



TRADE CENTRAL
CONNECT ASIA+



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International
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Finance Corporation

The Trade Connect Central Asia+ Program



The Trade Connect Central
Asia+ Program – facilitates
economic growth and regional
economic cooperation in
**Azerbaijan, Kazakhstan,
Kyrgyz Republic,
Tajikistan, Turkmenistan
and Uzbekistan.**

Designed by the International Islamic Trade
Finance Corporation (ITFC) as its flagship
program in the region, the Program is a trade
development initiative, aims to enhance trade
amongst the six countries of the Central Asia
region, namely Azerbaijan, Kazakhstan, Kyrgyz
Republic, Tajikistan, Turkmenistan and
Uzbekistan.

Objective of the Trade Connect Central Asia+ Program

Achieve inclusive economic growth, regional economic cooperation and promote trade, among the OIC member countries in Central Asia as well as Azerbaijan, and with the rest of the world.

The Trade Connect Central Asia+ (TCCA+) Program is the International Islamic Trade Finance Corporation's (ITFC) flagship initiative aimed at catalyzing economic growth and strengthening regional economic integration in six beneficiary countries in the region: Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. The Program's overarching goal is to foster inclusive economic growth, deepen regional cooperation, and boost trade among these countries and with other parts of the world.

Despite significant natural resources and a collective population of over 80 million, regional intra-trade in Central Asia remains low, with intra-regional exports accounting for only 7.2% of the total trade in 2022. To address this, the Trade Connect Central Asia+ Program seeks to unlock the latent potential of intra-regional trade and investment, and open doors of cooperation with other regions. Key focal sectors include agriculture, petrochemical derivatives, light industry, and machinery, among others.

Detailed statistical and economic analysis has identified potential for increased regional trade:

Total global exports for the region in 2022 were approximately

US\$ 194 billion

of which only 7.2% from the region's sources, i.e.

US\$ 14 billion

There is a big potential for increased regional trade, where:



Expanding trade opportunities in products with untapped potential



Enhancing value in existing high-potential trade.



Expanding trade in emerging high-demand products for the region

The Program aims to contribute towards:

Inclusive Economic Growth, Regional Economic Cooperation and Promote Trade

The Program is structured around four key outcomes:

<p>Enhancing Product Quality and Consistency: Initiatives aim to improve the quality and market competitiveness of regional products, facilitating better market positioning and higher value exports.</p>	<p>Improved Trade Facilitation: By addressing the time and cost barriers at border crossings, the Program will streamline trade logistics and reduce operational bottlenecks.</p>
<p>Increasing Regional Business Interaction: Targeted support for regional trade will create new opportunities and expose businesses to intra-OIC markets such as the GCC, Asia, and Africa.</p>	<p>Strengthening Regional Competitiveness: Through trade policy reforms and strengthening Trade Support Institutions (TSIs), the Program will improve the export readiness and market access of regional businesses.</p>

Beneficiary Countries



Tajikistan



Turkmenistan



Uzbekistan



Azerbaijan



Kazakhstan



Kyrgyz Republic

Program Launch and Inauguration



The TCCA+ Program was officially launched on May 2, 2024, at the 3rd Tashkent International Investment Forum in Tashkent, Uzbekistan. This landmark event marked a significant milestone in the promotion of economic growth and regional integration among the targeted Central Asian countries and Azerbaijan.

The inauguration ceremony, attended by esteemed representatives from Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan, highlighted the program's aim to active player in the regional trade development, investment capacities enhancement, and regional value chains promotion.

The TCCA+ Program is tailored to the unique economic landscape of the 6 covered countries in

Central Asia and Azerbaijan, with prior closed consultations and validation workshops held in Istanbul and Baku in 2022 for the Program design.

Program-Supported Projects

The TCCA+ Program encompasses a range of strategically designed projects that address key challenges and opportunities in Central Asia's trade landscape. Each project plays a crucial role in building trade resilience, facilitating investment, and enhancing market competitiveness. Together, these initiatives foster a robust environment for sustainable economic growth, unlocking Central Asia's full potential within regional and international markets. Below are the primary projects supported under the program, each tailored to address specific objectives and deliver long-term impact.

Network of Trade Promotion Organizations (TPOs)

The Trade Connect Central Asia+ Program's TPOs Network is designed to be a cooperation platform to synergize the efforts of export promotion bodies across Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. This first-of-its-kind collaboration aims to maximize efficiency, lower trade costs, and empower national economies by tapping into regional and global markets through a coordinated approach. Key objectives and activities include:



Capacity Building and Experience Exchange:

Strengthen TPOs through shared expertise in trade facilitation and export management.



Comprehensive Trade Databanks:

Centralized resources for trade data will assist exporters with market trends and requirements.



Joint Training and B2B Activities:

Provide broader support through training, workshops, and matchmaking.



Trade Verification and Risk Management:

A unified verification mechanism ensures secure and time/ cost effective trade within the network's countries.



Cost Efficiency and Issue Resolution:

Address cross-border trade issues collectively to reduce transaction costs.

Ultimately, the TPO network seeks to unlock regional trade by unifying efforts across borders, making it an effective platform for sustainable trade development.

Boosting Exports through Foreign Direct Investment (FDI)



Country-Specific FDI Action Plans: In Azerbaijan, Kazakhstan, and Tajikistan, tailored FDI strategies will be developed to boost sector-specific exports. Each plan will provide strategic guidance to attract investments that can drive economic growth, particularly for SMEs.

Digital and Technology Sector Scale-Up: Recognizing the importance of digital transformation, this project will train and prepare tech firms in the region for internationalization through FDIs. Eighteen digital and tech firms will receive support to increase their appeal to foreign investors and scale up their operations.



Regional Investment Attraction Plan: The initiative will work through the Special Programme for the Economies of Central Asia (SPECA) to establish a comprehensive investment attraction plan, which will be launched at the TCCA+ Forum in Azerbaijan in 2025. This plan will set a clear roadmap for enhancing regional trade through FDI.

Investment Promotion Training: To ensure lasting impact, at least 18 trade and investment professionals from each participating country will be trained on best practices for attracting FDI. This knowledge transfer will build local expertise and enable effective investment strategies within each country.



Export Diversification and Higher Value-Added Production

A central aim of the TCCA+ Program is to diversify exports by encouraging higher value-added production in various sectors, including agri-business, light manufacturing, and machinery. By shifting the focus from primary goods to more refined products, this initiative will help regional exporters access new markets, increase profit margins, and stimulate job creation. Key aspects include:

- **Quality Infrastructure Development:** Establishing regional conformity assessment bodies (CABs) and upgrading facilities will ensure that exported goods meet international quality standards, enhancing their competitiveness.
- **Sector-Specific Upgrades:** Improvements in processing for products such as dairy, cereals, vegetable oils, and construction materials will raise the quality and marketability of regional exports.
- **Market Access Support:** Through targeted initiatives, regional businesses will receive help navigating certification and quality requirements for international markets, helping them break into new export channels.

Cross-Border Trade Facilitation

Efficient logistics and streamlined border procedures are crucial for reducing trade barriers. The TCCA+ Program's cross-border facilitation component focuses on improving trade efficiency and reducing costs by:

- **Modernizing Border Infrastructure and Processes:** Investments in infrastructure and digital solutions at regional border crossings will expedite the trade process, lowering delays and reducing costs.
- **Private Sector Collaboration in Transport:** The program will encourage transport companies to work together to streamline logistics within the region, thereby lowering transportation costs for exporters.
- **Islamic Trade Finance Instruments:** By providing Islamic trade finance solutions, businesses in the region can better manage cash flow and reduce financing costs, particularly beneficial for SMEs.

Enhancing Intra-OIC and Regional Trade Interactions

By creating more structured trade interactions among OIC countries, the program will help businesses seize opportunities beyond their borders. This involves:

- **Market Exposure for Regional Businesses:** Through export promotion activities and trade shows, companies can connect with partners in OIC markets like the GCC, Asia, and Africa, enabling them to find new growth pathways.
- **Sectoral Trade Forums and Business Networking Events:** Regular trade forums will facilitate partnerships and networking, encouraging businesses to explore intra-regional trade.
- **Specialized Trade Information and Marketing Support:** Practical and region-specific market information will be made available, helping exporters understand the demands and competitive landscape of OIC markets.

Sustainability and Long-Term Impact

Through these projects, the TCCA+ Program aims to promote sustainable economic growth by increasing export value and generating employment, especially in SMEs. By modernizing production and raising industry standards, the Program helps Central Asia transition to higher-value production. With a focus on SME growth, sustainable production, and responsible ESG practices, the TCCA+ Program is committed to building a resilient and equitable trade ecosystem in Central Asia that contributes to poverty reduction and economic stability.

Contact Information

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