and efficiency of cross-border trade procedures while reducing cost.

To support Uzbekistan in its efforts to implement impactful trade reforms, the European Union (EU) and the International Trade Centre (ITC) have come together to hold a 5-days virtual workshop for the relevant national public and private stakeholders. This workshop was organized in close collaboration with the Ministry of Foreign Investment and Trade (MIFT), with 2 objectives:

• Help participating stakeholders better understand the TFA, its implications, and expected benefits for the private sector in particular, and determine Uzbekistan's current level of compliance with the TFA measures.
• Enhance participants' awareness of the needs and means necessary to set-up of a sustainable National Trade Facilitation Committee (NFTC) as primary trade facilitation coordination mechanism, the NFTC will play a critical role in helping the country implement the correct legal changes. To that end, the State Customs Committee (SCC) has been identified as the main partner for the implementation of the trade facilitation portal under the overall coordination of the MIFT.

Doing business with Uzbekistan will soon be easier, quicker and cheaper

To improve the transparency, predictability, and efficiency of its cross-border trade, Uzbekistan has teamed up with ITC under Ready4Trade to establish an online trade facilitation portal in the country, based on the existing ITC-UNCTAD model. Commodity-specific, this online portal will be a one-stop shop of Uzbek cross-border laws, regulations, duties and taxes, and will be a key addition to the already existing 20+ portals worldwide.

One of the first steps towards the establishment of this portal was the organization in late 2020 of a technical training for the team which will oversee the maintenance of this online portal.
Towards a smoother cross border management

Building SMEs capacities to comply with procedural formalities, technical regulations, quality standards and other requirements related to cross-border trade is key to enable more SMEs in Uzbekistan to participate in regional and international value chains and generate new export flows. Increasing the SMEs’ awareness of international market requirements and cross-border procedures is thus at the heart of our Ready4Trade project.

Through ITC’s Export Management Coaching Initiative (EMCI), Ready4Trade provides on-the-job advisory and capacity building services to SMEs. The EMCI was developed by ITC as a practical and action-oriented initiative to help business-owners solve day-to-day problems faced in the management of their export operations. To improve the ability of locally selected Export Management Coaches to provide tailored consulting and training services to SMEs in the specific area of cross-border procedures management, Ready4Trade organized a Training-of-Trainers (ToT) for the selected coaches on February 22 – 26, 2021 in Uzbekistan.

Teaming up with the Association of Exporters of Uzbekistan (AEU) to implement this initiative, the Ready4Trade team specifically developed some customized case studies for this training, based on existing regional examples. These case studies served as a basis for role-playing exercises during the various sessions, allowing participants to practice their use of ITC’s Export Management Coaching Manual to identify and solve potential cross-border trade problems faced by SMEs.

This ToT tackled issues related to 5 specific areas of the Export Management Coaching Manual:
• 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 ToT will have a trickle-down effect thanks to the tailored consulting and training services delivered directly at the premises of the beneficiary SMEs. These beneficiary SMEs will be identified with the support of partner institutions, based on a set of criteria co-developed by ITC and its partner organizations (e.g. company size, export-readiness, target sectors, export destinations, problems reported, etc.).
How Ready4Trade supports Uzbek SMEs on their e-commerce journey

As part of the Ready4Trade Central Asia project funded by the European Union, ITC launched a series of e-commerce trainings for SMEs in Uzbekistan.

8 national coaches worked with 50 Uzbek businesses in the handicraft, textile and garments sectors to help them launch and grow online sales in Tashkent, Bukhara and Ferghana from February to March. The sessions covered digitization, content creation, online channels, payments and logistics, as well as digital marketing. National advisors individually mentored the selected SMEs, accompanying them through the different stages of their e-commerce journey. ITC will further implement several e-labs for specific support to the most advanced companies, amplifying the impact and enabling these companies to share best practices with beginners.

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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.