

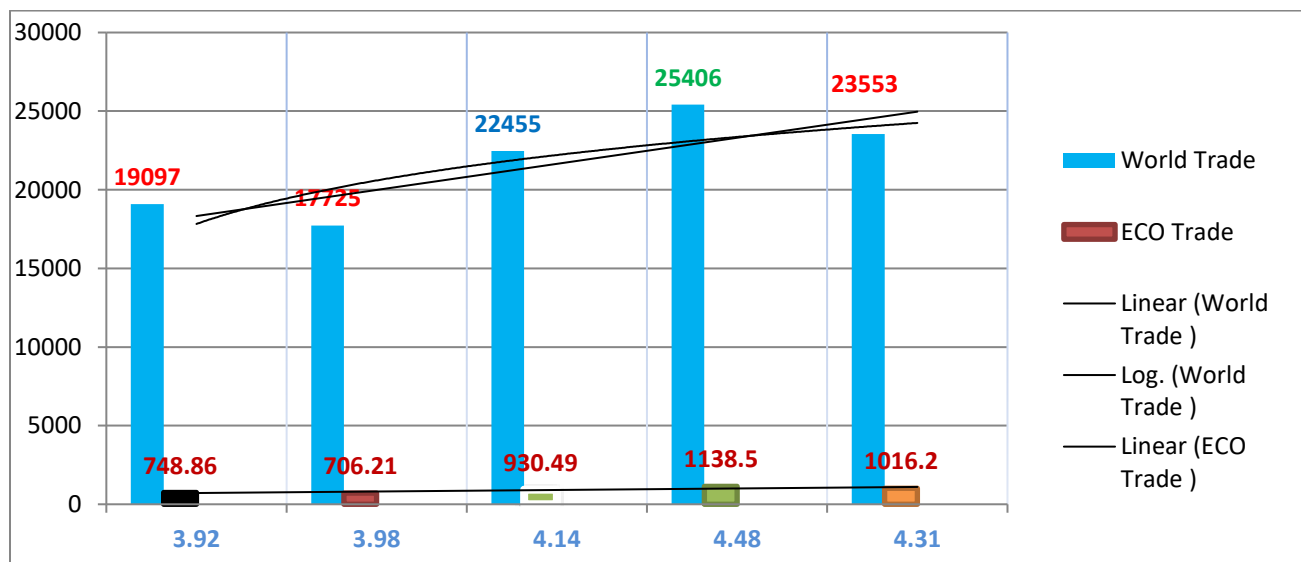
ECO's Regional Trade Profile

1. In the line with the ECO Vision-2025 targets set for Trade sector i.e. a) to enhance contribution of the ECO Region to world trade commensurate to its potential, especially exports and b) To double the intra regional trade, To achieve the targets, some well researched initiatives have been taken in both aspects of 'trade expansion' to pursue expansion of intra-regional trade and region's contribution to world trade under ECO Trade Agreement (ECOTA) and the Draft ECO Trade Facilitation Strategy/ Draft ECO Trade Facilitation Agreement.

2. The share of the ECO in global trade increased from US\$ 648 billion in 2016 to reach US\$ 797.8 billion in 2018. In 2019 it registered a decline by 6.1 % to US\$ 748.7 billion, followed by a decline to US \$ 706 billion in 2020. In 2021 the ECO's share in world trade was recorded at US\$ 930 billion. In 2022 the ECO region's contribution crossed one trillion **US Dollar for the first time**. In the year 2023, the share of the ECO region in world trade has been calculated at USD 1 trillion 16 billion, reported so far. In percentage terms, the contribution of the ECO region in world trade was recorded at 4.14 % in 2021, which increased marginally to 4.48 % in 2022 amid the global recovery. In 2023, it has declined somewhat to 4.31 % according to data reported so far. The ECO region's contribution in world trade clearly falls below its commensurate potential for a region that is strategically located on important trade routes with a share of more than 6% of world population and abundance of endowments in natural and human resource.

3. The graphical representation is shown in Figure1 below:

ECO Trade growth and % share in World Trade in last five years



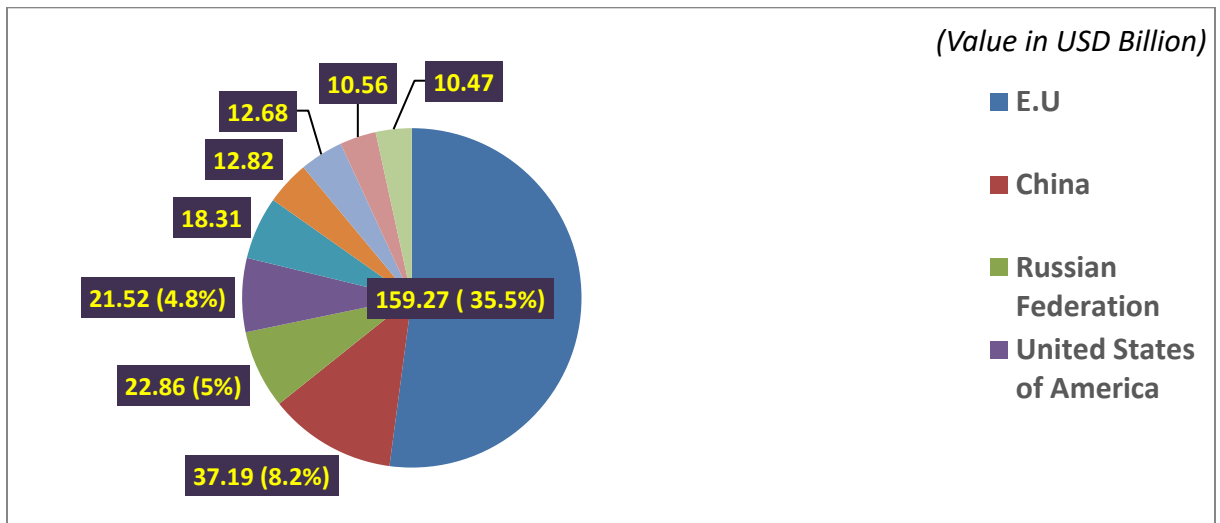
Source: Trade Map

4. The highest exports of the ECO countries to the world in 2023 have been recorded in Mineral Fuels, Mineral Oils and products thereof (HS -27) with a value of (USD 109.75 billion, 10.8 %), followed by Vehicles other than Railway or Tramway rolling (HS-87) US\$ 32.28 billion, 3.17%) and Refrigerators, machinery, nuclear centrifuges etc., (HS 84) US\$ 27.99 billion, 2.7%)

Export Profile of the ECO Region

Major export destinations of the ECO region have been China, followed by the EU countries like Italy, Germany and the USA.

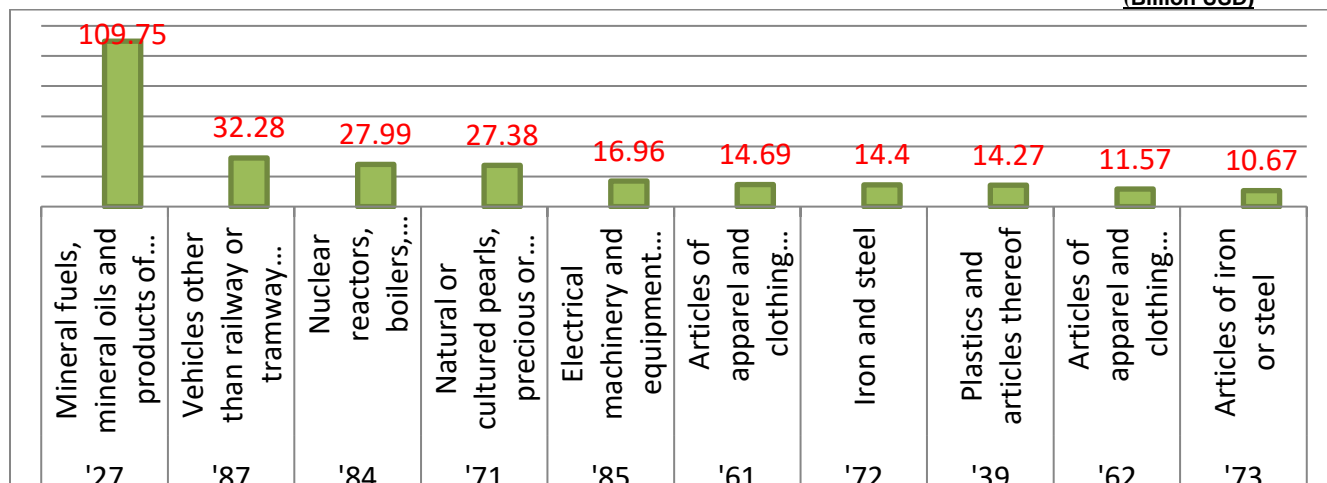
Top Exports Destination of ECO with % Share



5. The following are the top exports of the ECO Region to the world
 1. Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral... (HS-27) US\$ 109.75 billion (26% of the total ECO exports to world).
 2. Vehicles other than Railway or Tramway rolling... (HS-87) US\$ 32.28 billion
 3. Refrigerators, machinery, nuclear centrifuges etc., (HS 84) US\$ 27.99 billion .
 4. Natural or Cultured Pearls, PRECIOUS OR SEMI PRECIOUS ...(HS-71)
 5. Electrical machinery and equipment and parts thereof;... (HS-85)
 6. Articles of Apparel and clothing accessories....(HS-61)
 7. Iron and Steel..(HS-72)
 8. Plastics and Articles thereof (HS 39).
 9. Articles of Apparel, clothing accessories and.....(HS-62)
 10. Articles of Iron and steel (HS-73)

Top Ten Tariff Lines (at HS-2) ECO Exports to world with share of each

(Billion USD)



Source: ICT web based Tools

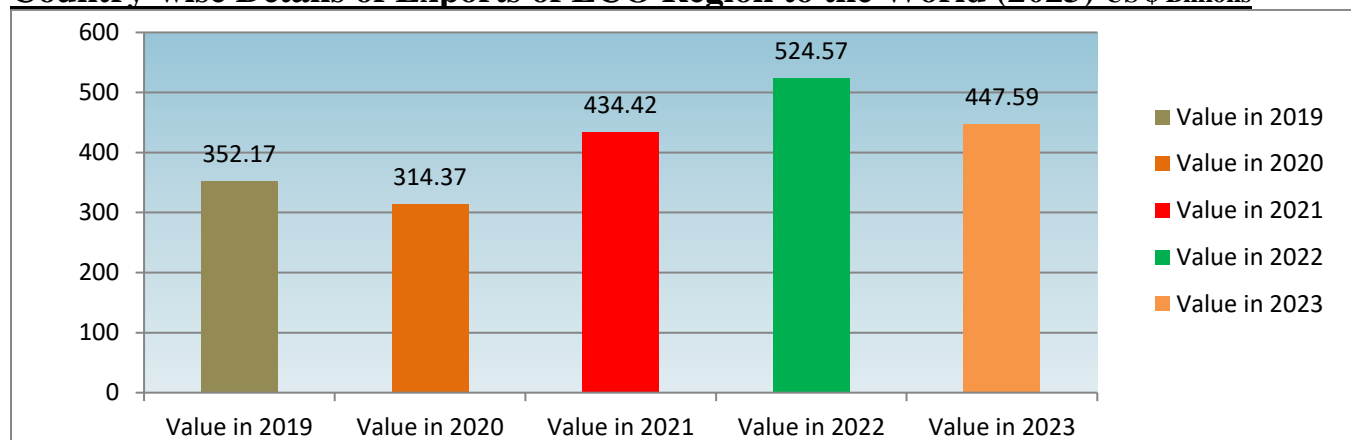
6. The ranking of top exporting countries in the world including the ECO Member States are indicated in the table below:

Top Exporting Countries in the World and Ranking of the ECO Region

| Ranking | Year | 2018 | 2019 | 2020 | 2021 | 2022 | US \$ billion |
|---------|--------------------|-------|--------|-------|--------|--------------------|---------------|
| | World | 19665 | 19090 | 17707 | 22434 | 25050 | %Share (2022) |
| 1. | USA | 2609 | 2563.5 | 2407 | 2935 | 3376 | 13.47 |
| 2. | China | 2135 | 2066.5 | 2057 | 2675.6 | 2716 | 10.84 |
| | Germany | 1286 | 1236 | 1173 | 1422.8 | 1571 | 6.27 |
| 4. | Japan | 749 | 721 | 634.6 | 773.7 | 905 | 3.61 |
| 5. | United Kingdom | 671.6 | 692.4 | 630.8 | 695.5 | 816 | 3.25 |
| 6. | France | 666 | 644 | 569.3 | 704.7 | 811.6 | 3.23 |
| 7. | Italy | 503.5 | 475 | 426.4 | 568 | 743 | 2.96 |
| 8. | India | 509 | 478.8 | 368 | 570.4 | 732.5 | 2.92 |
| 9. | Korea, Republic of | 535 | 503 | 467.5 | 615 | 731.3 | 2.91 |
| 10. | Netherlands | 521 | 514 | 484 | 623 | 712 | 2.84 |
| 32. | Türkiye | 223 | 210.3 | 219.5 | 271.4 | 363.7 | 1.45 |
| 64. | Pakistan | 60.3 | 50 | 45.8 | 73 | 71 | 0.28 |
| 73. | Kazakhstan | 32.5 | 38.3 | 38 | 41.4 | 50 | 0.199 |
| 84. | Uzbekistan | 17.3 | 21.8 | 20 | 23.7 | 28 | 0.111 |
| 88. | Iran, I.R of | 41 | 44 | 38.8 | 53 | 26.9 (mirror data) | 0.107 |
| 111. | Azerbaijan | 11.4 | 13.6 | 10.7 | 11.7 | 14 | 0.055 |
| 126. | Kyrgyzstan | 4.9 | 4.9 | 3.6 | 5.5 | 9.6 | 0.038 |
| 151. | Tajikistan | 3.1 | 3.3 | 3.1 | 4.2 | 5.1 | 0.0203 |
| 153. | Afghanistan | 7.4 | 6.7 | 8.7 | 7.3 | 4.6 | 0.0183 |
| 166. | Turkmenistan | 2.8 | 3.3 | 3.3 | 4.5 | 3.4 | |

Sources: ITC calculations based on UN COMTRADE and ITC statistics. The world aggregation represents the sum of reporting and non reporting countries

Country-wise Details of Exports of ECO Region to the World (2023) US \$ Billions



Source Trade Map, ITC (Data and mirror data in orange colour).

% Share of ECO Member States in World Exports

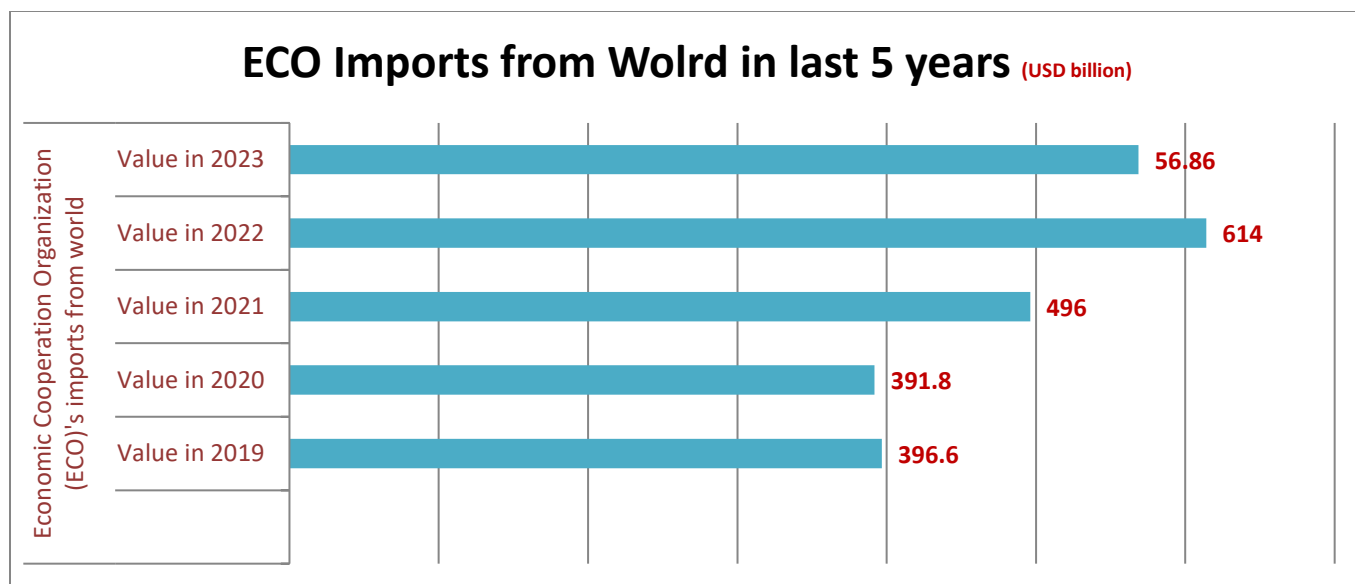
| S# | Name of Country | Share in world exports (%) |
|-----|----------------------------------|----------------------------|
| | ECO Aggregation | 1.9 |
| 1. | Türkiye | 1 |
| 2. | Kazakhstan | 0.3 |
| 3. | Azerbaijan | 0.2 |
| 4. | Pakistan | 0.1 |
| 5. | Iran, Islamic Republic of | 0.1 |
| 6. | Uzbekistan | 0.1 |
| 7. | Turkmenistan | 0.1 |
| 8. | Tajikistan | No Data |
| 9. | Kyrgyzstan | No Data |
| 10. | Afghanistan | No Data |

Source: ITC , Trade map Accessed by director trade on 23 August 2023

Source: trade map

Import Profile of the ECO Region

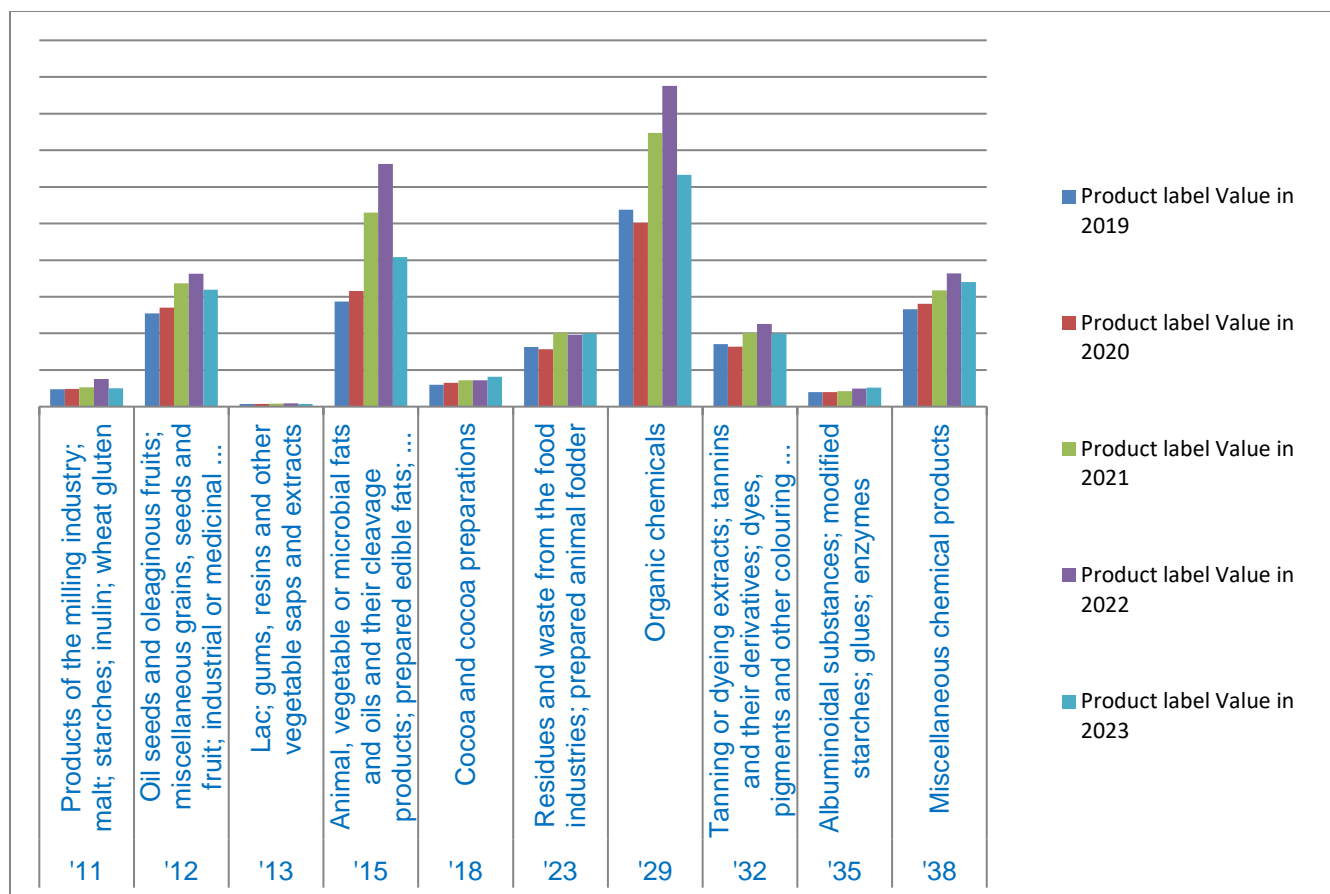
- The imports of the ECO region from world stood at USD 568.6 billion in 2023 (only 2.44% of world imports).



The composition of the ECO imports is listed below:

- Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral. (HS- 27) US\$ 92.3 billion. (16.23 % of the total ECO Imports from world).
- Refrigerators, Machinery, Nuclear centrifuges etc, (HS 84) US\$ 68.6 billion (12.26 % of the total ECO imports).
- Vehicles other than railway or tramway rolling stock, and parts and accessories thereof (HS 87) US\$ 56.05 billion (9.85 % of the total ECO imports).
- Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television. .(HS- 85) US\$ 45.36 billion (7.97 % of the total ECO imports)
- Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad (HS-71) US\$ 34.55 billion (6.07 % of the total ECO imports)
- Iron and steel 9HS 72) US\$ 34.55 billion (6.07 % of the total ECO imports)
- Plastics and Products thereof (HSD 39) US\$ 23.3 billion ((4.09) % of total ECO imports)

Top Ten Tariff Lines of Imports of the ECO Region



8. The ranking of top importing countries in the world including the ECO Member States are indicated in the table below::

Top Importing Countries in the World and ranking of Importing Countries in the ECO Region

Source: trade map US \$ Billion

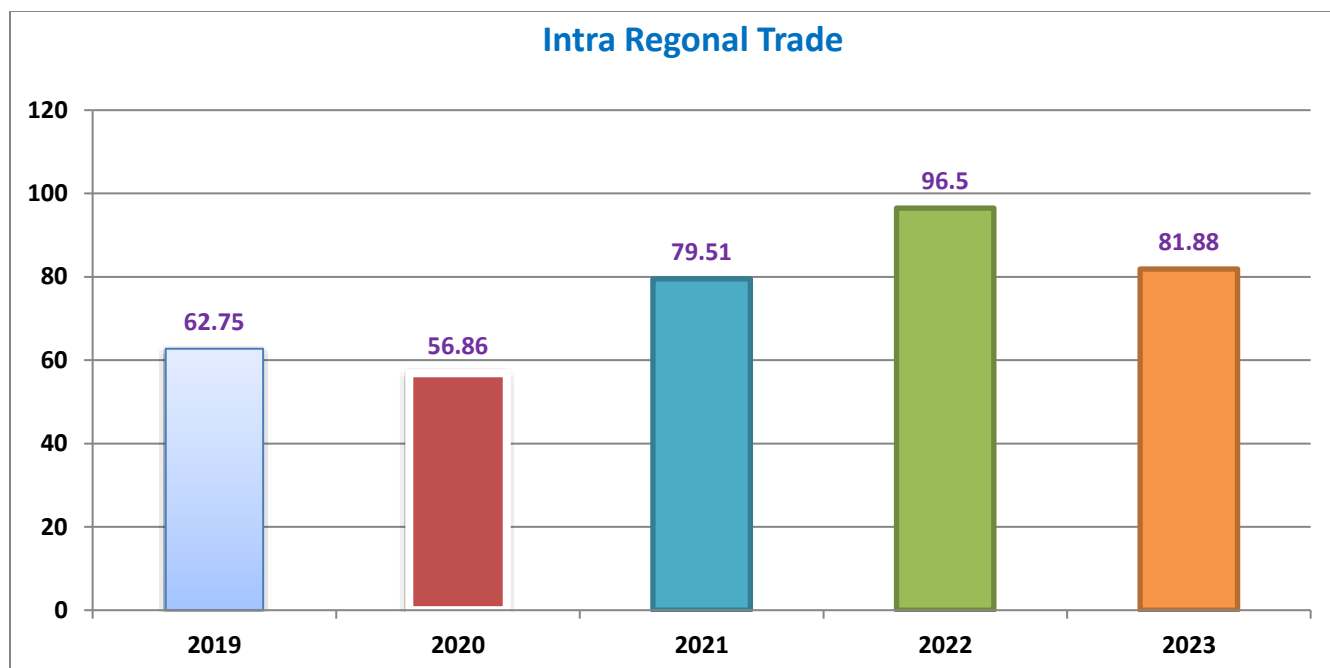
| Rank | Year | 2018 | 2019 | 2020 | 2021 | 2022 | % Share |
|------|----------------|--------------|---------------|--------------|---------------|--------------|----------------------|
| | World | 19665 | 19090 | 17707 | 22434 | 25050 | %Share (2022) |
| 1. | USA | 2609 | 2563.5 | 2407 | 2935 | 3376 | 13.47 |
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| | | | | | | | |
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| 7. | Italy | 503.5 | 475 | 426.4 | 568 | 743 | 2.96 |
| 32. | Türkiye | 223 | 210.3 | 219.5 | 271.4 | 363.7 | 1.45 |
| 64. | Pakistan | 60.3 | 50 | 45.8 | 73 | 71 | 0.28 |
| 73. | Kazakhstan | 32.5 | 38.3 | 38 | 41.4 | 50 | 0.199 |
| 84. | Uzbekistan | 17.3 | 21.8 | 20 | 23.7 | 28 | 0.111 |
| 88. | Iran, Islamic Republic of | 41 | 44 | 38.8 | 53 | 26.9 (mirror data) | 0.107 |
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| 153. | Afghanistan | 7.4 | 6.7 | 8.7 | 7.3 | 4.6 | 0.0183 |
| 166. | Turkmenistan | 2.8 | 3.3 | 3.3 | 4.5 | 3.4 | |

Intra Regional Trade Profile of ECO

Trends in Intra-Regional Trade in the ECO

9. The ECO region has registered an increase of 42.6 % in its Intra-Regional Trade during the last five years from 2018 till 2022 as shown in the graph below. The ECO region has registered an increase of 42.6% in its Intra-Regional Trade during the last five years from 2018 till 2022. In the year 2023 the Intra Regional Trade has been recorded at USD 81.9 Billion, with some of the countries data awaited and mirror data has been relied upon.



Source: Trade Map

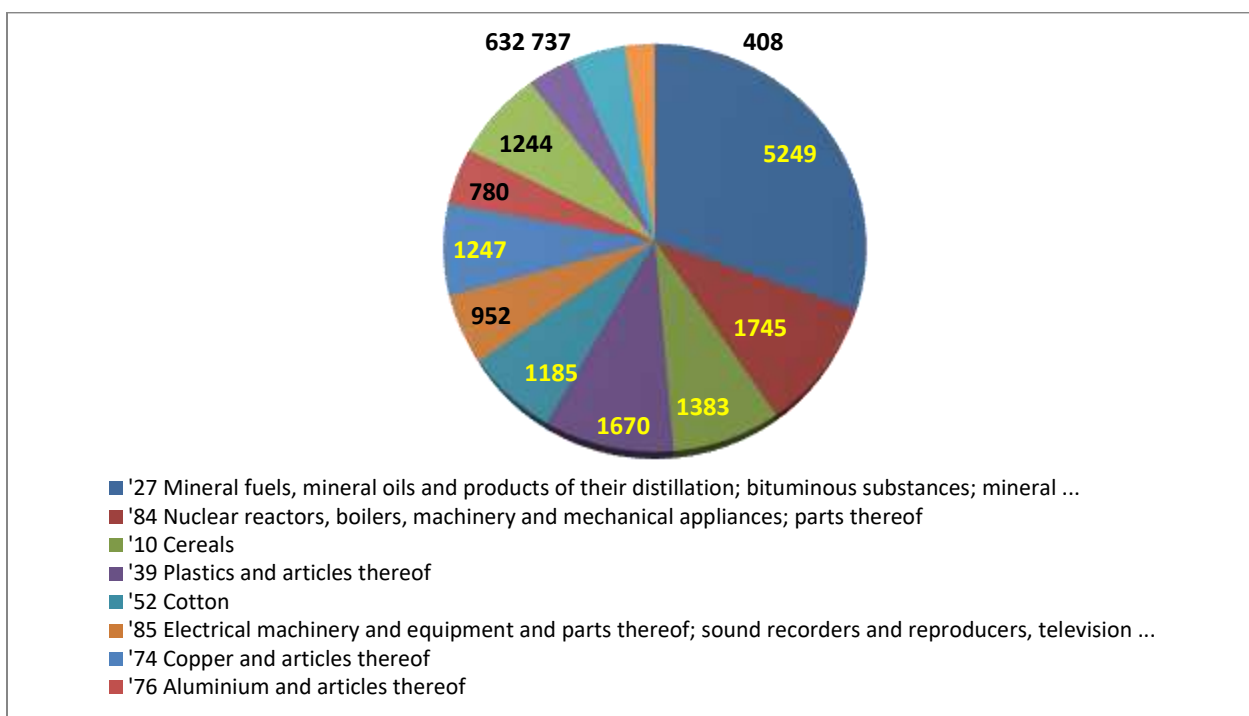
10. The intra-regional trade was recorded at US\$ 85.6 billion in 2023, which was 8.2% of the region's total trade with rest of the world. In the year 2022 imports of ECO countries, sourced from within the ECO region, were recorded at US\$ 39.7 billion out of their total world imports of US\$ 577.5 billion in the same period making only 6.8%. Likewise, the exports of ECO countries to ECO regional destinations were recorded at US\$ 46 billion against their total exports to the world, which were recorded at US\$ 459 billion that constitutes 10%. The ECO region has recorded a trade deficit of US\$ 118.4 billion (11.43% of their total trade with the rest of world) which shows that the region's exports are far below its true potential - a target set in the ECO Vision 2025 to increase exports from ECO region to the world.

Intra Regional Trade

| Description | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------|-------|-------|-------|-------|-------|
| Intra Regional Trade | 62.75 | 56.86 | 79.51 | 96.50 | 81.88 |

| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| (Intra Regional Trade as % of Trade with Rest of World) | 8.37% | 8.06% | 8.54% | 8.47% | 8.05% |
| Source ; Trade Map, in US\$ Billion | | | | | |

Top Tariff Lines in Intra Regional Trade (Million USD)

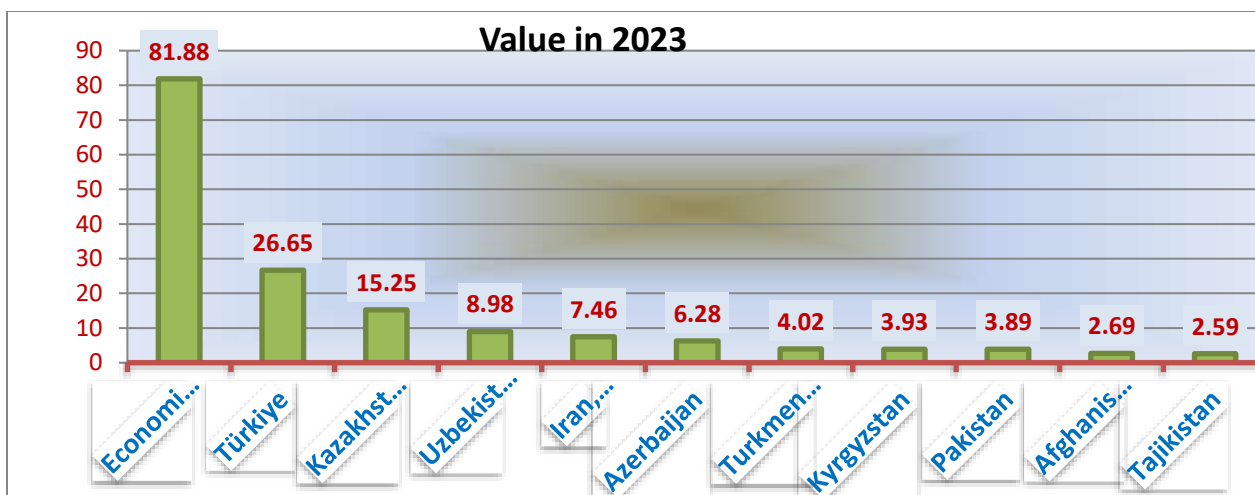


Source: ICT web based tolls, Trade Map

11. The top Exports of ECO countries to destinations within the ECO region have been recorded at US \$ 51.05 billion (against their total exports to the world US\$ 524.5 billion). The intra-regional exports are only 9.7 % of the region’s exports to the world. Intra-regional trade was recorded at US\$ 106.5 billion in 2022, which is only 9.3% of the region's total trade with the world

Intra-Regional Exports in the ECO and share of each Member States

Unit: US \$ Billions



Trends in Investment in the ECO Region

12. The inflow of Foreign Direct Investments (FDI) to the ECO countries is below its potential as we see a global trend of low FDI flows among the developed world. The FDI inflows have shown 20% growth with figures of US\$ 25.7 billion in 2022 against 21.4 billion USD in 2021. During Pandemic the inflows were recorded at US\$ 18 billion USD in 2020. The growth in regional FDI in the last three years has been almost 30%. The table below shows the figures in Investment in the region²:

World Investment Report 2022- Trends in ECO Region (Million US\$)

| Year | Afghanistan | Iran | Pakistan | Azerbaijan | Türkiye | Kazakhstan | Kyrgyzstan | Tajikistan | Turkmenistan | Uzbekistan |
|------|-------------|------|----------|------------|---------|------------|------------|------------|--------------|------------|
| 2018 | 119.43 | 2373 | 1737 | 1403 | 12511 | 3897.7 | 144 | 359.61 | 1606.64 | 624.68 |
| 2019 | 23.40 | 1508 | 2234 | 1503.9 | 9543 | 3284.18 | 404 | 364.48 | 1853.6 | 2316.4 |
| 2020 | 12.97015 | 1342 | 2057 | 507 | 7686 | 3669.6 | -401.5 | 106.53 | 1436.2 | 1728.2 |
| 2021 | 20.6 | 1425 | 2147 | -1707.7 | 11840 | 3336.7 | 226.2 | 84.03 | 1287.3 | 2275.5 |
| 2022 | N.A | 1500 | 1339 | -4474.47 | 12881 | 6108.413 | 290.9 | 174.02 | 936.03 | 2531.3 |
| 2023 | N.A | 1422 | 1818 | 253 | 10439 | 3223 | 490 | 141 | 1378 | 2187 |

¹ <https://unctad.org/publication/world-investment-report-2023>

² Source: <https://www.google.com/search?q=world+investment+report+2022>