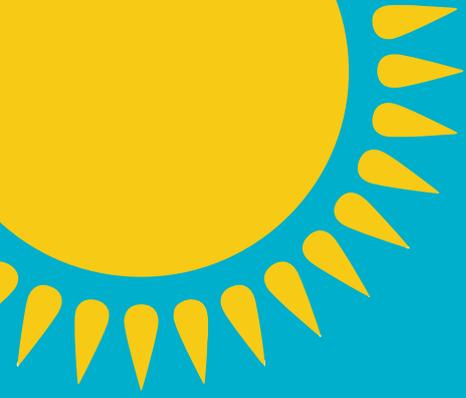


THE REPUBLIC OF KAZAKHSTAN

MARKET ACCESS SERIES 2020 - 21





THE REPUBLIC OF KAZAKHSTAN

MARKET ACCESS SERIES 2020 - 21



Acknowledgements

Team Leader:

Samir S. Amir

Lead Researcher:

Hasan Abbas

Disclaimer

The findings, interpretations and conclusions expressed do not necessarily reflect the views of Board of Directors and Members of the Pakistan Business Council or the companies they represent.

Any conclusions and analysis based on the data from ITC Trade Map, Federal Board of Revenue, Pakistan Bureau of Statistics, the World Bank, International Monetary Funds, Statista, World Population Review and the State Bank of Pakistan are the responsibility of author(s) and do not necessarily reflect the opinion of these agencies. Although every effort has been made to cross-check and verify the authenticity of the data, the Pakistan Business Council, or the author(s), do not guarantee the data included in this work. All data and statistics used are correct as of 30th December 2020 and may be subject to change.

For any queries or feedback regarding this report, please contact

samir@pbc.org.pk or hasan@pbc.org.pk



The Pakistan Business Council: An Overview

The Pakistan Business Council (PBC) is a business policy advocacy platform, established in 2005 by 14 (now 85) 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.
- The PBC is a Section 42 not-for-profit Company Limited by Guarantee. Its working is overseen by a Board of Directors. 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





Table of Contents

Executive Summary	13
Overview of Kazakhstan	16
Economic Outlook	22
Demographic Outlook	26
Kazakhstan's Global Rankings	29
Trade Overview	32
Pakistan's Trade Profile	33
Pakistan's Top Exports to the World	34
Pakistan's Top Imports from the World	37
Pakistan's Top Trade Partners	40
Kazakhstan's Trade Profile	42
Kazakhstan's Top Exports to the World	43
Kazakhstan's Top Imports from the World	46
Kazakhstan's Top Trade Partners	49
Bilateral Trade-Pakistan and Kazakhstan	51
Top Exports from Pakistan to Kazakhstan	53
Top Imports of Pakistan from Kazakhstan	56
Opportunities for Increasing Exports to Kazakhstan	59
Analysis of Competitors' Strategies in Kazakh Market	73
Trade Barriers Applied by Kazakhstan	78
Bilateral Agreements – Pakistan and Kazakhstan	86
Input from Pakistan's Trade Mission in Kazakhstan	89
Competitor Analysis	90
Logistics Issues in Exports to Kazakhstan	91
Other Issues and Non-Tariff Measures (NTMs)	92
Pakistan's Potential Trade with Kazakhstan	93

Action Plan	96
Recommendations	97
Short Term	97
Medium Term	100
Long Term	102
Marketing and Branding Strategies	102
Action Plan for Creating Brands and Marketing Export Products	103
References	104

List of Tables

Table 1: Pakistan and Kazakhstan - Socioeconomic Overview (2017-2019)	13
Table 2: Kazakhstan - Key Economic Indicators 2018 vs. 2019	22
Table 3: Kazakhstan - Key Demographic Indicators (2017-2018)	26
Table 4: Kazakhstan - Global Indicators Score 2018-2019	29
Table 5: Kazakhstan - Global Indicators Rank 2018-2019	29
Table 6: Pakistan's Top 10 Export Products to the World at HS-02 Level (2015-2019)	34
Table 7: Pakistan's Top 25 Export Products to the World at HS-06 Level (2015-2019)	35
Table 8: Pakistan's Top 10 Import Products from the World at HS-02 Level (2015-2019)	37
Table 9: Pakistan's Top 25 Import Products from the World at HS-06 Level (2015-2019)	38
Table 10: Pakistan's Top 10 Export Partners (2015-2019)	40
Table 11: Pakistan's Top 10 Import Partners (2015-2019)	41
Table 12: Kazakhstan's Top 10 Export Products to the World at HS-02 Level (2015-2019)	43
Table 13: Kazakhstan's Top 25 Export Products to the World at HS-06 Level (2015-2019)	44
Table 14: Kazakhstan's Top 10 Import Products from the World at HS-02 Level (2015-2019)	46
Table 15: Kazakhstan's Top 25 Import Products from the World at HS-06 Level (2015-2019)	47
Table 16: Kazakhstan's Top 10 Export Partners (2015-2019)	49
Table 17: Kazakhstan's Top 10 Import Partners (2015-2019)	50
Table 18: Pakistan's Top 10 Export Products to Kazakhstan at HS-02 Level (2015-2019)	53
Table 19: Pakistan's Top 25 Export Products to Kazakhstan at HS-06 Level (2015-2019)	54
Table 20: Pakistan's Top 10 Import Products from Kazakhstan at HS-02 Level (2015-2019)	56
Table 21: Pakistan's Top 25 Import Products from Kazakhstan at HS-06 Level (2015-2019)	57
Table 22: Pakistan's Export Potential for Top 25 Export Products to Kazakhstan at HS-06 Level (2019)	60
Table 23: Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level not currently being exported (2019)	63
Table 24: Pakistan's Top 25 Export Products to Kazakhstan CAGR at HS-06 Level (2017-2019)	67
Table 25: Pakistan-Kazakhstan RCA for Top 25 Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)	69
Table 26: Pakistan-Kazakhstan RCA for Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level (2019)	71
Table 27: The Central Asian Republics' (CAR) Top 10 Import Partners (2017-2019)	74

Table 28: Unit Value for Top 3 Import Partners of CAR for Top 25 Potential Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)	76
Table 29: Equivalent Ad Valorem Tariffs (%) applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import Partners (2019)	79
Table 30: Non-Tariff Measures applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import partners (2019)	82

List of Figures

Figure 1: Annual GDP and GDP per Capita of Kazakhstan (2010-2019)	23
Figure 2: Kazakhstan's Exchange Rate against US Dollars (2010-2019)	24
Figure 3: Inflation (%) and Unemployment (%) in Kazakhstan (2010-2019)	24
Figure 4: Kazakhstan - FDI, net inflows (2010-2019)	25
Figure 5: Population and Population Growth (%) of Kazakhstan (2010-2019)	27
Figure 6: Rural-Urban Distribution of Kazakhstan (2010-2019)	27
Figure 7: Population Distribution (%) of Kazakhstan 2019	28
Figure 8: Kazakhstan - Net Migration for selected years (2007-2017)	28
Figure 9: Kazakhstan - Ease of Doing Business Score (2015-2019)	30
Figure 10: Kazakhstan - LPI Score for selected years (2010-2018)	31
Figure 11: Kazakhstan - MPI Score (2015-2019)	31
Figure 12: Pakistan's Trade Balance with the World (2015-2019)	33
Figure 13: Kazakhstan's Trade Balance with the World (2015-2019)	42
Figure 14: Pakistan-Kazakhstan Annual Trade (2015-2019)	52

List of Acronyms

BRI	Belt and Road Initiative
CAGR	Compound Annual Growth Rate
CAR	Central Asian Republics
CIS	Commonwealth of Independent States
CNPC	China National Petroleum Corporation
CSTO	Collective Security Treaty Organization
DRAP	Drug Regulatory Authority of Pakistan
EAEU	Eurasian Economic Union
EEC	Eurasian Economic Commission
FTA	Free Trade Agreement
HBL	Habib Bank Limited
ICBC	Industrial and Commercial Bank of China
LC	Letters of Credit
LPI	Logistics Performance Indicator
MOC	Ministry of Commerce
MPI	Market Potential Index
NACC	North Atlantic Cooperation Council
NBP	National Bank of Pakistan

NTM	Non-Tariff Measures
OIC	Organization of Islamic Cooperation
OSCE	Organization for Security and Cooperation in Europe
PBC	Pakistan Business Council
PTA	Preferential Trade Agreement
QTTA	Quadrilateral Traffic in Transit Agreement
RCA	Revealed Comparative Advantage
SCO	Shanghai Cooperation Organization
SPS	Sanitary and Phytosanitary
SREB	Silk Road Economic Belt
TBT	Technical Barriers to Trade
TDAP	Trade Development Authority of Pakistan
UN	United Nations
WTO	World Trade Organization

Executive Summary

In order to promote Pakistan's trade with its non-traditional trading partners, the Pakistan Business Council (PBC) in 2015 initiated a Country Profile Series aimed at introducing non-traditional markets to Pakistani exporters. During 2020-21, the Country Profile Series covers economies in Africa and Central Asia. This Study which features the Republic of Kazakhstan is the second in the Central Asia Series 2020–21.

The Republic of Kazakhstan is a transcontinental country with a total area of 2.7 million square kilometers. The population of Kazakhstan in 2019 was estimated at 18.5 Million. A comparison of the economic profiles of Pakistan and Kazakhstan is shown in the table below.

TABLE 1
Pakistan and Kazakhstan - Socioeconomic Overview (2017-2019)

Economic Indicators	Pakistan			Kazakhstan		
	2017	2018	2019	2017	2018	2019
Population (Millions)	207.9	212.2	216.6	18.0	18.3	18.5
GDP (Current US\$, Billions)	304.6	314.6	278.2	166.8	179.3	181.7
GDP Per Capita (Current US\$)	1,465.0	1,482.3	1,284.7	9,247.6	9,812.6	9,812.4
GDP Growth (%)	5.6	5.8	1.0	4.1	4.1	4.5
Inflation (%)	4.0	2.5	8.6	11.2	9.2	7.6
FDI, net inflows (Current US\$, Billions)	2.5	1.7	2.2	4.7	0.2	3.6
Official Exchange Rate (LCU per US\$, period average)	105.5	121.8	150.0	326.0	344.7	382.7

Source: World Bank

Kazakhstan has the second highest population among the Central Asian countries, but the country's population is still approximately a twelfth of the population of Pakistan. Pakistan also has a higher GDP than Kazakhstan with a difference of US\$ 96.5 Billion in the GDPs of the two countries. However, the GDP per capita of Kazakhstan is almost eight times that of Pakistan.

In 2019, Kazakhstan ranked 25th in the world on the Ease of Doing Business Indicator. The country also ranked 62nd on the Logistics Performance Indicator (LPI) in 2018.

The Republic of Kazakhstan is part of numerous multilateral organizations and trade blocs including the UN, CIS, WTO and the EAEU. The country also has a central role in the Chinese led Belt and Road Initiative due to its geographic location along with its vast energy and mineral resources.

The Russian Federation and China are the top trading partners of Kazakhstan while Uzbekistan is the main trading partner in the Central Asia region. Italy, South-Korea, Turkey and France also remain among the top 10 trading partners of Kazakhstan.

The top export commodities of Kazakhstan to the world are mineral fuels, iron and steel, ores, copper, chemicals and cereals among others while the country's top imports from the world are machinery, iron and steel, vehicles other than railway, mineral fuels, plastics and pharmaceutical products.

During 2017-19, Pakistan's exports to Kazakhstan were more than twice compared to the country's exports to the rest of the Central Asian countries combined. In 2019, Pakistan's exports to Kazakhstan were US\$ 83.5 Million while its imports from Kazakhstan were only US\$ 0.8 Million resulting in a trade surplus of roughly US\$ 82.6 Million.

Pakistan's main exports to Kazakhstan are cereals, fruits, oil seeds, pharmaceutical products and vegetables, while the country's main imports from Kazakhstan are chemicals, vegetables, raw hides and skins, coffee, tea, spices, oil seeds, fruits and live animals.

In 2019, Pakistan had an export potential of US\$ 270.8 Million for exporting the top 25 export commodities to Kazakhstan. Pakistan has potential for export expansion of rice, wheat, black tea, guavas, mangoes, wilkings, oranges, bananas, onions, tamarinds, surgical instruments, pharmaceutical products, gloves and textile articles in Kazakhstan. Other products for which a market can be developed in Kazakhstan include sugar, sugar confectionery, polyethylene, T-shirts, Portland cement, articles of bedding, mandarins, footwear, food preparations, women's or girls' trousers and flat-rolled products of iron.

The logistics route Pakistan exports' currently use to reach Kazakhstan is the Afghanistan Corridor,

which is a major impediment in trading activities with Kazakhstan as it gives rise to informal trade between the two countries along with increased transit time and transportation costs. The other major issue is the non-availability of reverse cargo. Furthermore, there are no direct flights currently available from Pakistan to Kazakhstan making the export of perishable products difficult.

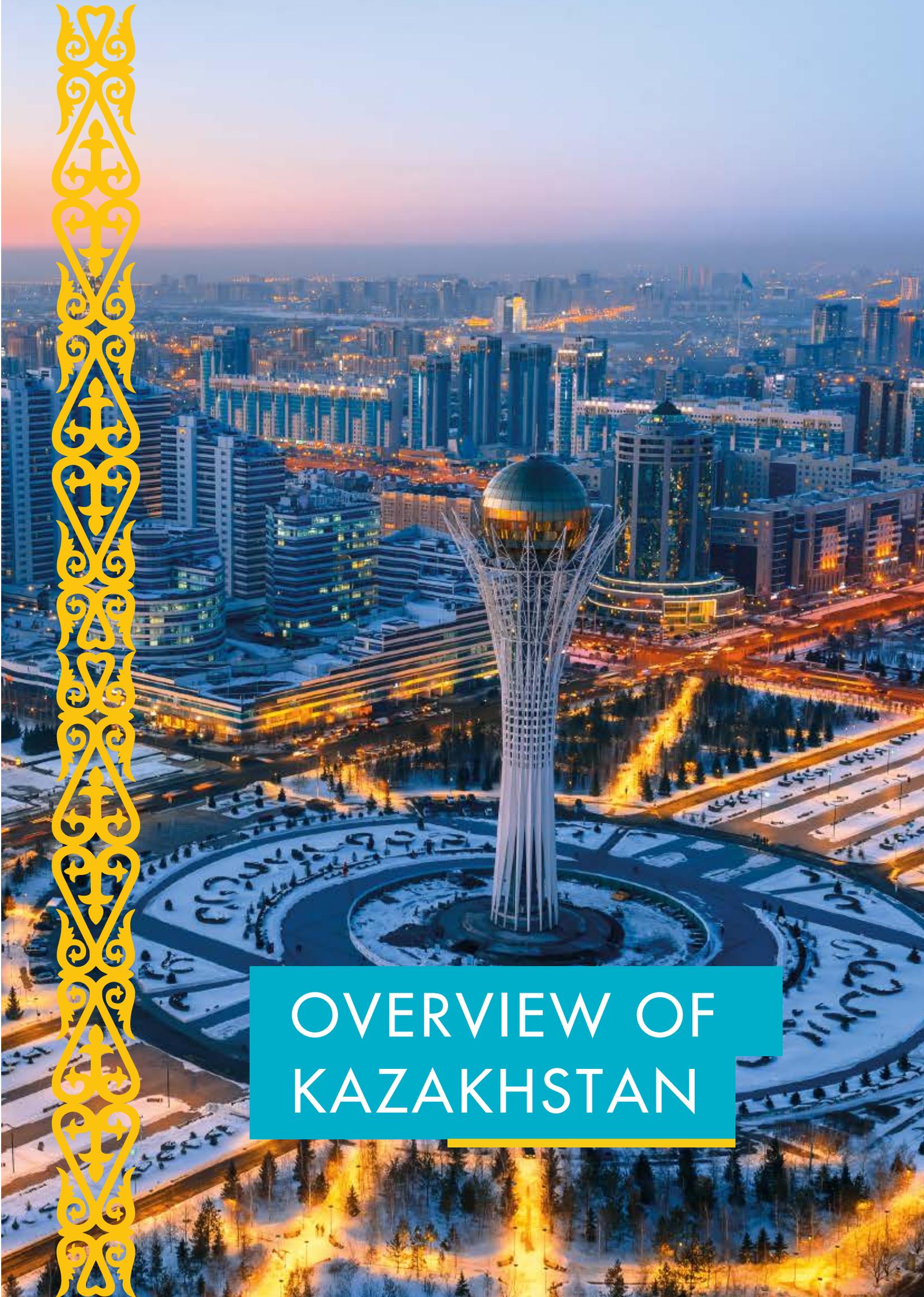
The lack of formal banking channels further hinders trade between the two countries as Pakistani exporters face difficulties in getting their payments through formal channels and using Letters of Credit (LC) is difficult in Kazakhstan.

For promoting trade, the Government of Pakistan should coordinate with the Government of China in order that the China Corridor is functional for Pakistan to export to Kazakhstan efficiently along with providing a reverse cargo service. Pakistani government should ensure the availability of direct cargo flights from Pakistan to Kazakhstan. Ministry of Commerce (MOC) needs to work on making the transportation routes from Pakistan to Kazakhstan known and functional for transporters.

The Government of Pakistan should coordinate with Government of Kazakhstan to open up subsidiaries or desks of Pakistani banks in Kazakhstan so that trade occurs through formal channels. Furthermore, The State Bank of Pakistan (SBP) should make receivables discounting possible in order for Pakistani exporters who export to Kazakhstan to obtain short term loans against accounts receivables.

Trade Development Authority of Pakistan (TDAP) is advised to organize trade exhibitions for rice, guavas, mangoes, wilkings, pharmaceutical products and surgical products in Kazakhstan so that Pakistani products become widely known in the country. TDAP is further advised to provide proper representation to companies like Khaadi, Shan Foods and National Foods in Kazakhstan.

Pakistan should focus on signing a Free Trade Agreement with Kazakhstan in order that Pakistan can benefit from duty-free trade with Kazakhstan in the long run and capitalize on the opportunity of rapid export expansion in the country.



OVERVIEW OF KAZAKHSTAN

Overview of Kazakhstan

The Republic of Kazakhstan (Kazakhstan) is located in Central Asia and occupies an area of 2.7 million square kilometers. It is the ninth largest country by area and is also the largest landlocked country. The country is twice the size of the rest of the CAR countries combined¹. It is surrounded by the Russian Federation in the North and West, Kyrgyzstan, Turkmenistan and Uzbekistan in the South, the Caspian Sea in the West and China's Xinjiang Uygur Autonomous Region in the East. Kazakhstan has a coastline of about 1,894 kilometers along the Caspian Sea. The country majorly lies in Asia but a small part of it also lies in Eastern Europe.

Islam is the major religion in Kazakhstan, but the country also allows Orthodox Christians and people of other faiths to practice their religion without any restrictions. Kazakhs are the largest ethnic group followed by Russians. Other ethnic Groups include Germans, Tatars, Ukrainians and Uzbeks. People of Kazakhstan speak Kazakh; however, Russian is also spoken in some parts of the country. The people of Kazakhstan show signs of the influence of almost two centuries of close contact with the Russians. Unlike Central Asians to the south of them, people of Kazakhstan look more towards Russia than to Islamic countries for inspiration in the post-Soviet Union era.

Kazakhstan is a member of numerous multilateral organizations including the United Nations (UN), Organization of Islamic Cooperation (OIC), Shanghai Cooperation Organization (SCO), North Atlantic Cooperation Council (NACC), Commonwealth of Independent States (CIS), Collective Security Treaty Organization (CSTO) and the Organization for Security and Cooperation in Europe (OSCE). Kazakhstan joined the World Trade Organization (WTO) on 30th November, 2015.

The country gained its independence from the USSR on 16th December, 1991. In 1998, the capital was shifted from the south-eastern city of Almaty to the northern city of Astana. On 23rd March, 2019, the capital was renamed 'Nur-Sultan' in honor of the late President Nursultan Nazarbayev who had been Kazakhstan's President for 30 years prior to his death in early 2019.

Kazakhstan is a presidential republic where authority lies with the President. Kazakhstan has had two constitutions since independence. The first constitution provided the President with sweeping powers. The second constitution, approved by a referendum in 1995, further reinforced the President's role by eliminating the position of Vice-President.

¹ CAR – Central Asian Republics

Elections in Kazakhstan are held every five years at a national level to elect a President and Parliament. Local elections for local representative bodies are also held every five years. Federal elections are conducted by the Central Election Commission of the Republic of Kazakhstan. The President is elected by direct vote for a five-year term. The President appoints the Prime Minister and the First Deputy Prime Minister.

Parliament consists of a Senate and the Majlis. There are 47 members of the Senate and fifteen of them are appointed by the President. The other members of the Senate are popularly elected through proportional representation. There are 107 members of the Majlis and they are elected to serve four-year terms.

Nursultan Abishuly Nazarbayev who was first elected in December, 1991 remained Kazakhstan's President from its independence till his death on 20th March, 2019. Prior to his election in 1991, Nazarbayev was Chairman of the Supreme Soviet of the Kazakh Republic within the Soviet Union. Kassym-Jomart Tokayev was elected second President of Kazakhstan on 9th June, 2019. President Tokayev is a former diplomat and fluent in Chinese, English, Russian and French languages. The current Prime Minister is Askar Mamin, who took office on 25th February 2019.

Kazakhstan's foreign policy is based on the understanding that it is a large country with roots in both Europe and Asia. Kazakhstan's location, nomadic heritage and commercial history of the Silk Road has led to a multi-dimensional foreign policy and economic diplomacy.

President Tokayev has continued to work on the multi-dimensional foreign policy that Nursultan Nazarbayev followed during his term. Kazakhstan is a non-aligned country and has worked on reforming its military, political and economic policies as it transits towards a complete democracy. Kazakhstan's foreign policy emphasizes on a commitment to strong, long lasting associations, partnerships, and friendships based on reciprocated respect which is consistent with the country's nomadic origins.

The Belt & Road Initiative (BRI) of the People's Republic of China is a Chinese initiative aimed at enhancing economic cooperation in China's immediate region and beyond. Central Asian Republics, and Kazakhstan in particular have immense strategic significance with respect to BRI as discussed by (Nurgozhayeva, 2020). The BRI was launched during President Xi Jinping's visit to Kazakhstan, a country that has a big role to play in China's transit route to Europe. The BRI transport projects will

create a land bridge between China and Europe. The Kazak government has willingly accepted China's Silk Road economic belt (SREB—the land-based 'belt' of the BRI) and has matched its 'Nurly Zhol' domestic stimulus program with the SREB as per the analysis of (Bitabarova, 2019). Kazakhstan's membership of the Eurasian Economic Union (EEU) leads to Russia exercising considerable influence over the former. As the SREB brings opportunities to Kazakhstan, it also brings a multitude of concerns in particular investment tensions. China has been granted hydrocarbon exploration and mining rights in Kazakhstan. According to (Pieper, 2020), the China National Petroleum Corporation (CNPC) became a 60.0 percent stakeholder in Kazakhstan's Aktobe Munay Gas company.

The central role of Kazakhstan in the Belt and Road Initiative (BRI) of China is discussed in great detail by (Zogg, 2019). The author talks about the opportunities, issues and ongoing investment projects in Kazakhstan which are integrated with the BRI's objectives, the primary objective of which is to facilitate connectivity, economic development and diversification of trade and transport routes. The Silk Road involves Chinese led investments in various infrastructure and development projects in numerous countries amounting to over US\$ 1.0 Trillion.

China has had a strong influence in Kazakhstan since the mid-1990s and implementing the BRI would have been costly and risky for China were it not for the participation of Kazakhstan. Chinese activities in Kazakhstan revolve around energy security, diversifying trade routes and domestic development and stability which the former tries to achieve through economic development. Kazakhstan is crucial to China for securing supplies of oil and uranium and as a transit conduit for gas supply from Turkmenistan.

China had already invested billions of dollars into Kazakhstan's energy and transport infrastructure even before the announcement of the BRI in September, 2013. In the early 2000s, China had purchased stakes in oil fields and built major pipelines in Kazakhstan. In 2009, China granted a loan of US\$ 10.0 Billion in exchange for more shares in the oil and gas sectors. Khorgos container hub at the border, a joint venture of Kazakhstan and China, plays a key role in Kazakhstan becoming BRI's transit hub and the world's largest dry port. As of 2019, Kazakhstan handles 70.0 percent of the goods transited over land between China and the European Union via Khorgos. In 2016, China and Kazakhstan agreed to move 51 facilities in sectors like smelting, engineering or chemicals worth more than US\$ 25.0 Billion to Kazakhstan. The BRI is also important from the societal aspect as China hands out generous scholarships to Kazakh students and 18,000 Kazakh students were

enrolled in Chinese institutions till 2019. Furthermore, China was running 5 institutes in Kazakhstan in 2019 for promoting Chinese culture and language.

The government of Kazakhstan has on a number of occasions appreciated the efforts of China in making the former a regional transit hub. As connectivity and infrastructure links are the main focus of BRI, improved road and railway infrastructure in Kazakhstan will lead to Chinese goods reaching markets with greater ease. Though compared to shipping lines railways are more expensive, they do reduce the transit time from China to Western Europe by half.

European and US companies hold large shares in Kazakhstan's hydrocarbon sector as the former's technology was found to be essential for the sector. A third of Kazakhstan's exports are to the European Union comprising mainly of crude oil and minerals. The West, however, has often criticized Kazakhstan for restricted civil liberties, curbs on media freedom and unfair elections, but has not been able to bring any significant changes as it has only a limited influence in the region.

As per the conventional soft authoritarianism governance model, political opposition and media in Kazakhstan are controlled. In 2019, thousands of people raised their voice asking for greater political inclusion but the political hierarchy is not interested in working for basic reforms. However, the country has pursued a liberal economic policy and wealth has reached the general population. The country still has some elements of a welfare state which it inherited from the Soviet Union. The standard of living of the population is at par with Russia and much better than in China.

China supports Kazakhstan in ongoing road and rail infrastructure projects of the BRI worth more than US\$ 5.0 Billion and this is going to continue till 2022. However, most of the BRI projects implemented in Kazakhstan were planned and financed by the country itself through its sovereign wealth fund or in cooperation with multilateral development banks.

Overall, the success for both Kazakhstan and China of the BRI will be known in the long run. The success of the BRI will also depend on the geopolitics and the local politics within the regional countries. Only infrastructure or transit of good will not allow the BRI to succeed in Kazakhstan if they are not coupled with creating enough jobs. All the CAR countries hope to become transit hubs of BRI and want to cooperate after years of mistrust amongst themselves. Despite all efforts by China, Kazakhs still have anti-Chinese feelings at large while Russians are viewed more favorably. Unlike other CAR countries, the Kazakh government makes sure that it balances out the influence

of China, Russia and the West by diversifying donors such as multilateral development banks due to the fact that it is a relatively rich and influential country and will not be influenced solely by the Chinese.

The development of a tourism industry in Kazakhstan is one of the significant aspects of the BRI as discussed by (Daye et al., 2019). The authors take into account the perceptions of the local stakeholders about the BRI megaprojects within Kazakhstan.

The BRI spans across 60 countries, 75.0 percent of the global population, 40.0 percent of global GDP and more than 38.0 percent of the world's land mass. The main focus of China's BRI is not the development of the tourism industry but regardless it will be affected due to the megaprojects involving the construction of roads, rail networks as well as modernization of energy, water and power infrastructures within the CAR countries.

Kazakhstan aims to increase the contribution of tourism to 8.0 percent in the national GDP by 2025. During 2015-17, Kazakhstan's rank in the Tourism Competitiveness Index improved from 85th to 81st. In 2017, Kazakhstan received around 4.6 Million international tourists contributing around US\$ 3.1 Billion or 1.6 percent of the country's GDP primarily owing to the staging of the World Expo. Tourism also contributes 1.7 percent to Kazakhstan's employment numbers. The country mainly attracts tourist from Europe and specifically from the United Kingdom contributing 10.0 percent to the total international tourists. International tourists to Kazakhstan are seen to visit Uzbekistan and Tajikistan as well during their trip to Central Asia.

The Belt and Road Initiative provides opportunities to address the challenges in the expansion of international tourism in Kazakhstan via modernization projects including building hotels, restaurants and other attractions. The country's overall image of not being a safe destination to visit among other things needs to be improved significantly through aggressive marketing strategies focused on promoting the New Silk Road routes. The limited role of local stakeholders coupled with a lack of transparency in China's BRI plans in Kazakhstan may undermine the goodwill that may have been gained due to China's soft power.

Economic Outlook

The table below shows the key economic indicators for Kazakhstan in 2018 & 2019.

The gross domestic product of Kazakhstan experienced an increase from US\$ 179.3 Billion in 2018 to US\$ 180.2 Billion in 2019 while, the GDP per capita decreased from US\$ 9,813 to US\$ 9,731 during the same period. Inflation decreased from 9.2 percent in 2018 to 6.7 percent in 2019. The Kazakhstani Tenge's value in 2019 was 383 Tenges per US\$.

Trade surplus of Kazakhstan with the world experienced a decrease of around 32.0 percent from US\$ 28.4 Billion in 2018 to US\$ 19.4 Billion in 2019.

Foreign Direct Investment in Kazakhstan showed an increase of 1,577.0 percent from US\$ 213.9 Million in 2018 to US\$ 3,588.0 Million in 2019.

TABLE 2
Kazakhstan - Key Economic Indicators 2018 vs. 2019

Economic Indicators	2018	2019
GDP ² (US\$, Billions)	179.3	180.2
GDP Growth ² (%)	4.1	4.5
GDP per Capita ² (US\$)	9,813	9,731
Unemployment ² (%)	4.9	4.8
Inflation ² (%)	9.2	6.7
Exchange Rate ² (Kazakhstani Tenge per US\$)	345	383
Trade Balance ³ (US\$, Billions)	28.4	19.4
Current Account Balance ² (US\$, Millions)	-223.4	-6,498.0
FDI, net inflows ² (US\$, Millions)	213.9	3,588.0

² World Bank

³ International Trade Center – Trade Map

Kazakhstan has consistently maintained the highest GDP in Central Asia surpassing the combined GDPs of the other Central Asian Republic (CAR) countries by more than US\$ 70.0 Billion in 2018.

The GDP per capita of Kazakhstan experienced a decline of 0.8 percent during 2018-19. Although, it should be noted that GDP per capita of Kazakhstan has experienced a significant drop of around 30.0 percent between 2013 & 2019.

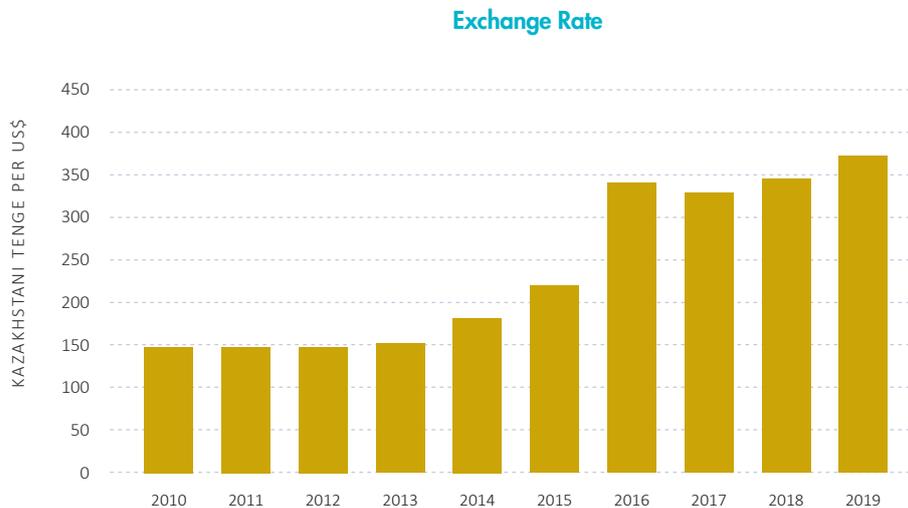
FIGURE 1
Annual GDP and GDP per Capita of Kazakhstan (2010-2019)



Source: World Bank

Figure 2 shows Kazakhstan's exchange rate against the US dollar between 2010 to 2019. The Kazakhstani Tenge depreciated against the US dollar falling from Kazakhstani Tenge 147 per US\$ in 2010 to Kazakhstani Tenge 383 per US\$ in 2019.

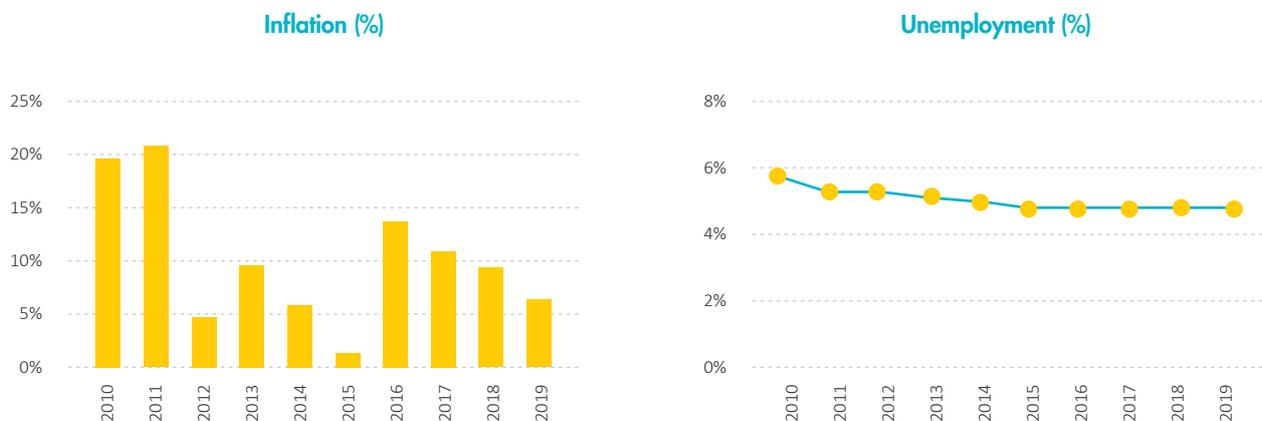
FIGURE 2
Kazakhstan's Exchange Rate against US Dollars (2010-2019)



Source: World Bank

Inflation in Kazakhstan fell from around 20.0 percent in 2010 to around 7.0 percent in 2019. The percentage of unemployed in the same period also experienced a decline and fell to around 5.0 percent in 2019 from around 6.0 percent in 2010.

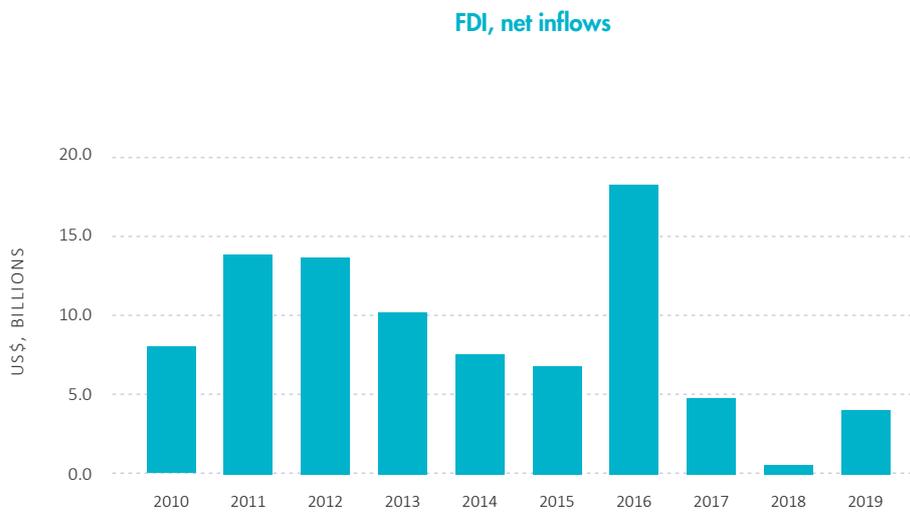
FIGURE 3
Inflation (%) and Unemployment (%) in Kazakhstan (2010-2019)



Source: World Bank

The figure below shows the foreign direct investment in Kazakhstan between 2010-19. No consistent general trend is observed, however, there is a decrease of around 52.0 percent in Kazakhstan's FDI net inflows. In 2019, FDI for Kazakhstan had a value of US\$ 3.6 Billion significantly up over the value in 2018.

FIGURE 4
Kazakhstan - FDI, net inflows (2010-2019)



Source: World Bank

Demographic Outlook

The table below shows key demographic indicators for Kazakhstan for 2017 and 2018⁴.

In 2018, the population of Kazakhstan was around 18.0 Million. As life expectancy increases and infant mortality rates decrease the population of Kazakhstan is expected to continue to increase in the coming years.

Kazakhs are generally healthy as their life expectancy at birth is more than 72 years. On average, a woman gives birth to at least 2 children in her reproductive years.

TABLE 3
Kazakhstan - Key Demographic Indicators (2017-2018)

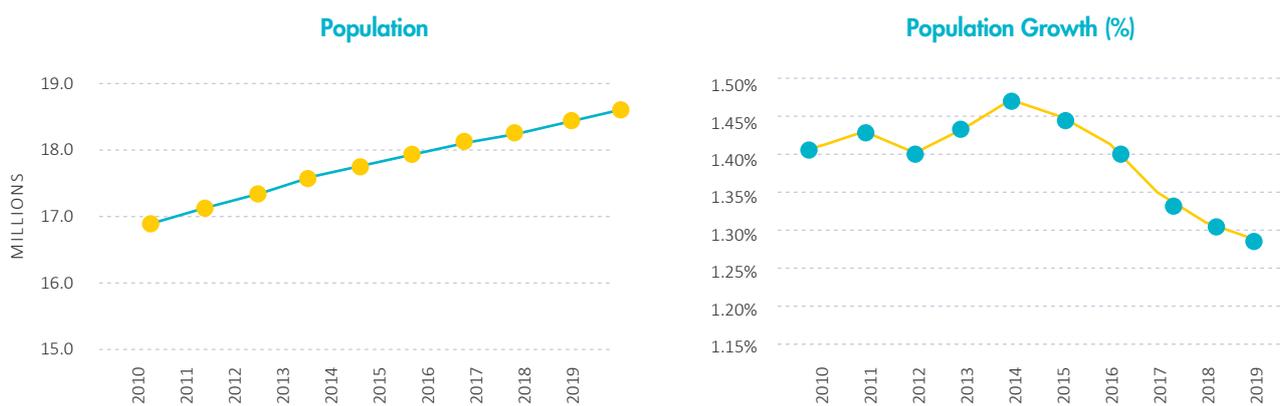
Demographic Indicators	2017	2018
Population (Million)	18.04	18.28
Urban Population (Million)	10.34	10.50
Rural Population (Million)	7.70	7.78
Population Growth (%)	1.36	1.32
Population Density (People per square Kilometer of Land Area)	6.68	6.77
Birth Rate (per 1000 People)	21.64	21.77
Death Rate (per 1000 People)	7.15	7.14
Life Expectancy at Birth (Years)	72.95	73.15
Fertility Rate (Births per Woman)	2.73	2.84

Source: World Bank

⁴ More current data is not available.

The population of Kazakhstan has grown in a linear fashion from 16.3 Million in 2010 to 18.5 Million in 2019. However, the population growth rate of the country dropped from around 1.4 percent to 1.3 percent during the said period.

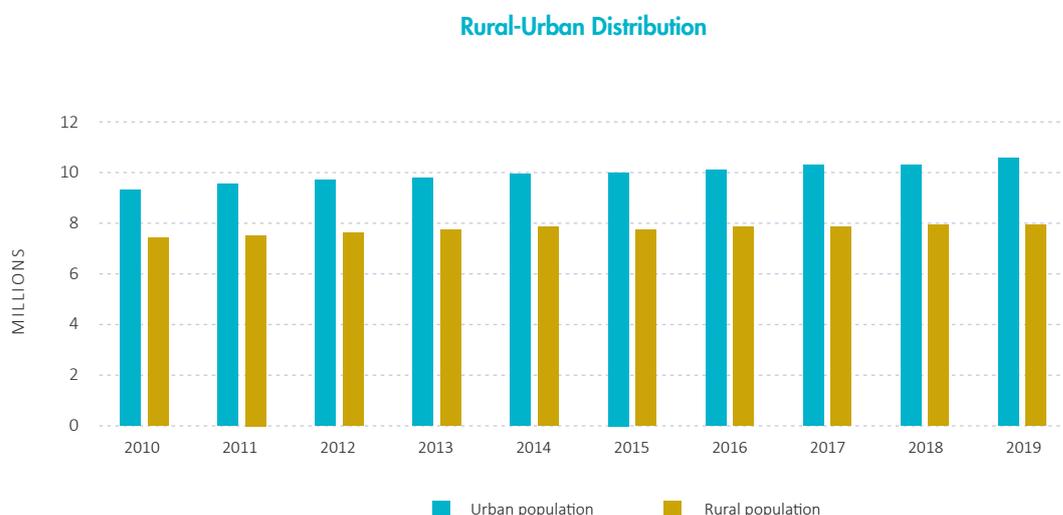
FIGURE 5
Population and Population Growth (%) of Kazakhstan (2010-2019)



Source: World Bank

The figure below shows the rural-urban distribution of the population of Kazakhstan during 2010-19. The urban population of Kazakhstan exceeded the rural population by around 2.2 Million in 2010 while the difference increased to 2.8 Million in 2019.

FIGURE 6
Rural-Urban Distribution of Kazakhstan (2010-2019)



Source: World Bank

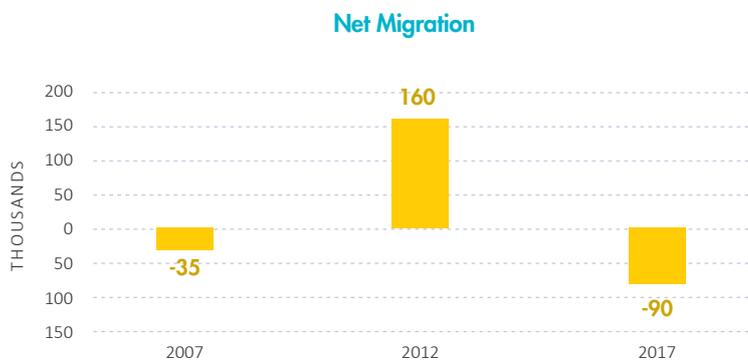
FIGURE 7
Population Distribution (%) of Kazakhstan 2019



Source: World Bank

The figure above shows the population distribution of Kazakhstan in 2019.

FIGURE 8
Kazakhstan - Net Migration for selected years (2007-2017)



Source: World Bank

The figure above shows the net migration for Kazakhstan between 2007 and 2017. Kazakhs have a tradition of migrating. In the above figure, net migration refers to the difference in the number of people immigrating into Kazakhstan and the number of people emigrating out of Kazakhstan.

Kazakhstan's Global Rankings

The table below shows Kazakhstan's scores on some of the major global indicators for 2018 & 2019.

TABLE 4
Kazakhstan - Global Indicators Score 2018-2019

Global Indicators	2018	2019
	Score	Score
Doing Business Indicator ⁵ (0-100)	78	80
Logistics Performance Indicator ⁵ (1-5)	2.8	-
Market Potential Index ⁶ (0-100)	22	26

The table below shows Kazakhstan's rankings on the same global indicators for 2018 & 2019.

TABLE 5
Kazakhstan - Global Indicators Rank 2018-2019

Global Indicators	2018	2019
	Rank	Rank
Doing Business Indicator ⁵	28	25
Logistics Performance Indicator ⁵	71	-
Market Potential Index ⁶	63	81

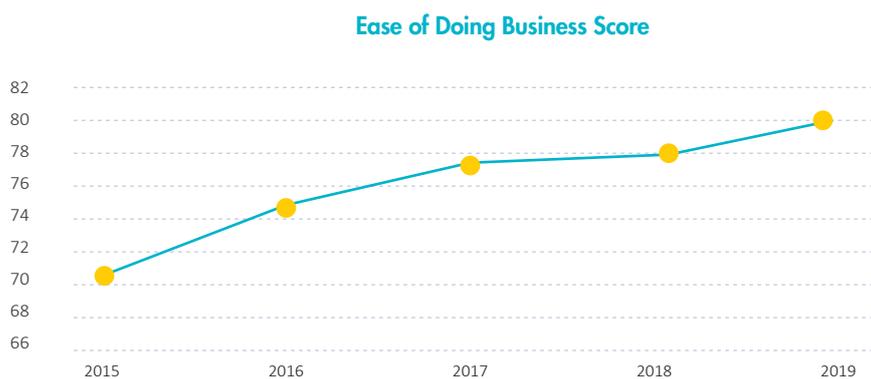
⁵ World Bank

⁶ Global Edge

The figure below shows the ease of doing business scores for Kazakhstan for the period 2015 to 2019. The ease of doing business score measures the absolute level of regulatory performance and captures the gap of each country from the best regulatory performance observed on each of the constituent indicators across the globe. A score of 0 defines the lowest performance and a score of 100 defines the best performance while a score of 80 means that the economy is improving.

Kazakhstan showed a significant increase in its ease of doing business score from around 71 in 2015 to 80 in 2019. This allowed the country to move up from the 51st rank to the 25th rank in ease of doing business between 2015 and 2019.

FIGURE 9
Kazakhstan - Ease of Doing Business Score (2015-2019)

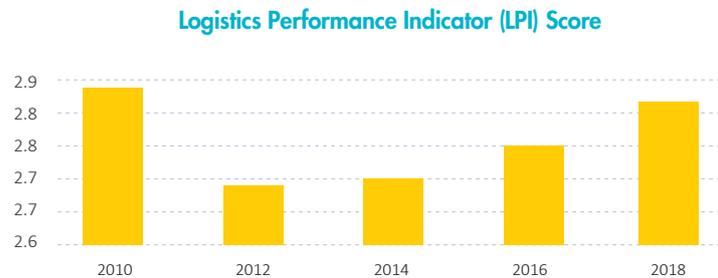


Source: World Bank

Figure 10 shows the Logistics Performance Indicator (LPI) score for Kazakhstan between 2010 & 2018. A score of 1 defines the lowest performance while a score of 5 defines the best performance. The International LPI is a summary indicator of logistics sector performance which consists of six core performance indicators, i.e., customs, infrastructure, tracking and tracing, logistics quality and competence, international shipment and timelines.

Kazakhstan experienced a decrease in its LPI score from 2.83 in 2010 to 2.81 in 2018. As a result, the country fell to 71st rank from the 62nd rank in LPI globally during the said period.

FIGURE 10
Kazakhstan - LPI Score for selected years (2010-2018)



Source: World Bank

The figure below shows the Market Potential Index (MPI) for Kazakhstan for the period 2015 to 2019. The MPI ranges between 0 defining the lowest performance and 100 defining the best performance. The MPI helps in ranking emerging markets taking into consideration 8 different dimensions of an economy, namely, market size, market growth rate, market intensity, market consumption capacity, commercial infrastructure, market receptivity, economic freedom and country risk.

The market potential index (MPI) for Kazakhstan increased from an overall score of 24 in 2015 to an overall score of 26 in 2019. However, Kazakhstan's ranking for MPI dropped from 50th rank to 81st rank during the same period.

FIGURE 11
Kazakhstan - MPI Score (2015-2019)



Source: Global Edge



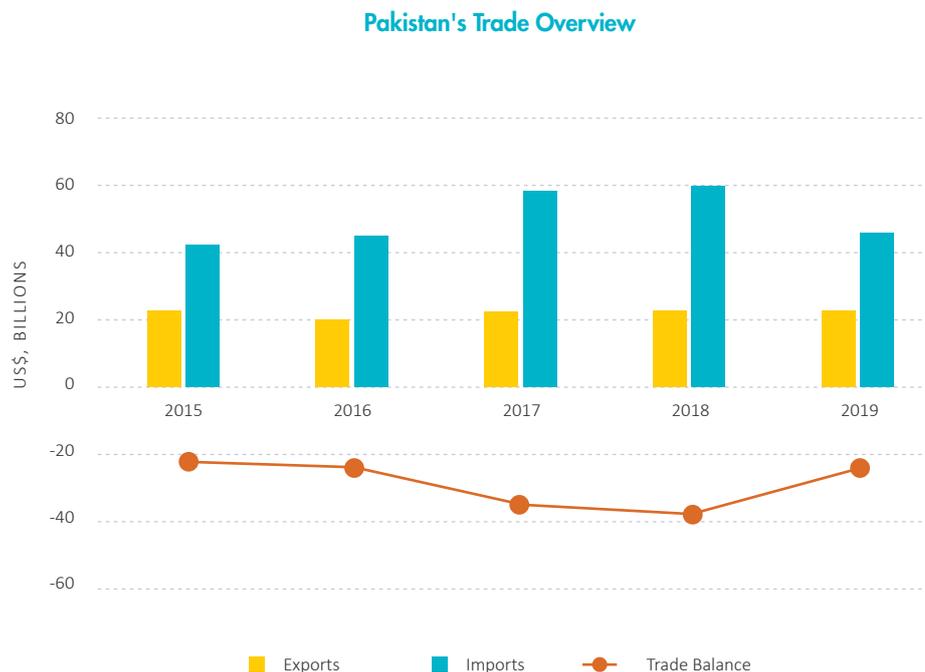
TRADE OVERVIEW

Pakistan's Trade Profile

Pakistan was the 67th largest export economy in 2019. Its exports were worth approximately US\$ 24.0 Billion while imports were worth approximately US\$ 50.0 Billion resulting in a trade deficit of around US\$ 26.0 Billion in 2019.

Pakistan's exports increased by 8.0 percent while its imports increased by 14.0 percent during the 2015 to 2019 period. This resulted in an increase of roughly 20.0 percent in Pakistan's trade deficit for the 2015 – 19 period.

FIGURE 12
Pakistan's Trade Balance with the World (2015-2019)



Source: ITC, Trade Map

Pakistan's Top Exports to the World

The table below shows the top 10 export products of Pakistan to the World at HS-02 level during 2015-19. The top exports comprised mainly of 'Textile articles ...' (HS-63), 'Cereals' (HS-10), 'Cotton' (HS-52) and 'Articles of apparel ...' (HS-61 and HS-62) among others. The total Pakistani exports to the World experienced an increase of 8.0 percent during 2015 – 19.

In 2019 at HS-02, the top 5 exports of Pakistan to the World contributed around 65.0 percent of the total Pakistani exports to the World.

TABLE 6
Pakistan's Top 10 Export Products to the World at HS-02 Level (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	22,089.02	20,533.79	21,911.60	23,778.62	23,818.82
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	3,759.72	3,803.99	3,961.92	4,076.84	4,070.64
52	Cotton	4,040.27	3,497.37	3,503.09	3,520.87	3,252.07
61	Articles of apparel and clothing accessories, knitted or crocheted	2,359.61	2,347.47	2,519.83	2,878.65	3,028.78
62	Articles of apparel and clothing accessories, not knitted or crocheted	2,127.46	2,253.02	2,469.15	2,599.89	2,814.50
10	Cereals	1,942.27	1,717.09	1,754.25	2,340.18	2,375.64
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles ...	687.62	644.93	632.93	664.54	634.28
03	Fish and crustaceans, molluscs and other aquatic invertebrates	328.73	336.38	407.55	432.55	475.49
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	369.21	364.22	411.21	407.61	454.18
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	507.57	448.06	386.14	451.30	434.47
08	Edible fruit and nuts; peel of citrus fruit or melons	415.33	435.23	354.48	431.40	398.77

Source: ITC, Trade Map

The table below shows the top 25 export products of Pakistan to the World at HS-06 level during 2015-19. The top products consisted of 'Milled rice ...' (HS-100630), 'Men's ensembles of cotton ...' (HS-620322), 'Bedlinen of cotton ...' (HS-630231), 'Toilet linen ...' (HS-630260), 'Bedlinen of textile materials ...' (HS-630239) and 'Single cotton yarn ...' (HS-520512) among others.

Pakistan's exports of 'Men's ensembles of cotton ...' (HS-620322) to the World experienced an increase of around 711.0 percent during 2015-2019.

In 2019, the top 10 export products of Pakistan contributed around 36.0 percent to the total Pakistani exports to the World.

TABLE 7
Pakistan's Top 25 Export Products to the World at HS-06 (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	22,089.02	20,533.79	21,911.60	23,778.62	23,818.82
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	1,416.15	1,418.93	1,515.03	1,768.84	1,786.25
620322	Men's or boys' ensembles of cotton (excluding knitted or crocheted, ski ensembles and swimwear)	199.45	708.81	1,293.72	1,539.78	1,618.51
630231	Bedlinen of cotton (excluding printed, knitted or crocheted)	744.96	773.31	812.18	866.31	855.93
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...)	820.80	777.09	806.25	791.22	787.44
630239	Bedlinen of textile materials (excluding of cotton and man-made fibres, printed, knitted or ...)	588.00	651.87	671.01	702.05	710.80
630210	Bedlinen, knitted or crocheted	654.70	606.93	666.37	695.97	696.19
520512	Single cotton yarn, of uncombed fibres, containing >= 85% cotton by weight and with a linear ...	1,017.99	810.98	813.13	782.45	696.17
520942	Denim, containing >= 85% cotton by weight and weighing > 200 g/m ² , made of yarn of different ...	447.17	461.85	483.24	501.20	498.35
630710	Floorcloths, dishcloths, dusters and similar cleaning cloths, of all types of textile materials	396.83	384.89	407.75	441.71	407.89
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	332.64	326.03	361.13	375.52	405.51
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...)	762.16	543.87	411.06	351.17	400.50

TABLE 7
Pakistan's Top 25 Export Products to the World at HS-06 (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
610590	Men's or boys' shirts of textile materials, knitted or crocheted (excluding of cotton or man-made ...	262.02	252.52	311.18	333.71	328.57
611090	Jerseys, pullovers, cardigans, waistcoats and similar articles, of textile materials, knitted ...	129.80	151.09	196.08	270.11	323.32
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	203.76	205.11	198.06	244.22	314.81
220710	Undenatured ethyl alcohol, of actual alcoholic strength of $\geq 80\%$	231.50	221.82	362.09	428.16	301.87
740319	Copper, refined, unwrought (excluding copper in the form of billets, wire-bars, cathodes and ...	4.31	3.44	17.57	128.89	259.71
420310	Articles of apparel, of leather or composition leather (excluding clothing accessories, footwear ...	320.98	297.99	276.01	260.27	258.66
100640	Broken rice	490.36	251.85	182.85	172.97	255.73
270900	Petroleum oils and oils obtained from bituminous minerals, crude	175.65	76.99	114.65	263.71	248.81
520812	Plain woven fabrics of cotton, containing $\geq 85\%$ cotton by weight and weighing > 100 g to 200 ...	214.96	183.87	213.53	254.56	238.16
100620	Husked or brown rice	20.41	31.73	47.30	56.59	232.92
420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)	201.51	187.62	196.71	220.70	230.08
611595	Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied ...	166.21	143.32	200.20	216.11	220.52
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	230.13	123.08	343.43	386.09	218.47
390761	Poly"ethylene terephthalate", in primary forms, having a viscosity number of ≥ 78 ml/g	0.00	0.00	57.16	133.83	217.75

Source: ITC, Trade Map

Pakistan's Top Imports from the World

The table below shows the top 10 import products of Pakistan from the World at HS-02 level during 2015-19. The top products consisted mainly of 'Mineral fuels ...' (HS-27), 'Machinery ...' (HS-84) and 'Electrical machinery ...' (HS-85) among others. The total Pakistani imports from the World experienced an increase of around 14.0 percent in the 2015 – 19 period.

In 2019, the top 10 imports contributed around 73.0 percent to Pakistan's total imports.

TABLE 8

Pakistan's Top 10 Import Products from the World at HS-02 Level (2015-2019)

		*All Values in US\$, Millions				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	43,989.65	46,998.27	57,518.65	60,391.13	50,134.81
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	10,030.53	9,528.77	13,730.70	17,217.93	14,408.24
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	4,068.68	5,831.52	6,872.44	6,266.63	4,725.41
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ...	3,801.82	4,431.29	4,751.79	4,312.18	4,266.08
72	Iron and steel	2,551.75	2,756.02	3,423.51	3,687.38	3,100.42
29	Organic chemicals	1,863.99	1,944.04	2,375.65	2,769.16	2,364.24
39	Plastics and articles thereof	1,933.16	1,938.11	2,299.58	2,497.99	2,215.76
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal ...	1,853.37	1,928.04	2,373.47	2,132.11	1,935.98
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	1,744.61	2,101.45	2,669.16	2,608.85	1,468.96
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	784.90	1,047.86	1,401.10	1,472.78	1,222.43
52	Cotton	662.98	719.25	976.30	1248.47	833.23

Source: ITC, Trade Map

The table below shows the top 25 import products of Pakistan from the World at HS-06 level during 2015-19. The top products consisted of 'Petroleum oils ...' (HS-270900), 'Light oils ...' (HS-271012), 'Liquefied natural gas' (HS-271111), 'Palm oil ...' (HS-151190), 'Bituminous coal ...' (HS-270112) and 'Telephones ...' (HS-851712) among others.

Pakistan's imports of 'Liquefied natural gas' (HS-271111) experienced an increase of around 808.0 percent during the 2015-2019 period.

In 2019, the top 10 imports of Pakistan from the World at HS-06 level contributed around 37.0 percent to the total Pakistani imports.

TABLE 9
Pakistan's Top 25 Import Products from the World at HS-06 Level (2015-2019)

		*All Values in US\$, Millions				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	43,989.65	46,998.27	57,518.65	60,391.13	50,134.81
270900	Petroleum oils and oils obtained from bituminous minerals, crude	3,022.86	1,983.03	3,139.64	4,922.45	3,913.91
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. ...	2,182.84	2,217.54	3,014.74	3,734.99	3,523.78
271111	Natural gas, liquefied	356.08	849.82	1,678.58	3,308.35	3,269.82
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	3,715.14	3,532.11	4,404.78	3,127.40	1,863.41
151190	Palm oil and its fractions, whether or not refined (excluding chemically modified and crude)	1,568.48	1,629.57	2,014.62	1,834.93	1,557.14
270112	Bituminous coal, whether or not pulverised, non-agglomerated	0.00	214.77	915.46	1,229.22	1,157.00
851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	749.99	707.65	761.29	836.22	1,019.64
720449	Waste and scrap of iron or steel (excluding slag, scale and other waste of the production of ...	563.67	571.12	867.98	952.83	871.45
120110	Soya bean seed, for sowing	247.97	383.44	746.09	946.93	756.16
520100	Cotton, neither carded nor combed	543.75	580.54	762.49	1,052.93	709.51

TABLE 9
Pakistan's Top 25 Import Products from the World at HS-06 Level (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
720441	Turnings, shavings, chips, milling waste, sawdust, filings, trimmings and stampings of iron ...	414.97	426.13	544.11	587.28	613.17
090240	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	449.11	480.16	537.60	557.91	481.67
390210	Polypropylene, in primary forms	412.10	384.89	466.73	541.18	479.82
310530	Diammonium hydrogenorthophosphate "diammonium phosphate" (excluding that in tablets or similar ...	619.44	472.96	648.76	845.53	457.57
720839	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	148.01	260.79	347.96	467.69	451.04
890520	Floating or submersible drilling or production platforms	0.00	0.00	0.12	0.00	386.11
120510	Low erucic acid rape or colza seeds "yielding a fixed oil which has an erucic acid content ...	369.13	464.42	475.47	400.45	366.59
854140	Photosensitive semiconductor devices, incl. photovoltaic cells whether or not assembled in ...	445.39	493.70	657.44	391.07	355.91
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	283.66	318.48	368.63	434.43	342.04
870321	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	345.87	402.11	575.97	544.16	312.52
390110	Polyethylene with a specific gravity of < 0,94, in primary forms	292.42	286.85	332.06	338.22	310.23
290243	P-Xylene	265.85	257.50	272.14	366.90	300.75
550410	Staple fibres of viscose rayon, not carded, combed or otherwise processed for spinning	179.91	227.11	293.29	316.97	293.77
271119	Gaseous hydrocarbons, liquefied, n.e.s. (excluding natural gas, propane, butane, ethylene, ...	149.73	210.54	267.68	225.40	288.56
280920	Phosphoric acid; polyphosphoric acids, whether or not chemically defined	299.64	248.48	225.03	266.70	286.73

Pakistan's Top Trade Partners

The table below shows Pakistan's exports to its top 10 export partners during 2015-19. It should be noted that Pakistan's exports to its 5th major export partner, Afghanistan, has decreased by around 31.0 percent between 2015 & 2019.

In 2019, Pakistan's exports to its top 10 export partners contributed around 63.0 percent to Pakistan's total exports.

TABLE 10
Pakistan's Top 10 Export Partners (2015-2019)

Importers	*All Values in US\$, Millions				
	2015	2016	2017	2018	2019
World	22,089.02	20,533.79	21,911.60	23,778.62	23,818.82
United States of America	3,661.59	3,429.74	3,565.80	3,826.26	4,042.27
China	1,934.93	1,590.86	1,510.41	1,829.44	2,042.89
United Kingdom	1,572.80	1,557.63	1,637.49	1,739.45	1,682.33
Germany	1,146.26	1,186.25	1,288.48	1,318.64	1,344.83
Afghanistan	1,722.22	1,369.77	1,392.23	1,356.36	1,183.59
United Arab Emirates	899.03	784.75	870.39	989.72	1,179.06
Netherlands	666.95	650.80	759.39	948.70	1,058.34
Spain	782.26	837.34	905.97	928.67	949.00
Italy	618.16	667.29	704.43	776.42	810.40
Bangladesh	700.57	656.16	647.40	788.73	793.03

Source: ITC, Trade Map

The table below shows the top 10 import partners of Pakistan during 2015-19. It should be noted that Pakistan's imports from Saudi Arabia decreased by around 19.0 percent in the said period.

In 2019, Pakistan's imports from its top 10 import partners contributed around 66.0 percent to Pakistan's total imports.

TABLE 11
Pakistan's Top 10 Import Partners (2015-2019)

*All Values in US\$, Millions					
Exporters	2015	2016	2017	2018	2019
World	43,989.65	46,998.27	57,518.65	60,391.13	50,134.81
China	11,019.01	13,680.15	15,404.33	14,599.75	12,424.00
United Arab Emirates	5,734.69	6,202.09	7,534.90	8,702.01	6,340.20
United States of America	1,916.78	2,006.82	2,846.40	2,957.86	2,614.71
Saudi Arabia	3,006.75	1,843.13	2,734.07	3,254.61	2,439.77
Indonesia	2,041.77	2,088.83	2,586.77	2,511.83	2,222.14
Qatar	319.31	774.26	1,610.48	2,395.20	2,190.93
Japan	1,725.91	1,961.40	2,297.06	2,281.62	1,362.46
Kuwait	1,712.74	1,271.96	1,470.12	1,413.04	1,255.31
South Africa	483.35	505.15	1,045.27	1,242.54	1,174.66
Thailand	852.74	920.02	1,281.06	1,436.14	1,060.72

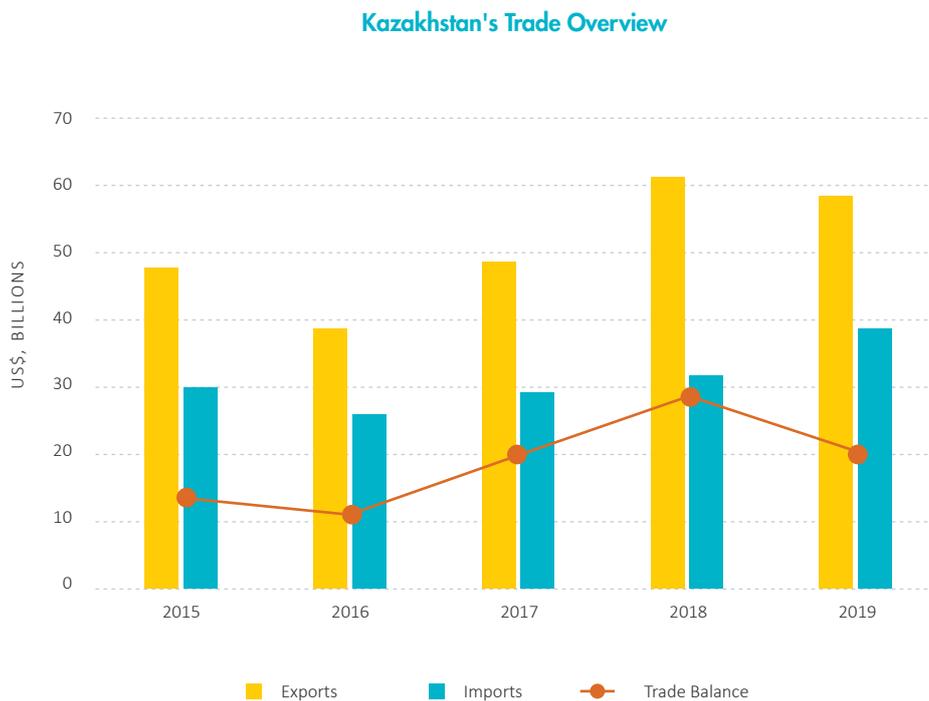
Source: ITC, Trade Map

Kazakhstan's Trade Profile

Kazakhstan was the 50th largest export economy in 2019. The country's exports were worth approximately US\$ 57.7 Billion while its imports were worth approximately US\$ 38.4 Billion resulting in a trade surplus of around US\$ 19.4 Billion in 2019.

Kazakhstan's exports increased by 26.0 percent while its imports increased by 25.0 percent during the 2015-19 period. This led to an increase of 26.0 percent in the trade surplus between 2015 & 2019.

FIGURE 13
Kazakhstan's Trade Balance with the World (2015-2019)



Source: ITC, Trade Map

Kazakhstan's Top Exports to the World

The table below shows the top 10 export products of Kazakhstan to the World at HS-02 level during 2015-19. The top exports comprised mainly of 'Mineral fuels ...' (HS-27), 'Iron and steel' (HS-72), 'Ores, slag and ash' (HS-26), 'Copper and articles thereof' (HS-74) and 'Inorganic chemicals ...' (HS-28) among others. Kazakhstan's combined exports of its top 5 export products at HS-02 level experienced an increase of around 25.0 percent for the said period.

In 2019, Kazakhstan's global exports of 'Mineral fuels ...' (HS-27) alone constituted around 67.0 percent of total exports.

TABLE 1 2
Kazakhstan's Top 10 Export Products to the World at HS-02 Level (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	45,955.78	36,775.61	48,342.15	60,956.23	57,722.94
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	31,119.56	22,334.96	30,679.00	42,737.94	38,717.33
72	Iron and steel	2,500.77	2,750.90	4,186.48	4,160.44	3,473.44
26	Ores, slag and ash	1,084.15	1,193.60	2,102.54	2,087.24	2,727.06
74	Copper and articles thereof	2,008.90	1,918.99	2,526.85	2,548.99	2,619.53
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, ...	3,105.80	2,413.03	2,168.81	2,135.20	2,213.70
10	Cereals	832.54	816.97	829.42	1,296.18	1,351.06
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	549.38	359.74	363.96	649.60	593.45
76	Aluminium and articles thereof	419.77	382.49	533.40	634.83	565.09
79	Zinc and articles thereof	577.01	553.87	837.73	280.86	505.22
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	230.64	203.04	279.43	335.41	425.81

Source: ITC, Trade Map

The table below shows the top 25 export products of Kazakhstan to the World at HS-06 level during 2015-19. The top products consisted mainly of 'Petroleum oils ...' (HS-270900), 'Natural gas in gaseous state' (HS-271121) and 'Copper ...' (HS-740311) among others. Kazakhstan's combined exports of its top 3 export products at HS-06 level to the World experienced an increase of around 28.0 percent for the said period.

In 2019, Kazakhstan's combined exports of 'Petroleum oils ...' (HS-270900), 'Natural gas in gaseous state' (HS-271121), 'Copper ...' (HS-740311), 'Ferro-chromium ...' (HS-720241), 'Natural uranium ...' (HS-284410) and 'Copper ores ...' (HS-260300) constituted around 74.0 percent of the global exports of Kazakhstan.

TABLE 13
Kazakhstan's Top 25 Export Products to the World at HS-06 Level (2015-2019)

		*All Values in US\$, Millions				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	45,955.78	36,775.61	48,342.15	60,956.23	57,722.94
270900	Petroleum oils and oils obtained from bituminous minerals, crude	26,773.01	19,378.01	26,584.36	37,796.20	33,563.06
271121	Natural gas in gaseous state	1,745.53	1,283.69	1,554.52	2,171.39	2,790.78
740311	Copper, refined, in the form of cathodes and sections of cathodes	1,562.31	1,508.84	2,003.66	2,248.67	2,277.29
720241	Ferro-chromium, containing by weight > 4% of carbon	1,128.69	1,129.57	1,835.88	1,766.77	1,551.20
284410	Natural uranium and its compounds; alloys, dispersions, incl. cermets, ceramic products and ...	2,247.67	1,738.58	1,336.34	1,286.64	1,542.20
260300	Copper ores and concentrates	310.90	444.76	1,080.35	1,185.48	1,153.83
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	1,381.14	802.00	1,154.57	1,216.75	969.67
100199	Wheat and meslin (excluding seed for sowing, and durum wheat)	588.13	558.03	520.76	815.00	870.49
261690	Precious-metal ores and concentrates (excluding silver ores and concentrates)	24.75	1.26	6.54	16.47	594.95
760110	Aluminium, not alloyed, unwrought	364.62	334.10	460.61	560.43	496.48
260111	Non-agglomerated iron ores and concentrates (excluding roasted iron pyrites)	269.49	250.92	322.72	332.49	449.67

TABLE 13
Kazakhstan's Top 25 Export Products to the World at HS-06 Level (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
271112	Propane, liquefied	372.75	267.36	432.99	509.88	436.74
790111	Unwrought zinc, not alloyed, containing by weight >= 99,99% of zinc	539.10	504.35	788.80	254.16	412.79
110100	Wheat or meslin flour	493.72	504.59	469.37	446.00	362.72
720836	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	68.91	107.42	283.81	377.89	310.40
250300	Sulphur of all kinds (excluding sublimed sulphur, precipitated sulphur and colloidal sulphur)	328.18	154.27	157.98	381.49	309.08
100390	Barley (excluding seed for sowing)	104.37	109.05	136.90	291.43	297.42
880240	Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ...)	104.60	0.39	4.50	28.52	290.69
710691	Silver, incl. silver plated with gold or platinum, unwrought (excluding silver in powder form)	482.42	584.58	538.05	450.18	278.06
270119	Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal)	304.34	202.36	306.00	302.45	251.23
281820	Aluminium oxide (excluding artificial corundum)	334.97	311.07	321.80	328.70	226.45
280470	Phosphorus	218.28	140.30	181.00	210.15	218.53
260112	Agglomerated iron ores and concentrates (excluding roasted iron pyrites)	134.61	135.79	187.12	144.56	214.13
740319	Copper, refined, unwrought (excluding copper in the form of billets, wire-bars, cathodes and ...)	345.03	291.42	320.95	157.56	208.94
720449	Waste and scrap of iron or steel (excluding slag, scale and other waste of the production of ...)	13.44	39.26	89.65	157.28	195.31

Source: ITC, Trade Map

Kazakhstan's Top Imports from the World

The table below shows the top 10 imports of Kazakhstan from the World at HS-02 level during the 2015-19 period. The top products consisted mainly of 'Machinery ...' (HS-84), 'Electrical machinery ...' (HS-85), 'Articles of iron and steel' (HS-73) and 'Vehicles other than railway ...' (HS-87) among others.

Kazakhstan's combined imports of 'Machinery ...' (HS-84), 'Electrical machinery ...' (HS-85), 'Articles of iron and steel' (HS-73) and 'Vehicles other than railway ...' (HS-87) from the World experienced an increase of around US\$ 4.1 Billion in the 2015 to 19 period.

In 2019, Kazakhstan's top 10 import products at HS-02 level contributed around 63.0 percent to total imports.

TABLE 1 4
Kazakhstan's Top 10 Import Products from the World at HS-02 Level (2015-2019)

		*All Values in US\$, Millions				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	30,567.76	25,174.83	29,304.71	32,533.54	38,356.66
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	5,600.70	4,397.69	4,716.83	5,193.37	8,169.13
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ...	3,068.65	2,428.70	3,016.99	3,845.47	4,307.50
73	Articles of iron or steel	2,584.55	1,958.70	1,705.82	2,187.58	2,574.64
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	2,021.62	1,108.94	1,750.36	2,037.90	2,334.81
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	1,681.52	1,516.83	1,768.40	1,743.80	1,559.60
39	Plastics and articles thereof	1,093.36	980.70	1,118.80	1,241.48	1,344.59
72	Iron and steel	875.48	656.68	1,033.22	1,125.29	1,217.12
30	Pharmaceutical products	1,222.66	961.21	1,092.70	1,177.95	1,156.90
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	794.29	748.88	904.26	880.31	891.25
26	Ores, slag and ash	525.03	694.57	857.24	755.49	676.19

The table below shows the top 25 imports of Kazakhstan from the World at HS-06 level during 2015-19. The top products consisted mainly of 'Appliances ...' (HS-848180), 'Telephones ...' (HS-851712) and 'Natural gas ...' (HS-271121) among others. Kazakhstan's imports of 'Appliances ...' (HS-848180) from the World experienced an increase of 98.0 percent between 2015 & 2019.

In 2019, Kazakhstan's imports of the top 25 products at HS-06 level contributed around 25.0 percent to the total imports of Kazakhstan.

TABLE 1 5
Kazakhstan's Top 25 Import Products from the World at HS-06 Level (2015-2019)

		*All Values in US\$, Millions				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	30,567.76	25,174.83	29,304.71	32,533.54	38,356.66
848180	Appliances for pipes, boiler shells, tanks, vats or the like (excluding pressure-reducing valves, ...	356.60	393.92	330.11	489.00	705.42
851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	422.18	389.43	549.28	642.46	631.46
271121	Natural gas in gaseous state	439.02	471.99	323.78	388.49	613.55
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	675.20	504.15	549.22	619.64	604.69
880240	Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ...	247.12	91.68	57.22	401.74	566.63
850300	Parts suitable for use solely or principally with electric motors and generators, electric ...	98.58	12.94	16.24	395.59	559.60
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	695.89	262.17	345.73	405.19	507.45
841989	Machinery, plant or laboratory equipment, whether or not electrically heated, for the treatment ...	95.76	61.94	89.34	44.43	471.03
730890	Structures and parts of structures, of iron or steel, n.e.s. (excluding bridges and bridge-sections, ...	397.84	217.23	224.24	431.51	435.56
841480	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating a ...	102.62	258.81	48.31	66.48	412.99
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing	325.76	361.41	520.24	572.04	412.06

TABLE 15
Kazakhstan's Top 25 Import Products from the World at HS-06 Level (2015-2019)

*All Values in US\$, Millions						
HS Code	Product label	2015	2016	2017	2018	2019
261690	Precious-metal ores and concentrates (excluding silver ores and oncentrates)	219.69	198.05	160.12	180.16	353.44
853720	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	59.47	51.55	64.93	184.13	289.50
840211	Watertube boilers with a steam production > 45 t/hour	0.20	7.33	14.19	31.67	282.29
841319	Pumps for liquids, fitted or designed to be fitted with a measuring device (excluding pumps ...	9.06	4.12	2.83	3.86	279.50
841370	Centrifugal pumps, power-driven (excluding those of subheading 8413.11 and 8413.19, fuel, lubricating ...	146.05	97.21	118.89	85.13	278.54
710812	Gold, incl. gold plated with platinum, unwrought, ...	0.00	4.06	24.39	8.69	276.49
732690	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire)	261.74	256.35	233.05	305.99	276.27
842139	Machinery and apparatus for filtering or purifying gases (excluding isotope separators and ...	61.58	76.60	101.61	53.53	268.72
270400	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	146.04	126.69	242.57	271.25	258.09
853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	184.24	155.69	208.23	208.20	248.49
870710	Bodies for motor cars and other motor vehicles principally designed for the transport of persons	60.26	1.62	90.91	183.31	239.62
842121	Machinery and apparatus for filtering or purifying water	59.97	47.84	46.19	45.03	212.49
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	81.63	70.99	88.61	121.17	201.35

Source: ITC, Trade Map

Kazakhstan's Top Trade Partners

The table below shows Kazakhstan's exports to its top 10 export partners in the 2015-19 period. Kazakhstan's exports to most of its top 10 export partners increased during the said period. Kazakhstan's exports to South Korea increased by 300.0 percent while the country's exports to Netherlands fell by 12.0 percent during the same period.

In 2019, Kazakhstan's exports to its top 10 export partners contributed nearly 73.0 percent to the total exports of Kazakhstan.

TABLE 16
Kazakhstan's Top 10 Export Partners (2015-2019)

*All Values in US\$, Millions					
Importers	2015	2016	2017	2018	2019
World	45,955.78	36,775.61	48,342.15	60,956.23	57,722.94
Italy	8,136.26	7,474.77	8,669.34	11,735.38	8,373.77
China	5,480.14	4,214.93	5,777.69	6,272.93	7,823.41
Russian Federation	4,547.56	3,509.16	4,515.17	5,162.09	5,602.53
Netherlands	4,980.96	3,255.80	4,748.21	6,189.72	4,393.20
France	2,681.28	1,798.14	2,861.12	3,839.35	3,650.38
Korea, Republic of	769.91	223.51	1,128.16	2,975.99	3,079.58
Switzerland	2,659.31	2,687.77	3,100.69	2,880.96	2,669.39
Turkey	1,275.57	851.08	1,145.85	1,242.05	2,307.48
Spain	1,219.12	992.23	1,444.30	1,862.49	2,165.95
Uzbekistan	942.27	922.53	1,250.33	1,643.31	1,981.57

Source: ITC, Trade Map

The table below shows imports of Kazakhstan from its top 10 import partners in the 2015-19 period. Kazakhstan's imports from South-Korea increased by 461.0 percent while its imports from Germany and the USA fell by 22.0 percent and 9.0 percent, respectively.

In 2019, Kazakhstan's imports from its top 10 import partners contributed 82.0 percent to the total imports of Kazakhstan.

TABLE 17
Kazakhstan's Top 10 Import Partners (2015-2019)

*All Values in US\$, Millions					
Exporters	2015	2016	2017	2018	2019
World	30,567.76	25,174.83	29,304.71	32,533.54	38,356.66
Russian Federation	10,529.30	9,129.78	11,472.93	12,392.14	14,065.06
China	5,085.71	3,670.52	4,692.23	5,384.15	6,537.81
Korea, Republic of	607.02	453.13	567.52	922.52	3,405.70
Italy	1,080.68	795.13	946.33	1,498.16	1,579.09
Germany	1,821.58	1,336.41	1,484.20	1,642.33	1,422.43
United States of America	1,484.43	1,280.40	1,253.77	1,303.00	1,343.65
Turkey	739.29	618.14	730.12	654.99	817.32
Uzbekistan	725.44	587.79	735.16	844.77	766.37
France	517.47	626.98	535.68	661.30	696.63
Belarus	488.03	332.61	508.57	593.21	654.79

Source: ITC, Trade Map



BILATERAL TRADE - PAKISTAN AND KAZAKHSTAN

SW 31 60 157 2
MAX. GR. TARE
NET CU. CAP

TCLU 08 56 9
42G1
2.5m

GATU 85 82
MAX. GR. TARE
NET CU. CAP

GLEU 9137744

SEGU 4102571
4561
MGW 32 500 KGS
71 850 LBS
Tare 3 830 KGS
8 440 LBS
Payload 28 670 KGS
63 210 LBS
28 670 KGS

Tare 3 840 LBS
Payload 28 670 KGS
63 210 LBS

SEGU 5774040
4561
MGW 32 500 KGS
71 850 LBS
Tare 3 830 KGS
8 440 LBS
Payload 28 670 KGS
63 210 LBS

BMOU 605078
4561
MAX. GROSS 32 500 KGS
71 850 LBS
TARE 3 830 KGS
8 490 LBS
NET 28 670 KGS
63 160 LBS
CU. CAP 76.4 CUM
2.498 CU FT.
CAUTION
9'6" HIGH

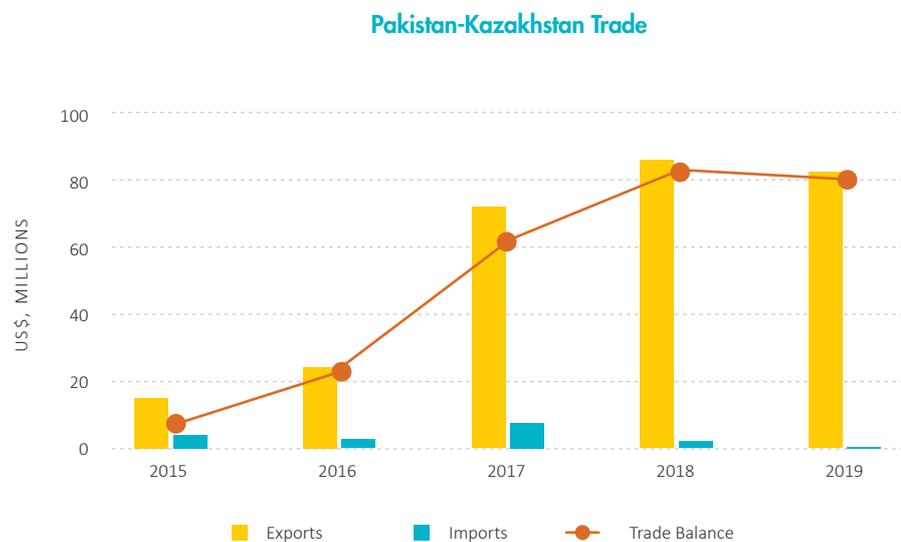
SKHU 9510 51'8"
4561
MAX. GROSS TARE WEIGHT 30 480 KG
67 200 LB
3 840 KG
8 470 LB
MAX. CARGO CUBIC CAP 26 640 KG
58 730 LB
76.4 CUM
2.700 CU FT
CAUTION
HIGH CONTAINER

Bilateral Trade-Pakistan and Kazakhstan

The figure below shows bilateral trade between Pakistan and Kazakhstan during 2015-19. Pakistan's exports to Kazakhstan increased by 550.0 percent while its imports from Kazakhstan decreased by 77.0 percent increasing the trade surplus of Pakistan with Kazakhstan by 805.0 percent for the 2015 – 19 period.

In 2019, Pakistan's exports to Kazakhstan were worth approximately US\$ 83.5 Million while its imports from Kazakhstan were approximately US\$ 0.8 Million. In 2019, Pakistan had a trade surplus of roughly US\$ 82.6 Million with Kazakhstan.

FIGURE 14
Pakistan-Kazakhstan Annual Trade (2015-2019)



Source: ITC, Trade Map

Top Exports from Pakistan to Kazakhstan

The table below shows the top 10 exports of Pakistan to Kazakhstan at HS-02 level during the 2015-19 period. The top products consisted mainly of 'Cereals' (HS-10), 'Edible fruit ...' (HS-08), 'Oil seeds ...' (HS-12) and 'Pharmaceutical products' (HS-30).

Pakistan's exports of 'Cereals' (HS-10) and 'Edible fruit ...' (HS-08) to Kazakhstan experienced increases of 781.0 percent and 434,600.0 percent, respectively, in the said period.

In 2019, Pakistan's export of 'Cereals' (HS-10) to Kazakhstan constituted around 74.0 percent of the total exports of Pakistan to Kazakhstan.

TABLE 18
Pakistan's Top 10 Export Products to Kazakhstan at HS-02 Level (2015-2019)

		*All Values in US\$, Thousands				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	12,844.00	24,529.00	70,550.00	87,442.00	83,454.00
10	Cereals	6,990.00	15,541.00	52,266.00	69,129.00	61,561.00
08	Edible fruit and nuts; peel of citrus fruit or melons	2.00	8.00	2,869.00	2,960.00	8,694.00
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	2,305.00	4,555.00	10,041.00	9,816.00	6,342.00
30	Pharmaceutical products	2,485.00	3,432.00	2,649.00	1,913.00	2,835.00
07	Edible vegetables and certain roots and tubers	0.00	0.00	39.00	403.00	2,332.00
09	Coffee, tea, maté and spices	68.00	166.00	829.00	640.00	375.00
62	Articles of apparel and clothing accessories, not knitted or crocheted	109.00	50.00	459.00	391.00	218.00
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	205.00	168.00	142.00	153.00	218.00
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles ...	51.00	127.00	116.00	181.00	200.00
11	Products of the milling industry; malt; starches; inulin; wheat gluten	0.00	0.00	16.00	793.00	149.00

Source: ITC, Trade Map

The table below shows the top 25 exports of Pakistan to Kazakhstan at HS-06 level during the 2015-19 period. The top products consisted mainly of 'Milled rice ...' (HS-100630), 'Broken rice' (HS-100640), 'Sesamum seeds ...' (HS-120740) and 'Guavas ...' (HS-080450) among others.

Pakistan's exports of 'Milled rice ...' (HS-100630) and 'Broken rice' (HS-100640) to Kazakhstan showed increases of 404.0 percent and 5,083.0 percent, respectively, in the said period.

In 2019, Pakistan's combined exports of 'Milled rice ...' (HS-100630) and 'Broken rice' (HS-100640) to Kazakhstan constituted around 71.0 percent of the total exports of Pakistan to Kazakhstan.

TABLE 19
Pakistan's Top 25 Export Products to Kazakhstan at HS-06 Level (2015-2019)

		*All Values in US\$, Thousands				
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	12,844.00	24,529.00	70,550.00	87,442.00	83,454.00
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	6,422.00	15,541.00	52,254.00	61,337.00	32,338.00
100640	Broken rice	514.00	0.00	7.00	8.00	26,639.00
120740	Sesamum seeds, whether or not broken	2,301.00	4,526.00	9,929.00	9,772.00	6,332.00
080450	Fresh or dried guavas, mangoes and mangosteens	0.00	1.00	2,756.00	2,108.00	5,599.00
100620	Husked or brown rice	0.00	0.00	0.00	6,938.00	2,555.00
080529	Fresh or dried wilkings and similar citrus hybrids	0.00	0.00	86.00	826.00	2,346.00
070190	Fresh or chilled potatoes (excluding seed)	0.00	0.00	39.00	383.00	1,998.00
300390	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	216.00	4.00	0.00	519.00	1,442.00
300510	Adhesive dressings and other articles having an adhesive layer, impregnated or covered with ...	0.00	218.00	532.00	221.00	695.00
300439	Medicaments containing hormones or steroids used as hormones but not antibiotics, put up in ...	302.00	258.00	290.00	425.00	500.00
080510	Fresh or dried oranges	0.00	0.00	0.00	0.00	228.00
081090	Fresh tamarinds, cashew apples, jackfruit, lychees, sapodillo plums, passion fruit, carambola, ...	0.00	0.00	0.00	0.00	220.00

*All Values in US\$, Thousands

HS Code	Product label	2015	2016	2017	2018	2019
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	179.00	168.00	142.00	153.00	218.00
080390	Fresh or dried bananas (excluding plantains)	0.00	0.00	0.00	0.00	217.00
090220	Green tea in immediate packings of > 3 kg	0.00	0.00	560.00	256.00	187.00
090230	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	0.00	55.00	159.00	364.00	184.00
070310	Fresh or chilled onions and shallots	0.00	0.00	0.00	20.00	176.00
071010	Potatoes, uncooked or cooked by steaming or by boiling in water, frozen	0.00	0.00	0.00	0.00	151.00
420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)	6.00	114.00	75.00	167.00	149.00
110100	Wheat or meslin flour	0.00	0.00	0.00	793.00	143.00
300410	Medicaments containing penicillins or derivatives thereof with a penicillanic acid structure, ...	0.00	15.00	199.00	60.00	79.00
621132	Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted)	5.00	2.00	0.00	0.00	68.00
411200	Leather further prepared after tanning or crusting incl. parchment-dressed leather", of sheep ...	20.00	63.00	0.00	0.00	65.00
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	3.00	1.00	22.00	17.00	63.00
300590	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, poultices, impregnated ...	0.00	247.00	0.00	0.00	60.00

Source: ITC, Trade Map

Top Imports of Pakistan from Kazakhstan

The table below shows the top 10 imports of Pakistan from Kazakhstan at HS-02 level during the 2015-19 period. The top imports consisted mainly of 'Inorganic chemicals ...' (HS-28) and 'Edible vegetables ...' (HS-07). Pakistan's imports of 'Inorganic chemicals ...' (HS-28) from Kazakhstan experienced a decrease of 64.0 percent in the 2015 to 2019 period.

In 2019, Pakistan's combined imports of 'Inorganic chemicals ...' (HS-28) and 'Edible vegetables ...' (HS-07) from Kazakhstan contributed around 92.0 percent of total imports of Pakistan from Kazakhstan.

TABLE 20
Pakistan's Top 10 Import Products from Kazakhstan at HS-02 Level (2015-2019)

*All Values in US\$, Thousands						
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	3,717.00	2,702.00	7,637.00	3,323.00	848.00
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, ...	1,600.00	1,454.00	1,509.00	2,030.00	579.00
07	Edible vegetables and certain roots and tubers	0.00	700.00	0.00	595.00	202.00
41	Raw hides and skins (other than furskins) and leather	0.00	0.00	33.00	22.00	38.00
09	Coffee, tea, maté and spices	301.00	68.00	568.00	13.00	18.00
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	0.00	0.00	0.00	0.00	10.00
01	Live animals	0.00	0.00	1.00	1.00	2.00
02	Meat and edible meat offal	0.00	0.00	0.00	0.00	0.00
03	Fish and crustaceans, molluscs and other aquatic invertebrates	0.00	0.00	0.00	0.00	0.00
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere ...	1.00	0.00	0.00	0.00	0.00
05	Products of animal origin, not elsewhere specified or included	0.00	0.00	0.00	0.00	0.00

The table below shows the top 25 imports of Pakistan from Kazakhstan at HS-06 level during 2015-19. The top imports comprised mainly of 'Sodium dichromate' (HS-284130) and 'Lentils ...' (HS-071340). Pakistan's import of 'Sodium dichromate' (HS-284130) from Kazakhstan experienced a decrease of 67.0 percent in the said period.

In 2019, Pakistan's combined imports of 'Sodium dichromate' (HS-284130) and 'Lentils ...' (HS-071340) contributed around 85.0 percent to the total imports of Pakistan from Kazakhstan.

TABLE 21
Pakistan's Top 25 Import Products from Kazakhstan at HS-06 Level (2015-2019)

*All Values in US\$, Thousands						
HS Code	Product label	2015	2016	2017	2018	2019
TOTAL	All products	3,717.00	2,702.00	7,637.00	3,323.00	848.00
284130	Sodium dichromate	1,600.00	1,238.00	1,509.00	2,030.00	522.00
071340	Dried, shelled lentils, whether or not skinned or split	0.00	700.00	0.00	586.00	202.00
284150	Chromates and dichromates; peroxochromates (excluding sodium dichromate and inorganic or organic ...	0.00	216.00	0.00	0.00	57.00
410221	Raw skins of sheep or lambs, without wool on, pickled, whether or not split	0.00	0.00	0.00	22.00	38.00
090240	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	301.00	68.00	568.00	13.00	18.00
121190	Plants, parts of plants, incl. seeds and fruits, used primarily in perfumery, in pharmacy or ...	0.00	0.00	0.00	0.00	10.00
010690	Live animals (excluding mammals, reptiles, birds, insects, fish, crustaceans, molluscs and ...	0.00	0.00	1.00	1.00	2.00
020714	Frozen cuts and edible offal of fowls of the species Gallus domesticus	0.00	0.00	0.00	0.00	0.00
020860	Fresh, chilled or frozen meat and edible offal of camels and other camelids [Camelidae]	0.00	0.00	0.00	0.00	0.00
021020	Meat of bovine animals, salted, in brine, dried or smoked	0.00	0.00	0.00	0.00	0.00
030192	Live eels "Anguilla spp."	0.00	0.00	0.00	0.00	0.00
030229	Fresh or chilled flat fish "Pleuronectidae, Bothidae, Cynoglossidae, Soleidae, Scophthalmidae ...	0.00	0.00	0.00	0.00	0.00

TABLE 21

Pakistan's Top 25 Import Products from Kazakhstan at HS-06 Level (2015-2019)

*All Values in US\$, Thousands						
HS Code	Product label	2015	2016	2017	2018	2019
030353	Frozen sardines "Sardina pilchardus, Sardinops spp.", sardinella "Sardinella spp.", brisling ...	0.00	0.00	0.00	0.00	0.00
030369	Frozen fish of the families Bregmacerotidae, Euclichthyidae, Gadidae, Macrouridae, Melanonidae, ...	0.00	0.00	0.00	0.00	0.00
030382	Frozen rays and skates "Rajidae"	0.00	0.00	0.00	0.00	0.00
030449	Fresh or chilled fillets of fish, n.e.s.	0.00	0.00	0.00	0.00	0.00
030461	Frozen fillets of tilapia "Oreochromis spp."	0.00	0.00	0.00	0.00	0.00
030469	Frozen fillets of carp "Cyprinus carpio, Carassius carassius, Ctenopharyngodon idellus, Hypophthalmichthys ...	0.00	0.00	0.00	0.00	0.00
030531	Fillets, dried, salted or in brine, but not smoked, of tilapia "Oreochromis spp.", catfish ...	0.00	0.00	0.00	0.00	0.00
030569	Fish, salted or in brine only (excluding fillets, offal, herring, cod, anchovies, tilapia, ...	0.00	0.00	0.00	0.00	0.00
030612	Frozen lobsters "Homarus spp.", even smoked, whether in shell or not, incl. lobsters in shell, ...	0.00	0.00	0.00	0.00	0.00
030615	Frozen Norway lobsters "Nephrops norvegicus", even smoked, whether in shell or not, incl. lobsters ...	0.00	0.00	0.00	0.00	0.00
030621	Rock lobster and other sea crawfish "Palinurus spp., Panulirus spp. and Jasus spp.", even smoked, ...	0.00	0.00	0.00	0.00	0.00
030632	Lobsters "Homarus spp.", whether in shell or not, live, fresh or chilled	0.00	0.00	0.00	0.00	0.00
030639	Crustaceans, fit for human consumption, whether in shell or not, live, fresh or chilled (excl. ...	0.00	0.00	0.00	0.00	0.00

Source: ITC, Trade Map



OPPORTUNITIES
FOR INCREASING
EXPORTS TO
KAZAKHSTAN

Opportunities for Increasing Exports to Kazakhstan

The table below shows the top 25 export products of Pakistan to Kazakhstan at HS-06 level along with their trade potentials in 2019. Pakistan's export potential for its top 25 export products to Kazakhstan at HS-06 level was roughly US\$ 270.8 Million in 2019.

TABLE 22
Pakistan's Export Potential for Top 25 Export Products to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands					
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Kazakhstan's Imports from World 2019	Pakistan's Exports to World 2019	Indicative Trade Potential 2019
TOTAL	Top 25 Products	82,652.00	331,904.00	4,459,625.00	270,841.00
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	32,338.00	11,619.00	1,786,251.00	- ⁷
100640	Broken rice	26,639.00	32.00	255,729.00	-
120740	Sesamum seeds, whether or not broken	6,332.00	2,224.00	40,445.00	-
080450	Fresh or dried guavas, mangoes and mangosteens	5,599.00	472.00	101,633.00	-
100620	Husked or brown rice	2,555.00	254.00	232,924.00	-
080529	Fresh or dried wilkings and similar citrus hybrids	2,346.00	695.00	101,282.00	-
070190	Fresh or chilled potatoes (excluding seed)	1,998.00	1,483.00	114,157.00	-
300390	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	1,442.00	22,252.00	11,256.00	9,814.00
300510	Adhesive dressings and other articles having an adhesive layer, impregnated or covered with ...	695.00	4,637.00	1,569.00	874.00
300439	Medicaments containing hormones or steroids used as hormones but not antibiotics, put up in ...	500.00	47,538.00	77,014.00	47,038.00
080510	Fresh or dried oranges	228.00	3,122.00	2,057.00	1,829.00
081090	Fresh tamarinds, cashew apples, jackfruit, lychees, sapodillo plums, passion fruit, carambola, ...	220.00	3,815.00	7,456.00	3,595.00
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	218.00	107,678.00	405,512.00	107,460.00
080390	Fresh or dried bananas (excluding plantains)	217.00	32,124.00	33,109.00	31,907.00

⁷ No additional export potential.

TABLE 22

Pakistan's Export Potential for Top 25 Export Products to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands					
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Kazakhstan's Imports from World 2019	Pakistan's Exports to World 2019	Indicative Trade Potential 2019
090220	Green tea in immediate packings of > 3 kg	187.00	2,027.00	216.00	29.00
090230	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	184.00	19,629.00	6,127.00	5,943.00
070310	Fresh or chilled onions and shallots	176.00	21,631.00	67,479.00	21,455.00
071010	Potatoes, uncooked or cooked by steaming or by boiling in water, frozen	151.00	61.00	11,987.00	-
420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)	149.00	3,011.00	230,084.00	2,862.00
110100	Wheat or meslin flour	143.00	1,713.00	122,965.00	1,570.00
300410	Medicaments containing penicillins or derivatives thereof with a penicillanic acid structure, ...	79.00	15,926.00	9,757.00	9,678.00
621132	Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted)	68.00	6,132.00	27,476.00	6,064.00
411200	Leather further prepared after tanning or crusting incl. parchment-dressed leather", of sheep ...	65.00	70.00	22,681.00	5.00
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	63.00	17,826.00	787,444.00	17,763.00
300590	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, poultices, impregnated ...	60.00	5,933.00	3,015.00	2,955.00

Source: ITC, Trade Map

- Fifteen of the top 25 export products of Pakistan to Kazakhstan at HS-06 level in 2019 belonged to the commodity group 'VEGETABLE PRODUCTS'. Pakistan's cumulative exports of this Group to Kazakhstan were worth US\$ 79.3 Million while the cumulative export potential for these same products was US\$ 66.3 Million in 2019.
- Five out of the top 25 export products of Pakistan to Kazakhstan at HS-06 level belonged to the commodity group 'PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES' in 2019. Pakistan's cumulative exports of this Group to Kazakhstan were worth US\$ 2.8 Million while the cumulative export potential for these products were US\$ 70.4 Million.
- Two of the top 25 export products of Pakistan to Kazakhstan at HS-06 level belonged to the commodity group 'RAW HIDES AND SKINS, LEATHER, FURSKINS AND ARTICLES THEREOF; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUTS (OTHER THAN SILK WORM GUT)' in 2019. Pakistan's cumulative exports of the above products to Kazakhstan were worth US\$ 214,000/- while the cumulative export potential for the same products was US\$ 2.9 Million in 2019.
- Two out of the top 25 export products of Pakistan to Kazakhstan at HS-06 level belonged to the commodity group 'TEXTILES AND TEXTILE ARTICLES' in 2019. Pakistan's cumulative exports of the products in this Group to Kazakhstan were worth US\$ 131,000/- while their cumulative export potential for these same products was US\$ 23.8 Million.
- Only one out of the top 25 export products of Pakistan to Kazakhstan at HS-06 level belonged to the commodity group 'OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; CLOCKS AND WATCHES; MUSICAL INSTRUMENTS; PARTS AND ACCESSORIES THEREOF' in 2019. Pakistan's exports of this product group to Kazakhstan were worth US\$ 218,000/- while the export potential for the same product group was US\$ 107.5 Million.

The table below shows the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level in 2019 which are not part of Pakistan's current exports to Kazakhstan. These high potential products not currently being exported by Pakistan to Kazakhstan consist mainly of 'Cane or beet sugar ...' (HS-170199), 'Medicaments ...' (HS-300490) and 'Polyethylene ...' (HS-390761) among others. The cumulative trade potential of these top 25 products not currently being exported to Kazakhstan at HS-06 level was roughly US\$ 877.3 Million in 2019.

TABLE 23
Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level not currently being exported (2019)

*All Values in US\$, Thousands					
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Kazakhstan's Imports from World 2019	Pakistan's Exports to World 2019	Indicative Trade Potential 2019
TOTAL	Top 25 Potential Products	78.00	1,809,101.00	2,361,695.00	877,324.00
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	0.00	112,237.00	218,474.00	112,237.00
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	39.00	604,690.00	82,409.00	82,370.00
390761	Poly"ethylene terephthalate", in primary forms, having a viscosity number of >= 78 ml/g	0.00	63,047.00	217,751.00	63,047.00
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	0.00	46,798.00	314,813.00	46,798.00
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	19.00	39,918.00	400,495.00	39,899.00
252329	Portland cement (excluding white, whether or not artificially coloured)	0.00	39,778.00	174,098.00	39,778.00
100199	Wheat and meslin (excluding seed for sowing, and durum wheat)	18.00	38,483.00	37,642.00	37,624.00
170490	Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum)	0.00	69,500.00	35,140.00	35,140.00
940490	Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled ...	0.00	34,942.00	85,469.00	34,942.00
080521	Fresh or dried mandarins incl. tangerines and satsumas (excl. clementines)	0.00	34,127.00	47,517.00	34,127.00
640399	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather ...	0.00	32,325.00	87,765.00	32,325.00
210690	Food preparations, n.e.s.	0.00	154,086.00	30,684.00	30,684.00

TABLE 23

Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level not currently being exported (2019)

*All Values in US\$, Thousands					
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Kazakhstan's Imports from World 2019	Pakistan's Exports to World 2019	Indicative Trade Potential 2019
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding ...	0.00	30,398.00	98,546.00	30,398.00
721049	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled ...	0.00	68,823.00	30,331.00	30,331.00
611595	Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied ...	0.00	29,941.00	220,516.00	29,941.00
611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	0.00	26,206.00	71,302.00	26,206.00
090240	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	0.00	82,977.00	21,753.00	21,753.00
630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	2.00	21,714.00	47,776.00	21,712.00
190531	Sweet biscuits	0.00	47,190.00	20,610.00	20,610.00
020120	Fresh or chilled bovine cuts, with bone in (excluding carcasses and 1/2 carcasses)	0.00	26,998.00	19,559.00	19,559.00
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	0.00	19,244.00	26,247.00	19,244.00
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	0.00	19,242.00	21,854.00	19,242.00
880212	Helicopters of an unladen weight > 2000 kg	0.00	17,635.00	19,222.00	17,635.00
300420	Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal ...	0.00	70,867.00	16,643.00	16,643.00
190590	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...	0.00	77,935.00	15,079.00	15,079.00

Source: ITC, Trade Map

- Five of the top 25 potential export products from Pakistan to Kazakhstan at HS-06 level currently not being exported by Pakistan belonged to the commodity group 'PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES' with a cumulative export potential of US\$ 213.8 Million in 2019.
- Six of the top 25 potential export products from Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'TEXTILES AND TEXTILE ARTICLES' with a combined current export value of US\$ 21,000/-. The cumulative export potential was US\$ 195.0 Million in 2019.
- Three of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'VEGETABLE PRODUCTS' with a combined current export value of US\$ 18,000/- while their cumulative export potential was US\$ 93.5 Million in 2019.
- Two of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES' with a combined current export value of US\$ 39,000/- while the cumulative export potential was US\$ 99.0 Million in 2019.
- Only one out of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'PLASTICS AND ARTICLES THEREOF; RUBBER AND ARTICLES THEREOF' with an export potential of US\$ 63.0 Million in 2019.
- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'MINERAL PRODUCTS' with an export potential of US\$ 39.8 Million in 2019.
- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'MISCELLANEOUS MANUFACTURED ARTICLES' with an export potential of US\$ 34.9 Million in 2019.

- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'FOOTWEAR, HEADGEAR, UMBRELLAS, SUN UMBRELLAS, WALKING-STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF; PREPARED FEATHERS AND ARTICLES MADE THEREWITH; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR' with an export potential of US\$ 32.3 Million in 2019.
- Only two of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'BASE METALS AND ARTICLES OF BASE METAL' with an export potential of US\$ 49.6 Million in 2019.
- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'LIVE ANIMALS; ANIMAL PRODUCTS' with an export potential of US\$ 19.6 Million in 2019.
- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'MACHINERY AND MECHANICAL APPLIANCES; ELECTRICAL EQUIPMENT; PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES' with an export potential of US\$ 19.2 Million in 2019.
- Only one of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level currently being exported by Pakistan in limited quantities belonged to the commodity group 'VEHICLES, AIRCRAFT, VESSELS AND ASSOCIATED TRANSPORT EQUIPMENT' with an export potential of US\$ 17.6 Million in 2019.

The table below shows the Compound Annual Growth Rate (CAGR) for the top 25 export products of Pakistan to Kazakhstan at HS-06 level during 2017-19. The table also includes the CAGRs for Pakistan's total exports to Kazakhstan, Kazakhstan's total imports from the world and Pakistan's global exports for the top 25 export products of Pakistan to Kazakhstan at HS-06 level.

Pakistan has higher potential for exporting 'Broken rice' (HS-100640), 'Guavas ...' (HS-080450), 'Wilkinings ...' (HS-080529), 'Medicaments ...' (HS-300439) and 'Gloves ...' (HS-420329) to Kazakhstan.

TABLE 24
Pakistan's Top 25 Export Products to Kazakhstan CAGR at HS-06 Level (2017-2019)

*All Values in US\$, Thousands						
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Indicative Trade Potential 2019	Pakistan's Exports to Kazakhstan CAGR 2017-2019	Kazakhstan's Imports from World CAGR 2017-2019	Pakistan's Exports to World CAGR 2017-2019
TOTAL	Top 25 Products	82,652.00	270,841.00	7%	6%	8%
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	32,338.00	-	-15%	39%	6%
100640	Broken rice	26,639.00	-	1,461%	217%	12%
120740	Sesamum seeds, whether or not broken	6,332.00	-	-14%	35%	-2%
080450	Fresh or dried guavas, mangoes and mangosteens	5,599.00	-	27%	38%	30%
100620	Husked or brown rice	2,555.00	-	-	-2%	70%
080529	Fresh or dried wilkinings and similar citrus hybrids	2,346.00	-	201%	47%	85%
070190	Fresh or chilled potatoes (excluding seed)	1,998.00	-	271%	-39%	12%
300390	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	1,442.00	9,814.00	-	157%	35%
300510	Adhesive dressings and other articles having an adhesive layer, impregnated or covered with ...	695.00	874.00	9%	-4%	-11%
300439	Medicaments containing hormones or steroids used as hormones but not antibiotics, put up in ...	500.00	47,038.00	20%	9%	16%

TABLE 24

Pakistan's Top 25 Export Products to Kazakhstan CAGR at HS-06 Level (2017-2019)

*All Values in US\$, Thousands						
HS Code	Product label	Pakistan's Exports to Kazakhstan 2019	Indicative Trade Potential 2019	Pakistan's Exports to Kazakhstan CAGR 2017-2019	Kazakhstan's Imports from World CAGR 2017-2019	Pakistan's Exports to World CAGR 2017-2019
080510	Fresh or dried oranges	228.00	1,829.00	-	10%	-7%
081090	Fresh tamarinds, cashew apples, jackfruit, ...	220.00	3,595.00	-	-18%	-7%
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	218.00	107,460.00	15%	-2%	4%
080390	Fresh or dried bananas (excluding plantains)	217.00	31,907.00	-	15%	25%
090220	Green tea in immediate packings of > 3 kg	187.00	29.00	-31%	14%	-29%
090230	Black fermented tea and partly fermented tea, ...	184.00	5,943.00	5%	-8%	6%
070310	Fresh or chilled onions and shallots	176.00	21,455.00	-	16%	78%
071010	Potatoes, uncooked or cooked by steaming or by boiling in water, frozen	151.00	-	-	-23%	52%
420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)	149.00	2,862.00	26%	18%	5%
110100	Wheat or meslin flour	143.00	1,570.00	-	22%	8%
300410	Medicaments containing penicillins or derivatives thereof with a penicillanic acid structure, ...	79.00	9,678.00	-27%	-10%	6%
621132	Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted)	68.00	6,064.00	-	37%	54%
411200	Leather further prepared after tanning or crusting incl. parchment-dressed leather", ...	65.00	5.00	-	11%	-11%
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	63.00	17,763.00	42%	25%	-1%
300590	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, ...	60.00	2,955.00	-	-2%	11%

The table below shows the Revealed Comparative Advantage (RCA) for Pakistan's top 25 export products to Kazakhstan at HS-06 level in 2019. Kazakhstan only had a higher RCA than Pakistan for exporting 'Wheat ...' (HS-110100) globally out of the top 25 export products of Pakistan to Kazakhstan. However, Pakistan was not internationally competitive in exporting 'Adhesive dressings ...' (HS-300510), 'Oranges ...' (HS-080510), 'Green tea ...' (HS-090220) and 'Wadding ...' (HS-300590) for the same year.

TABLE 25
Pakistan-Kazakhstan RCA for Top 25 Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands							
HS Code	Product label	Pakistan's Exports to World 2019	Kazakhstan's Exports to World 2019	Total World Exports 2019	Indicative Trade Potential 2019	Pakistan's RCA 2019	Kazakhstan's RCA 2019
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	1,786,251.00	15,668.00	20,008,662.00	-	70.129	0.254
100640	Broken rice	255,729.00	6,882.00	1,604,525.00	-	125.201	1.390
120740	Sesamum seeds, whether or not broken	40,445.00	15.00	3,438,759.00	-	9.239	0.001
080450	Fresh or dried guavas, mangoes and mangosteens	101,633.00	7.00	3,588,066.00	-	22.251	0.001
100620	Husked or brown rice	232,924.00	1,816.00	1,714,684.00	-	106.710	0.343
080529	Fresh or dried wilkings and similar citrus hybrids	101,282.00	12.00	712,822.00	-	111.615	0.005
070190	Fresh or chilled potatoes (excluding seed)	114,157.00	19,518.00	3,860,721.00	-	23.228	1.639
300390	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	11,256.00	45.00	7,342,209.00	9,814.00	1.204	0.002
300510	Adhesive dressings and other articles ...	1,569.00	38.00	4,151,457.00	874.00	0.297	0.003
300439	Medicaments containing hormones or steroids ...	77,014.00	249.00	24,928,684.00	47,038.00	2.427	0.003
080510	Fresh or dried oranges	2,057.00	83.00	4,744,657.00	1,829.00	0.341	0.006
081090	Fresh tamarinds, cashew apples, ...	7,456.00	272.00	4,344,229.00	3,595.00	1.348	0.020

TABLE 2.5
Pakistan-Kazakhstan RCA for Top 25 Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands							
HS Code	Product label	Pakistan's Exports to World 2019	Kazakhstan's Exports to World 2019	Total World Exports 2019	Indicative Trade Potential 2019	Pakistan's RCA 2019	Kazakhstan's RCA 2019
901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	405,512.00	578.00	58,035,043.00	107,460.00	5.489	0.003
080390	Fresh or dried bananas (excluding plantains)	33,109.00	186.00	13,073,623.00	31,907.00	1.989	0.005
090220	Green tea in immediate packings of > 3 kg	216.00	68.00	1,079,718.00	29.00	0.157	0.020
090230	Black fermented tea and partly fermented tea ...	6,127.00	10,650.00	1,766,089.00	5,943.00	2.725	1.955
070310	Fresh or chilled onions and shallots	67,479.00	15,831.00	4,102,720.00	21,455.00	12.920	1.251
071010	Potatoes, uncooked or cooked by steaming or by boiling in water, frozen	11,987.00	0.00	221,444.00	-	42.523	0.000
420329	Gloves, mittens and mitts, of leather or composition leather (excluding special sports gloves)	230,084.00	36.00	1,508,167.00	2,862.00	119.842	0.008
110100	Wheat or meslin flour	122,965.00	362,716.00	4,882,900.00	1,570.00	19.782	24.079
300410	Medicaments containing penicillins or derivatives thereof ...	9,757.00	289.00	3,523,967.00	9,678.00	2.175	0.027
621132	Men's or boys' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted)	27,476.00	10.00	1,287,152.00	6,064.00	16.769	0.003
411200	Leather further prepared after tanning or crusting ...	22,681.00	0.00	575,287.00	5.00	30.971	0.000
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics ...	787,444.00	602.00	6,386,805.00	17,763.00	96.852	0.031
300590	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, ...	3,015.00	118.00	4,240,460.00	2,955.00	0.559	0.009

Source: ITC, Trade Map

Out of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level in 2019, Kazakhstan only had a higher RCA than Pakistan for exporting 'Wheat ...' (HS-100199) and 'Products of iron ...' (HS-721049) globally. Furthermore, twenty of the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level were competitive in international markets.

TABLE 26
Pakistan-Kazakhstan RCA for Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands							
HS Code	Product label	Pakistan's Exports to World 2019	Kazakhstan's Exports to World 2019	Total World Exports 2019	Indicative Trade Potential 2019	Pakistan's RCA 2019	Kazakhstan's RCA 2019
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	218,474.00	3,654.00	9,989,476.00	112,237.00	17.178	0.119
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	82,409.00	46,591.00	290,007,774.00	82,370.00	0.223	0.052
390761	Poly"ethylene terephthalate", in primary forms, having a viscosity number of >= 78 ml/g	217,751.00	13.00	9,684,647.00	63,047.00	17.660	0.000
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	314,813.00	382.00	31,746,113.00	46,798.00	7.789	0.004
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	400,495.00	215.00	26,051,640.00	39,899.00	12.075	0.003
252329	Portland cement (excluding white, whether or not artificially coloured)	174,098.00	83,614.00	6,133,203.00	39,778.00	22.296	4.419
100199	Wheat and meslin (excluding seed for sowing, and durum wheat)	37,642.00	870,492.00	36,054,923.00	37,624.00	0.820	7.825
170490	Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum)	35,140.00	30,330.00	10,787,592.00	35,140.00	2.559	0.911
940490	Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled ...	85,469.00	58.00	11,630,166.00	34,942.00	5.772	0.002

TABLE 26
Pakistan-Kazakhstan RCA for Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands							
HS Code	Product label	Pakistan's Exports to World 2019	Kazakhstan's Exports to World 2019	Total World Exports 2019	Indicative Trade Potential 2019	Pakistan's RCA 2019	Kazakhstan's RCA 2019
080521	Fresh or dried mandarins incl. tangerines and satsumas (excl. clementines)	47,517.00	7,698.00	2,547,174.00	34,127.00	14.652	0.980
640399	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather ...	87,765.00	426.00	28,188,629.00	32,325.00	2.445	0.005
210690	Food preparations, n.e.s.	30,684.00	9,332.00	43,723,784.00	30,684.00	0.551	0.069
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding ...	98,546.00	227.00	20,518,908.00	30,398.00	3.772	0.004
721049	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled ...	30,331.00	168,688.00	22,389,965.00	30,331.00	1.064	2.442
611595	Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied ...	220,516.00	1,595.00	5,659,933.00	29,941.00	30.602	0.091
611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	71,302.00	398.00	23,716,701.00	26,206.00	2.361	0.005
090240	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	21,753.00	1,145.00	3,585,300.00	21,753.00	4.766	0.104
630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	47,776.00	429.00	12,405,248.00	21,712.00	3.025	0.011
190531	Sweet biscuits	20,610.00	14,222.00	8,247,879.00	20,610.00	1.963	0.559
020120	Fresh or chilled bovine cuts, with bone in (excluding carcasses and 1/2 carcasses)	19,559.00	76.00	4,278,140.00	19,559.00	3.591	0.006
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	26,247.00	54,970.00	10,470,695.00	19,244.00	1.969	1.702
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	21,854.00	152.00	5,035,654.00	19,242.00	3.409	0.010

TABLE 26

Pakistan-Kazakhstan RCA for Pakistan's Top 25 Potential Export Products to Kazakhstan at HS-06 Level (2019)

*All Values in US\$, Thousands							
HS Code	Product label	Pakistan's Exports to World 2019	Kazakhstan's Exports to World 2019	Total World Exports 2019	Indicative Trade Potential 2019	Pakistan's RCA 2019	Kazakhstan's RCA 2019
880212	Helicopters of an unladen weight > 2000 kg	19,222.00	1,700.00	4,809,036.00	17,635.00	3.140	0.115
300420	Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal ...	16,643.00	5,783.00	15,431,904.00	16,643.00	0.847	0.121
190590	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...	15,079.00	7,018.00	22,624,187.00	15,079.00	0.524	0.101

Source: ITC, Trade Map

Analysis of Competitors' Strategies in Kazakh Market

The table below shows the shares of the top 10 import partners of the CAR countries during 2017-19.

The combined share of the top 10 import partners of the CAR countries in their imports increased from roughly 76.0 percent in 2017 to 80.0 percent in 2019.

The Russian Federation has a free trade agreement with the CAR countries which partly explains the country's significant shares in the global imports of the CARs during 2017-19. Furthermore, all the CAR countries along with the Russian Federation are a part of the Commonwealth of Independent States (CIS).

China has invested in initiatives such as the Belt and Road Initiative (BRI) in the CAR region causing a steady increase in the country's market share during 2017-19.

South Korea's share in the global imports of the CAR states increased from roughly 4.0 percent to 8.0 percent during 2017-19.

In 2019, Pakistan was the 48th largest exporter country with respect to its exports to the Central Asian Republics.

TABLE 27
The Central Asian Republics' (CAR) Top 10 Import Partners (2017-2019)

Exporters	Country's Share in Global Exports to CAR 2017	Country's Share in Global Exports to CAR 2018	Country's Share in Global Exports to CAR 2019
Russian Federation	31.06%	30.09%	29.45%
China	18.53%	19.40%	20.18%
Korea, Republic of	3.61%	4.83%	8.45%
Kazakhstan	4.02%	4.39%	4.73%
Turkey	5.08%	4.34%	4.45%
Germany	4.98%	4.42%	3.70%
Italy	2.39%	3.07%	2.90%
United States of America	3.52%	3.00%	2.82%
Uzbekistan	1.93%	1.95%	1.67%
Japan	1.32%	2.16%	1.51%

Source: ITC, Trade Map

Among the factors and strategies through which CAR's import partners gained market share in CAR's imports include unit value, quality of products, branding and marketing through trade shows etc.

China and Russia retained a cumulative market share of roughly 50.0 percent in the CAR's global imports while South-Korea has also shown good export performance in the CAR region as its market share more than doubled during 2017-19.

- Russia's non-resource-based exports consist mainly of consumer goods. Some of the famous Russian brands are Cluev, Beluga, Chapurin, Faberge and Gresso among others. The Russian Federation retains high shares in the Central Asian Republics' (CAR) global imports owing to its high-quality export products. Russia also hosts trade shows in the CARs showcasing products related to dentistry and home decoration industry among others.
- China still maintains an export advantage as it exports goods at the lowest prices globally and for the Central Asian Republics (CAR) as well. However, Chinese products are known for their low quality. The country also has a number of recognized brands worldwide such as Huawei, Industrial and Commercial Bank of China (ICBC) and China Mobile etc. China's export performance is bound to improve in the CARs as Belt and Road Initiative through its connected economic corridors provides opportunities to both sides for enhancing trade. Furthermore, China hosts trade shows in the CARs showcasing products related to energy sector among others.
- South-Korea has shown great potential for export expansion in the CARs with the help of brands such as Samsung Electronics, Hyundai Motor, POSCO, Kia Motors among others.

The table below compares the unit values for the top 3 import partners of CAR countries and Pakistan for the top 25 potential export products of Pakistan to Kazakhstan at HS-06 level in 2019. Pakistan exported 'Men's or boys' trousers ...' (HS-620342) and 'Made-up articles of textile materials ...' (HS-630790) to Kazakhstan at the lowest prices in 2019.

TABLE 28
Unit Value for Top 3 Import Partners of CAR for Top 25 Potential Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)

HS Code	Product label	*All Values in US\$/unit			
		Russian Federation	China	South- Korea	Pakistan
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	458	-	9,000	-
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	13,568	848	200,250	13,000
390761	Poly"ethylene terephthalate", in primary forms, having a viscosity number of >= 78 ml/g	-	-	-	-
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	24,789	11,727	7,333	-
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	24,246	13,529	-	59
252329	Portland cement (excluding white, whether or not artificially coloured)	53	378	-	-
100199	Wheat and meslin (excluding seed for sowing, and durum wheat)	165	-	-	220
170490	Sugar confectionery not containing cocoa, incl. white chocolate (excluding chewing gum)	1,996	2,712	14,111	-
940490	Articles of bedding and similar furnishing, fitted with springs or stuffed or internally filled ...	5,879	10,648	29,000	-
080521	Fresh or dried mandarins incl. tangerines and satsumas (excl. clementines)	-	-	-	-
640399	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather ...	33,221	22,114	-	-
210690	Food preparations, n.e.s.	3,418	10,846	1,961	-
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding ...	27,466	14,591	7,000	-
721049	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled ...	728	736	-	-

TABLE 28
Unit Value for Top 3 Import Partners of CAR for Top 25 Potential Export Products of Pakistan to Kazakhstan at HS-06 Level (2019)

HS Code	Product label	*All Values in US\$/unit			
		Russian Federation	China	South- Korea	Pakistan
611595	Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied ...	26,037	11,268	13,959	-
611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	23,807	13,692	-	-
090240	Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings ...	10,000	1,189	-	-
630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	10,391	6,487	70,500	13
190531	Sweet biscuits	1,333	4,083	-	-
020120	Fresh or chilled bovine cuts, with bone in (excluding carcasses and 1/2 carcasses)	3,078	-	-	-
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	2,444	136	2,188	-
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	5,629	6,377	10,476	-
880212	Helicopters of an unladen weight > 2000 kg	-	-	-	-
300420	Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal ...	14,081	6,000	-	-
190590	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...	1,747	2,222	9,377	-

Source: ITC, Trade Map

Trade Barriers Applied by Kazakhstan

Kazakhstan is a part of the Eurasian Economic Union (EAEU) which is an international organization for regional economic integration consisting of five member states as discussed by (Enikeeva, 2020). The EAEU includes a total population of 182.7 Million and constituted 14.0 percent of the world's landmass.

EAEU member countries do not apply non-tariff measures in trade among themselves as they do it with non-member countries. However, EAEU does not have power to implement quotas or subsidies for domestic producers.

Forty three out of the 48 EAEU approved technical regulations are in place and are applied to various sectors such as toys, grains, mineral water, carousels, wheels and transport vehicles among others. Furthermore, the number of standards in the lists to the EAEU technical regulations are more than 11,000.

In order to export a product within the EAEU, some basic documentation such as compliance statement, phytosanitary certificate, veterinary certificate, contract with the buyer or receiver of the products, 'EAC' labelling, invoice and cargo transportation way bill is required. In case if any of these documents is not available while importing, all commodities will be sent back to the exporting EAEU member country with instructions to oblige in providing all the required documents.

EAEU accepts that there are various trade barriers in the Union and there have been efforts to eliminate these barriers with help of the Eurasian Economic Commission (EEC). There are multiple examples but one of them was when the Kyrgyz Republic applied quotas on the import of flour from Kazakhstan as per the statement of the latter. Moreover, the problem of the illegal collection of funds for transportation of goods across the border was also brought up. The Eurasian Economic Commission (EEC) concluded after talking with authorities of both countries that there were no restrictions on the import of flour from Kazakhstan to Kyrgyzstan. In addition, EEC often makes announcements regarding removal of barriers in trade within the EAEU. At times, barriers are temporarily applied between Kazakhstan and other member countries for specific commodities due to SPS requirements.

The table below shows the equivalent ad valorem tariffs (%) applied by Kazakhstan on its top 25 Import Products at HS-06 Level to its Top 10 Import Partners in 2019. As can be seen from the table, Kazakhstan applied uniform tariffs while importing from its top 10 import partners in the said period.

In 2019, Kazakhstan did not apply any tariffs on Russia and Belarus as they are a part of the Eurasian Economic Union.

TABLE 29

Equivalent Ad Valorem Tariffs (%) applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import Partners (2019)

HS Code	Product label	Tariff (%) faced by Russia	Tariff (%) faced by China	Tariff (%) faced by South-Korea	Tariff (%) faced by Italy	Tariff (%) faced by Germany	Tariff (%) faced by USA	Tariff (%) faced by Turkey	Tariff (%) faced by Uzbekistan	Tariff (%) faced by France	Tariff (%) faced by Belarus
848180	Appliances for pipes, boiler shells, tanks, vats or the like (excluding pressure-reducing valves, ...	0	1	1	1	1	1	1	0	1	0
851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	0	0	0	0	0	0	0	0	0	0
271121	Natural gas in gaseous state	-	0	0	0	0	0	-	0	0	0
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	0	3	3	3	3	3	3	0	3	0
880240	Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ...	-	4	4	4	4	4	4	0	4	-
850300	Parts suitable for use solely or principally with electric motors and generators, electric ...	0	0	0	0	0	0	0	0	0	0
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	0	15	15	15	15	15	15	0	15	0

TABLE 29

Equivalent Ad Valorem Tariffs (%) applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import Partners (2019)

HS Code	Product label	Tariff (%) faced by Russia	Tariff (%) faced by China	Tariff (%) faced by South-Korea	Tariff (%) faced by Italy	Tariff (%) faced by Germany	Tariff (%) faced by USA	Tariff (%) faced by Turkey	Tariff (%) faced by Uzbekistan	Tariff (%) faced by France	Tariff (%) faced by Belarus
841370	Centrifugal pumps, power-driven (excluding those of subheading 8413.11 and 8413.19, fuel, lubricating ...	0	0	0	0	0	0	0	0	0	0
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold ...	0	6	6	6	6	6	6	-	6	-
732690	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire)	0	8	8	8	8	8	8	0	8	0
842139	Machinery and apparatus for filtering or purifying gases (excluding isotope separators and ...	0	0	0	0	0	0	0	0	0	0
270400	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	0	5	5	5	5	5	5	0	5	0
853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	0	0	0	0	0	0	0	0	0	0
870710	Bodies for motor cars and other motor vehicles principally designed for the transport of persons	0	14	14	14	14	14	14	0	14	0
842121	Machinery and apparatus for filtering or purifying water	0	0	0	0	0	0	0	0	0	0
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	0	8	8	8	8	8	8	0	8	0

The table below shows the number of non-tariff requirements applied by Kazakhstan on its top 25 import products at HS-06 level to its top 10 import partners in 2019. As can be seen from the table, Kazakhstan applied the same non-tariff measures while importing from its top 10 import partners for the said period.

TABLE 30

Non-Tariff Measures applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import partners (2019)

HS Code	Product label	Number of Non-Tariff Requirements faced by Russia	Number of Non-Tariff Requirements faced by China	Number of Non-Tariff Requirements faced by South-Korea	Number of Non-Tariff Requirements faced by Italy	Number of Non-Tariff Requirements faced by Germany	Number of Non-Tariff Requirements faced by USA	Number of Non-Tariff Requirements faced by Turkey	Number of Non-Tariff Requirements faced by Uzbekistan	Number of Non-Tariff Requirements faced by France	Number of Non-Tariff Requirements faced by Belarus
848180	Appliances for pipes, boiler shells, tanks, vats or the like (excluding pressure-reducing valves, ...	1,395	1,395	-	1,395	1,395	1,395	1,395	-	1,395	-
851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	13	13	-	13	13	13	13	-	13	-
271121	Natural gas in gaseous state	-	4	-	4	4	4	-	-	4	-
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	105	105	-	105	105	105	105	-	105	-
880240	Aeroplanes and other powered aircraft of an of an unladen weight > 15000 kg (excluding helicopters ...	-	48	-	48	48	48	48	-	48	-
850300	Parts suitable for use solely or principally with electric motors and generators, electric ...	39	39	-	39	39	39	39	-	39	-
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	135	135	-	135	135	135	135	-	135	-

TABLE 30

Non-Tariff Measures applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import partners (2019)

HS Code	Product label	Number of Non-Tariff Requirements faced by Russia	Number of Non-Tariff Requirements faced by China	Number of Non-Tariff Requirements faced by South-Korea	Number of Non-Tariff Requirements faced by Italy	Number of Non-Tariff Requirements faced by Germany	Number of Non-Tariff Requirements faced by USA	Number of Non-Tariff Requirements faced by Turkey	Number of Non-Tariff Requirements faced by Uzbekistan	Number of Non-Tariff Requirements faced by France	Number of Non-Tariff Requirements faced by Belarus
841989	Machinery, plant or laboratory equipment, whether or not electrically heated, for the treatment ...	76	76	-	76	76	76	76	-	76	-
730890	Structures and parts of structures, of iron or steel, n.e.s. (excluding bridges and bridge-sections, ...	120	120	-	120	120	120	120	-	120	-
841480	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating a ...	290	290	-	290	290	290	290	-	290	-
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	888	888	-	888	888	888	888	-	888	-
930630	Cartridges for smooth-barrelled shotguns, revolvers and pistols and cartridges for riveting ...	-	-	-	24	-	-	-	-	-	-
261690	Precious-metal ores and concentrates (excluding silver ores and concentrates)	4	4	-	4	4	4	4	-	4	-
853720	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	50	50	-	50	50	50	50	-	50	-
840211	Watertube boilers with a steam production > 45 t/hour	42	42	-	42	42	42	42	-	42	-
841319	Pumps for liquids, fitted or designed to be fitted with a measuring device (excluding pumps ...	22	22	-	22	22	22	22	-	22	-

TABLE 30

Non-Tariff Measures applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import partners (2019)

HS Code	Product label	Number of Non-Tariff Requirements faced by Russia	Number of Non-Tariff Requirements faced by China	Number of Non-Tariff Requirements faced by South-Korea	Number of Non-Tariff Requirements faced by Italy	Number of Non-Tariff Requirements faced by Germany	Number of Non-Tariff Requirements faced by USA	Number of Non-Tariff Requirements faced by Turkey	Number of Non-Tariff Requirements faced by Uzbekistan	Number of Non-Tariff Requirements faced by France	Number of Non-Tariff Requirements faced by Belarus
841370	Centrifugal pumps, power-driven (excluding those of subheading 8413.11 and 8413.19, fuel, lubricating ...)	275	275	-	275	275	275	275	-	275	-
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold ...)	2	2	-	2	2	2	2	-	2	-
732690	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire)	544	544	-	544	544	544	544	-	544	-
842139	Machinery and apparatus for filtering or purifying gases (excluding isotope separators and ...)	195	195	-	195	195	195	195	-	195	-
270400	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	4	4	-	4	4	4	4	-	4	-
853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	108	108	-	108	108	108	108	-	108	-
870710	Bodies for motor cars and other motor vehicles principally designed for the transport of persons	2	2	-	2	2	2	2	-	2	-
842121	Machinery and apparatus for filtering or purifying water	56	56	-	56	56	56	56	-	56	-

TABLE 30
Non-Tariff Measures applied by Kazakhstan on its Top 25 Import Products at HS-06 Level to its Top 10 Import partners (2019)

HS Code	Product label	Number of Non-Tariff Requirements faced by Russia	Number of Non-Tariff Requirements faced by China	Number of Non-Tariff Requirements faced by South-Korea	Number of Non-Tariff Requirements faced by Italy	Number of Non-Tariff Requirements faced by Germany	Number of Non-Tariff Requirements faced by USA	Number of Non-Tariff Requirements faced by Turkey	Number of Non-Tariff Requirements faced by Uzbekistan	Number of Non-Tariff Requirements faced by France	Number of Non-Tariff Requirements faced by Belarus
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	140	140	-	140	140	140	140	-	140	-

Source: ITC, Trade Map





BILATERAL
AGREEMENTS –
PAKISTAN AND
KAZAKHSTAN

Bilateral Agreements – Pakistan and Kazakhstan

The two countries have signed numerous agreements relating to Commerce and Trade among other things since 1992⁸.

An Agreement on Trade and Economic Cooperation between the two countries was signed in February, 1992.

Pakistan and Kazakhstan signed the Income Tax Convention and Final Protocol on 23rd August, 1995 which came into force on 29th January, 1997. The said agreement is also known as a double taxation agreement.

Other agreements were also signed in December, 2003 such as Agreement between the State Bank of Pakistan and the National Bank of the Republic of Kazakhstan on Conditions for Opening Subsidiary Banks and Cooperation in the Area of Banking Supervision and Agreement, and the Establishment of bilateral relations in the field of Urban Economic Management between the Capital Development Authority of Islamabad and Akimat of Astana of the Republic of Kazakhstan.

The two countries also signed a bilateral investment agreement on 8th December, 2003 which came into force on 7th December, 2009. This agreement coexists with ECO Investment Agreement and the Organization of Islamic Cooperation (OIC) Investment Agreement (1981).

The Protocol of Bilateral Negotiations between the Republic of Kazakhstan and the Islamic Republic of Pakistan for the Accession of the Republic of Kazakhstan to the WTO was signed on 5th July, 2005.

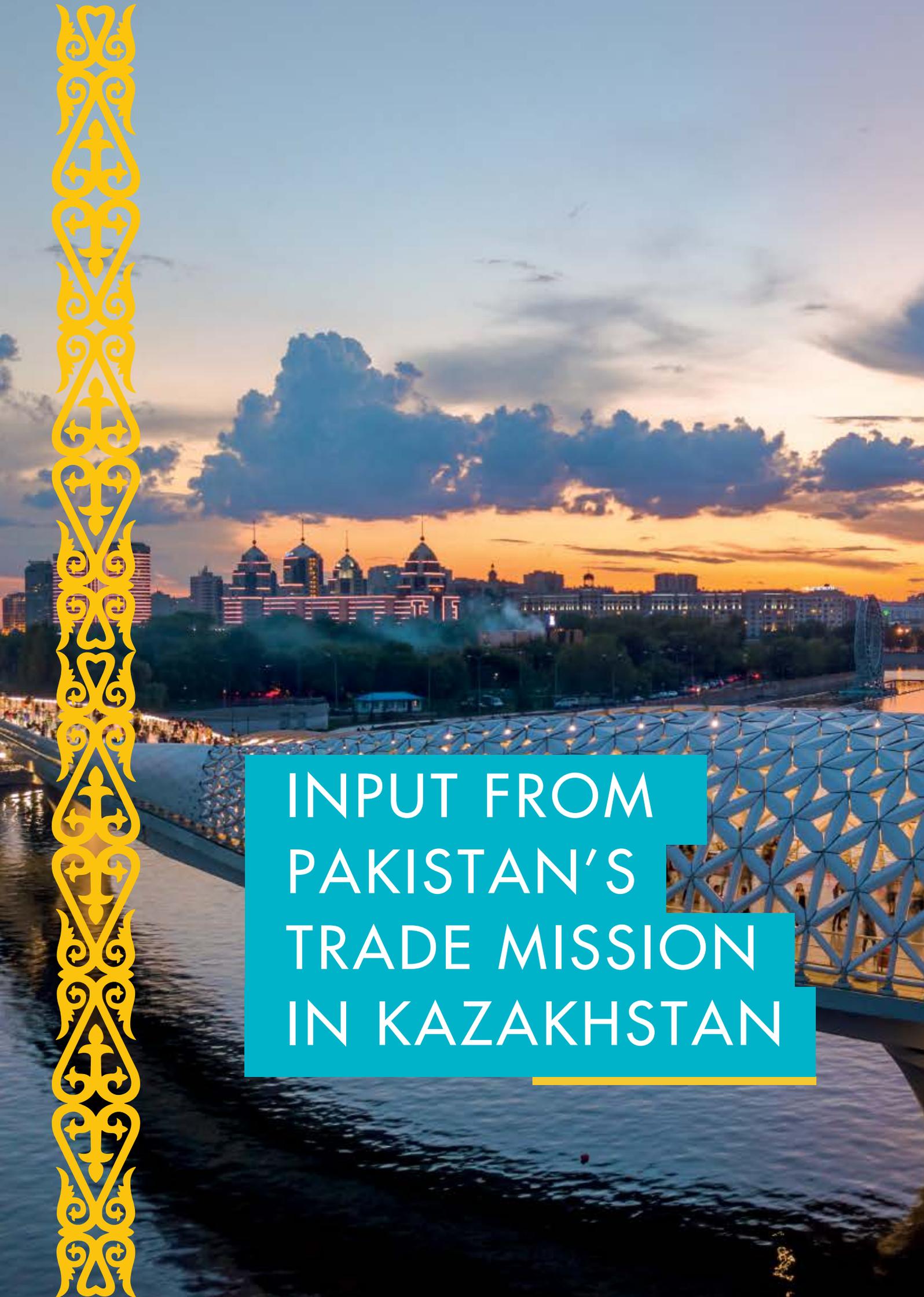
Agreement on Cooperation between the Chamber of Commerce and Industry of Kazakhstan and the Federation of Pakistan Chambers of Commerce and Industry was signed on 7th September, 2011.

Memorandum of Understanding for setting up the Joint Business Council between the Chamber of International Commerce of Kazakhstan and the Federation of Pakistan Chambers of Commerce and

⁸ <http://mofa.gov.pk/wp-content/uploads/2020/05/List-of-signed-agreement-Nur-Sultan-Kazakhstan.pdf>

Industry was signed in August, 2015. Furthermore, Memorandum of Understanding between National Export and Investment Agency “KAZNEX INVEST” JSC and the Trade Development Authority of Pakistan (TDAP) on cooperation in bilateral trade was also signed in the same period.





INPUT FROM
PAKISTAN'S
TRADE MISSION
IN KAZAKHSTAN

Input from Pakistan's Trade Mission in Kazakhstan

Kazakhstan is a landlocked country and has a port called Aktau on the Caspian Sea but big ships can't get into the Caspian Sea as it is landlocked.

Trade with Kazakhstan therefore mostly takes place through the different land routes. The bordering countries are Russia, Uzbekistan, Kyrgyzstan and China and their rail-road links to Kazakhstan give them a strong advantage in trade with the latter.

Competitor Analysis

Kazakhstan is a part of the Eurasian Economic Union (EAEU) making its trade almost free with respect to tariffs, for instance, with Russia, Belarus, Armenia and Kyrgyzstan etc. Furthermore, Kazakhstan has signed a Free Trade Agreement (FTA) with both China and Iran.

- The FTA partner countries send their products to Kazakhstan at minimum (almost zero) customs tariff.
- In contrast, Pakistan has to pay customs tariffs of roughly 12.0 percent and also the additional transportation cost while exporting to Kazakhstan. This substantially increases the cost of Pakistani products.

India's exports to Kazakhstan are higher than Pakistan's exports to Kazakhstan even though the former does not share a land border with Kazakhstan.

- India sends its products first to Iran through the sea route and then to Kazakhstan through the Caspian Sea route to Aktau or via Turkmenistan to Kazakhstan through the land route.
- India's cargo (40 feet container) takes about 45-60 days to reach Kazakhstan and the per container cost is around US\$ 5,000 to 6,000/- for the whole journey.
- On the contrary, the number of freight options available to Pakistani exporters to Kazakhstan are limited and the transporters have a near monopoly and hence they charge a minimum of US\$ 8,000/- to transport a 40 feet container via Afghanistan to Kazakhstan.

The Eurasian Economic Union (EAEU) is planning to sign Free Trade Agreements (FTAs) with India, Egypt and Indonesia. This means that these countries will be able to export to Kazakhstan with minimum (almost zero) customs duties or tariffs thus increasing the number of competitor countries for Pakistan.

- One of the problems in signing an FTA with the EAEU for Pakistan is that the latter has not yet recognized Armenia as a country due to its alliance with Azerbaijan.

Logistics Issues in Exports to Kazakhstan

One of the main issues that Pakistan faces in exporting to Kazakhstan relates to logistics. The three logistics corridors available for Pakistan to trade with Kazakhstan are:

- The Afghanistan Corridor
- The China Corridor (along with the longer Sea Route)
- The Iran Corridor

The China Corridor, also known as Quadrilateral Traffic in Transit Agreement (QTTA), is a transit trade agreement between China, Pakistan, Kyrgyzstan and Kazakhstan for facilitating transit traffic and trade. The China Corridor is usually functional from March onwards for 3-4 Months but is not functional since 2020 due to the Covid-19 Pandemic. However, when operational, this route is the best for Pakistan to export to Kazakhstan as it's a short route and transportation cost is lower compared to other routes. The main advantage of this route is that Pakistani export products reach directly to Almaty, Kazakhstan and the facility of reverse cargo is available allowing the cargo to reach Karachi, Pakistan without any hindrance. This reverse cargo facility allows Pakistan to reduce its transportation cost while trading with Kazakhstan avoiding the double transportation cost of cargo if there is no reverse cargo. This allows Pakistan to be competitive with respect to its exports to Kazakhstan in comparison to countries like Russia, Uzbekistan, Iran and India.

Afghan government has placed a restriction on Pakistani transporters for directly taking cargo from Afghanistan to Kazakhstan. Therefore, the cargo from Pakistan needs to be unloaded in Afghanistan first and then sent to Kazakhstan after being loaded on an Afghan truck. Pakistani transporters must therefore have an Afghan partner to transport their cargo to Kazakhstan.

- Pakistani products are being exported to Kazakhstan under the name of Afghanistan due to the intricacies in exporting created by the Afghan government.

- Afghanistan doesn't produce products such as sports good or rice but still exports these products to Kazakhstan. Therefore, Pakistan's informal or undocumented trade with Kazakhstan is large as Pakistani products reach Afghanistan as Afghan exports.
- Discrepancy in reporting export values and import values also occurs due to the informal trade as Pakistan reports a higher value for its exports which is not reflected in Kazakhstan's customs data. Therefore, a lower trade volume is observed and Pakistan's importance in Kazakhstan is not at par with competitor countries.

Other Issues and Non-Tariff Measures (NTMs)

Pakistani exporters are often suspected as being involved in malpractices such as mis-declaration and under-invoicing, this reduces the reported value of trade between the two countries.

Obtaining and using Letters of Credit (LC) are difficult in trading with Kazakhstan. On the other hand, due to the fluctuation in the value of Kazakhstani Tenge against the US Dollar, exporters are subject to currency risks. This reduces interest among Pakistani exporters and businessmen for exporting to Kazakhstan as they want to avoid the intricacies of getting the payments from the importer country after sending the products to Kazakhstan.

India has, however, been handling its trade with Kazakhstan by encouraging Indian companies to register their subsidiaries in Kazakhstan. In 2019, 80 companies from India got registered in Kazakhstan. The country also gives incentives to its companies and ensures secure payments to exporters.

In Pakistan's case, the National Bank of Pakistan's (NBP) subsidiaries are being closed in Kazakhstan which were once functional and the same is true throughout Central Asia. Furthermore, Halyk Bank in Kazakhstan among others refuse to send money to Pakistan since Pakistan's reputation is not good and sending US Dollars outside Kazakhstan is avoided by the country.

Kazakhstan applies a packaging requirement on its imports with respect to language as they require Kazakh or Russian language printed on the packaging whereas Pakistan's export products normally use English.

Kazakhstan also applies Sanitary and Phytosanitary (SPS) requirements on its products and certain certificates to allow imports to enter; these include certificate of origin from TDAP and other certificates from various organizations in Kazakhstan. However, these requirements aren't applied specifically to Pakistan alone.

In order to export Pharmaceutical and Surgical Products to Kazakhstan, Pakistani exporters need to follow a laid down procedure. These requirements are also not specific to Pakistan alone.

- Pharmaceutical and Surgical products need to be registered under the conditions set by the EAEU. One of the conditions that EAEU applies on such products is that of a bi-equivalence test and this test costs around Rs. 7.0 to 8.0 Million for just one product making the registration process expensive.
- Since EAEU is a Customs Union, even if the Pakistani export product is registered in one country it can be exported to all of EAEU. Otherwise, registering a product just for Kazakhstan isn't a wise decision for Pakistan due to the related costs.
- Pakistani products of Marhaba and Himani brand, for instance, are registered in Kazakhstan. However, Himani products are imported from Dubai so aren't reflected in Pakistan's exports to Kazakhstan. Furthermore, Himani among other companies does not prefer to export via road due to increased transit costs and various permission requirements even though Kazakhstan is mostly a landlocked country.

Pakistan's Potential Trade with Kazakhstan

Pakistan has an export potential for the following products to Kazakhstan:

- Rice (HS-1006)
- 'Citrus Fruit ...' (HS-0805)
- 'Dates, figs and pineapples ...' (HS-0804)
- Pharmaceutical Products (HS-3003, HS-3004 and HS-3005)
- 'Tea ...' (HS-0902)
- 'Articles of apparel and clothing ...' (HS-6210, HS-6211 and HS-6216)

Issues with exporting the above identified potential products from Pakistan to Kazakhstan are:

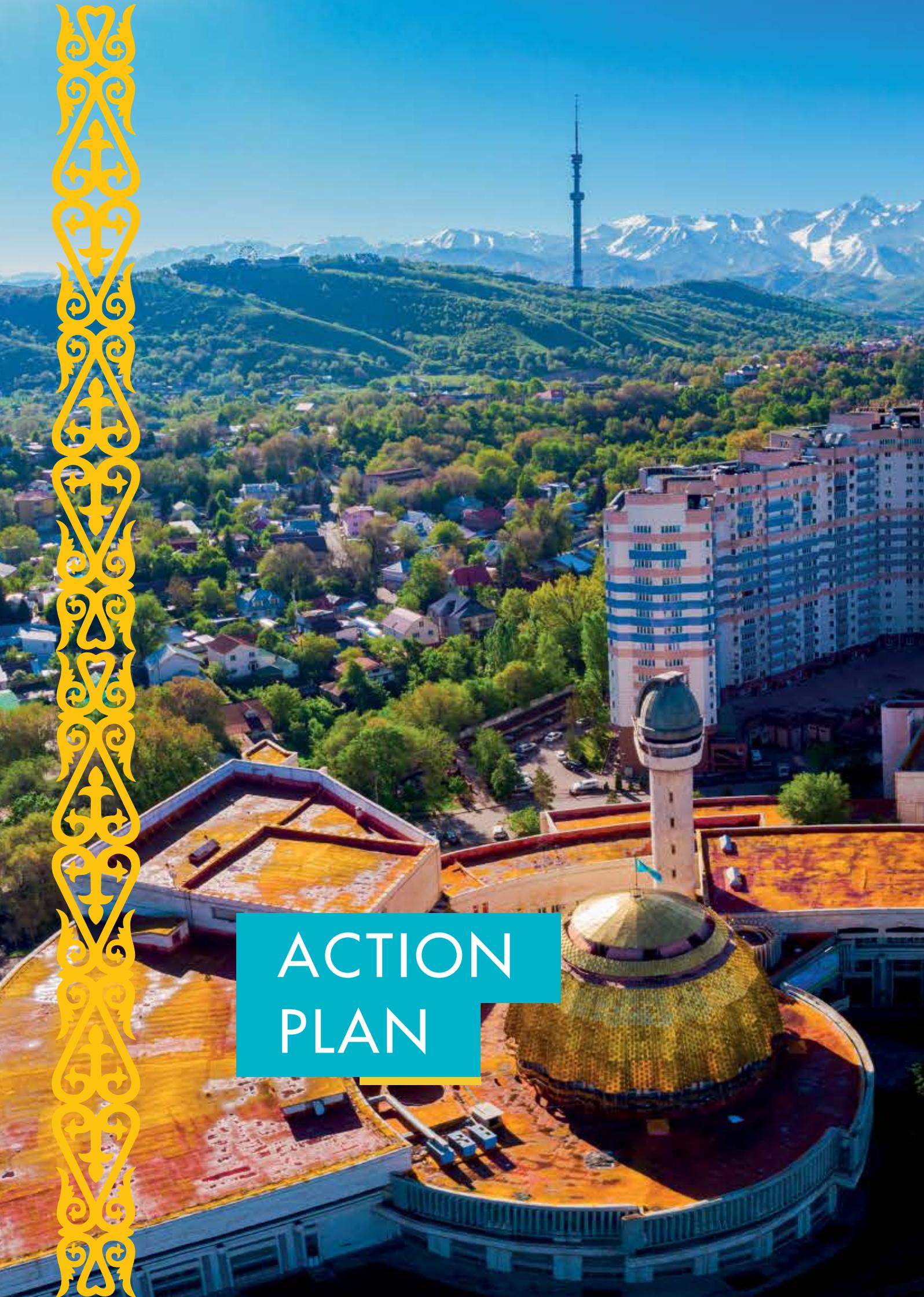
- Pakistan will need to export new rice to Kazakhstan since the market only allows the importation of rice from the new crop. Pakistani exporters prefer exporting rice to Europe and USA as they can secure their payments and get higher prices.
 - Thailand, India, Vietnam and China are the main competitors of Pakistani rice.
 - Pakistan has an edge over Thailand and India since it has a land route to Kazakhstan. China on the other hand has an additional advantage as it has an FTA with Kazakhstan.
- Pakistan's export of 'Citrus Fruit ...' (HS-0805) to Kazakhstan increased exponentially during 2017-19 but the exports fell sharply in 2020 due to advent of Covid-19 and the closing of borders.
 - Uzbekistan, Iran, China and Russia are the main competitors of Pakistan for this product in Kazakhstan. In addition to an FTA, they also share land borders with Kazakhstan.
- Pakistan's exports of Dates (HS-080410) to Kazakhstan have a great potential for export expansion but Iran has signed an FTA with Kazakhstan so Iran has a competitive edge over Pakistan since Iran can export Dates (HS-080410) to port Aktau, Kazakhstan via the Sea Route and does not have to pay tariffs or duties.
- Pakistan's exports of 'Tea ...' (HS-0902) to Kazakhstan have a great export potential but the former does not have well recognized brands leading to doubts about the quality of the product and the product has faced bans in the past as well.
- Pakistan has a potential for increasing exports of 'Articles of apparel and clothing ...' (HS-6210, HS-6211 and HS-6216) to Kazakhstan. China, Turkey, India and Bangladesh are the main competitors of Pakistan for exporting the above products to Kazakhstan. Kazakhstan's imports of the said products from Turkey are known to be those of high-end brands and are expensive. Pakistan can compete with India and Bangladesh in exporting Sports Clothes and Sports Gloves to Kazakhstan but will have difficulty in competing with China and Turkey.

Pakistan also has the capacity to increase exports of fresh produce to Kazakhstan. However, the facility of refrigerator containers is not available on the borders and there are no direct flights from Pakistan to Kazakhstan making exports of perishable items such as vegetables and fruits very difficult. India and Turkey have direct flights to Kazakhstan and hence, they do not face the same issue in exporting perishable products to Kazakhstan.

Pakistan exports Oranges (HS-080510) to Kazakhstan and since EAEU is an Economic Union, Pakistan's Oranges (HS-080510) used to sell in Russia via Shymkent, Kazakhstan. However, Russia has now applied a condition that it will only import oranges via the Sea Route. Therefore, Pakistan's exports of Oranges (HS-080510) to Kazakhstan might fall.

Pakistan has the capacity to import 'Raw hides ...' (HS-41, HS-42 and HS-43) and Wheat (HS-1001 and HS-1101) from Kazakhstan. It can also import 'Cotton Yarn ...' (HS-5205, HS-5206 and HS-5207) from Kazakhstan which it currently imports from Uzbekistan. Kazakhstan also has 'Mineral Products' (HS-25, HS-26 and HS-27), Metals such as Uranium and Copper, Chemicals and Agriculture Products in abundance. However, the issues related to banking channels and utilization of LC in Kazakhstan along with the non-availability of reverse cargo makes it difficult for Pakistan to import these products from Kazakhstan.





**ACTION
PLAN**

Recommendations

SHORT TERM ■

- Government of Pakistan should provide incentives for transporters to run regular freight services between Pakistan and Kazakhstan.
- Pakistani Government may decide a standard transportation rate on export quantities after consultation with the relevant parties and refund 'Export Inland Transport' subsidy to exporters through State Bank of Pakistan.
- Government of Pakistan should encourage logistics companies in starting a reverse cargo service from Kazakhstan to Pakistan thus reducing the transit time and the transportation cost.
- Ministry of Commerce (MOC) should work on making the transportation routes from Pakistan to Kazakhstan known and functional so that exporters can track their consignments and have an estimated time frame for the consignments to reach their destinations.
- State Bank of Pakistan in coordination with Government of Pakistan should provide incentives for setting up subsidiaries in the CARs.
- The State Bank of Pakistan should make receivables discounting possible in order for Pakistani exporters who export to Kazakhstan to obtain short term loans against accounts receivables.
- Ministry of Commerce and TDAP should facilitate manufacturing of export products which comply to the packaging requirements in Kazakhstan.
- The government of Pakistan should arrange for early release of all pending claims.
- Pakistani Government should work with Government of Kazakhstan to ensure that the facility of refrigerators is available on the borders to make exports of perishable products to Kazakhstan possible.

- Pakistan has a great potential for export expansion of
 - ‘Milled rice ...’ (HS-100630) to Kazakhstan as the Compound Annual Growth Rates (CAGRs) for Pakistan’s exports to the world and Kazakhstan’s imports from the world during 2017-19 were 6.0 percent and 39.0 percent, respectively. However, the CAGR for Pakistan’s exports to Kazakhstan was -15.0 percent for rice during the said period. Therefore, Pakistan should try to increase its exports of rice by exporting it from the new crop to conform to the market’s requirements. Moreover, the Revealed Comparative Advantage (RCA) of Pakistan for exporting ‘Milled rice ...’ (HS-100630) was greater than 1 meaning that Pakistan’s exports of the said product were internationally competitive in 2019.
 - ‘Broken rice’ (HS-100640) to Kazakhstan as the CAGRs for Pakistan’s exports to Kazakhstan, Kazakhstan’s imports from world and Pakistan’s export to world were 1,461.0 percent, 217.0 percent and 12.0 percent, respectively, during 2017-19. Furthermore, the RCA of Pakistan for exporting ‘Broken rice’ (HS-100640) was greater than 1 meaning that Pakistan’s exports of the said product were internationally competitive in 2019.
 - ‘Guavas, mangoes and mangosteens ...’ (HS-080450) exports to Kazakhstan as the CAGRs for Pakistan’s exports to Kazakhstan, Kazakhstan’s imports from the world and Pakistan’s exports to world were 27.0 percent, 38.0 percent and 30.0 percent, respectively, during 2017-19. Furthermore, the RCA of Pakistan for exporting ‘Guavas, mangoes and mangosteens ...’ (HS-080450) was greater than 1 meaning that Pakistan’s exports of the said product were internationally competitive in 2019.
 - ‘Wilkins ...’ (HS-080529) to Kazakhstan as the CAGRs for Pakistan’s exports to Kazakhstan, Kazakhstan’s imports from world and Pakistan’s exports to world were 201.0 percent, 47.0 percent and 85.0 percent, respectively, during 2017-19. Furthermore, the RCA of Pakistan for exporting ‘Wilkins ...’ (HS-080529) was greater than 1 meaning that Pakistan’s exports of the said product were internationally competitive in 2019.

- Pakistan should focus on increasing its exports of
 - ‘Instruments used in medical, surgical ...’ (HS-901890) to Kazakhstan as the product in question had an export value of just US\$ 218,000/- while its export potential was US\$ 107.5 Million in 2019.
 - ‘Medicaments ...’ (HS-300390, HS-300439, HS-330410 and HS-300590) to Kazakhstan as the products in question had a combined export value of only US\$ 2.1 Million whereas the combined export potential was US\$ 69.5 Million in 2019.
 - ‘Bananas ...’ (HS-080390) to Kazakhstan as the product in question had an export value of only US\$ 217,000/- while its export potential was US\$ 31.9 Million in 2019.
 - ‘Onions and Shallots ...’ (HS-070310) to Kazakhstan as the products in question had an export value of only US\$ 176,000/- while the export potential was US\$ 21.5 Million in 2019.
 - ‘Toilet linen and kitchen linen ...’ (HS-630260) to Kazakhstan as the products in question had an export value of US\$ 63,000/- while their export potential was US\$ 17.8 Million in 2019.
 - ‘Men’s or boys’ tracksuits ...’ (HS-621132) to Kazakhstan as the product in question had an export value of US\$ 68,000/- while its export potential was US\$ 6.1 Million in 2019.
 - ‘Black tea ...’ (HS-090230) to Kazakhstan as the product in question had an export value of US\$ 184,000/- while its export potential was US\$ 5.9 Million in 2019.
 - ‘Tamarinds ...’ (HS-081090) to Kazakhstan as the product in question had an export value of US\$ 220,000/- while its export potential was US\$ 3.6 Million in 2019.
 - ‘Gloves, mittens and mitts ...’ (HS-420329) to Kazakhstan as the products in question had an export value of US\$ 149,000/- while their export potential was US\$ 2.9 Million in 2019.
 - ‘Oranges ...’ (HS-080510) to Kazakhstan as the product in question had an export value of US\$ 228,000/- while its export potential was US\$ 1.8 Million in 2019.

- 'Wheat ...' (HS-110100) to Kazakhstan as the product in question had an export value of US\$ 143,000/- while its export potential was US\$ 1.6 Million in 2019.
- Pakistan should also try to increase its exports of
 - Medicaments ...' (HS-300490) to Kazakhstan as the product in question had an export value of only US\$ 39,000/- while its export potential was US\$ 82.4 Million in 2019.
 - 'Men's or boys' trousers ...' (HS-620342) to Kazakhstan as the product in question had an export value of only US\$ 19,000/- while its export potential was US\$ 39.9 Million in 2019.
 - 'Wheat ...' (HS-100199) to Kazakhstan as the product in question had an export value of only US\$ 18,000/- while its export potential was US\$ 37.6 Million in 2019.
 - 'Made-up articles of textile ...' (HS-630790) to Kazakhstan as the product in question had an export value of just US\$ 2,000/- while its export potential was US\$ 21.7 Million in 2019.

MEDIUM TERM ■

- A single window should be established in order that the process of documentary approvals is made easy for exporters and importers trading with Kazakhstan.
- To facilitate exports, authorized labs and offices should be established at customs offices to fulfill requirements related to Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT).
- Institutional support from regulatory authorities like Drug Regulatory Authority of Pakistan (DRAP) among others is essential for encouraging export expansion to Kazakhstan.
- Pakistan should work on developing well recognized brands in order that consumer confidence is gained and the country can expedite its export expansion to Kazakhstan.

- Government of Pakistan should coordinate with Government of Kazakhstan to open up subsidiaries or desks of Pakistani banks in Kazakhstan.
- Government of Pakistan should work on making direct cargo flights available from Pakistan to Kazakhstan at least once a week in order to promote exports of perishable products.
- Government of Pakistan should coordinate with the Government of China in order that the China Corridor is functional for Pakistan to export to Kazakhstan efficiently by reducing transit time and transportation costs along with providing a reverse cargo service.
- Government of Pakistan should also provide facilities like the use of Gwadar Port to Kazakhstan in order that Kazakhstan can export products to other countries through Pakistan.
- Government of Pakistan along with relevant stakeholders like Ministry of Commerce should develop a complete plan related to logistics of trading with the Central Asian Republics (CAR) as it's a non-traditional export market for Pakistan and is composed of land-locked countries.
- Government of Pakistan should coordinate with Government of Kazakhstan to make the process of granting VISA easier for Pakistanis.
- Pakistan should focus on signing a Free Trade Agreement (FTA) with Kazakhstan instead of a Preferential Trade Agreement (PTA) since attaining preferential treatment for exports of a limited number of products to Kazakhstan will not benefit Pakistan in the long run. This is important because competitor countries already have an edge over Pakistan in one way or the other and Pakistan will save time in that way.
- Turkey has not yet signed an FTA with Kazakhstan but has established a railway network throughout Central Asia and products reach from Istanbul, Turkey to Almaty, Kazakhstan in just 7 days giving turkey a considerable advantage in trade with Kazakhstan. China also has a train service to Kazakhstan.
- Iran has already signed an FTA with Kazakhstan and Russia is a part of the EAEU along with Kazakhstan.

- In order to gain market share in Kazakhstan, Pakistan should start exporting ‘Cane or beet sugar ...’ (HS-170199), ‘Polyethylene ...’ (HS-390761), ‘T-shirts ...’ (HS-610910), ‘Portland cement ...’ (HS-252329), ‘Sugar confectionery ...’ (HS-170490), ‘Articles of bedding ...’ (HS-940490), ‘Mandarins ...’ (HS-080521), ‘Footwear ...’ (HS-640399), ‘Food preparations ...’ (HS-210690), ‘Women’s or girls’ trousers ...’ (HS-620462) and ‘Flat-rolled products of iron ...’ (HS-721049) etc. with research into the competitiveness of these products as they each had an export potential of over US\$ 30.0 Million and a combined export potential of US\$ 489.8 Million in 2019.

LONG TERM ■

- Pakistan should also work on signing an FTA with EAEU for long term benefit. Moreover, Pakistan should work on improving trade with Central Asia as a whole and not just Kazakhstan in order to compete with the main import partners of Kazakhstan.
- The Government of Pakistan should work with relevant stakeholders like Ministry of Commerce to facilitate registrations of Pharmaceutical and Surgical Products in Kazakhstan in order that Pakistan can gain market share since the country will then be able to export these products through formal channels paving the way for Pakistan to export the said products throughout the EAEU.

Marketing and Branding Strategies

Countries often use trade shows or international exhibitions to market their products in international markets in order that they can expand their exports, make their brands widely known and also develop new brands so that they can retain or even expand their market share. Kazakhstan also has international exhibitions organized by trade organizations from other countries⁹.

⁹ https://www.eventseye.com/fairs/c1_trade-shows_kazakhstan.html

Action Plan for Creating Brands and Marketing Export Products

Pakistan has quite a few known international brands including Tapal, Khaadi, Shan Foods, Student Biryani, National Foods, Salt n Pepper, Gul Ahmed and Junaid Jamshed etc. However, these brands still find it difficult to compete with competitor countries' brands in Kazakhstan which is quite obvious as Pakistan's total exports to the country were just US\$ 83.5 Million while Kazakhstan's top 10 import partners exported goods worth well over US\$ 0.5 Billion each to Kazakhstan.

Pakistan also does not have a significant market share in Kazakhstan due to various reasons such as sub-standard products, its brands are not widely known in Kazakhstan and Pakistan's exports consist mainly of raw materials.

The following recommendations may be considered in order that Pakistani brands are widely known in Kazakhstan, new brands are created and Pakistan can market its export products efficiently in Kazakhstan:

- TDAP should organize international exhibitions in Kazakhstan specific to the following products:
 - Rice (HS-1006) as Pakistan's exports of the said product to Kazakhstan constituted over 70.0 percent of the total exports of Pakistan to Kazakhstan in 2019.
 - 'Guavas, mangoes and mangosteens ...' (HS-080450) and 'Wilkins ...' (HS-080529) as Pakistan's exports of the said products to Kazakhstan constituted over 9.0 percent of the total exports of Pakistan to Kazakhstan in 2019.
 - Pharmaceutical Products (HS-30) and 'Instruments used in medical, surgical ...' (HS-901890) as Pakistan's exports of the said products to Kazakhstan were around US\$ 3.0 Million while their export potential was more than US\$ 177.0 Million in 2019.
- TDAP should also ensure that Pakistani brands such as Markhor, Shan Foods, Rooh Afza, Pakola, Student Biryani, National Foods, Salt n Pepper, Gul Ahmed, Junaid Jamshed, Khaadi and Habib Bank Limited (HBL) among others are given good representation in Kazakhstan.

References

Bitabarova, A. G. (2018). Unpacking Sino-Central Asian engagement along the new Silk Road: a case study of Kazakhstan. *Journal of Contemporary East Asia Studies*, 7(2), 149-173.

Daye, M., Charman, K., Wang, Y., & Suzhikova, B. (2020). Exploring local stakeholders' views on the prospects of China's Belt & Road Initiative on tourism development in Kazakhstan. *Current Issues in Tourism*, 23(15), 1948-1962.

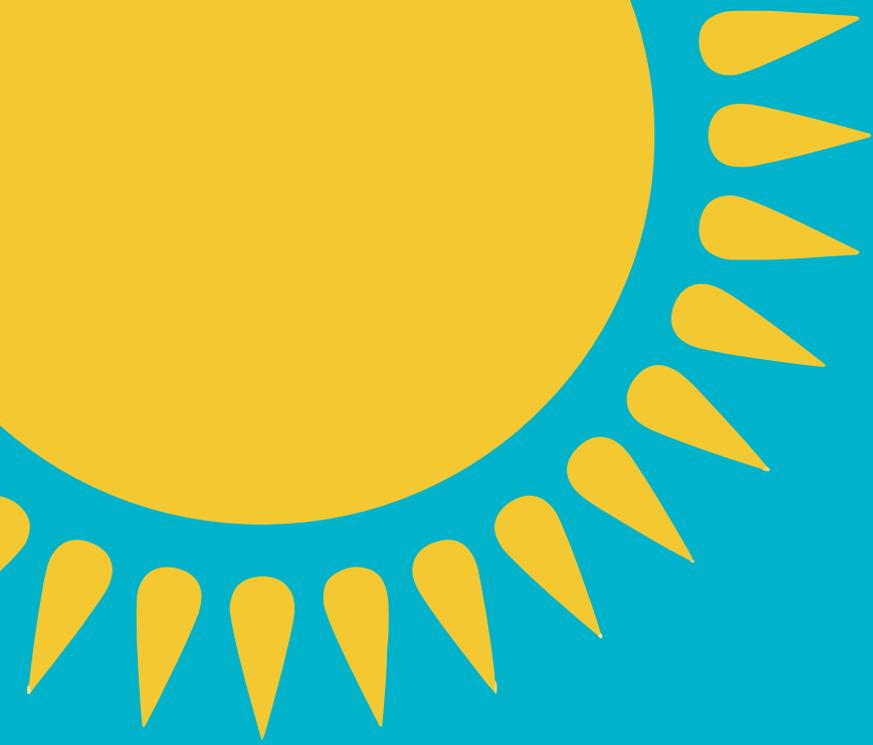
Enikeeva, Z. (2020). Non-tariff measures and sustainable development in Kazakhstan and Kyrgyzstan (No. 194). ARTNeT Working Paper Series.

Nurgozhayeva, R. (2020). Rule-Making, Rule-Taking or Rule-Rejecting under the Belt and Road Initiative: A Central Asian Perspective. *The Chinese Journal of Comparative Law*, 8(1), 250-278.

Pieper, M. (2020). The linchpin of Eurasia: Kazakhstan and the Eurasian economic union between Russia's defensive regionalism and China's new Silk Roads. *International Politics*, 1-21.

Zogg, B. (2019). Kazakhstan: A Centrepiece in China's Belt and Road. *CSS Analyses in Security Policy*, 249.





8th Floor, Dawood Center, M.T. Khan Road
Karachi, Pakistan

T - +92 21 3563 0528 - 29
F - +92 21 3563 0530

www.pbc.org.pk

