

TRADE AND REGULATORY REFORM TECHNICAL BRIEF

Chemonics facilitates trade capacity building and regulatory reform and promotes trade integration through regional and bilateral trade agreements. Our programs strengthen governments' institutional capacity to coordinate trade and tariff policies, build the capacity of governmental staff to negotiate and implement trade agreements, support the reform of border crossing operations, and build the capacity of customs officials. We facilitate World Trade Organization (WTO) accession and compliance; support trade policy improvements and the establishment of single windows; and improve competition policy, investor protection, and trade-related infrastructure while engaging in trade promotion to enable countries to benefit fully from trade agreements, resulting in increased investment, jobs, and economic growth.

KEY TOPICS

- Trade policy
- Removing barriers to trade
- Customs operation and administration
- E-commerce development
- Export promotion
- Regional and bilateral trade agreements
- Human resources and labor standards
- Competition policy/investor protection
- Services trade development
- WTO accession and compliance
- Trade hubs
- Trade promotion
- Trade-related infrastructure
- Environmental sector trade and standards
- Sanitary and phyto-sanitary measures

Project Portfolio Highlights

Afghanistan Trade and Revenue Project (ATAR). ATAR collaborates with the public and the private sectors in Afghanistan to promote trade through the reform of three critical areas: trade policy liberalization, regional trade integration, and customs reform. As a result of ATAR's support, Afghanistan became the 164th member of the WTO in July 2016, enhancing the stability, predictability, and transparency of the trade and business environment for the private sector. The ATAR project continues to support Afghanistan's WTO post accession activities, while also assisting the government of Afghanistan in enhancing its trade integration with its neighbors in South and Central Asia. Since joining the WTO, Afghanistan has ratified the WTO's Trade Facilitation Agreement (TFA) and passed more than 20 complex trade-related laws that serve in building the foundation of a modern, vibrant trading regime. Through exposure at global trade events, ATAR helped Afghan traders negotiate millions of dollars in deals with international



buyers. ATAR also succeeded in encouraging both the Afghanistan Customs Department (ACD) and Da Afghanistan Bank (DAB) to rollout E-Pay at major customs sites in the regions in Afghanistan, providing traders with the option to pay their customs fees electronically rather than solely with cash. In the final year of the project, ATAR will build upon its previous successes in order to shift focus to emphasize strategic export-led growth initiatives with the private sector.

Regional Economic Cooperation in Central Asian Republics (REC).

REC improved the environment for cross-border trade among Central Asian countries, Afghanistan, and larger trading partners through an array of trade facilitation activities including comprehensive analysis of Central Asian markets; building sustainable export partnerships; and advancing policies, regulations, and processes to support trade. REC engaged in cross-border matchmaking events that fostered regional linkages and solidified cross-border business partnerships resulting in lucrative business deals. For example, by matching Kazakh and Afghan entrepreneurs, the project facilitated the execution of memoranda of intent for more than \$7 million in future sales. By supporting Export Partnership Groups (EPGs) to conduct market research, organize industry events, and establish joint ventures, the project helped increase the value of EPG export sales by more than \$22 million. Additionally, REC organized and hosted annual Central Asian Trade Forums, which attracted more than 400 participants representing 270 organizations and agencies and resulting in more than \$17 million in trade deals. REC assisted several Central Asian firms in engaging with the U.S. Department of Defense (DoD) in Afghanistan, helping to identify barriers to export, and increasing companies' capacity to sell to DoD prime vendors. Ultimately, REC facilitated ten new contracts worth \$3.6 million. REC also supported Tajikistan's WTO accession process and post-accession activities, helping the country conform to the conditions of international market competition and integrate into the global economy.



Business Regulation, Investment, and Trade Environment in Moldova (BRITE).

BRITE cooperated with the Moldovan government's trade-related agencies, including the customs service, to improve the trade framework, increase transparency in application of trade and customs regulations, and reduce the time and cost of moving goods across borders. The project seized windows of opportunity to present packages of amendments and decrees that cumulatively saved the Moldovan public \$246 million, 95 percent of which directly benefited the private sector. BRITE eliminated,

simplified, or streamlined 36 regulations and administrative procedures. The project also worked with the Customs Service to slash the official number of documents required for import and export to three and introduce e-customs. As a result of these efforts, Moldova's ranking on the World Bank Doing Business report improved by 30 percent over the course of the project, and Moldova registered a 25 percent reduction in the number of days required to import and export. Additionally, BRITE developed strategic communications campaigns generating public demand for for transparency, predictability, and accountability in government decision-making by convincingly demonstrating the cost of not reforming.

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