

As of 31 March 2021

Greeting Remarks of Coordinator in the field of SME of CICA

Dear Members of the Board,

Mister Chairman,

Mister Ambassador,

Dear Colleagues,

Good Afternoon! I am greeting you all at the meeting of the Conference on Interaction and Confidence Building Measures in Asia uniting 27 countries of the Asia region that is abundant in natural and human resources.

With the unprecedented economic downturn, caused by the coronavirus pandemic, our common goal is to maintain sustainable, transparent and inclusive security architecture, to contribute to the ongoing dynamic development of the region.

In spite of the fact that each country searches for its own assets to cope with the challenges and threats we all encounter these days, we cannot deny the significant synergetic effect of our joint efforts. There is a high importance of multilateral formats and its associated opportunities to capacity building, sharing best practices and lessons learned, introducing innovative patterns of cooperation.

The sustainable long-term outcomes may be accomplished through joint efforts.

CICA is focused on the implementation of Confidence Building Measures in Political, Military and Economic dimensions, establishment of practical modalities to counter challenges and threats. While expanding the cooperation, it is essential to promote the practical cooperation in addressing a wide range of issues pertaining to the national objectives of the Member States and common regional interests.

The economic aspect has always been one of the core component of CICA. And we pay increased attention to the development of small and medium enterprises, as it was reiterated by the President of the Russian Federation Mr. Putin.

As a Coordinator of CICA's SME Confidence Building Measures implementation, the Russian side organised a round table discussion "Digital economy and its role in development of SME within the CICA space" with a view to enhance dialogue among the CICA Member States on the development of SME sector.

The meeting and the round-table discussion were attended by representatives of the state power and public organisations of 13 CICA Member States.

The experts exchanged their best practices and experiences on the digitalisation aspect in developing SME sector.

On our part, we shared our best practices in regards to the development of Digital platform that would subsequently require a creation of a digital ecosystem focused on the needs of consumers - SME entities, self-employed citizens and those citizens willing to start their own business. It is projected to implement 25 most needed and high-demand services by 2024, while the consumer satisfaction rate should exceed 80 %. The

outcomes of this project, the information on creation of the digital platform in Russia have been disseminated amongst all CICA Member States.

Moreover, during the round table discussions the speakers from Azerbaijan, India and Jordan delivered their presentations and shared best practices on digitalisation in SME sector. In particular, the experiences on creation of Single Window for Exporters of Azerbaijan, implementation of the National SME Development Program in India and Jordan's digital transformation were discussed.

We, as coordinators of interaction in SME sector stand ready to share our experiences and best practices.

The Business Council, in our view is a favourable platform for the discussion of such matters.

We welcome active participation of all interested partners in promoting the cooperation in SME sector.

The majority of the world has declared its commitment to implement large scale measures aimed at the support of businesses, healthcare and social spheres as a result of the pandemic, last spring. Russia was among those countries too. We duly followed all general instructions of the World Health Organisation taking into account the country's internal situation.

The requirement to observe the self-isolation policy and the lockdowns have paralysed the small and medium businesses in the country.

However, the Government of the Russian Federation implemented measures focused on extensive recovery. In particular, such measures included the following actions:

- Tax arrangements aimed at supporting the businesses of industries hit by the pandemic.
- Reduced rent fees;

- Direct support measures (subsidies);
- Preferential loans (0 % preferential loan programs)
- Introducing of a moratorium for audit inspections.

The National Action Plan that was finalised last year is being implemented today by resulting in the recovery of employment, income of the population, revival of the economy and long-term structural changes.

The National Action Plan is of a short-term nature, it is applicable within 2021. This is effective document: it has over 500 specific activities and events. Each Confidence Building Measure has its own period of validity, as well as the responsible points of contacts and the budgetary costs. About a third of activities have already been executed or are currently being implemented.

The main objective of the National Plan is to overcome the economy slump, and to find a pathway leading to the new technologies and new opportunities of digitalization to further develop the labour and education markets.

In regards to the Business Council membership requirement to appoint 3 representatives from each Member State: One (1) representative of a state body and two (2) representatives from business environment:

I am proposing my candidacy as a representative of the state power agency. In regards to the business community representatives: we have been in the contact with the Chamber of Industry and Commerce and Business Russia on this particular matter, and we will forward the candidates list to the Secretariat by the end of April.

This year the Business Council is to turn 6 years. Even though the significant progress has already been made, the greater achievements lie ahead of the Business Council. It would be good practice to brainstorm

together on the new "products of high quality" we could to give to the business community and the CICA Member States.

The Kazakhstan side proposed several spheres of economy for our further cooperation. We are fully supportive of those proposals. These spheres are very important and we stand ready to participate in the upcoming events, scheduled for this year.

Business forums serve well for establishing business contacts. Therefore, we look forward to participating in all events to be conducted within the framework of CICA. We also believe that it is important to invite to those events as many business contacts as possible to enhance the cooperation between our countries and ensure its future expansion. Thank you very much, I wish you good health!