

#### Tajikistan – a brief overview

Tajikistan became independent in 1991 following the disintegration of the Soviet Union. Keen attention by the international community has brought increased economic and security assistance, which is increasing stability and creating jobs for citizens. Tajikistan joined NATO's Partnership for Peace in 2002, and became a member of the World Trade Organization in March 2013.

#### Economy of Tajikistan

The economy of Tajikistan is rapidly undergoing development. More than one million Tajik citizens work abroad, almost all of them in Russia, supporting families in Tajikistan through remittances. Mineral resources in Tajikistan include silver, gold, uranium, and tungsten. Its industry consists mainly of a large aluminum plant, hydropower facilities, and factories mostly in light industry and food processing. Electricity output expanded with the completion of the Sangtuda-1 hydropower dam - finished in 2009, while the smaller Sangtuda-2 began operations in 2012. The government of Tajikistan has high hopes related to the massive Roghun dam which, if finished according to plans, will be the tallest dam in the world and will significantly expand electricity output.

Tajikistan imports approximately 60% of its food and 90% of that comes by rail. Cotton is the most important crop in Tajikistan, and its production is closely monitored by the government. A reform agenda is underway, according to which over half a billion dollars in farmer debt has been waived off.

#### Agricultural Products & Key Industries of Tajikistan

The important agricultural products of Tajikistan include cotton, grain, fruits, grapes, vegetables, and livestock cattle, sheep, goats. Its key industries are aluminum, cement and vegetable oil.

#### Tajikistan 's major trading commodities and partners

The major commodities exported by Tajikistan are aluminum, electricity, cotton, fruits, vegetable oil and textiles. The major export partners of Tajikistan are Turkey, China, Iran, Afghanistan, Kazakhstan and Russia. The commodities imported by Tajikistan include petroleum products, aluminum oxide, machinery and equipment and foodstuff. The important import partners of Tajikistan are China, Russia, Kazakhstan, Turkey and Iran.

#### Bilateral Trade Relations between Pakistan and Tajikistan

Pakistan and Tajikistan share friendly bilateral relations where bilateral trade volume of the two countries have gradually inclined during the past few years. During Fiscal Year 2013-14, goods exported by Pakistan to Tajikistan were recorded at \$ 12.96Mn as against \$ 14.38Mn during Fiscal Year 2012-13. On the other hand, goods imported by Pakistan during Fiscal Year 2013-14 were recorded at \$ 10.79Mn as against imports of \$ 24.06Mn in Fiscal Year 2012-13. Although the trade balance has remained in the favor of Tajikistan for long time, in Fiscal Year 2013-14, trade balance tilted towards Pakistan by \$ 2.17Mn.

#### Trading Commodities between Pakistan and Tajikistan

Pakistan's top exports to Tajikistan are sugar and sucrose, sugar confectionary, milk and cream products, matches etc. Main items that Pakistan import from Tajikistan are cotton, synthetic staple fibers, silkworm cocoons, magnetic tape, cotton yarn and cotton waste. A number of other companies belonging to pharmaceutical sector, agriculture and livestock have been doing good export business in this Central Asian Republic.

#### Potential for enhancing bilateral trade relations between Tajikistan and Pakistan

- Both Tajikistan and Pakistan have a huge potential in various sectors of the economy. The signing of resolution by inter-governmental council of central Asia South Asia (CASA) for provision of 1,300 megawatts electricity to Pakistan and Afghanistan during summer season would further strengthen relation between Pakistan and Tajikistan.

-In the past, Tajikistan had shown interest in importing wheat, rice and canola oil and fertilizer. Pakistan should make further efforts for enhancing its trade with Tajikistan in these areas.

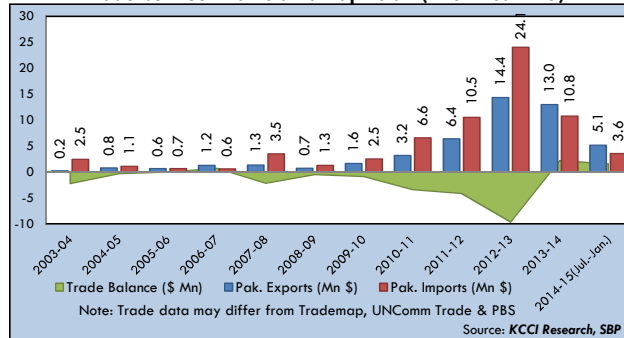
-As Pakistan has excess cement production capacity, it should look to increase its export share to Tajikistan.

#### Economic Indicators

Indicators	Unit	2012	2013 est.	Change
GDP (PPP)	\$ Bn	17.88	19.20	7.38%
GDP per Capita	\$	2,200	2,300	4.55%
GDP growth	%	7.50	7.40	-0.10%
Forex Reserves	\$ Bn	0.97	1.07	10.29%
External Debt	\$ Bn	3.44	2.16	-37.13%
Exports	\$ Bn	0.83	1.16	40.80%
Imports	\$ Bn	3.78	4.12	9.08%
Trade Balance	\$ Bn	-2.95	-2.96	-0.20%
Current Account	\$ Bn	-246.20	-330.00	-34.04%
CPI	%	5.80	3.70	-2.10%
Unemployment	%	2.50	2.50	0.00%
Discount Rate	%	6.50	4.80	-1.70%

Sources: KCCI Research, CIA Factbook

#### Trade between Pakistan & Tajikistan (FY04 - Jan.'15)



#### Tajikistani Somoni Vs. Pakistani Rupee

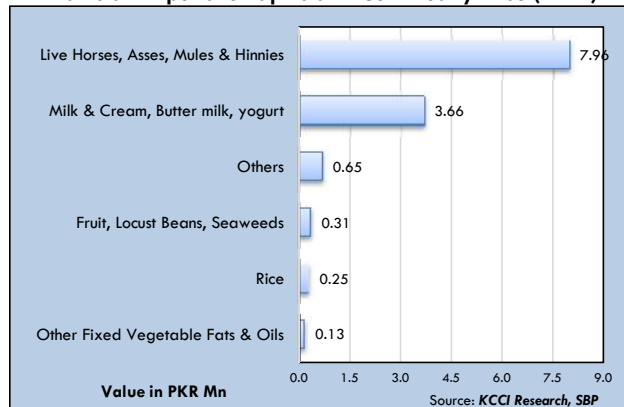
1 TJS is equal to PKR 18.65 as on Mar. 15, 2015



#### Key Memberships

Tajikistan is a member of ADB, CICA, CIS, CSTO, EAEC, EAPC, EBRD, ECO, FAO, G-77, GCTU, IAEA, IBRD, ICAO, ICC (NGOs), ICRM, IDA, IDB, IFAD, IFC, IFRCs, ILO, IMF, Interpol, IOC, IOM, IPU, ISO (correspondent), ITSO, ITU, MIGA, NAM (observer), OIC, OPCW, OSCE, PFP, SCO, UN, UNCTAD, UNESCO, UNIDO, UNWTO, UPU, WCO, WFTU (NGOs), WHO, WIPO, WMO, WTO

#### Pakistan Exports to Tajikistan - Commodity Wise (FY14)



#### Disclaimer

This report has been prepared by KCCI Research & Development Cell. The information contained herein have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith. Such information has not been independently verified. Contact: [res@kcci.com.pk](mailto:res@kcci.com.pk)