



UNIVERSITY  
OF CENTRAL ASIA



## **Opportunities and Challenges for Agri-Food Trade Between Kyrgyzstan and Pakistan**

Zehra Waheed, Fizzah Malik, Suleman Dawood School of Business,  
Lahore University of Management Sciences, Pakistan

Roman Mogilevskii, Zalina Enikeeva, Mariia Iamshchikova,  
Institute of Public Policy and Administration, University of Central Asia

**February 2020**

## **Disclaimer**

Under the CAREC Think Tanks Network (CTTN), the CAREC Institute has launched the Research Grants Program in May 2019 to support scholars and researchers from members of the CTTN to produce targeted knowledge products which would add to the body of knowledge on regional cooperation in CAREC.

Scholars from member think tanks were encouraged to research CAREC integration topics and undertake comparative analysis between (sub) regions to draw lessons for promoting and deepening regional integration among CAREC member countries particularly as anticipated in the CAREC 2030 strategy and stated operational priorities.

The 2019 research grants have been awarded to five researchers who presented their preliminary findings during the August 2019 Think Tanks Forum in Xian, the PRC.

This paper presents the current opportunities and challenges for agri-food trade between Kyrgyzstan and Pakistan conducted jointly by researchers from Suleman Dawood School of Business, Lahore University of Management Sciences, Pakistan and Institute of Public Policy and Administration, University of Central Asia.

The views expressed in this paper are the views of the author(s) and do not necessarily reflect the views or policies of CAREC Institute, its funding entities, or its Governing Council.

CAREC Institute does not guarantee the accuracy of the data included in this paper and accepts no responsibility for any consequences of their use. Terminology used may not necessarily be consistent with CAREC Institute official terms.

Please contact the author and CAREC Institute for permission to use or otherwise reproduce the content. The CAREC Institute cannot be held liable for any claims that arise as a result of your use of this material.

For additional queries, please contact [km@carecinstitute.org](mailto:km@carecinstitute.org)

## Abstract

The paper represents the interim findings from an exploratory policy research project funded by the CAREC Institute investigating governance, infrastructure and policy dimensions of trade between Pakistan and Kyrgyzstan. The focus is on increased bilateral trade, especially that of agricultural goods. The research explores the current status quo while investigating current practice- as seen by various relevant stakeholders in both countries - to make relevant policy recommendations that can assist in improving the regional trade environment and enhancing trade which assists both countries in achieving export-led growth. The interim findings represent an analysis of policy, reforms, trade agreements and trade data for Pakistan while presenting findings from investigations made in Kyrgyzstan that indicate the level of cooperation between Kyrgyzstan and Pakistan, identifies potential commodities for trade, trade routes and current practice-based challenges.

## I. Introduction

Given the geographical proximity between Kyrgyzstan and Pakistan, excellent bilateral relations between the two near-neighbors and largely agrarian economies (with agriculture and related sectors contributing to over 20% of GDP in both countries): Kyrgyzstan and Pakistan can create a wide range of marketable Agri-based raw and value added products – both for trade and consumption within the two countries but also as part of potential regional and global value chains. Kyrgyzstan is a land-locked nation while Pakistan’s strategic geographical location through a vast network of road and rail infrastructure linking Central Asia and China to the Arabian Sea via two large seaports as well as a large 200 million domestic market makes the partnership even more viable. Given the need to explore the trade partnership between the two countries as a possible win for both sides, this research assessed the current trade situation and status quo between Kyrgyzstan and Pakistan with a specific focus on Agri-food trade. It describes the trade regimes and barriers to trade (such as customs procedures) in both countries as well as provides an overview of existing legislation on trade and regional trade agreements. Apart from existing, secondary data on the same, the research draws on extensive interviews with relevant stakeholders (public officers, representatives of private companies of different types and logistic companies) in order to better understand the barriers that practically exist while proposing measures that address the potential opportunities of trade between the two countries.

The research has been conducted in two legs – one carried out in Pakistan (exploring the economies of Kyrgyzstan and Pakistan, trade agreements, need for export-led growth, potential for connectivity and an analysis of CAREC’s role within the same) and the other in Kyrgyzstan (exploring trade routes, initial findings from interviews with traders, transporters, government officials and businesspeople). This report aggregates the findings so far. These will be combined after further collection of relevant data, triangulation and analysis leading to viable policy recommendations.

So far, the research has established the state of current trade, the status of road infrastructure between Kyrgyzstan and Pakistan, the impact of the Belt-and-Road (BRI) initiative on potentially improving connectivity between the two countries, established the current transit routes for trade and mapped current trade agreements of which both countries are a part. Surprisingly, despite the possible advantages of trade Kyrgyzstan and Pakistan are not partners in any single bilateral trade agreement or preferential status to date, hence identifying QTTA (Quadrilateral Transit Trade Agreement – a regional trade agreement of which both countries are a part) as one with great potential for supporting and developing PAK-KYG bilateral trade. The research also identified existing discrepancies in official trade data between the two countries. This augmented our initial premise that institutional and regulatory weaknesses in both countries will need to be resolved before any concerted effort to significantly increase trade between Pakistan and Kyrgyzstan.

The goal of this research is to analyze opportunities and challenges for agricultural commodities trade between Kyrgyzstan and Pakistan. The aim is also to analyze potentials and benefits and barriers for agri-food trade between Kyrgyzstan and Pakistan. According to official statistics, trade between these countries is represented very poorly despite its great potential especially in agricultural sector.

The research questions that the study answers are:

- What are potentials/benefits and barriers for agri-trade between the two countries?
- Are there any policy barriers/impediments for bilateral trade?
- How does existing and new infrastructure (created in the Belt and Road Initiative) impact trade?
- Identification of asymmetry in current agricultural trade while identifying the factors leading to the current status quo

The aim of these questions is to identify and propose policy solutions to improve trade integration between Kyrgyzstan and Pakistan.

## II. Pakistan and Kyrgyzstan: Location and Trade

The Central Asia Regional Economic Cooperation (CAREC) Program is the partnership of eleven countries and development partners formed to allow work in various areas of development aimed at reducing poverty and increase economic growth in the region (CAREC, 2019). Regional integration is a cornerstone of CAREC's 2030 framework wherein transport, trade facilitation, trade policy and energy remain at the very heart of regional cooperation and integration. Both Pakistan and Kyrgyzstan, two near-neighboring countries in the CAREC region can benefit greatly from such increased regional connectivity and trade.

Both countries represent emerging economies with large agrarian bases and key strategic advantages to offer to the partnership. However, despite being near neighbors and fellow members of the CAREC region, Kyrgyz Republic and the Islamic Republic of Pakistan represent an example of culturally and geographically close countries where cooperation in each other's economic life remains extremely limited. This *Opportunities and Challenges for Agri-Food Trade between Kyrgyzstan and Pakistan* research titled aimed to explore a possible key regional trade alliance between Kyrgyzstan and Pakistan with a focus on Agri-trade that furthers regional integration and promotes both more efficient production as well as greater market access.

Pakistan sits at a pivotal geostrategic location at the intersection of the energy-rich Central Asian Countries (including Kyrgyzstan) while also being next to two of the world's largest economies, namely People's Republic of China (PRC) and India. Pakistan also borders the Indian Ocean and the gateway to the Gulf Economies and Africa, providing a key land-and-sea trade route from Central Asia and PRC through to the Gulf and Africa. Pakistan historically faced menacing challenges such as poor institutional capacity, a poor track record of transparency in governance and ease of doing business. However, Pakistan increasingly boasts a strong infrastructure, abundant power generation capacity that has grown considerably from 22,900 MW in 2010 (Trading Economics, 2019) to 28,000 MW by 2019 (Rehman, 2019). Moreover, its economy has

generally been viewed as being very resilient despite tough political and security issues in the region (USAID, 2017).

Kyrgyzstan, on the other hand, is a country heavily reliant on its extraction sectors (The Pakistan Business Council, 2017). The country is rich in minerals, gold and coal. The industrial sector which comprises of mining, manufacturing, electricity, water and gas consisted of 27.5% of the country’s GDP in 2018 (World Bank, 2018). Furthermore, gold is the highest contributor to export earnings since the last five years, making up nearly 42% of the export earnings of the country (The Pakistan Business Council, 2017). The primary reasons why Kyrgyzstan continues to rely on the extraction industry is due to the numerous barriers such as arbitrary regulatory standards, government interference and maladministration (USAID/ Deloitte Consulting LLP, 2014). In addition to that, Kyrgyzstan has a strong agrarian base with a potential for growth in agribusinesses and food processing. As of 2018, agriculture, forestry and fishing contribute nearly 11% of the country’s GDP (World Bank, 2018). Despite the mountainous terrain of the country, agriculture sector is a significant sector in the economy. Moreover, Kyrgyzstan is seemingly far more liberal in terms of its regulatory and economic climate in comparison to its neighbors Turkmenistan and Uzbekistan (USAID/ Deloitte Consulting LLP, 2014). That along with its position in Central Asia and the land trade routes make it a lucrative partner for trade.

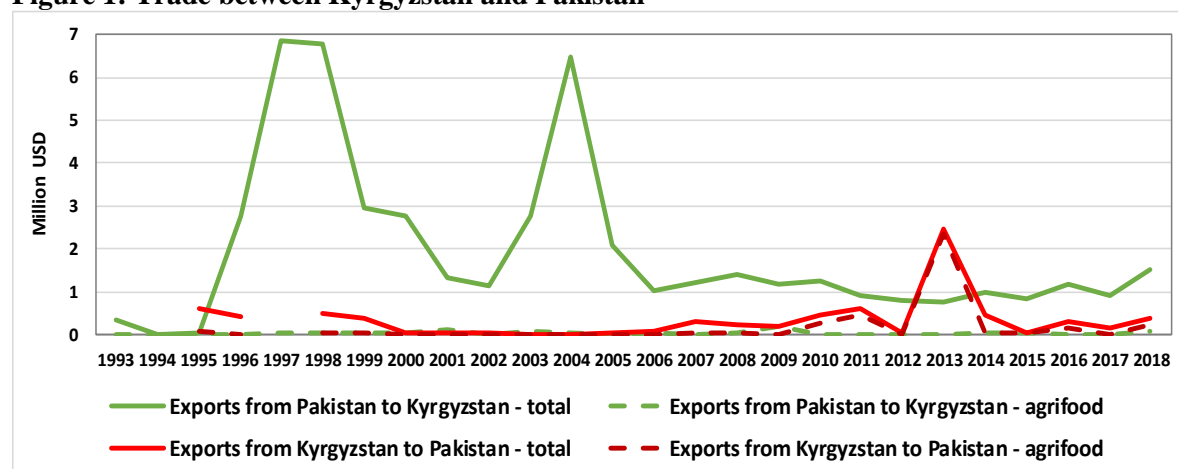
**Table 1: Exports from Pakistan to Kyrgyzstan in USD thousand.**

<b>Year</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Exports in USD ('000)</b>	1180.89	1245.34	922.49	780.38	770.94	985.94	849.51	1192.04	928.72

*Source: World Integrated Trade Solution, 2017*

Trade between the two countries has not been significant in the past. The balance of trade has decreased between the years of 2012-2016 as show in the figure below (Figure1). The weak trade ties are apparent by the small volumes of exports from Pakistan (Table 1). The imports from Pakistan to Kyrgyzstan have continually been dominated by pharmaceutical products, along with furniture, edible fruits and nuts (The Pakistan Business Council, 2017). Despite the agrarian base of both countries and a huge potential to leverage the sector by improved bilateral trade and induction into global supply chains through internal cooperation, there is negligible Agri-trade between the two countries. This report presents a preliminary overview and assessment of trade opportunities, barriers and other impediments that affect Agri-trade between Kyrgyzstan and Pakistan and aims to make recommendations for improving the climate for mutually beneficial regulatory and process environments.

**Figure 1: Trade between Kyrgyzstan and Pakistan**



Source: UN COMTRADE database

While the absence of an existing bilateral trade agreement or an alternative direct collaborative arrangement between Pakistan and Kyrgyzstan may appear as a handicap, the research finds solutions and makes policy recommendations based on extensive field research and interviews with traders, transporters, agrarian businesses and government officials in both countries. Additional data on the same is collected from geographical areas close to Pakistan and Kyrgyzstan's borders closest to each other. At the Pakistani side, the Gilgit-Baltistan region (northern region of Pakistan connecting the country to China and onwards to Central Asia) was covered while Torugart (the checkpoint at the Kyrgyz-PRC border) was covered in Kyrgyzstan. This research proposes better utilization of existing transit trade agreements, such as Quadrilateral Transit Trade Agreement (QTTA) between People's Republic of China, Pakistan, Kyrgyzstan, Kazakhstan and Tajikistan. Furthermore, the research also proposes the expansion of the QTTA agreement's remit for the benefit of increased Pak-Kyrgyzstan trade. The research aims to provide a deeper understanding of existing trade, the regulatory environment, trade environment in both countries, identifying trade routes and the means to strengthen collaboration and ease of doing business between the two countries in order to make appropriate policy recommendations.

### III. Trade in Pakistan and Kyrgyzstan

#### 3.1. Pakistan

In the 1960s, most developing countries including Pakistan followed import substitution (IS) policies for economic growth. Import substitution policy advocated cutting down on imports and replacing imported goods with domestic ones. The rationale behind opting for such a policy is that developing countries should reduce their dependence on foreign goods (Shirazi and Manap, 2005). Around the mid-1970s, most developing countries started to make the shift towards export promotion strategies. The expansion of exports allowed a better resource allocation, created employment opportunities as well as enabled technological development. Nonetheless, Pakistan did not change its approach to trade for at least decades after that. During the 1970s, Pakistan was undergoing some rapid changes while recovering from 1965 war with India as well

as the separation from Bangladesh. The nationalization policies slowed the economic growth of the country. Nonetheless, during the 1970s, three significant measures to promote trade liberalization were taken: devaluation, elimination of export bonus scheme and end of restrictive licensing (Khan and Ali, 1998). These measures were successful in increasing manufactured exports. However, the overall trade policy was still biased towards exports in 1970s.

Furthermore, in the 1980s, steps were taken to liberalize trade in terms of reduction of non-tariff barriers and a negative import system (Khan and Ali, 1998). In early 1980s the country's import regime was extremely restrictive with 41% of domestic industrial value protected by import bans and 22% by some other form of import restriction. Furthermore, in 1983, the negative list system was introduced by the government which banned and restricted imports. However, by 1986 the percentages had fallen to 29% and 3.7% respectively (Khan and Ali, 1998; Din et al., 2003). This reduction was achieved by effectively removing import quotas and liberalizing the restricted imports. In addition to that, numerous import tariff/tax reforms were implemented during the 1980s. These primarily focused on setting new tariff rates for newly liberalized imports as well as 5% surcharge on all the imports in 1983 (Khan and Ali, 1998).

Despite the efforts, the trade regime of Pakistan continued to discriminate against exports. At the end of 1980s, the country embarked upon a structural reform and adjustment to policies to make it easier for exporters. Some of these reforms included the opening of rice and cotton exports to the private sector (Husain, 2011), liberalization of imports of raw materials along with linking income tax concession on export earnings (Khan and Ali, 1998). Since 1988, successive governments have tried to pursue trade liberalization and export promotion with varying degrees of success (Shahbaz et al., 2011). As a result of these efforts almost all non-tariff barriers have been replaced. The maximum level of tariffs was lowered to 45% in 1997-98 from 225% in 1986-87 (Khan and Mahmood, 1996). Additionally, all previously prohibited import bans were lifted except a few because of religious, health or security concerns. The Tariff Reform Committee in 1993 under the caretaker government produced a comprehensive document on tariff reforms. The implementation of these reforms was somewhat mixed. The tariff structure was simplified, and maximum tariffs were lowered (from 80% to 65%), the import surcharge of 10% was abolished (Khan and Ali, 1998).

### 3.1.1. Liberalization

In 1997 Pakistan had started a radical trade liberalization program. The government that took charge introduced new reforms such as reducing the tariff rate to 45% (from 65%) and the tariff rate on machinery was standardized and the tariff rates for smuggling-prone items to 10% (Din et al., 2003). By 2003, it had eliminated nearly all remaining traditional import quotas as well simplifying the structure of import tariffs. The government also introduced sweeping reforms in the agricultural sector and reduced its own intervention. These reforms enabled exports to increase and economy to improve up till late 2007. Trade liberalization marked noticeable improvements in customs procedure as well as reduction of tariffs. However, a complex tariff structure remained in place. Moreover, Pakistan's continued focus on exporting textiles and not diversifying its portfolio hindered the expected benefits of increased liberalization (Pursell et al., 2011). In addition to that, Pakistan also remained rigid on the ban from Indian imports thereby increasing the costs of goods imported from places further away such as USA, Europe etc. After



the financial crisis in 2008, key liberalizing reforms such as the tariff rates on agricultural products, notably wheat and sugar were reversed to original higher tariffs (Husain, 2011). The exports of Pakistan fell from USD 19.1 billion in 2007-08 to USD 17.8 billion in 2008-09 (Strategic Trade Policy Framework 2009-12, 2009). The Trade Policy introduced in 2009 to 2012 was geared towards the party's mandate to making lives better for the common man. It promised to put the country on the path of sustainable export-led growth. Furthermore, it also focused on diversifying the exports of the country as well as brought about the signing of trade agreements with PRC, Malaysia and Sri Lanka (Ministry of Commerce, 2009). The strategic trade policy framework for the year 2012-15 also focused on promoting the export sector of Pakistan. There were export finance schemes established for some of the sectors. In addition to that, an Export Import Bank was established to make exporters more competitive by providing export credit facilities for setting up export-oriented projects. There were also elements to promote regional trade with PRC, Iran and Afghanistan (Karim, 2014). It is surprising to note that Central Asian Republics, including Kyrgyzstan, have never really received trade focus through bilateral trade agreements.

The focus remained on exports during the tenure of the next government as well. The ruling party was determined to improve the nation's export competitiveness and increase the share of regional trade in Pakistan. The strategic trade policy framework for the year 2015-18 included targets to boosting export and export-competitiveness. There was also focus on increasing Pakistan's share in regional trade. A grant of approximately USD 52,000 (5 million Pakistani Rupees, given the exchange rate at the time) was said to be provided to the leather, pharmaceutical and fishing sector to acquire new machinery or material in order to encourage innovation (Ministry of Commerce, 2015). Moreover, this framework outlined that the government would resolve the issues regarding Afghanistan Pakistan Transit Trade Agreement (APTTA) (Ahmed, 2010). The policy at the time mentioned negotiating regarding the Afghanistan, Pakistan and Tajikistan Transit Trade Agreement (APTTTA) as well the reactivation of Quadrilateral Transit Trade Agreement (QTTA) among Pakistan, PRC, Kyrgyz Republic and Kazakhstan. However, the short-term focus was on Iran, Afghanistan, PRC and the European Union. Despite Pakistan embarking upon trade liberalization and focusing on regional trade in the continent, it has yet to develop a trade agreement with India. The long-standing feud between the two nations as well as the frequent political unrest makes it extremely difficult for the two countries to reach an agreement, thus, hindering the process of trade liberalization (Bashir, 2003).

### 3.1.2. Pakistan's Trade Agreements

Pakistan has Trade and Investment Framework Agreement with the United States, signed in 2003. This gives the country a forum for discussion of bilateral trade issues. Pakistan has Free Trade Agreements with Sri Lanka (2005), PRC (2007) and Malaysia. As a SAARC member, Pakistan also has Preferential Trade Agreements with Iran (2004), Indonesia and Mauritius (2007) (Ministry of Commerce, Government of Pakistan).

Furthermore, Pakistan is in talks of FTAs with Philippines, Afghanistan, Jordan, Brunei, European Union, Nepal, Korea, Vietnam amongst others. And there are Preferential Trade Agreements proposed and under consultation with Tajikistan, Kazakhstan as well. The QTTA

and APTTA agreements mentioned earlier are major agreements that Pakistan is a part of in the region.

### 3.1.3 Agricultural Trade – Pakistan

The agricultural sector is one of the primary contributors to the GDP in Pakistan, accounting for approximately 20% of the GDP in 2018 (Shahzad *et al.*, 2019; World Bank, 2018).

**Table 2: Gross Domestic Product of Pakistan (at constant basic prices of 2005-06).**

F= Final, R = Revised, P = Provisional

											Million Rupees
Agricultural Sector		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17F	2017-18R	2018-19P
		1,939,132	1,977,178	2,048,794	2,103,600	2,156,117	2,202,043	2,205,433	2,253,565	2,342,373	2,362,209
1. Crops ( i+ii+iii)		798,244	806,162	832,128	844,860	867,133	868,494	822,689	832,744	871,516	832,919
i) Important Crops		478,540	485,722	523,936	524,839	562,707	553,568	521,125	534,659	553,682	517,410
ii) Other Crops		259,054	264,934	245,007	258,670	243,890	250,006	251,005	244,703	259,756	264,833
iii) Cotton Ginning		60,650	55,506	63,185	61,351	60,536	64,920	50,559	53,382	58,077	50,676
2. Livestock		1,051,755	1,087,406	1,130,740	1,169,712	1,198,671	1,246,512	1,288,373	1,326,948	1,375,021	1,430,044
3. Forestry		40,207	42,121	42,874	45,695	46,555	40,761	46,592	45,505	46,679	49,699
4. Fishing		48,926	41,489	43,052	43,333	43,758	46,276	47,779	48,368	49,157	49,547
<b>GDP at Basic Prices 05-06</b>		<b>8,801,394</b>	<b>9,120,336</b>	<b>9,470,255</b>	<b>9,819,055</b>	<b>10,217,056</b>	<b>10,631,649</b>	<b>11,116,802</b>	<b>11,696,934</b>	<b>12,343,500</b>	<b>12,750,126</b>
Agriculture sector as %		22.03	21.68	21.63	21.42	21.10	20.71	19.84	19.27	18.98	18.53

Source: State Bank of Pakistan

Majority of the nation's population is either directly or indirectly dependent on this sector. The focus on export-led growth has had a positive impact on the economic growth of the country (Shahbaz *et al.*, 2011; Hussain, 2014; Love and Chandra, 2004). Pakistan has primarily relied on textiles and clothing as an export (Table 3). The country aimed to increase exports performance and it had a competitive advantage in the agricultural sector. Pakistan currently exports rice (6.6%), oranges (0.81%) and wheat (0.36%) as its chief agricultural products. Additionally, nearly 14% of the country's export in 2017 was cotton (World Integrated Trade Solutions, 2017). Pakistan's Federal Board of Revenue valued the exports related to the agriculture sector in 2009-10 at Rs 288.18 billion including food grains, vegetables, fruits, tobacco, fisheries products, spices and livestock (Business Recorder, 2011).

Ever since the country began to open trade channels with the rest of the world, the government has protected the agriculture sector in one way or the other. Protectionist measures tend to indirectly affect the prices paid by consumers for crops and important food products. The sugarcane industry is also largely protected by the government. Additionally, the government also fixes the wheat price below world price and subsidizes its imports (Shahzad *et al.*, 2019). All this to shift resources from the agricultural sector to the industrial sector. The extensive trade liberalization in 1980s led to a considerably reduction in tariff barriers on agricultural commodities in 1990s (Husain, 2011).

**Table 3: Pakistan Export Shares (in percentage) by Product Group by year.**

Product	2013	2014	2015	2016	2017
<b>Textiles and Clothing</b>	54.42	55.71	58.48	60.42	59.43
<b>Consumer goods</b>	53.96	55.24	57.61	60.50	60.76

<b>Intermediate goods</b>	33.07	31.49	29.48	27.24	25.95
<b>Vegetables</b>	14.21	13.91	14.53	13.48	12.15
<b>Raw materials</b>	10.15	10.19	9.84	9.10	9.24
<b>Food products</b>	5.07	4.26	3.91	3.32	5.14
<b>Hides and Skins</b>	5.07	5.22	5.04	4.84	4.42
<b>Minerals</b>	3.42	3.22	2.68	2.62	2.28
<b>Animal</b>	2.87	2.87	3.20	3.27	3.15
<b>Capital goods</b>	2.82	3.07	3.04	3.16	4.05
<b>Miscellaneous</b>	2.79	3.11	3.35	3.47	3.97
<b>Metals</b>	2.13	2.20	1.77	1.66	1.93
<b>Fuels</b>	2.10	2.62	1.20	0.76	1.18
<b>Stone and Glass</b>	2.00	0.80	0.30	0.29	0.30
<b>Plastic or Rubber</b>	1.86	1.52	1.36	1.40	1.37
<b>Chemicals</b>	1.59	1.70	1.62	1.69	1.91
<b>Machinery and Electrical</b>	1.17	1.43	1.16	1.25	1.26
<b>Wood</b>	0.50	0.55	0.52	0.74	0.68
<b>Footwear</b>	0.44	0.54	0.54	0.54	0.46
<b>Transportation</b>	0.36	0.33	0.35	0.25	0.37

*Source: World Integrated Trade Solutions, 2017*

## 3.2 Kyrgyzstan

The Kyrgyz Republic became independent in 1991 after the collapse of the Union of Soviet Social Republics (USSR). Right after that, the country provided a background for liberal trade regime, open and free trade with other countries in the world. Kyrgyzstan has realized a range of initiatives that aimed at cancelation of price and currency control, revision of state subsidies, land ownership reform etc. International trade was liberalized as export controls were removed, and trade barriers were low (Pomfret, 2019). In 1998 Kyrgyzstan became a member of the World Trade Organization (WTO), first of the Soviet successor states, including the Baltic countries, and accepted open trade and investments regime (Pomfret, 2019).

A consequence of the Kyrgyz Republic having adopted the most open economic system in Central Asia was the appearance of organized bazaars. The most important ones were based in Kyrgyzstan: Dordoi on the north (in Bishkek city) and Kara-Suu on the south (in Osh oblast, near Kyrgyz-Uzbek border). The bazaar merchants' stock came primarily from China (in 2001-2013 Kyrgyzstan and PRC were the only WTO members in the region) as Kyrgyz trade barriers were low (Pomfret, 2019).

In 2015 the Kyrgyz Republic became the fifth member of the Eurasian Economic Union (EAEU), besides Armenia, Belarus, Kazakhstan and Russia. The EAEU provides free movement of goods, services, capital and labor between member-states. The overall population of the EAEU is 183.8 million people. The EAEU has international legal personality and is established by the Treaty on the Eurasian Economic Union, where the Eurasian Economic Commission (EEC) is a permanent supranational regulatory body of the Union, with its members appointed by the Council of the Commission and the Board of the Commission. The core tasks of the

Commission are fostering the conditions to support the operation and development of the Union, and drafting proposals in the field of economic integration within the Union.

As consequence of entering the EAEU, Kyrgyzstan's import tariff (CCT) increased that led to price increase on import commodities from non-EAEU countries. Thus, average weighted import tariff was 3.2% before the EAEU, and 9.4% after the EAEU in general, and for agricultural commodities before joining the EAEU it was 2.4%, and after – 22.4% (CCT), in particular (Mogilevskii *et al.*, 2018).

### 3.2.1 Kyrgyzstan's Trade Agreements

As a member of the Eurasian Economic Union, Kyrgyzstan signed a range of agreements with several countries. Thus, on May 17, 2018, an Agreement on Trade and Economic Cooperation between the EAEU and the People's Republic of China (PRC) was signed. The Agreement is currently undergoing ratification by all signatories. Kyrgyzstan has already ratified this agreement, which is non-preferential.

On May 17, 2018, an Interim Agreement leading to the formation of a free trade zone between the Eurasian Economic Union and its member states, on the one hand, and the Islamic Republic of Iran, on the other was concluded. This agreement was ratified by the Law of the Kyrgyz Republic No. 16 of January 23, 2019. An interim agreement provides for the establishment of a most-favored nation treatment between the parties and the mutual provision of a national treatment for all goods.

Since 2016, the free trade zone between the EAEU and Vietnam has been established and is operating effectively in full-format mode: in 2017, trade between the parties increased by 36.7%, in 2018 - by another 12.8% (EEC, 2019).

Commonwealth of Independent States, which consisted of former Soviet countries, have signed Free Trade Zone Agreement in 2011 which came into force in 2012. It aimed at minimization of exceptions from the range of goods to which import duties apply, and export duties should be fixed at a certain level, and subsequently phased out. The agreement replaced more than one hundred bilateral documents regulating the free trade regime in the commonwealth space (РИА Новости, 2011).

### 3.2.2 Agriculture – Kyrgyzstan

The share of agriculture in GDP was 12.7% in 2018. As of January 1, 2018, there were 429 thousand registered acting economic entities, of them 75.4% were farming household, and 24.6% were individual entrepreneurs. Two-thirds of the country's population lives in rural areas, while of the total number of all employed, about 27% are employed in agriculture.

The main agricultural products are grains and grain legumes, potato, wheat, fruits and vegetables, cotton, potato, sugar beet. The main livestock products are milk, eggs, wool, beef, and lamb.

**Table 4: Production of main agricultural products in the Kyrgyz Republic (thousand tons).**

Items	2017	2018
Grains (weight after reprocessing)	1681.8	1741.5
Wheat (weight after reprocessing)	601.0	615.9
Barley (weight after reprocessing)	424.4	429.3
Corn	653.3	692.9
Rice (weight after reprocessing)	38.2	40.8
Leguminous (weight after reprocessing)	102.6	106.6
Sugar-beet (fabric)	712.3	773.0
Cotton (at recorded weight)	65.3	74.7
Tobacco (at recorded weight)	1.5	1.757
Oil-producing crops	39.7	35.4
Potatoes	1416.0	1446.6
Vegetables	1086.7	1094.9
Melons	259.0	249.1
Fruits and berries	240.6	251.4
Grapes	8.6	8.8
Meat (at slaughter weight)	216.6	221.1
Milk	1556.2	1589.7
Eggs (million pieces)	510.7	533.2
Wool (physical weight)	12.6	12.8

*Source: National Statistic Committee of the Kyrgyz Republic*

The most exported products are beans, dairy products, dried fruits and cotton. The main trading partners of Kyrgyzstan are Russia and Kazakhstan. The most imported goods are finished good products, grains and wheat, poultry. The main trading partners who import agricultural commodities are countries of Central Asia and Russia.

### 3.3 Trade data

The Central Asian Countries (Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan and Tajikistan) are predominantly land locked. Pakistan has been very active in forming relations with these countries since the early 2000s. The Government of Pakistan has made it one of its core objectives to increase regional trade between Central Asia and Pakistan (Ministry of Commerce, 2015). The region's oil and gas reserves are estimated amongst some of the largest in the world (The Pakistan Business Council, 2017). The Central Asian countries possess nearly 7 billion tons of crude oil reserves and make up nearly 6.8% of the world natural gas reserves (Roberts, 2010). These vast mineral and energy reserves imply that there are ample chances for this region to become dynamic. This makes it an area of interest for Pakistan which is energy deficient. Moreover, the emergence of the Belt and Road Initiative has the potential to strengthen the ties between Pakistan and the Central Asian Countries.

Pakistan's bilateral trade with CARs in 2018 was \$73 million (Table 5 below). Pakistan possess a very strategic geo-political location because it can provide landlocked Central Asian Countries with the shortest corridor to export its oil and gas reserves through the Karachi and Gwadar ports. However, this possibility is hindered by the fact that none of the Central Asian Countries

share a border with Pakistan which is why Afghanistan makes for a viable trade route as it shares a border with Turkmenistan, Uzbekistan and Tajikistan.

The Afghanistan–Pakistan Transit Trade Agreement (also known as APTTA) is a bilateral trade agreement signed in 2010 by Pakistan and Afghanistan that calls for greater facilitation in the movement of goods amongst the two countries. It expired in 2017, the Chamber of Commerce in Peshawar has since called for a thorough review in order to reinstate the agreement between the two nations (Business Recorder, 2019). There was some frustration on either side of the border with Afghanistan limiting access for Pakistan until Afghan exports were allowed access to the Indian markets.

In addition to that, in 2015, PRC and Pakistan agreed to construct a vast network of road and energy infrastructure around an economic corridor named China-Pakistan Economic Corridor (CPEC). CPEC intends to link the coastal cities of Karachi and Gwadar to the city of Kashgar in PRC. The Chinese government has upgraded the road that links Kashgar to Osh in Kyrgyzstan. Additionally, the railway between Urumqi, China and Almaty (in Kazakhstan) has also been constructed under the Belt and Road Initiative (BRI). These 3000 kilometers of roads and railways and crossings complement one another to grant Central Asian Countries access to ports in Pakistan. This Belt and Road Initiative once completed will provide a direct route between Pakistan and Central Asian Countries via China (USAID, 2014). Moreover, in 2016, Pakistan also expressed its intention to revive the Quadrilateral Transit Trade Agreement (QTTA) so that Central Asian Countries could access Pakistani ports via PRC as well as through Afghanistan. However, under the QTTA Pakistan would not be able to access Turkmenistan and Iran across Afghanistan as previously allowed previously by the APTTA, a trade agreement that requires to be renegotiated for reimplementation. The Quadrilateral Traffic in Transit Agreement (QTTA) is a transit trade deal between PRC, Pakistan, Kyrgyzstan and Kazakhstan for facilitating transit traffic and trade (USAID, 2014). The initial work on the QTTA was initiated in 1995. Amongst the Central Asian Republics, Pakistan trade volume is the highest with Kazakhstan. Pakistan trade volume with the region during 2018 (July-Feb) stand stands \$58.4 million (Table 5). Its largest trading partner is Kazakhstan followed by Kyrgyzstan and Turkmenistan.

**Table 5: Exports and Imports from Central Asian countries to Pakistan (2018)**

Central Asian Country	Exports to Pakistan (in USD)	Imports from Pakistan (in USD)
Kazakhstan	36.8 million	0.36 million
Kyrgyzstan	0.4 million	4.96 million
Turkmenistan	3.3 million	1.9 million
Tajikistan	6.6 million	5.1 million
Uzbekistan	3.4 million	0.27 million
Total	50.5 million	12.59 million

In the case of Kyrgyzstan, gold, ores and slag, aeronautical equipment, vehicles other than railway, and apparel are the major exports of the country. These commodities made up nearly 81% of the total exports in 2016 (The Pakistan Business Council, 2017).

**Table 6: Export and Import Shares of Kyrgyzstan**

Product	Export Share (%)	Import Share (%)
Raw Materials	18.7	4.58
Minerals	8.73	0.69
Vegetables	6.75	4.68
Food Products	2.88	7.27
Animal	2.82	2.29
Hides and Skins	0.68	2.71

*Source: World Integrated Trade Solutions, 2017*

In 2017, Kyrgyzstan exported \$1.92B and imported \$5.99B, resulting in a negative trade balance of \$4.07B. In 2017 the GDP of Kyrgyzstan was \$7.56B and its GDP per capita was \$3.73k (OEC World, 2019).

The top products that Kyrgyzstan exports are cotton and tobacco. The top exports of Kyrgyzstan are Gold (\$712M), Precious Metal Ore (\$144M), Other Ores (\$95.6M), Planes, Helicopters, and/or Spacecraft (\$78.5M) and Refined Petroleum (\$61.1M) (OEC World, 2019). In addition to that, meat, edible vegetables and certain roots and tubers are also exported. Dried apples, shelled kidney beans and butter are part of the export portfolio of Kyrgyzstan. However, the main product that Pakistan imports from Kyrgyzstan include meat and dairy along with oil. Majority of the exports from the country are mechanical and electric equipment, aluminum and jet fuel (22%). Despite of the range of products, the trade volumes between the two countries are small. Within the category of agricultural goods, Pakistan exports vegetables and food products to Central Asian Countries (World Integrated Trade Solution, 2017) apart from rice and medical equipment. The trade volumes, however, remain at stand at a mere \$58.4 million (refer to Table 5 above).

- The main products being imported by Kyrgyzstan from Pakistan: rice, citrus fruits, and tea.

Overall, the import of these products showed positive dynamics for the period of 2006-2018. There is a pick period in importing citrus fruits that include oranges, mandarins, lemons, etc., in 2009-2012. Import of rice showed the pick season of 2013-2015 years. Also, within the available data, juices and tea imports are increasing.

- The main exporting products from Kyrgyzstan to Pakistan: livestock products, milk products, and honey.

The meat and meat products, as well as livestock products and liver and honey showed fluctuations within the period of 2006-2018. There was no stable trend of growth or drop observing. However, the volume of exporting dairy products to Pakistan was increasing sharply. Fruits and juices do not have big shares in the exporting products to Pakistan, although the data showed slow but steady increase within the available data period of 2006-2011 years. Sugar and sugar products were dropping in the exporting volumes. The other product to mention was beans, export of which started from 2017 year and had a huge rise next year contributing to the largest exporting share to Pakistan in 2018.

**Table 7: Imports and Exports between Pakistan and Kyrgyzstan (in thousand USD)**

<b>Import</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<i>Rice</i>	4.50	17.71	6.71	67.41	16.60	13.46	13.80	143.57	348.31	146.80	75.42	76.02	138.52
<i>All fruits and vegetables</i>	101.21	897.03	437.73	1007.66	1542.56		658.32	77.32					
<i>Potato</i>		248.63	59.03			8.24		6.50				64.20	
<i>Citrus fruits (mandarin, orange, other)</i>	101.21	648.23	378.70	1006.41	1540.56	1661.9	650.14	61.41	65.69	89.92	197.40	45.77	63.77
<i>Coffee, tea, cacao, spices, and products from them</i>				3.99	19.65								
<i>Tea</i>				3.99	15.84					11.66	93.43	312.92	281.75
<i>Juices</i>				0.29					4.05	5.67	45.09	71.71	32.59
<i>Sugars and sugar confectionery</i>					20.69	7.81						4.66	16.04
<i>Cookies, waffles</i>					17.82	1.29							
<i>Tobacco products</i>					281.80	2.82							63.00
<i>Veggie oils</i>					22.14	5.29				7.79	13.13	1.03	9.97



<b>Export</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<i>Live animals</i>	0.41		0.14	0.38								2.11	1.84
<i>Meat and meat products</i>	3.05	2.68	7.19	3.50							138.09		0.03
<i>Animal's liver and its products</i>	3.05	2.68	7.19	3.50	3.00	15.30	4.13						
<i>Milk and milk products</i>	0.24	0.74	0.74		272.00	437.50		2344.25					
<i>Bread and pastries</i>	2.97	2.96	7.50	2.87	1.32	18.29	4.13						
<i>Fruits</i>	0.02	0.09	0.10	0.27	0.45	0.84						0.05	
<i>Juices</i>	0.02	0.09	0.10	0.13	0.16	1.21							
<i>Sugars and sugar confectionery</i>	0.77	0.004	0.016	0.01	0.12	0.009							
<i>Natural honey</i>	0.76								2.12	6.58	1.15		
<i>Drinks</i>	2.00	0.20	0.29	0.29	0.25	0.19							
<i>Skins, fur and raw leather</i>		18.43	12.41										
<i>Coffee unroasted</i>				0.023	0.02	0.19							
<i>Tea</i>					0.06	0.15							
<i>Livestock meat products and canned food</i>							7.93	1.94	0.59	9.27	0.64		0.11
<i>Beans</i>												0.009	220.50

Source: National Statistic Committee of the Kyrgyz Republic

## IV. Interviews with Traders of Agri-goods in Pakistan

Pakistani trader who export horticulture, herbs, spices and oil as well as fruits and vegetables do not express interest in the expanding their business towards the Central Asian Countries region. Traders, given their current knowledge of trade opportunities, generally reported an understanding that Central Asian Republics were not a profitable alternative to, say, Europe. The major reason Pakistani traders are not looking at the Central Asian Countries as potential trade partners because of a large information gap. They prefer doing business or exporting to countries with predictable and known returns such as the EU, Middle East and North America. The Central Asian Countries were not viewed as profitable markets and exporters are not eager to take the risk of engaging in exports there. However, some traders looking to tap the potential in that market, even then their interest is towards Tajikistan due to more physical proximity than other Central Asian Countries.

For instance, the CEO of a medium-sized agricultural trading house in Punjab (Sapna International) considered the company's biggest market to be Russia but noted that the company was now looking to exporting mangoes to Tajikistan. This would, the CEO noted, comprise a very small portion of their total volumes (actual volumes not stated). Other traders, including herb-and-spice traders (such as Sehat Foods) suggested that the government policy aiding development of trade-related skills, export markets, knowledge on packaging technology and international packaging requirements should be improved to provide benefits to traders and encourage them to take the risk of trading larger volumes with Central Asian Countries. Additionally, newer traders to the scene express concern over lack of trust in new regions as well as not knowing the kind of market they would be dealing with. The focus of exporters seems to be solely on known markets and regions where Pakistani traders have an established presence already. The lack of support from the government also discourages them, they said, to take risks and venture out further.

## V. Findings from Interviews conducted in Bishkek, Naryn region in Kyrgyzstan and the Torugart checkpoint (near the Chinese border)

The researchers conducted in-depth interviews with the Ambassador of Pakistan in the Kyrgyz Republic, representatives of state authorities, business sector, business associations, transport and logistic companies, producers of agricultural commodities in Bishkek city and drivers in the Naryn region.

### 5.1 Existing cooperation

According to the interviews, an interest in cooperation in mutual trade between Kyrgyzstan and Pakistan is becoming strongly pronounced and the interest in bilateral trade cooperation is increasing. In addition, all experts indicated that the existing cooperation is limited but has a far greater capacity to grow.

Pakistan is attractive for Kyrgyzstan for its high population (200 million people), access to sea ports and possibility to diversify Kyrgyzstan's trade partners while Pakistan is interested in cooperation with Kyrgyzstan in trade for the possibility to have greater market in share of Kyrgyzstan, Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan as Central Asian destination (with population of 52.5 million people) and Russia, Belarus and Armenia as the Eurasian Economic Union (EAEU) destination (with total population of 183 million people).

### 5.2 Potential commodities for trade

All interviewees showed an interest in trade boost between Kyrgyzstan and Pakistan, especially of agricultural commodities. Kyrgyzstan has capacity in export of potato, dairy products (especially, powdered milk), meat and meat products, livestock, wheat and honey. As well, it might import from Pakistan mango, Mandarin oranges, Basmati rice and other citrus fruit crops, early spring vegetables and greengrocery.

### 5.3 Routes

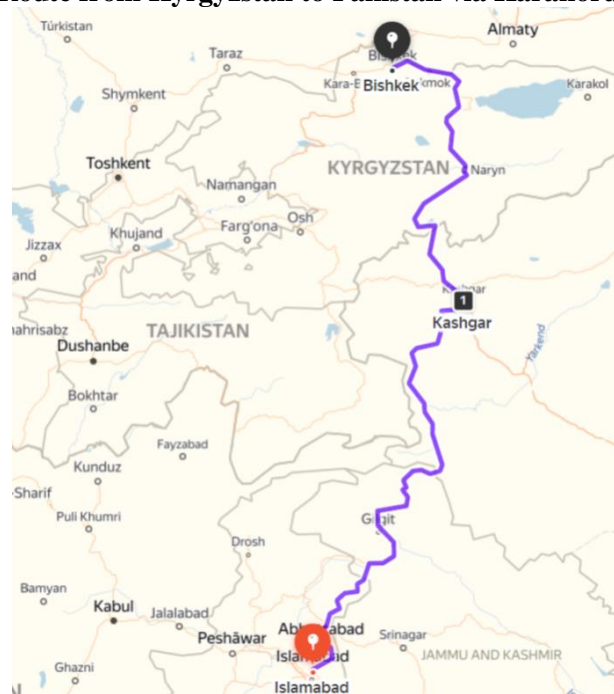
There are several trade routes between Kyrgyzstan and Pakistan:

- All Pakistani commodities are gathered at Karachi, then they are transported to Shanghai in PRC, unloaded at its seaport, then these commodities are uploaded into Chinese trains and go to Urumqi through internal Chinese railway. In Urumqi all commodities are unloaded into trucks (mostly, Kyrgyz ones) and then delivered to Kyrgyzstan.
- The other transits are done through Afghanistan and then delivered to Kyrgyzstan via Uzbekistan and/or Tajikistan: Kyrgyzstan, Osh (*Dostuk*) – Uzbekistan (*Dustlik*); Uzbekistan, Buhara region (*Alat*) – Turkmenistan (*Farab*)
- All commodities are gathered in Iran and then sent to Kyrgyzstan via Afghanistan or Turkmenistan and then via Tajikistan or Uzbekistan: Uzbekistan, Buhara region (*Alat*) – Turkmenistan (*Farab*); Turkmenistan (*Sarabs*) – Iran (*Sarabs*)

It is required to have a visa when transiting through Turkmenistan; and its cost is 500 USD. The transit through Uzbekistan is not difficult, however, the Kazakh-Uzbek border is very expensive due to numerous additional, informal payments for transport cargo across this border.

Many experts agreed upon excellent opportunities in mutual trade between Kyrgyzstan and Pakistan. The most effective way of trade cooperation might be done by transit through PRC via Karakorum highway as it is the shortest and safest road. Its length is 1300 km, and the Khunjerab Pass which is located between Pakistani Gilgit-Baltistan and Chinese Xinjiang Uygur Autonomous Region.

**Figure 2: Route from Kyrgyzstan to Pakistan via Karakorum Highway**



*Source: Yandex Maps*

## 5.4 Challenges

- The main challenge in trade between Kyrgyzstan and Pakistan is transit route. The transit through PRC and Karakorum highway might simplify the route and all procedures related to trade, hasten delivery time and keep costs down. However, all interviewees indicated that currently transit through PRC seems to be impossible due to barriers caused by Chinese border authorities who do not allow commodities to go through their territory. Usually reasons of such returns are unknown (according to claims of Kyrgyz official authorities); despite all sides providing required documents on a full scale. Some experts told that Chinese customs officers specify the requirement to provide the special permission from Chinese authority agencies to go with transit through Chinese territory and it is very difficult to get it from them. Sometimes, those authorities whether do not respond at all to requests or respond one year later (at the best case).
- It is dramatically difficult for Kyrgyz drivers to get Chinese visa to enter this country. It takes 3 months to make an appointment to Chinese Embassy in Kyrgyzstan, costs \$500

(per year), and in case of rejection reasons of the denial are not explained; time and money is lost.

- Drivers at the Torugart checkpoint and Naryn region all complained about dramatic fall in volumes of goods for the last 4 months (May – August 2019) in Chinese warehouses in Topo and Kashi where Kyrgyz transport operators upload their trucks. Now they are worried that they do not have jobs – earlier, till April 2018, they had 3 roundtrips per month while there is 1 round trip per month and when driving to Chinese terminals drivers are not sure that there are commodities to deliver to Kyrgyzstan.
- It is worth noting that the problem of commodities' scarcity in Chinese warehouses in Uluuchat, where from Kyrgyz trucks to Irkeshtam checkpoint go through, does not exist. It might be explained that commodities gone through Torugart checkpoint go further to Bishkek, Kazakhstan and Russia, while commodities going through Irkeshtam checkpoint go to southern regions in Kyrgyzstan and/or Uzbekistan.

## 5.5 Opportunities

- PRC has officially opened all its more than 1,200 checkpoints (border crossing points + inland customs checkpoints) for TIR, marking the full implementation of the TIR Convention in PRC.<sup>1</sup> Due to the fact that Kyrgyzstan and Pakistan implemented TIR Convention far ago, Kyrgyzstan in 1997 and Pakistan in 2015, transit through People's Republic of China becomes more realistic and easier especially in terms of cooperation in bilateral trade by agri-food commodities between Kyrgyzstan and Pakistan.
- All trade and logistic companies give their consent to deliver to/from Pakistan and Kyrgyzstan all commodities in case of any delivery orders and absence of barriers from transit countries.
- Kyrgyz producers of agricultural commodities are ready to export their goods to Pakistan in case of orders from any side.

Overall, due to complexity of the logistics chain, the high cost of border crossings between countries, as well as the complex trade route, trade between Kyrgyzstan and Pakistan is not developed and the turnover is small. However, companies genuinely seemed interested in the development of trade cooperation between Kyrgyzstan and Pakistan.

---

<sup>1</sup> TIR streamlines procedures at borders, reducing the administrative burden for customs authorities and for transport and logistics companies. It cuts border waiting times significantly, saving time and money. TIR authorized operators can move goods quickly across multiple customs territories, under customs control, using a single guarantee. Harmonized systems and data exchange tools mean that operators only need to submit their declaration data once for the entire transit movement. Each TIR transport from start to end of the journey is monitored on-line, so goods can be traced and secured while in transit. (<https://www.iru.org/tir/what-is-tir>)

## VI. Recommendations

The received findings show that due to complexity of the logistics chain, the high cost of border crossings between countries, as well as the complex trade route, trade between Kyrgyzstan and Pakistan is not developed and the turnover is small. Absence of direct flights between both countries sophisticates establishing trade and economic relations and prevents from encouragement of mutual investments. However, companies from Kyrgyzstan and Pakistan genuinely seemed interested in the development of trade and economic cooperation between each other.

The above analysis of opportunities for and barriers in trade between Kyrgyzstan and Pakistan, allows formulating the following recommendations for the governments and business communities of two countries as well as for international development stakeholders:

- Continue development of transport infrastructure connecting two countries and provide necessary resources to maintain it fully operational;
- Work with the PRC authorities on making TIR facility fully operational and uninterrupted transit of foreign trucks via the territory of China possible; this includes also the issuance of entry/transit visas for truck drivers;
- Facilitate opening of direct flights between Pakistan and Kyrgyzstan;
- Consider conclusion of free trade agreement between Pakistan and EAEU (including Kyrgyzstan);
- Work on softening/elimination of visa regime between two countries;
- Facilitate opening of Pakistani trade houses in Bishkek and Osh, Kyrgyzstan, and at least one Kyrgyz trade house in Pakistan;
- Improve access to essential trade and market information on Kyrgyzstan (customs and technical regulations, sanitary and phytosanitary measures, food safety measures, consumer preferences, appropriate packaging and labeling etc.) for traders and agri-food producers in Pakistan and vice versa;
- Provide tax and other incentives for private investments into TIR-compliant trucks, refrigerated containers, logistical centers/warehouses with cold storage facilities etc.; encourage investments into personnel training in logistics and trade companies;
- Build capacity of traders and agrifood industry stakeholders in international trade matters;
- Provide better treatment of traders (no delays, transparent business processes on the borders, clear and predictable security requirements) in both countries and work with the transit countries on establishing and maintaining proper transit standards;
- Include all the transit routes between Pakistan and Kyrgyzstan into ADB's Corridor Performance and Measurement and Monitoring mechanism; regularly publish the monitoring reports on these routes.

## References

- Ahmed, V., 2010. Afghanistan–Pakistan Transit Trade Agreement.
- Bashir, Z., 2003. The impacts of economic reforms and trade liberalization on agricultural export performance in Pakistan. *The Pakistan Development Review*, 42(4), pp-941.
- Business Recorder (2011). Pakistan Agriculture. [online] Available at: <https://fp.brecorder.com/2011/06/201106301207112/> [Accessed 14 Aug. 2019].
- Business Recorder. (2019). *Budget proposals: SCCI calls for review of APTTA / Business Recorder*. [online] Available at: <https://fp.brecorder.com/2019/05/20190513472862/> [Accessed 18 Aug. 2019].
- CAREC. (2019). *CAREC Program*. [online] Available at: [https://www.carecprogram.org/?page\\_id=31#who-are-carec](https://www.carecprogram.org/?page_id=31#who-are-carec)
- Din, M.U., Ghani, E. and Siddique, O., 2003. Openness and economic growth in Pakistan. *The Pakistan Development Review*, 42(4), pp.795-807.
- Eurasian Economic Commission (EEC), 2019. *Dogovor o YEAES - pyat' let (EAEU Treaty - Five Years), as of May 29, 2019*. [online] Available at: <http://www.eurasiancommission.org/ru/nae/news/Pages/29-05-2019-1.aspx>
- Husain, I., 2011. *Prospects and challenges for increasing India-Pakistan trade*. Atlantic Council.
- Hussain, M.A., 2014. Economic growth, exports and imports in Pakistan: Granger causality analysis. *The Journal of Business in Developing Nations*, 13, pp.31-62.
- Karim, S., 2014. *Trade Policy Reforms in Pakistan*.
- Khan, A.H. and Ali, S., 1998. The Experience of Trade Liberalization in Pakistan. *The Pakistan Development Review*, pp.661-685.
- Khan, A.H. and Mahmood, Z., 1996. Emerging global trading environment: challenges for Pakistan. *Asian Development Review*, 14, pp.73-115.
- Love, J. and Chandra, R., 2004. Testing export-led growth in India, Pakistan and Sri Lanka using a multivariate framework. *The Manchester School*, 72(4), pp.483-496.
- Ministry of Commerce, Government of Pakistan. (n.d.). *Trade Agreements - Ministry of Commerce / Government of Pakistan*. [online] Available at: <http://www.commerce.gov.pk/about-us/trade-agreements/> [Accessed 18 Aug. 2019].
- Ministry of Commerce. Government of Pakistan. (2009). *Strategic Trade Policy Framework 2009-12*.

Ministry of Commerce. Government of Pakistan (2015). *Strategic Policy Framework 2015-18*.

Mogilevskii, R., Thurlow, J., Yeh, A., Tilekeyev, K., Abdrazakova, N., Dzhumaeva, S., Jenish, N., Esenaliev, D., Ferguson, N.T., Toktomushev, K. and Sagynbekova, L., 2018. Kyrgyzstan's Accession to the Eurasian Economic Union: Measuring Economy-Wide Impacts and Uncertainties. *University of Central Asia Institute of Public Policy and Administration, Working Paper No, 44*.

National Statistic Committee of the Kyrgyz Republic, *Database on Mutual Trade with Pakistan* OEC World. (2019). *OECD - Data Sources. Using the 1992 revision of the HS (Harmonized System) classification*. [online] Available at: <https://oec.world/en/resources/data/> [Accessed 30 Jul. 2019].

РИА Новости. (2011). *CIS Heads of Government Sign Free Trade Zone Agreement*. [online] Available at: <https://ria.ru/20111018/463707345.html> [Accessed 23 Aug. 2019].

Pomfret, R., 2019. *The Central Asian Economies in the Twenty-first Century: Paving a New Silk Road*. Princeton University Press.

Pursell, G., Khan, A. and Gulzar, S., 2011. Pakistan's trade policies: Future directions. *International Growth Centre, report prepared for the Planning Commission of Pakistan*.

Rehman, M. (2019). Pakistan's electricity generation has increased over time. So why do we still not have uninterrupted supply? *DAWN*. [online] Available at: <https://www.dawn.com/news/1430728> [Accessed 18 Aug. 2019].

Roberts, J. (2010). Will Central Asia's oil and gas go east or west? *BBC*. [online] Available at: <https://www.bbc.com/news/10185429>

Shahbaz, M., Azim, P. and Ahmad, K., 2011. Exports-led growth hypothesis in Pakistan: further evidence. *Asian Economic and Financial Review*, 1(3), p.182.

Shahzad, M.A., Razaq, A., Aslam, M., Gulzar, M.F. and Nisar, N., 2019. Opportunities for Agricultural Trade in the Context of the China-Pakistan Economic Corridor. *Business and Economic Research*, 9(1), pp.263-282.

Shirazi, N.S. and Manap, T.A.A., 2005. Export-led growth hypothesis: Further econometric evidence from South Asia. *The Developing Economies*, 43(4), pp.472-488

The Pakistan Business Council, 2017. *Kyrgyz Republic. The Central Asia Country Series. Trading Economics*, 2019. *Pakistan total installed generation capacity*. Available at <https://tradingeconomics.com/pakistan/total-installed-generation-capacity-gw-wb-data.html>



USAID/ Deloitte Consulting LLP, 2014. *Pakistan and Central Asian Republics: Investment Climate and Policy Regime*, USAID Office of Economic Growth and Agriculture, EEM

USAID (2014). *USAID Trade Project: Analysis Quadrilateral Traffic in Transit Agreement (QTTA)*.

World Bank, 2018. *Industry (including construction), value added (% of GDP) / Data*. [online] Available at: <https://data.worldbank.org/indicator/NV.IND.TOTL.ZS> [Accessed 18 Aug. 2019].

World Bank, 2018. *Agriculture, forestry, and fishing, value added (% of GDP) / Data*. [online] Available at: <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS> [Accessed 18 Aug 2019].

World Integrated Trade Solution, 2017. *Pakistan All Products Export to Kyrgyz Republic in US\$ Thousand 2003-2017 / Data*. [online] Available at: <https://wits.worldbank.org/CountryProfile/en/Country/PAK/StartYear/2003/EndYear/2017/TradeFlow/Export/Indicator/XPRT-TRD-VL/Partner/KGZ/Product/Total>

World Integrated Trade Solution, 2017. *Pakistan exports, imports and trade balance By Country 2017*.| Data [online] Available at: <https://wits.worldbank.org/CountryProfile/en/Country/PAK/Year/2017/TradeFlow/EXPIMP/Partner/by-country>