



 The
**Pakistan
Business
Council**

FOSTERING ECONOMIC GROWTH
(A Company set up under Section 42 of the Companies Ordinance 1984)



2017
Kyrgyz
Republic

THE CENTRAL ASIA COUNTRY SERIES



Kyrgyz Republic

November 2017

Acknowledgements:

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The Pakistan Business Council: **An Overview**

The Pakistan Business Council (PBC) is a business policy advocacy platform, established in 2005 by 14 (now 64) of Pakistan's largest private-sector businesses and conglomerates, including multinationals. PBC businesses cover nearly all sectors of the formal economy. It is a professionally-run organization headed by a full-time chief executive officer.

The PBC is a not-for-profit entity, registered under Section 42 of the Companies Ordinance 1984. Though it is not required under the law to do so, the PBC follows to the greatest extent possible, the Code of Corporate Governance as applicable to listed companies.

The PBC is a pan-industry advocacy group. It is not a trade body nor does it advocate for any specific business sector. Rather, its key advocacy thrust is on easing barriers to allow Pakistani businesses to compete in regional and global arenas. The PBC conducts research and holds conferences and seminars to facilitate the flow of relevant information to all stakeholders in order to help create an informed view on the major issues faced by Pakistan.

The PBC works closely with the relevant government departments, ministries, regulators and institutions, as well as other stakeholders including professional bodies, to develop consensus on major issues which impact the conduct of business in and from Pakistan. The PBC has submitted key position papers and recommendations to the government on legislation and other government policies affecting businesses. It also serves on various taskforces and committees of the Government of Pakistan as well as those of the State Bank, SECP and other regulators with the objective to provide policy assistance on new initiatives and reforms.

The PBC's **Founding Objectives:**

The major objectives of the PBC as stated in its founding documents are:

- To provide for the formation and exchange of views on any question connected with the conduct of business in and from Pakistan.
- To conduct, organize, set up, administer and manage campaigns, surveys, focus groups, workshops, seminars and field works for carrying out research and raising awareness in regard to matters affecting businesses in Pakistan.
- To acquire, collect, compile, analyze, publish and provide statistics, data analysis and other information relating to businesses of any kind, nature or description and on opportunities for such businesses within and outside Pakistan.
- To promote and facilitate the integration of businesses in Pakistan into the World economy and to encourage in the development and growth of Pakistani multinationals.
- To interact with governments in the economic development of Pakistan and to facilitate, foster and further the economic, social and human resource development of Pakistan.

More information on the PBC, its members, and its workings, can be found on its website: www.pbc.org.pk

The PBC's Member Companies

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|  Abbott A Promise for Life |  AkzoNobel |  Allied Bank |  Artistic Milliners |  Atlas |
|  mayfair |  Bank Alfalah Limited |  CHERAT CEMENT |  Coca-Cola |  COLGATE-PALMOLIVE |
|  Dawood Hercules |  DESCON |  efu |  <i>The Legend Leads...</i> English Biscuit Manufacturers |  engro corp |
|  engro foods |  faysabank |  FEROZSONS LABORATORIES LIMITED |  GATRON |  Getz pharma |
|  gsk GlaxoSmithKline |  gsk GlaxoSmithKline Consumer Healthcare |  Kul Ahmed TEXTILE MILLS LIMITED, KARACHI |  HBL |  HASCOL |
|  HUBCO |  ICI PAKISTAN |  interloop |  INTERNATIONAL INDUSTRIES LTD. |  INDUS GROUP |
|  TOYOTA DAIHATSU INDUS MOTOR COMPANY LIMITED |  JDW |  KE Energy That Moves Life |  LOTTE |  LUCKY CEMENT |

The PBC's Member Companies

| | | | | |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  Millat Tractors Ltd |  National Foods SINCE 1970 |  |  NISHAT MILLS LTD |
|  Martin Dow Pioneers for a Changing World |  PACKAGES Limited |  pakarab FERTILIZERS LIMITED |  optel hello to the future |  PAKISTAN TOBACCO COMPANY |
|  |  Reckitt Benckiser |  SAIF GROUP |  Sapphire |  |
|  SICPA |  SIEMENS |  Soneri Bank |  SOORTY World of Zain |  HUTCHISON PORTS PAKISTAN South Asia Pakistan Terminals |
|  Standard Chartered |  SPEL Synthetic Products Enterprises Limited |  TAPAL |  TCS WE MOVE YOU |  Tetra Pak PROTECTS WHAT'S GOOD |
|  TPL Holdings Tomorrow's Challenges Today |  Tufail Chemical Industries Limited |  UBL |  Unilever | |

Executive Summary:

In order to promote Pakistan's trade with its non-traditional trading partners, the Pakistan Business Council (PBC) since 2015 has been doing a Country Profile Series aimed at introducing non-traditional markets to Pakistan's exporters. In 2015 '6' countries from Africa – Angola, Ethiopia, Ghana, Mozambique, Nigeria and South Africa were showcased. In 2016, '5' countries from South America – Argentina, Brazil, Chile, Columbia and Mexico were featured. In 2017 the '5' countries of Central Asia – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan are being covered by the PBC. This is the fourth publication of the Central Asia Country Series and features the Kyrgyz Republic.

Kyrgyzstan is a small landlocked country in Central Asia. It is bordered by, Kazakhstan, Uzbekistan, Tajikistan and China. The country ranks fourth among the Central Asian states in terms of area - 199,591 km². According to the National Statistics Committee of the Kyrgyz Republic, the country has a population of 6.1 million (2017 estimate) with a median age of 25-29 years and a population density of 31 people per km² on average. Islam is the dominant religion of the country with 75% of the population being Muslims, another 20% of the population are Russian Orthodox Christians.

Kyrgyz and Russian are the official languages of the country.

The origin of the Kyrgyz people dates back to 2000 BC. The Kyrgyz were originally nomadic raiders, plundering nearby settlements. During the early 13th century, the region was ransacked by Mongols and became a part of the Mongol empire for the next two centuries. From the 16th century onwards, the region was overrun and controlled by various empires. Finally, during the 19th century the eastern part of modern-day Kyrgyzstan was ceded to the Russian empire. Kyrgyzstan became a part of the Soviet Union in 1936. Political instability prevailing in the USSR during the late 20th century, coupled with resentment among the locals against the Soviet government led to Kyrgyzstan becoming an independent country on 31st August 1991. Askar Akayev, running uncontested, became the first president of the Republic of Kyrgyzstan. Akayev was able to extend his tenure for the next fifteen years, till he was ousted in 2005. The country went through political turmoil from 2005 to 2010, and constitutional reforms had to be implemented to restore order in the country. Almazbek Atambayev was elected president in 2011 and still holds office. Pakistan extended diplomatic recognition to Kyrgyzstan on 20th December 1991 and bilateral ties were established between the two countries.

The Kyrgyz economy derives a considerable percentage of its revenue from gold exports, which contributed on an average 42% to the export value in the last five years. Moreover, gold extraction also accounted for 7% of the GDP in 2015. The agricultural sector has never thrived well in Kyrgyzstan owing to the mountainous terrain. The manufacturing sector, on the other hand, has shown growth over the years with a CAGR of 11% for the period 2000-2015. Out of the three major sectors of the economy, the services sector leads regarding both, employment and contribution to GDP, 50%, and 56% respectively. The tourism industry has been performing well in recent years with a revenue of USD 481 Million in 2015. The economy however is highly susceptible to any kind of internal turmoil. Regarding natural endowments, coal is the only fossil fuel found in any significant quantity in Kyrgyzstan with probable reserves of up to 24.4 billion tons. The absence of oil and gas has however burdened the country with hefty import bills since independence. As of 2014, hydro-electric sources made up 91% of the electricity generated in the country. Kyrgyzstan is also a part of the CASA-1000 project which upon completion will transfer surplus electricity from Central Asia to South Asia.

The following table shows the value and percentage change for selected economic indicators.

| Major Economic Indicators-2016 | | |
|--------------------------------|---------|--------------------|
| Indicator | Value | % Change from 2015 |
| Nominal GDP (USD Billions) | 6.55 | -1.90 |
| Real GDP (USD Billions) | 6.32 | 3.83 |
| GDP per Capita (USD) | 1077.04 | 3.93 |
| Inflation | - | 0.42 |
| Unemployment (ILO Method) | 7.68% | 1.67 |

The economic conditions of Kyrgyzstan for the year 2016 are portrayed by the table above. With a growth rate of 3.83% and inflation down at 0.42% the economy appears to be stabilizing, however, the rise in unemployment is a concern.

For the past 16 years, the country has faced a persistent trade deficit. The trade deficit reached its highest point of USD 4.0 Billion in 2013, it has since declined to USD 2.4 Billion in 2016. Export revenue was recorded at 1.4 billion USD in 2016 which declined by 1.2% over the previous year. Gold, ores & slag, aeronautical equipment, vehicles other than railway, and apparel are the main export items. Imports have been on a declining trend since 2013, and the period 2015-16 saw a 5.5% decline in the import bill with imports totaling USD 3.84 Billion. Mineral fuels, industrial machinery, footwear, iron, and plastic were among the top 10 imports of Kyrgyzstan.

Switzerland, Kazakhstan, the Russian Federation, Uzbekistan, and Turkey are the top 5 export destinations of Kyrgyzstan; these five countries accounted for 81.5% of the export revenue in 2016. Regarding imports, China, the Russian Federation, Kazakhstan, Turkey and the USA are the top 5 import origins of Kyrgyzstan accounting for 84% of imports in 2016.

Russia was Kyrgyzstan's 2nd largest import partner and 3rd largest export partner in 2016. Since 2001, Russia has been the largest exporter to Kyrgyzstan however, the situation changed in 2016 when China took the lead. Kyrgyzstan had a trade deficit of USD 0.6 billion with Russia in 2016, an improvement of 45% in the trade deficit compared to 2015.

In Central Asia, Kazakhstan is the largest trading partner of Kyrgyzstan followed by Uzbekistan. However, the trade situation for both countries is different. Kyrgyzstan has a trade deficit with Kazakhstan of USD 484 million whereas it has a surplus, USD 55 million in trade with Uzbekistan. This situation is owing to high dependency on imports from Kazakhstan for basic food products and mineral fuels.

Kyrgyzstan has had a constant trade deficit with China. The deficit crossed USD 1.3 Billion in 2016 depicting an increase of 39% over 2015. Exports to China in 2016 were valued at USD 79.7 million and comprised mostly of raw materials and low-value goods. Whereas, high-value consumer goods such as electrical appliances and capital goods were imported, resulting in an import bill of USD 1.4 Billion.

India and Pakistan have not been significant trading partners of Kyrgyzstan. The trade deficit with the two countries in 2016 was recorded at USD 20.0 Million & USD 2.9 million respectively. The nature of trade with both countries is also quite different from one other. A detailed calculation shows potential for trade between Kyrgyzstan and Pakistan. However, the absence of a suitable land route is a hurdle for both economies.

To facilitate trade and economic cooperation, Kyrgyzstan has become a member of various strategic and trade facilitation alliances. The Commonwealth of Independent States (CIS), Economic Cooperation Organization (ECO) and the Organization of Islamic Cooperation (OIC) have had some positive effects in easing bilateral trade, whereas the EURASIAN economic union is still in its initial stages. Apart

from these multilateral treaties, Kyrgyzstan also has bilateral free trade agreements with eight countries; Russia, Kazakhstan, Ukraine, and Tajikistan to name a few.

According to the Doing Business Index, which is measured to determine the relative ease of starting and running a business by a local for each country, Kyrgyzstan ranks 75th as of 2017 on the overall ranking. Apart from international trade all aspects regarding business activity have shown a decline in 2017 as compared to 2016.

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Karakol Cathedral

SECTION I

Geographic and Social Indicators

1. Geographic and **Social Indicators**

1.1 **Name:**

- Kyrgyz Republic (Kyrgyzstan)

1.2 **Coordinates:**

- 41.2044° N, 74.7661° E

1.3 **Time zone:**

- UTC+6

1.4 **Capital City:**

- Bishkek

1.5 **Currency:**

- Kyrgyzstani Som (KGS)

1.6 **Central Bank:**

- National Bank of the Kyrgyz Republic (NBKR)

1.7 **Location:**

Kyrgyzstan is a landlocked country situated in Central Asia. It is bordered by Kazakhstan (1,212 km) to the North, Uzbekistan (1,314km) to the west and southwest, Tajikistan (984km) to the southwest and China (1,063 km) to the east.



Figure 1: Map of Kyrgyzstan

1.8 Total Area:

In terms of area Kyrgyzstan ranks fourth among the Central Asian states with a total area of 199,591 km².

- Land: 191,801 km².
- Arable Land: 13,373 km².
- Water: 8,150 km².

1.9 Climate:

Dry continental to polar in the high Tien Shan Mountains; subtropical in southwest (Fergana Valley); temperate in the northern foothill zone.

1.10 Administrative Regions:

Kyrgyzstan is divided into seven regions and two independent cities. The capital, Bishkek City and Osh City are the two Independent cities.

| Administrative Regions | |
|------------------------|-------------------------|
| City/Region | Area (km ²) |
| Bishkek City | 170 |
| Osh City | 183 |
| Batken Region | 17,048 |
| Chuy Region | 19,895 |
| Naryn Region | 44,160 |
| Osh Region | 28,934 |
| Talas Region | 13,406 |
| Issyk Kul Region | 43,735 |
| Jalal Abad Region | 32,418 |

Table 1: Administrative Regions

1.11 Population:

- Total Population: 6,140,200 (2017 estimate).
- Population growth rate: 2.01% (2017 estimate)

| Age and Gender wise Population Statistics (2017 Estimate) | | | |
|-----------------------------------------------------------|------------|-----------|-----------|
| Age (years) | Percentage | Males | Females |
| 0-14 | 32 | 1,008,005 | 961,365 |
| 15-24 | 17 | 541,029 | 521,250 |
| 25-54 | 39 | 1,187,783 | 1,213,819 |
| 55-64 | 7 | 197,289 | 234,412 |
| 65 and older | 4 | 108,404 | 166,844 |

Table 2: Population Statistics

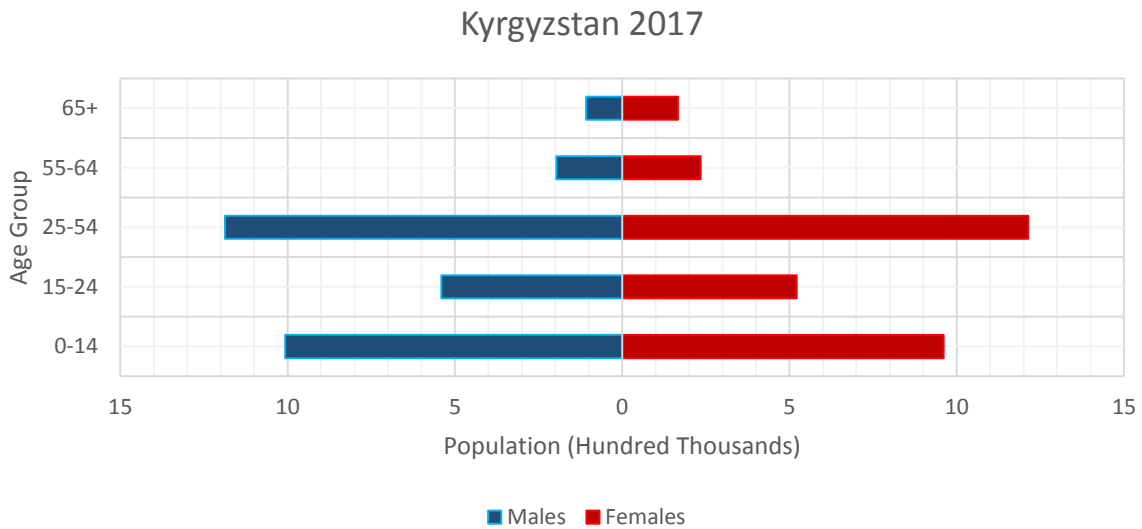


Figure 2: Population Pyramid

1.12 Life expectancy at birth:

- Total population: 70.7 years
- Male: 66.5 years
- Female: 75.1 years

1.13 Ethnic groups:

- Kyrgyz 70.9%
- Uzbek 14.3%
- Russian 7.7%
- Dungan 1.1%
- Other 5.9% (Uyghur, Tajik, Turk, Kazakh, Tatar, Ukrainian, Korean, German)

1.14 Prominent Religions:

- Muslim 75%
- Russian Orthodox 20%
- Other 5%

1.15 Languages:

Kyrgyz and Russian are both official languages of Kyrgyzstan, however there are other languages which are also spoken in the country. Breakup of the spoken languages is as follows:

- Kyrgyz (official) 71.4%
- Uzbek 14.4%
- Russian (official) 9%
- Other 5.2%

1.16 Government:

- Head of state: President
- Head of government: Prime Minister
- Cabinet: Proposed by the Prime Minister, appointed by the President. Defense and security committee chairs appointed by the President.
- Legislative System: Unicameral Supreme Council or Jogorku Kenesh (120 seats; members directly elected in a single nationwide constituency by a proportional representation vote to serve 5-year terms)

1.17 Transportation:

- Roads:
 - o Hard-surfaced roads: 7,228 km
 - o Gravel roads: 9,961 km
 - o Earth roads: 1,621 km
 - o Total: 18,810 km
- Airports:
 - o Paved runways: 21
 - o Unpaved runways: 29
- Railway: 470 km.

1.18 Communications:

- Country Dialing Code: +996
- Telephones - fixed lines
 - o Total subscriptions: 408,037
 - o Subscriptions per 100 inhabitants: 7 (July 2015 est)
- Telephones - mobile cellular:
 - o Total: 7.579 million
 - o Subscriptions per 100 inhabitants: 134 (July 2015 est)
- Internet users:
 - o Total: 1.713 million
 - o Percent of population: 30.2% (July 2015 est)



Statue in Bishkek

SECTION II

Short Country History

2. Short Country History:

The history of Kyrgyzstan can be divided into three distinct time periods; from antiquity to the Soviet Union, as Soviet Kyrgyzstan and the post-independence era.

2.1 From Antiquity to the Soviet Union:

The first written records of the Kyrgyz civilization appear in the Chinese chronicles beginning about 2000 BC. The Kyrgyz then were a nomadic people and originally inhabited the area which is in present day Mongolia. The Kyrgyz were bandits and persistently raided the nearby Chinese villages and for this reason, they instigated the building of the Great Wall of China.

According to David C. King, the Scythians were the earliest settlers in present-day Kyrgyzstan. The Kyrgyz Empire reached its zenith after defeating the Uyghur Khaganate in 840 A.D. From the tenth century onwards the Kyrgyz people migrated as far as the Tian Shen range and dominated the region for the next 200 years. However, after that, the ever-expanding Mongol Empire caused the Kyrgyz Empire to shrink, and by the twelfth century the Kyrgyz territory had shrunk to the Altan range. Gradually the Kyrgyz Empire became part of the Mongol Empire, a process which was completed by 1207.

The Mongol invasion of Central Asia in the 13th century cost the Kyrgyz their independence and their written language. The son of Genghis Khan, Dzhuchi, conquered the Kyrgyz tribes of the Yenisey region, who by this time had become disunited. For the next 200 years, the Kyrgyz remained under the Golden Horde and the Oriot and Jumgar Khanates that succeeded that empire. It was in 1510 when Kyrgyzstan finally gained independence from the Mongols.

The era from the 17th century to the 19th was a turbulent one. During this period, the Kyrgyz tribes were overrun by the Kalmyks, the Manchurian Qing Dynasty and the Uzbek Khanate of Kokand in the 17th, mid 18th and the 19th century respectively.

The persistent ethnic conflicts with the Uzbeks forced the Kyrgyz to form alliances with the Russians. By the 1800s, Russians had begun to move and settle in Kyrgyzstan. This alliance worked well in the start as the Russians played an important role in defeating the Khanate of Kokand at Bishkek (1862) and Tashkent (1865). In the late 19th century Russia and China signed a pact known as the Treaty of Tarbagatai. According to this treaty, the eastern part of modern day Kyrgyzstan, mainly the Issyk Kul region was ceded to Russia.

More Russians started settling in Kyrgyzstan and the Kyrgyz people integrated themselves into the economic and political life of Russia. During the early years of the 20th-century Russian specialists began a wide array of developmental programs such as large-scale housing, improvement in infrastructure and mining. It was in this period also that the first books in the Kyrgyz language were published along with the first Kyrgyz newspaper. However, most of the population continued to cling to their traditional ways of life.

2.2 As Soviet Kyrgyzstan:

The presence of Russian settlers in Kyrgyzstan and the efforts to conscript the Kyrgyz people into the Russian army for the First World War triggered multiple revolts throughout the region. On 4th July 1916, there was an uprising in Khojent which soon spread across the Turkestan region. This was followed by a mass protest by the Kyrgyz people in Tashkent where police fired shots at the crowd, and ethnic violence broke out between Russian settlers and the Kyrgyz people. Simultaneously ethnic tensions were on the rise in the Tomak region where the locals (Kyrgyz) raided a police station to acquire weapons.

The Kyrgyz, continued their rebellion even during the Bolshevik Revolution of 1917 and tried to take advantage of the instability to break free from Russian control. The Alash Order; a pro-democratic party founded by the Kazakhs and Kyrgyz was successful in establishing a short lived autonomous government in 1917.

The Kyrgyz independence movement was finally suppressed by the communists in 1919 and the region was named the Kara-Kyrgyz autonomous region to distinguish its people from the Kazakhs. In 1926 the name was changed to Kyrgyz Autonomous Republic before the region attained the status of a full republic of the Soviet Union in 1936. The capital Bishkek was also renamed Frunze after the famous General Mikhail Vasilyevich Frunze who had played an important role in the Russian civil war.

The collectivization policies of Stalin during the 1920s led to the imposition of taxes, forced labor, price controls, and targeted suppression of the indigenous population along with the confiscation of their lands. This became the cause for regional tensions. Those who resisted were either executed or sent to labor camps.

The Russians improved the general infrastructure of Kyrgyzstan during the soviet era as well as providing employment and job security to the locals. The Soviets mined the Issyk Kul region for extracting uranium. Russians generally dominated the republic's government till the end of the 1950s. Starting from the 1960s, Kyrgyz politicians were elevated to high positions which established a pattern of local patronage.

In the late 1980s, nationalism was on the rise owing to policies of the Soviet leader Mikhail S. Gorbachev. In the glasnost & perestroika era of Gorbachev, several activist groups came into existence, one of these; Ashtar, expanded into a pro-democracy movement. The outburst of ethnic violence between the Uzbek and Kyrgyz people on the 4th of July 1990 in the Osh province acted as a trigger for separation. Moreover, in the presidential elections held in the same year the communist party chief Absamat Masaliyev was defeated by Askar Akayev. In the USSR itself instability prevailed after a failed coup attempt against President Gorbachev and finally on 31st August 1991 the Republic of Kyrgyzstan became a sovereign country.

2.3 Post-independence Kyrgyzstan:

After achieving independence, the Republic's Supreme Soviet scheduled direct presidential elections in October 1991. Running uncontested Askar Akayev received 95% of the votes cast and became the first president of Kyrgyzstan. During early years of the Akayev presidency, Kyrgyzstan appeared to flourish and this was widely appreciated by the international community.

During its early years, inadequate internal security protocols did not pose a serious threat so it was ignored to a large extent. External security was handled by the Russian Federation. By 1993 there was

resentment among the general population owing to nepotism in the Akayev administration. On 5th May 1993 a new constitution was adopted, however the presidential model suggested by Akayev was again a cause of resentment for many. According to the new constitution the country was renamed Kyrgyz Republic. In 1995 a petition signed by 1.2 million people urged the legislature to allow Akayev to extend his tenure till 2001. Akayev called elections in 1995 and secured the presidency for another five years. In 1998 Akayev convinced the legislature to allow him to run for a third -term as president in 2000. In 1999 Kyrgyzstan was attacked by Muslim militants from Tajikistan. Due to the lack of a military force the republic had to rely on support from Uzbekistan and Kazakhstan.

In 2001, during his third term, President Akayev offered the United States an airbase at Manas to combat Al-Qaeda in Afghanistan. This was seen as a surprising move as the Republic appeared to have suddenly moved away from the Russian to the US camp. This led to increased tensions with Russia. However, in 2003 Russia was also allowed to setup an airbase in Kyrgyzstan. By 2005, President Akayev had become highly unpopular and was forced to flee the country and to later resign. This came to be known as the Tulip Revolution.

Kurmanbeki Bakiyev was elected president in 2005, however political instability prevailed in the country. The prosecutor general and a member of parliament (MP) were assassinated. Riots broke out in 2007 forcing the government to go for constitutional reforms. Bakiyev was re-elected in 2009 but the legitimacy of the elections was challenged. Ethnic violence broke out in 2010 between Uzbeks and Kyrgyz forcing Bakiyev to flee the country. Roza Otunbeyeva became the interim president and shifted power from the presidency to parliament. Almazbek Atambeyev was elected prime minister but resigned in less than three weeks; he was succeeded by Omurkek Babanov.

Atambeyev contested for the presidency in 2011 and won; he is the incumbent president. In March 2012, both Parliament and the PM resigned over alleged corruption charges and an interim government under Aalay Karashev was formed. Zhantoro Satybalidyev formed a new government on 5th September 2012, but in 2014 his coalition collapsed. The new parliament under Djoomart Otorbaev had a short lifespan and dissolved after three months. Otorbaev was succeeded by Temir Sariyev on 1st May 2015, but once again parliament was dissolved in April 2016 owing to corruption charges. Sooronbay Jeenbekov; Sariyev's successor became PM on 13th April 2016 and is still in office

Pakistan extended diplomatic recognition to Kyrgyzstan on 20th December 1991. A protocol for the establishment of diplomatic relations between Pakistan and Kyrgyzstan was signed on 10th May 1992. A diplomatic resident mission at ambassadorial level was established at Bishkek in August 1995. In order to strengthen ties; an export credit of USD 10 million was offered for the establishment of a pharmaceutical factory at Bishkek.



Balyachy, Kyrgystan

SECTION III

Economic Overview

3. Economic Overview:

The major economic indicators for the period 2010 to 16 are shown in the table below:

| Economic Indicators | | | | | | | |
|-------------------------------|----------|----------|----------|----------|----------|----------|----------|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Nominal GDP USD Million | 4,794.36 | 6,197.77 | 6,605.14 | 7,335.03 | 7,468.10 | 6,678.18 | 6,551.29 |
| GDP per capita USD | 880.04 | 1,123.88 | 1,177.97 | 1,282.44 | 1,279.77 | 1,121.08 | 1,077.04 |
| Annual % inflation | 7.97 | 16.50 | 2.69 | 6.61 | 7.53 | 6.50 | 0.42 |
| Exchange Rate (Som per USD) | 45.96 | 46.14 | 47.00 | 48.44 | 53.65 | 64.46 | 69.91 |
| FDI (Net Inflows USD Million) | 402.40 | 701.30 | 324.40 | 640.17 | 352.90 | 1,139.26 | 467.00 |
| Population (Millions) | 5.45 | 5.51 | 5.61 | 5.72 | 5.84 | 5.96 | 6.08 |

Table 3: Economic Indicators

Kyrgyzstan is ranked as the 141st largest economy in the world. Agriculture has never thrived in Kyrgyzstan owing to the mountainous terrain and uncertain climatic conditions. Moreover, Kyrgyzstan has been a net importer of food items since its independence. The largest import item of Kyrgyzstan has been mineral fuel and mineral oils, in 2016 they constituted nearly 11% of the import bill. According to a survey conducted by UNDP, the country has a huge potential to generate electricity from renewable resources.

The country has got rich mineral deposits with gold being the largest export item contributing on an average 42% of the export earnings in the last five years. Manufacturing is a major contributor to export earnings and its share is 29% in GDP,

The share of the service sector as a percentage of GDP has been increasing since independence. The sector majorly caters to the domestic market. It is also the largest employer.

According to UNDP¹, Kyrgyzstan ranks 120 on the HDI² indicating a low level of human development. Kyrgyzstan has a Gini Coefficient³ of 26.8, which shows a low level of income inequality in the country.

Kyrgyzstan, a relatively young country faced a lot of economic difficulties immediately after independence. These difficulties were primarily caused as the country transited from a command to a free market economy.

The major causes behind the deterioration in the economy were:

- Termination of subsidies.
- Loss of cheap energy supplies from other republics.
- Increasing transportation costs.
- Migration.
- Deterioration in education, health care and other social services.

1 United Nation Development Program

2 Human Development Index

3 (0: complete equality)-(100: complete inequality)

3.1 Sectors of the Economy:

3.1.1 Agricultural Sector:

The agriculture and livestock sector employs around 30% of the active labor force of the Kyrgyz Republic. Although the agricultural sector comprises of four sub-sectors; crops, livestock, hunting, and forestry & fishing, the contribution of hunting and fishing to the gross output is negligible and as of 2015 out of the total output of 196.9 Billion Kyrgyz Soms, a mere 0.2% was contributed by the forestry and the fishing sectors combined.

According to the agriculture statistics published by the National Statistics Committee of the Kyrgyz Republic for the period 2005 – 2015; crops and livestock contributed on an average 52% and 45% of the gross agricultural output respectively. The crops Sub-sector is dominated by grains, legumes, potatoes, vegetables, and cotton whereas the livestock category is dominated by livestock, poultry and wool.

From the crops sub-sector, only tobacco and cotton are exported in any significant quantity. Dairy produce and eggs from the livestock section contribute majorly to the exports from Kyrgyzstan. The agriculture sector has suffered from a drop in productivity over the years.

3.1.2 Manufacturing Sector:

Immediately following the collapse of the USSR, the Kyrgyz industrial and manufacturing sectors underwent considerable contraction. Between 1990 and 1995 production declined in all sectors of manufacturing including the power industry, engineering and metal-work, fuel, chemicals, and petrochemicals. In 1999, the Manufacturing sector accounted for 20 percent of the country's GDP and employed 15 percent of the labor force.

Since 2000, the manufacturing sector of Kyrgyzstan has done well, between 2000 & 2015, the manufacturing sector showed a CAGR of 11%. Unlike the agricultural sector, the contribution of the manufacturing sector to the GDP has increased over the last decade.

Output of the manufacturing sector is dominated by the production of basic metals and metallic products excluding machinery and equipment, followed by the food, beverages and tobacco category. Out of the total manufacturing output of 140 Billion Kyrgyz Soms in 2015, 58.5% was contributed by the metals category and 16.5% by the food category

3.1.3 Service Sector:

The service sector employed around 50% of the total labor force in 2016 and contributed 56% to the GDP. The service sector mainly caters to the domestic market.

The service sector is dominated by the 'Repair of transportation' category which made up about 18% of the GDP in 2015 followed by the construction sector contributing another 8% to the GDP.

3.1.4 GDP composition:

At the time of independence, each sector had nearly an equal share in the Kyrgyz economy. However, over the years, the contribution of the agriculture sector has declined from 37% in 1991 to 14% of the GDP in 2016. The manufacturing sector which contributed 35% to the GDP in 1991 has seen its share reduce to 29% in 2016. The service sector, on the other hand, has shown rapid growth over the years as reflected by an increase in its contribution to the GDP, in 2016 services were 56% of the GDP.

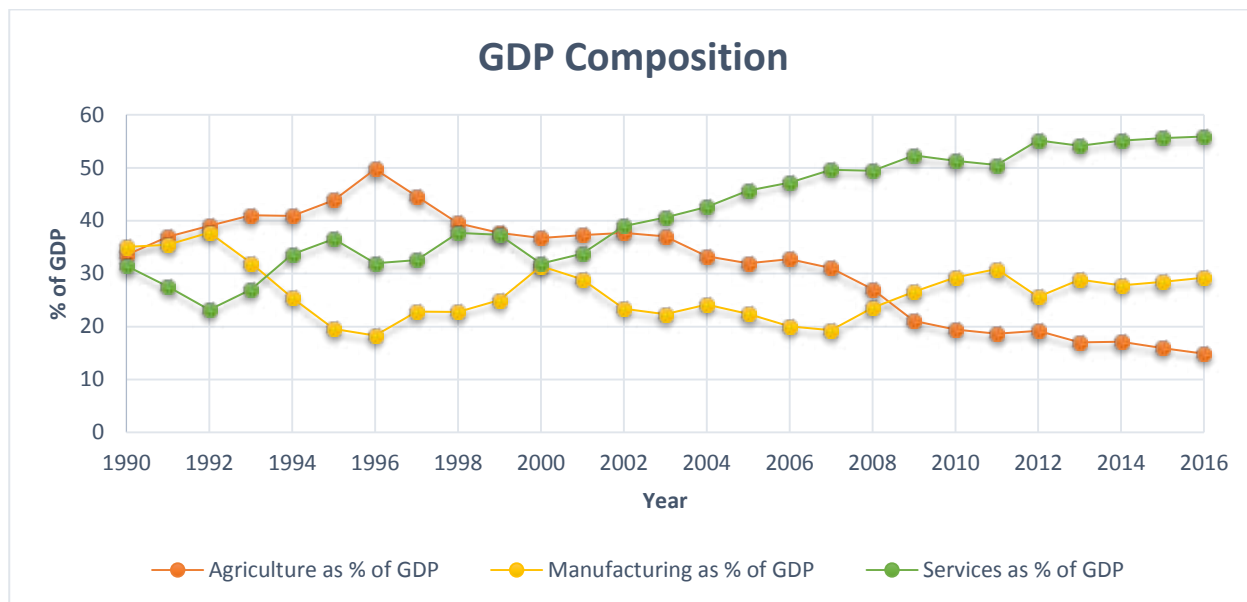


Figure 3: GDP Composition

3.1.5 Mining and Quarrying:

Kyrgyzstan is rich in mineral resources. Gold is the top mineral resource extracted in Kyrgyzstan and as of 2015, it made up around 7% of the GDP. The largest gold reserves in the country are found at Kumtor located in the Issyk Kul region which is 80 Km from the capital city Bishkek. Kumtor has 8.83 Million tons of proven reserves of gold and another 60.4 Million tons of probable reserves.

The Kumtor Gold mine is a joint venture of the Kyrgyz government and a Canadian company, Canterra Gold Inc. with the latter being the majority shareholder. Although revenue from gold is central to the economy, it is highly susceptible to shocks in the international bullion markets. In 2014 the volume of gold exports increased by almost 6% but the total value decreased by 3% owing to reduced prices in the international market.

Makmal gold mine is the second largest gold mine in Kyrgyzstan. The mine was operated by a state-owned company, KyrgyzAltyn, however operations ended in 2016 owing to depletion of reserves.

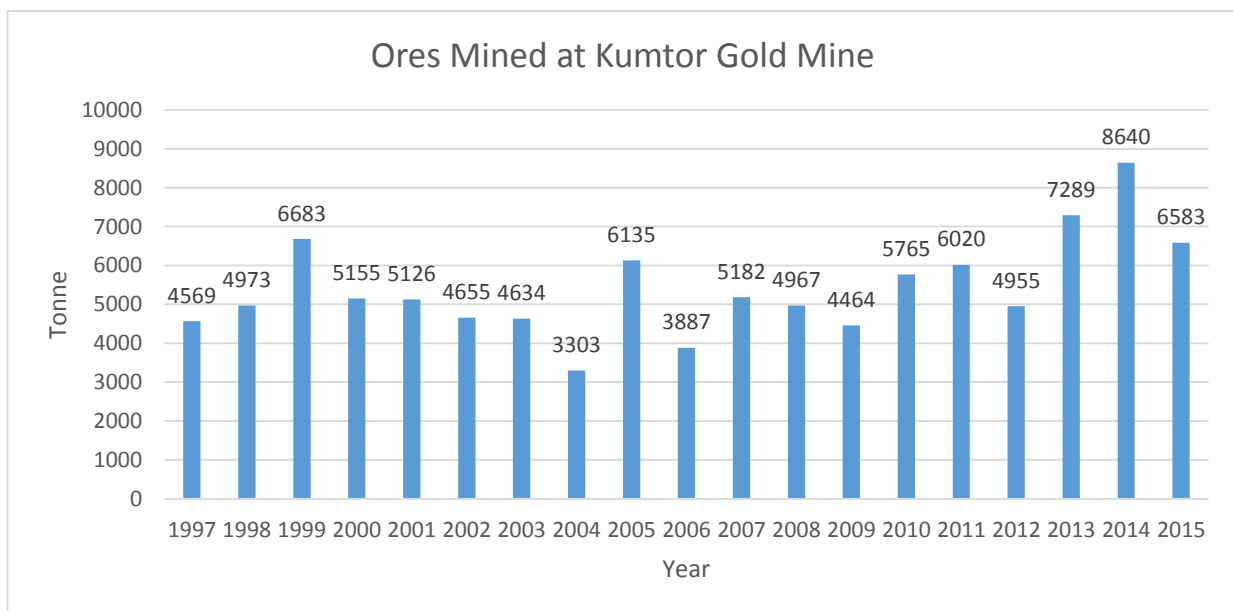


Figure 4: Volume of Ores Extracted

Coal is the only fossil fuel found in abundant quantities in Kyrgyzstan. There are 35 major coal deposits with probable reserves of 24.4 billion tons. Proven reserves of coal are more than 1.7 billion tons. There are 656.6 million tons of reserves currently under exploration with further development in the pipeline. The main coal fields are in the south and north Fergana, Uzgenian, Kavaksky, and Jergalan. In the absence of domestic oil and gas, both these fuels are imported and form a major portion of imports. Kyrgyzstan has rich hydro power resources; however, these are still to be fully exploited.

3.1.6 Energy Sector:

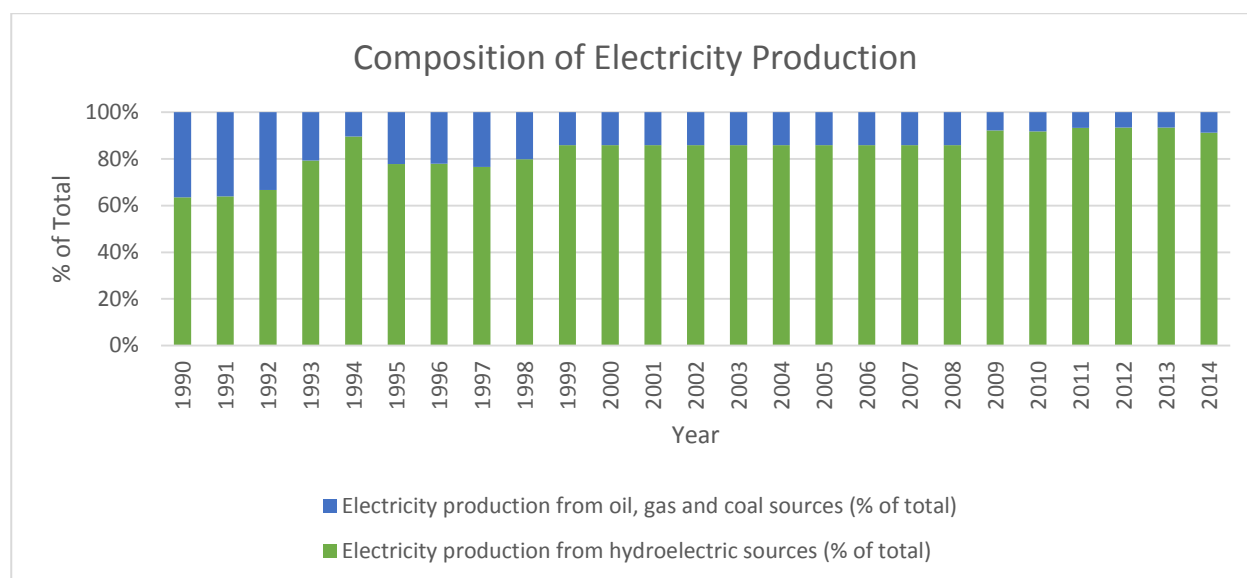


Figure 5: Electricity Composition.

Kyrgyzstan enjoys abundant hydropower potential owing to its mountainous terrain which covers nearly 80% of the country, however less than 10% of its 150,000 gigawatt-hour (GWh) potential has been utilized. The figure above shows that the lowest percentage of electricity generation from hydroelectric sources was recorded at 63% in 1990. Since then the contribution has been increasing and in 2014, hydro-electric sources made up 91% of the total electricity generated.

| Name | Capacity (MW) | Location |
|-------------------------------------------------|---------------|-------------|
| Toktogul Dam | 1,200 | Naryn River |
| Kurpsai Dam | 800 | Naryn River |
| Tash-Kumyr Hydroelectric Power Station | 450 | Naryn River |
| Kambarata-2 Hydro Power Plant | 360 | Naryn River |
| Shamaldysai Hydroelectric Power Station | 240 | Naryn River |
| Uch-Kurgansk Hydroelectric Power Station | 180 | Naryn River |

Table 4: Hydro Power Plants in Kyrgyzstan

The two thermal CHPPs⁴, fueled by imported gas, oil, and coal, generate less than 1,000 GWh per year of electricity output against a designed output of 4,100 GWh.

CASA-1000: Kyrgyzstan and Tajikistan have some of the most abundant and clean hydropower resources in the world. Since their power generation is dependent on river flow, these countries have surplus power during the summer months. However, South-Asian countries like Pakistan and Afghanistan face chronic shortages of electricity during the same period each year. Whereas both Kyrgyzstan and Tajikistan face power shortages in winter as water levels reduce.

CASA-1000, a joint venture of four countries; Afghanistan, the Kyrgyz Republic, Pakistan and Tajikistan aims to bridge this demand-supply shortfall. The objective is to enable Tajikistan and the Kyrgyz Republic to sell their surplus electricity during summers to the energy deficient nations of South Asia. When

4 Combined heat and power plant

complete, the CASA-1000 transmission lines will move electricity at high voltages between the Kyrgyz Republic and Tajikistan (the first 477 kilometers) and then from Tajikistan to Afghanistan and Pakistan (the next 750 kilometers). According to a feasibility study conducted by the project team, the estimated total cost is USD 950 million, with The Kyrgyz Republic and Pakistan contributing USD 200 million each and Afghanistan and Tajikistan contributing USD 300 million and USD 250 million respectively. The project was initially expected to be completed by 2018. However, delays are expected.

3.2 GDP:

The aftershocks of the dissolution of the USSR affected economic growth till 1995. Agricultural reforms and the coming online of the Kumtor Gold mine allowed the economy to gather steam post-1996. However, this growth was interrupted by the Asian Financial Crisis of 1998-1999.

Post the Asian Financial Crisis, technological problems faced by the largest enterprise (Kumtor Gold mine) and unfavorable climatic conditions seriously hindered economic growth, in 2001-2002 the GDP growth rate was almost zero. In 2010, just as the economy was recovering from the global financial crisis, the closure of the borders with Uzbekistan and Kazakhstan, coupled with internal political turmoil resulted in a 0.5 percent fall in real GDP. However, in 2011 due to favorable external and internal conditions, the economy grew by nearly 5 percent.

In 2013, the Government and the National Bank of the Kyrgyz Republic implemented a series of coordinated macroeconomic and monetary policy reforms. Post-implementation of these reforms, economic growth has been seen in all sectors of the economy with a real GDP growth of 10.5 percent. The repair of the Kumtor Gold Mine and favorable climatic conditions for agriculture have also contributed to this growth. In 2014 the economy continued to show growth despite unfavorable external conditions such as; strengthening of US dollar against the Kyrgyz Som, increase in selling prices of oil and petroleum by Russian refineries and a rise in the cost of imported wheat owing to a decline in grain harvest in Kazakhstan. In 2016 real growth remained at 3.8%.

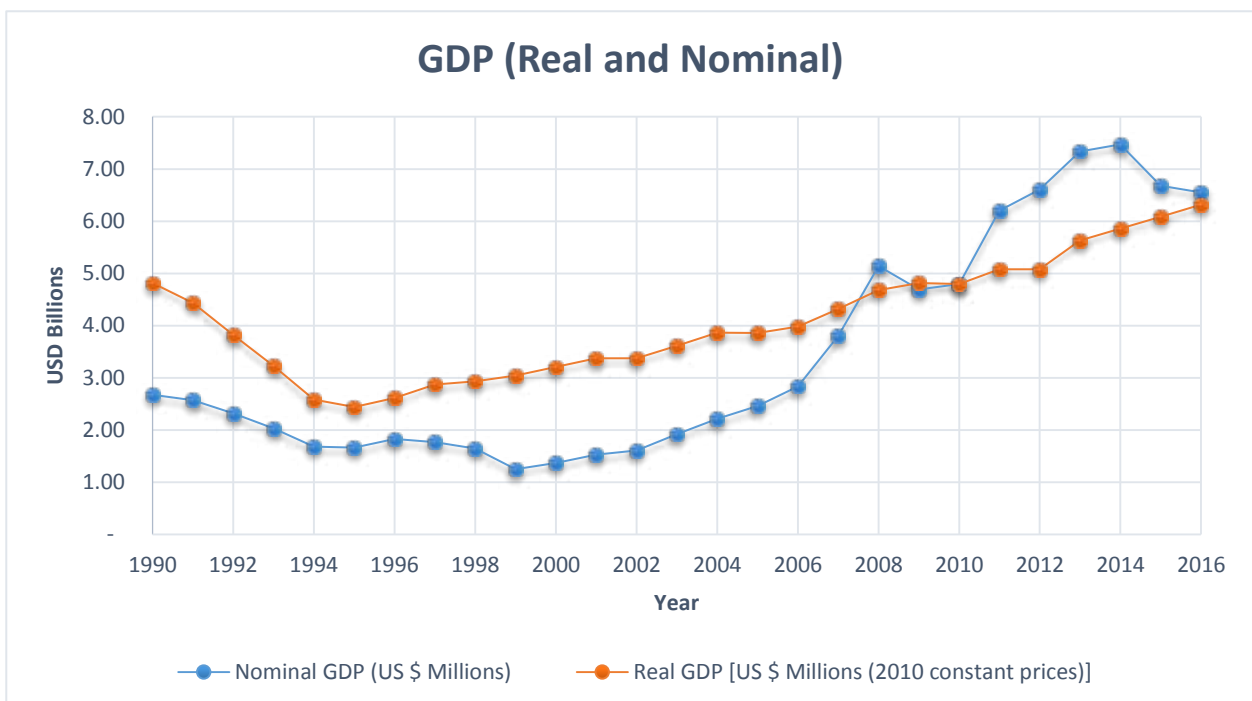


Figure 6: GDP Real and Nominal



Figure 7: GDP Growth Rate

3.3 GDP per Capita:

The overall trend for GDP per capita has been positive since independence. However, the lowest value of USD 258.1 was recorded in 1999 during the Asian Financial Crisis whereas 2014 witnessed the highest value of USD1, 282.4. In 2016, GDP per capita was recorded at USD1, 077.



Figure 8: GDP per Capita

3.4 Inflation:

During the period 1992-1994 inflation was as high as 32 percent. This inflationary pressure was caused by the shock of price liberalization. The western program of “shock therapy” became the alternate for the Russian policy of “gradual modernization”. Dissolution of the command system was followed by a ten-fold increase in food prices. From 1994 onwards the government focused on reducing inflation and by 1999 annual inflation was around 10 percent. However, core macroeconomic problems such as the fiscal and current account deficits had not been addressed. As a result, during the 1998-1999 global crisis inflation once again reached an all-time high.

In the 2000s the government adopted a contractionary monetary policy to target inflation. As a result, in 2006 inflation was down to 5 percent. Several years of low inflation substantially reduced inflationary expectations, which had been high in the 1990s. This created conditions for an increase in demand for money and a re-monetization of the economy. Monetization of the economy (measured by M2x-to-GDP ratio) increased from 11.1% in 2001 to 30.3% in 2007. The highest inflation in the last decade was seen in 2008 when inflation reached 24%. This surge could be attributed to; a rise of 31.5% in food prices, coupled with an increased money supply which caused a spike in inflation owing to the relatively high share of food items (47%) in the Kyrgyz Consumer Price Index. Apart from food prices, an increase in gas prices by Uzbekistan also escalated the inflationary pressure on the Kyrgyz economy

Being a net importer of food items and fuel, external price shocks in either of these commodities greatly affects the Kyrgyz economy. The spike in inflation in 2011 was caused by rising food prices in the last quarter of the year. After that, an increase in inflation was observed during the 2014 Ruble crisis, since then inflation has been in decline and reached an all-time low of 0.43% in 2016.

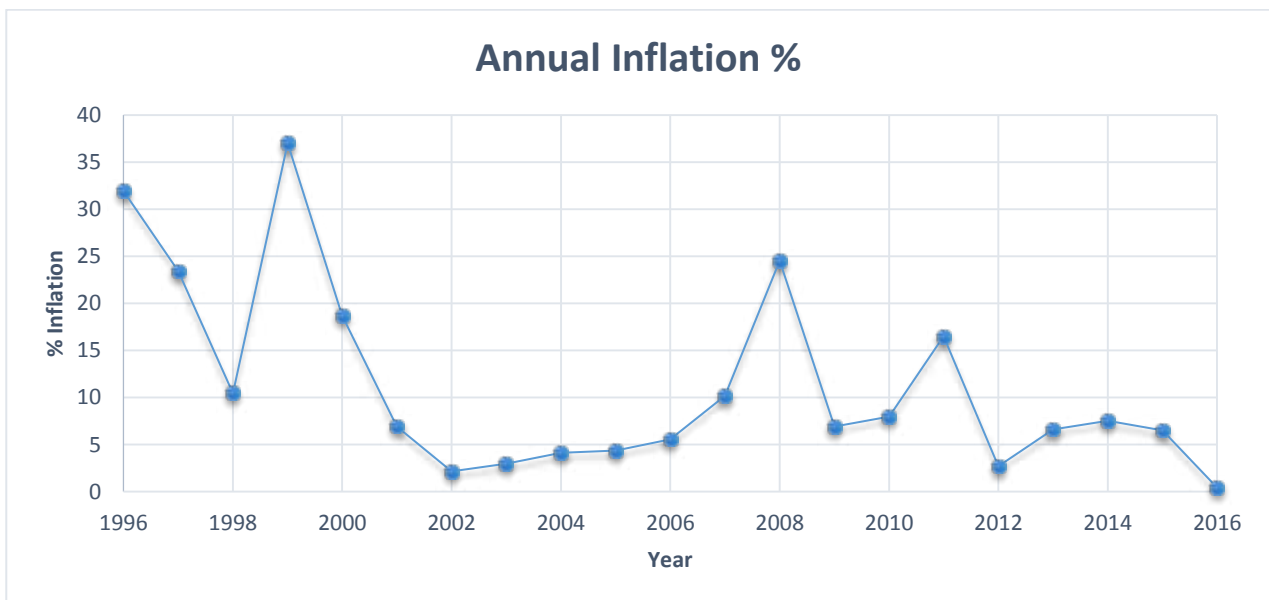


Figure 9: Annual % Change in Inflation

3.5 Unemployment:

Two methods of calculating unemployment are used in Kyrgyzstan; the official method and the ILO⁵ method. Owing to low unemployment benefits, lack of vacancies provided by the government and the ineffectiveness of retraining programs, have all led to many eligible persons not registering themselves as unemployed. This would likely indicate the official rate of unemployment being lower than that which would be arrived at using the ILO method. Another factor reducing the official unemployment rate is the law-based rule for treatment of peasants having a plot of land as self-employed.

In the case of Kyrgyzstan, no significant correlation between unemployment and GDP growth has been observed. The unemployment rate has remained more or less constant irrespective of any growth or retardation in the GDP. This observation indicates the lack of employment opportunities. This observation is further supported by the fact that over the last ten years, remittances have accounted on an average for 25.59% of the GDP at current prices. A major chunk of these come from the neighboring countries of Russia and Kazakhstan.



Figure 10: Unemployment

3.6 Poverty:

Poverty in Kyrgyzstan is measured using the World Bank’s methodology. Two poverty lines are in use: the general poverty line and the extreme (food) poverty line. Though poverty has reduced over the years, it was still around 32 percent in 2015.

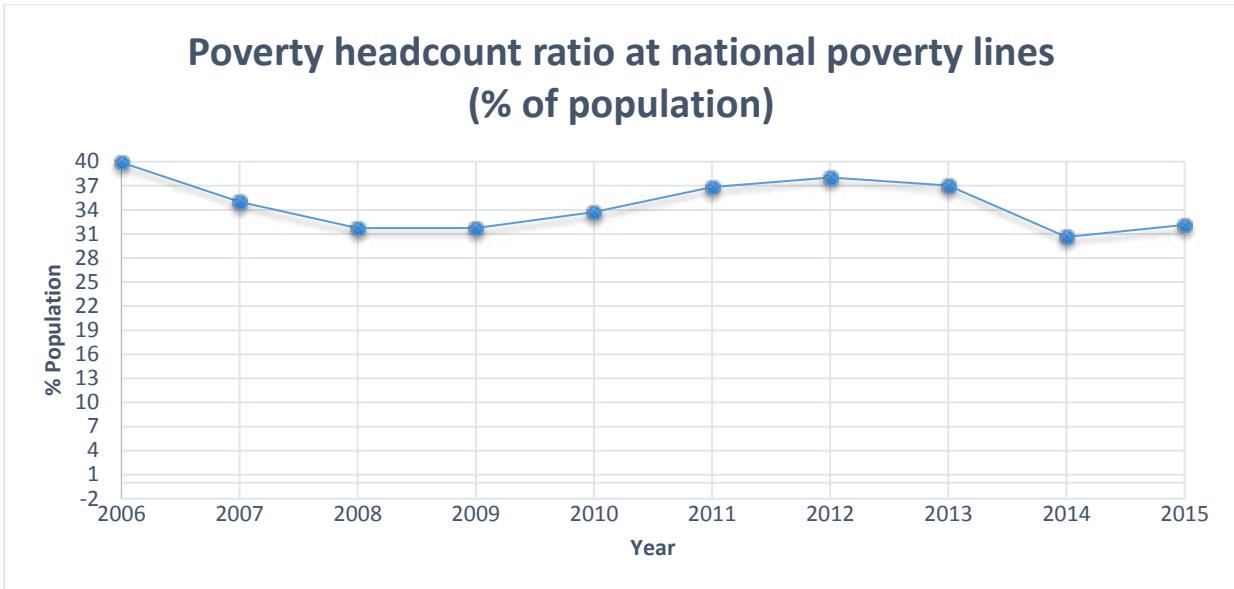


Figure 11: Poverty

3.7 OBOR:

The One Belt One Road (OBOR) was unveiled by the Chinese President Xi Jinping in 2013. This project involving a mega-investment of a Trillion Dollars aims to transform China’s trade links through EURASIA and South-East Asia. As per the name, the project has two strands; ‘One Belt’ and ‘One Road.’ The ‘Road’ is a sea-route whereas the ‘Belt’ aims to develop a land route through the Central Asian States all the way to Europe.

Border delays, hefty customs fees, poor roads and the formidable terrain of Northern Kyrgyzstan and Tajikistan motivated the conception of OBOR. The land-locked Central Asian Republics have welcomed this initiative since they view it as a means for better trade links with Europe and the Middle East, they also see it as an opportunity to potentially access warm water seaports. The potential for an increase in trade and transit revenues in the years to come have acted as a further incentive for the CAS.



Figure 12: OBOR Map

The New Silk Road consists of a highway connecting the Northern and Southern regions of Kyrgyzstan which would benefit the country. Moreover, the project also aims to develop a highway between Uzbekistan and Kyrgyzstan, once again a promising development for increased growth in trade in the future. Being not well endowed with natural gas, The Kyrgyz-Uzbek-Tajik gas pipeline could potentially ensure a steady supply of natural gas at low prices

According to a report published by The Executive Intelligence Review (EIR), there are several hindrances to the development of OBOR despite its promising prospects. Firstly, there is a technical dispute over the gauge of the railway line to be laid. The Chinese want it to be a 1,435MM track which suits their need and which is mostly being used in Europe whereas the Kyrgyz want it to be a 1,520MM track which is according to Russian standards and is being used in the Central Asian States. Secondly, there is the presence of anti-Chinese sentiments among the local population. As reported by the Kyrgyz News Agency Kabar, the locals fear that the government plans to hand over gold, aluminum and iron deposits to the Chinese as payment for the development expenditure incurred. Moreover, there are over 90,000 Chinese living illegally in Kyrgyzstan according to the Kyrgyz Ministry of Justice; this has further escalated tensions among the locals since there has always been lack of employment opportunities in Kyrgyzstan forcing people to look for jobs in neighboring countries. In January 2014 there was a crackdown against a Chinese oil company which had a labor force ratio of 70:30 in favor of the Chinese. However, the ratio was later reversed in favor of the locals.

3.8 Tourism:

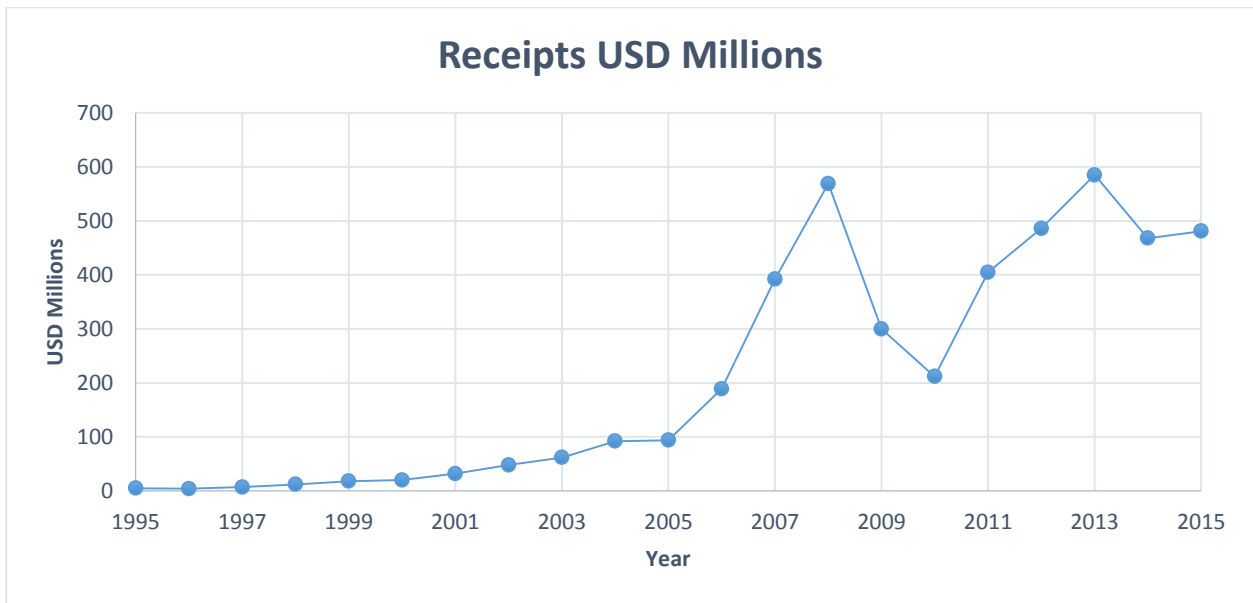


Figure 13: Receipts from Tourism

Receipts from tourism increased gradually from 1995 to 2005. Post-2005, things changed for the better for the tourism industry, and an all-time high of USD 569 Million was recorded in 2008. However, this growth was cut short by political turmoil and ethnic violence which engulfed the country. The election and constitutional reforms of 2010 have ensured some degree of stability leading to a recovery in the tourism industry, in 2015 receipts from tourism were estimated at USD 481 Million.

3.8.1 Places to visit:

Kyrgyzstan having a mountainous terrain offers a wide array of sceneries for tourists. The snow-capped peaks of the Pamir range and the breathtaking view of the Issyk-Kul lakes and hot springs are important tourist destinations.

Issyk-Kul Lake:



Figure 14: Issyk-Kul Lake

Issyk Kul Lake is situated in the Issyk Kul Oblast (Region) of Kyrgyzstan. The lake is the most popular tourist destination in Kyrgyzstan. Stretching 170 km in length with a width of 70 km and located at a height of 1600 m above sea level. “Issyk-Kul” means “hot lake” in Kyrgyz, as it never freezes even though it is surrounded by snow-capped peaks. The Issyk-Kul region offers the highest, snow-capped peaks in the country; and offers an opportunity to trek, cycle, climb, ski, windsurf, tour on horseback or just relax at one of the famous resorts

Pamir Mountains:



Figure 15: Pamir Mountain Range

The Pamirs are one of the highest mountain ranges in the world, occupying almost half of modern Tajikistan and the southern regions of Kyrgyzstan. The mountain range lies at the junction of three great ranges; the Hindu Kush, Tien Shan and the Karakorum. Though most of the peaks have been summited, there remain many unconquered peaks. The region offers a vast scope for exploratory hiking and trekking.

Song Kol Lake:



Figure 16: Song Kol Lake

Song Kol (also called Song Kul) is an alpine lake in the Tien Shan Mountains of Kyrgyzstan. It is surrounded by high mountain pastures called jailoos, where Kyrgyz herdsmen graze their livestock during the summer months (June to August), while living a semi-nomadic life in yurts. Song Kol's location, 3000m above sea level and surrounded by grassy meadows, lends itself excellently for hikes of any duration.

Burana Tower:



Figure 17: Burana Tower

70km from Bishkek, and 12km from the town of Tokmok, the Burana Tower is all that remains of the ancient city of Balasagun. Once part of the Karakhanid khanate that existed between the 9th- 11th centuries, Balasagun was ransacked by the Mongols in 1218. By the 14th century, the city was abandoned and left in disrepair. The Burana Tower was originally built to a height of 44m, but after falling victim to both war and the elements, its current height is only 25m. Still, it is worth visiting and is easily visited as a day trip from Bishkek.

Osh Bazaar:



Figure 18: Osh Bazaar (Bishkek)

Osh Bazaar is one of the largest bazaars in Bishkek. It offers a wide array of goods ranging from food items, household goods, clothes, souvenirs, to musical instruments. Kyrgyz national dresses are sold in the national goods section, called “Kyyal” (Kyrgyz: “fantasy/dream”), and may also be made to order through the bazaar vendors. The national goods section also includes vendors who sell carved wooden trunks, national bedding, small souvenirs, and many other locally produced items relevant to the traditional and modern culture of Kyrgyzstan.

3.9 Foreign Direct Investment (FDI):

The net inflow of FDI gained momentum after 2003. This was a result of the Foreign Investment Law which was implemented in 2003. According to the National Statistical Committee of the Kyrgyz Republic, between 2005 and 2013, the most attractive economic activities in the Kyrgyz Republic for FDI were the following:

- Manufacturing received 38.9% of the total FDI inflows within this period.
- Renting operations, and consumer services - 25.1%.
- Financial activity - 18.3%.
- Trade; repair of automobiles, household products, and goods for personal use - 7.4%

| Country | Period | % contribution to FDI |
|----------------------------|-----------|-----------------------|
| People's Republic of China | 2005-2016 | 23.0% |
| Canada | 2005-2016 | 17.0% |
| Republic of Kazakhstan | 2005-2016 | 13.6% |
| Russian Federation | 2005-2016 | 13.5% |
| The United Kingdom | 2005-2016 | 9.8% |
| The Republic of Turkey | 2005-2016 | 3.8% |

Table 5: Contribution to FDI

China was the leading source of FDI in 2013, mainly owing to investments in several infrastructure projects. Chinese investments were made in a gas pipeline, renovation of a steam-generating power station, a highway, a refinery and a cement plant among others.

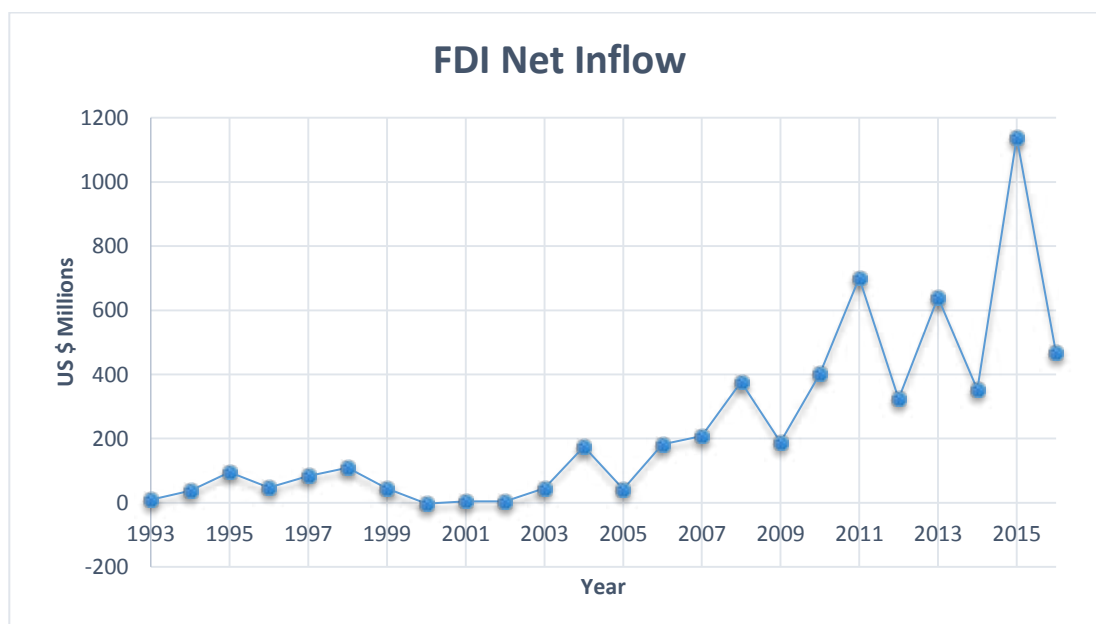


Figure 19: Net Inflow of Foreign Direct Investment (Net inflow = Inflow-Outflow)



Chabdan Batir- Bishkek

SECTION IV

Trade Overview

4. Trade Overview:

4.1 Trade Overview:

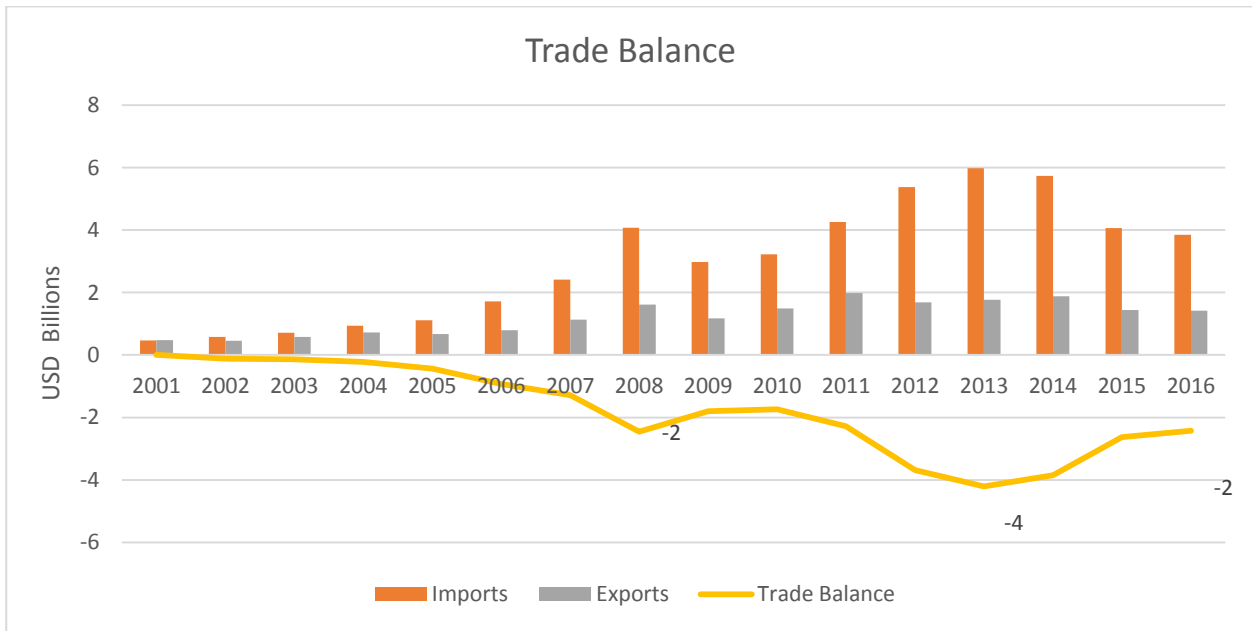


Figure 20: Balance of Trade

For the past 16 years, the country has faced a persistent trade deficit. The trade deficit reached its highest point of USD 4 Billion in 2013. Uncertain climatic conditions and the topography of the country make agriculture difficult; this has meant that the country has had to rely heavily on imports to cater to its basic requirements. Oil and petrol form the largest part of imports. The record deficit of 2013 was mainly caused by a surge in oil prices during 2013. Since then, the trade deficit has been on a declining trend facilitated primarily by falling oil prices, the deficit had been reduced to USD 2.4 billion in 2016.

4.2 Trade Trend: Products

4.2.1 Major Exports:

Gold, ores & slag, aeronautical equipment, vehicles other than railway, and apparel are the major exports. The commodities mentioned in Table 6 below made up 81% of total exports from Kyrgyzstan in 2016. Exports had been on an increasing trend till 2014. However, 2015 saw a sharp decline in the export value by almost 24%. Theoretically, exports should have increased owing to a depreciation of the Som against the USD by 20%, however, the fall in the export prices of gold and precious metals at the HS-06 level became the primary reason for this fall in export value.

| Major Exports of Kyrgyzstan at HS 02 level 2012-2016 | | | | | | |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|------------------|-----------------|
| <i>*All values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,683.23 | 1,773.22 | 1,883.73 | 1,441.467 | 1,423.03 |
| Product Code | Product Description | | | | | |
| 71 | Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ... | 568.98 | 742.70 | 725.38 | 669.43 | 707.47 |
| 26 | Ores, slag and ash | 55.66 | 18.48 | 41.39 | 19.82 | 68.29 |
| 99 | Commodities not elsewhere specified | 51.36 | 46.26 | 288.57 | 131.51 | 68.06 |
| 7 | Edible vegetables and certain roots and tubers | 88.56 | 109.07 | 87.49 | 55.91 | 62.17 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 122.26 | 85.31 | 74.63 | 63.36 | 55.13 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 176.68 | 166.67 | 129.33 | 75.22 | 48.95 |
| 88 | Aircraft, spacecraft, and parts thereof | 15.08 | 8.78 | 10.06 | 40.80 | 44.23 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 115.01 | 82.05 | 72.30 | 30.89 | 35.00 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 41.06 | 22.30 | 26.68 | 9.65 | 33.87 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 41.43 | 43.66 | 38.92 | 39.70 | 30.93 |

Table 6: Top 10 Exports at HS-02 Level (2012-2016)

The table below lists the top 25 exports from Kyrgyzstan at the HS-06 level. These contributed around 82% of the export revenue in 2016.

| Major Exports of Kyrgyzstan at HS 06 level 2012-2016 | | | | | | |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,683.24 | 1,773.23 | 1,883.73 | 1,441.47 | 1,423.03 |
| Product Code | Product Description | | | | | |
| 710812 | Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold ... | 562.19 | 736.77 | 716.86 | 665.33 | 701.58 |
| 999999 | Commodities not elsewhere specified | 51.37 | 46.27 | 288.57 | 131.51 | 68.09 |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and concentrates) | 55.55 | 18.34 | 40.50 | 19.10 | 67.78 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 48.25 | 72.96 | 61.61 | 43.72 | 54.48 |

Major Exports of Kyrgyzstan at HS 06 level 2012-2016

**All Values in USD Millions*

| | | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|---------------------------------------------------------------------------------------------------------|-------|--------|-------|-------|-------|
| 880240 | Aero planes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ... | 8.19 | 6.28 | 3.98 | 37.08 | 42.73 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ... | 96.05 | 127.52 | 98.04 | 53.83 | 36.01 |
| 870410 | Dumpers for off-highway use | 1.42 | 8.22 | 1.83 | 17.78 | 33.74 |
| 520100 | Cotton, neither carded nor combed | 33.85 | 19.88 | 24.08 | 15.88 | 19.08 |
| 620640 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres (excluding knitted or ... | 22.03 | 15.38 | 9.95 | 2.67 | 16.66 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding ... | 15.94 | 28.43 | 25.26 | 10.75 | 14.85 |
| 81330 | Dried apples | 0.28 | 0.54 | 0.37 | 0.68 | 13.74 |
| 240220 | Cigarettes, containing tobacco | 0.35 | 3.39 | 16.17 | 16.75 | 12.51 |
| 740400 | Waste and scrap, of copper (excluding ingots or other similar unwrought shapes, of remelted ... | 10.38 | 8.36 | 8.51 | 8.02 | 10.61 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio ... | 0.00 | 0.00 | 0.01 | 0.10 | 8.31 |
| 40510 | Butter (excluding dehydrated butter and ghee) | 3.53 | 3.17 | 2.47 | 1.84 | 7.58 |
| 853922 | Filament lamps of a power <= 200 W and for a voltage > 100 V (excluding tungsten halogen filament ... | 19.60 | 21.24 | 17.72 | 14.29 | 7.58 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, ... | 4.56 | 6.00 | 10.12 | 11.67 | 7.53 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of ... | 5.19 | 9.55 | 6.50 | 4.35 | 6.85 |
| 410411 | Full grains, unsplit and grain splits, in the wet state "incl. wet-blue", of hides and skins ... | 1.94 | 3.01 | 2.29 | 2.79 | 5.79 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 3.38 | 4.75 | 6.68 | 5.57 | 5.17 |
| 610343 | Mens or boys trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted . . . | 0.02 | 0.00 | 0.01 | 0.00 | 4.84 |
| 851629 | Electric space-heating and soil-heating apparatus (excluding storage heating radiators) | 0.02 | 1.71 | 3.90 | 3.04 | 4.38 |
| 610620 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres, knitted or crocheted . . . | 4.17 | 1.38 | 2.35 | 1.55 | 4.38 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.01 | 0.00 | 7.59 | 4.24 |
| 710691 | Silver, incl. silver plated with gold or platinum, unwrought (excluding silver in powder form) | 2.87 | 3.30 | 3.06 | 3.01 | 4.19 |

Table 7: Top 25 Exports at HS-06 Level (2012-2016)

4.2.2 Major Imports:

Mineral fuels, industrial machinery, footwear, iron, and plastic are among the top 10 imports of Kyrgyzstan at HS-02 level. These made up about 54% of the total import value in 2016. Total import value has been on a declining trend after 2013. The reason is two-fold; lower quantity of mineral fuel is being imported and the global fall in oil prices. This has led to a lower import bill in each successive year since 2013.

| Major Imports of Kyrgyzstan at HS 02 level | | | | | | |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 5,373.18 | 5,983.02 | 5,734.70 | 4,068.08 | 3,844.47 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 1,166.59 | 1,282.02 | 1,166.17 | 778.14 | 401.75 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 375.30 | 407.05 | 377.63 | 358.69 | 395.37 |
| 64 | Footwear, gaiters and the like; parts of such articles | 81.58 | 72.56 | 49.99 | 87.39 | 258.30 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 261.46 | 289.58 | 215.63 | 172.15 | 207.57 |
| 55 | Man-made staple fibres | 62.60 | 62.67 | 60.58 | 81.87 | 155.37 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 117.35 | 124.14 | 98.42 | 66.94 | 151.19 |
| 72 | Iron and steel | 171.17 | 221.03 | 227.10 | 296.21 | 134.34 |
| 39 | Plastics and articles thereof | 138.38 | 177.95 | 173.07 | 122.50 | 133.58 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 674.77 | 733.32 | 819.09 | 205.77 | 122.34 |
| 99 | Commodities not elsewhere specified | 31.45 | 20.86 | 41.77 | 113.19 | 121.31 |

Table 8: Top 10 Imports at HS-02 Level (2012-2016)

In the top 25 imports at HS-06 level in Table 9; oil products take the lead followed by footwear, medicaments, textile, cigarettes and natural gas. Top 25 imports at HS-06 level accounted for around 34% of the total import bill in 2016.

| Major Imports of Kyrgyzstan at HS 06 level 2012-2016 | | | | | | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 5,373.18 | 5,983.02 | 5,734.70 | 4,068.08 | 3,844.47 |
| Product Code | Product Description | | | | | |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ... | 497.20 | 586.82 | 565.93 | 362.02 | 198.79 |
| 640299 | Footwear with outer soles and uppers of rubber or plastics (excluding covering the ankle or ... | 50.56 | 39.69 | 27.56 | 32.32 | 135.96 |
| 271012 | Light oils and preparations, of petroleum or bituminous minerals which > = 90% by volume "incl. ... | 0.00 | 0.00 | 0.00 | 281.29 | 129.98 |
| 999999 | Commodities not elsewhere specified | 31.45 | 20.86 | 41.77 | 113.71 | 121.31 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ... | 148.95 | 145.80 | 158.24 | 116.00 | 89.85 |

Major Imports of Kyrgyzstan at HS 06 level 2012-2016

| <i>*All values in USD Millions</i> | | | | | | |
|------------------------------------|----------------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 880240 | Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ... | 22.84 | 33.21 | 51.76 | 39.16 | 83.11 |
| 551599 | Woven fabrics containing predominantly, but < 85% synthetic staple fibres, other than those ... | 7.38 | 6.43 | 5.41 | 24.43 | 61.67 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded ... | 61.81 | 74.62 | 73.70 | 22.57 | 58.28 |
| 271121 | Natural gas in gaseous state | 78.23 | 64.16 | 50.50 | 40.25 | 40.29 |
| 240220 | Cigarettes, containing tobacco | 51.85 | 64.82 | 77.88 | 47.35 | 34.67 |
| 640291 | Footwear covering the ankle, with outer soles and uppers of rubber or plastics (excluding waterproof ... | 0.06 | 0.29 | 0.17 | 19.35 | 33.27 |
| 640219 | Sports footwear with outer soles and uppers of rubber or plastics (excluding waterproof footwear ... | 0.16 | 0.88 | 1.38 | 6.92 | 32.22 |
| 151219 | Sunflower-seed or safflower oil and their fractions, whether or not refined, but not chemically ... | 40.93 | 48.81 | 45.08 | 39.55 | 31.28 |
| 840690 | Parts of steam and other vapour turbines, n.e.s. | 0.30 | 0.00 | 0.00 | 0.00 | 29.77 |
| 851712 | Telephones for cellular networks "mobile telephones" or for other wireless networks | 34.97 | 35.75 | 31.65 | 25.67 | 29.12 |
| 330510 | Shampoos | 7.90 | 9.94 | 9.94 | 5.94 | 28.73 |
| 180690 | Chocolate and other preparations containing cocoa, in containers or immediate packings of <= ... | 43.46 | 46.98 | 49.97 | 35.86 | 25.13 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), ... | 9.16 | 10.69 | 10.46 | 8.30 | 23.76 |
| 100199 | Wheat and meslin (excluding seed for sowing, and durum wheat) | 0.00 | 0.00 | 0.00 | 59.57 | 23.55 |
| 611430 | Special garments for professional, sporting or other purposes, n.e.s., of man-made fibres, ... | 9.32 | 10.61 | 10.97 | 4.33 | 21.67 |
| 621210 | Brassieres of all types of textile materials, whether or not elasticated, incl. knitted or . . . | 2.36 | 2.47 | 2.00 | 3.00 | 21.64 |
| 851762 | Machines for the reception, conversion and transmission or regeneration of voice, images or . . . | 18.75 | 13.14 | 14.46 | 19.21 | 21.31 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled . . . | 17.88 | 22.01 | 26.04 | 96.18 | 21.18 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 16.78 | 22.28 | 22.08 | 21.80 | 20.65 |
| 392111 | Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked . . . | 1.83 | 2.79 | 3.07 | 2.23 | 19.79 |

Table 9: Top 25 Imports at HS-06 Level (2012-2016)

4.3 Trade Trend: Partners

4.3.1 Major Export Partners:

The table below shows the top 10 export partners of Kyrgyzstan. Total exports in 2016 were USD 1.42 Billion USD showing a decline of 1.2% over the previous year.

Switzerland has accounted on an average for 35% of exports from Kyrgyzstan in the last five years. In 2016, Switzerland was the largest export market for Kyrgyzstan accounting for 45% of its total exports.

| Top 10 Export Destinations of Kyrgyzstan | | | | | |
|------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <i>*All Values in USD Millions</i> | | | | | |
| Countries | Exported value in 2012 | Exported value in 2013 | Exported value in 2014 | Exported value in 2015 | Exported value in 2016 |
| World | 1,683.25 | 1,773.23 | 1,883.73 | 1,441.47 | 1,423.03 |
| Switzerland | 547.90 | 513.20 | 575.61 | 562.11 | 648.02 |
| Kazakhstan | 404.93 | 382.45 | 508.66 | 227.70 | 151.15 |
| Russian Federation | 219.12 | 152.70 | 122.29 | 157.30 | 145.21 |
| Uzbekistan | 190.13 | 159.01 | 163.70 | 95.03 | 125.07 |
| Turkey | 50.18 | 85.65 | 86.00 | 84.05 | 89.98 |
| China | 61.37 | 38.96 | 32.78 | 35.88 | 79.70 |
| United Arab Emirates | 16.11 | 221.95 | 141.78 | 98.97 | 36.42 |
| United Kingdom | 1.73 | 0.79 | 3.08 | 1.80 | 32.01 |
| Tajikistan | 39.68 | 50.54 | 75.05 | 24.21 | 21.84 |
| Belgium | 12.81 | 18.28 | 22.88 | 22.17 | 10.88 |

Table 10: Import Partners (2012-2016)

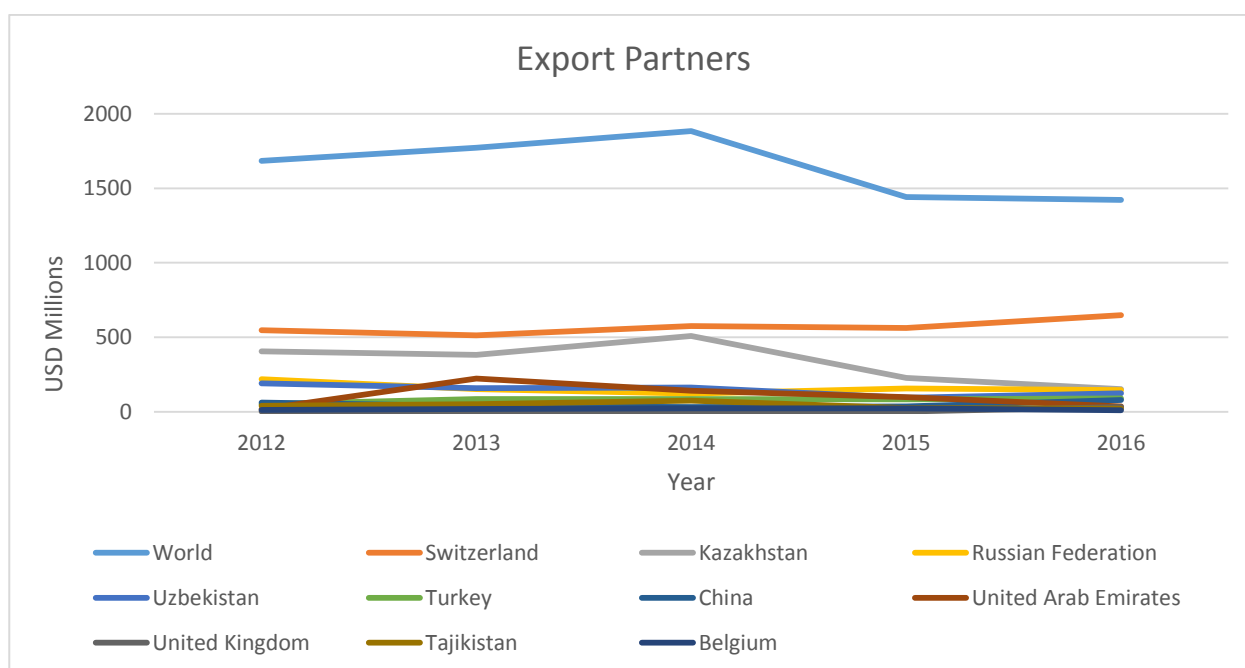


Figure 21: Major Export Partners

4.3.2 Major Import Partners:

Imports in 2016 decreased by 5.5% as compared to 2015 and amounted to USD 3.8 Billion. Though overall imports have been decreasing, the relative share as well as absolute value of Chinese imports have been increasing.

| Top 10 Import origins of Kyrgyzstan | | | | | |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <i>*All Values in USD Millions</i> | | | | | |
| Countries | Imported value in 2012 | Imported value in 2013 | Imported value in 2014 | Imported value in 2015 | Imported value in 2016 |
| World | 5,373.18 | 5,983.02 | 5,734.70 | 4,068.08 | 3,844.47 |
| China | 1,210.25 | 1,432.05 | 1,098.47 | 1,029.11 | 1,464.96 |
| Russian Federation | 1,784.62 | 1,989.24 | 1,779.83 | 1,271.64 | 799.82 |
| Kazakhstan | 518.72 | 555.02 | 776.74 | 677.41 | 635.55 |
| Turkey | 178.52 | 204.73 | 307.97 | 164.29 | 190.78 |
| USA | 253.13 | 222.85 | 108.72 | 122.07 | 153.61 |
| Uzbekistan | 63.15 | 97.61 | 102.24 | 59.22 | 69.77 |
| Germany | 198.65 | 233.46 | 114.73 | 92.90 | 62.41 |
| Ukraine | 140.04 | 157.39 | 108.89 | 89.32 | 39.78 |
| Belarus | 161.25 | 116.36 | 89.70 | 53.61 | 35.17 |
| Korea, Republic of | 92.04 | 111.99 | 123.06 | 53.98 | 25.96 |

Table 11: Export Partners (2012-2016)

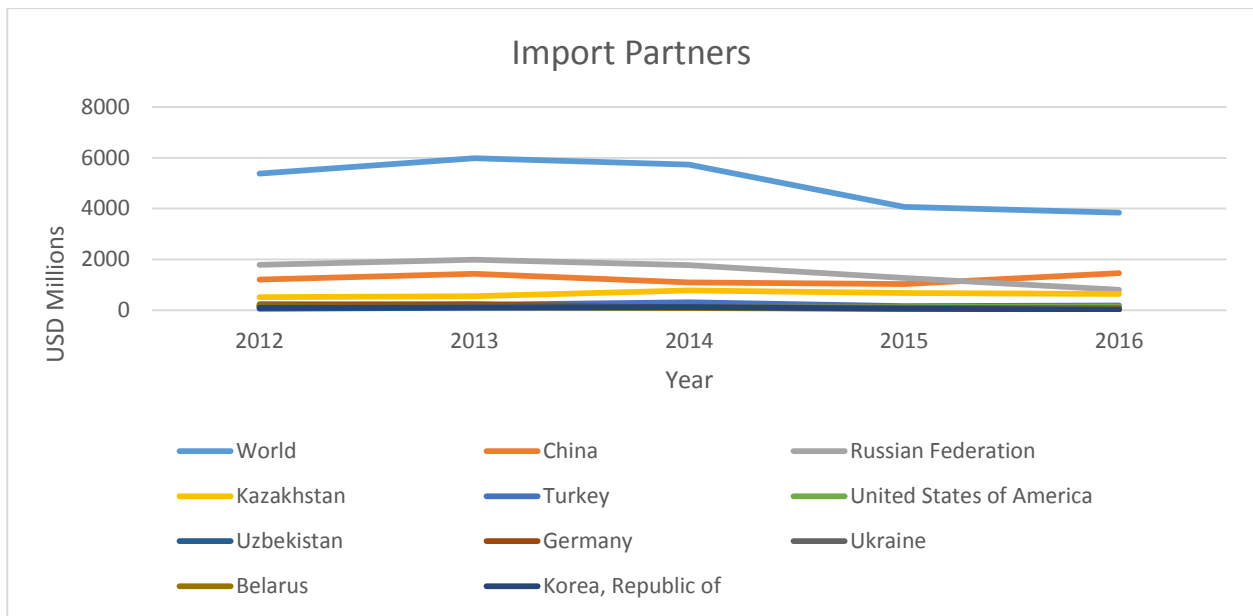


Figure 22: Major Import Partners



River Ak-Tash, Son-Kul, Kyrgyzstan

SECTION V

Trading Partners

5. Trading Partners:

5.1 Regional Trade:

Kyrgyzstan being a landlocked state relies heavily on trade with its neighbors i.e. The Central Asian countries, and the Russian Federation. The following table shows Kyrgyzstan's trade with its neighbors.

| Regional Trade-2016 | | | | | | |
|------------------------------------|---------------|---------------|--------------|--------------|---------------|-----------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | Kazakhstan | Russia | Tajikistan | Turkmenistan | Uzbekistan | World |
| Total Imports | 635.55 | 799.82 | 6.43 | 4.36 | 69.77 | 3,844.47 |
| Share of Imports % | 16.53 | 20.81 | 0.17 | 0.11 | 1.82 | 39.43 |
| Total Exports | 151.15 | 145.21 | 21.84 | 5.7 | 125.07 | 1,423.01 |
| Share of Exports % | 10.62 | 10.20 | 1.54 | 0.40 | 8.79 | 32.13 |

Table 23: Regional Trade 2016

The share in imports and exports of the Central Asian States was 18.6% and 21.3% of Kyrgyzstan's world imports and exports. A major chunk of this regional trade was with Kazakhstan. If we look at the imports of Kyrgyzstan from the CAS⁶ other than Kazakhstan it was a mere 2% in 2016. The country-wise breakup of the export market is quite similar to that of the import market. With Kazakhstan contributing 10.6% to the total export compared to the 10.36% coming from the three other CAS combined.

⁶ Central Asian States

5.2 Trade with the Russian Federation

Russia is one of the largest trading partners of Kyrgyzstan. Their ties are not only because of their proximity, but two also because the two share a common history. However, this also means that the Kyrgyz economy is closely linked to the Russian economy and Kyrgyzstan has to face the trickle-down effects of any shocks to the Russian economy.

Kyrgyzstan has always had a negative trade balance with Russia, though there has been quite a bit of fluctuation over the years. The trade deficit reached a high of USD 1.8 billion in 2013, but over the last three years, the deficit has been reducing with the deficit declining to USD 0.6 billion in 2016.

The continuous deficit can be accounted for by analyzing the nature of exports to and imports from Russia. A major chunk of exports to the Russian Federation are agricultural or intermediate goods to be used in further production, these include articles of apparel and clothing accessories, not knitted or crocheted and agro-based products such as dairy produce; birds' eggs; natural honey; edible products of animal origin, nuts, and edible oil. Whereas imports from Russia are dominated by mineral fuels, mineral oils, bituminous substances, machinery, mechanical appliances, nuclear reactors, and boilers.

The improvement in the balance of trade in recent years is a result of several events including a fall in oil prices in 2013, the Russian financial crisis of 2014 and a substantial reduction in the import bill of mineral fuel, iron and steel in 2016 compared to 2015.

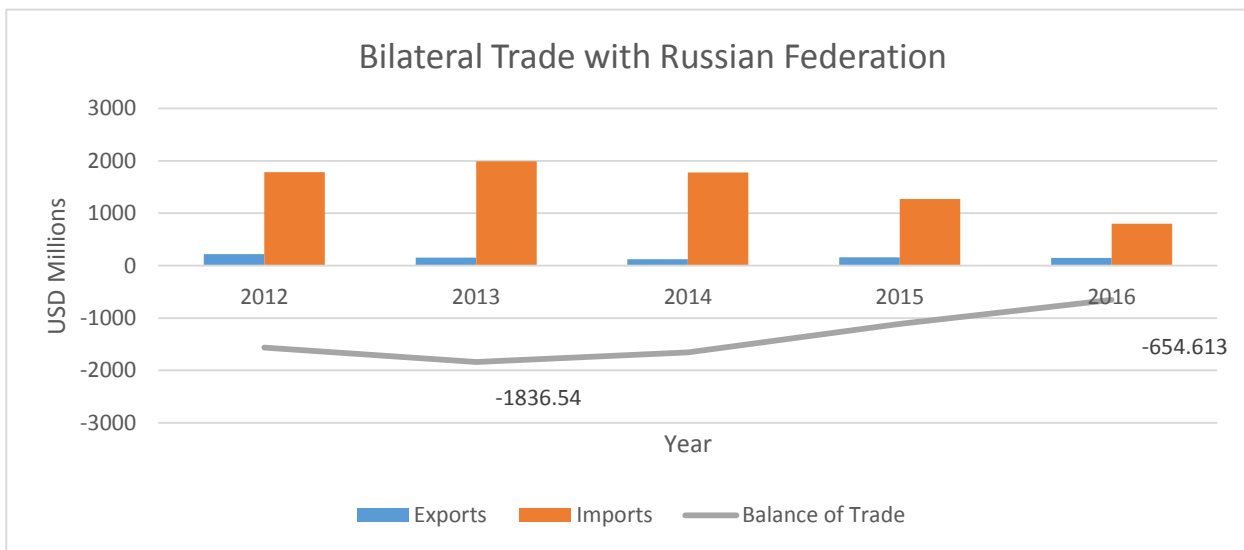


Figure 23: Balance of Trade with Russia

The following table shows the top 10 Kyrgyz exports to Russia at HS-02 level. ‘Commodities not elsewhere specified’ have been the highest export since 2015 followed by articles of apparel and dairy produce. The top 10 exports at 2 digit level account for 92% of the total exports to Russia.

| Kyrgyzstan's Top 10 Exports to Russia at HS 02 Level | | | | | | |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All Products | 219.12 | 152.70 | 122.29 | 157.30 | 145.21 |
| Product Code | Product Description | | | | | |
| 99 | Commodities not elsewhere specified | 5.47 | 1.66 | 1.15 | 80.19 | 41.49 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 51.56 | 1.85 | 0.06 | 0.06 | 20.83 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 23.52 | 1.82 | 1.65 | 1.41 | 17.48 |
| 4 | Dairy produce; birds eggs; natural honey; edible products of animal origin, not elsewhere ... | 0.78 | 0.45 | 0.22 | 0.04 | 11.66 |
| 7 | Edible vegetables and certain roots and tubers | 7.17 | 4.57 | 4.05 | 4.94 | 10.83 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 3.10 | 0.70 | 1.29 | 1.68 | 9.34 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 8.29 | 9.46 | 8.04 | 8.67 | 8.46 |
| 52 | Cotton | 29.01 | 13.25 | 15.08 | 8.34 | 5.80 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 1.98 | 1.93 | 0.92 | 1.16 | 3.62 |
| 64 | Footwear, gaiters and the like; parts of such articles | 0.24 | 0.00 | 0.00 | 0.82 | 3.54 |

Table 13: Kyrgyzstan's Top 10 Exports to Russia at HS 02 Level

Exports at HS-06 level are dominated by ‘Commodities not elsewhere specified’ followed by women clothing and dried kidney beans. The top 25 exports at HS-06 level account for 88% of the total exports to Russia.

| Kyrgyzstan's Top 25 Exports to Russia at HS 06 Level | | | | | | |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 219.12 | 152.70 | 122.29 | 157.30 | 145.21 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 5.47 | 1.66 | 1.15 | 80.19 | 41.49 |
| 620640 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres (excluding knitted or . . . | 10.96 | 0.58 | 0.00 | 0.01 | 16.65 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 5.35 | 3.34 | 3.27 | 4.19 | 8.90 |
| 40510 | Butter (excluding dehydrated butter and ghee) | 0.00 | 0.00 | 0.00 | 0.00 | 7.21 |
| 81330 | Dried apples | 0.01 | 0.03 | 0.03 | 0.01 | 5.72 |
| 520100 | Cotton, neither carded nor combed | 27.12 | 12.73 | 15.08 | 8.34 | 5.71 |
| 853922 | Filament lamps of a power <= 200 W and for a voltage > 100 V (excluding tungsten halogen filament . . . | 4.29 | 5.43 | 3.55 | 4.22 | 5.12 |
| 610620 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres, knitted or crocheted . . . | 3.55 | 0.10 | 0.00 | 0.00 | 3.83 |
| 40690 | Cheese (excluding fresh cheese, incl. whey cheese, curd, processed cheese, blue-veined cheese . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.41 |

| Kyrgyzstan's Top 25 Exports to Russia at HS 06 Level | | | | | | |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 847180 | Units for automatic data-processing machines (excluding processing units, input or output units . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.40 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 41.84 | 53.38 | 44.11 | 21.98 | 2.93 |
| 610520 | Mens or boys shirts of man-made fibres, knitted or crocheted (excluding nightshirts, T-shirts, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 2.39 |
| 903300 | Parts and accessories for machines, appliances, instruments or other apparatus in chapter 90, . . . | 4.04 | 10.25 | 0.12 | 0.26 | 2.35 |
| 610343 | Mens or boys trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted . . . | 0.01 | 0.00 | 0.00 | 0.00 | 2.31 |
| 620341 | Mens or boys trousers, bib and brace overalls, breeches and shorts, of wool or fine animal . . . | 0.00 | 0.00 | 0.00 | 0.00 | 2.22 |
| 640590 | Footwear with outer soles of rubber or plastics, with uppers other than rubber, plastics, leather . . . | 0.00 | 0.00 | 0.00 | 0.71 | 1.95 |
| 610443 | Womens or girls dresses of synthetic fibres, knitted or crocheted (excluding petticoats) | 2.41 | 0.07 | 0.00 | 0.01 | 1.87 |
| 610690 | Womens or girls blouses, shirts and shirt-blouses of textile materials, knitted or crocheted . . . | 0.00 | 0.00 | 0.00 | 0.00 | 1.80 |
| 620293 | Womens or girls anoraks, windcheaters, wind jackets and similar articles, of man-made fibres . . . | 1.53 | 0.03 | 0.00 | 0.01 | 1.74 |
| 850431 | Transformers having a power handling capacity <= 1 kVA (excluding liquid dielectric transformers) | 2.04 | 2.30 | 2.82 | 2.82 | 1.64 |
| 740400 | Waste and scrap, of copper (excluding ingots or other similar unwrought shapes, of remelted . . . | 4.94 | 3.53 | 1.09 | 2.01 | 1.37 |
| 640319 | Sports footwear, with outer soles of rubber, plastics, leather or composition leather and uppers . . . | 0.00 | 0.00 | 0.00 | 0.00 | 1.26 |
| 240110 | Tobacco, unstemmed or unstripped | 6.96 | 9.25 | 9.83 | 4.50 | 1.11 |
| 610590 | Mens or boys shirts of textile materials, knitted or crocheted (excluding of cotton or man-made . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.95 |
| 610510 | Mens or boys shirts of cotton, knitted or crocheted (excluding nightshirts, T-shirts, singlets . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.92 |

Table 14: Kyrgyzstan's Top 25 Exports to Russia at HS 06 Level

Top 10 imports from Russia at HS-02 level account for 73% of the total imports from Russia. Mineral fuels, followed by iron & steel and wood articles are the leading products at HS-02 level.

| Kyrgyzstan's Top 10 Imports from Russia at HS 02 Level | | | | | | |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,784.62 | 1,989.24 | 1,779.83 | 1,271.64 | 799.82 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral | 1,011.49 | 1,134.20 | 968.07 | 559.91 | 267.17 |
| 72 | Iron and steel | 78.01 | 104.31 | 95.56 | 133.28 | 70.85 |
| 44 | Wood and articles of wood; wood charcoal | 94.50 | 107.79 | 117.58 | 51.72 | 52.31 |
| 99 | Commodities not elsewhere specified | 0.48 | 0.42 | 3.67 | 53.51 | 43.15 |
| 15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal | 41.83 | 49.01 | 46.39 | 40.31 | 36.01 |

| Kyrgyzstan's Top 10 Imports from Russia at HS 02 Level | | | | | | |
|--------------------------------------------------------|----------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 73 | Articles of iron or steel | 31.57 | 37.67 | 35.52 | 30.15 | 34.77 |
| 18 | Cocoa and cocoa preparations | 52.16 | 40.13 | 35.20 | 29.10 | 23.40 |
| 39 | Plastics and articles thereof | 14.27 | 15.87 | 16.48 | 17.25 | 21.41 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 37.10 | 38.97 | 43.59 | 34.44 | 19.23 |
| 19 | Preparations of cereals, flour, starch or milk; pastrycooks products | 28.15 | 32.71 | 38.43 | 28.35 | 17.04 |

Table 15: Kyrgyzstan's Top 10 Imports from Russia at HS 02 Level

The top 25 imports from Russia at HS-06 level make up 65% of the total imports from Russia.

| Kyrgyzstan's Top 25 Imports from Russia at HS 06 Level | | | | | | |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,784.62 | 1,989.24 | 1,779.83 | 1,271.64 | 799.82 |
| Product Code | Product Description | | | | | |
| 271012 | Light oils and preparations, of petroleum or bituminous minerals which \geq 90% by volume "incl. . . . | 0.00 | 0.00 | 0.00 | 277.52 | 125.60 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 470.46 | 559.64 | 468.52 | 259.28 | 112.92 |
| 999999 | Commodities not elsewhere specified | 0.48 | 0.42 | 3.67 | 53.53 | 43.15 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 61.69 | 74.62 | 73.31 | 22.56 | 34.25 |
| 151219 | Sunflower-seed or safflower oil and their fractions, whether or not refined, but not chemically . . . | 33.43 | 41.85 | 38.94 | 34.33 | 29.32 |
| 271121 | Natural gas in gaseous state | 0.00 | 0.00 | 7.41 | 5.25 | 20.45 |
| 180690 | Chocolate and other preparations containing cocoa, in containers or immediate packings of \leq . . . | 16.89 | 20.31 | 27.12 | 22.86 | 17.00 |
| 721420 | Bars and rods, of iron or non-alloy steel, with indentations, ribs, groves or other deformations . . . | 28.42 | 30.66 | 29.78 | 12.50 | 14.74 |
| 722820 | Bars and rods of silico-manganese steel (excluding semi-finished products, flat-rolled products . . . | 5.95 | 8.82 | 9.23 | 6.81 | 14.40 |
| 170112 | Raw beet sugar (excluding added flavouring or colouring) | 0.00 | 0.00 | 0.00 | 0.00 | 10.39 |
| 390110 | Polyethylene with a specific gravity of $<$ 0,94, in primary forms | 1.05 | 1.45 | 3.13 | 4.31 | 9.83 |
| 720890 | Flat-rolled products of iron or steel, of a width \geq 600 mm, hot-rolled and further worked, . . . | 0.13 | 0.36 | 0.04 | 1.45 | 8.36 |
| 240290 | Cigars, cheroots, cigarillos and cigarettes consisting wholly of tobacco substitutes | 0.00 | 0.00 | 0.00 | 5.84 | 8.03 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of \geq 600 mm, hot-rolled or cold-rolled . . . | 2.79 | 4.18 | 3.80 | 7.64 | 7.09 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 13.31 | 14.76 | 18.07 | 11.64 | 6.52 |
| 730661 | Tubes and pipes and hollow profiles, welded, of square or rectangular cross-section, of iron . . . | 11.88 | 15.46 | 16.11 | 13.05 | 6.08 |
| 340220 | Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning . . . | 15.68 | 17.75 | 9.81 | 9.26 | 6.05 |

| Kyrgyzstan's Top 25 Imports from Russia at HS 06 Level | | | | | | |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------|-------|-------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 690890 | Glazed ceramic flags and paving, hearth or wall tiles; glazed ceramic mosaic cubes and the . . . | 4.90 | 6.32 | 7.03 | 6.91 | 5.93 |
| 730619 | Line pipe of a kind used for oil or gas pipelines, welded, of flat-rolled products of iron . . . | 0.00 | 0.00 | 0.04 | 1.87 | 5.77 |
| 180631 | Chocolate and other preparations containing cocoa, in blocks, slabs or bars of <= 2 kg, filled | 28.07 | 15.81 | 6.79 | 5.47 | 5.76 |
| 190531 | Sweet biscuits | 7.11 | 8.42 | 10.32 | 7.97 | 5.48 |
| 721710 | Wire of iron or non-alloy steel, in coils, not plated or coated, whether or not polished (excluding . . . | 5.45 | 6.99 | 7.16 | 5.04 | 5.15 |
| 151211 | Crude sunflower-seed or safflower oil | 3.04 | 0.28 | 0.25 | 1.11 | 4.87 |
| 730690 | Tubes, pipes and hollow profiles "e.g., open seam, riveted or similarly closed", of iron or . . . | 0.35 | 0.37 | 0.17 | 0.38 | 4.85 |
| 401120 | New pneumatic tyres, of rubber, of a kind used for buses and lorries (excluding typres with . . . | 9.79 | 8.64 | 4.51 | 4.23 | 4.69 |

Table 16: Kyrgyzstan's Top 25 Imports from Russia at HS 06 Level

5.3 Trade with Kazakhstan:

In Central Asia, Kazakhstan is the largest trading partner of Kyrgyzstan. For most of the past decade, Kyrgyzstan has had a trade deficit with Kazakhstan, the deficit showed a nearly constant trend till 2013. The notable hike in the deficit from 2013 onwards is because of a rise in imports accompanied by a fall in exports to Kazakhstan.

Kyrgyz imports from Kazakhstan are dominated by mineral fuel and mineral oil, in fact, the composition of imports is somewhat similar to that of Russia. From 2005 till 2011 imports from Kazakhstan grew steadily at 20% per annum on average owing partially to an increase in oil prices. In 2016 the import bill was USD 635.55 Million, a reduction of 6.2% compared to the previous year. This can be accounted for by the decrease of 39% in the mineral fuel category. However, this fall was compensated for by an increase in the imports of essential oils, perfumery, cosmetics, toilet preparations, wood and articles of wood.

Major exports to Kazakhstan comprise of ores, articles of clothing, dairy products and edible fruits and nuts. From 2005 till 2011 exports grew at an average of 14% per annum with minor fluctuations in almost every category. The highest growth in export revenue was recorded in 2012 when exports to Kazakhstan grew by 40%. However, the highest value was recorded in 2014, when exports reached USD 0.7 Billion. From 2013 to 2014 the largest increase was recorded under the unspecified commodities head, so there remains some ambiguity about the reasons for the growth in the said period. However, from 2014 onwards exports have declined steadily and were recorded at USD 0.15 Billion in 2016.

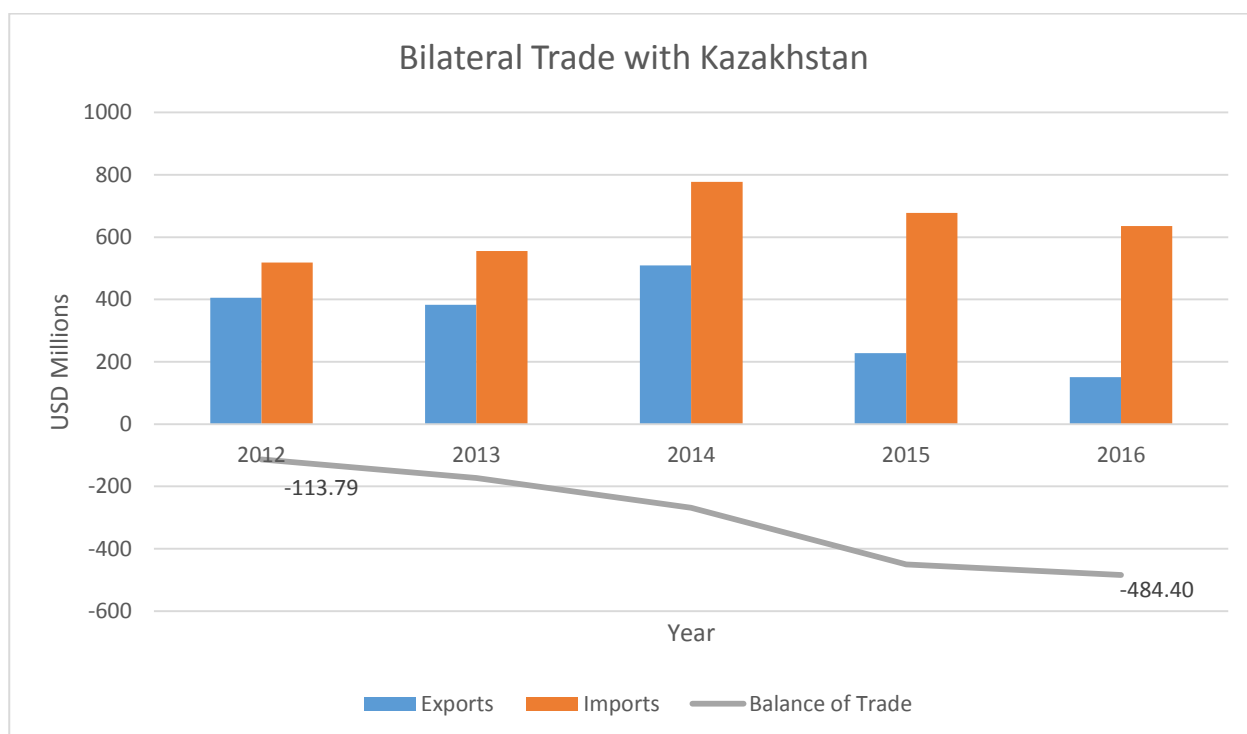


Figure 24: Balance of Trade with Kazakhstan

At the HS-02 level, top 10 exports account for 83% of the total exports to Kazakhstan. Ores, slag and ash, commodities not elsewhere specified and articles of apparel are the leading categories making up 43% of the total exports.

| Kyrgyzstan's Top 10 Exports to Kazakhstan at HS 02 Level | | | | | | |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 404.93 | 382.45 | 508.66 | 227.70 | 151.15 |
| Product Code | Product Description | | | | | |
| 26 | Ores, slag and ash | 25.22 | 17.45 | 38.39 | 18.70 | 25.39 |
| 99 | Commodities not elsewhere specified | 36.45 | 26.36 | 187.10 | 48.21 | 24.28 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 17.42 | 20.30 | 24.67 | 8.11 | 15.72 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 63.23 | 80.01 | 71.88 | 30.57 | 13.46 |
| 4 | Dairy produce; birds eggs; natural honey; edible products of animal origin, not elsewhere ... | 23.71 | 15.25 | 23.07 | 17.73 | 10.75 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 44.58 | 40.40 | 20.71 | 4.24 | 10.31 |
| 70 | Glass and glassware | 8.23 | 16.33 | 12.71 | 7.79 | 9.93 |
| 39 | Plastics and articles thereof | 11.30 | 13.14 | 13.74 | 11.27 | 6.38 |
| 68 | Articles of stone, plaster, cement, asbestos, mica or similar materials | 9.50 | 12.13 | 9.00 | 5.48 | 4.68 |
| 7 | Edible vegetables and certain roots and tubers | 36.07 | 31.33 | 22.42 | 9.16 | 4.40 |

Table 17: Kyrgyzstan's Top 10 Exports to Kazakhstan at HS 02 Level

Top 25 exports at HS-06 level account for 75% of the total exports to Kazakhstan. Precious metal ores were the leading category in 2016, followed by unspecified commodities and float glass.

| Kyrgyzstan's Top 25 Exports to Kazakhstan at HS 06 Level | | | | | | |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 404.93 | 382.45 | 508.66 | 227.70 | 151.15 |
| Product Code | Product Description | | | | | |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and concentrates) | 25.22 | 17.45 | 38.15 | 18.45 | 25.39 |
| 999999 | Commodities not elsewhere specified | 36.45 | 26.36 | 187.10 | 48.21 | 24.31 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding . . . | 6.45 | 13.89 | 10.47 | 4.99 | 8.99 |
| 81330 | Dried apples | 0.13 | 0.10 | 0.10 | 0.04 | 7.20 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of . . . | 4.82 | 6.10 | 5.17 | 3.19 | 5.36 |
| 610831 | Womens or girls nightdresses and pajamas' of cotton, knitted or crocheted (excluding T-shirts, . . . | 0.02 | 0.14 | 0.16 | 0.07 | 3.64 |
| 620312 | Mens or boys suits of synthetic fibres (excluding knitted or crocheted, tracksuits, ski suits . . . | 1.04 | 2.90 | 2.43 | 1.36 | 3.59 |
| 620433 | Womens or girls jackets and blazers of synthetic fibres (excluding knitted or crocheted, . . . | 0.75 | 2.58 | 3.85 | 2.04 | 3.48 |
| 40120 | Milk and cream of a fat content by weight of > 1% but <= 6%, not concentrated nor containing . . . | 10.48 | 6.22 | 11.41 | 7.42 | 3.46 |

| Kyrgyzstan's Top 25 Exports to Kazakhstan at HS 06 Level | | | | | | |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------|-------|------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 640320 | Footwear with outer soles of leather, and uppers which consist of leather straps across the . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.21 |
| 851629 | Electric space-heating and soil-heating apparatus (excluding storage heating radiators) | 0.01 | 1.62 | 3.71 | 2.80 | 3.14 |
| 620453 | Womens or girls skirts and divided skirts of synthetic fibres (excluding knitted or crocheted . . . | 3.41 | 3.90 | 3.23 | 1.60 | 2.92 |
| 40390 | Buttermilk, curdled milk and cream, kephir and other fermented or acidified milk and cream, . . . | 2.07 | 0.91 | 1.90 | 2.34 | 2.59 |
| 610343 | Mens or boys trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted . . . | 0.00 | 0.00 | 0.01 | 0.00 | 2.53 |
| 610610 | Womens or girls blouses, shirts and shirt-blouses of cotton, knitted or crocheted (excluding . . . | 0.35 | 0.04 | 0.00 | 0.00 | 2.35 |
| 680292 | Calcareous stone, in any form (excluding marble, travertine and alabaster, tiles, cubes and . . . | 4.78 | 7.39 | 8.63 | 5.08 | 2.34 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 0.62 | 0.33 | 0.56 | 0.20 | 2.21 |
| 210500 | Ice cream and other edible ice, whether or not containing cocoa | 4.14 | 0.06 | 2.19 | 2.01 | 2.11 |
| 680291 | Marble, travertine and alabaster, in any form (excluding tiles, cubes and similar articles . . . | 0.00 | 0.02 | 0.00 | 0.01 | 2.04 |
| 40210 | Milk and cream in solid forms, of a fat content by weight of <= 1,5% | 4.08 | 2.23 | 4.92 | 3.28 | 1.93 |
| 80810 | Fresh apples | 10.75 | 10.20 | 4.58 | 0.65 | 1.61 |
| 610520 | Mens or boys shirts of man-made fibres, knitted or crocheted (excluding nightshirts, T-shirts, . . . | 0.00 | 0.00 | 0.00 | 0.01 | 1.52 |
| 620192 | Mens or boys anoraks, windcheaters, wind jackets and similar articles, of cotton (not knitted . . . | 0.02 | 0.00 | 0.00 | 0.00 | 1.49 |
| 611020 | Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted . . . | 2.25 | 0.36 | 0.41 | 0.01 | 1.48 |
| 190590 | Bread, pastry, cakes, biscuits and other bakers wares, whether or not containing cocoa; communion . . . | 0.01 | 0.01 | 0.24 | 0.60 | 1.26 |

Table 18: Kyrgyzstan's Top 25 Exports to Kazakhstan at HS 06 Level

Top 10 imports from Kazakhstan at HS-02 level account for 70% of the total imports from Kazakhstan. Mineral fuels, unspecified commodities and essential oils are the leading categories making up roughly 39% of the total imports from Kazakhstan.

| Kyrgyzstan's Top 10 Imports from Kazakhstan at HS 02 Level | | | | | | |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 518.72 | 555.02 | 776.74 | 677.41 | 635.55 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral | 122.94 | 109.42 | 168.72 | 192.48 | 117.11 |
| 99 | Commodities not elsewhere specified | 29.85 | 18.69 | 36.85 | 58.07 | 75.32 |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 3.51 | 3.29 | 13.73 | 8.57 | 56.68 |
| 44 | Wood and articles of wood; wood charcoal | 0.42 | 0.21 | 0.29 | 0.30 | 41.13 |

| Kyrgyzstan's Top 10 Imports from Kazakhstan at HS 02 Level | | | | | | |
|------------------------------------------------------------|-----------------------------------------------------------------------|-------|-------|--------|--------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 10 | Cereals | 95.47 | 87.85 | 104.78 | 64.95 | 32.05 |
| 72 | Iron and steel | 27.96 | 43.19 | 47.48 | 112.07 | 30.67 |
| 39 | Plastics and articles thereof | 6.03 | 7.58 | 13.00 | 10.30 | 28.54 |
| 19 | Preparations of cereals, flour, starch or milk; pastry cooks products | 5.20 | 6.08 | 12.19 | 6.06 | 24.97 |
| 21 | Miscellaneous edible preparations | 4.23 | 4.91 | 18.57 | 8.26 | 22.05 |
| 24 | Tobacco and manufactured tobacco substitutes | 38.05 | 46.37 | 51.79 | 28.20 | 17.66 |

Table 19: Kyrgyzstan's Top 10 Imports from Kazakhstan at HS 02 Level

The following table shows the top 25 imports from Kazakhstan at HS-06 level. Imports under this category account for 64% of the total imports from Kazakhstan.

| Kyrgyzstan's Top 25 Imports from Kazakhstan at HS 06 Level | | | | | | |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 518.72 | 555.02 | 776.74 | 677.41 | 635.55 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 29.85 | 18.69 | 36.85 | 58.36 | 75.32 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 9.30 | 6.02 | 76.11 | 84.76 | 71.85 |
| 330510 | Shampoos | 0.11 | 0.18 | 3.01 | 1.69 | 26.14 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 0.02 | 0.00 | 0.04 | 0.00 | 24.03 |
| 100199 | Wheat and meslin (excluding seed for sowing, and durum wheat) | 0.00 | 0.00 | 0.00 | 59.47 | 23.55 |
| 392111 | Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked . . . | 0.65 | 1.19 | 1.72 | 1.23 | 18.74 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), . . . | 1.21 | 1.21 | 2.87 | 3.02 | 18.22 |
| 240220 | Cigarettes, containing tobacco | 38.05 | 46.37 | 51.67 | 28.20 | 17.66 |
| 271121 | Natural gas in gaseous state | 63.86 | 47.33 | 39.57 | 31.05 | 16.70 |
| 190110 | Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or . . . | 0.00 | 0.00 | 5.05 | 2.02 | 14.58 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 36.84 | 49.36 | 43.97 | 36.34 | 13.96 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled . . . | 4.91 | 9.48 | 11.46 | 84.51 | 11.10 |
| 210111 | Extracts, essences and concentrates, of coffee | 0.00 | 0.00 | 2.88 | 1.11 | 9.28 |
| 870324 | Motor cars and other motor vehicles principally designed for the transport of persons, incl. . . . | 0.00 | 0.00 | 14.17 | 3.95 | 8.62 |
| 441011 | Particle board of wood, whether or not agglomerated with resins or other organic binding substances . . . | 0.00 | 0.00 | 0.00 | 0.15 | 7.61 |
| 340220 | Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning . . . | 0.01 | 0.02 | 7.92 | 4.15 | 6.18 |
| 100119 | Durum wheat (excluding seed for sowing) | 0.00 | 0.00 | 0.00 | 1.44 | 6.17 |

| Kyrgyzstan's Top 25 Imports from Kazakhstan at HS 06 Level | | | | | | |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------|------|-------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 961900 | Sanitary towels (pads) and tampons, napkins and napkin liners for babies, and similar articles, . . . | 0.00 | 0.00 | 0.00 | 4.67 | 5.98 |
| 441860 | Posts and beams, of wood | 0.00 | 0.00 | 0.00 | 0.00 | 5.55 |
| 252100 | Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of . . . | 3.77 | 6.80 | 10.46 | 6.54 | 5.09 |
| 170490 | Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum) | 4.25 | 4.04 | 4.34 | 3.26 | 4.92 |
| 110311 | Groats and meal of wheat | 0.01 | 0.02 | 0.12 | 1.50 | 4.58 |
| 151790 | Edible mixtures or preparations of animal or vegetable fats or oils and edible fractions of . . . | 3.13 | 3.41 | 4.75 | 4.20 | 4.46 |
| 721420 | Bars and rods, of iron or non-alloy steel, with indentations, ribs, groves or other deformations . . . | 0.92 | 0.19 | 2.25 | 5.21 | 4.46 |
| 730729 | Tube or pipe fittings of stainless steel (excluding cast products, flanges, threaded elbows, . . . | 0.00 | 0.00 | 0.01 | 0.00 | 4.39 |

Table 20: Kyrgyzstan's Top 25 Imports from Kazakhstan at HS 06 Level

5.4 Trade with Uzbekistan:

Uzbekistan is the second largest trading partner of Kyrgyzstan among its Central Asian neighbors after Kazakhstan. A gradual decline in exports accompanied by a steady growth in imports has been observed for the last five years. Although the trade balance is positive, it has worsened from USD 144 Million in 2012 to USD 55 Million in 2016, a decline of more than 60%.

Exports to Uzbekistan at HS 02 level have been dominated by the vehicles other than tramway rolling stock... category for the last five years. Although exports grew by more than 31% between 2015 and 2016, the export revenue of USD 125 Million in 2016 was still 34% lower than that recorded in 2012.

Fertilizers, plastics, and carpet are the top 3 items imported from Uzbekistan. The import bill has fluctuated during the last five years, with the lowest value of USD 59 Million in 2015 and the highest of USD 102 Million in 2014. The overall fall in imports of fertilizers from the world by 45% which incidentally is the largest import from Uzbekistan, was the driving factor behind this reduction. The import bill for 2016 was around USD 69 Million, 17% higher than 2015. This increase can be attributed to an increase in imports of plastics.

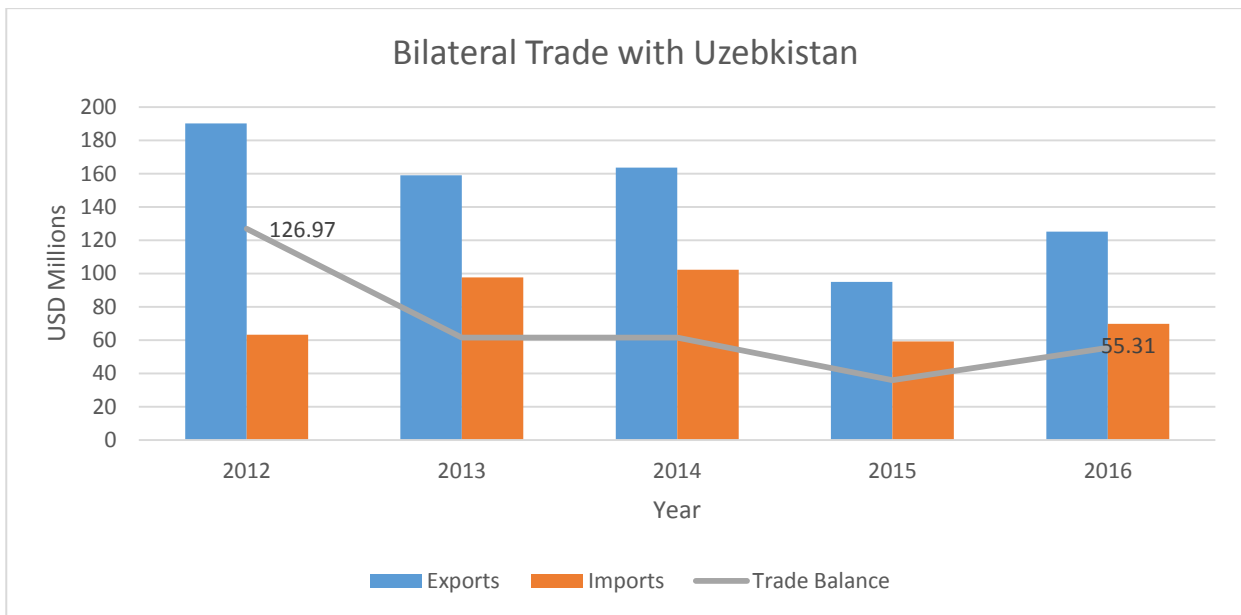


Figure 25: Balance of Trade with Uzbekistan

Vehicles, iron & steel and machinery are the top export items to Uzbekistan at HS-02 level. The top 10 exports to Uzbekistan at HS-02 level account for 85% of total exports.

| Kyrgyzstan's Top 10 Exports to Uzbekistan at HS 02 Level | | | | | | |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|--------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 190.13 | 159.01 | 163.70 | 95.03 | 125.07 |
| Product Code | Product Description | | | | | |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 86.12 | 30.41 | 18.05 | 27.63 | 42.13 |
| 72 | Iron and steel | 26.39 | 28.88 | 15.26 | 8.08 | 15.62 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 12.52 | 17.90 | 8.45 | 9.82 | 10.72 |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical . . . | 0.07 | 0.24 | 0.18 | 0.13 | 8.78 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 11.01 | 5.41 | 9.23 | 5.76 | 8.77 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . . | 6.41 | 6.09 | 9.81 | 13.29 | 6.84 |
| 39 | Plastics and articles thereof | 1.74 | 9.08 | 2.88 | 2.86 | 5.07 |
| 69 | Ceramic products | 0.85 | 0.35 | 0.35 | 0.19 | 3.76 |
| 31 | Fertilisers | 5.63 | 4.65 | 1.97 | 0.90 | 2.72 |
| 25 | Salt; sulphur; earths and stone; plastering materials, lime and cement | 5.57 | 5.63 | 11.86 | 3.00 | 2.69 |

Table 21: Kyrgyzstan's Top 10 Exports to Uzbekistan at HS 02 Level

The following table shows the top 25 exports to Uzbekistan at HS-06 level which account for 74% of total exports to Uzbekistan. Dumpers for off highway use, aeronautical instruments and AC motors are the three leading products at the HS-06 level.

| Kyrgyzstan's Top 25 Exports to Uzbekistan at HS 06 Level | | | | | | |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|--------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 190.13 | 159.01 | 163.70 | 95.03 | 125.07 |
| Product Code | Product Description | | | | | |
| 870410 | Dumpers for off-highway use | 0.79 | 6.55 | 1.13 | 17.78 | 33.74 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.00 | 0.00 | 0.00 | 8.30 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.00 | 0.00 | 5.56 | 4.24 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 2.18 | 4.27 | 5.92 | 4.93 | 3.86 |
| 390410 | Poly"vinyl chloride", in primary forms, not mixed with any other substances | 0.00 | 6.74 | 1.54 | 1.62 | 3.73 |
| 690210 | Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods containing, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.65 |
| 720890 | Flat-rolled products of iron or steel, of a width >= 600 mm, hot-rolled and further worked, . . . | 0.00 | 0.00 | 0.00 | 0.98 | 3.30 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 3.03 | 2.59 | 3.06 | 3.63 | 2.91 |
| 270900 | Petroleum oils and oils obtained from bituminous minerals, crude | 0.00 | 0.16 | 0.00 | 0.00 | 2.59 |

| Kyrgyzstan's Top 25 Exports to Uzbekistan at HS 06 Level | | | | | | |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------|-------|-------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 190110 | Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or . . . | 0.42 | 0.71 | 0.86 | 2.23 | 2.41 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding . . . | 0.22 | 1.67 | 9.14 | 2.80 | 2.35 |
| 870423 | Motor vehicles for the transport of goods, with compression-ignition internal combustion piston . . . | 75.39 | 14.39 | 8.25 | 3.85 | 1.89 |
| 720449 | Waste and scrap of iron or steel (excluding slag, scale and other waste of the production of . . . | 4.67 | 2.67 | 5.77 | 4.44 | 1.85 |
| 270210 | Lignite, whether or not pulverised, non-agglomerated (excluding jet) | 0.01 | 0.13 | 0.17 | 0.27 | 1.81 |
| 310230 | Ammonium nitrate, whether or not in aqueous solution (excluding that in pellet or similar forms, . . . | 3.60 | 1.93 | 0.00 | 0.59 | 1.75 |
| 870840 | Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more . . . | 2.32 | 1.79 | 1.52 | 0.71 | 1.65 |
| 382490 | Chemical products and preparations of the chemical or allied industries, incl. those consisting . . . | 0.83 | 2.29 | 0.71 | 0.90 | 1.64 |
| 722540 | Flat-rolled products of alloy steel other than stainless, of a width of ≥ 600 mm, not further . . . | 0.19 | 1.00 | 0.63 | 0.50 | 1.59 |
| 251690 | Porphyry, basalt and other monumental or building stone, whether or not roughly trimmed or . . . | 1.48 | 1.56 | 1.60 | 1.35 | 1.53 |
| 820719 | Rock-drilling or earth-boring tools, interchangeable, and parts therefor, with working parts . . . | 6.56 | 6.37 | 1.45 | 2.42 | 1.41 |
| 720249 | Ferro-chromium, containing by weight $\leq 4\%$ of carbon | 1.43 | 1.24 | 0.33 | 0.52 | 1.41 |
| 842911 | Self-propelled bulldozers and angledozers, track laying | 2.34 | 2.93 | 0.00 | 0.42 | 1.37 |
| 401194 | Pneumatic tyres, new, of rubber, of a kind used on construction or industrial handling vehicles . . . | 9.74 | 22.75 | 17.05 | 7.67 | 1.31 |
| 840820 | Compression-ignition internal combustion piston engine "diesel or semi-diesel engine", for . . . | 0.74 | 0.94 | 0.94 | 0.13 | 1.11 |
| 520100 | Cotton, neither carded nor combed | 0.00 | 0.02 | 0.00 | 0.00 | 1.06 |

Table 22: Top 25 Kyrgyzstan's Exports to Uzbekistan at HS 06 Level

Fertilizers, plastics, carpets and knitted fabrics are among the foremost products at HS-02 level imported from Uzbekistan. The top 10 imports at HS-02 level account for 71% of the total imports from Uzbekistan.

| Kyrgyzstan's Top 10 Imports from Uzbekistan at HS 02 Level | | | | | | |
|------------------------------------------------------------|--------------------------------------------------------------------|--------------|--------------|---------------|--------------|--------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 63.15 | 97.61 | 102.24 | 59.22 | 69.77 |
| Product Code | Product Description | | | | | |
| 31 | Fertilizers | 19.20 | 26.09 | 35.99 | 17.08 | 11.65 |
| 39 | Plastics and articles thereof | 3.89 | 4.98 | 5.80 | 4.19 | 7.24 |
| 57 | Carpets and other textile floor coverings | 0.05 | 0.69 | 1.71 | 3.40 | 6.22 |
| 60 | Knitted or crocheted fabrics | 0.00 | 0.03 | 1.93 | 2.67 | 5.14 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 0.10 | 9.22 | 8.56 | 0.15 | 4.27 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 0.06 | 0.15 | 0.82 | 0.55 | 3.45 |

| Kyrgyzstan's Top 10 Imports from Uzbekistan at HS 02 Level | | | | | | |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------|-------|------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 14.39 | 16.88 | 3.56 | 3.99 | 3.34 |
| 64 | Footwear, gaiters and the like; parts of such articles | 2.94 | 3.69 | 2.99 | 2.71 | 3.18 |
| 56 | Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof | 0.52 | 1.92 | 2.60 | 1.90 | 2.79 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . . | 0.83 | 0.85 | 0.88 | 1.06 | 2.42 |

Table 23: Kyrgyzstan's Top 10 Imports from Uzbekistan at HS 02 Level

The following table shows the top 25 items imported from Uzbekistan at the HS-06 level contributing about 68% to the total imports from Uzbekistan.

| Kyrgyzstan's Top 25 Imports from Uzbekistan at HS 06 Level | | | | | | |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------|--------------|---------------|--------------|--------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 63.15 | 97.61 | 102.24 | 59.22 | 69.77 |
| Product Code | Product Description | | | | | |
| 310230 | Ammonium nitrate, whether or not in aqueous solution (excluding that in pellet or similar forms, . . . | 18.06 | 21.80 | 24.53 | 9.70 | 6.48 |
| 570242 | Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flopped, . . . | 0.04 | 0.55 | 1.66 | 3.22 | 5.46 |
| 310210 | Urea, whether or not in aqueous solution (excluding that in pellet or similar forms, or in . . . | 0.79 | 3.43 | 10.31 | 7.31 | 4.65 |
| 391620 | Monofilament with any cross-sectional dimension of > 1 mm, rods, sticks and profile shapes, . . . | 1.47 | 1.79 | 2.39 | 2.19 | 4.22 |
| 271121 | Natural gas in gaseous state | 14.38 | 16.83 | 3.53 | 3.94 | 3.14 |
| 560121 | Wadding of cotton and articles thereof (excluding sanitary towels and tampons, napkins and . . . | 0.28 | 1.31 | 2.01 | 1.47 | 2.43 |
| 600622 | Dyed cotton fabrics, knitted or crocheted, of a width of > 30 cm (excluding warp knit fabrics . . . | 0.00 | 0.03 | 0.89 | 0.84 | 2.19 |
| 640199 | Waterproof footwear covering neither the ankle nor the knee, with outer soles and uppers of . . . | 2.79 | 3.56 | 2.70 | 2.01 | 2.14 |
| 760421 | Hollow profiles of aluminium alloys, n.e.s. | 1.68 | 2.33 | 3.20 | 1.63 | 1.84 |
| 283620 | Disodium carbonate | 0.05 | 0.96 | 7.04 | 3.85 | 1.69 |
| 600624 | Printed cotton fabrics, knitted or crocheted, of a width of > 30 cm (excluding warp knit fabrics . . . | 0.00 | 0.00 | 0.43 | 0.79 | 1.60 |
| 610910 | T-shirts, singlets and other vests of cotton, knitted or crocheted | 0.00 | 0.00 | 0.25 | 0.15 | 1.53 |
| 691200 | Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . . | 0.00 | 0.01 | 0.11 | 0.14 | 1.46 |
| 80930 | Fresh peaches, incl. nectarines | 0.00 | 2.24 | 0.99 | 0.00 | 1.36 |
| 851660 | Electric ovens, cookers, cooking plates and boiling rings, electric grillers and roasters, . . . | 0.00 | 0.00 | 0.00 | 0.06 | 0.87 |
| 80610 | Fresh grapes | 0.00 | 1.07 | 1.59 | 0.01 | 0.80 |
| 81070 | Fresh persimmons | 0.00 | 0.00 | 0.00 | 0.04 | 0.68 |
| 600410 | Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric . . . | 0.00 | 0.00 | 0.38 | 0.34 | 0.64 |
| 392590 | Building elements for the manufacture of floors, walls, partition walls, ceilings, roofs, etc., . . . | 0.54 | 0.94 | 1.17 | 0.48 | 0.63 |

Kyrgyzstan's Top 25 Imports from Uzbekistan at HS 06 Level

**All Values in USD Millions*

| | | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------|---------------------------------------------------------------------------------------------------|------|------|------|------|------|
| 690890 | Glazed ceramic flags and paving, hearth or wall tiles; glazed ceramic mosaic cubes and the . . . | 0.22 | 0.74 | 1.50 | 0.68 | 0.59 |
| 70200 | Tomatoes, fresh or chilled | 0.00 | 0.04 | 0.06 | 0.32 | 0.59 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.00 | 0.00 | 0.58 | 0.59 |
| 640419 | Footwear with outer soles of rubber or plastics and uppers of textile materials (excluding . . . | 0.07 | 0.11 | 0.08 | 0.19 | 0.56 |
| 310559 | Mineral or chemical fertilisers containing the two fertilising elements nitrogen (excluding . . . | 0.00 | 0.27 | 0.45 | 0.06 | 0.52 |
| 611120 | Babies garments and clothing accessories of cotton, knitted or crocheted (excluding hats) | 0.00 | 0.10 | 0.18 | 0.04 | 0.49 |

Table 24: Kyrgyzstan's Top 25 Imports from Uzbekistan at HS 06 Level

5.5 Trade with China:

China is the largest import partner of Kyrgyzstan. A deterioration in economic ties with Russia owing to the economic downturn in the Russian economy coupled with unfulfilled promises of investments in energy projects has led the Kyrgyz government to strengthen its ties with China.

Kyrgyzstan has had a constant trade deficit with China. The substitution of Russian imports with those from China have also contributed to a worsening in the trade deficit in recent years. The deficit crossed USD 1.3 Billion in 2016 depicting an increase of 39% over 2015.

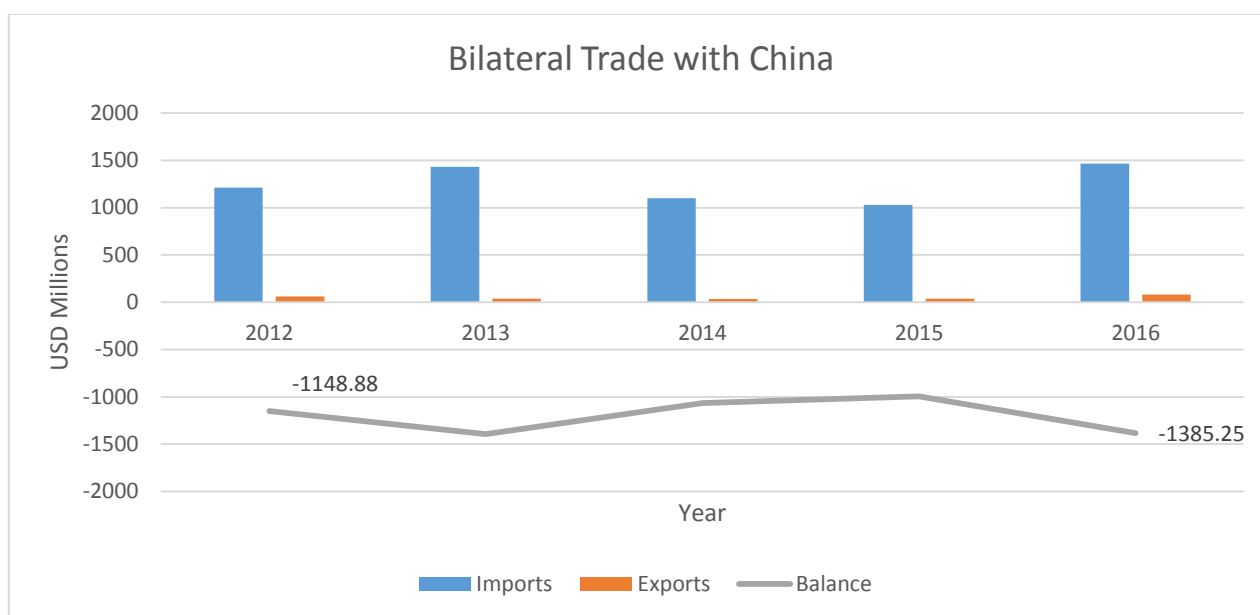


Figure 26: Balance of Trade with China

Exports to China majorly comprise of agricultural and manufactured goods such as ores, slag, tobacco, manufactured tobacco substitutes, raw hides, skins, and vehicles. The nature of exports indicates low value addition which could provide an explanation for low export values.

The table below shows Kyrgyzstan's top 10 exports to China at HS-02 Level. The major exports listed below make up 93.12% of the total products exported to China. Ores and slag followed by tobacco products and raw hides were the foremost exports at HS 02 level.

| Kyrgyzstan's Top 10 Exports to China at HS 02 Level | | | | | | |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 61.37 | 38.96 | 32.78 | 35.88 | 79.70 |
| Product Code | Product Description | | | | | |
| 26 | Ores, slag and ash | 30.26 | 1.04 | 2.81 | 0.81 | 42.72 |
| 24 | Tobacco and manufactured tobacco substitutes | 0.00 | 0.00 | 0.00 | 1.27 | 10.07 |
| 41 | Raw hides and skins (other than furskins) and leather | 9.25 | 9.33 | 7.56 | 9.74 | 6.92 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 8.41 | 9.64 | 7.88 | 5.91 | 6.53 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 1.93 | 3.69 | 1.69 | 2.08 | 2.06 |

| Kyrgyzstan's Top 10 Exports to China at HS 02 Level | | | | | | |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 59 | Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable ... | 0.00 | 0.00 | 0.00 | 4.60 | 1.84 |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ... | 0.06 | 1.50 | 0.00 | 0.19 | 1.34 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 6.62 | 4.86 | 3.47 | 4.61 | 1.25 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 0.01 | 0.79 | 0.62 | 0.05 | 0.81 |
| 52 | Cotton | 0.00 | 0.00 | 0.00 | 0.01 | 0.68 |

Table 25: Kyrgyzstan's Top 10 Exports to China at HS 02 Level

The table below represents Kyrgyzstan's exports to China at HS-06 level. The top 25 products listed below make up 93.74% of the total exports to China. Metal ores were the most exported product in 2016, valued at USD 42.39 million.

| Kyrgyzstan's Top 25 Exports to China at HS 06 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 61.37 | 38.96 | 32.78 | 35.88 | 79.70 |
| Product Code | Product Description | | | | | |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and concentrates) | 30.15 | 0.89 | 2.36 | 0.64 | 42.39 |
| 240220 | Cigarettes, containing tobacco | 0.00 | 0.00 | 0.00 | 1.21 | 9.86 |
| 410411 | Full grains, unsplit and grain splits, in the wet state "incl. wet-blue", of hides and skins . . . | 1.80 | 2.81 | 2.28 | 2.77 | 5.77 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 7.58 | 9.62 | 7.60 | 5.68 | 5.57 |
| 590390 | Textile fabrics impregnated, coated, covered or laminated with plastics other than poly"vinyl . . . | 0.00 | 0.00 | 0.00 | 4.60 | 1.84 |
| 870590 | Special purpose motor vehicles (other than those principally designed for the transport of . . . | 0.21 | 0.15 | 0.18 | 0.63 | 1.02 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 0.70 | 0.01 | 0.13 | 0.22 | 0.84 |
| 852560 | Transmission apparatus for radio-broadcasting or television, incorporating reception apparatus | 0.00 | 0.00 | 0.00 | 0.01 | 0.69 |
| 520942 | Denim, containing > = 85% cotton by weight and weighing > 200 g/m ² , made of yarn of different . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.67 |
| 40900 | Natural honey | 0.00 | 0.06 | 0.46 | 0.82 | 0.61 |
| 901580 | Instruments and appliances used in geodesy, topography, hydrography, oceanography, hydrology, . . . | 0.00 | 1.24 | 0.00 | 0.00 | 0.51 |
| 410150 | Whole raw hides and skins of bovine "incl. buffalo" or equine animals, whether or not dehaired . . . | 3.74 | 2.21 | 2.22 | 2.32 | 0.46 |
| 220421 | Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested . . . | 0.00 | 0.00 | 0.01 | 0.29 | 0.44 |
| 843041 | Self-propelled boring or sinking machinery for boring earth or extracting minerals or ores . . . | 0.21 | 0.26 | 0.00 | 0.00 | 0.44 |
| 903180 | Instruments, appliances and machines for measuring or checking, not elsewhere specified in . . . | 0.00 | 0.01 | 0.00 | 0.00 | 0.36 |

| Kyrgyzstan's Top 25 Exports to China at HS 06 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 253090 | Arsenic sulfides, alunite, pozzuolana, earth colours and other mineral substances, n.e.s. | 0.00 | 0.00 | 0.20 | 0.00 | 0.34 |
| 902780 | Instruments and apparatus for physical or chemical analysis, or for measuring or checking viscosity, . . . | 0.00 | 0.00 | 0.00 | 0.17 | 0.34 |
| 80232 | Fresh or dried walnuts, shelled | 0.13 | 2.04 | 2.42 | 0.54 | 0.34 |
| 410120 | Whole raw hides and skins of bovine "incl. buffalo" or equine animals, whether or not dehaired, . . . | 0.94 | 1.12 | 0.84 | 0.57 | 0.34 |
| 940600 | Prefabricated buildings, whether or not complete or already assembled | 0.00 | 0.00 | 0.04 | 0.00 | 0.34 |
| 510129 | Degreased wool, non-carbonised, neither carded nor combed (excluding shorn wool) | 0.02 | 0.13 | 0.38 | 0.34 | 0.33 |
| 870423 | Motor vehicles for the transport of goods, with compression-ignition internal combustion piston . . . | 0.00 | 0.00 | 0.02 | 0.19 | 0.33 |
| 870510 | Crane lorries (excluding breakdown lorries) | 0.42 | 1.47 | 0.65 | 0.96 | 0.30 |
| 847910 | Machinery for public works, building or the like, n.e.s. | 0.19 | 0.56 | 0.90 | 0.00 | 0.30 |
| 251110 | Natural barium sulphate "barytes" | 0.00 | 0.00 | 0.09 | 0.04 | 0.28 |

Table 26: Kyrgyzstan's Top 25 Exports to China at HS 06 Level

Imports from China are mainly consumer goods such as footwear, gaiters, electrical appliances, articles of apparel and capital goods such as nuclear reactors, and mechanical appliances. Imports from China have averaged around USD 1.2 Billion over the last five years. The import bill for 2016 was USD 1.4 Billion showing an increase of more than 42% over 2015.

The table below lists the major products imported from China at HS-02 level. The top 10 products make up 75.73% of the total imports from China. Footwear and machinery were the most imported goods in 2016.

| Kyrgyzstan's Top 10 Imports from China at HS 02 Level | | | | | | |
|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,210.25 | 1,432.05 | 1,098.47 | 1,029.11 | 1,464.96 |
| Product Code | Product Description | | | | | |
| 64 | Footwear, gaiters and the like; parts of such articles | 61.16 | 52.81 | 33.80 | 73.69 | 243.03 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 122.18 | 160.11 | 131.85 | 163.49 | 206.53 |
| 55 | Man-made staple fibres | 56.93 | 57.84 | 54.71 | 77.52 | 150.94 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 152.04 | 185.38 | 69.67 | 92.05 | 138.08 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 94.12 | 100.74 | 74.19 | 44.47 | 99.24 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 97.57 | 83.25 | 65.35 | 43.51 | 77.23 |
| 39 | Plastics and articles thereof | 51.31 | 83.80 | 71.65 | 54.53 | 55.99 |
| 54 | Man-made filaments; strip and the like of man-made textile materials | 16.19 | 13.97 | 15.18 | 21.66 | 53.14 |

| Kyrgyzstan's Top 10 Imports from China at HS 02 Level | | | | | | |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------|-------|--------|-------|-------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 61.98 | 88.10 | 62.00 | 43.89 | 46.98 |
| 73 | Articles of iron or steel | 91.10 | 162.41 | 94.46 | 72.43 | 38.26 |

Table 27: Kyrgyzstan's Top 10 Imports from China at HS 02 Level

The table below lists Kyrgyzstan's top imports from China at HS-06 level. The top 25 products listed below make up 39.04% of the total products imported from China. Footwear was the most imported product in 2016, followed by sportswear, woven fabrics and parts of steam turbines.

| Kyrgyzstan's Top 25 Imports from China at HS 06 Level | | | | | | |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1,210.25 | 1,432.05 | 1,098.47 | 1,029.11 | 1,464.96 |
| Product Code | Product Description | | | | | |
| 640299 | Footwear with outer soles and uppers of rubber or plastics (excluding covering the ankle or . . . | 49.03 | 37.22 | 25.04 | 31.37 | 133.05 |
| 551599 | Woven fabrics containing predominantly, but < 85% synthetic staple fibres, other than those . . . | 7.21 | 6.28 | 4.24 | 23.26 | 60.42 |
| 640291 | Footwear covering the ankle, with outer soles and uppers of rubber or plastics (excluding waterproof . . . | 0.01 | 0.18 | 0.08 | 19.31 | 33.17 |
| 640219 | Sports footwear with outer soles and uppers of rubber or plastics (excluding waterproof footwear . . . | 0.03 | 0.84 | 1.34 | 6.87 | 32.20 |
| 840690 | Parts of steam and other vapour turbines, n.e.s. | 0.30 | 0.00 | 0.00 | 0.00 | 29.77 |
| 851712 | Telephones for cellular networks "mobile telephones" or for other wireless networks | 28.56 | 35.20 | 0.02 | 25.05 | 26.31 |
| 611430 | Special garments for professional, sporting or other purposes, n.e.s., of man-made fibres, . . . | 9.08 | 10.60 | 10.16 | 3.72 | 21.31 |
| 621210 | Brassieres of all types of textile materials, whether or not elasticated, incl. knitted or . . . | 1.60 | 1.86 | 1.26 | 2.43 | 20.95 |
| 840290 | Parts of vapour generating boilers and superheated water boilers, n.e.s. | 0.00 | 0.00 | 0.00 | 5.20 | 19.03 |
| 851762 | Machines for the reception, conversion and transmission or regeneration of voice, images or . . . | 13.34 | 7.39 | 7.58 | 11.95 | 16.91 |
| 691200 | Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . . | 1.11 | 0.39 | 0.29 | 1.79 | 15.69 |
| 640590 | Footwear with outer soles of rubber or plastics, with uppers other than rubber, plastics, leather . . . | 9.29 | 8.06 | 1.31 | 3.26 | 15.37 |
| 611596 | Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied . . . | 18.31 | 11.44 | 8.50 | 9.94 | 15.30 |
| 551511 | Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . . | 0.85 | 1.95 | 0.71 | 2.77 | 13.73 |
| 610342 | Mens or boys trousers, bib and brace overalls, breeches and shorts of cotton, knitted or . . . | 0.88 | 0.96 | 0.43 | 0.32 | 11.98 |
| 611522 | Pantyhose and tights of synthetic fibres, knitted or crocheted, measuring per single yarn >= . . . | 1.31 | 1.12 | 1.59 | 2.56 | 11.55 |
| 851770 | Parts of telephone sets, telephones for cellular networks or for other wireless networks and . . . | 4.70 | 8.16 | 6.17 | 6.61 | 11.18 |

| Kyrgyzstan's Top 25 Imports from China at HS 06 Level | | | | | | |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 540793 | Woven fabrics of yarn containing predominantly, but < 85% synthetic filament by weight, incl. . . . | 10.24 | 10.18 | 6.72 | 15.16 | 11.07 |
| 853720 | Boards, cabinets and similar combinations of apparatus for electric control or the distribution . . . | 3.23 | 4.70 | 1.07 | 1.74 | 11.06 |
| 551512 | Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed . . . | 8.78 | 8.08 | 18.10 | 5.42 | 11.01 |
| 540834 | Woven fabrics of yarn containing predominantly, but < 85% artificial filament by weight, incl. . . . | 0.01 | 0.08 | 0.58 | 0.05 | 10.66 |
| 620342 | Mens or boys trousers, bib and brace overalls, breeches and shorts, of cotton (excluding . . . | 17.79 | 15.58 | 11.12 | 6.22 | 10.50 |
| 551521 | Woven fabrics containing predominantly, but < 85% acrylic or modacrylic staple fibres by weight, . . . | 0.00 | 0.00 | 0.05 | 7.74 | 10.23 |
| 620462 | Womens or girls trousers, bib and brace overalls, breeches and shorts of cotton (excluding . . . | 11.77 | 11.00 | 7.60 | 5.66 | 9.78 |
| 847490 | Parts of machinery for working mineral substances of heading 8474, n.e.s. | 0.47 | 1.39 | 2.07 | 5.42 | 9.73 |

Table 28: Kyrgyzstan's Top 25 Imports from China at HS 06 Level

5.6 Trade with India:

India has not been a significant trading partner of Kyrgyzstan. Balance of trade, though still negative has improved over the last five years with the deficit reducing from USD 29 Million in 2012 to USD 20 Million in 2016. Imports have shown a declining trend during the last five years whereas exports have exhibited growth.

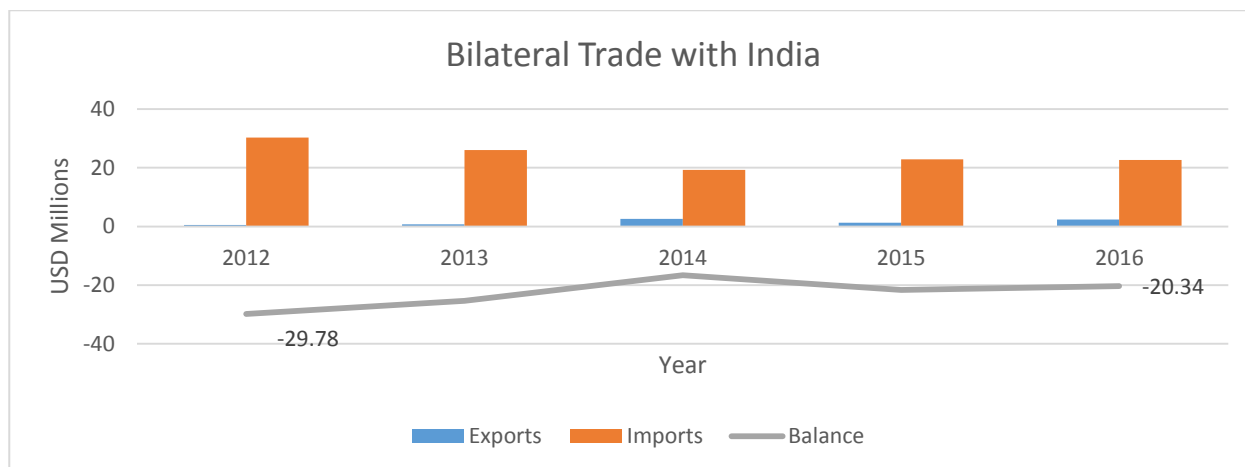


Figure 27: Balance of Trade with India

The highest level of Kyrgyz exports to India was recorded in 2011; USD 18.3 Million. Post-2011, Kyrgyz exports to India declined sharply. Exports to India have been dominated by the “Commodities not elsewhere specified” category, although in recent years the mineral fuels category has shown growth. Export revenue from India has not amounted to much in the last five years, the highest level of exports during the last five years was recorded in 2014; USD 2.61 Million. Kyrgyzstan’s exports to India in 2016 were valued at USD 2.3 Million which was 88% more than the value in 2015, furthermore, the top 10 exports to India at HS-02 level accounted for 99% of the total exports to India.

| Kyrgyzstan’s Top 10 Exports to India at HS 02 Level | | | | | | |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| *All Values in USD Millions | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 0.50 | 0.69 | 2.61 | 1.24 | 2.33 |
| Product Code | Product Description | | | | | |
| 99 | Commodities not elsewhere specified | 0.33 | 0.12 | 1.80 | 0.27 | 1.27 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 0.03 | 0.45 | 0.42 | 0.48 | 0.54 |
| 97 | Works of art, collectors pieces and antiques | 0.00 | 0.00 | 0.00 | 0.00 | 0.23 |
| 20 | Preparations of vegetables, fruit, nuts or other parts of plants | 0.00 | 0.00 | 0.00 | 0.06 | 0.09 |
| 76 | Aluminium and articles thereof | 0.03 | 0.00 | 0.35 | 0.15 | 0.06 |
| 30 | Pharmaceutical products | 0.03 | 0.08 | 0.02 | 0.11 | 0.04 |
| 16 | Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates | 0.01 | 0.01 | 0.00 | 0.02 | 0.03 |
| 71 | Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 0.00 | 0.00 | 0.00 | 0.09 | 0.01 |

Table 29: Kyrgyzstan’s Top 10 Exports to India at HS 02 Level

The following table shows the top 25 Kyrgyz exports to India, which was equal to the total exports to India. Implying that in 2016, only twenty-five products were exported to India.

| Kyrgyzstan's Top 25 Exports to India at HS 06 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 0.50 | 0.69 | 2.61 | 1.24 | 2.33 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 0.33 | 0.12 | 1.80 | 0.27 | 1.27 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 0.03 | 0.45 | 0.42 | 0.48 | 0.54 |
| 970110 | Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.23 |
| 200819 | Nuts and other seeds, incl. mixtures, prepared or preserved (excluding prepared or preserved . . . | 0.00 | 0.00 | 0.00 | 0.06 | 0.09 |
| 760120 | Unwrought aluminium alloys | 0.00 | 0.00 | 0.34 | 0.15 | 0.06 |
| 160250 | Prepared or preserved meat or offal of bovine animals (excluding sausages and similar products, . . . | 0.01 | 0.01 | 0.00 | 0.02 | 0.03 |
| 711311 | Articles of jewellery and parts thereof, of silver, whether or not plated or clad with other . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 0.03 | 0.08 | 0.02 | 0.10 | 0.03 |
| 121190 | Plants, parts of plants, incl. seeds and fruits, used primarily in perfumery, in pharmacy or . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 300420 | Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 81310 | Dried apricots | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 630900 | Worn clothing and clothing accessories, blankets and travelling rugs, household linen and articles . . . | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 |
| 860900 | Containers, incl. containers for the transport of fluids, specially designed and equipped for . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 40900 | Natural honey | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 901890 | Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 901910 | Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 901920 | Ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 902219 | Apparatus based on the use of X-rays (other than for medical, surgical, dental or veterinary . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 902300 | Instruments, apparatus and models designed for demonstrational purposes, e.g. in education . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 902790 | Microtomes; parts and accessories of instruments and apparatus for physical or chemical analysis, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 903084 | Instruments and apparatus for measuring or checking electrical quantities, with recording device . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 903110 | Machines for balancing mechanical parts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 903120 | Test benches for motors, generators, pumps, etc. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 910129 | Wrist-watches of precious metal or of metal clad with precious metal, whether or not incorporating . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 910211 | Wrist-watches, whether or not incorporating a stop-watch facility, electrically operated, with . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Table 30: Kyrgyzstan's Top 25 Exports to India at HS 06 Level

Kyrgyz imports from India are considerably higher in value than its exports to India. The highest import bill from India was in 2012 when imports reached USD 30 Million. For the last five years, the import bill has been on a declining trend and was USD 22.7 Million in 2016 following a slight decrease from 2015. Pharmaceutical products have dominated Kyrgyzstan's imports over the last five years, followed by machinery and articles of apparel. The following table shows the top 10 imports from India at HS-02 level which accounted for 94% of the total imports from India.

| Kyrgyzstan's Top 10 Imports from India at HS 02 Level | | | | | | |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 30.28 | 26.01 | 19.23 | 22.86 | 22.66 |
| Product Code | Product Description | | | | | |
| 30 | Pharmaceutical products | 14.88 | 17.43 | 14.12 | 14.18 | 14.42 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 0.29 | 0.54 | 0.34 | 1.60 | 1.76 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 1.00 | 0.86 | 1.17 | 1.18 | 1.71 |
| 38 | Miscellaneous chemical products | 0.15 | 0.14 | 0.08 | 0.96 | 1.03 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 5.07 | 1.34 | 0.70 | 0.92 | 0.66 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 0.31 | 0.38 | 0.33 | 0.48 | 0.61 |
| 9 | Coffee, tea, maté and spices | 0.85 | 0.78 | 0.40 | 0.80 | 0.53 |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 0.65 | 0.29 | 0.14 | 0.23 | 0.27 |
| 42 | Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles ... | 0.10 | 0.12 | 0.10 | 0.12 | 0.21 |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ... | 0.31 | 0.17 | 0.11 | 0.44 | 0.14 |

Table 31: Kyrgyzstan's Top 10 Imports from India at HS 02 Level

The top 25 imports at HS-06 level equaled 88% of the total imports from India. Mixed medicaments, anti-biotics and special clothing articles were the leading products at HS-06 level.

| Kyrgyzstan's Top 25 Imports from India at HS 06 Level | | | | | | |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 30.28 | 26.01 | 19.23 | 22.86 | 22.66 |
| Product Code | Product Description | | | | | |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 11.91 | 14.95 | 11.08 | 9.99 | 10.80 |
| 300420 | Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal . . . | 0.65 | 0.48 | 0.88 | 1.35 | 1.68 |
| 611420 | Special garments for professional, sporting or other purposes, n.e.s., of cotton, knitted or . . . | 0.43 | 0.07 | 0.05 | 0.27 | 1.19 |
| 380210 | Activated carbon (excluding medicaments or deodorant products for fridges, vehicles etc., put . . . | 0.00 | 0.00 | 0.00 | 0.91 | 1.00 |
| 843860 | Machinery for the industrial preparation of fruits, nuts or vegetables (excluding cooking and . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.88 |
| 300220 | Vaccines for human medicine | 1.41 | 0.27 | 0.43 | 2.30 | 0.73 |

| Kyrgyzstan's Top 25 Imports from India at HS 06 Level | | | | | | |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 852352 | Cards incorporating one or more electronic integrated circuits "smart cards" | 1.00 | 1.11 | 0.69 | 0.77 | 0.59 |
| 90240 | Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings . . . | 0.59 | 0.60 | 0.39 | 0.65 | 0.50 |
| 300610 | Sterile surgical catgut, similar sterile suture materials, incl. sterile absorbable surgical . . . | 0.42 | 0.67 | 1.35 | 0.27 | 0.45 |
| 300450 | Medicaments containing provitamins, vitamins, incl. natural concentrates and derivatives thereof . . . | 0.00 | 0.49 | 0.31 | 0.16 | 0.39 |
| 848220 | Tapered roller bearings, incl. cone and tapered roller assemblies | 0.00 | 0.10 | 0.00 | 0.29 | 0.25 |
| 300410 | Medicaments containing penicillins or derivatives thereof with a penicillanic acid structure, . . . | 0.09 | 0.22 | 0.05 | 0.02 | 0.15 |
| 330590 | Preparations for use on the hair (excluding shampoos, preparations for permanent waving or . . . | 0.13 | 0.06 | 0.03 | 0.12 | 0.15 |
| 620442 | Womens or girls dresses of cotton (excluding knitted or crocheted and petticoats) | 0.02 | 0.02 | 0.00 | 0.02 | 0.14 |
| 610442 | Womens or girls dresses of cotton, knitted or crocheted (excluding petticoats) | 0.00 | 0.02 | 0.00 | 0.01 | 0.11 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), . . . | 0.38 | 0.18 | 0.05 | 0.09 | 0.10 |
| 610910 | T-shirts, singlets and other vests of cotton, knitted or crocheted | 0.19 | 0.13 | 0.30 | 0.29 | 0.10 |
| 842951 | Self-propelled front-end shovel loaders | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 |
| 620630 | Womens or girls blouses, shirts and shirt-blouses of cotton (excluding knitted or crocheted . . . | 0.04 | 0.02 | 0.00 | 0.04 | 0.10 |
| 20230 | Frozen, boneless meat of bovine animals | 2.31 | 0.47 | 0.00 | 0.00 | 0.09 |
| 621490 | Shawls, scarves, mufflers, mantillas, veils and similar articles of textile materials (excluding . . . | 0.00 | 0.01 | 0.03 | 0.01 | 0.08 |
| 300432 | Medicaments containing corticosteroid hormones, their derivatives or structural analogues but . . . | 0.13 | 0.02 | 0.01 | 0.04 | 0.08 |
| 300439 | Medicaments containing hormones or steroids used as hormones but not antibiotics, put up in . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.08 |
| 960810 | Ball-point pens | 0.00 | 0.01 | 0.00 | 0.06 | 0.08 |
| 401410 | Sheath contraceptives, of vulcanised rubber (excluding hard rubber) | 0.02 | 0.23 | 0.01 | 0.08 | 0.07 |

Table 32: Kyrgyzstan's Top 25 Imports from India at HS 06 Level

5.7 Trade with Pakistan:

Trade between Pakistan and Kyrgyzstan has not been significant in the last five years. Although Kyrgyzstan has had a persistent trade deficit with Pakistan, the low level of trade signifies the weak trade ties. Imports from Pakistan have been following a more consistent pattern compared to the erratic pattern demonstrated by exports to Pakistan. For the five-year period ending 2016, the lowest value of the deficit recorded was in 2013, USD 0.64 Million. However, post-2013 exports to Pakistan decreased dramatically. Imports from Pakistan however have been on the increase since 2014. This pattern has caused a persistent albeit small deficit with the 2016 deficit at USD 2.9 Million being the highest.

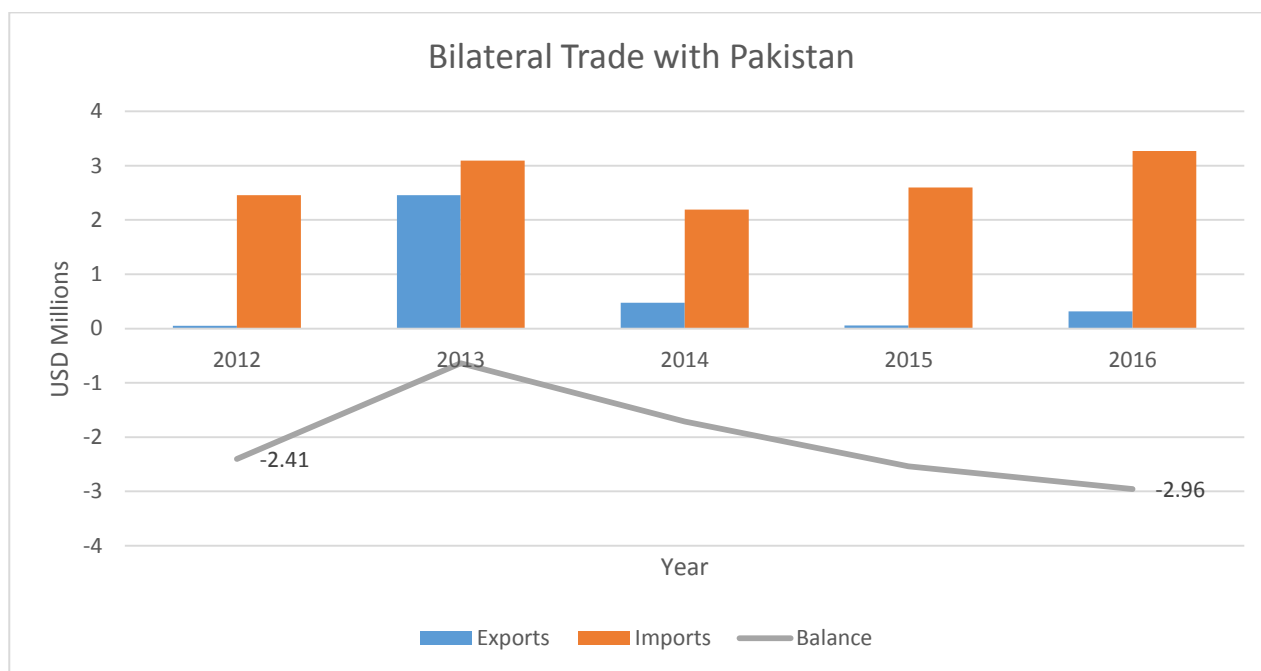


Figure 28: Balance of Trade with Pakistan

The erratic pattern of Kyrgyz exports to Pakistan can be observed by the fact that between 201 and 2013 exports grew by 5000% whereas the period 2014-2015 saw an 81% decline in exports. For Kyrgyz exports, 2013 can be ruled out as an abnormal year because, in the previous decade, Kyrgyz exports to Pakistan had never crossed the million dollar mark. The spike in exports during 2013 was caused by a sudden increase in the exports of dairy produce, birds' eggs and honey. Apart from 2013 exports in each subsequent year have been low. In 2016 exports to Pakistan were USD 0.3 Million showing a growth of over 400% over 2015. The export basket majorly comprised of meat followed by raw hides and electrical machinery. The table below shows Kyrgyzstan's top Exports to Pakistan at HS-02 level. The 10 major exports to Pakistan make up 99.36% of the total exports. Meat and edible meat offal was exported the most in 2016 followed by raw hides and skins worth USD 56,000.

| Kyrgyzstan's Top 10 Exports to Pakistan at HS 02 Level | | | | | | |
|--------------------------------------------------------|-------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 0.05 | 2.46 | 0.47 | 0.06 | 0.31 |
| Product Code | Product Description | | | | | |
| 2 | Meat and edible meat offal | 0.00 | 0.00 | 0.00 | 0.00 | 0.14 |
| 41 | Raw hides and skins (other than furskins) and leather | 0.00 | 0.00 | 0.04 | 0.01 | 0.06 |

| Kyrgyzstan's Top 10 Exports to Pakistan at HS 02 Level | | | | | | |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 0.02 | 0.04 | 0.19 | 0.01 | 0.03 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ... | 0.00 | 0.00 | 0.01 | 0.02 | 0.01 |
| 76 | Aluminium and articles thereof | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 44 | Wood and articles of wood; wood charcoal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 82 | Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 83 | Miscellaneous articles of base metal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Table 33: Kyrgyzstan's Top 10 Exports to Pakistan at HS 02 Level

The table below lists Kyrgyzstan's top exports to Pakistan at HS-06 level. The top 25 products make up 100% of the exports to Pakistan. Meat and edible offal was the highest export item in 2016.

| Kyrgyzstan's Top 25 Exports to Pakistan at HS 06 Level | | | | | | |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 0.05 | 2.46 | 0.47 | 0.06 | 0.31 |
| Product Code | Product Description | | | | | |
| 21099 | Meat and edible offal, salted, in brine, dried or smoked, and edible flours and meals of meat . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.14 |
| 410622 | Hides and skins of goats or kids, in the dry state "crust", without wool on, whether or not . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |
| 852859 | Monitors, not incorporating television reception apparatus (excluding with cathode ray tube . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 0.02 | 0.04 | 0.19 | 0.01 | 0.03 |
| 841430 | Compressors for refrigerating equipment | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 852691 | Radio navigational aid apparatus | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.00 | 0.01 | 0.02 | 0.01 |
| 760120 | Unwrought aluminium alloys | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 410120 | Whole raw hides and skins of bovine "incl. buffalo" or equine animals, whether or not dehaired, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 820713 | Rock-drilling or earth-boring tools, interchangeable, with working parts of sintered metal . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 830249 | Base metal mountings, fittings and similar articles (excluding locks with keys, clasps and . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 160250 | Prepared or preserved meat or offal of bovine animals (excluding sausages and similar products, . . . | 0.01 | 0.00 | 0.00 | 0.01 | 0.00 |
| 40900 | Natural honey | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 |

| Kyrgyzstan's Top 25 Exports to Pakistan at HS 06 Level | | | | | | |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 820559 | Hand tools, incl. glaziers diamonds, of base metal, n.e.s. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 820560 | Blowlamps and the like (excluding gas-powered blowlamps) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 820719 | Rock-drilling or earth-boring tools, interchangeable, and parts therefor, with working parts . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 820750 | Tools for drilling, interchangeable (excluding rock-drilling or earth-boring tools and tools . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 820890 | Knives and cutting blades, of base metal, for machines or for mechanical appliances (excluding . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 821110 | Sets of assorted articles of knives of heading 8211; sets in which there is a higher number . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 821195 | Handles of base metal for table knives, pocket knives and other knives of heading 8211 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 821220 | Safety razor blades of base metal, incl. razor blade blanks in strips | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 821510 | Sets of spoons, forks or other articles of heading 8215, which may also contain up to an equivalent . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 830990 | Stoppers, caps and lids, incl. screw caps and pouring stoppers, capsules for bottles, threaded . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 840729 | Spark-ignition reciprocating or rotary engines, for marine propulsion (excluding outboard motors) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Table 34: Kyrgyzstan's Top 25 Exports to Pakistan at HS 06 Level

Imports from Pakistan over the past five years have on the average been USD 2.7 Million. Although imports fell dramatically from 2013 to 2014, they seem to have picked some pace from 2014 onwards. Imports showed a growth of 28% in 2016. The import basket has been consistently dominated by pharmaceutical products for the last five years. Other imports include furniture, bedding, edible fruits, and nuts.

The table below represents Kyrgyzstan's top imports from Pakistan at HS-02 level. The top 10 imports make up 88.17% of the total imports.

| Kyrgyzstan's Top 10 Imports from Pakistan at HS 02 Level | | | | | | |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 2.45 | 3.09 | 2.19 | 2.60 | 3.27 |
| Product Code | Product Description | | | | | |
| 30 | Pharmaceutical products | 1.40 | 2.42 | 1.30 | 1.61 | 1.53 |
| 94 | Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; ... | 0.02 | 0.00 | 0.03 | 0.04 | 0.35 |
| 95 | Toys, games and sports requisites; parts and accessories thereof | 0.01 | 0.02 | 0.02 | 0.07 | 0.22 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 0.66 | 0.07 | 0.06 | 0.09 | 0.20 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 0.01 | 0.12 | 0.04 | 0.17 | 0.17 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 0.07 | 0.06 | 0.04 | 0.20 | 0.12 |
| 9 | Coffee, tea, maté and spices | 0.00 | 0.00 | 0.00 | 0.01 | 0.10 |

| Kyrgyzstan's Top 10 Imports from Pakistan at HS 02 Level | | | | | | |
|----------------------------------------------------------|-------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 10 | Cereals | 0.01 | 0.14 | 0.25 | 0.15 | 0.08 |
| 63 | Other made-up textile articles; sets; worn clothing and worn textile articles; rags | 0.00 | 0.01 | 0.02 | 0.02 | 0.06 |
| 39 | Plastics and articles thereof | 0.00 | 0.01 | 0.00 | 0.00 | 0.06 |

Table 35: Kyrgyzstan's Top 10 Imports from Pakistan at HS 02 Level

The table below represents the top 25 products imported by Kyrgyzstan from Pakistan at HS-06 level, these make up 86.54% of the total imports. Medicaments were the most imported product in 2016.

| Kyrgyzstan's Top 25 Imports from Pakistan at HS 06 Level | | | | | | |
|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 1.13 | 2.32 | 1.27 | 1.49 | 3.27 |
| Product Code | Product Description | | | | | |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 0.65 | 0.06 | 0.06 | 0.09 | 1.5 |
| 80520 | Fresh or dried mandarins incl. tangerines and satsumas, clementines, wilkings and similar citrus . . . | 0.00 | 0.00 | 0.01 | 0.02 | 0.2 |
| 950699 | Articles and equipment for sport and outdoor games n.e.s.; swimming and paddling pools | 0.00 | 0.00 | 0.00 | 0.01 | 0.11 |
| 940161 | Upholstered seats, with wooden frames (excluding convertible into beds) | 0.00 | 0.00 | 0.02 | 0.00 | 0.11 |
| 940180 | Seats, n.e.s. | 0.00 | 0.00 | 0.00 | 0.01 | 0.09 |
| 90240 | Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings . . . | 0.00 | 0.01 | 0.00 | 0.01 | 0.09 |
| 950669 | Balls (excluding inflatable, tennis balls, golf balls, and table-tennis balls) | 0.01 | 0.00 | 0.00 | 0.00 | 0.08 |
| 940360 | Wooden furniture (excluding for offices, kitchens and bedrooms, and seats) | 0.00 | 0.02 | 0.00 | 0.01 | 0.07 |
| 621133 | Men's or boys' tracksuits and other garments, n.e.s. of man-made fibres (excluding knitted . . . | 0.00 | 0.01 | 0.00 | 0.00 | 0.06 |
| 392620 | Articles of apparel and clothing accessories produced by the stitching or sticking together . . . | 0.00 | 0.01 | 0.00 | 0.08 | 0.05 |
| 620462 | Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 880330 | Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders) | 0.00 | 0.00 | 0.25 | 0.08 | 0.04 |
| 100630 | Semi-milled or wholly milled rice, whether or not polished or glazed | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 940390 | Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary . . . | 0.00 | 0.01 | 0.00 | 0.03 | 0.04 |
| 620342 | Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding . . . | 0.01 | 0.00 | 0.00 | 0.02 | 0.03 |
| 420321 | Specially designed gloves for use in sport, of leather or composition leather | 0.00 | 0.00 | 0.00 | 0.01 | 0.03 |
| 200989 | Juice of fruit or vegetables, unfermented, whether or not containing added sugar or other sweetening . . . | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |

| Kyrgyzstan's Top 25 Imports from Pakistan at HS 06 Level | | | | | | |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------|------|------|------|------|
| <i>*All values in USD Million</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 940389 | Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, . . . | 0.01 | 0.14 | 0.00 | 0.07 | 0.03 |
| 100620 | Husked or brown rice | 0.00 | 0.01 | 0.01 | 0.03 | 0.03 |
| 950662 | Inflatable balls | 0.01 | 0.00 | 0.01 | 0.05 | 0.03 |
| 610342 | Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, knitted or . . . | 0.00 | 0.00 | 0.01 | 0.02 | 0.03 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.03 | 0.02 | 0.01 | 0.03 |
| 621132 | Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted) | 0.00 | 0.00 | 0.01 | 0.00 | 0.03 |
| 630260 | Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding . . . | 0.00 | 0.00 | 0.00 | 0.01 | 0.02 |
| 610462 | Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted . . . | 0.00 | 0.00 | 0.00 | 0.01 | 0.02 |

Table 36: Kyrgyzstan's Top 25 Imports from Pakistan at HS 06 Level

Despite the differences in the nature of the two economies, Kyrgyzstan and Pakistan are similar in several aspects. One of the many reasons leading to a low level of trade is the similarity in the imports of Kyrgyzstan and Pakistan. Table 37 shows that out of the top ten commodities being imported by both countries, six are common.

| Top 10 Imports of Kyrgyzstan and Pakistan 2016 at HS 02 Level | | | | | |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------|--------------|-------------------------------------------------------------------------------------------------------|-----------|
| <i>*All values in USD Million</i> | | | | | |
| Kyrgyzstan | | | Pakistan | | |
| Product Code | Product Description | Value | Product Code | Product Description | Value |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 401.745 | 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ... | 46,998.27 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 395.36 | 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 9,528.77 |
| 64 | Footwear, gaiters and the like; parts of such articles | 258.29 | 29 | Organic chemicals | 1,944.04 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 207.56 | 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ... | 4,431.29 |
| 55 | Man-made staple fibers | 155.37 | 55 | Man-made staple fibers | 687.04 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 151.18 | 15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal | 1,928.04 |
| 72 | Iron and steel | 134.33 | 72 | Iron and steel | 2,756.02 |
| 39 | Plastics and articles thereof | 133.58 | 39 | Plastics and articles thereof | 1,938.11 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 122.34 | 12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal | 1,047.86 |
| 99 | Commodities not elsewhere specified | 121.31 | 7 | Edible vegetables and certain roots and tubers | 936.07 |

Table 37: Import comparison with Pakistan

5.7.1 Kyrgyzstan's Potential Trade with Pakistan:

The figure below shows the potential and actual exports to Pakistan for the last 3 years. In 2016 the potential exports to Pakistan were valued at USD 1.4 Billion however the actual exports to Pakistan were only USD 0.3 Million.

Export Potential = $\text{Min}(\text{Kyrgyzstan's exports to the world of } X, \text{Pakistan's imports from the world of } X) - \text{Kyrgyzstan's current exports to Pakistan of the } X$

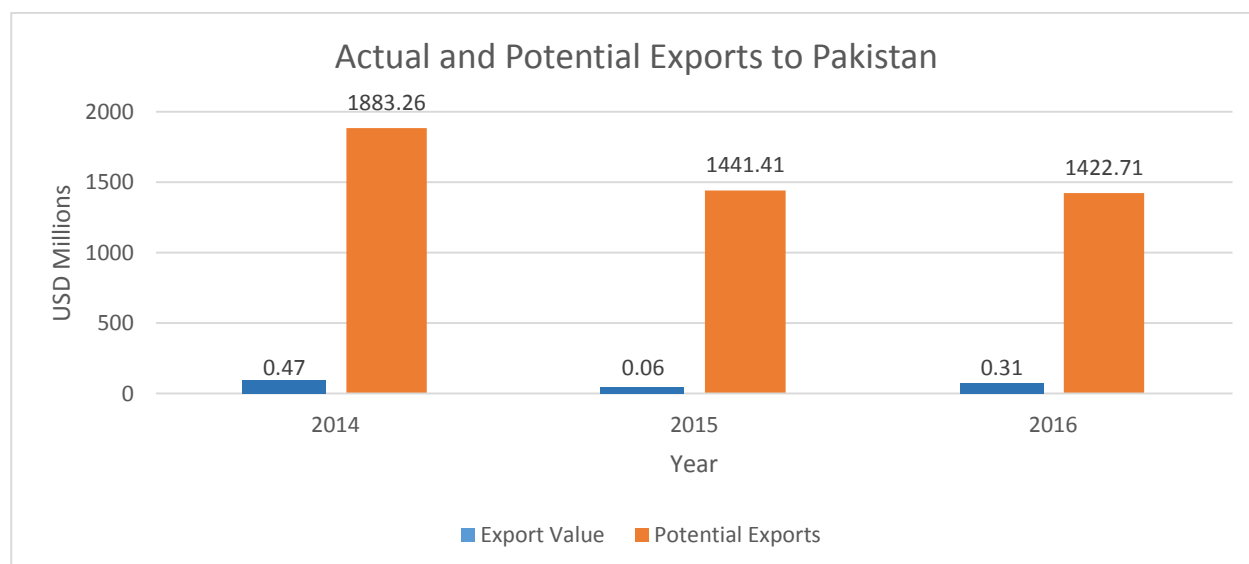


Figure 29: Actual and Potential Exports to Pakistan

The vast disparity between the actual and potential values indicates the untapped trade potential between the two countries. The following table shows the top 10 potential exports to Pakistan at HS 06 level for 2016 of USD 262 Million. Commodities not elsewhere specified are the highest potential category followed by dried shelled kidney beans and medium oils.

| Kyrgyzstan's Potential Exports to Pakistan at HS 06 Level | | | | | |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| *All Values in USD Millions | | | | | |
| Product Code | Product Description | Kyrgyzstan's exports to Pakistan, 2016 | Pakistan's imports from world, 2016 | Kyrgyzstan's exports to world, 2016 | Indicative potential trade, 2016 |
| 999999 | Commodities not elsewhere specified | 0.00 | 82.21 | 68.09 | 68.09 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 0.00 | 62.14 | 54.48 | 54.48 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 0.03 | 3,532.11 | 36.01 | 35.98 |
| 870410 | Dumpers for off-highway use | 0.00 | 44.83 | 33.74 | 33.74 |
| 520100 | Cotton, neither carded nor combed | 0.00 | 580.54 | 19.08 | 19.08 |
| 710812 | Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold . . . | 0.00 | 18.4 | 701.58 | 18.40 |
| 740400 | Waste and scrap, of copper (excluding ingots or other similar unwrought shapes, of remelted . . . | 0.00 | 11.72 | 10.61 | 10.61 |

| Kyrgyzstan's Potential Exports to Pakistan at HS 06 Level | | | | | |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| *All Values in USD Millions | | | | | |
| Product Code | Product Description | Kyrgyzstan's exports to Pakistan, 2016 | Pakistan's imports from world, 2016 | Kyrgyzstan's exports to world, 2016 | Indicative potential trade, 2016 |
| 880240 | Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters . . . | 0.00 | 8.32 | 42.73 | 8.32 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 0.00 | 75.45 | 7.53 | 7.53 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of . . . | 0.00 | 6.65 | 6.85 | 6.65 |

Table 38: Kyrgyzstan's Potential Exports to Pakistan at HS 06 Level

The figure below shows the potential and actual imports from Pakistan for the last 3 years. In 2016 the potential import value was USD 3.8 Billion, however, the actual imports from Pakistan equaled USD 3.0 Million.

Import Potential = $\text{Min}(\text{Kyrgyzstan's imports from the world of } X, \text{Pakistan's exports to the world of } X) - \text{Kyrgyzstan's current imports from Pakistan of } X$

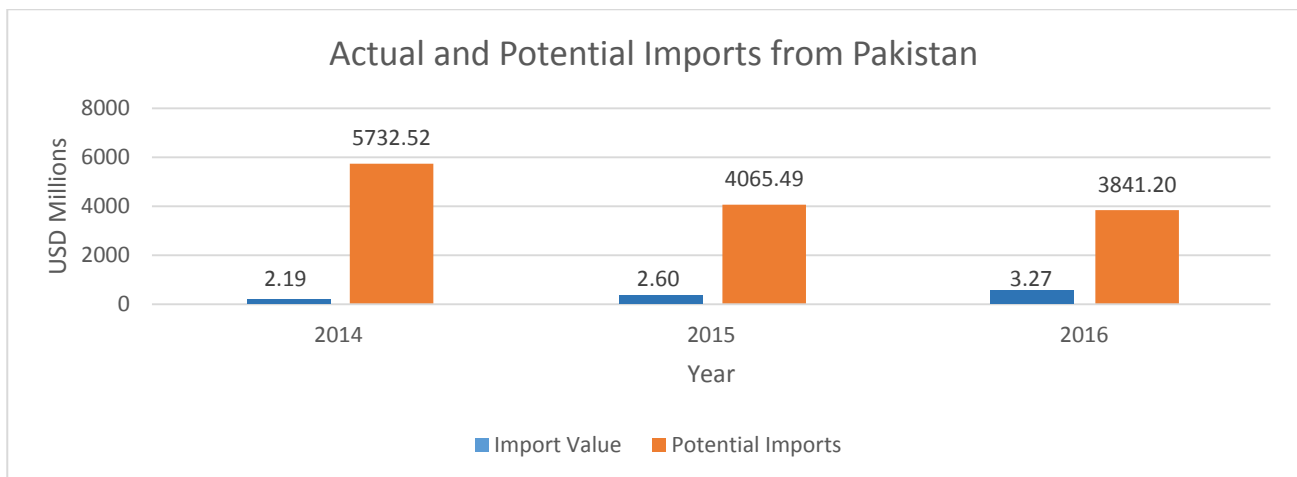


Figure 30: Actual and Potential Imports from Pakistan

The value of top 10 potential imports from Pakistan at HS 06 Level equaled USD 285 Million in 2016. The product mix was dominated by medium oils and preparations, followed by medicaments and mobile telephones.

| Kyrgyzstan's Potential Imports from Pakistan at HS 06 Level | | | | | |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------|-------------------------------------|----------------------------------|
| <i>*All Values in USD Millions</i> | | | | | |
| Product Code | Product Description | Kyrgyzstan Imports from Pakistan, 2016 | Pakistan Exports to World, 2016 | Kyrgyzstan Imports from World, 2016 | Indicative Trade Potential, 2016 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 0.00 | 76.86 | 198.79 | 76.86 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 1.50 | 73.32 | 89.85 | 71.82 |
| 851712 | Telephones for cellular networks "mobile telephones" or for other wireless networks | 0.00 | 31.36 | 29.12 | 29.12 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of \geq 600 mm, hot-rolled or cold-rolled . . . | 0.00 | 27.38 | 21.18 | 21.18 |
| 610342 | Mens or boys trousers, bib and brace overalls, breeches and shorts of cotton, knitted or . . . | 0.03 | 50.50 | 18.12 | 18.09 |
| 611596 | Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied . . . | 0.00 | 30.63 | 15.44 | 15.44 |
| 170490 | Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum) | 0.00 | 38.95 | 14.52 | 14.52 |
| 170199 | Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar . . . | 0.00 | 123.08 | 14.00 | 14.00 |
| 620342 | Mens or boys trousers, bib and brace overalls, breeches and shorts, of cotton (excluding . . . | 0.03 | 543.87 | 12.99 | 12.95 |
| 640590 | Footwear with outer soles of rubber or plastics, with uppers other than rubber, plastics, leather . . . | 0.00 | 11.62 | 17.21 | 11.62 |

Table 39: Kyrgyzstan's Potential Imports from Pakistan at HS 06 Level

5.8 Trade Alliances:

After the dissolution of the Soviet Union in 1991, the former Soviet republics formed or joined various forums for economic and political purposes.

Commonwealth of Independent States (CIS):

Kyrgyzstan was a founder member of the Commonwealth of Independent States (CIS) which was formed in December 1991. The CIS is a regional body consisting of Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. CIS was formed to promote cooperation in political, economic, environmental, humanitarian, cultural and other fields among the former Soviet Republics.

Table 40 shows the absolute and relative values of exports and imports with members of CIS for 2016.

| Imports and Exports with CIS Members - 2016 | | | | |
|------------------------------------------------------|---------|------------------------------------|----------|--------------------------------------|
| <i>*All Values in USD Millions</i> | | | | |
| | Exports | Relative % share in Exports to CIS | Imports | Relative % share in Imports from CIS |
| Commonwealth of Independent States (CIS) Aggregation | 456.41 | 100% | 1,603.86 | 100% |
| Armenia | 0.01 | 0.002% | 1.03 | 0.064% |
| Azerbaijan | 0.71 | 0.155% | 6.56 | 0.409% |
| Belarus | 0.90 | 0.197% | 35.17 | 2.193% |
| Georgia | 2.51 | 0.550% | 3.86 | 0.241% |
| Kazakhstan | 151.15 | 33.118% | 635.55 | 39.626% |
| Moldova, Republic of | 0.15 | 0.032% | 1.54 | 0.096% |
| Russian Federation | 145.21 | 31.816% | 799.82 | 49.868% |
| Tajikistan | 21.84 | 4.785% | 6.43 | 0.401% |
| Turkmenistan | 5.70 | 1.248% | 4.36 | 0.272% |
| Ukraine | 3.17 | 0.694% | 39.78 | 2.481% |
| Uzbekistan | 125.07 | 27.404% | 69.77 | 4.350% |

Table 40 Trade Values and Percentage with CIS Members:

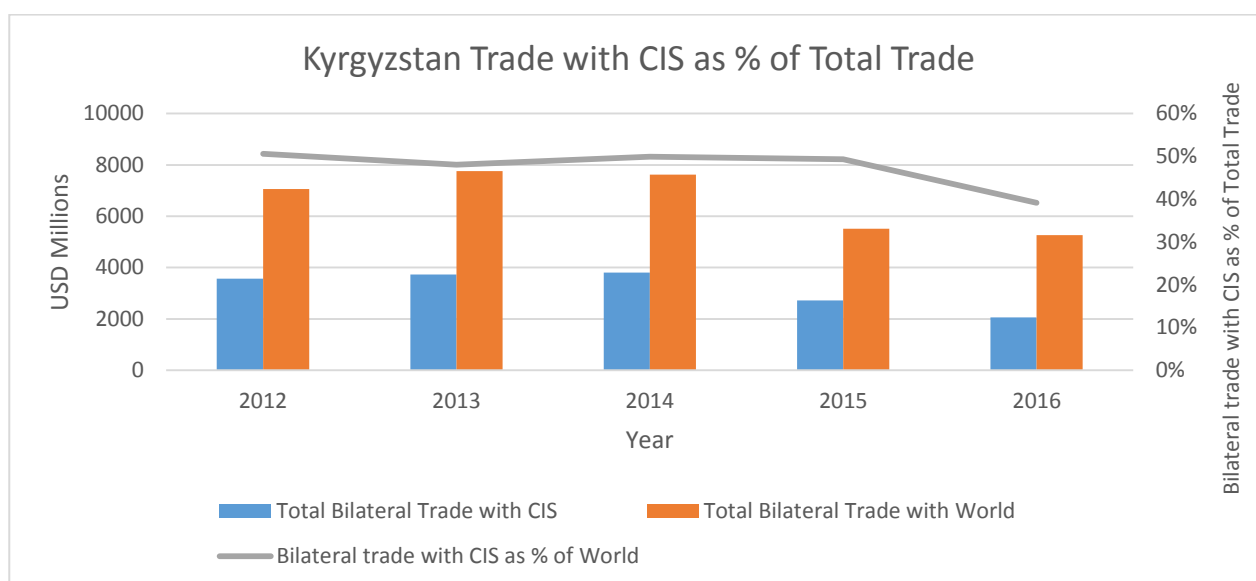


Figure 31: Kyrgyzstan Trade with CIS as % of Total Trade

Kyrgyzstan Trade with CIS as % of Total Trade

Kyrgyzstan's aggregate trade with the CIS as a percentage of total trade has shown a decline of 11% over the last five years, from being 50% in 2012 to 39% in 2016. Amongst the CIS, Russia, and Kazakhstan contribute majorly to the aggregate. The following table shows the top 10 exports to the CIS at HS-02. The largest component is, commodities not elsewhere specified, making up 14% of the total exports to the CIS followed by vehicles other than railway... and articles of apparel.

| Kyrgyzstan's Top 10 Exports to CIS at HS 02 Level | | | | | | |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 884.35 | 779.98 | 896.48 | 538.11 | 456.41 |
| Product Code | Product Description | | | | | |
| 99 | Commodities not elsewhere specified | 42.01 | 28.10 | 282.21 | 129.02 | 65.77 |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 116.90 | 74.53 | 60.61 | 49.21 | 47.57 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 114.87 | 81.87 | 71.97 | 30.68 | 34.66 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 40.98 | 22.15 | 26.49 | 9.58 | 33.78 |
| 26 | Ores, slag and ash | 25.22 | 17.45 | 38.40 | 18.72 | 25.42 |
| 4 | Dairy produce; birds eggs; natural honey; edible products of animal origin, not elsewhere . . . | 24.57 | 15.83 | 23.30 | 17.79 | 22.46 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . . | 28.00 | 31.36 | 31.23 | 34.51 | 21.60 |
| 8 | Edible fruit and nuts; peel of citrus fruit or melons | 47.98 | 41.47 | 23.03 | 6.18 | 20.12 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 23.91 | 31.84 | 16.24 | 18.07 | 18.10 |
| 7 | Edible vegetables and certain roots and tubers | 46.67 | 40.61 | 29.61 | 16.04 | 17.58 |

Table 41: Kyrgyzstan's Top 10 Exports to CIS at HS 02 Level

The following table shows the breakup of exports to CIS at HS-06 level. The top 25 exports at HS 06 level contribute 60% of the total exports to the CIS.

| Kyrgyzstan's Top 25 Exports to CIS at HS 06 Level | | | | | | |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 884.35 | 779.98 | 896.48 | 538.11 | 456.41 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 42.01 | 28.10 | 282.21 | 129.02 | 65.81 |
| 870410 | Dumpers for off-highway use | 0.84 | 7.41 | 1.49 | 17.78 | 33.74 |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and concentrates) | 25.22 | 17.45 | 38.15 | 18.45 | 25.39 |
| 620640 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres (excluding knitted or . . . | 22.03 | 15.38 | 9.95 | 2.67 | 16.66 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding . . . | 15.94 | 28.43 | 25.26 | 10.75 | 14.85 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 8.53 | 6.32 | 6.30 | 6.13 | 13.06 |

| Kyrgyzstan's Top 25 Exports to CIS at HS 06 Level | | | | | | |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 81330 | Dried apples | 0.14 | 0.13 | 0.12 | 0.05 | 12.92 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.00 | 0.00 | 0.00 | 8.31 |
| 40510 | Butter (excluding dehydrated butter and ghee) | 3.53 | 3.17 | 2.47 | 1.84 | 7.58 |
| 853922 | Filament lamps of a power <= 200 W and for a voltage > 100 V (excluding tungsten halogen filament . . . | 19.50 | 21.17 | 17.72 | 14.29 | 7.58 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of . . . | 5.17 | 9.49 | 6.50 | 4.35 | 6.85 |
| 520100 | Cotton, neither carded nor combed | 28.26 | 12.79 | 15.34 | 8.74 | 6.83 |
| 610343 | Mens or boys trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted . . . | 0.02 | 0.00 | 0.01 | 0.00 | 4.84 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 53.22 | 66.99 | 52.47 | 24.61 | 4.47 |
| 851629 | Electric space-heating and soil-heating apparatus (excluding storage heating radiators) | 0.02 | 1.71 | 3.90 | 3.04 | 4.38 |
| 610620 | Womens or girls blouses, shirts and shirt-blouses of man-made fibres, knitted or crocheted . . . | 4.17 | 1.38 | 2.35 | 1.54 | 4.38 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 2.68 | 4.74 | 6.55 | 5.35 | 4.33 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.01 | 0.00 | 7.59 | 4.24 |
| 252329 | Portland cement (excluding white, whether or not artificially coloured) | 12.19 | 17.12 | 12.86 | 1.71 | 3.97 |
| 610520 | Mens or boys shirts of man-made fibres, knitted or crocheted (excluding nightshirts, T-shirts, . . . | 0.00 | 0.00 | 0.00 | 0.01 | 3.91 |
| 610831 | Womens or girls nightdresses and pyjamas of cotton, knitted or crocheted (excluding T-shirts, . . . | 0.07 | 0.14 | 0.16 | 0.07 | 3.87 |
| 40690 | Cheese (excluding fresh cheese, incl. whey cheese, curd, processed cheese, blue-veined cheese . . . | 1.06 | 0.95 | 0.72 | 1.56 | 3.77 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 3.05 | 2.64 | 3.17 | 3.63 | 3.77 |
| 390410 | Poly"vinyl chloride", in primary forms, not mixed with any other substances | 0.00 | 6.74 | 1.54 | 1.62 | 3.73 |
| 690210 | Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods containing, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.65 |

Table 42: Kyrgyzstan's Top 25 Exports to CIS at HS 06 Level

Imports from the CIS declined by more than 26% between 2015 and 2016 and were recorded at USD 1.6 Billion in 2016. Mineral fuels and mineral oils are the largest component making up 24% of the total imports from the CIS.

| Kyrgyzstan's Top 10 Imports from CIS at HS 02 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 2,685.94 | 2,944.41 | 2,907.88 | 2,179.49 | 1,603.86 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 1,149.30 | 1,260.88 | 1,144.72 | 760.13 | 387.66 |

| Kyrgyzstan's Top 10 Imports from CIS at HS 02 Level | | | | | | |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------|--------|--------|--------|--------|--------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 99 | Commodities not elsewhere specified | 30.64 | 19.39 | 40.80 | 111.90 | 119.29 |
| 72 | Iron and steel | 107.61 | 151.43 | 144.55 | 245.84 | 102.09 |
| 44 | Wood and articles of wood; wood charcoal | 103.29 | 116.98 | 124.36 | 57.97 | 97.82 |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 18.17 | 22.73 | 29.35 | 19.20 | 68.21 |
| 39 | Plastics and articles thereof | 28.30 | 32.05 | 37.76 | 33.12 | 58.65 |
| 73 | Articles of iron or steel | 45.92 | 54.38 | 51.58 | 38.20 | 49.04 |
| 15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal . . . | 69.42 | 76.14 | 69.68 | 61.36 | 48.04 |
| 19 | Preparations of cereals, flour, starch or milk; pastrycooks products | 49.43 | 56.88 | 64.32 | 42.39 | 46.01 |
| 18 | Cocoa and cocoa preparations | 77.95 | 64.18 | 58.71 | 42.10 | 40.00 |

Table 43: Kyrgyzstan's Top 10 Imports from CIS at HS 02 Level

The following table shows the breakup of imports from CIS at HS 06 level. The top 25 imports from CIS at HS 06 level make up 55% of the total imports from CIS.

| Kyrgyzstan's Top 25 Imports from CIS at HS 06 Level | | | | | | |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 2,685.94 | 2,944.41 | 2,907.88 | 2,179.49 | 1,603.86 |
| Product Code | Product Description | | | | | |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 480.04 | 565.93 | 544.71 | 344.18 | 185.02 |
| 271012 | Light oils and preparations, of petroleum or bituminous minerals which $\geq 90\%$ by volume "incl. . . . | 0.00 | 0.00 | 0.00 | 281.28 | 129.94 |
| 999999 | Commodities not elsewhere specified | 30.64 | 19.39 | 40.80 | 112.21 | 119.29 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 61.73 | 74.62 | 73.36 | 22.56 | 58.27 |
| 271121 | Natural gas in gaseous state | 78.23 | 64.16 | 50.50 | 40.25 | 40.29 |
| 151219 | Sunflower-seed or safflower oil and their fractions, whether or not refined, but not chemically . . . | 40.71 | 48.65 | 44.83 | 39.42 | 31.21 |
| 330510 | Shampoos | 4.60 | 6.49 | 8.05 | 4.39 | 27.87 |
| 180690 | Chocolate and other preparations containing cocoa, in containers or immediate packings of \leq . . . | 39.65 | 42.88 | 45.97 | 33.33 | 23.82 |
| 100199 | Wheat and meslin (excluding seed for sowing, and durum wheat) | 0.00 | 0.00 | 0.00 | 59.57 | 23.55 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), . . . | 5.00 | 5.09 | 6.50 | 5.44 | 20.87 |
| 240220 | Cigarettes, containing tobacco | 47.52 | 60.58 | 73.79 | 40.64 | 20.34 |
| 392111 | Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked . . . | 1.43 | 2.20 | 2.76 | 2.04 | 19.58 |
| 721420 | Bars and rods, of iron or non-alloy steel, with indentations, ribs, groves or other deformations . . . | 29.34 | 30.84 | 32.03 | 17.71 | 19.20 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of ≥ 600 mm, hot-rolled or cold-rolled . . . | 7.69 | 13.66 | 15.26 | 92.15 | 18.20 |

| Kyrgyzstan's Top 25 Imports from CIS at HS 06 Level | | | | | | |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 722820 | Bars and rods of silico-manganese steel (excluding semi-finished products, flat-rolled products . . . | 6.18 | 10.04 | 9.31 | 7.26 | 16.08 |
| 190110 | Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or . . . | 12.15 | 13.18 | 19.81 | 10.64 | 15.62 |
| 870410 | Dumpers for off-highway use | 0.02 | 5.33 | 9.76 | 12.22 | 15.41 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 21.80 | 23.75 | 32.51 | 21.34 | 14.96 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 36.84 | 49.36 | 43.97 | 36.34 | 13.96 |
| 340220 | Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning . . . | 16.11 | 18.50 | 19.68 | 14.83 | 12.60 |
| 441011 | Particle board of wood, whether or not agglomerated with resins or other organic binding substances . . . | 19.54 | 17.09 | 23.59 | 14.01 | 12.42 |
| 170490 | Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum) | 15.97 | 19.80 | 19.68 | 13.16 | 12.36 |
| 170112 | Raw beet sugar (excluding added flavouring or colouring) | 0.05 | 0.00 | 0.00 | 0.00 | 11.88 |
| 170199 | Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar . . . | 54.47 | 53.16 | 34.51 | 35.90 | 11.76 |
| 210111 | Extracts, essences and concentrates, of coffee | 5.02 | 3.55 | 3.73 | 2.49 | 10.63 |

Table 44: Kyrgyzstan's Top 25 Imports from CIS at HS 06 Level

Organization of Islamic Cooperation (OIC):

In 1992 Kyrgyzstan joined the Organization of Islamic Cooperation (OIC). The OIC has 57-member countries. The OIC aims to promote, safeguard and protect the interests of the Muslim world in the spirit of promoting international peace and harmony. Despite the economic potential, OIC has not achieved much in terms of fostering economic growth.

Table 45 shows the absolute and relative values of exports and imports of Kyrgyzstan with members of OIC in 2016.

| Imports and Exports with OIC Members– 2016 | | | | |
|-----------------------------------------------------------|---------|------------------------------------|---------|--------------------------------------|
| <i>*All Values in USD Millions</i> | | | | |
| | Exports | Relative % share in Exports to OIC | Imports | Relative % share in Imports from OIC |
| Organization of the Islamic Cooperation (OIC) Aggregation | 453.82 | 100% | 941.39 | 100% |
| Afghanistan | 8.19 | 1.81% | 0.09 | 0.01% |
| Albania | 0.00 | 0.00% | 0.00 | 0.00% |
| Azerbaijan | 0.71 | 0.16% | 6.56 | 0.70% |
| Bahrain | 0.00 | 0.00% | 0.00 | 0.00% |
| Bangladesh | 0.10 | 0.02% | 1.32 | 0.14% |
| Benin | 0.00 | 0.00% | 0.00 | 0.00% |
| Cameroon | 0.00 | 0.00% | 0.00 | 0.00% |
| Chad | 0.23 | 0.05% | 0.00 | 0.00% |

| Imports and Exports with OIC Members– 2016 | | | | |
|--------------------------------------------|---------|------------------------------------|---------|--------------------------------------|
| <i>*All Values in USD Millions</i> | | | | |
| | Exports | Relative % share in Exports to OIC | Imports | Relative % share in Imports from OIC |
| Egypt | 0.00 | 0.00% | 3.21 | 0.34% |
| Guinea-Bissau | 0.00 | 0.00% | 0.00 | 0.00% |
| Guyana | 0.00 | 0.00% | 0.00 | 0.00% |
| Indonesia | 0.03 | 0.01% | 4.53 | 0.48% |
| Iran, Islamic Republic of | 8.15 | 1.80% | 6.59 | 0.70% |
| Iraq | 3.49 | 0.77% | 0.00 | 0.00% |
| Jordan | 0.55 | 0.12% | 0.29 | 0.03% |
| Kazakhstan | 151.15 | 33.31% | 635.55 | 67.51% |
| Kuwait | 0.07 | 0.01% | 0.09 | 0.01% |
| Lebanon | 0.00 | 0.00% | 0.04 | 0.00% |
| Libya, State of | 0.00 | 0.00% | 0.00 | 0.00% |
| Malaysia | 0.07 | 0.02% | 4.04 | 0.43% |
| Morocco | 0.00 | 0.00% | 0.31 | 0.03% |
| Mozambique | 0.05 | 0.01% | 0.00 | 0.00% |
| Niger | 0.00 | 0.00% | 0.00 | 0.00% |
| Nigeria | 0.00 | 0.00% | 0.00 | 0.00% |
| Oman | 0.00 | 0.00% | 0.00 | 0.00% |
| Pakistan | 0.31 | 0.07% | 3.27 | 0.35% |
| Qatar | 0.02 | 0.01% | 0.00 | 0.00% |
| Saudi Arabia | 0.65 | 0.14% | 0.35 | 0.04% |
| Somalia | 0.00 | 0.00% | 0.00 | 0.00% |
| Syrian Arab Republic | 0.00 | 0.00% | 0.04 | 0.00% |
| Tajikistan | 21.84 | 4.81% | 6.43 | 0.68% |
| Tunisia | 0.00 | 0.00% | 0.03 | 0.00% |
| Turkey | 89.98 | 19.83% | 190.78 | 20.27% |
| Turkmenistan | 5.70 | 1.26% | 4.36 | 0.46% |
| Uganda | 0.00 | 0.00% | 0.00 | 0.00% |
| United Arab Emirates | 36.42 | 8.03% | 3.77 | 0.40% |
| Uzbekistan | 125.07 | 27.56% | 69.77 | 7.41% |

Table 45: Imports and Exports with OIC Members– 2016

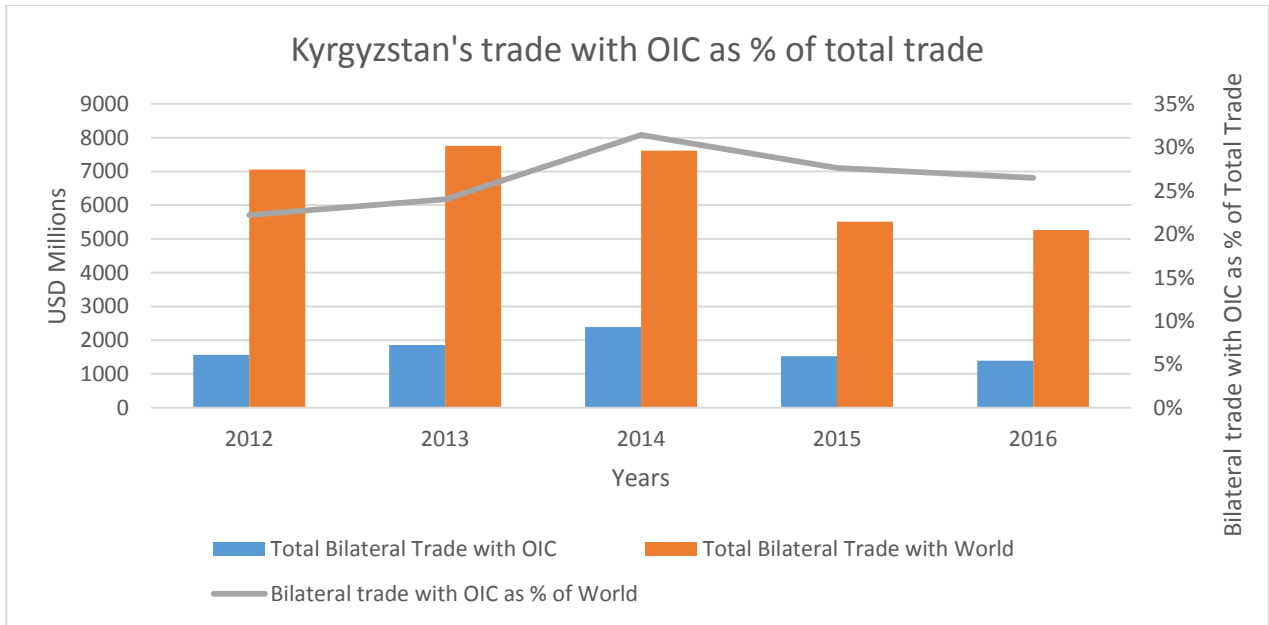


Figure 32: Kyrgyzstan's trade with OIC as % of total trade

Trade pattern for the OIC countries follows a similar trend as trade with the world. Trade with OIC members has not shown any significant fluctuation when compared with the overall international trade of Kyrgyzstan.

The highest exports to the OIC were recorded in 2014, when exports reached the Billion-dollar mark. However, from 2014 to 2016, exports declined sharply and were recorded at USD 453.8 Million in 2016. This drastic fall in export revenue can be attributed to the fall in the export value of natural or cultured pearls and precious metals, along with a drop in exports of commodities not elsewhere specified.

| Kyrgyzstan's Top 10 Exports to OIC at HS 02 Level | | | | | | |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 751.13 | 939.14 | 1039.46 | 571.71 | 453.82 |
| Product Code | Product Description | | | | | |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 100.53 | 55.23 | 41.05 | 34.03 | 46.70 |
| 88 | Aircraft, spacecraft, and parts thereof | 12.86 | 2.17 | 4.41 | 37.38 | 41.34 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 114.88 | 81.73 | 69.26 | 44.87 | 37.19 |
| 7 | Edible vegetables and certain roots and tubers | 64.42 | 85.09 | 67.89 | 34.42 | 36.58 |
| 71 | Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad . . . | 2.65 | 210.10 | 134.46 | 87.14 | 27.76 |
| 26 | Ores, slag and ash | 25.22 | 17.45 | 38.39 | 18.71 | 25.44 |
| 99 | Commodities not elsewhere specified | 37.45 | 28.35 | 281.72 | 49.42 | 25.01 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 17.45 | 20.33 | 24.83 | 8.17 | 16.30 |
| 70 | Glass and glassware | 8.58 | 18.43 | 25.38 | 14.09 | 15.92 |
| 72 | Iron and steel | 31.21 | 34.73 | 19.14 | 9.10 | 15.89 |

Table 46: Kyrgyzstan's Top 10 Exports to OIC at HS 02 Level

The top 25 exports to OIC at HS 06 level represent 64% of the total exports to OIC at HS 06 level. Exports under this heading are dominated by aero-plane parts and dumpers for off-highway use, both of which have exhibited a high growth rate in the last two years of 23% and 20% respectively.

| Kyrgyzstan's Top 25 Exports to OIC at HS 06 Level | | | | | | |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 751.13 | 939.14 | 1039.46 | 571.71 | 453.82 |
| Product Code | Product Description | | | | | |
| 880240 | Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters . . . | 6.63 | 1.54 | 3.59 | 34.93 | 40.41 |
| 870410 | Dumpers for off-highway use | 0.85 | 7.41 | 1.55 | 17.78 | 33.74 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 26.82 | 50.66 | 43.30 | 23.43 | 31.44 |
| 710812 | Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold . . . | 0.00 | 207.05 | 130.88 | 86.04 | 26.30 |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and concentrates) | 25.22 | 17.45 | 38.15 | 18.45 | 25.39 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 35.31 | 42.60 | 40.26 | 23.70 | 25.21 |
| 999999 | Commodities not elsewhere specified | 37.45 | 28.35 | 281.72 | 49.42 | 25.04 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding . . . | 6.72 | 15.62 | 23.10 | 10.75 | 14.58 |

| Kyrgyzstan's Top 25 Exports to OIC at HS 06 Level | | | | | | |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------|-------|-------|------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 520100 | Cotton, neither carded nor combed | 5.16 | 6.25 | 7.45 | 5.98 | 11.89 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.00 | 0.01 | 0.08 | 8.31 |
| 81330 | Dried apples | 0.27 | 0.47 | 0.24 | 0.47 | 7.38 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of . . . | 5.18 | 9.49 | 6.50 | 4.35 | 6.85 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 2.68 | 4.74 | 6.55 | 5.35 | 4.33 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.00 | 0.00 | 5.56 | 4.24 |
| 252329 | Portland cement (excluding white, whether or not artificially coloured) | 12.19 | 17.12 | 12.86 | 1.71 | 3.97 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 3.29 | 2.96 | 3.41 | 3.83 | 3.94 |
| 851629 | Electric space-heating and soil-heating apparatus (excluding storage heating radiators) | 0.02 | 1.68 | 3.90 | 2.97 | 3.76 |
| 390410 | Poly"vinyl chloride", in primary forms, not mixed with any other substances | 0.00 | 6.74 | 1.54 | 1.62 | 3.73 |
| 690210 | Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods containing, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.65 |
| 610831 | Womens or girls nightdresses and pyjamas of cotton, knitted or crocheted (excluding T-shirts, . . . | 0.02 | 0.14 | 0.16 | 0.07 | 3.64 |
| 620312 | Mens or boys suits of synthetic fibres (excluding knitted or crocheted, tracksuits, ski suits . . . | 1.05 | 2.90 | 2.43 | 1.36 | 3.59 |
| 620433 | Womens or girls jackets and blazers of synthetic fibres (excluding knitted or crocheted, . . . | 0.75 | 2.58 | 3.85 | 2.04 | 3.48 |
| 40120 | Milk and cream of a fat content by weight of > 1% but <= 6%, not concentrated nor containing . . . | 10.49 | 6.34 | 11.41 | 7.42 | 3.46 |
| 720890 | Flat-rolled products of iron or steel, of a width >= 600 mm, hot-rolled and further worked, . . . | 0.00 | 0.00 | 0.04 | 0.98 | 3.30 |
| 640320 | Footwear with outer soles of leather, and uppers which consist of leather straps across the . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.21 |

Table 47: Kyrgyzstan's Top 25 Exports to OIC at HS 06 Level

Imports from OIC have shown less volatility compared to exports. For the past four years imports have hovered around a billion dollars, with the highest import bill being recorded in 2014 at USD 1.35 Billion. Imports from OIC at HS 02 level comprise of mineral fuel and oil followed by commodities not elsewhere specified and essential oils. Top 10 imports at HS 02 level represent 55% of the total imports.

| Kyrgyzstan's Top 10 Imports from OIC at HS 02 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 814.99 | 922.16 | 1353.32 | 950.99 | 941.39 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 139.88 | 127.57 | 178.61 | 201.28 | 121.15 |
| 99 | Commodities not elsewhere specified | 30.00 | 19.05 | 36.97 | 58.13 | 75.33 |

| Kyrgyzstan's Top 10 Imports from OIC at HS 02 Level | | | | | | |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------|-------|--------|--------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 5.74 | 5.69 | 20.03 | 10.39 | 58.35 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 19.84 | 19.48 | 19.04 | 19.52 | 48.10 |
| 39 | Plastics and articles thereof | 31.37 | 37.85 | 47.98 | 29.23 | 47.03 |
| 44 | Wood and articles of wood; wood charcoal | 2.24 | 2.45 | 2.60 | 2.27 | 43.24 |
| 10 | Cereals | 95.67 | 88.22 | 105.82 | 65.37 | 32.43 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 24.33 | 18.16 | 51.56 | 23.72 | 31.00 |
| 72 | Iron and steel | 28.55 | 43.57 | 48.02 | 112.30 | 30.76 |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . . | 31.85 | 37.21 | 74.65 | 16.87 | 26.43 |

Table 48: Kyrgyzstan's Top 10 Imports from OIC at HS 02 Level

The top 25 imports from OIC at HS 06 level represent 48% of the total imports from OIC. Commodities not elsewhere specified, followed by medium oils and shampoos are the leading products in this category.

| Kyrgyzstan's Top 25 Imports from OIC at HS 06 Level | | | | | | |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------|--------|---------|--------|--------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 814.99 | 922.16 | 1353.32 | 950.99 | 941.39 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 30.00 | 19.05 | 36.97 | 58.46 | 75.33 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 11.65 | 7.19 | 78.01 | 85.88 | 72.71 |
| 330510 | Shampoos | 0.81 | 0.79 | 3.54 | 2.13 | 26.30 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 0.06 | 0.00 | 0.05 | 0.00 | 24.03 |
| 100199 | Wheat and meslin (excluding seed for sowing, and durum wheat) | 0.00 | 0.00 | 0.00 | 59.57 | 23.55 |
| 271121 | Natural gas in gaseous state | 78.23 | 64.16 | 43.09 | 35.00 | 19.84 |
| 392111 | Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked . . . | 0.72 | 1.34 | 1.73 | 1.25 | 18.76 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), . . . | 1.35 | 1.36 | 3.09 | 3.06 | 18.34 |
| 240220 | Cigarettes, containing tobacco | 38.34 | 46.42 | 51.96 | 28.39 | 17.90 |
| 190110 | Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or . . . | 0.00 | 0.00 | 5.07 | 2.02 | 14.58 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 36.84 | 49.36 | 43.97 | 36.34 | 13.96 |
| 600410 | Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric . . . | 0.00 | 0.00 | 0.49 | 1.21 | 13.32 |
| 961900 | Sanitary towels (pads) and tampons, napkins and napkin liners for babies, and similar articles, . . . | 0.00 | 0.00 | 0.00 | 12.05 | 12.73 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 17.11 | 17.15 | 35.43 | 16.50 | 12.31 |

Kyrgyzstan's Top 25 Imports from OIC at HS 06 Level

| <i>*All Values in USD Millions</i> | | | | | | |
|------------------------------------|------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of > = 600 mm, hot-rolled or cold-rolled . . . | 4.94 | 9.50 | 11.61 | 84.51 | 11.11 |
| 210111 | Extracts, essences and concentrates, of coffee | 0.04 | 0.01 | 2.93 | 1.12 | 9.28 |
| 310230 | Ammonium nitrate, whether or not in aqueous solution (excluding that in pellet or similar forms, . . . | 20.75 | 23.65 | 30.90 | 16.88 | 9.00 |
| 870324 | Motor cars and other motor vehicles principally designed for the transport of persons, incl. . . . | 0.12 | 0.05 | 36.01 | 3.98 | 8.62 |
| 441011 | Particle board of wood, whether or not agglomerated with resins or other organic binding substances . . . | 0.16 | 0.09 | 0.07 | 0.19 | 7.66 |
| 611420 | Special garments for professional, sporting or other purposes, n.e.s., of cotton, knitted or . . . | 0.98 | 0.83 | 0.72 | 0.62 | 7.65 |
| 340220 | Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning . . . | 1.35 | 1.28 | 9.58 | 5.00 | 6.92 |
| 170490 | Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum) | 5.72 | 6.09 | 6.84 | 4.19 | 6.86 |
| 570242 | Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flocked, . . . | 4.65 | 5.91 | 7.16 | 6.28 | 6.82 |
| 100119 | Durum wheat (excluding seed for sowing) | 0.00 | 0.00 | 0.00 | 1.44 | 6.17 |
| 610342 | Mens or boys trousers, bib and brace overalls, breeches and shorts of cotton, knitted or . . . | 0.07 | 0.02 | 0.21 | 0.31 | 6.01 |
| | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Table 49: Kyrgyzstan's Top 25 Imports from OIC at HS 06 Level

Economic Cooperation Organization (ECO):

The Economic Cooperation Organization or ECO is a Eurasian political and economic intergovernmental organization which was founded in 1985 in Tehran by the leaders of Iran, Pakistan, and Turkey. It provides a platform to discuss ways to promote trade and investment opportunities. Among other objectives of the ECO some important ones are:

- Sustainable economic development of Member States.
- Progressive removal of trade barriers and promotion of intra- regional trade
- Economic liberalization and privatization.
- Linking of national economic, development plans with ECOs immediate and long-term objectives to the extent possible.
- Joint efforts to gain freer access to markets outside the ECO region for the raw materials and finished products of the Member States.

Table 50 shows the absolute and relative values of exports and imports with members of ECO for 2016.

| Imports and Exports with ECO Members– 2016 | | | | |
|-----------------------------------------------------|---------|------------------------------------|---------|--------------------------------------|
| <i>*All Values in USD Millions</i> | | | | |
| | Exports | Relative % share in Exports to ECO | Imports | Relative % share in Imports from ECO |
| Economic Cooperation Organization (ECO) Aggregation | 411.10 | 100% | 923.39 | 100% |
| Afghanistan | 8.19 | 2.0% | 0.09 | 0.0% |
| Azerbaijan | 0.71 | 0.2% | 6.56 | 0.7% |
| Iran, Islamic Republic of | 8.15 | 2.0% | 6.59 | 0.7% |
| Kazakhstan | 151.15 | 36.8% | 635.55 | 68.8% |
| Pakistan | 0.31 | 0.1% | 3.27 | 0.4% |
| Tajikistan | 21.84 | 5.3% | 6.43 | 0.7% |
| Turkey | 89.98 | 21.9% | 190.78 | 20.7% |
| Turkmenistan | 5.70 | 1.4% | 4.36 | 0.5% |
| Uzbekistan | 125.07 | 30.4% | 69.77 | 7.6% |

Table 50: Imports and Exports with ECO Members– 2016

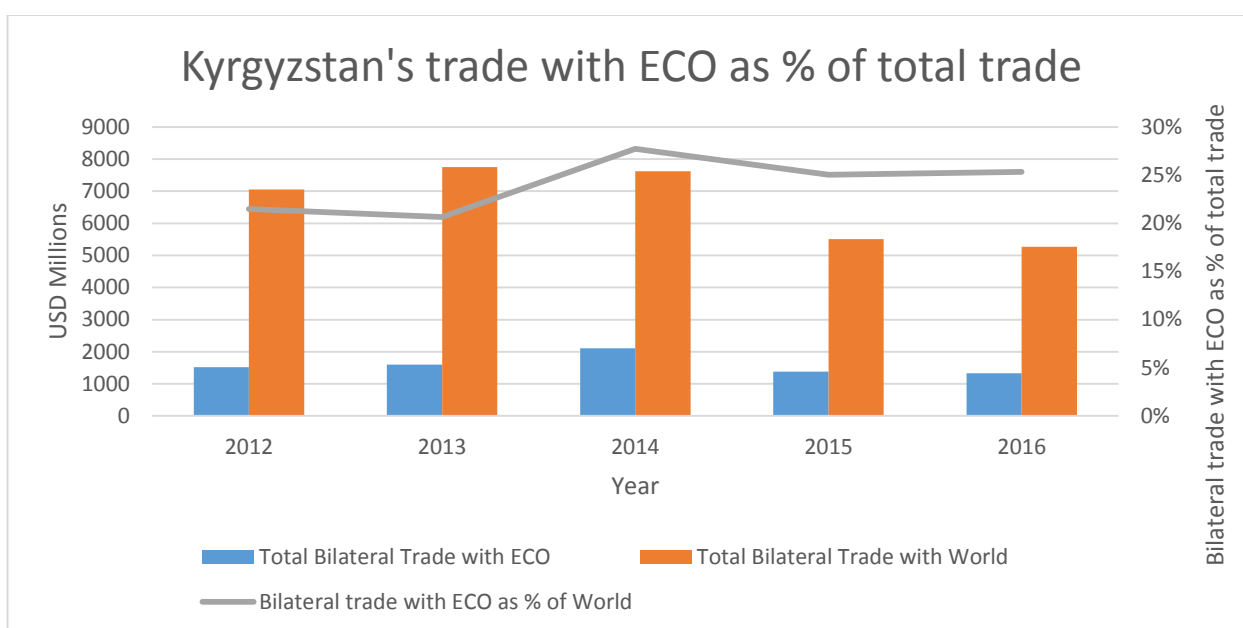


Figure 33: Kyrgyzstan's trade with ECO as % of total trade

The following table shows the top 10 exports to ECO countries at HS 02 level. Vehicles other than tramway, edible vegetables and roots, and mineral fuels are the leading items being exported to ECO countries. The top 10 products at HS 02 level accounted for 64% of the total export revenue derived from ECO countries.

| Kyrgyzstan's Top 10 Exports to ECO at HS 02 Level | | | | | | |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 730.46 | 709.39 | 875.29 | 453.73 | 411.10 |
| Product Code | Product Description | | | | | |
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 100.41 | 54.84 | 40.53 | 33.49 | 46.61 |
| 7 | Edible vegetables and certain roots and tubers | 63.44 | 84.01 | 66.93 | 34.34 | 36.34 |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 107.09 | 73.79 | 62.88 | 43.03 | 36.13 |
| 88 | Aircraft, spacecraft, and parts thereof | 12.69 | 1.23 | 2.90 | 26.59 | 32.58 |
| 26 | Ores, slag and ash | 25.22 | 17.45 | 38.39 | 18.71 | 25.44 |
| 99 | Commodities not elsewhere specified | 37.04 | 27.65 | 281.06 | 48.21 | 24.31 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 17.45 | 20.33 | 24.83 | 8.17 | 16.30 |
| 70 | Glass and glassware | 8.58 | 18.43 | 25.38 | 14.08 | 15.92 |
| 72 | Iron and steel | 31.21 | 34.73 | 19.14 | 9.10 | 15.89 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 63.26 | 80.07 | 71.93 | 30.63 | 13.83 |

Table 51: Kyrgyzstan's Top 10 Exports to ECO at HS 02 Level

The following table shows the top 25 products exported to ECO at HS 06 level making up 66% of the total exports to ECO in 2016

| Kyrgyzstan's Top 25 Exports to ECO at HS 06 Level | | | | | | |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 730.46 | 709.39 | 875.29 | 453.73 | 411.10 |
| Product Code | Product Description | | | | | |
| 870410 | Dumpers for off-highway use | 0.85 | 7.41 | 1.49 | 17.78 | 33.74 |
| 880240 | Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters . . . | 6.51 | 0.67 | 2.11 | 24.67 | 31.75 |
| 71333 | Dried, shelled kidney beans "Phaseolus vulgaris", whether or not skinned or split | 25.84 | 49.58 | 42.34 | 23.34 | 31.30 |
| 261690 | Precious-metal ores and concentrates (excluding silver ores and oncentrates) | 25.22 | 17.45 | 38.15 | 18.45 | 25.39 |
| 999999 | Commodities not elsewhere specified | 37.04 | 27.65 | 281.06 | 48.21 | 24.34 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 27.52 | 34.66 | 33.88 | 21.86 | 24.15 |
| 700529 | Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding . . . | 6.72 | 15.62 | 23.10 | 10.75 | 14.58 |
| 520100 | Cotton, neither carded nor combed | 5.16 | 6.17 | 7.02 | 5.98 | 11.81 |
| 901420 | Instruments and appliances for aeronautical or space navigation (excluding compasses and radio . . . | 0.00 | 0.00 | 0.01 | 0.02 | 8.31 |
| 81330 | Dried apples | 0.27 | 0.47 | 0.24 | 0.47 | 7.38 |
| 392330 | Carboys, bottles, flasks and similar articles for the conveyance or packaging of goods, of . . . | 5.18 | 9.49 | 6.50 | 4.35 | 6.85 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 2.68 | 4.74 | 6.55 | 5.35 | 4.33 |
| 850153 | AC motors, multi-phase, of an output > 75 kW | 0.00 | 0.00 | 0.00 | 5.56 | 4.24 |
| 252329 | Portland cement (excluding white, whether or not artificially coloured) | 12.19 | 17.12 | 12.86 | 1.71 | 3.97 |
| 870899 | Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, . . . | 3.29 | 2.96 | 3.41 | 3.83 | 3.94 |
| 851629 | Electric space-heating and soil-heating apparatus (excluding storage heating radiators) | 0.02 | 1.68 | 3.90 | 2.97 | 3.76 |
| 390410 | Poly"vinyl chloride", in primary forms, not mixed with any other substances | 0.00 | 6.74 | 1.54 | 1.62 | 3.73 |
| 690210 | Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods containing, . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.65 |
| 610831 | Womens or girls nightdresses and pajamas of cotton, knitted or crocheted (excluding T-shirts, . . . | 0.02 | 0.14 | 0.16 | 0.07 | 3.64 |
| 620312 | Mens or boys suits of synthetic fibres (excluding knitted or crocheted, tracksuits, ski suits . . . | 1.05 | 2.90 | 2.43 | 1.36 | 3.59 |
| 620433 | Womens or girls jackets and blazers of synthetic fibres (excluding knitted or crocheted, . . . | 0.75 | 2.58 | 3.85 | 2.04 | 3.48 |
| 40120 | Milk and cream of a fat content by weight of > 1% but <= 6%, not concentrated nor containing . . . | 10.49 | 6.34 | 11.41 | 7.42 | 3.46 |
| 720890 | Flat-rolled products of iron or steel, of a width >= 600 mm, hot-rolled and further worked, . . . | 0.00 | 0.00 | 0.04 | 0.98 | 3.30 |
| 640320 | Footwear with outer soles of leather, and uppers which consist of leather straps across the . . . | 0.00 | 0.00 | 0.00 | 0.00 | 3.21 |
| 870423 | Motor vehicles for the transport of goods, with compression-ignition internal combustion piston . . . | 75.59 | 16.83 | 12.88 | 5.23 | 3.03 |

Table 52: Kyrgyzstan's Top 25 Exports to ECO at HS 06 Level

Top 10 imports from ECO comprise of mineral fuels, followed by, commodities not elsewhere specified and essential oils. The top 10 imports at HS 02 level make up 55% of the total imports.

| Kyrgyzstan's Top 10 Imports from ECO at HS 02 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 785.90 | 892.26 | 1237.81 | 926.21 | 923.39 |
| Product Code | Product Description | | | | | |
| 27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . . | 138.67 | 127.33 | 178.41 | 201.13 | 121.10 |
| 99 | Commodities not elsewhere specified | 29.99 | 19.05 | 36.97 | 58.13 | 75.33 |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 5.62 | 5.53 | 18.54 | 9.84 | 57.82 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 19.30 | 19.16 | 18.60 | 18.62 | 47.33 |
| 39 | Plastics and articles thereof | 31.28 | 37.42 | 46.90 | 29.02 | 46.96 |
| 44 | Wood and articles of wood; wood charcoal | 2.21 | 2.37 | 2.52 | 2.26 | 43.22 |
| 10 | Cereals | 95.67 | 88.19 | 105.74 | 65.37 | 32.43 |
| 72 | Iron and steel | 28.33 | 43.45 | 47.94 | 112.29 | 30.76 |
| 84 | Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof | 22.74 | 17.01 | 38.87 | 23.03 | 30.39 |
| 19 | Preparations of cereals, flour, starch or milk; pastrycooks products | 6.29 | 7.01 | 13.21 | 6.73 | 25.74 |

Table 53: Kyrgyzstan's Top 10 Imports from ECO at HS 02 Level

At the HS 06 level, top 25 imports make up 48% of the total imports from ECO. Commodities not elsewhere specified, medium oils and shampoos are the top 3 products under this category.

| Kyrgyzstan's Top 25 Imports from ECO at HS 06 Level | | | | | | |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| TOTAL | All products | 785.90 | 892.26 | 1237.81 | 926.21 | 923.39 |
| Product Code | Product Description | | | | | |
| 999999 | Commodities not elsewhere specified | 29.99 | 19.05 | 36.97 | 58.46 | 75.33 |
| 271019 | Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, . . . | 10.44 | 6.95 | 77.81 | 85.77 | 72.69 |
| 330510 | Shampoos | 0.80 | 0.78 | 3.50 | 2.01 | 26.23 |
| 440710 | Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded . . . | 0.06 | 0.00 | 0.05 | 0.00 | 24.03 |
| 100199 | Wheat and meslin (excluding seed for sowing, and durum wheat) | 0.00 | 0.00 | 0.00 | 59.57 | 23.55 |
| 271121 | Natural gas in gaseous state | 78.23 | 64.16 | 43.09 | 35.00 | 19.84 |
| 392111 | Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked . . . | 0.72 | 1.34 | 1.73 | 1.25 | 18.76 |
| 330499 | Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), . . . | 1.29 | 1.32 | 2.98 | 3.05 | 18.31 |
| 240220 | Cigarettes, containing tobacco | 38.05 | 46.37 | 51.67 | 28.26 | 17.68 |
| 190110 | Food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or . . . | 0.00 | 0.00 | 5.07 | 2.02 | 14.58 |

| Kyrgyzstan's Top 25 Imports from ECO at HS 06 Level | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| <i>*All Values in USD Millions</i> | | | | | | |
| | | 2012 | 2013 | 2014 | 2015 | 2016 |
| 270119 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal) | 36.84 | 49.36 | 43.97 | 36.34 | 13.96 |
| 600410 | Knitted or crocheted fabrics, of a width of > 30 cm, containing > = 5% by weight elastomeric . . . | 0.00 | 0.00 | 0.49 | 1.21 | 13.32 |
| 961900 | Sanitary towels (pads) and tampons, napkins and napkin liners for babies, and similar articles, . . . | 0.00 | 0.00 | 0.00 | 12.04 | 12.72 |
| 721049 | Flat-rolled products of iron or non-alloy steel, of a width of > = 600 mm, hot-rolled or cold-rolled . . . | 4.94 | 9.50 | 11.61 | 84.51 | 11.11 |
| 300490 | Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, . . . | 8.69 | 8.60 | 34.99 | 12.61 | 9.37 |
| 210111 | Extracts, essences and concentrates, of coffee | 0.03 | 0.00 | 2.92 | 1.12 | 9.28 |
| 310230 | Ammonium nitrate, whether or not in aqueous solution (excluding that in pellet or similar forms, . . . | 20.75 | 23.65 | 30.90 | 16.88 | 9.00 |
| 870324 | Motor cars and other motor vehicles principally designed for the transport of persons, incl. . . . | 0.00 | 0.04 | 14.81 | 3.98 | 8.62 |
| 441011 | Particle board of wood, whether or not agglomerated with resins or other organic binding substances . . . | 0.16 | 0.09 | 0.07 | 0.19 | 7.66 |
| 611420 | Special garments for professional, sporting or other purposes, n.e.s., of cotton, knitted or . . . | 0.93 | 0.82 | 0.59 | 0.62 | 7.64 |
| 170490 | Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum) | 5.71 | 6.09 | 6.84 | 4.19 | 6.86 |
| 340220 | Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning . . . | 1.24 | 1.17 | 9.45 | 4.92 | 6.86 |
| 570242 | Carpets and other floor coverings, of man-made textile materials, woven, not tufted or flopped, . . . | 4.65 | 5.91 | 7.16 | 6.28 | 6.82 |
| 100119 | Durum wheat (excluding seed for sowing) | 0.00 | 0.00 | 0.00 | 1.44 | 6.17 |
| 610342 | Mens or boys trousers, bib and brace overalls, breeches and shorts of cotton, knitted or . . . | 0.07 | 0.01 | 0.19 | 0.29 | 5.94 |

Table 54: Kyrgyzstan's Top 25 Imports from ECO at HS 06 Level

EURASIAN Economic Union:

In 2015, Kyrgyzstan became a member of the EURASIAN economic union (EAEU). Founded by Belarus, Russia and Kazakhstan and later joined by Armenia and Kyrgyzstan, the EAEU serves as an integrated market promoting the free movement of goods, capital, services and people. Furthermore, it provides common policies in the macroeconomic sphere, transport, industry and agriculture, energy, foreign trade and investment, customs, technical regulation, competition and antitrust regulation.

Along with these regional and socio-political alliances Kyrgyzstan has also initiated / signed a number of Free Trade Agreements (FTAs) with regional countries.

1. India - Eurasian Economic Union (Negotiations launched)
2. [Republic of] Korea - Eurasian Economic Union Free Trade Agreement (Negotiations launched)
3. Armenia-Kyrgyz Free Trade Agreement (Signed and In Effect)
4. Commonwealth of Independent States Free Trade Area (Signed and In Effect)
5. Economic Cooperation Organization Trade Agreement (Signed and In Effect)
6. Eurasian Economic Union (Signed and In Effect)
7. Kyrgyz-Kazakhstan Free Trade Agreement (Signed and In Effect)
8. Kyrgyz-Moldova Free Trade Agreement (Signed and In Effect)
9. Kyrgyz-Russia Free Trade Agreement (Signed and In Effect)
10. Kyrgyz-Ukraine Free Trade Agreement (Signed and In Effect)
11. Kyrgyz-Uzbekistan Free Trade Agreement (Signed and In Effect)
12. Tajikistan-Kyrgyz Free Trade Agreement (Signed and In Effect)
13. Viet Nam - Eurasian Economic Union Free Trade Agreement (Signed and In Effect)

The table shows imports and exports for selected countries which have signed FTAs with Kyrgyzstan. As of 2016 imports from Vietnam, Uzbekistan, Moldova and Armenia accounted for less than 2% of the total imports while exports to these countries were around 8% of the total exports.

| Imports from Trade Allies | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|
| <i>*All Values in USD Millions</i> | | | | | |
| Country | 2012 | 2013 | 2014 | 2015 | 2016 |
| Armenia | 0.27 | 0.94 | 0.25 | 0.33 | 1.03 |
| Moldova, Republic of | 3.88 | 6.56 | 3.83 | 6.15 | 1.54 |
| Uzbekistan | 63.15 | 97.61 | 102.24 | 59.22 | 69.77 |
| Vietnam | 7.58 | 3.05 | 1.62 | 3.68 | 3.05 |
| World | 5,373.18 | 5,983.02 | 5,734.70 | 4,068.08 | 3,844.47 |

Table 55: Imports from Trade Allies 2016

| Exports to Trade Allies | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|
| <i>*All Values in USD Millions</i> | | | | | |
| Country | 2012 | 2013 | 2014 | 2015 | 2016 |
| Armenia | 0.72 | 0.06 | 0.10 | 0.17 | 0.01 |
| Moldova, Republic ,of | 0.57 | 0.27 | 0.89 | 0.15 | 0.15 |
| Uzbekistan | 190.13 | 159.01 | 163.70 | 95.03 | 125.07 |
| Vietnam | - | 0.08 | 1.40 | 1.58 | 0.23 |
| World | 1,683.24 | 1,773.23 | 1,883.73 | 1,441.47 | 1,423.03 |

Table 56: Exports to Trade Allies 2016

Central Asia Regional Economic Program (CAREC):

CAREC was initiated by the Asian Development Bank in 1993. The program has 11-member states:

1. Afghanistan
2. Azerbaijan
3. Peoples Republic of China
4. Georgia
5. Kazakhstan
6. Kyrgyz Republic
7. Mongolia
8. Pakistan
9. Tajikistan
10. Turkmenistan
11. Uzbekistan

The program aims to develop and strengthen the existing energy, trade policy and transport sectors of member countries by various projects. Members are expected to not only benefit by mutual cooperation amongst themselves but also by the funding and technical assistance provided by the following institutions:

1. Asian Development Bank (ADB)
2. European Bank for Reconstruction and Development (EBRD)
3. International Monetary Fund (IMF)
4. Islamic Development Bank (IsDB)
5. United Nations Development Program (UNDP)
6. World Bank

Kyrgyzstan has benefitted from 48 projects under the CAREC umbrella. Out of those 48 projects, 26 projects relate to the transport sector, 13 are energy based, 6 are for trade facilitation and 3 for multisector development.

The following table shows details of projects aimed at improving the overall transport infrastructure in Kyrgyzstan. As the table shows, 19 of the 26 projects have been completed whereas 7 are still in implementation. The combined funding for all transport related projects is USD 715 Million. Although the Kyrgyz government has contributed to this, the major chunk was provided by organizations such as Asian Development Bank (ADB), World Bank (WB), Islamic Development Bank (IsDB) and European Bank for Reconstruction and Development (EBRD).

| CAREC Transport Projects | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|-----------|
| Project Title | Funding Agencies | Funding Types | Status |
| CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project, Phase 4 | ADB | Technical Assistance | Completed |
| National Road Rehabilitation (Osh-Batken-Isfana) - Second Additional Financing | WB | Loan | Completed |
| Bishkek-Naryn-Torugart Road Reconstruction Project | ACG, GKGZ, IsDB | Loan | Completed |
| National Road Rehabilitation (Osh-Batken-Isfana) Project - Additional Financing | WB | Grant, Loan | Completed |
| CAREC Regional Road Corridor Improvement Project – Supplementary | ADB, GKGZ | Loan | Completed |
| National Road Rehabilitation (Osh-Batken-Isfana) Project | WB | Loan | Completed |
| CAREC Transport Corridor I (Bishkek-Torugart Road), Tranche 2 | ADB, GKGZ | Grant, Loan | Completed |
| CAREC Corridor I (Bishkek-Torugart Road), Phase 1 | ADB, GKGZ | Grant | Completed |
| CAREC Transport Corridor I (Bishkek-Torugart Road) | ADB, GKGZ | Technical Assistance | Completed |
| Reconstruction of Taraz-Talas Suusamyр Road, Phase 2 | IsDB | Loan | Completed |
| CAREC Regional Road Corridor Improvement Project (Kyrgyz Republic Component) | ADB, GKGZ | Grant | Completed |
| Cross Border Agreement among the Kyrgyz Republic, Peoples Republic of China (PRC), and Tajikistan | ADB, GKGZ | Technical Assistance | Completed |
| Formulating and Implementing an Intergovernmental Agreement of the Shanghai Cooperation Organization Member States on Facilitation of International Road Transport | ADB, Shared, UNESCAP | Technical Assistance | Completed |
| Southern Transport Corridor Road Rehabilitation Project | ADB, GKGZ, OPEC Fund | Loan | Completed |
| Improving Road Maintenance and Strengthening the Transport Corridor Management Department | ADB, GKGZ | Technical Assistance | Completed |
| Regional Cooperation in Transport Projects in Central Asia | ADB | Technical Assistance | Completed |
| Third Road Rehabilitation Project | ADB, GKGZ | Loan | Completed |
| Institutional Support in the Transport Sector | ADB, GKGZ | Technical Assistance | Completed |
| Improvement of the Road Sector Efficiency Project (Kyrgyz Republic Component) | ADB, GKGZ | Technical Assistance | Completed |
| CAREC Corridors 1 and 3 Connector Road Project Design Advance | ADB | Grant | Ongoing |
| CAREC Corridors 1 and 3 Connector Road Project | ADB | Technical Assistance | Ongoing |
| CAREC Transport Corridor I (Bishkek-Torugart Road) Project 3 - Additional Financing | ADB, GKGZ | Loan | Ongoing |
| CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project, Phase 4 | ADB, EDB, GKGZ | Grant, Loan | Ongoing |
| CAREC Transport Corridor I (Bishkek-Torugart Road) - Tranche 3 | ADB, GKGZ | Loan | Ongoing |
| Osh-Isfana Road Upgrading Project | EBRD | Loan | Ongoing |
| Maintenance of Regional Road Transport Corridors Project | ADB, GKGZ | Technical Assistance | Ongoing |

Table 57: CAREC Transport Projects

The following table shows the energy sector projects funded and aided under CAREC. Although the number of projects at 13 is less than those of the transport sector, the total funding, USD 930 million, is higher than that for transport projects. The composition of funding is similar with a major chunk being provided by international institutions.

| CAREC Energy Projects | | | |
|--------------------------------------------------------------------------------------------|------------------|----------------------|-----------|
| Project Title | Funding Agencies | Funding Types | Status |
| Toktogul Rehabilitation Project Phase 2 | ADB, GKGZ | Technical Assistance | Completed |
| Power Sector Rehabilitation Project | ADB, GKGZ | Technical Assistance | Completed |
| Management and Disposal of Polychlorinated Biphenyls (PCBs) in the Kyrgyz Republic | UNDP | Technical Assistance | Completed |
| Emergency Energy Assistance Project - Additional Financing | WB | Grant, Loan | Completed |
| Transmission and Distribution Metering Project | ADB | Technical Assistance | Completed |
| Energy Emergency Assistance Project | WB | Grant, Loan | Completed |
| Preparing the Central Asia-South Asia Regional Electricity Market Project | ADB, Shared | Technical Assistance | Completed |
| Toktogul Rehabilitation Phase 3 Project | ADB, EDB, GKGZ | Grant, Loan | Ongoing |
| Oshelectro Rehabilitation Project | EBRD | Loan | Ongoing |
| Toktogul Rehabilitation Phase 2 Project | ADB, EDB, GKGZ | Loan | Ongoing |
| Power Sector Rehabilitation Project | ADB, Shared | Grant, Loan | Ongoing |
| Power Sector Improvement Project (formerly Transmission and Distribution Metering Project) | ADB, Shared | Grant, Loan | Ongoing |
| Small Hydro Power Development | GEF, UNDP | Technical Assistance | Ongoing |

Table 58: CAREC Energy Projects



Osh Bazaar

SECTION VI

Doing Business

6. Doing Business:

6.1 Ease of doing Business:

| Topics | DB 2017 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Overall | 75 | 73 | 2 ↓ |
| Starting a Business | 30 | 28 | 2 ↓ |
| Dealing with Construction Permits | 32 | 31 | 1 ↓ |
| Getting Electricity | 163 | 161 | 2 ↓ |
| Registering Property | 8 | 6 | 2 ↓ |
| Getting Credit | 32 | 29 | 3 ↓ |
| Protecting Minority Investors | 42 | 40 | 2 ↓ |
| Paying Taxes | 148 | 145 | 3 ↓ |
| Trading across Borders | 79 | 81 | 2 ↑ |
| Enforcing Contracts | 141 | 141 | - |
| Resolving Insolvency | 130 | 122 | 8 ↓ |

Table 59: Doing Business in Kyrgyzstan

Apart from international trade all aspects regarding business activity have shown a decline in 2017 as compared to 2016. The ranking for Starting a Business declined by two points and as of 2017 Kyrgyzstan was ranked 30th out of 190 nations.

6.2 Embassy:

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6.3 Consulate:

Kyrgyz Consulate General in Karachi, Pakistan

Schon Centre, I.I. Chundrigar Road Karachi, Pakistan

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