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THE USAID REGIONAL TRADE LIBERALIZATION AND CUSTOMS PROJECT EVALUATION FINAL REPORT

February 10, 2012

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ACRONYMS

ABBAT	Association of International Automobile Carriers of Tajikistan
ACBT	Association of Customs Brokers of Tajikistan
ADB	Asian Development Bank
AITK	Association of Industrial Technologies of Kazakhstan
CAR	Central Asia Republics
CAREC	Central Asia Regional Economic Cooperation program
CATF	Central Asia Trade Forum
CCC	Custom Control Committee
CDP	Customs Development Project
CMP	Customs Modernization Project
CS	Customs Service
CO	Contract Officer
COTR	Contract Officer's Technical Representative
CU	Customs Union
dTS	Development & Training Services, Inc.
EPG	Export Partnership Group
EPI	Export Partner Initiative
FEZ	Free Economic Zone
FIATA	International Federation of Freight Forwarders Associations (Fédération Internationale des Associations de Transitaires et Assimilés)
FIDIC	International Federation of Consulting Engineers (Fédération Internationale Des Ingénieurs-Conseils)
FSU	Former Soviet Union
GIZ	German Agency for International Cooperation
GOKG	Government of the Kyrgyz Republic
GOKZ	Government of Kazakhstan
GPA	WTO Government Procurement Agreement
GSP	Generalized System of Preferences
IBC	International Business Council
IQC	Indefinite Quantity Contract
IPR	Intellectual Property Rights
ITF	International Transport Forum
KFFA	Kazakhstan Freight Forwarders Association
M&E	Monitoring and Evaluation
MEDT	Ministry of Economic Development and Trade
MOTC	Ministry of Transport and Communication
MOT	Ministry of Transport
NGO	Non-Governmental Organization
OJSC	Open Joint Stock Company
PMP	Performance Management Plan
RCMIP	Regional Customs Modernization and Infrastructure Project
RTLCL	Regional Trade Liberalization and Customs Project
SAPP	State Agency on Public Procurement

SCS	State Customs Service
SOW	Statement of Work
SPS	Sanitary and Phytosanitary
SW	Single Window
SWSE	Single Window State Enterprise
TBT	Technical Barriers to Trade
TRIPS	Trade Related Aspects of Intellectual Property Rights
UAIS	Unified Automated Information System
UNECE	United Nations Economic Commission for Europe
USAID	United States Agency for International Development
WB DBI	World Bank's Doing Business Indicators
WE-WC	Western Europe-Western China Highway
WTO	World Trade Organization

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EXECUTIVE SUMMARY

From October 2011 through January 2012, Development and Training Services (dTS) conducted an evaluation of the USAID Regional Trade Liberalization and Customs Project (RTLTC), contract number 176-C-00-07-00011-00. The purpose of the RTLTC contract was to foster economic growth and improve the competitiveness of Kazakhstan, Kyrgyzstan and Tajikistan through improving conditions for international and cross-border trade and transit. The project was implemented during the period July 2007 to September 2011.

The purpose of this Task Order (TO) is to: 1) conduct an assessment of the RTLTC Project, 2) assess the degree to which the project was successful, the extent to which the contractor's efforts resulted in the enactment of reforms that help businesses trade across borders and the extent to which trade was facilitated, and 3) suggest which efforts USAID should prioritize among potential trade facilitation-related investments.

dTS formed a core team consisting of the Team Leader/Senior Evaluation Expert, Oleksandr Rohozynsky, and the Senior Economic and Trade Expert, Bahodir Ganiev, to conduct the evaluation. The core team was supported by two local experts in each of the three countries targeted by the project. The evaluation team used document review, key informant interviews, and small-scale surveys of the project participants as main sources of data for this evaluation.

The main findings of the evaluation team regarding the achievement of the results stated in the project framework are the following:

Result 1: Simplification of import tariffs, preferences, and government pre-export barriers.

Data gathered by the evaluation team suggests that Kazakhstan, the Kyrgyz Republic and Tajikistan have made limited or no progress in simplifying import tariffs, preferences, and government pre-export barriers since mid-2007, when the implementation of the Regional Trade Liberalization and Customs Project (henceforth referred to as RTLTC) commenced.

Result 2: Move project countries toward World Trade Organization (WTO) accession and/or compliance. The project achieved significant results in Tajikistan, where WTO accession became a strong priority for the government. The project work in Kazakhstan was significantly impacted by the country's accession to the Customs Union (CU) with Russia and Belarus, and a shift of priorities away from WTO accession. Similarly, the project work in Kyrgyzstan was impacted by the revolution and change in the government that reduced the attention to WTO compliance issues. At the regional level, RTLTC's major accomplishment pertaining to WTO accession/compliance was the publication of the Russian edition of Peter Van Den Bossche's book titled *WTO Law and Policy*.

Result 3: Improve customs procedures so as to reduce delays and costs to traders of complying with customs requirements. In all three countries, the project was instrumental and provided significant help in establishing automated systems for customs. However, the effects of these project activities will be visible only when the automated systems become fully operational. In all the target countries, it is expected that customs automation will start working in 2012. The project also put a lot of effort into helping the countries to streamline the export/import procedures which resulted in reduction in the number of documents required for international trade. This helped Kazakhstan and the Kyrgyz Republic increase their rating according to the World Bank Doing Business Indicators.

Result 4: Improve the efficiency of transportation of goods and traders, including transit across intervening jurisdictions. RTLC supported closer collaboration among freight forwarders of Kazakhstan, the Kyrgyz Republic, Tajikistan and Uzbekistan. It arranged for the comparatively advanced Kazakhstan Freight Forwarders Association (KFFA) to train and strengthen its Kyrgyz and Tajik counterparts. With RTLC's support, the Kazakhstan Scientific Research Institute of Transport and Communications published the *Handbook for Freight Forwarders in Central Asia*. The handbook provides practical information on navigating customs and other regulations governing international freight operations in Central Asian countries. RTLC was also instrumental in introducing a system of digital tachographs to officials of transport ministries and the associations of road carriers of the project countries and Uzbekistan, which allowed transporters in these countries to comply with the European regulations and extend some routes to Europe.

Result 5: Achieve improved private sector access to market information. RTLC worked toward this result through three different channels. The project organized about a dozen “press cafes” in the project countries, primarily in the Kyrgyz Republic. Through the project website and the newsletters developed by local partners, the project distributed information on trade issues in all three target countries. In cooperation with other international organizations and local partners, the project conducted a series of public seminars to educate target groups on the issues of WTO accession and the legal changes related to Kazakhstan's accession to the CU.

Result 6: Improved capacity to compete for international business. RTLC implemented the Export Partnership Initiative (EPI), a regional program intended to help firms from the project and neighboring countries to improve their ability to compete for international business, form partnerships and expand exports. Four major events, including three training sessions and the Central Asia Trade Forum (CATF), were held as part of the EPI. EPI participants received training in international business practices, marketing, cross-border taxation, logistics, supply-chain management, customs clearance, technical regulations, and sanitary and phytosanitary (SPS) measures.

The findings suggest that the project contributed to achieving crosscutting USAID objectives of gender equality and reduction of corruption. RTLC activities increased opportunities for international trade for several predominantly female sectors of industry in the target countries, such as light industry and handcrafts. The automated customs systems developed with project support are expected to reduce the opportunities for corruption in customs.

The evaluation team found that the impact indicators included in the project performance management plan (PMP) are not adequate to assess the economic impact of the project. Although two out of three countries increased their rating in the World Bank Doing Business Indicators, and improved trade and logistics indexes, the validity of these indexes is highly questionable. For example, the evaluation team found that alternative estimates of the time to export from Tajikistan were more than 10 times less than the estimates considered by the World Bank. The team also found that it is almost impossible to make an assessment of the economic impact at the macro level. The government of the target countries does not make such assessments. The comparison with other countries of the region revealed that the target countries of the RTLC Project had the same changes in main macroeconomic indicators related to international trade as the comparison countries.

At the firm level, the analysis of the survey data suggested that there is direct economic benefit for the recipients of project support, in particular the participants of the EPI. Over 50 percent of the respondents reported increased value of their exports due to participation in the project. Similarly, the key informants

provided anecdotal evidence that the project activities had economic effects at the firm level, and expressed expectations that the effect will increase when the major initiatives, such as automation of customs, which started with the project support, will be fully implemented.

Analysis of the findings suggested the following main conclusions about the project achievements and impact:

1. The project success for the Trade Liberalization component, including results 1 and 2, substantially depended on the priorities of the governments of the target countries, whose government priorities were beyond project control. However, the project was able to use the favorable environment in Tajikistan to its advantage to the largest extent possible.
2. Most of the significant achievements of the RTLC Project are in starting or supporting long-term initiatives, such as automation of customs, single window centers, or introduction of the digital tachographs. The impact of these achievements is not observable yet since none of the above mentioned initiatives was fully implemented by the time of the evaluation.
3. The same is true for the economic impacts of the project. It is difficult to adequately attribute changes in major macroeconomic indicators to a policy-oriented technical assistance project like RTLC. Impacts of some of the project activities take longer to develop than the duration of the project. For others, the external factors have greater influence on the change in the indicators than the project activities. The impact or the outcomes of such projects may be observed at the firm level, but it requires integration of the data collection for the impact assessment into the project design.

The evaluation team formulated several major recommendations based on the conclusions and the suggestions by the key informants and international experts:

1. A technical assistance project like RTLC must have a broad scope, and be flexible and responsive during implementation. A possible mechanism could be a mini-IQC.
2. It should not be necessary to undertake all or even most activities planned for the region in each country; there may be different reforms promoted in different countries of the region by the same regional project.
3. It is desirable to have a project advisory committee in every project country. The committee should consist of USAID staff members based in the project country and representatives of government agencies, business associations, NGOs and development agencies dealing with issues that the project is intended to address.
4. It is important to strike a balance between assistance to the government and assistance to the private sector in promoting economic development.
5. It is desirable to avoid a situation in which a project provided valuable assistance in a particular area and achieved significant results in that area, but the project ended and the assistance was discontinued at a time when it was badly needed.
6. It is recommended that USAID staff give more careful consideration to the attribution problem when selecting performance indicators for a project and incorporating the impact assessment into the project design.

It is recommended that, if possible, the relevant contracting and financing mechanisms were more transparent for the project grantees. Experience of the project suggests that it is very confusing when the

payments for a subcontract or grant are administered by one main project partner, while the technical aspects of the work are managed by another partner.

I. INTRODUCTION

Development and Training Services, Inc. (dTS) was contracted to conduct an evaluation of the USAID-funded RTLC Project implemented in Kazakhstan, the Kyrgyz Republic, and Tajikistan from July 2007 to September 2011. The purpose of the evaluation was to determine the degree to which the project was successful, the extent to which the contractor's efforts resulted in the enactment of reforms that helped businesses trade across borders, the extent to which trade was facilitated, and to suggest which efforts USAID should prioritize going forward among potential trade facilitation-related investments.

DESCRIPTION OF THE PROJECT

The RTLC Project was a multifaceted effort to support Kazakhstan, Kyrgyzstan, and Tajikistan in achieving greater economic growth and competitiveness through trade and transit reform. The RTLC team worked to achieve improved competitiveness through reduced trade barriers, liberalized customs regimes, and expanded transit links. RTLC also worked to achieve the following results: (a) Progress toward WTO accession for Kazakhstan and Tajikistan and implementation of the WTO commitments in Kyrgyzstan; (b) Simplification and streamlining of import, export and transit procedures; (c) Greater regional coordination among customs services, logistics providers, freight and customs brokers, and other trade stakeholders; and (d) Improved dialogue on trade matters and increased capacity of the business sector to influence trade reform policy within and beyond the region.

The RTLC Project began in July 2007, and was implemented through a contract with AECOM. The contract was extended to operate through September 30, 2011, with an expansion of its Statement of Work (SOW). The project worked with governments, private sector and regional institutions, and involved technical support to ministries and agencies responsible for WTO accession and efforts to engage the private sector as stakeholders in formulating sound foreign trade policies and implementing WTO commitments. The Trade Liberalization component included two sub-components that provided support and technical assistance with respect to simplification of import tariffs, preferences and export barriers; and WTO accession and compliance. The Trade Facilitation and Integration component aimed to improve efficiency of customs and transit systems in Central Asia as part of broader efforts to expand trade by: modernizing customs systems so as to reduce delays and costs to traders and comply with international standards; facilitating transit and lower logistical costs encountered by traders in transporting goods; and building private sector awareness and understanding of trade policies and promote greater consultation between the trading community and government institutions.

The contract extension period was to include the following activities: (a) Leveraging alumni/mentoring networks resulting from the Presidential Entrepreneurship Summit that attracted successful entrepreneurs and heads of business associations from Central Asia and Afghanistan; (b) Establishing regional trade ties to business associations with sister organizations in neighboring countries or to the American Chambers of Commerce in their host country; (c) Increasing the potential for farmers and small businesses to trade within Central Asia through programs to help farmers and processing companies improve their ability to trade and export in the region; and (d) Improving regional transportation networks by bringing together transportation organizations in the region for training on international norms, such as the International Road Transit Agreement, and to exchange best practices to improve regional transportation and overcome barriers to regional and international commerce.

The project PMP outlined six intermediate results for the RTLC:

Result 1: Simplification of import tariffs, preferences, and government pre-export barriers

Result 2: Move project countries toward WTO accession and/or compliance

Result 3: Improve customs procedures so as to reduce delays and costs to traders for complying with customs requirements

Result 4: Improve the efficiency of transportation of goods and traders, including transit across intervening jurisdictions

Result 5: Achieve improved private sector access to market information

Result 6: Improved capacity to compete for international business

THE EVALUATION PURPOSE AND METHODOLOGY

As specified in the TO's SOW, the objectives of this evaluation were to provide USAID/CAR with answers to the following three questions:

1. What were the achievements of the project by individual result grouping and crosscutting element?
2. Based on evidence and data, what was the economic impact of the project's achievements?
3. What changes to contract tasks, approach and measurement of results does the RTALC Project suggest for follow-on projects?

While answering these questions, the evaluation is to quantify, where possible, the observable impact of the RTALC Project and explore possibilities for impact evaluation for this and future trade-related projects in the region. The SOW for the evaluation is available in Appendix A.

The RTALC Project evaluation methodology proposed a performance evaluation with elements of impact assessment. The methodology included several methods of data collection: document and literature review; key informant interviews with experts and stakeholders in four countries (Kazakhstan, the Kyrgyz Republic, Tajikistan, and United States); two small-scale surveys, and a review of secondary data. Its goal was to search for quantitative and qualitative evidence of the project impact at three levels: firm level, country level, and regional level. Two small-scale surveys (one from firms that received technical assistance from the project and another from customs brokers or traders) were included to assess the impacts of the project on trade costs related to customs clearance of goods and on the trade performance of the beneficiary firms and the project countries.

The core evaluation team consisted of the Team Leader/Senior M&E Expert and a Senior Economic and Trade Expert. The team was supported by Senior and Junior Local Experts in each of the three project countries. The proposed evaluation methodology is available in Appendix B.

KEY INFORMANT INTERVIEWS

The key informant interview is the most widely used data collection method for this evaluation. They will be used to deepen our understanding of the RTALC Project and its expected influence; to obtain expert opinion on the success of current RTALC activities and progress toward objectives; and to form recommendations for future programming.

The initial list of key informants was constructed based on the recommendations from the RTAL/AECOM project management, USAID/EGAT and USAID/CAR representatives. The list was revised during the field work in each of the countries.

The data collection from the key informants commenced in the first week of the project. The project team including the Team Leader and the Senior Economic and Trade Analyst conducted interviews with the RTAL staff in Washington, D.C. and other locations in the United States and Europe. Data collection continued during field visits to the three project countries. The evaluation team conducted 97 key informant interviews in total. See Appendix C for the list of the key informants contacted by the evaluation team.

The main challenge encountered during the key informant interviews was the turnover of the government officials in all three project countries. For this reason, where possible, the key informants included the government officials at the offices that were official counterparts of the project, and the government officials who worked at these offices during the time of project implementation. Other key informants included local trade experts, representatives of local public organizations, international experts working in the countries of the region, and selected local RTAL staff.

Table 1. Number of key informants by location

Country/City	Number of Interviewed Key Informants
Kazakhstan	33
Astana	23
Almaty	10
Kyrgyz Republic	32
Bishkek	
Tajikistan	26
Dushanbe	22
Khujand	4
Other countries	6
Total	97

SMALL-SCALE SURVEYS

To collect more primary data on the achievements and the economic impact of RTAL, the evaluation team conducted several e-mail- and/or telephone-based small-scale surveys of: (i) EPI participants, (ii) light industry logistics workshop participants, (iii) handicraft firms that received technical assistance from RTAL through the Association of Industrial Technologies of Kazakhstan (AITK), (iv) participants of the Central Asia Trade Forum (CATF), (v) traders in Kazakhstan, and (vi) traders and customs brokers in Tajikistan.¹

The evaluation team conducted an email based small-scale survey of the firms that participated in the EPI implemented within the framework of the RTAL Project in 2011. Local businesses from all three targeted countries could participate in three seminars organized by the project. The aim of the seminars was to increase export potential of the firms.

¹ The evaluation methodology envisaged surveys (i)-(iii). The evaluation team conducted e-mail-based surveys (iv)-(vi) as an alternative to the face-to-face surveys that could not be conducted for technical reasons.

The evaluation team received 72 (out of 73) valid electronic addresses of the EPI participants from the former RTLC Project staff. A specialized questionnaire (see Appendix D) was sent to the firms by email. The questionnaire for the survey focused on impacts of training and other technical assistance provided by RTLC on the performance of beneficiary firms. The email was followed by two phone calls to the respondents within three weeks of the first email. The final response rate to the survey was 40.3 percent.

The evaluation team also conducted an email survey of the participants of the training on logistics for light industry. The questionnaire also focused on impacts of training and other technical assistance provided by RTLC on the performance of beneficiary firms. AECOM provided contact information for 24 (out of 25) participants of the workshops on logistics for light industry held in Kazakhstan and the Kyrgyz Republic, but none of the 15 participants of the workshop on logistics for light industry held in Tajikistan. The evaluation team targeted respondents from Tajikistan through the Chamber of Commerce and Industry of Tajikistan. The questionnaire for survey was sent to targeted firms via e-mail. Subsequently, e-mail reminders were sent and/or telephone calls were made to the respondents. The response rate in this survey was 15.4 percent. When contacted by phone, some target respondents said that they had not participated in the workshops on logistics for light industry or could not remember taking part in those workshops.

Evaluators also surveyed participants in the workshop on market access for handcraft small and medium-sized enterprises (SMEs) with similar questionnaire. The RTLC Project provided a grant to the Association of Industrial Technologies of Kazakhstan (AITK) to form a cluster of five to seven businesses headed by women or employing women and support them in exporting hand-made products. It also supported a workshop on market access for handcraft SMEs in Almaty in June 2011. The AITK provided telephone numbers of four (out of five) handcraft firms to which it provided technical assistance financed by RTLC. The evaluation team surveyed all four firms by phone.

In order to evaluate effects of RTLC activities on international trade in the project countries, the evaluation team attempted to conduct a small-scale survey of customs brokers or traders. The methodology suggested face-to-face interviews with the customers of the Center for Single Window in customs or similar locations. However, this methodology was not implemented because the Single Window locations were not functional in any of the countries during the time of data collection.

As an alternative approach, the team chose to conduct an electronic survey of the firms that actively engaged in foreign trade. The evaluation team developed questionnaires presented in Appendix E. Questionnaires for these surveys focused on trade barriers in Kazakhstan and Tajikistan, respectively.² The questionnaires for these surveys were sent through the Kazakhstan Union of Customs Declarers—to members of the union, and through the Association of Customs Brokers of Tajikistan and the National Association of Small and Medium Business of Tajikistan—to members of the two associations. Despite several reminders, only two traders from Kazakhstan and two customs brokers from Tajikistan participated in the surveys.³

The custom brokers and traders were also targeted through the survey of the participants of the CATF. The CATF was conducted with support from RTLC and included 256 participants from the countries of the

² Custom brokers and traders in Kyrgyz Republic were targeted through CATF survey. The questionnaire for the survey of CATF participants included questions about trade barriers in the project countries and a large number of firms/organizations from the Kyrgyz Republic took part in the CATF, therefore no separate survey of traders and/or customs brokers was conducted in this country.

³ The results of surveys (v) and (vi) are not presented in this report because the small numbers of respondents preclude making reliable inferences from the survey data.

Central Asia Republics (CAR) region and other countries interested in trade with the region. The evaluation team developed a simple questionnaire, provided in Appendix D. The questionnaire included questions about the benefits of participation in the CATF as well as questions concerning trade barriers in project countries. Former RTLC staff provided contact information for 253 (out of 256) CATF participants from the project countries. The questionnaire was sent by e-mail directly to targeted respondents. This was followed by e-mail reminders and/or telephone calls to target respondents who had not replied to the first e-mail or whose e-mail addresses the evaluation team did not have. The final response rate for this survey was 6.3 percent.

II. FINDINGS

This section presents the evaluation team's findings pertinent to the research questions set forth in the SOW for the evaluation.

ACHIEVEMENTS RELATIVE TO EXPECTED RESULTS

The achievement of the expected results is presented in accordance with the results framework of the RTALC Project. Although the project had some numeric targets for some of the expected results, the evaluation team looked at the broader spectrum of the indicators of the changes associated with the project. As we discuss later in the report, the set of performance indicators included in the project PMP do not fully capture the results of the project.

RESULT 1: SIMPLIFICATION OF IMPORT TARIFFS, PREFERENCES, AND GOVERNMENT PRE-EXPORT BARRIERS

This result is fairly broad and a lot of changes in legislation can be viewed as contributing to this result. The evaluation team's understanding of this expected result of RTALC is that it was to entail reductions in tariffs in the project countries, simplification of their tariff schedules (by reducing the number of tariff bands, making tariffs less cascading, and the like), more uniform application of tariffs (by reducing tariff peaks, streamlining tariff preferences granted by the project countries to other countries under preferential trade agreements, and so forth) and lowering of policy-related and regulatory barriers to exports (e.g., licensing and certification requirements for exports). We looked into direct indicators of the simplification and unification of tariffs and the procedures related to foreign trade from a point of view of firms, where possible.

Data gathered by the evaluation team in the Internet (in particular the websites of the International Monetary Fund, World Bank, WTO, and government agencies of the project countries) suggests that the project countries have made limited or no progress in simplifying import tariffs, preferences, and government pre-export barriers since mid-2007, when the implementation of RTALC commenced. The tariff schedule and trade preferences became more complex and tariffs generally increased in **Kazakhstan** after the country established a CU with Belarus and Russia in 2010. The Ministry of Economic Development and Trade (MEDT) of Kazakhstan estimated that the simple average tariff rate rose from 4.6 percent to 8.5 percent for industrial products imported from outside the CU and from 12.1 percent to 16.7 percent for agricultural products imported from outside the CU.⁴ The RAKURS Center for Economic Research (a think tank based in Almaty, Kazakhstan) estimated that the simple average applied tariff rate (including ad valorem equivalent of non-ad valorem tariffs) increased from 6.5 percent to 12.1 percent and the weighted average applied tariff rate rose from 4.3 percent to 12.7 percent as a result of the establishment of the CU.⁵ The World Bank estimated that the simple average applied tariff rate in Kazakhstan increased from 4.3 percent in 2008 to 6.4 percent in 2010 (Table 2). Moreover, the ratio of the simple average applied tariff rate for manufactured products to the simple average tariff rate for primary products rose from 0.55 to 1.06 and the share of tariff peaks in the tariff schedule increased from 8.8 percent to 19.6 percent in 2009-2010, which indicates that the

⁴ International Monetary Fund (2011).

⁵ RAKURS Center for Economic Research (2011).

tariff schedule became more cascading and complex.⁶ According to Kazakh government officials, RTLC did not have an impact on tariffs in Kazakhstan.

Table 2. Simple Average Applied Tariff Rates and Share of Tariffs Peaks in Tariff Schedule in Kazakhstan and the Kyrgyz Republic, 2007-2010, %

	2007	2008	2009	2010
Kazakhstan				
Simple average applied tariff rate for all products	n.a.	4.3	n.a.	6.4
Simple average applied tariff rate for manufactured products	n.a.	4.0	n.a.	6.4
Simple average applied tariff rate for primary products	n.a.	7.3	n.a.	6.1
Share of tariff peaks in the tariff schedule	n.a.	8.8	n.a.	19.6
Kyrgyz Republic				
Simple average applied tariff rate for all products	2.9	3.6	3.6	3.3
Simple average applied tariff rate for manufactured products	2.7	3.5	3.5	3.1
Simple average applied tariff rate for primary products	4.6	4.5	4.5	4.5
Share of tariff peaks in the tariff schedule	1.5	0.9	0.9	1.8

Source: World Development Indicators online database.

In the **Kyrgyz Republic**, the simple average applied tariff rate rose from 2.9 percent in 2007 to 3.6 percent in 2008, before falling to 3.3 percent in 2010, according to the World Bank's estimates. The ratio of the simple average applied tariff rate for manufactured products to the simple average tariff rate for primary products rose from 0.59 to 0.68 and the share of tariff peaks in the tariff schedule increased from 1.5 percent to 1.8 percent in 2008-2010. Trade preferences and government pre-export barriers remained largely unchanged between 2007 and 2011.

In **Tajikistan**, tariffs and trade preferences remained largely intact. A major positive development was that the requirement to obtain prior approval of the Tajik Commodity Exchange to export was abolished—with RTLC's help—in 2008.

RESULT 2: MOVE PROJECT COUNTRIES TOWARD WTO ACCESSION AND/OR COMPLIANCE

The process of **Kazakhstan's** accession to the WTO was relatively slow in 2007-2011. Only one meeting of the WTO Working Party on Kazakhstan took place during this period, as compared with four meetings in 2002-2006.⁷ The main reason is that, since late 2009, Kazakhstan has given precedence to the establishment of a CU and a single economic space with Belarus and Russia over its accession to the WTO.

Prior to the tenth meeting of the WTO Working Party (which took place in July 2008), RTLC experts assessed the compliance of more than 20 Kazakh laws with WTO rules. The assessments were made at the requests of various agencies of the Government of Kazakhstan (GOKZ). However, there was no request for assistance in addressing the WTO compliance issues that were identified (RTLC 2011a).

⁶ The share of tariff peaks in the tariff schedule is the share of tariff lines with tariff rates that exceed 15 percent in the tariff schedule. It provides an indication of how selectively tariffs are applied. A tariff schedule is cascading when tariff rates typically increase with the degree of processing of products.

⁷ Source: Website of the WTO.

The subsequent project assistance to Kazakhstan in WTO accession involved participation in various working groups, provision of highly specialized technical reviews of extracts from government documents, funding of study tours of government officials and public information events, and strengthening of capacity of government agencies dealing with intellectual property rights (IPRs) and technical barriers to trade (TBT), including SPS measures. Notably, substantial assistance in enhancing the protection of IPRs was provided to the judicial system. The assistance included a review of IPR court decisions in various regions of the country, a conference to discuss findings of the review and develop recommendations for legal reforms, and publication of a handbook on IPR issues for judges. Due to the assistance of RTLC, Kazakhstan is now better prepared to join the WTO.

In the **Kyrgyz Republic**, which has been a member of the WTO since 1998, RTLC tried to help the Government of the Kyrgyz Republic (GOKG) bring the national legislation into compliance with the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). To this end, the project conducted two international conferences on enforcement of IPRs, provided training to government officials, and made recommendations on the necessary amendments to the national legislation. Changes in the administrative, criminal, criminal procedure, customs and other laws were proposed to increase penalties for infringement of IPRs. Subsequently, the GOKG raised administrative fines for infringement of IPRs. However, the major amendments proposed by the project have not been adopted due to opposition of vested interests and lack of political will, as mentioned in RTLC documents and stated by key informants in the Kyrgyz Republic. According to a Kyrgyz expert on IPRs, the draft amendments prepared by RTLC will be useful when there is sufficient political will to enhance the protection of IPRs.

To raise public awareness of issues pertaining to IPRs, RTLC supported—through a grant to a local non-governmental organization (NGO)—the development of a regional website on IPRs with information on relevant national laws, international treaties, judicial cases and business practices. The website was launched in March 2011. It appears to have problems with access from inside Uzbekistan, and possibly some other countries of the region.

RTLC also attempted to help the Kyrgyz Republic accede to the WTO Agreement on Government Procurement (GPA). In particular, the project helped the GOKG prepare the basic GPA accession document, which was submitted to the WTO in August 2009. Furthermore, the project worked with the State Agency on Public Procurement (SAPP) on the development of an electronic procurement system, which would have reduced procurement costs by an estimated 20 percent if fully implemented. However, this work was effectively discontinued after the SAPP was abolished and its responsibilities were transferred to the Ministry of Finance in 2010. None of the SAPP staff members trained by RTLC joined the Ministry of Finance.

The project achieved better results in improving the Kyrgyz Republic's system of technical regulations. It helped the GOKG prepare a Plan for Development of Technical Regulations and amendments to the Law on Basics of Technical Regulations. The plan was approved in August 2009 and the amendments were adopted in September 2009. Subsequently, the project assisted the GOKG in drafting 13 technical regulations based on international standards. Some of these regulations have already been adopted. The others are undergoing internal review within the GOKG.

The process of **Tajikistan's** accession to the WTO accelerated markedly in 2009-2011 due to a combination of political will and support from RTLC. Following almost three years of little activity, three meetings of the WTO Working Party on Tajikistan were held between September 2009 and July 2011, with a decreasing interval between the meetings. RTLC did most of the preparatory work for the meetings, according to Tajik

government officials. In addition, project experts provided on-site assistance to the Tajik government delegation during the fifth and the sixth Working Party meetings, which were held in Geneva in November 2010 and July 2011, respectively.

RTLTC provided substantial assistance to Tajikistan in bringing its legal and regulatory framework for trade into compliance with WTO rules. Notably, the project helped draft four new laws on technical regulations. The laws were adopted in 2011 and are consistent with the WTO Agreement on Technical Barriers to Trade (TBT Agreement). Furthermore, the project assisted the Government of Tajikistan (GOTJ) in drafting a law on foreign trade, which addresses many concerns raised by WTO members about Tajikistan's trade regime. The law is expected to be promulgated in early 2012. In addition, the project drafted amendments to the Civil Code and the Penal Code for compliance with the TRIPS Agreement and amendments to the Veterinary Law and the Plant Quarantine Law for compliance with the SPS Agreement. Most, if not all, of these amendments are likely to be adopted in the near future, as Tajikistan wants to join the WTO within a couple of years.

In **Tajikistan**, the project also helped establish a WTO Notification Center and TBT and SPS Enquiry Points. The notification center and the enquiry points provide information on standards, testing and certification requirements, and SPS controls in Tajikistan to WTO members and other interested parties.

The information campaign on foreign trade, IPRs and WTO accession, which was conducted by RTLTC in Tajikistan, helped increase public awareness of the benefits of WTO membership and placate concerns about its possible adverse effects. Owing in part to this information campaign, there is now stronger public support for WTO membership.

Nonetheless, the process of Tajikistan's accession to the WTO may slow down now that RTLTC ended. Without support of the project, it will be difficult for the GOTJ to maintain momentum in the accession process because of limited capacity of government agencies to deal with issues related to WTO accession. Several key informants interviewed by the evaluation team in Tajikistan said it was unfortunate that the project ended at a time when the country badly needed its continued assistance in acceding to the WTO.

At the **regional level**, RTLTC's major accomplishment pertaining to WTO accession/compliance was the publication of the Russian edition of Peter Van Den Bossche's book titled *WTO Law and Policy*. The project distributed 500 free copies of the book to educational institutions and relevant government agencies throughout Central Asia. The book provides a wealth of information about WTO rules, and its availability in Russian will improve the public's knowledge of WTO rules and help government officials deal with issues relating to WTO accession/compliance.

RESULT 3: IMPROVE CUSTOMS PROCEDURES SO AS TO REDUCE DELAYS AND COSTS TO TRADERS FOR COMPLYING WITH CUSTOMS REQUIREMENTS

In **Kazakhstan**, RTLTC helped draft a new Customs Code that was based on best international practices and would have significantly improved customs procedures if it had been enacted. However, Kazakhstan adopted the Customs Code of the CU in mid-2010, and the GOKZ drafted a National Customs Code aligned with the CU Customs Code.⁸ Only some of the provisions of the draft Customs Code proposed by RTLTC were included in the draft National Customs Code. The project reviewed, and proposed amendments to the CU Customs Code, several other CU documents, and the draft National Customs Code. A few of these amendments have been adopted.

⁸The CU Customs Code regulates about 80 percent of customs activities in the member countries. The rest is to be regulated by national customs codes.

RTLК assisted the Custom Control Committee (CCC) in implementing the US\$62 million Customs Development Project (CDP), which is financed by the World Bank and the GOKZ and aims to increase the efficiency, effectiveness and accountability of the CCC. The implementation of the CDP was very slow for some time in part because CCC staff lacked skills needed to implement it. RTLК trained CCC staff in project management and helped the CCC draft procurement documents for the CDP and monitor contractors. Consequently, the implementation of the CDP picked up the pace.

In cooperation with the German Agency for International Cooperation (GIZ), RTLК promoted the concept of a Single Window (SW) for export and import operations. It organized conferences, seminars and study tours on the topic. Partly as a result of RTLК's efforts, the GOKZ decided to set up a SW in Kazakhstan. Subsequently, RTLК assisted the CCC in designing a SW. It prepared detailed descriptions of business processes for issuing export/import permits at the Ministry of Agriculture and the Ministry of Industry and New Technologies.

RTLК also helped the CCC connect its Center for Operative Management and border posts with the e-Licensing National Database through an electronic interface called CONNECT. As of end-2011, CONNECT had been tested but was not fully operational because the e-Licensing National Database had not been completed. When it becomes fully operational, CONNECT will eliminate the need for the manual handling of licenses at border crossing points. It will enable customs officials at border posts to electronically check licenses in real time when exported/imported goods cross the border. Exporters/importers will no longer have to deliver hard copies of licenses to border posts. CONNECT will eventually become a part of the SW.

RTLК organized—for CCC staff—study tours and seminars on customs control, risk management, post-customs audit, and streamlining of customs clearance procedures. Unfortunately, some participants of these study tours and seminars subsequently left the CCC. Those participants who stayed with the CCC and were interviewed by the evaluation team said that the training provided by RTLК was useful to them.

In the **Kyrgyz Republic**, RTLК supported—together with the Asian Development Bank (ADB) and the GIZ—the establishment of a SW for pre-customs clearance of exports and imports. RTLК helped design the SW and drafted a template for service level agreements between the SW State Enterprise (SWSE) and various government agencies involved in pre-customs clearance of exports/imports. Furthermore, RTLК purchased some equipment and furniture for the SWSE and conducted—in collaboration with GIZ—an information campaign to explain the concept and benefits of a SW to the public.

There were two competing views on the institutional setup for the SW. One view, supported by the State Customs Service (SCS), was that the SW should be part of customs administration. The other view, supported by the ADB, GIZ and RTLК, was that the SW should be separate from customs administration. The second view prevailed, and the SWSE was established under the Ministry of Economic Regulation in 2009. The SW was not operational when the evaluation team visited the Kyrgyz Republic in late November–early December 2011, but was scheduled to be launched in Bishkek at the beginning of 2012 and to begin operating in other parts of the country in the second half of the year.⁹

RTLК provided assistance to the SCS as well. It trained about 100 customs officers in using radiation detection equipment furnished by the U.S. Government, which facilitated the removal of officials of the

⁹Key informants interviewed by the evaluation team expressed mixed views about RTLК's support for the SW and the viability of the SWSE. Some of them were of the view that too little had been achieved for the large amount of assistance RTLК provided in establishing the SW and that the SWSE would not viable outside the SCS. Other key informants expressed the view that RTLК's assistance in establishing the SW was justified and that the SWSE would survive outside the SCS.

Ministry of Health from borders, in line with international best practices. Local experts selected by the SCS and paid for by RTALC helped the SCS draft the Strategy for Development of Customs Service 2011-2013 and 11 laws necessary for the implementation of the strategy. They also helped the SCS develop a framework for revenue forecasting and design a performance-based bonus system. The Strategy for Development of Customs Service 2011-2013 was approved by the GOKG in December 2010. It calls for establishment of one-stop-shops at border crossing points. The eight (out of 11) laws drafted by the SCS with RTALC's assistance were passed by the parliament in 2011. The SCS introduced the performance-based bonus system in 2010.

According to some key informants interviewed by the evaluation team (including SCS officials and a USAID staff member in Bishkek), RTALC should have provided more assistance to the SCS. It could have taken more active part in the implementation of the Strategy for Development of Customs Service 2011-2013, which it helped to draft and which it was expected to help implement. RTALC did not respond to the SCS's request to provide independent expert opinions on the three draft laws that the parliament had not passed.

Other key informants (including former RTALC staff and staff of development agencies) indicated that it was relatively difficult to work with the SCS. RTALC was reluctant to pay for services of experts who had been selected by the SCS and did not report to RTALC. Many of the requests that RTALC received from the SCS (e.g., the request to finance purchase of whiteboards) were not consistent with the nature and the objectives of the project. Still, RTALC honored some of these requests (e.g., it purchased 30 whiteboards for the SCS).

One of RTALC's achievements related to customs administration in the Kyrgyz Republic is that it prevented the SCS from making changes in customs regulations that would have been harmful to the private sector. The changes would have created a virtual monopoly in bonded warehousing and eliminated private customs brokerages in favor of an SCS-run system.

The process of **Tajikistan's** accession to the WTO accelerated markedly in 2009-2011 due to a combination of political will and support of RTALC. Following almost three years of little activity, three meetings of the WTO Working Party on Tajikistan were held between September 2009 and July 2011, with a decreasing interval between the meetings.¹⁰ RTALC did most of the preparatory work for the meetings, according to Tajik government officials. In addition, project experts provided on-site assistance to the Tajik government delegation during the fifth and sixth Working Party meetings, which were held in Geneva in November 2010 and July 2011, respectively.

Due in part to RTALC's efforts, Tajikistan joined the revised International Convention on the Simplification and Harmonization of Customs procedures (Revised Kyoto Convention) in 2010. RTALC provided training and organized a study tour on the topic for GOTJ officials and facilitated the ratification process through administrative and translation support.

RTALC assisted the CS in introducing a Unified Automated Information System (UAIS) as part of the ADB-funded Regional Customs Modernization and Infrastructure Project (RCMIP). The introduction of the UAIS was stalled for more than a year because the original technical specification was too complex. RTALC assisted the CS in designing a simplified system that could be introduced relatively quickly with available funds. It also helped the CS set up a UAIS Helpdesk, which was not envisaged in the original design of the UAIS but is essential to its smooth functioning. The UAIS was piloted in 2010-2011 and expected to be launched at the

¹⁰ Source: Website of the WTO.

beginning of 2012. As a result, many customs functions, including risk analysis and processing of customs declarations, will be performed electronically.

Like in Kazakhstan, RTALC promoted—together with the GIZ—the concept of a SW for export and import operations in Tajikistan. In collaboration with the ADB, RTALC conducted a feasibility study and produced technical justification for the introduction of a SW. In 2010, the GOTJ issued a decree calling for the establishment of a SW and setting up a Center for the SW under the CS. RTALC presented the SW idea to the EU, and the latter decided to support the establishment of the SW by providing a grant in the amount of €2 million. The grant agreement between the EU and Tajikistan was signed in April 2011. The SW is expected to start functioning in 2013 and be eventually integrated with the UAIS.

RTALC provided training in risk management to CS staff and training in operating/using the UAIS and the SW to CS staff and members of the customs brokers association based in Khujand. The CS staff and customs brokers interviewed by the evaluation team positively assessed the training provided by RTALC.

RTALC's other accomplishment relating to customs development in Tajikistan is that it helped revitalize the ACBT. According to its representative, the ACBT existed only on paper between 2008 and 2010. With RTALC's support, the ACBT became much more active in 2010-2011. It established partnerships with similar associations in Kazakhstan, the Kyrgyz Republic and Ukraine, and signed a cooperation agreement with the CS. In addition, RTALC involved the ACBT along with the National Association of Small and Medium Business in the work on the SW in an effort to ensure that the SW will meet the needs of the private sector. When they were interviewed by the evaluation team, representatives of both associations expressed their deep gratitude to RTALC.

RESULT 4: IMPROVE THE EFFICIENCY OF TRANSPORTATION OF GOODS AND TRADERS, INCLUDING TRANSIT ACROSS INTERVENING JURISDICTIONS

In **Kazakhstan**, RTALC assisted the Ministry of Transport and Communication (MOTC) in implementing the US\$6.7 billion Western Europe-Western China (WE-WC) highway project financed by the GOKZ and several multilateral development banks (including the World Bank, ADB, European Bank for Reconstruction and Development, and Islamic Development Bank).¹¹ In particular, RTALC provided FIDIC-certified training in managing projects and construction contracts to MOTC officials responsible for the implementation of the highway project.

RTALC also assisted the MOTC in introducing a system of digital tachographs.¹² RTALC sponsored a study tour of MOTC officials to Estonia where they learned how a system of digital tachographs works in practice. Subsequently, RTALC organized a meeting of MOTC officials and representatives of international road carriers on the introduction of a system of digital tachographs in Kazakhstan, procured 13 digital tachograph readers for nine regional units of the MOTC, and provided training to MOTC staff in using them.

Furthermore, RTALC financed studies weighing advantages and disadvantages of Kazakhstan's accession to the International Motor Insurance System (Green Card) and the International Transport Forum (ITF). The first study concluded that acceding to the Green Card system was in Kazakhstan's interest. In 2011,

¹¹ The information on the total cost of the project and its financiers has been obtained from Serikov (2009)

¹² A tachograph is a device for recording the speed of a vehicle, distance traveled and the driver's activity (drive, rest, etc.). There are analogue and digital tachographs. Effective January 1, 2011, trucks manufactured after August 1, 2005, have to be fitted with a working digital tachograph to be able to enter the territory of an EU member country. This means that even countries that are not members of the EU need to introduce a system of digital tachographs if new trucks from these countries are to be allowed to enter the territory of an EU member country.

Kazakhstan expressed interest in joining the Green Card system to the Council of Bureaus, which administers the system.¹³ The second study concluded that it was premature for Kazakhstan to join the ITF because its transport companies could not compete with those of ITF member countries. According to the key informants, the study was one of the reasons Kazakhstan decided not to join the ITF at this moment.

In the **Kyrgyz Republic**, RTLC assisted the Association of International Road Carriers in setting up a freight exchange with the Bishkek Truck Park. The freight exchange is a mechanism that links shippers with available trucking capacity and enables truckers to find backhaul cargo from the Kyrgyz Republic.

In **Tajikistan**, RTLC organized—together with the United Nations Economic Commission for Europe (UNECE)—a conference on UNECE transport agreements and conventions. Following the conference, Tajikistan ratified five UNECE agreements and conventions aimed at harmonizing transport laws and regulations in UNECE member countries.

RTLC also financed a two-phase feasibility study for a regional logistics hub at the Sugd Free Economic Zone (FEZ). The first phase (which was an economic and trade analysis) identified Khujand as the most promising logistics node for Tajikistan and gave recommendations on how to capitalize on its location. The second phase (which was a financial appraisal) produced estimates of costs and revenues, an internal rate of return and payback period for potential investors.

An RTLC IT expert produced a computer application that can collect current data from regional branches and road maintenance stations of the Ministry of Transport (MOT) and generate daily reports about road and weather conditions, maintenance operations and other factors important to the MOT and road users. However, the MOT is reluctant to implement the application in part because of the liability issues involved in publishing the daily reports.

At the **regional level**, RTLC supported closer collaboration among freight forwarders of Kazakhstan, the Kyrgyz Republic, Tajikistan and Uzbekistan. It arranged for the comparatively advanced KFFA to train and strengthen its Kyrgyz and Tajik counterparts. With RTLC's support, the KFFA provided FIATA-certified training to Tajik freight forwarders in Dushanbe and Khujand. This effort complemented an EU-funded project providing similar training in the Kyrgyz Republic and Uzbekistan. Furthermore, RTLC organized a meeting of government officials and freight forwarders of Kazakhstan with government officials and freight forwarders of the Kyrgyz Republic to exchange views and experiences in interaction between government agencies and freight forwarders.

With RTLC's support, the Kazakhstan Scientific Research Institute of Transport and Communications published a *Handbook for Freight Forwarders in Central Asia*. The handbook provides practical information on navigating customs and other regulations governing international freight operations in Central Asian countries, with a separate section on the impact of the CU of Belarus, Kazakhstan and the Russian Federation on freight forwarding in Central Asia. RTLC distributed 700 free copies of the handbook to various businesses and business associations in the project countries. The representatives of the KFFA interviewed by the evaluation team said that the handbook was very useful.

In cooperation with the International Road Union and the GIZ, RTLC gave training in the introduction of a system of digital tachographs to officials of transport ministries and the associations of road carriers of the project countries and Uzbekistan. Following the training, the Association of International Road Carriers of

¹³ United Nations Economic Commission for Europe (2011).

the Kyrgyz Republic and the Association of International Automobile Carriers of Tajikistan (ABBAT) completed their accreditation with the Academy of the International Road Union and are thus now qualified to give training in the use of digital tachographs to road carriers. According to the key informants, the RTLC's assistance in this area was particularly timely for Tajikistan because, in late 2011, the GOTJ adopted a resolution calling for the introduction of a system of digital tachographs in the country. According to ABBAT officials, having their staff trained in the use of digital tachographs in Tajikistan instead of sending them abroad for that purpose would save Tajikistan's road carriers thousands of US dollars because the training in Tajikistan cost about US\$70, whereas training abroad cost from several hundred to several thousand US dollars (depending on the country where training was received).

RESULT 5: ACHIEVE IMPROVED PRIVATE SECTOR ACCESS TO MARKET INFORMATION

Together with its local subcontractors, RTLC organized about a dozen press cafes in the project countries (mostly in the Kyrgyz Republic). The press cafes were meetings of journalists with RTLC staff, government officials, experts, businesspeople and representatives of development organizations in an informal environment. They focused on trade issues important to the project countries and received extensive media coverage.

In the Kyrgyz Republic, the International Business Council (IBC), an RTLC subcontractor, issued periodic newsletters, which included information about trade policies of the Kyrgyz Republic's trading partners. Hundreds of copies of each newsletter were circulated to IBC contacts, including businesspeople, government officials and journalists. To assess the usefulness of the newsletters to recipients, the IBC conducted a telephone-based survey of its contacts in 2011. Out of 50 IBC contacts that the survey covered, 95 percent had been receiving the newsletters. The rest had not been receiving them for a variety of technical reasons. Most of those who had been receiving the newsletters said that they could not use the information contained in the newsletters in their work because they were not involved in international trade. Still, the information helped them keep abreast of developments and issues relating to international trade.¹⁴

The IBC also developed an online tool, which enables businesses to find and review information about changes in trade laws, policies and regulations of WTO members. The information is based on notifications about changes in their trade laws, policies and regulations that WTO members send to the WTO. To assess the usefulness of the tool to businesses, the IBC conducted a telephone-based survey of its members and partners and an online survey of visitors to its website in 2011. Only 17 percent of those who participated in the telephone-based survey said that they had used the tool to find and review information about changes in trade laws, policies and regulations of WTO members. None of the respondents said that the information obtained by using the tool had helped them gain an advantage in business. By comparison, out of 22 people who took part in the online survey, 75 percent indicated that they had used the tool and 50 percent indicated that the information obtained by using the tool had helped them gain an advantage in business.¹⁵

At the request of the Ministry of Industry and Trade of Kazakhstan, RTLC conducted—in cooperation with the Chamber of Commerce of Kazakhstan—a series of seminars on the U.S. Generalized System of Preferences (GSP) for Kazakh businesspeople in Astana and five regions of the country. Over 100 businesspeople attended the seminars and learned how to gain duty-free access to the U.S. market. In the Kyrgyz Republic, RTLC financed the preparation of a manual for local businesses on the GSP.

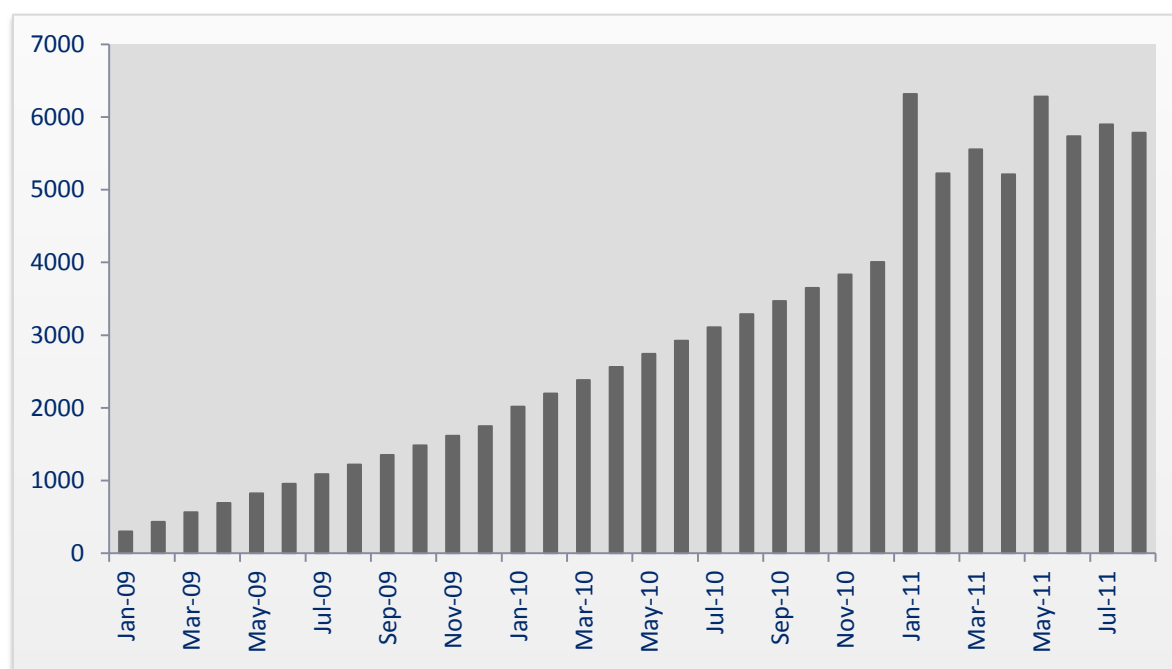
¹⁴ International Business Council. 2011.

¹⁵ Ibid.

The CU of Belarus, Kazakhstan and Russia had an adverse impact on many businesses in the project countries (especially Kyrgyz firms exporting to Kazakhstan) due in part to lack of information about CU rules. RTLC addressed this issue by disseminating information about the CU and its rules. It held eight information events on CU rules for businesses, government officials and the media in Kazakhstan and the Kyrgyz Republic. Newsletters issued by RTLC subcontractors in Kazakhstan and the Kyrgyz Republic featured the latest information about the CU. Some of the press cafes held in Kazakhstan and the Kyrgyz Republic focused on effects of the CU on businesses. An RTLC sub-grantee based in Kazakhstan held two online forums on CU rules and certification requirements. RTLC arranged for a Russian expert on technical regulations to take part in a forum of textile producers of the Kyrgyz Republic and advise them on how to meet CU certification requirements. RTLC also commissioned reports on impacts of the CU on the Kyrgyz Republic's economy and on SPS regulations of the CU and conditions for access of Kyrgyz goods to the CU market. Several key informants interviewed by the evaluation team in the Kyrgyz Republic mentioned dissemination of information on the CU and its rules as one of the major accomplishments of RTLC.

RTLC's website (which was down in October-November 2011 but is now working again) contains a lot of information useful to businesspeople, government officials and researchers. The number of visits to the RTLC website increased steadily from 300 in January 2009 to more than 6,300 in January 2011 and stayed above 5,000 in February-August 2011 (see Figure 1). Key informants in all project countries said that it was desirable to keep the RTLC website working possibly by integrating it into another website. It was particularly desirable to ensure that RTLC studies would remain available online.

Figure 1. Number of Visits to RTLC's Website



Source: Data provided by a former RTLC staff member.

RESULT 6: IMPROVED CAPACITY TO COMPETE FOR INTERNATIONAL BUSINESS

From January to September 2011, RTLC implemented the EPI, a regional program intended to help—by providing training, advice and opportunities for networking—firms from the project and neighboring

countries to improve their ability to compete for international business, form partnerships and expand exports. Four major events, including three training sessions and the CATF, were held as part of the EPI. EPI participants received training in international business practices, marketing, cross-border taxation, logistics, supply-chain management, customs clearance, technical regulations, and SPS measures. The training material was used in developing the *I Want to Export in Central Asia* handbook, which was distributed to CATF participants.

A total of 73 businesspeople representing private companies, business associations and agricultural development NGOs from the project countries, Afghanistan and Uzbekistan participated in one or several EPI events (excluding the CATF). They were selected from a list of about 200 applicants. The export potential of the firm that an applicant represented was the main selection criterion for representatives of private companies. Representatives of business associations and NGOs were selected on the basis of their ability to disseminate the benefits of participation in the EPI to other companies.

Three export partnership groups (EPGs) were formed on the basis of natural synergies among the business activities of EPI participants. These are the Textile EPG, Organic Agriculture EPG, and Afghanistan EPG.

The Textile EPG consisted of 14 EPI participants from the project countries and Uzbekistan. Its members agreed to collaborate, inter alia, on supply of raw materials, shared subcontracting, technology exchange and joint production. To support the development of the Textile EPG, RTLC partially funded the participation of some of its members in the Exhibition of Light Industry Products that was held in Dushanbe in June 2011. RTLC also invited a Russian expert on TBT to advise the members of the EPG on technical regulations concerning exports of textile products to the CU member countries.

The Organic Agriculture EPG comprised 12 EPI participants from the project countries. RTLC invited an international expert in organic certification to advise the members of the Organic Agriculture EPG on certification requirements for exporting agricultural products to developed countries. In the short term, the members of the group agreed to focus on market research, technology transfer and experience sharing. RTLC partly sponsored the participation of three members of the EPG in the Organic Marketing Forum in Warsaw in May 2011. RTLC also worked with this EPG to develop marketing tools for organic agricultural products.

The Afghanistan EPG included 10 EPI participants from the project countries and Uzbekistan. For this group, RTLC organized a roundtable on opportunities for exporting from Central Asia to Afghanistan. The members of this EPG agreed to cooperate in conducting market research, gathering and sharing contacts in Afghanistan, and exploring opportunities for joint production of goods for which there was strong demand in Afghanistan. At RTLC's request, the Embassy of Afghanistan in Tajikistan agreed to assist the EPG members in exporting to Afghanistan.

The CATF was a high-profile event held in Bishkek in August 2011. More than 350 people representing more than 260 organizations and 13 countries participated in it. About 450 participant training hours were delivered and at least 11 deals were struck during the CATF. According to RTLC staff, 98 percent of the CATF participants surveyed by the project said that the CATF had had a positive or a very positive impact on their businesses. The CATF participants' survey conducted by the evaluation team, showed similar results: 93.8 percent of respondents indicated that their firm benefited from their participation in the CATF, although this result is less statistically significant and is potentially more biased than the result reported by the project. As we discuss later in the report, the CATF participants managed to find a new business partner through the event, started exploring business opportunities in new countries, and found a way to import cheaper or higher quality products.

The EPI participants interviewed by the evaluation team positively assessed the EPI and the CATF. The former RTLC staff members interviewed by the evaluation team indicated that the EPI was the most successful component, or one of the more successful components, of RTLC.

In 2011, RTLC conducted a number of workshops on logistics to help firms from the project countries enhance their competitiveness. Three-day workshops on logistics for light industry were held in all project countries. Representatives of light industry firms and associations were trained in building logistics systems, production logistics and supply chains. Similar training was given to employees of machine-building and food industry firms and associations in Kazakhstan.

Two activities aimed at promoting exports of handcrafts were undertaken in Kazakhstan in 2011 (RTLC 2011b). First, a workshop on market access for SMEs producing handcrafts was conducted in Almaty. A total of 27 representatives of various product sectors (including felt, jewelry, silk and ceramics) from different regions of Kazakhstan participated in the workshop.

Second, the RTLC project has provided a grant to the AITK to form a cluster of five to seven businesses headed by women or employing women and support them in exporting hand-made products. AITK included five family-owned handcraft firms in the cluster, gave them some training in business administration, produced export promotion material and developed an Internet store for their products.

ACHIEVEMENTS RELATIVE TO CROSSCUTTING ELEMENTS

The crosscutting elements are important components of any USAID-funded project. Although these elements are not officially included in the results framework, the evaluation team gathered information on project performance with respect of the three components: gender, corruption, and environmental compliance.

GENDER

By nature, the RTLC Project was focused on policy-level and implementation-level issues that are primarily gender-neutral. Although the project disaggregated the PMP data by gender where possible, and the evaluation team observed some evidence of the positive project outcomes for women, it is difficult to evaluate the gender effects of the project without special study.

CORRUPTION

The key informants in all three implementation countries indicated that the activities supported by RTLC expected to have a long-term effect by reducing corruption in customs. Most key informants related this effect to the introduction of the SW and automated systems at the border. They anticipated that the anti-corruption effect of the computer-based systems in customs will be higher than the pure economic effect from saving time processing documents at the border.

Another example of anti-corruption effects of RTLC activities is the introduction of the performance-based bonus system at the SCS of the Kyrgyz Republic. The system is intended to reduce incentives to receive bribes by providing strong economic support to the officers who honestly perform their duties. RTLC provided expert support for the development of this system. Literature on corruption (for example, see World Bank 2005) suggests that introduction of such a system in customs is often a necessary instrument. However, it also suggests that often the systems or bonuses and increased pay schedule fail to reduce the corruption at customs in the long run. Since this system was introduced in the Kyrgyz Republic just recently, it is difficult to assess its effect on corruption at this point.

ENVIRONMENTAL COMPLIANCE

As stated in the project contract, RTLC complied with USAID environmental regulations and received approval for the project's Initial Environmental Examination. The examination stated that all types of assistance are entirely within the categories that have no effect on the natural or physical environment. The examination also assesses that the limited procurement of equipment and construction will have minimal effect on the environment. The evaluation team did not find any evidence suggesting negative impact of the RTLC project on the environment.

ECONOMIC IMPACT OF THE PROJECT

To assess the economic impact of RTLC, the evaluation team has gathered data on the effects (including possible future effects) of the project on (i) trade barriers and trade costs in the project countries,¹⁶ (ii) the performance (mostly the trade performance) of firms that received technical assistance from the project (henceforth referred to as beneficiary firms), and (iii) the trade performance of the project countries.¹⁷ The evaluation team has made a studious effort to collect quantitative estimates of the economic impact of RTLC, or data that could be used to make such estimates.¹⁸ To be able to use the double-difference evaluation method, the team has also collected secondary data on trade costs in, and the trade performance of, the comparison countries (namely, Azerbaijan, Mongolia and Uzbekistan).¹⁹

EFFECTS ON TRADE BARRIERS AND TRADE COSTS

Policy-related trade barriers. Secondary data suggest that policy-related trade barriers (such as taxes and quantitative restrictions on exports and imports) increased or remained unchanged in the project countries during the implementation of RTLC. As mentioned above, the average tariff rates rose and the tariff schedule became more cascading and complex in Kazakhstan and the Kyrgyz Republic between 2007 and 2010. Besides, Kazakhstan introduced export taxes on crude oil and refined oil products in August 2010 and raised the export taxes on refined oil products in August 2011.²⁰ The Kyrgyz Republic and Tajikistan maintained a trade regime without export taxes in 2007-2011. The quantitative trade restrictions—which are mostly aimed at protecting national security, public health and the environment—changed little in all three project countries.

¹⁶ Following Anderson and van Wincoop (2004) and Jacks, Meissner Novy (2008 and 2010), the evaluation team has defined trade costs broadly to include trade costs resulting from policy-related and technical barriers to trade, trade costs pertaining to customs clearance of exports and imports, transport costs, and information costs.

¹⁷ The reason why the evaluation team has looked into these effects of RTLC is that project activities were mostly aimed at lowering trade barriers and reducing trade costs in the project countries and enhancing competitiveness of their firms. By reducing trade costs in the project countries and improving the ability of their firms to compete for international business, RTLC was to improve the trade performance (e.g., expand and diversify exports) of the project countries and foster their economic development.

¹⁸ All key informants whom the evaluation team asked if they had quantitative estimates of the economic impact of the RTLC, or data that could be used to make such estimates, replied that quantifying the economic impact of RTLC was very difficult, if possible at all.

¹⁹ Azerbaijan, Mongolia and Uzbekistan were chosen as the comparison countries because (i) they—like the project countries—are landlocked, which has important implications for trade and (i) their economies have many similarities to the economies of the project countries.

²⁰ Source: Pronedra.ru. *Казахстан увеличил таможенную пошлину на экспорт нефтепродуктов*. 28 July 2011. Available at <http://pronedra.ru/oil/2011/07/28/kazakhstan/>.

By comparison, the simple average applied tariff rate and the share of tariff peaks in the tariff schedule declined slightly but the tariff schedule became somewhat more cascading (higher tariffs on inputs than on outputs) in Azerbaijan in 2008-2009. In Mongolia, tariffs remained unchanged during the same period. In Uzbekistan, the simple average applied tariff rate and the share of tariff peaks in the tariff schedule increased, although the schedule became slightly less cascading (difference between tariffs on inputs and outputs decreased).

The results of the survey of CATF participants are broadly consistent with the secondary data as far as policy-related trade barriers are concerned. Out of nine respondents from the Kyrgyz Republic, three (33.3 percent) indicated that, in their view, trade barriers related to the Kyrgyz Republic's trade policy did not change between 2007 and 2011 (Table 3). Two respondents (22.2 percent of all respondents from the Kyrgyz Republic) replied that trade barriers related to the Kyrgyz Republic's trade policy were lower in 2011 than in 2007, while the same number of respondents replied that the barriers increased between 2007 and 2011. Of seven respondents from Tajikistan, two (28.6 percent) indicated that trade barriers relating to Tajikistan's trade policy decreased between 2007 and 2011, whereas three (42.9 percent) replied that the barriers did not change during this period.

Table 3. Survey of CATF Participants—Responses to Questions about Trade Barriers

	Kyrgyz Republic		Tajikistan	
	Number	Share (%)	Number	Share (%)
In your view, how trade barriers related to your country's trade policy in 2011 compare with those in 2007?				
Lower:	2	22.2	2	28.6
Same:	3	33.3	3	42.9
Higher:	2	22.2	0	0.0
Don't know:	2	22.2	2	28.6
In your view, how TBT in your country in 2011 compare with those in 2007				
Lower:	3	33.3	3	42.9
Same:	1	11.1	4	57.1
Higher:	1	11.1	0	0.0
Don't know:	4	44.4	0	0.0
In your view, how trade barriers related to customs procedures in your country in 2011 compare with those in 2007?				
Lower:	1	11.1	1	14.3
Same:	2	22.2	3	42.9
Higher:	3	33.3	2	28.6
Don't know:	3	33.3	1	14.3
In your view, how trade barriers related to transport and transit systems in your country and neighboring countries in 2011 compare with those in 2007?				
Lower:	1	11.1	0	0.0
Same:	0	0.0	1	14.3
Higher:	4	44.4	5	71.4
Don't know:	4	44.4	1	14.3

Source: Survey of CATF participants conducted by the evaluation team.

Technical barriers to trade. According to key informants and RTLC documents, TBT increased considerably in Kazakhstan, remained effectively unchanged in the Kyrgyz Republic, and declined slightly in Tajikistan during the implementation of RTLC. Following the creation of the CU with Belarus and Russia, Kazakhstan adopted more stringent technical regulations and strengthened the enforcement of technical regulations in general. These measures made more difficult importing to Kazakhstan from countries that are not members of the CU (in particular importing food and textile products from the Kyrgyz Republic and Tajikistan). RTLC only partly prevented the increase in TBT in Kazakhstan. By contrast, TBT declined somewhat in Tajikistan due in part to RTLC. The establishment of the TBT and SPS Enquiry Points improved the availability of information on TBTs. In addition, the number of documents required to obtain a certificate of conformity from TajikStandart was reduced from 5-9 to 3, and the number of days needed to obtain such a certificate declined from 30 days to 1-7 days.

Trade costs pertaining to customs procedures. In Kazakhstan, the proportion of import declarations subjected to a physical inspection dropped from 70 percent in June 2007 to 27 percent in March 2011 and the average customs processing time at the CCC's border posts declined from 1.3 days in January 2009 to 1.0 day in March 2011 owing in part to the CDP (which RTLC helped implement).²¹ The proportion of import declarations subjected to a physical inspection is expected to fall to 20 percent and the average customs processing time at border posts is expected to decline to 0.3 days by July 2012, assuming that the CDP is implemented on schedule.²² This will increase Kazakhstan's exports by more than 1 percent (US\$430 million).

In the Kyrgyz Republic, one key informant expects the establishment of the SW to reduce the time needed for pre-customs clearance of exports and imports from about 15 days to 1-2 days over the next several years. Using the finding of Djankov, Freund and Pham (2006), the evaluation team has estimated that the establishment of the SW can potentially boost the Kyrgyz Republic's exports by more than 10 percent (US\$180 million) over the medium term.

In Tajikistan, a customs brokerage involved in the piloting of the UAIS reported that the use of the electronic system reduced the time needed for preparing customs declarations from three hours to three minutes. A senior Tajik customs official said that the introduction of the UAIS (on a pilot basis) reduced the time needed for customs clearance of exports and imports from 2 days to 5-15 minutes in some cases. If this is indeed the case, the introduction of the UAIS will increase Tajikistan's exports by about 2 percent (US\$50 million) over the next several years, according to the evaluation team's estimates.

However, the results of the survey of CAFT participants tell a somewhat different story about recent changes in trade costs pertaining to customs procedures in the Kyrgyz Republic and Tajikistan. Only one person from the Kyrgyz Republic who took part in the survey (11.1 percent of all respondents from this country) indicated that, in his view, trade barriers related to customs procedures in the Kyrgyz Republic were lower in 2011 than in 2007, while five respondents (55.5 percent) replied that these barriers were the same or higher (Table 3). Likewise, only one respondent from Tajikistan (14.3 percent of all respondents from this country) indicated that trade barriers relating to customs procedures in Tajikistan decreased between 2007 and 2011, whereas five respondents (71.5 percent) replied that these barriers did not change or increased.

²¹ Djankov, Freund and Pham (2006) find that each additional day a product is delayed prior to being shipped reduces trade by more than 1 percent. By using this finding, the evaluation team has estimated that the reduction in the average customs processing time at the CCC's border posts between January 2009 and March 2011 led to a 0.3 percent (US\$130 million) increase in Kazakhstan's exports between 2009 and 2011.

²² Source: World Bank (2012a).

Trade costs related to transport and transit. The introduction of a system of digital tachographs (which RTLC assisted with) in the project countries will reduce the time needed for transport inspection at border posts, facilitate entry of foreign trucks to the project countries and their transit through the project countries, and make it easier for road carriers of the project countries to transport goods to and from the EU countries. Kazakhstan's accession to the Green Card system will lower the insurance cost of Kazakh trucks entering the countries that are members of the system (e.g., Belarus, Moldova, Russia, Ukraine and the EU countries). It will also reduce the amounts of insurance premiums that road carriers of the Green Card system member countries pay when their trucks enter Kazakhstan. In the Kyrgyz Republic, the freight exchange that RTLC helped the Association of Road Carriers set up with the Bishkek Truck Park will lower the cost of international shipments by road.

At the same time, the results of the survey of CAFT participants suggest that trade costs relating to transport and transit increased in the Kyrgyz Republic and Tajikistan during the implementation of RTLC. Only one person from the Kyrgyz Republic who took part in the survey of CATF participants (11.1 percent of all respondents from this country) indicated that, in his opinion, trade barriers relating to transport and transit systems in the Kyrgyz Republic and neighboring countries decreased between 2007 and 2011, while four respondents (44.4 percent) replied that these barriers increased (Table 3). No respondent from Tajikistan indicated that trade barriers relating to transport and transit systems in Tajikistan and neighboring countries were lower in 2011 than in 2007, whereas six respondents (85.7 percent of all respondents from Tajikistan) replied that these barriers were higher in 2011 than in 2007.

Documents and time needed for exports and imports. According to the final RTLC report, the number of documents required to export (import) declined from 12 to 10 (from 14 to 12) and the time needed to export (import) decreased by 8 days (9 days) in Kazakhstan due in part to RTLC. In the Kyrgyz Republic, the number of documents required to export or import dropped from 13 to 7 and the time needed to export (import) declined by 1 day (3 days). In Tajikistan, the number of documents required to export (import) fell from 13 to 10 (from 11 to 9).

In all three project countries, key informants confirmed that RTLC helped reduce the number of documents required to export and import. In the Kyrgyz Republic, key informants also said that the reductions in the number of documents required to export/import had not had a significant impact on trade costs because substantial proportions of exports/imports were based on informal border crossing and customs clearance arrangements, which were little affected by changes in the formal procedures. By contrast, the establishment of the SW for pre-customs clearance of exports and imports could lower trade costs considerably (as noted above).

The information provided by key informants in Tajikistan suggests that RTLC helped reduce the number of documents required to export (import) from 11 to 7 (from 10 to 7).²³ The elimination of the three documents required for customs clearance of exports/imports of any product (effective early 2012) will not substantially reduce the total time needed for customs clearance of exports and imports because exporters (importers) only spend a total of 1.6 (3.0) days on average on all documents required to export (import). Yet, it will lower the cost of document preparation considerably (Table 4). The introduction of the SW for export and import operations would significantly reduce the time needed for customs clearance of exports and imports.

²³ As mentioned above, the requirement to obtain prior approval of the Tajik Commodity Exchange for exports was abolished in 2008 due in part to RTLC's efforts. Furthermore, RTLC helped draft the amendments to the customs code that will take effect in 2012 and will reduce the number of documents required for customs clearance of exports/imports of any product from 10 to 7.

The information provided by key informants in Tajikistan suggests that RTALC helped reduce the number of documents required to export (import) from 11 to 7 (from 10 to 7).²⁴ The key informants do not expect that elimination of the three documents required for customs clearance of exports/imports of any product (effective early 2012) will reduce the time needed for customs clearance of exports and imports. Yet, it will lower the cost of document preparation considerably (Table 4). The introduction of the SW for export and import operations would significantly reduce the time needed for customs clearance of exports and imports.

Table 4. Tajikistan: Documents Required to Export/Import Any Product, 2011

	Time (Days)	Cost (US\$)		Remarks
		Exports	Imports	
Contract	1.0	0	0	
Invoice	1.0	0	0	
Confirmation of payment	1.0	1	1	
Certificate of conformity*	4.0	275	275	The time varies from 1 to 7 days. The cost varies from US\$50 to US\$500 depending on the product being exported
Certificate of origin*	1.5	125	0	The cost for exports varies from US\$50 to US\$200 depending on the product being exported (imported)
Packing list	1.0	0	0	
Bill of lading	1.0	0	0	
Customs cargo declaration	1.0	285	285	The cost varies from US\$70 to US\$500
Documents establishing the exporting (importing) firm	0.0	0	0	
Tax certificate*	0.0	0	0	
Total in 2011	11.5	686	561	In practice, exporters (importers) on average spend 1.6 (3.0) days on all documents required to export (import) because they prepare most documents simultaneously

** The documents that were removed from the list of documents required for customs clearance of exports/imports through the amendments to the customs code that will take effect in 2012. Importers will obtain a certificate of conformity after customs clearance of imports.*

Source: RTALC (2011c), information provided by key informants, and the evaluation team's estimates.

According to the World Bank's Doing Business 2012 report, the number of documents required to export or import and the time needed to export or import declined in Kazakhstan and the Kyrgyz Republic between mid-2007 and mid-2011. In Tajikistan, the number of documents required to import decreased, while the

²⁴ As mentioned above, the requirement to obtain prior approval of the Tajik Commodity Exchange for exports was abolished in 2008 due in part to RTALC's efforts. Furthermore, RTALC helped draft the amendments to the customs code that will take effect in 2012 and will reduce the number of documents required for customs clearance of exports/imports of any product from 10 to 7.

number of documents required to export and the time needed to export or import did not change.²⁵ The cost of exporting and importing increased in all comparison countries (Table 5).

Table 5. World Bank's Indicators for Trading Across Borders – Project Countries

	Mid-2007	Mid-2011
Kazakhstan		
Documents to export (number)	10	9
Time to export (days)	89	76
Cost to export (US\$ per container)	2,730	3,130
Documents to import (number)	13	12
Time to import (days)	76	62
Cost to import (US\$ per container)	2,780	3,290
Kyrgyz Republic		
Documents to export (number)	14	8
Time to export (days)	64	63
Cost to export (US\$ per container)	2,500	3,210
Documents to import (number)	15	9
Time to import (days)	75	72
Cost to import (US\$ per container)	2,450	3,450
Tajikistan		
Documents to export (number)	11	11
Time to export (days)	82	82
Cost to export (US\$ per container)	3,200	3,850
Documents to import (number)	10	9
Time to import (days)	83	83
Cost to import (US\$ per container)	4,500	4,550

Source: World Bank (2011). Kazakhstan, Kyrgyz Republic, and Tajikistan Country Profiles

At the same time, the number of documents required to export or import remained unchanged in all three comparison countries. The time needed to export or import declined in Azerbaijan and Uzbekistan, but increased in Mongolia. The cost of exporting and importing increased in all comparison countries (Table 6).

²⁵ There are significant discrepancies between the RTLC data, data given by key informants, and the World Bank data on the number of documents required for exports and imports in the project countries, reductions in the number of these documents in the past several years, reductions in the time needed to export from or import to project countries, etc. For example, inland transportation (to/from the nearest seaport) and handling took 58 days for exports and 57 days for imports in Tajikistan in 2011, according to the World Bank data. By comparison, RTLC (2011c) finds that transportation of goods from Dushanbe to Bandar-Abbas took 9-20 days (depending on the mode of transport used), while transportation from Bandar-Abbas to Dushanbe took 6.5-15.5 days in 2011. One explanation for the discrepancies is that the data are based on different methodologies. Another explanation is that the World Bank data do not take account of the developments that took place after mid-2011 and the RTLC data do not reflect the developments that occurred after September 2011 (e.g., the amendments to Tajikistan's customs code that reduced the number of documents required for customs clearance of exports and imports).

Table 6. World Bank's Indicators for Trading Across Borders—Comparison Countries

	Mid-2007	Mid-2011
Azerbaijan		
Documents to export (number)	8	8
Time to export (days)	43	38
Cost to export (US\$ per container)	2,715	2,905
Documents to import (number)	10	10
Time to import (days)	52	42
Cost to import (US\$ per container)	2,945	3,405
Mongolia		
Documents to export (number)	8	8
Time to export (days)	33	46
Cost to export (US\$ per container)	1,807	2,265
Documents to import (number)	8	8
Time to import (days)	33	47
Cost to import (US\$ per container)	2,274	2,400
Uzbekistan		
Documents to export (number)	10	10
Time to export (days)	80	71
Cost to export (US\$ per container)	2,550	3,150
Documents to import (number)	11	11
Time to import (days)	104	92
Cost to import (US\$ per container)	4,050	4,650

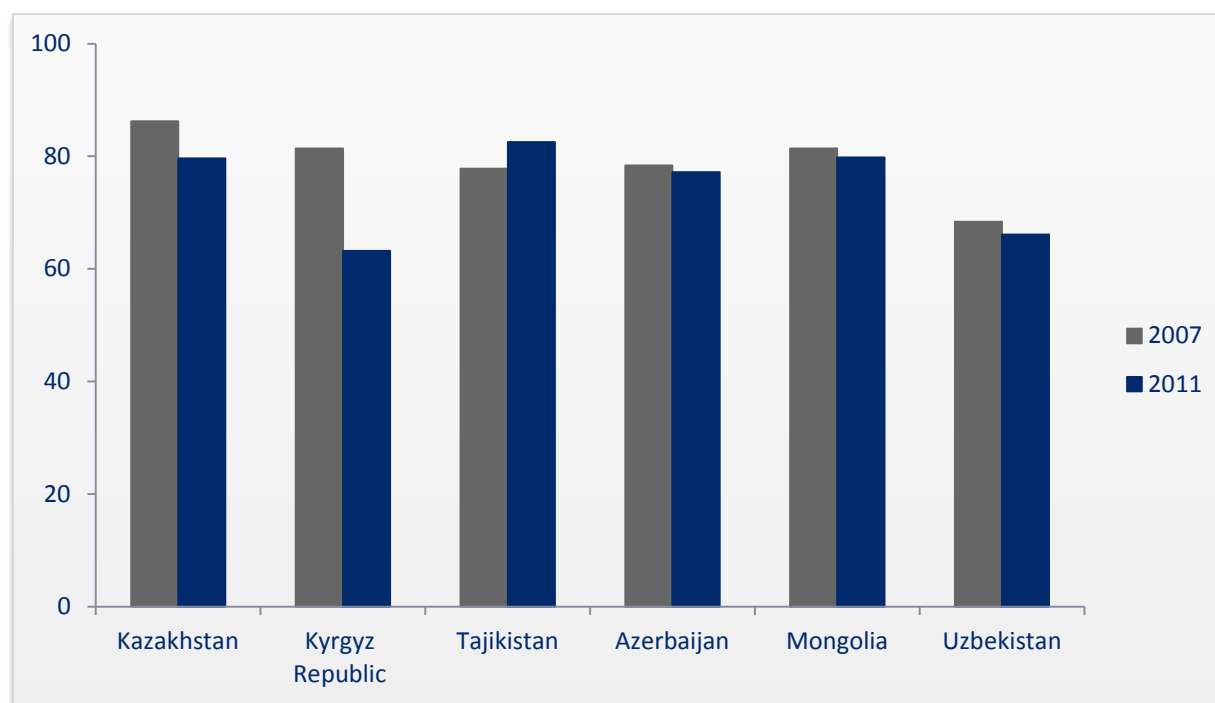
Source: World Bank (2011). Azerbaijan, Mongolia, and Uzbekistan Country Profiles.

Savings accruing to traders. There are no estimates of the cost savings to the traders developed by government institutions or independent experts in any of the three project countries. RTLC staff estimated that the changes that were made in the Kyrgyz Republic's customs, transport and transit regulations, due in part to RTLC efforts, saved traders US\$2.1 million a year (RTLC 2011). Since the estimates were made mostly at 2008 prices, the amount of the saving was most likely greater in 2010 and 2011.

Trade freedom. Kazakhstan and the Kyrgyz Republic's scores for trade freedom, which is a component of the Heritage Foundation and the Wall Street Journal's Index of Economic Freedom, decreased between 2007 and 2011 presumably due in part to increases in TBT and/or tariffs.²⁶ Notably, the Kyrgyz Republic's score dropped from 81.4 to 63.2. At the same time, Tajikistan's score increased 77.8 to 82.5 and exceeded both Kazakhstan and the Kyrgyz Republic's score. By comparison, Azerbaijan, Mongolia and Uzbekistan's trade freedom scores also decreased, but less than those of Kazakhstan and the Kyrgyz Republic (Figure 2).

²⁶ The trade freedom score is a composite measure of tariff and non-tariff barriers to trade, including quantitative, price, regulatory, and customs restrictions on exports and imports and direct government interventions (such as export subsidies). The score ranges from 0 to 100, with a higher score corresponding to more freedom.

Figure 2. Trade Freedom Scores of Project and Comparison Countries, 2007 and 2011



Source: Heritage Foundation and the Wall Street Journal (2007 and 2011).

EFFECTS ON THE PERFORMANCE OF BENEFICIARY FIRMS

To assess the impact of the EPI on the trade performance of beneficiary firms, the evaluation team conducted an email- and telephone-based survey of EPI participants. Out of 73 businesspeople who participated in one or several EPI events (other than the CATF), 29 (39.7 percent) participated in the survey. The breakdown of the respondents by country closely matches the breakdown of all EPI participants (Table 7). The main sectors of activity of the respondents include agriculture, food industry, light industry, business consulting, and trade.

Table 7. Breakdown of EPI Participants and Survey Respondents by Country

	All EPI Participants		Survey Respondents	
	Number	Share (%)	Number	Share (%)
Kazakhstan	14	19.2	5	17.2
Kyrgyz Republic	30	41.1	12	41.4
Tajikistan	24	32.9	9	31.0
Afghanistan	2	2.7	2	6.9
Uzbekistan	3	4.1	1	3.4
Total	73	100.0	29	100.0

Source: Information provided by former RTLC staff and the survey of EPI participants conducted by the evaluation team.

Most of the respondents participated in one or more EPI training sessions and in the CATF (Table 8). Around half of them also attended one of the EPI round table meetings.

Table 8. Participation of Survey Respondents in EPI Events

Activity	Number of Participants					
	KAZ	KGZ	TAJ	AFG	UZB	Total
Training session 1	2	7	8	2	1	20
Training session 2	4	6	7	2	1	20
Training session 3	3	7	7	1	1	19
Round table on exporting textile products to CU member countries	0	4	0	0	0	4
Round table on exporting organic agricultural products to developing countries	1	1	0	1	0	3
Round table on opportunities for exporting from Central Asia to Afghanistan	0	3	4	1	0	8
CATF	2	7	7	2	1	19

Source: Survey of EPI conducted by the evaluation team.

More than half of the respondents indicated that the participation in the EPI had helped their firm increase exports (Table 9). The EPI had helped four firms expand their exports by 10-20 percent and helped four others boost theirs by more than 20 percent.

Table 9. Responses to Questions on Impacts of Participation in EPI

	Yes	No	No Answer
Has your participation in the EPI helped your firm increase exports?	15	14	0
Has your participation in the EPI helped your firm start exporting to a country to which it did not export before?	11	15	3
Has your participation in the EPI helped your firm find and start importing cheaper and/or higher quality inputs from abroad?	13	13	3

Source: Survey conducted by the evaluation team.

Almost two-fifths of the respondents replied that participation in the EPI had helped their firm start exporting to a country that it did not export to before (Table 9). Kazakhstan, Russia, Uzbekistan, Kyrgyz Republic, Tajikistan, Afghanistan, India and the United Arab Emirates were mentioned as countries that the respondents' firms had begun exporting to.

Slightly less than a half of the respondents indicated that the participation in the EPI had helped their firms find and start importing cheaper and/or higher quality inputs from abroad (Table 9). Kazakhstan, Russia, China, India, Kyrgyz Republic, Tajikistan, Germany, Pakistan, Uzbekistan and the United Arab Emirates were mentioned as countries from which the respondents' firms had begun importing cheaper and/or higher quality inputs.²⁷

²⁷ Because of the likely selection bias, the results of the survey of EPI participants may overestimate the actual positive impact of the EPI on the trade performance of the firms whose employees took part in the EPI. The reason is that the EPI participants who had benefited from the EPI were more likely to take part in the survey than those participants who had not benefited from the EPI.

Using the data collected through the survey of EPI participants, the evaluation team has made estimates of the proportions of beneficiary firms for which the EPI helped increase exports, start exporting to a country they did not exports before, or find and begin importing cheaper and/or higher quality inputs from abroad. The point estimates and the corresponding 95 percent confidence intervals are given in Table 10. While the confidence intervals are quite wide due to the small sample size, even the lower endpoints of the intervals are fairly high, indicating that the EPI has had a positive impact on the trade performance of a significant proportion of the total number of beneficiary firms.²⁸

Table 10. Proportions of Beneficiary Firms for which EPI Helped Improve Particular Aspect of Trade Performance (%)

	Point estimate	95% confidence interval ²⁹
Proportion of beneficiary firms for which the EPI helped increase exports	51.7	36.9-66.6
Proportion of beneficiary firms for which the EPI helped start exporting to a country they had not exported to before	42.3	26.2-58.4
Proportion of beneficiary firms for which the EPI helped find and start importing cheaper and/or higher quality inputs from abroad	50.0	33.8-66.2

Source: Evaluation team's estimates and computations.

According to the survey data, those firms whose representatives took part in three or more EPI activities (excluding the CATF) generally benefited more from the EPI than those firms whose representatives participated in fewer EPI activities. Of 19 respondents who took part in three or more EPI activities, 10 (52.6 percent) indicated that the EPI had helped their firms increase exports, nine (47.4 percent) indicated that the EPI had helped their firms start exporting to a country they did not export before, and 10 (52.6 percent) indicated that the EPI had helped their firm find and begin importing cheaper and/or higher quality inputs from abroad.

Although the response rate of the CATF participant survey (6.3 percent) was low, the analysis of their responses provides some insight into the benefits derived by the firms from RTLC activities. Of the 16 survey respondents, 15 (93.8 percent) indicated that their firm benefited from their participation in the CATF. Ten respondents (62.5 percent) indicated that their participation in the CATF had helped them find a new business partner, one respondent (6.3 percent) indicated that his participation in the CATF helped his firm to start exporting to a country it did not export before (namely, Turkey), four (25.0 percent) indicated that their participation in the CATF had helped their firm find and begin importing cheaper and/or higher quality imports from abroad, and eight respondents (50.0 percent) indicated that their firms benefited from their participation in the CATF in another ways (acquire additional market information, develop new business ideas, etc.)

Table 11 presents point estimates and 95 percent confidence intervals for the proportions of firms that benefited from participation of their representatives in the CATF.³⁰

²⁸ However, the results of the survey of EPI participants may overestimate the actual positive impact of the EPI on the trade performance of the beneficiary firms because of the likely selection bias. The EPI participants who had benefited from the EPI were more likely to take part in the survey than those participants who had not benefited from the EPI.

²⁹ Statistical formulas used to conduct this analysis are provided in Appendix G.

³⁰ These results most likely have a large selection bias given the small sample size.

Table 11. Proportions of Firms that Benefited from Participation of Their Representatives in CATF

	Point estimate (%)	95% confidence interval
Proportion of firms that benefited from participation of their representatives in the CATF of which:	93.8	87.7-99.8
found a new business partner	62.5	50.4-74.6
increased exports	0.0	0.0-0.0
started exporting to a country they did not export before	6.3	0.2-12.3
found and began importing cheaper and/or higher quality inputs from abroad	25.0	14.1-35.9
benefited in another way	50	37.5-62.5

Source: Evaluation team's estimates and computations.

All six persons who took part in the survey of participants of the workshops on logistics for light industry indicated that their firms benefited from their participation in the workshop. In particular, three respondents (50.0 percent of all respondents) replied that their participation in the workshop helped their firms reduce costs of exporting. The same number of respondents indicated that their participation in the workshops helped their firms reduce the time needed to import. Table 12 presents point estimates and 95 percent confidence intervals for the proportions of firms that benefited from participation of their representatives in the workshops on logistics for light industry. The confidence intervals are quite wide because of the small sample size.

Table 12. Proportions of Firms that Benefited from Participation of Their Representatives in Workshops on Logistics for Light Industry

	Point Estimate (%)	95% confidence interval
Proportion of firms for which the workshops helped reduce costs of exporting	50.0	1.0-99.0
Proportion of firms for which the workshops helped reduce time needed to export	33.3	0.0-79.5
Proportion of firms for which the workshops helped increase exports	16.7	0.0-53.2
Proportion of firms for which the workshops helped start exporting to a country they had not exported to before	0.0	0.0-0.0
Proportion of firms for which the workshops helped reduce costs of imports	33.3	0.0-79.5
Proportion of firms for which the workshops helped reduce time needed to import?	50.0	1.0-99.0
Proportion of firms for which the workshops was useful in another way	83.3	46.8-100.0

Source: Evaluation team's estimates and computations.

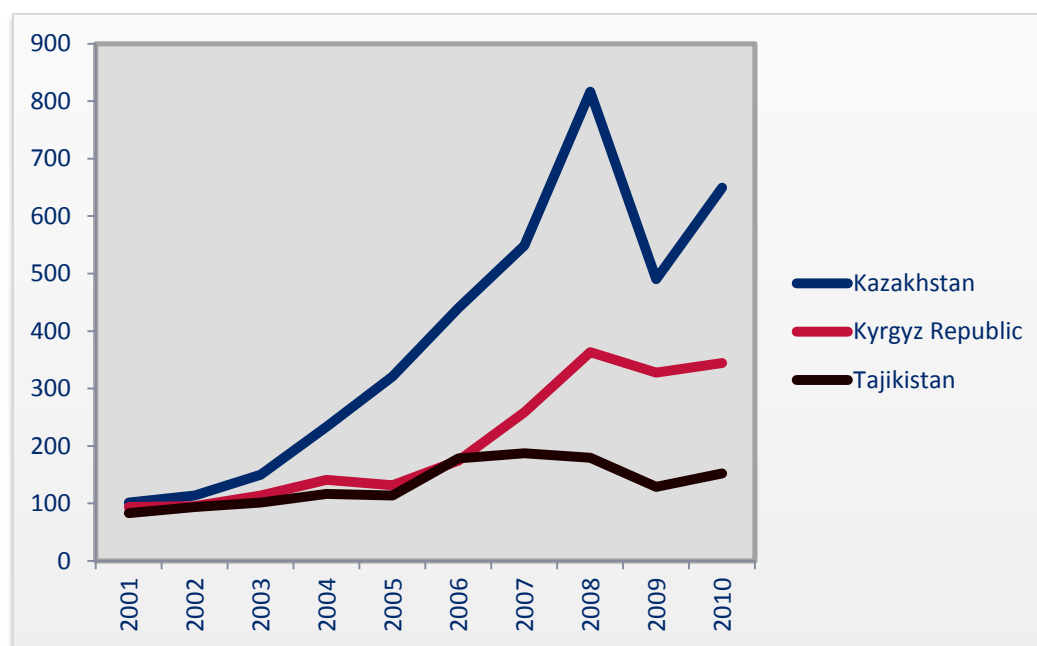
All four handcraft firms that received technical assistance from RTLC through the AITK and that the evaluated team surveyed over the phone responded that the participation of their representatives in the

workshop on market access for handcraft firms was useful to them. In particular, it helped them improve business processes. However, none of the firms had started exporting their products.

TRADE PERFORMANCE OF PROJECT COUNTRIES

There have been no observable improvements in the trade performance of the project countries that could be attributed to RTLC. Following rapid growth in 2001-2008, Kazakhstan's merchandise exports declined in 2009 due to the global economic crisis and the attendant weakening of external demand (Figure 3). They grew fast in 2010, as the global economy began recovering from the crisis and external demand strengthened. The Kyrgyz Republic's exports, which expanded rapidly in 2006-2008, also contracted in 2009 due to the weakening of external demand. They grew modestly in 2010, with the positive impact of strengthening external demand being partly offset by the adverse impact of domestic political instability. Following comparatively sluggish growth in 2001-2007, Tajikistan's exports decreased in 2008-2009 because of the global economic crisis. They recovered partly in 2010 owing to the strengthening of external demand.

Figure 3. Index of Value of Merchandise Exports of Project Countries, 2001-2010

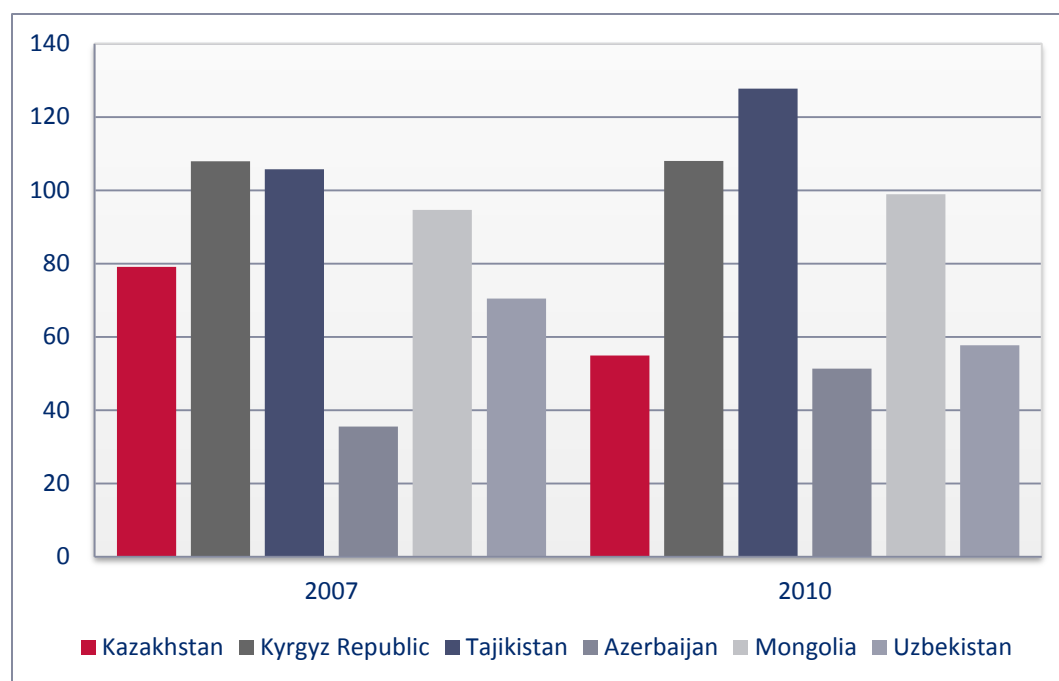


Source: World Development Indicators online database and the evaluation team's computations.

Exports of the project countries became even more concentrated in a few primary commodities in 2008-2010. The export concentration index for Kazakhstan rose from 0.45 in 2007 to 0.52 in 2010, with the share of oil, metals, uranium and grains in total exports rising from 90.7 percent to 94.0 percent.³¹ The export concentration index for the Kyrgyz Republic rose from 0.12 to 0.21 over the same period, with the share of oil products (re-exported), gold, electricity and cotton in total exports rising from 46.0 percent in 2007 to 54.5 percent in 2010.

³¹ The export concentration index is the sum of squared shares of each product in total merchandise exports. The index is close to 0 for a country with perfectly diversified exports and is equal to 1 for a country that exports only one product.

Figure 4. Ratio of Merchandise Exports and Imports to GDP



Source: World Development Indicators online database and the evaluation team's computations.

Furthermore, there are no observable differences in the recent trade performance of the project countries, on the one hand, and the comparison countries, on the other. The volume of exports increased in Kazakhstan, Azerbaijan, Mongolia and Uzbekistan, but decreased in the Kyrgyz Republic and Tajikistan in 2008-2010. The ratio of merchandise exports and imports to GDP, a measure of the openness of an economy to international trade, fell in Kazakhstan and Uzbekistan (Figure 4). The ratio remained unchanged in the Kyrgyz Republic and rose in Azerbaijan, Mongolia and Tajikistan.³²

PROJECT DESIGN AND IMPLEMENTATION

The performance indicators of RTLC had several deficiencies. First, between 2007 and 2011, the World Bank changed the methodology that it uses to compute the indicators for trading across borders that were performance indicators of RTLC. Consequently, the evaluation team could not use the baseline values of these indicators given in the performance monitoring plan to compute the changes in the value of the indicators during the implementation of RTLC. Second, many factors (e.g., the desire of the governments of the project countries to improve the ratings of the countries in the World Bank's Doing Business reports) could have caused the changes in the values of the performance indicators, and it was hard to determine to what degree RTLC contributed to those changes. Thirdly, the World Bank's Doing Business indicators often improve as a result of changes in laws and regulations even if there are no changes in the actual business

³² Regression analysis would be a more rigorous way to examine the impact of RTLC on the trade performance of beneficiary firms and the project countries. It has not been done for a number of reasons, including serious methodological problems involved in such analysis (e.g., the selection bias and the endogeneity problem), budget and time constraints, and relatively small numbers of the beneficiary firms and the project countries.

environment.³³ Therefore, in all project countries, RTALC staff spent a considerable amount of time pushing changes in laws and regulations to improve the indicators for trading across borders even if they would make little difference on the ground (as was the case with the reductions in the number of documents required for exports/imports in the Kyrgyz Republic). Fourth, as mentioned above, there are significant discrepancies between (i) some of the World Bank's indicators for trading across borders (e.g., the number of documents required to export and import), (ii) the same indicators given in RTALC documents, and (iii) the same or similar indicators mentioned by key informants. Fifth, as pointed out by one former RTALC staff member, some performance indicators (e.g., the number of legal, regulatory or institutional actions taken to improve implementation or compliance with international trade and investment agreements partly or fully due to U.S. Government-assisted organizations) left too much room for subjectivity. Finally, the original set of performance indicators did not cover all expected outputs, results and impacts of the project. More indicators were added later, but many of them did not have baseline values.

All key informants from the government institutions complemented the RTALC project for at least some of the following features:

1. It was relatively easy to communicate and to work with the project staff. The local office staff was very responsive to their requests.
2. The project had significantly faster response to their requests in providing international experts than projects of other donors working at the same issues.
3. RTALC often hired local experts who already knew the specifics of government organizations instead of hiring international staff. However, some key informants in the Kyrgyz Republic mentioned that there had been significant problems with the quality of independent local experts hired by the project to assist with customs modernization.
4. A number of key informants attributed the success of the project to the selection of the few good international experts who spoke Russian and had experience with foreign trade reforms and WTO accession in other FSU or Eastern European countries.
5. The quality of the training organized by RTALC was generally higher than the quality of training organized by similar projects.

RTALC collaborated closely with other donor organizations in all three countries, in particular with GIZ. Key informants suggested that project management was very efficient in coordinating activities with the GIZ. Most of the activities implemented by RTALC and GIZ complemented rather than duplicated each other. This cooperation was positively assessed by all stakeholders, including RTALC staff, GIZ, and government officials. The assistance provided by RTALC to CCC in implementing the Customs Modernization Project (CMP) was viewed favorably by the World Bank and the CCC. Likewise, the support that RTALC gave to the ADB-funded customs modernization projects in the Kyrgyz Republic and Tajikistan was complimented by government officials and ADB staff.

Review of the document and key informant interviews suggested that the implementation of the project was influenced by two major factors in the target countries beyond the project control:

³³ Changes in laws and regulations often need to be made to improve the business environment, but such changes have little impact on the business environment if the laws and regulations are not properly enforced.

6. *The accession of Kazakhstan to the CU with Russia in 2010.* This event postponed the WTO accession on the agenda in the country, and required revision or made obsolete some draft laws developed with the assistance of the RTALC experts. In addition, it had great impact on the cross-border trade between the Kyrgyz Republic and Kazakhstan, as well as on trade with other countries in the region.
7. *The revolution in Kyrgyzstan in April 2010.* The revolution resulted in the change of government officials in most of the offices that received assistance from the RTALC project.

At the same time, the success of the project activities related to WTO accession in Tajikistan is attributed by key informants to the strong commitment of the country's president to WTO accession. This strong commitment coincided with the beginning of project activities in the country and resulted in close and productive cooperation with project experts and official counterparts for the project.

Key informants reported that most of the RTALC activities were conducted during the last two years of the project. However, in Tajikistan significant number of the informants mentioned some activities that began at the early years of the project. In addition, most experts in Tajikistan agreed that the project came at the right time and received very strong support and commitment from the GO'TJ. At the same time, key informants in the Kyrgyz Republic mentioned that the effectiveness of the project probably was reduced by the unstable political situation in the country and lack of support from the GOKG.

Among all key informants interviewed—two out of the three RTALC project grantees in Kazakhstan, and two grantees in Kyrgyzstan mentioned difficulties they had in working with the project. In particular, they mentioned that the payment was made or grants were provided through the Eurasia Foundation, while the technical supervision of the work often came from the main project staff. As the result, there was confusion about the involvement of the Eurasia Foundation in the process. There was also tension between the grantees and the foundation since the foundation would not accept the deliverables from grantees although these deliverables were accepted by the technical staff of the RTALC project. The evaluation team was not able to confirm if this problem existed for the rest of the grantees, and at least one grantee confirmed that the financial management of the grant/subcontract went flawlessly. The evaluators were not able to determine if any distinct characteristics of the grantees that reported the problem that distinguished them from the grantees that did not.

SUGGESTIONS FOR FOLLOW-ON PROJECTS

The evaluation team specifically asked the key informants to provide suggestions for follow-on activities in their countries. The most common responses to this question were:

1. Continued support to the training for both government officials and the public.
2. Continued support to the implementation of the automated systems and the SW at customs. In all three countries, the key informants expected that the automation of customs will lead to new technical and policy issues, which will require further technical assistance from international experts. They also expected that there may be a next wave of the computer system integration following the systems already developed with the help of the project.
3. Continued support to the legal reforms related to WTO compliance. Key informants in all three countries suggested that even if the countries enter the WTO, there remain a large number of legal documents that have to be reviewed in order to comply with the organization's requirement. A follow-on project could help with identifying and correcting such documents.

III. DISCUSSION AND CONCLUSIONS

ACHIEVEMENTS

SIMPLIFICATION OF TARIFFS, PREFERENCES AND GOVERNMENT PRE-EXPORT BARRIERS

RTLTC has achieved little in simplifying import tariffs, preferences, and government pre-export barriers in the project countries. In Kazakhstan and the Kyrgyz Republic, many tariffs rose, and the tariff schedule became more cascading and complex during 2008-2010. The changes in tariffs and preferences were mostly caused by the establishment of the CU in Kazakhstan's case and political instability and stronger pressure for protectionism in the Kyrgyz Republic's case. In Tajikistan, RTLTC contributed to the removal of one administrative barrier to exports but it did not result in simplification of tariffs or preferences.

WTO ACCESSION AND/OR COMPLIANCE

The degree to which RTLTC advanced the project countries toward WTO accession and/or compliance varied substantially across the countries, depending on the government's priorities. In Kazakhstan, RTLTC did not achieve much in moving the country closer to WTO membership because in late 2009 the GOKZ shifted its priority from accession to the WTO to establishment of the CU and a single economic space with Belarus and Russia. Nevertheless, the country is better prepared to join the WTO in the future due to RTLTC's technical assistance in WTO compliance.³⁴ In the Kyrgyz Republic, RTLTC accomplished little in bringing the country into full compliance with WTO rules due to political instability, frequent reorganizations of government agencies and changes in government personnel, and lack of political will to address thorny issues pertaining to WTO compliance such as the compliance with the WTO TRIPS Agreement. At the same time, RTLTC achieved a lot in moving Tajikistan closer to WTO compliance and membership because the GOTJ made WTO accession its top priority and RTLTC staff and experts were quite effective in assisting the GOTJ in this area. Owing to a combination of political will and RTLTC's assistance, Tajikistan made good progress in bringing its national legislation into compliance with WTO rules and the process of its WTO accession accelerated markedly in 2009-2011. This was one of the most significant achievements of RTLTC. Tajikistan still needed assistance in joining the WTO, but additional funding was not available.

CUSTOMS MODERNIZATION

In collaboration with multilateral and bilateral development agencies, RTLTC advanced customs modernization in all project countries. In particular, RTLTC helped the CCC of Kazakhstan to connect its Center for Operative Management and border posts with the e-Licensing National Database through an electronic interface called CONNECT. In the Kyrgyz Republic, RTLTC supported the establishment of a SW for pre-customs clearance of exports and imports, helped the SCS develop and start implementing a medium-term customs modernization strategy, and prevented the SCS from making changes in customs regulations that would have adversely impacted the trade environment. In Tajikistan, RTLTC helped the CS introduce a

³⁴ Kazakhstan is likely to intensify its efforts to join the WTO following Russia's accession to the organization. The 8th WTO Ministerial Conference, which was held in Geneva in December 2011, approved the terms of Russia's accession. Russia is expected to become a full-fledged WTO member in early 2012 (after its parliament ratifies the terms of its accession).

UAIS and draft amendments to the Customs Code that have reduced the number of documents required for customs clearance of exports/imports of any product from 10 to seven. Due in part to RTALC's efforts, the implementation of the World Bank- and the GOKZ-financed CMP project accelerated in Kazakhstan; Kazakhstan and Tajikistan decided to set up a SW for export and import operations; and Tajikistan ratified the Revised Kyoto Convention.

However, many of the customs modernization projects supported by RTALC have not yet been completed and, hence, not yet produced all expected results. In Kazakhstan, CONNECT is not yet functioning because the e-Licensing National Database has not been completed. The CDP is expected to be completed at the end of 2012.³⁵ In the Kyrgyz Republic, the SW is being piloted in Bishkek. It is likely to take Kazakhstan and Tajikistan several years to set up a SW for export and import operations.

RTALC made a good deal of effort to align Kazakhstan's customs legislation and regulations with international best practices, but this effort met with limited success. The reason is that Kazakhstan gave priority to harmonizing its customs legislation and regulations with those of Belarus and Russia within the framework of the CU.

RTALC's support for the establishment of the SW (outside the SCS) in the Kyrgyz Republic was controversial. As noted above, the key informants expressed views that too little has been achieved for the large amount of assistance that RTALC provided to the SWSE, that the SWSE is not viable outside the SCS, and that RTALC should have provided more assistance to the SCS in line with its original design.

TRANSPORT AND TRANSIT

RTALC put forth considerable effort to improve the efficiency of the transport sector and transit systems in the project countries. However, this effort has produced only a few significant results so far. RTALC's most significant accomplishments pertaining to transport and transit include: assistance to the MOTC of Kazakhstan in the implementation of the WE-WC highway project and the introduction of a system of digital tachographs; conduct of studies on Kazakhstan's accession to the Green Card system and the ITF; establishment of a freight exchange between the Association of Road Carriers of the Kyrgyz Republic and the Bishkek Truck Park; Tajikistan's ratification of five UNECE transport agreements and conventions; conduct of a feasibility study on a regional logistics hub in the Sugd FEZ; closer collaboration among the associations of freight forwarders of the project countries; publication of a *Handbook for Freight Forwarders in Central Asia*; and strengthening the capacity of the associations of road carriers of the Kyrgyz Republic and Tajikistan. Yet, the implementation of the WE-WC highway project is expected to be completed at the end of 2013.³⁶ Kazakhstan has decided not to join the ITF (on the basis of the study financed by RTALC), and it is uncertain when the system of digital tachographs will become operational and when the country will accede to the Green Card system. It is also uncertain if and when a regional logistics hub will be set up in the Sugd FEZ.

ACCESS OF THE PRIVATE SECTOR TO MARKET INFORMATION

Many activities undertaken by RTALC (mostly in Kazakhstan and the Kyrgyz Republic) served to improve access of the private sector to market information. Among them were the organization of press cafes in all project countries, issuance of newsletters in the Kyrgyz Republic, dissemination of information on U.S. GSP and CU rules in Kazakhstan and the Kyrgyz Republic, and creation of an RTALC website. As the data provided above suggests, the project website visits increased to approximately 5,000 a month at the last year

³⁵ Source: World Bank (2012a)

³⁶ Source: World Bank (2012b)

of the project, when some research results were published on the site. The importance of the site is also confirmed by the key informants, who suggested that the site should function after the completion of the project, at least until the information and research results published by the site remain accurate for the countries of the region. Unfortunately, no detailed statistics of the site use was collected and it is difficult to confirm how important the site is in distribution of different types of information. It seems that simple free-of-charge solution like Google Analytics applied to the site could significantly improve understanding of the site performance for RTALC or any other USAID project that uses a project website as one of the main sources to disseminate information.

The effectiveness of these activities varied substantially. For example, the dissemination of information about CU rules was quite effective in increasing the private sector's awareness of CU rules (in particular CU technical regulations) and mitigated the adverse impact of the CU on businesses in the project countries, especially in the Kyrgyz Republic. A fairly large number of Kazakh businesspeople learned how to gain duty-free access to the U.S. market through the GSP. RTALC became an important source of information on topics pertaining to trade in Central Asia. At the same time, the effectiveness of the newsletters issued and electronically distributed by the IBC, RTALC's subcontractor in the Kyrgyz Republic, was limited because not all of them reached the addressees and most of the addressees who received the newsletters were not involved in international trade.

CAPACITY TO COMPETE FOR INTERNATIONAL BUSINESS

RTALC undertook several activities aimed at strengthening capacity of firms from the project countries to compete for international business. The EPI was the most significant of them. It brought together more than 70 businesspeople from the project countries, Afghanistan and Uzbekistan to share information, exchange experiences, network, and form cross-border business partnerships. EPI participants received training in various aspects of international business management and set up three EPGs. Many of them maintained business relations even after RTALC ended. The CATF, which was held within the framework of the EPI, was also quite successful. All in all, it seems that the EPI was one of the most successful components of RTALC. The workshops on logistics for light industry and on market access for handcraft firms were also useful to companies whose representatives participated in the workshops.

SUPPORT FOR THE IMPLEMENTATION OF OTHER PROJECTS

One of the major accomplishments of RTALC is that it provided valuable support for the implementation of other (much bigger) projects related to trade, such as the CMP and the WE-WC highway project in Kazakhstan and the RCMIP in Tajikistan. RTALC essentially filled gaps in the design of these projects (e.g., no capacity building at the implementing government agencies in the case of the CMP and the WE-WC highway project and no Helpdesk for the UAIS in the case of the RCMIP). Without RTALC's support, the implementation of these projects would have proceeded slower. Moreover, the RCMIP would have been less effective in achieving its objectives because the UAIS was unlikely to operate smoothly without the Helpdesk.

ECONOMIC IMPACT OF THE PROJECT

RTALC has resulted in some reductions in trade barriers and trade costs in all three project countries. In particular, RTALC has helped reduce TBT in Tajikistan, the incidence of physical inspection of goods and the average processing time at customs border posts in Kazakhstan, the time needed for customs clearance of goods in Tajikistan, and the total time needed to export/import in all project countries. Cost savings totaling several million US dollars accrue to traders every year because of the changes that were made in the Kyrgyz Republic's customs, transport and transit regulations due in part to RTALC's efforts.

In the opinion of most EPI participants, their taking part in the EPI has helped improve the trade performance of their firms. It helped their firms increase exports, begin exporting to countries they did not export to before and/or start importing cheaper and/or higher quality inputs from abroad. Among the countries that the beneficiary firms have begun exporting to and/or importing from are not only the countries whose representatives participated in the EPI, but also countries that were not involved. This suggests that the EPI has not only helped its participants establish fruitful business relations with each other, but also developed their skills to engage in international trade in general.

Likewise, the CATF and the workshops on logistics for light industry helped improve the performance of many beneficiary firms. The CATF helped many participants find new business partners and develop new business ideas. The workshops on logistics for light industry helped many beneficiary firms reduce the time needed to exports/import and lower costs of importing/exporting their products.

However, the RTLC has not yet had an observable significant positive impact on overall trade costs in, and the trade performance of, the project countries for two reasons. Firstly, not all of the reductions in the number of documents required to export/import have led to lower trade costs. Some of the documentation requirements that were eliminated (e.g., the requirement to present the tax certificate when exporting from or importing to the Kyrgyz Republic or Tajikistan) had little impact on trade costs because the marginal cost of obtaining/presenting these documents is negligible. In some cases, the documentation requirement for customs clearance (e.g., the requirement to obtain a certificate of conformity to import to Tajikistan) was effectively maintained, with traders allowed to obtain/present the document after customs clearance.

Secondly, the reductions in trade costs that have occurred due in part to RTLC are small relative to overall trade costs. Moreover, they have been more than offset by increases in trade cost caused by other factors. In the Kyrgyz Republic, for example, the elimination of several documentation requirements for exports and imports has not had a significant impact on overall trade costs because a substantial proportion of trade is based on informal border crossing and customs clearance arrangements that are little affected by changes in formal procedures. The cost savings accruing to traders due to changes in the country's customs, transport and transit regulations are quite small compared with total trade costs. In Kazakhstan, the small reductions in trade costs resulting from improvements in customs administration were more than offset by increases in tariffs and TBT caused by the establishment of the CU. In Tajikistan, lower TBT have not led to lower total trade costs, at least so far. According to the World Bank data, trade costs rose in all project countries between mid-2007 and mid-2011. Judging by the Heritage Foundation and the Wall Street Journal's Index of Economic Freedom, the overall trade environment improved in Tajikistan but worsened in Kazakhstan and the Kyrgyz Republic in 2008-2011.

Furthermore, the firms whose trade performance has improved due to the assistance received from RTLC account for a small fraction of total exports and imports of the project countries. Accordingly, RTLC has not had an observable positive impact on the trade performance of the project countries.

Most of the economic impact of RTLC is likely to occur in the future, as the projects, reforms and processes supported by RTLC are completed, government agencies, private firms and business associations make more use of the assistance provided by RTLC, and draft laws and regulations prepared with RTLC's support are enacted. The cost of and—to a lesser extent—the time needed for customs clearance of exports and imports in Tajikistan are expected to decrease due to the amendments to the Customs Code that were drafted with RTLC assistance that will take effect in 2012. The SW for pre-customs clearance of exports and imports in Kyrgyz Republic and the UAIS of the CS in Tajikistan are likely to reduce the time needed to export/import

and expand trade considerably over the medium term.³⁷ When CONNECT becomes fully operational, it will reduce trade costs in Kazakhstan, albeit to a small degree. The completion of the CMP and the WE-WC highway project and the introduction of a system of digital tachographs in Kazakhstan, the country's accession to the Green Card system, the establishment of a SW for export and import operations in Kazakhstan and Tajikistan, and the full implementation of the medium-term strategy for customs development in the Kyrgyz Republic will substantially reduce trade costs, increase trade, improve social welfare and stimulate economic growth.³⁸ CONNECT and the system of digital tachographs in Kazakhstan, the performance-based bonus system at the SCS of the Kyrgyz Republic, the UAIS of the CS of Tajikistan, and the SW system in all project countries will expand trade, spur economic growth, and promote economic development also by preventing fraud and reducing corruption.

Kazakhstan and Tajikistan are likely to join the WTO within the next several years owing in part to RTLC's assistance. Their accession to the WTO is likely to improve their trade performance and foster their economic development by lowering trade barriers (particularly policy-related barriers), locking-in certain policy reforms, and making the trade and overall business environment more predictable.

PROJECT DESIGN AND IMPLEMENTATION

Performance indicators of RTLC had serious weaknesses, which made evaluating its results and the economic impact quite challenging. Most of these weaknesses were due to using the World Bank's indicators for trading across borders as performance indicators. In addition to the inherited and well-known problems with the validity of the World Bank Doing Business Index, it seems that the Doing Business Index and its components were not adequate to capture all aspects of the project outcomes and impacts. It seems reasonable to assume that projects similar to RTLC that are aiming to develop government capacity and to assist on a wide range of issues will suffer from an attribution problem. In this case, macro-level indicators derived from general country statistics may be influenced by a large number of other factors that may be non-distinguishable from the effect of the project. One of the solutions to this problem used by other USAID projects is to observe the firm-level outcomes of the project that are proven to be linked to the expected macro-level impacts. Generally, this solution will require establishing the impact evaluation framework at the beginning of the project in order to collect adequate baseline data at the firm level. However, the collection of adequate data will be expensive. Therefore, this approach to the project impact evaluation is appropriate only if new knowledge about achieving project results outweighs the increased cost of the impact evaluation.

It also worth noticing that majority of the key informants attributed successes of the RTLC project to use of qualified local personnel or experts from other countries of the region (and Europe) who had experience implementing government reforms in similar conditions. Ability to speak the local language (Russian) was

³⁷ F. Djankov, Simeon, Caroline L. Freund, and Cong S. Pham. 2006. Trading on Time. World Bank Policy Research Working Paper No. 3909 find that each additional day a product is delayed prior to being shipped reduces trade by more than 1 percent.

³⁸ Theoretically, the impact of trade on social welfare is always positive in the absence of market failures and policy-induced distortions, but may or may not be positive in the presence of market failures and policy-induced distortions (see, for example, Bhagwati, Jagdish, Arvind Panagariya, and T.N. Srinivasan. 1998. *Lectures on International Trade*. The MIT Press. Cambridge, MA). Likewise, there are theoretical models in which the impact of trade on economic growth is positive and models in which it is negative. Empirically, a large body of evidence suggests that trade stimulates economic growth, although there are several conceptual and technical difficulties in establishing a link between trade and growth. See Berg, Andres, and Anne Kruger. 2003. Trade, Growth, and Poverty: A Selective Survey. *IMF Working Paper WP/03/30* and Winters, Alan. 2004. Trade Liberalization and Economic Performance: An Overview. *The Economic Journal* Vol. 114 (493): pp. F4-F21 for a survey of empirical literature on the relationship between trade and economic growth.

also named as one of the key factors in the success of the services provided by these experts. This may indicate significant change in the environment compared to the environment for the projects developed prior to 2005-2010. Projects prior to this time worked in the environment when experienced local experts were not available and the expertise had to be brought from abroad. The new environment suggests that qualified local experts are available, but for some reason cannot be engaged by the local government directly. This enables a change in the mode of assistance projects. Relocation of foreign experts is expensive, therefore projects based on foreign expertise are most economical when they have a long-term agenda. Projects based on qualified local experts can be more flexible since the local experts do not require relocation and can be contracted for shorter periods of time. This may allow assistance projects in the CAR region to be more flexible. A project can target specific short-term problems identified by the government and respond during the time when the expertise is needed and expected by the government.

IV. RECOMMENDATIONS

It is advisable for a regional technical assistance project like RTALC to have a broad scope, and be flexible and responsive during implementation. While the project countries might have similar needs (which justifies designing a regional project as opposed to several country-specific projects), country circumstances and government priorities may vary across the countries and change during project implementation. The scope of the project should be broad enough to permit variations in the focus of the project across the project countries and over time depending on country circumstances and government priorities. Flexibility and responsiveness during implementation are needed to tailor assistance to the needs of individual project countries and to respond quickly and adequately to changes in country circumstances and government priorities if and when such changes occur. For example, the RTALC adapted nicely to the changes in priorities in Kyrgyz Republic and in Kazakhstan, shifting attention from WTO accession and compliance to improvement of the overall business climate in the countries. But this adaptation was in part achieved by extending the scope of the original contract during the extension period.

At the same time, **it should not be necessary to undertake all, or even most, planned activities and promote the same reforms in every project country.** Only those project activities for which there is demand in a project country (e.g., assistance in WTO accession in Tajikistan's case) should be undertaken in that country. By the same token, only those reforms for which there is sufficient domestic support and political will to implement in a particular project country (e.g., the establishment of a SW for pre-customs clearance of exports and imports in the Kyrgyz Republic) should be promoted. Undertaking an activity in a country where there is little demand for it is likely to lead to inefficient use of project resources. Similarly, efforts to promote reforms in a country where there is no political will to implement them (e.g., efforts to bring the Kyrgyz Republic's national legislation into compliance with the WTO TRIPS Agreement) are unlikely to succeed.

It is not advisable to have lowering or even simplification of policy-related trade barriers (such as tariffs) as an expected result or as an objective of a technical assistance project. Political developments and considerations often determine policies and, hence, policy-related trade barriers. The team implementing a technical assistance project funded by a foreign country might be reluctant to push for lowering or even simplification of policy-related trade barriers because it can be perceived as trying to change the project country's trade policies in favor of the donor country. Therefore, a technical assistance project is unlikely to have a significant impact on policy-related trade barriers, as the outcome of RTALC shows. This should not, however, preclude assistance in WTO accession, which can lead to lower and/or simpler policy-related trade barriers.

It is desirable to have a project advisory committee in every project country. The committee should consist of USAID staff members based in the project country and representatives of government agencies, business associations, NGOs and development agencies dealing with issues that the project is intended to address. Committee members should meet regularly to review progress in the implementation of the project during the preceding period and its work plan for the following period, and advise project staff on adjustments, if any, that need to be made in project implementation to better meet the country's needs and to achieve the objectives of the project. Having such a committee in each project country will help make the project more responsive to changes in country circumstances and government priorities and address possible concerns about the project in a timely manner. For example, we mentioned that the RTALC was especially successful in Tajikistan, where the goals of the project coincided with the current priorities of the

government. If an effective project advisory committee existed in the two other project countries, it is fair to assume that the project goals could be aligned with the priorities of the government counterparts in these countries as well and the project could have produced even stronger results.

It is important to strike a balance between assistance to the government and assistance to the private sector in promoting economic development. Assistance to the government is essential because it is the government that formulates and implements policies, and capacity of government agencies have a bearing on economic development. Assistance to the private sector is also essential because the private sector can advance economic reforms by putting pressure on the government (in particular through business associations), and improvements in the business environment (e.g., trade liberalization) will have a limited positive impact on economic development if the private sector cannot take full advantage of them due to capacity constraints, lack of information, etc. Practical training in international trade and opportunities for forging links with businesses from other countries is a kind of assistance that private companies of the Central Asian countries need most. Assistance to business associations that represent the interests of a large number of firms operating in particular sector is also recommended, especially in the Kyrgyz Republic and Tajikistan.

Better planning of the activities that are starting close to the end of a project is needed to avoid a situation in which a project provided valuable assistance in a particular area and achieved significant results in that area but the funding ends with the project at the time it was badly needed. Several mechanisms, such as (1) coordination/collaboration in funding with other donors; (2) setting up a foundation (if allowed); or (3) securing funding commitment for the continuation for the activities from host government before the project ends. Discontinuing assistance when there is still acute need for it can jeopardize its achievements and result in a waste of resources that were spent on providing it. Continuity of the assistance can be achieved by extending the project that has been providing it (and possibly, focusing it on that assistance), developing a follow-on project or agreeing with another development agency that it would take over the assistance before or when the project ends. It is usually known well before the end of a project in what areas assistance would still be needed when the project ends. Therefore, measures to ensure continuity of the assistance can be taken in advance. This recommendation could benefit from the project advisory committee mentioned above. The committee could either become a supervisory board for the foundation in charge of continued funding of the activities, or at least be a leading actor in securing continuation funding from the host government (since the government representatives are on the committee).

It is recommended that USAID staff give more careful consideration to the attribution problem when selecting performance indicators for a project. It should be reasonably easy to attribute changes (or lack thereof) in the value of the performance indicators to the project. An indicator is of little use in monitoring and evaluating a project if its value is strongly affected by confounding factors (that is, the factors other than the project concerned).

Indicators that can be improved through changes on paper with little or no change in the actual situation should not be used as performance indicators. Using them as performance indicators can create a perverse incentive for the project team to advance reforms on paper instead of promoting real reforms.

If the methodology that an indicator is based on is revised frequently, it is not advisable to use it as performance indicator. A change in the methodology can make comparing the value of the indicator at the beginning, during and at the end of project implementation impossible.³⁹

The set of performance indicators for a project should be comprehensive enough to cover all its expected results and impacts, with all indicators having a baseline value. If there is no indicator corresponding to a particular expected result or impact of the project, it can be difficult to monitor and evaluate the achievements of the project relative to that result or impact. Even if an appropriate indicator can be found later, its baseline value may not be available.

It is recommended that, if possible, contractors implementing USAID-funded projects do not use intermediaries in making payments to subcontractors and grantees. As the experience with RTLC shows, using intermediaries in making payments to subcontractors and grantees can cause misunderstandings and frustration, and give rise to suspicions of improper behavior on the part of the contractor or the USAID staff.

³⁹ By extension, the use of the World Bank's Doing Business indicators as performance indicators should be avoided because (i) many factors affect them, making the attribution problem very serious, (ii) the indicators often improve as a result of changes in laws and regulations even if there are no changes in the actual business environment, and (iii) the methodology that the indicators are based on is revised frequently.

APPENDIX A. SOW FOR THE EVALUATION

SECTION C – DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

C.1 TITLE

USAID Regional Trade Liberalization and Customs Project Evaluation

C.2 PURPOSE

The purpose of this Task Order is to: 1) conduct assessment of the current USAID Regional Trade Liberalization and Customs Project, 2) assess the degree to which the project was successful, the extent to which the contractor's efforts resulted in the enactment of reforms that help businesses trade across borders and the extent to which trade was facilitated, and 3) suggest which efforts USAID should prioritize among potential trade facilitation-related investments.

C.3 RATIONALE

Economic reform activities have been a significant part of USAID/CAR's economic development portfolio for more than 10 years. Currently, RTLC is the largest economic reform project in the Mission's portfolio. In fact, RTLC meets the Evaluation Policy's definition for a large project and therefore is required to be evaluated under the policy. By exploring RTLC's performance, USAID/CAR will better understand the performance of the implementer, better design future economic reform projects, and better manage future, similar projects. USAID/CAR is interested in both the project achievements and economic impact of the project's elements.

Economic reform projects develop better laws, regulations, statutes and processes for public organizations, help implement them, and thus facilitate economic growth. These projects work closely with public organizations, ministries and regional organizations. Frequently, economic reform projects seek to influence decision makers in public organizations such as ministries, customs authorities and parliamentary committees. Projects like RTLC exert effort to articulate best practices to decision makers, persuade them to undertake reforms and build the capacity of public organizations to fulfill constructive purposes like implement these reforms.

C.4 TASKS AND DELIVERABLES

Key Tasks:

Task 1: Draft description of overall methodology and work plan, and conduct a desk review

The desk review will help answer the evaluation questions and provide background information. After one or more telephone meetings with USAID/CAR, the Team Leader and/or other team members shall draft a description of the overall methodology/ methodological framework and work plan to answer the evaluation questions, submitting this plan and framework to USAID/CAR within one week after beginning the desk review. Within one week after receiving the draft methodology and work plan, USAID/CAR will provide feedback to the Team Leader.

Prior to arrival in-country, the evaluation team will carry out the desk review. USAID/CAR will ensure that project-related documentation is available to the team immediately after award of this task order. The desk review will include, but is not limited to, a review of the documents such as information and data on trade, customs, logistics performance, and other areas they may feel is necessary to draw their conclusions. The evaluation team will prepare for the assignment by reviewing project documents and additional background

information on the subject matter that shall not be limited to information that is supplied by USAID/CAR. The Contractor is strongly encouraged to meet with the RTLC implementer's (AECOM) home office staff and USAID/EGAT staff in the Washington DC Area prior to departure to the region.

Deliverables for Task 1: Draft work plan, within 8 workdays after beginning desk review, and draft evaluation methodology 10 workdays after beginning desk review.

Task 2: Finalize overall methodology and schedule and conduct in-country field visits

Travel to the region, regional meetings and information and data gathering. Meetings with donors, organizations and international bodies concerned with trade facilitation in Central Asia will occur with particular emphasis on those located in Almaty, Astana, Bishkek and Dushanbe.

The team will consult with and gather information from beneficiaries in governments, public organizations, customs services, NGOs, grantees, businesses and others. It is expected that the team will avail itself of information and data available on these organizations' websites as part of their pre-travel preparation (Task I).

The team shall have discussions with U.S. Government staff based in Central Asia in Almaty, Astana, Bishkek and Dushanbe to understand better the needs of the USAID/CAR and refine their approach and develop a schedule for consultations.

Final description of overall methodology will be submitted to USAID/CAR within one week after arrival in CAR.

Deliverables for Task 2: Final description of overall methodology and the work plan (including schedule of field visits), within one week after arrival in CAR; draft data collection report for Kazakhstan within two weeks after arrival to the country; draft data collection report for Kyrgyzstan and Tajikistan within five weeks after arrival to CAR.

Task 3: Debrief and draft executive summary

The evaluation team will debrief, in the form of a presentation, USAID/CAR staff on the preliminary conclusions and recommendations of the assessment. This will occur approximately three days before departing CAR. The team will also provide a draft executive summary document of the evaluation report prior to the presentation within five days before departing CAR. The executive summary is to contain a clear, concise summary of the critical elements of the report, including the main findings, conclusions and recommendations. During the debrief USAID/CAR staff will provide feedback on the preliminary conclusions and recommendations and the draft executive summary. This feedback will be incorporated into the draft evaluations report.

Deliverables for Task 3: Presentation of key findings and preliminary conclusions and recommendations based on the data collection reports for each country, three days before departure from CAR. Draft executive summary, two weeks after the debrief.

Task 4: Evaluation Report

The team will prepare an evaluation report in English. The draft evaluation report will be submitted to USAID/CAR for review and feedback one week after departure from CAR. The final evaluation report will be submitted one week after receiving and incorporating comments from USAID/CAR. The USAID/CAR Activity Manager will be responsible for review and approval of the final document.

The following sections shall be included in the document:

1. Executive Summary – (3 to 5 pages) containing a clear, concise summary of the critical elements of the report, including the main findings, conclusions and recommendations.
2. Table of Contents.
3. Assessment findings and conclusions (no more than 25 pages): discusses the major findings and the related issues and questions raised. This section shall include:
 - a Evaluation objectives and questions;
 - b Evidence/findings of the study concerning the evaluation questions;
 - c Conclusions drawn from the findings (including lessons learned).
4. Future program recommendations (no more than 25 pages), based on findings and conclusion of desk review, field visits, and stakeholder interviews.
5. Appendices, including:
 - a Assessment Scope Of Work;
 - b Description of team composition and evaluation methodology (2 pages maximum);
 - c List of documents consulted and of individuals and agencies interviewed; and
 - d More detailed description of methodological or technical issues and limitations, as appropriate.

Contractor shall be responsible for providing the final assessment report to USAID/CAR electronically (in Microsoft Word 2007 or newer). The Contractor shall also provide an electronic copy of the final assessment report to DEX, the database of the USAID Development Experience Clearinghouse (DEC), in accordance with typical USAID requirements.

Deliverables for Task 4: Draft evaluation report. Final evaluation report should be presented one week after receiving and incorporating comments from USAID/CAR.

Task Number	Description	Deliverable Schedule	Deliverable Due Date
			<i>Based on start date of October 17, 2011</i>
Task 1 CLIN 0001	Conduct desk review and draft work plan	Draft work plan Draft methodology including the semi-structured interview guides	October 26, 2011 October 28, 2011
Task 2 CLIN 0002	Final work plan and conduct in-country field visits.	Final work plan Draft data collection report for Kazakhstan Draft data collection reports for Kyrgyzstan and Tajikistan	November 7, 2011 November 14, 2011 December 2, 2011
Task 3 CLIN 0003	Presentation of key findings and preliminary conclusions and recommendations	Presentation of preliminary findings to USAID/CAR Draft executive summary	December 2, 2011 December 16, 2011

Task 4 CLIN 0004	Draft and final evaluation report	Draft evaluation report Final evaluation report after receiving USAID/CAR comments	December 30, 2011 January 23, 2012 depending on schedule of holidays at USAID/CAR
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APPENDIX B. PROPOSED EVALUATION METHODOLOGY

The RTALC Evaluation is a performance evaluation with elements of impact evaluation. Due to the unique nature of the RTALC evaluation, our methodology will concentrate on two significantly different groups of units of study.

For the performance evaluation, the units of analysis include project activities, project deliverables, project staff, and cooperation with the main stockholders.

For the impact analysis, the units of analysis include three countries (Kazakhstan, Kyrgyzstan, and Tajikistan) and the firms engaged in international trade in each of the respective countries. Initial analysis of the project PMP and other documents suggest that there was no data collected by the project to facilitate rigorous impact evaluation. Therefore, the impact analysis of the project will only aim to document observable project outcomes or impacts in line with the expected results listed in the PMP.

Table 1 below outlines the various methods of data collection and analysis that will be used during the evaluation. The evaluation will start with a thorough document and literature review, which will detail other data collection methods. The data collection effort will continue with key informant interviews conducted by the core team members before and during the country visits, two small-scale surveys, and collection of secondary data. Details of the data collection methods are outlined in the next section of this document. The initial findings from the in-country data collection will be discussed with USAID/Kazakhstan at the end of the field implementation, and the collected data will be incorporated into the final evaluation report.

Table 13. Description of the Evaluation Methods and their Associated Purpose and Expected Outcomes

Method	Purpose of Method	Expected Outcomes
Pre-trip activities		
Document review	Analysis of project activities and project deliverables Collect information on the project structure and achievements, and construct list of key informants, partners, etc. Determine overall environment for the project implementation. Record documented project outcomes and impacts at the regional and country level.	Review of project structure. List of project activities. List of recorded project outcomes. List of project partners. Verification of project internal data collection methods. Review of the documents governing RTALC policies and procedures in order to determine efficiency of the project.
Field-level Activities		
Key informant interviews	Collect information about the project, validate evaluation methodology and tools, and collect experts opinions about effectiveness of RTALC. Information about the project activities, deliverables, and cooperation with main stakeholders. Collect expert opinions about project outcomes and impact at regional, country, and firm level.	Tabulation of typical responses about the project performance. Tabulation of typical expert opinions about project outcomes and impacts. Expert assessment of project outcomes and impacts. List of suggested improvements and future activities.

Survey of customs brokers or traders	Collect primary data on the impact of the RTALC project on costs and time needed for customs clearance of goods in the project countries.	Quantitative measures of (i) changes in costs and time needed for customs clearance of goods in the project countries during the implementation of the RTALC project. (ii) effect of the introduction of the CONNECT in Kazakhstan, pre-customs single window in the Kyrgyz Republic and UAIS in Tajikistan on trade costs.
Survey of firms that received technical assistance from the RTALC Project.	Collect primary data on the impact of the RTALC project on the trade performance of the beneficiary firms.	Quantitative measures and qualitative assessment of the impact of the RTALC project on trade performance of the beneficiary firms and the project countries.
Post-field Activities		
Collection of secondary data on trade barriers in, and trade performance of, the project and comparator countries.	Collect secondary data on barriers to trade in, and the trade performance of, the project and comparator countries.	An assessment of the impact of the project on trade barriers in, and the trade performance of the project countries, based on (i) comparisons of the values of relevant indicators in the project countries before and after the project implementation (before-versus-after evaluation design method) and (ii) comparisons of the changes in the values of the indicators in the project and comparator countries during project implementation (the double-difference method) improvement of the border crossing and customs procedures.
Self-evaluation Exercise	Collect information about the project Collect expert opinions from the experts involved at the RTALC	Additional information about project activities, best practices, and recorded outcomes and impacts. Expert assessment of project outcomes and impacts. Expert recommendations on suggested improvements and future activities.
Executive Commitment Index	Used to determine other factors that influenced outcomes and impacts of the project, and project performance. Provide information for recommendation on further USAID activities in the region.	Analysis of the project implementation environment. Recommendations on suggested improvements and future activities.

APPROACH TO THE ASSESSMENT OF PROJECT ACHIEVEMENTS AND IMPACTS

This evaluation is not aiming to conduct rigorous impact evaluation for the RTALC activities since the necessary data was not collected before the project implementation. However, in this evaluation a special consideration is given to the possible assessment of the project impact. Properly conducted, suggested collection and analysis of quantitative data can provide the predicate to impact evaluation.

To assess the achievements of the project, the evaluation team will analyze the currently observable effects the RTALC Project had during its implementation phase. Furthermore, the evaluation team will identify any desired outcomes that were brought about during its implementation phase or that are likely to occur in the future as a result of its implementation. Concurrently, the team will analyze the extent to which the project encountered any hindrances caused by outside factors. This will enable the team to fully identify the overall achievements of the project.

It is important to consider several possible impacts of the RTLC Project in all three countries. Understanding these impacts will help to facilitate the discussion about possible follow-on projects in the CAR region. The evaluation team will also examine if there are observable impacts of the:

- Reductions in policy barriers to trade.
- Reduction in transport costs and trade costs associated with border crossings and customs clearance.
- Improvements in the trade performance of firms that received technical assistance from the project.
- Improvements in the trade performance of project countries.

The following table demonstrates approaches to evaluate each of the project results, and the data sources for each of these approaches.

Table 2: Approaches to Evaluate Achievements of Results

Project Objectives	Approach	Methods of data collection and data sources
Result 1: Simplification of import tariffs, preferences, and government pre-export barriers	Compare (i) tariffs, preferences and government pre-export barriers in the project countries after the implementation of the project with those before its implementation and (ii) changes in tariffs, preferences and government pre-export barriers in the project countries during project implementation with those in the comparator countries. Mongolia and Uzbekistan will be used (they are similar in many respects to the project countries).	Government statistics on import tariffs, preferences and government pre-export barriers before and after the implementation of the RTLC Project. Data from the Internet (e.g., the websites of the International Trade Center). ⁴⁰
Result 2: Move project countries toward WTO accession and/or compliance	Analyze the extent to which it (i) the project countries moved closer to the membership in the WTO and/or to the full compliance with WTO requirements, (ii) prevented them from moving away from WTO membership and/or compliance, and (iii) made their accession to the WTO and/or full compliance with WTO requirements more likely to happen in the future.	Document review Key informant interviews
Result 3: Improve customs procedures so as to reduce delays and costs to traders for complying with customs requirements	Determine (i) what improvements in the project countries' customs procedures the project brought about or contributed to; (ii) by how much these improvements reduced costs of, and time needed for, customs clearance of goods in the project countries; (iii) to what extent the project reduced the adverse effects of the establishment of the customs union of Belarus, Kazakhstan and Russia on costs of, and time needed for, customs clearance of goods in Kazakhstan; and (iv) what are possible future effects of the project on customs administration in the project countries.	Document review Key informant interviews Survey of customs brokers or traders

⁴⁰ The International Trade Centre, the joint agency of the World Trade Organization and the United Nations, has developed five online tools—*Trade Map*, *Market Access Map*, *Investment Map*, *Trade Competitiveness Map* and *Standards Map*—that provide a lot of data on policy barriers to trade (including tariffs and non-tariff barriers) in various countries. Access to the tools is free for users from developing countries. The main limitation of these tools is that the data they provide (especially on the Central Asian countries) are not always up to date.

Result 4: Improve the efficiency of transportation of goods and traders, including transit across intervening jurisdictions	Determine (i) what improvements in the transport sector (including transport and logistics services) and transit systems in Central Asia; (ii) by how much these improvements reduced the cost of, and time needed, for international shipments of goods to and from the project countries; and (iii) what are future possible effects of the project on the transport sector and transit systems in the region.	Document review Key informant interviews
Result 5: Achieve improved private sector access to market information	Determine (i) what improvements in the private sector's access to market information the project brought about; (iii) how many firms/individuals benefited from these improvements; and (ii) what are possible future effects of the project in this area.	Document review Key informant interviews Review of business information websites that project helped to establish/develop
Result 6: Improved capacity to compete for international business	Determine (i) how many firms benefited from project activities aimed at achieving this result; (ii) to what extent the project strengthened their capacity to compete for international business; and (iii) what are possible future effects of the project in this area.	Document review Key informant interviews Survey of beneficiary firms

The following table demonstrates approaches to assess project impacts and the data sources for each of these approaches.

Table 3: Approaches to Assess Project Impacts

Expected Impact	Approach	Methods of data collection and data sources
Reductions in policy barriers to trade	Compare (i) policy barriers to trade in the project countries after the implementation of the RTCL project with those before its implementation and (ii) the changes in policy barriers in the project countries during project implementation with the changes in policy barriers in the comparator countries. This analysis will cover a broader range of policy barriers than those covered in the assessment of the achievements of the project relative to its first expected result.	Document review Key informant interviews Information on policy barriers to trade in the project and comparator countries obtained from government agencies of the project countries and from the Internet (e.g., the website of the International Trade Center)
Reduction in transport costs and trade costs associated with border crossing and customs clearance	Compare the indicators for trading across borders (part of the World Bank's Doing Business indicators ⁴¹) and the World Bank's Logistics Performance Index ⁴² for the project countries before and after the implementation of the project. Compare the changes in the indicators for trading across borders and in the Logistics Performance Index for the project countries during project implementation with the changes in the indicators and the index for the comparator countries of Mongolia and Uzbekistan.	World Bank website

⁴¹ The World Bank's Doing Business indicators measure business regulations and their enforcement in 183 countries. The index is based on the study of laws and regulations, with the input from and verification by government officials, lawyers, business consultants, accountants and other professionals. There are 11 sets of Doing Business indicators, covering different aspects of doing business (starting a business, dealing with construction permits, trading across borders, etc.). The set of indicators for trading across borders include the number of documents required for exports and imports, costs of exporting and importing, and time needed to export and import. Some of these indicators were used as performance indicators of the RTCL Project. A major limitation of Doing Business indicators is that they largely reflect what is provided for in laws and regulations rather than the actual situation. Another limitation of the indicators is

Savings accruing to exporters/importers due to reductions in specific trade barriers (e.g., reductions in tariffs and abolition of certain document requirements for exports/imports)	Multiplication of the savings per one unit of exports/imports by the total volume of exports/imports.	Document review Key informants interviews Collection of data on the volume of exports/imports of products affected by the reductions in the trade barriers from government agencies of the project countries
Improvements in the trade performance of the firms that received technical assistance from the RTCL Project	Assess changes in the value of exports, their share in total output, destinations for exports, value of imports and origins of imports of the beneficiary firms	Survey of beneficiary firms
Improvements in the trade performance of the project countries	Compare various indicators of their trade performance (levels, growth rates, commodity composition and geographical distribution of exports and imports, ratio of exports and imports to GDP) before and after the implementation of RTCL. Compare the changes in the trade performance of the project countries during project implementation with the changes in the trade performance of the comparator countries.	Data on the trade performance of the project and comparator countries obtained from government agencies of the project countries and from the Internet (e.g., the UN COMTRADE database, IMF's Direction of Trade Statistics database, World Bank's World Development Indicators database).

The problem with the analysis of the project impacts is that the impacts on the overall trade performance of the project countries was most likely quite small and dominated by impacts of other factors (e.g., the global economic crisis and fluctuations of world commodity prices). Still, if the analysis at the firm level shows that the project had a significant impact on the trade performance of large exporters/importer or a sufficiently large number of small firms, one can argue that some of the changes in the trade performance of the project countries was due to the RTCL Project.

The evaluation team expects that the quality of the data and the responsiveness of surveyors will be uneven. In this event, the evaluation team may also investigate quantitative measures at firm, rather than regional level.

DATA COLLECTION ACTIVITIES

The following section provides a detailed description of the data collection methods that will be used in this evaluation. Sample data collection tools and other relevant information are provided in appendices to this document.

that the World Bank frequently changes the methodology it uses to compute them. Therefore, indicators for different years are not always comparable.

⁴² The World Bank's Logistics Performance Index measures the logistics "friendliness" of 130 countries. It is based on a worldwide survey of operators on the ground (global freight forwarders and express carriers), providing feedback on the countries in which they operate and those with which they trade. The index is used widely (albeit less widely than Doing Business indicators) in applied economic literature and evaluation reports to measure and compare costs of trade in various countries. RTCL Project documents refer to the index frequently. The main limitation of the index is that it sometimes shows improvements in the logistics "friendliness" of a country when there are arguably no improvements on the ground.

DOCUMENT REVIEW

The document review will be conducted in two phases: the pre-field documents and literature review, and the ongoing review of the documents collected during the field activities. The goal is to make the document review and the evaluation as comprehensive as possible.

The pre-field document and literature review is conducted during the first two weeks of the project. It is used to:

1. examine contract compliance by Contractor AECOM;
2. secure an understanding of the dialogue between Contractor AECOM and USAID as to results and outcomes;
3. determine the strength of policy linkages between, for example, WTO accession and customs reform, or between WTO accession and trade liberalization at national and regional levels;
4. glean during the conduct of the RTLC Project some sense of “lessons learned” and adjustments;
5. inform development of the evaluation methodology and field data collection tools.

The pre-field document and literature review include RTLC administrative and technical documents, such as annual reports and work plans, and economic analysis articles discussing similar project or documenting changes in the international trade in CAR region.

The pre-field document and literature review will be conducted by both the Team Leader and the Economic and Trade Specialist. The Team Leader and Evaluation Methods Specialist review all documents subject to citation in the final Evaluation Report. The Senior Economic and Trade Analyst concentrated on the literature review and analysis of the documents that have an explicit economic quantitative aspect; and the documents that offer the real possibility of transforming qualitative into quantitative analysis, including “soft” quantitative analyses.

The purpose of this intensive engagement is to determine the scope of documentary review. The following general standards will apply:

1. As to RTLC administrative documents—These are RTLC annual and bimonthly reports, as well as related documents. Engagement is to determine whether a particular document: (i) is complete, coherent and meets any applicable contract requirement; (ii) has an archival value that survives the life of RTLC, meaning that the document identifies the author, bears a date and identifies an intended recipient; and (iii) has referential value in terms of suggesting linkages to other RTLC documents or relevant local and international sources (this especially as to RTLC quantitative analyses)
2. As to RTLC technical documents—There are documents providing legal, regulatory and policy advice. The standards above relevant to RTLC administrative documents will apply. Additionally, technical documents will be reviewed for contextual as well as referential significance. Particular attention will be given to explanations of the economic significance or impact of the reform proposed in the technical document.

Further, attention will be given to linkages in the document to parallel contemporary initiatives that make reform mutually reinforcing (e.g., the tie between greater simplification and transparency in customs regulation and a parallel effort that justifies liberalization of international trade policy as a means to

economic growth). To ensure that a technical document has a meaningful and useful life, the evaluation team attaches great importance to these contextual and referential purposes.

3. Finally, the evaluation team will give attention to the need for RTLC documents to convey a consistent message consonant with project objectives, especially focusing on consistency in recommendations as to the same subject. Complications will be noted.
4. Documents extraneous to RTLC—all indicators are that such authority can be particularly important to placing the RTLC effort in local context, especially if RTLC technical documents contain a minimum of contextual or referential aspects, as described above. In examining such authority, the Evaluation Team will focus on: (i) the reputability of the source; (ii) depth of analysis (especially quantitative); (iii) demonstrable commitment to local and regional peculiarities in the area of trade, WTO accession customs, and the like and (iv) contextual and referential aspects as noted above.

The outcomes of the per-field document and literature review include the following:

1. The literature review to be used at the final evaluation report.
2. An assessment of the contract performance.
3. An assessment of evidence to the project results' sustainability through strength of technical legacy.
4. Foundations and benchmarks for the desired qualitative to quantitative shift in evaluation.

The ongoing document review during the field activities will include documents that become available to the evaluation team as the result of the key informant interviews, such as policy analyses, drafts of laws and regulations, and reports with related discussions. Much of the qualitative data reflected in these documents will be used to analyze the host government needs and RTLC's proposed solutions in the legal and regulatory context. As such, this data has a *prima facie* importance—it is set to become law, regulation or some sort of official policy. The challenge is thereby not the reliability or existence of such data.

KEY INFORMANT INTERVIEWS

The key informant interviews are the most widely used data collection method for this evaluation. They will be used to deepen our understanding of the RTLC project and its expected influence; to obtain expert opinion on the success of current RTLC activities and progress toward objectives; and to form recommendations for future programming. In particular, we will use the key informant interviews to:

- Corroborate influence and claimed outcomes.
- Break from a RTLC Project circle to engage potential beneficiaries of the RTLC effort who may not have fully benefitted, or even known to the RTLC initiative.
- Ascertain alternate assistance models by other donors and their effects in a host government and business community.
- Secure some understanding of the sustainability of the RTLC effort (especially since recollections of engagement of RTLC are fresh, RTLC having recently closed its doors on September 30).

The initial list of key informants includes RTLC/AECOM project management, USAID/EGAT and USAID/CAR representatives, government offices including ministry of economy, customs, and statistics office, local trade experts from NGOs, and selected local RTLC staff. The initial list of key informants in each country is provided in the appendix. This list being given, the evaluation team is well aware that a list of

organization titles has its limits and that excellent interviews might be obtained from individuals without exceptional high level credentials (such as owners of export-driven small businesses or government specialists with two levels below deputy minister level who have a true familiarity with the everyday operations of RTLC). Accordingly, the evaluation team has selected senior local specialists well versed in the government and business communities of their countries who are well positioned to seek out such individuals. The initial list of the key informants will be expanded and corrected based on the results of interviews with RTLC management and recommendations from USAID and other stakeholders.

Key informant interviews will commence during the first week of the project field work. The Team Leader, as Evaluation Methods Specialist, and the Senior and Economic Trade Analyst will conduct single or joint interviews. In certain cases of overlap in subject matter interest, the interview may be conducted by both these team members. Examples might include high ranking officials at a national statistics office or a party in charge of customs statistics. In the event that these project interviewers are unable to conduct the interview, it may be conducted by a senior project local, upon demonstration of understanding by that local person of the significance of the interview exercise. The following table presents the expected number of the key informant interviews conducted during the project evaluation.

Country	USA	Kazakhstan	Kyrgyzstan	Tajikistan
Number and Location	Washington, D.C. – 2 Phone – 5	Astana – 16 Almaty – 12	Bishkek – 15	Dushanbe – 20 Sugh region – 3

Key informants will be contacted in advance to schedule interviews. If key informants will not be able to meet during the proposed time, the interviews will be conducted by the Team Leader at another time or by phone by the Economic and Trade Analyst. It is expected that key informants will be able to speak English or one of the languages spoken by the core team and no translation will be necessary.

A semi-structured questionnaire with open-ended questions is developed to conduct key informant interviews. The questionnaire is provided in the appendix. It will be used to guide the key informant interviews, and form the basis for the meeting summary developed in English in electronic format after each interview. The questionnaire may be corrected based on the information obtained during the interviews.

A brief statement about the purpose of the study and voluntary participation in the survey will be translated into all languages expected to be used for the survey. Interviewers will be instructed to read this statement and answer respondents' questions before proceeding with the interview.

Subject to local protocols, the questionnaire will be distributed in advance of the interview. This will ensure more detail in the subsequent live interview. Only the live interviews can corroborate and qualify responses to the questionnaire. Advance distribution can stimulate interest in the live interview, as the interviewee is anxious to elaborate on the relation of the interviewee's institution and RTLC, or express a view as to trade policy generally.

Key informant interview protocols will be analyzed within the week after the interviews are conducted. The experts will identify most typical responses to the questions raised during the key informant interviews, and will tabulate the typical responses from all experts and analyze it by country and in general. A separate list of "outlier" responses will be created for analysis for further investigation. Finally, a list of possible future activities will be constructed based on the results of the key information interviews. Follow-up interviews will be conducted by the Economic and Trade Analyst or the local project experts if clarification is necessary.

SURVEY OF CUSTOMS BROKERS OR TRADERS

The evaluation team plans to conduct a small-scale face-to-face survey of customs brokers or traders in all project countries to assess (i) how trade costs related to customs clearance changed during the implementation of the RTLC project and (ii) the extent to which the introduction of the CONNECT in Kazakhstan, the pre-customs single window in the Kyrgyz Republic and the UAIS in Tajikistan have affected trade costs. Therefore, one of the first meetings the evaluation team will try to have in each project country will be with officials of the customs agency (and the Center for Single Window in the case of the Kyrgyz Republic). During these meetings, the team will try to learn more about the CONNECT, single window and UAIS and discuss the idea to conduct a small-scale face-to-face survey of customs brokers or traders. If the officials of the customs agencies and the Center for Single Window support the idea, the team will seek their advice on what would be the best places and time to conduct the survey. If necessary, the team will request the permission of the customs agencies and the Center for Single Window to enter their premises to survey customs brokers or traders.

If the customs agencies and the Center for Single Window support the idea to conduct the survey and grant access to their premises, the junior local experts will—under the guidance of the Senior Economic and Trade Analyst (SETA)—conduct the survey on the premises of the customs agencies and the Center for Single Window over the following several days. If the customs agency of any project country (or the Center for Single Window in the case of the Kyrgyz Republic) does not support the idea, the evaluation team will decide—in consultation with dTS—whether to proceed with the survey in that country or not. If the team decides to proceed with the survey, the junior local experts will—under the guidance of the SETA—conduct the survey without entering the premises of the customs agency and/or the Center for Single Window.

An attempt will be made to survey about 100 customs brokers and/or traders in each project country. The survey questionnaire will be short. Hence, it is expected to take 5-10 minutes to conduct each survey interview and a few days to conduct the survey in each project country.

The questionnaire for the survey will include the following questions (which are subject to revisions following meetings with officials of the customs agencies and the Center for Single Window):

In your view, how the average cost of customs clearance of goods, excluding official trade taxes, changed between June 2007 and September 2011?

In your view, how the average time needed for customs clearance of goods changed between 2007 and September 2011?

In your view, how the introduction of the CONNECT (in the case of Kazakhstan)/single window (in the case of the Kyrgyz Republic)/UAIS (in the case of Tajikistan) affected the average cost of customs clearance of goods, excluding official trade taxes?

In your view, how the introduction of the CONNECT (in the case of Kazakhstan)/single window (in the case of the Kyrgyz Republic)/UAIS (in the case of Tajikistan) affected the average the average time needed for customs clearance of goods?

In your view, has the introduction of the CONNECT (in the case of Kazakhstan)/single window (in the case of the Kyrgyz Republic)/UAIS (in the case of Tajikistan) reduced unofficial payments related to customs clearance of goods?

Survey data will be inputted into an Excel spreadsheet by the local junior experts and forwarded to the SETA for analysis.⁴³

Since the survey sample will not be drawn randomly from a proper sampling frame, it will not be possible to generalize the results of the survey. Still, the results—combined with other data—will help assess the impact of the RTLC project on trade costs in the project countries and on their trade performance.

If the survey cannot be conducted in any project country for some reason (e.g., due to lack of cooperation on the part of the customs agency), the evaluation team will try to have a focus group meeting with customs brokers/traders in that country to gather information on the impact of the RTLC Project on trade costs.

SURVEY OF FIRMS THAT RECEIVED TECHNICAL ASSISTANCE FROM THE RTLC PROJECT

The evaluation team will conduct an email- and telephone-based small-scale survey of the firms that participated in the EPI was implemented within the framework of the RTLC Project in 2011 or became a member of the cluster set up by the AITK, or whose representatives received training on logistics for light industry or participated in the workshop on market access for handcraft SMEs.⁴⁴ The RTLC Project has provided a grant to the AITK to form a cluster of five to seven businesses headed by women or employing women and support them in exporting hand-made products. It also supported a workshop on market access for handcraft SMEs that was conducted in Almaty in June 2011. The survey will take the opportunity during these recent events to collect the data from their participants.

The purpose of the survey will be to collect primary data, which the evaluation team will use to assess the extent to which the RTLC Project improved the trade performance of firms in the project countries.

The total number of the beneficiary firms is estimated at about 120. All beneficiary firms whose email addresses or telephone numbers can be obtained from AECOM will be contacted. They will be asked to answer a few questions concerning the form of technical assistance they received from the RTLC Project and its impact on their trade performance. The questions will include the following:

1. What form of technical assistance has your organization received from the RTLC Project (participated in the EPI, receiving training on logistics for light industry, participated in the workshop on market access for handcraft SMEs, joined the cluster set up by the AITK, or several of the above)?
2. Has the assistance received from the RTLC Project helped your firm to increase exports? If so, by how much?
3. Has the assistance received from the RTLC Project helped your firm to start exporting to a country to which you did not export before? If so, which country or countries?
4. Has the assistance received from the RTLC Project helped your firm find and start importing cheaper and/or higher quality inputs from abroad? If so, from which country or countries?

The survey will be conducted by the junior local experts under the guidance of SETA.

Since the firms that will be contracted received some assistance from the RTLC project and the survey questionnaire will be short, the response rate is expected to be relatively high (60 percent-80 percent). If

⁴³ Alternatively, inputting survey data can be outsourced to a data processing firm.

⁴⁴ It will be possible to conduct this survey only if AECOM has email addresses or telephone numbers of the above firms and give them to the evaluation team.

necessary, each firm will be contacted twice. It is expected to take a total of a few days to conduct the survey in each project country. Survey data will be inputted into an Excel spreadsheet by the local junior experts and forwarded to the SETA for analysis.

If the survey cannot be conducted for some reason (e.g., because EACOM has email addresses or telephone numbers of only a few of the firms to be surveyed), the evaluation team will try to have focus group meetings with at least some of the firms that received technical assistance from the RTLC Project to collect information on how this assistance impacted their trade performance.

SELF-EVALUATION EXERCISE

The self-evaluation exercise will be used by the evaluation team to collect internal data and expert opinions of the project implementers that could not be collected through the field interviews since the project is already completed. The Self-Evaluation Exercise, supplemented by these other measures, can lead to fair conclusions as to RTLC management, resource allocation, and the trade-offs of decisions made.

The evaluation team will develop set of self-evaluation questionnaires for the AECOM current and former staff involved in the project. A template for the first self-evaluation questionnaire is provided in the appendix. The questionnaires will be finalized during the second week of the evaluation team's field work. The team will request reasonably documented responses to inquiries within two weeks of contact. The self-evaluation exercise will be conducted in two waves:

1. After having examined RTLC initiatives in Kazakhstan and the Kyrgyz Republic.
2. After having secured a representative sample of RTLC activities in Tajikistan.

This means that the first response would come due toward the end of November and the second about two weeks later.

The Team Leader, acting as Evaluation Methods Specialist, will be the chief interface with AECOM during the self-evaluation exercise. The physical document required by the response will be delivered by AECOM to the dTS office in Washington, D.C.

Expected outcomes of the self-evaluation exercise include:

- Additional information about project activities, best practices, and recorded outcomes and impacts as viewed by the project implementers, and supported by the project documents.
- Assessment of project outcomes and impacts by the experts involved in the project.
- Expert recommendations on suggested improvements for the future.

Limitations. The evaluation team is fully conscious that the self-evaluation exercise might be understood as an occasion for self-promotion and puffery. However, pre-trip discussions, including the Desk Review meeting with AECOM the week of October 17, 2011 suggest that this tendency during self-evaluation is more likely to yield a positive but balanced perspective concerning RTLC, based on the following realities:

- Mutual recognition by AECOM and the evaluation team that each understands the challenges of donor-sponsored economic reform initiatives in Central Asia.
- Fresh AECOM management with less intellectual investment in RTLC activities, especially at the inception of the project.

- AECOM awareness, through dialogue with the evaluation team, that the evaluation exercise will be at least as much about magnifying and extending RTLC accomplishments as about assessment of base performance.

DATA ANALYSIS

The analysis of the data collected during the pre-field and field activities will be conducted by the core team (the Team Leader and the Senior Economic and Trade Expert) during the three-week period followed the field activities. The team will derive conclusions based on the collected data using methods described below.

QUALITATIVE DATA ANALYSIS

Qualitative Data Analysis will relay on two primary methods:

1. Tabulation of Qualitative Results—The team will construct a list of main achievements of the project based on different information sources. It will collect claims supporting and disproving these achievements in a table and analyses frequency and substance of this evidence to determine the degree to which each achievement can be considered proven.
2. Cross-Verification of the data—The evaluation team fully expects that data analysis will present competing and even conflicting claims. For each statement derived from the qualitative data, the team will attempt to find at least one supporting evidence in each of the sources of qualitative data: literature/document review, key informant interviews, and secondary data sources.

QUANTITATIVE DATA ANALYSIS

Quantitative Data Analysis will consist of the following:

1. Calculation of the quantitative indicators for the possible project impacts at the country and firm level.
2. Comparison of the quantitative indicators of impact between different countries, including comparison with the countries where the RTLC activities were not implemented if secondary data permit such comparison. The significance of the difference between the measures will be statistically tested.
3. If secondary data collected permit, the evaluation team will conduct statistical testing of hypothesis about impacts of the project.

WORK PLAN

The evaluation will be implemented according to the tentative work plan outlined in the next table.

Task Number	Task Dates	Deliverables	Del. Date	Activity
Task 1				

1. Desk review and draft work plan		10/17 - 11/11	1. Draft work plan 2. Draft methodology, including the semi-structured interview guides	Nov. 8, 2011 Nov. 11, 2011	Review of RTAL documents, summary, literature review, methodology and work plan, desk review at AECOM and dTS. Preliminary instructions to senior and junior local staff. Key telecon with former RTAL personnel, presentation of self-evaluation exercise to contractor AECOM; exploratory field research into appropriate survey populations
2. Preparatory work before travel		10/20 - 11/11	None	N/A	Preliminary instructions to senior and junior local Kazakh, Kyrgyz and Tajik staff
Task 2					
3. Final work plan		11/11 - 11/13	Final work plan	Nov. 15, 2011	Second day after arrival to Kazakhstan, after receiving comments from COTR
4. In-country field visits					
a. Kazakhstan	Almaty	11/13 - 11/14	None	N/A	Evaluation start-up; meetings with USAID/CAR; continued document review, key informant interviews; start of survey work, gathering and collecting data.
	Astana	11/15 - 11/19	None	N/A	Conduct interview with government officials; and draft data collections report for Kazakhstan.
	Almaty	11/20 - 11/26	Draft data collection report for Kazakhstan	Nov. 30, 2011	Continued data collection through surveys, key informant interviews with experts and project beneficiaries.
b. Kyrgyzstan	Bishkek	11/27-12/03	None	N/A	In-country data collection start-up, key informant interviews, data collection through surveys, continued document review, quantitative analysis, gathering and collecting data.
c. Tajikistan	Dushanbe	12/04 - 12/14	Draft data collection report for Kyrgyzstan and Tajikistan	Dec. 14, 2011	Meetings with USAID/Tajikistan, key informant interviews, data collection, continued document review, interviews with former RTAL staff, data collection through surveys.

	Sugd Region	12/7	None	N/A	One-day trip to the region for key informant interviews, data collection, continued document review, interviews with former RTALC staff.
Task 3					
5. Presentation of key findings and preliminary conclusions and recommendations	Almaty	12/15 - 12/16	1. Presentation of preliminary findings to USAID/CAR 2. Draft executive summary	1. Dec. 23, 2011 2. Dec. 16, 2011	Present recommendations and key findings to USAID/CAR.
Task 4					
6. Draft and final evaluation report	United States and Uzbekistan	12/10 - 2/14/12	1. Draft evaluation report 2. Final evaluation report after receiving comments from USAID/CAR	1. Jan. 10, 2011 2. Jan. 23, 2012 depending on schedule	Data analysis, identification and verification of project impacts, presentation to AECOM and to USAID/EGAT if requested; formatting, proofreading, and delivering final report

APPENDIX C. LIST OF KEY INFORMANTS

KAZAKHSTAN

Date	Person/Position/Institution
November 14, 2011	USAID/CAR, Jeremy Strauss (COTR), Dennis Wesner, Geoffrey Minott
November 14, 2011	Mr. Lan Wu, Head of the Almaty office, ADB
November 15, 2011	Mr. Timur Suleimenov, Vice-Minister of Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Ruslan Sultanov, General Director of the "Center for Trade Policy Development," Ministry of Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Aliya Alimbetova, Deputy Director, Ministry of the Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Mr. Ernar Bakenov, Director of the Department of External Trade Policy of the Trade Policy Center, Ministry of Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Mrs. B.M Nurbaeva, Deputy Director of the Department on WTO Agreements of the Trade Policy Center, Ministry of Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Mrs. G.T Balykbaeva, Expert of the Department of the Trade Policy Center, Ministry of Economic Development and Trade of the Republic of Kazakhstan
November 15, 2011	Deputy Head of the Department of Entrepreneurship of the MEDT
November 16, 2011	Telephone interview with Mrs. Mamasheva Dina Talgatovna, Deputy Chairwoman, Customs Control Committee, Ministry of Finance of the Republic of Kazakhstan
November 16, 2011	Mrs. Dinara Gabdullina, Head of "One-window" System, Modernization Department of the Customs Control Committee the Ministry of Finance of the Republic of Kazakhstan
November 16, 2011	Mr. Nikolai Pak, Project Management Team, Deputy Head of Post- Clearance Verification Department of the Customs Control Committee of the Ministry of Finance of the Republic of Kazakhstan
November 16, 2011	Mrs. Nurgul Dosmuratova, Project Management Team, Deputy Head of Risk Analysis and Statistics Department of the Customs Control Committee of the Ministry of Finance of the Republic of Kazakhstan
November 16, 2011	Mr. Alexander Galanamatis, Deputy Head of Department for Organizing Integrated Control at Control Points
November 16, 2011	Mrs. Aida Dzhunusova, Head of the Department of Customs Clearance of the Committee for Organizing Customs Clearance (Управления Организации Таможенного Контроля) (YOTK)
November 16, 2011	Mrs. Dinara Sekerbaeva, Head of the Department of Customs Procedures YOTK
November 16, 2011	Mr. Bakytbek Seidalin, Head of the Department on Protection of the YOTK
November 16, 2011	Mr. Askhat Mankeyev, Department on Protection of the YOTK
November 17, 2011	Mr. Asset Asavbaev, Deputy Chairman of the Committee of Transport Control of the Ministry of Transport and Communication of the Republic of Kazakhstan
November 17, 2011	Ms. Marina Sirotina, Director of the Department on WTO Agreements of the Ministry of the Economic Development and Trade of the Republic of Kazakhstan

November 17, 2011	Ms. Malika Koyanbayeva, former manager of RTLC
November 17, 2011	Telephone interview with Karina Satarova
November 18, 2011	Telephone interview with Maral Rakhimjanova, Ministry of Healthcare of the Republic of Kazakhstan, Committee of Sanitary Epidemiological Control
November 18, 2011	Mr. Ryskeldy Satbayev, Chairman of the Committee on Technical Regulation and Metrology of the Ministry of Industry and Innovative Technologies of the Republic of Kazakhstan
November 18, 2011	Mr. Serikkali Kalachev, Ministry of Agriculture of the Republic of Kazakhstan
November 18, 2011	Daniyar Shakenov, Project Manager, GIZ
November 18, 2011	Mariaya Sossedenko, Project Manager, GIZ
November 21, 2011	Mrs. Saule Akhmetova, Advisor of Chairman, National Agency on Export and Investments "KAZNEX INVEST"
November 21, 2011	Mr. Segal Ilya, Executive Director, Kazakhstan Freight Forwarders Association
November 21, 2011	Mrs. Munavara Paltasheva, Vice-President of the Forum of Entrepreneurs of Kazakhstan
November 22, 2011	Sergei Anashkin, Trade Facilitation Expert of RTLC
November 22, 2011	Mr. Nurlan Burshakbaev, President of the Kazakhstan Union of Customs Applicants

KYRGYZ REPUBLIC

Date	Person/Position/Institution
November 28, 2011	Kubat Kanimetov, former RTLC Project Country Director for the Kyrgyz Republic
November 28, 2011	Konstantin Naumov, former RTLC Project Expert on Customs IT
November 28, 2011	Aina Izakova, former RTLC Project Regional Transport Specialist
November 28, 2011	Sergey Pavlovsky, Director, Association of Intellectual Property Right Holders
November 28, 2011	Nutridin Djamankulov, former RTLC Project Expert on Technical Barriers to Trade
November 28, 2011	Roman Mogilevsky, Executive Director, CASE, the Kyrgyz Republic
November 29, 2011	Ruslan Shin, Director, Modniy Gorod (participant in the Export Partnership Initiative)
November 29, 2011	Klara Tentimeshsova, Sales Manager
November 29, 2011	Myles Smyth, former RTLC Project Staff Member
November 29, 2011	Nursulu Akhmetova, Director, Foresight Foundation
November 29, 2011	Viktor Efremov, Advisor
November 29, 2011	Mirsuljan Namazaliev, Director, Central Asian Free Market Institute
November 29, 2011	Irina Krapivina, Director, Office of Economic Growth, Representative Office of USAID in the Kyrgyz Republic
November 29, 2011	Kylychbek Djakypov, Head, Single Window State Enterprise
November 29, 2011	Ksenia Basova, former RTLC Project Staff Member
November 30, 2011	Elvira Sarieva, Chairwoman, Board of Observers of National TV
November 30, 2011	Chinara Shishkaraeva, Director, I-Media
November 30, 2011	Marat Sharshakeev, President, Chamber of Commerce and Industry of the Kyrgyz Republic
November 30, 2011	Talantbek Sakishev, Managing Director, Central Asia International Consulting

November 30, 2011	Aktilek Tungatarov, Executive Director, International Business Center
November 30, 2011	Meerim Matkulova, Operations Manager, Central Asia Invest Program II
November 30, 2011	Nurjamal Bokoeva, Program Coordinator, Representative Office of GIZ in the Kyrgyz Republic
November 30, 2011	Maksat Korooluev, Project Coordinator
December 1, 2011	Zamirbek Malabekov, First Deputy chairman, State Customs Service of the Kyrgyz Republic
December 1, 2011	Askar Mirlanov, Head, Main Department for Organization of Customs
December 1, 2011	Viktor Grishevich, Head, IT Department
December 1, 2011	Kalybek Akmatov, Head of Division, IT Department
December 1, 2011	Rimma Kisilyova, Head, Foreign Trade and WTO Department, Ministry of Economic Regulation of the Kyrgyz Republic
December 2, 2011	Gulkayr Tentieva, Senior Economics Officer, Kyrgyz Resident Mission of the Asian Development Bank
December 2, 2011	Tolkunbek Abdygulov, Head, Department of Economic and Strategic Development, Office of the Prime Minister of the Kyrgyz Republic
December 2, 2011	Akylbek Japarov, Chairman, Budget Committee, Jogurku Kenesh (Parliament) of the Kyrgyz Republic

TAJIKISTAN

Date	Person/Position/Institution
December 4, 2011	Parviz Kamoliddinov, former Country Manager, RTLC Project
December 5, 2011	Tuychiev Lutfiddin, former project specialist, RTLC Project
December 5, 2011	Narziev Saidrahmon Rustamovich, Deputy Minister, member of Governmental WG on WTO accession, Ministry of Economic Development and Trade
December 6, 2011	Mizrobhon Dehkonov, Advisor to the Minister, Ministry of Agriculture
December 6, 2011	Rahmaddin Bobiev, Vice President, Association of International Freight Forwarders, ABBAT
December 6, 2011	Makhmadali Shokirov, President, Association of International Freight Forwarders, ABBAT
December 6, 2011	Shukurova Anna, Executive Director, Union of Professional Consultants of Tajikistan
December 7, 2011	Shahlo Akobirova, Executive Director, Public Organization Khoma
December 7, 2011	Kyslaykova Larisa, Deputy Chairman, Chamber of Commerce and Industry of the Republic of Tajikistan
December 8, 2011	Firuz Makhmudova, Specialist, Association of Custom Brokers of Tajikistan
December 8, 2011	Bakhtiyor Shukurov, Director, Agency for Standardization, Metrology and Trade Inspection
December 9, 2011	Anvar Yakubov, Head of Administration, Administration of FEZ "Sughd"
December 9, 2011	Muyassara Bobokhonova, Chairman, Association Women and Society
December 9, 2011	Maqsud Ziyabaev, General Director, OJSC "Zinnat"; EPI participants
December 9, 2011	Haydarov Abdusattor, Director, OJSC "SughdAgroServe," EPI participant
December 9, 2011	Matluba Uljabaeva, Chairman, National Association of Small and Medium Business of Republic of Tajikistan
December 9, 2011	Khushnidjon Rasulov, Country Manager for Tajikistan, Programme "Support of Regional Economic Cooperation in Central Asia, GIZ

December 12, 2011	Nigina Negmatullaeva, Director, National Patent and Informational Center
December 12, 2011	Daler Asrorov, Project Management Specialist, USAID/Tajikistan
December 13, 2011	Rahmatov Ne'mat Sanginovich, 1st Deputy Chairman, Customs Service under the Government of the Republic of Tajikistan
December 13, 2011	Mr. Alimjon Alimov, Head, Department of International Customs Relations

APPENDIX D. QUESTIONNAIRE FOR EPI PARTICIPANTS

INTRODUCTION

Development and Training Services (dTS), an American consulting firm, is conducting an evaluation of the Regional Trade Liberalization and Customs (RTL) Project of the United States Agency for International Development (USAID). The RTL Project was implemented in Kazakhstan, the Kyrgyz Republic and Tajikistan from July 2007 to September 2011. Its objectives included improving access of the private sector in the project countries to market information and enhancing the capacity of firms in the project countries to compete for international business.

One of the components of the RTL Project was the Export Partnership Initiative (EPI). EPI was designed to support regional producers and traders with exports and help them improve their capacity in the trade area, develop business relationships and export markets. It included training in business practices, export procedures and logistics as well as exhibitions, round tables, and a regional trade forum. All of these activities were designed to provide practical information and business connection opportunities to participants. dTS is conducting a survey of participants of the EPI to assess the degree to which their participation in the EPI helped improve the trade performance of their firms. We would greatly appreciate it if you could answer the survey questions given below and send your answers to Mr. Oleksandr Rohozinsky (orohozynsky@onlinedts.com) and Mr. Bahodir Ganiev (bganiev2005@yahoo.com) by 3 December 2011.

BACKGROUND INFORMATION ABOUT THE PARTICIPANT

1. Name of the participant: _____
2. Position: _____
3. Name of the firm: _____
4. Primary sector of activity of the firm: _____
5. Country: _____
6. Participation in EPI activities (please tick appropriate boxes):

1. Training # 1	February 2011	Almaty	<input type="checkbox"/>
2. Training #2	March 2011	Almaty	<input type="checkbox"/>
3. Training # 3	April 2011	Almaty	<input type="checkbox"/>
4. Exhibition "Marketing Forum on Organic Agriculture	May 2011	Warsaw	<input type="checkbox"/>
5. Exhibition of Light Industry Products	June 2011	Dushanbe	<input type="checkbox"/>
6. Round Table on Textile Exports under Customs Union	April 2011	Bishkek	<input type="checkbox"/>
7. Round Table on Organic Agriculture	June 2011	Bishkek	<input type="checkbox"/>
8. Round Table on Export Opportunities from Central Asia to Afghanistan	May 2011	Dushanbe	<input type="checkbox"/>

IMPACTS OF PARTICIPATION IN THE EPR

7. Has your participation in the EPI helped your firm increase exports?

Yes ☐No ☐

If yes, approximately by how much (%)? _____

If no, please briefly explain why: _____

8. Has your participation in the EPI helped your firm start exporting to a country to which it did not export before?

Yes ☐No ☐

If yes, to which country or countries? _____

9. Has the assistance received from the RTLC helped your firm find and start importing cheaper and/or higher quality inputs from abroad?

Yes ☐No ☐

If yes, from which country or countries? _____

10. Comments and suggestions (if any):

APPENDIX E. QUESTIONNAIRE FOR CUSTOMS DECLARANTS

INTRODUCTION

Development and Training Services (dTS), an American consulting firm, is conducting an evaluation of the Regional Trade Liberalization and Customs (RTLCL) Project of the United States Agency for International Development (USAID). The RTLCL Project was implemented in Kazakhstan, the Kyrgyz Republic and Tajikistan from July 2007 to September 2011. Its objectives included reducing barriers to international trade relating to trade policy, customs clearance of exports and imports, transport and transit.

One of the RTLCL Project activities undertaken in Kazakhstan was to help the Customs Control Committee (CCC) develop an electronic system (called CONNECT), linking the Center for Operative Management and border crossing points of the CCC with the State E-License Database. When it becomes fully operational, CONNECT will eliminate the need for the manual handling of licenses and permits at border crossing points. It will enable customs officials to electronically check licenses and permits in real time when exported/imported goods cross the border. Exporters/importers will no longer have to deliver hard copies of licenses and permits to border crossing points.

dTS is conducting a survey of exporters/importers in Kazakhstan to assess (i) how barriers to international trade pertaining to trade policy, customs clearance of exports and imports, transport and transit changed in Kazakhstan during the implementation of the RTLCL Project, and (ii) to what extent CONNECT will reduce costs of, and time needed for, customs clearance of exports and imports when it becomes fully operational. The Union of Customs Declarers of Kazakhstan kindly agreed to help dTS conduct the survey among its members. Participation in the survey is voluntary.

We would greatly appreciate it if you could answer the survey questions given below and send your answers to Ms. Marzhan Omarova, Development Manager, Union of the Customs Declarers of Kazakhstan **by 2 December 2011**.

BACKGROUND INFORMATION ABOUT EXPORTER/IMPORTER⁴⁵

1. Name of the firm (will be replaced with number by the Union of Customs Declarers of Kazakhstan):

2. City or region: _____

3. Primary sector of activity: _____

4. Value of exports in January-October 2011 (in US dollars): _____

5. Main destinations of exports in January-October 2011 (please list up to three countries):

6. Value of imports in January-October 2011 (in US dollars): _____

7. Main origins of imports in January-October 2011 (please list up to three countries):

⁴⁵ If a particular question is not applicable to your firm please write "Not applicable" in response to that question. For example, if your firm does not import, please write "Not applicable" in response to questions No. 6 and 7.

BARRIERS TO INTERNATIONAL TRADE

8. In your view, are trade barriers related to Kazakhstan's trade policy (such as import tariffs, export taxes, quantitative restrictions on exports and imports, etc.) are lower or higher in 2011 compared with 2007:

Lower ☐ Higher ☐ Don't know ☐

9. In your view, are trade barriers related to customs procedures in Kazakhstan lower or higher in 2011 compared with 2007:

Lower ☐ Higher ☐ Don't know ☐

10. In your view, are trade barriers related to transport and transit systems in Kazakhstan and neighboring countries lower or higher in 2011 compared with 2007:

Lower ☐ Higher ☐ Don't know ☐

11. When CONNECT becomes fully operational, will it reduce the cost of customs clearance of exports/imports for your firm (excluding import tariffs and export taxes but including the costs of providing various documents needed for customs clearance of exports/imports):

Yes ☐ No ☐ Don't know ☐

If yes, approximately by how much (in %): _____

If no, then why:

Because we don't need a license to export/import ☐

Because presenting a hard copy of the license entails no cost to us ☐

For other reasons ☐

12. When CONNECT becomes fully operational, will it reduce the time your firm spends on customs clearance of exports/imports:

Yes ☐ No ☐ Don't know ☐

If yes, approximately by how much (in %): _____

If no, then why:

Because we don't need a license to export/import ☐

Because presenting a hard copy of the license does not require additional time ☐

For other reasons ☐

13. In your view, what are the THREE most significant barriers to exports from, and imports to, Kazakhstan:

	Exports	Imports
Barriers related to trade policy in Kazakhstan (import tariffs, export taxes, quantitative restrictions on exports and imports, antidumping measures, standards, etc.)	<input type="checkbox"/>	<input type="checkbox"/>

Barriers related to trade policy in Kazakhstan's trading partners	<input type="checkbox"/>	<input type="checkbox"/>
Customs procedures in Kazakhstan	<input type="checkbox"/>	<input type="checkbox"/>
Customs procedures in Kazakhstan's trading partners	<input type="checkbox"/>	<input type="checkbox"/>
Transportation costs (including costs of transit through neighboring countries)	<input type="checkbox"/>	<input type="checkbox"/>
Deficiencies of the legal and regulatory framework for international trade in Kazakhstan	<input type="checkbox"/>	<input type="checkbox"/>
Lack of information about export/import opportunities abroad	<input type="checkbox"/>	<input type="checkbox"/>
Lack of people with expertise in international trade	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	_____	_____
	_____	_____

APPENDIX F. QUESTIONNAIRE FOR SURVEY OF PARTICIPANTS OF THE CENTRAL ASIA TRADE FORUM

INTRODUCTION

The Regional Trade Liberalization and Customs (RTLCL) Project of the United States Agency for International Development (USAID) was implemented in Kazakhstan, the Kyrgyz Republic and Tajikistan from July 2007 to September 2011. Its objectives included reducing barriers to international trade relating to trade policy, technical regulations, customs procedures, transport and transit; improving access of the private sector to market information; and enhancing capacity of firms in the project countries to compete for international business. Within the framework of the RTLCL project, the Central Asia Trade Forum (CATF) was held in Bishkek, Kyrgyz Republic in August 2011.

Development and Training Services (dTS), an American consulting firm, is doing an evaluation of the RTLCL Project. As part of the evaluation, dTS is conducting a survey of CATF participants to assess (i) how beneficial their participation in the CATF has been to their firms/organizations, and (ii) how barriers to international trade pertaining to trade policy, technical regulations, customs procedures, transport and transit changed in the project countries during the implementation of the RTLCL project.

We would greatly appreciate it if you could answer the survey questions given below and send your answers to Mrs. Aitzhan Akhmetova at aakhmetova@live.ru (if you are from Kazakhstan), Mr. Ilias Sarbanov at isarbanov@gmail.com (if you are from the Kyrgyz Republic) or Mr. Manuchehr Rakhmonov at mrakhmonov@yahoo.com (if you are from Tajikistan) by **14 December 2011**.

BACKGROUND INFORMATION ABOUT THE CATF PARTICIPANT⁴⁶

1. Name of the participant: _____
2. Country: _____
3. Position: _____
4. Name of the firm/organization: _____
5. Primary sector of activity: _____
6. Value of exports in January-October 2011 (in US dollars): _____
7. Main destinations of exports in January-October 2011 (please list up to three countries):
8. _____
9. Value of imports in January-October 2011 (in US dollars): _____
10. Main origins of imports in January-October 2011 (please list up to three countries):
11. _____

⁴⁶ Please write "We do not export [import]" in response to question 6 and 7 [8 and 9] if your firm/organization does not export [import]. Please do not leave the questions unanswered.

BENEFITS OF PARTICIPATION IN THE CATF

12. Has your firm/organization benefited from your participation in the CATF?

No ☐ Yes ☐

13. If yes, then in what way?

It has helped my firm/organization to find new business partners ☐

It has helped my firm increase exports ☐

It has helped my firm start exporting to a country to which it did not export before ☐

It has helped my firm find and start importing cheaper and/or higher quality inputs from abroad ☐

Other (please specify): _____

BARRIERS TO INTERNATIONAL TRADE

14. In your view

	Lower	Higher	Same	Don't know
How do trade barriers related to your country's trade policy (such as import tariffs, export taxes, quantitative restrictions on exports and imports, etc.) in 2011 compare with those in 2007?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How do technical barriers to trade (technical regulations, certification requirements, etc.) in your country in 2011 compare with those in 2007?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How do trade barriers related to customs procedures in your country in 2011 compare with those in 2007?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How do trade barriers related to transport and transit systems in your country and neighboring countries in 2011 compare with those in 2007?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15. In your view, what are the THREE most significant barriers to exports from, and imports to, your country:

	Exports	Imports
Barriers related to trade policy (import tariffs, export taxes, quantitative restrictions on exports and imports, antidumping	<input type="checkbox"/>	<input type="checkbox"/>

measures, etc.) in your country

Barriers related to trade policy in your country's trading partners	<input type="checkbox"/>	<input type="checkbox"/>
Technical barriers to trade (technical regulations, standards, certification requirements, etc.) in your country	<input type="checkbox"/>	<input type="checkbox"/>
Technical barriers to trade in your country's trading partners	<input type="checkbox"/>	<input type="checkbox"/>
Customs procedures in your country	<input type="checkbox"/>	<input type="checkbox"/>
Customs procedures in your country's trading partners	<input type="checkbox"/>	<input type="checkbox"/>
Transportation costs (including costs of transit through neighboring countries)	<input type="checkbox"/>	<input type="checkbox"/>
Deficiencies of the legal and regulatory framework for international trade your country	<input type="checkbox"/>	<input type="checkbox"/>
Lack of information about export/import opportunities abroad	<input type="checkbox"/>	<input type="checkbox"/>
Lack of people with expertise in international trade	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<hr/>	<hr/>
	<hr/>	<hr/>

APPENDIX G. STATISTICAL FORMULAS FOR POINT ESTIMATES AND ESTIMATION OF SIGNIFICANCE

The following formula has been used to make the point estimates:

$$p = \frac{k}{k+l} \times 100\%,$$

where p is the point estimate of the proportion of beneficiary firms whom the EPI helped improve a particular aspect of their trade performance, k is the number of respondents that gave the Yes answer to the corresponding survey question, and l is the number of respondent that gave the No answer to that question.

The upper/lower bound of a 95 percent confidence interval is equal to $p \pm e$, where e is the error margin of the corresponding point estimate for the 95 percent confidence level. The error margins have been computed using the following formula:

$$e = t_{k+l-1} \times \sqrt{\frac{p \times (1-p)}{k+l}} \times \sqrt{\frac{73-k-l}{72}} \times 100\%,$$

where t_n is the critical value of Student's t-distribution with n degrees of freedom for the 95 percent confidence level.

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