



International  
Trade  
Centre



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# Kyrgyzstan National E-commerce strategy

High-level event

**KYRGYZSTAN**

By the ITC team  
Date: 31 March 2021

## Agenda

1. What have we done?
2. What is the strategy about?
3. What are the next steps?

# What have we done?

## E-commerce strategy – the scope

Opportunity to make a difference on E-commerce :

- Momentum to reduce informality through “e-tools” and to kick-start implementation
- Synergies with the project components on trade facilitation, and enterprise competitiveness:
  - Enhancing transparency of cross-border requirements,
  - Removing regulatory and procedural barriers,
  - Strengthening business capacities to comply with trade formalities & standards,
  - Increased participation of women-led enterprises in international & intra-regional trade.

**Improving cross-border E-commerce by increasing market linkages domestically, intra-regionally and internationally.**

June 2020

July-October  
2020

December  
2020

January 2021

February-  
March 2021



*Consultation with key stakeholders*

Initial consultation with key stakeholders to obtain buy-in and support, and agree on broad direction.



*National Consultation #1*

Representatives from each public/private institution and enterprises, to map e-commerce issues and opportunities.



*Response paper*

Response paper developed and submitted to Core Team



*Core team discussion*

Review of response paper + development of plans of action, agreeing on implementation management systems and structures.



*Strategy draft*

Strategy draft is developed and submitted to core team for iterative reviews – leading to finalization and endorsement.

**We are here done**

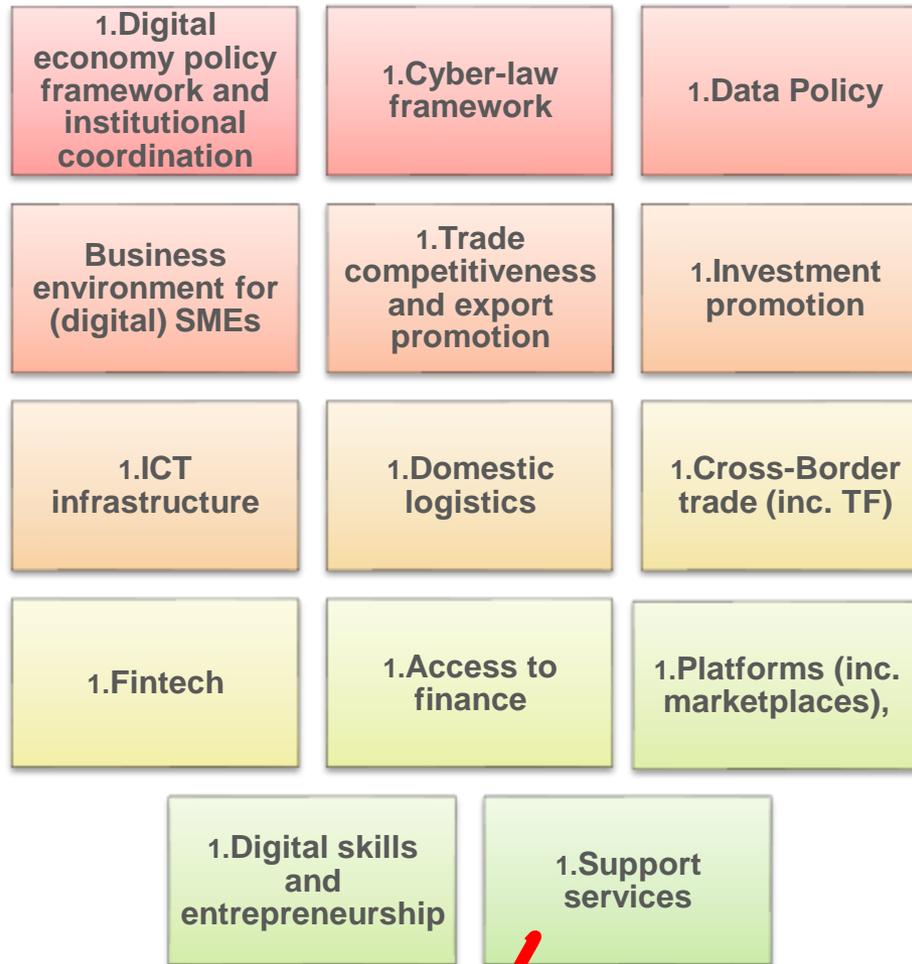
# Consultations with stakeholders across the e-commerce ecosystem

Ready4Trade Central Asia

KYRGYZSTAN



- Central Bank
- Telecommunications Regulator
- Ministry of Trade/Commerce
- Ministry of ICT
- Ministry of Finance
- Ministry of transportation/public works
- Ministry of foreign affairs
- Ministry of education
- Ministry of youth / women / vulnerable groups
- Ministry of labor
- Trade promotion organization (TPO)
- Investment promotion agency
- Customs authority
- Taxation authority
- National postal service



- Mobile Network Operators (MNOs)
- Fixed-line operators
- Internet Service Providers (ISP)
- Payment service providers (and broader fintech firms)
- Commercial Banks
- Local content service providers (local websites for news and info)
- Tertiary training institutes such as universities
- Certificate level training providers
- Technical, vocation education and training (TVET) providers
- Freight forwarders
- Custom brokers
- 3<sup>rd</sup> party logistics services (3PL)
- International shipping companies
- Investors and international private sector partners
- IT firms and related service providers such as website hosting services/digital branding

Consultations :

# What is the strategy about?

Key stepping stones:

1. High basis of **public private dialogue**,
2. An emerging **e-commerce base with marketplaces** actively present,
3. Rising levels of **digital entrepreneurship** and **fintech** sectors.

1. Kyrgyzstan's **e-readiness** lags behind the regional and global averages.
2. The **business environment** for M/SMEs is weak and poses threats to E-commerce scaling up
3. Challenges related to **trade logistics** are driving up uncertainty, costs for both e-commerce firms and consumers.
4. Important need to review **tax incentives** on digital payments for effectiveness
5. Policy makers will need to carefully examine the role, benefits, threats stemming from international **marketplaces** (and other multinationals providing digital services.
6. **Access to financing** for digital M/SMEs remains a critical challenge.
7. Integration within the EEU **customs union** holds significant promise for E-commerce, however the early experiences for Kyrgyzstan have been fraught with challenges.
8. **Statistics collection**, analysis and policy feedback is a gap.
9. At the regulatory level, a careful review of **data protection** is required, given the expected ramp-up of cross-border e-commerce activities.

#### Continued implementation of the national digital agenda, and enhancements within the cyberlaw framework.

- Promulgation of the E-commerce law,
- A predictable and enabling business environment for enterprises,
- Adoption of digital activity (public, private sector & consumers)

#### Improvements in the business environment for digital-SMEs

- Support enterprises (access to finance, operating and investment capital)
- Support financial inclusion (adoption of digital financial services by Kyrgyz citizens, especially in the hinterland)

#### Digital entrepreneurship & investment-promotion

- Support SMEs offline→online transition (incubation, acceleration, mentoring)
- Support digital payments/fintech, logistics, SME support services
- Marketplaces can serve as enablers of SME commerce

There are 81 specific activities to be undertaken to take E-commerce to the next level.

Key operational components of the plan of action:

- Legal and regulatory framework
- Attraction of investment, and trade competitiveness
- Logistics
- FinTech and access to finance
- Digital entrepreneurship
- B2G & G2B

# What are the next steps?

## Next steps:

- **Implementation** must start now;
- Submit the final version of the E-commerce strategy to the government and ensure its successful official **endorsement**;
- Define, formalise and operationalise an inclusive public and private platform for E-commerce and trade competitiveness that will be charged with the coordination, management and monitoring of the strategy (i.e. **the Core Team?**);
- Identify and mobilise resources for the rapid implementation of the E-commerce strategy. **Development partners have a crucial role to play.**

Thank you for your kind attention!

Questions?