

INFORMATION BULLETIN

Trade promotion programme in the Kyrgyz Republic

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Official launch of the National Export Strategy for 2013-2017

The presentation of the final draft of the National Export Strategy of the Kyrgyz Republic for 2013-2017 was held on **30 October** at the "Jannat" hotel. Development of the National Export Strategy is one of the priority directions of the National Sustainable Development Strategy for 2013-2017 adopted on January 14, 2013. The strategy targets the development of six priority sectors:



tourism, fruits and vegetables, dairy products, meat products, clothing and bottled water. The strategy also targets four cross-sectors – access to finance, trade information and promotion, quality management and trade facilitation – which will result in improved export competitiveness beyond the selected priority sectors. Representatives from the private and government sectors, as well as international organizations participated in the launch event. The main purpose of the presentation was to acknowledge the significant work accomplished so far and present the main findings and strategic axes of the NES; build upon the strong momentum and mobilize all key national stakeholders and international partners for implementation; kick start the implementation phase of the strategy. The strategy is the result of intense collaboration by the private sector, Government and development partners to increase the export competitiveness of Kyrgyz products in global markets. The strategy aims to create job opportunities, improve the business environment and achieve sustainable growth. "The National Export Strategy of Kyrgyzstan will guide the implementation of our country's development programs and help boost our exports. It will contribute to the economic growth and sustainable development of Kyrgyzstan," said Mr. Danil Ibraev, Kyrgyzstan's Deputy Minister of Economy.

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The issue of establishment of the Trade Promotion Organization in Kyrgyzstan is being discussed

Mr. John Gillies, ITC Senior Adviser and Mr. David Gass, ITC Consultant visited Kyrgyzstan from **18 to 22 November**. The main purpose of their mission was to conduct an institutional assessment of the Single Window Enterprise. During the week, two experts conducted a number of meetings with representatives from the Ministry of Economy, sector associations and other stakeholders to identify their role in trade facilitation workflow processes. Also experts met with donors to evaluate the trade support network and to see where donor interests lie so that these interests could be incorporated to fund the evolution of the new TPO on the basis of the Single Window Enterprise. Kyrgyzstan currently does not have a TPO. It is imperative to setup such an entity to improve coordination of trade promotion issues between all stakeholders. A round-table on “The Role of the TPO: Strategy Development Scenarios in Kyrgyzstan” was conducted on 20 November. During the round table a number of issues were discussed; the current structure and functions of SW, interaction with state bodies and private sector, donors, possibility to provide additional services, availability of necessary resources to expand functions, needs of private sector in obtaining trade information. As a result of this discussion it was agreed what measures should be taken to establish a TPO and what activities should be included into the Work Plan for 2014.



How to replicate in Kyrgyzstan experience of India in creation and development of textile technoparks?

From **18 to 22 November** a Kyrgyz delegation of representatives from the Ministry of Energy and Industry and the “Legprom” Association of light industry enterprises visited several technoparks in different states of India to gain first hand exposure to the Indian textile and clothing industry, as well as to become acquainted with the “Scheme for Integrated Textile Parks (SITP)” of the Government of India and understand its challenges and accomplishments. The study tour was supported by the ITC’s “Strengthening export competitiveness of SMEs in the textile and clothing sector and enhancing trade support institutional capacities” project and GIZ’s “Promotion of Sustainable Economic Development” programme.



The study tour included meetings with the Secretary of the Ministry of Textiles of India, interaction with important industry associations, visits to two technoparks, industry visits, a visit to the National Institute of Fashion Industry, as well as exposure to handicrafts marketing. A meeting with the Kyrgyz Embassy in India was organized in order to brief representatives on the study tour and discuss possibilities for future collaboration.

India is a world leader in terms of creation and development of textile and garment technoparks. In 2012 there were 40 functioning textile technoparks which meet international environmental and social standards. With the support of the Government of India the establishment of an additional 21 textile technoparks is anticipated in the next five years. The Government of India’s scheme provides grants of up to 40% of the project cost to help businesses cover set up costs; infrastructure required for apparel units, factory buildings, common facilities (crèches, working women’s hostels, canteens etc.). An additional 400,000 jobs will be generated in the new parks.



India’s experience in the creation of textile parks is very interesting and important for Kyrgyzstan since “Technopolis for textile and clothing manufacturing” is one of the priority projects outlined in the National Strategy for Sustainable Development of the Kyrgyz Republic for 2013-2017”. According to data from Legprom association,

Technopolis could hold more than 35 industrial units and create about 10,000 jobs.

Findings from the Study tour were presented at a roundtable on 17 December for key stakeholder from the government, parliament, sector associations and textile and clothing companies.



“A proof of Partnership” - signing Cooperation Agreements between the selected beneficiary companies and the Project

On 5 December at Holiday hotel, Bishkek, 36 clothing companies, newly selected for the “Strengthening export competitiveness of SMEs in the textile and clothing sector and enhancing trade support institutional capacities” project (2013-2016) and 9 pilot companies, which have been supported by ITC’s Trade Promotion Programme Phase III (2009-2012), signed Cooperation Agreements with the Project. According to the agreement, the companies on their side, agreed to fully and actively engage in the Project’s activities, including educational programs (trainings courses, seminars), follow advice from the Project’s international experts and consultants, and co-finance (if necessary) participation in international trade fairs and study tours. The



Project, from its side, will direct all necessary and available resources to strengthen their capacity in production, design and sourcing, which ultimately will lead to increased overall exports.

The Project presented planned activities for 2014 related to the textile and clothing component, which aims to strengthen the capacities of the clothing companies in production, design and sourcing, and will help the companies to enter new markets. It is anticipated that in 2014, the companies will receive support on sourcing from international experts from Singapore, on production and design from experts from the United Kingdom and India. In addition the project beneficiaries will exhibit twice at international fairs in Moscow, visit an international fair on textiles in Shanghai, and on yarns in Istanbul.



A Step towards Russian markets – Preparation for the Moscow trade fairs!

On 5 December 36 new project partners participated in the first training course devoted to effective participation in international fairs. The aim of the course was to prepare the companies for the upcoming fairs in Moscow – 42nd Edition of Textilegrom and Collection Premiere Moscow.

The seminar was led by the Project's National Consultant Mr. Artur Aliev, who shared with participants the Project's previous experience, provided detailed information of each fair, as well as some practical tools and advice on making their participation more effective. The seminar was also attended by representatives from the pilot companies, the more experienced and advanced clothing companies such as E-line Moda, Credo, and Diva Style, who have participated in several international fairs in the framework of the Trade Promotion Programme, Phase III. Ms. Natalia Pai, Marketing Manager and Designer at E-line Moda, made a presentation on their own trade fair participation experiences. She shared some practical tools, which they use in their company and also described their experience as a participating clothing company. The presentation was complemented by a demonstration of some tools such as a table for collection planning, a fair action plan in Excel and Power Point formats.

The seminar also covered some important organizational issues, related to air tickets, airport shuttles, accommodation in Moscow, and other important aspects of fair participation.



Mission of Ms. Gabriela Byrde, Consultant on design for handicraft products. First meeting with handicraft companies

Ms. Gabriela Byrde, ITC Consultant on design of handicraft products, visited Kyrgyzstan from **16 to 20 December**. The Consultant visited 11 handicraft companies in Bishkek and Chuy oblast to assess their products in terms of design and quality and the availability of marketing tools, as well as provide recommendations on design. Ms. Byrde noted that local artisanal goods are of a



high quality, but they are too traditional and mostly oriented towards tourists. She recommended producing less traditional products, with just two-three colors and minimal patterns. On 20 December the first meeting with the handicraft companies selected during the survey was conducted. 22 companies from Bishkek, Chuy, Issyk-Kul, Naryn and Jalal-Abad oblasts participated in the meeting. During the meeting, Ms. Byrde presented the latest global trends in handicraft products, informed the group of the requirements of international exhibitions, shared her impressions of Kyrgyz goods and provided recommendations for different types of products. 22 companies signed cooperation agreements through which they expressed their

readiness and interest to participate in project activities. *"It is obvious for me now that American and European markets differ by taste preferences and trends in colors. After this training, I have a clear vision of what colors should be used in my handicraft production to successfully sell them to the European market,"* noted Ms. MeerKoshoeva, artisan from Bishkek.



Ongoing seminars in Quality Management

From October to December a series of seminars on quality management were conducted by ITC to T&C companies from the pilot, export ready and broader group of companies, as well as trade support institutions. They included seminars on: modern concepts of quality and implementation of ISO 9001, interpretation of the requirements of the standard ISO 9001; modern environmental issues and the introduction of ISO 14000 series standards; requirements of the ISO 14001 standard and EMS documentation.

At the request of partner companies, ITC National Consultant, Ms. Gulnara Jusupjanova conducted a training session on 24 October on “5S” for T&C enterprises and TSIs. “5S” is a workplace organization method that deals with organizing workspaces for more efficiency and effectiveness by identifying and storing the items used, maintaining the area and items, and sustaining the new order. Preliminary audits on “5S” were carried out in six companies from pilot and export ready groups, they have started implementing the system with the help of ITC consultants.

The International Trade Centre (ITC, www.intracen.org) - a joint technical cooperation agency of the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD). ITC, through technical assistance, helps developing countries and countries with economies in transition to develop and enhance trade.

The Swiss Government provides assistance for the development of the Kyrgyz Republic and supports projects in areas such as health, private sector development, public sector reform and infrastructure. Since 1993 Switzerland has provided more than CHF 270 million to Kyrgyzstan in the form of technical, financial and humanitarian support. For more information, please visit www.swisscoop.kg

