Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation:

Transport and logistics innovation towards the review of the Almaty Programme of Action in 2014

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COUNTRY CASE: KYRGYZ REPUBLIC

by

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Country Case: Kyrgyz Republic

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Kyrgyz Republic in figures (2012)

- Area 198,5 thousand km²
- Population: 5,663 million
- GDP 6,475 billion USD
- Export : 1,894 billion USD
- Import : 5,374 billion USD
- Land-locked country – 3600 km to nearest sea port
**WB Doing Business Ranking of Kyrgyz Republic**

<table>
<thead>
<tr>
<th>Nature of Export Procedures</th>
<th>Duration (days)</th>
<th>US$ Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documents preparation</td>
<td>23</td>
<td>210</td>
</tr>
<tr>
<td>Customs clearance and technical control</td>
<td>3</td>
<td>300</td>
</tr>
<tr>
<td>Ports and terminal handling</td>
<td>3</td>
<td>150</td>
</tr>
<tr>
<td>Inland transportation and handling</td>
<td>34</td>
<td>3500</td>
</tr>
<tr>
<td>Totals</td>
<td>63</td>
<td>4160</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nature of Import Procedures</th>
<th>Duration (days)</th>
<th>US$ Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documents preparation</td>
<td>25</td>
<td>280</td>
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<tr>
<td>Customs clearance and technical control</td>
<td>11</td>
<td>420</td>
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<tr>
<td>Ports and terminal handling</td>
<td>3</td>
<td>300</td>
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<tr>
<td>Inland transportation and handling</td>
<td>36</td>
<td>3700</td>
</tr>
<tr>
<td>Totals</td>
<td>75</td>
<td>4700</td>
</tr>
</tbody>
</table>

**Trading Across Borders Indicators DB 2013**

| Documents to export (number) | 8       |
| Time to export (days)        | 63      |
| Cost to export (US$ per container) | 4160   |
| Documents to import (number) | 10      |
| Time to import (days)        | 75      |
| Cost to import (US$ per container) | 4700   |

**Administrative barriers in trade**

- Duplicative procedures and documents of regulating agencies
- A large number of required documents in pre-customs procedures during import and export of goods
- Non-transparent procedures of regulating agencies
- Lack of information available to businesses on how to conduct foreign trade operations
- Absence of a unified mechanism for data exchange between agencies regulating foreign trade
Stages of SW Introduction

• 2006-2009 Preliminary Phase:
  – Trade barriers studies
  – Developing and adopting legislation for SW principles
  – Established Single Window Centre for Foreign Trade

• 2011-2012 Project Implementation Phase:
  – Developed Software SWIS and Installed Hardware
  – Partial harmonization and simplification data required in regulating agencies

• 2013 – present time Operational Phase:
  – 8 of 11 regulating agencies are connected in SWIS
  – Agreed interaction in data exchange between SWIS and State Customs Service IS

Scheme of Single Window
How it was working now

- Examination, sampling,
- Laboratory studies,
- Lack of approved regulations,
- Bureaucracy,
- Contradictions in the NPA,
- Corrupt elements.

From 3 hours to 30 days

How it was

- Filling of application
  - From 1 to several days
- Preparation of customs declaration
  - From 1 to several days
- Information search
  - 15 minutes
- Transfer E-document to UAIS (customs)
  - Several seconds
- From 3 hours to 30 days

RESULT

- Speeding-up of goods and information border crossing

BEFORE (PROBLEM)

- It is required for receiving 33 permits to have 46 types of accompanying forms totally 181 copies, 135 of which are requested more than 1 time.
- It is required to insert about 1000 data elements during application for permits.

SOLUTION

1. Simplification procedures
2. Unification data and documentation
3. Automatization of documentation and procedures

NOW

- It is required for receiving 33 permits to have 46 types of accompanying forms.
- It is required to insert about 129 data elements during application for permits.
### Challenges of SW Introduction

- Regulating agencies resist changes
- Not optimized business processes in regulating agencies
- Sophisticated and non-transparent pricing schemes of some regulating agencies do not allow to introduce unified payment system
- Political problems (revolution 2010, frequent changes in structure of government)
- Low PC skills of regulating agencies’ staff

### Prospective of SW

- Payment System development
- BPA and reengineering of business processes in regulating agencies
- Creation of Authorized Attesting Centre (for producing electronic signatures)
- Minimization the dependence on outsourcing software developers
- Setting-up SW in regions and hiring regional staff
- Introduction Quality Management System in SW services
THANK YOU FOR YOUR ATTENTION!

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