



B5+1: BUSINESS PARTNERSHIP, REGIONAL PROSPERITY

FINAL COMMUNIQUE



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Final Communiqué B5+1 Forum: Advancing Business Partnership for Regional Prosperity Almaty, Kazakhstan

On March 13-15, 2024, government policymakers, business leaders, experts, and investors from C5+1 countries inaugurated the first-ever Business 5+1 (B5+1) Forum. This public-private dialogue platform aims to meet commitments in the C5+1 [New York Declaration](#) for closer regional economic integration and greater U.S. private sector trade and investment with the nations of Central Asia. We thank the Government of Kazakhstan and Atameken National Chamber of Entrepreneurs for hosting an exemplary event.

In addition to C5+1 countries (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan plus the United States), participants represented 10 countries, 5 international organizations, and over 400 business associations and chambers of commerce in and outside the region.

Collectively, we share the C5+1 vision of seeking regional solutions to global challenges, for which sustained cooperation is essential. The unique contribution of B5+1 Forum is to engage the private sector in reaching C5+1 economic and energy corridor goals.

We commend progress by C5 countries in opening markets and adopting measures to improve the business climate. Trade regionally and with the world has expanded exponentially since 2016. Yet much of the nations of Central Asia huge potential remains untapped, and regional trade is only 1 percent of the global share.

We believe that increased public-private dialogue and business partnerships can increase prosperity by accelerating the process of regional and global market integration. To this end, the B5+1 Forum highlighted economic opportunities in a dynamic region, drew attention to market developments for new investors, and prioritized policy measures that, if adopted by governments, could lead to increased foreign investment and access to regional and international markets.

Observations on Regional Integration

- Efforts by C5 Presidents to **accelerate regional integration** through regular summits are globally significant. As a common market, connected through economic and business ties, Central Asia can attract more international investment and trade, both from the United States and the rest of the world. Experts observed that extending cooperation across the Caucasus will diversify East-West trade corridors and expand access to global markets.
- A B5+1 Forum private sector **collaborative platform makes an essential contribution** to C5+1 governments' regional integration efforts. By coming together and exchanging ideas, leading voices of the business community can help promote collective efforts towards dynamic economic growth and mutual prosperity. We believe the establishment of an umbrella organization that unites key businesses, national associations and chambers would serve this objective.

Observations on B5+1 Forum Contributions

- B5+1 Forum participants express the need to **promote economic opportunity** by facilitating trade, investment, and economic integration. We believe C5+1 governments and businesses should unite efforts to position Central Asia as an attractive destination rather than merely a transit zone in global value chains.
- The B5+1 Forum contributes to this goal by recommending policies and incentives to **improve trade, transit, and investment facilitation** (addressing challenges within Central Asia, with the United States, and globally), and **harmonize regulations in key industries** (trade and logistics, agribusiness, e-commerce, tourism, green and renewable energy).
- Preparatory consultations for the B5+1 Forum revealed strong complementarity between national actions and regional benefits. For example, the alignment of national and multilateral transit rules and implementation of obligations under Trade Facilitation agreements help all industries. Likewise, regional actions to support one industrial subgroup, such as e-commerce, can benefit national producers in other sectors, such as agribusiness. Furthermore, adoption of a common visa framework to facilitate tourism in the region will also increase demand for local services and thus foster job creation.
- In addition, American and international investors observed that Central Asian countries can learn from one another in promoting foreign direct investment. For example, launch of an international arbitration system by some countries in the region sends a positive signal that could be expanded regionally by adoption of a unified framework for commercial dispute resolution. Reliable protection mechanisms will make the region more competitive in attracting investors internationally.
- In the lead-up to the B5+1 Forum, participants identified five priority sectors as likely to be most attractive to international investors and critical for developing regional markets: transport and logistics, e-commerce, tourism, green and renewable energy, and agribusiness.

Considering the work of the five priority sectors recommendations from the working groups (representing Kazakhstan, Kyrgyz Republic, Tajikistan and Uzbekistan) are elaborated below.

Transport and Logistics

- Trade and transit costs are 60 percent higher in land-locked Central Asia than in countries with connection to the sea. While significant investment in transport infrastructure is needed, participants agreed that costs can be reduced by addressing non-geographical barriers that impede the flow of goods and people across borders. At its November 7, 2023, meeting in Tashkent, Uzbekistan, the B5+1 Trade and Logistics Subgroup adopted a resolution that outlined several priority measures to facilitate trade within the region and internationally.
- The B5+1 Forum concurred that three priority areas should receive attention by national policymakers and international agencies:
 - To sign and ratify the Electronic CMR (E-CMR) and ensure its implementation as a security system for transit and cargo insurance.

- To abolish the visa regime for drivers of heavy vehicles. This will speed up transit procedures, as well as reduce time and material costs for transporting goods.
- To establish an intergovernmental and business council to strengthen regional cooperation in trade and logistics, harmonize procedures and resolve disputes.

Agribusiness

- Agriculture contributes significantly to regional GDP (ranging from 5 percent in Kazakhstan to 25 percent in Uzbekistan and other countries). Yet local processors export less than 1 percent of goods to markets in neighboring countries.
- In Tashkent on September 15, 2023, an agribusiness subgroup of national and international experts and business association agreed on several measures to promote cross-border trade and value chain integration. The highest priorities for attention are:
 - Create a public-private working group at the regional level to design a road map with high-priority actions by government and business associations. The road map should be linked to short-term recommendations by the trade/transit and e-commerce subgroups and draw on medium-term recommendations of the agribusiness subgroup.
 - The working group may also identify risk insurance mechanisms at the regional level for extreme climate events.

E-Commerce

- The E-commerce market is expanding rapidly in Central Asia. From US\$11 billion in 2023 it is projected to reach nearly US\$150 billion in the coming decade. Major factors propelling the market are increasing internet penetration, adoption of numerous e-commerce platforms, significant expansion in cross-border trade opportunities, and development of secure digital payment systems.
- To achieve market expansion goals, Central Asian and international e-commerce industry representatives and associations strongly recommend:
 - At the level of the heads of Central Asian states, we propose signing an Agreement on the Development of E-commerce. The existence of such an interstate agreement will provide a real impetus for harmonizing legislation and regulations.
 - At the level of business associations, identify sources of financial support and training for entrepreneurs looking to develop their businesses in e-commerce.

Tourism

- Central Asian countries recognize the importance of regional cooperation in promoting tourism as a key driver of economic growth and revenues. Initiatives like the Silk Road Tourism Development Association, comprising member countries and international partners, foster collaboration in marketing, infrastructure development and policy frameworks, unlocking the region's collective potential. Yet the share of tourism in regional GDP of Central Asian countries remains less than five percent of the national share, meaning visitors tend to stay in one country. Reasons not to travel regionally include the absence of common approaches and regional plans, underdeveloped infrastructure, and an acute shortage of qualified personnel. To boost regional tourism potential, we recommend:
 - Launch a Central Asia Silk Road regional tourism business platform to: i) promote Central Asia as one tourism destination and ii) serve as a mechanism to develop common approaches and strategies (tourism marketing, single brand, cultural and historical tourism, etc.). The platform would entail agreement on models/concepts that can be

applied to manage destinations in the tourism sector (for example: a cluster development model or a community-based management model, etc.).

Green and Renewable Energy Transition

- Green and renewable energy transition is critical to promote energy efficiency and modernization amid climatic, energy and water stress in Central Asia. To advance commercially affordable and attractive mechanisms, we recommend:
 - adoption of regional standards for green energy transition and industry-specific environmental and other standard
 - more intensive public private partnerships and dialogue that involve green and renewable energy associations, industry experts and government policymakers.

Towards a New Public-Private Dialogue Platform

The B5+1 Forum contributed to an atmosphere of trust and shared purpose. It gives businesses a platform to elevate issues for priority attention, and governments a consultative tool with foreign investors and the regional business community. Given these benefits, we propose the following:

- To hold the B5+1 Forum annually, with sponsorship rotated among member countries.
- To establish B5+1 subgroup on improving the financial sector in the region through building new partnerships between Central Asian countries and the United States, especially on correspondent accounts
- To create a B5+1 subgroup on women's entrepreneurship to continue dialogue and joint action in expanding women's business opportunities in Central Asia

Using the B5+1 Forum platform, we are committed to accelerate progress towards a more prosperous and inclusive Central Asia that is integrated within the region and global markets.