

Session 3: Trade, Value Chains, Investment, and Financial Cooperation

Panel 1: Trade Reforms, Free Trade Agreements, and Value Chains

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Zulfia Karimova
Principal Regional Cooperation Specialist
Regional Cooperation and Integration Unit, CWRD, ADB

CAREC
Central Asia Regional Economic Cooperation Program

Regional trade is a hedge against uncertainty

THE CHALLENGE

Global trade is less predictable, supply chains are being redrawn, and digital commerce is outpacing rules and infrastructure. Most countries' markets are too small to absorb these shocks on their own.

THE RESPONSE: MODERN REGIONAL TRADE AGREEMENTS (RTAs)

Comprehensive treaties that go beyond trade in goods to cover non-tariff barriers, trade in services, investment facilitation, digital trade, e-commerce, sustainable development and dispute resolution.

Leading examples: **RCEP** (Regional Comprehensive Economic Partnership), **CPTPP** (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) and **DEPA** (Digital Economy Partnership Agreement).

CAREC'S ROLE

The Central Asia Regional Economic Cooperation (**CAREC**) program makes trade, transport and energy links faster, cheaper and more reliable. Since 2001, it has facilitated **more than $53.7 billion in investments** in multimodal transport and energy infrastructure, trade expansion and the movement of people and goods, laying the basis for future economic corridors.

CARTIF: a flexible path to deeper integration

WHAT IT IS

The **CAREC Trade and Investment Facilitation Partnership Agreement (CARTIF)** is a regional framework for economic integration among CAREC countries. Developed through an ADB technical assistance initiative, it is aligned with the **CAREC 2030 Strategy** and **CITA 2030**.

HOW IT WORKS

CARTIF addresses barriers to regional trade and investment through a **structured, step-by-step and voluntary approach**, tailored to each country's development stage, WTO membership status and other international obligations.

WHAT CARTIF DELIVERS: SIX STRATEGIC GOALS

- ✓ Facilitate trade in goods and services
- ✓ Promote regulatory transparency and cooperation
- ✓ Encourage investment via better policies
- ✓ Support digital trade and e-commerce
- ✓ Strengthen connectivity of regional supply chains
- ✓ Build a structured, flexible path to deeper integration

CARTIF turns regional potential into action

THE GAP

$6.4 trillion

CAREC trade in goods, 2024

4%

of it traded within the region

WHAT CARTIF COVERS

One regional framework for traditional trade facilitation plus sanitary and phytosanitary measures (SPS), technical barriers to trade (TBT), services, digital trade and e-commerce, investment facilitation and supply chain connectivity.

WHY IT WORKS FOR MEMBERS

CARTIF is a practical mechanism to deepen cooperation **without binding free trade agreements**, moving from discussion to action and directly aiding traders and investors.

THE PAYOFF

Regional trade is also about development: it **creates jobs, boosts resilience** and improves the region's capacity to handle an increasingly complex global environment.

Bishkek Declaration: CARTIF becomes a ministerial commitment

A landmark commitment by CAREC countries to deepen regional integration, strengthen cooperation and build resilience for the future.



1. **Adopted 20 November 2025**
   Signed at the CAREC Ministerial Conference in Bishkek, elevating CARTIF from a working-level initiative to a ministerial commitment.

2. **9 Signatory Countries**
   Eight signed in Bishkek: PRC, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Turkmenistan and Uzbekistan. Tajikistan joined in March 2026.



3. **Formal Negotiations Launched**
   Ministers endorsed the CARTIF Zero Draft as the basis for negotiating a modern, development-oriented partnership among CAREC countries.

2026 milestones: from launch to first-round negotiations

PHASE 1: BUILD THE FOUNDATION

1. **11 March 2026**
   CARTIF Inaugural Meeting
2. **8 May 2026**
   First CARTIF Negotiators Meeting
3. **3 June 2026**
   Zero-Round of CARTIF Negotiations with Chief Negotiators
4. **July-August 2026**
   Thematic working groups established
   International experts engaged

PHASE 2: FIRST-ROUND NEGOTIATIONS

5. **7 September 2026**
   First-Round of CARTIF Negotiations with Chief Negotiators
6. **7-11 September 2026**
   First-Round of CARTIF Negotiations in Working Groups
7. **19 October 2026**
   First-Round of CARTIF Negotiations with Chief Negotiators (continuation)
8. **20-28 October 2026**
   First-Round of CARTIF Negotiations in Working Groups (continuation)

CARTIF negotiations: clear structure, flexible methods

THE STRUCTURE: WHO NEGOTIATES

Modalities and Terms of Reference
Adopted framework governing all negotiating bodies, processes and outputs under CARTIF.

Six Thematic Working Groups
Cross-sectoral teams, each with lead negotiators and thematic experts.

Thematic Experts
Engaged by the CAREC Secretariat to lead working group negotiations and facilitate discussions.

National Negotiation Teams
Cross-sectoral teams of each country's lead negotiators and thematic experts.

THE METHODS: HOW WE NEGOTIATE

Text-Based Negotiations
Countries propose amendments directly on the draft text, using brackets for deletions, modifications or additions.

Hybrid Negotiation Approach
Combines written procedures, virtual working group sessions and in-person Chief Negotiators meetings.

Silent Procedures
Between meetings, a Secretariat proposal is deemed adopted if no objection is received within a set timeframe.

Differentiated Treatment of Protocols
Low divergence: written procedures. Moderate complexity: working groups. High divergence or sensitivity: Chief Negotiators.

First round: framework largely agreed, protocols advancing

FRAMEWORK AGREEMENT

Chief Negotiators launched **First-round of negotiations**. Text of the **Framework Agreement is being discussed**; remaining provisions to be finalized in the next round.

EARLY-HARVEST PROTOCOLS

Three protocols cleared and finalized: **Services Domestic Regulation, Investment Facilitation and Supply Chain Connectivity**.

SIX THEMATIC WORKING GROUPS

Intensive meetings in September and October 2026 produced **evident progress** toward finalizing all protocols.

CAPACITY BUILDING

CAREC Secretariat and ADB Institute workshop for **Chief Negotiators and National Focal Points** on negotiation and dispute settlement approaches (Manila, 3 November).

Next steps: Manila meeting launches the second round

1. LAUNCH THE SECOND ROUND

In-person meeting in **Manila on 6 November** for all CARTIF Chief Negotiators and National Focal Points.

2. FINALIZE THE FRAMEWORK AGREEMENT AND EARLY-HARVEST PROTOCOLS

Manila round will also seek to finalize the Framework Agreement and the early-harvest protocols on **Services Domestic Regulation, Investment Facilitation and Supply Chain Connectivity**.

3. ADOPT WORKING GROUP OUTCOMES

Chief Negotiators review the progress of the thematic working groups and **adopt the next steps.**

4. RESOLVE REMAINING DIVERGENCES

Working groups continue on provisions where divergence remains with **virtual meetings.**

Thank you!