



Keynote speech – Jonathon Hornbrook (GIZ)

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Presentation

“The importance of non-tariff barriers to trade in Central Asia”

By Jonathon Hornbrook (GIZ, Kyrgyzstan)



The main hypothesis of Mr. Hornbrook’s presentation was that Russia’s WTO membership would not bring major changes to actual trade flows in CA, if non-tariff barriers continue to exist and hamper trade in a substantial way.

While analyzing major trade barriers in Central Asia, Hornbrook showed that non-trade barriers are representing the greatest challenge for trade in the region. Elaborating the argument, the speaker brought examples of a number of administrative and technical barriers (TBTs) to trade as major concerns for further regional trade integration. He pointed out e.g. that it still takes weeks to get goods across the border and certificates/lab

results were not recognized among the countries in the region.

Discussing technical barriers to trade in particular, Hornbrook highlighted the linkage between accreditation, certification and testing within the framework of National Quality Infrastructure (NQI). He concluded with the fact that political decision-makers at times do not fully understand the importance or technicalities of National Quality Infrastructure.

While trade facilitation reforms bring many important benefits to the regional trade it needs to be born in mind a proper risk management needs to accompany any reforms to reduce the amount of illicit trades (e.g. drugs or weapons). Trade facilitation is often seen as endangering these policy goals while they can actually contribute to lowering the amount of illicit border trade.

Hornbrook pointed out the importance of the SAFE framework orientated on data based risk management bringing both security and facilitation to the region.

Revising his original hypothesis, Hornbrook stated that whereas the WTO membership

will not bring any changes to regional integration due to existing challenges, there is a potential for the Customs Union to do it instead. However, there are many deep institutional reforms entailed in that process, which could not be undertaken without a clear political will for the elites of the countries in the region. Vested interests and irrational particular interests of some countries in the region remain the biggest obstacles to the process in this regard. Hornbrook concluded that the needed transformation also depends upon a change of local mind set.

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