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Statistics



Finance

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ECONOMIC COOPERATION ORGANIZATION

ECO Annual Economic Report

2006 – 07

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Conventions, Data, Assumptions

The ECO comprises the member states - Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Turkey, Turkmenistan and Uzbekistan. The attached statistical appendix tables contain data for these countries. In cases where no official data were provided by member states, other credible sources, namely, IMF, WB, WTO, UNCTAD, UNSD, UNESCAP, SESRIC, UNECE, FAO and UNDP (for human development indicators) had to be used.

In this publication the abbreviation “AER” stands for the ECO Annual Economic Report for 2006-07. The abbreviations used in this publication to indicate international organizations, regional and sub-regional entities are adequate to those accepted in the United Nations economic publications. In the AER, the following definitions that are commonly used in key financial institutions of the world refer to y/y as year-on-year; the abbreviation following abbreviations NEER refer to a nominal effective exchange rate; REER refers to a real effective exchange rate.

The following assumptions have been adopted for the figures presented in the publication: The indicators for 2007 are estimates derived from the forecasted figures for the reported period shown in country reports and also from official websites of national statistical offices of member states as well as their statistical bulletins. Some of the 2007 estimate data in the figures and tables may refer to the uncertainties surrounding them and add to the margin of error that would in any event be involved in the projections. The following conventions are used in this publication: in tables, ellipsis points (...) indicate “not available,” and 0 or 0.0 indicates zero” or “negligible”; a dash (–) between years or months (for example, 2006–07 or January–June) indicates the years or months covered, including the beginning and ending years or months; a slash or virgule (/) between years or months (for example, 2006/07) indicates a fiscal or financial year, as does the abbreviation FY (for example, FY2007); “billion” means a thousand million; “trillion” means a thousand billion; “basis points” refer to hundredths of 1 percentage point (for example, 25 basis points are equivalent to ¼ of 1 percentage point); the term “real economy” refers to a real GDP growth; the term “annual inflation rate” refers to the annual core inflation rate; the term “by end year” refers to the end-of-year annual rate; the abbreviation “WDI” refers to the world development indicators; the abbreviation “CER” refers to the Center for Economic Research of the Republic of Uzbekistan; the terms “on average” and “average” refer to figures showing weighted average indicators; the contracted word “statyearbook” refers to the statistical year book; the term “statdata” refers to statistical data; the term “loan” in reference to the information provided under External Sector of the country report for the Islamic Republic of Iran refers to financing facilities as adopted by local banking system; the term “M2” refers to transactions money plus saving accounts, money market accounts, and other monies of a respective country; the term “local currency” refers to the unit of account used as a national currency in a given country; the term “local authorities” refers to competent government bodies of a respective country.

The hard copies of the ECO Annual Report 2006-07 will be provided to member states. Inquiries about the publication may be sent by email to the following electronic address: registry@ecosecretariat.org, ders@ecosecretariat.org Telephone inquiries may be directed to the following telephone number: + 982122831733/34 ext 254 or 249.

Foreword

Statistical data is essential for ensuring dynamic development in any society. The role and relevance of statistics are increasing fast. There is, with every day passing, a greater need to measure progress, to compare and compute economic transactions. This transcends national frontiers. It covers vast and distant regions. Operating on the global plane, there is an added need to follow common, agreed indicators and, to that end, harmonize our measures, share our standards. Without such harmony, such integration and understanding, much of our shared information may not be possible to fully utilize.

The present publication of ECO Annual Economic Report (AER) for 2006-07 contains macroeconomic data of ECO member states. The report covers the period of 2006 and first half of 2007. (For the economies of Pakistan, Iran and Afghanistan, the reporting period covers the year 2007.)

The analysis has been prepared on the basis of economic and statistical data provided by member states. For those whose data for analysis has not been available, macroeconomic indicators have been derived from such sources as WB, IMF, EBRD, WTO, UNDP, UNCTAD, ESCAP, UNSD, UNECE, FAO and SESRIC.

The report is structured in three parts. The first contains a succinct overview of regional economic performance over 2006-07 with the outlook for 2008-09. The second reflects the dynamics in ECO's major activity areas. The third presents country reports of economic performance of member states. The appendix contains statistical tables of economic and financial data provided by national statistical offices.

The ECO Secretariat expresses its gratitude to the National Focal Points in member states who provided support and cooperation in preparing this publication. Our special thanks for cooperation and useful counsel go to Dr. Anar E. Meshimbaeva, Chairperson of the Agency for Statistics of the Republic of Kazakhstan, Dr. Mohammad Madad, Deputy Vice President of the Islamic Republic of Iran, Head of the Statistical Centre of the Islamic Republic of Iran, Mr. A. Omer Toprak, Acting President of the Turkish Statistical Institute, Head of the Turkish Research and Statistical Institute, Mr. Abdul Hakim Mukhidoom, Director General of the Central Bureau for Statistics of the Islamic Republic of Pakistan, Mr. Mirgand Sh. Shabozov, Head of the Statistical Committee of the Republic of Tajikistan and Mrs. Meri B. Amirova, Director of the State Statistics Committee of the Republic of Azerbaijan. The Secretariat would appreciate any comment to improve this publication.

*Khurshid Anwar
Secretary General*

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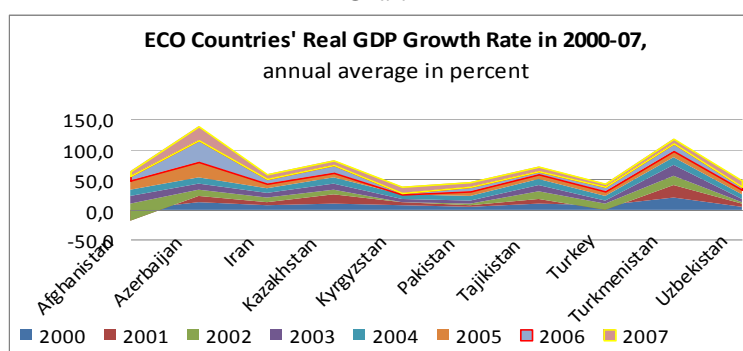
Part I. ECO Regional Development

1.1 Macroeconomic performance of the ECO region in 2006-07

Overview

Economic growth in the ECO region during 2006-07 remained strong. During the period January to December 2006, which in some ECO countries extends from mid-2005 to mid-2006 and in others from mid-2006 to mid-2007, the region witnessed sustainable growth and significant structural transformation. The annual economic growth averaged 7.4 percent (chart 1.) A favorable trade environment facilitated a strong economic hold. Higher rates of annual real GDP growth during 2006 were observed in Azerbaijan - 34.5 percent, Turkmenistan – 11.6 percent, Kazakhstan - 10.7 percent. During 2005-06, Afghanistan showed 14.2 percent annual economic growth rate. During 2007 the region's real economy grew at 7.4 percent.

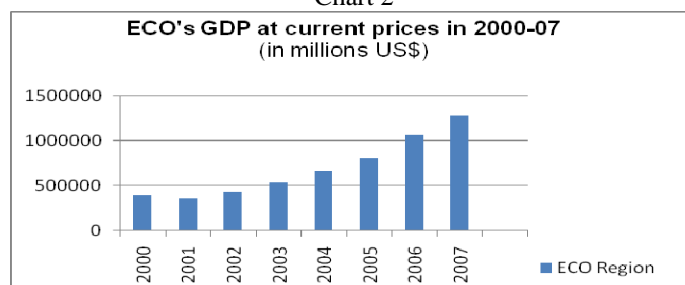
Chart 1



Source: Country Reports, IMF, WB, UNSD, UNESCAP

The combined GDP of ECO countries at current prices reached US\$916.1 billion by end 2006¹ and US\$1,096.7 billion by end 2007 (chart 2.) The percentage change in the growth of the national nominal GDP was high in Turkey, Iran and Pakistan. The inputs of these economies into regional growth remained stable, showing the increase of member states' GDPs to US\$433, US\$221 and US\$127 billion respectively by end 2006-07. Chart 2 below indicates the percentage change in the increase of respective regional GDPs at current prices over the period of 1999-2007. Such performance was essentially complemented by higher rates of nominal GDP growth, as in Azerbaijan and Kazakhstan. ECO's share in world's GDP reached 1.5 percent in 2005 and 1.7 percent in 2006. It is estimated at 2.1 percent by end 2008.

Chart 2

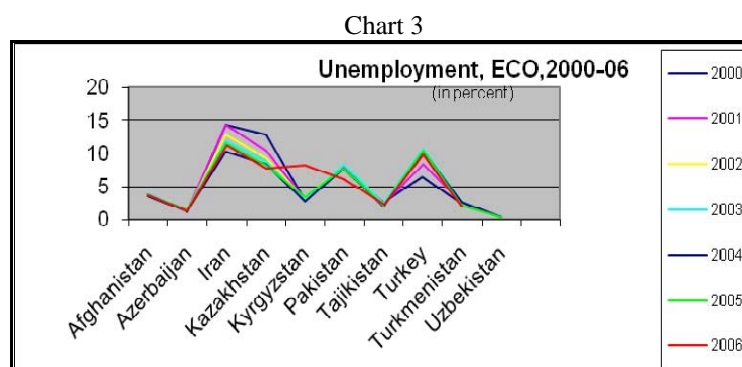


Source: Country Reports, UNSD, UNESCAP, SESRI C

¹ The unadjusted indicator for ECO's combined GDP at current prices in 2006 equaled US\$1,062,004.0 and US\$1,274,899.2 in 2007.

During 2006, inflation in the ECO region remained moderately high. Strong fiscal discipline and tight monetary policies helped reduce inflation to lower single digits. Economies of Pakistan, Turkmenistan and Kyrgyz Republic succeeded in reducing the annual inflation rate, owing to continual efforts of governments to respond to first incidences of rising inflation. Most ECO countries have experienced serious inflationary pressures. The headline inflation rate in Azerbaijan, Afghanistan, and Kyrgyz Republic in spite of their governments' efforts to sustain it, have hit an average 15.0 percent by November 2006. Such rise pushed the regional annual average inflation to 8.3 at year end. Subsequently, broad money growth rate in the region reached an annual average 46.0 percent, increasing almost twofold money supply growth. An estimated average annual inflation rate during 2007 rose by 16 percent reaching 9.6 percent.

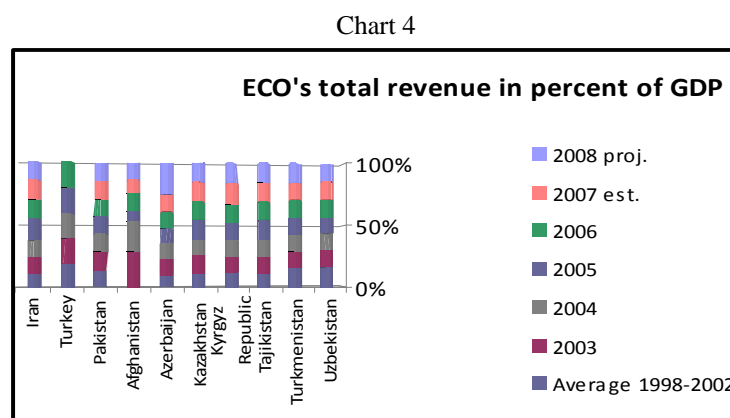
The unemployment rate was sustained at an annual average 7 percent during 2000-06 (chart 3.) Employment generation was strong in Kazakhstan, Turkmenistan, Azerbaijan and Turkey due to booming construction mainly in the housing sector. In some of these countries the share of the construction sector GDP reached 19 percent in their real GDPs.



Source: Country Reports, UNSD, UNESCAP, SESRIC

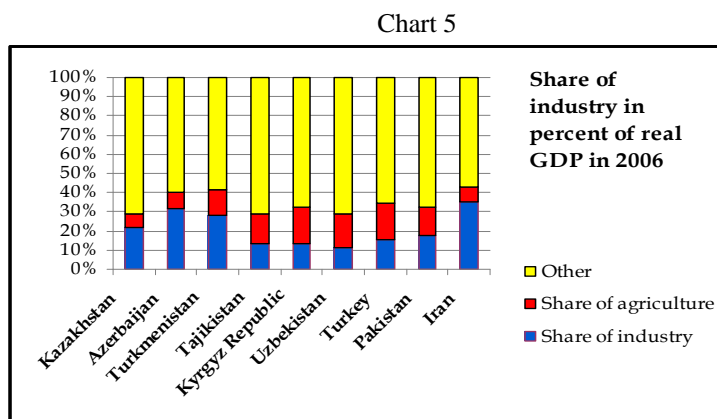
Output and growth

The increase in industrial output in ECO economies during 2006-07 was substantial. Growth in revenue collection from industrial output was recorded in Azerbaijan and Uzbekistan, showing 51 and 48 percent of these countries' real GDPs. By end 2008, Azerbaijan's revenue from industrial output is likely to reach 55.1 percent of the country's real GDP compared to 28 percent in 2005. In 2006, the total regional revenue accounted for 24.3 percent as the percent of real GDP compared to 22.3 percent in 2005. Chart 4 reflects a percentage change in total revenue collection in ECO member states over the period 1999-2006.



Source: Country Reports, UNSD, IMF, UNESCAP

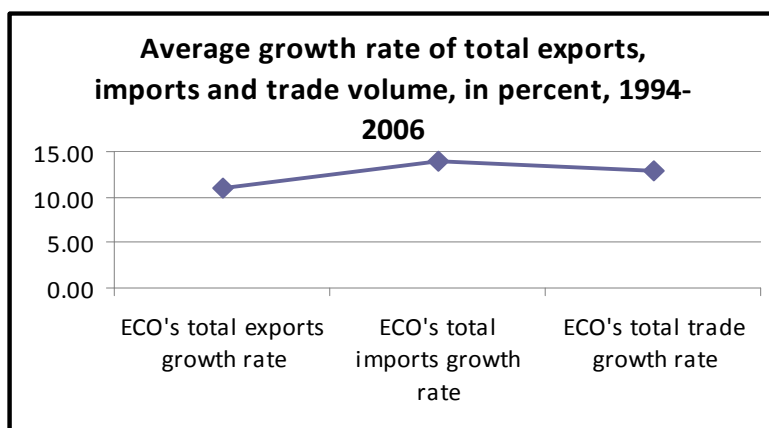
According to country reports of member states, generation of industrial output was essential in the region. It was due to the increase in the percent of the industrial sector in the structure of regional GDPs. By end 2006, in Iran, Turkmenistan and Azerbaijan, the industrial sector held 41.4, 38.6 and 36.3 percent, respectively. The share of agriculture was recorded at a highest 34.4 percent in Afghanistan; the lowest 8.1 percent was in Kazakhstan (chart 5.)



Source: Country Report , UNSD, UNESCAP, IMF, SESRIC

Trade balance, exports and imports

Trade had a dynamic trend in the ECO region during 2006-07. The total exports² reached an estimated US\$200.1 billion by end 2006 and US\$224.1 billion in 2007. The total imports³ amounted to US\$252.2 billion in 2006 and US\$287.3 billion in 2007. Exports grew at an annual average 12 percent; imports at 14 percent over the period 1994-2006. Trade grew by 12.9 percent over 1994-2007 (chart 6.) During 2006-07 the regional trade was in surplus of over US\$58 billion.



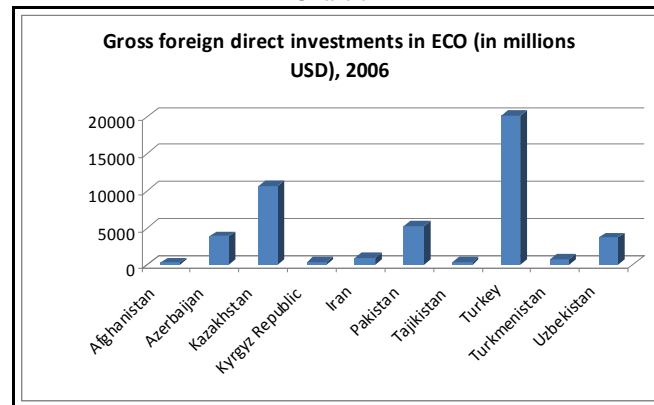
Source: Country Reports, IMF, WB, UNSD, UNESCAP

By end 2006, essential progress was made in restructuring financial sectors of most member states. These led to improvements in business environment, and in restructuring the public sector spending. Sound policies and favorable regional trade environment have helped ECO expand its export capacity and attract large capital inflows. The size of FDI (Foreign Direct Investments) in the region reached US\$45.7 billion at end-2006 (chart 7.)

² The Q1-08 adjusted indicator for exports in 2007 stood at US\$307.4 billion.

³ The Q1-08 adjusted indicator for imports in 2007 stood at US\$225.1 billion.

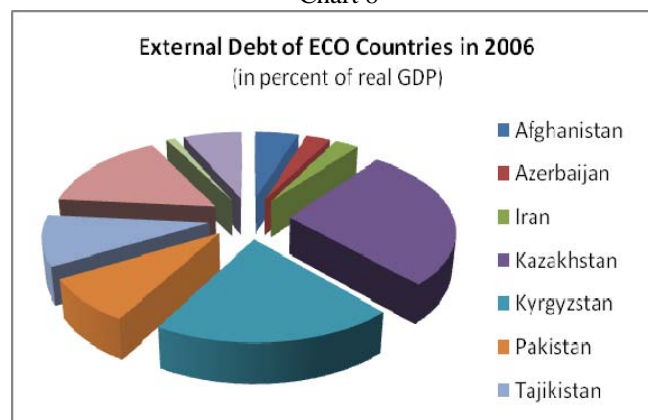
Chart 7



Source: Country Reports, UNSD, UNESCAP, IMF, WDI

During 2006-07 Pakistan, Turkey and Kazakhstan succeeded in attracting larger FDI worth of US\$5.1, US\$19.9 and US\$10.5 billion. Accumulation of FDI in the ECO region during this period was positive for those economies (chart 8), which had higher debt stocks. It also helped finance the ongoing large scale infrastructure projects in Azerbaijan, Turkmenistan and Turkey. In countries such as Afghanistan and the Kyrgyz Republic, debt stock, which largely originated from the public sector, were of the prime focus. Measures undertaken by governments were straightforward. These targeted medium term debt, which was financed from foreign capital inflows. Revenue collection as the percent of ECO's regional real GDP in 2006-07 was by an average 10.0 percent higher compared to 2005. All these factors helped minimize gross debt sock in the region.

Chart 8



Source: Country Reports, IMF, WB, UNSD, UNESCAP

Prospects of the ECO regional economy in 2007-08

Despite unraveling global imbalances in financial markets, the forecast for ECO's economic development during 2008-09 is positive. There is a common perception, which is supported by regional economic research that global financial turbulences, which originated from advanced economic entities, were able to spread out widely because of the increasingly integrated capital markets, in the first place. Now, that the world's leading financial institutions have received the support of their member states to cope with the crisis within 18 months starting from November 2008, it is certain that through greater integrity the world will be able to shape its economic integration.

Owing to a lower level of integration with global capital markets, the impact from the global financial crisis for ECO economies was minimal. Such countries as Turkey, Azerbaijan and Kazakhstan have witnessed heavier burden in liabilities on their capital accounts, which was mostly linked to their private sector. There is likelihood that such gaps will be offset by capital inflows through FDI, as one example. Turkey's foreign exchange reserves have climbed to an estimated US\$80 billion, which signifies that the economy is unlikely to dip into recession. Azerbaijan and Kazakhstan are effectively utilizing their sovereign wealth funds, which have accumulated sufficient capital from oil and gas proceeds.

ECO's real GDP growth rate is estimated to grow at an average annual 6.6 percent during 2008 based on the forecasts stated in country reports of member states. The total output of goods and services in the region will be at a sustainable level without major downturn. Growth of industries will gradually surpass that of agriculture in percent of regional real GDP. The share of the industrial sector is estimated to grow at an estimated average 6.5 percent during 2008-09. Gross revenue will increase to 28.7 percent of regional real GDP. Collection of revenue will be higher in taxes, services sector and from foreign capital inflows.

The regional current account balance will remain stable in countries such as Azerbaijan, Turkmenistan, Kazakhstan, Turkey, Uzbekistan and Iran due to higher trade surpluses. Increase in prices for food and energy during 2006-07 led to higher current account surplus in these countries, to about annual 30-40 percent of total. Although, payment of profits, dividends, and imports of construction services kept the income and services deficits high, nevertheless appreciating national currency units and rising wages will boost spending on imported consumer goods. In this view, the current account position in ECO will improve from an annual average 2.3 in 2006 to 2.1 percent during 2008-09.

Governments' spending will remain high for the countries in need of completing the implementation of large scale infrastructure projects. To this effect, capital inflows are expected to be sufficient to finance the regional current accounts to reduce external debt in 2008-09. The total expenditure in the region during 2008-09 is estimated to increase to an average 24.3 against 23.5 percent of real GDP in 2006.

The total trade turnover in the ECO region will increase from US\$452.8 billion in 2006 to over US\$584.4 billion during 2008-09. In the same period, ECO's total exports are expected to surpass US\$240.9 billion and imports US\$343.4 billion mark. The volume of regional intra trade amounted to over US\$30 billion in the first half of 2008.

The unemployment rate is forecasted to be at an average 8.0 percent during 2008-09. Effective employment generation will be high on the region's agenda.

The conservative fiscal stance will be kept in place at about 2.8 percent in 2008-10, leading to a positive fiscal balance in the region. Commitment of member states to domestic currency depreciation will likely result in moderate monetary expansion, which is expected to continue increasing within an average 37.8- 40.1 percent over the period 2008-10.

Forecast of an average annual inflation rate in the region for 2009-10 is 9.6 percent. Such resilience will stem from rising transportation costs, price increases in basic commodities and the effects of previously sustained higher energy and food prices.

Gross investments are expected to moderate during 2008-09. ECO countries will have increases in total revenue collection from 24.3 percent in 2006 to 28.1 percent in 2007-2008. Against this backdrop, it is more likely that the increased capital inflows would help sort out external debt issues. During 2006-07, a higher real per capita income in thousands of U.S. dollars was recorded at US\$5,482 in Turkey; US\$5,296 in Kazakhstan; US\$2,508⁴ in Azerbaijan, US\$3,260⁵ in Turkmenistan. ECO's total population is estimated to grow from its estimated 454.4 in 2007 by an average annual 1.7 percent to reflect a growth from 6.0 and 6.8 percent in 2006 and 2007 towards over 7 percent of world's population during the period 2008-10.

Part II. Developments in Main Fields of ECO Co-operation

An Overview of ECO Mutual Trade Development

Trade is ECO's highest priority and one which has the most direct bearing on ECO's over-arching goal of regional economic integration. Intra-regional trade, currently in the vicinity of US\$30 billion, barely represents 5.8 percent of ECO's total trade. It has a visible potential for further growth and expansion. ECO has crossed an important milestone with the ECO Trade Agreement (ECOTA) becoming effective in 2008. It would bring down tariffs to a maximum of 15 percent on 80 percent of goods over a period of 8 years. ECO's aim is to create a free trade area by the year 2015. Requisite arrangements will have to be in place. These would include, beside the Trade Agreement, the ECO Trade and Development Bank, the ECO Chamber of Commerce and Industry and a set of Agreements on Promotion and Protection of Investment, on Customs Cooperation and on Simplification of Visa Procedures for businessmen. The ECO Reinsurance Company and a forum each of Trade Promotion Organizations and Women Entrepreneurs are currently being established. ECO is pursuing trade capacity-building in cooperation with UNIDO, UNCTAD and WTO.

Regional trade holds a critical part of the overall objectives of the ECO. The founding fathers of the regional grouping declared trade as the top priority of the organization. In pursuance of this objective, the organization has been laying down necessary regulatory framework for promotion and expansion of intra and inter-regional trade and investment. It has actively spearheaded the agenda of regional integration by taking measures for trade facilitation and progressive removal of trade barriers. The forward movement on various ECO initiatives in the field of trade including the ECO Trade Agreement (ECOTA), establishment of ECO Trade and Development Bank (ECOTDB), reactivation of ECO Chamber of Commerce and Industry (ECO-CCI) and cooperation in Customs matters is now much more pronounced and visible. As visualized by the political leadership, the growing cooperation through these initiatives would set in motion the process of establishing a Free Trade Area in the ECO region by 2015.

While striving for the liberalization and promotion of trade and investment, the following strategy is being followed for this purpose:

Removal of tariff and non-tariff barriers in the region, thus providing regulatory and enabling environment for trade

⁴ The IMF projects an estimated US\$5688 real per capita income for Azerbaijan for 2008-09.

⁵⁵ The IMF estimate for this indicator for 2007 is US\$4,279.

Provide and develop a favorable regulatory investment framework for optimum utilization of economic resources

Increasing the interaction of private sector

The 1st Ministerial Meeting on Commerce/Foreign Trade, held in March 2000 in Tehran, formulated new policy guidelines for boosting cooperation among the Member States. The ECO Framework Agreement on Trade Cooperation signed in that meeting laid down the basic principles of trade cooperation and envisaged the launching of ECOTA for progressive removal of non-tariff barriers as well as gradual reduction of tariffs in the region.

Experts from the Member States, after reaching consensus during several rounds of negotiations, finalized the text of ECOTA. During the 2nd ECO Ministerial Meeting on Commerce and Foreign Trade held in Islamabad, July 2003, it was signed by five Member States - Afghanistan, Iran, Pakistan, Tajikistan and Turkey. The Agreement entered into force on March 24, 2008 after ratification by all the five signatories.

The 1st Meeting of the ECOTA Cooperation Council (the implementing body for ECOTA) was held on May 21-22, 2008 at Mersin.

Turkey took significant steps to reduce tariffs from 1st January, 2009. ECOTA, which is comprehensive in terms of commodity coverage, will be implemented gradually over an eight-year period and will scale down tariffs to a maximum of 15 percent on eighty percent of the goods traded.

The implementation of ECOTA stands out as a major step towards promoting regional trade. Beside tangible benefits for the region in the wake of open trade, it will offer a launching pad for a broad range of economic areas. Expansion in industrial fields, modernization of technologies and creation of new business opportunities would be facilitated through greater inflow of investment. Lowering of barriers and removal of inefficiencies in trading system would add up to higher levels of economic growth, reduced unemployment and alleviation of poverty in the region.

This preferential trade agreement offers tremendous opportunities for expansion of regional trade. Simultaneously, the agreement guarantees protecting vital trade interests of the Contracting States. It will be advantageous in the context of enhanced market access. Intra-regional trade will be boosted under a package of customs duty concessions. Accession to ECOTA by all the Member States will have a positive impact on the trade and investment performance of the entire region.

Under the Fast Track Approach to ECOTA recommended by the 1st High Level Expert Group (HLEG) Meeting, held in January 2004 in Ankara, tariffs are proposed to be scaled down to a maximum of 10% within 5 years. The 2nd HLEG held in Islamabad, March 2005, prepared an Optional Protocol on Fast Track Approach. It was discussed at the 3rd and 4th HLEG meetings held in Ankara and Kabul in July 2005 and November 2005, respectively. The 1st Meeting of the ECOTA Cooperation Council decided to commence further negotiation on Fast Track Approach after one year of the implementation of ECOTA.

The Government of Tajikistan, in collaboration with ECO Secretariat, had organized a two days Workshop on "Potential Benefits of ECOTA". The event held on December 5-6,

2008 at Dushanbe, Tajikistan was attended by public and private sector representatives and delegates from ECO member countries.

An Experts Group Meeting (EGM) on Trade Capacity Building of ECO Member States was held at the ECO Secretariat in collaboration with United Nations Industrial Development Organization (UNIDO) on December 18-19, 2007. The EGM provided an opportunity for the Governmental counterparts of nine Member States to develop further links in trade cooperation and identify existing trade barriers. The event also contributed to developing a consensus on technical programmes on trade capacity building in the field of Standards, Metrology, Testing and Quality (SMTQ) as well as to the development of sustainable trade in the ECO region. The EGM formulated recommendations on removal of Non-Tariff Barriers, identification of compliance and conformity assessment constraints hindering the intra and extra-regional trade performance, upgrading the existing SMTQ-related facilities and strengthening of institutions for preparing Member States to implement ECOTA.

The 125th Meeting of the Council of Permanent Representatives (CPR) approved the Strategy to strengthen Trade and Investment Directorate. As endorsed by the CPR, a new forum of Trade Officers Working Group (TOWG) has been established. It is aimed at developing stronger linkages for serving the larger interest of the trading partners. The TOWG primarily focuses on collection of trade and investment information about the ongoing ECO initiatives and its dissemination through the TOWG Newsletter. Since its establishment five meetings of the TOWG have been held at the ECO Secretariat.

Investment Promotion

Afghanistan, Azerbaijan, and Turkey signed Agreement on Promotion and Protection of Investment (APPI) during the 3rd ECO Ministerial Meeting on Commerce/Foreign Trade (Istanbul, July 7, 2005). The 2nd Ministerial Meeting on Finance and Economy held on April 5-7, 2007 in Turkey approved the amendment of Article 9, Para 7 (iii) of the Agreement on Promotion and Protection of Investment (APPI) and welcomed the Islamic Republic of Iran and the Islamic Republic of Pakistan for their readiness to sign the APPI. The Islamic Republic of Iran has signed the APPI on February 25, 2008 and the Islamic Republic of Pakistan will sign it in the near future. It would come into force upon signature/ratification of four ECO Member States.

The APPI envisages for common policy and common action for attracting investment in the ECO region. Its primary objectives include free movement of capital within the region, establishment of a sustainable business management, promotion of joint ventures and optimum utilization of resources for the overall benefit of the regional economies.

Most of the ECO countries are presently engaged in implementing a wide range of economic reforms including improvement in their investment legislations, establishing institutional mechanisms, strengthening capacities and expanding services to facilitate inflow of investment.

Finance & Economy

Policy guidelines for boosting cooperation among the Member States in the field of finance and economy were formulated in the 1st Ministerial Meeting of Finance and

Economy held in Islamabad on January 29-30, 2004. The holding of 2nd Ministerial Meeting on Finance and Economy preceded by the 1st meeting of High Level Experts Group (HLEG) on Finance and Economy (Antalya, April 2007) and the 1st meeting of the Heads of Central Banks (Karachi, April 23-24, 2007) were helpful in boosting cooperation among the Member States according to the policy guidelines set forth by the Ministers of Finance and Economy. The 3rd Ministerial Meeting on Finance and Economy, 2nd HLEG and the 2nd Meeting of the Heads of Central Banks of ECO Member States are scheduled to be held in Iran in 2008.

As recommended by the 2nd Ministerial Meeting on Finance and Economy and the 1st meeting of the Heads of Central Banks, an EGM on Corruption and Money Laundering was held in Ankara, Turkey on May 13-14, 2008. The EGM decided to initiate preparation of the draft framework for ECO Agreement on Prevention of Corruption and Money Laundering. A Workshop on Inflation Targeting was organized by the Central Bank of Turkey for the ECO Member States on May 9-10, 2008 in Izmir, Turkey. The ECO Central Banks Network (ECBN) has also been created for strengthening cooperation among financial institutions in diversified fields.

Trade Facilitation

Cooperation in the field of customs has been continued since 1994 which has been re-institutionalized in the form of Council of Heads of Customs Administration (CHCA) since 2000. So far six meetings of the Council have been held in 2001, 2002, 2004, 2005, 2006, and in 2007. In all these meetings, major steps have been taken towards the strengthening of customs cooperation among the Member States of ECO. The 4th CHCA meeting (Baku, May 2005) decided to establish a Sub Committee of Experts (SCOE) to consider/prioritize and act on the recommendations of the UNDP Consultant Report on harmonization and simplification of customs organizations and procedures of the ECO Member States. The SCOE held its 1st meeting in Istanbul, Turkey in July 2006, during the 5th CHCA meeting, and prioritized the special needs of the Member States. The Council decided that the SCOE shall be convened on permanent basis in order to give expert advice to the CHCA on different customs issues. The 2nd meeting of the Committee (Baku, September 26-27, 2007) finalized/initialed the Draft ECO Agreement on Mutual Administrative Assistance in Customs Matters. So far, only the Republic of Turkey has conveyed to have completed its procedures and its readiness to sign the Agreement. The remaining Member States have been requested to complete necessary procedures so that the Agreement is signed during the 7th CHCA to be held in Pakistan in 2008.

The 3rd meeting of the SCOE is to be held prior to the 7th CHCA, for the Consideration / prioritization of the recommendations of UNDP consultant on Transit Trade, Preparation of guidelines for import, export and transit procedures, Developing a uniform Customs Valuation Form harmonization of customs organizations and Improving the administrative capacity of Members Customs Administrations

The Agreement on Establishment and Operation of ECO Smuggling and Customs Offences Data Bank, approved by the 3rd Ministerial Meeting on Commerce and Foreign Trade has been signed, so far, by six member countries (Afghanistan, Azerbaijan, Iran, Pakistan, Tajikistan and Turkey). The Agreement will come into force after its ratification by four Member States.

Private Sector Cooperation

The ECO Business Forum has been institutionalized as a mechanism for improving relations between the private sectors so that it can contribute to the enhancement of trade and economic activities among the Member States. Under the 2nd Phase of ECO Project on Expansion of Intra-regional Trade, the 2nd ECO Business Forum and Buyers/Sellers Meeting on Construction Materials were held at Istanbul, Turkey on October 24-25, 2007. The Forum formulated recommendations concerning early implementation of ECO initiatives, particularly ECOTA, Agreement on Simplification of Visa Procedures for the Businessmen of ECO Member States, Mutual Administrative Assistance in Customs Matters and Transit Transport Framework Agreement. It also recommended establishment of a permanent Secretariat for ECO Chamber of Commerce and Industry, cooperation between the banking sectors and conducting studies on major sectors including the Construction Materials.

The 3rd ECO Business Forum and the second component of the Project i.e. Buyers/Sellers Meeting on Auto Industry were held in Karachi, Pakistan on the sidelines of the 2nd ECO Trade Fair from July 23-26, 2008. The business leaders acknowledged that the Forum provided an excellent opportunity for greater interaction and understanding. The Forum highlighted the regional potential in the areas of trade, transportation and energy. The Forum underlined the need to identify sectors for investment and encouraging joint venture partnerships. It recommended creating awareness on the importance of Branding/Trade Marks for promotion and marketing of products of the ECO countries. The Forum recommended the ECO Secretariat to plan for holding ECO Auto Parts Show in Iran, Pakistan and Turkey during 2009.

Trade Fairs and Exhibitions provide an excellent opportunity for projection of the trade, industrial and investment potential. The private sector can benefit greatly if supported in effective participation in such events. Realizing the importance of this promotional activity, the Secretariat proposed to organize the activity during 2007. The Islamic Republic of Pakistan offered to host the event during November 2007 but it was postponed as the Member States requested adequate time for preparations.

The 2nd ECO Trade Fair was organized at the Karachi Expo Center from July 23-26, 2008. Though participated by three countries i.e. Iran, Kazakhstan and Pakistan, it still turned out to be the biggest event ever organized by the ECO. The Trade Development Authority of Pakistan made elaborate arrangements with excellent display facilities for the participants without any charge. The impressive ECO event, given extensive coverage by print and electronic media proved extremely successful in creating awareness about the ECO as an emerging regional grouping.

Within the framework of private sector promotion, there is an urgent need to follow the effective implementation and further updating/expanding the scope of the Agreement on Simplification of Visa Procedures for the Businessmen of the Member States to further facilitate the contact and communication among the citizens of the Member States.

The 1st Experts Group Meeting (EGM) was held in ECO Secretariat on September 4-5, 2006. Draft Additional Protocol and revised Action Plan prepared by the Islamic Republic of Iran and ECO Secretariat have already been circulated to Member States, for views and comments. The 2nd Meeting of the Experts Group and a Working Group Meeting comprising Permanent Representatives and senior officials of the relevant Ministries is scheduled to be held on August 18-19, 2008 in Tehran.

ECO Trade NET

Exchange of updated data/information relating to trade and investment among the ECO Member States has gained special significance and ECO has developed an interactive web portal (www.tradeeco.org), which will also give linkages to the websites of the investment and trade promotion agencies of the Member States.

The 3rd Seminar on Trade and Investment in ECO region, held in Karachi, Pakistan in 2005, further provided a forum for the exchange of trade related information among the Member States through strengthening Focal Points and website. ECO Secretariat has already provided necessary guidance/instructions and password to the Member States.

The re-activation of the operation of ECO Trade-Net Web Portal will be completed by September 2008. The first Orientation Seminar on ECO Trade-Net for the nominated focal points of the Member States is planned to be held in the ECO Secretariat in December, 2008.

Volume of Trade and Investment

The region maintained positive and healthy trends during 2006 when ECO's global trade touched US\$500 billion in nominal terms. The intra-regional trade remained in the vicinity of US\$30 billion.

Transport and Communications

Program of Action for ECO Decade of Transport & Communications

In transport, ECO is working to improve transit arrangements and transport infrastructure. Its main instrument to do this is the Transit Transport Framework Agreement (TTFA). IDB has pledged US\$400,000/- for its implementation. ECO set aside US\$50,000/- from ECO's own resources. ECO's ongoing activities in transport are focused on the railway around Van Lake in Turkey, Quetta-Taftan railway in Pakistan and upgradation of Sarakh Station in Iran. ECO is streamlining the operation of its Istanbul-Almaty train, including the extension to Afghanistan, Kyrgyzstan and Tajikistan. The organization is following up the decision of the 7th ECO Transport Ministers' meeting (Antalya, April 2008) to launch a demonstration train on Islamabad-Tehran-Istanbul route in 2009. The ECO Motor Vehicle Third Party Liability Insurance Scheme or the White Card is ready to be introduced shortly. It will enable vehicles to travel all across the ECO region with a single insurance policy.

The Program of Action for ECO Decade of Transport & Communication was adopted by the 2nd Ministerial Meeting on Transport and Communications. To date, many large scale projects have already been implemented by the member states under this important Programme. Examples include Gwadar Port in Pakistan, the first phase of Aktau Port in Kazakhstan, the Bafgh-Mashhad railway in Iran and the Kurgan-Kulyab railway in Tajikistan. There are, however, a number of projects that still need some time for completion. As decided by the 6th (Tehran, April 2006), and 7th (Antalya, April 2008) ECO Ministerial Meeting on Transport & Communications, a High Level Expert Group (HLEG) is being set up to evaluate the Programme and work out a new one. The 1st Meeting of the HLEG will be held shortly. Meanwhile, the 17th COM Meeting (Herat, 20 October 2007) extended the existing Program until the new program was finalized.

The Secretariat is currently collecting updated progress reports on the existing Programme from the member states. A study is also being initiated to prepare the grounds for formulation of the new Program of Action. The study is to be conducted with the involvement of the member states, national and international consultants and the representatives of financing/donor countries and institutions. A methodology is to be agreed on for preparation and prioritization of the projects to be incorporated in the new Program of Action.

Donor conferences are envisaged to prepare the grounds for participation of potential financing institutions and donors in implementation of the projects to be anticipated in the new Programme of Action.

Implementation of the Transit Transport Framework Agreement (TTFA)

ECO's main vehicle for cooperation in the field of transport is the Transit Transport Framework Agreement (TTFA). So far, all ECO Member States, except Uzbekistan, have signed the Agreement, and the Parliaments of all the member states except Turkmenistan and Uzbekistan have ratified it. The TTFA entered into force since 19th May, 2006.

Since the enforcement of the TTFA, efforts have been intensified to put together all the elements required for effective implementation of the Programme. Substantial steps have been taken within the last two years to institutionalize implementation of the TTFA at the regional and national levels. A Transit Transport Coordination Council (TTCC) was set up to coordinate and monitor implementation of the TTFA. The TTCC is assisted by five technical committees on Legal, Insurance, Road, Railway and Transit Trade Matters.

Initial meetings of the TTCC and its auxiliary bodies were held with participation of the member states and the relevant international organizations. These meetings included the 1st, 2nd, and Extraordinary Meetings of the TTCC (respectively in Baku, September 2006, Baku September 2007, and Tehran July 2008), the 1st Meetings of the Railway Committee (Turkey, March 2007), the 1st Meeting of the Road Committee (Pakistan, September 2007), and the 1st and 2nd Meeting of the Insurance Committee (Tehran, May 2007 and July 2008). During these meetings, the provisions of the TTFA were discussed and best ways were agreed on how to ensure their implementation. The ECO Secretariat is following up those decisions in cooperation with the member states and relevant international organizations.

The 1st Meeting of the Transit Trade Committee and the 2nd Meetings of the Road and Railway Committees will be held in early December 2008 in ECO Secretariat in Tehran. The Islamic Republic of Iran will host the 3rd Meeting of the TTCC in December 2008 in Tehran.

As a way to enhance inter-sectoral coordination at the national level for implementation of the TTFA, National Inter-Ministerial Committees are being set up in the member states. As per decisions of the 2nd Meeting of the TTCC and the Terms of reference drafted by ECO Secretariat and United Nations Conference on Trade and Development (UNCTAD), the National Inter-ministerial Committees may be composed of representatives of the relevant ministries and institutions as well as the private sector.

In order to put the TTFA on a faster track, a TTFA Fund was established in 2007 to facilitate mobilizing funds from, *inter alia*, the ECO Feasibility Fund, international organizations, voluntary contribution of Member States, and the ECOTDB. Establishment of the Fund was approved by all the relevant decision making bodies of the ECO.

The ECO Council of Permanent Representatives (CPR) has approved transfer of US\$50,000 from the Feasibility Fund to the TTFA Fund. This figure will be increased to US\$150,000 as decided by the 2nd TTCC Meeting. The 17th COM (Kabul, October 2007) urged for voluntary contribution of the member states to the TTFA Fund. The 7th Ministerial Meeting on Transport and Communication (Antalya, April 2008) requested the member states to consider allocation of funds to the TTFA Fund in their national budget for the next year on voluntary basis. In addition, the Secretariat has approached the relevant international organizations for their contribution.

As another initiative to support implementation of the TTFA at its initial stages, a request for Technical Assistance (TA) was submitted to IDB. For this purpose, a detailed proposal was prepared by the Secretariat and adopted by the 2nd TTCC. Response from IDB was quite positive. They have included this US\$500,000 worth TA in their Work Programme for 2008 and the project documents would be signed between ECO and IDB shortly.

An outstanding progress in implementation of the TTFA was the enforcement of the ECO Motor Vehicle Third Party Liability Insurance Scheme (the ECO White Card). The Scheme satisfies Article 22 of the TTFA and its Annex V. The Scheme was prepared by the Insurance of the Islamic Republic of Iran and finalized by the 1st (May 2007) and 2nd (July 2008) Meeting of the Insurance Committee of the TTCC. It was approved by the Extraordinary Meeting of the TTCC (Tehran, July 2008).

The scheme was enforced after the approval of the Extra-ordinary Meeting of the TTCC. The Secretariat is following up the establishment of the White Card Office at the ECO Secretariat and organization of the 1st Meeting of the Council of Bureaux of the White Card.

ECO Trains on Almaty-Istanbul Route

Efforts are continued to increase the competitiveness of the ECO Container Train on Almaty-Istanbul route and extend it to China and Europe as a part of China-Middle East-Europe Corridor. After completion of the missing links around Van Lake and under Marmara straight in Turkey, it will be the most important un-interrupted railway between Asia and Europe.

The consolidated timetable of the container train, approved by the 9th meeting of the Heads of Railway Authorities (2007, Astana), has just been revised. It shortens the travel time to 10 days. A committee will be held shortly established to further reduce it to 9 days, finalize tariff issues (tariff tables and regulatory measures), and decide on route management mechanisms. This would set the ground for regular running of the container and passenger trains.

The ECO passenger train is running on the Istanbul-Tehran segment of the Almaty-Istanbul route regularly and on a weekly schedule. In the 2nd phase of the project, it will extend its trips to Central Asian countries.

The ECO has just initiated a US\$60,000 worth Feasibility Study on competitive run of the Almaty-Istanbul Container Train, utilizing consultants from the countries en-route the Train, as well as qualified international experts.

The Islamabad-Tehran-Istanbul Train

Another important development in regional transport cooperation was approval of the Islamabad-Tehran-Istanbul Railway by the 7th Meeting of the ECO Ministers for Transport and Communications (Antalya, April 2008) as a regional route. The Secretariat is planning to launch a demonstration run along the said route in 2009. Afghanistan may also connect to this route, as agreed by the ministers.

The technicalities of this issue would be discussed in a Trilateral Ministerial Meeting of the concerned member states to be preceded by a High Level Experts Group Meeting. The meeting will also be attended by the ECO Secretariat and representatives of the relevant regional/international donors/organizations.

Trade Facilitation and Multimodal Transport Project

The Second Phase of the above project was completed in June 2007, with the second regional workshop at the ECO Secretariat. On the last day of the workshop, an interagency meeting was held between the ECO, IDB, and UNCTAD to plan for the next phases of the project. The meeting agreed that the next phase of the project would include organizing ten national MMT workshops to scale up the findings of the TA.

The national workshops were to (i) familiarize key stakeholders in each ECO member state with the concepts and benefits of multimodal transport; (ii) analyze obstacles on MMT, and (iii) elaborate a set of concrete recommendations and outline investment proposals for development of MMT in each member state and the whole ECO region.

So far, national workshops have been held in Iran (July 2008), Afghanistan (August 2008), Kazakhstan (August 2008), and Azerbaijan (September 2008). Dates have been fixed for the workshops in the Kyrgyz Republic (20-21 October 2008), Pakistan (10-11 November 2008), Turkey (25-26 November) and Tajikistan (November 2008). The Secretariat has also proposed to organize national workshops in Uzbekistan and Turkmenistan in December 2008.

Maritime cooperation in the region

Cooperation in the field of Maritime transportation is also one of the most important priorities of the ECO in transport section. The main goal of its cooperation in this field is to provide port and transit facilities for seven ECO landlocked member countries at the ports of the three founding member states.

The 4th Meeting of the ECO Heads of Reference Marine Organizations (Tehran, 16-19 February, 2008) reviewed special needs of the landlocked member states, the status of the marine projects under the Program of Action for ECO Decade of Transport and Communications (1998-2007), implementation of marine-related articles of the TTFA, ways to promote accession to, and implementation of, international maritime conventions. A Task Force was also agreed to be established to study demands for sea transportation in the Caspian Sea.

As decided by the above-mentioned meeting, the coastal ECO member states (Iran, Pakistan and Turkey) will extend all available facilities to landlocked member states. This includes preferential treatment, reduced customs fees and formalities, improved rail, road, air and pipeline infrastructure as well as technical and financial assistance.

The ECO Logistic Provider Associations' Federation (ECOLPAF)

On the sidelines of the 3rd Meeting of the Heads of Reference Marine Organizations of the ECO Member States (Karachi, January 16-17, 2007), the private sectors from the Member States convened a Business Forum. It came up with a set of useful recommendations including the establishment of a federation of the national transport associations of the Member States. That proposal was endorsed by the 3rd HRMO Meeting, the 17th RPC Meeting, and the 2nd TTCC Meeting.

The ECO Secretariat followed up the issue and initiated contacts with the concerned authorities of the Member States and the relevant international organizations, including International Federation of Freight Forwarders Associations (FIATA).

On the sideline of the 4th HRMO Meeting in Tehran (16-19 February, 2008), the representatives of private sector of the member states came up with concrete steps to have the Federation operational within a given period. The name of the Federation was adopted as "the ECO Logistic Provider Associations' Federation (ECOLPAF).

So far, the Statute of the Federation has been drafted by the Turkish Freight Forwarders Association (designated as coordinating body for this purpose). The first meeting of the Federation will be held in Turkey in the near future. Host countries of the next three meetings of the Federation have also been specified during the 4th Meeting of the HRMO.

Postal cooperation

Further to decisions of the 4th Meeting of the ECO Postal Authorities (Baku, October 09-10, 2007), the following priority activities are being followed up in the field of postal cooperation:

Cooperation in privatization of postal services and cost accounting. A workshop will be hosted by Iran shortly for this purpose.

Establishing linkages between the postal financial services and e-shopping facilities of the member states. A specialized committee is to be set up in 6 November 2008 in Turkey to work out the technical and operational aspects of such linkages.

Scaling up the ECO Postal Website. Noting with satisfaction that the ECO Postal Website was visited by 39000 users, the postal authorities agreed to update the website both in terms of design and uploaded information.

Issuance of a common stamp on the occasion of the 10th ECO Summit (2008). The draft log of the common stamp has just been prepared and circulated to the Member States.

Agriculture, Industry and Tourism

Agriculture

In agriculture, the Regional Programme for Food Security (RPFS) is ECO's flagship project in agriculture. It addresses such issues as low yield of crops, post-harvest losses, inefficient use of water and the problem of salinity. We held a donors' conference in Antalya in May 2008 to raise funds for RPFS. ECO is following it up with a coordination meeting in Tehran in November 2008. The 4th ECO Ministerial Meeting on Agriculture held in Baku in September 2008 took important decisions, including setting up an ECO Regional Seed Association in Turkey and a Regional Water Management Centre in Pakistan. The

ECO Regional Centre for Risk Management of Natural Disasters has been operating in Mashhad since September 2007. ECO is establishing a Permanent Veterinary Commission to combat transboundary animal diseases. An MOU has been signed with Iranian authorities to make a biotechnology network, involving universities and agriculture research institutes of member states.

ECO countries, with abundant agricultural resources and different types of soil, climatic and environmental conditions suitable for a wide range of varieties of the agricultural products, have great potential for agricultural development and ensuring food security.

ECO's Regional Programme for Food Security (RPFS) represents the cutting edge of ECO Member States' efforts in the field of agriculture. The RPFS centers on a strategic framework for sustainable agricultural development and food. The revised RPFS comprises 10 Regional Components and one specific programme on Community Based Food Production in Afghanistan with the objective of complement national initiatives and strengthen regional economic integration with the total amount of budget of to US \$ 64.8 million.

Key elements of RPFS are as follows: (i) promotion of cross-country partnerships and regional exchange of information; (ii) strengthening of national production capacities through diversification and increase in productivity; (iii) facilitation of trade among member countries and the rest of the world, and (iv) creation of a common infrastructure for provision of inputs for agriculture.

The priority areas and project themes (pointed out during the 2nd Ministerial Meeting on Agriculture) fall in the following areas: Capacity Building; Plant production and protection; Food safety and protection; Livestock production and animal health, and WTO implications and Trade Negotiations.

The following regional projects have also been included in the work programme of IDB and were formulated jointly by member states, FAO and the ECO Secretariat under RPFS: Developing National Programme for Food Security/Secondary Schools, Phase 2 (Afghanistan); Development of Seed and Seeding (Azerbaijan); Capacity Building in Improving Cereal Productivity (Iran); Capacity Building in Improving Cereal Productivity (Kazakhstan); Enhancing Organic Farming (Kyrgyzstan); Water Allocation: Rational Use of Water in Agriculture (Pakistan); On Farm Water Management (Tajikistan); Enhancing Organic Farming (Turkey); Minimum tillage for sowing wheat (Turkmenistan), and Improvement of marketing and agro-processing facilities including marketing information systems (Uzbekistan).

In this regard, the Second Consultative Meeting on the Organization of the Donors Conference for the Projects under ECO-FAO RPFS was held in Ankara on January 28, 2008. The ECO/FAO Donor's Conference was held on 7-9 May 2008 in Antalya to raise funds for the ECO RPFS. The Conference noted of the support of ECO Member States and international donors for the ECO-RPFS. The follow-up bilateral discussions among ECO, FAO and Donors delivered the following concrete results:

1. The President of Turkish International Cooperation and Development Agency TIKA offered a contribution in kind to such areas as capacity building, organizing workshops and

coordinating technical assistance from Non-Governmental Organizations, private sector and Government of Turkey.

2. The Representatives of Turkish Office of the Japan International Cooperation Agency (JICA) invited governments of ECO countries to apply through local JICA offices for financial assistance to the RPFS.

3. The Representative of the World Bank stated of the possibility to provide financial support to the Program on requests from individual member countries.

4. The Representative of the Consultative Group on the International Agricultural Research (CIGAR) sought closer collaboration with ECO and FAO within the framework of ECO-RPFS.

5. Representative of Islamic Development Bank (IDB) reported progress in processing the TA's submitted to the Bank for financing. The Bank was about to finalize proposals for five out of ten project proposals, received for Turkey, Iran, Afghanistan, Pakistan and Kyrgyzstan.

The delegations of the ECO Secretariat and FAO visited ICARDA to review implementation of RPFS. It was decided to formulate concept notes for some components of RPFS, namely seed, genebank and IPM. ICARDA has announced further assistance for Seed Association.

The draft concept papers on the following components will be submitted to the 4th Ministerial Meeting on Agriculture: (a) Programme Component: development and maintenance of pastures; b) Coordinated Research on Wheat Improvement; (c) Participatory Management of Rangelands to improve Food Security and Sustain Natural Research Base in Central Asia; (d) Establishment of Genebank and Network for Coordinated Efforts among ECO Countries for Efficient Conservation and Sustainable Use of Plant Genetic; (e) Integrated Pest Management of Sunn Pest in West and Central Asia, and (f) Component 8: Strengthening Regional Seed Supply.

Under Technical Cooperation Program (TCP), the 3rd ECO-FAO Regional Workshop on Harmonization of Seed Regulations was held on July 14-16, 2008 in Istanbul. Three technical groups for devising draft schemes on plant variety release and protection, seed certification, and phytosanitary/quarantine measures have finalized the draft schemes to be submitted to the 4th ECO Ministerial Meeting on Agriculture.

The 3rd ECO-FAO Regional Workshop on Harmonization of Seed Regulations was held on July 17-18, 2008 in Istanbul. It agreed that the ECO Seed Association be established in Turkey, which announced about its ready financial and technical assistance for establishment of the ECO Seed Association. The Workshop decided that the 1st ECO Seed Conference and Trade Exhibition be held in Turkey in November 2009.

Major events organized during 2007-08 were as follows: (1) the ECO Regional Center for Risk Management of Natural Disaster (ECO-RCRM) was inaugurated on 4th September, 2007 at the National Center for Climatology of the Islamic Republic of Iran in Mashhad; (2) the MOU on Establishment of ECO-RCRM was signed by Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan and Turkmenistan; (3) the RPC requested the CPR to consider allocating US\$50,000.00 as seed money to support

activities and programmes of the Centre; (3) the First Regional Workshop for Harmonization of Seed Regulations was held in Islamabad (January 15-17, 2007) to review Variety Release and Plant Variety Protection (PVP) Systems and Phytosanitary/Quarantine Measures in ECO, explore opportunities to harmonize and design a work plan; (4) the 2nd Regional Workshop for Harmonization of Seed Regulations was held in Baku on 29-2 May-June 2007; (5) a Training Course for Trainers on Seed Marketing and Promotion was held in Istanbul on 24-29 June, 2007 to train 20 senior seed entrepreneurs from the public and private sector.

The 3rd ECO Ministerial Meeting on Agriculture (Tehran, March 2007) recommended: (i) pursuing works on effective and efficient water utilization, further studies and exchange of experiences among ECO member-states, and that (ii) the ECO Secretariat seek increased cooperation with such international organizations as FAO, ICARDA, IDB and IMMI on effective and efficient water utilization.

The Working Group approved by the 3rd Ministerial Meeting on Agriculture met in April 2007 and finalized the draft statute on ECO Veterinary Commission (ECO-VECO) for submission to the 17th COM Meeting in October 2007. On 6 August 2007, the Secretariat circulated a new proposal to member states for their views regarding a new draft statute on the establishment of the ECO-PVECO.

The 2nd Ministerial Meeting on Agriculture endorsed Iran's proposal to establish a Network for Agricultural Biotechnology, which goal is to assist national agricultural researchers in applying biotechnology to meet current needs in agricultural biotechnology. An amount of US\$50,000.00 was allocated from ECO FSF and an MOU prepared by ECO Secretariat in collaboration with the Agricultural Biotechnology Research Institute of Iran (ABRII) was signed. The estimated total value of the project is US\$1,400,000.00. A National Focal Point of Turkey is to prepare the draft Action Plan for development of bio-safety regulations in the ECO region. The National Focal Point of Pakistan is to send regional information related to Intellectual Property Rights on biotechnology to prepare a project proposal for harmonization of bio-safety regulations.

Industry and New Technologies

In Industry ECO is aimed at enhancing the share of industrial goods and services in trade, encouraging viable joint projects, helping create an investment friendly environment and facilitating the role of the private sector. The 3rd ECO Ministerial Meeting (Lahore, November 2006) marked a milestone. It agreed a Regional Strategy on Industrial Cooperation and a Plan of Action each for establishment of a Technology Transfer Centre, for SME Development and for Industrial Property Rights. The meeting settled long unresolved issues about the location and statute of ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM). The headquarters of RISCAM will be stationed in Tehran and Secretariats of Technical Management Boards in Turkey, Iran and Kazakhstan. The final draft statute and revised road map were to be approved by the Ministerial Meeting on Industry, which had been scheduled for holding in Kazakhstan.

On privatization, ECO is promoting a policy dialogue and exchange of expertise among member states. ECO is setting up a pool of consultants and a special website. An amount of US\$50,000/ was allocated to establish an ECO Nanotechnology Network with the help of Iran's Technology Cooperation Office and the Marmara Research Centre of Turkey.

Two High Level Experts Group (HLEG) Meetings on Privatization and three ECO Meetings of Heads of Privatization Administrations were held in Tehran, Islamabad and Antalya. The Meetings considered the Draft Action Plan for establishing ECO website on Privatization, which was prepared by the Working Group meeting held in December 2007 in Tehran. This will be submitted to the 3rd Heads Meeting of Privatization Administration for final approval.

The 1st ECO Permanent Committee meeting on Technology Transfer Center (TTC) was held on 30-31 October, 2007 in Tehran. The ECO FSF allocated US\$50,000.00 for establishing the TTC.

The 1st ECO Steering Committee Meeting on Entrepreneurship and SME Development was held on 14-15 January, 2008, in Tehran. It agreed on the following proposals on research projects for establishing (i) ECO SME Fair; (ii) ECO Digital Information Exchange Network (IDENE); (iii) conducting Training Workshop(s) on Best Practices by KOSGEB. The meeting also considered establishing industrial estates/clusters in industrially weak developed areas of member states. It was noted that Iran has already established industrial estates/complexes in the border cities and also an industrial estate in Tabriz for Turkish investors.

The 1st ECO Taskforce Meeting on establishing ECO Nanotechnology Network (ECO-NAN) held on 20-21 May 2008 elaborated the draft Work Plan for ECO-NAN, prepared by the Islamic Republic of Iran. The 136th CPR held on 10th June 2008 welcomed Iran's contribution of US\$100,000.00 for running the Network. The 137th CPR held on 15th July 2008 approved US\$50,000.00 from the ECO FSF for the Network. The Council emphasized that the amendments to the project proposed by Pakistan and Turkey should be incorporated. In the meantime, TUBITAK Marmara Research Centre of the Republic of Turkey would be a partner in the project.

Tourism

The 2nd HLEG Meeting on Tourism held on 11-12 June 2008 in Baku reviewed preparations of the ECO Tourism Guidebook. The meeting considered the Modality to Establish the ECO Fund for Promotion of Tourism in the region. It welcomed the offer of the Islamic Republic of Iran to allocate US\$50,000.00 to the proposed Fund.

Human Dimension Development in 2006

The Millennium Development Goals (MDGs) are a simplified framework for monitoring international commitments of countries. It provides a platform for all partners to build into a broad based campaign for financing the global development process. The fight against human poverty in all its dimensions, and the promotion of sustainable human development remains the overall priority for governments of ECO member states. Capacity building to strengthen national capacities, mainstream the MDGs into national decision making by setting the time frame of 2015 were one of the main reasons behind ECO member states' decision to create a new directorate in the Secretariat to follow up the MDG process. Currently, no country is on track to achieve all the MDGs by the set deadline i.e. 2015. Some member states are either lagging behind or moving away from the targets.

The progress in achieving the child mortality and maternal health targets is slow. Tuberculosis (TB) Control is rapid and most countries will achieve this goal soon. However, in some CIS countries TB prevalence and mortality continued to rise.

ECO has organized two High Level Expert Group Meetings on MDGs Implementation on 19-20 December 2006 and 11-12 February 2008 in Ankara and Islamabad, respectively.

The 2nd Meeting of the ECO High Level Experts Group (HLEG) on Human Resource Development (HRD) and MDGs was held in Islamabad on 11-12 February, 2008 with WHO, UNFPA, World Bank, SAARC Human Resource Development Centre (SHRDC), UNESCO and ADB participating in it. The meeting welcomed newly added MDG targets adopted by the 62nd UNGA and urged member states to speedily implement these. It recommended that (i) MDG goals 4 (Reduce Child Mortality); 5 (Improve Maternal Mortality), and 6 (Combat HIV/AIDS, Malaria and other diseases) be prioritized; (ii) cooperation among ECO countries be intensified on HRD related issues, policies and strategies; (iii) a Directory of ECO HRD Institutes be developed; (iv) a public-private partnership of all stake-holders to facilitate timely implementation of HRD policies and programs be in place. It was agreed that a mechanism for mutual recognition of educational and technical qualifications in the ECO countries be set up.

Health

During 2006 and 2007 a number of steps were undertaken to expand cooperation among member states: the 1st Meeting of HLEG on Health focusing on Avian Influenza was held on 12 – 13 March 2006 in Tehran.

Drug Regulatory Networking: The 1st ECO High Level Drug Authorities (HLDA) Meeting on “Drug Regulatory Networking” was held at the ECO Secretariat Tehran on 13-15 November 2007. The meeting with participation of the WTO aimed at exploring the possibility of establishing a Network of the Drug Regulatory Authorities of ECO Member States and identifying activities/programs for regional cooperation in the field of drug regulation. The status of drug/ pharmaceutical regulatory in the region and member states’ capacity were discussed.

South-South Cooperation

A four day Study Tour was jointly organized by ECO, UNFPA and Ministry of Health and Medical Education of Iran on 9-12 December 2007. Six member states participated in the event. It enabled an exchange of information and best practices among health authorities of ECO member states. The participants learned about achievements and experiences of Iran in Primary Health Care (PHC) System, Reproductive Health System including Family Health and Safe Motherhood Programs, Disease Management and Emergency Systems. The event included orientation sessions and field visits to primary health care clinics, fertility clinics, and factories. The Secretariat will continue with such practice.

Energy, Minerals and Environment

Energy

In the energy sector, ECO is focused on the promotion of power trade, power exchange and efficient use of renewable and alternative sources of energy. Feasibility study for interconnection of power systems of member states is being currently carried out. It has suffered delay due to non-availability of requisite data from some member states and completion of the study is scheduled for end February 2009. A standalone study on management of international energy trade is being prepared by ECO in cooperation with the World Bank. It would be the subject of a WB/ECO Workshop in Tehran during 2008. The 2nd ECO Energy Ministers' Meeting in Tajikistan in early 2009 will make a comprehensive review of cooperation in this field and generate necessary momentum.

The main objectives of the Plan of Action for Energy/Petroleum Cooperation are: (i) to promote energy cooperation in the region, (ii) develop ways and means to expand sustainable development, and (iii) encourage efficient use of indigenous energy resources for fuel and power generation. The Plan of Action will be discussed at the 2nd Ministerial Meeting on Energy/Petroleum in 2008. One of the priority projects of the above Plan of Action is the interconnection of power systems of member states. In September 2007, the Consultant for feasibility study on interconnection of power systems, NESPAK Company of Pakistan, prepared the Inception Report. The 17th COM held on 20 October 2007 in Heart requested the next CPR to finalize the Action Plan with a view to raise awareness of the prospects of regional power trade and ensure time-bound completion of the feasibility study. The Ministry of Water and Power of Pakistan, as a coordinating authority for the project, was requested to prepare, in cooperation with the Consultant and the ECO Secretariat, a draft Action Plan for implementation of the project.

The Secretariat contacted the World Bank to finalize a study entitled "South Asia: Policy Paper for Regional Energy Trade: Trading Arrangements and Risk Management in International Electricity Trade". It was commissioned for the ECO region, under the Bank's Energy Sector Management Assistance Program (ESMAP). The report on the study was circulated to member states in July 2007.

To facilitate regional power trade and interconnection towards enhanced energy security and sustainable development, the Secretariat has been taking steps in establishing the interregional Working Group on Power Trade and Interconnection led by ESCAP and ECO, with participation of ASEAN, SAARC and PIF. The 11th Consultative Meeting of Executive Heads of Sub-regional Organizations and ESCAP held in May 2007 in Almaty approved the Terms of Reference (TOR) of the above Working Group. According to the TOR, the aforementioned Sub-regional organizations will have to designate appropriate representatives to that Working Group.

Turkey hosted six International Practical Training Courses on Energy Efficiency and Conservation. These were attended by 57 engineers from the ECO Member States. The previous courses were conducted on 19-30 November 2007 in Ankara. These covered such fields as energy management, energy audit, economic analysis, energy efficiency on steam systems, electricity and lighting.

Minerals

The 17th RPC meeting appreciated the first issue of ECO Mineral Data Booklet (MDB) published by Turkey, Project Manager. In order to arrange publication of the revised version of the MDB, the member states were requested to review the data contained in the publication.

The meeting of ECO Heads of Geological Surveys was held in May 2007 in Tehran. Iran has offered its support in establishing the ECO Geosciences Database. Iran will also prepare a feasibility study and compile a Mineral Distribution Map (MDM) for the ECO region.

The design works have been undertaken by Iran for the above mentioned ECO Geosciences Database. The work drawings have been circulated to the member states with the request to submit the requisite data. Iran has since allocated US\$350, 000.00 for establishing the Geosciences Database. The 130th CPR meeting held on 12 December 2007 approved an amount of US\$50,000.00 to co-finance the project. The Geosciences Organization of Iran has offered to host a 28-day Training Course on 16 February 2008 in Tehran for experts involved in the preparation of ECO Geosciences Database.

Environment

On environment, ECO has a Plan of Action aimed at combating environmental degradation, promoting wider awareness of the seriousness of this problem and developing a credible legal framework. The Department for Energy, Minerals and Environment focuses on pursuing closer cooperation among member states on biodiversity, ecological tourism and watershed rehabilitation. In April 2006, a useful EGM on biodiversity was held in Islamabad. It adopted a Work Plan, which Kazakhstan agreed to be the coordinating country for implementation. The 4th ECO Ministerial Meeting on Environment is scheduled for November 2008 in Pakistan.

The 17th RPC Meeting took note of the creation of the ECO Institute of Environmental Science and Technology and the 120th CPR Meeting adopted a decision to establish a Panel to formulate Modality for the selection of the President of the Institute and review of nominations for the post. The concerned Iranian authorities have already nominated a candidate for the post of the President of the Institute.

To study the potential available in the region and develop Ecological Tourism, a Meeting of the Task Force was held in December 2007 in Tehran. It reviewed and adopted the recommendations of the Ecotourism Seminar held in Turkey in May 2007. The Meeting accepted Iran's proposal to hold a Meeting on Sustainable Nature-based Tourism. It also recognized the need for a Plan of Action to develop cooperation on Ecotourism in the ECO region.

Upon the recommendations of the 3rd Ministerial Meeting on Environment, Turkey hosted a Seminar on Watershed Rehabilitation in Malatya, in May 2007. It was attended by experts from 8 member states, including Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan and Turkmenistan. The participants shared their experience in the field of sustainable rural development through the exchange of views on the adoptable Watershed Management and Rehabilitation.

The Secretariat has started issuing the ECO Bulletin on Environment since 2006. The fifth issue was published in July 2007. Member states have been requested to submit articles for the Bulletin. The digital copies of the Bulletin are available on the ECO Web site. The Secretariat was suggested to prepare the combined issue to reflect the period from May to September 2007 to publish this in early 2008.

An Experts Group Meeting on Biodiversity held in April 2007 in Islamabad adopted the Work Plan and Calendar of Events for the Energy, Minerals and Environment Directorate for 2007-2015. The Meeting agreed that National Focal Points be designated to implement the Work Plan. Pakistan and Turkey have expressed their willingness to host the Seminar on Biodiversity during 2008-2015. The 126th CPR Meeting held on 28 August 2007 welcomed Kazakhstan's proposal to act as a Coordinator for the Work Plan on Biodiversity.

The 17th RPC Meeting suggested that the 5th Meeting should focus on the implementation of the Plan of Action and proposals relating to different aspects of Environment. These are viewed as essential part of preparations for the 4th ECO Ministerial Meeting on Environment scheduled for 2008 in Pakistan.

Part III. Major Developments in ECO Economies

Islamic Republic of Afghanistan

Real Economy

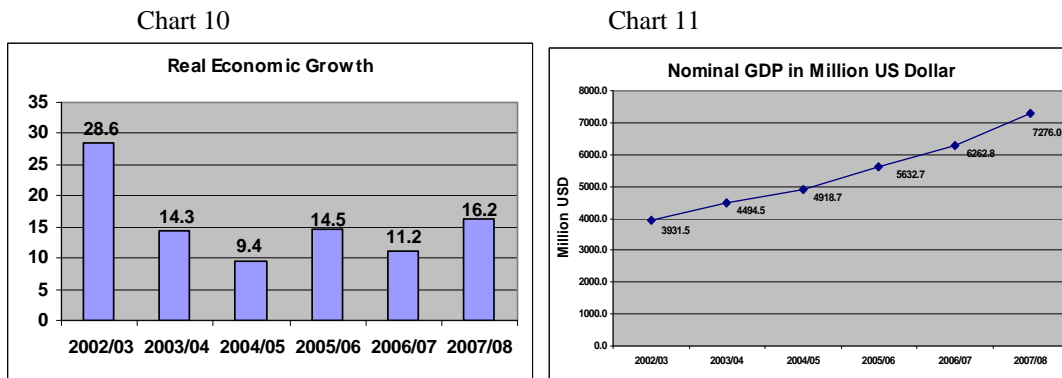
In the first quarter of 2008 Afghanistan's population reached 25.0 million, of which 23.5 million is settled population and 1.5million is nomadic. Over 70 percent is involved in the agricultural sector. In spite of the challenges that Afghanistan faces, it has, over the past seven years, succeeded in rehabilitating its road infrastructure, renovation of the existing schools, construction of new ones and improving health care units. By end 2007, of the country's total 2,210 thousand kilometers of bypass roads, 1,334 thousand kilometers were upgraded. Of the total 4,958 thousand kilometers of intra-province connecting roads, 2,061 kilometers were paved with asphalt. Also, 3,363 kilometer transit roads linking Afghanistan with neighboring countries were available for users. These were the result of 17 large scale road-building projects implemented in the country.

During 2001-07, 8,400 primary schools were built, 19 universities launched, 106 hospitals and 1033 health care units rehabilitated, providing health care services to over 82 percent of the country's population.

During 2006-07(SY1385,) in the telecommunications sector, over 4.5 million people accounting for nearly 20 percent of the country's population, were provided with telephonic lines. In mining, the Government granted Afghanistan's private sector the opportunities to develop local mining industry, including oil and gas sector, which avails of over 200 billion cubic meters of natural gas and nearly 13 million tons of crude oil. In addition, copper and iron mines have been opened for foreign investments.

During 2006/07, the private sector has become more dynamic with a total of 7,616 projects in construction, services and agriculture. During 2007-08, Afghanistan continued to

grow at an annual rate of 16.2 percent⁶ of real GDP, which was over 4 percent higher compared to the same period in 2006/07. Over the period 2002 / 2007-08, Afghanistan's average annual growth rate of real GDP averaged 15.7 percent, which is very reasonable for a transition economy recovering from the consequences of war (chart 10.)



Source: Country Report, IMF, WB, UNCTAD, EBRD, World Development Indicators

The agricultural sector accounted for nearly one third of the country's real GDP. During 2005-06(SY1384,) there were shortfalls of 6.0 percent in revenue collection compared to US\$8,341million as targeted. As a result, the revenue to GDP ratio declined from 7.6 percent in 2006-07 to 6.7 percent in 2007-08(SY1386,) significant factor behind non-delivery against the target was lower than expected revenue collection in the Herat province, which was a major source of customs tax. In 2007-08, the province generated around 55 percent of the target. Partly, the shortfalls may be attributed to extreme weather conditions that affected the economic activity. A temporary closure of the Afghan-Iranian border added to inefficiencies.

Price level

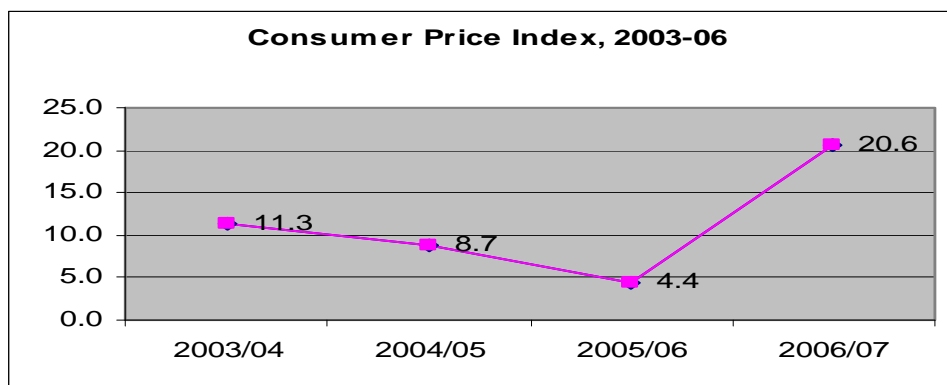
The annual inflation rate reached its lowest 4.4 percent in 2006-07 from 7.8 in 2004-05 and then sharply rose to 20.6 percent in 2007-08. The inflationary pressure attributed to rising food and energy prices (chart 12.)

In international markets, the prices for grain started to rise by mid February 2007. The rise in prices triggered the domestic demand for grain. At the same time there was shortage in supply due to unstable weather conditions in major grain exporter countries such as Canada and US.

The agriculture sector of Afghanistan is still suffering from low capacity and productivity. Insufficient irrigation system impacted the country's potential resources to meet the domestic demand in food.

⁶ The estimate of real GDP growth rate for 2007-08 has been adjusted at end 2008 to an estimated 12.5 and was later re-adjusted to 7.5 percent.

Chart 12



Source: Country Report, IMF, WB, UNSD, OPEC, SESRIC, UNESCO

Unemployment has been moderate in Afghanistan. Temporary unemployed work force prevailed until 2006-07. This was mainly due to the country's moderate speed of absorption of larger foreign capital inflows. The country faced a rapidly expanding supply of labor, handling of which was not easy. During 2006-07, over 5 million Afghan refugees, who had temporarily been domiciled in Iran and Pakistan, returned home. Afghanistan, having over 9.6 million hectares of land, of which 7.9 million is arable, provided employment in agriculture for its active work force capable of generating over 50 percent of the country's GDP. In chart 13, the figures in red reflect the percentage of total population in proportion to employed workforce over the period 2003-06.

External Sector

According to official data, export of goods and services stood at US\$416 million during 2006-07, imports at US\$2744 million. This figure does not include re-exported goods. The aggregate figure, officially recorded for total imports of goods and services for 2006-07 was US\$3,160 million, meaning that some of the recorded goods and services were re-exported.

Afghanistan's major regional partners in cross-border trade are Iran and Pakistan. Herat and Jalalabad are the two cities through which most of external trade takes place.

During 2007\08, exports alone stood at 13.2 percent of total trade turnover. Whereas these were 13.1 percent lower in 2006\07 compared to a total of exports and imports in 2007-08. During 2007\08 export of carpets alone accounted for 46.6 percent of the country's total export turnover.

Imports recorded a 10.3 percent increase in value during 2007-08 compared to US\$ 2,744 million in 2006-07. Such increase was due to a rise in imports of spare parts, which made 29.8 percent and also petroleum products.

Fiscal Policy

The Government undertook a number of measures focused on forming the basis for fiscal policy and budgeting to meet priorities within the resource constraints. The measures include such key macroeconomic indicators as annual rate for real GDP growth, inflation and national currency unit exchange. These intend to generate medium term fiscal targets

and indicators for revenues, expenditures, donor grants, trade balance and debt financing. The improvements of fiscal transparency and sustainability and prioritized monitoring the expenditures are in place.

The Government had plans to finance the operating budget entirely from domestic revenues in the near future. This will also help bring in more donor funding through official channels.

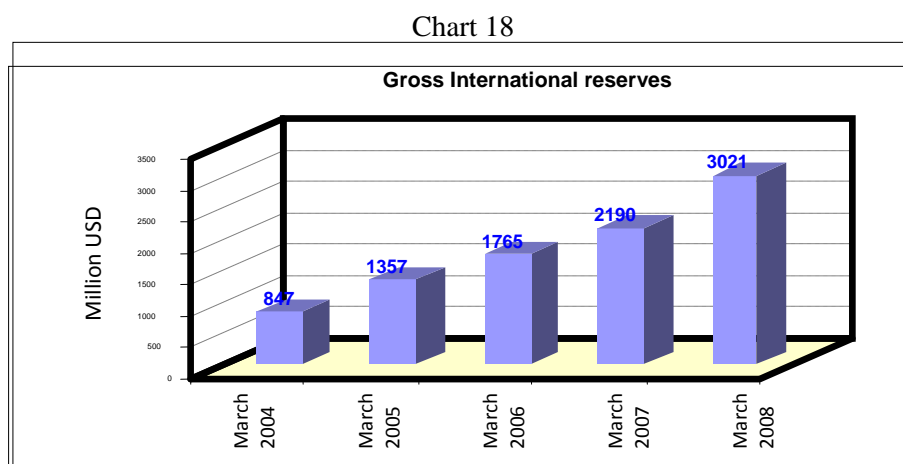
Afghanistan is set forth to cover its operating expenditures from domestic revenues by 2012. The future success depends on a number of factors such as the pace of the ongoing reform process, the need to provide fuel subsidies and the extent of improving educational background of people involved in reforms.

Monetary Policy

During 2006-07, Afghanistan's fiscal policy was focused on reducing expenditures and strengthening revenues. The government's prime objective was to cover operating expenses from domestic revenues. The ratio of domestic revenues to operating expenditures improved over the period 2002-03 and 2007-08 (chart 16.)

According to official data, during 2007-08, the primary operating balance stood at US\$9.8 billion, indicating an increase of US\$4.4 billion compared to 2006-07. Such balance was recorded at US\$13.7 billion, which stood at -6.5 percent of the country's nominal GDP.

In 2007-08, Afghanistan's monetary policy continued to focus on the measures to curb rising inflation while maintaining the nominal exchange rate stable. To contain inflation, the Government adopted a decision to lower the fiscal policy rate. By so doing, it ensured strengthening of the effective monetary policy. It also enabled the country's gross foreign reserves to increase to US\$3,021 million (chart 18.)



Source: Country Report, IMF, UNSD, OPEC, SESRIC, UNESCAP

Afghanistan's banking sector grew rapidly during 2006-07. It mainly focused on improvements of basic banking laws. Capacity of financial institutions to manage credit risk improved substantially. The Da Afghanistan Bank repealed the requirement for commercial banks to invest 80 percent of their deposits in the economy. The minimum capital requirement, applicable for new banks seeking licenses, was set at US\$10 million, while

incumbent banks will be given five years to comply. These measures helped install a tight monetary discipline in the economy.

Outlook

As mentioned above, in 2007/08, a real GDP growth rate was estimated at 16.2 percent, a per capita income in current prices reached US\$415. The country’s GDP at current prices grew to US\$10,170 million during 2007/08.

The real GDP growth forecast was revised downward to 7.5 percent on account of rainfall shortage during the germination period. The surge in food and fuel price inflation fueled by the imposition of export restrictions on wheat by key regional trade partners continued in the first two months of 2008. The CPI increased to 20 percent and is expected to further increase during 2008/09.

The Aynak Copper Project, which is the largest among Afghanistan’s large scale projects with foreign capital involvement, is fully operational. The Hajigak Iron Ore Project is currently under preparation. The Government is confident that these projects will contribute to future growth.

In 2007/08 the current account balance registered a surplus of 0.9 percent of real GDP compared to a deficit of 4.9 percent in 2006/07. Gross foreign reserves increased to US\$3.0 million in the first quarter of 2008/09.

Afghanistan’s domestic revenues witnessed high collection rates over the period 2003-2008. These are forecasted to stand at 7.5 percent of real GDP in 2009/10 and 9.2 percentage of total revenue collection ratio.

Republic of Azerbaijan

Real Economy

During 2006/07, Azerbaijan’s nominal GDP grew by 58.3 percent reaching US\$20.9 billion compared to the same period in 2005, where it was at US\$13.2 billion mark only (chart 19.) The nominal per capita GDP neared US\$2,508 and exceeded its size in 2005 by 33 percent. Oil and gas sector contributed to approximately one third of the country’s gross nominal GDP. Azerbaijan rates the world’s fastest growing economy.

Chart 19

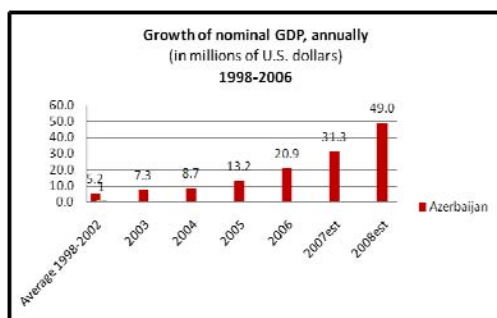
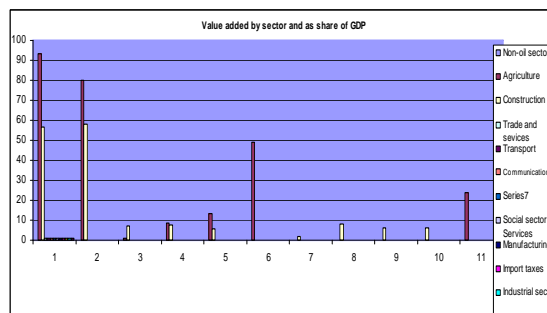


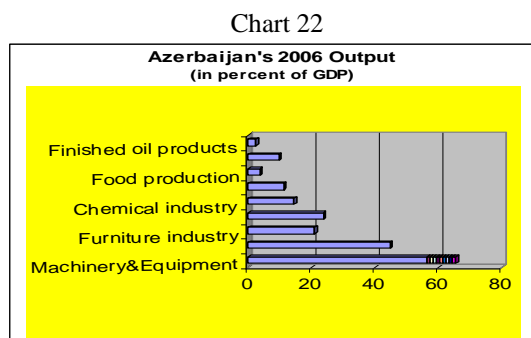
Chart 20



Source: Country Report, IMF, WB, UNSD, OPEC, SESRIC, UNESCAP, EBRD

Azerbaijan's real GDP grew at 34.5 percent by end 2006 and has slowed down to 23.4 percent by end 2007. From 1999 to 2005, the non-oil real GDP grew by more than 8 percent a year, led by construction and services sectors. During 2006, growth in the non-oil sectors exceeded that in the oil and gas sectors. Growth in the industrial sector contributed a total of 93.4 percent value-added. Likewise, the value-added in the transport sector increased by 49.0 percent. Postal and communications services grew by 24.0 percent. The value added generation by the non-oil sector reached 80.2 percent. This accounted for 58.2 percent of real GDP (chart 20.)

During 2006, individual consumer expenditures of households increased by 14.9 percent to US\$7.0 billion. Actual end consumer expenditures increased by 12.5 percent to US\$8.7 billion. Consumer expenditure of state administrative authorities increased by 4.7 percent to US\$1.6 billion, and those of non-commercial organizations increased by 1 percent to US\$79.4 billion. Gross accumulation of fixed capital rose by 14.8 percent to US\$6.2 billion, of which 54.2 percent increase was due to foreign investments. By end 2006, individual consumer expenditures of households increased by 14.9 percent to US\$7.0 billion, and actual end consumer expenditures increased by 12.5 percent to US\$ 8.7 billion

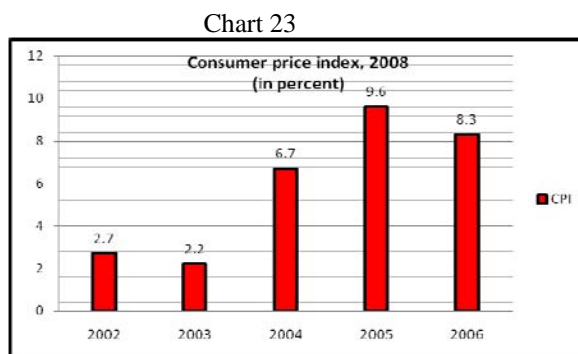


Source: Country Report, IMF, WB, UNSD, OPEC, SESRIC, UNESCAP, EBRD

The year of 2006 was successful for Azerbaijan's economy. The Baku-Tbilisi – Jeyhan oil export pipeline named after Heydar Aliyev was put into operation. This was designed to transport Azerbaijan's oil to the Jeyhan terminal in Turkey. The new module types of electric power station with the capacity of 87 MVt y/y each in Naxchivan, Astara, Xachmaz and Shaki, were launched. These led to larger employment generation across the country. The increase in Azerbaijan's total output by sectors of industry was remarkable during the reported period. Manufacture of machinery and equipment increased by 56.4 percent compared to 2005; mining by 44.7 percent; furniture by 20.9 percent; electronics and equipment by 23.7 percent; chemical industry by 14.3 percent; metallurgy and finished metal products by 11.2 percent, food production by 3.7 percent; cellulose paper and publishing by 9.7 percent, and production of oil products by 2.5 percent (chart 20.)

Price level

During 2006, an average annual CPI reached 8.3 percent (chart 21.) Several factors contributed to such an increase. Surge in petrodollars and measures undertaken by the National Bank of Azerbaijan (NBA) to sterilize capital inflow resulted in the excess supply of Manat (AZN), Azerbaijan's national currency unit. As a result, broad money supply jumped by 87 percent; reserve money by about 130 percent and base money by 145 percent.



Source: Country Report, IMF, WB, UNSD, OPEC, SESRIC, EBRD, UNESCAP

To mitigate the above effects, the government introduced various anti-inflationary measures, including price controls on certain agricultural products. These steps resulted in price distortions. The AZN appreciated by 5.4 percent by end 2006.

External Sector

A boom in Azerbaijan's oil production strengthened the country's external position in 2006. With an annual real GDP growth of 34.5 percent during this period, the current account surplus reached almost 16 percent of real GDP.

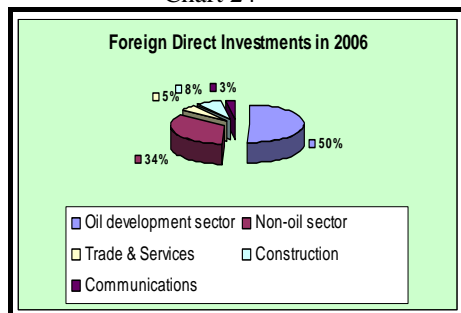
In 2006, Azerbaijan's trade turnover with ECO member countries equaled US\$1,974 million (17.0 percent of total trade turnover), including US\$977.2 million exports (15.3 percent) and US\$996.9 million imports (18.9 percent). In general, the trade turnover increased by 18.9 percent compared to 2005.

Over 95 percent of Azerbaijan's trade transactions accounted to its major regional trading partners: Turkey, Iran, Turkmenistan, Kazakhstan and Tajikistan. The trade volume of exported goods to these countries increased by 17.8 percent compared to the same period in 2005. Imports of goods from ECO member countries increased by 19.9 percent compared to 2005.

During 2006, gross foreign direct investments (FDI) to Azerbaijan's economy compared with the same period of 2005 increased by 3.3 percent to US\$5.1 billion. Nearly 75 percent of gross investments into the country came in the form of direct investments, of which 19.5 percent were loans. Direct investments, compared to the same period in 2005, decreased to 5.9 percent but the size of foreign loans went up to 40.8 percent.

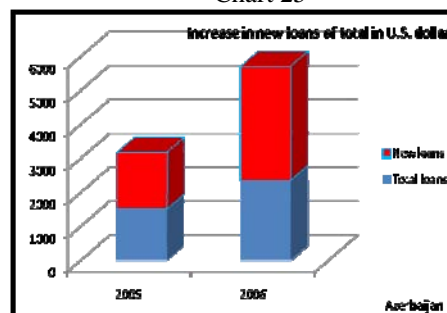
Almost 90.3 percent of direct investments went to oil development; 60.1 percent foreign investment to non-oil sector; 8.7 percent to trade and services; 13.5 percent to construction, and 5.2 percent to communications sector (chart 24.)

Chart 24



Source: Country Report, IMF, WB, UNSD, OPEC, SESRIC, EBRD, UNESCAP

Chart 25



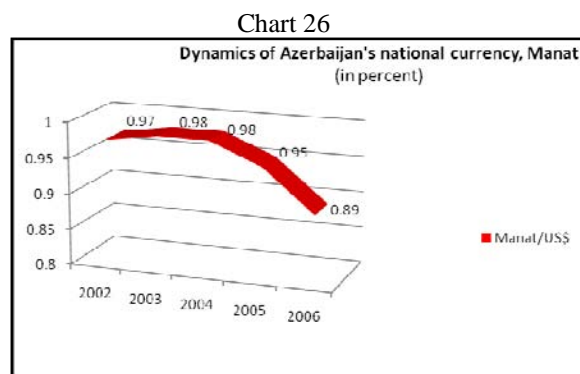
The size of new loans in the economy increased to 49.7 percent and made US\$3,768 million during 2006. The total volume of loans in the public and private sectors increased to 64 percent in 2006 compared to 2005 and made US\$2,654 million (chart 25.)

The size of short-term loans in non-oil sector increased by 25 percent and long-term ones by 2.3 percent of total, within 2005 and 2006. The share of long-term loans increased from 36.6 percent in 2005 to 51.7 percent in 2006. Loans provided by the banking sector increased to 97.3 percent. The share of the non-banking sector accounted for 2.7 percent during 2006-07. Foreign currency denominated loans increased by 32.8 percent; lending in the private sector by 85.8 percent and the share of loans increased to 90.8 percent of total compared to the same period in 2005.

Fiscal Policy

Azerbaijan's state budget recorded an increase of 88.8 percent by end 2006 compared to 2005. The budget was in surplus of US\$102 million, i.e. 5 percent of real GDP. The US\$825 million income or 19 percent of the total budget was received from the collection of the value added tax, US\$1,113 million (25.6 percent) from the profit tax, US\$423 million (9.8 percent) from the income tax, US\$209 million (4.8 percent) from the excise tax and US\$270 million (6.2 percent) from the taxes on foreign economic activity. In 2006, US\$382 million or 9 percent of budget expenditures went to social insurance and social security, and US\$536 million (12.6 percent) to education.

One of the Government's key objectives in 2006 was to curb inflation. The national authorities considered increasing interest rates. In early 2006, the Government shifted from the fixed exchange rate to the crawling peg against the U.S. dollar. It undertook large unsterilized purchases of foreign exchange (chart 26.) Such measure led to a 133 percent increase in the base money in 2006. Large inflationary pressures continued during 2007. In the same period, broad money and credit increased by 86 and 64 percent, respectively. Eventually, money supply increased to 15.5 percent. The official exchange rate of the AZN to the U.S. dollar was strengthened by 5.1 percent due to significant excess in the supply of foreign currency.



Source: Country Report, IMF, WB, EBRD, UNSD, UNECE, SESRIC

In response to rising credit and foreign exchange risks, the Government increased the minimum capital requirement. By mid 2007, substantial progress was achieved due to the streamlined fiscal and monetary policies. These improvements resulted in Azerbaijan's enhanced competitiveness in the region.

Outlook

Azerbaijan's outlook is exceptionally favorable. The nominal GDP is estimated to expand at a rate of 18.6 percent during 2008. The Government's spending will remain high because the country will have to materialize large infrastructure projects.

The annual inflation rate remained high at an estimated 16.6 percent in 2007. The projected rate for end 2008 is 19.6 percent. To reduce it, the Government is likely to increase the refinancing rate to 15 percent. On the other hand, growth in government spending will exacerbate inflationary pressures. The forecast for 2009 is the reduction of inflation by 2 percent. If the forecast proves true, the annual inflation rate will decline to 17.6 percent in the years to come.

The current account is expected to post surpluses of between US\$25 and US\$33 billion, annually during 2008-10. This will account for 38 percent of real GDP. During 2008, it is expected that 72.6 percent of real GDP will be produced in the non-oil sectors of the economy, such as industry, agriculture and construction, including 21 percent in services.

In 2008, the gross export revenue is expected to reach about US\$25 billion and imports US\$6 billion of total. Around 95 percent of total export revenue is expected to come from oil in 2008, compared to 60 percent in 1995.

Islamic Republic of Iran

Real Economy

Iran's real economy grew by 6.7 percent by end 2006, which marks 13.5 percent increase compared to the same period in 2005. During 2001-06, Iran's real GDP grew at an average growth rate of 6.0 percent, annually. It reached the highest 8.6 percent in 2002 (chart 27.) During 2007 the real economy grew at an annual 7.8 percent.

Chart 27

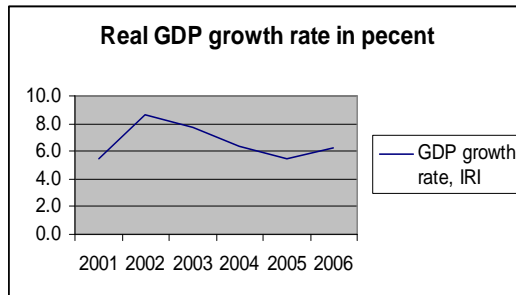
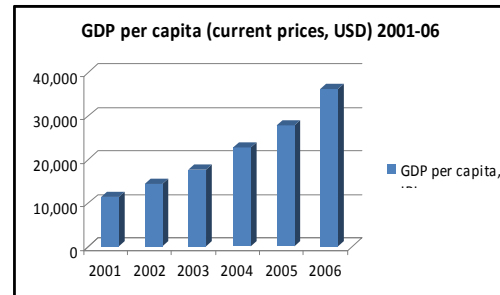


Chart 28



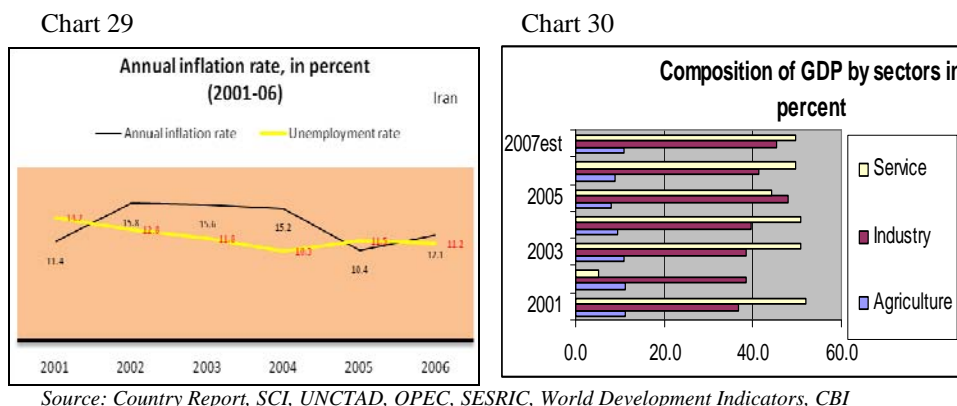
Source: Country Report, SCI, UNSD, OPEC, SESRIC, World Development Indicators

The real per capita income grew at an average 10.1 percent over the period 2000-06 (chart 28.) The size of nominal GDP has reached US\$254 billion by end 2006. The economy showed a steady performance during 2001-06. Non-oil exports were US\$10.5 billion, and imports amounted to US\$43 billion during 2006. Machinery manufacturing and construction sectors showed an annual 5.8 percent growth rate. The national income growth compared to a relatively constant increase in population resulted in the rise of a real per capita income by 21.0 percent, reaching US\$2,335 by end⁷ 2007. The Government's policies in the agriculture sector helped raise production of produce by 9.4 percent compared to 2005. Livestock grew at an annual 7.1 percent growth rate. Crude oil production amounted to 4.1mb/d., resulting in an increase of exports by 2.1 percent, which eventually reached 2.6 mb/d on average. An increase in oil revenues and its impact on imports of raw materials and intermediate goods led to the rise in value-added in manufacturing and mining sectors by 7.1 and 10.5 percent compared to 2005. The value-added and gross fixed capital formation in the construction sector grew by 4.4 and 4.7 percent compared to 2005. The private sector initiated construction of 176.200 new buildings of 62.9 million square meters floor space in urban areas. Moreover, 168.600 new buildings of 64.9 million square meters were developed. The number of housing units completed by the private sector grew by 52.4 percent to 479.200 in urban areas.

Price level

According to official data, the annual inflation rate increased from its 10.4 percent level at end-2004 to 11.5 percent in 2006 (chart 29.) This was because of the global spillover effects of a widespread higher inflation in the world economy. The increase has also been caused by higher oil revenues and improved domestic demand. During 2007 due to tightening of the monetary policy the rate declined to 9.1 percent by year end.

⁷ According to IMF report for 2007, the IRI's real GDP per capita reached \$4149.



In spite of the following factors, including a continued growth in liquidity ratio, a slight decline in housing rentals and money velocity, surge in imports of consumer goods and reduction of import tariffs for some agricultural produce, the core inflation rate was stabilized by end 2006. The wholesale and producer price indices decreased by 5.2 and 7.3 percentage points during the twelve-month period of 2006.

During 2001-06, a percentage change in the annual unemployment rate⁸ has averaged 3 percent towards the decline. It is only in 2006 that it has increased by 1.4 percent. This occurred due to some structural changes in the distribution of workforce within the economy in favor of the services sector, which resulted in an increase of the physical weight of this sector in real GDP from 43.8 to 49.7 percent. This entailed a shift in employment generation opportunities towards the services sector (chart 30.)

External Sector

During 2005, exports increased with surpluses of US\$5,754.0 in 2004; US\$16,160.0 according to estimates of the Central Bank of Iran. In 2006, non-oil exports increased by 24.1 percent and imports by 6.3 percent compared to 2005. During 2007, non-oil exports were 15.7 percent and imports 16.1 percent higher than in 2006. In the same period, a continued rise in world crude oil prices, facilitation in foreign trade and liberalization of foreign exchange transactions largely impacted the country’s balance of payments. The current accounts were in continuous surplus over the period 2001 up to present.

The implementation of the 4th Economic Development Plan, as well as the new Foreign Investment Laws in Islamic Republic of Iran resulted in, not only the sustainable economic growth; but also, considerable increase in FDI. During 2006 an estimated 150 percent growth in FDI (about US\$901 million) was registered during 2006 compared to the same period in 2005.

Table No 1. Foreign Direct Investments (US\$ million)

	2000	2001	2002	2003	2004	2005	2006
Foreign Direct Investments	29	58.4	102.8	389.6	282	360	901

Source: the Iranian Organization for Investment, Economic and Technical Assistance

⁸ The average annual unemployment rate was 11.6 percent for the period 2001-07.

Fiscal Policy

Iran's fiscal policy in 2006 focused on the economic stabilization from the effects of global imbalances in world financial markets. Luckily, these affected Iran's economy at minimum as the housing sector prices remained moderately stable and the volume of loans for mortgage that came from western banks was low. Gross foreign reserves, according to the Central Bank of Iran (CBI), surged by US\$13,574 million. Gross external debt declined by an estimated 52 percent in 2008⁹ from its level in 2001.

The dynamics of the Iranian national currency unit, Iran's Rial (IR), against the U.S. dollar was balanced. From IR9.042 against the USD at end 2005, it depreciated to IR9.226 at end 2006. Since 2002, the IR has been stable at 8.019 up to the year 2004, when it started depreciating anew mainly due to global financial imbalances (table 1.)

Table No 2. Dynamics of the Exchange Rate of the Iranian Rial in 2001-05

Observed period	2001	2002	2003	2004	2005	2006
Exchange rate of the Iranian Rial against USD	8.008	8.019	8.323	8.747	9.042	9.226

Source: IMF, WB, UNCTAD, OPEC, World Development Indicators, CBI, SCI

One of major concerns of the relevant authorities was an increase in money supply growth. During 2006, liquidity in broad money was at 39.4 percent, showing 14 percentage points increase compared to 2005. In the same period, according to the CBI, the share of Government's indebtedness to banks and non-bank credit institutions declined by 6.1 percent to US\$3.7 billion. Loans extended by public banks to the non-public sector increased by US\$22.6 billion. The non-public sector witnessed a 88.3 percent share of total loans provided by banks. The highest amount of non-public sector loans were in domestic trade, services, manufacturing, mining, construction, housing and agricultural sectors.

Outlook

During 2008-09, Iran's economy is expected to grow within a range of an annual average rate of 7-8 percent. Industrial output will account to nearly 45.5 percent of the country's total output. Agriculture will make up 11 percent and services 49.7 percent. The target for a year end inflation rate during the period 2010-11 is 6.8 percent, according to CBI. The total output of industrial production grew by 22.0, 23.4 and 26.8 percent in 2005-06, 2006-07 and 2007-08. During the period 2000-2007 it grew at an average 17.9 percent level. The forecast for 2009-10 is that the above sustainable rate of growth will likely be maintained.

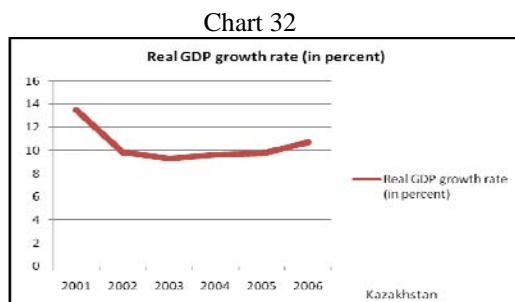
Republic of Kazakhstan

Real Economy

In 2006, Kazakhstan's real GDP grew at 10.7 percent. Its growth was stable over the period 2001-06, reflecting an average growth rate of 10 percent, annually. By end 2006, however, the tendency for the economy to slow down became conspicuous. Such

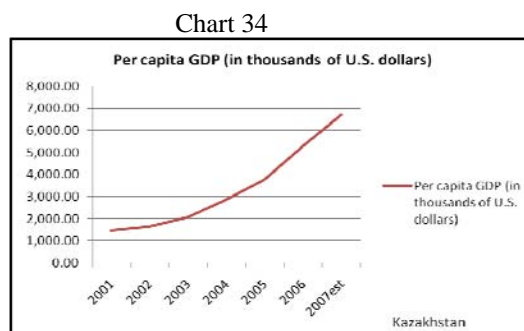
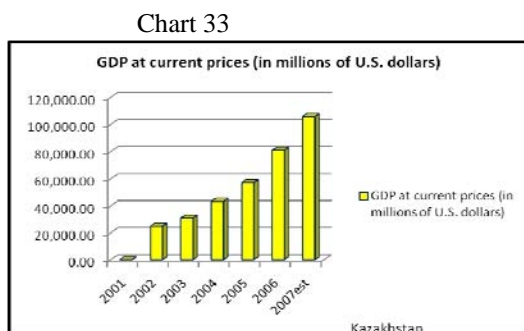
⁹ According to the Central Bank of Iran, external debt as the percent of real GDP at end-2008 was 4.7.

expectations were linked to the global economic downturn. By end 2007, the real per capita GDP reached US\$6,700. This indicator 1.3 times exceeded its 2006 mark (chart 32.)



Source: Country Report, IMF, WB, UNSD, SESRIC, NBK

To neutralize the effects of potential economic challenges over the period 2008-2013, the national authorities took on a number of stabilizing measures, especially during 2006-07. Among these was the installation of the comprehensive risk monitoring system. The latter was designed to provide macroeconomic forecast of internal and external risk factors. In spite of the global financial imbalances, the country’s economy was stable in 2006 and showed economic performance worth US\$81.0 billion GDP at current prices (chart 33.) The Government developed a plan of economic stabilization. It set up the so called stabilization fund. During 2007, the authorities allocated US\$1.5 billion from the above stated fund and an additional US\$3 billion in 2008 for the purposes of stabilizing the economy.



Source: Country Report, IMF, UNSD, SESRIC, UNESCAP, UNESCAP, SIAP, NBK

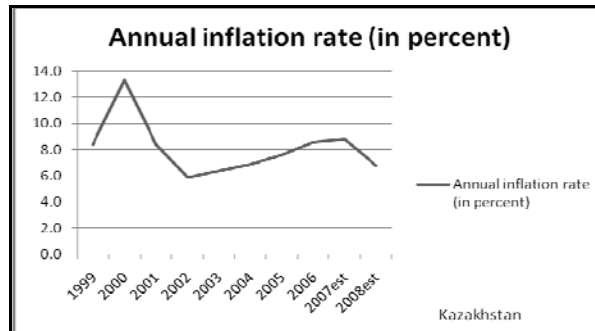
During the reported period 2006-07, individual benefits from the country’s robust economic performance were the outcomes of the Government’s sound policies which targeted social welfare and development goals. By 2030, Kazakhstan is set forth to be in the row of top 50 most competitive economies of the world. Bearing these goals in mind, the real per capita GDP was steadily increasing since 2001 at an average rate of 28 percent (chart 34.)

Price level

Unemployment gradually declined from its highest 10.4 percent in 2001 to 7.8 percent in 2006. Compared to 2005, annual unemployment was 3 percent lower in 2006. During 2007, it lowered down even further to 7.5 percent.

Inflation has been on the rise since 2002 when it was 5.9 percent low (chart 35.) High global food and energy prices drove inflation upward since 2005. Inflows of oil-related foreign-currency and export revenues added to inflationary pressures. A rise in public spending during 2006 contributed to a further rise of 8 percent in inflation by end 2007. The forecast for the annual inflation rate for 2008 is about 7.5 percent. In view of the Government's decisive policy steps to maintain the target of 6.4 percent for the forecasted period, the above forecast may turn out to be lower in real terms.

Chart 35



Source: Country Report, IMF, UNSD, OPEC, SESRIC

External Sector

During 2006, the external trade balance was in surplus of US\$14,573.4 billion. Over the last period 2001-06, Kazakhstan's exports largely exceeded imports. High oil prices and steady oil output volumes boosted export revenues while at the same time these widened the current account balance. Higher incomes as was indicated above pushed the domestic demand for imports of goods and services. To that effect, imports were steadily increasing in volume at an annual average 30 percent rate over the period 2002-06.

Large borrowings affected the country's economic performance and lowered the economic indicators in 2006-07 compared to 2002-05. According to the authorities, over 30 percent of the country's total external debt stock account for the liabilities, which originated from individual firms and need to be settled by these. The remaining part is non-performing loans that were borrowed for housing sector mortgages. Despite that the total external debt makes up nearly 90 percent of the nominal GDP, the volume of direct foreign investments into the economy is huge, reaching US\$10,566 billion in 2006. This figure reflected a 59 percent increase in FDI by end 2006 compared to only US\$6,618 billion in 2005. In view of the sufficient capital reserves, there is confidence that these will offset outstanding liabilities.

Chart 36

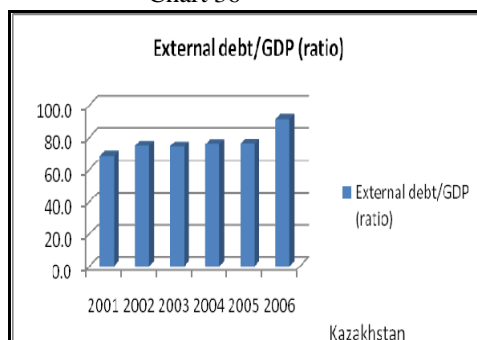
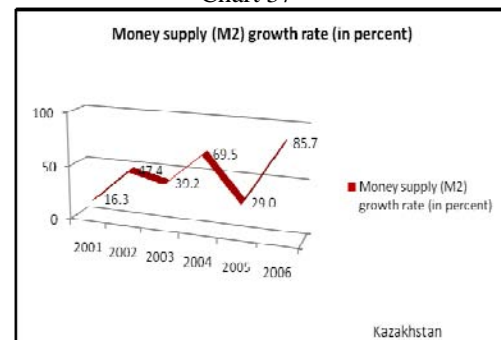


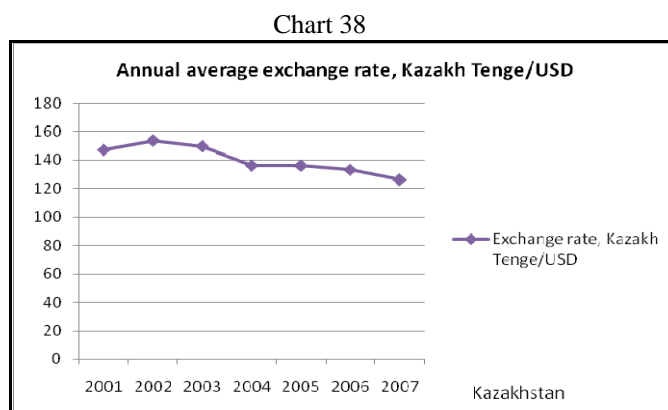
Chart 37



Source: Country Report, IMF, EBRD, UNSD, OPEC, SESRIC, UNESCAP, UNSECAP, NBK

Investments into the country's ongoing oil sector projects and subsequent spillover effects into non-oil sectors will support overall growth. Total domestic investments reached almost 27.5 percent of real GDP in 2006 (chart 36.)

Growth in money supply during 2006 was at its highest annual 85.7 percent rate within 2001-06 (chart 38.) A number of reasons accounted for such growth, including the impact of the mortgage crisis in western economies. Because of greater integration of the country's banking system with global financial markets, the non-hedged systemic risks have affected the country's emerging banking system. This resulted in a higher proportion of non-performing loans, which were mainly borrowed from foreign banks. In addition, a global rise in inflation and rising world prices exacerbated the situation, increasing money supply growth even further (chart 37.) The dynamics of the country's national currency unit Kazakh Tenge (KZT) was relatively stable over 2004-06, leaving it at about 135.92 average against the U.S. dollar. During 2007, the KZT appreciated to 125.96 (chart 38.)



Source: Country Report, IMF, WB, UNSD, UNESCAP, EBRD

Outlook

Kazakhstan's growth will slightly slow down during 2008 to about 7.5¹⁰ - 7.2 percent during 2008-12 from its 10.7 percent mark in 2006. Credit growth is expected to decline. In spite of a low 8.8 percent during 2007 and a forecasted 7.5 percent growth rate for 2008, inflation may reach an estimated 11 percent within the period 2008-2009. However, by 2013, the inflation rate is expected to decline to an annual 5.5 percent.

High oil prices and steady oil output volumes will further boost export revenue. Slower import inflows will surplus the current account in 2008. This will result from high income and larger imports of goods and services.

Budget deficit is forecasted to rise to 1.7 percent in 2007. It will decline to 0.6 percent throughout 2011. By 2012, it is expected to revert to a 2 percent budget surplus. This will occur owing to the Government's prudent budgetary policies, namely, sustaining investments and consumption high but government expenditures low.

By the end 2007, the total exports traded at an estimated US\$47.7 billion. Imports were US\$32.7 billion. To this effect, the country will face large hard currency inflows over

¹⁰ The indicator was adjusted in Q1-2008 from an estimated 7.5 to 5.3 percent.

2008-09. According to official data, a per capita real GDP is forecasted to reach US\$15,093.00 in 2009-2013.

Kyrgyz Republic

Real Economy

The real GDP of the Kyrgyz Republic grew at 3.1 percent by end 2006. See chart 39. During 1993–2006, the major source of real GDP growth has been productivity in labor, which increased from -0.8 percent of real GDP in 1997 to 1.1 percent during 1998-2005. One of the main contributing factors in the projected growth is foreseen in the increase in effectiveness and productivity of labor (chart 41.)

Chart 39

Kyrgyz Republic, real GDP growth (annual change in percent)

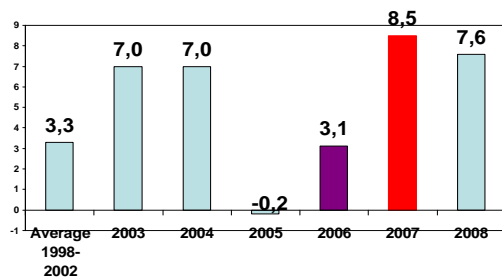
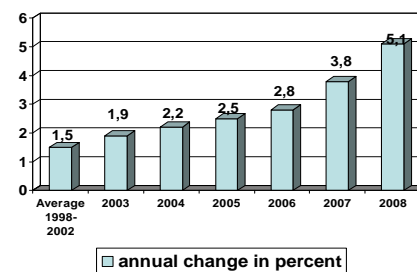


Chart 40

Nominal GDP, Kyrgyz Republic (in U.S. dollars)



Source: Country Report, NSC KR, SESRIC, WDI

Since 2002, the economy in nominal terms has been growing by about 5 percent a year. During that period strong performance was shown by such sectors of the economy as agriculture and gold mining. In recent years, there has been strong growth in construction and power, as well as in transportation, trading, and catering. The nominal GDP grew at 3.1 percent reaching US\$2.8 billion in 2006 compared to US\$2.5 billion in 2005 (chart 40.)

Chart 41

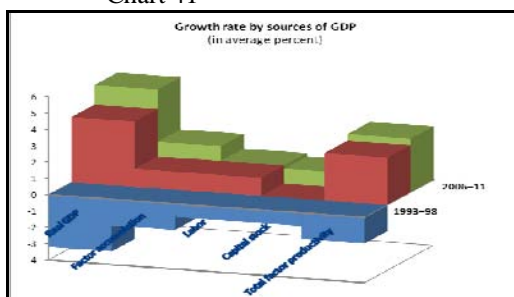
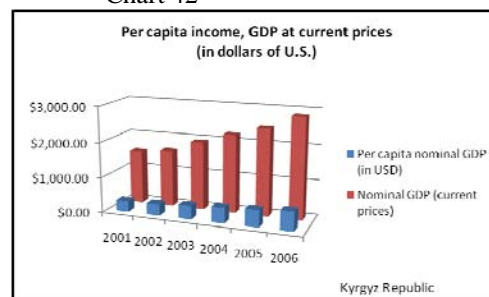


Chart 42



Source: Country Report, IMF, WB, WTO, UNCTAD, EBRD, World Development Indicators

According to IMF, during 2008–11, growth of the economy would be driven by the increase in productivity and effective utilization of available capacities. Fiscal consolidation and improvements in the business environment will facilitate the estimated growth. The capital stock would grow at an annual average of 3 percent. Labor productivity is also

expected to increase due to improvements in the quality of labor and greater labor market flexibility. Also, improvements in individual income of active workforce is expected to add to greater labor productivity. During 2001-06, the real per capita income grew at an average 0.9 percent reaching \$549 by end 2006 (chart 42.)

Price level

Inflation during 1989-1998 was on the rise. By end 1999, it peaked to almost 13.9 percent. It gradually moderated to an average 10 percent during 2001-06. At end 2006 it was 10.2 and in 2007 it increased to 11.5 percent. (chart 43.) Unemployment has been declining during the reported period. Its increase in 2006 was insignificant from 8.1 percent in 2005 to 8.3 percent. Over the period of 2002-06, the average annual unemployment rate was 9.5 percent (chart 44.)

Chart 43

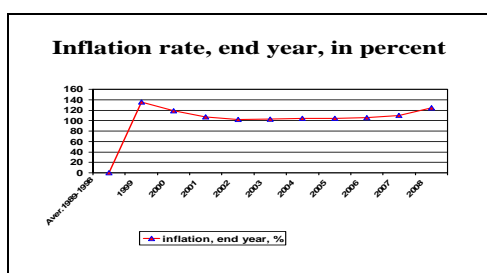
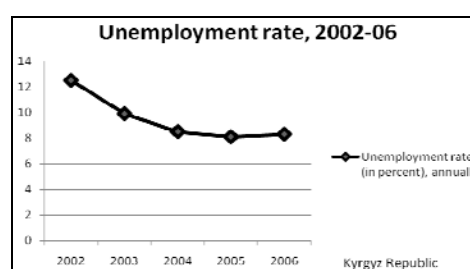


Chart 44



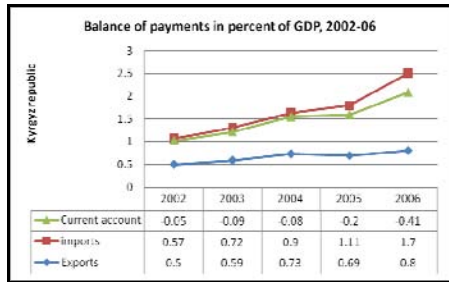
Source: Country Report, IMF, WB, WTO, UNCTAD, EBRD, World Development Indicators
National Statistics Committee of the KR

External Sector

By end 2006, the trade turnover made US\$ 2727.2 million in total. Imports were US\$1931.2 million compared to US\$ 796 million of exports. This was due to the decreased production of gold. Exports were supported by greater sales of agricultural products, re-exported oil products, and construction materials (see chart 45.)

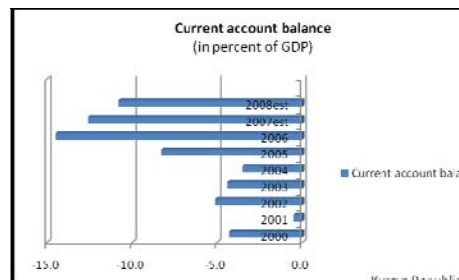
The increase in the current account deficit during the reported period was mainly due to the widening trade gap. See chart 46. Such increase was from 8,3 percent of GDP in 2005 to an estimated 14,5 percent in 2006. The current account deficit was financed by a rise in net foreign direct investment. In part, it was also due to inflowing foreign loans. Such inflows have increased gross official reserves. Foreign direct investments expanded in 2006 and were estimated at the highest of US\$335.6 million by end of 2006, which is about 59 percent higher than in 2005. These were directed mainly into finance, telecommunications, and food-processing. According to the country report, the largest capital inflows came from Kazakhstan 30 percent, UK 19 percent, Canada 7 percent, and Turkey 6 percent.

Chart 45



Source: IMF, WB, WTO, UNCTAD, EBRD, WDI, www.stat.kg

Chart 46



Imports of investment goods increased as a result of value-added tax exemption of basic capital assets. Other factors that contributed to the deficit were rising energy prices and strong domestic demand.

Fiscal Policy

During 2006, the government has succeeded in implementing prudent fiscal policies. According to Ministry of Finance of the Kyrgyz Republic, the budget deficit target of 0.2 percent of GDP has been achieved, which compared to 2005 marked a decline by 4 percentage points. The volume of total revenues as the percent of real GDP had been increasing by 1.5 percent in 2005 and 2006 and 2.5 percent in 2007.

Monetary growth expanded to 50 percent of total during 2006. This came from a rise in net foreign assets. The sound performance of the private sector led to higher velocity of money. In 2006, the volume of loans into the private sector expanded to 48 percent of real GDP (chart 47.)

Chart 47

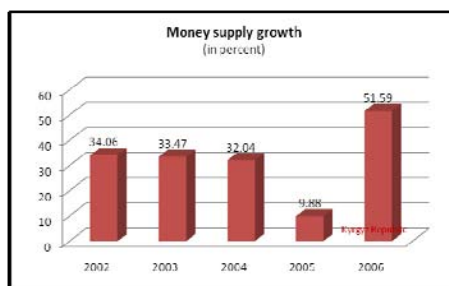
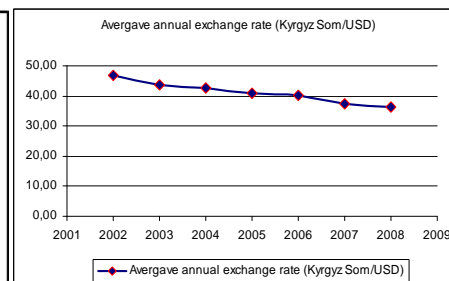


Chart 48



Source: Country Report, StatBulletin-2007, IMF, WB, IFC, EBRD, WDI

The increase in money supply was softened by continuing exchange rate appreciation of the Kyrgyz Som, a national currency unit against the US dollar. See chart 48. The government has contained inflationary pressures. Its efforts have resulted in the rise of gross international reserves by an estimated US\$205 million.

Banking sector reforms were ongoing: considerable improvements were made in the accounting system and bank supervision. To further strengthen the banking system, the minimum capital requirements for existing banks have been raised to about US\$1.5 million in 2006. New banks had to have minimum of US\$750 million to continue operations.

Outlook

The real GDP of the Kyrgyz economy grew at 8.5 percent in 2007 and is estimated to grow at around 7.6 percent in 2008. The rebound in the country's gold output, launch of new mines, and sustained increase in non-gold industry and services will support the estimated growth.

During 2009, effective measures will be undertaken by the Government to curb inflation down to 8 percent. According to National Statistics Committee of the Kyrgyz Republic, further remittances, as well as the increase in prices for gas imports may exert additional price pressures.

Islamic Republic of Pakistan

Real Economy

Strong dynamics in all sectors of Pakistan's economy during 2006 and 2007 was supported by an annual 6.6 percent¹ and 6.8 percent growth of real GDP, which tripled in its size compared to 1998-99. The real GDP per capita income doubled from its level of US\$438 in 1998-99 to US\$831 in 2006-07. Growth in value added contributed by agriculture alone increased by 57 percentage points during 2006 compared to the same period back in 2005. Industry accounted for 1.54 percent of real economic growth. Major contribution was made by the services sector. Commodity sector grew by 7.1 percent (chart 49.)

Chart 49

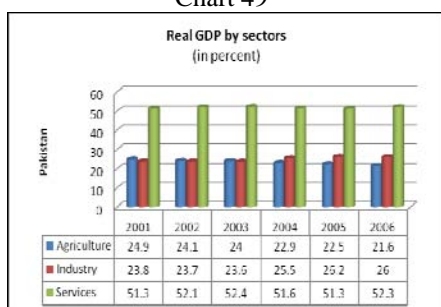
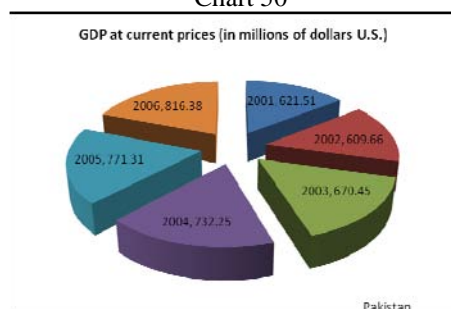


Chart 50



Source: Country Report, IMF, UNSD, FBSP, UNCTAD, World Development Indicators

Essential contribution to value added in the services sector was provided by transport; communications (5.9 percent); wholesale and retail trade (7.7 percent); finance and insurance (15.0 percent); ownership of dwellings (4.0 percent) and social community and personal services (5.0 percent). The services sector grew to 53.9 percent of GDP. Pakistan's GDP at current prices was US\$816.3 billion by end 2006 (chart 50.) Key achievements of Pakistan were its average growth of 7.3 percent over period 2004-2007 supported by a fair degree of macroeconomic stability. Investor confidence was restored - capital inflows averaged around US\$4.0 billion annually within 2004-07. The country's foreign exchange reserves levels reached US\$16.4 billion by October 2007 – a record high.

Investment to GDP ratio recorded 22.9 percent level in 2007 and savings to GDP ratio 17.8 percent in 2007. Notwithstanding the mid 2006 shocks of the global financial crisis, which continued throughout 2007, the economy showed remarkable resilience as Pakistan continued to finance its import, debt and other payment obligations. During 2007, the government developed a macroeconomic stabilization package of which the implementation is well underway. Macroeconomic stabilization was structured to ensure that effective fiscal tightening is consistent with monetary policy. On fiscal side, most subsidies were phased out, while tax administration reforms focused on strengthening the revenues.

Price level

Over the period 2004-07, the world's inflation was on the rise. In Pakistan, due to growth in exports, among other factors, inflation was on the rise by mid-year period but had a tendency to moderate towards a year end. The economy observed lower inflationary trends during 2001-06 compared to other economies of the region (chart 51.)

Chart 51

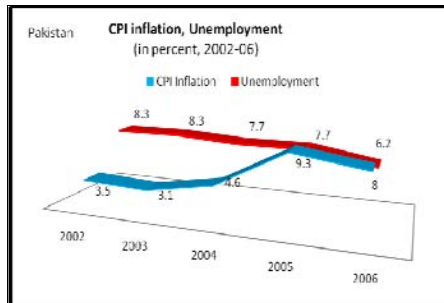
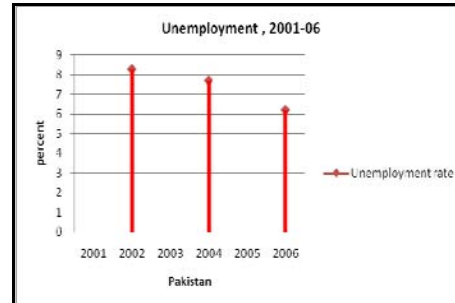


Chart 52



Source: Country Report, IMF, FBSP, UNFPA, UNSD, WDI, SBP

Sharp rise in inflation worldwide during 2004-06 and concurrent inflationary pressures triggered Pakistan's then stable inflation to rise to 7.8 percent at end 2007. Unemployment in Pakistan was continually declining since 2003. The Government's effective macroeconomic policies contained unemployment at its lowest level in the region. Strong employment generation, particularly, in the services sector and textile industry facilitated a decline in unemployment. Increases in socially-oriented spending and high workers' remittances resulted in the rise in job satisfaction. As the outcome of these measures, unemployment declined from 7.7 percent in 2004 to 6.2 percent in 2006 (chart 52.)

External Sector

Pakistan's trade was remarkable over 2005-06. This was possible due to sound macroeconomic policies of the government. Pakistan's commitment to adding essential value to regional economic development facilitated the country's impressive export potential. The foreign exchange reserves reached US\$15.4 billion in 2007 compared to US\$13.1 billion in 2006. This figure far exceeded trade deficit of US\$9.895 million in 2006-07. Pakistan's exports grew to US\$17,205 million in 2006-07. Imports equaled US\$27.100 million. Although imports¹¹ exceeded exports in growth during 2006-07, these slightly slowed down relative to their sharp rise at an average annual growth rate of 29 percent during 2001-05.

The current account deficit reached US\$7.120 million, which accounted for 3.9 percent of real GDP during 2006-07. The decline in the current account balance was mainly due to a significant increase in imports (chart 53.)

¹¹ Exports decreased from 16.9 percent of GDP in 2005 to 14.3 in 2006, however, imports went up to 38.8 percent compared to 32.1 in 2005.

Chart 53

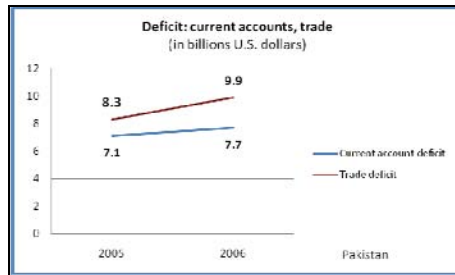
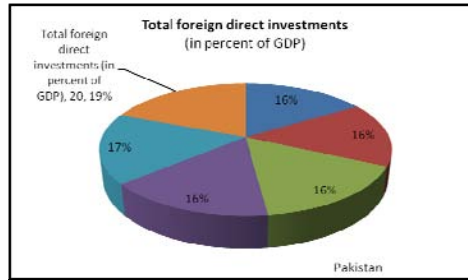


Chart 54



Source: Country Report, IMF, FBSP, UNCTAD, UNSD, SBP, SESRIC

Foreign private investment in Pakistan increased during 2006-07, by the end of which it reached US\$6.96 billion, including US\$5.14 billion FDI (chart 54.)

By end 2006, gross foreign private investment increased to 79.3 percent, which made US\$6.95 billion. Of this amount, FDI accounted for US\$5.14 billion. The 2005 gross private investment was only US\$3.87 billion, including FDI at US\$3.52 billion. The FDI went mainly to telecommunications US\$1,898 million, trade US\$172 million, energy US\$193.4 million and construction US\$157.1 million.

By end 2007, Pakistan's state budget was in deficit of US\$6.2 billion, which accounted for only 4.2 percent of real GDP, which was consistent with a 4 percent target. Tax revenues increased by 18.7 percent reaching US\$10.8 billion against US\$9.1 billion in 2005. Direct taxes of US\$50.0 billion recorded 48.8 percent growth. These essentially augmented the budget. Pakistan's debt position was in consistent improvement from 2001 to 2007.

The Government-led reforms were ongoing throughout 2003-06. Tight monetary policies followed in 2004-06 were further strengthened in 2007. To that effect, a policy discount rate was raised by 50 basis points to 9.5 percent; banks were required to maintain 7 percent cash reserves on demand liabilities compared to only 5 percent in the previous years; liquidity requirements were raised from 15 to 18 percent. Money supply was sustained at 15.1 and 19.3 percent in 2006 and 2007. Growth in consumer credit was at 43.5 percent and 17.0 percent growth in 2006 and 2007.

Outlook

Pakistan's economy is expected to grow at 5.8 and 5.5 percent in 2008 and 2009. National savings will finance 79 percent investments. The trade deficit, which was 3.7 in 2007 may widen further to about 17 percent in 2009 due to rise in domestic demand. Exports will grow to 13.2 percent (US\$19.2 billion) and 21.9 percent of real GDP in 2008 and 2009. Imports will further surge to 30.9 and 35.5 percent in 2008 and 2009 due to growing demand for consumer durables. The current account deficit is expected to widen sharply to 8.4 percent of real GDP but will recover to 6.8 in 2009. To offset the trade deficit, workers' remittances will continue their growth from 6.5 percent in 2008 to 17 percent in the first quarter of 2009.

The budget deficit will also widen from 4.3 to about 7.4 percent in 2008 and will contract to 4.3 in 2009, to further sustain at 2.1 percent of real GDP in 2010-12. Government consumption will increase in the first quarter of 2009. Private consumption will grow by 2.5 percent in 2008-09 from 4.1 percent in 2006-07.

Due to world inflationary pressures, Pakistan's annual inflation is expected to increase to over 10 percent in 2008 and 2009. However, it will gradually diminish toward 2012 due to continued tight monetary conditions. According to IMF, the core inflation is estimated to sharply increase in the first quarter of 2009 but will gradually decline to about 8.0 percent by year end.

Pakistan being the sixth most populous country of the world improved its population growth rate, which has declined to 1.7 percent in 2007 from 2.1 percent in 2000. Literacy

rate was estimated at 55 percent in 2007 showing a one percentage point increase over 2006. Enrollment rate witnessed an increase of 3 percentage points to reach 56 percent in 2007.

Republic of Tajikistan

Real Economy

Tajikistan's real GDP grew at an annual 7.0 percentⁱⁱ rate in 2006 and at 7.9 percent in 2007. The real GDP per capita income almost doubled, reaching US\$402 by end 2006 from US\$236 in 2003 (chart 56.) The country availed of active work force of nearly 60 percent of its total population of 7,063.8 in 2006. The GDP at current prices increased from US\$2,311 million in 2005 to US\$2,811 million in 2006.

Chart 56

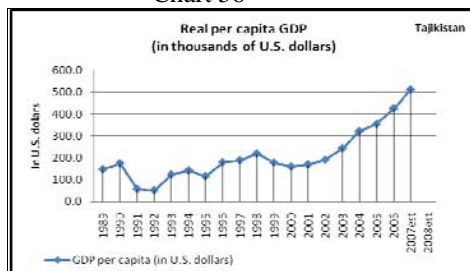
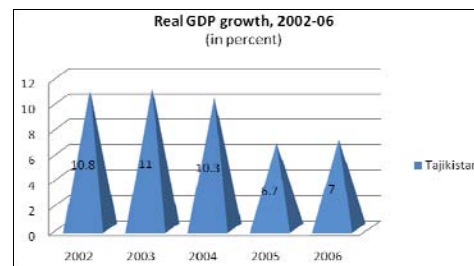


Chart 57



Source: Country Report, IMF, WB, UNSD, SESRIC, UNESCAP, EBRD

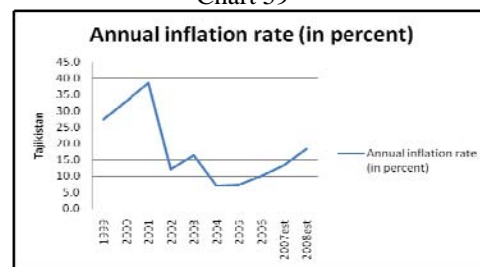
Tajikistan's industrial output increased by 4.9 percent in 2006 compared to 2005. Growth in agricultural production increased by 5.4 percent during 2006 compared to 11.3 percent in 2005. Growth in the construction sector accounted for 8 percent of the economy's total output in 2006. This sector supported a rising demand for services over 2006-07.

During 2001-06, Tajikistan's GDP at constant prices gradually increased at about 7 percent, annually (chart 58.) The volume of fixed assets increased 1.8 times compared to their size in 2005. The economy's capacity to absorb capital investments strengthened 1.7 times by end 2006. One of major contributions to the country's nominal GDP came from the transport sector. Such increase amounted to almost 11.2 percent of real GDP in 2006. During this period, a total of 47 million tons of cargo was transported. Nearly 394.3 million passengers benefited from transport services. Passenger load accounted for 15.0 million ton/km; commercial for 15.2 million ton/km; public transportation for 1.9 million ton/km of the country's total cargo turnover in 2006, which compared to 2005, increased by 10.4 percent. Over 13.9 million ton/km cargo were transported by rail in 2006, which showed the 15.1 percent increase compared to 2005. Automobiles transported 1.06 million tons cargo during 2006.

Chart 58



Chart 59

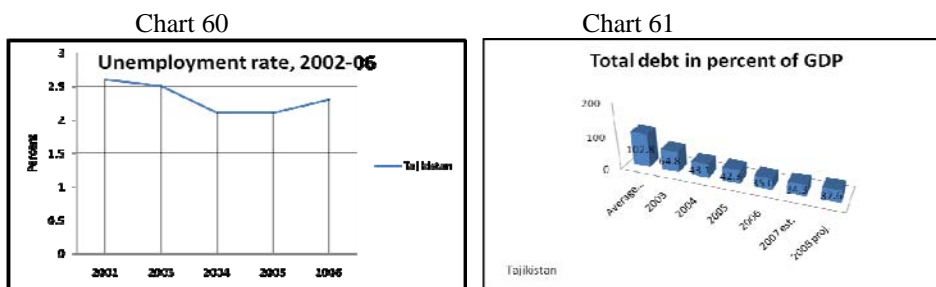


Source: Country Report, IMF, WB, UNSD, SESRIC, EBRD

In 2006, Tajikistan’s agricultural sector generated a total output of US\$1.112 million at current prices, including plant produce of US\$919.333 and livestock of US\$300.000. Gross output in agriculture increased by 5.4 percent in 2006 relative to 11.3 percent in 2005.

Price level

Inflation in Tajikistan was on the rise during 2006-07. The reasons behind such rise were increases in wages and higher producer prices. High global prices for food and energy exacerbated the situation. Boom in the construction sector and rising world energy prices put additional pressure on the country’s money supply. As seen from chart 59, an average annual inflation rate over the period 1999-2006 was 10 percent. During 2004-05, it started to stabilize. However, at end 2006, it rose to 11.2 percent from 10.7 percent at end 2005. Unemployment was low at 2.2 percent in 2006. Chart 60 shows the tendency of Tajikistan’s unemployment rate to gradually decline over 2002-06.

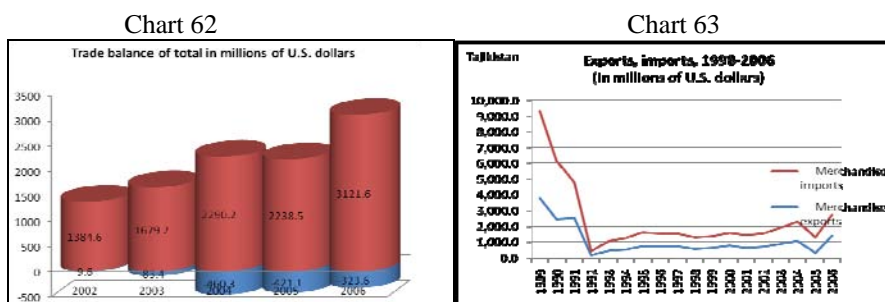


Source: Country Report, IMF, WB, UNSD, SESRIC, UNESCAP, EBRD

External Sector

The balance of payments in 2006-07 remained unchanged compared to 2005 (chart 62.) As it was noted above, increased supplies from higher oil, utility and food prices pushed inflation up during 2006-07. Higher remittances of Tajik workers abroad led to a higher domestic demand. The country’s external debt was gradually declining since 2002. According to IMF, it contracted by about 17 percent in 2006 compared to its stock in 2005. External debt declined from 35 percent to 34.3 percent of real GDP. According to IMF estimates, it will increase to 37.6 percent during 2008-09.

During 2006, Tajikistan’s national currency (Somon), TJS depreciated by 6.6 percent against the U.S. dollar. In the same period, the country’s trade turnover stood at US\$3,121.6 million, indicating an increase of 39.4 percent compared to 2005 (chart 62.) Exports grew by 54 percent to reach US\$1,399 million and imports of US\$1,725 million grew by 29.5 percent in 2006 compared to 2005 (chart 63.)



Source: Country Report, IMF, WB, UNSD, SESRIC, EBRD

Fiscal Policy

Over the period 2004-06, Tajikistan essentially improved its fiscal policy. By end 2006, the budget was in surplus of about 0.8 percent of real GDP due to improved tax collection. Due to the Government's policies, a fiscal deficit was turned from 4 percent of real GDP in 1998 into a surplus by end 2006. The state budget revenue reached 23.5 percent. This indicated a 7.2 percent increase compared to 2005. According to official data, during 2006, gross investments increased 1.8 times. FDI rose by 13 percent during 2004-06.

The Government maintained a balanced monetary policy during 2006. Such policy resulted in mobilizing prompt measures to resist inflationary pressures. Broad money contracted as a percentage of real GDP from 56.3 percent to 55.7 percentⁱⁱⁱ. During 2007, the Government kept the exchange rate floating. As a result the TJS stabilized at 3.4 against the US dollar. Money supply increased by 28.8 percent and reached 9.5 percent during 2006. A total of US\$1,285.7 million formed the country's capital stock by end 2006. This reflected a 43.5 increase in capital reserves by early 2007 compared to only US\$895.8 million in 2006.

Outlook

Tajikistan's economy is forecasted to expand at 7 percent of real GDP growth rate at current prices. According to IMF, a real GDP will reach US\$3,859 million in 2008. The real GDP per capita will make US\$551.0. Inflation is expected to near 10.7 percent by end 2008. Industrial output will account for 42.9 percent in 2008. Services for 45.8 percent and taxes for 11.3 percent of real GDP.

The current account deficit is set to be about 15 percent of the country's real GDP in 2008. The trade deficit is expected to near about US\$1,825 million by end 2008. Import growth will mainly support infrastructure improvements. Export growth will moderate to about 10 percent of total. The budget deficit of about 1 to 2 percent of real GDP is forecasted for end 2008. The external debt-to-GDP ratio will be about 52.4 percent of real GDP during 2008. Gross foreign direct investments are projected to reach about US\$80 million during 2008. Gross revenue collection from current accounts is estimated to reach US\$105 million in 2008.

Republic of Turkey

Real Economy

Turkey has shown a remarkable economic performance during 2006-07. The government has succeeded in maintaining prudent fiscal discipline, which resulted in a stable macroeconomic environment. Reduction in the annual inflation rate as well as government debt facilitated sustained economic growth and increased FDI inflows. Turkey's real GDP, which grew by 7.4 percent in 2005, recorded the growth rate of 6.1 percent by end 2006. The average annual growth rate over the period of 2001-2006 was 7.5 percent. See chart 64. During 2006, agricultural value added increased by 2.9 percent. Growth rate of the industrial value added was realized at 7.4 percent. Value added in the services sector increased by 6.1 percent. It was due to the expansion in the trade sector by 5.9 percent and import taxes by 9 percent. The construction sector grew by 19.4 percent in 2006. This sector was leading in the real GDP growth and showed the 21.5 percent growth during 2005. Gross GNP grew by 6 percent by end 2006.

Price level

During 2006, the CPI rose to 9.6 percent, reflecting the 1.9 percent increase compared to 2005 (see chart 67.) The producer price index rose by 11.5 percent. Several factors, such as high commodity, food and energy prices have added to the increase in the CPI. Also, huge capital inflows of US\$ 19.9 billion in 2006 of FDI and domestically generated proceeds from privatization have largely contributed to rising inflation. The annual inflation rate declined to 7.1 percent by October 2007, and 6.5 percent by year end. Employment generation remained moderate during 2006. As seen in chart 65, the annual unemployment rate has been nearing average 10 percent since 2002 and sustained at 9.2 percent by end 2007. During 2006 it decreased essentially by 0.4 percentage points, providing employment to 284 thousand people compared to 2005. During this period, employment generation in the industrial and services sectors increased by 2.9 and 5.0 percent. Employment generation was strong during the reported period of 2006-07. Its dynamics has been reflected in the transformation of Turkey's economy from agriculture to largely services and industry. For details, see chart 66.

Chart 64

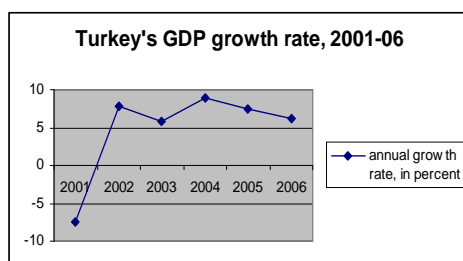


Chart 65

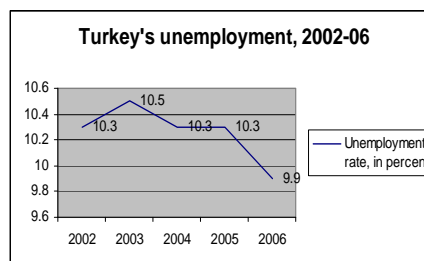


Chart 66

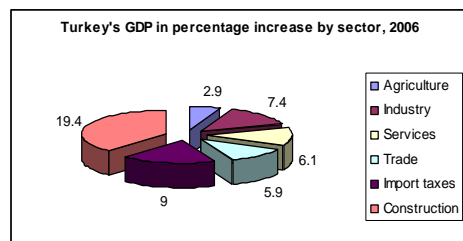
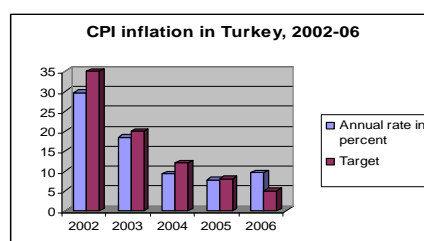


Chart 67



Sources: Country Report, TurkStat, IMF, SESRIC, EBRD

External Sector

Turkey's current account deficit accounted for 7.9 percent of Turkey's GDP in 2006 (chart 71.) The main sources of surplus were (i) increases of energy and commodity prices, and (ii) high growth of imports due to the rise in production and domestic demand. Appreciation of the Turkey's national currency unit, New Turkish Lira (YTL,) has added to widening of the current account balance. The resulting gap was financed by FDI mainly, that covered nearly 50 percent of the deficit.

In 2006, the total volume of exports reached US\$85.5 billion, with the increase of 16.4 percent compared to 2005. Total volume of imports in 2006, grew at the rate of 19.5 percent compared to 2005, and reached US\$139.6 billion. High imports were due to consumer expectations of the global increase in prices for energy and food. In addition, booming housing construction in traditional trading partner economies, notably, of the Middle East, Central Asia and the Commonwealth of Independent States (CIS) drove import

prices in construction materials and equipment high. Higher percentage of building workforce employed abroad pushed up the level of remittances from abroad. In 2007, owing to the expected rise in the import price index by 6.9 percent, the real growth in imports reached 11.3 percent.

Fiscal Policy

The ratio of gross external debt to real GDP started to rise after five consecutive years of declining (chart 72.) Among the factors that contributed to the reduction of a gross debt to real GDP ratio were: higher foreign direct investment inflows, which accounted for 4.8 percent of the GNP by end 2006 compared to 2.4 percent by end 2005. Also, a considerable decline of the net domestic public debt from 46.7 percent to 50.5 percent of GNP (see chart 74) helped reduce the country's gross external debt stock.

Chart 71

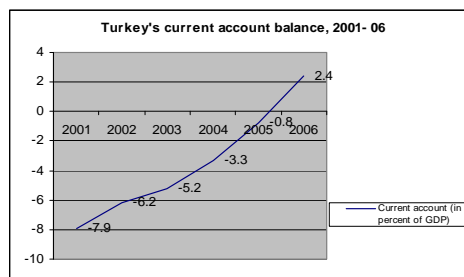
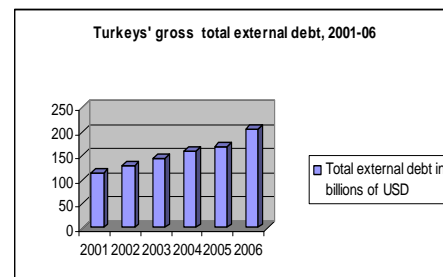


Chart 72



Source: Country Report, EBRD, IMF, WB, UNECE, SESRIC

Chart 73

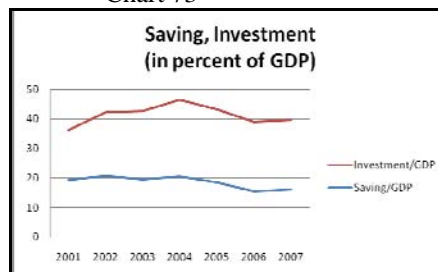
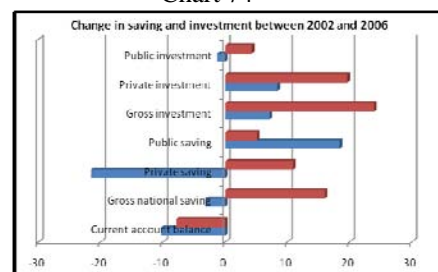


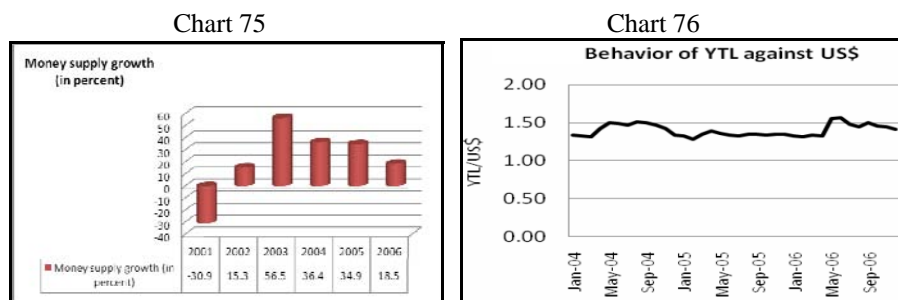
Chart 74



Source: Country Report, IMF, WB, EBRD, UNECE, SESRIC

As seen from chart 75 below, over the period of 2001-06, gross investments during 2006 have increased to 23.9 percent from their average 7.1 percent. The share of private investments, which stood at 19.6 percent of total, has increased against 4.3 percent savings in public sector. Gross national saving during 2006 has improved, reaching 16 percent level compared to 3.2 percent over 2001-06. See chart 73 above.

During 2006, monetary growth has been recorded at 18.5 percent. Due to the government's tight monetary policy, the nominal growth of broad money has declined from 34.9 percent in 2005 to 24.1 percent in 2006. See chart 75. Inflationary impact of the increase in broad money was controlled by the appreciation of the YTL against the US dollar by end 2006. See chart 76.



Source: Country Report, EBRD, UNECE, SERRIC, IMF, WB

The government-led strong fiscal discipline resulted in sustaining inflation within reasonable limits over the last 30 years. During mid-2006, the global financial market turbulence led to higher interest rates, and reduced the credit growth, but Turkey was moderately affected by volatilities in financial markets. At the same time, the improvements of the country's economic infrastructure, which have been made over the period of 2002-06 and the government's prompt policy actions have helped mitigate market volatility. By end 2006, the country's financial market has been stabilized. The government's firm stance resulted in the growth of the country's nominal GDP, which reached 18.4 percent by end 2006. Private consumption growth has been sustained at 5.2 percent of nominal GDP by end 2006 from 8.8 percent in 2005. Subsequently, the nominal growth of broad money has contracted by four percentage points from its 2005 mark to 24.1 percent by end 2006.

Outlook

Turkey's economy continues to perform well but the economic growth has been estimated to slow down to 4.5 during 2008 and is expected to be at 4.3 percent annual growth rate in 2009, according to IMF. Slower growth will be due to the appreciation of the YTL and delayed effects of monetary tightening, which were implemented during mid-2006. Also, the expected drop in agricultural output due to potential draughts will exacerbate an economic slowdown. However, during 2010-12 growth will increase to about 5 percent. The budget deficit is forecasted to rise to 2.5 and 3 percent of nominal GDP throughout 2008-09. It is expected to fall from 1.5 to 2 percent during 2010-12, according to the World Bank estimates.

During 2007-08, Turkey's trade deficit is expected to rise to about 38.3 percent of nominal GDP, reaching about US\$46.6 billion. Exports will amount to about US\$116 billion. With the estimated 8.3 percent increase in export prices during the same period, the real exports growth rate is expected to be about 12.4 percent in 2008-09. By the end of 2008, total imports will grow at an estimated annual rate of 18.9 percent. The current account deficit will remain within the range of 6.5 to 7.3 percent of real GDP during 2007-08. Capital inflows are expected to be sufficient to finance the reduction in external debt in 2008-09.

The annual inflation rate is expected to decline to about 5.2 percent during 2008. This is despite an expected rise in the core price level and price adjustments.

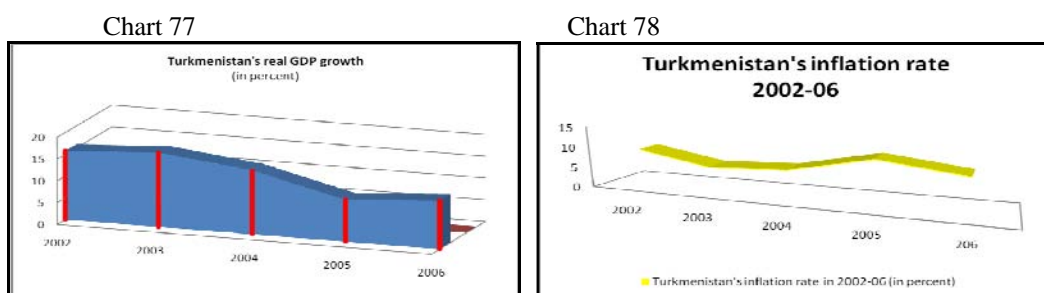
Real GDP per capita income currently stands at US\$6,550 and Turkey targets to align its per capita income level with those in the European Union.

External gross debt to GDP ratio is expected to decline by 0.3 percent by end 2008. Gross capital reserves are projected to reach 15 percent of the country's GNP, according to IMF.

Republic of Turkmenistan

Real Economy

Turkmenistan's economic performance remained stable during 2006. An annual real GDP growth was 11.5 percent, according to IMF (chart 77.) With rapid growth of gas and oil industry during 2006, the country's agricultural sector witnessed shortfalls in cotton crop production over the period 2000-06.



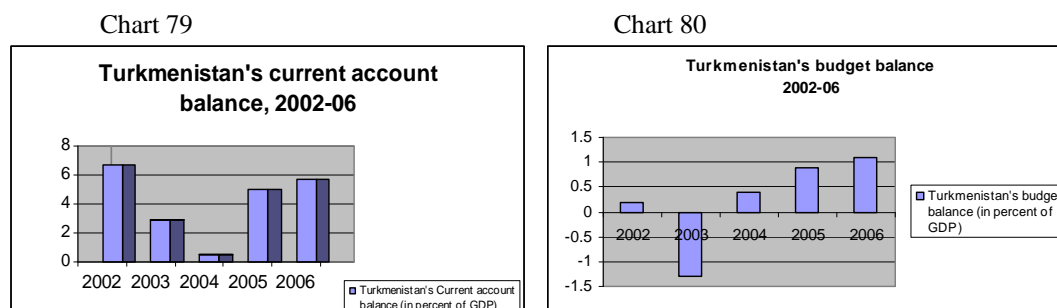
Source: IMF, WB, UNCTAD, EBRD, UNECE, World Development Indicators

Price level

Inflation declined from 10.5 percent in 2005 to 8.2 percent in 2006 (chart 78.) This was achieved due to the Government's prompt measures in introducing a freeze in wage growth, cuts in pension payments and price control.

External Sector

Due to booming oil and gas export revenues, Turkmenistan gained a large surplus of US\$1.5 billion in its trade accounts during 2005-06. According to IMF, the current account surplus grew to 5.7 percent of real GDP in 2006 (chart 79.) Gross official foreign reserves were at US\$6 billion. The country's current accounts grew by 6.5 percent by end 2007. These are expected to increase by another 2.2 percent by end 2008.



Source: IMF, WB, UNCTAD, EBRD, UNECE, World Development Indicators

Fiscal Policy

According to the World Bank, the country's fiscal surplus went up from 0.9 percent of real GDP in 2005 to 1.1 percent (chart 80). This was due to improved revenue collection undertaken by the country.

Outlook

Turkmenistan's real GDP is expected to grow at 9.5 percent in the first quarter of 2009, led by gas and oil exports. During 2009, the annual inflation will rise to 9.5 percent from 8.4 percent in 2007, according to IMF projections.

Current account surplus may increase by 8 percentage points by first quarter 2009 from its 23.6 percent in 2007. This will mainly be due to the country's expected expansion of the existing gas pipelines to export natural gas to regional countries. Turkmenistan's fiscal position will remain in surplus due to higher gas and oil revenues, which are also expected to keep the current account in surplus at 15.7 percent of real GDP during 2008, according to World Bank estimates.

Republic of Uzbekistan

Real Economy

Uzbekistan's economic performance over 2002-05 continued during 2006. It was driven by services, industry and transport and communications and reached an annual 7.3 percent real GDP growth, according to the World Bank (chart 81). The per capita real GDP growth rate reached US\$655 by end 2006, which was 15 percentage points higher compared to its mark in 2005 (chart 82.)

Chart 81

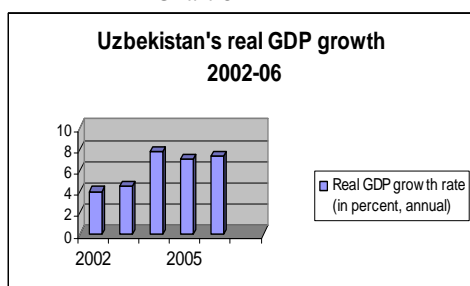
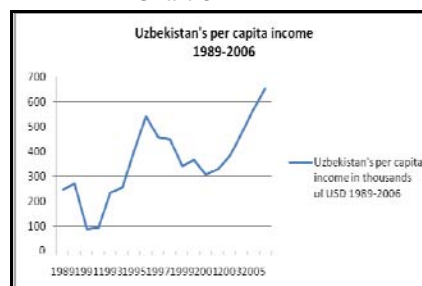
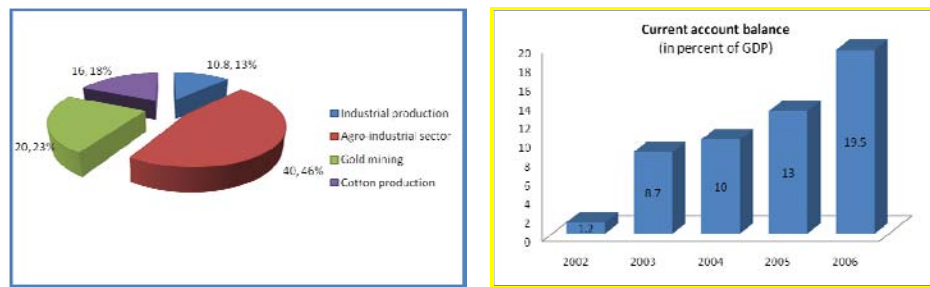


Chart 82



Source: IMF, WB, UNSD, UNECE, EBRD, WDI, SESRIC, SAR-2006 of CES of Republic of Uzbekistan

Natural gas production during 2006 amounted to 62.5 billion cubic meters (bcm). In the same year, 48.4 bcm of natural gas was consumed domestically and 12.5 bcm was exported. Oil production in 2006 was 3,450,000 tons. Industrial production grew at 10.8 percent in 2006. Production of electricity amounted to 49 billion kilowatt hours. Agriculture and the agro-industrial sector contributed more than 40 percent to Uzbekistan's gross output. Uzbekistan's cotton crop accounted for roughly 16 percent of the country's real GDP during 2006. Gold is Uzbekistan's second most important foreign exchange item, was unofficially estimated at around 20 percent of the country's nominal GDP, according to the World Bank. Uzbekistan is the world's seventh-largest producer of gold, mining about 80 tons of gold per year, according to UNCTAD (chart 83.)



Source: IMF, WB, UNSD, UNECE, EBRD, UNCTAD, SESRIC, SAR for 2006 of CES of Republic of Uzbekistan

Productivity in the agricultural sector has essentially contributed to the overall growth of the economy. In 2001-2006, agricultural output grew at an annual average rate of 4.5 percent.

Price level

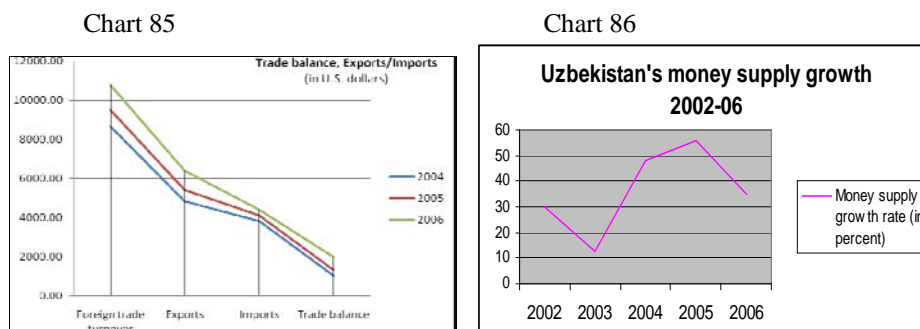
Uzbekistan's official research sources indicate that an annual inflation rate declined since 2004. Its rate in 2006 was estimated at 6.8 percent. Unemployment was at a steady 4 percent annual rate over the period 2004-2006. With 90 percent of active workforce of over 26 million population, Uzbekistan has the potential of providing full employment. That would eventually result in an increased disposable income. As seen from the above chart, a real GDP per capita income by end 2006 was US\$ 655.0 (according to ESCAP), which compared to the 2005 mark of US\$ 579.5, is positive. Uzbekistan's real GDP per capita income in 2008 is foreseen to grow by 7 percent in 2009, according to IMF.

Employment generation was moderate during 2006. A growing number of local workforce sought employment abroad. Compared to other low income countries, Uzbekistan's non-monetary social indicators such as levels of literacy and school enrollment are strong, reflecting the impact of solid investments in social infrastructure, particularly in education.

External Sector

Essential growth in exports was influenced by internal and external factors. The main internal factors contributing to growth in exports were: (i) convertibility of the local currency, (ii) implementation of the Government-led measures to promote exports of domestic products, and (iii) structural changes in the economy. Favorable situation in world markets for major export commodities of the country, high demand for goods produced in Uzbekistan by its main trade partners essentially added to export growth. In 2006, exports almost doubled compared to 2000. Moreover, the current account was in surplus. That helped maintain the exchange rate of Uzbekistan's national currency unit, Som (UZS) within reasonable limits. It also enabled reducing the country's external debt. Substantial increases in gold and hard currency reserves improved Uzbekistan's external position (chart 84 above)

During 2006, the Government's efforts to obtain a well balanced foreign trade turnover succeeded. These resulted, according to IMF, in the US\$10.78 billion excess of foreign trade surplus, i.e. a 13.5 percent increase compared to 2005. The volume of exports in 2006 reached highest US\$6.4 billion, which accounted to 18 percent of the annual export growth. Exports of commodities increased by 34.3 percent and services by 17.3 percent compared to 2005. Imports amounted to US\$ 4.4 billion (chart 85.)



Source: IMF, WB, UNSD, UNECE, EBRD, SESRIC, SAR for 200 of CES of Republic of Uzbekistan

Fiscal Policy

The Government maintained a conservative fiscal stance over 2002-06. The consolidated state budget was in surplus at 0.5 percent in 2006, compared to the planned deficit of 3 percent of real GDP, according to IMF. During 2006, Uzbekistan improved its debt-to-GDP ratio to 22.8 percent, compared to 43.7 percent in 2004 and 58.5 percent in 2001.

Total revenue in 2006 reached US\$3.22 billion. Expenditures were US\$3.4 billion. Tax collection rates remained high. Among ECO countries, Uzbekistan rated first during 2004-2006, achieving 35 percent rate of revenue collection as percentage of real GDP. Only Azerbaijan was ahead it with the 55.1 percent rate during 2006.

In 2005, broad money supply was about 50 percent of the country's real GDP, according to IFC. To tighten the monetary policy, the government undertook foreign exchange interventions during 2006 using its treasury bonds. This brought money supply growth down to about 35 percent by end 2006 (chart 86.)

Outlook

Uzbekistan's economic growth in 2009 is projected within the range of 8.0 to 9.0 percent, according to world development indicators. There are solid reasons behind such estimates: Uzbekistan's macroeconomic performance was strong over 2006-07 with real GDP growing at 7.4 percent. These resulted in a positive trade balance. Real GDP growth was high and official reserves continued to rise.

The Government plans to continue promoting development of the gold mining sector. Price of cotton is expected to be on the rise, reflecting the increased demand. Industry will remain a major contributor to economic growth. All these factors show that the real economy may grow at a rate of over 9.0 percent in 2010. The real GDP per capita will grow to an estimated US\$950 during 2009.

Current account balance surplus is projected to reach 12.3 percent of real GDP during 2008-09. Tax collection rates will remain high. The country's debt stock is more likely to be well managed during 2008-09, according to IFC.

Total exports by first quarter 2009 are expected to reach about US\$9.9 billion due to a higher output of cotton, gold, natural gas, mineral fertilizers, ferrous metals and textiles.

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ⁱ According to Note Verbale No ECO-7/31/2007 of 02.09.07 of the Embassy of Pakistan in Tehran, the Country Report for 2007 shows the following GDP growth rates for 2006 – 6.6%, 2005-8.6%, 2004 – 7.5%, 2003 - 4.7%, 2002 – 3.1%, 2001 -2.0%.

ⁱⁱ According to the Country Report submitted by Tajikistan through the Note Verbale of MFA No 10-3.3(10741) of 06.09.07, the real GDP growth rate for 2006 is 7.0 percent.

ⁱⁱⁱ . The level of broad money was pushed up from the low 14.1 percent in 2004 to 24 percent in 2005

STATISTICAL APENDIX

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	21410.9	21797.8	22191.4	23177.7	23597.9	24075.9	24538.9
Azerbaijan	8049	8111	8172	8234	8307	8392	8484.5	8581.3
Iran	63663	65301	66300	67315	68345	69390	70496	71500
Kazakhstan	14884	14858	14859	14909	15013	15147	15308.1	15484.2
Kyrgyzstan	4915	4955	4993	5039	5093	5144	5192	52452
Pakistan	137500	140500	146000	146800	149700	152500	156770	168917
Tajikistan	6188	6313	6441	6573	6710	6850	7063.8	7124
Turkey	67420	68365	69302	70231	71152	72065	72974	73875
Turkmenistan	5285	5505	5788	6120	6250	6544	6700	5089
Uzbekistan	24650	24964	25272	25568	25864	26167	26540	26900

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	1.9	1.8	1.8	4.4	1.8	2.0	1.9
Azerbaijan	0.8	0.7	0.8	0.8	1.0	1.1	1.1	1.1
Iran	1.5	1.7	1.5	1.5	1.5	1.5	2.9	1.4
Kazakhstan	-0.2	-0.1	0.1	0.6	0.8	1.0	1.1	1.1
Kyrgyzstan	0.8	0.8	0.8	1.1	1.1	0.9	1.0	1.0
Pakistan	2.2	2.1	2.0	2.0	1.9	1.9	1.8	7.7
Tajikistan	2.1	2.1	2.1	2.1	2.1	2.1	2.1	0.9
Turkey	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.2
Turkmenistan	3.7	4.2	5.1	5.7	2.1	4.7	2.4	n/a
Uzbekistan	1.4	1.3	1.2	1.2	1.2	1.2	1.4	1.4

Country	2000	2001	2002	2003	2004	2005	2006	2007
	Male/ Female	Male/ Female	Male/ Female	Male/ Female	Male/ Female	Male/ Female	Male/ Female	Male/ Female
Afghanistan	40	40	42	43	43	43	42	
	40	40	42	43	43	43	43	
Azerbaijan	68.6	68.6	69.4	69.5	69.6	69.6	69.6	69.7
	75.1	75.2	75	75.1	75.2	75.1	75.2	75.1
Iran	67.1	67.6	68.1	68.5	68.9	69.4	70.8	
	71.7	72.2	72.7	73.2	73.6	74.1	73.6	
Kazakhstan	60.2	60.5	60.7	60.5	60.6	60.3	60.55	60.7
	71.1	71.3	71.5	71.5	72	71.8	72.03	72.58
Kyrgyzstan	64.9	65	64.4	64.5	64.3	64.2	63.5	
	72.4	72.6	72.1	72.2	72.2	71.9	72.1	
Pakistan	64.3	66	66	66	66	66	64	
	62.8	64.7	64.7	64.7	64.7	64.7	68	
Tajikistan	65		65	66	61.2	61.4	63	

Statistical Tables

	71		71	72	66.4	66.7	66	
Turkey	68.1	68.2	68.4	68.6	68.8	68.9	69.1	69.3
	72.8	73	73.2	73.4	73.6	73.8	74	74.2
Turkmenistan	61.9		64	64	58.4		60	
	68.8		70	71	66.9		67	
Uzbekistan	68.4	68.9	68.9	69.4	70.3		65	
	73.2	73.6	73.5	73.8	74.7		70	

Table 4. Total Labor Force (thousands)

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	7417	7560	7707	7857	8231			
Azerbaijan	3748	3763	3778	3801	3865	3907	4264.2	4295.2
Iran		19804	20419	21006	21568	23293	23484	23800
Kazakhstan	7107	7479	7400	7657	7841	7902	8028.9	8228.3
Kyrgyzstan	1913	1939	2116	2143	2177	2261	2285	
Pakistan	40385	41236	43012	43879	45946	46819	50505	
Tajikistan	1794	1872	1904	1932	2130	2039.4	2037.2	
Turkey	23078	23491	23818	23640	24289	24565	24776	
Turkmenistan	2120	2179	2244	2320				
Uzbekistan	9018	9174	9368	9621	9946	10224	10467	

Table 5. Employment by Sectors (%)

Country	Sectors	2000	2001	2002	2003	2004	2005	2006	2007
	Agriculture	NA	NA	NA	NA	70	NA	74.88	
Afghanistan	Industry	NA	NA	NA	NA	5	NA		
	Service	NA	NA	NA	NA	26	NA	29.1	
	Agriculture	41	40	40.2	40	39.5	39.3	39	38.9
Azerbaijan	Industry	10.9	10.8	11.5	11.5	11.9	12.1	12.6	12.7
	Service	48.1	49.2	48.3	48.5	48.6	48.6	48.4	48.4
	Agriculture	NA	26.1	24.8	21.9	22.9	24.9	23.2	
Iran	Industry	NA	30.6	29.6	30.7	30.1	30.4	31.7	
	Service	NA	43.3	45.6	47.4	47	44.7	45.1	
	Agriculture	31.4	35.5	35.5	35.2	33.5	32.4	31.54	31.22
Kazakhstan	Industry	17.4	16.3	16.3	17	17.4	18	18.44	18.92
	Service	51.2	48.2	48.2	47.8	49.1	49.6	50.02	49.85
	Agriculture	53.1	52.9	52.7	51.9	49.9	48	36.3	
Kyrgyzstan	Industry	10.5	10.4	10.3	10.7	11.5	12.5	19.4	
	Service	36.4	36.7	37	37.5	38.6	39.5	44.3	
	Agriculture	48.2	48.42	42.09	42.09	43.05	43.05	43.37	
Pakistan	Industry	18.03	18.03	20.77	20.77	20.3	20.3	20.72	
	Service	33.55	33.55	37.14	37.14	36.65	36.65	35.9	
	Agriculture	65	66.6	67.6	67.6	66.6	70	67.23333	
Tajikistan	Industry	6.9	6.7	6.6	6.1	5.7	9	NA	

Statistical Tables

	Service	1.5	1.6	1.7	1.7	1.3	21	NA	
	Agriculture	36	34	34.9	34	34	29.5	27.3	
Turkey	Industry	24	23.6	23	23	23	24	25.4	
	Service	40	42.3	42.1	43	43	46	47.3	
	Agriculture	NA	NA	NA	48	NA	NA	33.046	
Turkmenistan	Industry	NA	NA	NA	14	NA	NA		
	Service	NA	NA	NA	38	NA	NA		
	Agriculture	34.4	33.5	32.6	31.9	30.7	29.1	28	
Uzbekistan	Industry	12.7	12.7	12.7	12.8	13	13.2	13.4	
	Service	45.4	46.1	46.9	47.3	48.1	49.4	50.2	

Table 6. Unemployment Rate (%)

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	3.9	3.9	3.8	3.6	n/a		
Azerbaijan	1.2	1.3	1.3	1.4	1.4	1.4	1.3	1.2
Iran	14.3	14.2	12.8	11.8	10.3	11.5	9.8	9.5
Kazakhstan	12.8	10.4	9.3	8.8	8.4	8.1	7.8	7.3
Kyrgyzstan	3	3.1	3.1	2.8	2.8	3.3	8.3	9
Pakistan	7.8	7.8	8.3	8.3	7.7	7.7	6.2	6
Tajikistan	2.7	2.3	2.5	2.4	2	2.1	2.3	2.3
Turkey	6.5	8.4	10.3	10.5	10.3	10.3	9.9	9.9
Turkmenistan	2.4	2.6	2.5	2.5	2.6	n/a	n/a	2.3
Uzbekistan	0.4	0.4	0.4	0.3	0.4	0.3	0.2	0.2

Table 7. GDP at Constant Prices (in millions US\$)

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	2530	4388	4586	5167	5701	5632.24	
Azerbaijan	4947	5259	5736	6717	8054	11590	17801.4	27319
Iran	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Kazakhstan	18525	20762	24323	26928	33793	47206	63235.9	88212.8
Kyrgyzstan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Pakistan	73906	66769	65567	72188	78758	81995	86475	
Tajikistan	796	826	1028	1224	1768	2110	2811.1	
Turkey	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Turkmenistan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Uzbekistan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	

[1] The figures for Iran are in Iranian Rials (IR)

[2] The figures for Turkey are in New Turkish Liras (NTL)

Statistical Tables

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	2713	2620	4388	4763	5729	6853	5632.24	10170
Azerbaijan	5273	5708	6236	7276	8680	12554	20983	31249.4
Iran	78878	91997	117787	143508	172408	231242	254406	270139
Kazakhstan	18292	22152	24637	30833	43150	56088	81003.5	104853.5
Kyrgyzstan	1367	1530	1615	1933	2219	2461	2849.6	3083.267
Pakistan	73906	72038	72483	83344	97978	110924	129067	143766
Tajikistan	976	1081	1221	1557	2076	2311	2811	3712
Turkey	198389	147285	182564	241302	300578	361470	526429	658786
Turkmenistan	5022	6933	8700	11424	14196	17174	21846	26909
Uzbekistan	13717	11632	9657	10129	12001	14197	16977	22231

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008
Afghanistan	n/a	90	201	215	247	290	310	415	399.3
Azerbaijan	665	714	775	897	1060	1518	2508.5	3692.4	5688.7
Iran	1238	140.3472	179.1994	211.7025	259.026	306.7574	360.8823	379.4087	395.7004
Kazakhstan	1229	1491	1658	2068	2874	3703	5296.6	6771.6	6973.27
Kyrgyzstan	278	309	323	384	436	478	549	633	590
Pakistan	537	513	506	568	655	727	831	860	894
Tajikistan	158	171	190	237	310	337	402	578.294	636.552
Turkey	2941	2146	2622	3412	4187	5016	5482	9333	9629
Turkmenistan	950	1259	1503	1867	2271	2624	3260.59	5188.82	5405.2
Uzbekistan	556	466	382	396	464	579	641	827	950.33

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008
Afghanistan	n/a	-20	28.6	14.3	9.4	14.5	7.4	7.5	7.5
Azerbaijan	11.1	9.9	10.6	11.2	10.2	26.4	34.5	23.4	18.6
Iran	5.9	5.5	8.6	7.78	6.44	7.1	7.4	7.8	8.4
Kazakhstan	9.8	13.5	9.8	9.3	9.6	9.4	10.7	8.9	5.3
Kyrgyzstan	5.4	5.3	0	7	7	-0.2	3.1	8.5	7.6
Pakistan	3.91	2	3.1	4.7	7.5	8.6	7.2	6.8	5.8
Tajikistan	8.3	9.6	10.8	11	10.3	6.7	7	7	5
Turkey	7.4	-7.5	7.9	5.8	8.9	7.4	6.8	5.7	5.78
Turkmenistan	18.6	20.4	15.8	17.1	14.7	9.6	11.4	11.6	11
Uzbekistan	3.8	4.2	4	4.2	7.7	7	7.4	8.5	9

Statistical Tables

		Table 11.	Composition of GDP by Sectors (in percent)							
Country	Sectors	2000	2001	2002	2003	2004	2005	2006	2007	
	Agriculture	57	53.3	44.5	45.1	40.7	38.9	32.5		
Afghanistan	Industry	23.2	24.7	19.5	18.3	22.8	24.4	28.2		
	Service	19.8	22	36	36.6	36.5	37.4	39.2		
	Agriculture	15.9	14.8	14	12.4	11	9.2	7.1	5.8	
Azerbaijan	Industry	36	37.6	37.4	37.3	38.3	47.5	57.2	60.6	
	Service	48.1	47.6	48.6	50.3	50.7	43.3	35.7	33.6	
	Agriculture	11.7	11.2	11.3	10.8	9.8	8.1	8.9		
Iran	Industry	39.8	36.8	39.2	38.5	40.1	48.1	41.4		
	Service	48.4	52	49.5	50.7	50.1	43.8	49.7		
	Agriculture	8.2	8.8	8	7.9	7.1	6.4	5.4	5.6	
Kazakhstan	Industry	32.6	30.7	29.5	29.1	29.3	29.7	29.5	28.3	
	Service	53.5	54.7	56.9	57.7	59.5	60.1	65.1	66.1	
	Agriculture	34.2	34.5	34.4	33.6	29.9	28.5	28.7		
Kyrgyzstan	Industry	25	23.1	17.9	17.3	19.2	17.3	14.9		
	Service	29.6	31.4	35.6	36.8	38.3	40.7	41.3		
	Agriculture	25.9	24.9	24.1	24	22.9	22	21.6		
Pakistan	Industry	23.3	23.8	23.7	23.6	25.5	26	26		
	Service	50.7	51.3	52.1	52.4	51.6	51	52.3		
	Agriculture	25.1	23.8	22.2	24.2	19.2	21.4	21.5		
Tajikistan	Industry	23.3	23.8	23.7	23.6	25.5	26	18.4		
	Service	50.7	51.3	52.1	52.4	51.6	51	43.3		
	Agriculture	NA	37.6	34.9	33.9	34	29.5	27.3		
Turkey	Industry	NA	22.7	23	22.8	23	24.8	25.4		
	Service	NA	39.7	42.1	43.4	43	45.8	47.3		
	Agriculture	23	23.8	20.8	25	28.5	NA	20.31		
Turkmenistan	Industry	35	37	36	44	42.7	NA	41.18		
	Service	42	39.2	43.2	31	28.8	NA	38.52		

Statistical Tables

	Table 12	Public Sector Revenue (in millions US\$)						
Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	576.4	1521.5	1650.5	1964.9	NA	223.87	
Azerbaijan	798.6	842.7	936.3	1243.1	1536	2172.6	4330.4	6999.9
Iran	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kazakhstan	4143.6	4970.8	5277.4	7088.2	10039.4	15662.9	18590.1	23564.6
Kyrgyzstan	210.2	258.9	307	370.8	429.7	496.6	624.4	
Pakistan	9899	9463	10160	12321	13996	15162	19446.5	
Tajikistan	137.5	161.1	205.1	269.3	371.7	435.4	511.8	756.4
Turkey	61312	48000	57276	72642	92812	115851	133766	
Turkmenistan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Uzbekistan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Table 13. Share of Taxes in Public Sector Revenue (in percent)								
Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	NA	28.8	49	71	90.3	54	
Azerbaijan	80.4	91	91.8	82.4	81.6	85.4	78.8	86.8
Iran	39.4	36.2	30.9	22.5	25.7	36.3	46.1	64.3
Kazakhstan	89.3	86.7	93.2	94.3	92.2	95.2	93.6	81.6
Kyrgyzstan	76.5	73.3	72.7	73.5	76.2	80.3	79.7	
Pakistan	79.1	79.9	76.8	77.1	76.9	73.3	NA	
Tajikistan	92.8	91.9	87.6	96.4	94.5	92	93	
Turkey	82.5	81.6	76.6	84.1	83.2	84.7	70.6	
Turkmenistan	NA	NA	NA	NA	NA	NA		
Uzbekistan	n/a	n/a	n/a	22.7	22.6	20.8	21	20.8

	Table 14	Public Sector Expenditure (in millions US\$)						
Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	n/a	346.3	448.4	560.9	665.6	1586.08	
Azerbaijan	853.7	867.1	958.4	1257	1528.6	2262.9	4242.3	7061.5
Iran	15116.2	15103.0	18477.7	29269.6	45783.6	52493.0	57206.5	
Kazakhstan	4166.3	5057.3	5361	7408.4	10183.2	14525.5	17947.4	21854.3
Kyrgyzstan	237	253	323.6	386.4	441.6	491.1	629.8	
Pakistan	13696	12284	13451	15353	16332	18818	23421	
Tajikistan	143	160.1	196.4	252.3	367.1	452.8	490.9	
Turkey	85117	71738	80544	94949	106944	118306	123319	
Turkmenistan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Uzbekistan	n/a	n/a	n/a	3433.7	3852.3	4415.3	5245.9	6913.8

	Table 15.	Total Foreign Direct Investment (millions US\$)						
Country	2000	2001	2002	2003	2004	2005	2006	2007

Statistical Tables

Afghanistan	NA	NA	NA	136.50	235.40	173.70	220.55	
Azerbaijan	664.00	899.80	2011.90	3017.80	4192.00	4161.50	5150.00	4442.40
Iran	29.10	58.50	102.80	389.70	282.10	360.10	901.00	
Kazakhstan	1278.10	2860.60	2163.80	2213.30	5391.50	6618,6	10566.70	17578.80
Kyrgyzstan	89.60	90.10	115.70	147.00	175.60	210.30	335.60	
Pakistan	469.90	322.50	484.70	798.00	949.00	1524.00	3520.00	5140.00
Tajikistan	23.20	8.10	36.10	31.60	22.40	55.00	66.00	160.00
Turkey	112.00	2855.00	962.00	1253.00	1978.00	10027.00	19982.00	
Turkmenistan	126.00	170.00	100.00	100.00	-15.30	61.50	731.00	
Uzbekistan	75.00	83.00	65.00	70.00	1.20	45.40	164.00	

	Table 16	Total Domestic Investment/GDP (%)							
Country	2000	2001	2002	2003	2004	2005	2006	2007	
Afghanistan	NA	NA	11.6	13.1	17.5	21.3			
Azerbaijan	9.8	8	9	13	15.5	17.7	15.5		
Iran	24	25	23.4	22.3	21.3	25.2	23.6		
Kazakhstan	18.1	29	29.1	28.8	29	31.9	27.5		
Kyrgyzstan	6.3	7.7	8.4	7	7.2	8.2	10.2		
Pakistan	17.2	17	16.6	16.8	16.6	18.1	20		
Tajikistan	11.3	5.7	1.6	6.2	7.5	2.4	13.7		
Turkey	21.8	17.2	16.5	15.5	18	19.8	18.8		
Turkmenistan	NA	NA	NA	25.4	23.4	23	23.9		
Uzbekistan	17.6	19.3	16.4	15.2	16.1	16			

	Table 18.	Money Supply (M2) Growth (%)							
Country	2000	2001	2002	2003	2004	2005	2006	2007	
Afghanistan	n/a	n/a	n/a	29.3	34.6	12.3	22	14.2	
Azerbaijan	16	7.8	15	28	31.9	15.8	18.7	24.4	
Iran	29.3	28.8	30.1	26.1	30.2	34.3	39.4	40	
Kazakhstan	n/a	16.3	47.4	39.2	69.5	29	85.7	25.5	
Kyrgyzstan	12.1	11.3	34	33.5	32	9.9	51.6	33.3	
Pakistan	9.4	9	15.4	18	19.6	19.1	15.1	19.3	
Tajikistan	57.2	68	11.7	50.4	5.8	19.5	63.4	78.8	
Turkey	14.5	-30.9	15.3	56.5	36.4	34.9	18.5		
Turkmenistan	83.3	23.8	1.5	40.9	12.7	27.9	55.9	47.2	
Uzbekistan	37.1	54.3	29.7	27.1	47.8	54.3	36.8	46.1	

	Table 19.	Exchange Rate: Annual Average (nat.cu/US\$)							
Country	2000	2001	2002	2003	2004	2005	2006	2007	

Statistical Tables

Afghanistan	n/a	55.73	44.8	48.95	47.57	49.4	49.81	50
Azerbaijan	0.89	0.93	0.97	0.98	0.98	0.95	0.89	0.85
Iran	8188	8008	8019	8323	8747	9042	9226	9439
Kazakhstan	142.13	146.92	153.49	149.45	135.92	132.94	126.1	122.55
Kyrgyzstan	47.72	48.44	46.94	43.72	42.67	41.01	40.16	36.13
Pakistan	51.77	58.44	61.43	58.5	57.57	59.36	59.86	59.9
Tajikistan	1.83	2.37	2.76	3.06	2.97	3.12	3.29	3.44
Turkey	0.62	1.23	1.51	1.49	1.42	1.34	1.43	1.63
Turkmenistan	5200	5200	5200	5200	5200	5200	5200	5111
Uzbekistan	236.61	423.31	769.5	979	1058	1180	1240	1290

Table 20. Annual Average Inflation Rate (% Annual Change in CPI)

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	10.0	9.8	8.6	6.6	7.8	4.4	20
Azerbaijan	1.8	1.5	2.8	2.2	6.7	9.6	8.3	16.7
Iran	12.6	11.4	15.8	15.6	10.4	10.4	11.5	9.1
Kazakhstan	13.2	8.4	5.9	6.4	6.9	7.6	8.6	10.8
Kyrgyzstan	18.7	6.9	2	3.1	4.1	4.3	10.2	11.5
Pakistan	3.6	4.4	3.5	3.1	4.6	9.3	7.9	7.80
Tajikistan	60.6	12.5	14.5	13.7	5.7	7.1	10.1	11
Turkey	39	68.5	29.7	18.4	9.3	7.7	9.6	8.4
Turkmenistan	7.2	11.6	8.7	6.5	10	10.5	8.2	8.4
Uzbekistan	28.2	26.6	21.6	10.2	1.7	6.5	6.8	6.1

Table 21. Total Production of Energy (th.t.o.e)

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	n/a	n/a	n/a	19	27	27	
Azerbaijan	1608	1631	1608	1831	1870	1947	2110	
Iran	n/a	240619	237981	272990	292073	317335	n/a	n/a
Kazakhstan	117298	118280	132303	148187	157302			
Kyrgyzstan[1]	14931	13667	11922	14021	15141	14891	14523	
Pakistan	26497	27344	29075	31142	36782	40226	42759	
Tajikistan	14247	14382	15302	16509	16491	17087	16927	
Turkey	26047	24576	24259	23783	24332	26898	26636	
Turkmenistan	45968	50443	53645	58551	n/a	n/a	n/a	n/a
Uzbekistan	4031	4125	4249	4193	4275	n/a	n/a	n/a
[1] in mln. kw./h.								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	598	592	741	623	691	587.38	
Azerbaijan	1412	1469	1403	1583	1630	1677	1862	
Iran	n/a	95266	102170	107556	117439	128894		
Kazakhstan	66890	67789	81292	85669	88572			
Kyrgyzstan[1]	11918	11543	10044	11748	11865	12230	12063	
Pakistan	25280	25251	25599	26308	28979	32104	33946	
Tajikistan	15580	15731	16087	16518	16835	17830	17404	
Turkey	80500	75402	78331	83826	87818	91286	92261	
Turkmenistan	13885	15309	16606	17203				
Uzbekistan	4141	4168	4242	4192	4253			
[1] in mln. kw./h.								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	7910	7910	7910	7910	7910	7910	9610	
Azerbaijan	1042	1162	1223	1220	1294	1328	1326	
Iran	15020	15861	16029	16197	16365	16533	16701	
Kazakhstan	21399	22270	22800	22657	23230	23398	23249	23145.4
Kyrgyzstan	1367	1344	1345	1344	1334	1284	1134	
Pakistan	31050	31300	31220	31190	30310	30170	30180	
Tajikistan	864	850	823	887	906	901	861	
Turkey	25987	25744	25938	25316	25812	23830	23030	
Turkmenistan	1850	1850	1850	2200	2200	2300		
Uzbekistan	4054	4052	4031	4021	4026	4057		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	0	0	0	0	0	0	
Azerbaijan	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Iran	NA	9.3	9.4	9.5	9.9	10.9	11.1	
Kazakhstan	14.5	14.6	14.6	14.6	15.1	15.1	15.1	15.1
Kyrgyzstan	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
Pakistan	7.8	7.8	7.8	7.8	7.8	7.8	7.8	
Tajikistan	0.9	0.9	0.9	1	1	1	1	
Turkey	8.7	8.7	8.7	8.7	8.7	8.7	8.7	
Turkmenistan	2.5	2.5	2.5	2.5	2.5	NA		
Uzbekistan	3.5	3.9	4	4	4	4	4.0[1]	
[1] Uzbekistan State Joint-Stock Railway Company "Uzbekistan Temir Yullari"								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	0	0	0	0	0	0	
Azerbaijan	5770000	6141000	6980000	7719000	7536000	9524000	11058700	10374500
Iran	14179000	14613000	15842000	18048000	18182	19127000	20542000	
Kazakhstan	124983000	135653000	133088000	147672000	163454700	173814700	191200000	200800000
Kyrgyzstan	337900	331600	394600	561700	71400	661800	751700	
Pakistan	4370925	4519528	4572734	4819756	5336000	5532000	4971000	
Tajikistan	1326200	1250000	1086200	1085500	1117500	1062600	1220000	
Turkey	9895346	7561601	7224000	8669000	9417000	9152000	9676000	
Turkmenistan	6303000	6437000	7476000	NA	NA	NA		
Uzbekistan	15020500	15731900	18427900	18886600	18006900	18090000	18100000[1]	
[1] Uzbekistan State Joint-Stock Railway Company "Uzbekistan Temir Yullari"								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	n/a	0.4	0.4	0.6	1	2	1.8	
Azerbaijan	7	7	7	7	7	6.6	6.9	7
Iran	101	113.1	118.2	121	n/a	124.6	156.3	
Kazakhstan	n/a	56.4	56.7	57.2	57.5	56.7	56.8	57
Kyrgyzstan	17.2	17.2	17.2	17.2	17.2	n/a	n/a	
Pakistan	138.2	144.6	148.8	153.2	158.5	162.8	167.5	
Tajikistan	12.6	13	12.2	12	11.9	11.9	11.9	
Turkey	138.6	145.6	150.9	153.6	152.3	154.4	n/a	
Turkmenistan	12.2	12.2	12.2	n/a	n/a	n/a		
Uzbekistan	42.1	42.2	42.3	42.3	42.1	41.6		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	84.1	175.4	339.6	402.4	486.1	606.9	
Azerbaijan	450.8	462	466.8	522	563.7	620	690	773.3
Iran	342	452	748	1926	2374	2054	1967.4	
Kazakhstan	1279	1349.5	1365.1	1471.5	1532.3	1752.6	2131.9	2625.7
Kyrgyzstan	NA	NA	NA	NA	NA	NA	NA	
Pakistan	4701	4843	5049	5132	5396	5479	5702	
Tajikistan	NA	184.3	188.3	192.1	200.3	209.2	234.2	
Turkey	7161	7343	7476	7720	10236	11146	12227	
Turkmenistan	NA	NA	NA	NA	NA	NA		
Uzbekistan	NA	NA	NA	NA	NA	NA		

Statistical Tables

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	7	7	7	7	7	6	
Azerbaijan	140	139	131	134	131	130	132	
Iran	93	97	102	85	106	120	118	
Kazakhstan	NA	NA	NA	675	678	767	718	765
Kyrgyzstan	60	111	113	116	89	87	100	
Pakistan	156	159	178	180	155	157	157	
Tajikistan	NA	59	58	58	44	32	26	
Turkey	126	145	150	162	202	240	258	
Turkmenistan	NA	NA	NA	NA	NA	NA		
Uzbekistan	NA	NA	NA	NA	NA	NA		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	NA	NA	NA	NA	NA	NA	
Azerbaijan	80	93	98	110	117	128	146	
Iran	NA	99	96	94	99	103	115	
Kazakhstan	11	13	12	15	26	43	NA	
Kyrgyzstan	35	36	39	39	34	26	27462	
Pakistan	261	248	265	322	301	398	NA	
Tajikistan	NA	NA	NA	NA	NA	NA	NA	
Turkey	5836	5890	5659	4951	4679	5020	NA	
Turkmenistan	43	47	46	47	43	48		
Uzbekistan	NA	NA	NA	NA	NA	NA		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	2.8	2.8	1.6	5.7	4.7	4.7	4	
Azerbaijan	87.8	86	85	83.6	83	82.7	81.3	80
Iran	16.6	16.9	16.9	16.7	16.7	16.5	16.5	
Kazakhstan	72.1	74.4	75.3	76.8	77.4	77.3	77.3	76.8
Kyrgyzstan	74.5	65.6	58.1	55.9	54.4	54	53.6	
Pakistan	6.7	6.9	6.7	6.6	6.6	6.6	6.5	
Tajikistan	65.8	63.4	62.1	60.6	59.8	58.6	57.1	
Turkey	23.2	23.3	23.4	23.5	24.2	24.5	25	
Turkmenistan	50.4	50.7	50.2	NA	NA	NA	43	
Uzbekistan	55.9	55.8	57.8	57.4	54.9	54.1	52	

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	0.6	1.4	1.6	2	1.8	1.8	2	
Azerbaijan	36.5	36	36.5	36	36.6	36	36.6	38.1
Iran	3.3	3.3	3.3	3.4	3.7	3.9	4.2	
Kazakhstan	33	34.6	36.1	36.5	36.3	36.5	37.6	38.4
Kyrgyzstan	29.1	28.2	27.3	27	26.7	26	25.3	
Pakistan	7	6.8	7	7.2	7.4	7.7	8	
Tajikistan	21.6	21	20.1	19.1	19.2	19.2	18.8	
Turkey	12.6	13.3	13.7	13.9	14.6	NA	16	
Turkmenistan	29.3	28.8	28.6	NA	NA	NA	25	
Uzbekistan	32.8	32.4	31.9	31.4	29.9	29.1	27	

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan		0.9	0.9	1.2	1.1	1	1	
Azerbaijan	5.8	5.6	5.7	6.9	9.1	14.7	21.7	35.4
Iran	NA	NA	NA	NA	NA	NA	NA	
Kazakhstan	25.7	27.4	30.6	41.8	67.2	91.9	119.5	
Kyrgyzstan	5.6	5.8	6.6	7.4	8.9	10.9	14.7	
Pakistan	3.4	3	3.2	3.8	4.3	4.3	4.7	
Tajikistan	1.5	1.6	1.8	2.4	3.5	3.3	4.8	
Turkey	NA	90.8	125.7	165.1	217.1	262.6	288.4	
Turkmenistan	53	NA	NA	NA	NA	156[1]		
Uzbekistan	32	NA	NA	NA	NA	26[2]		
[1] World Health Statistics 2008, WHO								
[2] World Health Statistics 2008, WHO								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	36.9	NA	NA	NA	28.1	29	28	
Azerbaijan	98.8	98.8	98.8	98.8	98.8	98.8	98.8	99.5
Iran	76.3	77.5	78.8	80.9	81.7	82.4	82.3	
Kazakhstan	99.5	99.5	99.5	99.5	99.5	99.5	99.5	99.5
Kyrgyzstan	98.7	98.7	98.7	98.7	98.7	98.7	98.7	
Pakistan	47.1	49	50.5	51.6	53	53	NA	
Tajikistan	99.5	99.8	99.8	99.8	99.8	99	99.8	
Turkey	86.5	86.3	87.5	88.3	87.4	88.1	88.1	
Turkmenistan	98	98	98	98	98	99		
Uzbekistan	99.2	99.2	99.2	99.2	99.2	99.3 [1]		
[1] Education in Uzbekistan: "Matching Supply and Demand", Report of the UNDP Office in Uzbekistan 2007/2008								

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	NA	26.2	55.2	48.5	23.8	22.1	
Azerbaijan	NA	25	24.5	29.4	36.5	47.6	64.1	99.5
Iran	NA	174	216	263	291	466	613	
Kazakhstan	NA	138	156	197	289	357	460	
Kyrgyzstan	25.8	31.3	35.3	42.4	50.3	60.5	71.4	
Pakistan	NA	NA	NA	NA	NA	NA	NA	
Tajikistan	NA	12.6	13.8	16.3	24.2	31.7	39.1	
Turkey	208	309	444	869	1057	NA	NA	
Turkmenistan	NA	NA	NA	NA	NA	NA		
Uzbekistan	NA	NA	NA	NA	NA	NA		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	NA	NA	NA	NA	NA		
Azerbaijan	NA	49	46.7	44.7	40.2	29.3	20.8	
Iran	NA	NA	NA	NA	NA	NA	NA	
Kazakhstan	NA	46.7	44.5	37.5	33.9	31.6	18.2	12.7
Kyrgyzstan	62	56.2	54.7	49.8	45.9	43.8	39.9	
Pakistan	NA	35	NA	NA	NA	23.9	NA	
Tajikistan	NA	83	83	67	65	60	60	
Turkey	NA	NA	18.4	19.5	18	14.7	NA	
Turkmenistan	NA	NA	NA	NA	NA	NA		
Uzbekistan	27.5	NA	NA	26.2	NA	NA		

Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	4	8	8	8	8	9	20	
Azerbaijan	100	107	114	115	122	129	140	
Iran	149	169	197	231	264	297	321	
Kazakhstan	138	145	151	169	170	176	191.3	209
Kyrgyzstan	79	85	95	107	134	191	88	
Pakistan	23	24	25	34	30	34	33	
Tajikistan	28	28	29	30	31	33	43	
Turkey	NA	276.5	272.9	269.4	268.8	263.4	258.1	
Turkmenistan	NA	NA	NA	NA	NA	NA	82	
Uzbekistan	7	7	7	7	7	7	6.7	

Statistical Tables

	Table 37.		Number of PCs per 1.000 Populations						
Country	2000	2001	2002	2003	2004	2005	2006	2007	
Afghanistan	NA	NA	NA	NA	NA	NA			
Azerbaijan	NA	NA	NA	NA	NA	23	31		
Iran	NA	70	75	87	105	123	NA		
Kazakhstan	4	6	9	14	20	23	28	34	
Kyrgyzstan	NA	NA	6.6	7.7	9.2	10.8	12.2		
Pakistan	NA	NA	NA	NA	NA	NA	NA		
Tajikistan	NA	NA	NA	NA	NA	NA	NA		
Turkey	NA	NA	NA	NA	NA	NA	NA		
Turkmenistan	NA	NA	NA	NA	NA	NA			
Uzbekistan	NA	NA	4.9	6.2	6.2	7.2			

Table 38. Internet Subscribers per 1.000 Populations								
Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	NA	NA	NA	1	1	1		
Azerbaijan	NA	3	37	43	49	80	97	
Iran	NA	26	49	83	98	110	NA	
Kazakhstan	2	6.2	9	12.4	13.5	18.8	20.3	24.6
Kyrgyzstan	NA	30	30	40	52	54		
Pakistan	4	6	7	11	13	14	NA	
Tajikistan	0	0	0.1	0.1	0.4	2.8	NA	
Turkey	24.9	23.6	18.8	12.8	20.5	31.2	43.6	
Turkmenistan	NA	2	NA	4	8	NA		
Uzbekistan	NA	NA	NA	1.2	3.6	NA		

Table 39. Number of Incoming Tourists (th.)								
Country	2000	2001	2002	2003	2004	2005	2006	2007
Afghanistan	40	NA	NA	NA	NA	NA	NA	
Azerbaijan	681	767	793	1066	1197	1261.7	1258.6	1332.7
Iran	1342	1402	1585	1500	1659	1889	2735	
Kazakhstan	1683	2693	3678	3237	4291	4365	7129.6	9261.5
Kyrgyzstan[1]	58.8	98.6	245.8	342	1041.3	809.6	765.8	
Pakistan	556.8	499.7	498.1	500.9	648	798.3	897.6	
Tajikistan	NA	5.2	6.3	18.9	14.3	17.9	20.5	
Turkey	10428	11619	13248	13956	17546	21125	19820	
Turkmenistan	330	520	1080	820	1480	1160	NA	
Uzbekistan	552.8	530	439	471.4	517.5	474.5	474.5	
ECO Region	15672.4	18129.6	21567.5	21912.2	28394.1	31901	33101.6	
[1] According to figures of the Service of Customs Authority of the Kyrgyz Republic for 2004 and 2005.								

Statistical Tables

	Country		2000	2001	2002	2003	2004	2005	2006	2007
Import		Import	1176	1696	2452	2101	2177	2471	2744	3301
Export	Afghanistan	Export	137	68	100	144	305	381	416	616
Balance		Balance	-1039	-1628	-2352	-1957	-1872	-2087	-2328	-2685
Import		Import	2917.3	3745	3832.9	5216.6	7131	8558	5267.6	5712.2
Export	Azerbaijan	Export	2610.5	3487.9	3726	5123.5	7008	8096	6372.2	6058.4
Balance		Balance	-306.8	-257.1	-106.9	-93.1	-123	-462	1104.6	346.2
Import		Import	15086.00	18129.00	22036.00	29561.00	38199,00	40969.00	42523.00	n/a
Export	Iran	Export	28461.00	23904.00	28237.00	33991.00	43852,00	60012.00	13215.00	n/a
Balance		Balance	13375.00	5775.00	6201.00	4430.00	5653.00	19043.00	-29308.00	n/a
Import		Import	5040	6446	6584	8408.7	12781.2	17352.5	23676.9	32756.4
Export	Kazakhstan	Export	8812.2	8639.1	9670.3	12926.7	20096.2	27849	38250.4	47755.3
Balance		Balance	3772.2	2193.1	3086.3	4518	7315	10496.5	14573.5	14998.9
Import		Import	554.1	467.2	586.8	717	941	1101.3	1718.2	3201
Export	Kyrgyzstan	Export	504.5	476.2	485.5	581.7	718.8	672	794.1	2011
Balance		Balance	-49.6	9	-101.3	-135.3	-222.2	-429.3	-924.1	-1190
Import		Import	10810	10209	11252	13037	17905	25331	27100	9920
Export	Pakistan	Export	8913	9186	9874	11844	12954	15917	17205	4601
Balance		Balance	-1897	-1023	-1378	-1193	-4951	-9414	-9895	-5319
Import		Import	675	687.5	720.5	880.8	1191	1330	1725.4	2555
Export	Tajikistan	Export	784.3	651.5	736.9	797.2	915	909	1399	767
Balance		Balance	109.3	-36	16.4	-83.6	-276	-421	-325.6	-1788
Import		Import	54502.8	41399.1	51553.8	69339.7	97539.8	116774	139576	170057
Export	Turkey	Export	27774.9	31334.2	36059.1	47252.8	63167.2	73476	85535	107213
Balance		Balance	-26727.9	-10064.9	-15494.7	-22086.9	-34372.6	-43298	-54041	-62844
Import		Import	1785	2349	2119.4	2512	2850	4364	2557.7	3780
Export	Turkmenistan	Export	2505.5	2620.2	2855.6	3632	4000	6174	7155.5	9114
Balance		Balance	720.5	271.2	736.2	1120	1150	1810	4597.8	5334
Import		Import	2947.4	3136.9	2712	2964.2	3816	4091.3	4781.6	6736
Export	Uzbekistan	Export	3264.7	3170.4	2988.4	3725	4853	5408.8	6389.8	8991
Balance		Balance	317.3	33.5	277.4	760.8	1037	1317.5	1608.2	2255

Statistical Tables

Table 42. Total External Debt (in millions US\$)								
Country	2000	2001	2002	2003	2004	2005	2006	2007est
Afghanistan	n/a	n/a	n/a	269.67	472.99	558.6	163.59	2043.95
Azerbaijan	1092.00	1366.00	1340.00	1575.00	1588.00	1650.00	1972.00	2441.90
Iran	NA	9012.00	12530.00	17024.00	23074.00	24264.00	23514.00	28647.00
Kazakhstan	3285.00	3262.00	2944.00	3073.00	2733.00	1777.00	74023.00	94892.42
Kyrgyzstan	1386.00	1423.00	1517.00	1754.00	1950.00	1882.00	1980.00	1849.96
Pakistan	32254.00	32144.00	33400.00	33352.00	33307.00	34037.00	35679.00	58951.35
Tajikistan	1226.00	1022.00	1010.00	1031.00	822.00	872.00	910.00	1231.00
Turkey	118080.00	113190.00	130060.00	145220.00	162400.00	168080.00	207764.00	247200.00
Turkmenistan	n/a	1865.00	1660.00	1519.00	1273.00	1007.00	880.90	538.18
Uzbekistan	4418.00	4279.00	4260.00	4249.00	4322.00	4133.00	3853.00	3913.00
ECO region	161741.00	167563.00	188721.00	208797.00	231469.00	237702.00	350739.49	441708.76
* Indicators for 2006-07 are estimates based on IMF data								

Table 43. External Debt/GDP (in percent)								
Country	2000	2001	2002	2003	2004	2005	2006	2007est
Afghanistan	n/a	n/a	13.5	17.7	12.1	12.3	16.8	21.3
Azerbaijan	20.7	23.9	22	22	18.6	12.7	9.4	7.8
Iran	10.1	9.8	10.6	11.9	13.4	10.6	9.2	6.7
Kazakhstan	18	68.5	74.8	74.3	75.7	76	91.4	90.5
Kyrgyzstan	101.2	93.3	96.7	92.4	86	77	66.7	60
Pakistan	53	49.5	46.1	40	34	30.7	28.2	26.1
Tajikistan	125.6	94.6	82.7	66.2	39.6	37.7	32.4	40.5
Turkey	59.7	77.1	71.3	60.1	54	47	52	
Turkmenistan	72.2	50.8	37.1	13.3	9	5.4	3.3	2
Uzbekistan	32.2	36.8	44.1	41.9	36.2	30.2	22.7	17.6

INDEX ECO TABLE- 41 ECO INTRA-REGIONAL TRADE (in millions US\$)

Member States	Year	Afghanistan		Azerbaijan		Iran		Kazakhstan		Kyrgyzstan		Pakistan		Tajikistan		Turkey		Turkmenistan		Uzbekistan		Total ECO		% of Total Trade	
		IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP	IMP	EXP
Afghanistan (i)	2002	...	...	...	...	116.0	1.0	14.0	...	...	...	207.0	26.0	5.0	...	92.0	4.0	50.0	...	88.0	...	572	31	23.33	31
	2003	...	...	...	...	105.0	2.0	7.0	...	...	...	181.0	99.0	1.0	...	8.0	5.0	14.0	...	25.0	1.0	341	107	16.23	74.3
	2004	...	...	...	...	183.0	4.0	13.0	...	...	...	326.0	258.0	2.0	0.2	11.0	5.0	28.0	...	95.0	1.0	658	268.2	30.22	87.9
	2005	...	...	34.0	...	183.0	4.0	13.0	...	...	...	326.0	258.0	2.0	0.2	11.0	5.0	26.0	...	95.0	1.0	690	268.2	27.92	69.84
	2006	...	...	32.2	0.0	514.6	8.8	178.5	0.9	76.0	0.1	1063.4	47.5	18.6	6.5	91.1	9.6	28 (*)	0.3 (*)	161.7	1.9	2164.1	75.6	12.19	0.3
	2007
Azerbaijan (ii)	2002	0.0	0.7	...	...	57.9	29.9	149.8	11.6	0.7	1.1	1.1	2.5	0.4	28.0	156.2	83.4	119.8	8.6	119.8	8.6	605.7	174.4	15.8	4.7
	2003	0.0	0.6	...	...	50.6	49.1	138.7	10.1	0.8	0.2	1.1	0.0	1.0	34.4	195.3	107.0	188.4	5.8	188.4	5.8	764.3	213.0	14.7	4.2
	2004	0.0	2.2	...	...	45.3	153.5	236.7	9.4	1.4	0.3	1.6	0.0	0.0	46.5	225.0	182.6	114.4	143.4	114.4	143.4	738.8	681.3	10.4	9.7
	2005	0.0	11.7	...	...	76.3	166.5	95.3	17.2	1.5	1.8	2.3	0.7	0.1	78.9	313.0	276.0	243.0	273.6	243.0	273.6	974.5	1100.0	11.4	13.6
	2006	0.0	32.2	...	...	85.9	295.9	127.2	105.7	0.5	7.0	1.5	0.9	0.3	130.9	385.0	388.1	369.0	9.5	27.5	6.9	996.9	977.1	5.6	4.7
	2007	0.0	47.6	...	...	105.3	434.7	222.3	127.6	0.9	2.7	2.5	1.2	0.5	51.6	624.7	1056.3	40.3	13.6	19.1	4.5	1015.6	1739.8		
Iran (iii)	2002	0.5	150.1	25.3	250.1	...	...	262.1	50.8	8.7	22.6	88.0	141.9	8.2	61.0	368.8	102.7	19.1	88.4	57.2	69.6	837.9	937.2	3.8	3.3
	2003	1.8	259.9	96.5	307.4	...	...	284.6	47.7	7.6	30.1	88.5	138.0	13.7	77.5	51.8	110.6	52.7	135.6	96.0	76.3	693.1	1183.1	2.3	28.7
	2004	4.0	183.0	153.5	45.3	...	...	712.0	13.0	3.5	7.0	102.2	271.7	29.6	26.3	813.0	1962.1	52.7	135.6	336.4	35.5	2206.9	2679.5	6.0	6.0
	2005	...	...	166.5	76.3	...	...	886.1	14.8	3.9	5.6	177.9	362.7	36.7	30.9	899.5	3468.6	52.7	135.6	431.7	30.5	2655.0	4,125.0	6.5	6.9
	2006	8.8	514.6	281.7	343.1	...	...	280.5	72.6	16.3	46.7	169.3	307.2	7.4	128.9	1066.9	5626.7	286.6	144.1	183.6	67.7	2301.1	7,251.6	13.0	34.6
	2007
Kazakhstan (iii)	2002	0.0	31.1	15.5	112.7	12.4	309.9	...	...	31.8	108.6	0.4	0.4	3.0	45.7	173.7	97.4	74.6	15.3	86.5	101.0	397.9	822.1	6.0	8.5
	2003	0.0	49.4	13.7	113.5	12.8	411.1	...	...	54.8	156.4	0.7	0.7	7.3	75.7	209.0	99.2	49.1	37.2	89.7	137.9	437.1	1081.1	5.2	8.4
	2004	0.3	86.4	16.1	287.1	13.0	712.0	...	...	91.2	222.0	0.7	0.7	3.5	136.1	342.4	147.1	75.6	26.1	227.6	201.7	770.1	1819.2	6.0	9.1
	2005	0.2	163.9	21.3	129.1	14.8	886.1	...	...	118.6	225.5	2.1	2.1	17.0	150.6	399.9	157.0	50.7	17.3	254.5	242.6	878.9	1974.2	5.1	7.1
	2006	0.9	178.5	70.8	226.4	21.6	2077.6	...	...	138.9	267.8	12.1	1.7	27.7	157.4	558.4	348.2	132.6	20.7	319.1	384.7	1282.1	3663.0	7.2	17.5
	2007	4.0	192.5	86.6	318.8	44.3	2451.4	...	...	175.9	355.1	11.8	13.7	25.0	278.5	959.0	934.4	142.7	77.9	538.5	871.8	1987.8	5494.1		
Kyrgyzstan (iv)	2002	...	4.4	2.4	5.6	4.3	4.7	123.9	36.8	...	...	0.3	...	3.5	10.2	17.0	16.4	1.7	2.4	60.1	27.8	213.2	108.3	36.3	22.3
	2003	0.1	6.1	0.3	2.0	6.0	2.1	171.0	57.1	...	...	0.1	0.1	3.1	18.9	26.0	11.0	0.1	2.3	39.2	16.3	245.8	115.9	34.3	19.9
	2004	0.2	8.0	0.3	1.2	7.0	3.5	203.0	87.3	...	...	0.1	...	2.2	22.1	33.2	17.0	1.2	4.0	51.9	14.7	299.1	157.8	31.8	22.0
	2005	0.2	12.4	1.8	2.0	5.6	3.9	174.4	116.1	...	...	1.3	0.1	2.0	23.0	33.4	18.1	13.0	2.8	60.1	17.0	291.8	195.4	26.5	29.1
	2006	0.1	76.0	5.3	1.9	8.2	7.6	199.1	163.5	...	...	0.9	0.1	2.8	22.5	39.8	28.1	1.8	2.2	84.7	27.8	342.7	329.7	1.9	1.6
	2007
Pakistan (v)	2002	30.6	223.4	0.0	1.8	204.7	41.9	0.1	11.1	0.0	1.1	...	...	0.1	0.6	106.8	109.8	0.9	2.1	4.2	7.6	347.4	399.4	3.3	4.0
	2003	31.2	408.5	0.0	1.1	301.4	82.0	0.1	10.0	0.0	2.8	...	...	0.1	0.2	66.4	199.0	0.1	1.6	1.3	3.3	400.6	708.5	3.1	6.0
	2004	48.9	465.3	0.4	2.0	271.7	102.2	0.8	8.7	0.0	5.4	...	...	7.5	0.3	89.2	217.4	9.3	0.9	6.3	3.1	434.1	805.3	2.4	6.2
	2005	53.1	1036.5	1.0	2.3	362.7	177.9	0.7	9.9	0.0	2.0	...	...	7.4	1.4	186.0	299.0	11.5	1.0	11.6	2.3	634.0	1532.8	2.5	9.6
	2006	47.5	1063.4	0.3	2.8	449.9	188.0	1.0	9.4	0.4	1.8	...	...	5.0	1.1	188.8	304.4	6.6	0.9	10.7	2.5	710.2	1574.3	4.0	7.5
	2007
Tajikistan (vi)	2002	0.3	6.3	41.1	0.5	15.6	28.4	72.2	3.5	5.2	3.7	0.1	0.0	...	...	10.5	118.5	47.1	10.0	132.4	72.9	324.2	243.8	45.0	33.1
	2003	1.6	5.8	62.3	0.7	23.7	51.4	95.8	4.6	27.5	3.7	0.0	0.1	...	...	29.5	193.2	31.6	2.2	132.7	67.1	403.1	328.8	45.8	41.2
	2004	4.0	7.7	86.0	15.4	26.3	29.6	152.6	3.5	17.6	4.4	0.3	0.2	...	...	37.9	139.7	33.7	7.6	168.8	65.9	523.2	274.0	43.9	29.9
	2005	3.4	12.1	114.9	0.6	30.9	36.7	168.3	19.7	20.6	3.2	1.7	0.3	...	...	21.9	143.4	53.8	0.0	152.8	66.5	564.9	282.5	42.5	31.1
	2006	6.5	18.6	138.2	2.6	34.0	76.1	186.7	27.8	28.1	11.2	0.3	0.1	...	...	36.3	442.3	60.2	0.1	176.1	67.4	666.4	646.2	3.8	3.1
	2007
Turkey (vii)	2002	1.1	20.2	64.6	231.4	921.0	334.0	203.9	160.2	17.6	24.0	117.7	57.5	40.7	10.9	...	...	106.3	110.0	75.3	93.7	1,547.1	1,041.9	3.0	2.9
	2003	2.7	36.5	122.6	315.5	1860.7	533.8	266.6	234.0	10.9	40.9	192.0	70.4	57.0	29.5	...	...	123.7	170.3	99.5	138.4	2,733.0	1,569.3	3.9	3.3
	2004	6.8	70.9	135.5	403.9	1962.1	813.0	442.2	355.6	13.4	74.7	240.7	86.4	62.8	41.6	...	...	175.8	214.8	178.7	145.2	3,218.0	2,206.1	3.3	3.5
	2005	8.3	113.2	270.6	524.1	3468.6	899.5	557.0	459.2	13.6	88.9	314.5	187.5	47.3	46.6	...	...	159.9	180.4	257.5	151.0	5,097.3	2,650.4	4.4	3.6
	2006	9.6	91.1	340.5	695.3	5,626.6	1,066.9	993.7	696.8	27.5	132.2	379.6	129.6	118.4	71.8	...	...	189.9	281.3	415.8	176.0	8,101.6	3,341.0	45.6	15.9
	2007

Statistical Tables

Turkmenistan	2002	...	50.0	8.6	119.8	88.4	19.1	15.3	74.6	2.4	1.7	2.1	0.9	10.0	47.1	110.0	106.3	...	...	64.5	11.8	301.3	431.3	14.2	15.1
	2003	...	14.0	5.8	188.4	135.6	52.7	37.2	49.1	2.3	0.1	1.6	0.1	2.2	31.6	170.3	123.7	...	...	75.5	13.9	430.5	473.6	17.1	13.0
	2004	...	28.0	143.4	114.4	...	...	26.1	75.6	4.0	1.2	0.9	9.3	7.6	33.7	214.8	175.8	...	...	143.7	15.5	540.5	453.5	19.0	11.3
	2005	...	...	273.6	243.0	...	...	17.3	50.7	2.8	13.0	1.0	11.5	0.0	53.8	180.4	159.9	...	...	38.0	13.7	513.1	545.6	11.8	8.8
	2006	10(*)	56(*)	9.5	369.0	144.1	286.6	20.7	132.6	2.2	1.8	0.9	6.6	0.1	60.2	281.3	189.9	...	...	33.6	13.3	502.4	1116.0	2.8	5.3
	2007																								
Uzbekistan (viii)	2002	0.2	61.5	5.5	5.2	31.9	174.1	182.0	81.8	35.0	76.6	3.9	2.1	15.8	101.1	87.7	103.0	11.8	64.5	...	...	373.8	669.9	13.8	22.4
	2003	0.6	89.3	3.8	5.6	28.3	274.2	196.1	99.1	26.3	50.1	3.6	5.6	24.3	121.5	141.8	129.0	13.9	75.5	...	...	438.7	849.9	14.8	22.8
	2004	2.7	127.6	6.0	147.0	35.5	336.4	241.1	184.7	24.4	43.6	6.1	2.3	37.6	147.1	172.5	215.9	15.5	143.7	...	...	541.4	1348.3	14.2	27.8
	2005	1.1	170.4	6.7	129.0	30.5	431.7	270.0	246.9	26.3	45.6	8.2	1.1	18.4	136.7	177.8	346.3	13.7	38.0	...	...	552.7	1545.7	13.5	28.6
	2006	1.9	161.7	6.7	50.1	37.8	620.6	413.9	304.7	31.1	80.0	10.7	8.0	16.0	170.0	150.4	576.8	13.3	33.6	...	...	681.8	2005.5	3.8	9.6
	2007																								