

Trends in Foreign Trade of CAREC Countries

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Data

- Official data only
- National sources of data preferred
- UN COMTRADE database as a main source of trade data disaggregated by flow, partner country and commodity
- Azerbaijan, PRC, Kazakhstan, Kyrgyz Republic and Mongolia regularly report to COMTRADE
- Afghanistan, Tajikistan and Uzbekistan do not report
- There are no data on XUAR trade in this database

Data (2)

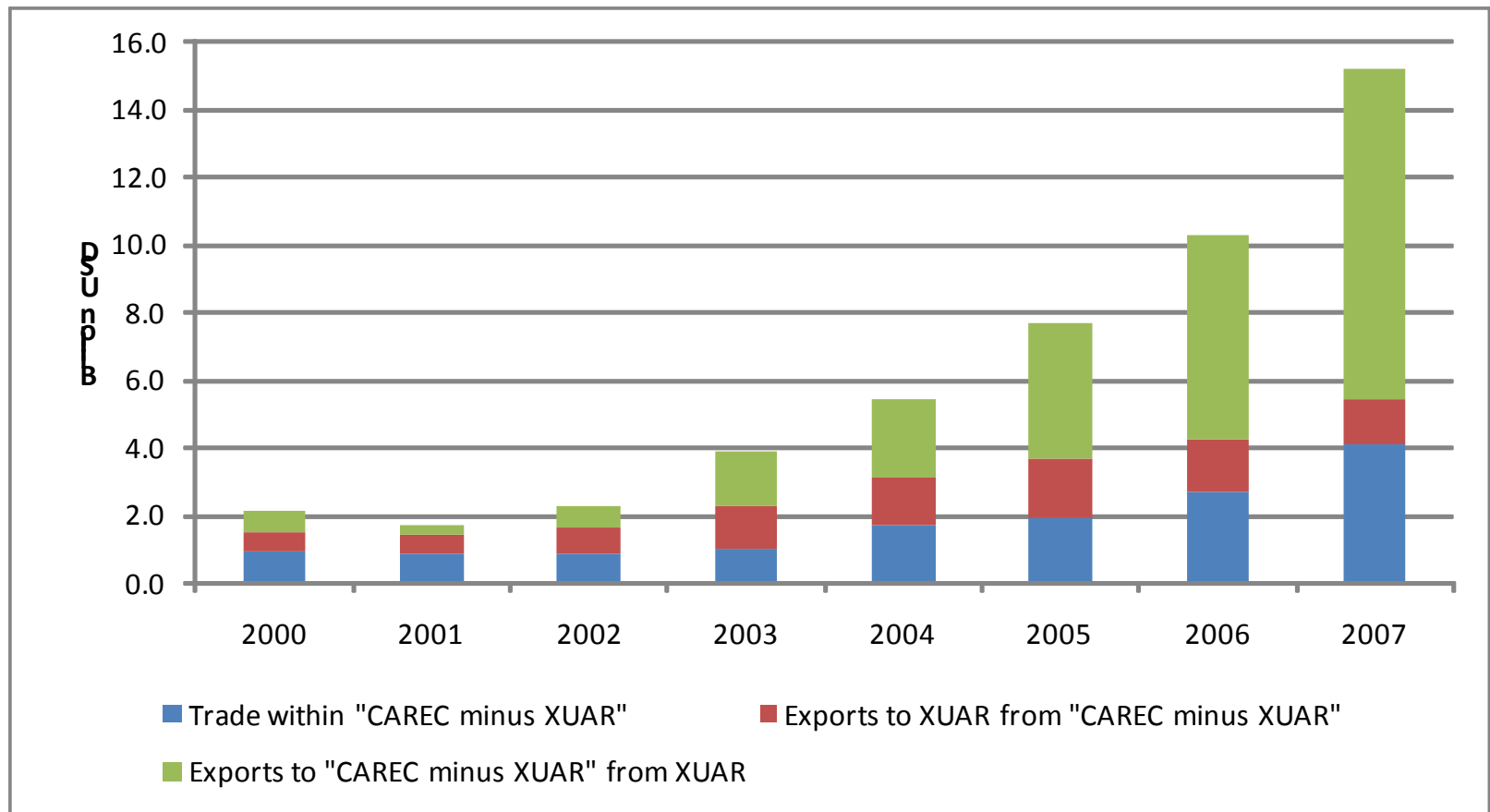
- Other national and sub-national sources (websites and publications of government agencies) used to fill in gaps in COMTRADE
- When national data are not sufficient, IMF estimates and mirror statistics used
- In general, created database of intra-regional trade provides detailed information on geographical patterns and commodity structure of trade between CAREC members

General Trends in Foreign Trade of CAREC Countries

	Exports	Imports	Trade turnover	Trade surplus (+) / deficit (-)	Ratio of 2008 turnover to 2000 turnover
	Billion USD		% GDP at PPP		
Afghanistan	0.6	2.5	14.5	-9.1	3.8
Azerbaijan	47.8	7.2	73.5	54.3	18.8
PRC	1 428.7	1 131.6	32.3	3.8	5.4
XUAR	11.5	2.2	14.8	10.0	6.1
Kazakhstan	71.2	37.8	61.4	18.8	7.9
Kyrgyz Republic	1.6	4.1	49.3	-21.0	4.2
Mongolia	2.5	3.6	65.5	-11.5	5.7
Tajikistan	1.4	3.3	35.9	-14.3	2.8
Uzbekistan	10.4	7.1	24.4	4.6	3.2

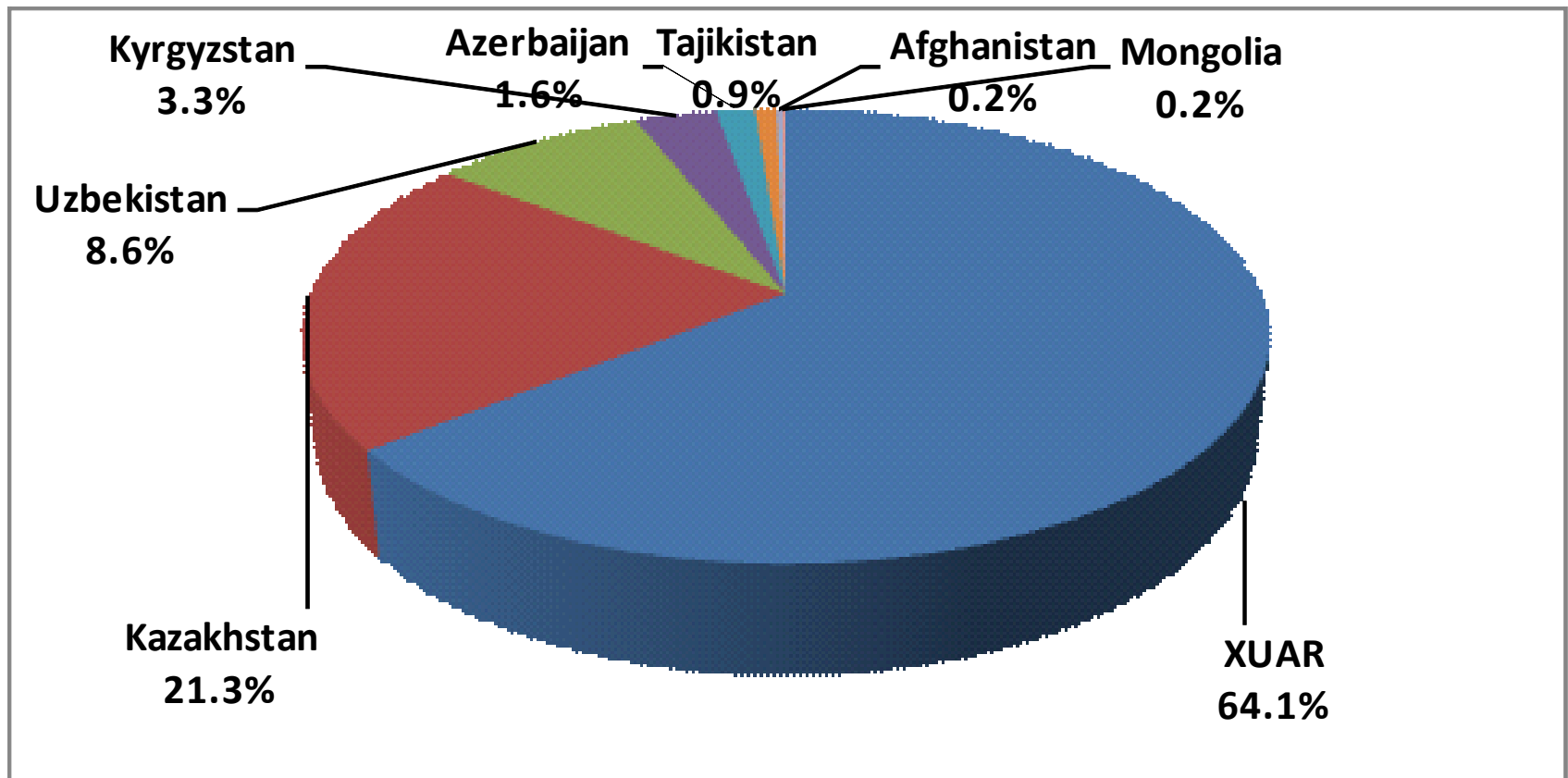
Dynamics of Intra-Regional Trade

- Total turnover of the intra-regional trade is defined as a sum of exports of every CAREC member to all other CAREC members



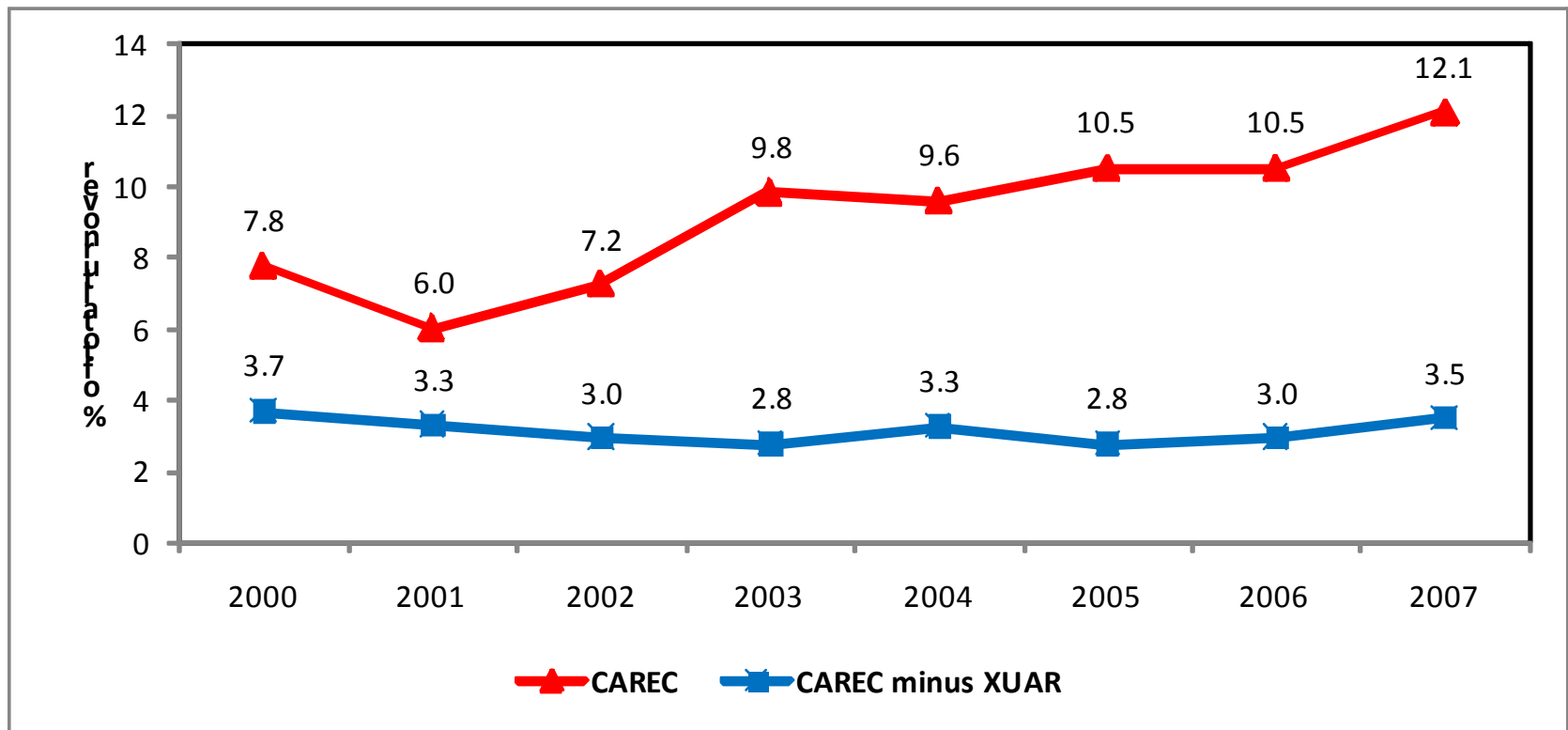
Dynamics of Intra-Regional Trade (2)

- Country shares in the intra-regional trade turnover, 2007



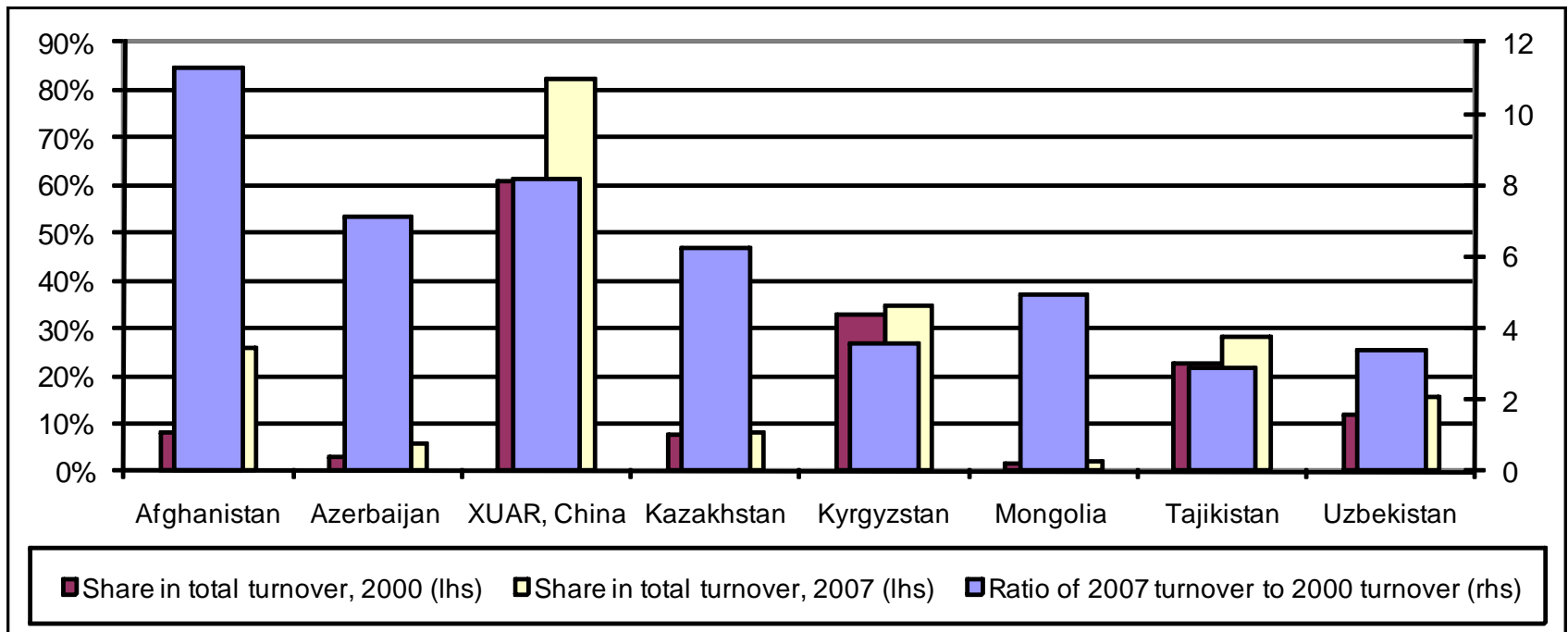
Dynamics of Intra-Regional Trade (3)

- Share of intra-regional trade turnover in total trade turnover of the countries of the region, 2000-2007



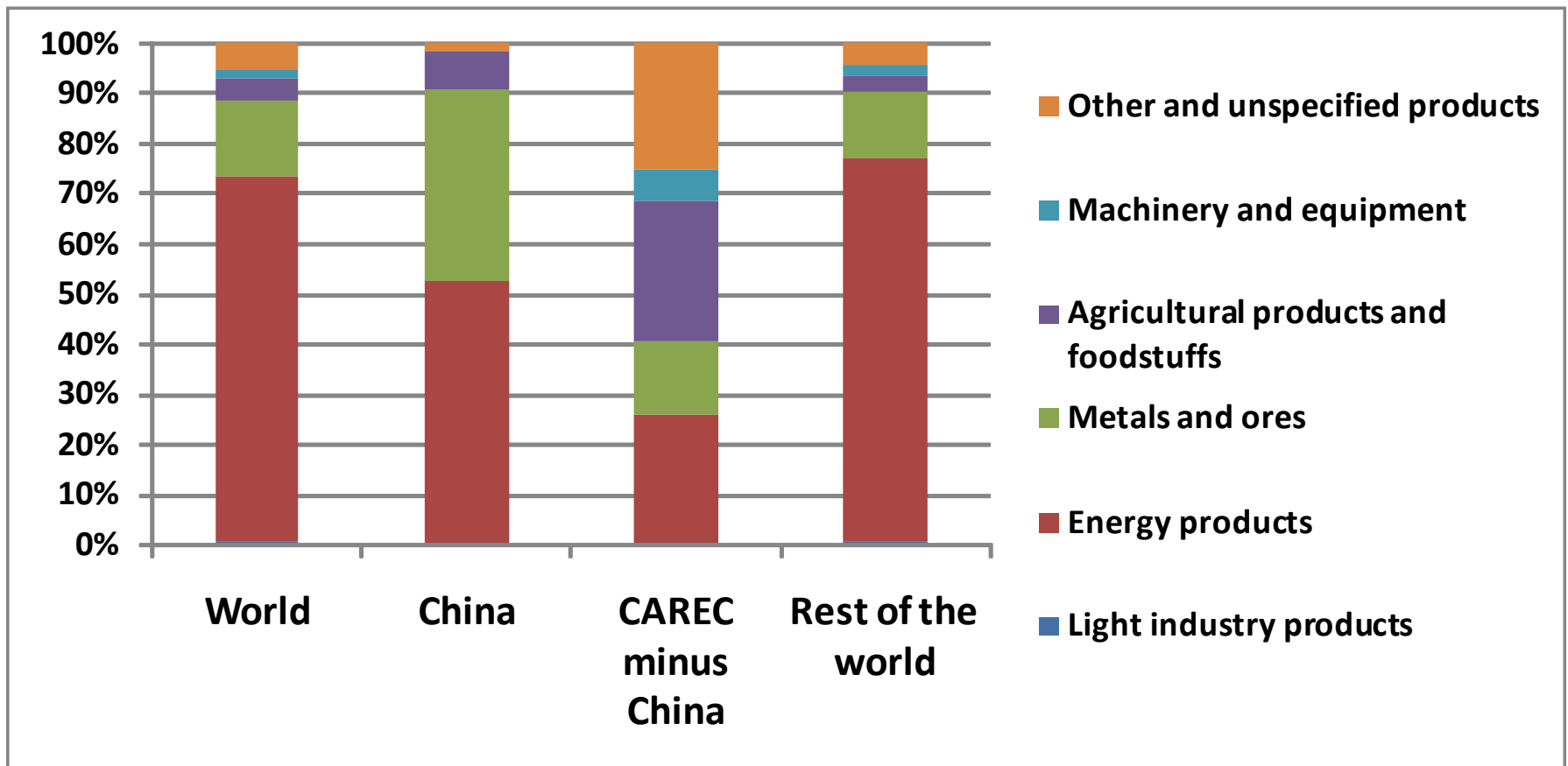
Dynamics of Intra-Regional Trade (4)

- Turnover of trade with other CAREC countries



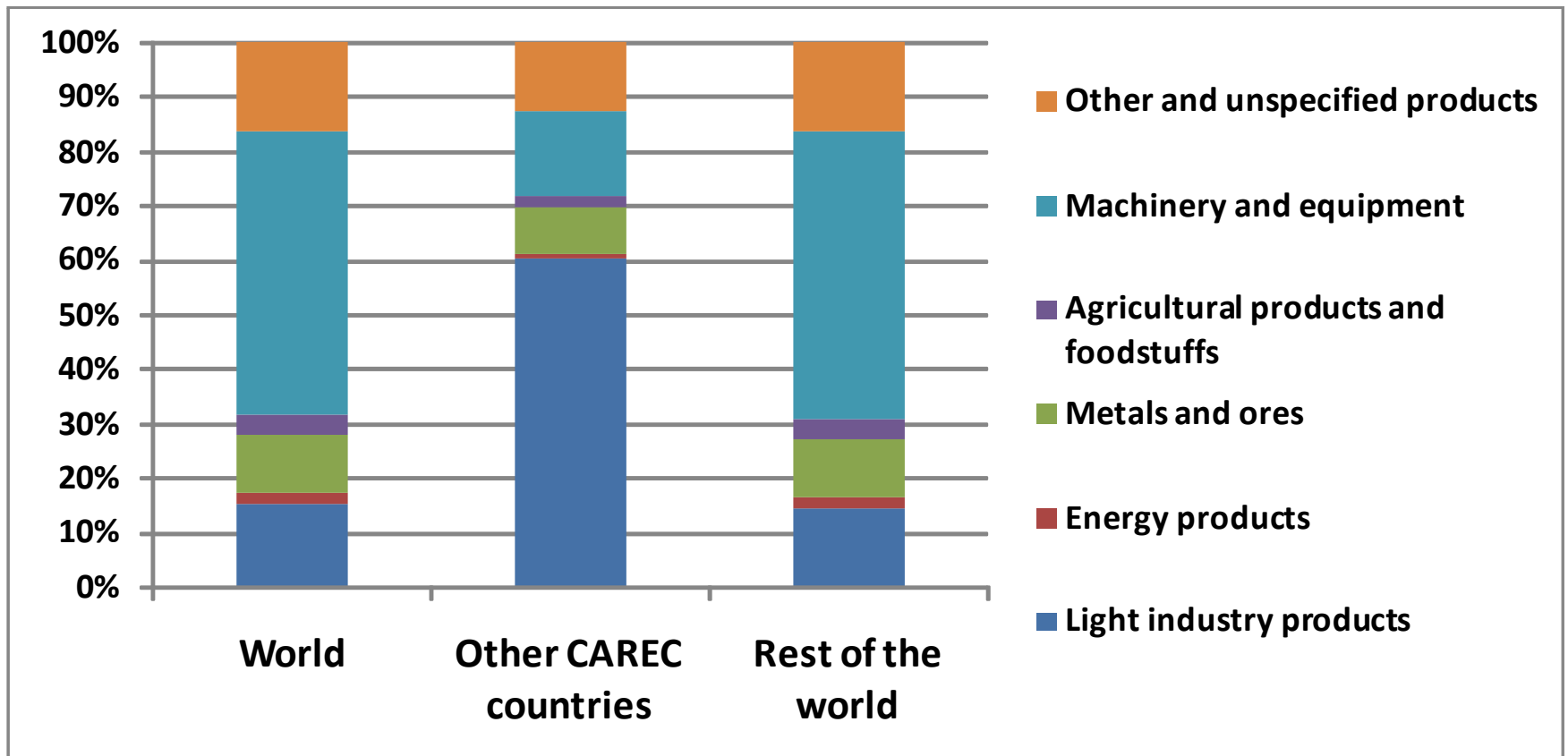
Dynamics of Intra-Regional Trade (5)

- Commodity composition of exports of CAREC countries other than PRC, 2008



Dynamics of Intra-Regional Trade (6)

- Commodity composition of PRC exports, 2008



Patterns of Bilateral Trade

- Importance of and trends in bilateral trade of CAREC countries, 2000-2007

Countries	Partners							
	Afghanistan	Azerbaijan	XUAR	Kazakhstan	Kyrgyz Republic	Mongolia	Tajikistan	Uzbekistan
Afghanistan	-	<i>Average</i> ↑	HIGH ↑	HIGH ↑	<i>Average</i> ↑	Low	HIGH ↑	HIGH ↑
Azerbaijan	Low	-	<i>Average</i> ↑	<i>Average</i> ↑	Low	Low	Low	Low
XUAR	Low	<i>Average</i> ↑	-	HIGH ↑	HIGH ↑	Low	<i>Average</i> ↑	<i>Average</i> ↑
Kazakhstan	Low	Low	HIGH ↑	-	Low	Low	Low	<i>Average</i> ↑
Kyrgyz Republic	HIGH ↑	Low	HIGH ↑	HIGH ↑	-	Low	<i>Average</i> ↑	HIGH ↑
Mongolia	Low	Low	Low	<i>Average</i> —	Low	-	Low	Low
Tajikistan	<i>Average</i> ↑	<i>Average</i> ↑	HIGH ↑	HIGH ↑	<i>Average</i> ↑	Low	-	HIGH —
Uzbekistan	<i>Average</i> ?	Low	<i>Average</i> ↑	HIGH ↑	<i>Average</i> ↑	Low	<i>Average</i> —	-

Patterns of Bilateral Trade (2)

- Key commodities exported to the intra-regional market

Country	Commodities
Azerbaijan	Crude petroleum oil and oil products; Structures of iron or steel; Alumina
PRC	Articles of apparel; Footwear; Machinery and mechanical appliances; Electrical, electronic equipment; Articles of iron or steel
Kazakhstan	Wheat; Wheat flour; Crude petroleum oil; Petroleum oil products; Copper and articles thereof; Ores, slag and ash; Steel tubes and pipes
Kyrgyz Republic	Petroleum oil products , Raw hides and skins; Cement; Dairy products; Electricity
Uzbekistan	Cotton; Petroleum gases; Mineral or chemical fertilizers; Cement; Iron and steel
Afghanistan, Mongolia and Tajikistan	No important commodities or no data

Patterns of Bilateral Trade (3)

- Discrepancies in mirror statistics on bilateral trade of selected countries, 2008

Exports from	Imports to	Reporting country	Value, mil. USD	Discrepancy
Azerbaijan	PRC	Azerbaijan	499.0	4.3
		PRC	114.9	
Azerbaijan	Kyrgyz Republic	Azerbaijan	3.6	2.9
		Kyrgyz Republic	10.5	
Kyrgyz Republic	Azerbaijan	Azerbaijan	1.3	2.0
		Kyrgyz Republic	2.6	
PRC	Kazakhstan	PRC	9 819.4	2.2
		Kazakhstan	4 565.1	
PRC	Kyrgyz Republic	PRC	9 213.4	12.7
		Kyrgyz Republic	728.2	
Kyrgyz Republic	PRC	PRC	121.3	2.7
		Kyrgyz Republic	44.4	

Conclusions

- Exports and imports in all countries of the region were growing very fast in 2000-2008
- Countries-exporters of mineral fuels and XUAR registered large positive trade balances by 2008
- Exports of all CAREC members but XUAR are concentrated on very few primary commodities (mineral fuels, ferrous and non-ferrous metals, cotton, wheat)
- China has grown to a role of one of the most important partners for all other countries of the region

Conclusions (2)

- Intra-regional trade was growing very fast in 2000-2008 and faster than total trade of these countries
- The main driver of this growth was trade of XUAR with other CAREC countries
- Trade between “CAREC minus XUAR” countries also increased much in absolute terms, but not as a share of total trade turnover of these countries
- XUAR is very much dependent on trade with other CAREC countries; Central Asian countries and Afghanistan significantly depend on trade with these partners too

Conclusions (3)

- Intra-regional trade is concentrated on a very limited set of commodities: imports of light industry goods from China, supplies of energy products and metals and ores, some agricultural exports
- Data on intra-regional trade should be taken with caution; very large discrepancies in mirror statistics suggest that some large trade flows, especially re-exports, come unaccounted
- Many of these trends had taken place in times of good global economic growth and high international prices for commodities exported by CAREC countries; current global economic crisis may change these trends in less favorable direction