



**USAID | CENTRAL ASIA**  
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# REGIONAL ECONOMIC COOPERATION PROJECT

**ANNUAL PROGRESS REPORT  
OCTOBER 2013 – SEPTEMBER 2014**



*MOU signing between PAJCCI and the International Association of Great Silk Road*



*Master class on suzani embroidery by Dilbar Akhmedova from Uzbekistan*



*Saidrahmon Nazriev, Deputy Minister of Economic Development and Trade, and Robert Burgess, Deputy Chief of Mission US Embassy, at Tajikistan WTO book launching event*



*Visit of Uzbek farmers to cooperative MUSMAJU DARZENI, the biggest vegetable cooperative in Latvia*

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**Contract No. AID-176-I-11-00003  
Task Order No. AID-176-TO-11-00001**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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## ACRONYMS

ADB	Asian Development Bank
AmCham	American Chamber of Commerce
ATAR	USAID Afghanistan Trade and Revenue Project
B2B	Business-to-business
CAARWBA	Central Asian and Afghanistan Regional Women’s Business Association
CABOC	Central Asian Business Opportunities Conference
CAIUU	Center of Agro Information-Innovation of Uzbekistan
CAR	Central Asian Republics
CAREC	Central Asia Regional Economic Cooperation Program
CATF	Central Asian Trade Forum
CCIUz	Chamber of Commerce of Uzbekistan
CCI	Chamber of Commerce and Industry
COP	Chief of Party
DLA	Defense Logistics Agency
DOD	Department of Defense
EPI	Export Partnership Initiative
EPG	Export Partnership Group
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GSA	General Services Administration
IFOAM	International Federation of Organic Agriculture Movements
IQC	Indefinite Quantity Contract
MOU	Memorandum of Understanding
MEDT	Ministry for Economic Development and Trade (Tajikistan)
MFERIT	Ministry of Foreign Economic Relations, Investments and Trade
NGO	Nongovernmental organization
PV	Prime vendors
RCE KG	Public Association Regional Center of Expertise on Education for Sustainable Development
REC	USAID Regional Economic Cooperation project
SME	Small and Medium-Sized Enterprise
SOW	Scope of Work
TOT	Training of Trainers
TWI	Theodore Wille Intertrade
UNDP	United Nations Development Program
UNECE	United Nations Economic Commission for Europe
USAID	United States Agency for International Development
VolVis	U.S. State Department Voluntary Visitor Program
WDA	Women’s Development Agency
WTO	World Trade Organization

## EXECUTIVE SUMMARY

The USAID Central Asian Republics (CAR) Regional Economic Cooperation (REC) Project has been operating in Central Asia since October 2011. This is the third Annual Report for REC, covering the period of October 2013 to September 2014. The purpose of the REC project is to improve the environment for cross-border trade among Central Asian countries, Afghanistan, and larger trading partners. Some of REC's key achievements and activities in Year 3 were:

- Organized a Business-to-Business (B2B) Trade Mission in Mazar-e-Sharif, Afghanistan, to match Kazakh-Uzbek-Afghan entrepreneurs, which resulted in signed letters of intent for business deals valued at \$8 million.
- Organized and hosted the third annual Central Asian Trade Forum (CATF), which attracted more than 400 participants, representing 270 organizations and agencies. CATF included plenary sessions, master classes, B2B sessions, and a trade fair. Uzbek-Kazakh trade deals in the amount of \$1.47 million, facilitated at CATF, have been completed in Year 3.
- Organized the Central Asian delegation to attend the Central Asian Business Opportunities Conference (CABOC) in Islamabad, Pakistan. This event brought together private sector representatives from the chambers of commerce and industry, associations and private companies from Kazakhstan, Tajikistan, Kyrgyzstan and Pakistan, resulting in 19 signed Memoranda of Understanding (MOUs).
- Provided capacity building assistance to 1,643 firms from Afghanistan, Pakistan, and the Central Asian Republics, as well as worked with 3,584 participants and beneficiaries in project-supported trade and investment trainings.
- Organized two Civil –Military (CIV/MIL) Local Business Forums in Almaty, Kazakhstan and Bishkek, Kyrgyzstan in cooperation with Defense Logistics Agency Troop Support with participation of DOD suppliers in Afghanistan. The main topics of the Forum presented by the U.S. DOD and GSA representatives were Central Asia States (CAS ) Local Procurement Update (FY10-FY13), CAS Local Procurement Forecast (FY14), CENTCOM Transition and Local Procurement Successes.
- [REDACTED]
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- Supported Tajikistan's post-accession activities, including participation in the ninth World Trade Organization (WTO) Ministerial Conference and the sixth annual session of the Committee on Trade in Geneva, Switzerland. REC also supported Tajik officials' participation at working meetings for Afghanistan and Kazakhstan WTO accession.
- Published a Tajik language translation of WTO agreements, providing the legal framework for Tajikistan's integration to the global multilateral trading system.
- Conducted a roundtable on single window development and implementation in Central Asia which included customs experts, senior government officials, and international organizations from around the Central Asian Republics in Tashkent, Uzbekistan
- Conducted an "Assessment of Single Window Development Status in Kazakhstan and Uzbekistan" and presented findings on Single Window development in Uzbekistan to improve trade throughout Central Asia and Afghanistan.
- Organized a Transport and Logistics roundtable to identify the chief obstacles to transport corridor performance improvement and ways to mitigate them. As a result of this event, REC

established a partnership with ADBL of Uzbekistan to increase the competitiveness of transport and transit potential of Uzbekistan.

In order to achieve these results, REC has established strong relationships with key export stakeholders from the region, including private companies, Central Asian government agencies, associations, chambers of commerce, international organizations, the U.S. Government, the Defense Logistics Agency's (DLA) prime vendors, other USAID projects such as the Afghanistan Trade and Revenue Project (ATAR), and other donors including the European Bank for Reconstruction and Enterprise Growth Development/Business Advisory Services project, GIZ, BOMCA, and UNDP.

REC's operations are managed from its Almaty office, which oversees activities in Kazakhstan, Uzbekistan, Tajikistan, and throughout the region. During Year 3, the project continued to support a team embedded in the Ministry of Economic Development and Trade in Dushanbe, providing support and guidance for Tajikistan's WTO post-accession activities. During Year 3, REC also established a permanent technical and managerial presence with its new regional office in Tashkent, Uzbekistan. Throughout Year 3, REC has maintained and built key relationships in Central Asia, efficiently implemented its work plan, and achieved substantial results. Below, we describe the project background and a detailed description of Year 3's technical implementation. Administrative details are included in the annexes.

## **SECTION I PROJECT BACKGROUND**

The Central Asian Republics Regional Economic Cooperation (REC) project is a five-year Task Order under USAID/CAR's Macroeconomic Foundations for Growth Indefinite Quantity Contract (IQC). The purpose of REC is to improve the environment for cross-border trade among Central-Asian countries, Afghanistan, and larger trading partners such as China and Russia through implementing activities such as adoption, refinement and implementation of best practices, international agreements, conventions, and standards that govern trade. The REC project implements activities in Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan but also includes beneficiaries from Afghanistan as part of the Export Partnership Initiative or Groups.

REC undertakes a range of trade facilitation activities, specifically the following:

- Support Export Partnership Groups (EPGs) that were developed under legacy projects, while facilitating the development of new EPGs and strengthening women-owned textile businesses in the region.
- Evaluate the export potential of Central Asian firms through market research.
- Test the barriers to export by facilitating sales to the U.S. DOD and the General Services Administration (GSA) for use in Afghanistan and identify alternate markets in response to the drawdown in Afghanistan.
- Organize regional workshops for returnees of the Department of State summer 2012 Voluntary Visitors (VolVis) Program and provide and manage business-related grants for VolVis and VolVis-like organizations.
- Support Tajikistan in World Trade Organization post-accession activities.
- Assist in the development and implementation of pro-trade policies, regulations, and processes in Central Asian countries.

## SECTION II TECHNICAL IMPLEMENTATION

### ACTIVITY 1: EXPORT PARTNERSHIPS INITIATIVE

Sub-Activity	Milestones in Year 3
Existing EPGs supported	<ul style="list-style-type: none"> <li>Hosted “Organic export partnership in Central Asia” forum</li> <li>Organic Farming training held in Urgench</li> <li>Seminar on packaging and export of agricultural products conducted</li> </ul>
B2B meetings	<ul style="list-style-type: none"> <li>Letters of intent signed during B2B in Mazar-e-Sharif (Afghanistan) for \$8 million</li> <li>Letters of intent signed during B2B in Bishkek (Kyrgyzstan) for \$170,000</li> <li>Contract concluded in B2B in Tashkent, Uzbekistan for \$325,000</li> </ul>
Central Asian Trade Forum (CATF)	<ul style="list-style-type: none"> <li>438 participants at the 3rd annual CATF</li> <li>Five memoranda signed</li> <li>Transactions concluded for the total amount of \$1,470,000</li> </ul>
Central Asian Business Opportunities Conference (CABOC)	<ul style="list-style-type: none"> <li>600 participants from Pakistan, Central Asia, and Afghanistan attended CABOC</li> <li>19 Memoranda of Understanding (MOUs) were signed at CABOC between private sector representatives from the chambers of commerce and industry, associations and private companies.</li> </ul>

During Year 3, Activity 1 focused on capacity building activities for businesses and industry associations from Central Asia, Afghanistan, and Pakistan to promote export activities in new markets, improve knowledge of firms in packaging and storage processes of the agricultural sector, and increase trade relations between Uzbekistan and Kazakhstan.

In addition to B2Bs and other trade facilitation events, REC facilitated two multinational trade forums, the REC-sponsored third annual Central Asian Trade Forum in Almaty in October 2013 and the Central Asian Business Opportunities Conference (CABOC) in Islamabad, Pakistan, in April 2014. Through specific and tailored plenary and breakout sessions, Central Asian participants had an opportunity to network, identify and discuss business and trade opportunities with Pakistani, Afghan, and other international businesses. REC further supported the development of linkages between CAR businesses and the DOD suppliers to Afghanistan, as presented below under Activity 3. REC continued to support the textiles EPG, primarily through the grants program, as discussed in Activity 4. Finally, REC continued to support and monitor the carpet making EPG, which, to date, has seen an increase in over \$65 thousand dollars in turnover.

#### A. Support to the existing Export Partnership Groups

REC continues to concentrate its efforts on promoting and facilitating organic farming development in Central Asia. Through a combination of market research support and targeted training events, the Organic Farming EPG finished Year 2 in strong shape, with member firms more aware of their market opportunities throughout the CAR region and beyond.



*Organic export partnership in Central Asia Forum in Tashkent - November 2013*

In Year 3, seeing Uzbekistan’s potential for producing organic agricultural products, REC prioritized the development of Uzbek organic farming sector. REC signed a memorandum of cooperation with the Center of Agro Information-Innovation of Uzbekistan (CAIU) and received approvals for organizing 12 organic farming development events in Uzbekistan from the Ministry of Agriculture and Water Resources, Ministry of Economics, Ministry of Foreign Affairs, Ministry of Finance, and the Ministry of Foreign Economic Relations and Trade and the Cabinet of Ministers.

In November 2013, REC organized a forum to promote organic export partnership in Central Asia, as a pilot event in Tashkent launched within the framework of “AgroFood,” the international exhibition on gardening, horticulture, bee-breeding and floriculture. This event united farmers from Uzbekistan, Kazakhstan, Kyrgyzstan, and Tajikistan, as well as representatives of NGOs and the Uzbek Ministry of Agriculture. Forum participants learned about the state of the organic market in Central Asia and prospects for development of this sector, organic crop producing techniques, and international standards and certifications for organic products. Speakers stressed the need for training Uzbek farmers on the basics of organic farming, including special courses at the Academy the International Federation of Organic Agriculture Movements (IFOAM) and developing common standards for Central Asia. As a result of the forum, the Council of Farmers of Uzbekistan signed memoranda of cooperation, which outline cooperation and joint activities in agricultural trade, with the International Association “Great Silk Way”, and with the Soyuz Plodoovosh International Association (Kyrgyzstan).

In January 2014, REC and CAIU organized a two-day training on the development of the organic sector and certification of products in Urgench, Uzbekistan for 43 farmers and producers of cotton, fruits, and vegetables from the Khorezm Oblast. The training consisted of theoretical and practical sessions where farmers learned the principles of organic agriculture and certification of organic products.



*Organic farming training in Urgench, Uzbekistan - January 28-29, 2014*



*Training of Trainers on Organic Agriculture in Tashkent, Uzbekistan - August 11-13, 2014*

REC and CAIU organized a Training of Trainers (ToT) on organic agriculture in Uzbekistan. The three-day event was conducted on August 11-13 in Tashkent and hosted 20 participants (agricultural trainers and Managers of the Council of Farmers) representing 11 oblasts. The course covered organic farming techniques, certification of organic products, and how to expand export of Uzbek organic products to the European Union.

## **B. Development of New Export Partnership Groups**

Central Asian pharmaceutical companies approached REC this year requesting assistance with expanding their markets. Central Asian governments have also expressed their desire to increase opportunities in this sector and create pharmaceutical market linkages among Central Asian countries. Based on the outcomes of the working group on packaging held in Tashkent in 2013, REC has also identified the need to develop and support a fruit & vegetables/packaging EPG in Uzbekistan. Transport of goods, especially perishable goods, remains a major challenge for exporters in Uzbekistan. In 2015, REC will organize focus groups for the fruit &

vegetables/packaging and pharmaceutical EPGs. These focus groups will bring together producers, suppliers, and manufacturers to identify the obstacles each industry faces, as well as opportunities for export growth and partnership development.

### C. Export Development in Uzbekistan

During export facilitation roundtables conducted by REC in Year 2, maintaining quality of agricultural products during storage and transportation was identified as the one of the primary obstacles to export growth. In order to address this issue in Year 3, REC has partnered with the Association of International Business and Technologies (AMBIT) to organize a packaging working meeting. Forty representatives of Uzbek packaging companies, the Association of Packaging Companies of Kazakhstan, and various industry experts attended the meeting. The discussions focused on optimizing processing/packaging and improving storage conditions to increase the quantity and quality of Uzbek exports. The group addressed the need to organize a packaging association in Uzbekistan. To facilitate the development of the packaging industry in Uzbekistan, REC signed an MOU with AMBIT.



*Working meeting on packaging, in participation with AMBIT, to improve packaging products and standards in Uzbekistan*



*Participants of the Business Seminar “Packaging and Export of Agricultural Products” in Tashkent, on June 4, 2014*

On June 4, 2014 in Tashkent, REC and AMBIT organized an agricultural packaging and export seminar. The seminar brought together 174 participants and consisted of presentations on best practices for storage and packaging of agricultural products for companies and farmers exporting to the Commonwealth of Independent States countries and Europe. During the seminar, an exhibition was held where participants had the opportunity to present their agricultural products and packaging methodologies. Participants also held B2B meetings and networked with other firms. As a result, a Memorandum of Cooperation between the International Association Plodovosh (Almaty, Kazakhstan) and AMBIT was signed to develop regional trading of horticultural products.

On September 10, 2014 in Tashkent, REC and Kaznex Invest organized a B2B event to promote trade cooperation between Kazakhstan and Uzbekistan. Sixteen Kazakh companies from the pharmaceutical, food & beverage, electrical equipment, and construction materials sectors participated in the meeting. The Uzbek participants included representatives from 64 distribution and retail businesses. A significant outcome of the B2B meeting was the execution of a contract for the delivery of a transformer core to Uzbekistan valued at \$325,000. In addition, seven letters of intent were enacted for the delivery of food, medicines, chemicals and equipment.



*B2B meeting between Kazakh and Uzbek companies, Tashkent, Uzbekistan, September 10, 2014*

To provide theoretical and practical training on the trade experience in Latvia, including practical visits to several entrepreneurs working in the import/export field, REC supported 16 farmers from Uzbekistan and organized a study tour to Riga, Latvia from August 28 - September 5, 2014. The study tour included: meetings with government officials, businesses, the Latvian Chamber of Commerce and Industry, the Latvian Rural Advisory and Training Center; visits to farmers; and a visit to the Liepaya Free Economic Zone and other related organizations. Participants were introduced to the basic principles of crop sales and proper use of supplies such as seeds, crop protection products, and fertilizers, etc. The study tour also taught about the optimization of grain and rapeseed logistics, harvesting, and post-harvest techniques.



*Visit to cooperative MUSMAJU DARZENI, the biggest vegetable cooperative in Latvia -September 2, 2014*

Based on positive feedback from the Uzbek and Latvian participants, REC is working to create opportunities for further cooperation between Latvian and Uzbek counterparts, including exchange programs and/or B2B meetings.

#### **D. Export Development in Kyrgyzstan**

The Central Asian Trade Forum (CATF) last year revealed Kazakhstan's interest in Kyrgyz goods, especially textile, food, and beverage products. To facilitate increased trade development between the two countries, REC and the Chambers of Commerce (CCIs) of Kazakhstan and Kyrgyzstan conducted a B2B conference to increase trade cooperation on March 12, 2014 in Bishkek, Kyrgyzstan. The Kazakh delegation comprised of 20 companies that expressed interest in Kyrgyz imports. In turn, more than 60 Kyrgyz enterprises from the agricultural, textile, and food and beverage industries presented their export goods. Participants had the opportunity to learn about the import-export regimes of each country. The B2B session facilitated networking and matchmaking between Kyrgyz exporters and Kazakh importers and included an exhibition of Kyrgyz products.

During the B2B sessions, the Kazakh delegation held 92 one-on-one meetings with Kyrgyz exporters. The feedback from this event revealed that the Kazakh delegation identified 46 Kyrgyz exporters as potential partners. The participants reached preliminary agreements for the supply of goods from Kyrgyzstan totaling more than \$170,000 USD. Additionally, four letters of intent between Kyrgyz exporters and Kazakh importers were signed at the conclusion of the conference. The participants reached preliminary agreements totaling \$170,000 in Kyrgyz exports. To date, under these agreements the Kazakh delegation has supplied a total of \$30,000.



*Conference "Trade Cooperation Kyrgyzstan - Kazakhstan", Bishkek, KG - March 12, 2014*

#### **E. Trade Development with Afghanistan**

On February 24-25, 2014 REC organized a matchmaking event with the Chambers of Commerce and Industry of Balkh Province in Afghanistan, the Embassy of the Republic of Kazakhstan to Afghanistan, the National Chamber of Entrepreneurs of Kazakhstan, and the Agro Information-

Innovation Center of Uzbekistan, with participation 15 Uzbek and 20 Kazakhstani companies and associations along with over 100 Afghan businesses. Kazakhstani and Uzbek participants of the B2B meetings represented companies exporting food and agricultural products, pharmaceuticals, transportation materials, chemicals, consumer goods, construction materials, and logistics services. Afghan businesses represented importers, distributors, wholesalers, and retailers.

This event provided opportunities for entrepreneurs to exchange information, develop bilateral and multilateral trade and economic ties, and address the requirements of exporting goods from Kazakhstan and Uzbekistan to Afghanistan, as well as from Afghanistan to the Central Asian countries. All of these initiatives will help to implement the New Silk Road Initiative, improving trade facilitation and regional cooperation.

## F. Trade Development with Pakistan

On April 14-16, 2014 the USAID Pakistan Trade Project, REC, and the Ministry of Commerce of Pakistan, in cooperation with the Rawalpindi Chamber of Commerce and Industry, co-hosted the Central Asian Business Opportunities Conference (CABOC) in Islamabad. This conference was a continuation of the dialogue between Central Asian Republics, Pakistan, and Afghanistan that was initiated during CATF 2013, where stakeholders expressed a mutual interest in reviving the Silk Road by increasing cross-border trade investments. More than 600 participants from Pakistan, Central Asia, and Afghanistan attended CABOC. Of these participants, REC organized a delegation of 53 representatives from the public and private sectors of Uzbekistan, Kazakhstan, Tajikistan, and Kyrgyzstan.



*Presentations during the first day of CABOC in Islamabad, Pakistan - April 14, 2014*



*B2B meetings session of CABOC in Islamabad - April 15, 2014*

During the plenary session, participants had the opportunity to discuss the current state of trade between the regions and its prospects and challenges. On the second day, ambassadors from Central Asia and Afghanistan presented investment opportunities of the countries they represented. A transportation and logistics session addressed issues on effectiveness and efficiency of existing routes between Central Asia, Pakistan, and Afghanistan, and the need for joining the Transports Internationaux Routiers (TIR) Convention.

B2B sessions, an integral part of the conference, were held each day. Participants held a total of 300 meetings, 123 of which were marked as prospective for future businesses to import goods from Pakistan to Central Asia and export food to Afghanistan. Nineteen MOUs were signed at CABOC between private sector representatives from the chambers of commerce and industry, associations, and private companies. These agreements will facilitate private sector information sharing and the development of formal business ties.



*Central Asian Delegation to CABOC*

### **G. III Central Asian Trade Forum**

In 2013, the CATF focused on export competitiveness of Central Asian countries and businesses. The event included plenary sessions, master classes, B2B sessions, and a trade fair. The event attracted more than 438 participants, including lead experts, opinion shapers, top managers from state bodies and businesses, representatives of international organizations, and leaders of diplomatic missions, representing 270 organizations and agencies. The main topics covered were:

**The result of B2B meetings during III CATF:**

OOO "VOOLLENTEKS", (Tashkent, Uzbekistan) signed and executed contracts with LLP "Zangarzhan" (Shymkent, Kazakhstan) and PE "Zamanshab" (Almaty, Kazakhstan) valued at \$1.470.000 USD.

- Trade policies of Central Asian countries
- Economic Cooperation with Afghanistan: Trade development issues, investment, transportation, and logistics
- Role of Chambers of Commerce in export development
- Innovative practices and key trends in textiles and apparel globally
- Export promotion tools for small and medium businesses

Trade experts from all the Central Asian Republics plus Russia, Pakistan, Afghanistan, Austria, and the U.S. shared their experiences with WTO membership, international export promotion, trade financing, and investment. Participants from export-oriented enterprises learned how international business can be successful despite the challenges businesses face in the region. During B2B sessions of the Forum, Central Asian entrepreneurs had a chance to familiarize themselves with products from Afghanistan and Pakistan. In addition, through networking and B2B matchmaking efforts, five cross-border MOUs were signed between companies and associations, representing new business relationships between Kazakhstani-Afghani, Kazakhstani-Uzbek, Tajik-Afghan, Tajik-Pakistan, and Uzbek-Tajik partners.

REC finalized collection of feedback and evaluations on the CATF from stakeholders' feedback and evaluations. The feedback showed that all of respondents intend to participate in the next CATF. The questionnaires scored the success of the CATF as 4.5 out of 5. Among the topics of greatest interest to be covered during the next CATF, respondents identified the following: International logistics and transport, export marketing, IT solutions, and export legislation.

#### **Upcoming Activities**

- Conduct the fourth annual Central Asian Trade Forum in Almaty, Kazakhstan, October 29-30, 2014.
- Organize a B2B event between Kazakhstan and Afghanistan in Mazar-e-Sharif, Afghanistan, November 2014 (tentative).
- Conduct a roundtable on fruit & vegetables/packaging in Samarkand, Uzbekistan, December, 2014.

## ACTIVITY 2: MARKET RESEARCH TO EVALUATE THE EXPORT POTENTIAL OF KAZAKHSTAN AND UZBEKISTAN

Sub-Activity	Milestones in Year 3
Number of technical assistance and capacity building activities provided to firms and trade promotion agencies	<ul style="list-style-type: none"> <li>• In Year 3, REC identified more than 250 businesses for B2B and market research events</li> <li>• Conducted market research surveys for presentation at the WHO Prequalification Forum for TB Drugs in Central Asia, Pakistan, and India</li> <li>• Increased CAR Exporters Database to more than 1000 businesses</li> </ul>

Component 2 activities are supporting all of the other REC components through market research, EPG technical assistance, international expertise, and capacity building activities. Under this component, REC also builds the capacity of the government export promotion agencies. Capacity building activities include providing short-term technical advisors on priority areas of activities, organizing and participating in the trade promotion public events, and export development training sessions, as well as overall coordination and support.

### A. Coordinate Market Research Activities and Technical Assistance to REC EPG Members, Industries, and Markets

Export promotion and other related government agencies from Kazakhstan and Uzbekistan have access to extensive and high-quality information that can be used to promote export and attract investors. These organizations still need support to update their market information and improve their services to local firms.

During Year 3, REC continued cooperation with the key Kazakhstan trade promotion agency KazNex Invest, associations, and NGOs from Uzbekistan and Kazakhstan for the improvement of exporters' knowledge, skills, and capacity development. Based on a successful joint B2B meeting organized by REC and KazNex to match Kazakhstani and Afghan exporters in Year 2, REC organized similar B2B meetings between Kazakhstani exporters and potential business partners in Uzbekistan, Kyrgyzstan, and Pakistan. In Year 3, the REC team, in collaboration with USAID, strengthened the relationship with the trade promotion agencies in Uzbekistan, Pakistan, and Afghanistan.

In preparation for the Mazar B2B, REC selected potential partners in Kazakhstan and Uzbekistan who are well positioned to increase trade with Afghanistan. As a result, about 14 Uzbek and 18 Kazakhstani businesses representing food, agro, construction, metals, and pharmaceuticals industries—were selected to participate in a B2B meeting in Mazar in February 2014. REC prepared this event in coordination with the Balkh CCI to ensure supply-demand matching between the Afghan, Uzbek, and Kazakhstani businesses. It was the second meeting between the Balkh Province and Uzbek and Kazakh businesses. The first one took place in November 2013, in Termez, Uzbekistan. To prepare the event, REC analyzed legislation relating to trade between Afghanistan and Uzbekistan; had meetings with state and private organizations and associations to gather and review information; and prepared a detailed report with recommendations on the goods produced by Afghanistan and Uzbekistan that are most marketable to their neighbor. The report included survey results on other business and investment opportunities for Uzbek-Afghan cooperation (the report is available on the web site:

[http://en.car-rec.net/userfiles/analysis\\_of\\_potentialopport\\_of\\_uzb\\_and\\_afg\\_eng.pdf](http://en.car-rec.net/userfiles/analysis_of_potentialopport_of_uzb_and_afg_eng.pdf).

### **Market Research to Support KZ-KG Conference**

To facilitate increased trade development between the two countries, REC selected potential partners in Kazakhstan and Kyrgyzstan who can increase trade between their countries. As a result, 20 Kazakhstani and 60 Kyrgyz enterprises from the agricultural, textile, and food and beverage industries were selected to participate in the B2B meeting held in Bishkek, Kyrgyzstan on March 12, 2014—“Kyrgyzstan-Kazakhstan Trade Cooperation.” The B2B session facilitated networking and matchmaking between Kyrgyz exporters and Kazakh importers and included an exhibition of Kyrgyz goods.

### **Market Research to Support CABOC, Pakistan**

In preparation of the Central Asian Business Opportunities Conference (CABOC) in Islamabad, REC conducted market research on the trade balance between Central Asian countries and Pakistan. Central Asia’s most likely exports to Pakistan are raw goods such as oil & gas, metals, cotton, unprocessed skins, chemicals, and fertilizers. Imports from Pakistan include: machinery & equipment, textiles, agricultural products, and medicine. Results of this research were used to select the appropriate participants for the CABOC. REC had meetings with the Pakistan Embassy, Pakistan Government representatives, CCIs, and the USAID Trade Project to better understand the country’s trade and business environment. As a result, REC helped CA participants to prepare presentations on export-import regimes and barriers for trade with Pakistan for the CABOC sessions in Islamabad. In all, REC selected 51 companies from Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan to participate at CABOC in April 2014 in Islamabad.

### **Market Research for CA pharmaceutical manufacturers to Support Pharmaceutical session in the framework of IV CATF.**

REC stakeholders have expressed a desire to build on past projects’ accomplishments, particularly in the areas of facilitating stronger economic trade ties and reducing the burden of Drug Sensitive Tuberculosis (TB) and Multidrug-Resistant Tuberculosis (MDR TB) in the region. According to WHO, former Soviet Union countries, including the Central Asian Republics, have the highest rate of MDR TB worldwide. In recent years, there has been a shortage of quality-assured second line drugs and there is a need to strengthen local pharmaceutical industries to increase access to quality-assured pharmaceuticals.

Based on this request and the interest of the pharmaceutical private sector, REC is planning to conduct a technical session in the framework of CATF IV as a part of the WHO Prequalification Forum for TB Drugs in Central Asia, Pakistan, and India to be held in October 2014. During this period, REC selected 20 Central Asian pharmaceutical manufacturers to participate in a research survey to identify the needs of pharmaceutical producers and distributors in the region. Questionnaires had been distributed to these companies to survey the main problems facing manufacturers in this industry to expand exports and other various challenges, such as registration, international requirements, and improving quality control measures. Based on the results of these surveys, REC prepared the agenda for pharmaceutical session at CATF IV and for establishing a new pharmaceutical EPG in collaboration with Activity 1.

### **Market Research for Kazakhstan Trade Mission in Uzbekistan B2B**

REC continued its cooperation with and technical assistance to KazNex Invest, facilitating B2B networking between Uzbek and Kazakhstani companies. REC conducted market research and initiated matchmaking opportunities. REC selected potential partners in Kazakhstan and

Uzbekistan, in cooperation with KazNex Invest and Expocontract (Uzbekistan), who have opportunities to increase trade between two countries. As a result, approximately 20 Kazakhstani and 60 Uzbek enterprises from the agricultural, textile, and food and beverage industries were selected to participate in B2B meeting in Tashkent, Uzbekistan in September 2014. With REC support, KazNex Invest and Expocontract conducted a “Trade Cooperation Uzbekistan-Kazakhstan” B2B conference on September 10, 2014 in Tashkent. The B2B session facilitated networking and matchmaking between Uzbek and Kazakhstani exporters/importers and an exhibition of Uzbek products.

## **B. Facilitate CAR Representatives’ Participation in US Government Programs**

For Year 3, REC received approval to organize an International Visitors Leadership Program (IVLP)<sup>1</sup> for Kazakhstani trade promotion agency employees to study different mechanisms of government financial support for agricultural exports, exporters’ education, and to visit private sector beneficiaries. The program helps participating KazNex officials and private businesses of Kazakhstan identify, develop, and implement best practices of financial support of export in agriculture. The program also provides training opportunities for exporters and certification programs. Following the successful implementation of an IVLP<sup>2</sup> for capacity development of Central Asian trade promotion agencies in 2012, REC and KazNex Invest have submitted an application for an IVLP on Improving Export Potential for Kazakhstani Companies. The program narrative has been developed for 2014 implementation and eight candidates from KazNex Invest were identified and submitted to the Public Affairs Section of the U.S. Embassy in Astana for consideration. In addition, REC suggested eight candidates for an IVLP on Intermodal Logistics and Silk Road Economic/Transportation Integration from its counterpart database, as requested by USAID.

## **C. CAR Exporters Database**

During Year 2, REC developed and maintained a database of exporting firms from Kazakhstan, Uzbekistan, Tajikistan, Kyrgyzstan, and Afghanistan. The database includes titles of local producer, supplier, and distributor companies; contact information, products exported; export destinations; and international certifications acquired. Throughout Year 3, REC continued to maintain the database, adding the names of new Central Asian firms with export potential and systematically expanding the project’s outreach. At present, the database includes over 1000 companies, from Central Asia, Afghanistan, India, and Pakistan, and serves as a critical tool to recruit companies and counterparts for REC public events, trade forums, B2B meetings, and other events.

## **Upcoming activities**

- Conduct a market research study focusing on barriers to export growth in the Central Asian fruit and vegetables/packaging sectors (focusing on KZ and UZ), January –March 2015
- Conduct a market research study focusing on barriers to export growth in the pharmaceutical industry in Central Asia, May-July 2015

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<sup>1</sup> <http://exchanges.state.gov/ivlp/index.html>

<sup>2</sup> <http://exchanges.state.gov/ivlp/index.html>

## ACTIVITY 3 SUPPLYING TO U.S. DEPARTMENT OF DEFENSE AND GENERAL ADMINISTRATION SERVICES

Sub-Activity	Milestones in Year 3
Development of capacity of DOD suppliers and facilitation of new business deals	<ul style="list-style-type: none"> <li>• Two Local Procurement Business Forums in KZ and KG were conducted in cooperation with DOD contracting agencies.</li> <li>• Twenty of REC’s partnering Kazakhstan firms and EPG members participated in a CENTCOM-JTSCC Central Asian Portal Team training on doing business with the U.S. government contracting agencies in Almaty.</li> <li>• Thirty-eight firms (61 participants) from Uzbekistan successfully completed a capacity-building program as well as two REC trainings on international standards for improving the skill of companies’ staff and meet the requirements of prime vendors organized in Uzbekistan</li> </ul>

In Year 3, the U.S. Department of Defense (DOD) continued sourcing goods for its military forces through the Northern Distribution Network (NDN). REC’s Activity 3 team continued to work in close collaboration with Central Asia representatives of the C-JTCCS, Defense Logistics Agency (DLA), and CENTCOM Portal Team. Additionally REC’s Activity 3 has closely collaborated with the prime vendors (Seven Seas, Supreme Food, and TWI), government export promotion agencies, and local exporters. REC selected firms in Kazakhstan and Uzbekistan that demonstrated strong potential to supply the DOD, and the project continues to support these firms in exporting their goods and services to the DOD in Afghanistan. This activity is closely linked with the other two REC project activities, which focus on export partnership development and trade facilitation. REC’s implementation of these activities has consisted of trainings, seminars, consultancies, roundtables, forums, conferences, and other events and activities.

REC met its Activity 3 milestones in Year 3. Some key Activity 3 achievements and activities in Year 3 were: REC partner JSC Tsesna Astyk received an official letter and audit report indicating that the inspectors of the U.S. Army Public Health Command (PHC) approved Tsesna-Mak for inclusion in the Directory of Approved food companies of the US Armed Forces.

### A. Facilitate Sales from CAR Suppliers to the DOD and GSA

Activity 3 continues to work with CENTCOM JTCCS and Defense Logistics Agency (DLA) representatives in Central Asia, Prime Vendors (including Seven Seas and TWI), and local Central Asian suppliers.

During Year 3, REC identified and evaluated new firms in Uzbekistan and Kazakhstan that have the greatest potential to meet the requirements for contracting with DOD and other U.S. government agencies such as the General Services Administration (GSA). In October 2013, PHC conducted initial audits of seven Kazakhstani companies: Vege Cool, Sary Bulak, Foodmaster, Eurasian Foods, UKPF, Tsesna Mak and Tsesna Concern. LLP Tsesna Mak was ISO 22 000 certified with REC support and in October 2013 passed a PHC (VETCOM) audit. On October 25, 2013, JSC Tsesna Astyk received an official letter and audit report indicating that PHC inspectors approved Tsesna-Mak for inclusion in the Directory of Approved food companies of the US Armed Forces.

Sourcing from Central Asia for the DOD in Afghanistan reduced in Year 3 due to troop reductions, base closures, and the reconsideration of construction projects in Afghanistan, which resulted in

reduced procurements for consumables and other goods. REC has responded to these changes, as well as changes in DOD demand for procurements, by continuing to involve its partnering companies. For example, companies that had completed their contracts with DLA Troop Support were included in REC's delegation to the CABOC event in Pakistan to help them to find new potential markets in Pakistan and Afghanistan. These companies have participated in other REC trainings and events to build their export capacity and help them identify alternate markets.

## **B. Organize Knowledge Sharing Activities**

REC conducted knowledge-sharing meetings among pilot firms and other potential GSA and DOD local suppliers. During Year 3, REC, in collaboration with the local trade promotion agencies in the Central Asia region, continued to support DLA and CENTCOM on "Industry days" and "Prime Vendors days" respectively, facilitating the participation of REC partner companies.

## **C. Cooperation with the US DOD Agencies**

On October 8, 2013, REC conducted the Kazakhstan Local Procurement Business Forum in cooperation with DLA TS, GSA, and C-JTSCC; 84 people participated. The main topics of the Forum, presented by US DOD and GSA representatives, were: CAS Local Procurement Update (FY10-FY13); CAS Local Procurement Forecast (FY14); CENTCOM Transition; and Local Procurement Successes. Based on the CENTCOM and DLA TS presentations, the main DLA TS purchase in 2014 in Kazakhstan has been fuel, and purchases from Uzbekistan and Kazakhstan decreased in 2014.

On February 04, 2014, REC organized the Kyrgyzstan Business Forum for Local Vendors, in partnership with DLA TS. Eighty-three representatives from CENTCOM, DOD, GSA, U.S. Embassy, European Bank for Reconstruction and Development (ERBD), and local vendors and transportation companies participated in this forum. The intent of the forum was to bring together various stakeholders to discuss the status of local procurement for the Afghanistan Initiative, its successes, and the next steps in facilitating continuing business in Afghanistan. US Navy Rear Admiral (RDML), Ron MacLaren, along with the DLA director of the Joint Contingency Acquisition Support Office (JCASO Contingency Contracting Officer Michaela Olson, the U.S. Embassy's Deputy Chief of Mission Laura Griesmer, and other presenters discussed the importance of business contacts between Central Asian entrepreneurs and U.S. government contracting authorities. RDML MacLaren also answered questions from REC-affiliated business representatives regarding reductions in procurement.



*KZ Local Procurement Forum in cooperation with DLA TS in Almaty - October 8, 2013.*

REC supported the CENTCOM-JTSCC Central Asia Portal Team from Bishkek in conducting an event in Almaty on May 20, 2014, and invited 22 Kazakhstani companies to participate in a training on doing business with the U.S. government contracting agencies. The main objectives of the training were to present the "Business Portal Central Asia" project, to introduce the procurement processes of C-JTSCC, and to perform practical exercises on completing tender forms. CENTCOM representative Major Loridzhin Wright also presented the CENTCOM mission in Central Asia and answered participants' questions. The Portal Team made the presentations

about CENTCOM procurement process and the procedures for participation in the tenders.

#### **D. Cooperation with Business Associations and Other Stakeholders**

On February 17-19, 2014, REC and the Association for Development of Business Logistics (ADBL), along with the Uzbekistan CCI and Consulting Center and the Tashkent AutoRoad Institute, conducted a three-day training on ISO 9001:2008 certification to improve standards of Uzbek transportation, warehousing and logistics companies. Twenty-five participants from these sectors received training on international best practices and how to implement quality management systems (QMS). This seminar enhanced the qualifications of Uzbek specialists, which in turn will improve the competitiveness and customer service of Uzbek businesses. At the end of the training, having passed a requisite test, participants received certificates.



*Group discussion during the training on ISO 9001:2008, February 17-19, 2014, Tashkent*



*Group discussion during the workshop on Transport & logistic. Innovative technologies. May 29, 2014, Tashkent*

REC organized a three-day training workshop on transportation and logistics in partnership with the Association of Business Logistics of Uzbekistan, the Logistics Consulting Center, and Tashkent Motor Road University on May 28-30, 2014. Thirty-six senior and mid-level managers from Uzbek transportation and logistics companies, warehouse terminals, and trade enterprises gathered to learn about innovative transportation and warehouse logistics methods and technologies. The workshop was designed to enhance professional qualifications of Uzbek specialists through the improvement of customer service and competitiveness of transportation companies, logistics centers, and warehouse terminals. In the course of the workshop, participants discussed global trends in logistics, achievements and the potential for logistics development in Central Asia, supply chain management issues, transportation and warehousing networks and cost structures, warehouse planning in the region, quality management in logistics, ISO certification, logistics marketing, and other topics. The knowledge and skills obtained at the workshop allowed participants to optimize the operations enterprises; minimize logistics costs; efficiently plan warehouse storage, production, and the transportation process; and reduce import and export costs. At the end of the training, 33 of the 36 participants passed a test on the material and received certificates.

#### **Upcoming Activities**

- Conduct International Standards Training in Uzbekistan, December 2015
- Conduct a market analysis to identify alternate avenues for DOD suppliers in the private and public sectors, January-March 2015
- Conduct focus groups in Almaty with the Kazakhstani suppliers and in Tashkent with Uzbek suppliers (food and beverage, furniture and construction materials, household supplies, and chemical goods), February- March 2015
- Conduct capacity building training for sustainability of firms' operations, May-June 2015

## ACTIVITY 4: SUPPORTING VOLVIS GRADUATES

Sub-Activity	Milestones in Year 3
Grants Program	<ul style="list-style-type: none"> <li data-bbox="527 283 1331 346">Awarded 3 grants totaling \$281,000 to support women artisans and entrepreneurs in Central Asia</li> </ul>

### A. Grants Program

The REC Grants Program is a mechanism for improving trade capacity in Central Asia. In Year 3, REC awarded three grants: [REDACTED] (Nov. 2013- Sept. 2014); Public Association Regional Center of Expertise on Education for Sustainable Development (RCE KG) - [REDACTED] (Nov. 2013- Sept. 2014); and Women’s Development Agency (WDA) - [REDACTED] (July 2014- January 2015).

SPINNA Circle’s “Empowering women in Central Asia by building capacity and linking markets through setting up SPINNA Circle hubs” grant (Nov.2013-Oct. 2014) is designed to increase the competitiveness and visibility of women in textiles and clothing from Central Asia (in Uzbekistan and Kazakhstan by creating sustainable business practices and linkages both locally and internationally).

Several activities were implemented under this grant project including: international experts delivered a series of trainings on Quality and Productivity Improvement, Product Development, and Market Trends in Kazakhstan (Almaty, Astana and Shymkent) and Uzbekistan (Bukhara and Samarkand) and one-on-one consultations with CAR artisans and international experts. Additionally, the grant included a study tour to London that included master classes and skills exchanges with textile professionals, showcasing beneficiary products to potential UK buyers, and participation in market research guided tours to brand stores to understand market segmentation and issues related to quality standards and pricing policy. Additionally, they were able to network and raise public awareness in the UK of the high quality of CAR handmade products, linking local and international markets.



*Central Asian and UK textile professional exchange skills master class during London study tour component of SPINNA grant*



*RCE's booth at the New York Gift Fair; sales of more than \$220,000 generated through craft fair exhibitions under the RCE grant*

RCE KG’s “Advancing women’s economic opportunities by improving the quality of Central Asian handicrafts in the Fergana Valley” grant targeted artisans from Kyrgyzstan, Uzbekistan, and Tajikistan (Nov.2013-Sept. 2014). The grant achievements include: international experts delivered trainings on marketing, supply chain management, and product quality (Dec.’13 and Jul.’14). Beneficiaries participated in international fairs in New York City, United States (Feb. and Aug.’14); Delhi, India (Feb’14 and Sep. ‘14); Almaty, Kazakhstan (Mar.’14); and Cholpan Ata, Kyrgyzstan (Aug.’14). The project generated sales of more than [REDACTED]. An additional outcome was increased networking among participating artisans.

The title of the grant project implemented by WDA is “Economic empowerment of women and market access opportunity” (July 2014- January 2015). Under the grant project, REC has made in-kind contributions (sewing equipment and support materials were procured and delivered to the grantee). The project activities include establishing two sewing workshops; conducting workshops on marketing, e-commerce, and product quality to build capacity of the project’s beneficiaries; establishing relations with regional and international customers and networking in the textile sector; and organizing a craft fair.



WDA’s sewing workshop

At the end of September 2014, REC had a meeting in Astana with a potential grantee, the Central Asian and Afghanistan Regional Women’s Business Association (CAARWBA). REC gave a presentation of its grant program, procedures, requirements and monitoring standards; and discussed its vision re: support to be provided to the Association via establishing a secretariat of the Association, building capacity of the Association and its members; organizing public events (forums, expos) for women in the region in order to improve economic opportunities and cooperation of women-entrepreneurs in Central Asia and Afghanistan. The association is drafting a grant concept paper to be submitted to REC for consideration and evaluation.

### Upcoming Activities

- Conduct a Focus Group with CAARWBA leadership to conduct strategic planning for the development of a Women’s Secretariat, October – November 2014
- Conduct an orientation meeting with CAARWBA to present strategic plan and grants program, December 2014
- Work with SPINNA Circle to develop a supplemental grant to support Central Asian artisans, October 2014 – January 2015

## ACTIVITY 5: TAJIKISTAN WTO ACCESSION

Sub-Activity	Milestones in Year 3
WTO Post Accession	<ul style="list-style-type: none"> <li>• Senior WTO Advisor Jovan Jekic, Minister of Economic Development and Trade (MEDT) Sharif Rahimzoda, and Deputy Minister Saidrahmon Nazriev attended the ninth WTO Ministerial Conference</li> <li>• REC supported WTO Accession Working Meetings for Afghanistan and Pakistan</li> </ul>
Legislative Developments	<ul style="list-style-type: none"> <li>• Finalized the Tajikistan WTO Post Accession Action Plan</li> </ul>
Public Outreach	<ul style="list-style-type: none"> <li>• Development of Tajikistan WTO website</li> </ul>
WTO Publications	<ul style="list-style-type: none"> <li>• Translation and publishing of Agreements of the World Trade Organization book in the Tajik language</li> </ul>

After Tajikistan became a WTO member in March 2013, REC transitioned seamlessly to support the country’s post-accession activities in Year 3. During the reporting period, REC supported the travel and participation of a Tajik delegation in the following events: the ninth WTO Ministerial Conference in Bali, Indonesia; the sixth annual session of the Committee on Trade, organized by

the United Nations Economic Commission for Europe (UNECE) in Geneva, Switzerland; and the Working Party for the accessions of Afghanistan and Kazakhstan to the WTO. For each of these international meetings, REC provided technical support to the delegation from Senior WTO Advisor Jovan Jekic, as well as travel support to the delegation members. In addition, while in Geneva, Mr. Jekic provided on the job training for the staff of the WTO Section within the Tajik diplomatic mission. In Year 3, REC also published a book containing the first Tajik language translation of the WTO Agreements, which provide the legal framework for the global multilateral trading system.

## **A. Tajikistan WTO Activities**

### **WTO Bali Ministerial Conference**

REC's Senior WTO Advisor Jovan Jekic was appointed as delegation coordinator and traveled to Bali, Indonesia, to participate in the Ninth WTO Ministerial Conference from December 3-8, 2013 with Minister of Economic Development and Trade (MEDT) Sharif Rahimzoda and Deputy Minister Saidrahmon Nazriev.

The Ministerial Conference is the WTO supreme governing body and convenes once every two years to resolve the most critical WTO issues and to set a course for future development of the organization and the multilateral trading system. The issues on this year's agenda were critical for the future of the organization because after 12 years of Doha Round negotiations, the draft of the Trade Facilitation Agreement is finally ready for adoption.

In addition, Mr. Jekic assisted Mr. Nazriev during two events organized on the fringes of the Ministerial Conference. The first was an event organized by the Asian Development Bank (ADB), which addressed regional cooperation in Central Asia and integration into the global economy. The second was an event organized by the International Trade Center (ITC) on issues related to value chains and technical assistance to developing and least developed countries (LDCs).



*Tajikistan's Minister of Economic Development and Trade Sharif Rahimzoda, Deputy Minister Saidrahmon Nazriev, and REC's Senior WTO Advisor Jovan Jekic, in Bali, Indonesia at the Ninth WTO Ministerial Conference, December 3-8, 2013*

### **UNECE Meetings**

On February 7-12, 2014, REC and the Tajik delegation participated in the United Nations Economic Commission for Europe (UNECE) meetings in Geneva, Switzerland. The purpose of the meetings was to discuss the findings of the UNECE needs assessment study of regulatory and procedural barriers to trade in the Republic of Tajikistan and future activities based on the results of the assessment.

## Working Group Meetings for the Accession of Other Countries – Afghanistan and Kazakhstan

Mr. Nazriev and Mr. Jekic participated in the Working Groups for Afghan (March 2014) and Kazakhstani (July 2014) WTO accession to address outstanding concerns raised by Tajikistan regarding the accession processes of these countries. During these summits, the delegation held productive meetings with the WTO Director of Accessions. The summits also included trainings for the newly established WTO Section staff of the Tajik diplomatic mission in Geneva.

## Accession to WTO Government Procurement Agreement

During the WTO accession process, Tajikistan committed to begin negotiations for accession to the WTO Agreement on Government Procurement within a year. In fulfillment of this obligation, Tajikistan submitted a request in early 2014 to be granted observer status in the WTO Committee on Government Procurement. Tajikistan's request was discussed in WTO Committee meetings on June 23-26 of this year in Geneva, Switzerland. As a result of successful discussions, Tajikistan was granted observer status to the WTO Agreement on Government Procurement on June 25, 2014.



*Deputy Minister of Economic Development and Trade Saidrahmon Nazriev, accompanied by Senior WTO advisor Jovan Jekic, at the WTO Committee for Government Procurement in Geneva, Switzerland, June 2014*

While in Geneva for the WTO meetings, the following activities also took place:

- Meeting with Chiedu Osakwe, WTO Director of Accessions, to discuss the accessions of Kazakhstan and Afghanistan, and Tajikistan's candidacy for being the organizer of the Third China Round Table on WTO Accessions in October/November 2014.<sup>3</sup>
- Meeting with UNECE<sup>4</sup> Deputy Executive Secretary Andrey Vasilyev and Director of Economic Cooperation, Trade and Land Management Division Virginia Cram-Martos to discuss UNECE technical assistance to Tajikistan and coordination of other donor activities.

## Notifications

REC provided expertise and support for the preparation of TRIPS Notification – a document required to be submitted to the WTO Council for Trade-Related Aspects of Intellectual Property Rights, providing comprehensive information on applicable intellectual property regulations.

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<sup>3</sup> The China Round Table on WTO Accessions is a conference sponsored by China, whose general purpose is to: 1) review contributions of WTO accessions to the rules-based multilateral trading system; 2) identify priorities, within an overall plan to support those LDCs still in the accession process; and 3) reinforce and consolidate a network of LDCs' Chief Negotiators in the WTO accession process. The first round table took place in China 2012, the second one in Lao PDR in 2013 and the third one will most likely take place in Tajikistan.

<sup>4</sup> United Nations Economic Commission for Europe

## B. Legislative Developments

During this reporting period, together with MEDT, REC finalized the draft of the Post-WTO Accession Action Plan, which was submitted to the Government of Tajikistan for approval earlier in FY 2014. Adoption, in the form of a governmental decree, is anticipated in the present quarter. REC also provided support for drafting various trade regulations (e.g. on antidumping and other measures); review of the Draft Law on Legal Services; and drafting amendments to the Regulation on Preparation of Technical Regulations in order to bring it in line with Tajikistan's WTO commitments .

Senior WTO Advisor Jekic was also invited by the National Center for Legislation under the President of the Republic of Tajikistan to become a member of the working group in charge of developing the intellectual property rights chapter of the new Civil Code of the Republic of Tajikistan. Mr. Jekic gave a presentation to the working group on the draft law's compliance with the WTO TRIPS Agreement, and on the importance of the group's adherence to the best international practices for the drafting of legislation.

## C. Public Outreach Activities

### Website 'Tajikistan and WTO'

During Year 3, REC established the website "Tajikistan and the WTO" ([www.wto.tj](http://www.wto.tj)), control of which was transferred to the WTO Directorate within the Ministry of Economic Development and Trade for administration and maintenance. By December 2013, all essential information, including WTO Agreements and other trade-related documents, was uploaded to the website and released.

## Events

### Press Cafe



*Press Cafe - Deputy Minister Saidrahmon Nazriev, Deputy Head of the Chamber of Commerce Larissa Kislyakova and REC's Senior WTO Advisor Jovan Jekic on March 14, 2014.*

REC organized a Press Cafe to commemorate the first year of Tajikistan's WTO membership on March 14, 2014. Mr. Nazriev and Mr. Jekic discussed the year's accomplishments as well as the Bali Package, which includes the new WTO Agreement on Trade Facilitation. The event was attended by journalists and representatives of the private sector and civil society. Interviews with Mr. Nazriev and Mr. Jekic from the event were broadcast at prime time on central TV channels on March 14-15, 2014. In addition, the event was reported by several newspapers.

## Book Launching Event



*Saidrahmon Nazriev, Deputy Minister of Economic Development and Trade; Robert Burgess, Deputy Chief of Mission of the US Embassy; Jenna Tajchman Trofim, USAID Tajikistan; Jovan Jekic, Senior WTO advisor, REC during the book launching event.*

A book containing a Tajik Language translation of the WTO Agreements, published by the Ministry of Economic Development and Trade of the Republic of Tajikistan, was released on June 19, 2014.

The speakers at the book release, who included US State Department as well as Tajik Government officials, emphasized the significance of Tajik speakers' access to the Agreements, which provide the legal framework for the global multilateral trading system. The speakers also accentuated the need for further reform and liberalization of Tajikistan's trade regime. US Embassy and USAID representatives congratulated Tajikistan for achieving this important milestone, and reiterated the intention of the US Government to support Tajikistan in fulfillment of its WTO and other reform-oriented endeavors. Approximately 60 people from government, media, the private sector, various civil society organizations, and academia were in attendance. The event was reported by one of the leading TV stations – Jahonamo – as well as by key online and print media.

## Training on WTO Notifications

The training on WTO notifications took place in Dushanbe on June 2-4, 2014. During the training, WTO experts worked with Tajik officials from various ministries and agencies to enable them to meet notification requirements under the WTO agreements. REC provided technical support for the training and covered the cost of its interpreting services.

## Trade Conference in Astana

Upon the invitation of the USAID Macroeconomic Project (MEP), Senior WTO Advisor Jovan Jekic participated as one of the speakers at the Trade Conference in Astana, Kazakhstan on July 1-2, 2014.

## D. Translation of WTO Agreements

The translation of all 21 WTO Agreements and Annexes, totaling 700 pages, into Tajik was completed by three translators and two editors supported by REC. Published in May 2014, the translation was reviewed by the WTO Department of the MEDT and Deputy Minister Nazriev. 500 copies of the book were printed and distributed among all government organs involved with foreign trade, key private sector and civil society representatives, libraries, and academic institutions. The electronic version of the book was made available to all parties on the MEDT WTO Directorate's website ([www.wto.tj](http://www.wto.tj)). REC also translated the new WTO Agreement on Trade Facilitation into Tajik for the purpose of parliamentary ratification and for public edification.

## E. Other Activities

In addition, REC has translated of the following international conventions into Tajik:

- CITES Convention;
- 1948 Convention on the Prevention and Punishment of the Crime of Genocide;
- Statute of the Hague Conference on Private International Law;
- Hague Convention of the Choice of Court Agreements

The first two documents must be ratified by the Parliament in order for Tajikistan to be granted GSP Plus status by the EU. The latter two are needed for Tajikistan’s prospective accession to the Hague Conference on Private International Law.

### Upcoming Activities

- Facilitate Tajikistan in becoming a signatory to the WTO Agreement on Trade in Civil Aircraft, October – December 2014
- Conduct a Food Safety STTA to strengthen Tajik phytosanitary processes, November 2014 – January 2015
- Prepare and publish the Dictionary of Trade Facilitation Terms (in English/Russian/Tajik), January – July 2015

## ACTIVITY 6: PRO-TRADE POLICIES, REGULATIONS AND PROCESSES

Sub-Activity	Milestones in Year 3
Improving trade policies, regulations, and processes in Central Asia and	<ul style="list-style-type: none"> <li>• “Analysis of trade regime, including tariff and non-tariff measures between Afghanistan and Uzbekistan, and recommendations for improvement” assessment completed and presented at Termez Roundtable</li> <li>• “Single Window Development Status in Uzbekistan” presentation</li> <li>• Kazakh and Uzbek participation in the Riga High Level Conference on Transport, Logistics, and Trade Routes “Connecting Asia with Europe”</li> <li>• Tashkent Transport &amp; Logistics Development Roundtable conducted</li> </ul>

Activity 6 assists in the development and implementation of pro-trade policies, regulations, and processes in Central Asian countries. A cornerstone of REC’s approach is to establish and maintain excellent contacts with key stakeholders, including private companies, Central Asian government agencies, associations, chambers of commerce, and international donors.

During the reporting period, REC continued to progress toward goals within the Activity 6 framework, through a variety of activities aimed at increasing trade between the countries of Central Asia and Afghanistan by reducing barriers. The most important development for this activity in Year 3 was the establishment of strong strategic relationships with the Uzbekistan Chamber of Commerce and the Kazakhstan Customs training center under the Ministry of Finance.

### A. Develop and Manage Trade Facilitation Efforts

In Year 3, REC supported short-term technical experts to conduct an assessment and provide recommendations to improve trade facilitation efforts. In September 2013, REC STTA Timur Nuratdinov conducted an assessment “Analysis of trade regime, including tariff and non-tariff measures between Afghanistan and Uzbekistan, and recommendations for improvement”. He presented the findings at the Termez Roundtable in November, 2013. This roundtable brought together government officials from the Chambers of Trade and Commerce and the Ministry of External Economic Relations of Uzbekistan to discuss trade facilitation as well as Uzbek exporters

and Afghan importers. A B2B Meeting was also conducted, where REC STTA presented on the export-import regime in Uzbekistan and Afghanistan, with current and potential opportunities for trade.



*RT with Uzbek & Afghan Participants  
November 7, 2013, Termez*



*Field visit of Afghanistan delegation at Termez  
transport & railway terminal, November 8, 2013*

One of REC’s short-term technical experts, John Donnelly, began the “Assessment of Single Window Development Status in Kazakhstan and Uzbekistan” in November 2013, to identify progress and bottlenecks, and develop concrete recommendations to implement moving forward.

### **Kazakh-Uzbek-Afghan Trade Facilitation**

On May 6-7, 2014, REC, in collaboration with the UNDP Border Management Program in Central Asia (BOMCA), conducted a roundtable in Tashkent with participation of customs experts, senior government officials, and international organizations from around the Central Asian Republics, to review best practices for implementing the single window principle; discuss linkages between the single window system and the Customs Union; and interactions between operators of the single window in Central Asia, the Customs Union, Afghanistan and other countries.

At this event, REC short-term technical expert John Donnelly presented findings on “Single Window Development Status in Uzbekistan.” The objective of the event was to examine the implementation of single window in the Central Asian countries and Afghanistan, as well as to review the world’s best practices and global case studies applicable to the national realities. A single window system in foreign trade reduces barriers and optimizes administrative procedures through integration of the information database and documents needed for the participants of foreign trade.



*Single widow Round Table, May 6-7, 2014, Tashkent*



*Single Window Roundtable group photo, May 6-7,  
2014, Tashkent*

### **Capacity Building and Institutional Development of Chamber of Commerce of the Republic of Uzbekistan**

In May 2014, Uzbekistan trade facilitation expert Jakhongir Imamnazarov assisted REC in initiating communication and establishing close contacts with key stakeholders, in particular with the Uzbekistan Chamber of Commerce and Industry (CCI). Mr. Imamnazarov prepared a concept

paper on capacity-building and institutional development of the CCI where he analyzed current legislation in order to support public-private partnership. The main goal was to build capacity of the CCI in the analysis of legislation for further development of favorable business environment, as well as improving the rating of Uzbekistan in the World Bank's "Doing Business" report through the development of appropriate recommendations and assistance in establishing of an enabling environment for the implementation of public-private partnership

## **B. Develop and Manage Transport Corridor Improvement Efforts**

REC supported a short-term technical expert to conduct an assessment and provide recommendations to improve the transport multi-modal hub of Termez, Uzbekistan, focusing on river, road, and rail transportation. In October - November 2013, STTA Farhat Farhat and Vadim Turdzeladze began the assignment of surveying transport corridors in Central Asia and Afghanistan, aimed to identify bottlenecks at two border crossing points (Sary-Agash – Keles; Termez – Khairaton) and recommend improvements on identified bottlenecks solutions, and commercially viable transport links between Almaty and Kabul.

Based on this assessment, the short-term experts identified the best transport routes and proposed recommendations for clusters of routes in the region, highlighting Afghanistan/Uzbekistan/Kazakhstan; Afghanistan/Turkmenistan/Kazakhstan; and Afghanistan/Tajikistan/Kyrgyzstan/Russia. In order to fully engage impacted stakeholders and ensure the results of these assessments are fully disseminated and widely discussed, REC will organize round table events to present the findings of the best transport routes in CAR.

Transport & Logistics Development Roundtable was conducted in December 2013 in Tashkent with a view to focus attention of the decision makers and stakeholders on logistics/transportation in the North-South direction (CA-AF, AF-CA) with participations of 37 transportation & logistics companies, business associations, and international organizations. The round table was aimed to identify the optimal ways and carriers to ship cargo in the Central Asia and Afghanistan. As a result of this event REC supported development of partnership with ADBL of Uzbekistan to increase the competitiveness of transport and transit potential of Uzbekistan.



*Transport & Logistics Development RT, Tashkent December 4, 2013*

## **Conference on Transport, Logistics, and Trade Routes “Connecting Asia with Europe” in Latvia**

On June 3-4, 2014, REC, in collaboration with the Latvian Embassy in Uzbekistan, organized a visit to Riga, Latvia for representatives from transport and logistics businesses of Uzbekistan and Kazakhstan. One Kazakhstani and two Uzbek participants attended the Riga High Level Conference on Transport, Logistics, and Trade Routes “Connecting Asia with Europe” (Riga, Latvian Republic). Organizers were interested in bringing together high level politicians at the Minister and Deputy Minister-level from China, the CEE region, and others countries, as well as leading transport and logistics experts, business representatives and manufacturers, investment bankers, and scholars for creating a discussion forum on transportation and logistics development efforts between the two continents.

During the week in Riga, REC met with several Latvian government bodies, commercial transportation and logistics companies, and financial institutes to determine ways of cooperation between Central Asia, Afghanistan and Europe, in particular with Latvia. As a result of these meetings, REC defined a number of perspectives for potential cooperation, including:

- Cooperation between Latvian and Uzbek CCI (B2B, export development trainings for CCI staff).
- Cooperation with Latvian MFA on preparation of REC’s CATF IV and participation in CATF.
- Cooperation on transportation/logistics trade development between Central Asian, Afghan, and Baltic companies.
- Single window for export, import, and transit development in Uzbekistan.



*Transport Conference in Riga, Latvia - June 3-4, 2014*



*REC COP Viktor Prodedovich with Kazakh and Afghan participants*

### **C. Develop and Manage Trade Policy Efforts “Trading across Borders” Doing Business Ranking**

On February 18, 2014, REC, in cooperation with the CCI of Uzbekistan, organized a roundtable on improving Uzbekistan’s “Trading across Borders” indicator of the *Doing Business* rating in Tashkent. Uzbekistan is ranked last among 189 economies on the “Trading Across Borders” *Doing Business* indicator. REC’s short-term international expert Igor Artemiev presented analysis of the indicator, international experience, and best international practices on improvement of the indicator. The participants of the roundtable discussed and analyzed measures undertaken by the Uzbek government on improving the country’s *Doing Business* ranking and developed some recommendations concerning implementing these measures. More than 40 representatives of Uzbek ministries and agencies, international organizations, and businesses participated in the Roundtable on improving Uzbekistan’s “Trading across Borders” *Doing Business* ranking.

This focus on “Trading Across Borders” comes at a time when Uzbekistan is making progress elsewhere in other business environment areas. In 2013, Uzbekistan improved its position in *Doing Business* ranking, moving from 156th rank to 146th rank. The country improved its ranking in such indicators as starting a business (21st rank, + 66 positions), dealing with construction permits (159th rank, +1 position), registering property (136th rank, +6positions), getting credit (130th place, +24 positions), enforcing contracts (40th rank, + 2 positions) and resolving insolvency (63rd rank, + 8 positions). However, Uzbekistan worsened its ranking on such indicators as the ease of getting electricity (173rd rank, -4 positions); protecting investors (138th rank, - 1 position) and paying taxes (168th rank, -3 positions).

Uzbekistan’s leadership recently named the DB ratings critical for utilizing the most benefits of an increased involvement of this double land locked country into the world economy and set an ambitious target of joining the first leading group of ten countries with the best investment climate

per the DB methodology. The REC presentation and recommendations were appreciated and will be studied in preparation of road maps aimed at improving the ranking of the country in the TAB indicator.

### Customs Valuation Training

Trade facilitation among the countries of Central Asia and Afghanistan is critical to continued economic expansion and stability in the region. In turn, effective administration of customs procedures, coordinated among state customs services, is vital to trade facilitation in the region. REC, in partnership with the Training Methodological Center of the Customs Control Committee, under the Ministry of Finance of the Republic of Kazakhstan, and the EU-UNDP Border Management Program in Central Asia (BOMCA, Kazakhstan) conducted a three-day training workshop on customs valuation for 46 participating customs executive officers from the Republic of Kazakhstan, Kyrgyz Republic and Republic of Tajikistan.



*Discussion during the seminar “Customs valuation procedures” at the Muratzhan Dzhangozin Custom Training Center, with trainer Vladimir Pisa*



*Opening Speech: David Westerling, Deputy Director, Economic Development office USAID*

During the course of the workshop the following issues were discussed: additions to the price actually paid or payable for the imported goods, additions to the customs value of license fees and other payments for the use of intellectual property, customs valuation of damaged goods and of goods that were not delivered in line with contracts, customs valuation of goods that were illegally moved through the customs border of the Customs Union, and other issues. As a speaker at this three-day workshop, Mr. Vladimir Pizar, an international expert from Slovakia, gave a presentation on customs valuation procedures. Participants of the seminar have been active and interested in issues that arise in their daily activities, including: overpricing when goods receipt on the investments, on customs valuation, if available pricing information has considerable wide price corridor and other important points that were answered, depending on their application in the European Union. Results of the feedback indicate that participants appreciated the level of organization of the event, and expressed their wish to continue to attract speakers and experts from member states of the Customs Union.

As a result of the event REC established strong partnership relations with Custom training center and agreed to co-host a series of activities at the regional level (Uzbekistan Customs). This meeting increased the skills and knowledge of the participants in the areas of customs valuation.

### Upcoming Activities

- "Development of economic corridors: the impact on trade in Central Asia" Trade policy presentation and "The impact of transport and logistics in the development of trade in Central Asia" Transport & Logistics presentations at CATF IV, October 2014
- Transport and Logistics Roundtable in Tashkent, Uzbekistan, November 2014.

## **GENDER CONSIDERATION**

REC continues to promote gender equality while improving income generation opportunities through increased capacity and decreased sales barriers for all beneficiaries. REC has created specific events and initiatives geared at increasing the participation of women-led firms, women's organizations, business women, and artisans in the Export Partnerships Initiatives (EPI) activities. From all EPI participants, women represented more than 36.8 percent of all participants from Central Asia.

REC continues working with the Textile EPG, which directly and indirectly supports the creation of employment for women. Eighty percent of the textile sector is women-owned and women-employing businesses. Currently, the Textile EPG is formed of Kyrgyz, Tajik, and Kazakh businesses that are women-run or predominantly staffed by women, and REC continues efforts to establish similar linkages with Uzbek businesses.

REC continues working with the Carpet Making EPG, which also supports the creation of employment for women. The Carpet Making sector in Uzbekistan, Tajikistan and Afghanistan represents 80 percent women-employing businesses. Currently, the Carpet EPG is formed of Uzbek, Tajik, Afghan and Kazakh women-led and women-employing businesses.

REC's grant program also supports women in Central Asia through SPINNA's "Empowering women in Central Asia by building capacity and linking markets through setting up SPINNA Circle hubs" grant.

## **ENVIRONMENTAL CONSIDERATION**

Per the umbrella Initial Environmental Examination – Request for Categorical Exclusion for the EG MACRO IQC, the recommended environmental determination for this task order is a categorical exclusion. The anticipated project activities are in the following categories: diagnostics, analysis and design, strategic planning, institutional capacity building, policy reform, legal and regulatory reform, improving the competitiveness of sectors, value chains and individual firms, transaction facilitation, grant management, evaluation and research, training, workshops and private partnership building, and knowledge management and dissemination of best practices.

The activities are classified as low risk and are not expected to result in actions that directly affect the environment. Although they do not require further environmental review, the COP monitors project activities implemented under grants for unforeseen consequences arising during implementation that were not identified and reviewed in accordance with 22 CFR 216.

As part of fulfilling the project's goal and objectives, and reflecting the company's standards of business conduct, REC will comply with 22 CFR 216 (Regulation 216) requirements and the initial environmental examination recommendations.

Before undertaking grant-funded project activities, we will undertake an environmental review to identify and assess potential environmental impact, with a view to eliminating or reducing them through mitigation measures and monitoring protocols. REC will ensure implementation of all relevant environmental mitigation measures proposed as a result of the environmental review and will collaborate with the contracting officer's technical representative and the mission's

environmental officer for compliance and guidance on CFR 216 issues. With the REC grant funds, no activities requiring an environmental assessment are expected. Should an identified project present such risks, that project activity is expected to be dropped.

Based on the environmental review recommendations, if a proposed project activity has substantial adverse environmental effects able to be mitigated and requires mitigation measures, an environmental mitigation and monitoring plan will be developed for USAID bureau environmental officer and regional environmental officer approval prior to implementation.

## **IMPLEMENTATION CHALLENGES AND LESSONS LEARNED**

### **Operations**

REC built upon the lessons learned from the first two years of implementation with regard to operating in Uzbekistan by working with the government through Uzbek local partners and found that this method is quite effective for organizing activities and events. Building on these partnerships, REC has additionally formally established and registered a representative office in Tashkent, Uzbekistan in Year 3. The registration of the REC project has been helpful to getting needed government approvals for key initiatives in Uzbekistan. REC continues to also leverage its strong partnerships with key organizations, such as CCIUz and AMBIT.

### **Technical Implementation**

REC acknowledges that Component 3 activities are directly tied to the political and military context unfolding in Afghanistan, with troop draw downs and the expected downsizing in DOD operations in that country as well as the Kyrgyz Republic. In particular, some of these issues affecting local procurement include troop reductions; base closures (expecting large reduction in support materials); reduced requirements/consumption; distribution centers reducing inventory; construction projects undergoing revalidation (expecting significant reduction). This reduction in previous sales channels has been a challenge for REC and the EPG members, but the project continues to seek alternate markets for products previously sold to the US Government for operations in Afghanistan.

## **COMMUNICATIONS AND OUTREACH**

### **Branding and Marking**

REC is consistent with USAID's Branding and Marking policy. It successfully implements its Communication plan, and the project uses the USAID-identity for any communications with the public, including all technical training materials, invitations, programs, or other related materials.

REC works closely with USAID and key trade and commerce stakeholders to develop and disseminate its initiatives, events, milestones, successes, research, and other products. REC uses various communication tools to increase awareness and knowledge of regional trade issues and other objectives to help achieve the project's goals. In all public events and public communications, the project acknowledges and makes it visible and understandable that the project, all its activities and/or materials and deliverables are made possible through by USAID. REC's branding is accomplished through visual materials and communication tools that incorporate USAID's logo and tagline in strict compliance with USAID Graphic Standards Manual.

## **Visibility**

The REC project has created a positive image of REC. It strives to create and maintain positive attitude to the project among target audiences, inform about and promote the activities and initiatives implemented by the project. REC has established and maintains strong communications and public relations capability to reach its audiences. It uses direct channels of communication to the media and beneficiaries. It ensures coverage of its activities in mass media through writing and distributing its press releases and news items, as well as through inviting mass media to its events. From October 2013-September 2014, the project issued and posted 23 news items (including announcements and press releases) and posted on REC's website and Facebook account. REC was featured in more than 80 print and online media publications.

## **REC Website**

The website displays project resources, as well as news items, press releases, announcements, success stories, video and photo galleries, training materials, and findings of marketing researches, etc. The project's website, [www.car-rec.net](http://www.car-rec.net) is updated on a regular basis. The website statistics include the following: over 1,500 page-views/month; over 530 visitors/month. Utilizing social media, REC's Facebook account (USAID Regional Economic Cooperation Project) is kept current and has generated more than 140 "likes".

## **Public Events**

Public events organized and hosted by REC raise awareness of the project and USAID, and increase understanding of the role of the American people in promoting economic development among attendees of the event, trainers, participants and public at large. REC is organizing CATF IV. It is expected that this event will generate wide media coverage.

## **Success stories**

A success story is the successful illustration of a favorable or desired result/outcome of the project. Success stories help connect REC's technical work to people and places, allowing the project to demonstrate the benefits of its work. Success stories help to promote development and raise awareness, letting people know that USAID/REC's assistance helps people improve their business operations, improve sales, increase exports, etc., making positive and lasting impacts in the lives of the people of Central Asia. Please find two REC success stories created during the reporting period below.



# SUCCESS STORY

## USAID promotes international sale of Central Asian craft products

**Artisans improve the quality of craft products and have greater access to international markets**



RCE team presenting the Fergana Collection in its booth at the Artisans Resource New York Gift Fair



Chinara Sadykova, Director of RCE, at the launch of the Crafts Fair at the Kyrgyz Embassy in Washington, D.C.

“Implementation of this project improves the life standards of women involved in handicraft in Kyrgyzstan, Uzbekistan and Tajikistan through capacity building, product quality improvement and networking of artisans and buyers, as all these ultimately increase their income. This is made possible through the generous support of USAID via the grant program of the Regional Economic Cooperation Project.”

*Chinara Sadykova, RCE Director*

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

*The Regional Center of Expertise on Education for Sustainable Development (RCE) is a network of educational organizations, aimed at providing local and regional communities with the knowledge and skills required to shape a sustainable future. The USAID Regional Economic Cooperation Project awarded RCE a grant to implement a project advancing women’s economic opportunities by improving the quality of Central Asian handicrafts in the Fergana Valley, targeting artisans from Kyrgyzstan, Uzbekistan, and Tajikistan.*

In the course of the grant project international experts in marketing and product design delivered trainings to more than 50 Central Asian artisans and selected the best Fergana Valley craft products to promote for international exhibitions. RCE presented the Fergana Valley collection in international fairs in the US, India, Kazakhstan and Kyrgyzstan.

RCE also showcased its Fergana Collection at events organized by the Kyrgyz Embassy in Washington, DC, attended by representatives of the U.S. State Department, World Bank, Kyrgyz Parliament, diplomatic missions, Kyrgyz and Kazakh Diaspora members, and others. The Fergana crafts collection generated great interest that raised public awareness of Central Asian culture and traditions.

The craft items, produced by women artisans and promoting the culture of Central Asia, were received with a great deal of international interest and demand. Handicrafts from the Fergana Valley Collection include home decor and fashion treasures that require the ancestral skills unique to Uzbekistan, Tajikistan, and Kyrgyzstan in silk, felted wool, applique, embroidery, and quilting.

During the international fairs, RCE received orders to produce handicraft products worth of about \$30,000. The knowledge and skills obtained by Central Asian artisans during the implementation of the grant project provide for sustainable future of the beneficiaries of the project, as the artisans increased their sales, which totaled for more than \$200,000.



# SUCCESS STORY

## USAID helps Uzbek construction company triple production



Photo by USAID /REC

Alisher Abdulajonov, founder of VOOLEN TEKS, (left) negotiating trade deals during B2B meeting in Almaty organized by USAID REC

*“As a result of participating in USAID forums and meetings organized by the Regional Economic Cooperation (REC) project, we have been able to showcase and promote our high-quality products with no costs for advertising, and network with business counterparts and sign trade contracts. We are looking forward to participating in future REC activities and initiatives.”*

*Alisher Abdulajonov, founder of VOOLEN TEKS*



Photo by USAID /REC

Anvar Ruziev, Director of VOOLEN TEKS, showcasing sample products at the company's booth at the Trade Fair held during the Central Asian Trade Forum in October 2013

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

VOOLEN TEKS is an Uzbek company that produces construction materials such as gypsum powder and gypsum plasterboards, which are used in drywall and construction. Alisher Abdulajonov, founder of VOOLEN TEKS, had long wanted to expand his company's exports to Kazakhstan, but had been hindered by lack of business contacts with Kazakhstani importers. Mr. Abdulajonov contacted the Tashkent Chamber of Commerce and Industry (CCI) and requested recommendations on how to enter and expand into new markets. As a partner of USAID's Regional Economic Cooperation (REC) project, the CCI recommended that VOOLEN TEKS participate in USAID/REC's initiatives and forums.

USAID REC is committed to facilitating increased trade across Central Asian borders. Representatives of VOOLEN TEKS participated in several events organized by REC, including a Kazakh-Uzbek business-to-business (B2B) meeting, a roundtable focused on increasing trade between Kazakhstan and Uzbekistan in July 2013, as well as the Central Asian Trade Forum and Trade Fair in October 2013. The Kazakh-Uzbek meeting brought together more than 50 Kazakh and 30 Uzbek entrepreneurs to discuss ways to increase trade between the two countries and to promote and showcase their export-ready products. The Central Asia Trade Forum provides a platform to facilitate export partnership opportunities and encourage cross-border trade among entrepreneurs, business associations, and firms to strengthen the export competitiveness of the Central Asian states. The event also features a trade fair where regional companies such as VOOLEN TEKS display their products and form cross-border connections.

As a result of its participation in REC events, VOOLEN TEKS has signed contracts with three Kazakhstani companies amounting to \$ 2 million. The first two out of five gypsum plasterboard orders, valued at \$120,000, are currently en route from Uzbekistan to Kazakhstan by rail. The production capacity of the company has also dramatically increased from 600 gypsum plasterboards per day to 2,000 gypsum plasterboards per day.

In addition, while networking with the participants of the Central Asian Trade Forum (CATF), Mr. Abdulajonov learned that there is a great demand for facing brick in the Kazakhstani construction market. VOOLEN TEKS decided to expand its product line and launch production of facing bricks in addition to the gypsum powder and boards it currently produces. The company is confident that this new product will increase its profits in both the Uzbek and Kazakhstani construction markets. The Kazakhstani buyers are optimistic about their long-term partnership with VOOLEN TEKS.

## SECTION III ANNEXES

### ANNEX A. SUMMARY OF MEETINGS, EVENTS, AND DELIVERABLES

Dates	Meeting/Event	Location
November 7, 2013	“Ways to increase trade between Uzbekistan, Kazakhstan & Afghanistan”	Termez, UZ
November 21, 2013	“Organic Export Partnerships in Central Asia”	Tashkent, UZ
December 4, 2013	“Packaging and agricultural exports in Uzbekistan”	Tashkent, UZ
December 3, 2013	“Transport and Logistics Issues Development in Central Asia and Afghanistan”	Tashkent, UZ
December 11-14, 2013	“World craft market demands and NYGF as a marketing tool and space. Development of handicraft and textile market supply chain in the Fergana Valley”	Bulan-Soguttu Village, Issyk-Kul Oblast, KG
January 28-29, 2013	“Development of organic agriculture & certification of organic products”	Urgench, UZ
February 4, 2014	KG Local Business Forum	Bishkek, KG
February 17-19, 2014	Training on ISO 9001:2008	Tashkent, UZ
February 18, 2014	Doing Business Round Table	Tashkent, UZ
February 24-25, 2014	B2B Meetings (Afghan, Kazakh and Uzbek entrepreneurs)	Mazar-e-Sharif, AF
March 12, 2014	“Trade Cooperation between Kyrgyzstan and Kazakhstan” Conference	Bishkek, KG
March 26-28, 2014	Training on Customs Valuation	Almaty, KZ
April 3-5, 2014	Product Development Workshop	Samarkand, UZ
April 7, 2014	Product Development Workshop	Bukhara, UZ
April 7-14, 2014	Product Quality Improvement Workshop	Almaty, KZ
April 10-11, 2014	Product Development and Market Trends Workshop	Shymkent, KZ
April 14-16, 2014	CABOC	Islamabad, PK
April 14, 2014	Product Development and Market Trends Workshop (for University of Technologies and Businesses)	Astana, KZ
May 6-7, 2014	Round Table “Development of single window for foreign economic activity in CA and Afghanistan”	Tashkent, UZ
May 28-30, 2014	Training on Transport and Logistics. Innovative Technologies	Tashkent, UZ
June 4, 2014	“Packaging and Agroproduct Export” Seminar	Tashkent, UZ
June 13-22, 2014	Study Tour	London, UK

July 29- August 4, 2014	Crafts Fair "Oimo and training workshop"	Cholpon Ata, KG
August 16-20, 2014	"Advancing women's economic opportunities in the Fergana valley by improving quality of Central Asian handicraft products"	NY, DC
August 13-15, 2014	"Training of trainers on organic farming, certification and EU market access"	Tashkent, UZ
August 27 – September 5, 2014	Study tour training course "Export development and logistics"	Riga, Latvia
September 10, 2014	UZ-KZ B2B Meeting	Tashkent, UZ
September 5-15, 2014	Participation in ASIA CRAFTS BAZAAR/Delhi held under the grant project "Advancing women's economic opportunities in the Fergana valley by improving quality of Central Asian handicraft products"	Delhi, India
September 16, 2014	Seminar on using technology to improve quality of products, held under the grant project "Economic empowerment of women and market access opportunity"	Gulakandos, Sughd Province, TJ
September 17, 2014	Seminar on marketing and e-commerce held under the grant project "Economic empowerment of women and market access opportunity"	Khujand, Sughd Province, TJ
September 25-26, 2014	Seminar on using technology to improve quality of products, held under the grant project "Economic empowerment of women and market access opportunity"	Khujand, Sughd Province, TJ

## REPORTS, RESEARCH, AND OTHER MULTIPLE PAGE DOCUMENTS YEAR 3

1. "Analysis of trade regime, including tariff and non-tariff measures between Afghanistan and Uzbekistan, and recommendations for improvement" *November 2013* [http://en.car-rec.net/userfiles/commercially\\_viable\\_transport\\_links\\_between\\_almaty\\_kabul\(1\).pdf](http://en.car-rec.net/userfiles/commercially_viable_transport_links_between_almaty_kabul(1).pdf)
2. "Analysis of transporting and processing of dry fruits from Afghanistan" *February 2014* [http://car-rec.net/userfiles/analysis\\_of\\_potentialopport\\_of\\_uzb\\_and\\_afg\\_rus\\_2.pdf](http://car-rec.net/userfiles/analysis_of_potentialopport_of_uzb_and_afg_rus_2.pdf)
3. "Analysis of the "Trading Across Border" indicator in Uzbekistan" *February 2014* [http://car-rec.net/krugliy\\_stol\\_povishenie\\_megdunarodnogo\\_reytinga\\_uzbekistana\\_po\\_vedeniyu\\_biznesa\\_g\\_tashkent\\_18\\_fevralya\\_2014/](http://car-rec.net/krugliy_stol_povishenie_megdunarodnogo_reytinga_uzbekistana_po_vedeniyu_biznesa_g_tashkent_18_fevralya_2014/)
4. "Improving Central Asian transport corridor performance and customs services, decreasing delays at borders and reducing the cost of trade in the region" *February 2014* [http://en.car-rec.net/userfiles/foreign\\_trade\\_single\\_window\\_development\\_in\\_the\\_republic\\_of\\_kazakhstan.pdf](http://en.car-rec.net/userfiles/foreign_trade_single_window_development_in_the_republic_of_kazakhstan.pdf)
5. "Assessments on Single window development status in Kazakhstan and Uzbekistan" *February 2014* [http://car-rec.net/userfiles/File/uzbekistan\\_presentation\\_for\\_roundtable\\_revision\\_1\\_dzhon\\_doneli\\_rus.pptx](http://car-rec.net/userfiles/File/uzbekistan_presentation_for_roundtable_revision_1_dzhon_doneli_rus.pptx)



[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Short-term US technical assistance			
Title	Name	LOE	Dates of Assignment
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			

## Annex C. LIST OF SUBCONTRACTS AND GRANTS

Grants			
Grant #	Grantee	Amount	Description
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Subcontracts			
Subcontract #	Subcontractor	Amount	Description
035	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]





## **Annex D. CONSOLIDATED LIST OF INDICATORS AND TARGETS, YEAR THREE**

To track the project's progress and manage it successfully, REC developed life-of-project indicators for impact and outcome levels that measure achievements and expected results. There are indicators for each component objective, as well as indicators that respond to the overall program goal.

For this reporting period, in addition to previous results, REC achieved the following:

In Year 3, the team worked on building on last year's accomplishments. To date, REC has achieved the following cumulative results:

- Total EPG sales are \$37,119,175, with export sales for all EPGs increased by \$19,795,841 during the life of the project.
- For Q4, Y3 EPG's export sales increased by \$ 5,986,966. Significant progress was noted among Tajik firms from the Organic EPG.
- REC export sales in other areas (B2B, CATF, and others) were increased by \$ 6,821,263.

## CONSOLIDATED LIST OF INDICATORS AND TARGETS

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
<b>Project Objective. Improved cross-border trade among Central Asian countries, Afghanistan, and larger trading partners</b>								
Value of export sales increased by project-supported firms	Export sales value based on what is invoiced to the client; value of executed contracts for EPI and EPG firms	Women-owned or -managed businesses By sector By country	Project survey, focus groups, interviews with EPI, EPG, Textiles and Gender firms, supplemented by financial statements when possible  Project reports (as validated by firms)  Semi-annually	\$ 17,323,334 <sup>5</sup>	3%	48.2 %	10%	<b>114% (Women-owned = 10.45%)</b>
Number of new contracts between local producers and DOD prime vendors to export products increased	Number of firms that fulfill the order and receive DOD/General Services Administration payment for the transaction	Women-owned or managed businesses	DOD/Centcom PV report and firms' invoice to DLA Ongoing	0	1	5	4	<b>5</b>
Value of new contracts between local producers and DOD prime vendors to export products increased	Value of orders received from DOD/General Services Administration/Centcom	Women-owned or -managed businesses	DOD/Centcom PV report and firms' invoice to DLA Ongoing	0	\$ 400,000	\$1,900,000	\$500,000	<b>\$1,900,000</b>

<sup>5</sup> Includes: 1. Textiles EPG, 2.Organic EPG, 3. CU EPG, 4. Supplying to DOD EPG, 5. Export to Russian Federation, 6. EPG Carpets Making

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
Number of activities to improve trade policies, regulations, and processes implemented in Central Asian countries and Afghanistan supported by the REC project	Activities include technical assistance, capacity-building; workshops; focus groups; diagnostic studies; analytical reports; assessments; official translations or revisions of legislation; seminars; grants; symposiums; public-private dialogue; technical discussions; and roundtables on WTO-related topics, transport corridors, and improvement of customs services' performance	By type of activity	REC project activity reports Ongoing	0	19	46	16	<b>110<sup>6</sup></b> Including <b>18 activities thus far</b> (9 public events +6 activities on WTO activities + 3 market selection on companies on comp 2 Q 4 of Y3)
<b>PIR 1. Trade partnership groups built and supported</b>								
<b>KRA 1.1. Demonstrated significant growth or development among EPI group members</b>								
Value of export sales by project-supported firms increased	Export sales value based on what is invoiced to the client; value of executed contracts for EPI and EPG firms	Women-owned or -managed businesses By sector By country	Project survey, focus groups, interviews with EPI, EPG firms, supplemented by financial statements when possible  Project reports (as validated by firms)  Semi-annually	\$17,323,334 <sup>7</sup>	3%	48.2%	10% increase in export value	<b>114%</b> <b>(Women owned = 10.45 %)</b>

<sup>6</sup>) Includes all **REC cumulative** technical assistance, capacity-building; workshops; focus groups; diagnostic studies; analytical reports; assessments; official translations or revisions of legislation; seminars; grants; symposiums; public-private dialogue; technical discussions; and roundtables on WTO-related topics, transport corridors, and improvement of customs services' performance. ([Component 2 -] 14 + [Component 5 -] 29 + [Component 6 -] 17, + [CATF, Roundtables, workshops, seminar trainings, grant events, etc. on components 1, 3, 4] 50)

<sup>7</sup> Includes textiles EPG, Organic EPG, Trade to Russian Federation EPG, CU EPG, Carpet Making EPG and Supplying to DOD EPG.

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
Number of firms receiving project-supported capacity-building assistance to increase exports	Any firm participating in any export partnerships activities (EPI training, EPG members, or participants in the Central Asian Trade Forum)	Women-owned or -managed businesses	Project reports (as validated by firms) On-going	0	154	1,047	300	<b>1676 (cumulative)</b> cumulative (including 144 firms for Q 4 Y3 and 629 for Y 3)
Number of participants in project-supported trade and investment capacity building trainings	Any individual participating in any export partnerships activities (EPI training, EPG members, or participants in the Central Asian Trade Forum)	Women-owned or -managed businesses	Project records (including training sign-in sheets) On-going	0	411	2,065	600	<b>3584 (cumulative)<sup>8</sup></b> (including 1519 participants for Y3 and 203 participants for Q 4 Y 3)
Value of exports by women-owned textile businesses in Central Asia increased	Based on increase of the value of sales of firms involved in Task 1	Women-owned or -managed businesses By sector By country	Project survey, focus groups, interviews with textile women-owned firms, supplemented by financial statements when possible  Project reports (as validated by firms)  Semi-annually		N/A	33%	6% increase in export value	<b>91,0 %</b>

<sup>8</sup> The number of participants at all REC events, trainings, seminars, workshops, round tables, II & III CATF and other public events

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
<b>PIR 2. Export potential of Central Asian firms and industries evaluated through market research</b>								
<b>KRA 2.1. Internal and external obstacles to firms identified, potential firms for supplying the DOD identified, and cost-benefit analysis for policy and regulatory reforms performed</b>								
Number of technical assistance and capacity-building activities provided to firms and trade promotion agencies	Market research, short-term technical assistance to government and/or private-sector beneficiaries, EPG members' study tours and international trade fairs/exhibitions, exporter training sessions, and other REC Component 1 and 3 beneficiary capacity-building activities.		Project records Ongoing	0	4	9	12	<b>14</b>
<b>PIR 3. Barriers to export along the export chain tested through selected pilots</b>								
<b>KRA 3.1 Closed and fulfilled sales to DOD by four producers of food products – one from Kazakhstan and three from Uzbekistan.</b>								
Value of new contracts between local producers and DOD prime vendors to export products increased	Value of orders received from DOD/General Services Administration/Centcom	Women-owned or -managed businesses	DOD/Centcom PV report and firms' invoice to DLA Ongoing	0	\$ 400,000	\$ 1, 900,000	\$500,000	<b>\$1,900,000</b>
Number of new contracts between local producers and DOD prime vendors to export products increased	Number of firms that fulfill the order and receive DOD/General Services Administration payment for the transaction	Women-owned or -managed businesses By sector By country	DOD prime vendors Ongoing	0	1	5	Four sales closed and fulfilled with U.S. government support	<b>5</b>
"How to Export to DOD" manual written	A written report on "How to Export to the DOD"		"How to Export to DOD" manual	N/A	Draft manual developed	Final manual disseminated	Final manual disseminated	Final manual disseminated
<b>PIR 4. Regional workshop organized for returnees of the Department of State summer 2012 Voluntary Visitors Program and business-related grants provided and managed</b>								

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
<b>KRA 4.1. Meeting arranged and executed, and grants implemented</b>								
Number of REC-sponsored technical support aimed at engaging Central Asian and Afghan women to the economy	Technical support includes, technical assistance provided, events organized, research papers, business training, etc.)	By sector	Project records Ongoing	TBD	N/A	2	3	3
<b>PIR 5. Tajikistan assisted in WTO accession</b>								
<b>KRA 5.1 Milestones in Tajikistan's accession plan/paths reached</b>								
Number of activities supporting WTO-related activities	Activities include technical assistance, capacity-building; workshops; diagnostic studies; analytical reports; assessments; official translations or revisions of legislation; seminars; public-private dialogue; technical discussions; and roundtables on WTO-related topics	By type of activity	REC project activity reports Ongoing	0	n/a	10	4	29 (including 19 activities for Y3 and 6 activities for Q 4 Y 3)
<b>PIR 6. Pro-trade policies, regulations and processes implemented in Central Asian countries</b>								
<b>KRA 6.1. Performance of Central Asia's transport corridors improved and Central Asian and Afghanistan trade increased</b>								

Proposed Indicator	Definition	Disaggregation	Source of Data/ Collection Frequency	Cumulative Results				Actual Progress to Date September 30, 2014 (Cumulative)
				Baseline	Y1 (11-12) Actual	Y2 (12-13) Actual	Y3 (13-14) / Completion (Plan)	
Number of activities to improve trade policies, regulations, and processes implemented in Central Asia and Afghanistan supported by the REC project	Activities include workshops, focus groups, diagnostic studies, analytical reports, assessments, official translations or revisions of legislation, seminars, grants, symposiums, public-private dialogue, technical discussions, training, courses, on-the-job training, roundtables	By type of activity	REC project activity reports Ongoing	0	n/a	4	8	<b>17 (including 13 activities for Y3)</b>

## PIR INDICATORS

Updated: **30-Sep-14** USD rate September 2014: **182.0000 USAID Investment Year 3, USD:**  
to the end of project 25%

Indicators	Unit of Measure	LOP Targets	Yearly Targets	Gender Targets	Progress To Date	Gender Results	Collection Frequency
<b>Cross-Cutting Indicators</b>							
Value of export sales increased by project-supported firms	U.S. dollars	10% increase in export value	10%		<b>114.00% (cumulative result)</b>	<b>10, 45%</b>	Semi-annually
Number of new contracts between local producers and DOD prime vendors to export products increased	Number	4 sales closed and fulfilled to U.S. DOD	3		<b>5 (cumulative)</b>	<b>100 %</b>	Semi-annually
Number of activities to improve trade policies, regulations, and processes implemented in Central Asian countries and Afghanistan supported by the REC project	Number	12 number of activities	8		<b>110 (cumulative)</b>	<b>30,4%</b>	Semi-annually
<b>PIR 1 Indicators: Component 1</b>							
Value of export sales increased by project-supported firms							
Year 1	US dollars (% increased)		5%		4.00%		semi-annually
Year 2	%		10%		48.20%	23.90%	semi-annually
Year 3			10%		<b>107% (cumulative)</b>	<b>10.00%</b>	semi-annually
Year 4			20%		<b>114.00%</b>	<b>10,45%</b>	semi-annually
Number of firms receiving project-supported capacity-building assistance to increase exports							
Year 1			80		154		semi-annually
Year 2			180		1047 (cumulative)	15.5 %	semi-annually
Year 3			300		<b>1676</b>	17.6% ( 271 women owned firms)	semi-annually
Number of participants in project-supported trade and investment capacity building trainings							
Year 1			250		411	26% (106)	semi-annually
Year 2			400		2065 (cumulative)	41%	semi-annually

Year 3			600		<b>3584 (cumulative)</b>	36.8 % (1320 women)	semi-annually
Value of exports by women-owned textile businesses in Central Asia increased							
Year 1			n/a	n/a			
Year 2			3%	3%	33.00%		semi-annually
Year 3			6%	6%	<b>91%</b>		semi-annually
<b>PIR 2 Indicators: Component 2</b>							
Number of technical assistance and capacity-building activities provided to firms and trade promotion agencies							
Year 1	Number		4		4		semi-annually
Year 2			8		9		semi-annually
Year 3			12		<b>14</b>		semi-annually
<b>PIR 3 Indicators: Component 3</b>							
Number of new contracts between local producers and DOD prime vendors to export products increased							
Year 1			1		1	1	semi-annually
Year 2			3		5	5	semi-annually
Year 3			4		<b>5</b>	5	semi-annually
"How to Export to DOD" manual written							
Year 1			Draft manual developed		Draft manual developed		
Year 2			Final manual disseminated		Manuals "How to Export to DOD from Kazakhstan/Uzbekistan" completed, posted on REC website and disseminated		semi-annually
Year 3			Final manual disseminated		Manuals "How to Export to DOD from Kazakhstan/Uzbekistan" completed, posted on REC website and disseminated		semi-annually
<b>PIR 4. Indicators: Component 4</b>							
Number of REC-sponsored technical support aimed at engaging Central							

Asian and Afghan women to the economy							
Year 1	Number		n/a				
Year 2			3		2 grant awarded and completed		semi-annually
Year 3			4		<b>5 grants awarded and 3 completed</b>		semi-annually
<b>PIR 5. Indicators: Component 5</b>							
Number of activities supporting WTO-related activities							
Year 1			n/a				
Year 2			4		10		semi-annually
Year 3			4		<b>29</b>		semi-annually
<b>PIR 6. Indicators: Component 6</b>							
Number of activities to improve trade policies, regulations, and processes implemented in Central Asia and Afghanistan supported by the REC project							
Year 1			n/a				
Year 2			4		4		semi-annually
Year 3			8		<b>17</b>		semi-annually

## ANNEX E. YEAR THREE WORK PLAN GANTT CHART

Activity/Task	Countries	Resources / Budget	Month												Milestones
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
<b>Activity 1: Trade partnership groups built and supported</b>															
<b>Task 1.1: Strengthen and support the development of existent and new EPGs, industries and markets</b>															
Conduct focus group to design action plans for Trading with Afghanistan EPG and Kazakh-Uzbek Trade EPG	KZ, UZ, AF	Activity 1 team	■												
Develop detailed action plan to support Trade with Afghanistan EPG and Kazakh-Uzbek Trade EPG	KZ, UZ, AF	Activity 1 team		■											EPG action plan finalized; USAID approval obtained
Conduct an assessment for Uzbek textiles demand in Kazakhstan	KZ, UZ	Atameken, Textile Association, UZ textile government companies, regional CCI UZ	■	■											
Organize textiles roundtable in Astana	KZ, UZ, KG			■											
Strengthen women-owned textile businesses in Central Asia															
- Award and monitor the grantee implementation	CAR	Activity 1 team, Grants team	■	■	■	■	■	■	■	■	■	■	■	■	Women-owned textile businesses strengthened and better positioned to compete internationally
Organize carpet making techniques event in Uzbekistan	UZ	Carpet Making EPG			■										
Organize carpet making techniques training event in Tajikistan	TJ	SME Association of Tajikistan						■							
Organize carpet making techniques training of trainers event in Tajikistan	TJ	SME Association of Tajikistan							■						
Facilitate the development of the organic market in Uzbekistan															
- Organize roundtable for organic agricultural production in CAR (Tashkent)	CAR	Center for Agroinformation-Innovation of UZ, Helvetas			■										
- Organize roundtable for organic agricultural production in Uzbekistan (Khorezm)	UZ					■									
- Organize roundtable for organic agricultural production in Uzbekistan (Samarkand)	UZ						■								

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
- Organize roundtable for organic agricultural production in Uzbekistan (Bukhara)	UZ								■							Foundation of the organic market in Uzbekistan established and business relations established within CAR organic industry players
Support export-oriented agricultural development in Uzbekistan																
- Conduct market research on Kazakhstan market (Almaty, Astana) for Uzbek fruits and vegetables	KZ, UZ	UNDP Foreign Trade Support and Investments	■	■	■											
- Conduct market research on opportunities for processing of agro products (technologies, equipment, packaging) in Uzbekistan (Samarkand, Surkhondaryo)	UZ	Surkhondaryo Chamber of Commerce, MERT, Samarkand regional Business Association		■	■	■										
<b>Task 1.2: Organize Business to Business Matchmaking events</b>																
Conduct assessment for Mazar-i-Sharif, Afghanistan B2B event	UZ, AF	STTA			■	■	■									
Organize pre-matchmaking meetings	CAR, AF, RU				■	■			■		■					
Develop companies' profiles	CAR, AF, RU						■			■	■					
Organize B2B event between Uzbekistan and Afghanistan firms in Mazar-i-Sharif, Afghanistan	UZ, AF	CCI UZ, CCI AF						■								Export sales increased and business network expanded
Organize B2B event between Kazakhstan/ Uzbekistan and Russian Federation firms in Kazakhstan (Customs Union EPG)	KZ, UZ, RU	CCI, Association of Open Markets										■				Export sales increased and business network expanded
Organize B2B event between Kazakhstan and Uzbekistan	KZ, UZ	KazNex											■			Export sales increased and business network expanded
<b>Task 1.3: Organize internship program in Uzbekistan</b>																
Prepare for internship program in Uzbekistan	UZ	Ravnaq Professional							■	■	■					
Implement internship program	UZ	Ravnaq Professional										■	■	■		
Organize initial roundtable for students and companies	UZ	Ravnaq Professional										■				

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
Organize concluding event, including press luncheon	UZ	Ravnaq Professional													■	Firms' competitiveness increased and youth engaged in economic development
<b>Task 1.4: Conduct the Central Asia Trade Forum</b>																
Conduct III CATF	CAR, AF		■													
Monitor and evaluate the results of III CATF			■													
Develop concept for IV CATF										■						
Identify subcontractor(s), book venue, prepare list of invitees										■						
Assess stakeholder interests, draft agenda, identify speakers and send invitations										■	■	■				
Organize transportation and logistics												■	■			
Organize the Trade Exhibition												■	■			
Organize the Competition of Exporters												■	■			
Conduct IV CATF															■	
Monitor and evaluate the results of IV CATF															■	Trade Forum conducted
*Provide communications support and collect PMP data for all tasks under Activity 1	Activity 1 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	■	
<b>Activity 2: Export potential of Central Asian firms and industries evaluated through market research</b>																
<b>Task 2.1: Coordinate market research activities and technical assistance to REC EPG members, industries, and markets</b>																
Conduct an assessment for Uzbek textiles demand in Kazakhstan	KZ, UZ	Atameken, Textile Association, UZ textile government companies, regional CCI UZ	■	■												Market research conducted
Conduct market research on Kazakhstan market (Almaty, Astana) for Uzbek fruits and vegetables	KZ	UNDP Foreign Trade Support and Investments	■	■	■											Market research conducted
Conduct market research on opportunities for processing of agro products (technologies, equipment, canning) in Uzbekistan (Samarkand, Surkhandariya)	UZ	Surkhandariya Chamber of Commerce, MERT, Samarkand regional Business Association		■	■	■										Market research conducted

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
Support market research and assessments under Activity 6	CAR	STTA	■	■	■	■	■	■	■	■	■	■	■	■	■	Market research conducted
<b>Task 2.2: Coordinate market research activities and technical assistance to Kazakh and Uzbek trade promotion agencies</b>																
Determine priorities and design and implement activities with trade promotional agencies in Uzbekistan and Kazakhstan	KZ, UZ			■												
Improve CCI market data on Uzbek textiles demand in Kazakhstan by conducting an assessment of the sector	KZ, UZ	Atameken, Textile Association, UZ textile government companies, regional CCI UZ	■	■												
Conduct exporter strategy training in CCI Uzbekistan	UZ						■									
Continue support in export strategy development for KazNex	KZ	KazNex Invest					■	■								
Continue support on increasing KazNex's staff capacity development	KZ	KazNex Invest							■	■						
<b>Task 2.3: Facilitate CAR representatives' participation in USG programs</b>																
Support organization of the International Visitors Leadership Program in Improving Export Potential of Kazakh Companies	KZ	KazNex						■	■							
Support organization of the International Visitors Leadership Program in The Silk Road: Economics and Transportation	KZ	Ministry of Transport, logistics company (private sector), Atameken									■	■				
<b>Task 2.4: Manage REC's Exporters database</b>																
Enter data as received			■	■	■	■	■	■	■	■	■	■	■	■	■	
*Provide communications support and collect PMP data for all tasks under Activity 2	Activity 2 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	■	Database maintained
<b>Activity 3: Barriers to export along the export chain tested through selected pilots</b>																
<b>Task 3.1: Facilitate sales from CAR suppliers to the DOD and GSA</b>																
Identify and evaluate firms with potential to sell to DOD and GSA	KZ, UZ	DLA TS, C-JTSCC, PVs, Portal Team in KG	■	■												Firms identified and evaluated
Create action plan to overcome firms' obstacles to supplying to DOD and GSA	KZ, UZ			■	■											

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
Support executing activities in action plan by providing technical assistance	KZ, UZ	Grants and subcontracts				■	■	■	■	■	■	■			Pilot firms successfully complete capacity-building program and improve standards to meet DOD/ DLA/GSA requirements	
Support to close deals and fulfill orders to DOD and GSA	KZ, UZ											■	■	■	■	3 deals closed with the DOD and GSA
<b>Task 3.2: Organize knowledge sharing activities</b>																
Support organizing Industry Days (Almaty)	KZ	C-JTSCC	■													
Support organizing Industry Days (Tashkent)	UZ	C-JTSCC	■													
Conduct knowledge-sharing meetings among pilot firms and other potential DOD/GSA local suppliers	KZ, UZ						■		■	■						New CAR firms interested in selling to the DOD and GSA
*Provide communications support and collect PMP data for all tasks under Activity 3	Activity 3 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	■	
<b>Activity 4: Regional workshop organized for returnees of the Department of State summer 2012 Voluntary Visitors Program and business-related grants provided and managed</b>																
<b>Task 4.1: Facilitate creation and management of small business-related grants</b>																
Manage implementation of Orlan grant in Turkmenistan	TM			■	■	■	■	■	■	■						
Develop final report on implementation of VolVis grants in CAR	CAR								■	■						Final report shared with USAID
*Provide communications support and collect PMP data for all tasks under Activity 4	Activity 2 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	■	
<b>Activity 5: Tajikistan assisted in WTO Post-Accession</b>																
<b>Task 5.1: Provide technical assistance to support the MEDT on WTO related matters</b>																
Provide advice to MEDT high ranking officials, most notably Minister Rahimzoda and Deputy Minister Nazriev, on WTO and trade related matters	TJ		■	■	■	■	■	■	■	■	■	■	■	■	■	
Support Chief Negotiator's activities in Geneva and provide onsite technical assistance by Project's Senior WTO Advisor					■			■			■			■		

Activity/Task	Countries	Resources / Budget	Month												Milestones
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
Review draft laws/regulations for WTO compliance			■	■	■	■	■	■	■	■	■	■	■	■	
Assist in drafting WTO compliant legislation			■	■	■	■	■	■	■	■	■	■	■	■	
Provide on the job training to members of WTO Department in MEDT and the WTO Section within the Diplomatic Mission of Tajikistan in Geneva			■	■	■	■	■	■	■	■	■	■	■	■	MEDT staff capacity building increased
<b>Task 5.2: Support Tajikistan in adopting WTO relevant legislation and ratification of international conventions</b>															
Provide support for drafting decree on implementation of trade remedies					■										
Provide support for ratification of conventions needed for GSP Plus status						■									
- Convention on the Prevention and Punishment of the Crime of Genocide							■								
- Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and Their Disposal							■								
- Convention on International Trade in Endangered Species of Wild Fauna and Flora							■								
Provide support for Tajikistan's accession to the Hague Conference on Private International Law								■							
Provide support for ratification of the Convention Abolishing the Requirement of Legalization for Foreign Public Documents										■					
Provide support for ratification of the Hague Convention on Choice of Court Agreements											■				WTO legislation adopted and international conventions ratified
<b>Task 5.3: Support Tajikistan in fulfilling its WTO obligations</b>															
Provide support for submission of initial notifications required by WTO Agreements					■										
Facilitate Tajikistan in becoming an observer to the WTO Agreement on Government Procurement								■							
Facilitate Tajikistan in becoming a signatory to the WTO Agreement on Trade in Civil Aircraft					■										Tajikistan fulfilled its WTO commitments

Activity/Task	Countries	Resources / Budget	Month												Milestones
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
<b>Task 5.4: Support Tajikistan in reform of the Food Safety System</b>															
Support relevant ministries in preparation and adoption of a detailed plan (road map) for institutional and other relevant reforms, including legal framework, educational and equipment needs			■	■	■	■	■	■	■	■	■	■	■	■	
Support education of Tajik experts on best practices, especially from countries with similar backgrounds and from those that have gone through a food safety system reform			■	■	■	■	■	■	■	■	■	■	■	■	Food safety system reform supported
<b>Task 5.5: Create public awareness and education on WTO related matters</b>															
Participate as speakers in roundtable discussions and other related public events			■	■	■	■	■	■	■	■	■	■	■	■	
Organize public awareness events and publish WTO related materials					■			■			■			■	
Support Tajik representatives on their training efforts on an ad hoc basis			■	■	■	■	■	■	■	■	■	■	■	■	Government representatives and private sector inform on WTO implications for their work/business respectively
*Provide communications support and collect PMP data for all tasks under Activity 5	Activity 5 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	
<b>Activity 6: Pro-trade policies, regulations and processes implemented in Central Asian countries</b>															
<b>Task 6.1: Develop and manage trade facilitation efforts</b>															
Facilitate the implementation of recommendations about customs and other border crossing procedures between Kazakhstan-Uzbekistan	KZ, UZ	Customs Committee and Regulating bodies from UZ and KZ, UNDP													
- Organize meetings with UNDP, CCI, and Atameken	KZ, UZ		■	■											
- Support single window harmonization															
• Conduct research on the status of single window in Uzbekistan, propose recommendations based on international best practices	UZ	EIF					■	■							

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
• Organize at least one knowledge-sharing event on best practices in single-window	CAR, AF	STTA, Uzbekistan				■										
• Support Uzbekistan on implementing customs e-declarations	UZ	STTA				■	■	■								
- Facilitate a higher customs exchange of information between Uzbekistan and Kazakhstan	KZ, UZ															
• Conduct research on the compatibility of customs information exchange systems, propose recommendations based on international best practices	KZ, UZ	STTA						■	■	■						
Work with Kazakh and Uzbek export firms on improving sectoral trade facilitation issues	KZ, UZ															
- Organize trade facilitation session during the textiles roundtable in Astana	KZ, UZ, KG	Activity 6 and Activity 1 teams		■												
Facilitate the development of trade financing instruments in Uzbekistan/Kazakhstan; Uzbekistan/Afghanistan; and Afghanistan/ Kazakhstan	KZ, UZ, AF										■	■	■			
Facilitate the implementation of recommendations about customs and other border crossing procedures between Uzbekistan-Afghanistan	UZ, AF															
- Organize meetings with Afghan and Uzbek CCIs, Export Promotion Agency of Afghanistan, MFERIT, UNDP	UZ, AF					■	■									
- Facilitate a higher customs exchange of information between Uzbekistan and Afghanistan	UZ, AF	Council of Farmers, GIZ, Afghan and UZ CCIs, STTA, ExBorder Security, DOD						■	■	■						
Work with the Trading with Afghanistan EPG on improving trade facilitation issues related to Uzbek-Afghan exports	UZ-AF															
- Organize an Uzbek-Afghan round table on Trade Facilitation in Mazar in collaboration with Activity 1								■	■	■						CAR BCP more efficient
<b>Task 6.2: Develop and manage transport corridor improvement efforts</b>																

Activity/Task	Countries	Resources / Budget	Month												Milestones	
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep		
Conduct an assessment and provide recommendations to improve Termez transport multi-modal hub (river, road and rail)	UZ, AF	STTA		■												
Identify the best transport routes and propose recommendations for AF/UZ/KZ, AF/TM/KZ and AF/TJ/KG/RU	CAR, RU, AF	STTA		■	■	■	■									
Organize round table to present the findings of the best transport routes in CAR	CAR							■								
Facilitate the improvement of a transit regime for freight forwarders in Uzbekistan	UZ	ADBL														
- Conduct research on transportation logistics situation and business opportunities for transit of cargo from Uzbekistan, propose recommendations based on international best practices	UZ	STTA							■	■						
- Conduct round table to present findings an potential for implementation of recommendations	UZ											■				Optimum transport corridor identified and leverage by transport providers and traders
<b>Task 6.3 : Develop and manage trade policy efforts</b>																
Provide technical assistance to draft Uzbekistan Commercial Arbitration Law, considering international best practices	UZ	STTA					■	■								
Conduct research on improving efficiency of free economic zones, including trans-border trade zones, in KZ/UZ, TJ/AF and KZ/CH	CAR	Activity 2, STTA						■	■							
Organize round tables to present the findings and facilitate implementation of best practices in trans-border free trade zones	CAR	Activity 2, STTA										■				Platform created to improve trade policy in CAR
*Provide communications support and collect PMP data for all tasks under Activity 6	Activity 6 team, Communications Manager, PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	■	
<b>Project Reporting, Communications, and PMP</b>																
Conduct meetings with USAID and US Embassy	Chief of party, REC team		■	■	■	■	■	■	■	■	■	■	■	■	■	

Activity/Task	Countries	Resources / Budget	Month												Milestones
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	
Participate at networking events and disseminate REC goals and activities	REC team		■	■	■	■	■	■	■	■	■	■	■	■	
Perform monitoring and evaluation	PMP manager		■	■	■	■	■	■	■	■	■	■	■	■	
Submit copies of surveys, studies, assessments, and analytical reports to USAID	Chief of party		■	■	■	■	■	■	■	■	■	■	■	■	
Update project website	Communications manager		■	■	■	■	■	■	■	■	■	■	■	■	
Submit annual report (within 15 days of end of 12th month)	Chief of party, REC team		■												
Submit quarterly progress and financial reports (within 10 days of end of quarter)	Chief of party, REC team		■			■			■			■			
Produce success stories for USAID (at least two per year)	Communications manager				■			■			■			■	
Review and revise PMP (if needed)	Chief of party, PMP manager													■	
Submit Annual work plan (within 15 days prior to new fiscal year)	Chief of party													■	