

**Analysis of business  
processes of grain and fruit  
exports for sustainable trade,  
efficient water management  
and food security in the  
SPECA region**

**2022**



## ABBREVIATIONS

<b>UN</b>	United Nations Organization
<b>UNESCAP</b>	UN Economic and Social Commission for Asia and the Pacific
<b>UNECE</b>	UN Economic Commission for Europe
<b>SPECA</b>	UN Special Programme for the Economies of Central Asia. Participant countries: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan
<b>EAEU</b>	Eurasian Economic Union
<b>OSJD</b>	Organization for Cooperation of Railways
<b>WTO</b>	World Trade Organization

<b>BPA</b>	Business process analysis
<b>APM</b>	Automated workplace
<b>FCD</b>	Freight customs declaration
<b>IIC</b>	Information inspection complex
<b>IS</b>	Information system
<b>CNFEA Code</b>	Commodity Nomenclature of Foreign Trade Activity Code
<b>BCP</b>	Border-crossing point
<b>RMS</b>	Risk management system
<b>PI</b>	Preliminary information (for customs purposes)
<b>EDS</b>	Electronic digital signature
<b>EI</b>	Electronic invoice
<b>AIG</b>	Accompanying invoice for goods
<b>ACS CCW</b>	Automated control system Cargo and Commercial Work – Information System of Kazakhstan railways

## COUNTRY ABBREVIATIONS

<b>AZ</b>	Azerbaijan
<b>KZ</b>	Kazakhstan
<b>RU</b>	Russian Federation
<b>TJ</b>	Tajikistan
<b>TM</b>	Turkmenistan
<b>UZ</b>	Uzbekistan

### Dollar exchange rate currencies:

1 USD = 472,46 KZT

1 USD = 10,24 TJS

1 USD = 10 984,33 UZS

1 USD = 60,8 RUB

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## EXECUTIVE SUMMARY

This study was carried out in the context of sustainable trade promotion in the SPECA countries and implementation of the SPECA Sustainable Trade Principles<sup>1</sup>, aimed at improving water management and food security in the SPECA sub-region.

An analysis of business processes via using the UN Business Process Analysis (BPA) methodology is the main tool of the study<sup>2</sup>. The BPA was carried out for two processes in line with Terms of Reference and the use of this methodology:

- Export of grain from Kazakhstan to two other SPECA countries: Tajikistan and Turkmenistan,
- Export of high-value agricultural products (citrus fruits) cultivated on irrigated lands of Uzbekistan and their delivery to Russia by the accelerated container train “Agroexpress” (a new service for accelerated delivery of goods).

The main goal of this study is identification of bottlenecks for export of grains (wheat) and high-value agricultural products (fruits and vegetables) from the SPECA countries under the study, elaboration of recommendations for removal of regulatory and procedural barriers, and recommendations to meet the identified needs for more sustainable trade in the region.

In order to achieve the objectives of this study, data were collected from various sources and analyzed regarding procedures for concluding a commercial contract, transportation and payment of goods: current regulatory documents in the countries under consideration; interviews with stakeholders (manufacturers, Exporters, Importers, transport companies, officials, etc.), results of BPA studies of ITC and GIZ in the SPECA subregion conducted in the recent years, media information and other sources. Based on these data, two Business Process Analysis have been carried out.

This report includes: a thematic overview of the potential of the countries considered in the study to export and import the selected products, an analysis of the business processes of exports and imports, identification of bottlenecks, as well as recommendations and conclusions.

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<sup>1</sup> [https://unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles\\_of\\_Sustainable\\_Trade\\_Trade\\_English.pdf](https://unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles_of_Sustainable_Trade_Trade_English.pdf)

<sup>2</sup> <https://tfiq.unece.org/contents/business-process-analysis.htm>

# INTRODUCTION

In order to explain why grain and fruit export business process analysis is considered in the context of sustainable trade, better water management and food security in the SPECA region, we should start by noting the following:

The main set of sustainable development goals and targets being applied at the international level are the Sustainable Development Goals (SDGs) adopted in 2015, and they reflect on sustainable trade. 17 SDGs<sup>1</sup> expected to be achieved by 2030, are a call for action by all countries to ensure prosperity while protecting the planet. Potentially, trade could be an important policy area for enhancing sustainable development and reducing poverty, as noted in several SDG indicators: SDG 2 – Zero Hunger, Target 2b; SDG 8 – Decent work and economic growth, target 8a; SDG 17 – Strengthen the means of implementation and revitalize the global partnership for sustainable development, targets 10 and 11, and several others.

For the purposes of this report SDG 6 (Clean Water and Sanitation) is also introduced as a trade-related goal, as there is a relationship between water management, agricultural production and trade with regard to food security.

Agriculture is an important sector in all SPECA countries. According to FAOSTAT<sup>2</sup> the share of the agricultural sector in GDP on average in the SPECA countries was 14.7% in 2019 (in 2020, excluding missing data for Turkmenistan, it was 17.10%). This figure varies from 5 percent in Kazakhstan up to 27 percent in Afghanistan. In the countries of this study, the largest share of the agricultural sector in GDP was noted in Uzbekistan (26.1%) and Tajikistan (23.8%). The socio-economic importance of the agricultural sector in the SPECA countries is high. Given the role of the agricultural sector in the SPECA countries (including the countries of this study), the inclusion of agricultural products in the study is well justified.

Wheat, the export/import business analysis of which is included in this study, is the staple food in the Central Asian region, and wheat production and trade in SPECA countries is central to food security. Previously, UNESCAP and UNECE (in 2014 and 2019) analyzed the business processes of grain exports from Kazakhstan to Azerbaijan<sup>3</sup>, which made it possible to track the changes that have occurred as well as identify ways to improve them further. This study makes possible reviewing the business processes of imports to other countries in the SPECA region, as well as tracing the progress made in the business processes of exporting wheat from Kazakhstan, from the perspective of sustainable trade.

As the SPECA countries are arid, with limited rainfall, irrigation plays a key role in the region. The agricultural sector in Central Asia accounts for about 90% of total water consumption<sup>4</sup>.

In some SPECA countries food security is defined as "food independence". A shortcoming of the approach to "food self-sufficiency", adopted in some SPECA countries, is that irrigation water is used to produce rice and wheat, which are commodities easily acquired through trade. Moreover, wheat grown on irrigated lands, is normally of lower quality.

At the same time, the situation of a double crisis due to the COVID-19 pandemic and drought in 2020-2021, as well as the military conflict between Russia and Ukraine (these countries are among the main grain exporters in the world), forced some countries to introduce temporary restrictions on grain exports. Under such conditions, for many countries it will be difficult to abandon the inefficient cultivation of strategically important agricultural products, such as wheat,

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<sup>1</sup> <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

<sup>2</sup> <https://www.fao.org/faostat/en/>

<sup>3</sup> <https://www.unescap.org/kp/2022/business-process-analysis-study-cereal-exports-kazakhstan-azerbaijan>

<sup>4</sup> Water-food-energy-ecosystems nexus in SPECA countries from the perspective of sustainable trade, UNECE research paper, 2018

on irrigated land. In this regard it is essential that trade flows, even in times of crisis, do not face unnecessary procedural, regulatory barriers and restrictions.

The southern SPECA countries are well positioned to increase the production and export of high value-added agricultural products such as fruits and vegetables by reducing the production of wheat and rice on irrigated lands. This would allow using irrigated land and water resources more efficiently. To realize such an approach without compromising food security it is necessary to strengthen trust and long-term cooperation between countries on imports of the key commodities, such as wheat, from other countries in the region.

In recent years, Uzbekistan has been implementing consistent measures to increase the production and export of citrus fruits by expanding the areas of lemon plantations<sup>1</sup>. Positive results have been achieved. That is why, within the framework of this study, the attention is paid to the analysis of business processes for importing citrus fruits from Uzbekistan. Earlier, in 2016 and 2021, the UNECE conducted an analysis of business processes (BPA) on the export of dried fruits and vegetables from Uzbekistan. Considering that dried fruits and vegetables, like citrus fruits, are products of plant origin, many of the requirements, documents and procedures for processing their export are similar or the same. Comparison of the data obtained earlier in the course of those BPAs made it possible to track the changes that have occurred in recent years. At the same time, unlike dried fruits and vegetables, fresh fruits (citrus fruits) are perishable goods, that is, there are temperature requirements for their storage, and their shelf life is limited. This imposes special requirements on the delivery time of fresh fruit and compliance with the required temperature during transportation.

In 2019, the "Eurasian Agroexpress" project of accelerated rail and multimodal transportation was launched<sup>2</sup>. Within the framework of the project, the delivery of goods by regular accelerated trains, including in refrigerated containers, was organized. This has the potential to significantly reduce the time for delivery of goods, as well as transportation costs. So, delivery from Uzbekistan is carried out in 4-7 days. The first such train from Uzbekistan started operating in November 2021. In this study, attention is paid to the assessment of new logistics opportunities for sending fresh fruits (citrus fruits) by using the services of Agroexpress.

In general, the efficiency of the supply chain is the main condition for the development of trade and, in particular, trade in agricultural products, both high-value-added such as citrus fruits, and strategically important such as wheat.

The application of the BPA methodology allows analyzing the entire supply chain and cover all business processes, starting from the conclusion of a contract, organization of transportation, obtaining all necessary permits, customs clearance, both in the country of departure and the country of destination, border crossing procedures up to payment of the contract. The results and recommendations reached in this study can serve as the basis for developing trade facilitation measures, identifying practical and effective approaches to implement the "Principles of Sustainable Trade"<sup>3</sup> that was adopted at the 14<sup>th</sup> Session of SPECA Governing Council in 2019.

The SPECA Principles of Sustainable Trade are aligned with the Sustainable Development Goals. All SPECA countries are invited to consider them for inclusion in the national sustainable development plans. This document says: "It is important to integrate sustainable development

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<sup>1</sup> <https://lex.uz/docs/4741435>

<sup>2</sup> <https://eec.eaeunion.org/news/premer-ministry-stran-eaes-odobrili-realizatsiyu-sovmestnogo-proekta-evraziyskiy-agroekspres/>

<sup>3</sup> Principles of Sustainable Trade, Fourteenth Session of the SPECA Governing Council, Ashgabat, Turkmenistan, 19 November 2019. Available at:

[https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles\\_of\\_Sustainable\\_Trade\\_\\_Trade\\_\\_Engl-ish.pdf](https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles_of_Sustainable_Trade__Trade__Engl-ish.pdf)

into trade policy at all levels, and reflect this in the countries' drive to increase volumes of trade and diversify exports. Switching to trade aligned to sustainable development can be beneficial and profitable for the SPECA economies"<sup>1</sup>.

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[https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles\\_of\\_Sustainable\\_Trade\\_\\_Trade\\_\\_English.pdf](https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles_of_Sustainable_Trade__Trade__English.pdf)

# CHAPTER I. THEMATIC REVIEW

## THE ROLE OF AGRICULTURE IN THE USE OF WATER RESOURCES AND ENSURING FOOD SECURITY

As noted earlier, agriculture is an important sector in all SPECA countries. According to FAOSTAT, the share of the agricultural sector in GDP in the considered SPECA countries is found in Table 1.

**Table 1. Agriculture value added share of GDP (%)**

COUNTRY	2015	2016	2017	2018	2019	2020
Kazakhstan	4,7	4,6	4,5	4,4	4,5	5,3
Tajikistan	21,9	20,4	20,3	19,8	20,7	23,8
Turkmenistan	9,3	8,7	8,8	8,9	8,8	No data
Uzbekistan	30,8	30,8	30,1	28,0	25,5	26,1
<b>AVERAGE</b>	<b>16,7</b>	<b>16,1</b>	<b>15,9</b>	<b>15,3</b>	<b>14,9</b>	<b>18,4</b>

Source: "Value of Agricultural Production" section of FAOSTAT<sup>1</sup>

According to FAOSTAT, the share of the economically active population employed in the agricultural sector in the countries under the study in 2019 amounts to: Tajikistan – 44.7%; Uzbekistan – 25.7%; Turkmenistan – 20.7%, Kazakhstan – 14.9%.

The gross value of agricultural production (of all types, crop production, animal husbandry etc.) is increasing in almost all countries, except for Turkmenistan (Table 2).

**Table 2. Gross Production Value (constant 2014-2016 billion Int. USD)**

COUNTRY	1995	2000	2005	2010	2015	2020
<b>Kazakhstan</b>	<b>9,6</b>	<b>8,3</b>	<b>10,7</b>	<b>11,3</b>	<b>14,5</b>	<b>17,3</b>
<b>Tajikistan</b>	<b>1,3</b>	<b>1,2</b>	<b>1,8</b>	<b>2,3</b>	<b>3,1</b>	<b>4,1</b>
<b>Turkmenistan</b>	<b>6,9</b>	<b>11,1</b>	<b>20,9</b>	<b>23,1</b>	<b>23,9</b>	<b>21,7</b>
<b>Uzbekistan</b>	<b>10,4</b>	<b>10,0</b>	<b>12,8</b>	<b>16,7</b>	<b>22,6</b>	<b>23,5</b>

Source: "Value of Agricultural Production" section of FAOSTAT<sup>2</sup>

As most of the SPECA countries are arid, with limited rainfall, and irrigation plays a key role, the agricultural sector in Central Asia accounts for about 90% of total water consumption. The region has a specific set of resources: water, suitable agricultural land, good climate for many crops, and skilled farmers, which create specific comparative advantages for the countries' economies. There are well developed, although often inefficient and not well maintained, irrigation systems<sup>3</sup>.

Table 3 presents data on the areas of agricultural and irrigated lands in the countries in this study.

<sup>1</sup> <https://www.fao.org/faostat/en/#data/QV>

<sup>2</sup> <https://www.fao.org/faostat/en/#data/QV>

<sup>3</sup> Water-Food-Energy-Ecosystems nexus in SPECA countries from the perspective of sustainable trade, UNECE research paper, 2018



**Table 3. Area of agricultural, arable and irrigated land in the SPECA countries under the study, 1000 ha.**

COUNTRY/ INDICATORS	1995	2005	2010	2015	2019
<b>Kazakhstan</b>					
Agricultural land	217187	212286	217162	216260	214453
Arable land	34717	28562	28684	29601	29857
Land area equipped for irrigation	3372	2362	2185	2205	2205
Agriculture area actually irrigated	no data	no data	1265	1722	1779
<b>Tajikistan</b>					
Agricultural land	4582	4672	4756	4738	4728
Arable land	844	757	747	723	700
Land area equipped for irrigation	719	728	757	817	822
Agriculture area actually irrigated	no data	no data	no data	817	569
<b>Turkmenistan</b>					
Agricultural land	35500	34880	34000	33838	33838
Arable land	1740	2040	1940	1940	1940
Land area equipped for irrigation	1750	1990	1995	1995	1995
Agriculture area actually irrigated	no data	no data	no data	no data	no data
<b>Uzbekistan</b>					
Agricultural land	27643	26503	25598	25548	25555
Arable land	4475	4367	4172	4041	4034
Land area equipped for irrigation	4252	4198	4255	4312	4307
Agriculture area actually irrigated	no data	no data	no data	3667	3650

Source: "Land Use" section of FAOSTAT<sup>1</sup>

From the data presented, we can see that a significant part of agricultural production in Central Asia, especially in Uzbekistan, is produced on irrigated lands. Notably, from the time when the countries gained independence, the area of irrigated land has not changed significantly. At the same time, in Tajikistan, some previously irrigated areas were abandoned.

According to the conclusions of a previously completed study on the assessment of water, energy and food security<sup>2</sup>, it was noted that the available water resources vary in the countries of this study:

The water supply of Kazakhstan is generally quite high, but the country is to a large degree dependent on rivers originating in neighboring countries and the access depend to some degree on interstate agreements.

The water supply of the upstream country Tajikistan is high and generally sufficient.

Almost all water security of Turkmenistan is based on interstate agreements, because the average natural water supply for the period 1990-2019 is on average 6% of consumption. The water security of Turkmenistan is based largely on the use of transboundary water sources.

The water security of Uzbekistan, similar to that of Turkmenistan, is based largely on the use of transboundary water sources. The natural water supply in the period from 2009 to 2020 was

<sup>1</sup> <https://www.fao.org/faostat/en/#data/RL>

<sup>2</sup> Water, food and energy security in Central Asia: introductory analysis, advantages of intersectoral decisions. Preliminary data and analysis, prepared by RC and experts for discussion, 07.06.2021.

only 19%. The average water supply, taking into account transboundary water for the same period, was 88%.

During the period of independence, the countries of the region were able to generally ensure a basic water security of their countries, despite the large differences in natural characteristics. This was achieved on the basis of the established system of cooperation between countries and mutual obligations. This applies both to countries with an excess of water resources (Kyrgyzstan and Tajikistan) and those with a sharp deficit of available resources (Turkmenistan and Uzbekistan). For Kazakhstan, fulfillment of the agreements with the neighboring countries is important for individual basins, including the basin of the Syr Darya River.

The above study also suggested that there are significant opportunities in all SPECA countries for more efficient use and saving of water via improving water infrastructure and irrigation methods, changing terms of sowing and crops and varieties used.

*Food security* is the state in which all people in a country, at all times, have physical, social and economic access to adequate, quantitative and nutritious food that meets their needs and is essential for an active and healthy life<sup>1</sup>.

The Global Food Security Index (GFSI)<sup>2</sup> is a set of indicators that has been introduced by FAO to assess aspects of the implementation of the SDGs. A resulting index measures the policies of states and the efficiency of their institutions in the field of food security. The assessment is carried out in three main categories: the level of availability and consumption of food; availability and sufficiency of food; level of quality and food security.

These categories include 28 different indicators, the value of which is measured over a biennium. The Index is evaluated for 113 countries. The countries are ranked based on their overall food security score. In the CA countries, the index of food security according to GFSI are the following (also Figure 1):

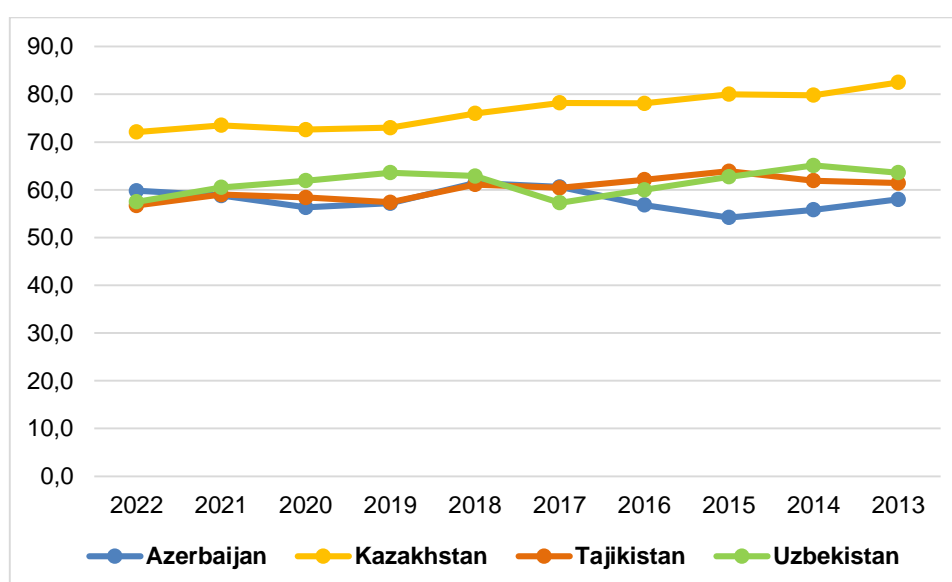
- Azerbaijan in 2022 – 66<sup>th</sup> place in the rating, with the index 59.8, in 2021 the index was slightly higher (60.8),
- Kazakhstan in 2022 – 32<sup>nd</sup> place in the rating, with the index 72.1, in 2021 the index was slightly lower (70.7),
- Tajikistan in 2022 – 75<sup>th</sup> place in the rating, with the index 56.7, in 2020 was slightly lower (54.4),
- Uzbekistan in 2022 – 73<sup>rd</sup> place in the rating, with the index 57.5, in 2021 the index was slightly lower (54.5),
- Data on Afghanistan, Kyrgyzstan and Turkmenistan are not available.

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<sup>1</sup> The declaration of the World Summit on food security. Adopted by the World Summit on food security (Rome, 16–18 November 2009). [www.un.org/ru/documents/decl\\_conv/declarations/summit2009\\_declaration.shtml](http://www.un.org/ru/documents/decl_conv/declarations/summit2009_declaration.shtml)

<sup>2</sup> <https://impact.economist.com/sustainability/project/food-security-index/>

**Figure 1. Global Food Security Index**



Source: Global Food Security Index<sup>1</sup>

The decline of the Global Food Security Index of some countries in 2021 could be caused by the consequences of the pandemic, as well as the drought in 2020-2021.

In general, in the SPECA countries there is a close relationship between agriculture, environment, including water supply, food security, sustainable trade and sustainable development. In the following sections of the report, the issues of production, the volume of exports and imports of agricultural products included in this study will be considered in more detail.

## PRODUCTION AND EXPORT-IMPORT OF GRAIN (WHEAT)

### GENERAL TRENDS

The food security of the SPECA countries is to a large degree dependent on one key: wheat. This importance of wheat as a food staple is the main reason why some SPECA countries actively support wheat production on irrigated land (Table 4). Food security may have improved as a result of these policies, but wheat is a low value crop and does not exploit the economic potential of irrigated agriculture. Wheat grown on irrigated land also tends to be of low quality. In some cases, it is so low that it is used as animal feed while high quality wheat is imported.

**Table 4. Area harvested, Yield and Production of wheat in the SPECA countries**

	1995	2000	2005	2010	2015	2018	2019	2020
<b>Afghanistan</b>								
Area harvested, thsnd. ha	1927	2029	2342	2354	2128	1635	2334	2668
Production, mln. tons	2,1	1,5	4,3	4,5	4,7	3,6	4,9	5,2
Yield, c/ha	10,9	7,2	18,2	19,3	22,0	22,1	21,0	19,4
<b>Azerbaijan</b>								
Area harvested, thsnd. ha	419	495	591	656	540	678	670	588
Production, mln. tons	0,6	1,2	1,5	1,3	1,6	2,0	2,1	1,8
Yield, c/ha	14,9	23,2	25,8	19,4	30,4	29,4	31,6	30,9

<sup>1</sup> <https://impact.economist.com/sustainability/project/food-security-index/Index>

	1995	2000	2005	2010	2015	2018	2019	2020
<b>Kazakhstan</b>								
Area harvested, thsnd. ha	11291	10050	11813	13138	11570	11354	11297	12057
Production, mln. tons	6,5	9,1	11,2	9,6	13,7	13,9	11,5	14,3
Yield, c/ha	5,7	9,0	9,5	7,3	11,9	12,3	10,1	11,8
<b>Kyrgyzstan</b>								
Area harvested, thsnd. ha	364	444	424	375	297	254	240	247
Production, mln. tons	0,6	1,0	1,0	0,8	0,7	0,6	0,6	0,6
Yield, c/ha	17,2	23,4	22,4	21,7	23,7	24,3	25,1	25,5
<b>Tajikistan</b>								
Area harvested, thsnd. ha	191	343	316	343	296	256	264	268
Production, mln. tons	0,2	0,4	0,6	1,0	0,9	0,8	0,8	0,8
Yield, c/ha	8,9	11,8	19,6	30,2	30,3	30,5	31,7	31,5
<b>Turkmenistan</b>								
Area harvested, thsnd. ha	437	700	900	869	1152	716	900	800
Production, mln. tons	0,7	1,7	2,8	1,5	1,4	1,0	1,5	1,3
Yield, c/ha	15,9	24,1	31,5	17,0	12,2	14,0	16,7	16,5
<b>Uzbekistan</b>								
Area harvested, thsnd. ha	1164	1356	1440	1466	1446	1311	1311	1352
Production, mln. tons	2,5	3,7	6,1	6,7	7,0	5,4	6,1	6,2
Yield, c/ha	21,4	27,2	42,1	46,0	48,2	41,3	46,5	45,6

Source: "Crops and livestock products" section of FAOSTAT<sup>1</sup>

Today Kazakhstan is the main producer of high-quality rainfed wheat in the SPECA region and plays a particularly important role in the supply of wheat (and wheat flour) to other countries in the region.

Kazakhstan plays a significant role not only in the SPECA region but also in the production and international trade of wheat in the whole world: it is among the top twenty largest producers of wheat and among the top ten largest Exporters of wheat (Table 5 and 6).

**Table 5. Production of wheat, mln. tons**

No. rank	Country	2015	2016	2017	2018	2019	2020
1	China	133	133	134	131	134	134
2	India	87	92	99	100	104	108
3	Russia	62	73	86	72	74	86
4	USA	56	63	47	51	53	50
5	Canada	28	32	30	35	33	35
6	France	43	29	39	32	41	30
7	Pakistan	25	26	27	25	24	25
8	Ukraine	27	26	26	25	28	25
9	Germany	27	24	24	20	23	22
10	Turkey	23	21	22	20	19	21
11	Argentina	14	11	18	19	19	20
12	Iran	12	15	13	13	16	15
13	Australia	24	22	32	21	18	14
14	Kazakhstan	14	15	15	14	11	14
15	Poland	11	11	12	10	11	12
16	UK	16	14	15	14	16	10
17	Egypt	10	9	8	8	9	9

<sup>1</sup> <https://www.fao.org/faostat/en/#data/QCL>

No. rank	Country	2015	2016	2017	2018	2019	2020
18	Spain	6	8	5	8	6	8
19	Romania	8	8	10	10	10	7
20	Italy	7	8	7	7	7	7
	<b>Total for the first 20</b>	<b>630</b>	<b>642</b>	<b>669</b>	<b>636</b>	<b>655</b>	<b>652</b>
	others including:	112	106	104	96	110	109
	<i>Uzbekistan</i>	7	7	6	5	6	6
	<i>Turkmenistan</i>	1,4	1,6	1,0	1,0	1,5	1,3
	<i>Tajikistan</i>	0,9	0,9	0,9	0,8	0,8	0,8
	<b>TOTAL IN THE WORLD</b>	<b>742</b>	<b>748</b>	<b>772</b>	<b>732</b>	<b>765</b>	<b>761</b>

Source: "Crops and livestock products" section of FAOSTAT<sup>1</sup>

**Table 6. Largest wheat producers**

No. rank	Country	2019				2020				Change to the previous year	
		Export volume, million tons	Share of total exports, %	Export value, billion USD	Share of total export value, %	Export volume, million tons	Share of total exports, %	Export value, billion USD	Share of total export value, %	Export volume, %	Export value, %
1	Russia	31,9	17,7	6,4	16,1	37,3	18,8	7,9	17,7	16,9	23,7
2	USA	27,1	15,0	6,3	15,8	26,1	13,2	6,3	14,1	-3,5	0,8
3	Canada	22,8	12,7	5,4	13,5	26,1	13,2	6,3	14,1	14,5	17,4
4	France	20,0	11,1	4,3	10,8	19,8	10,0	4,5	10,1	-0,8	5,3
5	Ukraine	13,9	7,7	3,2	8,1	18,1	9,1	3,6	8,0	29,9	11,5
6	Australia	9,6	5,3	2,5	6,2	10,4	5,2	2,7	6,0	8,4	8,7
7	Argentina	10,5	5,9	2,3	5,8	10,2	5,1	2,0	4,5	-3,3	-11,6
8	Germany	5,6	3,1	1,2	3,1	9,3	4,7	2,1	4,7	66,8	70,4
9	Kazakhstan	5,4	3,0	1,0	2,5	5,2	2,6	1,1	2,5	-3,3	13,4
10	Poland	2,1	1,2	0,4	1,1	4,7	2,4	1,0	2,3	125,5	144,8
11	Romania	6,1	3,4	1,3	3,2	4,3	2,2	1,0	2,1	-29,5	-23,4
12	Lithuania	3,1	1,7	0,7	1,7	4,0	2,0	0,9	2,0	27,8	34,0
13	Bulgaria	4,9	2,7	0,9	2,4	3,2	1,6	0,7	1,6	-34,0	-25,8
14	Latvia	2,5	1,4	0,5	1,3	3,0	1,5	0,7	1,5	22,8	30,7
15	Hungary	2,3	1,3	0,5	1,2	3,0	1,5	0,6	1,3	28,4	23,7
16	Czech	1,7	1,0	0,4	0,9	2,5	1,3	0,5	1,2	43,1	38,5
17	Slovakia	0,9	0,5	0,2	0,5	1,3	0,6	0,3	0,6	45,9	46,6
18	Sweden	0,6	0,3	0,1	0,3	1,1	0,5	0,2	0,5	68,7	95,9
	<i>Other, including:</i>	9,3	5,2	2,2	5,5	9,1	4,6	2,3	5,1	-2,3	3,6
	<i>Uzbekistan</i>	0,1	0,1	0,02	0,1	0,05	0,0	0,01	0,0	-53,8	-58,1
	<i>Turkmenistan</i>	0,04	0,0	0,01	0,0	0,04	0,0	0,01	0,0	0,0	-9,2
	<b>TOTAL:</b>	<b>180,2</b>	<b>100</b>	<b>39,8</b>	<b>100</b>	<b>198,5</b>	<b>100</b>	<b>44,8</b>	<b>100</b>	<b>10,2</b>	<b>12,8</b>

Source: "Crops and livestock products" section of FAOSTAT<sup>2</sup>

<sup>1</sup> <https://www.fao.org/faostat/en/#data/QCL>

<sup>2</sup> <https://www.fao.org/faostat/en/#data/QCL>

## ***RISKS ASSOCIATED WITH THE CURRENT CONFLICT BETWEEN RUSSIA AND UKRAINE***

The Russian Federation and Ukraine are among the largest producers of agricultural products in the world. In 2021, the Russian Federation and Ukraine (or both) are ranked among the top five global wheat exporters in the world<sup>1</sup>.

The escalation of the conflict in Ukraine in February 2022 gave rise to a number of risks for the supply of wheat from Russia and Ukraine to the international markets, which, according to the FAO, are as follows:

*Trade risk:* The escalation of the conflict in Ukraine has already led to the closure of ports, the suspension of oilseed processing and the introduction of export licensing for some crops which could negatively affect the export of grains and vegetable oils from the country. It also remains unclear whether Ukraine will be able to harvest during the protracted conflict. A lot of uncertainty is also related to the future prospects of Russian exports, given the marketing difficulties that may arise as a result of economic sanctions imposed on this country.

*Price risk:* FAO modeling conducted to assess the potential impact of a sudden and sharp decline in exports of grains and sunflower seeds by the two countries shows that the shortfall can only be partially offset from alternative sources during the 2022-23 sales period. Shortages in global supply could push world food and feed prices up to 8-22 percent from already high prices<sup>2</sup>.

*Logistic risks:* the conflict has damaged domestic transport infrastructure and seaports as well as storage and processing infrastructure. Insurance premiums have increased for ships heading to berths in the Black Sea region. This exacerbates already high shipping costs, and feeds corruption.

*Production risks:* In Ukraine, the conflict may prevent farmers from working in the fields, harvesting and selling crops. Disruptions of the trade of basic utilities may also negatively affect agricultural activities. According to FAO's preliminary estimate, as a result of the conflict, 20-30% of Ukrainian areas under winter crops, corn and sunflower will either not be sown or remain unharvested in the 2022-23 season. The yield of these crops may also suffer. Besides, international sanctions imposed against Russia will affect food exports.

According to FAO assessment, the conflict poses humanitarian, energy and exchange rate risks.

The Report on the State of Food Security and Nutrition in the World (SOFI) 2021 indicates that the number of undernourished people in the world has increased in 2020 due to the COVID-19 pandemic.

Against this backdrop, the escalation of the conflict involving such important players in the global agricultural commodity market at a time of already high and volatile global food and commodity prices raises serious concerns about this conflict's potential negative impact on food security, both domestically and globally. There is a great uncertainty about the conflict itself, its intensity, geographic scope and duration. However, in light of the risk of significant disruption to the agricultural activities of such major global suppliers, the international markets of food and agricultural commodities are expected not to remain immune to the effects of the conflict. On the global scale, in case of a sudden and prolonged decline in food exports from these countries, it may entail additional upward pressure on international food prices, in particular, to the detriment of "low-income and food-deficit countries".

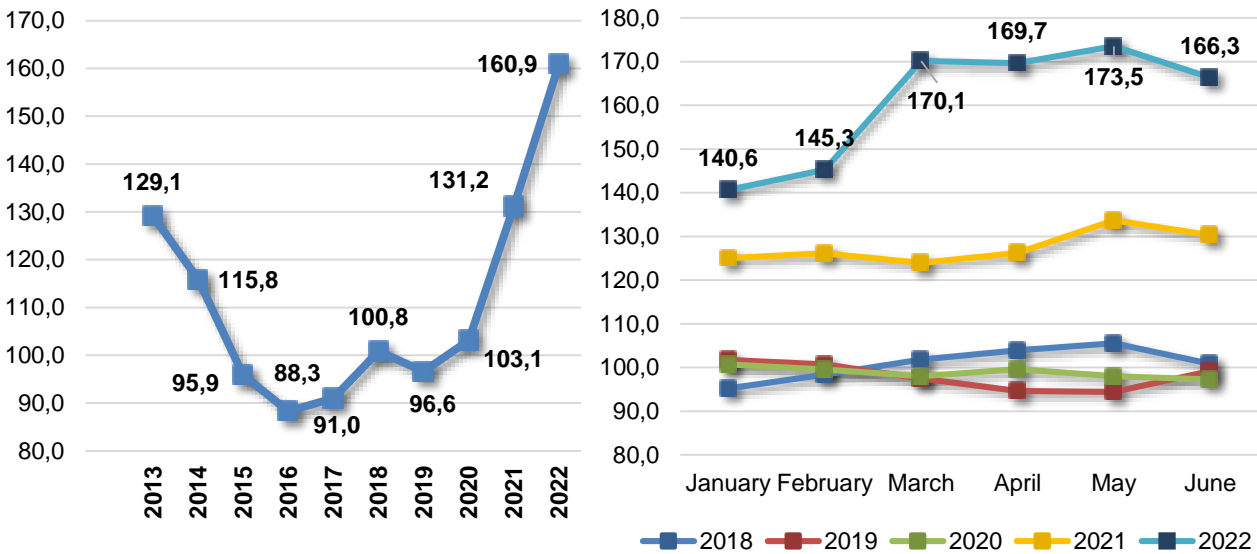
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<sup>1</sup> Food and Agriculture Organization of the United Nations (FAO). Information Note. The importance of Ukraine and the Russian Federation for global agricultural markets and the risks associated with the current conflict. Available: [https://www.fao.org/fileadmin/user\\_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf](https://www.fao.org/fileadmin/user_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf)

<sup>2</sup> [https://www.fao.org/fileadmin/user\\_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf](https://www.fao.org/fileadmin/user_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf)

Figure 2 shows the FAO Cereal Price Index: annual and monthly (for the first six months of 2022). As expected in the FAO Information Note<sup>1</sup>, the cereal prices increased due to the military conflict between Russia and Ukraine, on top of the high prices already in the beginning of the year.

**Figure 2. FAO Cereal Price Index**



**Annual FAO Cereal Price Index**

**Monthly FAO Cereal Price Index**

Source: FAOSTAT<sup>2</sup>

At the same time, world wheat prices, which were close to a record high in May 2022, fell by 5.7% in June, but were still more than 48.5 percent higher than the last year. According to FAO analysts, the reasons for the June decline should be considered a seasonal increase in the volume of available new-crop grain in the Northern Hemisphere, prevailing in a number of major producing countries, including Canada, favorable conditions for growing wheat and expected increase in production in the Russian Federation, as well as a reduction in demand from world importers<sup>3</sup>.

Due to mediation efforts of Turkey and the UN, an agreement on the export of grain from the Ukrainian ports has been reached. On July 22, 2022, the signing of the "Initiative for the safe transportation of grain and food from Ukrainian ports" took place in Istanbul. Ukraine, Russia, Turkey and the UN have agreed to unblock the export of the grain and other food products through the Black Sea. Since August 2022, the export of Ukrainian grain has been resumed.

In the light of the created risks of food security due to the military conflict between Russia and Ukraine, quotas for the export of wheat and flour have been introduced by Kazakhstan (Order of the Minister of Agriculture of the Republic of Kazakhstan No. 110 dated April 16, 2022). In line with this Order, the export of wheat and flour will be carried out strictly within the approved quotas: for wheat and meslin – one million tons; for wheat flour or wheat-rye – 300 thousand tons. This Order has been valid until September 30, 2022. Although quotas for the export of grains and flour were introduced temporarily, their introduction negatively affected the credibility of international trade in raw commodities, affecting the sustainability of trade.

<sup>1</sup> [https://www.fao.org/fileadmin/user\\_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf](https://www.fao.org/fileadmin/user_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf)

<sup>2</sup> <https://www.fao.org/worldfoodsituation/foodpricesindex/en/>

<sup>3</sup> <https://www.fao.org/worldfoodsituation/foodpricesindex/en/>

## WHEAT EXPORTS FROM KAZAKHSTAN

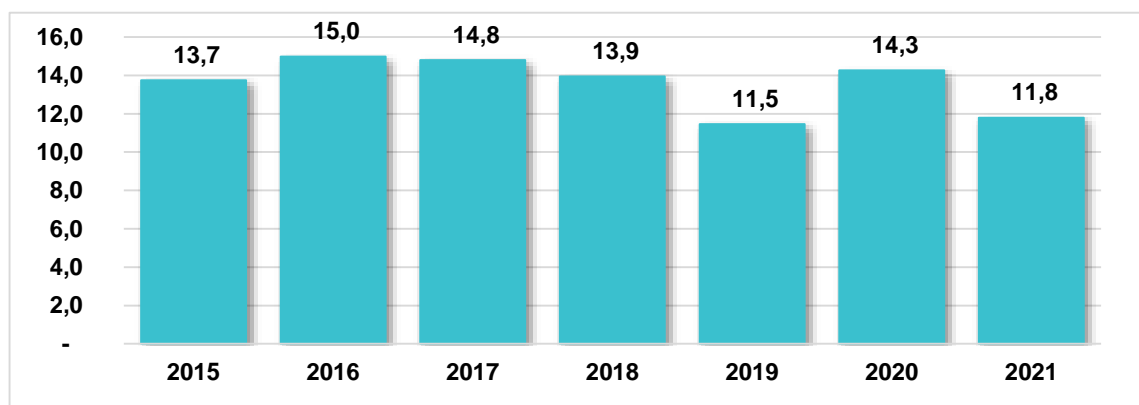
### PRODUCTION POTENTIAL AND COST OF GRAIN

Kazakhstan is the breadbasket of the SPECA sub-region. The grain industry of Kazakhstan is one of the priorities in the agricultural sector of Kazakhstan and its economy as a whole. The natural and climatic features of the northern, northeastern and significant part of the western and central regions of Kazakhstan are favorable for the cultivation of grain crops without additional irrigation, especially durum wheat. The main competitive advantage of Kazakhstani wheat is a high protein content of over 12.5% and gluten from 23 to 28%, which is a good basis for the production of high quality flour.

About 80% of the cultivated area of wheat and 85% of the corresponding crop falls on three oblasts: Akmola, Kostanay and North Kazakhstan<sup>1</sup>.

The yield and gross harvest of grain in Kazakhstan largely depend on the natural and climatic conditions that are difficult to predict. So, for example, 2019 was a relatively low-yielding year (11.5 mln. tons), 2020 was a relatively productive year (14.3 mln. tons), in 2021 the yield decreased again (11.8 mln tons) (Figure 3).

**Figure 3. Wheat production in Kazakhstan, mln. tons**



Source: FAOSTAT, 2021 data – [stat.gov.kz](http://stat.gov.kz)

The cost of wheat varies depending on many factors. Table 7 shows wheat prices in Kazakhstan at the time of the survey compared to 2020 prices. From the data presented, it can be seen that in 2022, compared to 2020, prices increased on average by more than 50%. According to FAO experts, as well as specialists participating in the survey as part of this study, the main reason for the increase in prices in 2022 was the price changes in the world due to the Russian-Ukrainian conflict. According to respondents, the increase of Kazakhstan's grain prices was also affected by the introduction of quotas for the export of grain and flour. Grain prices in Kazakhstan also started declining from June-July 2022.

**Table 7. Comparative wheat prices (with VAT 12%) in Kazakhstan USD per ton<sup>2</sup>**

Region name	November 2020			May 2022			Comparison 2020-2022,%		
	grade 3, with gluten		grade 4	grade 3, with gluten		grade 4	grade 3, with gluten		grade 4
	23-24%	27-30%		23-24%	27-30%		23-24%	27-30%	
Akmola	203	211	182	309	323	293	52	53	61

<sup>1</sup> Water-food-energy-ecosystems nexus in SPECA countries from the perspective of sustainable trade, UNECE research paper, 2018

<sup>2</sup> In terms of KZT at the exchange rate of the National Bank of the Republic of Kazakhstan



Region name	November 2020			May 2022			Comparison 2020-2022,%		
	grade 3, with gluten		grade 4	grade 3, with gluten		grade 4	grade 3, with gluten		grade 4
	23-24%	27-30%		23-24%	27-30%		23-24%	27-30%	
Aktobe	202	–	192	309	–	302	53	–	58
Almaty	204	–	186	314	–	299	53	–	61
East Kazakhstan	208	–	185	316	–	295	52	–	59
Zhambyl	204	–	185	310	–	295	52	–	59
West Kazakhstan	205	–	186	311	–	299	52	–	61
Karaganda	208	215	190	314	324	301	51	51	59
Kyzylorda	210	–	189	318	-	301	51	–	59
Kostanay	187	213	184	309	326	294	65	53	60
Pavlodar	205	–	186	313	–	299	52	–	61
North Kazakhstan	202	214	180	307	320	303	52	50	68
Turkestan	206	215	185	315	330	298	53	54	61
Nur-Sultan city	205	–	189	312	325	297	52	–	57
Almaty city	209	–	189	316	–	301	51	–	59

*increase in average*      56%

Source: <https://kazakh-zerno.net>

## MAIN MARKET ACTORS

Previously, UNESCAP and UNECE (in 2014 and 2019) conducted an analysis of the business processes of grain exports from Kazakhstan to Azerbaijan<sup>1</sup>, which provided a brief analysis of the main market players for that period. The largest players in the grain market are members of the Grain Union of Kazakhstan<sup>2</sup>. Unlike 2019, in 2022 the Grain Union of Kazakhstan unites 169 companies, including:

- traders who can simultaneously be producers and also own a network of elevators,
- grain receiving enterprises (elevators),
- companies providing inspection services in accordance with international and Kazakh standards,
- transport companies,
- companies supplying agriculture chemicals and drugs.

The major part of large enterprises is incorporated in the so-called "Agroholdings", vertically integrated structures, possessing producing and processing enterprises (including various sectors of agriculture: crop production, livestock, flour milling, etc.), elevators, and, in some cases, port terminals. Today there are 56 such companies under the Grain Union.

Today, as before, JSC NC "Food Corporation"<sup>3</sup> is the largest player of the grain market of Kazakhstan holding responsibility to ensure the country's food security through the quantitative and qualitative preservation of the reserve stock of grain. "Food Corporation" is the national operator in the grain market. It has representative offices in four regional centers of the country, as well as in the People's Republic of China (Beijing). "Food Corporation" also owns subsidiaries, with the participation of which joint ventures were created, including grain terminals in Iran (Kish Island) and Azerbaijan (Baku).

The distribution of quotas for the export of wheat and flour, introduced in April 2022, is being made through Prodkorporatsia. The quota for wheat export was being received only by those

<sup>1</sup> <https://www.unescap.org/kp/2022/business-process-analysis-study-cereal-exports-kazakhstan-azerbaijan>

<sup>2</sup> <http://grainunion.kz>

<sup>3</sup> <http://www.fcc.kz>

exporters who sold out JSC “NC “Food Corporation” 10% of the wheat volume planned for export at a fixed cost.

## REGULATORY REGULATION AND DIGITALIZATION

### Main changes

The main regulatory documents concerning the registration of the export supply of grain have remained the same. Their list with links to the full text is presented in Annex 2.

Since 2001, the main legislative document for regulating relations associating with the process of production, storage and sale of grain in the Republic of Kazakhstan is Law No. 143 "On Grain" dated January 19, 2001<sup>1</sup>.

In December 2020, due to the pandemic, the following concepts were introduced into this law:

- *grain market operator* – a national company in the field of the agro-industrial complex, involved in ensuring food security through the implementation of a stabilization function in the grain market and the authority managing the reserve stock of grain (such operator is NC “Food Corporation” JSC),
- *reserve stock of grain* – a stock of food grain being used to guarantee the provision of the country with food grain in the event of natural, man-made and social emergencies, the introduction of a state of emergency, and, if necessary, for the purpose of regulating the impact on the domestic market.

In accordance with Article 4 of the Law "On Grain", one of the forms of national control in the execution of the national regulation is the control of compliance with the rules: on the conduct of quantitative and qualitative accounting of grain, storage of grain, formation and maintenance of the national electronic register of holders of grain receipts. The Law provides for the application of "Rules for the formation and maintenance of the national electronic register of holders of grain receipts"<sup>2</sup>.

**Grain receipt** is a warehouse certificate in the form of a non-paper debt non-emission security, certifying the rights of its holder to receive grain from a grain-receiving enterprise in the amount and quality defined at the time of its issue.

Running the national register of grain receipts is carried out online on the web portal [www.qoldau.kz](http://www.qoldau.kz). The portal was launched in 2018 as part of the digitalization of the agro-industrial complex. Initially, the main function of Qoldau.kz was to receive electronic applications from farmers for various types of state support. Later, many other services were posted on the platform, including registries of grain receipts. The portal continues developing, new services are being introduced.

As noted above, in line with the Order of the Minister of Agriculture of RK No.110 dated 16.04.2022,<sup>3</sup> quotas have been introduced for export of wheat and flour (Order was reissued several times subsequently<sup>4</sup>). This Order has been valid until September 30, 2022. Currently the quotas are cancelled.

In accordance with the Order of the Acting Minister of Agriculture of the RK No. 215 dated July 5, 2022 “On some issues of export of certain goods from the territory of the Republic of

<sup>1</sup> Updated [https://adilet.zan.kz/rus/docs/Z010000143\\_](https://adilet.zan.kz/rus/docs/Z010000143_)

<sup>2</sup> Order of Acting Minister of Agriculture of RK No.4-1/699 of 28.07.2015 (updated changes), <https://adilet.zan.kz/rus/docs/V1500012016>

<sup>3</sup> <https://adilet.zan.kz/rus/docs/V2200027608>

<sup>4</sup> <https://adilet.zan.kz/rus/docs/V2200028713>

Kazakhstan”, applicants, who have realized 10% of the wheat volume declared for export from Kazakhstan's territory at a fixed price for *the operator on the grain market* (NC “Food Corporation” JSC) by signing an order for the sale of a grain receipt in the state electronic register of holders of grain receipts, shall be allowed to receive quotas for export of wheat from the territory of Kazakhstan. For the entire period of the quota, the allowable limit for the export of wheat per applicant is 50,000 tons.

Information on issued and available volumes of quotas is being published daily by the Ministry of Agriculture on its portal<sup>1</sup>.

A significant simplification in the implementation of customs clearance was the abolition of stamping in accordance with the Decision of the Eurasian Intergovernmental Council No. 5 dated July 17, 2020 “On the non-affixing of notes by customs authorities in transport (shipping), commercial and (or) other documents when performing customs operations in electronic form.”

## Digitalization

In recent years, especially during the Covid-19 pandemic, Kazakhstan has managed to achieve tangible results in the digitalization of various areas of life. The functionality was expanded and the services of previously existing portals such as:

- Electronic government of the Republic of Kazakhstan – <https://egov.kz>,
- Electronic Licensing of the Republic of Kazakhstan – <https://elicense.kz>,
- “Astana-1” automated information system specified for electronic declaration of goods and implementation of other customs procedures – <http://212.154.167.54:8080/index.jsf>.

Information System of Electronic Invoices (IS EI) has been introduced <https://esf.gov.kz:8443/esf-web>.

Since 2019, in accordance with the “Rules for the registration of the accompanying invoices and their documentation”,<sup>2</sup> a new type of administration has been introduced in the course of importing almost all goods (except transit) through internal points of passage of the EAEU (the so-called “export” control). Despite the short time of introduction of these requirements, this process is automated in the information system (IS KZ SNT), which is used by employees of the Department of State Revenues of the Ministry of Finance of the Republic of Kazakhstan at the checkpoints for reconciliation of documents filled out by consignors and recipients in the IS EI.

The online platform [www.qoldau.kz](http://www.qoldau.kz) for businesses in the field of livestock, crop production, agrochemical industry has been significantly developed. The services of agrarian and grain receipts are implemented on the same portal.

The [www.qoldau.kz](http://www.qoldau.kz) portal is constantly actively developing. For example, the function of “Virtual warehouse” (<https://astyqqoima.qoldau.kz>), aimed to keep full accounting of grain turnover, is being realized. Currently, accounting for the grain turnover in Kazakhstan is weak and characterized by low reliability. This circumstance leads to problems in ensuring food security of grain. In general, the portal [www.qoldau.kz](http://www.qoldau.kz) is multifunctional, friendly for utilization and equipped with easily understandable video instructions.

Overall, the digitalization of the agro-industrial complex of Kazakhstan has significantly advanced over the past 3-4 years. A digital framework has been created in all fields; records on each field owner are kept, space monitoring of sowing, vegetation and harvesting of fields is

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<sup>1</sup> <http://portal.minagri.gov.kz> (IC EACY)

<sup>2</sup> Order of the First Deputy Prime Minister of RK – Ministry of Finance of RK No.1424 dated 26.12.2019, <https://adilet.zan.kz/rus/docs/V1900019784>

carried out, issuance, purchase and sale of electronic grain receipts, issued by licensed GRE, etc., is completely digitalized.

A certificate of origin is being received through the portal <https://doculite.com>. The portal allows submitting an application to the “Atameken” National Chamber of Entrepreneurs for a certificate, attaching all the required documents. The same portal provides interaction with other state bodies. In addition, the portal allows online signing of trading contracts with Kazakhstani residents.

All portals providing online public services function using an electronic digital signature (EDS). It is now also possible to obtain or reissue an EDS online.

Over the past 2 years, a significant number of bank services have been automated, including registration of a commercial contract worth more than 50 thousand USD, required in line with the “Rules for export-import of currency control in the Republic of Kazakhstan” No. 42 dated 03.30.2019<sup>1</sup>. The online procedure of issuing a letter of credit has been launched by many banks. Banks have also launched convenient services for mobile applications for private individuals and businesses.

Importantly, in many cases originals of documents are not required, provision of scanned originals is sufficient, or, in case documents are issued by state bodies, electronic versions of documents with QR code may easily be obtained.

With the technical assistance of the International Trade Center and UNCTAD and with the financial support of the EU, the "Trade Portal of Kazakhstan" (<https://tradeinfo.kz>) has been launched by Kazakhstan, where the search of information on the procedures and required documents necessary for export/import of a number of goods important for the country's economy is automated. Providing information on this portal is a great facilitating tool for traders. The analysis of current regulatory documents and the results of interviews conducted in the course of this study has confirmed the benefits of providing information on the portal. However, there was no information on the requirements for obtaining a quota permit for grain export on the portal, that is, the information was not updated this year

Business is also actively involved in the digitalization effort, for example, a service has been launched by a logistics company <https://www.colos.kz/> that allows serving customers around the clock. The service may become independent and be used by other companies.

Unfortunately, the Single Window portal ([www.eokno.gov.kz](http://www.eokno.gov.kz)), announced in March 2019, has not reached the expected development. As before, the portal serves as a dispatcher with links to other portals ([elicense.kz](http://elicense.kz), [kgd.gov.kz](http://kgd.gov.kz), etc.). The services of some state websites also require development (the Ministry of Agriculture of the RK, [kgd.gov.kz](http://kgd.gov.kz)) as there are difficulties with finding necessary information.

### **Required documents**

Compared to the 2019 BPA study, the list of required documents has not changed significantly. Information on the required documents and procedures for the export-import of certain goods, including the export of grain, is well presented on the "Trade Portal of Kazakhstan" (<https://tradeinfo.kz>).

The wheat HS code 1001 is in the list of goods that are essential for the internal market of the EAEU<sup>2</sup>. Temporary export restrictions may be imposed on goods on this list. So, in order to ensure food security due to risks related to the military conflict between Russia and Ukraine, from April 2022 up to October 2022, *a quota is required* for grain exports<sup>3</sup>.

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<sup>1</sup> <https://adilet.zan.kz/rus/docs/V1900018539>

<sup>2</sup> Decision of the ECE Council No.83 of 26.07.2016, <https://adilet.zan.kz/rus/docs/H16EK000083#z4>

<sup>3</sup> <https://adilet.zan.kz/rus/docs/V2200027608>

In accordance with EAEU legislation where Kazakhstan is a member, the wheat (HS code 1001) is included in the list of goods subject to:

- Requirement for a *Phytosanitary Act (Certificate)* and other measures accompanying the quarantine phytosanitary control and transportation of wheat<sup>1</sup>,
- Sanitary-epidemiological control including at the border<sup>2</sup>.

If an *Import Quarantine Permit* is required in the country of grain destination, an import quarantine permit, which is received by an importer in advance, is requested by the national plant quarantine inspectors *when issuing a Phytosanitary Certificate*.

Besides, in accordance with the EAEU legislation, the wheat must comply with the requirements established by the Technical Regulation "Requirements for the grain security".<sup>3</sup> Confirmation of conformity of grain to the technical regulation requirements is being carried out in the form of a declaration of conformity of grain (*Declaration of conformity*). Information about the declaration is entered in the Unified Register of issued certificates of conformity and registered declarations of conformity of the EAEU<sup>4</sup>.

As in 2019, in line with requirements of the national legislation<sup>5</sup>, for batches of grain it is required to obtain a *Grain Quality Passport* certifying the actual indicators of grain quality and their compliance with the requirements of regulatory documents for standardization and (or) the terms of the contract. However, according to interviewed exporters, this document is not requested by the importers.

If in the country of grain supply there are preferences on taxes and duties for grain from Kazakhstan, a *Certificate of Origin* can be requested by Importers.

International quality certificates (not required by law, issued only at the request of buyers) confirm the control of weight and/or quantity during the shipment of goods, quality control of the shipped goods, as in an elevator or in ports. Certificates are being issued by international inspection companies that have their representative offices in Kazakhstan<sup>6</sup> and are members of the Grain Union.

A *Goods Declaration* is the main document required for customs clearance of the export and import of goods. Since 2018, goods have been declared electronically through the Astana-1 automated information system (<http://212.154.167.54:8080/index.jsf>). For customs clearance other than the Goods Declaration, provision of the following documents is also required:

Shipping documents:

- a copy of the export contract (if the contract value is more than 50 thousand USD, a registration number must be assigned to the contract in an authorized bank or branch of the National Bank<sup>7</sup>),
- commercial documents (copy of commercial contract, invoice, packing list),
- transport documents (e.g., SMGS for the carriage of goods by rail),
- receipt of payment of customs fees and duties (duties on grain export are not applied<sup>8</sup>).

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<sup>1</sup> CTC Decision No.318 of 18.06.2010, <https://adilet.zan.kz/rus/docs/H10T0000318#z7>

<sup>2</sup> CTC Decision No. 299 of 28.05.2010, ПП РК № 61 от 20.01.2003 г., <https://adilet.zan.kz/rus/docs/H10T0000299#z68>

<sup>3</sup> CTC Decision No. 874 of 09.12.2011, <https://adilet.zan.kz/rus/docs/H11T0000874>

<sup>4</sup> <https://portal.eaeunion.org/sites/commonprocesses/ru-ru/Pages/ConformityDocsRegistryDetails.aspx>,

<sup>5</sup> Order of the Minister of Agriculture of RK No. 4-1/364 of 23.04.2015, <https://adilet.zan.kz/rus/docs/V1500011581>

<sup>6</sup> Eg., <http://bck.kz>, [www.sgs-caspian.com](http://www.sgs-caspian.com)

<sup>7</sup> Resolution of the Board of the National Bank № 42 of 30.03.2019, <https://adilet.zan.kz/rus/docs/V1900018539>

<sup>8</sup> <https://adilet.zan.kz/rus/docs/V1600013217>

## EXPORT GEOGRAPHY OF KAZAKHSTAN'S GRAIN

Kazakhstan's durum wheat is in demand on international markets. Kazakhstan is one of the largest grain exporting countries, with a share of around 1.3-2.3% of world wheat exports, depending on the harvests of different years (Table 5).

Kazakhstan exports wheat to various countries, with about 80 percent of wheat exports falls on the SPECA countries (Figure 4 and Table 8).

**Figure 4. Wheat export map from Kazakhstan, 2021**



Source: ITC. [www.trademap.org](http://www.trademap.org)

**Table 8. Main Importers of Kazakhstan wheat (HS code 1001)**

Importers	2016		2017		2018		2019		2020		2021 <sup>1</sup>	
	thsnd tons	mIn USD	thsnd tons	mIn USD	thsnd tons	mIn USD	thsnd tons	mIn USD	thsnd tons	mIn USD	thsnd tons	mIn USD
<b>Uzbekistan</b>	1672	202	1687	199	2291	286	2187	373	2941	600	2969	n/d
<b>Tajikistan</b>	1019	165	1051	166	1040	159	1022	198	1021	236	1005	n/d
<b>Afghanistan</b>	254	38	285	46	387	66	293	57	528	117	583	n/d
<b>China</b>	281	52	307	58	550	99	425	91	244	61	444	n/d
<b>Russian Fed.</b>	402	63	131	24	223	43	294	43	156	52	301	n/d
<b>Italy</b>	156	42	239	60	350	67	138	30	141	35	188	n/d
<b>Turkmenistan</b>	0	0	0	0	260	42	240	47	53	12	227	n/d
<b>Kyrgyzstan</b>	244	39	227	38	145	18	147	28	55	10	78	n/d
<b>Iran</b>	228	38	12	2	50	10	5	1	18	5	867	n/d
<b>Azerbaijan</b>	48	9	77	13	289	51	239	46	18	4	89	n/d
<b>Turkey</b>	61	13	147	31	291	60	204	44	9	2	82	n/d
<b>Poland</b>	15	4	3	1	5	1	5	1	3	1	n/d	n/d
<b>Other count.</b>	68	19	91	24	283	64	177	45	11	3	257	n/d
<b>World</b>	<b>4448</b>	<b>685</b>	<b>4256</b>	<b>661</b>	<b>6164</b>	<b>965</b>	<b>5376</b>	<b>1003</b>	<b>5199</b>	<b>1137</b>	<b>7090</b>	n/d

<i>SPECA count.</i>	3237	453	3326	462	4411	622	4128	748	4616	979	4951	n/d
<i>Share in %</i>	73%	66%	78%	70%	72%	64%	77%	75%	89%	86%	70%	n/d

Source: ITC, [www.trademap.org](http://www.trademap.org)

The largest volumes of exports go to Uzbekistan (57% in 2020, 42% in 2021) and Tajikistan (20% in 2020, 14% in 2021).

<sup>1</sup> <https://grainunion.kz/ru/article/2210>

In 2020, the volumes of exports to Kyrgyzstan, Turkmenistan and Azerbaijan decreased but already in 2021 purchases of Kazakhstan's grain by some SPECA countries increased again, in some countries several times.

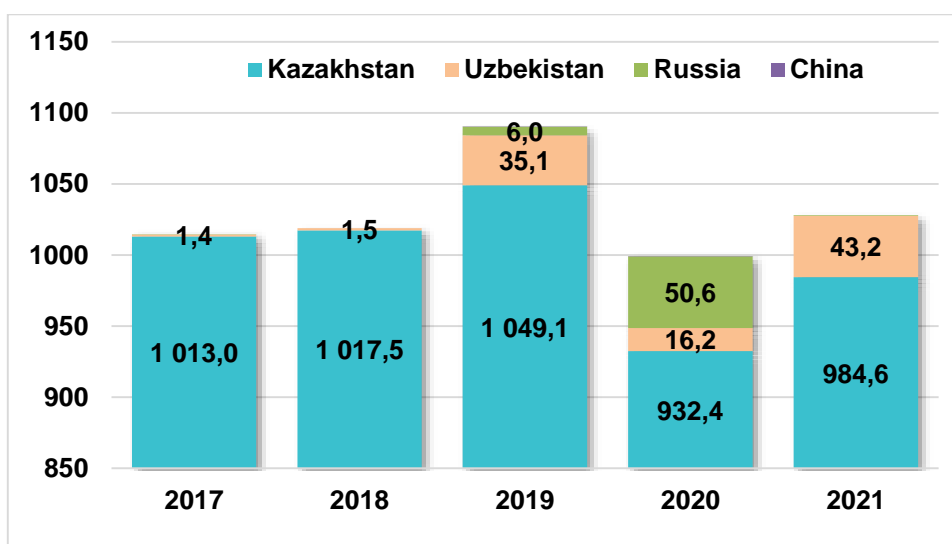
In line with the terms of reference of the current study Kazakhstan's wheat export to Tajikistan and Turkmenistan is examined in more detail.

## WHEAT IMPORT IN TAJIKISTAN

### IMPORT VOLUMES

Tajikistan is the country most dependent on wheat imports among the countries examined in the study. In this country wheat production volumes are limited, as 93% of the territory of the republic is occupied by mountains significantly complicating the cultivation of wheat. Therefore, the country's basic need for wheat is met by imports. Kazakhstan is the main wheat supplier of Tajikistan. From the data presented in Figure 5, it can be seen that more than 95% of the wheat volumes used in Tajikistan is imported from Kazakhstan.

**Figure 5. Wheat (HS code 1001) import volumes in Tajikistan (by exporting countries), mln. tons**



Source: ITC, [www.trademap.org](http://www.trademap.org)

### ROUTES AND DELIVERY COSTS

Figure 6 shows the wheat delivery route from the northern regions of Kazakhstan to Tajikistan. Grain from Kazakhstan to Tajikistan is delivered by rail (it can also be delivered by road but this means of transport is not used because of the high cost).

Transportation of wheat is usually carried out in so called grain hoppers but can also be transported in universal wagons<sup>1</sup> (their use complicates the loading process at the elevator).

<sup>1</sup> A covered or open goods wagon - van

Figure 6. Wheat (HS code 1001) delivery route from Kazakhstan to Tajikistan



Source: author

The delivery route in the territory of Uzbekistan runs through the following checkpoints: Saryagash (KZ) - Keles (UZ); Kudukli (UZ) - Pakhtaabat (TJ), from any point of departure from Kazakhstan.

The estimated delivery time guaranteed by the railway company is 10-11 days. The real delivery time, data on which was collected from a survey of exporters and importers, makes up 7-8 days. Given that after the reform of railway transport, basically all transportation is carried out in private wagons, the cost of transportation includes not only the cost of transportation itself but also the cost of the usage of wagons.

Table 9 shows the calculation of the cost of grain delivery from the point of departure to the point of destination.

Table 9. Examples of calculation of wheat (HS code 1001) delivery cost from Kazakhstan to Tajikistan

vehicle type	weight, t	distance, km	Cost, US\$						Delivery time, days			
			transportation	wagon use	additional charges	wagon return	total for the wagon	total per ton of cargo	wagon with cargo		empty wagon	
									estimated	actual	Estimated	actual
boxcar	70	3151	2703	2720	103	608	6134	88	17	8	17	8
grain hopper	70	3151	2818	4080	103	608	7609	109	17	8	17	8

Source: Calculated using rail tariff calculation software<sup>1</sup> and consigner survey

<sup>1</sup> For example, <https://rail-tariff.com/>



In a survey of exporters, conducted as a part of this study, it turned out that the export supply of grain can be carried out under different INCOTERMS delivery conditions, for example, INCOTERMS-2020: DAP, CPT, FCA. Many exporters still deliver under DAF INCOTERMS 2000, for example, to the final checkpoint in Kazakhstan. In July 2022, the cost of DAF wheat INCOTERMS-2000 ("Saryagash" checkpoint) was \$315-320 per ton. The costs for transportation from the "Saryagash" checkpoint are paid by the recipient.

In the course of interviewing exporters and importers, we found out that there were no significant difficulties in organizing the supply of grain from Kazakhstan to Tajikistan. Some exporters had been cooperating with established transport companies for many years. The only difficulty faced by traders is the transportation of feed grain transiting through the territory of Uzbekistan, which requires a special permit. It takes almost a month to get it. However, in this study, the export of feed grains is not considered.

## **BASIC CLEARANCE REQUIREMENTS**

The List of basic regulatory documents related to undertaking grain imports to Tajikistan is presented in Annex 2.

In Tajikistan, similar to Kazakhstan, a "Trade Portal of Tajikistan" (<https://tajtrade.tj>) has been launched by the Ministry of Economic Development and Trade of the Republic of Tajikistan with the technical assistance of the International Trade Center and UNCTAD, OSCE, UNDP, with the financial support of the Swiss agency for international economic cooperation SECO. The portal facilitates finding information on the requirements for registration of export-import of goods, required procedures, the cost and timing of their implementation, the required documents. The portal posts relevant regulatory documents (their list is presented in Annex 2 to this report). The analysis of the current regulatory documents and the findings of the interview conducted in the course of this study confirmed the correctness of the information posted on the portal. At the same time, the latest update on the portal for the wheat import section was in 2021. Possibly, there was no need for an update in 2022.

In the national legislation of Tajikistan, the wheat (HS code 1001) is in the list of goods subject to:

- sanitary-epidemiological control,
- quarantine phytosanitary control,
- obligatory certification.

For the importation of grain to Tajikistan it is required to make available the following:

- *Import Quarantine Permit* issued by the Food Security Committee under the Government of the Republic of Tajikistan. Permission must be obtained in advance, prior to import of a regulated material. Normally, it is received before shipping of the wheat from Kazakhstan and is sent in scanned form to the exporter. The permit is valid for 3 months.
- *Phytosanitary Act* is issued under the conditions that quarantined goods do not have signs of infection in accordance with the "Rules and norms for ensuring quarantine and plant protection"<sup>1</sup>.
- *Sanitary-Epidemiological Conclusion* is mandatory, and it is issued by the Head Office of State Sanitary-Epidemiological Surveillance. In accordance with the "Procedure for State Registration of Certain Types of Materials and Goods"<sup>2</sup>, the grain (HS code 1001) is included in the list of goods which require sanitary-epidemiological conclusion.

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<sup>1</sup> Decree of the Government of RT No.376 of 23.06.2020

<sup>2</sup> Order of the Ministry of Health and Social Protection of Population RT No.175 of 20.03.2019

- *Certificate of Conformity* is mandatory when importing wheat. The certificate is being issued by the Agency for Standardization, Metrology, Certification and Trade Inspection under the Government of the Republic of Tajikistan<sup>1</sup>.
- Customs *Import Declaration* can be filled out online (<http://trader.customs.tj/>). The declaration is being filled out in line with the "Instructions on the procedure for filling out a cargo customs declaration and a transit declaration"<sup>2</sup>.

The declaration is accompanied by the following:

- *Documents confirming the data on the company and its representative*: passport of the Importer's representative (copy); Power of attorney for a representative (original), Enterprise extract from the unified state register (copy), Taxpayer Identification Number (TIN, copy)<sup>3</sup>; Certificate of state registration of the enterprise (copy),
- *Commercial Documents*: Commercial Contract (certified copy), Commercial Invoice (original), Packing List if available (not normally required for grain),
- *Transport documents*: SMGS railway consignment note (original),
- *Shipping documents*: Import quarantine permit (original); Act of phytosanitary control of regulated materials (original); Sanitary and epidemiological conclusion (original); Certificate of Conformity (original); Phytosanitary Certificate of the country of departure (original); Certificate of Origin of the country of departure (original), if available (not necessary for grain)<sup>4</sup>, Phytosanitary Certificate of the country of departure (original),
- *Other required documents*: Declaration of Internal Customs Transit (ICT) (original); The act of customs inspection (original); Export declaration of the country of departure (original), if available.

Assessing the requirements for paperwork when importing wheat in Tajikistan, it should be noted that many procedures need further digitalization, which will eliminate requirements on provision of original documents for a number of documents and significantly facilitate the process of processing grain imports.

## **WHEAT IMPORTS IN TURKMENISTAN**

### **GENERAL TRENDS**

Agricultural land accounts for more than 80% of the total territory of Turkmenistan. However, Turkmenistan is a country with an arid climate, and most of the agricultural land is desert pastures. The proportion of arable land suitable is extremely small. Turkmen agriculture is heavily dependent on irrigation.

Turkmenistan is actually the only country in Central Asia, where the area of irrigated land in the years 2007-2008 substantially surpassed the 1990 level.

Agriculture in the Turkmen SSR had specialized primarily on cotton cultivation. The republic ranked second in the USSR in cotton production (after the Uzbek SSR).

The situation started changing rapidly after 1990, when the government decided stimulating wheat production, in order to achieve a higher degree of grain self-sufficiency. The area under

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<sup>1</sup> <http://standard.tj/>

<sup>2</sup> Order of the Customs Administration under the Government of RT No. 139-φ of 28.08.2009

<sup>3</sup> There is a resource for checking presence of the company in the register <https://andoz.tj/Fehrist/Ur?culture=ru-RU>

<sup>4</sup> In line with the Decree of the Government of RT No.399 of 8.08.2018; "On the rates of import customs duties of the Republic of Tajikistan", import duties are not applied

cereal crops (mainly wheat) increased from 15% of the total area under crops cultivation in 1990 up to 50% in 1998 and continued growing in the subsequent years<sup>1</sup>.

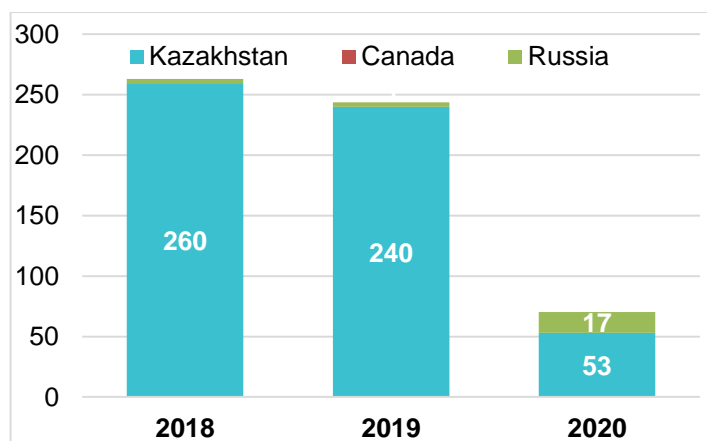
As per data provided by interviewed experts, diversification of agriculture via placing a focus on wheat and cotton cultivation may have helped stabilizing the utilization of water (and abstraction), as wheat production takes 40% less water per hectare than cotton production.

At the same time, as noted earlier, based on various studies, SPECA countries are advised to consider minimizing production on irrigation of crops that can be grown on rainfed lands in other countries of the SPECA region. According to experts, increased trade in crops such as wheat and their production in the areas where there is a comparative advantage (for example, Kazakhstan) could lead to water savings and a possible water redistribution thus enabling irrigating valuable crops or supporting water-dependent ecosystems<sup>2</sup>.

## IMPORT VOLUMES

Today, Turkmenistan produces more wheat than it consumes, but the country still imports high quality wheat. In 2018-2019, the volume of wheat imports from Kazakhstan amounted to 98% or more. In 2020, wheat imports were more than halved with only 75% coming from Kazakhstan (Fig. 7).

**Figure 7. Wheat (HS code 1001) import volumes in Turkmenistan (by exporting countries), mln. tons**



Source: ITC, [www.trademap.org](http://www.trademap.org)

After the decrease in 2020, wheat imports increased sharply in 2021 when 227 thousand tons were imported only from Kazakhstan (Table 8).

## ROUTES AND DELIVERY COSTS

Figure 8 shows the wheat delivery route from the northern regions of Kazakhstan to Turkmenistan. Grain from Kazakhstan to Turkmenistan is delivered by rail (it can also be delivered by road but this is not used because of the high cost).

In 2012, the Aktau-Bolashak railway line was built, which made possible delivering goods bypassing the territory of Uzbekistan. Despite the fact that the length of the new route is longer than the route through Uzbekistan, the delivery times are actually shorter since the cargo moves without delay and crosses only one border. From any point of departure from Kazakhstan, the

<sup>1</sup> <https://www.fao.org/3/i29111r/i29111r.pdf>

<sup>2</sup> Water-food-energy-ecosystems nexus in SPECA countries from the perspective of sustainable trade, UNECE research paper, 2018

delivery route runs into the territory of Turkmenistan through the checkpoint: Bolashak (KZ) – Serkhetyanka (TM).

Despite the fact that the railway line through the checkpoints Bolashak (KZ) – Serkhetyanka (TM) was launched in 2011, there is a problem with the delivery of goods along this route. In accordance with the SMGS rules, after unloading the cargo (for example, in Turkmenistan), empty wagons are being sent only along the shortest route, in this case through Uzbekistan. That is, empty wagons from Turkmenistan cannot be sent bypassing Uzbekistan through Serkhetyanka (TM) – Bolashak (KZ). Having an interest in receiving lost income for transit transportation due to the delivery of cargo bypassing Uzbekistan, the Uzbek railways set an extremely high tariff for the transportation of empty wagons from Turkmenistan. Getting an agreement between the SMGS railways on the possibility of delivering empty wagons from Turkmenistan bypassing Uzbekistan still remains not resolved. Therefore, the cost of transportation to Turkmenistan of all goods, including wheat, bypassing Uzbekistan (noting the cost of transporting empty wagons) is relatively high (see Table 10).

**Figure 8. Wheat (HS code 1001) delivery routes from Kazakhstan to Turkmenistan**



Source: author

**Table 10. Wheat (HS code 1001) delivery cost from Kazakhstan to Turkmenistan**

vehicle type	weight, t	distance, km	Cost, US\$						Delivery time, days			
			transportation	wagon use	additional charges	wagon return	total for the wagon	total per ton of cargo	wagon with cargo		empty wagon	
									estimated	actual	estimated	Actual
boxcar	68	1384	1495	800	103	540	2939	43	16	6	16	6
grain hopper	70	1495 <sup>1</sup>	2818	960	103	540	4421	63	16	6	16	6

Source: Calculated using rail tariff calculation software<sup>2</sup> and consigner survey

Estimated delivery time guaranteed by the railway is 16 days. The real delivery time, collected from a survey of exporters and importers, makes up 6-7 days. Table 10 shows the calculation of the grain delivery cost from the point of departure to the point of destination.

### BASIC REQUIREMENTS FOR IMPORT PROCESSING

In the course of this study, the request to conduct interviews with Turkmen importers (or Kazakh exporters supplying to Turkmenistan) was rejected. It is also quite difficult to find information on import delivery procedures, required documents and current regulations in Turkmenistan. Therefore, Tajikistan was chosen to analyze the business processes of grain imports from Kazakhstan.

We managed to find some information about requirements for registration of wheat imports in Turkmenistan through open sources. The list of basic regulatory documents (with links) related to undertaking grain imports to Turkmenistan is presented in *Annex 2*.

*The Customs Code of Turkmenistan* is the main legislative document regulating the customs clearance of goods<sup>3</sup> (reissued in 2010).

In accordance with the information posted on the website of the State Customs Service of Turkmenistan, wheat is included in the List of goods subject to customs duties when imported into the territory of Turkmenistan<sup>4</sup>. The customs duty for the import of wheat makes up \$250 per ton<sup>5</sup>, which is an extremely high rate for a product of crucial importance for food security.

The web site also indicates the payment of the following customs duties:

- for customs clearance – 0.2% of the customs value of the goods (*ad valorem* fees and duties are proscribed by several agreements under the WTO, and Turkmenistan is a candidate to accede to the WTO),
- for customs escort – 0.2 base rates used to calculate taxes and fees, for each hour of work of a customs officer,
- customs duty for storage – 0.3% of the customs value of the goods for each day.

In line with Article 81 of the Customs Code of Turkmenistan, the following main documents are being submitted when declaring goods:

- a contract or other document reflecting the content of a foreign economic transaction,
- commercial documents (invoice),

<sup>1</sup> Different types of wagons move on different routes (differences are not significant)

<sup>2</sup> For example, <https://rail-tariff.com/>

<sup>3</sup> <https://customs.gov.tm/ru/pages/customs-code>

<sup>4</sup> <https://customs.gov.tm/ru/customs-info/customs-fees/duties>

<sup>5</sup> <https://customs.gov.tm/ru/customs-info/customs-fees/duties>

- transport (shipping) documents,
- permits, licenses, certificates and (or) other documents confirming compliance with the restrictions established by the legislation of Turkmenistan,
- documents confirming the provision of benefits for the payment of customs duties and taxes,
- documents confirming the origin of goods,
- payment and settlement documents,
- documents substantiating the declared customs value,
- documents confirming information about the declarant.

The declaration is submitted in accordance with the "Procedure for filling out the Cargo Customs Declaration (CCD) and the transit declaration"<sup>1</sup>.

In accordance with the Law of Turkmenistan "On introduction of amendments and additions to the Law of Turkmenistan "On the Customs service" dated 03.06.2017<sup>2</sup>, Turkmenistan's customs administration may perform the functions of a customs broker on a paid basis (paragraph 13, article 15).

In accordance with the Law of Turkmenistan "On Plant Quarantine"<sup>3</sup> dated 21.08.09 (Article 1, Para 5) wheat, as a product of plant origin, is a regulated product.

Import and transit of regulated products (including wheat) is allowed through checkpoints for plant quarantine in case of availability of import quarantine permits of the authorized state body for plant quarantine and phytosanitary certificates issued by the quarantine services of exporting countries, valid no more than 30 days before the import of the goods into the country (Article 11, paragraph 2). Phytosanitary control is carried out by the State Plant Quarantine Service of the Ministry of Agriculture and Environmental Protection of Turkmenistan.

According to some information obtained in the course of the interviews with Kazakhstan's exporters, phytosanitary and veterinary certificates, issued in Kazakhstan, are recognized (reissued) in Turkmenistan.

Foreign economic activity is regulated by the Law of Turkmenistan "On foreign economic activity" dated 16.08.2014<sup>4</sup>. In accordance with Article 17, paragraph 2. of the Law "Goods that do not have a certificate of conformity issued in line with the legislation of Turkmenistan are not allowed for importation into Turkmenistan." Thus, without exception, all goods imported to Turkmenistan are subject to mandatory certification, which is carried out by the main state service "Turkmenstandartlary"<sup>5</sup>. Products that have passed certification are marked with a mark of conformity. According to information from Internet sources, the certificate of conformity is valid indefinitely<sup>6</sup>. Official information on the cost of services is not available. However, there are some indications on some sites that the cost of the certification procedure makes up 0.2% of the price specified in the contract.

In accordance with the Decree of the President of Turkmenistan No. 252 dated June 9, 2017 "On improving the activities of the State Commodity and Raw Materials Exchange of Turkmenistan" all foreign trade contracts subject to registration at the State Commodity and Raw Materials Exchange of Turkmenistan<sup>7</sup>, except some contracts: purchase of raw materials for production and construction in the amount of less than 1 million USD. Exchange fees make up

<sup>1</sup> <https://customs.gov.tm/customs-info/for-legal-entities>

<sup>2</sup> <https://www.parahat.info/law/parahat-info-law-01zb>

<sup>3</sup> <https://www.parahat.info/law/2009-08-21-zakon-turkmenistana-o-karantine-rasteniynusheniца>

<sup>4</sup> <https://www.parahat.info/law/2014-08-25-zakon-turkmenistana-o-vneshneekonomicheskoy-deyatelnosti>

<sup>5</sup> <https://turkmenstandartlary.gov.tm/>

<sup>6</sup> <https://export67.com/v-pomosch-eksporteru/konsultacii/prosim-vas-rasskazat-o-torgovyh-ogranicheniyah-i-vozmozhnyh-problemah-pri-postavke-tovara-v-respubliku-turkmenistan-bury-sverla-metall-ruletki/>

<sup>7</sup> <https://www.exchange.gov.tm/>

not less than 0.1% of the contract price. Exchange specialists analyze the value of the contract. Registration of the contract takes 7-15 days. Contract data is entered into an electronic database. It should be noted that the portal of the State Commodity and Raw Materials Exchange has improved significantly in recent years and has a user-friendly design.

Some online sources note that Turkmenistan also has problems with currency conversion. Entrepreneurs can convert 2% of the total transaction amount per month, therefore, as a rule, contracts are concluded long before the import delivery of goods on a prepaid basis.

*Summing up the above, import (and export) procedures in Turkmenistan vary greatly from requirements in other countries of the SPECA region and are relatively complex. Further improvement of legislation and development of digitalization of export-import procedures are required.*

## **PRODUCTION AND EXPORT-IMPORT OF FRUITS (CITRUS)**

### **GENERAL TRENDS**

As noted earlier, cultivation of cereals is of strategic importance and remains an objective of government intervention in some SPECA countries. Insufficient attention is given to the production of fruit and vegetables, normally it is characterized by small scale and being run by private farms and households<sup>1</sup>. However, there are also positive examples in the region of producing and exporting high-value products (e.g., fruit) on irrigated lands and their exportation. Production of citrus fruits in Uzbekistan is one of these examples.

In recent years, active measures of state support are being implemented in Uzbekistan to develop the production of citrus fruits and their export. By the Decree of the President of the Republic of Uzbekistan No. ПП-4610 dated February 19, 2020 “On additional measures for further development of the lemon growing sector”<sup>2</sup> the Scientific and Practical Center for Citrus, Subtropical and Tropical Plants was established with the participation of the Association of Producers and Exporters of Citrus, Subtropical and Tropical Plants.

The objectives of the Center are as follows:

- development of recommendations for the creation of citrus plantations on the terms of cooperatives,
- creation of special nurseries for cultivating certified seedlings,
- modernization of existing greenhouses as well as creation of high-yielding export-oriented varieties of lemons,
- certification of citrus, subtropical and tropical plants, export and import products,
- supply of seedlings,
- supplying mineral fertilizers, chemicals and other items to producers.

A number of planned measures are being implemented through public-private partnerships.

According to the media<sup>3</sup>, in 2022, it is planned to build additional complexes for cultivating lemons in Uzbekistan and expand the total area up to 4 thousand, which is 3 times more than the areas available now. Lemon plantations are established on lands released from cotton and grain crops.

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<sup>1</sup> Water, Food and Energy Security in Central Asia: Introductory Analysis - Advantages of Cross-Sectoral Solutions, Preliminary data and analysis prepared by SRC ICWC and experts for discussion, 07.06.2021

<sup>2</sup> <https://lex.uz/docs/4741435>

<sup>3</sup> <https://e-cis.info/news/569/98434/>

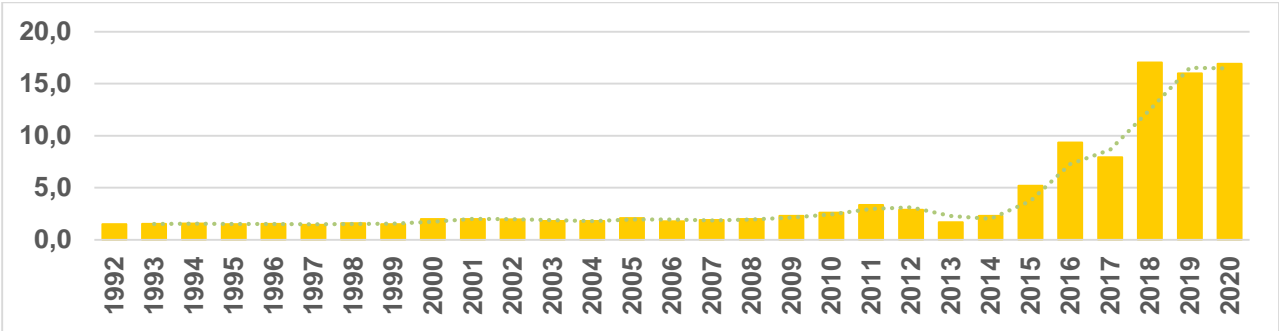
The measures taken are already yielding tangible results. The statistics presented in Table 11 and Figure 9 demonstrate that citrus production in Uzbekistan is increasing rapidly. Over the past 5 years, citrus production in Uzbekistan has increased more than 3 times.

**Table 11. Citrus production in Uzbekistan**

year	Fruit, citrus			Lemon and limes			Total (citrus, lemon and limes)		
	harvest area, ha	Productivity, tons / ha	Production, thousand tons	harvest area, ha	Productivity, tons / ha	Production, thousand tons	harvest area, ha	Productivity, tons / ha	Production, thousand tons
1992	100	10,0	1,0	100	5,0	0,5	200	7,5	1,5
1995	98	10,2	1,0	87	5,7	0,5	185	8,0	1,5
2000	100	10,0	1,0	100	10,0	1,0	200	10,0	2,0
2005	100	13,0	1,3	100	8,0	0,8	200	10,5	2,1
2010	100	19,0	1,9	100	7,0	0,7	200	13,0	2,6
2015	200	11,0	2,2	400	7,5	3,0	600	9,3	5,2
2020	690	14,5	10,0	976	7,1	6,9	1666	10,8	16,9

Source: “Crops and livestock products” section of FAOSTAT<sup>1</sup>

**Figure 9. Citrus production in Uzbekistan, thousands of tons**



Source: “Crops and livestock products” section of FAOSTAT<sup>2</sup>

**GEOGRAPHY OF CITRUS EXPORTS FROM UZBEKISTAN**

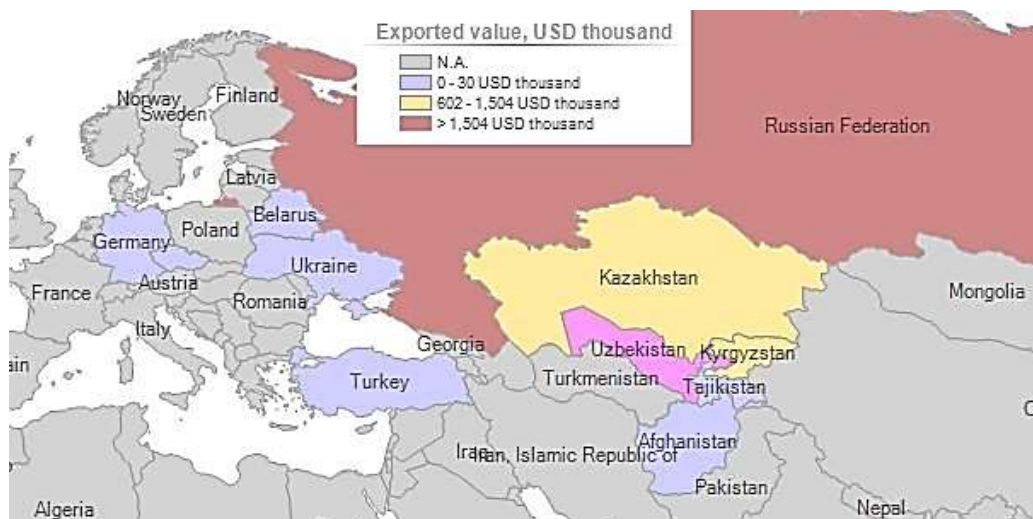
The main markets for import of citrus fruits from Uzbekistan are the Russian Federation, Kazakhstan, and the Kyrgyz Republic (Figure 10 and Figure 11). However, export volumes are not yet stable. The largest volume of export was noted in 2019 (7.6 thousand tons), in 2021 - 5.1 thousand tons.

<sup>1</sup> <https://www.fao.org/faostat/en/#data/QCL>

<sup>2</sup> <https://www.fao.org/faostat/en/#data/QCL>

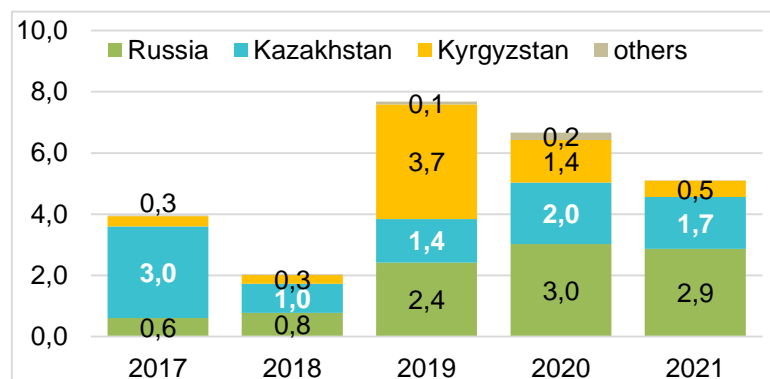


**Figure 10. Citrus export map (HS code 0805) from Uzbekistan in 2021.**



Source: ITC, [www.trademap.org](http://www.trademap.org)

**Figure 11. Export volume of citrus fruits (HS code 0805) from Uzbekistan (by importing countries), mln. tons**



Source: ITC, [www.trademap.org](http://www.trademap.org)

The instability in the volume of exports of Uzbek citrus fruits is mainly due to high competition among traditional *citrus* supplier countries. For example, according to 2020<sup>1</sup> statistics, citrus fruits were supplied to Kazakhstan from Pakistan (44%), China (29%), Turkey (9%), the Russian Federation (5%) and Egypt (4%). The share of citrus imports from Uzbekistan in 2020 was only 3%. At the same time, the share of imports of lemons (HS code 080550) from Uzbekistan accounts for 30%. Large volumes of lemons were delivered to Kazakhstan in 2020 only from China (31%). The unique varieties of lemons grown in Uzbekistan are indeed becoming increasingly popular in Kazakhstan. They are called “Uzbek lemons” or “Tashkent lemons”.

Citrus fruits are traditionally supplied to the Russian Federation from Turkey (45% in 2021), Egypt (17%), South Africa (11%), Morocco (11%), Pakistan (5%), Argentina (5%) and other countries. The share of citrus imports from Uzbekistan in 2021 was only 0.2%.

The Government of Uzbekistan is interested in diversifying export markets for fruit and vegetables (fresh and dried) and is taking measures to expand international cooperation: since 2020, Uzbekistan has the status of an EAEU observer country. According to media reports, in 2020 Uzbekistan also received the status of a beneficiary country of the European Union (EU) Generalized System of Preferences Plus, which will reduce import duties to zero by more than

<sup>1</sup> [www.trademap.org](http://www.trademap.org)

two-thirds of tariff lines<sup>1</sup> (Uzbekistan is not listed as a GSP+ beneficiary country on the EU website). Agreements in the field of trade and economic cooperation on the provision of most favored nation treatment<sup>2</sup> have been signed by Uzbekistan with 47 countries.

## **ROUTES AND DELIVERY COSTS**

Apart of unique taste qualities, the cost of products can also play a significant role in expanding sales markets. Given Uzbekistan's geographical position located far from sales markets, a significant share in the cost of export products falls on transportation costs. At the same time, fruits are a perishable commodity, therefore, delivery cost optimization should be ensured without compromising product quality. For reference: at a temperature of 2°C - 6°C and a relative humidity of 85-90%, the shelf life of tangerines and grapefruits is 2-3 months, oranges – 3-5 months, lemons – 4-6 months.

Great opportunities for optimizing the cost of transporting fruit from Uzbekistan are provided by the "Eurasian Agroexpress" ("Agroexpress") project, a specialized service of RZhD Logistics JSC with the participation of Russian Export Center JSC for the delivery of perishable goods between the EAEU countries, with China, Uzbekistan, Azerbaijan and others countries due to regular fast container trains, including refrigerated containers. The project was launched in 2019. Several test shipments of agro-industrial products as part of the "Agroexpress" project have been done by Russia and Uzbekistan at the end of 2021 – at the beginning of 2022<sup>3</sup>.

As part of the pilot phase of the project the delivery time constituted more than 14 days. Given that fruits have a limited shelf life, this delivery time is too long. The plan is to reduce the delivery time from Uzbekistan to 4-7 days. To this end, it is planned to arrange full container block trains that will be running non-stop from the place of departure to the place of destination. In the near future, "Agroexpress" plans running container trains once a month. Further a possibility of running the train once a week is considered. In 2022, an "Agroexpress" pilot train to Azerbaijan was also launched.

The delivery of produce by "Agroexpress" allows for a significant reduction of delivery times, compared to conventional rail transportation and reduction of transportation costs compared to road transport. The reduction of production costs due to reduced transportation costs will increase the competitiveness of Uzbek fruit in international markets and contribute to an increase in their exports, and will have a beneficial effect on the development of agriculture on the whole.

Despite the prospects that have opened up under the framework of the "Agroexpress" project, at present, almost all deliveries of fruit and vegetables from Uzbekistan to Russia are still carried out by road.

Figure 12 shows the delivery routes of citrus fruits from Uzbekistan to Russia. Since citrus fruits are perishable, a certain temperature and humidity regime is required for their storage and a refrigerated rolling stock is used for their transportation.

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<sup>1</sup> <https://trade.ec.europa.eu/access-to-markets/en/content/generalised-scheme-preferences-plus-gsp>

<sup>2</sup> <https://mift.uz/ru/information#collapseOneOne7941>

<sup>3</sup> <https://uz.sputniknews.ru/20220404/chtv-izmenitsya-v-rabote-agroekspressa-23766054.html>

Figure 12. Citrus fruit delivery routes from Uzbekistan to Russia



Source: author

The data in Table 12 shows that the cost of transporting citrus fruits by conventional trains is more expensive than by road. Even taking into account the “Agroexpress” accelerated train (compared to a conventional train up to 18 days), the delivery time is also much longer than by road. Therefore, in order to enable the “Agroexpress” project be profitable for the transportation of citrus fruits from Uzbekistan, approval of a special tariff as well as ensuring delivery times comparable to those of road transport are required.

Table 12. Citrus delivery cost (HS code 0805) from Kazakhstan to Turkmenistan

Delivery route	type of transport	vehicle type	weight, t	distance, km	Cost, US\$						Delivery time with cargo (empty wagon), days
					transportation	wagon use	additional charges	wagon return	total for the wagon	total per ton of cargo	
Tashkent (UZ) – c.p. Keles (UZ) – c.p. Saryagash (KZ) – c.p. Semiglavly Mar (KZ) – Ozinki (RU) – Moscow/Paveletskaya (RU)	rail way	ref. wagon	70	3376	7626	1440	652	3022	12740	182	14 (8)
		ref cont. 40'	16	3376	2457	1440	273	1517	5687	355	18
Tashkent (UZ) – c.p. Keles (UZ) – c.p. Saryagash (KZ) – c.p. Aktobe (KZ) – Samara (RU) – Moscow (RU)	road	ref. truck	20	3403	3250				3250	163	5

Source: railway tariff, consigner survey

In the course of interviews with exporters, no significant difficulties were reported in organizing supplies of fruit from Uzbekistan, for example to Russia. As the cargo is perishable, it is given a priority in the queue at checkpoints (“green corridor”). In the course of interview, it was revealed

that the interviewed exporters have not yet heard about the “Agroexpress” accelerated freight train.

## **BASIC CLEARANCE REQUIREMENTS**

The UNECE has conducted of business processes analyses for exporting dry fruit (and vegetables) from Uzbekistan in 2016 and 2021. As dry fruit and fresh fruit (citrus fruits) are food products of plant origin, similar requirements for procedures and documents for their import are applied. These earlier studies allow for tracing the changes that have occurred over the past years in regulatory requirements and clearance procedures.

As previously, a relatively strong measure of foreign exchange control is applied in Uzbekistan. However, in recent years, the Government of the Republic of Uzbekistan has been taking consistent measures to liberalize export-import activities, especially for the export of vegetables and fruit. For example, until 2017, all export-import contracts were concluded with the participation of the specialized foreign trade company “Uzagroexport” JSC. Since 2017, in accordance with the Decree of the President of the Republic of Uzbekistan No. ПП -3077 dated 06/21/2017, exporters of fresh fruits and vegetables are allowed to conclude direct contracts (without participation of “Uzagroexport” JSC) on the terms of full prepayment.

Previously, absolutely all export and import contracts have been subject to registration in the Unified Electronic Information System for Foreign Trade Operations (hereinafter - UEISFTO). By the Decree of the Cabinet of Ministers of the Republic of Uzbekistan No.283 dated 14.05.2020<sup>1</sup> an amendment was made, stating that “goods worth up to \$5,000 (for comparison, in Kazakhstan, the contract amount for registration must exceed \$50,000) might be sold out through e-commerce without entering information into the UEISFTO and filling out a cargo customs declaration”. However, the amount of most export contracts for fresh fruits and vegetables exceeds the specified amount. At the same time, the procedure for registering a contract in the UEISFTO is fully automated through the Unified Portal of Interactive Public Services ([www.id.gov.uz](http://www.id.gov.uz)) via using EDS and registration does not cause difficulties for exporters.

It should be noted that there is a generally good level of service digitalization for the population and business in Uzbekistan:

Legal acts are available and well systematized on the <https://lex.uz> portal (the text of some regulatory documents is available only in Uzbek and is protected against automatic translation).

Almost all the procedures necessary for export are automated on the Single Window portal <http://singlewindow.uz>. However, the site is mainly informational, it mainly performs dispatching functions for the sites of other regulatory bodies; many sections of the site are being reworked; and many online links do not work.

Paperwork is carried out on specialized portals of the involved state bodies, the addresses of which are quite difficult to find.

An accordance with the Decree of the Cabinet of Ministers of the Republic of Uzbekistan No. 65 of January 29, 2018, goods of the groups “citrus fruits, fresh or dried” (HS – 0805) are included in the list of quarantine control products and their transportation for export and import must be accompanied by a phytosanitary certificate.

The main document of customs clearance in Uzbekistan is the Cargo Customs Declaration (CCD). Its registration is carried out in accordance with the "Customs Code of the Republic of Uzbekistan", "Instructions on the procedure for filling out the CCD", "Regulations on the

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<sup>1</sup> <https://lex.uz/ru/docs/4812424?ONDATE=16.08.2020>

procedure for customs declaration of goods in electronic form"<sup>1</sup> (Appendix to the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 605 of 07/31/2018) and other normative documents. Electronic declaration is carried out through the web-portal of the State Customs Committee of the Republic of Uzbekistan <https://ed1.customs.uz/> (using EDS).

In the course of interviews, importers noted that all permits were equipped with a QR code, which eliminates the need to obtain original documents - a printed electronic document is sufficient. In addition, all permits issued by the involved regulatory authorities are available online for the customs authorities.

A standard package of documents is required for customs clearance of citrus exports (HS – 0805):

- Cargo customs declaration (electronic),
- Foreign trade contract (scanned with further submission of the original) registered by UEISFTO<sup>2</sup>,
- Invoice,
- Contract of carriage (CMR for road, SMGS for rail),
- Phytosanitary certificate and Fumigation Act (if necessary),
- Certificate of origin (at the request of an Importer).

Even though online services in Uzbekistan are sufficiently developed, sometimes it is difficult to figure out what and on what resource this information is posted. So, for example, on the website of the Customs authorities, no links to the portal of interactive services of electronic customs declaration have been revealed. There is also confusion with the state interactive service portals. On all sites there is a link to my.gov.uz, but during the study period it did not work. It may have been under reconstruction, but no information about the new resource was found. In general, the work of online resources in Uzbekistan requires some systematization.

Since citrus fruits from Uzbekistan are mainly exported to the EAEU countries (Kazakhstan, Russia, and Kyrgyzstan) a declaration of conformity is required to be issued when imported to these countries in accordance with the Technical Regulations of the Customs Union "On Food Safety", Decision of the Customs Union Commission No. 880 dated 9.12. 2011<sup>3</sup>.

As the fruits are included in the List of regulated products of the EAEU, in accordance with the Decision of the CTC No. 318 dated 18.06.2010 "On Ensuring Plant Quarantine in the Eurasian Economic Union", a phytosanitary certificate is required. A number of amendments were adopted, aimed at introducing an electronic phytosanitary certificate in line with the Decision of the ECE Council No. 14 of February 18, 2022 "On Amendments to the Decision of the Customs Union Commission of June 18, 2010, No. 318"<sup>4</sup>. These amendments shall enter into force 180 days after their adoption. So far, no changes have been inserted to the current Decision for the period of the study.

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<sup>1</sup> <https://lex.uz/docs/3844565>

<sup>2</sup> Registration is being made through <https://my.gov.uz> via using EDS.

<sup>3</sup> <https://adilet.zan.kz/rus/docs/H11T0000880#z445>

<sup>4</sup> <https://www.alt.ru/tamdoc/22sr0014/>

## CHAPTER II. BUSINESS PROCESS ANALYSIS

This Section presents Business Process Analysis (BPA) via utilizing UN (BPA)<sup>1</sup> methodology for two processes:

- Export of grain from Kazakhstan to Tajikistan,
- Export of citrus fruits from Uzbekistan (to Russia).

The BPA was conducted with the aim to identify bottlenecks for export of grains (wheat) and high-value agricultural products (fruit and vegetables) from the SPECA countries under the study, elaborate recommendations for removal of regulatory and procedural barriers and recommendations to meet the identified needs for more sustainable trade in the region.

The analysis of the grain and citrus export process covers all 3 segments (areas) of the supply chain:

- Buy: determination of the terms of delivery and signing of the Commercial Contract,
- Ship: organizing transportation, obtaining the necessary permits, fulfilling customs formalities and other requirements related to the export and import of grain and citrus fruits,
- Pay: payment actions in accordance with the terms of the Commercial Contract.




BPA diagrams allow both involved professionals and a wide range of users to demonstrate:

- Actions that proceed in a specific order and decision points,
- Actors performing this activity,
- Inputs and outputs of each activity,
- Criteria for entry and exit from the business process,
- Information and documents passing through the business process and other parameters.





The following designations were used (only those that were used are shown) when modelling the business process:

Notation	Description	Notation	Description
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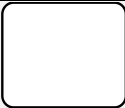
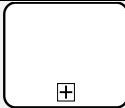


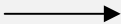
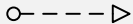




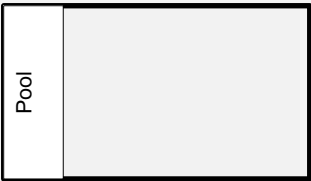
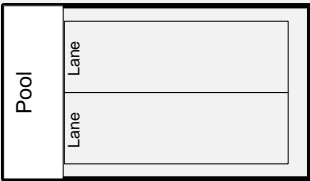
### USE CASE NOTATIONS

	Actor/role: individual, organization, department, electronic system etc.		Use Case: core business process
	Relationship Association: Links actors with the use cases (later business processes) they participate in		

### ACTIVITY DIAGRAM NOTATIONS

INITIAL, INTERMEDIATE AND ENDING EVENTS			
	Start of business process		Link (in this case to describe the sub-process)
	Completion of the business process		Create message /document

<sup>1</sup> <https://tfig.unece.org/contents/business-process-analysis.htm>

	Stopping the business process		
<b>ACTIONS</b>			
	Action, task		Collapsed process (sub-process)
<b>LOGICAL OPERATORS</b>			
	Condition (selection) operator		Operator excluding "OR"
<b>CONNECTING OBJECTS</b>			
	Sequence flow		Message flow
<b>ARTIFACTS</b>			
	Data object (document)		Database, information system, ACS
	Set of incoming documents		Set of outgoing documents
LIST №1: SMGS Invoice	Text annotations to clarify the meaning of chart elements		
<b>ROLES (PARTICIPANTS)</b>			
	Pool unites the flow of actions (links and artifacts) by one participant		Pool unites the flow of actions (links and artifacts) by group members

## II.1. WHEAT EXPORT FROM KAZAKHSTAN TO TAJIKISTAN

This section presents an analysis of the business processes of grain exports from Kazakhstan to Tajikistan.

The following conditions are accepted by this study:

- Wheat is exported from Kazakhstan to Tajikistan,
- Grains are delivered from grain storage in accordance with phytosanitary and other requirements. The Exporter has grain receipts for the exported grain,
- Wheat is delivered from Kazakhstan to Tajikistan by rail through the territory of Uzbekistan on the terms of DAF Saryagash checkpoint (INCOTERMS 2010),
- Transportation is organized by a Kazakhstani Freight Forwarder who owns the wagons (or has an agreement with the owner of the wagons). The payment for transit through the territory of Uzbekistan is being made through the Freight Forwarder. The payment for transportation through the territory of Tajikistan is being made by the Importer,
- For calculation of the cost of business processes, it is assumed that one wagon is transported where the weight of the cargo (wheat) makes up 70 tons. The total amount

of the contract exceeds 50,000 US dollars which requires registration of a trading contract in the bank of the Republic of Kazakhstan,

- Payment for a commercial contract on a prepaid basis at the time of loading the cargo into the wagon,
- The Exporter is being equipped with all required electronic digital signatures (EDS): for the access to the websites of the "Electronic Government of the Republic of Kazakhstan" (<http://egov.kz>), "Electronic Licensing of the Republic of Kazakhstan" (<https://elicense.kz/>), Digital business platforms ([www.qoldau.kz](http://www.qoldau.kz)), the IS Astana-1 (<http://212.154.167.54:8080/index.jsf>), the railway IS (<https://asudkr.railways.kz>), for registration of a certificate of conformity (<https://doculite.com>) and other websites for submission and obtaining of documents,
- All necessary documents are being received by an Exporter to perform export delivery: a quota, a phytosanitary certificate, a grain quality passport, a declaration of conformity (registers), a certificate of origin, a fumigation act,
- Customs clearance of grain exports is carried out without the participation of a customs representative (broker),
- For the registration of an export delivery, an import quarantine permit is being received by the Importer which is transferred to the Exporter and subsequently used to formalize the import,
- The Importer receives all necessary documents and performs customs clearance of grain imports,
- The Exporter and the Importer, executing wheat delivery not for the first time, usually have a positive reputation with regulatory authorities.

### ***CORE BUSINESS PROCESSES***

The main business process of grain export from Kazakhstan to Tajikistan are presented in Diagram 2.

Based on the results obtained during the BPA study, 16 main business processes and 19 stakeholders are involved (including the laboratories – 23 stakeholders) in the cereal export from Kazakhstan to Tajikistan (Table 13). These core business processes are categorized into 3 process areas, namely "BUY", "SHIP" and "PAY" as specified in the UN/CEFACT International Supply Chain Model.

Details of the activities that make up each business process and the parties responsible for their implementation are provided below.



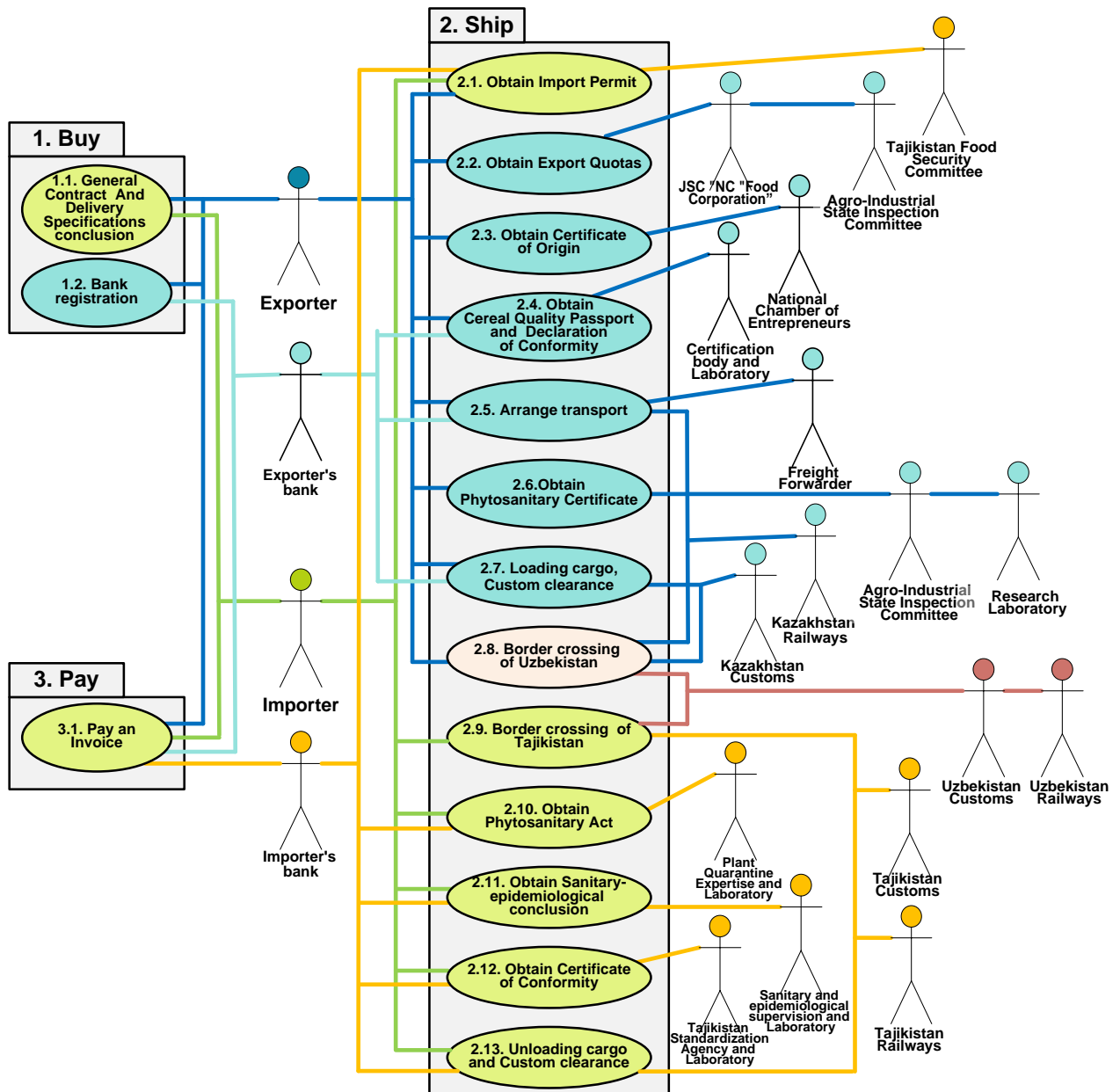


Diagram 1. Use case diagram of wheat export from Kazakhstan to Tajikistan

Table 13. Core business processes and stakeholders involved in wheat export from Kazakhstan to Tajikistan

#	Core business process	Stakeholders involved																		
		Exporter	Importer	Tajikistan Food Security Committee	JSC "NC "Food Corporation"	National Chamber of Entrepreneurs	Certification bodies and Laboratory	Kazakhstan Freight Forwarder	Kazakhstan Railways	Kazakhstan Customs	Kazakhstan Agro-Industrial Inspection and Laboratory	Uzbekistan Railways	Uzbekistan Customs	Tajikistan Railways	Tajikistan Customs	Plant Quarantine Expertise and Laboratory	Sanitary and epidemiological supervision and Laboratory	Tajikistan Standardization Agency and Laboratory	Exporter's Bank	Importer's Bank
<b>1.</b>	<b>Buy</b>																			
1.1.	General Contract and Delivery Specifications conclusion	X	X																	
1.2.	Bank registration of the General Contract	X																	X	
<b>2.</b>	<b>Ship</b>																			
2.1.	Obtain Import Permit	X	X	X																
2.2.	Obtain Export Quotas	X			X					X										
2.3.	Obtain Certificate of Origin	X				X														
2.4.	Obtain Cereal Quality Passport and Declaration of Conformity	X					X												X	
2.5.	Arrange transport	X						X	X											
2.6.	Obtain Phytosanitary Certificate	X									X									

#	Core business process	Stakeholders involved																		
		Exporter	Importer	Tajikistan Food Security Committee	JSC "NC "Food Corporation"	National Chamber of Entrepreneurs	Certification bodies and Laboratory	Kazakhstan Freight Forwarder	Kazakhstan Railways	Kazakhstan Customs	Kazakhstan Agro-Industrial Inspection and Laboratory	Uzbekistan Railways	Uzbekistan Customs	Tajikistan Railways	Tajikistan Customs	Plant Quarantine Expertise and Laboratory	Sanitary and epidemiological supervision and Laboratory	Tajikistan Standardization Agency and Laboratory	Exporter's Bank	Importer's Bank
2.7.	Loading cargo and Customs clearance	X						X	X											
2.8.	Border crossing of Uzbekistan	X					X	X	X		X	X								
2.9.	Border crossing of Tajikistan		X								X	X	X							
2.10.	Obtain Phytosanitary Act		X												X					X
2.11.	Obtain Sanitary-epidemiological conclusion		X													X				X
2.12.	Obtain Certificate of Conformity		X														X			
2.13.	Unloading and Customs clearance		X										X	X						
<b>3.</b>	<b>Pay</b>																			
3.1.	Pay an Invoice	X	X																X	X

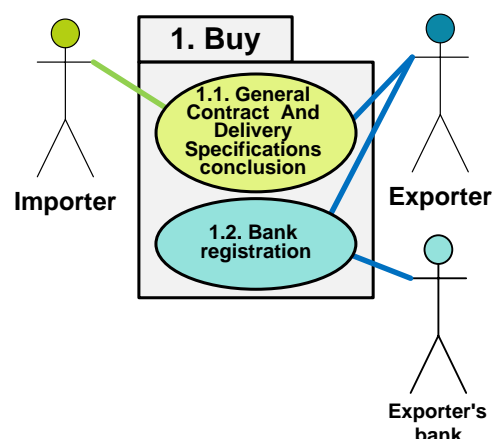
## SCOPE OF BUSINESS PROCESS 1: BUY

Business area “Buy” includes two business processes (Use case diagram on Diagram 1-U.1):

- Contract and Delivery Specifications conclusion,
- Bank registration.

This is due to the fact that in the course of interviews with Exporters, it was revealed that many of them conclude a contract not for each delivery, but a general contract, and the terms of each delivery are regulated by Delivery Specifications. Usually, the general contract specifies the total scope of delivery or the total cost of the contract.

This contracting scheme is normally used by large Exporters and Importers. This allows them to avoid unnecessary red tape, as well as protect themselves from fluctuations in the export price of wheat. In this case, the value of the contract, as a rule, exceeds 50 thousand US dollars and, according to the legislation of the Republic of Kazakhstan, registration of the contract with a bank is required. Today this process is being done online and is not difficult.



**Diagram 1-U.1. Use case diagram of “Buy” process area**

### CORE BUSINESS PROCESS 1.1.: CONTRACT AND DELIVERY SPECIFICATIONS CONCLUSION

Since this study considers the option when a general export contract is concluded, and the delivery is regulated by the Delivery Specifications to it, the Activity diagram of the business process “Contract and Delivery Specifications conclusion” looks as follows (Diagram 1. A-1.1).

Two stakeholders are involved in the business process:

- Importer,
- Exporter.

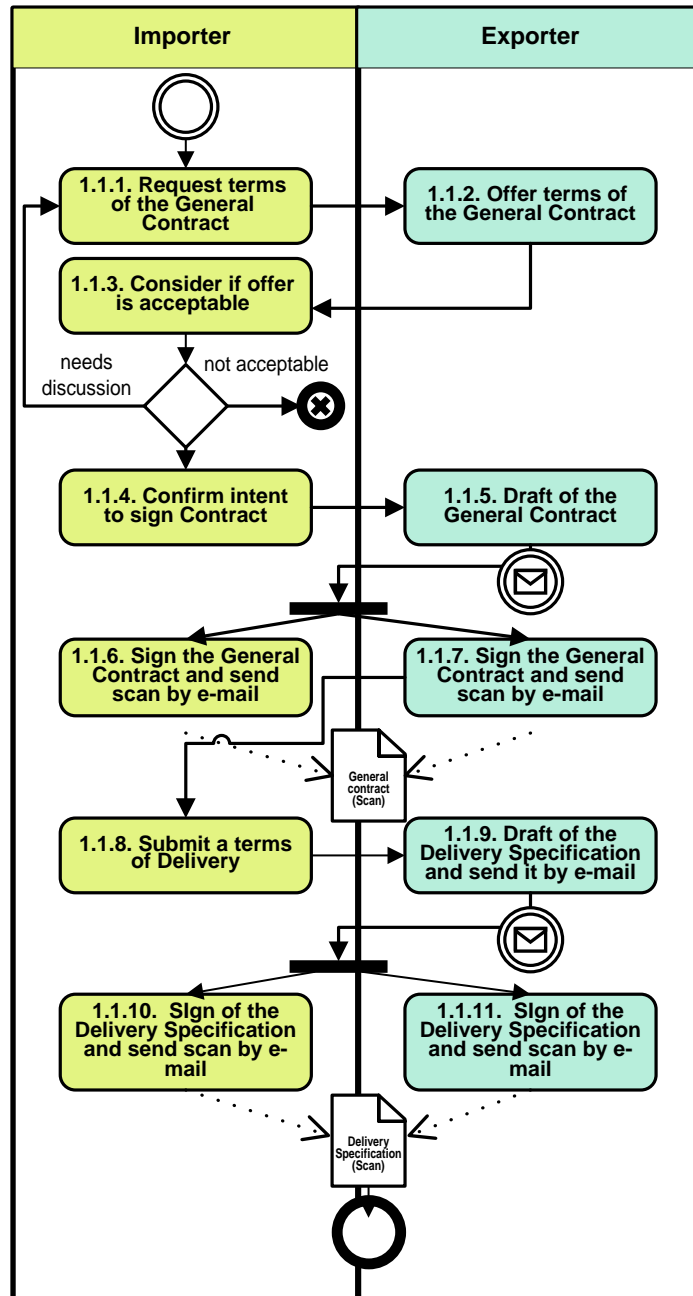
In the course of the interview, it was revealed that at present original contracts are not required either for the Exporter or the Importer, scans of documents are enough. As noted earlier, during the pandemic, platforms for electronic signing of contracts online (also for exchanging documents and other purposes) using digital signatures were launched in Kazakhstan and are widely used. It is likely that in the near future this practice might be applied to international contracts.

The activity diagram of the business process "Contract and Delivery Specifications conclusion" is shown in the Diagram 1.A-1.1. The description of the business process is presented in Table 14.

**Table 14. Process description of Contract and Delivery Specifications conclusion**

<b>Name of the process area to which this particular business process belongs</b>	<b>1. Buy</b>
<b>Name of the business process</b>	<b>1.1: Contract and Delivery Specifications conclusion</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ United Nations Convention on Contracts for the International Sale of Goods (CISG; the Vienna Convention).</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Exporter.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer specifies product quality and quantity, terms and conditions of delivery,</li> <li>▪ Exporter holds products complying with specified quality and quantity.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>1.1.1. The Importer sends a request to the Exporter (by email) specifying product type and commercial terms, terms of the general contract (a contract can be also initiated by the Exporter offering a commercial offer to the Importer).</p> <p>1.1.2. The Exporter sends a commercial offer, the terms of the general contract.</p> <p>1.1.3. The Importer evaluates Exporter's offer in terms of product quality, quantity, and delivery terms.</p> <p>1.1.4. In case of consensus between both parties, the Importer confirms intent to sign Contract. If the Importer is not satisfied with the Exporter's offer, negotiations can be resumed or completed in favour of another Exporter.</p> <p>1.1.5. The Exporter (or Importer, but usually Exporter) drafts a General Commercial Contract (contract project).</p> <p>1.1.6. The Importer signs the contract and emails a scanned copy to the Exporter.</p> <p>1.1.7. The Exporter signs the contract and emails a scanned copy to the Importer.</p> <p>1.1.8. The Importer submits a terms of Delivery (a separate delivery specification is filled in for each delivery),</p> <p>1.1.9. The Exporter drafts of the Delivery Specification and send it by email.</p> <p>1.1.10. The Importer signs of the Delivery Specification and send scan by email.</p> <p>1.1.11. The Exporter signs of the Delivery Specification and send scan of it by email.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer and Exporter have agreed General Contract terms and terms of interaction for each delivery.</li> <li>▪ Exporter and Importer have scans of signed General Contract and Delivery Specification.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-2 days for General Contract; 1 day to sign the delivery specification.



**Diagram 1.A-1.1. “Contract and Delivery Specifications conclusion” Activity diagram**

### **CORE BUSINESS PROCESS 1.2.: BANK REGISTRATION OF THE GENERAL CONTRACT**

As this study considers the option when a General Export Contract is concluded and its value, as a rule, exceeds 50 thousand US dollars, in line with the requirements of Kazakhstani legislation it is required to register it (assigning a number to the contract) in the bank where the Exporter is served.

Two Stakeholders are involved in the business process:

- Exporter,
- Exporter’s bank.

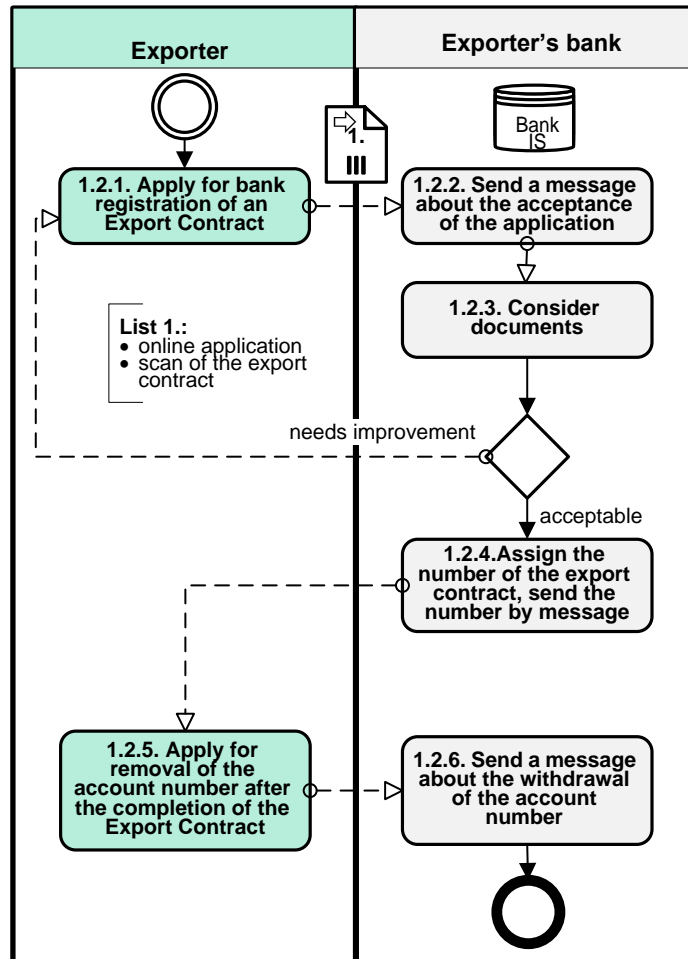
Further to the results of the interview, this business process does not cause any difficulties for Exporters. Its execution is fully automated and performed online. Submission of an application for registration of a contract takes a few minutes. The time for registering a contract and

assigning a number to it depends on the efficiency of the bank and may take from several hours to 3 days.

Activity diagram of the business process "Contract and Delivery Specifications conclusion" is shown on the Diagram 1.A-1.2. The description of the business process is presented in Table 15.

**Table 15. Bank registration of the General Contract**

<b>Name of the process area to which this particular business process belongs</b>	<b>1. Buy</b>
<b>Name of the business process</b>	<b>1.2: Bank registration of the General Contract</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Resolution of the Board of the National Bank of the Republic of Kazakhstan on approval of the rules for the implementation of export-import currency control in Kazakhstan, No. 42, 30 March 2019.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter,</li> <li>▪ Exporter's bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter concludes an export contract (general contract).</li> <li>▪ Exporter possesses online banking.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>1.2.1. Exporter submits an online Application for registration of an export contract and assigning an account number to it in the online account of online banking and attaches a copy of the export contract. The application is received by the Bank's Information System.</p> <p>1.2.2. Bank's Information System sends a message about acceptance of Application to Exporter's account.</p> <p>1.2.3. Bank examines submitted documents.</p> <p>1.2.4. If the submitted documents comply with the regulatory requirements, the export contract is assigned a number by inserting the number on the electronic copy of the contract or the Exporter receives a message with the account number of the contract in the online account.</p> <p>1.2.5. After completion of the export contract, Exporter submits an online Application for the removal of the export contract from currency control (removal of the account number of the contract). The application enters the Bank's Information System.</p> <p>1.2.6. Bank's information system sends a message about the acceptance of the Application to the Exporter's online account.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ The Exporter has complied with the regulatory requirements to register an export contract valued in excess of US\$50,000.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	From 1-2 hours up to 3 days (depends on the efficient work of the bank)



**Diagram 1.A-1.1. “Bank registration of the General Contract” Activity diagram**

**SCOPE OF BUSINESS PROCESS 2: SHIP**

In the context of wheat exports from Kazakhstan and its imports to Tajikistan, the “SHIP” business process area includes 13 business processes (Diagram 1.2.). These business processes are related to: the execution of export clearance in the country of departure, the organization of transportation from Kazakhstan to Tajikistan through Uzbekistan and the clearance of imports in the country of destination.



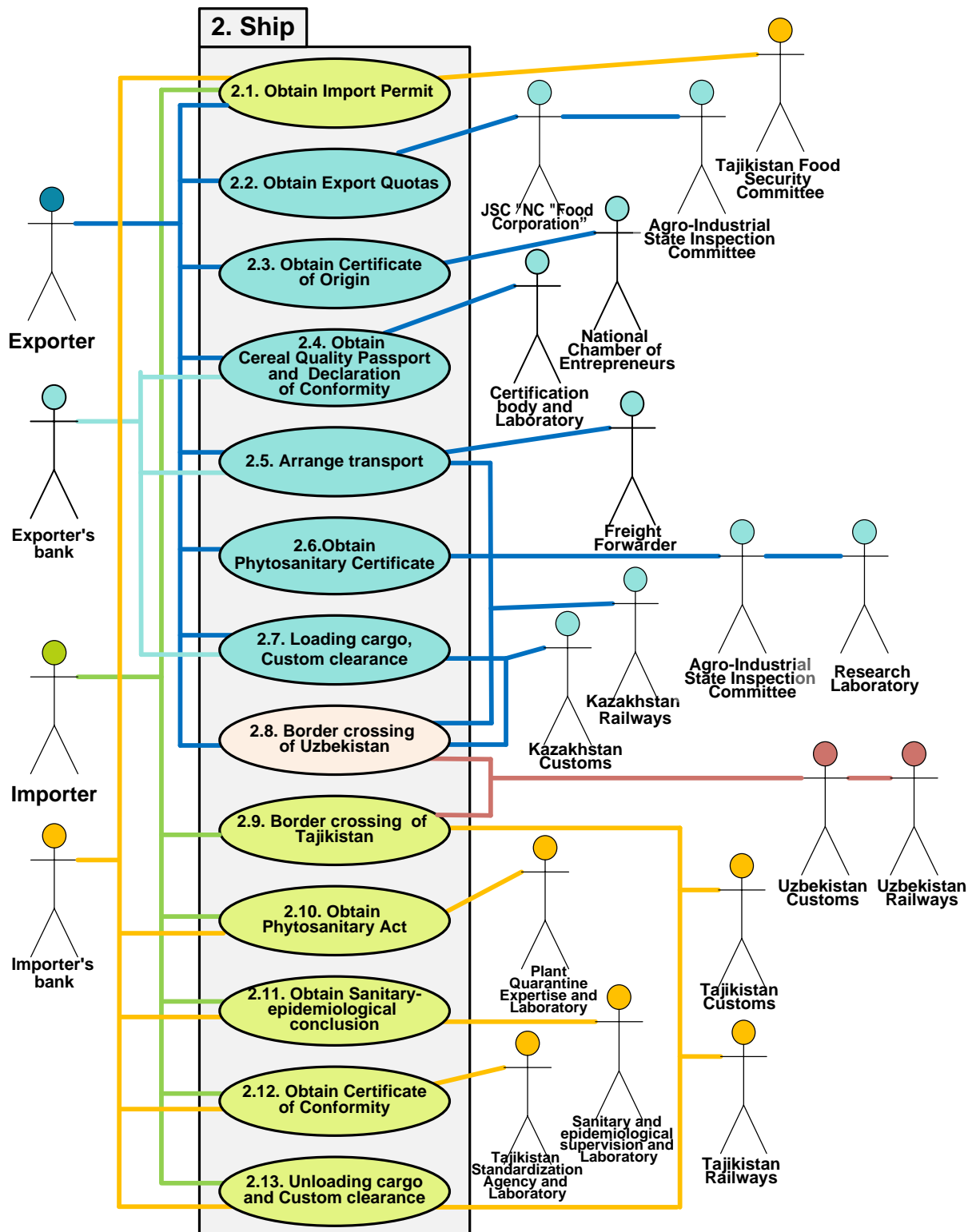
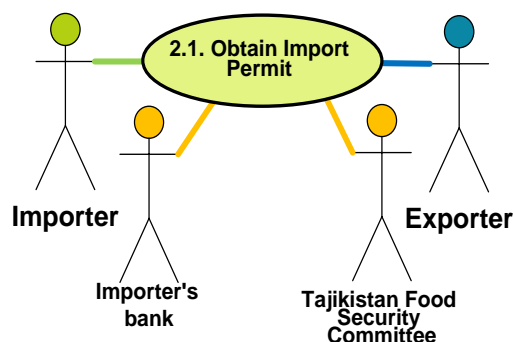


Diagram 1.2. Use case diagram of “Ship” process area

## CORE BUSINESS PROCESS AREA 2.1: OBTAIN IMPORT PERMIT

Use case diagram of the business process “Obtain Import Permit” (in Tajikistan) is presented in the Diagram 1.U-2.1. The following stakeholders are involved in this business process:

- Importer,
- Food Security Committee under the Government of the Republic of Tajikistan (Food Security Committee RT),
- Importer’s Bank,
- Exporter.



**Diagram 1.U-2.1. “Obtaining an Import Permit in Tajikistan” Use case diagram**

On Diagram 1.A-2.1. an activity diagram of the business process "Obtain Import Permit" is presented. The description of the business process is presented in Table 16.

Importers obtain an import quarantine permit well in advance of shipment, as this document is required to be submitted for customs clearance by the Exporter. The document accompanies the cargo along the way. According to the results of the interview, a scan of the permit is sufficient for customs clearance in Kazakhstan.

The Import Permit specifies the name of the applicant, the consignment and the country of export.

The import permit is assigned a number. No other information is specified. The period of validity of the permit is 3 months. The cost of obtaining a permit is approximately 18USD.

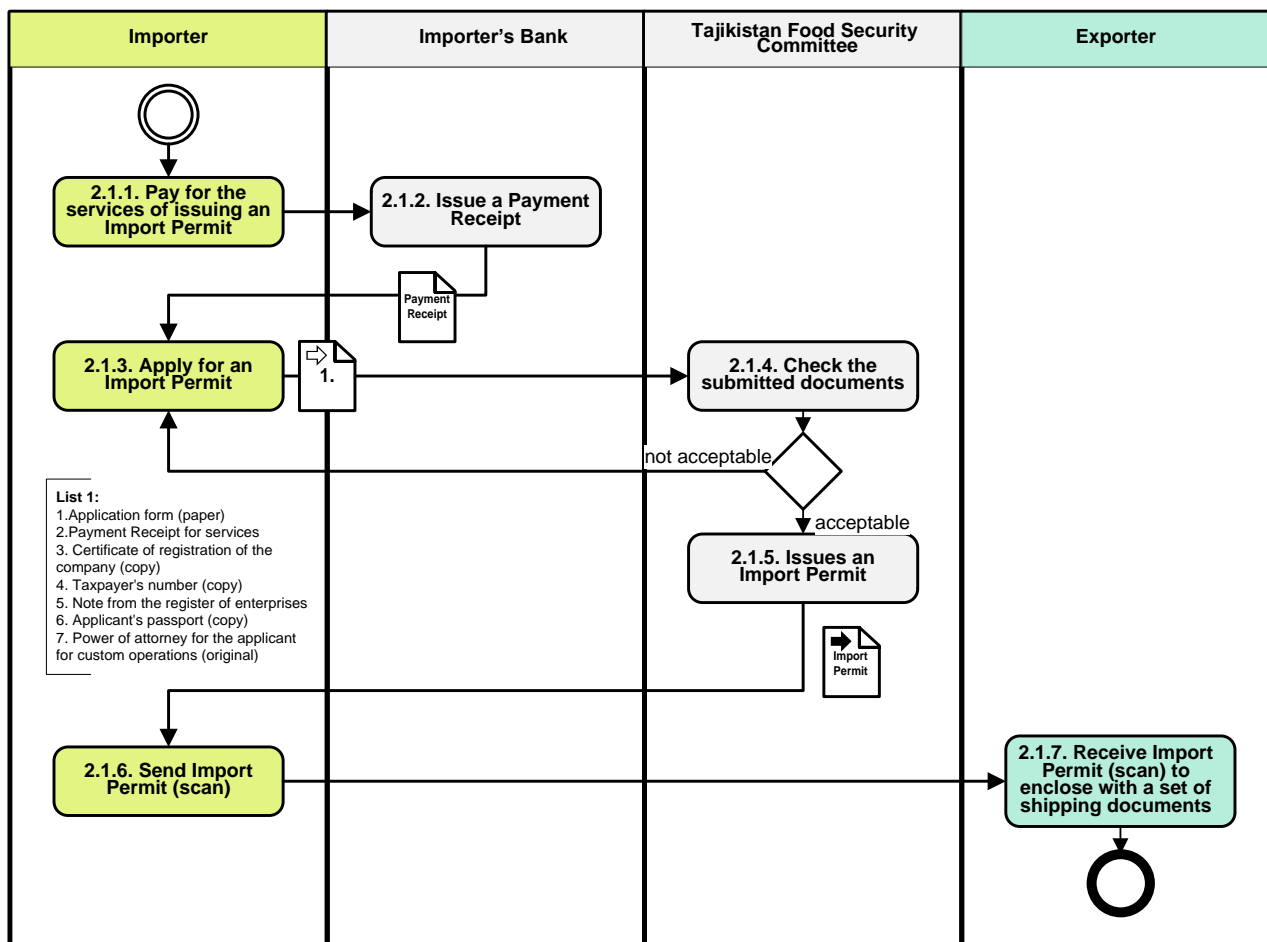
Information on how to obtain and the cost of obtaining an Import Permit on the official websites of the Ministries of Tajikistan was not available. Information can only be found on the “Tajikistan’s Trade Portal” (<https://tajtrade.tj>), established with the support of international organizations.

For information, in a number of countries, for example, in Kazakhstan, the requirement for Import (quarantine) was abolished several years ago and this is working successfully. In case of quarantine risks in the country of export, samples of the goods are checked in the laboratory. Therefore, this document is redundant. Even leaving the requirement for an Import Permit, the application and issuance need to be automated and the service provided online. In addition, it is not entirely reasonable to provide this service on a paid basis.

**Table 16. Process for obtaining an Import Permit**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.1. Obtain an import permit (in Tajikistan)</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Law of RT «On quarantine and plant protection” adopted by the Decree MH MORT No. 1233 dated 28 11.2018,</li> <li>▪ Decree of the Government of the RT No.376 dated 23.06.2020. “Rules and norms for ensuring quarantine and plants protection”.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Food Security Committee RT,</li> <li>▪ Importer’s Bank,</li> <li>▪ Exporter.</li> </ul>

<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter and Importer hold a signed commercial contract with delivery terms,</li> <li>▪ Safe wheat quarantine situation in Kazakhstan</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.1.1. Importer pays for the service of obtaining an Import Permit in the Bank.</p> <p>2.1.2. Bank issues a Payment Receipt for payment of the service of obtaining an Import Permit.</p> <p>2.1.3. Importer applies for an Import Permit online to Food Security Committee RT with the following documents to be enclosed with the application:</p> <ul style="list-style-type: none"> <li>▪ Application form (paper),</li> <li>▪ Payment Receipt for services,</li> <li>▪ Certificate of registration of the company (copy),</li> <li>▪ Taxpayer's number (copy),</li> <li>▪ Note from the register of enterprises,</li> <li>▪ Applicant's passport (copy),</li> <li>▪ Power of attorney for the applicant for custom operations (original).</li> </ul> <p>2.1.4. Food Security Committee RT checks all documents to analyses possible risks associated with cereal imports.</p> <p>2.1.5. In case of zero phytosanitary risks, the Food Security Committee RT issues an Import Permit. In a case of high risks or deficiencies in the submitted documents, an Import Permit may be rejected.</p> <p>2.1.6. Importer receives an original phytosanitary Import Permit and sends a scanned copy to Exporter.</p> <p>2.1.7. Exporter receives an Import Permit to be enclosed with a set of shipping documents that accompany the cereal to be imported.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer holds an Import Permit (original) for smooth trans-border formalities,</li> <li>▪ Exporter holds a copy of the Import Permit to supply carriage with full set of shipping documents.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1,5 – 4 days

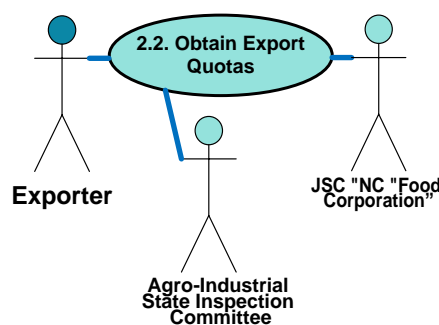


**Diagram 1.A-2.1. “Obtaining an Import Permit (in Tajikistan)” Activity diagram**

**CORE BUSINESS PROCESS AREA 2.2: OBTAIN EXPORT QUOTA**

Use case diagram of the business process “Obtain Export Quotas (wheat)” is presented in the Diagram 1.U-2.2. The following stakeholders are involved:

- Exporter,
- JSC "NC "Food Corporation",
- State Inspection Committee in the Agro-Industrial Complex of the Ministry of Agriculture RK (Agro-Industrial State Inspection Committee).



**Diagram 1.U-2.2. “Obtain Export Quota” Use case diagram**

The requirement for distribution of quotas for the export of grain and flour was introduced in April 2022<sup>1</sup> (has been valid up to 30.09.2022<sup>2</sup>) as a temporary measure aimed at ensuring the food security of the country due to the risks associated with the military conflict between Russia and Ukraine, which are the largest producers of wheat. Despite the fact that this measure is temporary, the business process “Obtain export quota (wheat)” was included in this study, as it is of interest in terms of analyzing the implementation of temporary administrative measures.

<sup>1</sup> Order of the Minister of Agriculture of RK № 110 dated 16.04.2022, <https://adilet.zan.kz/rus/docs/V2200027608>

<sup>2</sup> Order of Acting Minister of Agriculture of RK № 215 dated 5.07.2022., <https://adilet.zan.kz/rus/docs/V2200028713>

It should be noted that in the course of the analysis of grain export business processes conducted in 2014, a similar requirement was already applied: the grain exporter had to fulfill the obligations to supply grain to the state grain resources before exporting. Subsequently, according to the study of 2019, this requirement was canceled.

Wheat export quota was being received only by those exporters who sold NC "Food Corporation" JSC (grain market operator) 10% of the wheat volume planned for export at the fixed cost. The sale of grain by NC "Food Corporation" JSC was carried out via signing an order for the sale of a grain receipt in the State Electronic Register of Holders of Grain Receipt (hereinafter – SERHGR). (<https://www.qoldau.kz/> >> <https://p-grain-receipt.qoldau.kz>). The fixed cost for a ton of wheat Triticum aestivum L.3 class (corresponding to certain quality indicators) on the terms of EXW "Ex works" (Incoterms-2020) makes up 221.33 USD (excluding VAT).

Distribution of quota volumes is automatically carried out in the unified automated system for management of sectors of the "e-Agriculture" agro-industrial complex (hereinafter – UASM IS) *when issuing phytosanitary certificates*.

For the entire period of the quota, the allowable export limit for wheat per applicant makes up 50 thousand tons, and wheat flour or wheat-rye 10 (ten) thousand tons. The distribution of the volume of the quota for the export of goods from the territory of Kazakhstan between the applicants is carried out until the wheat quota volume on goods is completely exhausted.

The introduction of quota requirements has somewhat complicated the process of exporting grain, as noted by exporters in the course of interviews, however, given the development of online services, they have managed quickly to adapt to new requirements.

Activity diagram of the business process "Obtaining a quota (for export wheat)" is shown on Diagram 1.A-2.2. The description of the business process is presented in Table 17.

**Table 17. Process for Obtaining Export Quotas**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.2. Obtain Export Quota</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Order of the Minister of Agriculture of RK No. 110 dated 16.04.2022 "On some issues of export of certain goods from the territory of Republic of Kazakhstan",</li> <li>▪ Order of the Acting Minister of Agriculture of RK No.215 dated 5.07.2022 "On some issues of export of certain goods from the territory of Republic of Kazakhstan".</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter,</li> <li>▪ JSC "NC "Food Corporation",</li> <li>▪ Agro-Industrial State Inspection Committee</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter possesses: grain at elevators and grain receiving enterprises, provided with grain receipts which are included in the State Electronic Register of holders of grain receipts (further – SERHGR),</li> <li>▪ Exporter did not utilize permissible export limit for wheat.</li> </ul>
<b>Procedures and associated documentary requirements for</b>	2.2.1. Exporter signs an order of the Grain Receipt to sale wheat to JSC "NC "Food Corporation" (10% of exported wheat) in State Electronic Register of holders of grain through personal account of <a href="https://p-grain-receipt.qoldau.kz">https://p-grain-receipt.qoldau.kz</a> .

<b>completing the process</b>	<p>2.2.2. JSC "NC "Food Corporation" considers Grain receipt. The time for acceptance of grain receipts is limited up to 16:00. Weekends and holydays are off days for accepting receipts.</p> <p>2.2.3. If grain receipts comply with the conditions and requirements of public procurement, JSC "NC "Food Corporation" signs a receipt. If the Grain Receipt does not meet the requirements of JSC "NC "Food Corporation" rejects it, about which a message is to personal account of <a href="https://p-grain-receipt.goldau.kz">https://p-grain-receipt.goldau.kz</a></p> <p>2.2.4. After signing the Grain Receipt JSC "NC "Food Corporation" sends the data to the authorized body (Agro-Industrial State Inspection Committee).</p> <p>2.2.5. A message is generated about the acceptance of the Grain Receipt in personal account of <a href="https://p-grain-receipt.goldau.kz">https://p-grain-receipt.goldau.kz</a></p> <p>2.2.6. After signing the Grain Receipt, the Exporter signs the JSC "NC "Food Corporation" standard grain sale agreement for each Grain Receipt at a fixed price in the amount specified in the Grain Receipt sale order. The Exporter sends a scan of the signed contract to JSC "NC "Food Corporation" by email. Within 3 days, the Exporter must also send the original contract.</p> <p>2.2.7. JSC "NC "Food Corporation" examines the correctness of filling out the contract.</p> <p>2.2.8. If the contract is drawn up correctly, JSC "NC "Food Corporation" signs the contract and pays for the purchase of grain (within 10 bank days).</p> <p>2.2.9. Agro-Industrial State Inspection Committee checks whether the supply limit for one Exporter (50 thousand tons).</p> <p>2.2.10. If the limit is not reached, the grain export quota is automatically distributed in the "e-Agriculture" IS when the Phytosanitary Certificate is issued within 3 days. Exporter must also send the original contract.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter receives a quota for export of grain</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	<p>3-5 days</p>

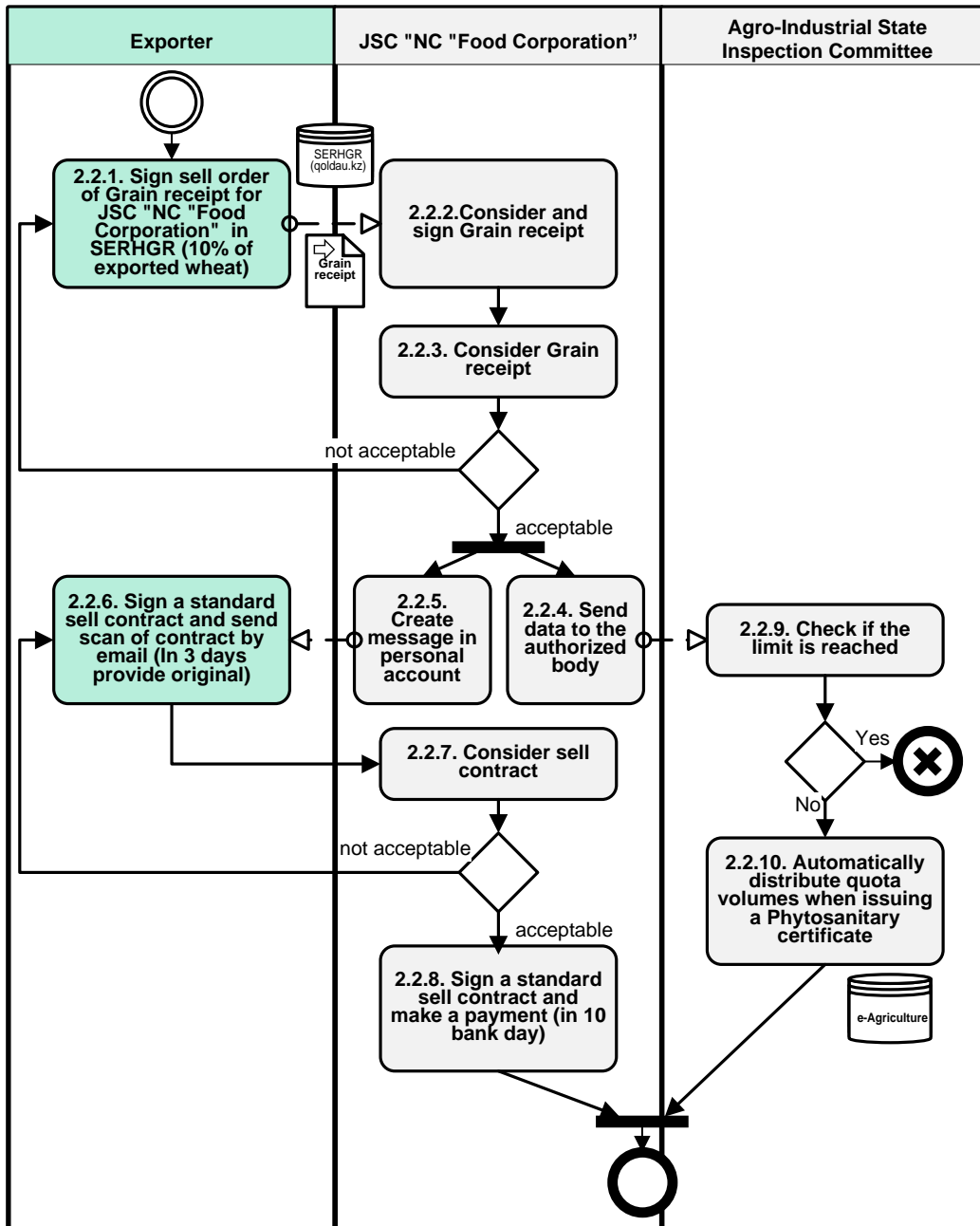


Diagram 1.A-2.2. "Obtain Export Quotas" Activity diagram

**CORE BUSINESS PROCESS AREA 2.3: OBTAIN CERTIFICATE OF ORIGIN**

In the Diagram 1.U-2.3 Use case diagram of the business process "Obtain Certificate of Origin" is presented where the following stakeholders are involved:

- Exporter,
- National Chamber of Entrepreneurs.

Obtaining a Certificate of Origin is not difficult. However, in Tajikistan, wheat imports are not subject to import duties, regardless of the country of origin of the grain. At the same time, some Importers request a Certificate of Origin (CT-1).

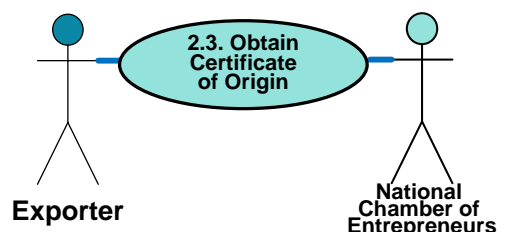


Diagram 1.U-2.3. "Obtain Certificate of Origin" Use case diagram

An application for a Certificate of Origin is submitted through Documentolog systems (<https://documentolog.kz>). If there is an EDS, the portal allows applying for a certificate and attaching all the necessary documents to obtain it. The website of the Chamber of Entrepreneurs "Atameken" contains instructions for submitting an application through the Documentolog systems. At the same time, there is not enough information about what sort of documents are required to be attached.

Activity diagram of the business process of "Obtaining Certificate of Origin" is shown in the Diagram 1.A-2.4. The description of the business process is presented in Table 18.

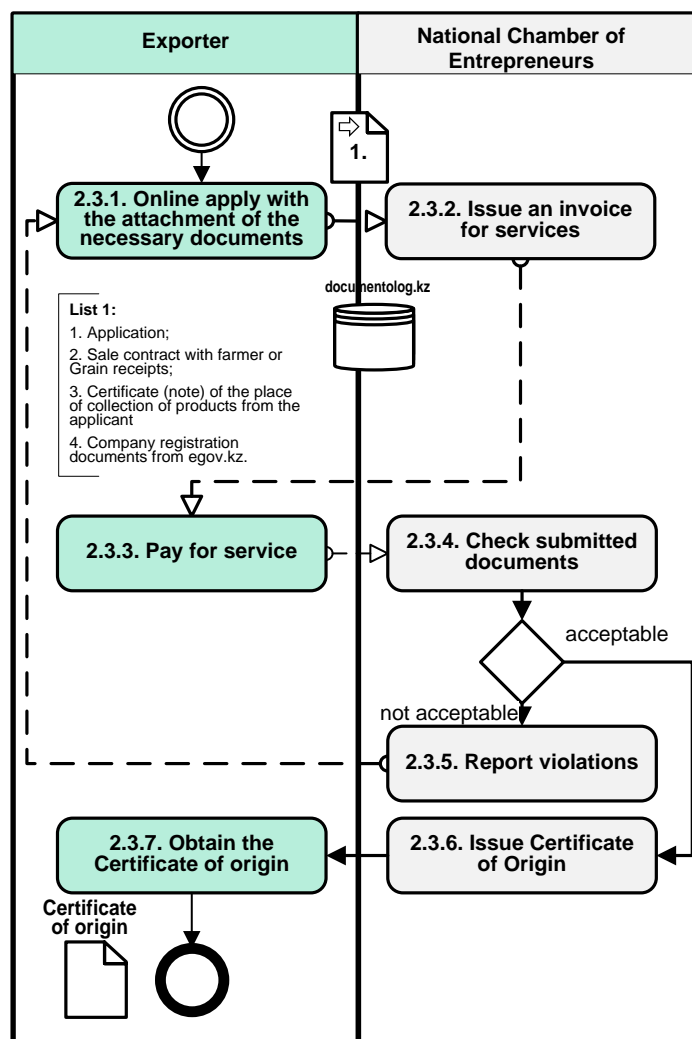
**Table 18. Process for Obtaining Certificate of Origin**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.3. Obtain a Certificate of Origin</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Order of the Minister of Trade and Integration of the RK "On approval of the Rules for determining the country of origin of goods, the status of goods of the Eurasian Economic Union or foreign goods, issuing a certificate of origin of goods and canceling its validity, establishing forms of a certificate for determining the country of origin of goods No. 454-HK from 13.07.2021<sup>1</sup>,</li> <li>▪ Order of the Minister of Industry and New Technologies of the Republic of Kazakhstan on Approval of the List of Documents Confirming the Origin of Goods, No. 257, 8 July 2014.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Applicant),</li> <li>▪ National Chamber of Entrepreneurs.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter has an Export contract for the supply of wheat.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.3.1. Exporter applies to the National Chamber of Entrepreneurs for a Certificate of Origin with the attachment of the necessary documents (via <a href="https://documentolog.kz">https://documentolog.kz</a>):</p> <ul style="list-style-type: none"> <li>▪ Application,</li> <li>▪ Export contract,</li> <li>▪ Sale contract with farmer or Grain receipts,</li> <li>▪ Certificate (note) of the place of collection of products from the applicant</li> <li>▪ Company registration documents from egov.kz.</li> </ul> <p>2.3.2. National Chamber of Entrepreneurs issues an invoice for services involved in obtaining the Certificate of Origin.</p> <p>2.3.3. Exporter pays for services.</p> <p>2.3.4. National Chamber of Entrepreneurs checks submitted documents.</p> <p>2.3.5. If submitted documents are unacceptably, the National Chamber of Entrepreneurs reports of Exporter about violations.</p> <p>2.3.6. If submitted documents are acceptable, the National Chamber of Entrepreneurs issues a Certificate of Origin.</p> <p>2.3.7. Exporter obtains the Certificate of origin.</p>

<sup>1</sup> <https://adilet.zan.kz/rus/docs/V2100023514#z1137>



<b>Output and criteria to exit the business process</b>	Exporter holds Certificate of Origin.
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-3 days



**Diagram 1.A-2.3. “Obtain Certificate of Origin” Activity diagram**

## **CORE BUSINESS PROCESS AREA 2.4: OBTAIN CEREAL QUALITY PASSPORT AND DECLARING OF CONFORMITY**

Similar to the previous BPA study of grain exports (2019), obtaining two documents, Cereal Quality Passport and (registration of) Declaring of Conformity, is merged into one business process, because:

- Obtaining two documents is obligatory in accordance with the requirements of the legislation,
- The purpose of the two documents is to confirm the quality of the product,
- The same stakeholders are involved in obtaining documents,

- Actions of stakeholders upon receipt of two documents are the same,
- Documents can be received at the same time.

The only difference in obtaining these two documents is the different tests required.

Obtaining international grain quality certificates might have been included in the list of these documents which Exporters receive voluntarily on their own initiative or at the request of the Importer, since they are issued by the same conformity assessment bodies (if they are accredited). As this document is not requested in Tajikistan, the issue obtaining international grain quality certificates is not included in the study.

The issuance of a Cereal Quality Passport and (registration of) the Declaration of Conformity is carried out by the certification authority which, as a rule, has its own testing laboratories. Certification authorities and laboratories must be accredited and included in the EAEU Unified Register of Certification Authorities and Testing Laboratories (Centers)<sup>1</sup>.

Usually, Exporters cooperate with one of the certification authorities and have a long-term contract.

Declarations of conformity are registered in the EAEU Unified Register of Issued Certificates of Conformity and Registered Declarations of Conformity<sup>2</sup>.

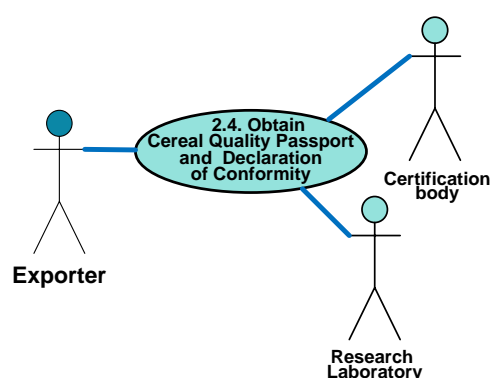
Sampling and testing, issuance of the Cereal Quality Passport and registration of the Declaration of Conformity, as a rule, is carried out on the day the grain is loaded into the wagons.

In the course of interviews with Exporters it was noted that Cereal Quality Passport and Declaration of Conformity are not used by Importers in import clearance.

In the Diagram 1.U-2.4 Use case diagram of the business process “Obtain Cereal Quality Passport (registration of) Declaration of Conformity” is presented. The following stakeholders are involved in this business process:

- Exporter (applicant),
- Certification body,
- Research Laboratory (of the Certification body).

Activity diagram of the business process “Cereal Quality Passport and (registration of) Declaring of Conformity ” is shown in the Diagram 1.A-2.4. The description of the business process is presented in Table 19.



**Diagram 1.U-2.4. “Obtain a Cereal Quality Passport and (registration of) Declaration of Conformity ” Use case diagram**

<sup>1</sup> [http://www.eurasiancommission.org/ru/docs/pages/IL\\_OS.aspx](http://www.eurasiancommission.org/ru/docs/pages/IL_OS.aspx)

<sup>2</sup> <https://portal.eaeunion.org/sites/commonprocesses/ru-ru/Pages/ConformityDocsRegistryDetails.aspx>

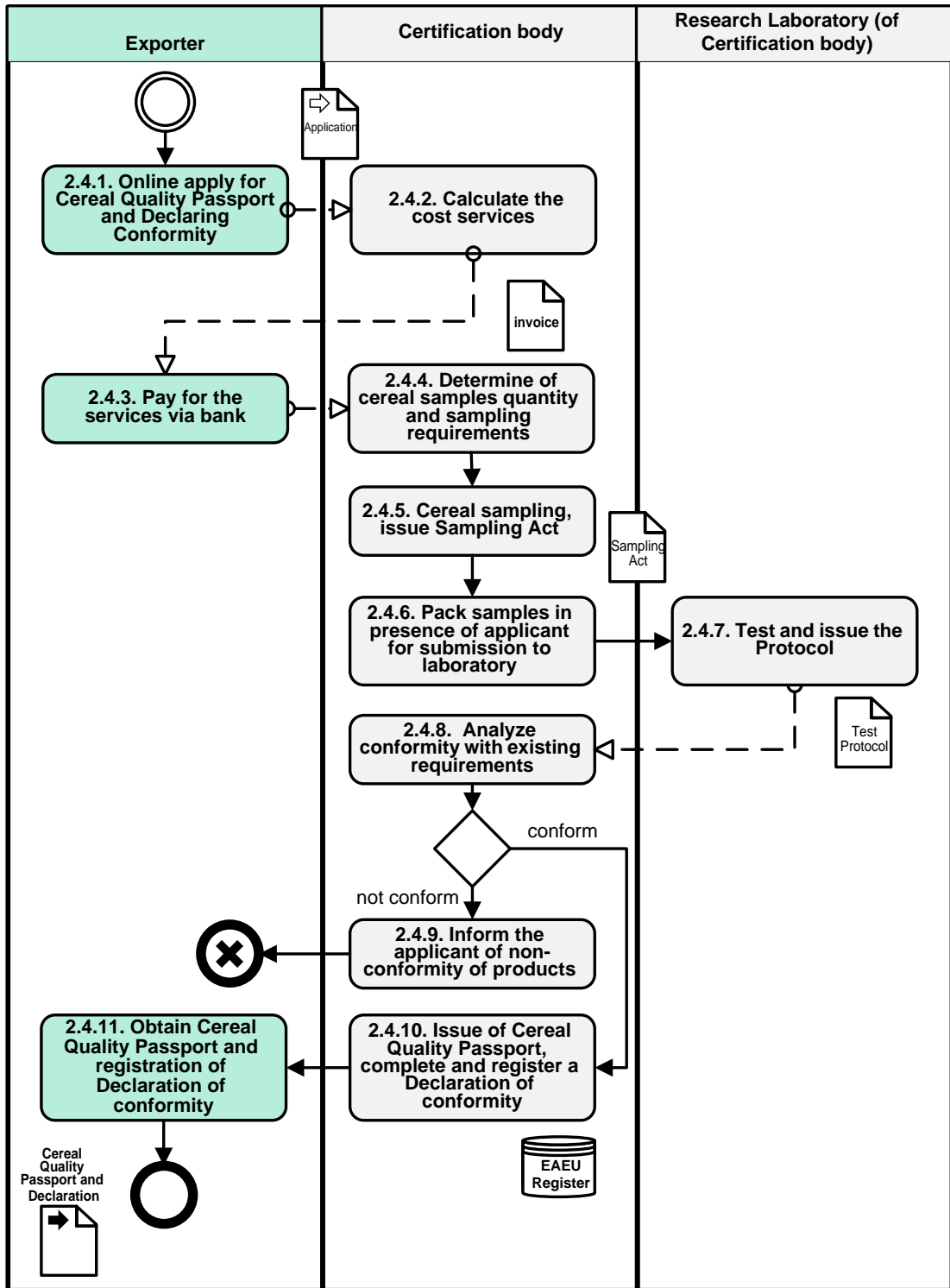


Diagram 1.A-2.4. “Obtain Cereal Quality Passport and (registration of) the Declaration of Conformity” Activity diagram

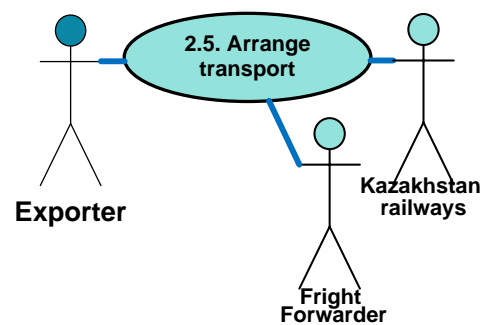
**Table 19. Process for obtaining a Cereal Quality Passport and (Registration) Declaration of Conformity**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.4. Obtain a Cereal Quality Passport and (Registration of) Declaration of Conformity</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decision of the Board of the Eurasian Economic Commission No. 293, 25 December 2012 on Unified Forms of the Certificate of Conformity and Declaration of Conformity to the Technical Regulations of the Customs Union and the Rules for Their Execution,</li> <li>▪ Decision of the Commission of the Customs Union No. 874, 9 December 2011 on Adoption of the Technical Regulations of the Customs Union on Safety of Grain,</li> <li>▪ Order of the Minister of Agriculture of the Republic of Kazakhstan on Approval of Requirements for the Procedure of Grain Quality Control and Issuance of Cereal Quality Passport, No. 4-1/364, 23 April 2015.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (applicant),</li> <li>▪ Certification body,</li> <li>▪ Research Laboratory (of the Certification body)/</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Certification body accredited and included in the Unified Register of Certification Authorities and Testing Laboratories (Centres) of the EAEU Customs Union,</li> <li>▪ Research Laboratory of certification body accredited and included in the Unified Register of Certification Authorities and Testing Laboratories (Centres) of the EAEU Customs Union.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.4.1. Exporter submits application to an accredited certification body for a Cereal Quality Passport and registration of the Declaration of Conformity of the cereal products.</p> <p>2.4.2. Certification body calculates the cost of services in accordance with the terms of the contract and sends an invoice to the Exporter.</p> <p>2.4.3. Exporter pays for the certification and declaration services,</p> <p>2.4.4. Certification body determines the cereal samples quantity, sampling requirements and sampling procedures, as per existing certification, sampling and testing requirements.</p> <p>2.4.5. Certification body samples and issues Sampling Act,</p> <p>2.4.6. Cereal samples are packed in the presence of the applicant, provided with a Sampling Act and sent to the Research Laboratory for testing.</p> <p>2.4.7. The Research Laboratory tests the samples, based on relevant certification requirements, issues a Protocol and e-sends them to the Certification body.</p> <p>2.4.8. Certification body analyses all documents and testing protocols for conformity with existing requirements.</p> <p>2.4.9. In a case of negative test results for the cereal samples, the Certification body sends a formal rejection to applicant.</p> <p>2.4.10. In case of positive test results, the Certification Body issues a Grain Quality Passport, fills out a Declaration of Conformity, assigns a number to it and sends information to the state</p>

	<p>register. Test reports are usually attached to the Grain Quality Certificate and Declaration of Conformity.</p> <p>2.4.11. Exporter (applicant) receives the Cereal Quality Passport and registered Declaration of Conformity</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter holds the Cereal Quality Passport, registered Declaration of Conformity and copies of test Protocols.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	Form 4 hours to 7 days. Usually not more than one day

## CORE BUSINESS PROCESS AREA 2.5: ARRANGE TRANSPORT

In the course of the interviews with Exporters, it was revealed that, as in 2019, export delivery is usually organized through a Kazakhstan Freight Forwarder, who finds wagons for transportation and arranges payment for transit through the territory of Uzbekistan. It is assumed that the Exporter (consignor) has a long-term agreement with the Kazakhstan Railway and has the right to place an application for transportation well in advance (according to the rules, 15 days prior to the month of cargo dispatch) and pay for the part of the route on its own. Since the freight forwarder is involved in the organization of transportation, the consignor authorizes entrusts him with the right of interacting with the railway on his own behalf and provides him with a login and password for this purpose from his personal account on the portal of the Kazakhstan Railway.



**Diagram 1.U-2.5. “Arrange transport” Use case diagram**

Usually grain Exporters have permanent partnerships with one or more freight forwarders that are well known. As rail service provides cargo transportation on a prepaid basis Freight forwarder often carry out transportation at their own expense (credit transportation), and then the consignor reimburses all costs, taking into account the forwarding agent’s commission.

As a rule, the forwarding agent’s commission is 1%-5% of total transportation costs. For the organization of transportation, the Exporter requests a commercial offer, including the cost of wagons provision, by several forwarding companies and selects the best conditions.

Use case diagram “Arrange transport” is presented on the Diagram 1.U-2.5. The following stakeholders are involved in this business process:

- Exporter (Consignor),
- Kazakhstan Freight forwarder,
- Kazakhstan railways.

Activity diagram of the business process "Arrange transport" is shown in the Diagram 1.A-2.5. The description of the business process is presented in Table 20.

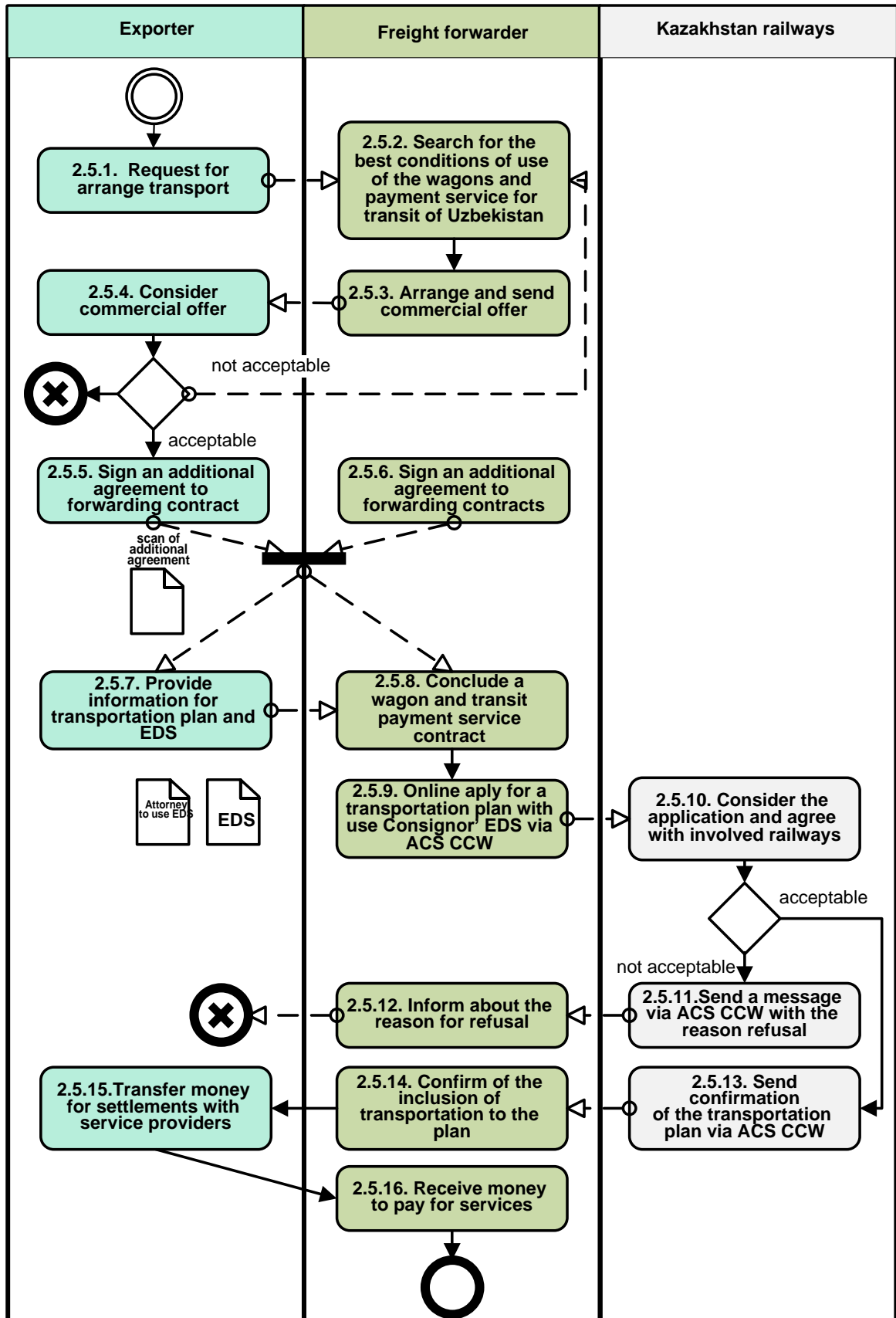


Diagram 1.A-2.5. "Arrange transport" Activity diagram

**Table 20. Process for arranging transportation**

<p><b>Name of the process area to which this particular business process belongs</b></p>	<p><b>2. Ship</b></p>
<p><b>Name of the business process</b></p>	<p><b>2.5. Arrange transport</b></p>
<p><b>Related rules and regulations</b></p>	<ul style="list-style-type: none"> <li>▪ Agreement on International Goods Transport by Rail (SMGS) (Multilateral Agreement between national railway services (28 countries), valid from 1 November 1951 (amended 1 July 2018),</li> <li>▪ Law of the Republic of Kazakhstan on Railway Transport, No. 266-II, 8 December 2001 (amended 19 April 2019),</li> <li>▪ Others.</li> </ul>
<p><b>Responsible parties</b></p>	<ul style="list-style-type: none"> <li>▪ Exporter (Consignor),</li> <li>▪ Kazakhstan Freight forwarder,</li> <li>▪ Kazakhstan railways.</li> </ul>
<p><b>Input and criteria to enter/begin the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Exporter and Freight Forwarder have concluded an agreement with Kazakhstan railways.</li> <li>▪ Exporter and Freight forwarder have EDS for use portal of Kazakhstan railways – Automated control system Cargo and Commercial Work (ACS CCW).</li> <li>▪ Freight forwarder has enough money for paying for transportation at the Kazakhstan railways’ account.</li> <li>▪ Freight forwarder has an agreement with Uzbekistan Freight forwarder who has an agreement with Uzbekistan railways and can pay for transit cargo transportation through Uzbekistan.</li> <li>▪ Freight forwarder has its own wagons or has an agreement with Wagon owner.</li> </ul>
<p><b>Procedures and associated documentary requirements for completing the process</b></p>	<p>2.5.1. Exporter (Consignor) requests of the Freight forwarder for the organization of transportation (including services as: applying for transportation plan of the railway, organizing payment for transit across Uzbekistan and others).</p> <p>2.5.2. Freight forwarder searches for the best conditions.</p> <p>2.5.3. Freight forwarder arranges the commercial offer and sends it to the Exporter (Consignor).</p> <p>2.5.4. Exporter (Consignor) considers a commercial offer.</p> <p>2.5.5.- 2.5.6. If the commercial offer is unacceptable, negotiations may continue or Exporter (Consignor) will be looking for another Freight forwarder, If the commercial offer is acceptable, the Exporter (Consignor) and the f Freight forwarder conclude contract (often they already have a general contract and conclude an additional agreement of this transportation).</p> <p>2.5.7. After the conclusion of the additional agreement, Exporter (Consignor) provides information for transportation plan (place and time of loading, volume and destination of delivery) also provides EDS with power of attorney to use of EDS.</p> <p>2.5.8. Freight forwarder concludes contracts for the services (with the rail wagon owner, Uzbekistan Freight forwarder and others).</p>

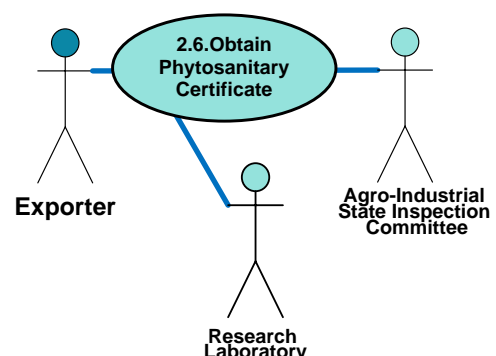
	<p>2.5.9. Forwarder submits an online application for the inclusion of transportation to the plan with use Consignor' EDS via ACS CCW.</p> <p>2.5.10. Kazakhstan railways receives of the application, send a message of the receipt of the application via ACS CCW, considers of the application and agrees transportation with involved railways.</p> <p>2.5.11. If the transportation is not agreed, the Kazakhstan railways send message via ACS CCW (and also by email) to the Freight forwarder of reason refusal.</p> <p>2.5.12. Freight forwarder informs the Exporter (Consignor) about the refusal of transportation and the reasons for it.</p> <p>2.5.13. If the transportation is included in the plan, the Kazakhstan railways sends to the Freight forwarder message about it via ACS CCW.</p> <p>2.5.14. Freight forwarder informs the Exporter (Consignor) about the inclusion of transportation in the plan (and also by email).</p> <p>2.5.15. Exporter (Consignor) transfers money to the Freight forwarder for settlements with service providers.</p> <p>2.5.16. Freight forwarder receives money to pay for services and rail transportation.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter (consignor) has confirmation of the inclusion of transportation in the plan.</li> <li>▪ Freight forwarder get money to pay for services.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1,5 – 7 days (about 15 days before the month in which the transportation is scheduled)

## CORE BUSINESS PROCESS AREA 2.6: OBTAIN PHYTOSANITARY CERTIFICATE (IN KAZAKHSTAN)

Use case diagram of the business process “Obtain Phytosanitary Certificate” is presented in the Diagram 1.U-2.6. The following stakeholders are involved in the process:

- Exporter,
- State Inspection Committee in the Agro-Industrial Complex of the Ministry of Agriculture RK (Agro-Industrial State Inception Committee/ Agro-Industrial Inspector),
- Research laboratory.

The certificate is issued on the basis of an electronic application. The application is submitted by the Exporter in advance before loading the cargo through the [www.elicense.kz](http://www.elicense.kz) portal (also through [www.egov.kz](http://www.egov.kz)) using an EDS or in paper form to the territorial division of the Agro-Industrial State Inspection Committee. Exporters usually apply online as it is easy to do so.



**Diagram 1.U-2.6. “Obtain Phytosanitary Certificate” Use case diagram**



A phytosanitary certificate of the established form is issued in paper form (or a reasoned refusal) no later than 3 working days from the date of application. Data on the certificate (refusal) are entered into a single automated system for managing the branches of the "e-Agriculture" agro-industrial complex.

Based on the questioning of Exporters, it turned out that, as a rule, the application is filed in the loading of cargo. On the same day, Exporters call an inspector of the Agro-Industrial State Inspection Committee (usually Exporters deliver him to the site of loading), who takes grain samples directly from the wagon and sends them to an accredited laboratory. Fumigation is being done on the same day. Test results, phytosanitary certificate and fumigation certificate are usually prepared within an hour after sampling. The documents are collected by Exporters themselves to the territorial division of the Agro-Industrial State Inspection Committee. Sometimes, inspectors from the Agro-Industrial State Inspection Committee authorizes taking samples by certification bodies that take samples for the Passport of Grain Quality and Conformity, as they have accredited laboratories.

In general, the procedure of executing this business process has not changed in recent years. The Kazakhstan Phytosanitary Certificate is provided for obtaining the Phytosanitary Act (not referred as a certificate) in Tajikistan. At the same time, samples are being retested (formally twice) in Tajikistan, that is, it cannot be said that the Kazakhstan's certificate is simply reissued.

In accordance with the Decision of the ECE Council No. 14 dated 18.02.2022 "On the Amendments to the Decision of the Customs Union Commission dated June 18, 2010 No. 318<sup>1</sup>", a number of amendments have been adopted aimed at introducing an electronic phytosanitary certificate. An electronic phytosanitary certificate is quite possible to be fully implemented in the near future.

Activity diagram of the business process "Obtain Phytosanitary Certificate" is shown in the Diagram 1.A-2.6. The description of the business process is presented in Table 21.

**Table 21. Obtaining a Phytosanitary Certificate (in Kazakhstan)**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.6. Obtain a Phytosanitary Certificate</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Agreement on the Application of Sanitary and Phytosanitary Measures of the World Trade Organization (Marrakesh, 15 April 1994),</li> <li>▪ Law of the Republic of Kazakhstan on Grain, No. 143-II, 19 January 2001 (amended on 5 October 2018),</li> <li>▪ Law of the Republic of Kazakhstan on Plant Quarantine, No. 344-I, 11 February 1999 (amended 3 April 2019),</li> <li>▪ Decision of the Commission of the Customs Union No. 318, 18 June (amended 17 March 2017),</li> <li>▪ Order of the Minister of Agriculture of the RK No.15-08/590 dated 29.06.2015 "On approval of the Rules for the protection of the territory of the Republic of Kazakhstan from quarantine objects and alien species".</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter,</li> <li>▪ Agro-Industrial State Inspection Committee Inspector,</li> </ul>

<sup>1</sup> <https://www.altar.ru/tamdoc/22sr0014/>

	<ul style="list-style-type: none"> <li>▪ Research laboratory.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter and Importer already hold a concluded Commercial Contract and Delivery Specification.</li> <li>▪ Exporter has arranged transport and knows the place and date for loading wheat.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.6.1. Exporter applies online at <a href="http://www.elicense.kz">www.elicense.kz</a> specifying product types, quantities, country of departure etc., and attaches copies of documents:</p> <ul style="list-style-type: none"> <li>▪ Copy of Commercial Contract,</li> <li>▪ Certificate of incorporation (received online from <a href="http://www.egov.kz">www.egov.kz</a>),</li> <li>▪ Tajikistan Import Permit.</li> </ul> <p>2.6.2. Agro-Industrial State Inspector registers the application and schedule inspection time.</p> <p>2.6.3. Agro-Industrial State Inspector carries out sampling and issues sampling Act.</p> <p>2.6.4. Agro-Industrial State Inspector packs cereal samples in the presence of applicant for submission to laboratory.</p> <p>2.6.5. Research laboratory tests of samples and issues a test Protocol.</p> <p>2.6.6. Agro-Industrial State Inspector analyses the test results and documents submitted by the Exporter with the application.</p> <p>2.6.7. If the cereal contains a quarantine hazard, the Agro-Industrial State Inspector informs the Exporter of the refusal reason of the Phytosanitary Certificate or determines the measures for elimination of the hazard (e.g., fumigation). Inspector also inputs data about refusal or measures to the e-Agriculture.</p> <p>2.6.8. If the cereal is safety, the Agro-Industrial State Inspector issues Phytosanitary Certificate in paper form and the Exporter can see online the information about the completion or readiness of the Phytosanitary Certificate. Inspector also inputs data of the Phytosanitary Certificate to the e-Agriculture.</p> <p>2.6.9. Inspector also inputs data of the Phytosanitary Certificate about refusal reason to the e-Agriculture.</p> <p>2.6.10. Exporter obtains a hard (paper) copy of the Phytosanitary Certificate.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter holds the Phytosanitary Certificate.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	<p>Performed during the loading of cargo into the rail wagon.</p> <p>1-2 days</p>

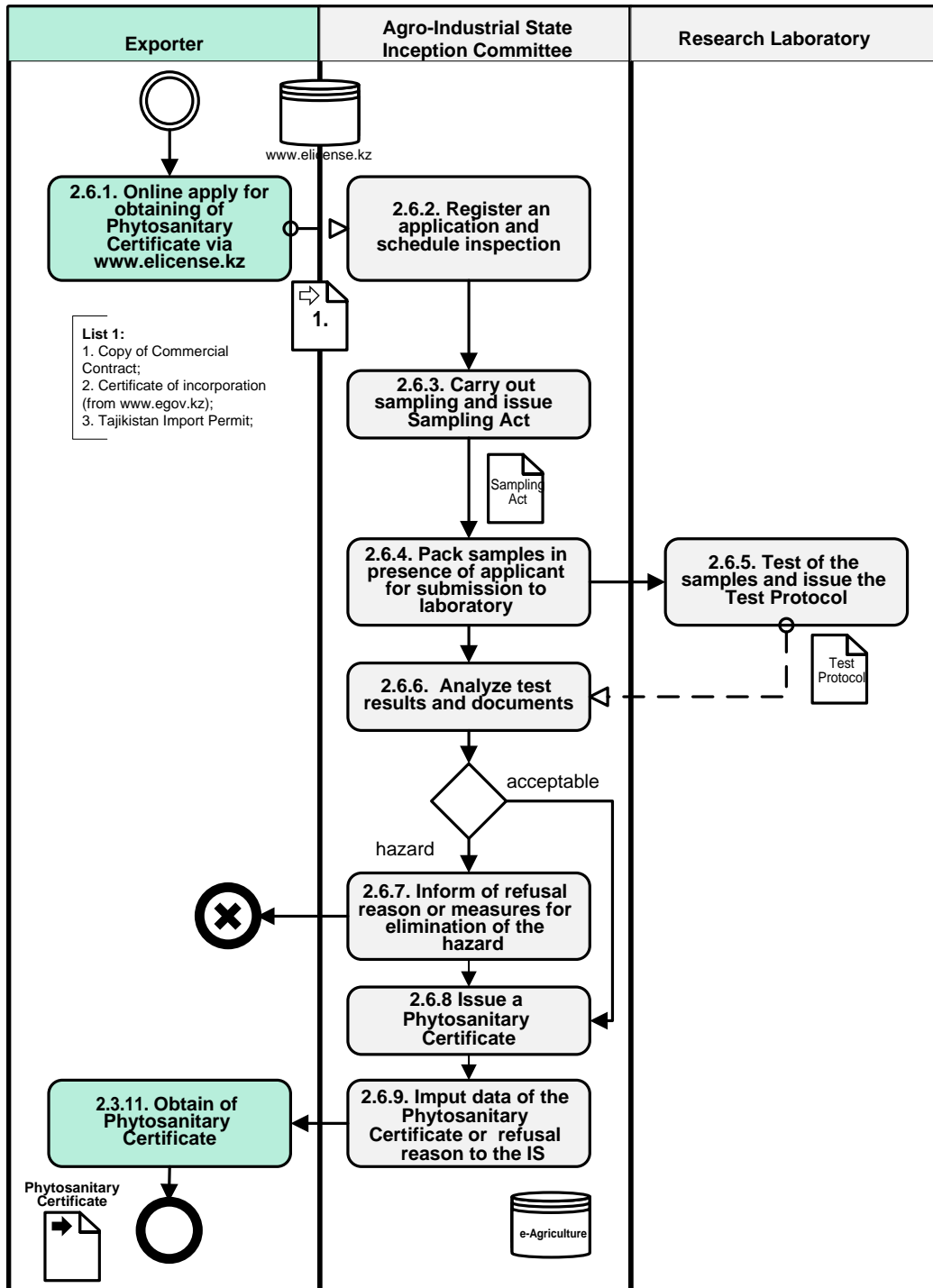


Diagram 1.A-2.6. “Obtain Phytosanitary Certificate” Activity diagram

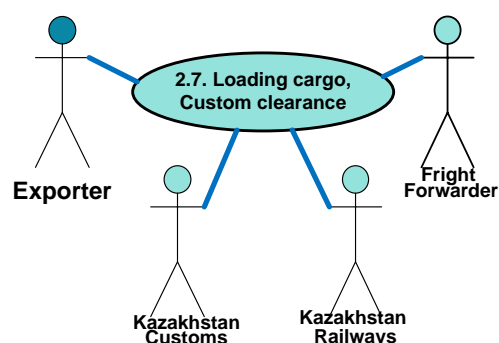
### CORE BUSINESS PROCESS AREA 2.7: LOADING CARGO AND CUSTOMS CLEARANCE

Use case diagram of the business process “Loading cargo and Customs clearance” is presented in the Diagram 1.U-2.7. The following stakeholders are involved in this business process:

- Exporter (Consignor),
- Kazakhstan Freight forwarder,
- Kazakhstan railways,
- Information System "Astana-1" (Kazakhstan customs).

The business process “Loading cargo and Customs clearance” remains very complex, it includes a number of sub-processes, various railway departments are involved in the performance of certain operations, the activities of which are governed by separate rules and instructions. Many sub-processes are being performed simultaneously, so it is clear to display the sequence their implementation is quite difficult. A detailed study of the sub-processes of this business process will require a separate study.

Activity diagram of the business process “Loading cargo and Customs clearance” is shown in the Diagram 1.A-2.7. The description of the business process is presented in Table 22. “Loading cargo and Customs clearance”.



**Diagram 1. U-2.7. “Loading cargo and Customs clearance” Use case diagram**

**Table 22. Process for loading cargo and Customs clearance**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.6. Loading cargo and customs clearance</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Agreement on International Goods Transport by Rail (SMGS) (amended 1 July 2018),</li> <li>▪ Law of the Republic of Kazakhstan on Railway Transport, No. 266-II, 8 December 2001 (amended 19 April 2019),</li> <li>▪ Code of on Customs Regulations in the Republic of Kazakhstan, No. 123-VI 3PK, 26. December 2017,</li> <li>▪ Decision of the CCU1 on Instructions for Filling in the Customs Declarations and Forms of Customs Declarations, No. 257, 20 May 2010 (with actual amended 25 September 2018),</li> <li>▪ Decision of EAEU IGC No.5 dated 20.07.2020 "On the non-marking of customs authorities in transport, commercial and other documents when performing customs operations in electronic form",</li> <li>▪ Others.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Consignor/ Declarant),</li> <li>▪ Freight forwarder,</li> <li>▪ Kazakhstan railways,</li> <li>▪ IS ‘Astana-1’ (Kazakhstan customs).</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter (as Consignor) has EDS for ACS CCW <sup>2</sup>,</li> <li>▪ Exporter (as Declarant) has EDS for ‘Astana-1’ customs information system (IS ‘Astana-1’),</li> </ul>

<sup>1</sup> CCU – Commission of the Customs Union.

<sup>2</sup> ACS CCW – Automated control system Cargo and Commercial Work (ACS CCW)

	<ul style="list-style-type: none"> <li>▪ Freight forwarder has: an agreement with the Kazakhstan railways (a) sufficient money on the current railways account for paying for rail transportation; (b) EDS for use of ACS CCW,</li> <li>▪ Freight forwarder has an agreement with the Uzbekistan Freight forwarder who has an agreement with Uzbekistan railways, and can pay for transit cargo transportation through Uzbekistan territory,</li> <li>▪ Freight forwarder and Exporter (consignor) have concluded an agreement on freight forwarding and an additional agreement thereto for the organization of the transportation,</li> <li>▪ Freight forwarder has concluded an agreement with the owner of the rail wagons for providing wagons for this transportation,</li> <li>▪ Exporter (Consignor) and Freight forwarder have received confirmation from the Kazakhstan about the inclusion of transportation in the transportation plan.</li> </ul>
<p><b>Procedures and associated documentary requirements for completing the process</b></p>	<p>2.7.1. Kazakhstan railways deliver the wagon(s) to the loading place station on the basis of an agreement with the owner of the wagon(s), and notifies the Freight forwarder (or Consignor) of readiness.</p> <p>2.7.2. Exporter (Consignor) applies by e-mail for delivery of the wagon(s) (statement GU-45) to Kazakhstan railways.</p> <p>2.7.3. Kazakhstan railways deliver the wagon(s) to loading place and makes a note in GU-45.</p> <p>2.7.4. Exporter (Declarant) fills in the Goods Declaration via 'Astana-1' and attaches a copy of all the necessary documents and pays customs duties:</p> <ul style="list-style-type: none"> <li>▪ e-Goods Declaration,</li> </ul> <p><i>Attach copy of documents:</i></p> <ul style="list-style-type: none"> <li>▪ Receipt of payment of customs duties,</li> <li>▪ Commercial Contract,</li> <li>▪ Invoice,</li> <li>▪ Import Permit from Tajikistan,</li> <li>▪ Phytosanitary Certificate,</li> <li>▪ Declaration of Conformity,</li> <li>▪ Cereal Quality Passport,</li> <li>▪ Certificate of Origin,</li> <li>▪ SMGS consignment note (SMGS).</li> </ul> <p>2.7.5. IS 'Astana-1' carries out automatic reception, registration and verification of documents submitted through IS 'Astana-1'.</p> <p>2.7.6. If IS 'Astana-1' detects violations in the submitted documents, it sends automatic messages about such violations. If no violations are detected, IS 'Astana-1' carries out "auto-issue" of the Goods declaration (customs Declaration).</p> <p>2.7.7. Exporter (Consignor) provides the Freight forwarder with all the necessary information needed for completing the transport documents (SMGS).</p> <p>2.7.8. Freight forwarder requests the shipment number from the Kazakhstan railways, and files online pre-form of SMGS via ACS CCW.</p> <p>2.7.9. Exporter (Consignor) organizes loading of cargo into the wagon, and seals the wagon.</p> <p>2.7.10. Exporter (Consignor) notifies the Kazakhstan railways of the readiness of the wagon.</p> <p>2.7.11. Exporter (Consignor) submits to the Kazakhstan railways SMGS and accompanying documents:</p>

	<p><i>Original documents:</i></p> <ul style="list-style-type: none"> <li>▪ SMGS,</li> <li>▪ Phytosanitary Certificate,</li> <li>▪ Declaration of Conformity,</li> <li>▪ Cereal Quality Passport,</li> <li>▪ Certificate of Origin.</li> </ul> <p><i>Copy of documents:</i></p> <ul style="list-style-type: none"> <li>▪ Goods Declaration,</li> <li>▪ Commercial Contract,</li> <li>▪ Invoice,</li> <li>▪ Import Permit from Tajikistan.</li> </ul> <p>2.7.12. Kazakhstan railways check the technical condition of the wagon as well as the correct placement of cargo in the wagon, SMGS and accompanying documents.</p> <p>If deficiencies of wagon are revealed or the documents filled out with violation, the Kazakhstan railways inform the Exporter (Consignor) of the identified deficiencies and violations (<i>sub-process</i>).</p> <p>2.7.13. Exporter (Consignor) eliminates identified deficiencies (if the wagon is damaged, organizes the wagon repair or replacement, strengthens the placement of cargo in the wagon etc.) (<i>sub-process</i>).</p> <p>2.7.14. If deficiencies of wagon are not revealed and submitted documents are correct, Kazakhstan railways (<i>sub-process</i>):</p> <ul style="list-style-type: none"> <li>▪ puts a stamp on the paper SMGS,</li> <li>▪ withdraws the wagon,</li> <li>▪ makes a note in statement GU-45,</li> <li>▪ withdraws money for transportation from the Freight forwarder's account,</li> <li>▪ informs the Freight forwarder online via ACS CCW of withdrawal of money for transportation.</li> </ul> <p>2.7.15. Freight forwarder gets a withdrawal message via ACS CCW.</p> <p>2.7.16. Kazakhstan railways provides a locomotive to draw the wagon(s), and reports to the Exporter (Consignor) and Freight forwarder online about the cargo dispatch via ACS CCW.</p> <p>2.7.17. Exporter (Consignor) gets a message via ACS CCW about the start of transportation.</p> <p>2.7.18. Freight forwarder gets a message via ACS CCW about the start of transportation.</p>
<p><b>Output and criteria to exit the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Export goods shipped by rail.</li> <li>▪ Exporter completes customs clearance of goods.</li> <li>▪ Exporter holds the original set of stamped transport and customs documents.</li> </ul>
<p><b>Average time required to complete the process and/or duration for each transaction involved</b></p>	<p>1-2 days</p>

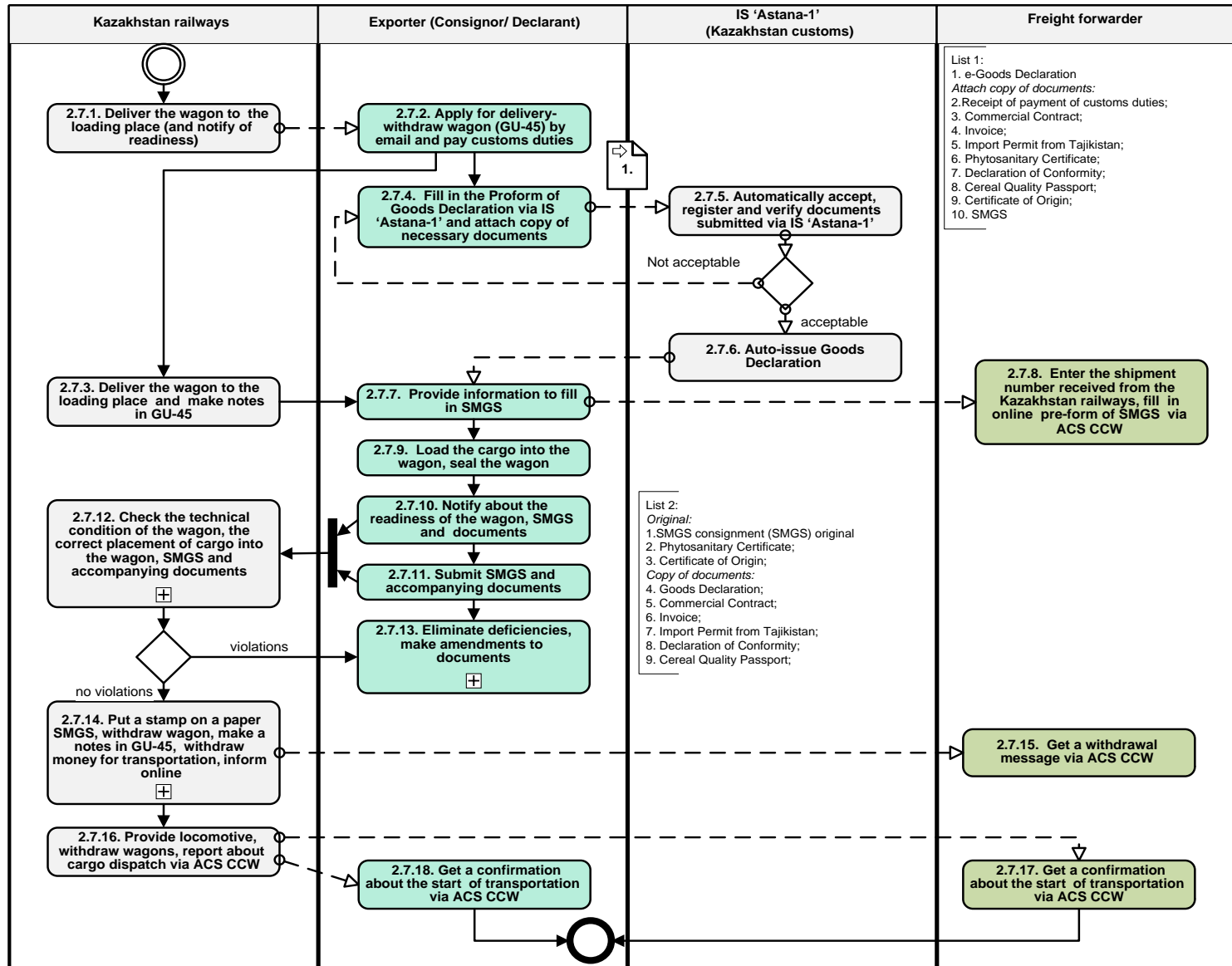


Diagram 1.A-2.7. "Loading cargo and Customs clearance" Activity diagram

## CORE BUSINESS PROCESS AREA 2.8: BORDER CROSSING OF THE UZBEKISTAN

Use case diagram of the business process “Border crossing of Uzbekistan” is shown in the Diagram 1.U-2.8. The following stakeholders are involved in the business process:

- Exporter,
- Kazakhstan railways,
- Kazakhstan customs (also conducts other types of control: plant, sanitary and epidemiological),
- Uzbekistan railways,
- Uzbekistan customs (also conducts other types of control: plant, sanitary and epidemiological).

Simplified Activity diagram of the business process “Border crossing of Uzbekistan” (Diagram 1.A-2.7.) is shown in this study.

The technological process of operation of checkpoints is well developed between the Kazakhstan and Uzbekistan railways, as well as with the participating customs units. In accordance with the current regulations, the wagons cross the border in about 4 hours, spending 2 hours each on the Kazakhstan side and the Uzbekistan side.

The functions of phytosanitary, sanitary-epidemiological, veterinary control are conducted by the customs. In many countries, including Uzbekistan and Tajikistan, a joint inspection is being performed by the customs.

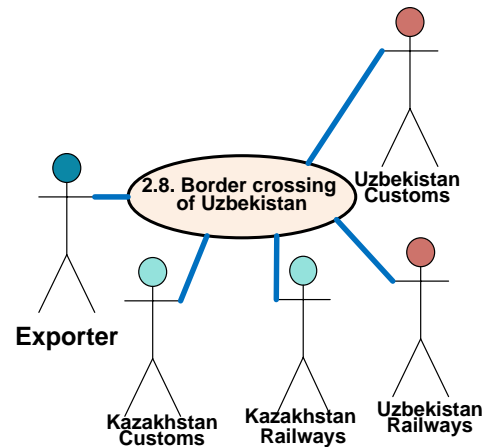
The participation of the Exporter (or a freight forwarder acting on his behalf) in this procedure is not usually significant. The Exporter takes part in the procedure only if there are any problems, such as the lack of any documents, the breakdown of a wagon along the way. Normally there are extremely few cases when transporting grain.

The only requirement on the part of the Exporter is provision of the Preliminary Information for the customs purposes through the IS “Astana-1” two hours prior to crossing the border.

The description of the business process is presented in Table 23.

**Table 23. Process for border crossing of Uzbekistan**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.8. Border crossing of Uzbekistan</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Agreement on Customs Code of the Eurasian Economic Union, ratified Law of the Republic of Kazakhstan “On ratification of the Agreement on Customs Code of the Eurasian Economic Union No. 115-VI 3PK dated 13.12.2017, and other involved regulatory documents adopted in the EAEU,</li> <li>▪ Agreement on International Goods Transport by Rail (SMGS) (Multilateral Agreement between national railways (28 countries), valid from November 1, 1951 (as amended on 1.07.2018),</li> <li>▪ Customs Code Republic of Uzbekistan (22.04.2016).</li> </ul>



**Diagram 1.U-2.8. “Border crossing of Uzbekistan” Use case diagram**



<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Consignor),</li> <li>▪ Kazakhstan railways,</li> <li>▪ Kazakhstan customs,</li> <li>▪ Uzbekistan railways,</li> <li>▪ Uzbekistan customs.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Kazakhstan railways accepts goods for carriage,</li> <li>▪ Kazakhstan railways dispatches the whole train including particular wagon to the Uzbekistan's border (to the Checkpoint "Saryagash",</li> <li>▪ Exporter holds a set of documents associated with transportation and customs formalities,</li> <li>▪ Exporter pays for carriage through Uzbekistan territory through Kazakhstan and Uzbekistan freight forwarders.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.8.1. Kazakhstan railways delivers to Kazakhstan's checkpoint with the documents for each wagon.</p> <p>2.8.2. Exporter send Preliminary Customs Information through IS "Astana-1" before launching the procedure.</p> <p>2.8.3. Kazakhstan railways verifies the documents (SMGS) for each wagon of the train.</p> <p>2.8.4. Kazakhstan customs checks the data on the Declaration for goods, compares them with the data in the Preliminary information. It also verifies the presence of phytosanitary and other certificates etc.</p> <p>2.8.5. If Kazakhstan customs or Kazakhstan railways reveal any irregularities, the Exporter (or his freight forwarder) is being informed. In this case, the wagon may be delayed until the problem is resolved.</p> <p>2.8.6. Exporter takes measure to eliminate identified violations. For example, he sends missing documents or corrects the Preliminary information. After elimination of violations, consideration of documents is resumed.</p> <p>2.8.7. If no problems are identified, the documents from all the cars/wagons are packed, the package of documents for the train is accompanied by a full-scale sheet and handed over to the driver. A joint team of Kazakhstan railways and Uzbekistan railways conducts a technical inspection of the train wagons.</p> <p>2.8.8. The railways of the two countries draw up and sign the transfer sheet.</p> <p>2.8.9. Uzbekistan railways delivers the train to its checkpoint "Keles".</p> <p>2.8.10. Uzbekistan railways verifies documents (SMGS) for each wagon of the train, presence of payment for transit through the territory of Uzbekistan.</p> <p>2.8.11. Uzbekistan customs verifies documents including presence of phytosanitary certificate etc.</p> <p>2.8.12. In case any violations are revealed by the Uzbekistan customs or Uzbekistan railways, Uzbekistan Freight forwarder is being informed which informs Kazakhstan Freight forwarder. In this case, the wagon may be delayed until the problem is resolved.</p> <p>2.8.13. Exporter takes measure to eliminate identified violations. After elimination of violations, consideration of documents is resumed.</p> <p>2.8.14. If Uzbekistan customs has not detected any violations, the goods are placed under the customs transit regime.</p>

	2.8.15. Uzbekistan Railways starts delivering the wagon (s) to the checkpoint on the border with Tajikistan.
<b>Output and criteria to exit the business process</b>	The wagon crosses the border between Kazakhstan and Uzbekistan and is being sent in transit through the territory of Uzbekistan to the border of Tajikistan.
<b>Average time required to complete the process and/or duration for each transaction involved</b>	2-3 hours

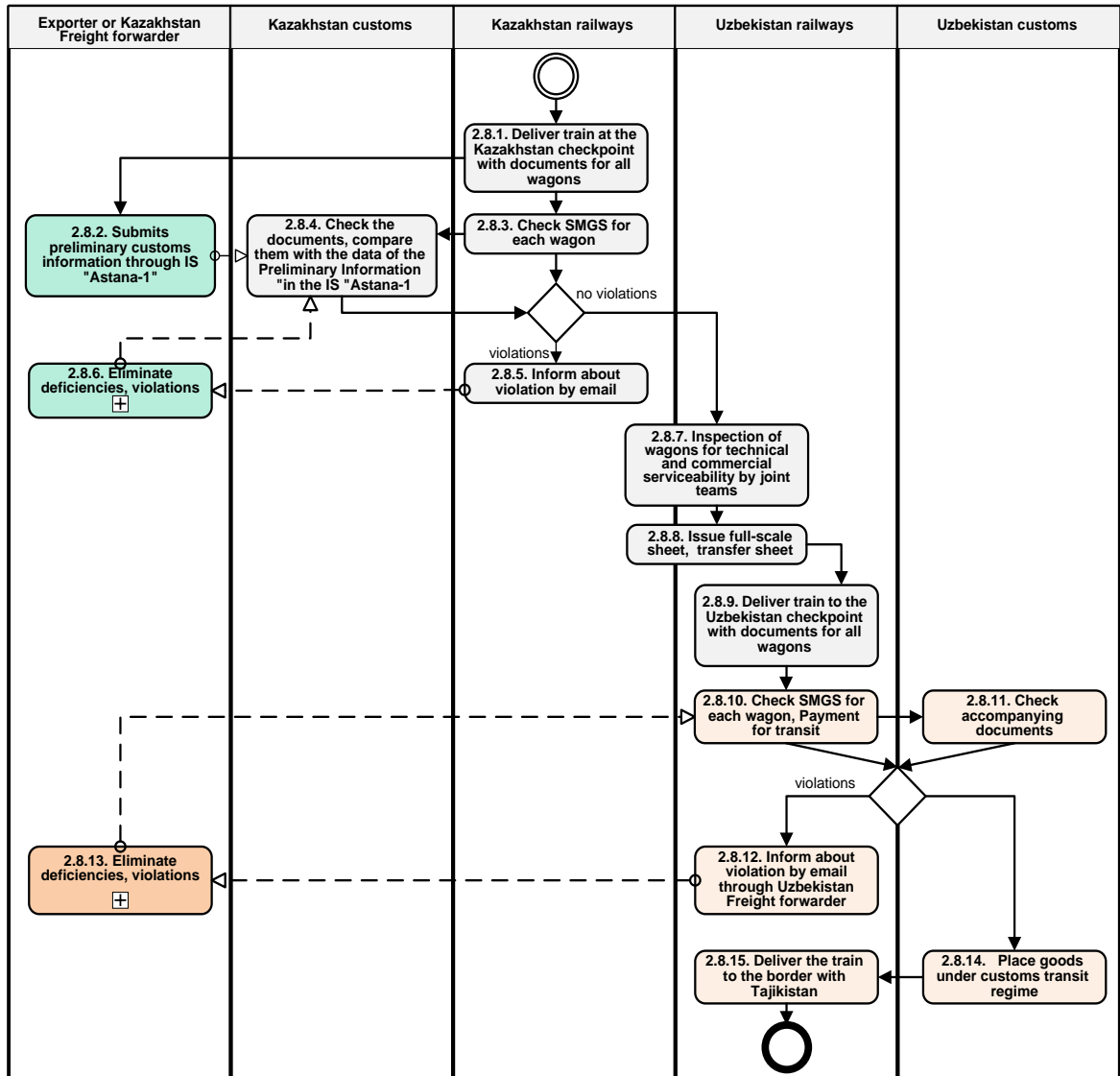


Diagram 1.A-2.8. “Border crossing of the Uzbekistan” Activity diagram

## CORE BUSINESS PROCESS AREA 2.9: BORDER CROSSING OF TAJIKISTAN

Use case diagram of the business process “Border crossing of Tajikistan” is shown in the Diagram 1.U-2.9. the following stakeholders are involved in the business process:

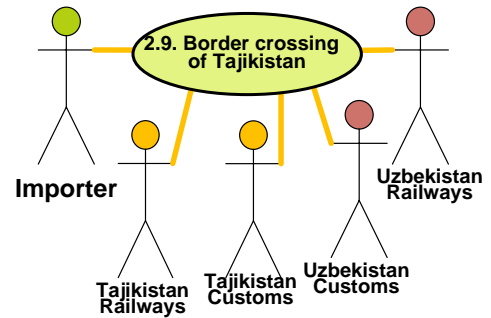
- Uzbekistan railways,
- Uzbekistan customs,
- Tajikistan railways,
- Tajikistan customs,
- Importer.

This business process is not much different from the previous “Border crossing of the Uzbekistan” business process.

The difference is the lack of the requirement for preliminary customs information. At least this was not mentioned by the Exporters and Importers questioned in the course of interviews, and no regulatory documents on this requirement were identified.

Uzbek forwarder from Uzbek side and Importer from Tajik side are being informed in case violations are detected when crossing Uzbekistan-Tajikistan border.

Activity diagram of the business process “Border crossing of Tajikistan” is shown in the Diagram 1.A-2.9. The description of the business process is presented in Table 24.

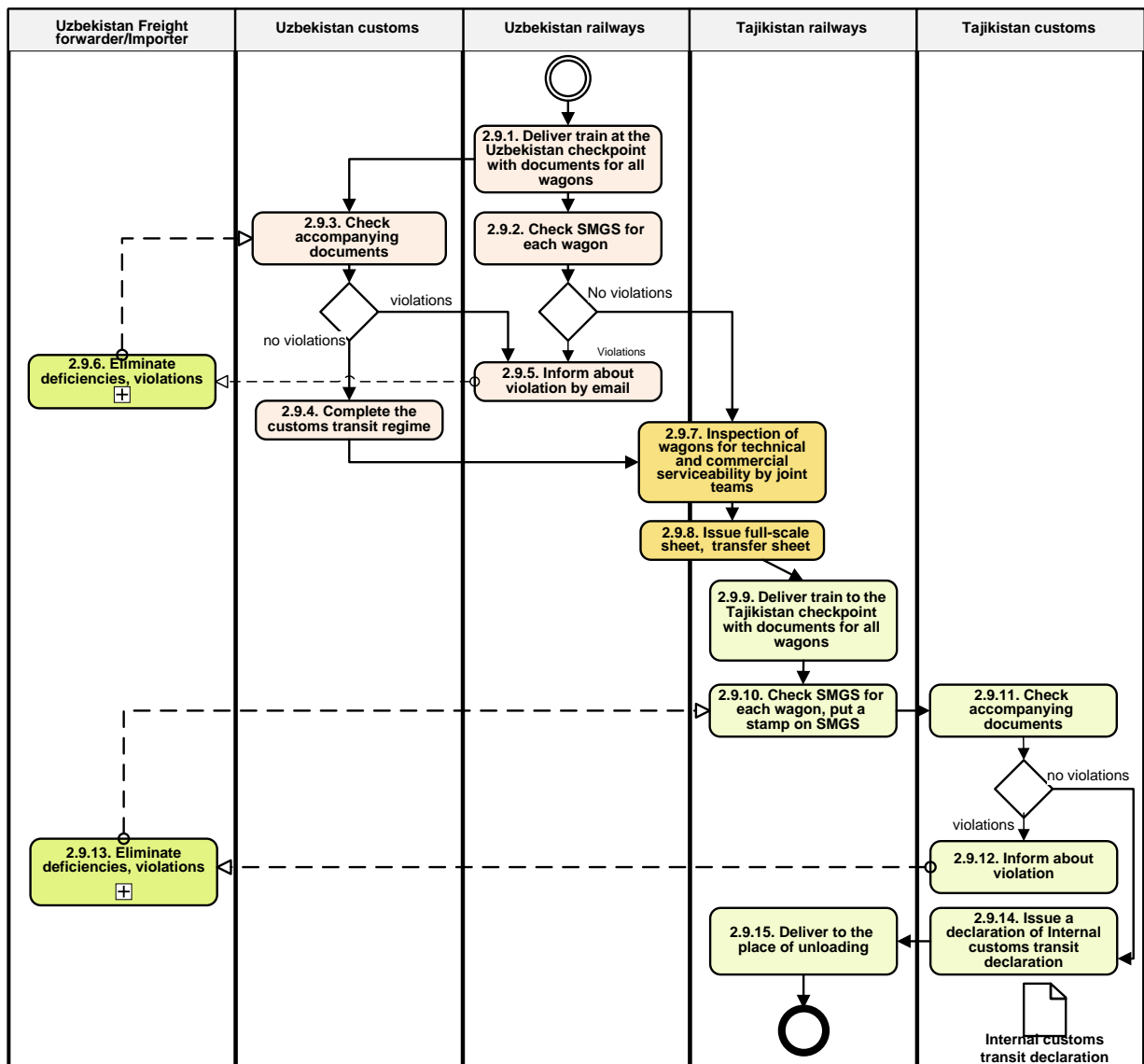


**Diagram 1.U-2.9. “Border crossing of Tajikistan” Use case diagram**

**Table 24. Process for crossing the border of the Tajikistan**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.9. Crossing the border of Tajikistan</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Customs Code of the Republic of Tajikistan dated 03.12.2004 r.</li> <li>▪ Agreement on International Goods Transport by Rail (SMGS) (Multilateral Agreement between national railways (28 countries), valid from November 1, 1951 (as amended on 1.07.2018),</li> <li>▪ Customs Code Republic of Uzbekistan (22.04.2016).</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Uzbekistan railways,</li> <li>▪ Uzbekistan customs,</li> <li>▪ Tajikistan railways,</li> <li>▪ Tajikistan customs,</li> <li>▪ Importer.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Uzbekistan railways receives the train, including a specific wagon, at the “Keles” checkpoint (UZ) and sends it to Tajik border,</li> <li>▪ Uzbekistan customs places the goods at the checkpoint “Keles” under the customs regime of customs transit.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.9.1. Uzbekistan railways delivers the train to the Uzbek checkpoint Kudukli (UZ) on the border with Tajikistan with documents for each wagon.</p> <p>2.9.2. Uzbekistan railways checks transport documents (SMGS) for each wagon the train.</p>

	<p>2.9.3. Uzbekistan customs checks shipping documents, availability of a phytosanitary certificate etc.</p> <p>2.9.4. If no problems are identified, Uzbekistan customs completes the customs transit regime.</p> <p>2.9.5. If Uzbekistan customs or Uzbekistan railways detects any violations, it informs the Uzbek forwarder, who, depending on the forwarding agreement, informs the Exporter (through the Kazakh forwarder) or the Importer. In this case, the wagon may be delayed until the problem is resolved.</p> <p>2.9.6. Exporter/Importer takes measure on elimination of identified violations. After elimination of violations, consideration of documents is resumed.</p> <p>2.9.7. Documents from all wagons are packed, the package of documents for the train is accompanied by a full-scale sheet and handed over to the driver. Joint brigade of Uzbekistan railways and Tajikistan railways conducts technical inspection of train wagons,</p> <p>2.9.8. Two railways draw up and sign a transfer sheet,</p> <p>2.9.9. Tajikistan railways delivers the train to its checkpoint "Pahtaabat".</p> <p>2.9.10. Tajikistan railways checks the documents (SMGS) for each wagon of the train, puts a stamp on the SMGS.</p> <p>2.9.11. Tajikistan customs checks the documents.</p> <p>2.9.12. If Tajikistan customs or Tajikistan railways detects any violations, it informs Importer,</p> <p>2.9.13. Importer takes measure on elimination of identified violations. After elimination of violations, consideration of documents is resumed.</p> <p>2.9.14. If there are no violations at the checkpoint, Tajikistan railways starts delivering the wagon to the site where the cargo is unloaded.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Wagon crosses the border between Uzbekistan and Tajikistan and is heading to the destination station.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	0,5 day



**Diagram 1.A-2.9. “Border crossing of the Tajikistan” Activity diagram**

**CORE BUSINESS PROCESS AREA 2.10: OBTAIN PHYTOSANITARY ACT (IN TAJIKISTAN)**

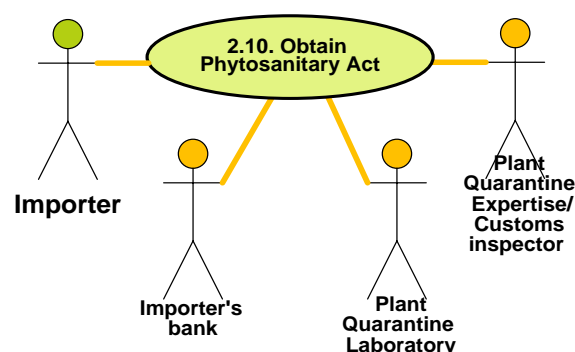
The process “Obtain Phytosanitary Act in Tajikistan” does not look transparent and understandable. Exact indications for the sequence of actions in the current regulatory documents have not been identified. It is also not entirely clear why this document is called an act, although it looks like a certificate.

The implementation of this process is likely carried out very formally, since even the Importers failed providing step-by-step description of the process.

On the “Trade Portal of Tajikistan” (<https://tajtrade.tj>) it is indicated that the customs office is also involved in the process which inspects the vehicle and takes samples for phytosanitary analysis. At the same time, the customs officer must have specific knowledge in the field of phytosanitary and plant quarantine, the ability to determine the size of samples and carry out sampling. It is likely that the phytosanitary specialist is somehow incorporated into the unit of the customs administration. On the websites of Tajikistan’s authorities there is also the information on establishing a joint control. For example, in other countries, the customs office bears the functions of phytosanitary (and other types) control at checkpoints.

Although the inspection of the wagon and sampling is performed by a customs inspector, the Committee for Food Safety under the Government of the Republic of Tajikistan (Plant Quarantine Expertise) is indicated as a party to this business process, since these actions are performed for the purposes of phytosanitary control and issuance of a phytosanitary act.

The exact terms for obtaining a phytosanitary act are also not indicated in the regulatory documents. According to Importers, obtaining a phytosanitary act takes no more than 1 day. The execution time depends on the workload of the customs inspector, who must inspect the wagon (and issue an act) and take samples (and issue an act). When performing these functions, the presence of the Importer (or his representative) is required. Application is not required. Insertion of information into any database on the issued Phytosanitary Act or maintaining published registers is also not provided.



**Diagram 1.U-2.10. “Obtain Phytosanitary Act” Use case diagram**

Use case diagram of the business process “Obtain Phytosanitary Act” is shown in the Diagram 1.U-2.10. The following stakeholders are involved in the business process:

- Importer,
- Committee for Food Safety under the Government of the Republic of Tajikistan (Plant Quarantine Expertise)/Customs inspector,
- Plant Quarantine Expertise Laboratory,
- Importer’s bank.

Activity diagram of the business process “Obtain a Phytosanitary Act (in Tajikistan)” is shown in the Diagram 1.A-2.10. The description of the business process is presented in Table 25.

**Table 25. Obtaining a Phytosanitary Act (in Tajikistan)**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.10. Obtain a Phytosanitary Act</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Law of the Republic of Tajikistan “On Quarantine and Plants Protection”, Adopted by the Resolution of MN MORT No. 1233 dated November 28, 2018,</li> <li>▪ Decree of the Government of the Republic of Tajikistan No. 376 dated June 23, 2020 “Rules and norms for ensuring quarantine and plants protection”,</li> <li>▪ Decree of the Government of the Republic of Tajikistan No. 595 of December 29, 2017 "On the Food Security Committee under the Government of the Republic of Tajikistan".</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Committee for Food Safety under the Government of the Republic of Tajikistan (Plant Quarantine Expertise)/Customs inspector,</li> <li>▪ Plant Quarantine Expertise Laboratory,</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Importer's bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer has received cargo at the unloading station.</li> <li>▪ Importer has Phytosanitary Certificate of Exporter.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.10.1. Customs inspector (on behalf of Plant Quarantine Expertise) observes the wagon for quarantine danger and issues an Inspection Act.</p> <p>2.10.2. Customs inspector (on behalf of Plant Quarantine Expertise) carries out sampling and issues Quarantine Sampling Act.</p> <p>2.10.3. Customs inspector (on behalf of Plant Quarantine Expertise) packs samples in presence of applicant for submission to laboratory.</p> <p>2.10.4. Plant Quarantine Research Laboratory tests the samples and issues the Test Protocol.</p> <p>2.10.5. Importer pays for testing and issuing of the Phytosanitary Act.</p> <p>2.10.6. Importer's bank issues a payment receipt for testing and issuing of the Phytosanitary Act.</p> <p>2.10.7. Importer provides documents for Phytosanitary Act:</p> <ul style="list-style-type: none"> <li>▪ Payment receipt for testing and issuing of the Phytosanitary Act,</li> <li>▪ Test results (original),</li> <li>▪ Import Permit (copy),</li> <li>▪ Invoice for payment of export contract (copy),</li> <li>▪ Phytosanitary Certificate of Exporter (copy),</li> <li>▪ SMGS with a stamp about the control at the checkpoint (copy),</li> <li>▪ Applicant's passport,</li> <li>▪ Power of attorney (original).</li> </ul> <p>2.10.8. Plant Quarantine Expertise analyses the test results and documents submitted by Importer.</p> <p>2.10.9. If the cereal contains a quarantine hazard, the Plant Quarantine Expertise informs the Importer of the refusal reason of the Phytosanitary Act or determines the measures for elimination of the hazard (e.g., fumigation).</p> <p>2.10.10. If the cereal is safe, the Plant Quarantine Expertise issues Phytosanitary Act in paper form.</p> <p>2.10.11. Importer obtains a hard (paper) copy of the Phytosanitary Act.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer holds a Phytosanitary Act.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-7 days

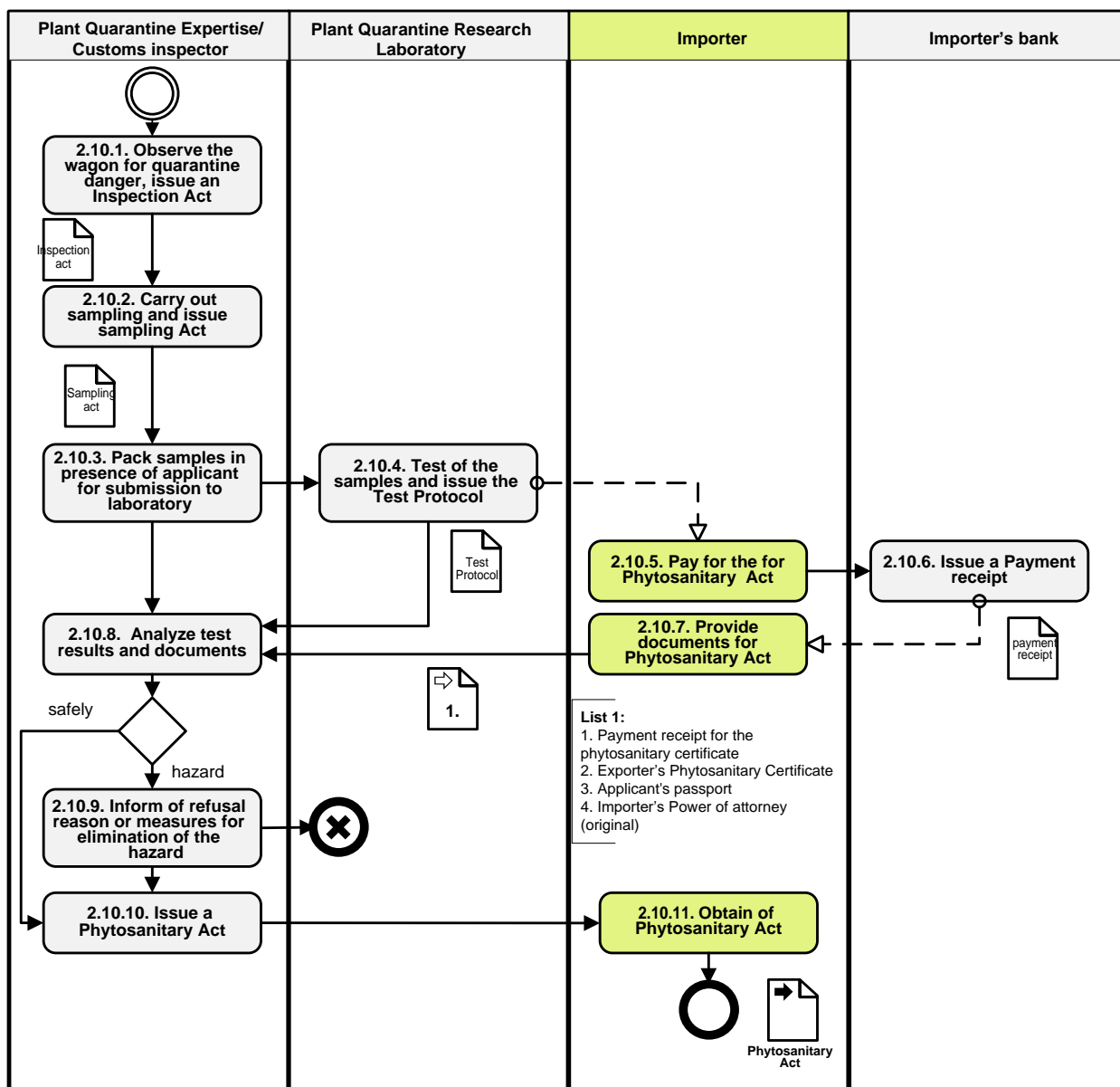


Diagram 1.A-2.10. “Obtain Phytosanitary Act” Activity diagram

**CORE BUSINESS PROCESS AREA 2.11: OBTAIN SANITARY-EPIDEMIOLOGICAL CONCLUSION (IN TAJIKISTAN)**

Similar to the process of obtaining Phytosanitary Act, the process “Obtain Sanitary-epidemiological conclusion (in Tajikistan)” is also not transparent and understandable. Exact indications for the sequence of actions in the current regulatory documents have not been identified.

On the whole, it is not clear in what cases Sanitary-epidemiological conclusion is required. So, for example, in accordance with the Order of the Ministry of Health and Social Protection of the Population of the Republic of Tajikistan No. 175 dated March 20, 2019 “On the Procedure for State Registration of Certain Types of Materials and Goods”, grain (HS code 1001) is included in the list of goods that require Sanitary epidemiological conclusion. At the same time, in line with paragraph 6 of this Order, when importing goods and materials that have a certificate of the country of origin, being recognized by the Republic of Tajikistan on the basis of international agreements as equivalent (with the exception of goods and materials that are imported for the first time), a sanitary and epidemiological conclusion is not



required. As the grain is a traditional commodity imported from Kazakhstan to Tajikistan, obtaining this certificate is possibly not required.

Paragraph 10 of the "Procedure for the execution, registration and issuance of a sanitary and epidemiological conclusion"<sup>1</sup> states that "When issuing a sanitary and epidemiological conclusion ... the applicant shall submit a copy of the certificate of quality of products and goods." That is, in accordance with this requirement, the sanitary and epidemiological conclusion should be issued after receiving the "Certificate of Compliance. Paragraph 11 of this regulatory document states that the bodies of the sanitary and epidemiological service have the right to request additional documents to obtain a sanitary and epidemiological conclusion. None of the regulatory documents indicate that the customs is somehow involved in the process, although in fact it does. Thus, the regulatory documents on regulating the issuance of a sanitary and epidemiological conclusion are required to be revised.

As in the case of obtaining the Phytosanitary Act, the Importers failed explaining the process step by step, and also in the course of interviews with exporters and Importers this document was not indicated as required at all. Probably, the process of obtaining a Sanitary-epidemiological conclusion is formal. Despite abovementioned, the business process "Obtain Sanitary-epidemiological conclusion" is included in the consideration of this study and is recorded in the form of diagrams based on the data of Tajikistan Trade Portal (<https://tajtrade.tj>) and analysis of some existing regulatory documents.

Similar to "Obtain Phytosanitary Act", a customs inspector is involved in the Obtain Sanitary-epidemiological conclusion process, who in this case acts on behalf of the State Sanitary and Epidemiological Surveillance Service. He inspects a wagon and takes grain samples. It is likely that he executes all this along with the inspection activities for the Phytosanitary Act, just fills out documents for various administrations.

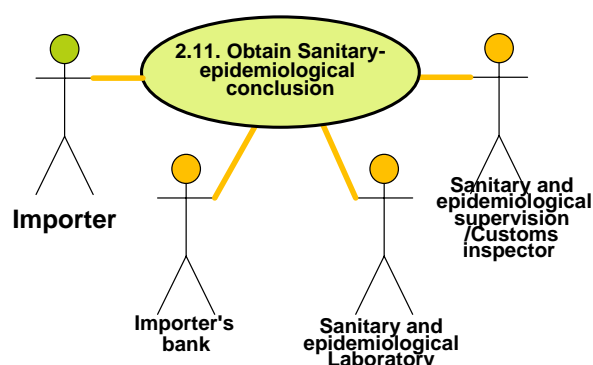
On the whole, the business process "Obtain Phytosanitary Act" and "Obtain Sanitary-epidemiological conclusion" are similar. The difference is below:

- Various responsible regulatory bodies and laboratories,
- The need to apply for Sanitary-epidemiological conclusion,
- The list of submitted documents differs.

Use case diagram of the business process "Obtain Sanitary-epidemiological conclusion" is shown in the Diagram 1.U-2.11. The following stakeholders are involved in the stakeholders:

- Importer,
- State Sanitary and epidemiological supervision/Customs inspector:
- Sanitary and epidemiological Laboratory,
- Importer's bank.

Activity diagram of the business process "Obtain Sanitary-epidemiological conclusion (in Tajikistan)" is shown in the Diagram 1.A-2.11. The description of the business process is presented in Table 26.



**Diagram 1.U-2.11. "Obtain Sanitary-epidemiological conclusion" Use case diagram**

<sup>1</sup> Adopted by the Decree of Government of RT No.139 dated 31.03.2004.

**Table 26. Obtaining a Sanitary-epidemiological conclusion (in Tajikistan)**

<p><b>Name of the process area to which this particular business process belongs</b></p>	<p><b>2. Ship</b></p>
<p><b>Name of the business process</b></p>	<p><b>2.11. Obtain a Sanitary-epidemiological conclusion</b></p>
<p><b>Related rules and regulations</b></p>	<ul style="list-style-type: none"> <li>▪ Health Code of the Republic of Tajikistan adopted by the Decree of the MH MORT No.712 dated 15.03.2017,</li> <li>▪ Decree of the Government of RT No.272 dated 16.05.2020 “Regulation on the State Sanitary and Epidemiological Surveillance Service”,</li> <li>▪ Decree of the Government of RT No. 139 dated 31.03.2004. “On approval of the Procedure for execution, registration and issuance of a sanitary and epidemiological conclusion”.</li> </ul>
<p><b>Responsible parties</b></p>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ State Sanitary and epidemiological supervision/Customs inspector:</li> <li>▪ Sanitary and epidemiological Laboratory,</li> <li>▪ Importer’s bank.</li> </ul>
<p><b>Input and criteria to enter/begin the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Importer has received cargo at the unloading station:</li> <li>▪ Importer has all documents for Obtain Sanitary-epidemiological conclusion.</li> </ul>
<p><b>Procedures and associated documentary requirements for completing the process</b></p>	<p>2.11.1. Customs inspector (on behalf of Plant Quarantine Expertise) observes the wagon for Sanitary and epidemiological danger and issues an Inspection Act (the same act as for a phytosanitary certificate).</p> <p>2.11.2. Customs inspector (on behalf of State Sanitary and epidemiological supervision) carries out sampling and issue Sanitary and epidemiological Sampling Act.</p> <p>2.11.3. Customs inspector (on behalf of State Sanitary and epidemiological supervision) packs samples in presence of applicant for submission to laboratory.</p> <p>2.11.4. Sanitary and epidemiological Research Laboratory tests of the samples and issue the Test Protocol.</p> <p>2.11.5. Importer pays for testing and issuing of the State Sanitary and epidemiological supervision.</p> <p>2.11.6. Importer’s bank Issues a payment receipt for testing and issuing of the State Sanitary and epidemiological supervision.</p> <p>2.11.7. Importer applies for a Sanitary and Epidemiological Conclusion and attaches the following documents:</p> <ul style="list-style-type: none"> <li>▪ Application for sanitary and epidemiological conclusion (original),</li> <li>▪ Note on the registration of the enterprise from the Unified State register (copy),</li> <li>▪ Passport (copy) and Importer's power of attorney,</li> <li>▪ Test results (original),</li> <li>▪ Certificate of Origin of the country of departure (copy),</li> </ul>

	<ul style="list-style-type: none"> <li>▪ SMGS with a stamp about the control at the checkpoint (copy).</li> </ul> <p>2.11.8. State Sanitary and epidemiological supervision analyses the test results and documents submitted by Importer.</p> <p>2.11.9. If the cereal contains a quarantine hazard, the State Sanitary and epidemiological supervision informs the Import of the refusal reason of the Phytosanitary Act or determines the measures for elimination of the hazard (e.g., fumigation).</p> <p>2.11.10. If the cereal is safety, the State Sanitary and epidemiological supervision issues Sanitary-epidemiological conclusion.</p> <p>2.11.11. Importer obtains a hard (paper) copy of the Sanitary-epidemiological conclusion.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer holds a Sanitary-epidemiological conclusion</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	2-5 days

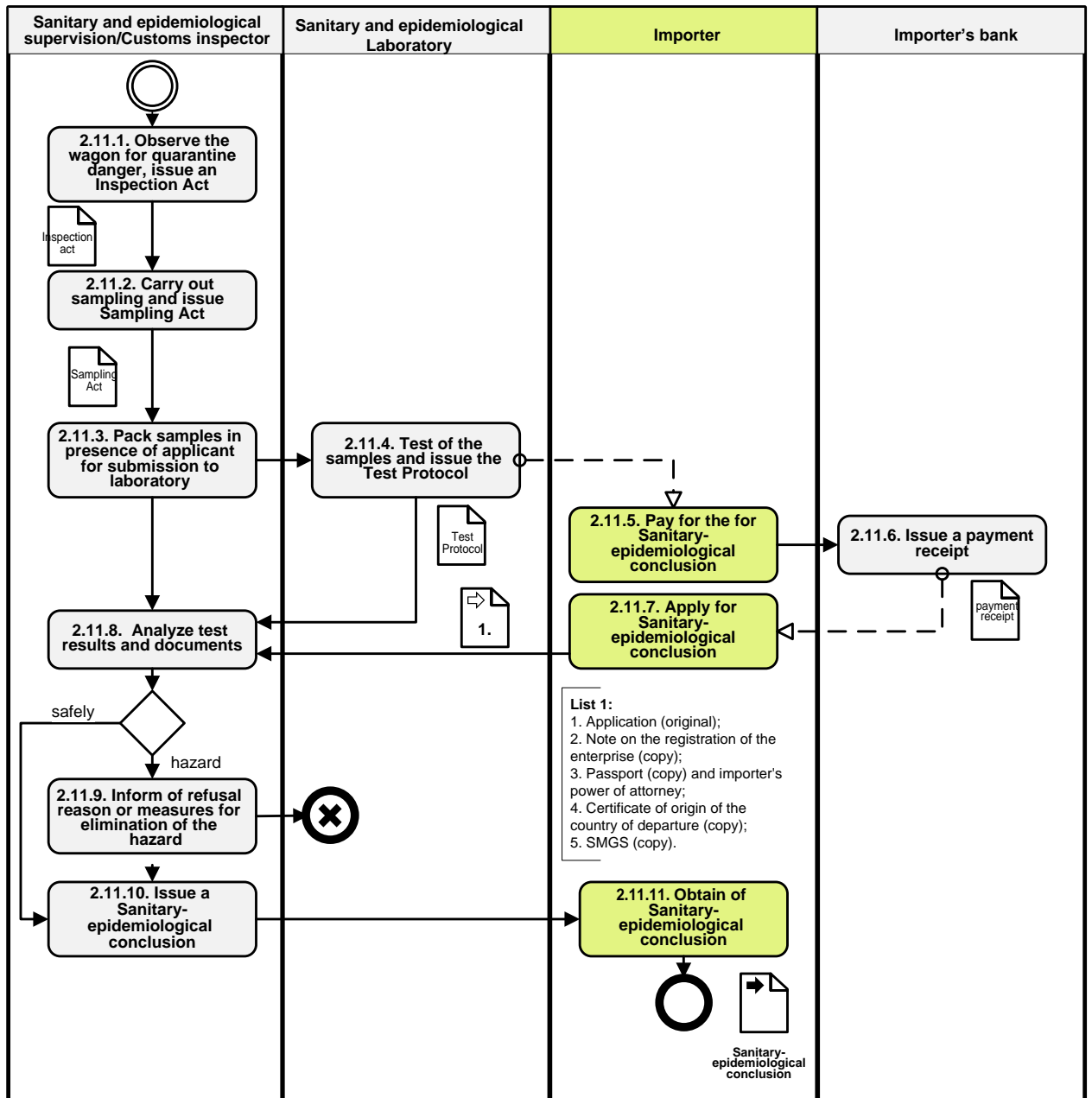


Diagram 1.A-2.11. "Obtain Sanitary-epidemiological conclusion" Activity diagram

## CORE BUSINESS PROCESS AREA 2.12. OBTAIN CERTIFICATE OF CONFORMITY

In accordance with the Decree of the Government of the Republic of Tajikistan No. 310 of June 18, 2012 “On the List of goods (works, services) subject to mandatory certification”, the grain (HS code 1001) is included in the list of goods subject to mandatory certification.

Certification is carried out by the Agency for Standardization, Metrology, Certification and Trade Inspection under the Government of the Republic of Tajikistan<sup>1</sup> (for short, the Agency for Standardization), which has its own research laboratories.

Despite the fact that serious requirements are applied to the quality of grain in Kazakhstan (the Exporter has to obtain a Cereal Quality Passport and Declare its compliance), these documents are not requested when confirming compliance in Tajikistan.

The cost of certification services is determined by the price list and depends on the cost of the goods being certified. The cost of laboratory services is determined by the price list.

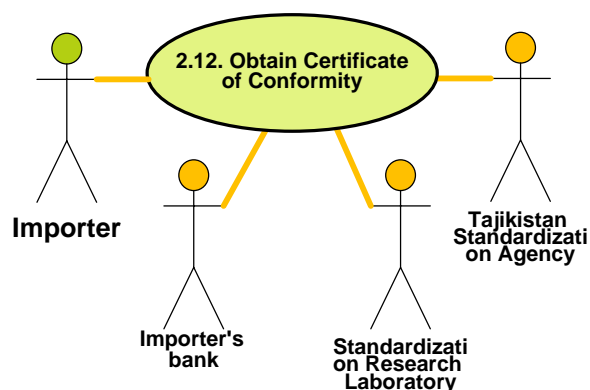
Use case diagram of the business process “Obtain Certificate of Conformity” is shown in the Diagram 1.U-2.12. The following stakeholders are involved:

- Importer,
- Standardization Agency,
- Standardization Research Laboratory,
- Importer’s bank.

Activity diagram of the business process “Obtain Certificate of Conformity” is shown in the Diagram 1.A-2.12. The description of the business process is presented in Table 27.

**Table 27. Obtaining a Certificate of Conformity**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.12. Obtain Certificate of Conformity</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Law of RT “Conformity assessment” No.759 dated 02.08.2011,</li> <li>▪ Law of RT “On standardization” No.668 dated 29.12. 2010,</li> <li>▪ Decree of the Government RT No. 310 dated 18.06.2012 “On the List of Goods (Works, Services) Subject to Mandatory Certification”.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Standardization Agency,</li> <li>▪ Standardization Research Laboratory,</li> <li>▪ Importer’s bank.</li> </ul>

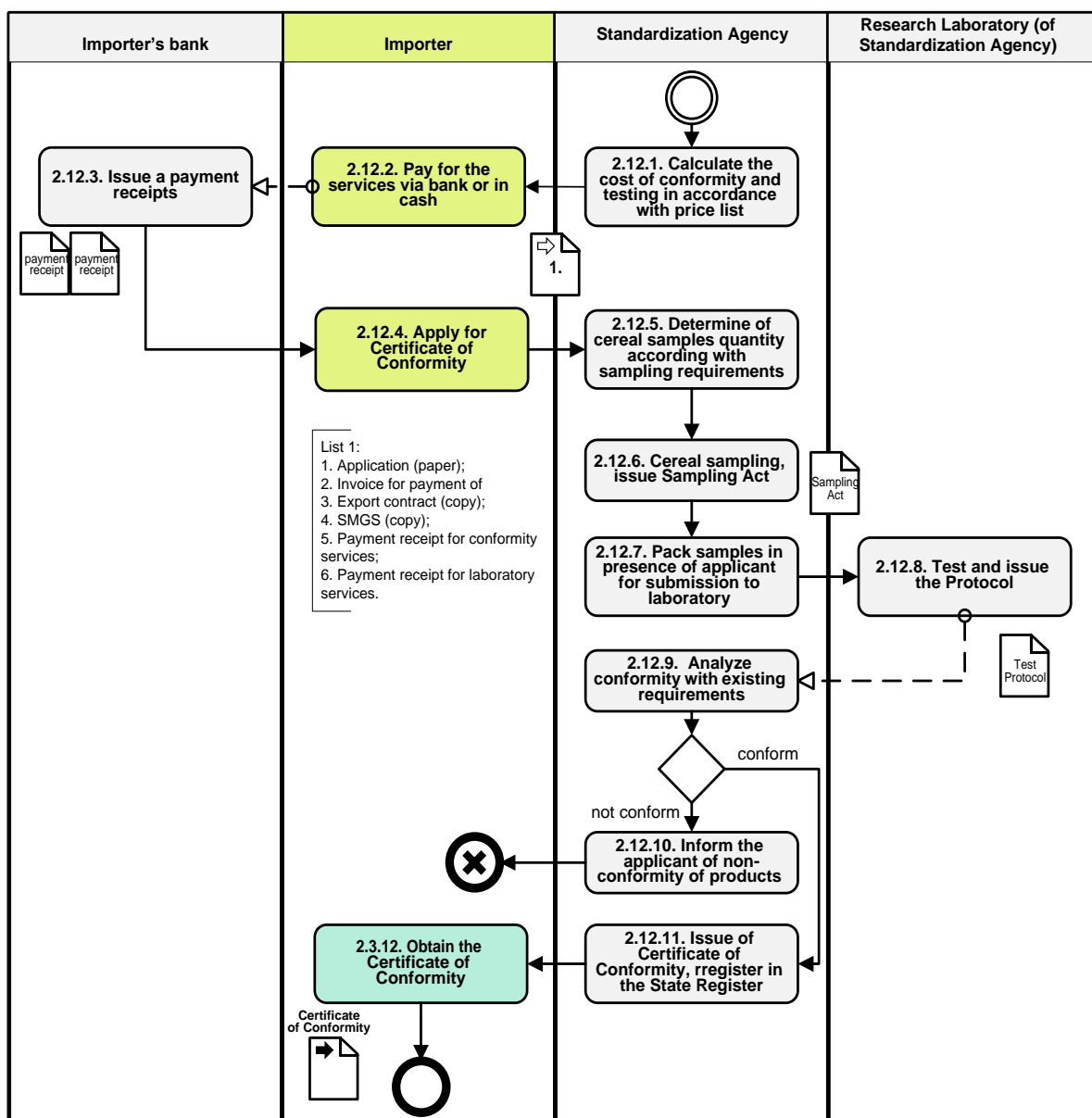


**Diagram 1.U-2.12. “Obtain Certificate of Conformity” Use case diagram**

<sup>1</sup> <http://standard.tj>

<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer has received cargo at the unloading station.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.12.1. Standardization Agency calculates the cost of services (certification and testing) in accordance with price list and inform of the Importer.</p> <p>2.12.2. Importer applies for obtain Certificate of Conformity and attaches documents:</p> <ul style="list-style-type: none"> <li>▪ Application (paper),</li> <li>▪ Invoice for payment of Export contract (copy),</li> <li>▪ SMGS (copy),</li> <li>▪ Payment receipt for conformity services,</li> <li>▪ Payment receipt for laboratory services.</li> </ul> <p>2.12.3. Importer pays for services: for certification and for testing</p> <p>2.12.4. Importer's bank Issues a two payment receipts for certification and for testing.</p> <p>2.12.5. Standardization Agency determines the cereal samples quantity, sampling requirements.</p> <p>2.12.6. Standardization Agency samples in the presence of the applicant and issues sampling an Act.</p> <p>2.12.7. Standardization Agency packs samples in the presence of the applicant, and sent them to the Research Laboratory for testing.</p> <p>2.12.8. The Research Laboratory tests the samples, based on relevant certification requirements and issues the Test Report.</p> <p>2.12.9. Standardization Agency analyzes all documents and Test Report for conformity.</p> <p>2.12.10. In a case of negative test results for the cereal samples, the Standardization Agency informs to applicant about it.</p> <p>2.12.11. In case of positive test results, the Standardization Agency issues a Certificate of Conformity and inputs information to the state register<sup>1</sup>. Test report is usually attached to the Certificate of Conformity.</p> <p>2.12.12. Importer (applicant) receives Certificate of Conformity.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer holds a Certificate of Conformity</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1,5-2,5 days

<sup>1</sup> Register of the State Certification System of Tajikistan is mentioned in the regulatory documents, but it was not possible to identify it



**Diagram 1.A-2.12. "Obtain Certificate of Conformity" Activity diagram**

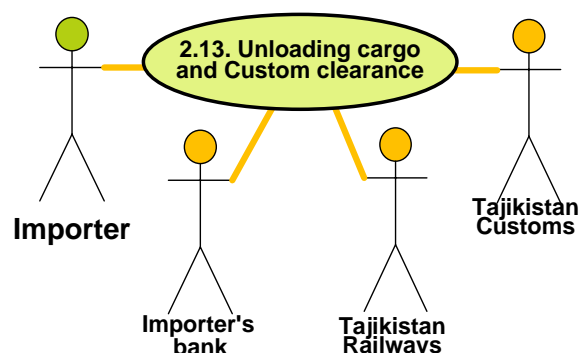
**CORE BUSINESS PROCESS AREA 2.13. UNLOADING CARGO AND CUSTOM CLEARANCE**

Use case diagram of the business process "Unloading cargo and Custom clearance" is shown in the Diagram 1.U-2.13. the following stakeholders are involved in this business process:

- Importer (Consignee),
- Tajikistan railways,
- Tajikistan customs.
- Importer's bank.

Activity diagram of the business process “Unloading cargo and Custom clearance” is shown in the Diagram 1.A-2.13. The description of the business process is presented in Table 28.

From the presented data, although electronic declaration is used in Tajikistan, the process of Unloading cargo and Custom clearance in Tajikistan is noted as quite complicated. Declaring, about 19 documents are required for submission. Measures are needed to digitalize the work of the concerned regulatory authorities and the exchange of data between them.



**Diagram 1.U-2.13. “Unloading cargo and Custom clearance” Use case diagram**

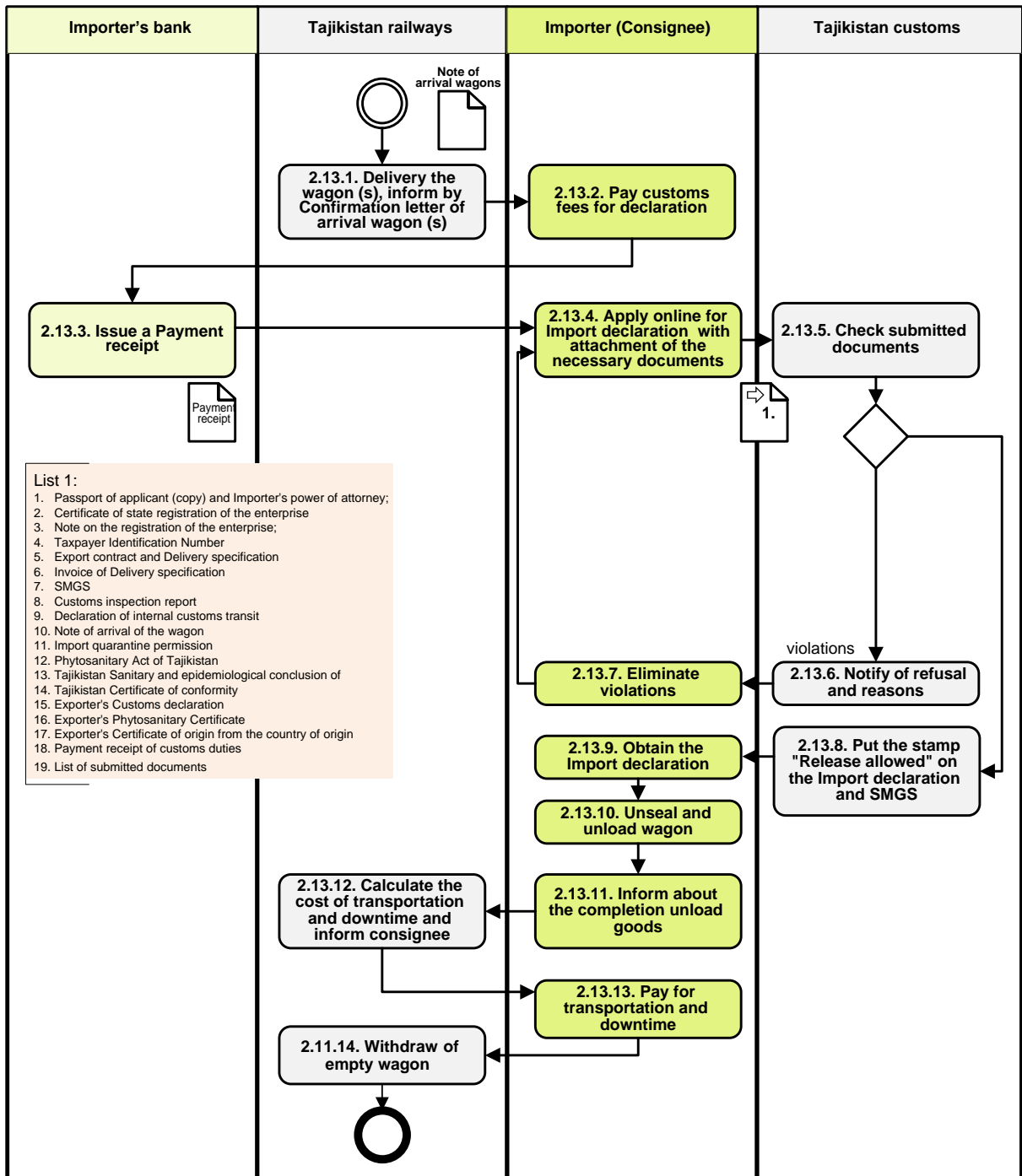
**Table 28. Process for unloading cargo and customs clearance**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.13. Unloading cargo and Customs clearance</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Customs Code RT dated 3.12.2004 (with amendments),</li> <li>▪ Order of the Customs Service under the Government of the Republic of Tajikistan dated August 28, 2009, No. 139-f “Instruction on the procedure for filling out a cargo customs declaration and a transit declaration”,</li> <li>▪ Decree of the Government of RT No. 399 dated 8.08.2018: “On the rates of import customs duties of the Republic of Tajikistan”,</li> <li>▪ Order of the Customs Service under the Government of the Republic of Tajikistan No. 189-ϕ dated August 19, 2014 “On the introduction of electronic declaration”,</li> <li>▪ Order of the Customs Service under the Government of the Republic of Tajikistan No. 85-ϕ dated May 21, 2009 “List of documents and information required for customs clearance”,</li> <li>▪ Decree of the Government of the Republic of Tajikistan No. 244 dated June 5, 2002 “Charter of the Railway Transport of the Republic of Tajikistan”.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer (Consignee),</li> <li>▪ Tajikistan railways,</li> <li>▪ Tajikistan customs,</li> <li>▪ Importer’s bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer has received the cargo in the rail wagon at the station of destination.</li> <li>▪ Importer holds Phytosanitary Act, Sanitary-epidemiological conclusion, Certificate of Conformity and other documents for customs clearance.</li> </ul>
<b>Procedures and associated documentary requirements for</b>	<p>2.13.1. Tajikistan railways delivers the wagon (s) with wheat from station of destination to the place of unloading, and informs the Importer (Consignee) of arrival of the wagon (s) by Note of arrival of the wagon (s).</p> <p>2.13.2. Importer pays customs fees for declaration.</p>



<p><b>completing the process</b></p>	<p>2.13.3. Importer's bank issues Receipt payment.</p> <p>2.13.4. Importer applies online for Import declaration (<a href="http://trader.customs.tj">http://trader.customs.tj</a>) with the necessary documents attached (about 19):</p> <ul style="list-style-type: none"> <li>▪ Passport of applicant (copy) and Importer's power of attorney (original),</li> <li>▪ Certificate of state registration of the enterprise (copy),</li> <li>▪ Note on the registration of the enterprise from the Unified State register (copy),</li> <li>▪ Taxpayer Identification Number (TIN) (copy),</li> <li>▪ Commercial (Export) contract and Delivery (shipping) specification (copies),</li> <li>▪ Invoice of Delivery (shipping) specification (copy) or Export contract,</li> <li>▪ Transport documents – SMGS (original),</li> <li>▪ Customs inspection report (original),</li> <li>▪ Declaration of internal customs transit (original),</li> <li>▪ Confirmation letter of acceptance of the wagon (original),</li> <li>▪ Import quarantine permission (original),</li> <li>▪ Phytosanitary Act of Tajikistan (original),</li> <li>▪ Sanitary and epidemiological conclusion of Tajikistan (original),</li> <li>▪ Certificate of conformity of Tajikistan (original),</li> <li>▪ Exporter's customs declaration (copy),</li> <li>▪ Phytosanitary Certificate from the country of origin (copy),</li> <li>▪ Certificate of origin from the country of origin (original)</li> <li>▪ Payment receipt of customs duties (original),</li> <li>▪ List of submitted documents for the import declaration (original).</li> </ul> <p>2.13.5. Customs Inspector checks submitted documents.</p> <p>2.13.6. In cases of violations, the Customs Inspector informs the Importer of the reasons for refusal of the declaration.</p> <p>2.13.7. The Importer corrects the violations or delivers the missing documents.</p> <p>2.13.8. If the submitted documents are correct, the Customs Inspector places a "Release allowed" stamp on Import declaration and the SMGS.</p> <p>2.13.9. Importer (Consignee) obtains the Import declaration.</p> <p>2.13.10. Importer (Consignee) unseals of the wagon(s) and unloads the cargo.</p> <p>2.13.11. Importer (Consignee) notifies the Tajikistan railways of the completion of unloading the cargo.</p> <p>2.13.12. Tajikistan railways calculates the cost of transportation on the territory of Tajikistan and downtime, and informs the Importer (Consignee) of the details.</p> <p>2.13.13. Importer (Consignee) pays for transportation and downtime.</p> <p>2.13.14. Tajikistan railways withdraw the empty wagon(s) to be dispatched to the wagon owner.</p>
<p><b>Output and criteria to exit the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Importer (Consignee) completes unloading of cargo and customs formalities.</li> </ul>
<p><b>Average time required to complete the</b></p>	<p>1-4 days</p>

**process and/or duration for each transaction involved**



**Diagram 1.A-2.13. "Unloading cargo and Custom clearance" Activity diagram**

### SCOPE OF BUSINESS PROCESS 3: PAY

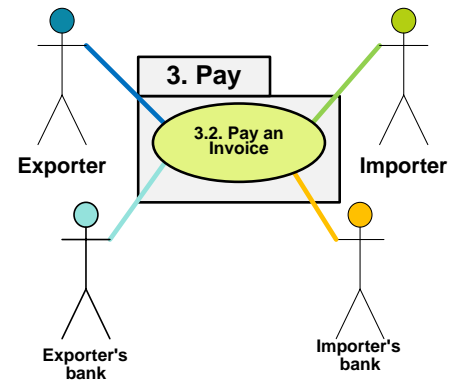
Payment for a commercial contract can be made in a variety of ways, such as advance payment, "deferred payment" or a letter of credit. The terms of payment are an integral part of the Commercial Contract.

Large exporters usually carry out grain deliveries only on prepayment basis.

In the case of "deferred prepayment", full payment is being made immediately after the shipment of the grain by rail, based on the transportation documents provided by the Exporter with a railroad stamp. After that, the Importer pays for the commercial contract based on the invoice issued by the Exporter.

Thus, the scope of business processes "Pay" includes only one business process, that is "Pay an invoice" (Diagram 1.3).

According to the results of the survey conducted in the course of this study, payment through a letter of credit is not used.



**Diagram 1.3. Use case diagram of "Pay" process area**

### CORE BUSINESS PROCESS AREA 3.1: PAY AN INVOICE

The following stakeholders are involved in "Pay an invoice" business process:

- Exporter,
- Exporter Bank,
- Importer,
- Importer's Bank.

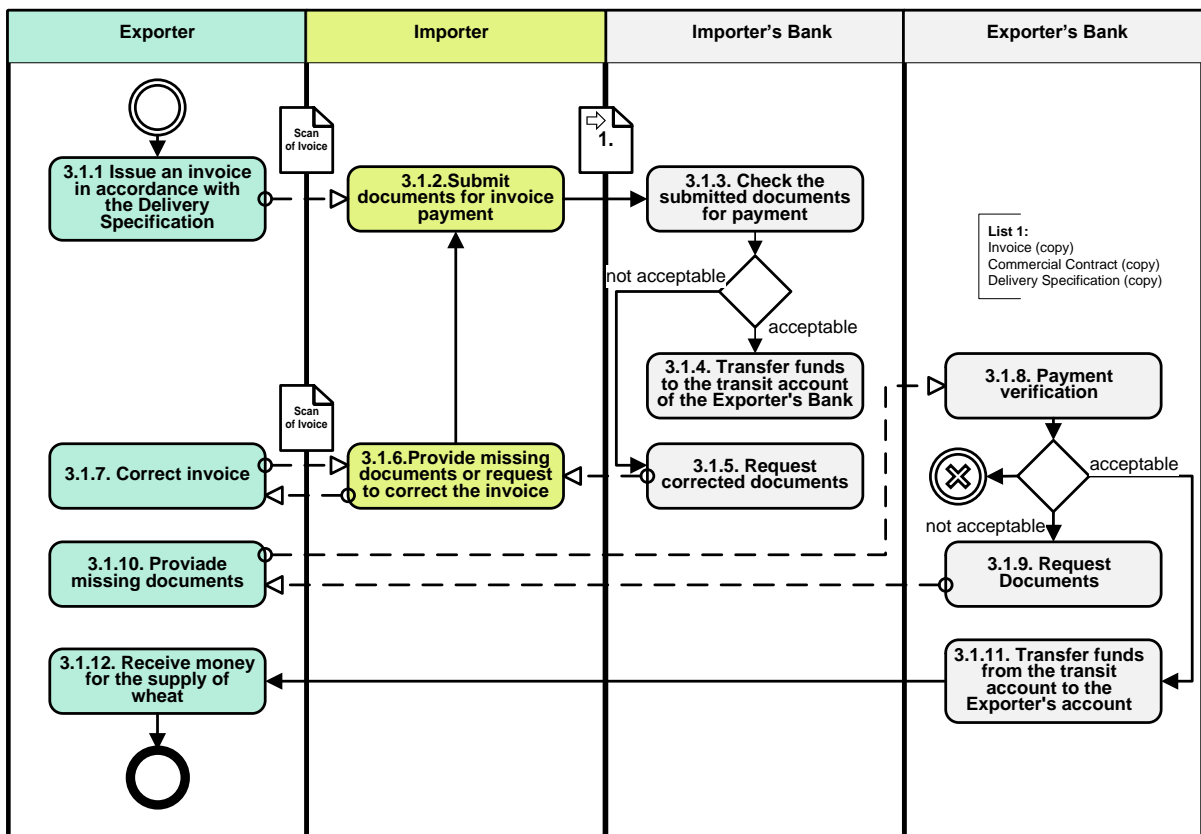
Although the payment process is familiar and understandable, it includes 12 steps and takes from 3 up to 5 days to complete.

Activity diagram of the business process "Pay an invoice" is shown in the Diagram 1.A-3.1. The description of the business process is presented in Table 29.

**Table 29. Process for paying an invoice**

<b>Name of the process area to which this particular business process belongs</b>	<b>3. Pay</b>
<b>Name of the business process</b>	<b>3.1. Pay an invoice</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ The Republic of Kazakhstan Law on Banks and Bank activities, No. 2444, 31 August 1995 (amended 24 February 2019),</li> <li>▪ Law of RT "On currency regulation and currency control" dated 13.06.2013.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Importer's bank,</li> <li>▪ Exporter,</li> <li>▪ Exporter's bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter and Importer have already concluded Commercial contract and Delivery Specification.</li> </ul>

<p><b>Procedures and associated documentary requirements for completing the process</b></p>	<p>3.1.1. Exporter issues an invoice to Importer for payment of delivery in accordance with the Delivery Specification.</p> <p>3.1.2. Importer makes a payment in the Bank (according to the results of the survey, not all banks can make a payment in foreign currency online, personal presence is required at the Bank). The Bank may request: copies of Commercial Contract and Delivery Specification to fulfill a payment.</p> <p>3.1.3. Importer's bank reviews the submitted documents for payment.</p> <p>3.1.4. If the invoice is correct and complies with submitted copies of Commercial Contract and Delivery Specification, Importer's Bank makes payment to the transit account of Exporter's.</p> <p>3.1.5. If the submitted documents for payment are not correct, the Importer's Bank requests the correct documents from the Importer.</p> <p>3.1.6. Importer submits missing documents or requests Exporter to insert corrections into the invoice.</p> <p>3.1.7. Exporter corrects the invoice and the Importer submits a request for payment again.</p> <p>3.1.8. Exporter's Bank also checks the payment and documents.</p> <p>3.1.9. If necessary, the Exporter's Bank may request a Commercial Contract and Delivery Specification or other documents. In rare cases of detection of serious violations, the payment may be rejected, and the money returned to the Importer's Bank.</p> <p>3.1.10. After the Exporter provides the required documents, the Exporter's Bank checks them again.</p> <p>3.1.11. If no violations are detected, Exporter's Bank transfers money to the Exporter's account.</p> <p>3.1.12. Exporter receives money for supply of grain.</p>
<p><b>Output and criteria to exit the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Exporter receives money for supply of grain.</li> </ul>
<p><b>Average time required to complete the process and/or duration for each transaction involved</b></p>	<p>3-5 days</p>



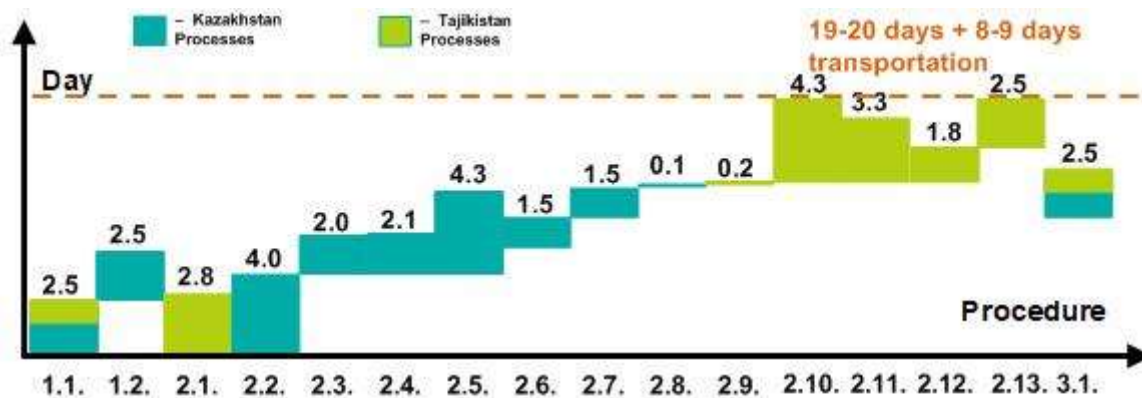
**Diagram 1.A-3.1. “Pay an invoice” Activity diagram**

**SUMMARY OF THE FINDINGS OF BPA WHEAT EXPORTS FROM KAZAKHSTAN TO TAJIKISTAN**

Table 30 sums up execution of the business processes, that is the average duration of their implementation, the costs involved, the interaction, consistency and compatibility of implementation as well as the information about the number of steps to be taken in each of the business processes and the involved stakeholders.

The total cost of cereal exports of one wagon weighing 70 tons from Kazakhstan to Tajikistan makes up a bit over 8 thousand USD, while most of them (94.2%) falls on the cost of transportation by rail.

The Chart 1.1. presents The “Time-Procedure” (chat) and demonstrates the time required for execution of cereal export from Kazakhstan to Tajikistan. Given that part of the business processes can be performed simultaneously, the cereal delivery time from Kazakhstan to Tajikistan with registration of all necessary documents constitutes 27-29 days, where 8-9 days makes up the cargo delivery.



- |   |  |
|---|--|
| 1.1. General Contract and Delivery Specifications conclusion      | 2.6. Obtain Phytosanitary Certificate            |
| 1.2. Bank registration of the General Contract                    | 2.7. Loading cargo and Customs clearance         |
| 2.1. Obtain Import Permit   | 2.8. Border crossing of Uzbekistan               |
| 2.2. Obtain Export Quotas   | 2.9. Border crossing of Tajikistan               |
| 2.3. Obtain Certificate of Origin                                 | 2.10. Obtain Phytosanitary Act                   |
| 2.4. Obtain Cereal Quality Passport and Declaration of Conformity | 2.11. Obtain Sanitary-epidemiological conclusion |
| 2.5. Arrange transport  | 2.12. Obtain Certificate of Conformity           |
|   | 2.13. Unloading and Customs clearance            |
|   | 3.1. Pay an Invoice                              |

**Chart 1.1. 'TIME-PROCEDURE' for cereal export from Kazakhstan to Tajikistan**

Table 30 presents the analysis of the bottlenecks (procedural requirements, requirements for data and documents, transparency or predictability) and recommendations for improvement

**Table 30. Core business processes and stakeholders involved in cereal exports**

#	Core business process	Participant country	Duration, days		Cost		Predessor	Simultaneous Tasks	Number of steps	Number of stakeholders involved
			Aver., days	%	USD	%				
<b>1.</b>	<b>Buy</b>									
1.1.	General Contract and Delivery Specifications conclusion	KZ, TJ	2,5	6,6%	0	0,0%	-	2.1.; 2.2	11	2
1.2.	Bank registration of the General Contract	KZ	2,5	6,6%	0	0,0%	1.1.	2.1.; 2.2	6	2
<b>2.</b>	<b>Ship</b>									
2.1.	Obtain Import Permit	TJ	2,8	7,3%	17,6	0,2%	-	2.2- 2.5	7	3
2.2.	Obtain Export Quotas	KZ	4,0	10,6%	-	0,0%	-		10	3
2.3.	Obtain Certificate of Origin	KZ	2,0	5,3%	15,1	0,2%	1.1.	2.1; 2.3; 2.4; 2.5	7	2
2.4.	Obtain Cereal Quality Passport and Declaration of Conformity	KZ	2,1	5,5%	121,7	1,5%	1.1.	2.1; 2.2; 2.3;2.5	11	3
2.5.	Arrange transport*	KZ	4,3	11,3%	7 659,8	94,2%	1.1.	2.1-2.4	16	3
2.6.	Obtain Phytosanitary Certificate	KZ	1,5	4,0%	-	0,0%	1.1.	2.1-2.5	10	3
2.7.	Loading cargo and Customs clearance	KZ	1,5	4,0%	42,3	0,5%	2.6	-	18	4
2.8.	Border crossing of Uzbekistan	KZ,UZ	0,1	0,2%	-	0,0%	2.7	-	15	4
2.9.	Border crossing of Tajikistan	UZ, TJ	0,2	0,5%	-	0,0%	2.8	-	15	4
2.10.	Obtain Phytosanitary Act	TJ	4,3	11,3%	11,9	0,1%	2.9	2.11; 2.12	11	4
2.11.	Obtain Sanitary-epidemiological conclusion	TJ	3,3	8,6%	33,4	0,4%	2.9	2.10; 2.12	11	4
2.12.	Obtain Certificate of Conformity	TJ	1,8	4,7%	129,2	1,6%	2.9	2.10; 2.11	12	4
2.13.	Unloading and Customs clearance	TJ	2,5	6,6%	70,0	0,9%	2.12	-	14	4
<b>3.</b>	<b>Pay</b>									
3.1.	Pay an Invoice	KZ, TJ	3	6,6%	30	0,4%	1.1.	-	12	4
	<b>TOTAL:</b>		<b>37,6</b>		<b>8131,0</b>					

\* Duration of transportation is not included in the business process; it makes up 8-9 days.

**Table 31. Analysis of bottlenecks based on the results of BPA study and recommendations for optimizing trade processes of wheat export from Kazakhstan to Tajikistan**

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
<b>1.</b>	<b>BUY</b>				
1.1.	General Contract and Delivery Specifications conclusion	This process is simple enough. Submission of scanned contract is sufficient for executing other business processes (where it is required)	Exporter and Importer concludes a General Contract to simplify interaction which specifies basic data, total supply volumes. To regulate each delivery, the parties additionally conclude Delivery Specifications.	Business process is transparent and understandable.	In the future, it is advisable to consider the possibility of digitalization of international contracts using EDS, by analogy with the portals used in Kazakhstan, for example <a href="https://doculite.com">https://doculite.com</a> .
1.2.	Bank registration of the General Contract	Process is automated, its execution is not difficult	Extra data and documents are not required.	Business process is transparent and understandable.	The terms of consideration of documents can probably be reduced.
<b>2.</b>	<b>SHIP</b>				
2.1.	Obtain Import Permit	Process is not automated. To submit an application and obtain a document, the presence of an Importer is required. The original document is required to apply for export delivery. Its validity is upto 3 months and within this time, the quarantine situation in the country of export may change. Therefore, this document does not have much sense.	A large list of documents is required to confirm the reality of the enterprise, such as: certificate of state registration of the enterprise, extract from the Unified State Register, the identification number of the taxpayer (TIN). These all documents should be available to the controlling body online.	Business process is transparent and understandable.	At a minimum, automate the Obtain Import Permit process, as well as enter an electronic document with a QR code. Ideally, consider eliminating the requirement to obtain an Import Statement.  A number of countries have eliminated the requirement to obtain an import permit, which has made it easier without any negative consequences.
2.2.	Obtain Export Quotas	The opening hours of JSC "NC" Food Corporation, involved in the process are limited: documents are accepted until 16:00 only on working days, in addition, there is	Sale of grain receipts is automated. A standard contract is posted on the JSC "NC" Food Corporation"	Business process is not complicated, however, at the initial steps difficulties may arise due to the lack of information provided. The	Although obtaining of a grain export quota has been introduced temporarily, the introduction of this requirement has complicated the process of grain export.



#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
		a queue for consideration. This delays the deadlines for the implementation of the business process.		deadlines require optimization.	In case this requirement is extended, the process must be automated, and for example, the online conclusion of a contract JSC "NC "Food Corporation".
2.3.	Obtain Certificate of Origin	The process of filing an application and documents is automated. The document must be obtained personally. At the same time, Exporters say that electronic, protected QR-Code are used.	Information on documents and procedures is posted on the site of the Chamber of Entrepreneurs but it is not always clear. For example, the "Certificate of Place of Collecting Products" is an unproven document printed by an Exporter, therefore it is not quite reasonably requested. Probably this document is requested in all cases.	Business process is transparent and understandable.	Systematization of information is required to clarify the requirements for documents required to obtain a Certificate of Origin.  Given that the import of wheat from any country to Tajikistan is not subject to customs duties, this document is redundant for Tajikistan.
2.4.	Obtain Cereal Quality Passport and Declaration of Conformity	Obtaining the cereal quality passport and registration of the declaration of conformity is required in accordance with Kazakhstani legislation. Services for obtaining these two documents are provided by the same accredited certification bodies, tests are conducted by own laboratories. The cost of services is determined by certification bodies and laboratory.	The application is submitted online. The Exporter visits the certification body only once when collecting ready -made documents.	Business process is transparent and based on existing regulatory requirements.	Given fact that Cereal Quality Passport and Declaration of Conformity are issued by the same accredited certification bodies and the procedures for obtaining them are similar, it may be advisable to develop a single document.  These documents are also not used in Tajikistan. It is advisable to discuss the possibility of recognizing Kazakhstan's documents of conformity in Tajikistan.
2.5.	Arrange transport	Although in recent years many online services have been introduced by Kazakhstan Railways, the procedure remains	Submission of application for transportation, processing transportation documents, as well as tracking the money	In the crop period, a shortage of grain trucks often occurs, the cost of their use increases	Measures are needed to reduce the empty mileage of wagons, as this will not only reduce the cost of transportation, but also save

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
		complicated. Advance coordination of transportation, is required, the consignor must also find a wagon for transportation, pay for transit to Uzbekistan and ensure the return of the empty wagon. Therefore, as a rule, transportation is organized with participation of the forwarder.	used for this is being made online via ACS CCW.	dramatically. Due to this the cost of transportation is difficult to predict. Price fluctuations for wagons in the peak season affects the increase in the cost of grain export.	resources (electricity, fuel, spare parts and materials). Optimizing the use of wagons is one of the key tasks of the "green economy" in railway transport.
2.6.	Obtain Phytosanitary Certificate	An application for a phytosanitary certificate is submitted online using the EDS. All actions to obtain a certificate, including grain testing during loading cargo into a wagon. Today under the framework of the EAEU, measures are being undertaken on introduction of electronic Phytosanitary Certificate.	No extra documents are required to obtain Phytosanitary Certificate.	Procedure for collecting a Phytosanitary Certificate is not complicated, automated, simple and predictable.	Completion of the implementation of the electronic Phytosanitary Certificate in the EAEU will be the next step to facilitate cross-border trade. Non-EAEU countries are also encouraged to implement an electronic Phytosanitary Certificate, at a minimum, merge it with obtaining a Phytosanitary Certificate.
2.7.	Loading cargo and Customs clearance	The organization of railway transportation of goods is complex and regulated by a large number of regulatory documents. Transportation is carried out with the participation of a forwarder with special knowledge.	Transportation documents are filled out online via ACS CCW. Customs clearance is carried out online through IS "Astana-1", involvement of a customs broker is not required.	Process is quite complicated, it requires special knowledge, but overall understandable.	Further development of the information system of Kazakhstan railways (ACS CCW) and Kazakhstan Customs (IS «Astana-1»), and their further integration.
2.8.	Border crossing of Uzbekistan	Exporter is involved in the process only when identifying any problems (with documents, with a wagon), which happens extremely rarely.  The technological processes of interaction between the railways	Railways of two countries draw up and sign Transfer Sheet.	Process is transparent.	

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
		of the SMGS and participating customs are well developed.			
2.9.	Border crossing of Tajikistan	Importer is involved in the process only when identifying any problems (with documents, with a wagon), which happens extremely rarely.	Railways of two countries draw up and sign Transfer Sheet.	Process is transparent.	
2.10.	Obtain Phytosanitary Act	No exact indications of the sequence of actions of the parties involved (including customs) upon receipt of Phytosanitary Act have been revealed in the regulatory documents of Tajikistan. Although Kazakhstan issues an international certificate, additional testing is being carried out.	No exact indications on the requirements to obtain Phytosanitary Act have been revealed in the regulatory documents of Tajikistan	Process is not transparent and understandable. There were no exact indications of the sequence of actions and participating executors in the regulatory documents of Tajikistan. It is not entirely clear why this document is called an act, although it looks like a certificate.	Revision of regulatory documents governing the process of obtaining the Phytosanitary Act (Certificate) and automation of the process are required. It is necessary to consider the possibility of recognition of the Kazakhstan's Phytosanitary Certificate. In the future, it is advisable to evaluate the possibility of introducing an electronic document. It is necessary to reduce the time for issuing a document and make obtaining a document free.
2.11.	Obtain Sanitary-epidemiological conclusion	The regulatory documents of Tajikistan do not clearly indicate in what cases the Obtaining of Sanitary-Epidemiological Conclusion is required. It is difficult to determine whether such a certificate is required when importing grain.	Application to obtain Sanitary-epidemiological conclusion is being made personally. Certificate of conformity is included in the list of required. Logically, the designation of these documents is different. Based on this requirement, it turns out that if the products have a sanitary and epidemiological danger, dangerous products will create	Process is not transparent and understandable.	Revision of the regulatory documents governing the process of obtaining a Sanitary-epidemiological conclusion is required, at least to exclude the requirement to provide a certificate of conformity. Automation of the process and provision of this service for free is also required. Consideration should be given to omitting this document when

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
			a risk of infection for several days.		importing grain, or at least merging it with obtaining a Phytosanitary Certificate.
2.12.	Obtain Certificate of Conformity	On the whole, the business process "Obtain Certificate of Conformity" is standard to obtain conformity used in other countries.	It seems unreasonable to require: Invoice for payment of Export contract (copy) и SMGS (copy). Kazakhstan's documents are not requested when confirming conformity in Tajikistan.	Process is transparent enough and understandable.	It is required to ensure online application for Obtaining Certificate of Conformity. Elimination of the requirement to provide redundant documents such as Invoice for payment of Export contract (copy) and SMGS (copy) is required. It is advisable to consider the possibility of recognizing Kazakhstani documents of conformity in Tajikistan.
2.13.	Unloading and Customs clearance	Import declaration is submitted online. The system is being entered by name and password (without EDS).	19 documents are required attaching for customs clearance. For example, copies of Certificate of state registration of the enterprise and Note on the registration of the enterprise from the Unified State register are required. It is not entirely clear why, in the presence of certificate of state registration, it also needs a note of registration. Require these documents only at the first request of the declarant, and then to store them in the customs database. If customs clearance is carried out after receiving the Tajikistan Phytosanitary Act, at	Process is understandable but requires optimization.	Further development of the information system of the customs authorities of Tajikistan is required as well as integration with the information systems of the Tajikistan railways. It is necessary to reduce the list of requested documents and the time for customs clearance, as well as reduce the cost of customs fees.

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
			<p>the issuance of which the Phytosanitary Certificate from the country of origin was checked, it is not entirely clear why customs checks it again.</p> <p>It is not clear why Certificate of origin is required if no duties are applied for import of cereal. The claims for submission of Confirmation letter of acceptance of the wagon (original) is not founded, if the wagons actually arrived at the place of unloading, and the transportation was issued by SMGS. Requirements for submission of Customs inspection report (original) and Declaration of internal customs transit (original) indicates that the information system of Tajikistan's customs needs to be developed.</p>		
<b>3.</b>	<b>PAY</b>				
3.1.	Pay an Invoice	In general, the Pay an Invoice business process is standard, as is customary in all countries. The only drawback is the frequent delays in payment by Tajik banks.	No extra documents are required	Process is transparent enough and understandable.	It is necessary to exclude cases of delay in payment by Tajik banks.

## ***MAIN CONCLUSIONS***

Sixteen key business processes for export of wheat from Kazakhstan to Tajikistan have been fully documented via using the UNNExT modeling method and regulatory requirements' analysis. As a result, specific recommendations for improvement have been developed.

Despite the progress achieved, notably, in terms of digitalization of many business processes, there are still significant bottlenecks in export procedures.

Based on the findings of this study, the following recommendations aimed at facilitating trade procedures are made:

1. Consider cancellation of the requirement to obtain an Import Quarantine Permit in Tajikistan. Kazakhstan abolished this requirement many years ago without any negative consequences. Cancellation of the requirement to obtain an Import Quarantine Permit will reduce the time for processing an export shipment by almost 3 days. If no decision is being made to cancel this document, at least effort could be made to automate the process of obtaining it, introduce an electronic form.
2. Due to the military conflict between Russia and Ukraine, being among the world leaders in supply of grain, and a possible shortage of wheat, Kazakhstan **had** temporarily introduced a requirement to obtain quotas for the export of wheat. Although obtaining a quota for grain exports was introduced temporarily, this has complicated the process. In case of further extension of this requirement, the process needs to be automated.
3. Systematization of information is required to clarify the requirements for obtaining a Certificate of Origin. In addition, given that wheat imports from any country are not subject to customs duties, this document is redundant when exporting to Tajikistan. The possibility to abolish this requirement should be considered.
4. Since the Cereal Quality Passport and the Declaration of Conformity, required in Kazakhstan, are issued by the same accredited certification bodies and the procedures for obtaining them are similar, it may be advisable to develop a single document. In addition, these documents are not used in Tajikistan. It is advisable to discuss the possibility of recognition of Kazakhstan's documents of conformity in Tajikistan.
5. Delivery of goods is carried out in private wagons, which, after delivery of the goods, are returned empty. Measures are needed to reduce the empty run of wagons by ensuring return loading, as this will not only reduce the cost of transportation, but also save resources (electricity, fuel, spare parts and materials). Today optimization of the usage of wagons is one of the most urgent tasks of the "green economy" application in railway transport.
6. Works is underway to introduce an electronic Phytosanitary Certificate in the EAEU countries. This will be another step towards facilitation of cross-border trade. Non-EAEU countries are also encouraged to consider introducing an electronic Phytosanitary Certificate.
7. Despite the progress achieved in the automation of customs activities and railway transportation in Kazakhstan, further development of the information systems of Kazakhstan railways (ACS CCW) and Kazakhstan customs (IS "Astana-1"), as well as their further integration, is required.
8. Obtaining Phytosanitary Act and Sanitary-epidemiological conclusion in Tajikistan is not straight-forward. Revision of the regulatory documents governing this process, as well as automation of these processes are the primary task in the facilitation of the process of obtaining them. It is also necessary to reduce the time for issuing these documents. Given

that these types of control are aimed at ensuring the safety of the health of citizens, it is advisable to make them free. It may be necessary to merge these documents into one or cancel the requirement to obtain a Sanitary-epidemiological conclusion for the import of grain. Ideally, steps should be taken to recognize (reissue) the Kazakh Phytosanitary Certificate without additional tests. In the future, it is necessary to evaluate the possibility of introducing an electronic Phytosanitary Certificate, as this will significantly simplify the procedure.

9. Online application is required when obtaining a Certificate of Conformity in Tajikistan. It is also required to eliminate the requirement to provide redundant documents such as Invoice for payment of Export contract (copy) and SMGS (copy). Ideally, it is necessary to evaluate the possibility of recognition of Kazakh documents of conformity in Tajikistan.
10. The process of customs clearance in Tajikistan requires further development of the information system of the customs authorities of Tajikistan, as well as integration with the information systems of the Tajikistan railways. It is necessary to reduce the list of requested documents, the time of customs clearance, as well as reduce the cost of customs fees.

On the whole, it is to be noted that Tajikistan needs further measures to improve the regulatory framework governing the processes associated with the import of wheat as well as the development of digitalization and paperless trade.

## II.2. CITRUS EXPORT FROM UZBEKISTAN

The Chapter provides the analysis of business processes for exporting citrus fruits from Uzbekistan to Russia.

The following situation is the starting point of the study:

- Citrus fruits are exported from Uzbekistan to, for example, Russia (similar process for Kazakhstan and Kyrgyzstan).
- Citrus fruits are delivered according to phytosanitary and other requirements.
- Citrus fruits are delivered from Uzbekistan to Russia by road through the territory of Kazakhstan on the terms of DPU Incoterms 2020, while the Exporter is responsible for the formalities related to export clearance. Transportation of citrus fruits is carried out in an isothermal truck with the capacity of 20-25 tons (a load of 20 tons is taken for calculations).
- Transportation is organized without involvement of a Freight Forwarder, but via concluding a contract directly with a Road carrier. The Road carrier has a license for international transportation and a permit for entry the countries of transit and import.
- CMR is issued for transportation. Transportation is also carried out with TIR carnet, which is purchased by the carrier in advance prior to starting transportation.
- Delivery is carried out on the terms of prepayment for products.
- The Exporter has an EDS providing an access to register an export contract.
- To formalize the export delivery, all the necessary documents, namely, a certificate of origin of goods and a phytosanitary certificate are being received by the Exporter.
- Customs clearance is carried out without a customs broker, on the portal of interactive services of the State Customs Committee of the Republic of Uzbekistan.
- The Importer has an EDS for filing a customs declaration and receiving other documents.
- The Importer receives all necessary documents and performs customs clearance of citrus imports without participation of a customs broker.
- Exporter and Importer who carry out deliveries not for the first time, are granted a positive reputation with the regulatory authorities.
- Since, in accordance with the legislation of Uzbekistan, citrus fruits are not included in the list of goods subject to certification (confirmation of conformity), obtaining a certificate of conformity in BPA is not included.
- The cost of the Export contract is less than 50 thousand USD, so registration of the Export contract in Russia is not required. In any case, this process is carried out similarly with the "Bank registration of the contract" in Kazakhstan (see ABP wheat export clause 1.2.).

### **CORE BUSINESS PROCESSES**

The main business process of citrus export from Uzbekistan to Russia are presented in Diagram 2. Based on the results obtained during the BPA study, 12 main business processes and 15 stakeholders are involved (with laboratories – 18 stakeholders) in the citrus export from Uzbekistan to Russia (Table 32). These core business processes are categorized into 3 process areas, namely "BUY", "SHIP" and "PAY" as specified in the UN/CEFACT International Supply Chain Model.

Details of the activities that make up each business process and the parties responsible for their implementation are provided below.



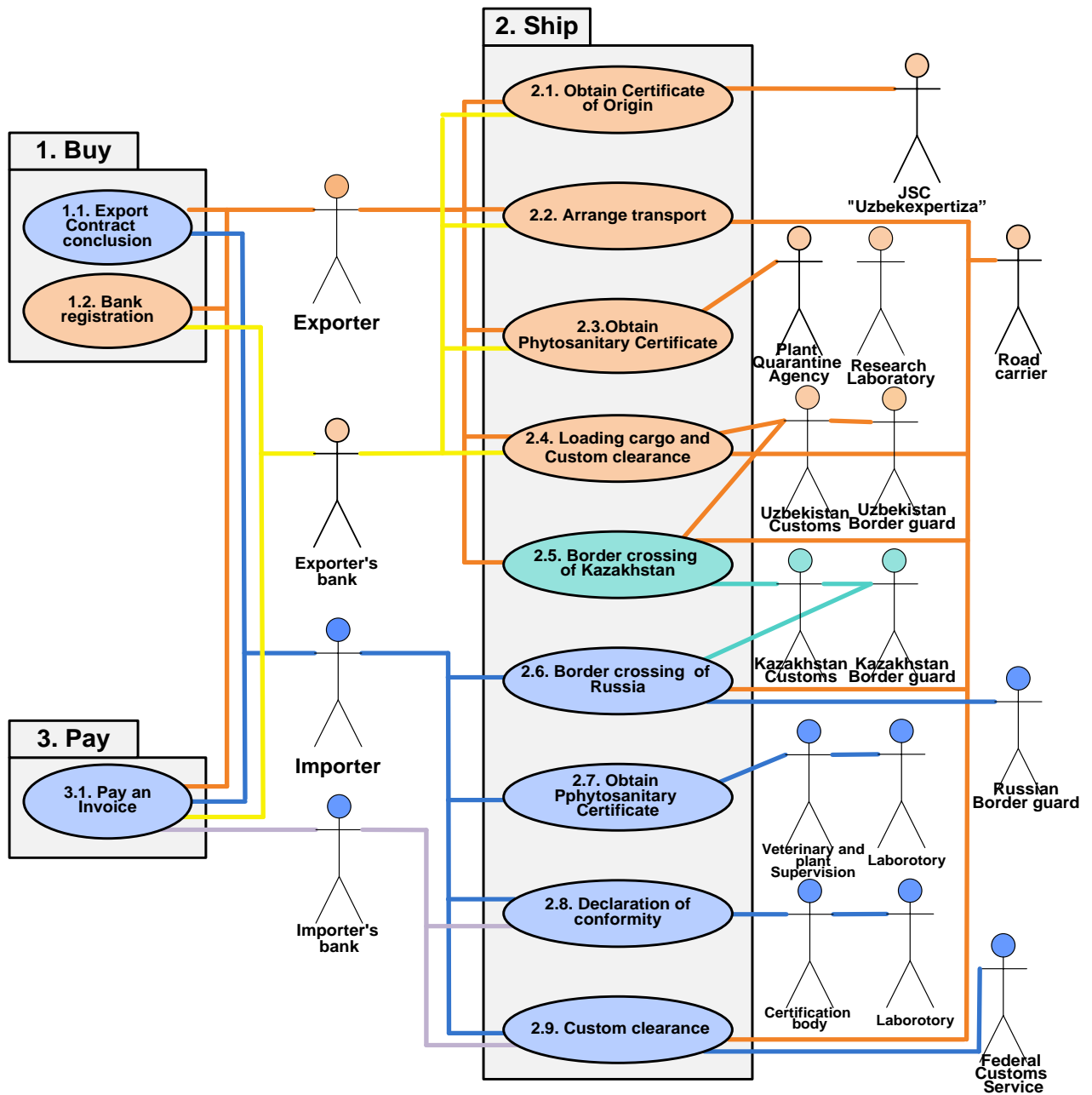


Diagram 2. Use case diagram of citrus export from Uzbekistan to Russia

**Table 32. Core business processes and stakeholders involved in citrus export from Uzbekistan to Russia**

#	Core business process	Stakeholders involved														
		Exporter	Importer	JSC "Uzbekexpertiza"	Road carrier	Plants Agency and Laboratory	Uzbekistan Customs	Uzbekistan Border guard	Kazakhstan Customs	Kazakhstan Border guard	Russian Border guard	Federal Customs Service	Russian Agricultural Supervision and Laboratory	Certification bodies and Laboratory	Exporter's Bank	Importer's Bank
<b>1.</b>	<b>Buy</b>															
1.1.	General Contract and Delivery Specifications conclusion	X	X													
1.2.	Bank registration of the General Contract	X													X	
<b>2.</b>	<b>Ship</b>															
2.1.	Obtain Certificate of Origin	X		X												
2.2.	Arrange transport	X			X											
2.3.	Obtain Phytosanitary Certificate	X				X										
2.4.	Loading cargo and Customs clearance	X			X		X									
2.5.	Border crossing of Kazakhstan	X			X		X	X	X							
2.6.	Border crossing of Russia		X						X	X						
2.7.	Obtain Phytosanitary Certificate		X									X				
2.8.	Declaration of Conformity		X										X			X
2.9.	Unloading and Customs clearance		X								X					X
<b>3.</b>	<b>Pay</b>															
3.1.	Pay an Invoice	X	X												X	X

## SCOPE OF BUSINESS PROCESS 1: BUY

Due to the fact that, in accordance with the legislation of Uzbekistan, all international contract with the value exceeding US\$5 thousand are subject to registration, “Buy” business process area includes two business processes (Use case diagram on Diagram 2-U.1):

- Export Contract conclusion,
- Bank registration.

Today this process is being done online and is not difficult.

### CORE BUSINESS PROCESS 1.1.: EXPORT CONTRACT CONCLUSION

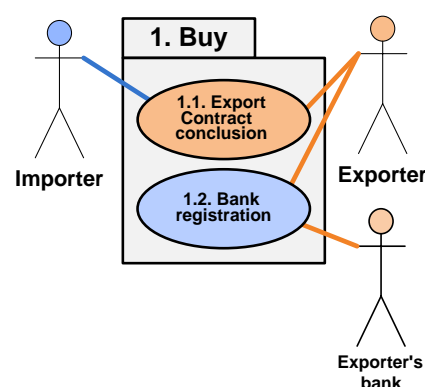
Two stakeholders are involved in the business “Export Contract conclusion”:

- Importer,
- Exporter.

In the course of interviews, it was revealed that the original contract is not required during registration and customs clearance. However, in the future, for accounting purposes, the original contract and completion of registration with the bank is still required. Therefore, Exporter and Importer exchange the originals of the contract without any rush. This requirement does not restrain the pace of organizing export deliveries.

As Uzbekistan practices serious measures for currency control and the contract is being registered, the structure and content of the export contract is regulated by the Law of the Republic of Uzbekistan “On the legal framework for the activities of economic entities” No. 670-I dated 29.08.1998<sup>1</sup>.

Activity diagram of the business process " Export Contract conclusion " is shown on Diagram 2. A-1.1. The description of the business process is presented in Table 33.



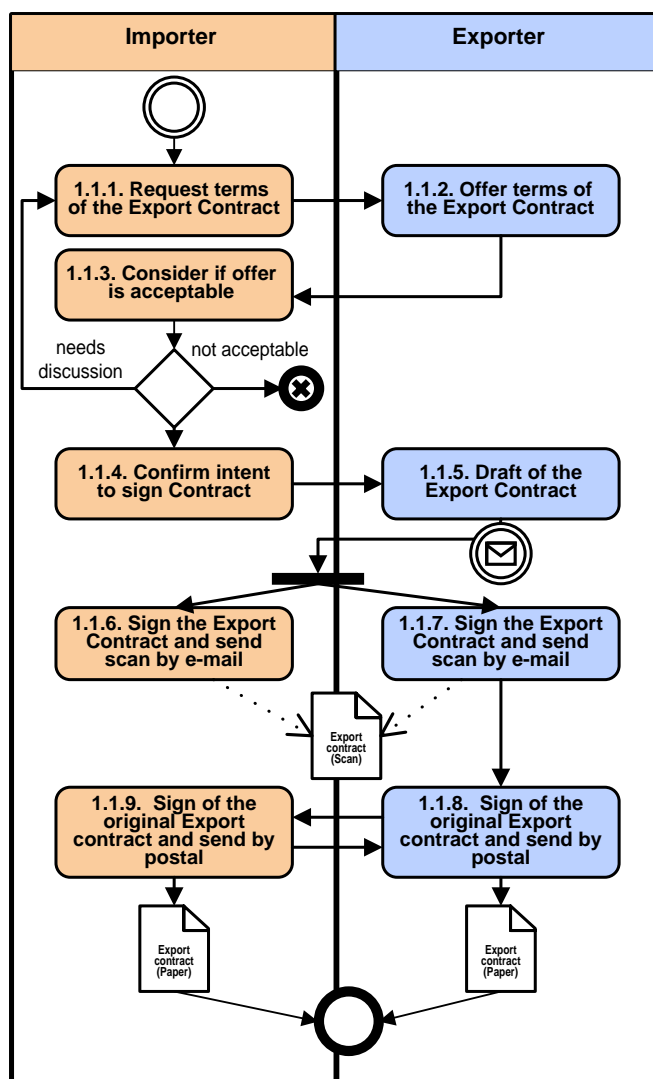
**Diagram 2-U.1. Use case diagram of “Buy” process area**

**Table 33. Process description of Export Contract conclusion**

<b>Name of the process area to which this particular business process belongs</b>	<b>1. Buy</b>
<b>Name of the business process</b>	<b>1.1: Export Contract conclusion</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Law of the Republic of Uzbekistan “On the contract and legal base of activity of business entities” № 670-I dated 29.08.1998,</li> <li>▪ Resolution of the Prime Minister of the Republic of Uzbekistan №. 283 dated May 14, 2020 “On measures to further improve the monitoring of foreign trade operations in the Republic of Uzbekistan”.</li> </ul>
<b>Responsible parties</b>	▪ Importer,

<sup>1</sup> <https://lex.uz/docs/10872>

	<ul style="list-style-type: none"> <li>▪ Exporter.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer specifies product quality and quantity, terms and conditions of delivery.</li> <li>▪ Exporter holds products complying with specified quality and quantity.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<ol style="list-style-type: none"> <li>1.1.1. The Importer sends a request to the Exporter (by e-mail) specifying product type and commercial terms.</li> <li>1.1.2. The Exporter sends a commercial offer, the terms of the Export contract.</li> <li>1.1.3. The Importer evaluates Exporter's offer in terms of product quality, quantity and delivery terms.</li> <li>1.1.4. In case of consensus between both parties, the Importer confirms intent to sign Contract; If the Importer is not satisfied with the Exporter's offer, negotiations can be resumed or completed in favour of another Exporter.</li> <li>1.1.5. The Exporter (or Importer, but usually Exporter) drafts an Export Contract (contract project).</li> <li>1.1.6. The Importer signs the contract and e-mails a scanned copy to the Exporter.</li> <li>1.1.7. The Exporter signs the contract and e-mails a scanned copy to the Importer.</li> <li>1.1.8. The Importer sends tow copies of signed original Export contract by postal (or courier).</li> <li>1.1.9. receives two signed originals of the Export contract, signs them and sends one of the copy to the Importer by postal.</li> </ol>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer and Exporter have agreed Export Contract terms.</li> <li>▪ Exporter and Importer have original of signed Export Contract.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	<ul style="list-style-type: none"> <li>▪ 1-2 days for sign Export Contract; 7-10 days to Exchange of originals by postal.</li> </ul>



**Diagram 1.A-1.1. “Export Contract conclusion” Activity diagram**

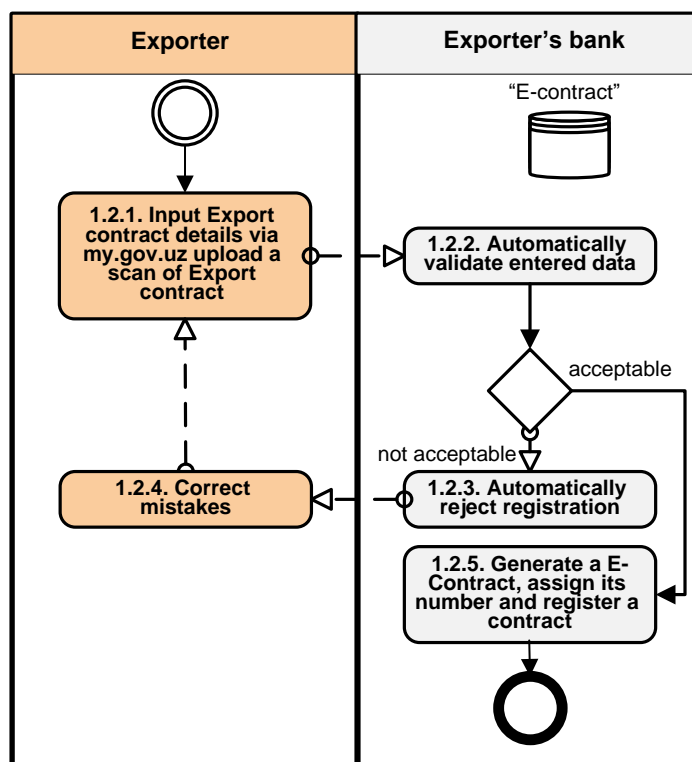
**CORE BUSINESS PROCESS 1.2.: BANK REGISTRATION OF THE EXPORT CONTRACT**

As noted earlier, in line with Uzbekistan’s national legislation, Export Contract is required to be registered in the Unified Electronic Information System for Foreign Trade Operations (hereinafter - UEISFTO). The procedure for registering an Export Contract in the UEISFTO is fully automated through <https://my.gov.uz> via using “E-contract 2” program downloaded to the computer and EDS. Registration of the contract is free.

Two Stakeholders are involved in the business process:

- Exporter,
- Exporter’s bank.

Activity diagram of the business process "Export Contract conclusion " is shown on Diagram 2.A-1.2. The description of the business process is presented in Table 34.



**Diagram 2.A-1.1. “Bank registration of the Export Contract” Activity diagram**

**Table 34. Bank registration of the Export Contract**

<b>Name of the process area to which this particular business process belongs</b>	<b>1. Buy</b>
<b>Name of the business process</b>	<b>1.2: Bank registration of the Export Contract</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Resolution of the Prime Minister of the Republic of Uzbekistan No. 283 of May 14, 2020, “On measures to further improve the monitoring of foreign trade operations in the Republic of Uzbekistan”,</li> <li>▪ Law of the Republic of Uzbekistan “On currency Regulation” and subsequent amendments,</li> <li>▪ Law of the Republic of Uzbekistan on E-Government No.3PY-395 of 09.12.2015.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter,</li> <li>▪ Exporter’s bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter concluded an Export contract.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>1.1.1. Exporter logs of the Export contract details into UEISFTO via <a href="https://my.gov.uz">https://my.gov.uz</a> and uploads a scan of Export contract.</p> <p>1.1.2. Information system “E-contract” automatically validates entered data.</p> <p>1.1.3. If the provided information is not correct Information system rejects registration.</p>

	<p>1.1.4. The Exporter corrects the violations and logs of the Export contract details into UEISFTO again.</p> <p>1.1.5. If the inputted information is correct, the Information system automatically registers the Export contract and generates an identification number for the Export contract and creates an e-contract.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ The Exporter has complied with the regulatory requirements to register an Export contract.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	Up to 0.5 days

### ***SCOPE OF BUSINESS PROCESS 2: SHIP***

In the context of citrus exports from Uzbekistan and its imports to Russia, the “SHIP” business process area includes only 9 business processes (Diagram 2.2.). These business processes are related to: the execution of export clearance in the country of departure, the organization of road transportation from Uzbekistan to Russia through Kazakhstan and the clearance of imports in the country of destination.

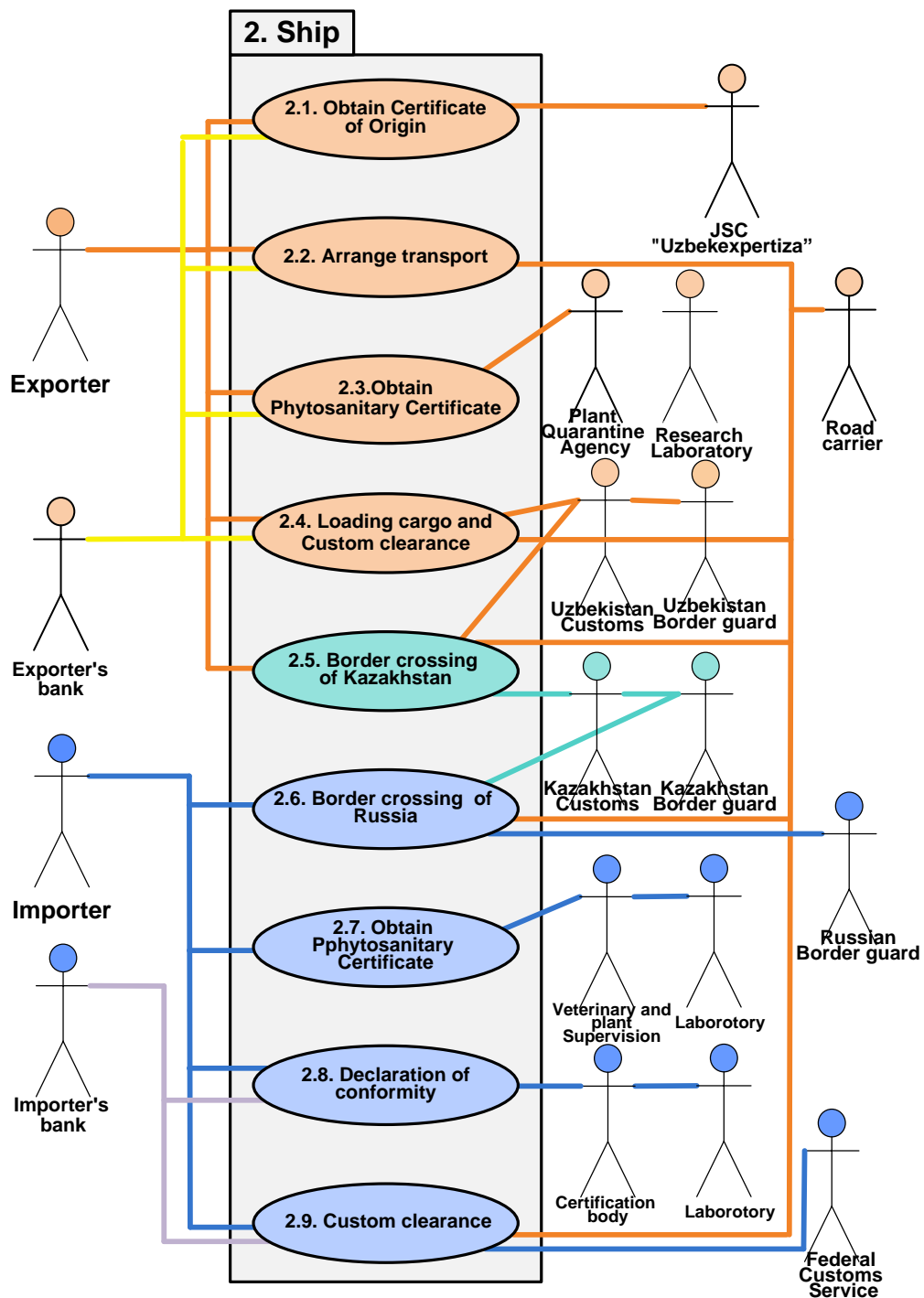


Diagram 2.2. Use case diagram of “Ship” process area

### CORE BUSINESS PROCESS AREA 2.1: OBTAIN CERTIFICATE OF ORIGIN

JSC "Uzbekexpertiza"<sup>1</sup>, a subordinate structure of the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan, provides services for certification of the origin of goods in Uzbekistan.

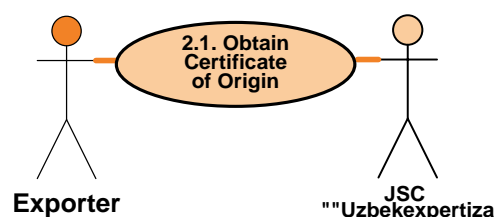
<sup>1</sup> www.expertiza.uz



In the Diagram 2.U-2.1 Use case diagram of the business process “Obtain Certificate of Origin” is presented where the following stakeholders are involved:

- Exporter,
- JSC "Uzbekexpertiza".

“Obtain Certificate of Origin” process is well automated through <http://application.expertiza.uz>, there is a tutorial information posted on the site, and price lists for the services. On the first application, exporters are required concluding a contract with JSC "Uzbekexpertiza" for provision of the services.



**Diagram 2.U-2.1. “Obtain Certificate of Origin” Use case diagram**

The REX system (Registered Exporter system, REX) looks of interest in the context of improving

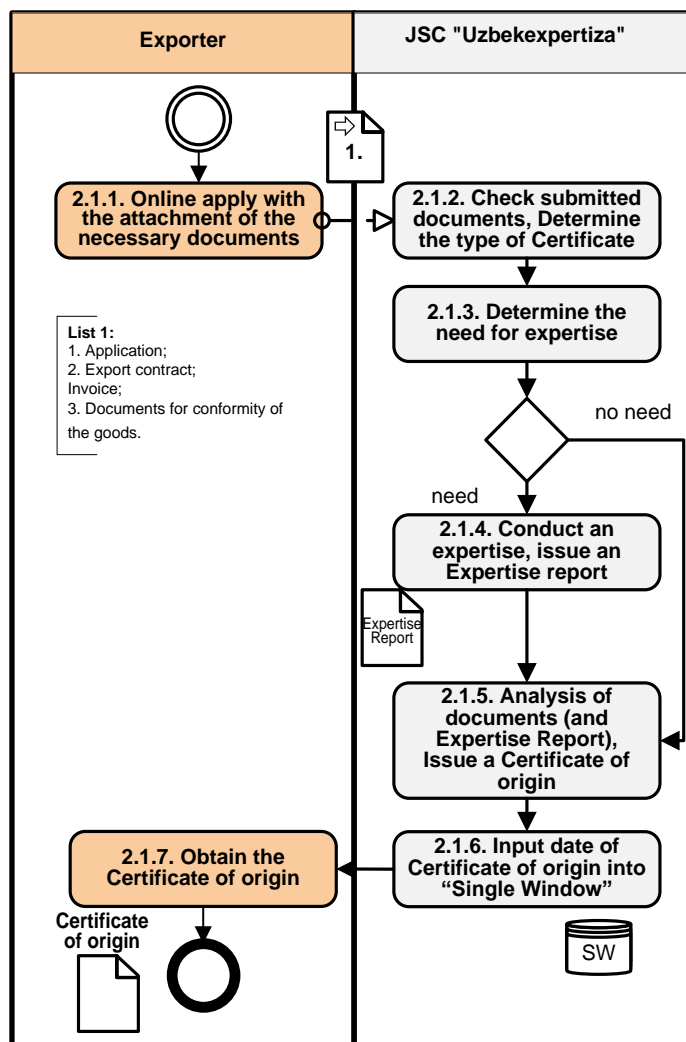
“Obtain Certificate of Origin” process in other SPECA countries. REX is a system of self-certification of the origin of goods by exporters themselves through the provision of a declaration of origin. REX was developed by the European Commission and is used by the EU countries, and also by the beneficiary countries (including Uzbekistan).

Activity diagram of the business process of “Obtaining Certificate of Origin” is shown in the Diagram 2.A-2.1. The description of the business process is presented in Table 35.

**Table 35. Process for Obtaining Certificate of Origin**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.1. Obtain a Certificate of Origin</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the regulations on the procedure of carrying out certification of the origin of goods”, No. 994 dated 13.12.2019.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (applicant),</li> <li>▪ JSC "Uzbekexpertiza".</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter has an Export contract and Required documents.</li> <li>▪ Exporter has (general) agreement with JSC "Uzbekexpertiza".</li> <li>▪ Exporter paid for services of obtaining a Certificate of Origin to JSC. "Uzbekexpertiza" according to price list.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.1.1. Exporter applies online to the JSC "Uzbekexpertiza" for a Certificate of Origin with the attachment of the necessary documents (via <a href="http://application.expertiza.uz">http://application.expertiza.uz</a>):</p> <ul style="list-style-type: none"> <li>▪ Application,</li> <li>▪ Export contract,</li> <li>▪ Invoice,</li> <li>▪ Documents for conformity of origin of the goods (land ownership document, a contract for the purchase of fruit with Uzbek farmers, etc.);</li> </ul> <p>2.1.2. JSC "Uzbekexpertiza" examines submitted documents, determines the type of the Certificate of Origin, taking into account the country of import.</p> <p>2.1.3. JSC "Uzbekexpertiza" determines the need for expertise.</p>

	<p>2.1.4. If an expertise is required, a date for the expertise of the cargo is set, on the appointed day a representative of JSC "Uzbekexpertiza" conducts an expertise at the Exporter's warehouse (production process is being checked to determine the level of processing), an expert opinion is being issued based on the results.</p> <p>2.1.5. Based on the results of the analysis of documents (and the expert opinion, if conducted), JSC "Uzbekexpertiza" issues a Certificate of Origin.</p> <p>2.1.6. JSC "Uzbekexpertiza" enters data on the issued Certificate of Origin to the IS "Permits" of the Customs of Uzbekistan (the so called "Single Window". Data are available for the Customs.</p> <p>2.1.7. Exporter receives a Certificate of Origin.</p>
<p><b>Output and criteria to exit the business process</b></p>	<p>Exporter holds Certificate of Origin.</p>
<p><b>Average time required to complete the process and/or duration for each transaction involved</b></p>	<p>2 days (including expertise – 1 day).</p>



## Diagram 1.A-2.1. “Obtain Certificate of Origin” Activity diagram

### CORE BUSINESS PROCESS AREA 2.2: ARRANGE TRANSPORT

As noted at the beginning of the Chapter for BPA Citrus Export, there are accepted conditions that transportation is carried out by road, issued by CMR and carried out using TIR Carnet<sup>1</sup>.

TIR Carnet is the customs transit document providing the right to transport goods across the borders of states in customs-sealed vehicles bodies or containers using simplified customs procedures: the cargo follows without customs check to its destination, issuance of a transit declaration and submission of preliminary customs information are not required. It is also not required to ensure the payment of customs duties and taxes during transit. Data on transportation via using TIR Carnet is inserted in the TIR-EPD information system, which is integrated with the information systems of the customs authorities of the participating countries.

Road carriers obtain TIR Carnets from the Association of International Road Carriers<sup>2</sup> after receiving in advance a request from the Exporter for cargo loading.

Exporters often enter into long-term contracts with Road carriers, which greatly facilitates the “Arrange transport” process. Long-term cooperation allows the Exporter to pay for transportation (fully or partially) after completing transportation. In this case, the Exporter sends an application to the carrier by e-mail, where the type of cargo, weight, place of loading, temperature requirements and other details of transportation are indicated. After agreeing on the cost of a specific transportation, the carrier fills out the e-CMR, prints the completed form, signs and fixes a stamp in the paper version.

Among the countries of the route of transportation of citrus fruits Uzbekistan and Russia have acceded to Add'l Protocol to CMR (e-CMR), 2008, Kazakhstan has not yet.

On the website of the Agency for Plant Protection and Quarantine of the Republic of Uzbekistan<sup>3</sup> in the Chapter "Export" there is a list of recommended temporary storage warehouses in Russia where the procedures for phytosanitary control of Uzbek fruits and vegetables are debugged, the so-called "green corridors". The delivery of cargo is likely carried out mainly to the recommended TSW. For example, in Moscow (and the oblast) there are three such sort of TSW.

Use case diagram “Arrange transport” is presented on the Diagram 2.U-2.2. The following stakeholders are involved in this business process:

- Exporter (consignor),
- Road carrier.

Activity diagram of the business process "Arrange transport" is shown in the Diagram 2.A-2.2. The description of the business process is presented in Table 36.

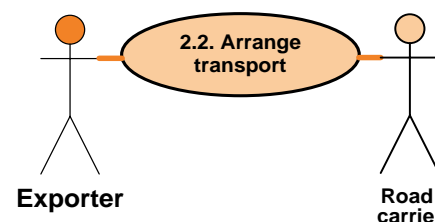


Diagram 2.U-2.2. “Arrange transport” Use case diagram

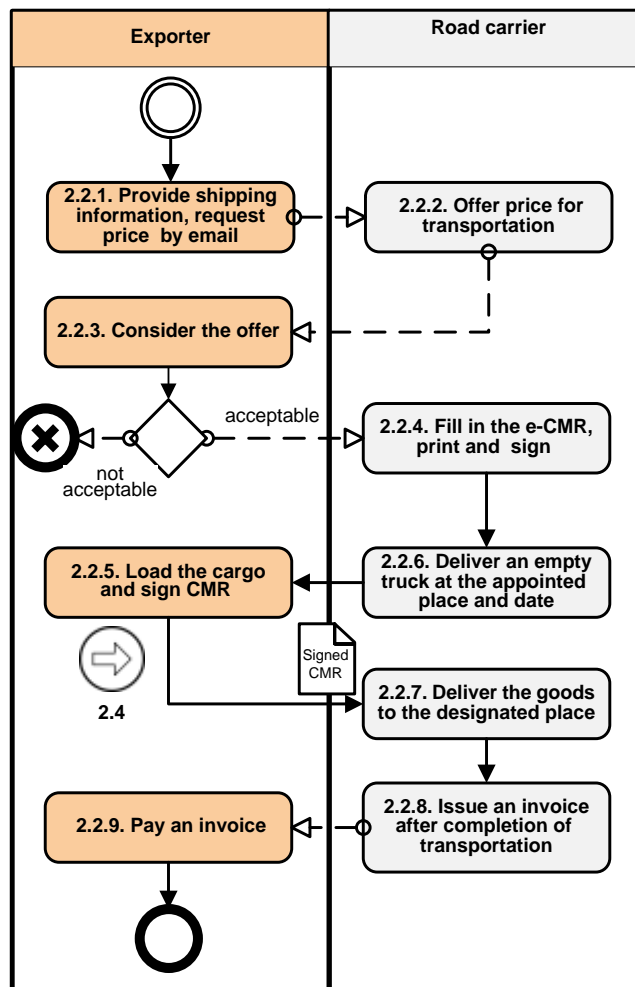
<sup>1</sup> TIR Convention

<sup>2</sup> <https://www.asmap.ru>

<sup>3</sup> <https://karantin.uz/ru/menu/rossiya-federatsiyasi-hududidagi-yashil-yolaklar-royxati>

**Table 36. Process for arranging transportation**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.2. Arrange transport</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the rules for the carriage of goods by road in the Republic of Uzbekistan”, №213 dated 01.08.2014,</li> <li>▪ Contract Road Goods Transport (CMR) ,1956,</li> <li>▪ Add'l Protocol to CMR, (e-CMR) 2008,</li> <li>▪ TIR Convention, 1959; TIR Convention, 1975.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Consignor),</li> <li>▪ Road carrier,</li> </ul> <p>(payment of services of carriers are being made through the bank).</p>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter has concluded Export Contract.</li> <li>▪ Exporter (Consignor) and Road carrier have long-term contract.</li> <li>▪ Road carrier has an access to TIR system.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.2.1. Exporter (Consignor) provides a Road carrier the transportation information (route, type of cargo, temperature requirements, date and site of loading) and asks the cost of transportation on email.</p> <p>2.2.2. Road carrier sends Exporter (Consignor) the cost of transportation.</p> <p>2.2.3. Exporter (Consignor) considers the offer for the cost transportation, in case the offer is unacceptable, rejects the services of this Road carrier and finds another option.</p> <p>2.2.4. If the offer on the transportation cost is acceptable, Road carrier fills out e-CMR, prints, signs it and sends to Exporter (Consignor) by courier (or transfers it during loading, having previously agreed).</p> <p>2.2.5. Road carrier provides an empty truck at the appointed time and place of loading.</p> <p>2.2.6. After loading the cargo, the Exporter (Consignor) also signs the CMR.</p> <p>2.2.7. Road carrier delivers cargo to its destination,</p> <p>2.2.8. After the completion of the transportation, the Road carrier issues an invoice for the transportation.</p> <p>2.2.9. Exporter (Consignor) pays for transportation according to the invoice through the bank.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter (consignor) arranged transport.</li> <li>▪ Exporter (consignor) paid for transportation.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-2 days



**Diagram 2.A-2.2. “Arrange transport” Activity diagram**

### **CORE BUSINESS PROCESS AREA 2.3: OBTAIN PHYTOSANITARY CERTIFICATE (IN KAZAKHSTAN)**

In accordance with the Decree of the President of the Republic of Uzbekistan No. ПФ -6262 dated 15.07.2021, the Plant Protection and Quarantine Agency<sup>1</sup>, was established which is the national body in the field of plants quarantine. The list of regulated products (citrus fruits are included) and the issuance procedure of Phytosanitary Certificates have been established by the Decree of the Cabinet of Ministers of the Republic of Uzbekistan No. 65 dated January 29, 2018.

Before applying for a Phytosanitary Certificate, the Exporter must conclude an offer agreement with the Agency for Quarantine and Plant Protection. The contract is concluded online on the agency's website (<https://karantin.uz/>), entry to the site is being made through EDS.

An application for a Phytosanitary Certificate is submitted online (<http://singlewindow.uz>) or (to the territorial divisions of the Agency). The application must be submitted in advance before the date of loading the cargo. Application processing time may take up to 5 days. Data on the issued Phytosanitary Certificate are entered in the Register of Phytosanitary

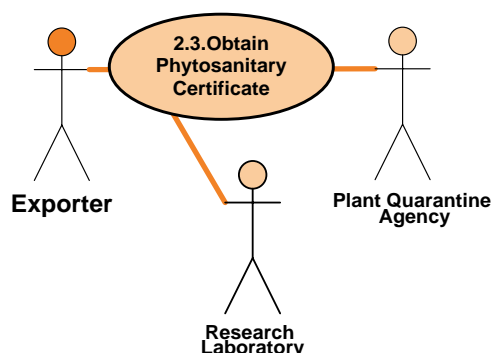
<sup>1</sup> <https://karantin.uz/>

Certificates in the IS "Permit Documents" of the Customs of Uzbekistan (verification is also available through the "Single Window").

Use case diagram of the business process "Obtain Phytosanitary Certificate" is presented in the Diagram 2.U-2.3. The following stakeholders are involved in the process:

- Exporter,
- Agency for Quarantine and Plant Protection<sup>1</sup> (Plant Quarantine Agency),
- Research laboratory (if required).

Activity diagram of the business process "Obtain Phytosanitary Certificate" is shown in the Diagram 2.A-2.3. The description of the business process is presented in Table 37.



**Diagram 2.U-2.3. "Obtain Phytosanitary Certificate" Use case diagram**

**Table 37. Obtaining a Phytosanitary Certificate (in Uzbekistan)**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.3. Obtain a Phytosanitary Certificate</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decree of the Cabinet of Ministers of the Republic of Uzbekistan "On approval of the provisions on the procedure for protecting the territory of the Republic of Uzbekistan from pests in plant quarantine and the passage of licensing procedures in the field of plant quarantine" No.65 dated 29.01.2018.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter,</li> <li>▪ Plant Quarantine Agency,</li> <li>▪ Research laboratory (if required).</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter and Importer already hold a concluded Export Contract.</li> <li>▪ Exporter concluded an offer agreement.</li> <li>▪ Exporter has arranged transport and knows the place and date for loading wheat.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.3.1. Exporter signs an offer agreement with Plant Quarantine Agency (<a href="https://efito.uz/invoice">https://efito.uz/invoice</a>).</p> <p>2.3.2. Exporter applies online for the processing of an application for a Phytosanitary Certificate via <a href="http://singlewindow.uz">http://singlewindow.uz</a>.</p> <p>2.3.3. Exporter agrees on the date of inspection of the goods (usually on the day of loading) with the Inspector of the Plant Quarantine Agency (Inspector).</p> <p>2.3.4. The inspector conducts a visual inspection of the products at the place of their loading for the presence of contamination, if quarantine hazard is not detected, makes a decision to issue a Phytosanitary Certificate (transition to 2.3.10).</p> <p>2.3.5. In case of suspicion of a quarantine hazard, the inspector either orders the fumigation and the business process</p>

<sup>1</sup> <https://karantin.uz/>

	<p>continues with 2.3.8, or takes samples and sends them to the laboratory for examination.</p> <p>2.3.6. The laboratory tests the samples and draws up a Test Protocol.</p> <p>2.3.7. The inspector analyzes the results of the test and decides on the required measures: to carry out the fumigation of the goods (continues with 2.3.8), or to refuse to issue a Phytosanitary Certificate. If no infection is detected, decides to issue a Phytosanitary (transition to 2.3.10).</p> <p>2.3.8. If a decision on fumigation is made, the Exporter applies for fumigation online, pays for fumigation services.</p> <p>2.3.9. Fumigation Specialist conducts fumigation, issues Fumigation Act.</p> <p>2.3.10. If no infections are detected, or fumigation is carried out, the Inspector issues a Phytosanitary Certificate, enters the data of the Phytosanitary Certificate into the Register of Phytosanitary Certificates in the IS "Permitting Documents" of the Customs of Uzbekistan.</p> <p>2.3.11. Exporter receives a Phytosanitary Certificate.</p>
<p><b>Output and criteria to exit the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Exporter holds the Phytosanitary Certificate.</li> </ul>
<p><b>Average time required to complete the process and/or duration for each transaction involved</b></p>	<p>1 day (In the case of tests – 2 days).</p>

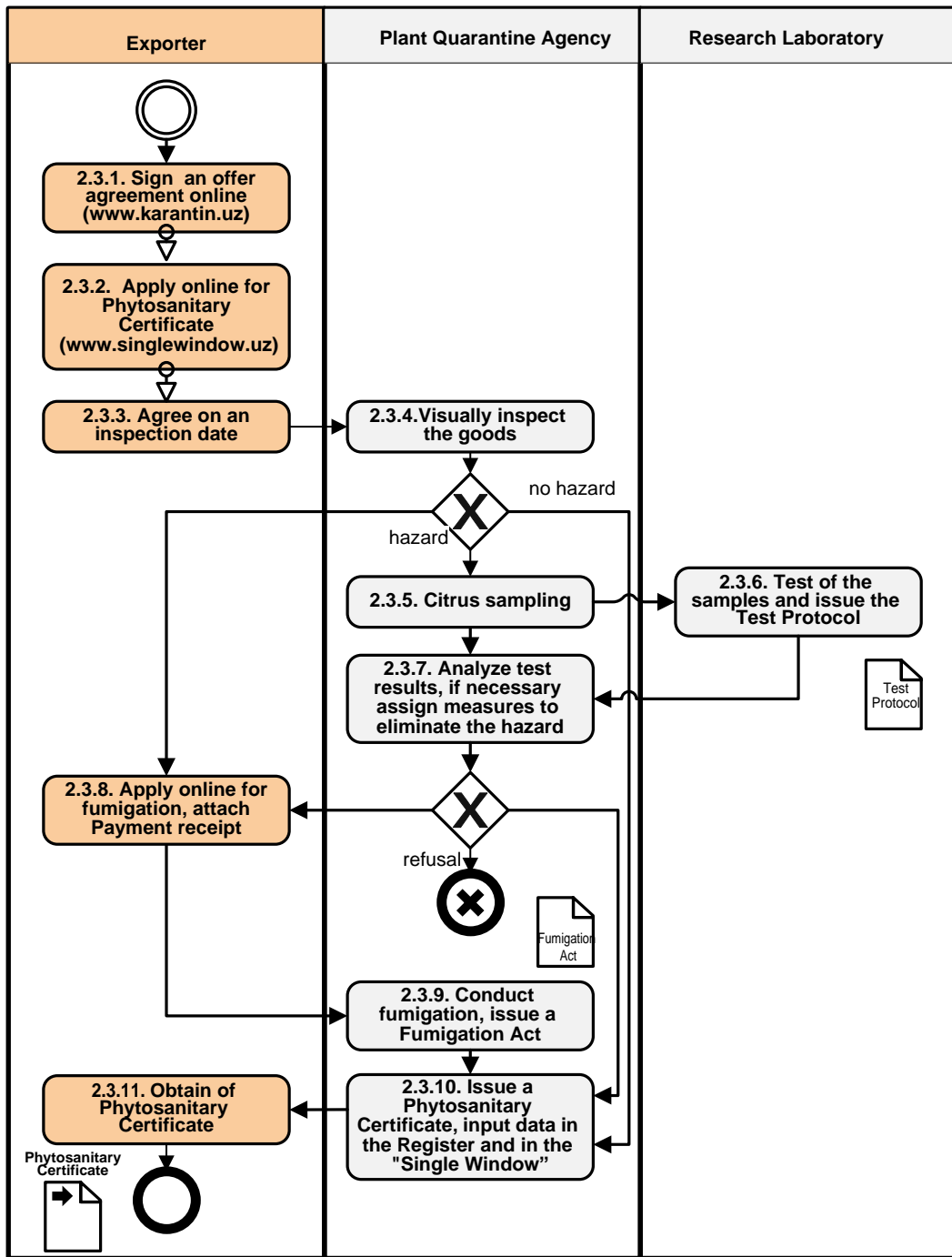


Diagram 2.A-2.3. “Obtain Phytosanitary Certificate (in Uzbekistan)” Activity diagram

**CORE BUSINESS PROCESS AREA 2.4: LOADING CARGO AND CUSTOMS CLEARANCE**

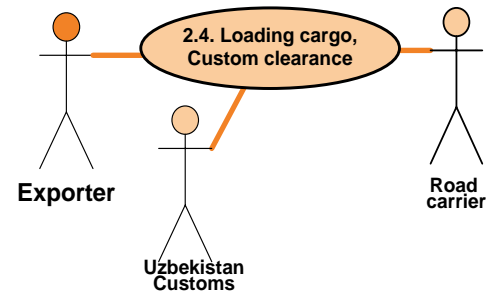
Use case diagram of the business process “Loading cargo and Customs clearance” is presented in the Diagram 2.U-2.4. The following stakeholders are involved in this business process:



- Exporter (Declarant),
- Uzbekistan customs,
- Road carrier.

Declaration is carried out through the Unified Automated Information System for Electronic Declaration of Goods (UAISED), which can be submitted in the personal account of the interactive services' portal of the State Customs Committee of Uzbekistan (<https://ed1.customs.uz>) via using EDS. On the same portal it is possible to trace the status of the submitted electronic declaration. EDS can be obtained online at <https://e-imzo.uz>.

Activity diagram of the business process "Loading cargo and Customs clearance" is shown in the Diagram 2.A-2.4. The description of the business process is presented in Table 38. "Loading cargo and Customs clearance".

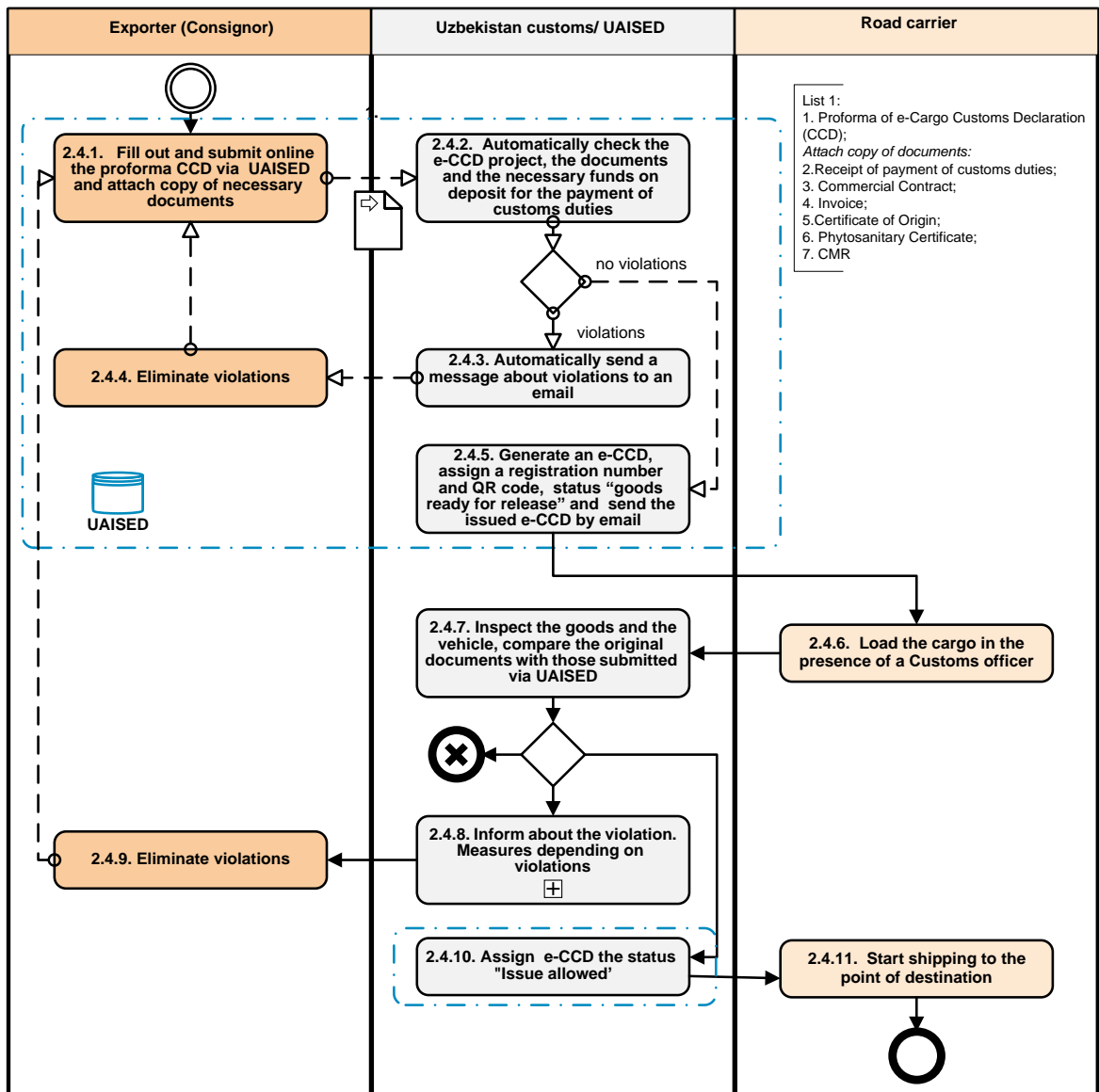


**Diagram 2.U-2.4. "Loading cargo and Customs clearance" Use case diagram**

**Table 38. Process for loading cargo and Customs clearance**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.4. Loading cargo and Customs clearance</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Customs Code of the Republic of Uzbekistan (22.04.2016),</li> <li>▪ Resolution of the State Customs Committee of the Republic of Uzbekistan "On approval of instructions on the procedure for filling out a cargo customs declaration" No. 2773 dated 06.04.2016,</li> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On approval of the list of documents being submitted to the state customs authorities in the course of export-import operations" No.197 dated 20.07.2015,</li> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On further improvement of the procedure for customs declaration of goods in electronic form" No. 605 dated 02.08.2018,</li> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On approval of the list of documents to be submitted to state customs authorities in the implementation of export-import operations" No.197 dated 20.07.2015,</li> <li>▪ Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On the procedure for customs clearance of goods in electronic form" No.370 dated 29.12.2012.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Consignor),</li> <li>▪ Uzbekistan customs,</li> <li>▪ Road carrier.</li> </ul>

<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter (Declarant) has an access (EDS) at UAISEDG for electronic customs declaration.</li> <li>▪ Exporter (Declarant) has required documents for customs declaration.</li> <li>▪ Exporter (Declarant) has required amount on the personal account (on the deposit) at the Customs.</li> <li>▪ Exporter (Declarant) and Road carrier filled out and signed CMR.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.4.1. Exporter (Declarant) fills out and submits online (via using EDS) CCD Proforma to UAISED and attaches scans of all required documents:</p> <ul style="list-style-type: none"> <li>▪ Commercial Contract,</li> <li>▪ Invoice,</li> <li>▪ Phytosanitary Certificate,</li> <li>▪ Certificate of Origin,</li> <li>▪ CMR.</li> </ul> <p>2.4.2. UAISED automatically checks the e-CCD project, documents and the availability of the necessary amount on the Exporter's (Declarant) deposit to pay customs duties.</p> <p>2.4.3. In case violations are detected, UAISED sends a message about the detected violations to the Exporter's (Declarant's) email.</p> <p>2.4.4. Exporter (Declarant) eliminates identified violations and e-CCD submission resumes (2.4.2).</p> <p>2.4.5. If there are no violations in the execution of the e-CCD and the attached documents, UAISED generates an e-CCD, which is assigned a registration number and a QR code (replaces the Customs stamp). UAISED assigns the status of e-CCD: "goods ready for release". UAISED sends the completed e-CCD to the Exporter (Declarant) by e-mail.</p> <p>2.4.6. Road carrier loads the cargo in the presence of a customs officer.</p> <p>2.4.7. Customs officer inspects the goods and the vehicle, checks the original documents with those submitted through UAISED.</p> <p>2.4.8. If violations are identified during loading, the Customs Officer informs the Exporter (Declarant) about the detected violations. Depending on the identified violations, various measures may be taken, a decision may be made to ban the release of goods.</p> <p>2.4.9. Exporter (Declarant) corrects identified violations and e-CCD filing resumes (2.4.2).</p> <p>2.4.10. If no violations are detected during loading, the e-CCD is assigned the status "release is allowed".</p> <p>2.4.11. Road carrier starts transporting cargo to the place of its destination.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter has completed the customs clearance of the goods,</li> <li>▪ Exporter holds the original set transport and customs documents.</li> <li>▪ Road carrier has started shipping cargo to its destination.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	<p>3-4 hours</p>



**Diagram 2.A-2.4. "Loading cargo and Customs clearance" Activity diagram**

**CORE BUSINESS PROCESS AREA 2.5: BORDER CROSSING OF THE KAZAKHSTAN**

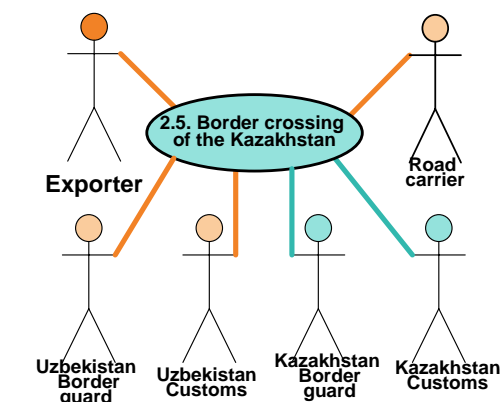
In accordance with the Agreement on the International Carriage of Perishable Foodstuffs and On Special Vehicles Designed for These Carriages (1970), where the countries enroute the citrus delivery have acceded, the passage of perishable goods is carried out on priority regime (without a queue) on the "green corridor" principle.

On the Uzbek side, the verification time is usually shorter because, as a rule, more attention is paid to the verification of imported goods (exports).

In general, the actions at the Uzbek and Kazakh checkpoints are almost similar. As was accepted in the conditions for this BPA study, transportation is carried out via using a TIR carnet, which simplifies customs inspections in the transit countries (no transit declaration is issued, no customs payments are required), therefore, customs control at the Kazakhstan's checkpoint is carried out in accordance with requirements of the TIR Convention and is reduced to data reconciliation in TIR-EPD, which is integrated into the information system of the customs authorities of Kazakhstan "Astana-1".

Use case diagram of the business process “Border crossing of the Kazakhstan” is shown in the Diagram 2.U-2.5. The following stakeholders are involved in the business process:

- Road carrier (Truck driver),
- Exporter (rarely),
- Uzbekistan customs (also conducts other types of control: plant, sanitary and epidemiological, transport),
- Uzbekistan Border guard,
- Kazakhstan customs,
- Kazakhstan Border guard.



**Diagram 2.U-2.5. “Border crossing of Kazakhstan” Use case diagram**

Activity diagram of the business process “Border crossing of Uzbekistan” is shown in Diagram 2.A-2.5. The description of the business process is presented in Table 39.

**Table 39. Process for crossing the border of the Uzbekistan**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.5. Border crossing of the Uzbekistan</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Agreement on the International Carriage of Perishable Foodstuffs and on Special Vehicles Designed for These Carriages (1970),</li> <li>▪ TIR Convention, 1959; TIR Convention, 1975,</li> <li>▪ Customs Code of the Republic of Uzbekistan (22.04.2016),</li> <li>▪ Customs Code of the EEU,</li> <li>▪ Decision of CUC No. 688 dated 22.06.2011 “On Uniform standard requirements for equipment and material and technical equipment of buildings, premises and facilities necessary for the organization of state control at checkpoints across the customs border of the EEU, Classification of checkpoints across the customs border of the EEU and the form of the Passport of a checkpoint across the customs border of the EEU“.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Road carrier (Truck driver),</li> <li>▪ Exporter (rarely),</li> <li>▪ Uzbekistan customs,</li> <li>▪ Uzbekistan Border guard,</li> <li>▪ Kazakhstan customs,</li> <li>▪ Kazakhstan Border guard.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Road carrier (Truck driver) has a package of documents for passage of a checkpoint in Uzbekistan and EAEU.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.5.1. Truck enters into Uzbekistan’s checkpoint.</p> <p>2.5.2. Uzbekistan Border guard inspects the truck, checks the documents (passport) of the driver, fixes a stamp in the passport of the driver to depart from Uzbekistan.</p> <p>2.5.3. If Uzbekistan Border guard has revealed violations in the documents (for example, the driver's passport has expired), then in this case the carrier can, for example, replace the</p>

	<p>driver. If serious risks to national security are identified, transportation may not take place.</p> <p>2.5.4. If there are no violations of the Uzbekistan Border guard, the Truck driver submits a package of documents to Uzbekistan customs, which conducts all other types of control at the checkpoint (sanitary and epidemiological, phytosanitary, transport and customs).</p> <p>2.5.5. Sanitary and epidemiological control checks the presence of registration of goods, if no violations are found, makes a mark on the completion of control in UAISED. If violations are identified, it makes a decision on the required measures (para. 2.5.9).</p> <p>2.5.6. Phytosanitary control checks the presence of the Phytosanitary certificate, if no violations are found, it makes a mark on the completion of the control in UAISED. If violations are identified, it makes a decision on the required (Para 2.5.9).</p> <p>2.5.7. Transport control checks a large list of documents (driver's license, certificate of state registration of a vehicle, CMR, as well as a certificate of conformity of a truck for the transport of perishable goods), if no violations are found, it makes a mark on the completion of control in UAISED. If violations are identified, it makes a decision on the required measures (Para 2.5.9).</p> <p>2.5.8. Customs control includes scanning of the truck at the Inspection Control Complex (ICC) for smuggling, reconciles data from ICC with e-CCD, checks for the completion of other types of control. If no violations are found, marks the completion of control in UAISED. If violations are identified, it makes a decision on the required measures. (Para 2.5.9).</p> <p>2.5.9. If one of the types of control revealed violations, measures are determined to eliminate them.</p> <p>2.5.10. Truck driver eliminates the identified violations, to do this, in some cases, Exporter is required to be contacted, and the check is resumed.</p> <p>2.5.11. If none of the types of violations are detected, Uzbekistan customs affixes a stamp "release is allowed" on the CMR,</p> <p>2.5.12. The truck leaves the Uzbek checkpoint and heads to the Kazakhstan's checkpoint.</p> <p>2.5.13 – 2.5.18. Actions are similar to Paras 2.5.1-2.5.6, only their implementation is carried out in the Kazakhstan Information System of the Customs Authorities IS "Astana- -1".</p> <p>2.5.19. Transport control on Kazakh side is performed similar to Para 2.5.7, only additionally requires MVTPL Insurance, which drivers can get online from one of the Kazakh insurance companies (usually issued in advance). The weight and size parameters of the truck are also verified which are measured automatically on the special equipment at the entrance to the Kazakhstan's checkpoint.</p> <p>2.5.20. Customs control is being performed similar to Para 2.5.8, but at the same time, for TIR transportations data entry and verification is carried out through the TIR-EPD module integrated into the IS "Astana-1".</p> <p>2.5.21 – 2.5.24. Similar to Paras 2.5.9-2.5.13.</p>
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<b>Output and criteria to exit the business process</b>	The truck with cargo passes checkpoints on the border of Uzbekistan and Kazakhstan and heads further to the Russian border.
<b>Average time required to complete the process and/or duration for each transaction involved</b>	3-6 hours for each checkpoint

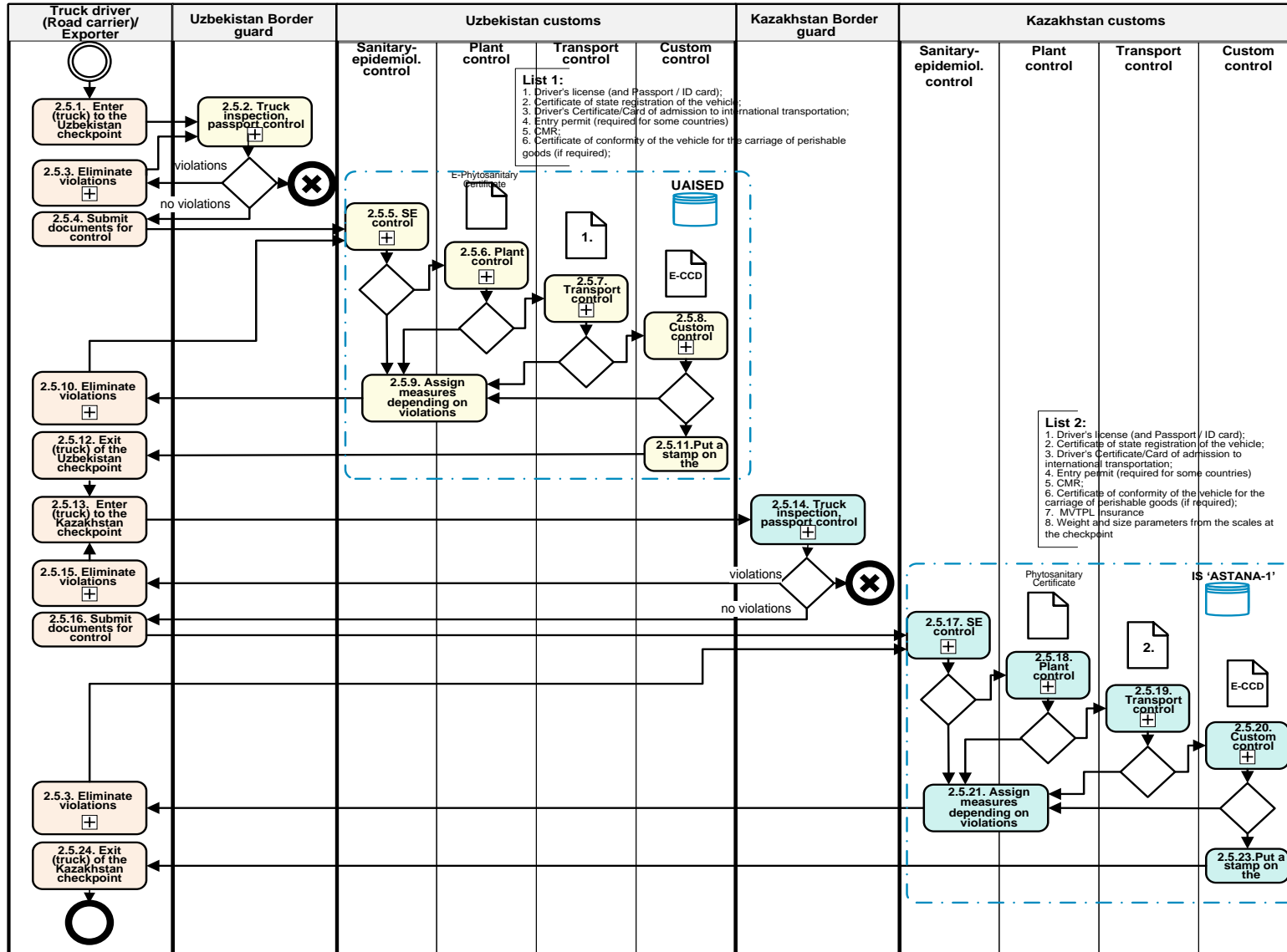


Diagram 2.A-2.5. "Border crossing of the Kazakhstan" Activity diagram

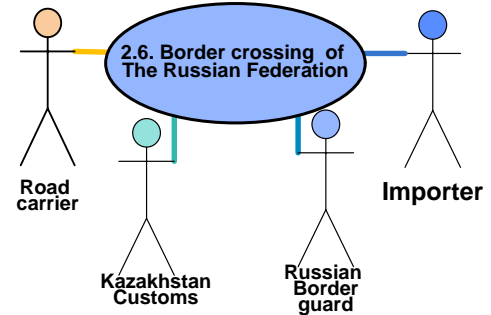
## CORE BUSINESS PROCESS AREA 2.6: BORDER CROSSING OF THE RUSSIAN FEDERATION

Since Kazakhstan and Russia are members of the EAEU, the customs control is not carried out at internal checkpoints.

Phytosanitary and transport control points are located behind the checkpoints (inland). Phytosanitary control basically comes down to affixing a stamp on the CMR, transport control is being made only if it is located on the route of the truck.

Use case diagram of the business process “Border crossing of the Russian Federation” is shown in the Diagram 2.U-2.6. the following stakeholders are involved in the business process:

- Road carrier (Truck driver),
- Kazakhstan Border guard,
- Russian Border guard.



**Diagram 2.U-2.6. “Border crossing of the Russian Federation” Use case diagram**

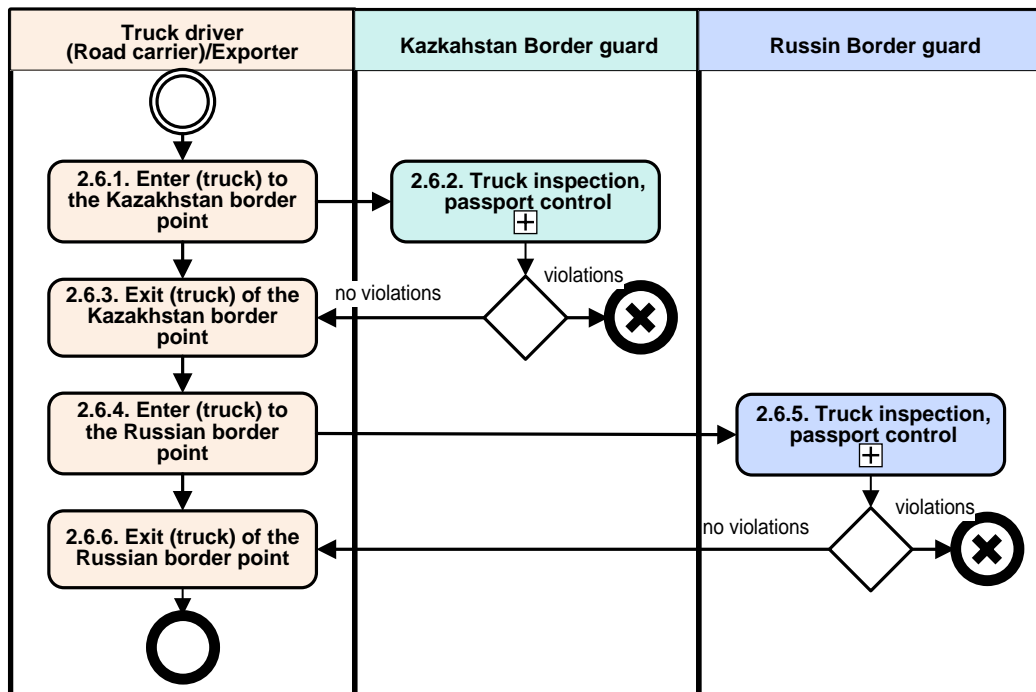
Activity diagram of the business process “Border crossing of the Russian Federation” is shown in the Diagram 2.A-2.6. The description of the business process is presented in Table 40.

**Table 40. Process for crossing the border of the Russian Federation**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.6. Border crossing of the Russian Federation</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decision of CUC No. 688 dated 22.06.2011 “On Uniform standard requirements for equipment and material and technical equipment of buildings, premises and facilities necessary for the organization of state control at checkpoints across the customs border of the EEU, Classification of checkpoints across the customs border of the EEU and the form of the Passport of a checkpoint across the customs border of the EEU“.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Road carrier (Truck driver),</li> <li>▪ Kazakhstan Border guard,</li> <li>▪ Russian Border guard.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Road carrier (Truck driver) crossed the checkpoint at Uzbek-Kazakh border and arrived at Kazakh-Russian border crossing point.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.6.1. A truck pulls into a Kazakh border crossing point on the border with Russia.</p> <p>2.6.2. Kazakhstan Border guard inspects the truck, checks the documents (passport) of the driver, puts a stamp in the passport of the driver to depart from Kazakhstan.</p> <p>2.6.3. If Kazakhstan Border guard detects violations, measures are being taken depending on the type of violation, in extreme cases transportation may be terminated.</p>



	<p>If no violations are detected by Kazakhstan Border guard, the truck leaves Kazakhstan’s border crossing point and heads towards Russian BCP, 2.6.4.-2.6.6. Similar to paras 2.6.1.-2.6.3.</p>
<b>Output and criteria to exit the business process</b>	The truck with cargo passes the checkpoints on the border of Kazakhstan and Russia and moves further to the destination.
<b>Average time required to complete the process and/or duration for each transaction involved</b>	Usually 2-3 hours. Currently 7-10 hours



**Diagram 2.A-2.6. “Border crossing of the Russian Federation” Activity diagram**

**CORE BUSINESS PROCESS AREA 2.7: OBTAIN PHYTOSANITARY CERTIFICATE (IN RUSSIAN FEDERATION)**

Information on the procedure and requirements for issuing a Phytosanitary Certificate is available on the website of the Federal Veterinary and Phytosanitary Supervision of the Russian Federation (Rosselkhoz nadzor). The information is well systematized, all regulatory documents regulating issuance of a Phytosanitary Certificate and other services are presented, there are also online directories for countries of export and import, for example, regarding Uzbekistan, there is information about an online resource where a Phytosanitary Certificate, issued in Uzbekistan, can be verified on its numeration.

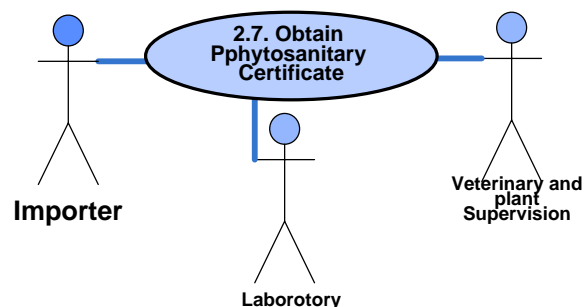
Given that the Agreements on cooperation in the field of plant quarantine of the member States of the Commonwealth of Independent States have been signed by the CIS countries, the verification of the phytosanitary state of products and the issuance of a Phytosanitary Certificate is carried out based on the uniform principles.

A Phytosanitary Certificate can be applied online through the Unified Portal of State Services of the Russian Federation, UPSS (<https://www.gosuslugi.ru/16555/1/>) using an EDS. The

application can also be submitted by the Importer personally to the territorial subdivision of Rosselkhoznadzor.

In case of a positive decision, a Phytosanitary certificate of the international standard is issued. A Phytosanitary Certificate can be obtained in paper form personally at the territorial subdivision of Rosselkhoznadzor, or an electronic version of the document through the UPSS portal. Phytosanitary certificate is issued free. Issuance period up to 3 calendar days.

If the Inspector of Rosselkhoznadzor designates a conduct of an expertise or fumigation, these services are provided by the Federal State Budgetary Institution "All-Russian Center for Plant Quarantine"<sup>1</sup> (or its territorial divisions). Prices for expertise and fumigation are posted on the website of this organization.



**Diagram 2.U-2.7. “Obtain Phytosanitary Certificate” Use case diagram**

As noted above, on the website of the Agency for Plant Protection and Quarantine of the Republic of Uzbekistan, temporary storage warehouses in Russia are recommended, where the procedures for obtaining Phytosanitary certificates (registration of a declaration of conformity, customs clearance) for Uzbek fruit and vegetable products are debugged, the so-called "green corridors". The delivery of cargo is likely carried out mainly to the recommended temporary storage warehouses

Use case diagram of the business process “Obtain Phytosanitary Certificate” is shown in the Diagram 2.U-2.7. The following stakeholders are involved in the business process:

- Importer,
- Federal Service for Veterinary and Phytosanitary Supervision (Rosselkhoznadzor) – Veterinary and Plant Supervision,
- Federal State Budgetary Institution "All-Russian Plant Quarantine Center" – Plant Quarantine Laboratory.

Activity diagram of the business process “Obtain a Phytosanitary Certificate (in Russian Federation)” is shown in the Diagram 2.A-2.7. The description of the business process is presented in Table 41.

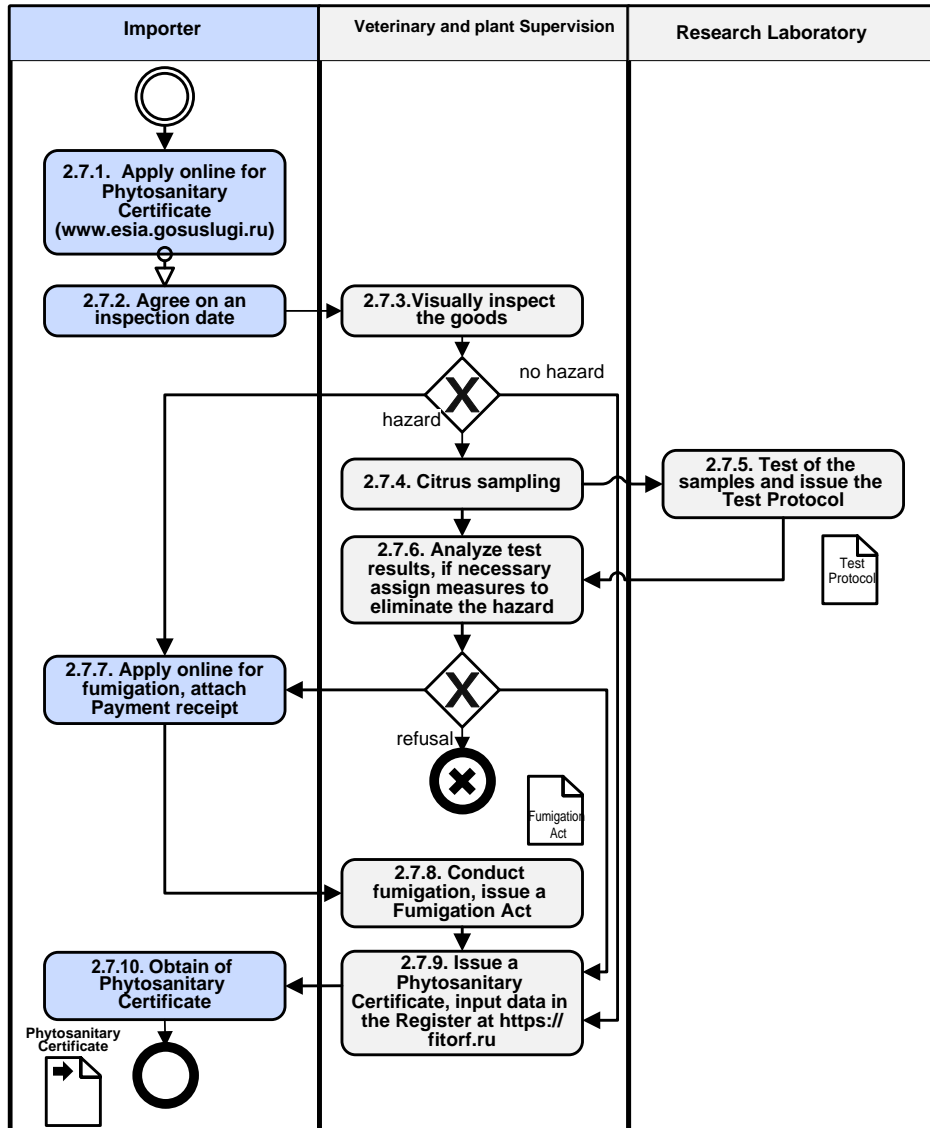
**Table 41. Obtaining a Phytosanitary Certificate (in Russian Federation)**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.7. Obtain a Phytosanitary Certificate</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Federal Law No. 99-FZ of 15.07.2000 "On Plant Quarantine",</li> <li>▪ Rosselkhoznadzor Order No. 1128 dated 10/22/2020 "On Approval of the Administrative Regulations of the Federal Service for Veterinary and Phytosanitary Surveillance on the Provision of State Services for the Issuance of a Phytosanitary</li> </ul>

<sup>1</sup> <https://vniikr.ru/informatsionnye-sistemy/fgis-argus-labortaoriya/>

	<p>Certificate, Re-Export Phytosanitary Certificate, Quarantine Certificate",</p> <ul style="list-style-type: none"> <li>▪ Decision CTC No. 318 dated June 18, 2010 "On Ensuring Plant Quarantine in the Eurasian Economic Union", including the "List of Quarantine Products" (Appendix 1 to the Decision), "Regulations on the Procedure for Implementing Quarantine Phytosanitary Control (Surveillance) at the Customs Border of the EAEU " (Appendix 2) and "Regulations on the procedure for the implementation of quarantine phytosanitary control (supervision) in the customs territory of the EAEU" (Appendix 3).</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Veterinary and Plant Supervision,</li> <li>▪ Plant Quarantine Laboratory</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer has received cargo at the unloading station.</li> <li>▪ Importer has Phytosanitary Certificate of Exporter.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.7.1. Importer applies online for the processing of an application for a Phytosanitary Certificate via <a href="https://esia.gosuslugi.ru">https://esia.gosuslugi.ru</a> and attaches the documents:</p> <ul style="list-style-type: none"> <li>▪ Phytosanitary Certificate of Exporter,</li> <li>▪ Fumigation Act (if it is),</li> <li>▪ Extract from the Export Contract (or Export Contract) in the part concerning phytosanitary requirements,</li> <li>▪ Certificate of entry into the Unified State Register of Legal Entities,</li> <li>▪ Certificate of registration with the tax authority.</li> </ul> <p>2.7.2. Importer agrees on the date of inspection of the goods with the Inspector of the Veterinary and Plant Supervision (Inspector).</p> <p>2.7.3. The Inspector conducts a visual inspection of the products at the place of their unloading for the presence of contamination, if quarantine hazard is not detected, makes a decision to issue a Phytosanitary Certificate (transition to 2.7.9).</p> <p>2.7.4. In case of suspicion of a quarantine hazard, Inspector either appoints fumigation and the business process continues with clause 2.7.7, or takes samples and sends them to the laboratory for expertise.</p> <p>2.7.5. The Laboratory tests the samples and draws up a Test Protocol.</p> <p>2.7.6. The Inspector analyzes the results of the test and decides on the required measures: to carry out the fumigation of the goods (2.7.7), or to refuse to issue a Phytosanitary Certificate. If no infection is detected, decides to issue a Phytosanitary (transition to 2.7.9).</p> <p>2.7.7. If a decision on fumigation is made, the Importer applies for fumigation, pays for fumigation services.</p> <p>2.7.8. Fumigation Specialist conducts fumigation, issues Fumigation Act.</p> <p>2.7.9. If no infections are detected, or fumigation is carried out, the Inspector issues a Phytosanitary Certificate, enters the data</p>

	of the Phytosanitary Certificate into the Register of Phytosanitary Certificates ( <a href="https://fitorf.ru">https://fitorf.ru</a> ).
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>Importer holds a Phytosanitary Certificate.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-3 days



**Diagram 2. A-2.7. “Obtain Phytosanitary Certificate” Activity diagram**

**CORE BUSINESS PROCESS AREA 2.8. DECLARATION OF CONFORMITY**

In accordance with the Decision of the CCU No. 880 dated December 91.12.2011 "On the adoption of the technical regulation of the Customs Union "On Food Safety" confirmation of conformity is required for lemons (HS Code 08055). The procedure of confirmation of conformity is carried out in the form of a declaration. The declaration is registered in the

Unified Register of issued certificates of conformity and registered declarations of conformity<sup>1</sup>.

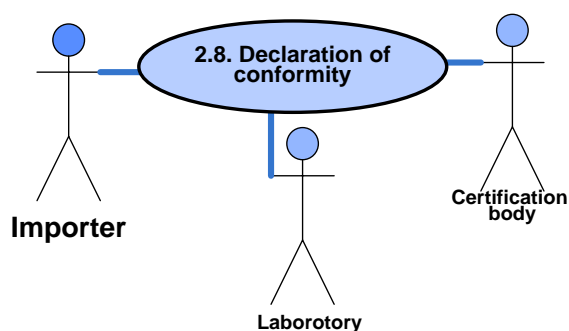
Assessing the compliance of lemons with the requirements of technical regulation requires laboratory testing of product samples. Samples are evaluated according to the following indicators: contamination with microorganisms; the presence of radionuclides, toxic substances; pesticides, etc. The evaluation results are included in an official document, the Test Protocol. Based on this, the registration of the declaration is subsequently carried out. Tests can be carried out in an independent and accredited laboratory depending on the chosen declaration scheme.

Information of the Test Protocol is entered into the unified register of Rosaccreditation within 5 days from the date of its registration.

The Importer can organize tests and fill out a declaration of conformity on his own through the service portal of the "National Accreditation System<sup>2</sup>" or entrust this to the certification body. Since the conformity assessment regulation is quite complex, many Importers prefer to apply to a certification body.

Use case diagram of the business process "Declaration of conformity" is shown in the Diagram 2.U-2.8. The following stakeholders are involved:

- Importer (applicant),
- Certification body,
- Research Laboratory.



**Diagram 2.U-2.8. "Declaration of conformity" Use case diagram**

Payment for laboratory tests and services of the certification body is carried out through the Importer's bank.

Activity diagram of the business process "Declaration of conformity" is shown in the Diagram 2.A-2.8. The description of the business process is presented in Table 42.

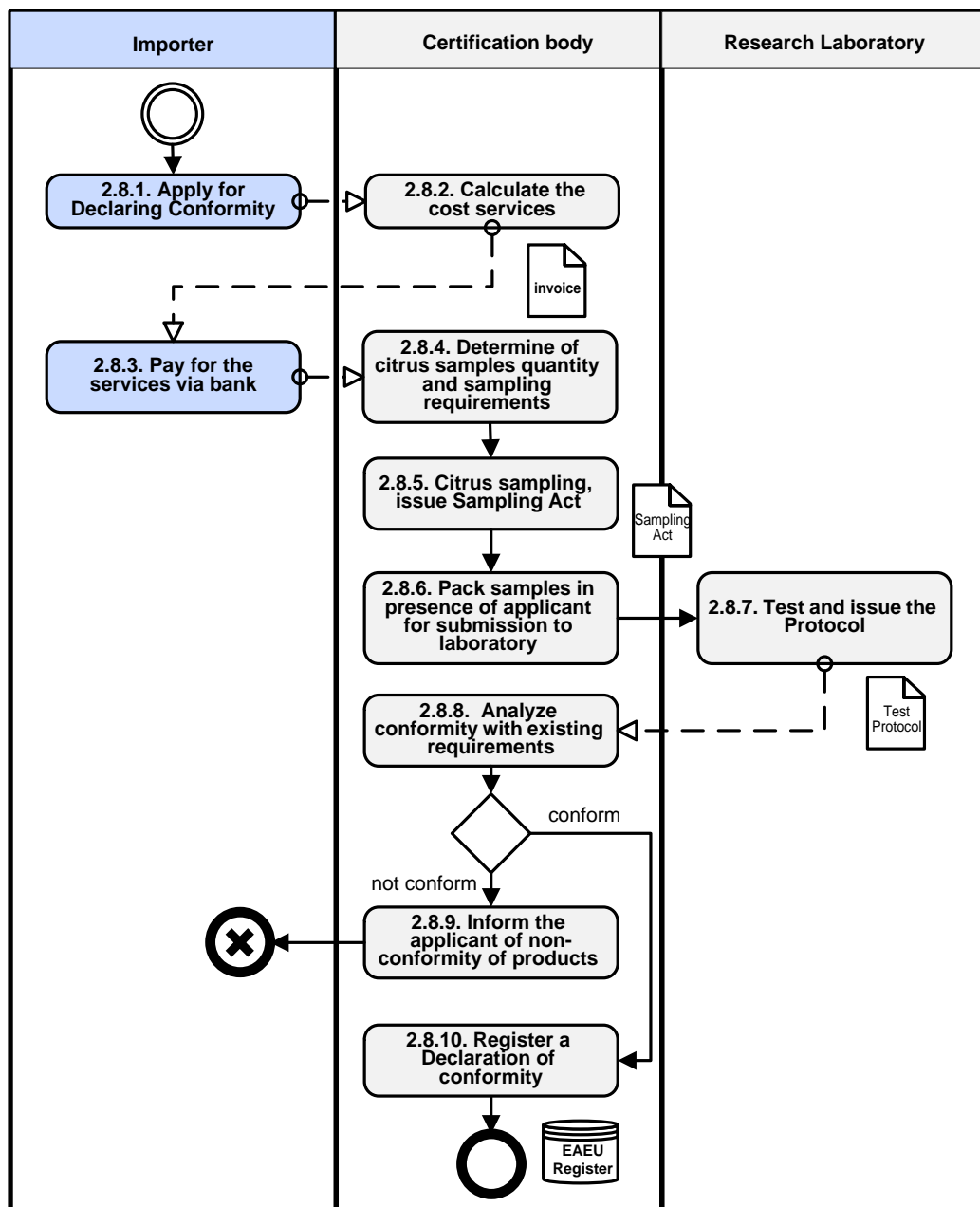
**Table 42. Declaration of Conformity**

<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.8. Declaration of conformity</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decision of the CCU No. 880 dated December 91.12.2011 "On the adoption of the technical regulation of the Customs Union "On food safety".</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer (applicant),</li> <li>▪ Certification body,</li> <li>▪ Research Laboratory (of the Certification body).</li> </ul>

<sup>1</sup> <https://portal.eaeunion.org/sites/commonprocesses/ru-ru/Pages/ConformityDocsRegistryDetails.aspx>

<sup>2</sup> <https://fsa.gov.ru/use-of-technology/servis-registratsii-deklaratsiy-o-sootvetstvii/>

<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Certification body accredited and included in the Unified Register of Certification Authorities and Testing Laboratories (Centres) of the EAEU Customs Union.</li> <li>▪ Research Laboratory of certification body accredited and included in the Unified Register of Certification Authorities and Testing Laboratories (Centres) of the EAEU Customs Union.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.8.1. Importer (applicant) submits application to an accredited certification body for registration of the Declaration of Conformity of the citrus.</p> <p>2.8.2. Certification body calculates the cost of services in accordance with the terms of the contract and sends an invoice to the Exporter.</p> <p>2.8.3. Importer pays for the certification and declaration services.</p> <p>2.8.4. Certification body determines the cereal samples quantity, sampling requirements and sampling procedures, as per existing certification, sampling and testing requirements.</p> <p>2.8.5. Certification body samples and issues sampling an Act.</p> <p>2.8.6. Cereal samples are packed in the presence of the applicant, provided with a Sampling Act and sent to the Research Laboratory for testing.</p> <p>2.8.7. The Research Laboratory tests the samples, based on relevant certification requirements, issues a Protocol and e-sends them to the Certification body.</p> <p>2.8.8. Certification body analyses all documents and testing protocols for conformity with existing requirements.</p> <p>2.8.9. In a case of negative test results for the cereal samples, the Certification body sends a formal rejection to applicant.</p> <p>2.8.10. In case of positive test results, the Certification Body fills out a Declaration of Conformity, and sends information to the state register. Test reports are usually attached to the Declaration of Conformity.</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer registered Declaration of Conformity.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	<p>1-2 days.</p>



**Diagram 2.A-2.8. “Declaration of conformity” Activity diagram**

**CORE BUSINESS PROCESS AREA 2.9. CUSTOM CLEARANCE**

All information on the requirements for customs clearance is posted on the portal of the Federal Customs Service of the Russian Federation (<https://customs.gov.ru>). Portal is well systemized; comfortable for users.

Declaration of goods is carried out in the Unified automated information system (UAIS) of the customs authorities of the Russian Federation online through a personal account using an EDS. Electronic Goods Declaration (e-GD) is submitted in accordance with the Order of the Federal Customs Service of RF "On Approval of the Procedure for Using the Unified Automated Information System of Customs Authorities during Customs Declaration and Release (Refusal to Release) goods in electronic form, after the release of such goods, as well as during the implementation of customs control over them" No. 1761 dated September

17, 2013<sup>1</sup>. Information on the procedure for declaring is presented (with links to regulatory documents) on the page <https://customs.gov.ru/document/text/13218>.

Information on the payment of customs duties, taxes and other payments is posted on the page <https://customs.gov.ru/document/text/12952>.

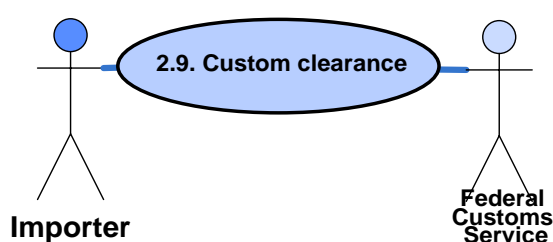
With the electronic form of declaration, the release of goods can be carried out automatically, that is, without participation of an official of the customs authority.

An import duty is stipulated for the import of lemons in the Russian Federation, however, based on the Free Trade Zone Agreement (CIS countries) dated 18.10.2011, which is signed by Uzbekistan, imported goods from Uzbekistan are exempt from import duties.

Customs fees are paid for customs clearance, the amount of which is determined in accordance with the Decree of the Government of the Russian Federation No. 342 of 26.03.2020 "On the rates and basis for calculating customs duties for customs operations related to the release of goods" and are calculated depending on the customs value of goods. Customs duties in Russia are relatively high. Fees are paid through a bank.

Use case diagram of the business process "Custom clearance" is shown in the Diagram 2.U-2.9. the following stakeholders are involved in this business process:

- Importer,
- Federal Customs Service.



**Diagram 2.U-2.9. "Custom clearance" Use case diagram**

Activity diagram of the business process

"Custom clearance" is shown in the Diagram 2.A-2.9. The description of the business process is presented in Table 43.

**Table 43. Process for customs clearance**

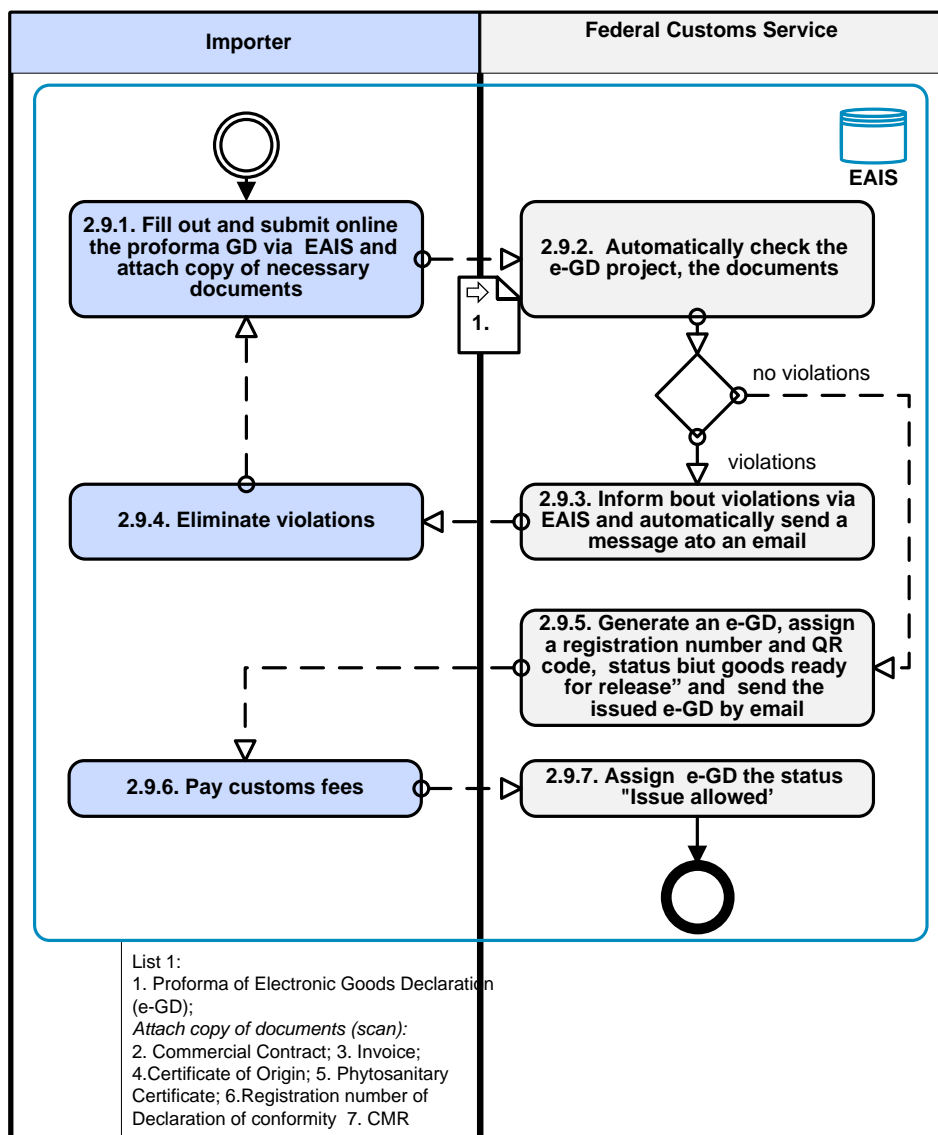
<b>Name of the process area to which this particular business process belongs</b>	<b>2. Ship</b>
<b>Name of the business process</b>	<b>2.9. Customs clearance</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decision of the CCU2 on Instructions for Filling in the Customs Declarations and Forms of Customs Declarations, No. 257, 20 May 2010 (with actual amended 25 September 2018),</li> <li>▪ Federal Law No. 289-FZ of 03.08.2018 "On Customs Regulation in the Russian Federation and on Amendments to Certain Legislative Acts of the Russian Federation",</li> <li>▪ Free Trade Zone Agreement (CIS countries) dated 18.10.2011,</li> <li>▪ Order of the Federal Customs Service RF "On Approval of the Procedure for Using the Unified Automated Information System of Customs Authorities during Customs Declaration and Release (Refusal to Release) goods in electronic form, after the release of such goods, as well as during the implementation of customs control over them" No. 1761 of 17.09.2013,</li> </ul>

<sup>1</sup> <https://customs.consultant.ru/page.aspx?1126029>

<sup>2</sup> CCU – Commission of the Customs Union.



	<ul style="list-style-type: none"> <li>▪ Decree of the Government of the Russian Federation No. 342 of 26.03.2020 "On the rates and basis for calculating customs duties for customs operations related to the release of goods".</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer (Declarant),</li> <li>▪ Federal Customs Service.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer (Declarant) has an access (EDS) at EAIS for electronic customs declaration.</li> <li>▪ Importer (Declarant) has required documents for customs declaration.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>2.9.1. Importer (Declarant) fills out and submits online (via using EDS) GD Proforma to EAIS and attaches scans of all required documents:</p> <ul style="list-style-type: none"> <li>▪ Commercial Contract,</li> <li>▪ Invoice,</li> <li>▪ Certificate of Origin,</li> <li>▪ Phytosanitary Certificate,</li> <li>▪ Registration number of Declaration of conformity,</li> <li>▪ CMR.</li> </ul> <p>2.9.2. EAIS automatically checks the E-GD project and attached documents.</p> <p>2.9.3. In case violations are detected, EAIS informs Importer's (Declarant's) about the detected violations via EAIS and also sends a message to the email.</p> <p>2.9.4. Importer (Declarant) eliminates identified violations and e-GD submission resumes (2.9.1).</p> <p>2.9.5. If there are no violations in the execution of the Proform E-GD and the attached documents, EAIS generates an E-GD, which is assigned a registration number and a QR code (replaces the Customs stamp). EAIS assigns the status of E-GD about goods ready for release. Also EAIS sends the completed E-GD to the Importer (Declarant) by e-mail.</p> <p>2.9.6. Importer (Declarant) pays customs fees.</p> <p>2.9.7. EAIS assigns the status of E-GD "release is allowed".</p>
<b>Output and criteria to exit the business process</b>	<ul style="list-style-type: none"> <li>▪ Importer (Declarant) completes customs formalities.</li> </ul>
<b>Average time required to complete the process and/or duration for each transaction involved</b>	1-2 days

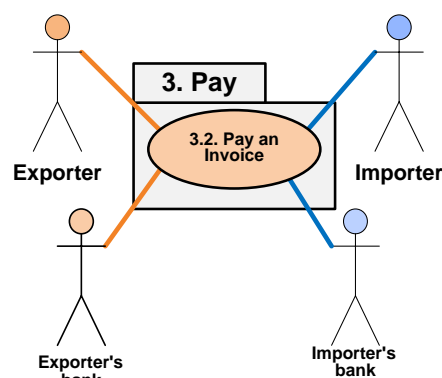


**Diagram 2.A-2.9. “Custom clearance” Activity diagram**

**SCOPE OF BUSINESS PROCESS 3: PAY**

Payment for the Export contract can be made in a variety of ways, such as advance payment, "deferred payment" or a letter of credit. The terms of payment are an integral part of the Export Commercial Contract.

Due to the fact that, in accordance with the legislation of Uzbekistan, the Exporter can conclude a direct Export Commercial Contract with the Importer only on a prepaid basis (without involvement of Uzagroexport JSC, which is charging an interest from the contract value), Exporters enter into an Export Commercial Contract on a prepaid basis.



**Diagram 2.3. Use case diagram of “Pay” process area**

Thus, the scope of business processes “Pay” includes only one business process, that is “Pay an invoice” (Diagram 2.3).

### CORE BUSINESS PROCESS AREA 3.1: PAY AN INVOICE

The following stakeholders are involved in “Pay an invoice” business process:

- Exporter,
- Exporter bank,
- Importer,
- Importer's bank.

Due to the sanctions imposed against Russia following the military conflict with Ukraine, mutual settlements in USD with Russia are currently not possible. Mutual settlements for an export contract can only be made in rubles through the affiliations of the Russian banks in Uzbekistan. This greatly complicates the payment process. Exporters have to open additional accounts in the affiliations of the Russian banks.

Although the payment process is familiar and understandable, it includes 12 steps and takes from 3 up to 5 days to complete. Activity diagram of the business process “Pay an invoice” is shown in the Diagram 2.A-3.1. The description of the business process is presented in Table 44.

**Table 44. Process for paying an invoice**

<b>Name of the process area to which this particular business process belongs</b>	<b>3. Pay</b>
<b>Name of the business process</b>	<b>3.1. Pay an invoice</b>
<b>Related rules and regulations</b>	<ul style="list-style-type: none"> <li>▪ Decree of the Cabinet of Ministers of the Republic of Uzbekistan “On measures to further improve the monitoring of foreign trade operations in the Republic of Uzbekistan”.No.283 dated 14.05.2020<sup>1</sup>.</li> </ul>
<b>Responsible parties</b>	<ul style="list-style-type: none"> <li>▪ Importer,</li> <li>▪ Importer’s bank,</li> <li>▪ Exporter,</li> <li>▪ Exporter’s bank.</li> </ul>
<b>Input and criteria to enter/begin the business process</b>	<ul style="list-style-type: none"> <li>▪ Exporter and Importer have already concluded Export contract.</li> </ul>
<b>Procedures and associated documentary requirements for completing the process</b>	<p>3.1.1. Exporter issues an invoice to Importer for payment of delivery in accordance with the Delivery Specification.</p> <p>3.1.2. Importer makes a payment in the bank (according to the results of the survey, not all banks can make a payment in foreign currency online, personal presence is required at the Bank). The bank may request: copies of Commercial Contract and Delivery Specification to fulfill a payment.</p> <p>3.1.3. Importer’s bank reviews the submitted documents for payment.</p> <p>3.1.4. If the invoice is correct and complies with submitted copies of Commercial Contract and Delivery Specification, Importer’s bank makes payment to the transit account of Exporter’s.</p>

<sup>1</sup> <https://lex.uz/docs/4812424>

	<p>3.1.5. If the submitted documents for payment are not correct, the Importer's Bank requests the correct documents from the Importer.</p> <p>3.1.6. Importer submits missing documents or requests Exporter to insert corrections into the invoice.</p> <p>3.1.7. Exporter corrects the invoice and the Importer submits a request for payment again.</p> <p>3.1.8. Exporter's bank also checks the payment and documents,</p> <p>3.1.9. If necessary, the Exporter's bank may request a Commercial Contract and Delivery Specification or other documents. In rare cases of detection of serious violations, the payment may be rejected, and the money returned to the Importer's bank.</p> <p>3.1.10. After the Exporter provides the required documents, the Exporter's bank checks them again.</p> <p>3.1.11. If no violations are detected, Exporter's Bank transfers money to the Exporter's account.</p> <p>3.1.12. Exporter receives money for supply of citrus.</p>
<p><b>Output and criteria to exit the business process</b></p>	<ul style="list-style-type: none"> <li>▪ Exporter receives money for supply of citrus.</li> </ul>
<p><b>Average time required to complete the process and/or duration for each transaction involved</b></p>	<p>3-5 days</p>

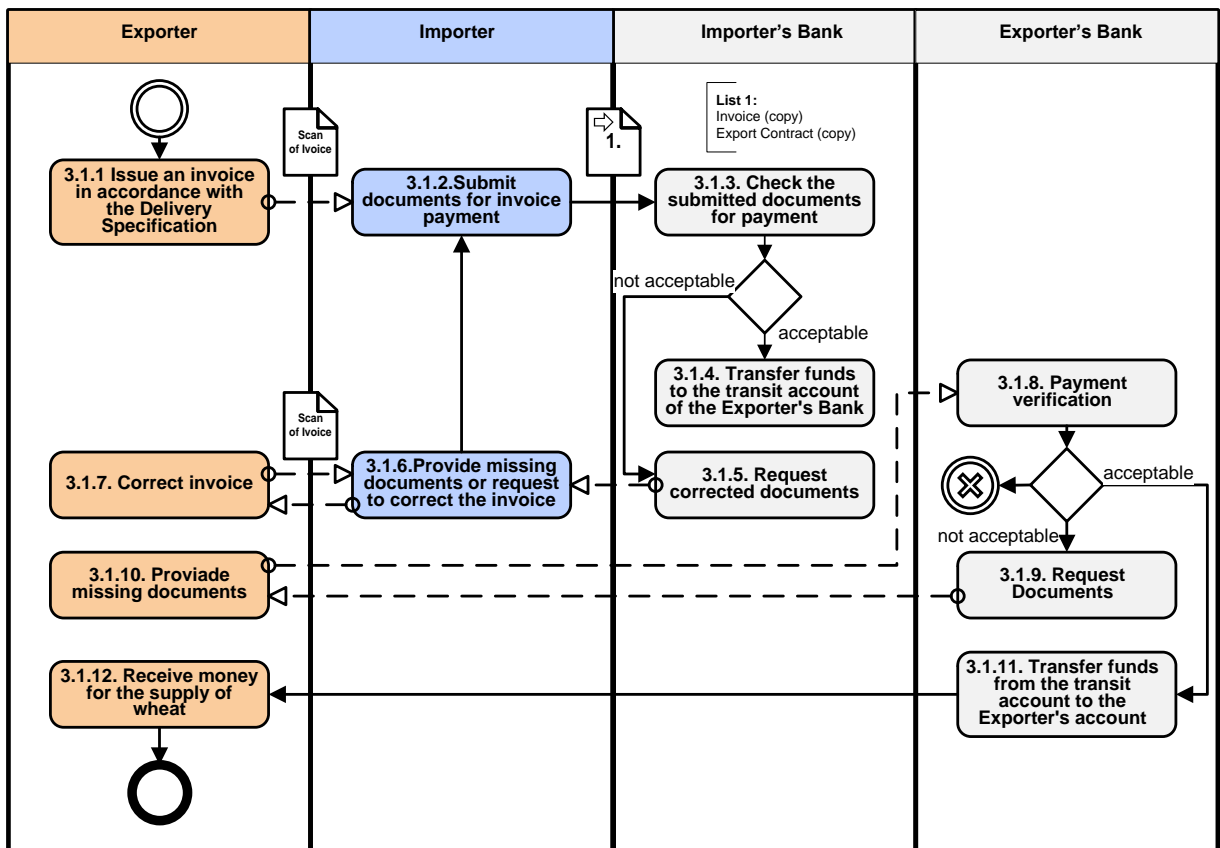


Diagram 2.A-3.1. "Pay an invoice" Activity diagram

## SUMMARY OF THE FINDINGS OF BPA CITRUS EXPORTS FROM UZBEKISTAN TO RUSSIAN FEDERATION

Table 45 sums up the implementation of the business processes of citrus exports from Uzbekistan to Russian Federation, *inter alia* the average duration of their implementation, the costs involved, the interaction, consistency and compatibility of implementation as well as information about the number of steps to be taken in each of the business processes and the involved stakeholders.

The total cost of exporting 20 tons of citrus fruits from Uzbekistan to Russia makes up US\$4 thousand, where the major portion (81.1%) falls on the cost of road transportation. The Customs clearance of good in Russia constitutes the significant share of expenses (12.4%). This is due to the relatively high customs fees being charged depending on the customs value of goods.

On the Chart 1.2. the “TIME-PROCEDURE” diagram is presented and demonstrates the time required to complete the procedures for exporting citrus fruits from Uzbekistan to Russia. Noting that part of the business processes can be performed simultaneously, it will take 11-12 days to deliver citrus fruits from Uzbekistan to Russia with the execution of all necessary documents, out of which 4-5 days takes the delivery of goods by road.

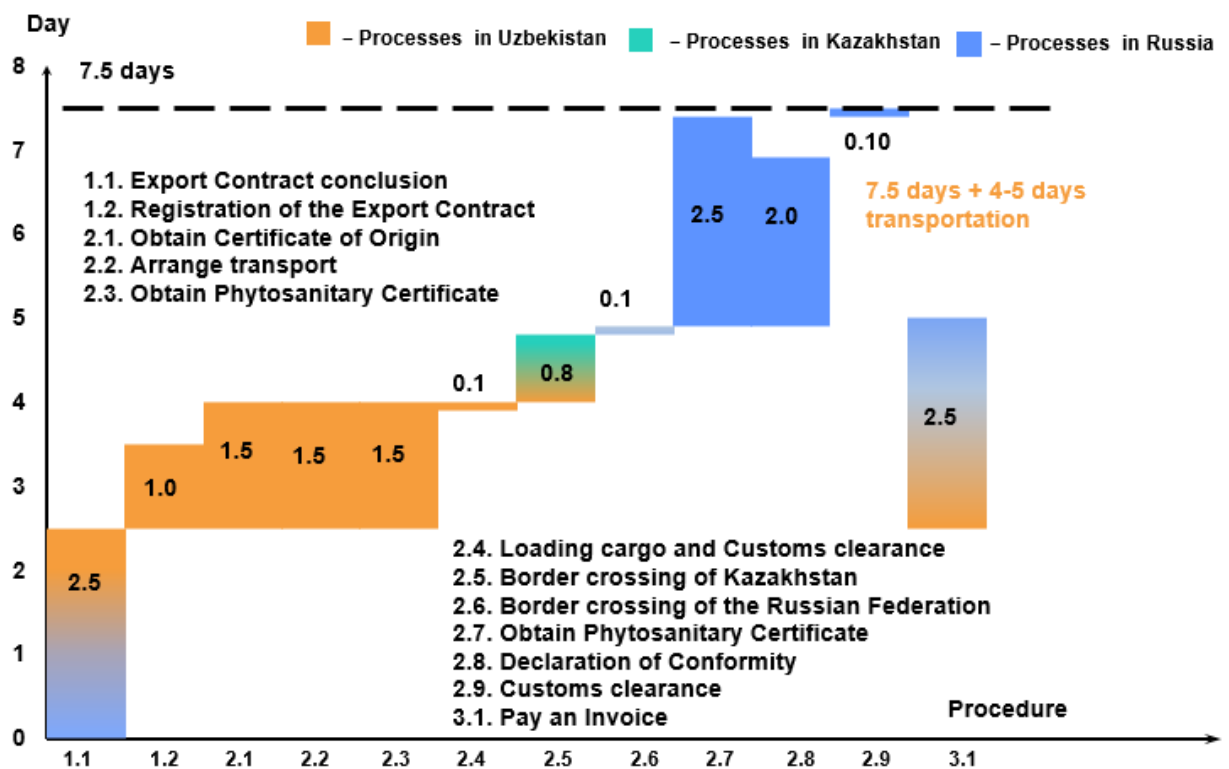


Chart 1.2. ‘TIME-PROCEDURE’ for citrus export from Uzbekistan to Russia

Table 46 presents the analysis of the bottlenecks (procedural requirements, requirements for data and documents, transparency or predictability) and recommendations for improvement.

**Table 45. Core business processes and stakeholders involved in cereal exports**

#	Core business process	Participant country	Duration, days		Cost		Predecessor	Simultaneous Tasks	Number of steps	Number of stakeholders involved
			Aver., days	%	USD	%				
<b>1.</b>	<b>Buy</b>									
1.1.	Export Contract conclusion	UZ, KZ	2,5	15,5%	-	0,0%	-		9	2
1.2.	Registration of the Export Contract	UZ	1,0	6,2%	-	0,0%	1.1.		5	2
<b>2.</b>	<b>Ship</b>									
2.1.	Obtain Certificate of Origin	UZ	1,5	9,3%	25,1	0,6%	1.1.	2.2.	7	2
2.2.	Arrange transport	UZ	1,5	9,3%	3 250,0	81,8%	1.1.	2.1,	9	2
2.3.	Obtain Phytosanitary Certificate	UZ	1,5	9,3%	-	0,0%	2.2.	2.4	11	3
2.4.	Loading cargo and Customs clearance	UZ	0,1	0,9%	41,0	1,0%	2.2.	2.1, 2.2	11	3
2.5.	Border crossing of Kazakhstan	UZ, KZ	0,8	4,7%	-	0,0%	2.4.	-	24	5
2.6.	Border crossing of the Russian Federation	KZ, RU	0,1	0,5%	-	0,0%	2.5.	-	6	3
2.7.	Obtain Phytosanitary Certificate	RU	2,5	15,5%		0,0%	2.6.	2.8	10	3
2.8.	Declaration of Conformity	RU	2,0	12,4%	131,6	3,3%	2.6.	2.7	10	3
2.9.	Customs clearance	RU	0,1	0,6%	493,4	12,4%	2.7, 2.8	-	7	2
<b>3.</b>	<b>Pay</b>									
3.1.	Pay an Invoice	UZ, KZ	2,5	15,5%	30	0,8%	1.1.	-	12	4
	<b>TOTAL:</b>		<b>16,1</b>		<b>3971,1</b>					

*Duration of transportation is not included in the business process and constitutes 4-5 days*

**Table 46. Analysis of bottlenecks based on the results of BPA study and recommendations for optimizing trade processes citrus export form Uzbekistan to Russia**

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
<b>1.</b>	<b>BUY</b>				
1.1.	Export Contract conclusion	This process is simple enough. Submission of scanned contract is sufficient for executing other business processes (where it is required). However, for accounting purposes, the original contract is still required.	Extra data and documents are not required.	Business process is transparent and understandable.	In the future, it is advisable to consider the possibility of digitalization of international contracts using EDS, by analogy with the portals used in Kazakhstan, for example <a href="https://doculite.com">https://doculite.com</a>
1.2.	Bank registration of the Export Contract	Process is automated, its execution is not difficult	Extra data and documents are not required.	Business process is transparent and understandable.	
<b>2.</b>	<b>SHIP</b>				
2.1.	Obtain Certificate of Origin	Process is automated, its execution is not difficult.	Expertise is carried out in most cases, which is not always justified.	Business process is transparent and understandable.	Revision of the requirements for conducting expertise is required, which is being made in most cases. It will also reduce the business process execution time.
2.2.	Arrange transport	Process is automated, its execution is not difficult.	Extra data and documents are not required.	Business process is transparent and understandable.	
2.3.	Obtain Phytosanitary Certificate	An application for a phytosanitary certificate is submitted online using the EDS.	Since this service is provided by government agencies under standard conditions, and also given that the issuance of a Phytosanitary Certificate is free, it is not required to conclude an offer agreement each time.	In general, the Process is understandable. However, fumigation is being made in all cases.	Optimize the process and eliminate the requirement to conclude an offer agreement each time the Exporter applies for a Phytosanitary Certificate.

#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/predictability	
2.4.	Loading cargo and Customs clearance	Application process to e-CCD is automated, execution is not complicated.	Extra documents are not required	Link to the page for electronic declaration lacks on the site of the customs body	It is necessary to systematize information on the website of the Customs authorities. It also requires its development, updating with relevant information
2.5.	Border crossing of Kazakhstan	Although the procedure is clear, there are often delays at checkpoints. This is mainly due to the limited capacity of checkpoints. The use of TIR carnet greatly simplifies the passage of checkpoints.	A large number of documents require for passage of checkpoints. Extra documents are not required	As several types of control are carried out at checkpoints, the procedure is rather complicated.	Consideration of the possibility of information exchange between border crossing points of neighboring countries is advisable. Some checkpoints require development and additional equipment. Kazakhstan's accession to the Add'l Protocol to CMR, (e-CMR) 2008, will have a positive impact on reducing the control time.
2.6.	Border crossing of Russian Federation	The process is not complicated. However, there are queues at some border crossings, mainly due to their insufficient capacity.		Business process is transparent and understandable.	Some border crossings require increased capacity.
2.7.	Obtain Phytosanitary Certificate	An application for a phytosanitary certificate is submitted online using the EDS.	Extra documents are not required	Business process is transparent and understandable.	
2.8.	Obtain Certificate of Conformity	The process is not complicated. online registration of declaration is stipulated.	Extra documents are not required	Some difficulties in choosing a conformity declaration scheme are taking place	It is advisable to develop information materials to explain the use of certain schemes for declaring conformity
2.9.	Customs clearance	The e-GD filing process is automated and not complicated. Customs clearance can be performed	Extra documents are not required	Business process is transparent and understandable.	The disadvantage of the process is the high customs fees.



#	Business processes	Observations			Recommendations
		Procedural requirements	Data and documentary requirements	Transparency/ predictability	
		automatically. The Federal Customs Service portal is very well organized, contains all the necessary information and links.			
<b>3.</b>	<b>PAY</b>				
3.1.	Pay an Invoice	In general, the Pay an Invoice business process is standard, as is customary in all countries. Currently, due to sanctions imposed on Russia, international payments can only be made through branches of Russian banks. Exporters have to open additional accounts in these branches.	Extra documents are not required	Business process is transparent and understandable.	

## ***MAIN CONCLUSIONS***

Twelve key business processes for export of citrus fruits from Uzbekistan to Russia are fully documented using the UNNExT modeling method and regulatory requirements analysis. As a result, recommendations for improvement have been developed.

It should be noted that Uzbekistan and the Russian Federation have made significant progress in digitalization and development of paperless technologies. Notably, the Russian sites are well systematized, automated, contain all the necessary up-to-date information necessary for the implementation of processes. In general, the export of citrus fruits is relatively uncomplicated, and, thanks to the government support of Uzbekistan, is well organized.

Despite the progress achieved, especially in terms of digitalization of many business processes, there are still some bottlenecks in export procedures. Based on the results of this study, the following main recommendations have been made aimed at facilitating trade procedures:

1. Despite the progress in the digitalization of Uzbekistan, some online resources require systematization, update and further development.
2. Despite the fact that an original of the Export Contract is no longer required in almost all processes, the original of the contract is still needed for accounting purposes.
3. It is recommended to abolish the requirements for conducting an expertise when obtaining a Certificate of Origin, which is given in most cases. This will also reduce the time to execute the business process.
4. It is strongly suggested to exclude the requirement stipulating conclusion of an offer agreement every time when Exporter applies for a Phytosanitary Certificate. Since this service is provided by the state bodies on the standard basis and free, it is possible to exclude the contract altogether, and ensure availability of required options (services) when performing an online application.
5. There are still delays at vehicle checkpoints and border crossings. Comprehensive measures are needed for their development and equipping. It is advisable to consider the possibility of exchanging customs and other information between countries to ensure the smooth movement of cargo. Expansion of the usage of e-CMR to all enroute countries (Kazakhstan has not yet acceded to the Additional Protocol to CMR, (e-CMR) 2008, is one of measures in this regard.)
6. To optimize delivery times and cut transport costs, it is recommended to continue work on the development of a regular container train within the framework of the “Agroexpress” project.

## SUMMARY CONCLUSIONS

The main elements of two business processes have been thoroughly analyzed in this study:

- Export of wheat, a vital product for the SPECA region, from Kazakhstan. that is a traditional supplier of high-quality rain-fed wheat to Tajikistan where wheat is practically not grown. Tajikistan is the country most dependent on wheat imports in the SPECA region.
- Exports of citrus fruits from Uzbekistan, a high value-added agricultural product that is grown on irrigated lands, where previously wheat, rice and cotton have been cultivated, and is exported to countries with a significant market of this product.

Application of the BPA methodology enabled analyzing the entire supply chain and cover all business processes, starting from concluding a contract, arranging transportation, obtaining all necessary permits, executing customs clearance, both in the country of departure and in the country of destination, passing border crossing procedures up to paying the contract. Based on the conducted BPA, the bottlenecks were identified for each component of the supply chain and recommendations were elaborated.

As a result of the analysis two main conclusions to be made:

Despite wheat being a staple food in the Central Asian region and being especially important for Tajikistan, which is the most import-dependent country, further facilitation measures are required. This can be achieved by improving the legal regulation, development of digitalization and paperless technologies in Tajikistan.

Uzbekistan's achievements in cultivation and export of agricultural products with high added value, which are based on comprehensive government support and the development of digital technologies, can serve as an example for other countries in the region, where irrigated lands are still used for production of wheat in order to ensure food "self-sufficiency". The example of Uzbekistan demonstrates that economic diversification can be beneficial and profitable. The direction of diversification of the economy should be reasonable and balanced, and achievements in the implementation of this goal are possible only on the basis of a systematic approach based on support from the state and development of public-private partnerships.

The geographical and climatic features of the countries of the SPECA region, as well as the historically based relationship and economic gravity between them, are the basis for the development of further sustainable trade partnerships in the region as important steps towards sustainable development. Facilitation of international trade has great potential allowing the countries capitalizing on investments and integration into the regional value chains that promote sustainable development for regional economic growth.

At the same time, for the development of international trade it looks important not only to develop cooperation and partnerships to ensure reliable supplies of vital or demanded products, but also to find ways to realize the countries respective capabilities. In this regard, "*Principles of Sustainable trade*"<sup>1</sup>, which were approved by SPECA countries in 2019 at the 14th session of the SPECA Governing Council, can serve as a guideline and catalyst for developing trade facilitation measures and identifying ways to implement them. Having considered each principle, the following can be noted against the background of this BPA:

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<sup>1</sup> Principles of Sustainable Trade, Fourteenth Session of the SPECA Governing Council, Ashgabat, Turkmenistan, 19 November 2019. Available at: [https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles\\_of\\_Sustainable\\_Trade\\_\\_Trade\\_\\_English.pdf](https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session14/Principles_of_Sustainable_Trade__Trade__English.pdf)

Regarding Principle 1. Attempts are being made by some of the countries to include trade in the national and sectoral strategies, but sometimes this is only declarative.

Uzbekistan is a positive example of progress towards implementation of Principle 1, where political will and appropriate government decisions have successfully developed the production of high-value agricultural products, as well as organizing their effective export. This example can also be given for the implementation of Principle 2, which calls for the encouragement of long-term investments in productive capacities, including the diversification and innovation of product and trade, bringing them into line with the requirements of sustainable development. The development of high-value agricultural production correlates also with Principle 5, which recommends focusing on export diversification and value addition.

Based on the results of this study, some countries in the region have to make additional efforts to achieve Principle 3 by adopting an appropriate regulatory framework so that trade may facilitate the transition to more sustainable and equitable growth. Improving the regulatory framework governing the import of wheat (and other products) is required in Tajikistan and Turkmenistan.

With regard to the development of a "green" economy (Principles 3, 4, 8 and 11), increasing resource conservation and energy efficiency, the rail transportation remains a significant problem, as due to transfer of wagons to the private sector following the reform of the railway transport, wagons are no longer used for load of cargo in the opposite direction (after unloading the export cargo), and return empty. Irrational use of wagons leads to inefficient use of resources and negatively affects the environment. Finding solution to this problem has been attempted for many years, but the solution has not been found yet. Given the scale of this problem, its solution will make significant progress in the development of the "green" economy.

Regarding Principle 9, proposing the exclusion of trade subsidies that negatively affect the environment, it is advisable recommending Turkmenistan to reconsider its approach to cultivating wheat on irrigated lands in favor of cultivating agricultural products with high added value. Growing wheat on irrigated lands leads to irrational use of water resources, and also does not allow growing high-quality wheat. It is also necessary to note the need for revision of the tax policy regarding wheat imports from other countries, since in the course of the study it was revealed that extremely high customs duties on wheat imports are being applied by Turkmenistan.

It is advisable for SPECA countries to make efforts on the recommendation of Principle 14: "Develop national sustainability standards for trade, which are related to international standards and best practices (connecting such standards in exporting and importing countries)". Here, the introduction of the International Phytosanitary Certificate in Tajikistan is one of the priorities as well as the ensuring the possibility of its electronic usage. The recognition of permits issued in another SPECA country (including a Phytosanitary Certificate) is also important.

Principle 13 is important from the point of view of facilitation of international trade procedures which recommends that non-tariff measures, aimed at protecting nature, society and the economy, should not be obstacles for trade. In the study it is assumed that, for example in Tajikistan, it is required to obtain Import Permit and Sanitary-epidemiological Certificate for imported wheat. It is also worthy to note that too many expertise, inspections and tests are being conducted in the countries under the study to collect permits. So, for example, a visual expertise is being done in Uzbekistan to obtain the Certificate of Origin of fruits. Fumigation of agricultural products is also carried out in almost all cases, both at the time of shipment of goods and upon its arrival in the country of destination.

In addition, measures are required with regard to recognition of documents confirming the quality and safety of products issued in another country in the region without additional checks and expertise. For example, Kazakhstan's documents confirming the quality and safety of grain are

not taken into account in Tajikistan. These measures aim at ensuring the safety of products, but can lead to unreasonable and unnecessary checks.

It is natural that the reduction of barriers and simplification of international trade procedures will allow intensifying involvement of small and medium-sized enterprises in the process of cereal and citrus exports (Principle 20).

To sum up, it is to be noted that for inclusion of the *Principles of Sustainable trade* in the national plans for sustainable development, it is necessary not only declaring them but also developing specific measures to achieve them, which can be determined through using various mechanisms, including further BPA studies.

# ANNEXES

## ANNEX 1. LIST OF QUESTIONS FOR INTERVIEW

### WHEAT EXPORT FROM KAZAKHSTAN

#### General questions

Appellation of the company
Full name, position, contacts of the respondent.
How long has the company been on the market?
Can any company become a grain Exporter or are special conditions/requirements required?
What countries supplies are being made?
What is the annual supply volume to Tajikistan/Turkmenistan (if any)
Do supply volumes depend on the season and how?
What are the terms of delivery of INCOTREMS under which delivery is usually carried out?
Pls specify issues being faced by a grain Exporter
What sort of changes have taken place for the latest year?

#### Contract conclusion

How long before delivery usually a contract is concluded?
How long does it usually take to sign a contract
Is the contract recognized electronically or original of the contract is required in the future?
How long does it take to receive original contract?
Is contract registration required in line with currency control requirements? In what cases?
What sort of documents does it require for registration of the contract?
Is it possible to register a contract online? On what resource it is possible to implement (which bank do you deal with)?
What problems do you face when concluding a contract?
What could be improved?

#### Phytosanitary certificate

How phytosanitary certificate is received? Main steps and actions
At what stage a phytosanitary certificate is received?
Who does undertake checking of the product?
What documents are required?
Is it possible to apply online? <a href="https://www.elicense.kz">https://www.elicense.kz</a> ?
The certificate is received in paper form?
How many days does it take to receive a phytosanitary certificate?
How much does it cost to receive a phytosanitary certificate or services related to its receiving?
What problems do you face when concluding a contract?
What could be improved?

#### Confirmation (receipt) of quota

How does quota be received? Main steps and actions
At what stage quota is received?
What documents are required?
Is it possible to apply online? What is online resource?
Is the quota issued in paper form?
How many days does it take to receive a quota?
How much does it cost to receive quota or services related to its receiving
What problems do you face when concluding a contract?
What could be improved?

#### Import quarantine permit (import permit) in the country of destination

Is import permit required in Tajikistan?
Is import permit required in Turkmenistan?
Who receives an import permit - an Exporter or an Importer?
Which body in Tajikistan issues? Is it available online?
How many days does it take?
Which body in Turkmenistan issues? Is it available online?
How many days does it take?
How much does it cost?

Is it required in RK to attach a paper permit in paper form? Is an electronic copy sufficient?
How much does it cost to obtain a certificate or services related to its obtaining?
What problems do you face when concluding a contract?
What could be improved?

### **Certificate of origin**

How does a certificate of origin be received? Main steps and actions
At what stage certificate of origin is received?
What documents are required?
Is it possible to apply online? <a href="https://doculite.kz/">https://doculite.kz/</a>
Is it possible to receive a certificate online?
Is it sufficient to provide electronic copy or paper form is required?
How much does a certificate or services related to obtaining it cost?
How long does it take to get a certificate?
What problems do you face?
What could be improved?
Is a certificate required when exporting to Tajikistan and Turkmenistan

### **Cereal Quality Passport and Declaration of Conformity**

How a passport and a declaration are received? Basic steps and actions
At what stage documents are received?
What documents are required?
Is online application to a certification body possible?
Is it possible to obtain it online?
Is it sufficient to provide electronic copy of documents or paper form is required?
How much does documents or services related to obtaining it cost?
How long does it take to obtain these documents?
What problems do you face?
What could be improved?
Are these documents required in Tajikistan and Turkmenistan?

### **Fumigation Act**

How an act is received? Basic steps and actions?
At what stage an act is received?
What documents are required?
Is it possible to apply online? And what is the site?
Is it possible to receive an act online?
Is it sufficient to provide electronic copy of documents or paper form is required?
How much does an act or services related to obtaining it cost?
How long does it take to obtain it?
What problems do you encounter?
What could be improved?
Is the act required in Tajikistan and Turkmenistan?

### **Other documents**

Are any another documents required?
How and where are they received? Main actions and steps
What documents are required?
Cost and terms of obtaining receiving
What problems do you face?
What could be improved?

### **Organization of transportation**

What mode of transport is used for transportation to Tajikistan? Or Turkmenistan?
Does transportation is organized on your own or through a forwarder?
Do you involve a forwarder in Uzbekistan when transporting to Tajikistan? When returning wagons from Turkmenistan
Do you search wagons on own or a forwarder in case of rail transportation?
What are actions and steps for organizing transportation?
What documents are required?
How much does a wagon cost per day?
A contract is required for the use of access roads or do you have your own?
How long does it take to transport to Tajikistan? To Turkmenistan?

What problems do you face
What could be improved?

### **Customs clearance (and loading)**

Customs clearance is carried out on your own or through a broker?
What are actions and steps?
What documents are required?
Who performs pre-declaration at the border?
Who carries out customs clearance in Tajikistan? to Turkmenistan?
What problems do you encounter?
What could be improved?

### **Payment**

Do you use a letter of credit when transporting to Tajikistan? to Turkmenistan?
If yes, is it possible to apply online?
What documents are required for a letter of credit?
How long does it take?
How much does it cost to issue a letter of credit?
What problems do you encounter?
What could be improved?
If not, how and in what sequence are payments made?
What are the costs if without a letter of credit?
What problems do you encounter?
What could be improved?

## **GRAIN IMPORT TO TAJIKISTAN / TURKMENISTAN**

### **General questions**

Business name
Full name, position, contacts of the respondent
How long has the company been on the market?
Can any company become an Importer or are there special requirements?
From which countries are deliveries made?
How much is delivered from Kazakhstan per year?
Do supply volumes depend on the season and how?
On what terms of delivery of INCOTREMS is delivery usually carried out from Kazakhstan?
Pls specify issues being faced by an Importer.
How the situation has changed during the last year?

### **Contract conclusion**

How long before delivery is a contract usually concluded? Are there long term contracts?
How long does it usually take to sign a contract?
Is the contract recognized (for accounting/banking) in the form of an electronic copy or is the original contract required in the future?
How long does it take to receive the original contract?
What problems do you face when concluding a contract?
What could be improved?

### **Currency control**

Is it required to draw up a contract on the exchange?
If yes, how is it done? What documents are required? Are electronic copies accepted or original documents required?
How much does it cost to execute a contract on the exchange?
it possible to draw up a contract on the stock exchange online? Pls provide of the online service
Is the state structure/organization responsible for the replenishment of the strategic food stock, budget contributions or other tasks involved in the execution of the contract?
If a state structure / organization is involved, on what conditions? What is the order of interaction? What documents are required? Is it possible to apply online? Specify an online resource
Is registration of the contract required in accordance with the requirements of currency control? In which cases?
What documents are required to register a contract? Are original documents required or is an electronic copy sufficient?
Is it possible to register a contract online? On what resource can be carried out (the bankproviding service)?
What problems do you face in fulfilling the currency control requirement?



What could be improved?
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**Import quarantine permit**

When importing wheat, is an import quarantine permit required? s the permit required permanently or in accordance with the issuance of special regulatory documents (epidemiological situation)?
At what stage (concerning the delivery) do they also receive an import quarantine permit?
Which authority issues?
What documents are required?
Is it possible to apply online? Specify online resource
Permit is received in the paper form?
How many days does it take?
How much does it cost to obtain a permit or services related to obtaining it?
What problems do you face when obtaining a permit?
What could be improved?

**Phytosanitary certificate**

How a phytosanitary certificate received? Basic steps and actions.
At what stage (concerning delivery) a phytosanitary certificate is received?
Which body inspects products? Which authority issues the certificate?
What documents are required?
Is it possible to apply/obtain online? What are resource/s
Is paper submission required?
How long does it take to receive a phytosanitary certificate?
How much does it cost to obtain a permit or services related to obtaining it?
What problems do you face?
What could be improved?

**Sanitary and epidemiological conclusion**

How SEZ is received? Basic actions and steps
At what stage (regarding delivery) SEZ is received?
What body inspects products? What body issues SEZ?
What documents are required?
Is it possible to apply/obtain online? What are resource/s?
Is it required to obtain a SEZ in paper form?
How long does it take to receive SEZ?
How much does it cost to obtain SEZ or services related to obtaining it?
What problems do you face?
What could be improved?

**Certificate of Conformity**

Is a certificate of conformity required? Is it mandatory?
How a certificate of conformity received?
At what stage (concerning delivery a certificate of conformity received?
What body performs inspection of the product? What body issues?
What are required documents?
Is it possible to apply/obtain certificate of conformity online? What are online resource/s?
Is it possible to obtain a certificate of conformity in paper form?
How long does it take to receive it?
How much does a certificate of conformity and/or services related to obtaining it cost?
What problems do you face?
What could be improved?

**Other documents**

Are any documents required?
How and where are they received? Main steps and actions
What documents are required?
Cost and terms of obtaining?
What problems do you face?
What could be improved?

**Organization of transportation**

By what transport and route do you transport grain from Kazakhstan
Transportation is organized on own or by a forwarder?

Do you involve a transit forwarder in Uzbekistan? Or only when returning wagons from Turkmenistan via Uzbekistan?
Is a contract required for the use of access roads or do you have own?
Is it necessary to conclude a contract with an elevator / grain receiving point or do you have your own?
What are actions and steps for organizing transportation?
What documents are required?
How long does it take to transport to Turkmenistan?
Cost of transporting a wagon wheat Astana-Ashgabat
What problems do you face?
What could be improved?

### **Customs clearance**

Customs clearance is carried out on your own or through a broker
What are actions and steps?
What documents are required?
Who carries out preliminary declaration/customs bodies' informing before crossing a checkpoint?
Presence of a representative at the border is required?
Is there any online resource for preliminary declaration/information and full customs clearance?
Are there any import duties on goods TNVED 1001 (wheat)?
Does the application of import duties on wheat depend on the country of origin? A certificate of origin of the RK is required?
Is VAT applied to goods TNVED 1001 (wheat)?
What problems do you face?
What could be improved?

### **Payment**

Do you use a letter of credit?
If yes, is it possible to apply online?
What documents are required for a letter of credit?
How long does it take?
How much does it cost?
What problems do you face?
What could be improved?
If not, how and in what sequence are payments made?
What are the costs without a letter of credit?
What problems do you face?
What could be improved?

## **CITRUS EXPORT FROM UZBEKISTAN**

### **General trends**

Business name
Full name, position, contacts of the respondent
How long has the company been on the market?
Can any company become a citrus Exporter or are there special requirements?
Which countries are delivered to?
How much is delivered per year?
Do supply volumes depend on the season and how?
On what terms of delivery of INCOTREMS is delivery usually carried out?
Pls. specify issues being faced by a citrus Exporter.
How the situation has changed during the last year?

### **Contract conclusion**

How long before delivery is a contract usually concluded? Are there long term contracts?
How long does it usually take to sign a contract?
Is the contract recognized in the form of an electronic copy or is the original contract required in the future?
How long does it take to receive the original contract?
Is registration of the contract required in accordance with the requirements of currency control? In which cases?
What documents are required to register a contract? Are original documents required or is an electronic copy sufficient?

Is it possible to register a contract online? On what resource it can be carried out (which bank do you deal with?)
What problems do you face when concluding a contract?
What could be improved?

### **Currency control**

Is it required to draw up a contract on the exchange?
If yes, how is it done? What documents are required? Are electronic copies accepted or original documents required?
How much does it cost to execute a contract on the exchange?
Is it possible to draw up a contract on the stock exchange online? Pls provide the address of the online service
Is the state structure/organization responsible for the replenishment of the strategic food stock, budget contributions or other tasks involved in the execution of the contract?
If a state structure / organization is involved, on what conditions? What is the order of interaction? What documents are required? Is it possible to apply online? Specify an online resource
Is registration of the contract required in accordance with the requirements of currency control? In which cases?
What documents are required to register a contract? Are original documents required or is an electronic copy sufficient?
Is it possible to register a contract online? On what resource can be carried out (the bank providing service)?
What problems do you face when implementing currency control requirements?
What could be improved?

### **Phytosanitary certificate**

How a phytosanitary certificate received? Basic steps and actions.
At what stage (concerning delivery) a phytosanitary certificate is received?
Which body inspects products? Which authority issues the certificate?
What documents are required?
Is it possible to apply/obtain online? What are resource/s?
Is certificate received in paper form?
How long does it take to receive a phytosanitary certificate?
How much does it cost to obtain a certificate or services related to obtaining it?
What problems do you face?
What could be improved?

### **Certificate of origin**

Is certificate of origin required? In what countries (Russian and Kazakhstan)
How does a certificate be received? Main steps and actions
At what stage certificate of origin is received?
What documents are required?
Is it possible to apply online?
Is it possible to receive a certificate online?
Is it sufficient to provide electronic copy or paper form is required?
How much does a certificate or services related to obtaining it cost?
How long does it take to get a certificate?
What problems do you encounter?
What could be improved?
Is a certificate required when exporting to Tajikistan and Turkmenistan?

### **Fumigation Act**

Is fumigation act required?
How an act is received? Basic steps and actions
At what stage an act is received?
What documents are required?
Is it possible to apply online? And what is the site?
Is it possible to receive an act online?
Is it sufficient to provide electronic copy of documents or paper form is required?
How much does an act or services related to obtaining it cost?
How long does it take to obtain it?
What problems do you encounter?
What could be improved?
Is fumigation act required in Tajikistan and Turkmenistan?

### **Certificate of Conformity**

Is a certificate of conformity required? Is it mandatory?
How a certificate of conformity received?
At what stage (concerning delivery a certificate of conformity received)?
What body performs inspection of the product? What body issues?
What are required documents?
Is it possible to apply/obtain certificate of conformity online? What are online resource/s?
Is it possible to obtain a certificate of conformity in paper form?
How long does it take to receive SEZ?
How much does a certificate of conformity and/or services related to obtaining it cost?
What problems do you face?
What could be improved?

#### **Other documents**

Are any documents required?
How and where are they received? Basic actions and steps?
What documents are required?
Cost and terms of obtaining?
What problems do you face?
What could be improved?

#### **Organization of transportation**

By what transport and route do you transport the citrus from Uzbekistan
Transportation is organized on your own or by a forwarder?
Do you involve a forwarder?
Is a contract required for the use of access roads or do you have own?
Is it necessary to conclude a contract with an elevator / grain receiving point or do you have your own?
What are actions and steps for organizing transportation?
What documents are required?
Do you transport by Agroexpress?
What are the features of transportation in Agroexpress? who are you contacting? What are the steps? Which documents?
What are actions and steps for organizing the transportation? Какие действия и шаги по организации перевозки?
What documents are required?
How long does it take to transport to Russia? To Kazakhstan?
How much does transportation by road? How much does it cost by Agroexpress?
What problems do you face?
What could be improved?

#### **Customs clearance**

Customs clearance is carried out on your own or through a broker
What are actions and steps?
What documents are required?
Who carries out preliminary declaration/informing the customs authorities before crossing the border int?
Presence of a representative at the border is required?
Is there any online resource for preliminary declaration/informing and full customs clearance?
Are there export duties on goods TNVED 0805 (citrus fruits)?
What problems do you face?
What could be improved?

#### **Payment**

Do you use a letter of credit when transporting to Russia? To Kazakhstan?
If yes, is it possible online?
What documents are required for a letter of credit?
How long does it take?
How much does it cost for a letter of credit?
What problems do you face?
What could be improved?
If not, how and in what sequence payments are made?
What are the costs without a letter of credit?
What problems do you face?
What could be improved?

## **ANNEX 2. MAIN REGULATORY LEGAL DOCUMENTS**

### **INTERNATIONAL CONVENTIONS AND AGREEMENTS**

#### **TRADE**

- Marrakesh Agreement on the Establishment of the World Trade Organization dated April 15, 1994. Member countries of the SPECA region:
  - Kyrgyz Republic, December 20, 1998,
  - Tajikistan, March 2, 2013,
  - Kazakhstan, November 30, 2015,
  - Afghanistan, July 29, 2016.
- Free Trade Zone Agreement (CIS countries) dated 18.10.2011<sup>1</sup>.

#### **EFFICIENT WATER MANAGEMENT**

- Agreement between the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Uzbekistan, the Republic of Tajikistan and Turkmenistan on cooperation in the field of joint management of the use and protection of water resources of interstate sources<sup>2</sup>.

#### **CUSTOMS ACTIVITIES, PROCEDURES AND CLEARANCE**

- Revised Kyoto Convention (2006)<sup>3</sup> (Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan),
- International Convention on the Harmonization of Frontier Controls of Goods (1982)<sup>4</sup>. Member countries of the SPECA region that have ratified the convention: Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan.

#### **RAILWAY TRANSPORT**

- Agreement on International Goods Transport by Rail (SMGS/SMGS, 1951) (as amended on 1.07.2022)<sup>5</sup>, including all annexes and service instructions. All SPECA countries are OSJD members.

#### **ROAD TRANSPORT**

- Contract Road Goods Transport (CMR) ,1956,
- TIR Convention, 1959; TIR Convention, 1975.

#### **CONVENTIONS RELATED TO PLANT PRODUCTS AND THEIR TRANSPORT**

- International Plant Protection Convention (1951). Member countries of the SPECA region that have ratified the convention: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Uzbekistan,
- Agreement on the Application of Sanitary and Phytosanitary Measures of the World Trade Organization (Marrakesh, dated April 15, 1994),
- Agreement on cooperation in the field of plant quarantine of the member States of the Commonwealth of Independent States (Moscow, 28.10.2016),
- Agreement on the International Carriage of Perishable Foodstuffs and on Special Vehicles Designed for These Carriages 1970 г.<sup>6</sup> Member countries of the SPECA region that have ratified

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<sup>1</sup> <http://cis.minsk.by/reestr2/doc/3183#text>

<sup>2</sup> [http://icwc-aral.uz/statute1\\_ru.htm](http://icwc-aral.uz/statute1_ru.htm)

<sup>3</sup> [http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/conventions/pf\\_revised\\_kyoto\\_conv/instruments.aspx](http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/conventions/pf_revised_kyoto_conv/instruments.aspx)

<sup>4</sup> <https://unece.org/legal-instruments-field-transport-45>

<sup>5</sup> <https://osjd.org/ru/8978/page/106077?id=2247>

<sup>6</sup> [https://unece.org/DAM/trans/main/wp11/ATP\\_publication/2020/ECE\\_TRANS\\_290\\_Ru\\_web\\_protected.pdf](https://unece.org/DAM/trans/main/wp11/ATP_publication/2020/ECE_TRANS_290_Ru_web_protected.pdf)

the convention: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Uzbekistan,

- International Grain Agreement (1995) and Food Aid Convention (1999).

## **MULTILATERAL/BILATERAL AGREEMENTS**

- Agreement on the Application of Technical, Medical, Pharmaceutical, Sanitary, Veterinary, Phytosanitary Norms, Rules and Requirements for Goods Imported into the CIS Member States dated September 28, 2001,
- Agreement on the Procedure for Interaction in the Hygienic Assessment of Potentially Hazardous Products Imported to the Member States of the Commonwealth of Independent States dated April 16, 2004.

## **LEGISLATION OF THE REPUBLIC OF KAZAKHSTAN (WHEAT EXPORT)**

### **CUSTOMS CLEARANCE<sup>1</sup>:**

- Treaty on the Eurasian Economic Union (Astana, 29.05.2014.), ratified by the Law of the RK No. 240-V dated 14.11.2014<sup>2</sup>,
- Treaty on the "Customs Code of the Eurasian Economic Union", ratified by the Law of the Republic of Kazakhstan "On Ratification of the Treaty on the Customs Code of the Eurasian Economic Union" No. 115-VI 3PK dated 13.12.2017<sup>3</sup>,
- The Code of the Republic of Kazakhstan "On Customs Regulation in the Republic of Kazakhstan", approved by the Order of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan No. 612 dated 2.08.2019<sup>4</sup>,
- Decree of the Government of the RK<sup>5</sup> No.1478 dated 30.12.2010 "On Approval of the Agreement on the Rules for Determining the Country of Origin of Goods in the Commonwealth of Independent States"<sup>6</sup>,
- Decree of the Government of the RK No.171 dated 5.04.2018 "On approval of the rates of customs fees collected by state revenue authorities"<sup>7</sup>,
- Decision of the CCU<sup>8</sup> on Instructions for Filling in the Customs Declarations and Forms of Customs Declarations, No. 257, 20.05.2010 (with actual amended)<sup>9</sup>,
- Decision of the EAEG IGC No.5 dated 20.07.2020 "On the non-marking of customs authorities in transport, commercial and other documents when performing customs operations in electronic form"<sup>10</sup>,
- The Decision of CUC No. 688 dated 22.06.2011 "On Uniform standard requirements for equipment and material and technical equipment of buildings, premises and facilities necessary for the organization of state control at checkpoints across the customs border of the Eurasian Economic Union, Classification of checkpoints across the customs border of the Eurasian Economic Union and the form of the Passport of a checkpoint across the customs border of the Eurasian Economic Union"<sup>11</sup>.

### **SANITARY AND EPIDEMIOLOGICAL SUPERVISION, VETERINARY AND SANITARY MEASURES, PLANT QUARANTINE<sup>12</sup>:**

- Decision of the CTC No. 299 dated May 28, 2010 "On the application of sanitary measures in

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<sup>1</sup> Pls see sites: [www.eurasiancommission.org](http://www.eurasiancommission.org) [www.online.zakon.kz](http://www.online.zakon.kz) [www.adilet.zan.kz](http://www.adilet.zan.kz) and others.

<sup>2</sup> <https://adilet.zan.kz/rus/docs/Z1400000240>

<sup>3</sup> <https://adilet.zan.kz/rus/docs/Z1700000115>

<sup>4</sup> <https://adilet.zan.kz/rus/docs/V1900019188>

<sup>5</sup> ПП РК – Постановление Правительства Республики Казахстан

<sup>6</sup> <https://adilet.zan.kz/rus/docs/P1000001478>

<sup>7</sup> <https://adilet.zan.kz/rus/docs/P1800000171>

<sup>8</sup> CCU – Commission of the Customs Union.

<sup>9</sup> <https://adilet.zan.kz/rus/docs/H10T0000257>

<sup>10</sup> <https://adilet.zan.kz/rus/docs/H20M0000005>

<sup>11</sup> <https://adilet.zan.kz/rus/docs/H11T0000688>

<sup>12</sup> Pls see sites: [www.online.zakon.kz](http://www.online.zakon.kz), [www.mz.gov.kz](http://www.mz.gov.kz), <http://adilet.zan.kz>

the Eurasian Economic Union”, including the “Unified list of products (goods) subject to state sanitary and epidemiological control at the customs border and customs territory of the EAEU” (Appendix 1 to the Decision) and "The procedure for conducting state sanitary and epidemiological supervision (control) at the customs border of the Eurasian Economic Union and on the customs territory of the Eurasian Economic Union" (Appendix 4)<sup>1</sup>,

- Decision CTC No. 318 dated June 18, 2010 “On Ensuring Plant Quarantine in the Eurasian Economic Union”, including the “List of Quarantine Products” (Appendix 1 to the Decision), “Regulations on the Procedure for Implementing Quarantine Phytosanitary Control (Surveillance) at the Customs Border of the EAEU ”(Appendix 2) and "Regulations on the procedure for the implementation of quarantine phytosanitary control (supervision) in the customs territory of the EAEU" (Appendix 3)<sup>2</sup>,
- Law of the Republic of Kazakhstan No. 344-I dated 11.02.1999 “On Plant Quarantine” (with current amendments)<sup>3</sup>,
- Order of the Minister of Agriculture of the RK No.15-08/590 dated 29.06.2015 “On approval of the Rules for the protection of the territory of the Republic of Kazakhstan from quarantine objects and alien species”<sup>4</sup>.

### **CERTIFICATE OF CONFORMITY, PASSPORT OF QUALITY**

- Decision of CTC No.874 dated 09.12.2011 "On the adoption of the technical regulations of the Customs Union "On the safety of grain"<sup>5</sup>,
- Order of the Ministry of Agriculture of the Republic of Kazakhstan "On approval of the requirements for the procedure of the examination of grain quality and the issuance of a grain quality passport" No. 4-1/364 dated 23.04.2015<sup>6</sup>.

### **CERTIFICATE OF ORIGIN**

- Order of the Minister of Trade and Integration of the RK “On approval of the Rules for determining the country of origin of goods, the status of goods of the Eurasian Economic Union or foreign goods, issuing a certificate of origin of goods and canceling its validity, establishing forms of a certificate for determining the country of origin of goods No. 454-НҚ от 13.07.2021<sup>7</sup>,
- Order of the Deputy Prime Minister of the Republic of Kazakhstan – Minister of Industry and New Technologies of the Republic of Kazakhstan "On approval of the list of documents confirming the origin of goods" No. 257 dated 8.07.2014<sup>8</sup>.

### **CURRENCY CONTROL**

- Resolution of the Board of the National Bank of the Republic of Kazakhstan “On approval of the Rules for the implementation of export-import currency control in the Republic of Kazakhstan” No. 42 от 30.03.2019<sup>9</sup>.

### **ПОЛУЧЕНИЕ КВОТЫ НА ЭКСПОРТ ПШЕНИЦЫ И МУКИ**

- Order of the Minister of Agriculture of the Republic of Kazakhstan "On some issues of export of certain goods from the territory of the Republic of Kazakhstan" No. 110 from 04.16.2022<sup>10</sup>,
- Order of the Acting Minister of Agriculture of the Republic of Kazakhstan "On some issues of export of certain goods from the territory of the Republic of Kazakhstan". No. 215 dated 5.07<sup>11</sup>.

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<sup>1</sup> <https://adilet.zan.kz/rus/docs/H10T0000299>

<sup>2</sup> <https://adilet.zan.kz/rus/docs/H10T0000318>

<sup>3</sup> [https://adilet.zan.kz/rus/docs/Z990000344\\_](https://adilet.zan.kz/rus/docs/Z990000344_)

<sup>4</sup> <https://adilet.zan.kz/rus/docs/V1500012032>

<sup>5</sup> <https://adilet.zan.kz/rus/docs/H11T0000874>

<sup>6</sup> <https://adilet.zan.kz/rus/docs/V1500011581>

<sup>7</sup> <https://adilet.zan.kz/rus/docs/V2100023514#z1137>

<sup>8</sup> <https://adilet.zan.kz/rus/docs/V1400009665>

<sup>9</sup> <https://adilet.zan.kz/rus/docs/V1900018539>

<sup>10</sup> <https://adilet.zan.kz/rus/docs/V2200027608>

<sup>11</sup> <https://adilet.zan.kz/rus/docs/V2200028713>

## **LEGISLATION OF THE REPUBLIC OF TAJIKISTAN (WHEAT IMPORT)<sup>1</sup>**

- Law of the Republic of Tajikistan “On grain and products of its processing”, Adopted by the Decree of MN MORT No.969 dated 13.12.2017,
- Law of RT “On currency regulation and currency control” dated 13.06.2013<sup>2</sup>,
- Decree of the Government of the Republic of Tajikistan No. 244 dated June 5, 2002 “Charter of the Railway Transport of the Republic of Tajikistan”.

## **SANITARY AND EPIDEMIOLOGICAL SUPERVISION, PLANTS QUARANTINE**

- Law of the Republic of Tajikistan “On Quarantine and Protection of Plants”, Adopted by the Resolution of MN MORT No. 1233 dated r 28.11.2018,
- Decree of the Government of the Republic of Tajikistan No. 376 dated June 23, 2020 “Rules and norms for ensuring quarantine and plant protection”,
- Decree of the Ministry of Health and Social Protection of the Population of the Republic of Tajikistan No. 175 dated March 20, 2019 “On the Procedure for State Registration of Certain Types of Materials and Goods”,
- Decree of the Government of the Republic of Tajikistan No. 272 of May 16, 2020 "Regulations on the State Sanitary and Epidemiological Surveillance Service",
- Decree of the Government of the Republic of Tajikistan No. 595 of December 29, 2017 "On the Food Security Committee under the Government of the Republic of Tajikistan",
- Law of the Republic of Tajikistan “On food safety” No. 890 dated August 1, 2012 (as amended),
- Law of the Republic of Tajikistan “On Permit System” No. 751 dated August 2, 2011 (as amended),
- Decree of the Government of the Republic of Tajikistan No. 139 dated March 31, 2004 “On approval of the procedure for execution, registration and issuance of a sanitary and epidemiological conclusion”,
- Law of the Republic of Tajikistan No. 759 “On Conformity Assessment” No. 759 dated August 2, 2011,
- Health Code of the Republic of Tajikistan adopted by the Decree of the MH MORT No.712 dated 15.03.2017;
- Law of the Republic of Tajikistan “On Standardization” No. 668 dated 29.12. 2010,
- Decree of the Government of the Republic of Tajikistan No. 310 of June 18, 2012 “On the List of goods (works, services) subject to mandatory certification”,
- Decree of the Government of the Republic of Tajikistan No. 286 dated May 31, 2018 “On the Action Plan to reduce the time and costs of subjects of foreign economic activity for the export, import and transit of goods”<sup>3</sup>.

## **CUSTOMS CLEARANCE**

- Customs Code of the Republic of Tajikistan dated 03.12.2004 (with current amendments),
- Order of the Customs Service under the Government of the Republic of Tajikistan dated August 28, 2009, No. 139-φ “Instruction on the procedure for filling out a cargo customs declaration and a transit declaration”,
- Decree of the Government of the Republic of Tajikistan No. 399 dated August 8, 2018; "On the rates of import customs duties of the Republic of Tajikistan" 4,

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<sup>1</sup> All regulatory documents are available on the site <https://tajtrade.tj/>

<sup>2</sup> <https://parlament.tj/index.php/news/247-zakon-respubliki-tadzhikistan-o-valyutnom-regulirovanii-i-valyutnom-kontrolle>

<sup>3</sup> <https://tajtrade.tj/media/286.pdf>

<sup>4</sup> <https://medt.tj/documents/main/normativno-pravovie-akti/podzakonnii-akti/ru/rus.pdf>



- Order of the Customs Service under the Government of the Republic of Tajikistan No. 189-φ dated August 19, 2014 “On the introduction of electronic declaration”,
- Order of the Customs Service under the Government of the Republic of Tajikistan No. 85-φ dated May 21, 2009 “List of documents and information required for customs clearance”.

### **LEGISLATION OF TURKMENISTAN (WHEAT IMPORT)**

- Law of Turkmenistan “On plants quarantine”<sup>1</sup> dated 21.08.2009,
- Law of Turkmenistan “On grain growing”<sup>2</sup> dated 29.03.2017,
- Law of Turkmenistan “On foreign economic activity” dated 25.08.2014<sup>3</sup>,
- Law of Turkmenistan “On currency regulation and currency control in foreign economic relations” dated 08.10.2011<sup>4</sup>,
- Customs Code of Turkmenistan<sup>5</sup>,
- The Procedure for filling out CCD and transit declaration<sup>6</sup>,
- Law of Turkmenistan “On certification” dated 27.12.2013<sup>7</sup>,
- Law of Turkmenistan “On Commodity Exchanges and Exchange Trade” dated 11.03.2011<sup>8</sup>.

### **LEGISLATION OF THE UZBEKISTAN (CITRUS EXPORT)**

- Decree of the President of the Republic of Uzbekistan “On additional measures to stimulate the export of fruits and vegetables, grapes and melons” No. ПП-2603 dated 19.09.2016<sup>9</sup>,
- Decree of the President of the Republic of Uzbekistan “On measures to further support of domestic exporting organizations and improve foreign economic activity” No. ПП-3077 dated 21.06.2017 г.<sup>10</sup>,
- Law of the Republic of Uzbekistan on E-Government No.3PY-395 of 09.12.2015<sup>11</sup>.

### **CURRENCY CONTROL**

- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On measures to further improve the monitoring of foreign trade operations in the Republic of Uzbekistan” No. 283 dated 14.05.2020<sup>12</sup>,
- Law of the Republic of Uzbekistan “On the contract and legal base of activity of business entities” No. 670-I dated 29.08.1998<sup>13</sup>.

### **CUSTOMS CLEARANCE**

- Customs Code of the Republic of Uzbekistan (22.04.2016)<sup>14</sup>,
- Resolution of the State Customs Committee of the Republic of Uzbekistan “On approval of instructions on the procedure for filling out a cargo customs declaration” No. 2773 dated 06.04.2016<sup>15</sup>,

<sup>1</sup> <https://www.parahat.info/law/2009-08-21-zakon-turkmenistana-o-karantine-rastenyi>

<sup>2</sup> <https://www.parahat.info/law/parahat-info-law-01yh>

<sup>3</sup> <https://www.parahat.info/law/2014-08-25-zakon-turkmenistana-o-vneshneekonomicheskoy-deyatelnosti>

<sup>4</sup> <https://www.parahat.info/law/2011-10-08-zakon-turkmenistana-o-valyutnom-regulirovanii-i-valyutnom-kontrole-vo-vneshneekonomicheskikh-otnosheniyah>

<sup>5</sup> <https://customs.gov.tm/ru/pages/customs-code>

<sup>6</sup> <https://customs.gov.tm/customs-info/for-legal-entities>

<sup>7</sup> <https://www.parahat.info/law/2013-12-27-zakon-turkmenistana-o-sertifikacii>

<sup>8</sup> <https://www.parahat.info/law/2014-03-11-zakon-turkmenistana-o-tovarno-syrevyih-birjah-i-birjevoy-torgovle>

<sup>9</sup> <https://lex.uz/ru/docs/3031556>

<sup>10</sup> <https://lex.uz/docs/3242621>

<sup>11</sup> <https://lex.uz/docs/2833855>

<sup>12</sup> <https://lex.uz/docs/4812424>

<sup>13</sup> <https://lex.uz/docs/10872>

<sup>14</sup> <https://lex.uz/docs/2876352>

<sup>15</sup> <https://lex.uz/docs/2924953>

- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the list of documents being submitted to the state customs authorities in the course of export-import operations” No.197 dated 20.07.2015<sup>1</sup>,
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On further improvement of the procedure for customs declaration of goods in electronic form” No. 605 dated 02.08.2018<sup>2</sup>.
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the list of documents to be submitted to state customs authorities in the implementation of export-import operations” No.197 dated 20.07.2015<sup>3</sup>,
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On the procedure for customs clearance of goods in electronic form” No.370 dated 29.12.2012<sup>4</sup>.

## **CERTIFICATE OF ORIGIN**

- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the regulations on the procedure of carrying out certification of the origin of goods” No. 994 dated 13.12.2019.

## **PLANTS QUARANTINE**

- Law of the RU “On plants quarantine” No.3PY-484 dated 09.07.2018<sup>5</sup>,
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On approval of the provisions on the procedure for protecting the territory of the Republic of Uzbekistan from pests in plant quarantine and the passage of licensing procedures in the field of plant quarantine” No.65 dated 29.01.2018,
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On further improvement of the organization of border, customs, sanitary-quarantine, phytosanitary control and veterinary supervision at checkpoints across the State border of the commonwealth of Uzbekistan" No. 912 dated 18.11.2019.

## **LEGISLATION OF RUSSIAN FEDERATION (CITRUS IMPORT)**

- The main regulatory documents are uniform for the EAEU (see the section on the Republic of Kazakhstan),
- Federal Law No. 289-FZ of 03.08.2018 "On Customs Regulation in the Russian Federation and on Amendments to Certain Legislative Acts of the Russian Federation"<sup>6</sup>,
- Order of the Federal Customs Service RF "On Approval of the Procedure for Using the Unified Automated Information System of Customs Authorities during Customs Declaration and Release (Refusal to Release) goods in electronic form, after the release of such goods, as well as during the implementation of customs control over them" No. 1761 of 17.09.2013<sup>7</sup>,
- Decree of the Government of the Russian Federation No. 342 of 26.03.2020 "On the rates and basis for calculating customs duties for customs operations related to the release of goods"<sup>8</sup>,
- Decision of the CCU No. 880 dated December 91.12.2011 "On the adoption of the technical regulation of the Customs Union "On food safety"<sup>9</sup>,
- Federal Law No. 99-FZ of 15.07.2000 "On Plant Quarantine"<sup>10</sup>,
- Rosselkhoznadzor Order No. 1128 dated 10/22/2020 "On Approval of the Administrative

<sup>1</sup> <https://lex.uz/docs/2708109>

<sup>2</sup> <https://lex.uz/docs/3844565>

<sup>3</sup> <https://lex.uz/docs/2708109>

<sup>4</sup> <https://lex.uz/docs/2110713?ONDATE=07.01.2013>

<sup>5</sup> <https://lex.uz/docs/3815506>

<sup>6</sup> [https://www.consultant.ru/document/cons\\_doc\\_LAW\\_304093/be56678de70eb1e26f1471ae152a2e7d0da7aa99/](https://www.consultant.ru/document/cons_doc_LAW_304093/be56678de70eb1e26f1471ae152a2e7d0da7aa99/)

<sup>7</sup> [https://www.audar-info.ru/na/editSection/index/type\\_id/5/doc\\_id/10630/release\\_id/30514/](https://www.audar-info.ru/na/editSection/index/type_id/5/doc_id/10630/release_id/30514/)

<sup>8</sup> <https://www.alta.ru/tamdoc/20ps0342/>

<sup>9</sup> <https://adilet.zan.kz/rus/docs/H11T0000880#z445>

<sup>10</sup> <https://fsvps.gov.ru/ru/gosuslugi/vydacha-sertifikatov/fitosanitarnogo>

Regulations of the Federal Service for Veterinary and Phytosanitary Surveillance on the Provision of State Services for the Issuance of a Phytosanitary Certificate, Re-Export Phytosanitary Certificate, Quarantine Certificate"<sup>1</sup>.

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<sup>1</sup> <https://fsvps.gov.ru/ru/gosuslugi/vydacha-sertifikatov/fitosanitarnogo>