



Economic Cooperation Organization

ECO

ECO Statistical Report 2015

(ECO Socio-economic Indicators)





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Preface

Economic Cooperation Organization in achievement of its main objective on expansion of economic cooperation in the region and bringing together the members for closer economic ties, places special importance to reliable and updated statistics and establishment of regional harmonized statistical system in the region to support policy making bodies of the Organization. The Directorate for Projects, Economic Research and Statistics (PERS) of the ECO in fulfilling its mandate and implementation of the “ECO Plan of Action on Statistics” has operated the ECO Statistical Network (ECOSTAT) since February 2011 to pave the way for intensifying statistical cooperation among the ECO National Statistical Offices (www.ecosn.org). The Network is publishing the last updated data, statistics and information of ECO Member States in close cooperation with the ECO National Statistical Offices and aims to function as the main source of statistics and statistical information for the Organization and its Member States. Nevertheless, the need to publish periodic statistical publication for the region has always been imperative.



Since 2013, the PERS Directorate has initiated compilation of statistical publication for the region through publishing the “ECO Statistical Report” that consists of series of analytical statistical publications with special focus on the socio-economic sectors and priority areas of the Organization. With publication of three volumes of the Report in 2013 and 2014, namely: “ECO Population”, “ECO Economy” and “ECO Trade”, main characteristics of the region in the related areas were introduced by reviewing and analyzing the most updated data of the ECO Member States within the last decades.

In continuation of compilation of statistical publications and following the publication of the three volumes of the ECO Statistical Report, the PERS Directorate has compiled the “ECO Statistical Report 2015” with coverage of the last updated data on demography, economy and foreign trade of ECO Member States. “ECO Statistical Report 2015” is the new statistical publication of the Organization that reviews annual data and development in the socio-economic sectors in the countries of the region and intends to give a comprehensive picture of the region through presenting and analyzing the key socio-economic indicators of countries of the region.

The “ECO Statistical Report 2015” has utilized the last updated data and statistics from reliable international sources to meet consistent, harmonized data with full coverage of data for all countries of the region to accomplish main objective. The PERS Directorate makes its endeavors to develop and publish the updated statistical publication in the future.

It is hoped that the “ECO Statistical Report 2015” contributes to better understanding of the ECO Region and recognition of its socio-economic characteristics. PERS Directorate welcomes views and comments for promotion of quality of the publication in future.

April 2015



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Introduction

Economic Cooperation Organization (ECO), is an intergovernmental regional organization, established in 1985 by Iran, Pakistan and Turkey and was expanded in 1992 to include seven new members, namely: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan for the purpose of promoting economic, technical and cultural cooperation among its Member States. ECO is the successor organization of Regional Cooperation for Development (RCD) which remained in existence since 1964 up to 1979.

The region is full of prospects to develop into a thriving region by possessing enormous natural and human resources with significant share of educated population, and advantageous geopolitical location at the heart of main North-South and East-West Corridors, as the region is bridging Asia and Europe via its transport communications.

General Map of ECO Region by Member Countries



Since establishment, ECO Member States have been collaborating to accelerate the pace of regional development through their common endeavors. Besides shared cultural and historic affinities, they have been able to use the existing infrastructural and business links to further fortify their resolve to transfer their hopes and aspirations into a tangible reality.

The main objective of the Economic Cooperation Organization is to promote conditions for sustainable economic development of Member States. To achieve this basic objective and to develop the economic potential of ECO Member States through regional cooperation, the activities of the Organization for implementation of regional programmes and projects have been characterized in the areas of trade and investment, transport and communications, energy, minerals and environment, agriculture, industry and tourism, human resources and sustainable development.

As included in the principal documents of the Organization, “all regional programmes and activities should be based on a realistic evaluation of the socio-economic situation of the region supported by the latest economic data and information”. To respond to the statistical needs of the Organization and in accordance with the main activities of the ECO, the “ECO Statistical Report 2015” has been shaped to give an overview of socio-economic activities of the Organization in the main areas of functioning through providing the updated data and information and analyzing the most recent development in those activities with regard to the position of the region in the global indicators and with a view to the regional contribution of each Member State to the regional economic development. Besides data and statistics for each sector, information related to the statistical data including definitions and source of data has been provided in this publication.

Population



Population change

Population of ECO region reached to 441 million in 2013 that shares 6.21% of total world population. Compared to the previous year, growth rate of population of the region shows 1.58 percent increase in the size of population of the region. Among countries of the region, the highest population growth rate in 2013 belongs to Tajikistan that added 2.48 percent to its population. The lowest rate of population growth has been calculated for Turkey with 1.26 percent. Three countries of the region including Tajikistan, Afghanistan and Kyrgyz Republic experienced population growth rate of 2 percent and more in 2013 while other countries of the region have recorded the rates below 2 percent.

Compared with the world growth rate of population in 2013 (1.26 percent), growth rate of population of the ECO region indicates a faster trend of increase in the size of population in the reported year.

Review of population data of ECO countries in 2010 and 2013 indicates that Afghanistan and Tajikistan have a higher growth of population in this short period while the lowest trend of population change are recorded for Turkey and Turkmenistan.

Table 1 – Population, population growth rate and population density of ECO countries

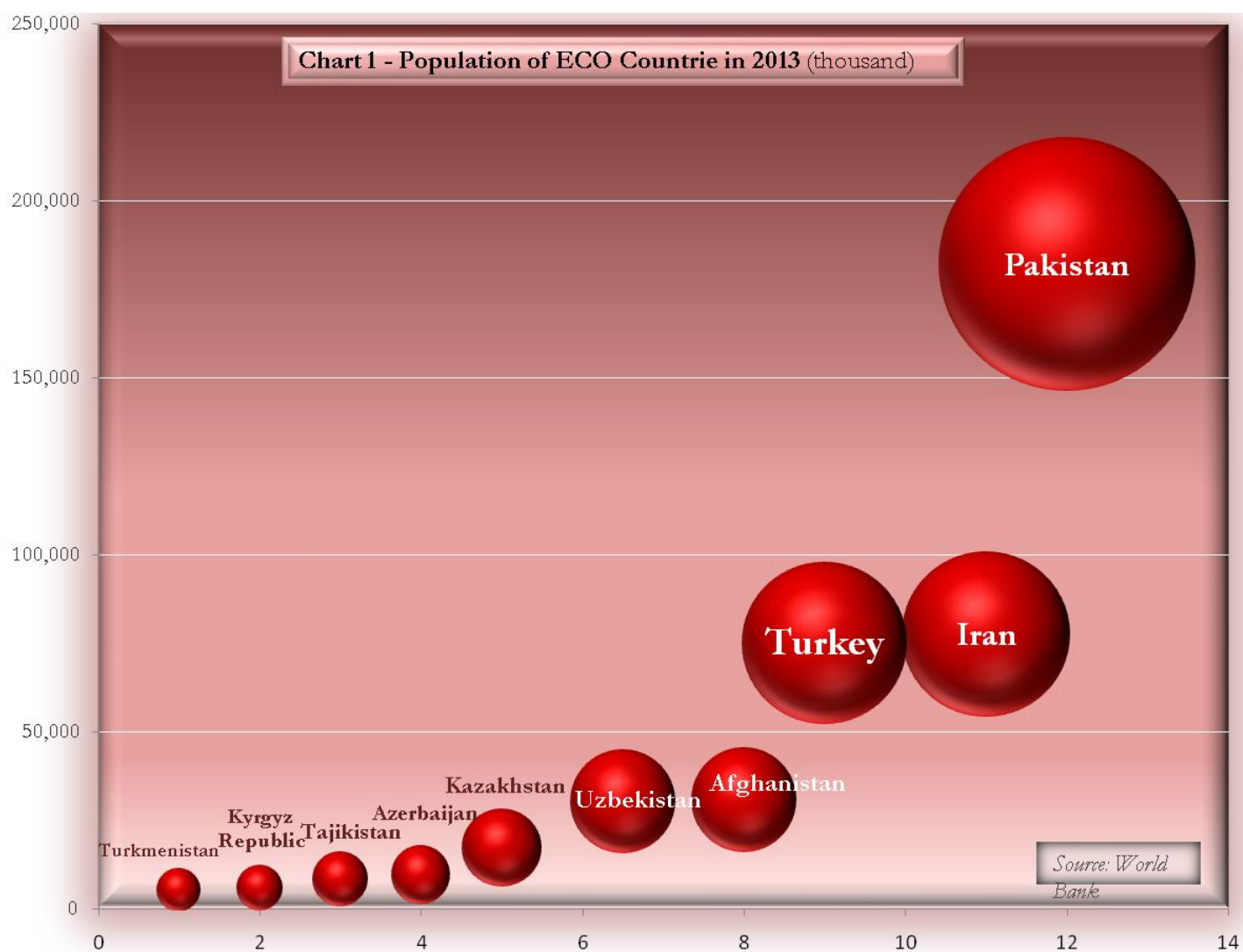
Country	Population 2010		Population 2013		Annual Change of Population 2012-13 (%)	Population Density 2013 (People per km ²)
	000	%	000	%		
Afghanistan	28,398	6.8	30,552	6.9	2.44	47
Azerbaijan	9,054	2.2	9,417	2.1	1.30	114
Iran	74,462	17.7	77,447	17.6	1.34	48
Kazakhstan	16,322	3.9	17,038	3.9	1.47	6
Kyrgyz Republic	5,448	1.3	5,720	1.3	2.00	30
Pakistan	173,149	41.2	182,143	41.3	1.66	236
Tajikistan	7,627	1.8	8,208	1.9	2.48	59
Turkey	72,138	17.2	74,933	17.0	1.26	97
Turkmenistan	5,042	1.2	5,240	1.2	1.30	11
Uzbekistan	28,562	6.8	30,241	6.9	1.57	71
ECO Region	420,203	100	440,937	100	1.58	55

Source: World Bank

Regional share

Distribution of population by countries of the region places Pakistan in the first level with 41.3 percent share of total population of the region. Pakistan is the 6th most populated countries of the world in 2013. Iran and Turkey are categorized in the second level (with almost 17% for each) and Afghanistan and Uzbekistan are in the third level (with almost 7% for each). Other countries of the region have small share of population of the region with the lowest regional share for Turkmenistan (1.2%) and Kyrgyz Republic (1.3%). It highlights the big gap in the size of population of countries as one of the characteristics of the region.

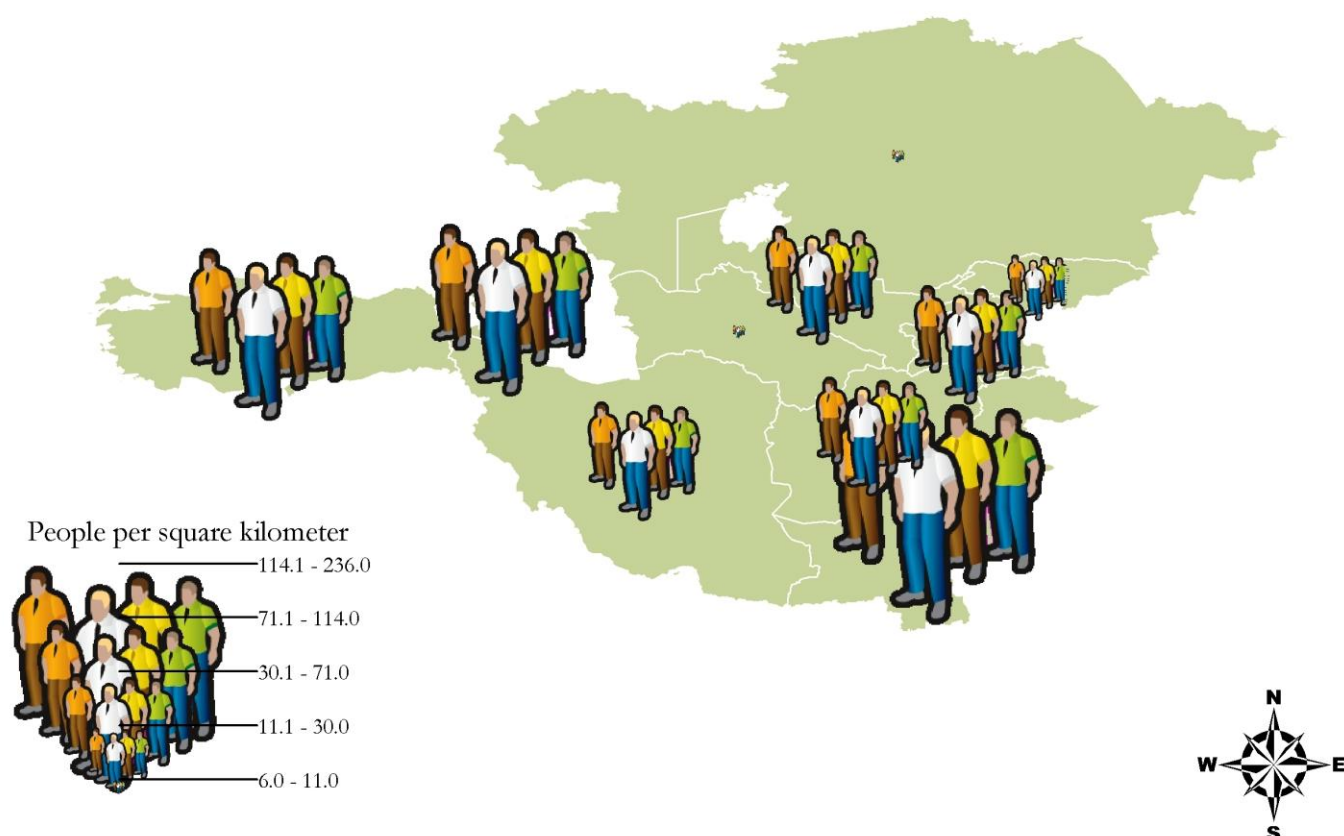
Comparison of distribution of population by countries of the region in 2010 and 2013 does not show any significant change in the regional share of population by countries.



Population Density

Population density for whole region is calculated equal to 55 people per square kilometer in 2013. This indicator varies widely from Pakistan with the highest population density equal to 236 people per square kilometer to Kazakhstan with population density of 6. Kazakhstan is the 16th countries of the world with the lowest population density in 2013. Azerbaijan is the second country of the region with high population density which is equal to 114. For other countries of the region, this indicator is below 100, from Turkey (97) and Uzbekistan (71) to Turkmenistan (11).

Map 1- Population Density of ECO Countries in 2013



Birth Rate

Review of the figures for birth rate of the countries of the region for the last reported year in 2012 puts Afghanistan in the first place in the region with 35 births per 1000 people, followed by Tajikistan with 33. These two countries are in the group of high birth rate countries of the world in the reference year. Five countries of the region have the birth rates between 20 and 30 and three countries recorded the rates below 20 births per thousand people. The lowest birth rate belongs to Turkey with 17 births per thousand people.

Compared with the crude birth rate in the world level in the reference year (19 per thousand people), only Turkey has recorded below the world figure. Azerbaijan and Iran have the same figures as the world level and other seven countries of the region have higher birth rates, compared to the world figure.

Table 2 – Fertility, mortality, birth and death rates of ECO Countries

Country	Birth Rate 2012 (Per 1000 people)	Death Rate 2012 (Per 1000 people)	Fertility Rate (Births per Woman)		Infant Mortality (Per 1000 live births)	
			1990	2012	1990	2012
Afghanistan	35	8	7.7	5.1	121	70
Azerbaijan	19	6	2.7	2	75	30
Iran	19	5	4.8	1.9	44	14
Kazakhstan	23	8	2.7	2.6	45	15
Kyrgyz Republic	28	7	3.7	3.1	55	22
Pakistan	26	7	6	3.3	106	69
Tajikistan	33	7	5.2	3.8	85	41
Turkey	17	6	3.1	2.1	56	17
Turkmenistan	22	8	4.3	2.4	73	47
Uzbekistan	21	5	4.1	2.5	59	37

Source: World Bank

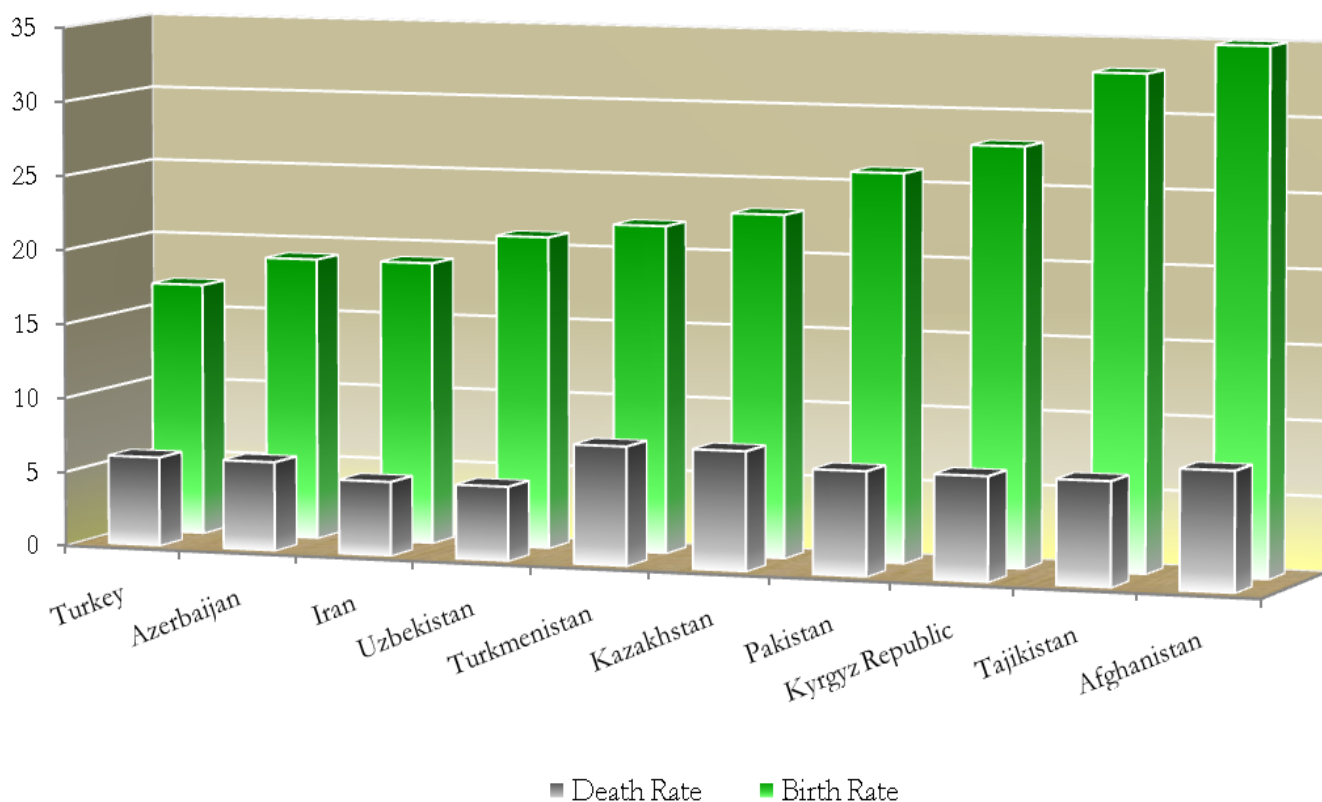


Death Rate

Review of the figures for death rate of the ECO countries for the last reported year in 2012 shows a small range of figures for this indicator from 8 per thousand people in Afghanistan, Kazakhstan and Turkmenistan to 5 per thousand people in Iran and Uzbekistan.

Compared with the death rate in the world level in the reference year (8 per thousand people), three mentioned countries of the region have recorded the same rates as the world figure but other countries of the region have the lower death rates, compared to the world figure.

Chart 2 - Birth Rate and Death Rate of ECO Countries in 2012 (per 1000 people)

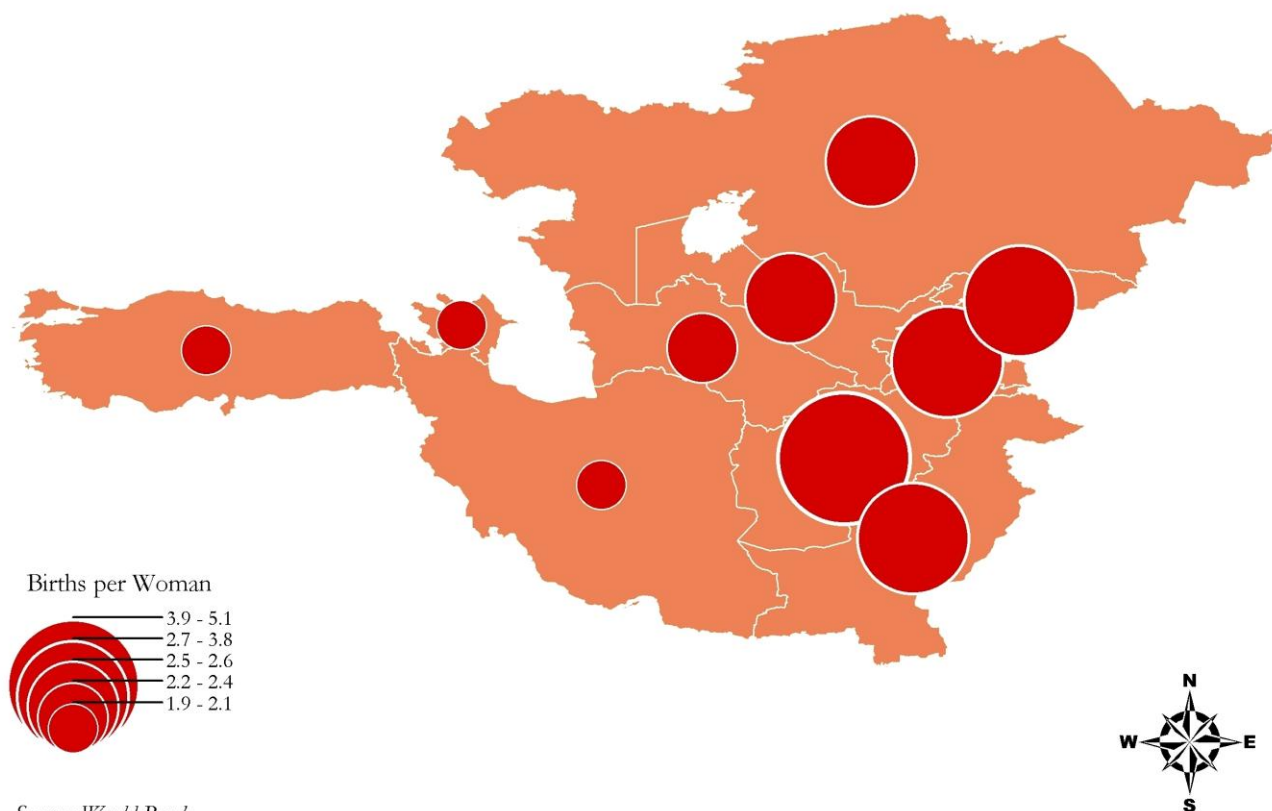


Fertility

According to the latest data for 2013, total fertility rate in the ECO countries differs dramatically from Afghanistan with 5.1 live births per women at the highest level to Iran with 1.9 births per women at the lowest level. Afghanistan is among countries of the world with the highest fertility rate in the reference year. From among countries of the region, three countries (Tajikistan, Pakistan and Kyrgyz Republic) recorded their total fertility rates above 3 and less than 4 births per woman. Five countries of the region (Kazakhstan, Uzbekistan, Turkmenistan, Turkey and Azerbaijan) are grouped in the countries with total fertility rate between 2 and 3 births per woman.

Compared with the total fertility rate in world level in the reported year (2.5 births per woman), five countries of the region (Afghanistan, Tajikistan, Pakistan, Kyrgyz Republic and Kazakhstan) have recorded the rates above the world figure.

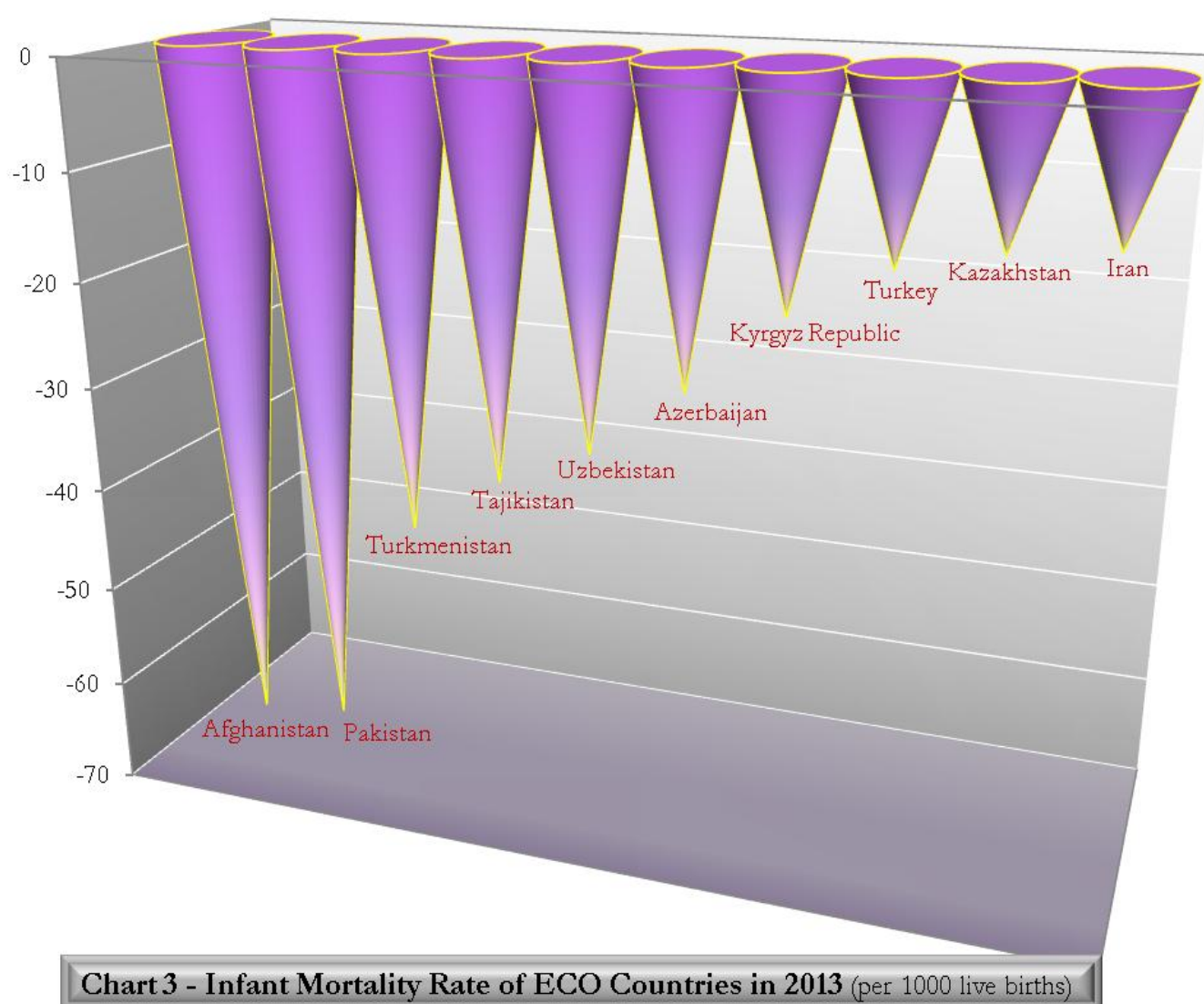
Map 2 - Total Fertility Rate of ECO Countries in 2012



Infant Mortality

Infant mortality rate of ECO countries in 2013 differs sharply from 70 per thousand live births in Afghanistan (and 69 in Pakistan) in the top to 14 per thousand live births in Iran with the lowest infant mortality rate in the region. In 2013, Afghanistan and Pakistan are identified as the 19th and 20th countries of the world with the highest infant mortality rate.

Compared to the infant mortality rate in the world level in the reference year (34 per thousand live births), five countries of the region (Afghanistan, Pakistan, Turkmenistan, Tajikistan and Uzbekistan) have recorded the higher figures for infant mortality rate.



Female share

Structure of population of the region by sex in 2013 shows that share of females in total population of the region is equal to 50.3%, with higher proportion of females. In five countries of the region including Afghanistan, Iran, Pakistan, Tajikistan and Uzbekistan share of females is below 50 percent with the lowest share in Pakistan equal to 48.6 percent. In other five countries of the region, females have higher share of population with the highest share in Kazakhstan which is 51.9 percent.

Population by age

Structure of population of ECO countries by major age groups in 2013 shows different population age pattern of countries, mainly between Afghanistan with other countries of the region. Afghanistan has the youngest population in the region with 47 percent share of people with 14 years and less from total population. Share of the youngest age group in total population in other countries of the region falls between 22 to 36 percent with the lowest share in Azerbaijan. The middle age group (15-64) which normally has the largest share of total population; indicates the lowest figure for Afghanistan with 51 percent while for other countries of the region this indicator shows figures between 61 to 72 percent, with the highest share in Azerbaijan. For elderly people (age group 65 years and more), the highest share is calculated for Kazakhstan and Turkey with 7 percent and the lowest share is indicated for Afghanistan with 2 percent.

Table 3 – Composition of population by sex and age and life expectancy of ECO Countries

Country	Female Share 2013 (%)	Population by Age in 2013(%)			Life Expectancy 2012 (year)		
		0-14	15-64	65 and more	Male	Female	Total
Afghanistan	49.3	47	51	2	59	62	61
Azerbaijan	50.3	22	72	6	68	74	71
Iran	49.7	24	71	5	72	76	74
Kazakhstan	51.9	26	68	7	65	74	70
Kyrgyz Republic	50.7	30	65	4	66	74	70
Pakistan	48.6	34	62	4	66	67	66
Tajikistan	49.8	36	61	3	64	71	67
Turkey	50.9	26	67	7	72	78	75
Turkmenistan	50.8	28	67	4	61	70	65
Uzbekistan	49.3	29	67	4	65	72	68
ECO Region	50.3	-	-	-	-	-	-

Source: World Bank

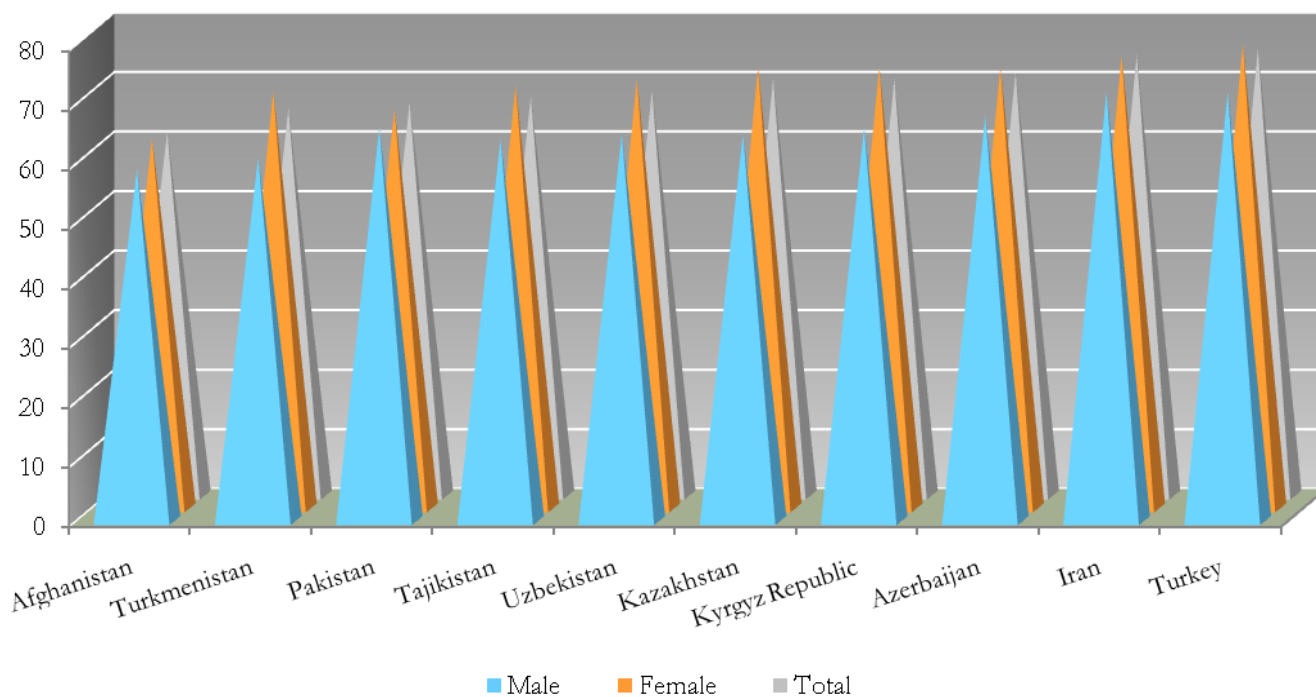


Life expectancy

Life expectancy at birth (total) in ECO countries for the last reported year in 2012 indicates a wide range from Afghanistan at the lowest level (61 years) to Turkey at the highest level (75 years). In five countries of the region including Turkey, Iran, Azerbaijan, Kazakhstan and Kyrgyz Republic total life expectancy is 70 years and more while in other countries of the region this indicator shows figures less than 70. Life expectancy by sex shows that in the group of males; Iran and Turkey recorded the highest figure equal to 72 years while the lowest male life expectancy is estimated for Afghanistan with 59 years. In the group of females, the highest life expectancy is recorded in Turkey (78) and Iran (76) but the lowest figure is indicated for Afghanistan with 62. Comparison of life expectancy by sex shows that in all countries of the region, females have longer life expectancy than males with the largest difference between the two groups in Kazakhstan (9 years) and the smallest one in Pakistan (one year).

Compared with the life expectancy in the world level (69 years for males and 73 years for females), in the group of males only two countries of the region (Iran and Turkey) have recorded above the world figure. In the group of females, five countries of the region (Turkey, Iran, Azerbaijan, Kazakhstan and Kyrgyz Republic) indicate higher than the world figure.

Chart 4 - Life Expectancy of ECO Countries by Sex in 2012 (year)







Economy



Gross Domestic Product (GDP)

Total Gross Domestic Product (GDP) of ECO countries at current prices in 2013 passed 1,863 billion US\$ that indicates 2.49 percent share of the ECO region in total world economic performance in the reference year. Total GDP of the ECO region in current prices in 2013 decreased by 2.4 percent, compared to the previous year. It occurred mainly due to the negative growth rate of GDP of Iran in the reported year that affected the economy of the region.

Turkey is the first economy of the region with 882 billion US\$ GDP in 2013 that has the largest share from total GDP of the region with 44.1 percent, showing 4.2 percent annual increase at current prices . Turkey is the 18th largest economy of the world in 2013. Iran is the second economy of the region with 369 billion US\$ and 19.8 percent share from total GDP of the region. Iran faced a major economic downturn in 2013 that resulted in dropping 27 percent of its GDP at current prices. Pakistan and Kazakhstan with the same size of economy and 12.5 percent share, are classified in the next level. Kyrgyz Republic and Tajikistan have the smallest economies of the region which together account for less than one percent of total economic performance of the region in 2013. Dramatic differences in the size of economies of countries of the region is one of the main characteristics of the region.

Table 4 - Gross Domestic Product (GDP) at current prices of ECO Countries

Country	GDP at current prices (Bln US\$)			Regional share (%)		
	2000	2010	2013	2000	2010	2013
Afghanistan	2.5	15.9	20.3	0.5	1.0	1.1
Azerbaijan	5.3	52.9	73.6	1.1	3.3	3.9
Iran	101.3	422.6	368.9	20.8	26.1	19.8
Kazakhstan	18.3	148.0	231.9	3.8	9.1	12.4
Kyrgyz Republic	1.4	4.8	7.2	0.3	0.3	0.4
Pakistan	74	177.2	232.3	15.2	10.9	12.5
Tajikistan	0.9	5.6	8.5	0.2	0.3	0.5
Turkey	266.6	731.2	822.1	54.7	45.1	44.1
Turkmenistan	2.9	22.1	41.9	0.6	1.4	2.2
Uzbekistan	13.8	39.3	56.8	2.8	2.4	3.0
ECO Region	487	1,620	1,863	100	100	100

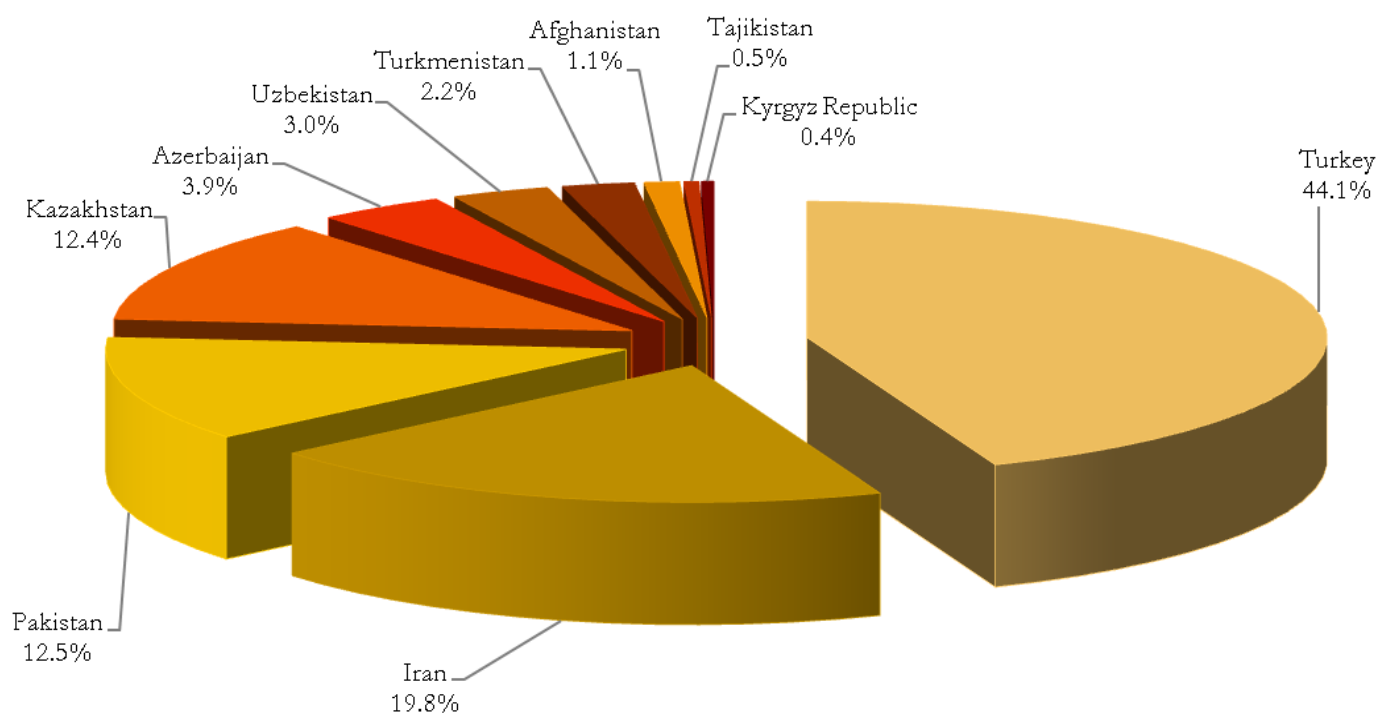
Source: World Bank

Regional GDP by countries

Comparison of regional share of countries of the region in 2010 and 2013 indicates a significant change in the contribution of Iran to total GDP of the region that dropped its regional share by 6.3 percent within this short period. Kazakhstan took a long step by adding 3.3 percent to its regional share during the reported years.

Review of distribution of total GDP by countries of the region during the period 2000-2013 presents the most significant changes for Kazakhstan that added to its regional share from 3.8 percent to 12.4 percent within this period. Also Azerbaijan and Turkmenistan were able to develop their economic performance with increasing their contribution to total GDP of the region.

Chart 5- Gross Domestic Product (GDP) of ECO Region by Countries in 2013



Source: World Bank

GDP per Capita

The average GDP per capita of the ECO region in current prices in 2013 is equal to 4,435 US\$. Compared with the world figure in 2013 (16,973 US\$), ECO figure reveals a big difference which stresses on the need for development of economic performance of countries of the region. GDP per Capita of the region in current prices in 2013 indicates 2.4 percent negative change which is mainly due to sharp decrease in the figure for Iran that recorded 27.6 negative change in this indicator.

The highest GDP per capita in the region in 2013 is recorded for Kazakhstan with 13,610 US\$. Turkey in the second level shows its indicator above 10,000 US\$. Azerbaijan and Turkmenistan stand in the next level with their GDP per capita between 7000-8000 US\$. Iran with its GDP per capita above average of the region places in the next level. For four countries of the region including Uzbekistan, Pakistan, Kyrgyz Republic and Tajikistan this indicator is between 1000-2000 US\$. The lowest GDP per Capita is estimated for Afghanistan with 665 US\$. Comparison of the highest and the lowest figures for GDP per capita in current prices in 2013 indicates a very big gap among countries of the region.

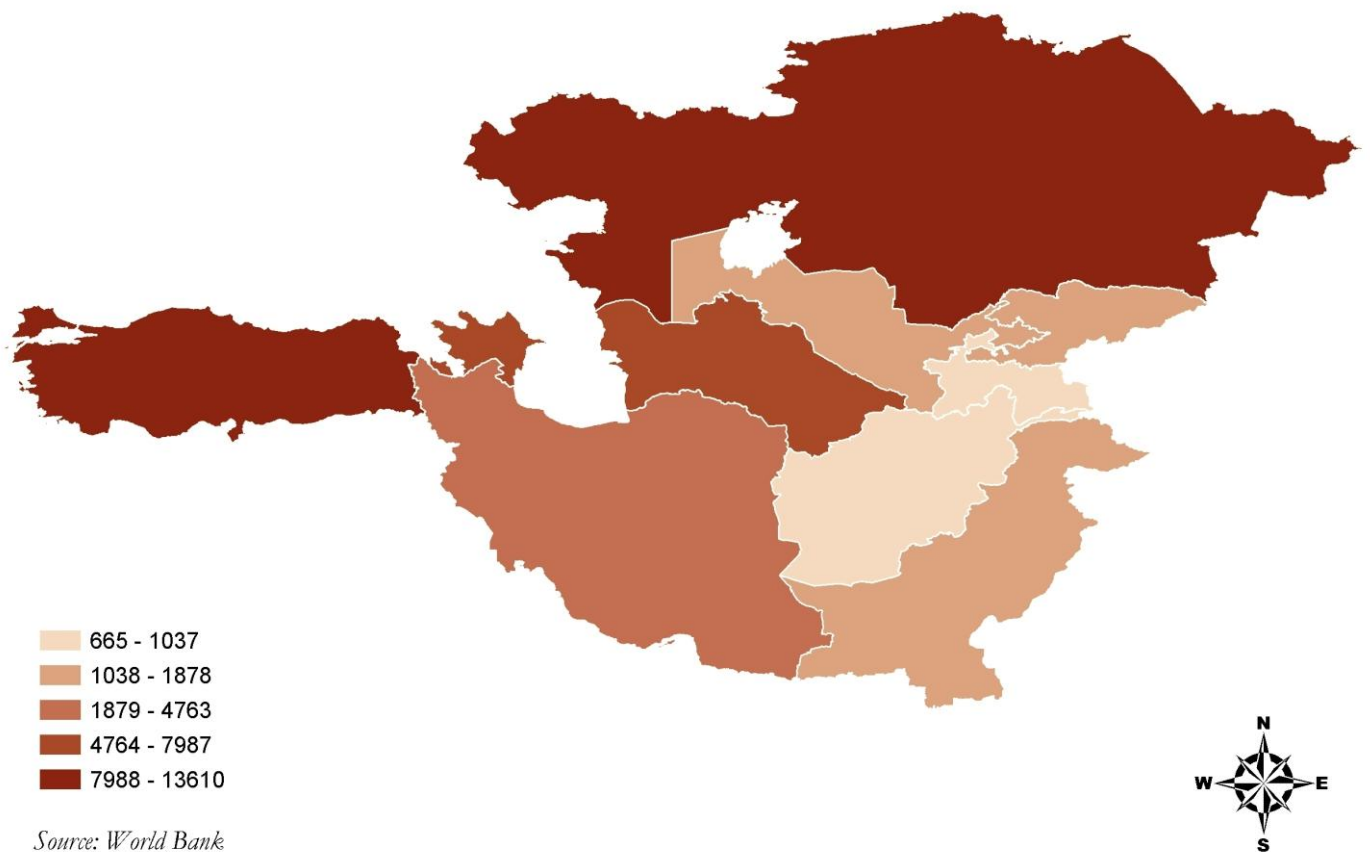
Table 5 – GDP per capita and GDP growth rate of ECO Countries

Country	GDP per capita at current prices (US\$)		GDP per capita growth rate in 2013 (%)	GDP growth rate (%)	
	2010	2013		2012	2013
Afghanistan	561	665	-3.3	14.4	1.9
Azerbaijan	5,843	7,812	5.7	2.2	5.8
Iran	5,675	4,763	-27.6	3.0	-5.8
Kazakhstan	9,071	13,610	12.3	5.0	6.0
Kyrgyz Republic	880	1,264	7.3	-0.1	10.5
Pakistan	1,023	1,275	1.8	3.5	4.4
Tajikistan	740	1,037	8.8	7.5	7.4
Turkey	10,136	10,972	2.9	2.1	4.1
Turkmenistan	4,393	7,987	17.5	11.1	10.2
Uzbekistan	1,377	1,878	9.3	8.2	8.0
ECO Region	3,855	4,435	-2.4	-	-

Source: World Bank

Compared with the previous year, negative changes in GDP per Capita in current prices have been recorded for Iran and Afghanistan that shows a sharp decrease in this indicator for Iran. For other countries of the region that added to their GDP per capita in 2013, the biggest increase is recorded for Turkmenistan with 17.5 percent. Kazakhstan also shows a high increase in this indicator above 10 percent and for the rest of this group, rate of increase is below 10 percent with the lowest increase in Pakistan with 1.8 percent.

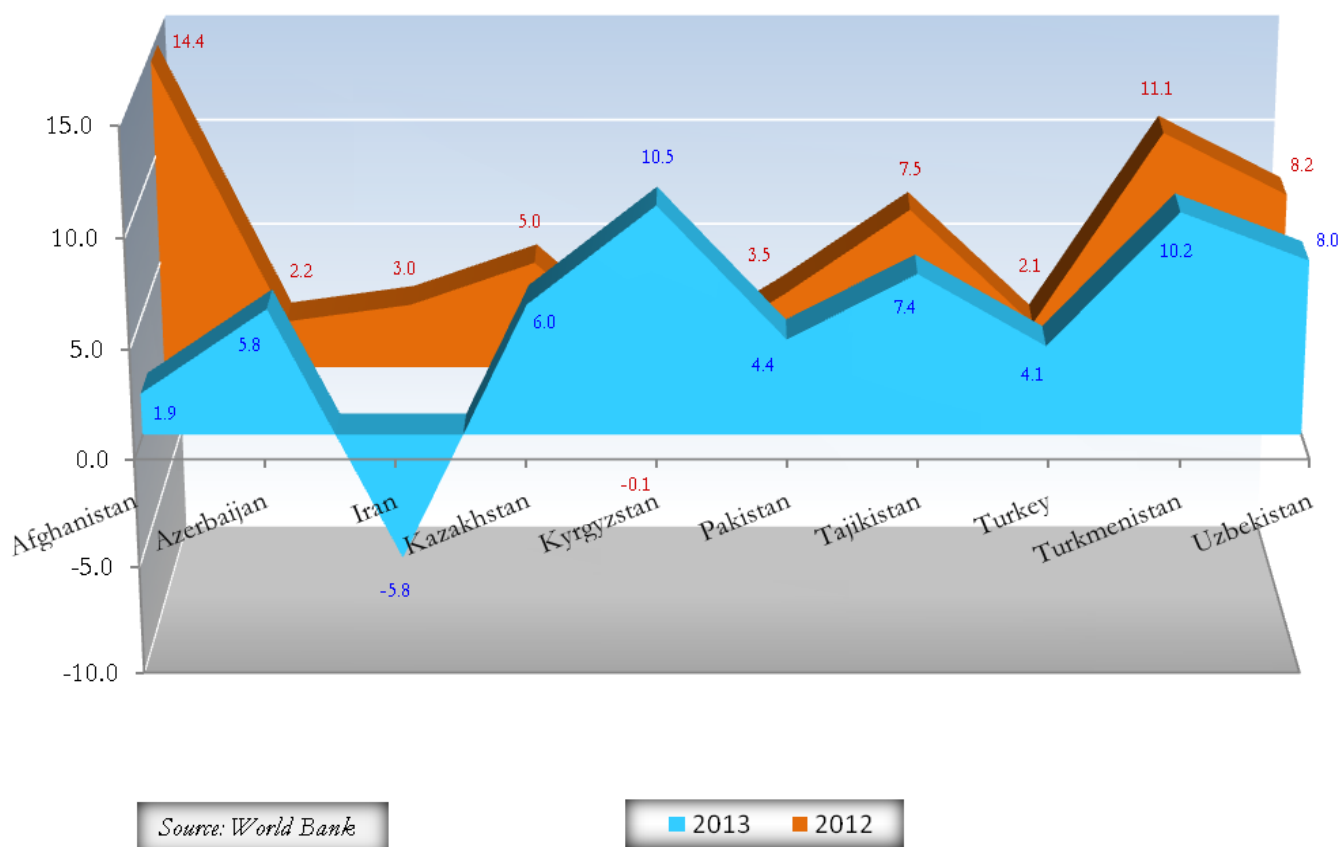
Map 3 - GDP per Capita of ECO Countries in 2013 (US\$)



GDP Growth Rate

In 2013, economy of Iran face a dramatic negative growth rate of GDP equal to 5.8 that impacted the national economy and the regional economy as well. Other countries of the region experienced positive growth rate of GDP with the highest rate in Kyrgyz Republic (10.5%) and Turkmenistan (10.2%) while Afghanistan showed a low growth rate equal to 1.9 percent. Comparison of GDP growth rate of member countries in 2012 and 2013 present different trend of changes in the economic performance in Iran, Afghanistan and Kyrgyz Republic while in other countries of the region less different changes are observed.

Chart 6 - GDP Growth Rate of ECO Countries in 2012 and 2013 (%)



GDP by Economic Sectors

Structure of GDP at current prices by major economic sectors presents different composition of economies of the region. According to the data for 2013, in all ECO countries – excluding Azerbaijan and Turkmenistan - services sector has a higher share in the composition of national GDP, amounting to more than 50 percent with the highest share in Turkey equal to 64 percent. Azerbaijan and Turkmenistan are the two countries of the region with the highest share of industry sector in total GDP, with the largest share in Azerbaijan equal to 62 percent. The lowest share of Industry sector is recorded for Afghanistan, Pakistan (21%) and Tajikistan (22%).

Tajikistan, Pakistan and Afghanistan are three countries of the region with higher share of agriculture in the national economy that exceeds 20 percent of total GDP. In Uzbekistan and Kyrgyz Republic contribution of agriculture sector to total GDP are also relatively high. The lowest share of agriculture is recorded for Kazakhstan, Azerbaijan and Turkmenistan which is below 10 percent of GDP.

Variation in the share of major economic sectors from total GDP of ECO countries reveals that economies of the region, benefiting from different economic structure, have opportunities to cooperate for expansion of economic relations with regard to their national capacities.

Table 6 – Composition of GDP of ECO countries at current prices by major economic sectors (%)

Country	2000			2013			Changes		
	Agri	Industry	Services	Agri	Industry	Services	Agri	Industry	Services
Afghanistan	38	24	38	24	21	55	-14	-3	17
Azerbaijan	17	45	38	6	62	32	-11	17	-6
Iran *	14	36	50	11	38	52	-3	2	2
Kazakhstan	9	40	51	5	37	58	-4	-3	7
Kyrgyz Republic	37	31	32	18	27	56	-19	-4	24
Pakistan	26	23	51	25	21	54	-1	-2	3
Tajikistan	27	39	34	27	22	51	0	-17	17
Turkey	11	32	57	9	27	64	-3	-5	7
Turkmenistan **	24	45	31	15	48	37	-10	3	6
Uzbekistan	34	23	43	19	26	55	-15	3	12

Source: World Bank

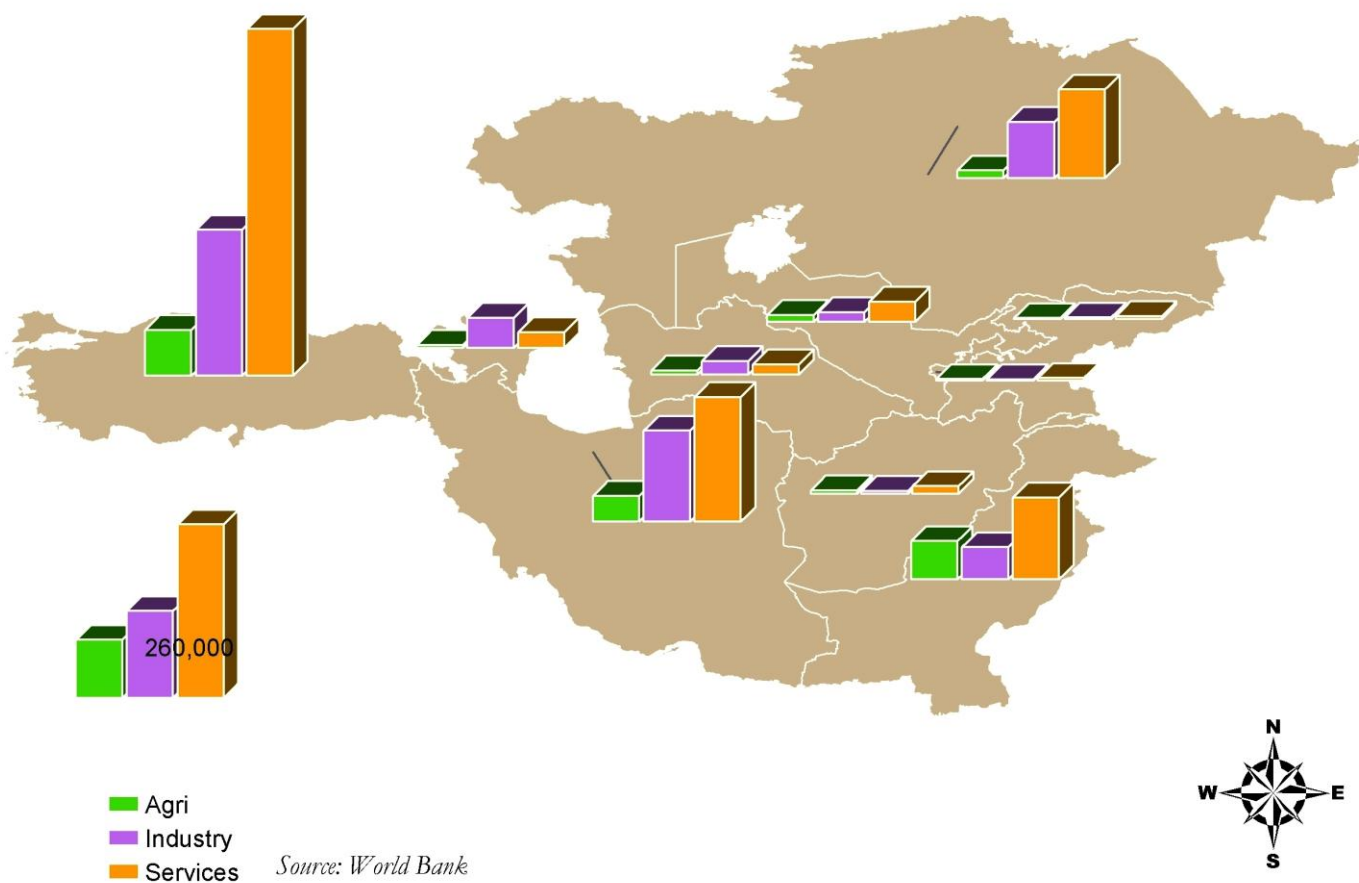
* Data for Iran for 2012 from Iran Statistical Yearbook

** Data for Turkmenistan for 2012



Comparison of GDP by major economic sectors in two points of time during the period 2000-2013 indicates significant changes in the structure of economies of the region within this period. The widest changes are observed in Kyrgyz Republic, Uzbekistan, Afghanistan, Azerbaijan and Turkmenistan that decreased the share of agriculture in their national economies and mostly developed the capacity of services sector. Azerbaijan is the exceptional case in the region that decreased the share of services and increased the industry sector. Tajikistan also shows big changes by decreasing the role of industry and adding to the share of services sector in its GDP. In other countries of the region less change are observed in the structure of the economy within this period.

**Map 4 - GDP of ECO Countries at Current Prices
by Major Economic Sectors (Mln US\$)**



Gross Capital Formation to GDP

Ratio of Gross Capital Formation to Gross Domestic Product of the countries of the region for the last reported year in 2012 varies from the lowest ratio in Pakistan (15%) to the highest ratio in Turkmenistan (47%) which presents a wide range in this ratio. Except four countries of the region (Turkmenistan, Kyrgyz Republic, Iran and Azerbaijan), other countries of the region have recorded the ratio below 25 percent.

Comparison of this indicator in 2000 and 2012 reveals that some countries of the region including Kyrgyz Republic, Turkmenistan and Tajikistan and in the next level Kazakhstan and Afghanistan have considerably added to this ratio within this period. Pakistan is the only country that recorded decrease in this ratio. Other countries of the region have kept the situation or slightly added to this ratio in the reported years.

Table 7 – Gross Capital Formation, Inflation, FDI and External Debt of ECO countries

Country	Gross Capital Formation to GDP (%)		Inflation Rate (%)		Foreign Direct Investment in 2013		External Debt in 2013	
	2000	2012	2012	2013	Mln US\$	% of GDP	Mln US\$	% of GDP
Afghanistan	12	18	7.2	7.6	60	0.3	2,577	12.3
Azerbaijan	21	25	1.0	2.4	2,619	3.6	9,219	13.3
Iran *	33	33	27.4	39.3	3,050	0.8	7,647	2.1
Kazakhstan	18	24	5.1	5.8	9,739	4.2	148,456	74.6
Kyrgyz Republic	20	34	2.7	6.6	758	10.5	6,804	98.4
Pakistan	17	15	9.7	7.7	1,307	0.6	56,461	22.8
Tajikistan	9	19	5.8	5.0	108	1.3	3,538	41.8
Turkey	21	21	8.9	7.5	12,918	1.6	388,243	47.9
Turkmenistan **	35	47	-	-	3,061	7.3	502	1.3
Uzbekistan ***	22	23	7.0	6.8	1,077	1.9	10,605	18.1
ECO Region	-	-	-	-	34,697	1.9	634,052	34.0

Source: World Bank

* Data for GCF/GDP of Iran for 2013 is the last reported data for previous years

** Last updated data for GCF/GDP of Turkmenistan is for 2012. Inflation rate of Turkmenistan was not available

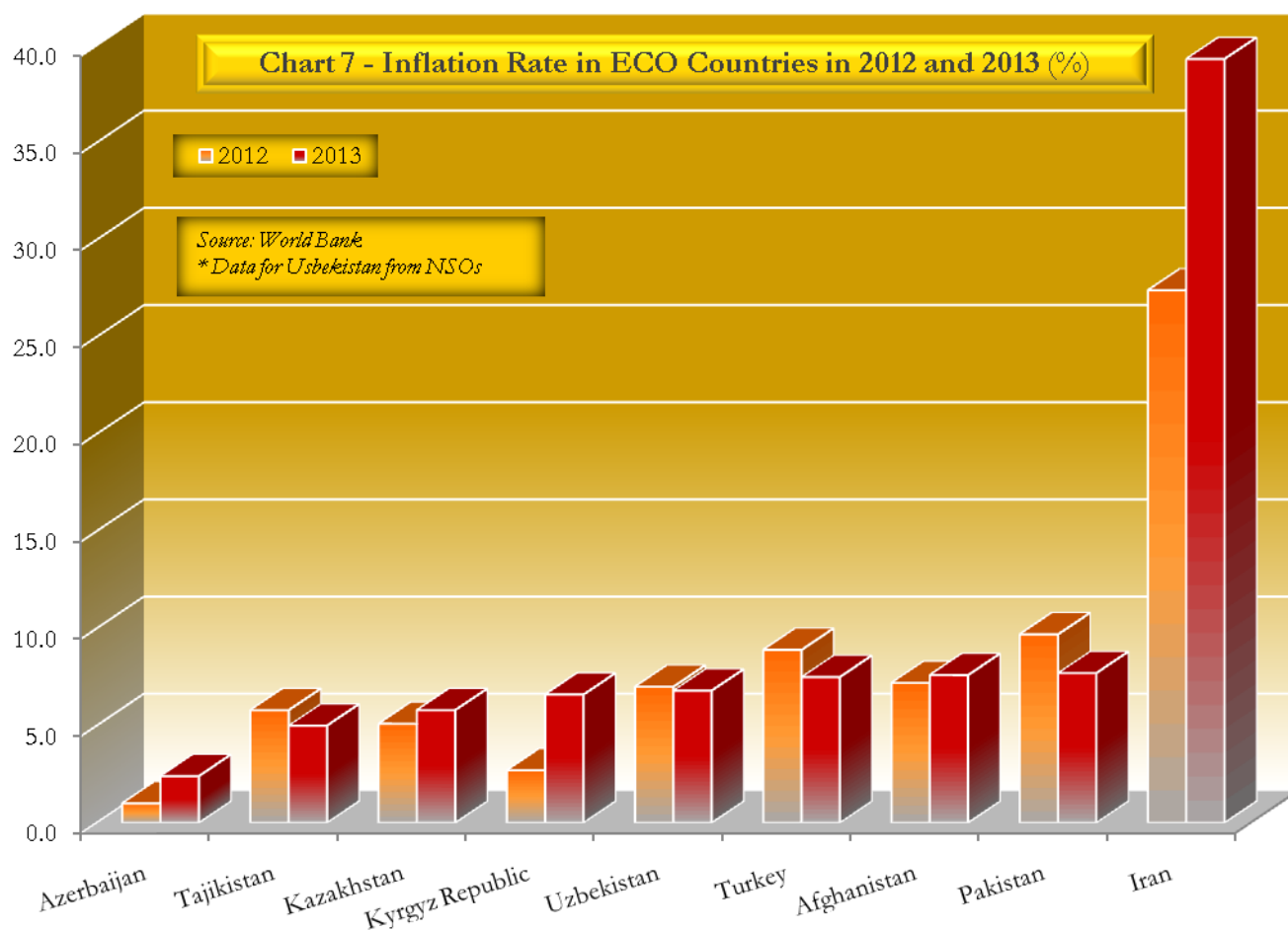
*** Data of Inflation rate of Uzbekistan from NSO of Uzbekistan

Inflation Rate

In 2013, the highest inflation rate in the ECO region is recorded for Iran with 39.3 percent which is quite different from other countries of the region in a much higher level. In this year, Iran is the 2nd country in the world with the highest inflation rate.

Inflation rate in the other countries of the region in the reported year is under 10 percent including Pakistan, Afghanistan and Turkey between 7-8 percent, Uzbekistan and Kyrgyz Republic between 6-7 percent, Kazakhstan and Tajikistan between 5-6 percent. The lowest inflation rate in 2013 is recorded for Azerbaijan with 2.4 percent. Data for Turkmenistan was not available.

Comparison of inflation rate of ECO countries in 2013 and the year before shows that in both years Iran has the highest inflation rate with a very sharp increase in the level of prices nearly equal to 12 percent. Kyrgyz Republic, Azerbaijan, Kazakhstan and Afghanistan are in the group of countries that show increase in the value of their inflation rates. In other countries of the region, decrease in the level of prices in 2013 is observed that resulted in the lower inflation rate, compared with 2012.



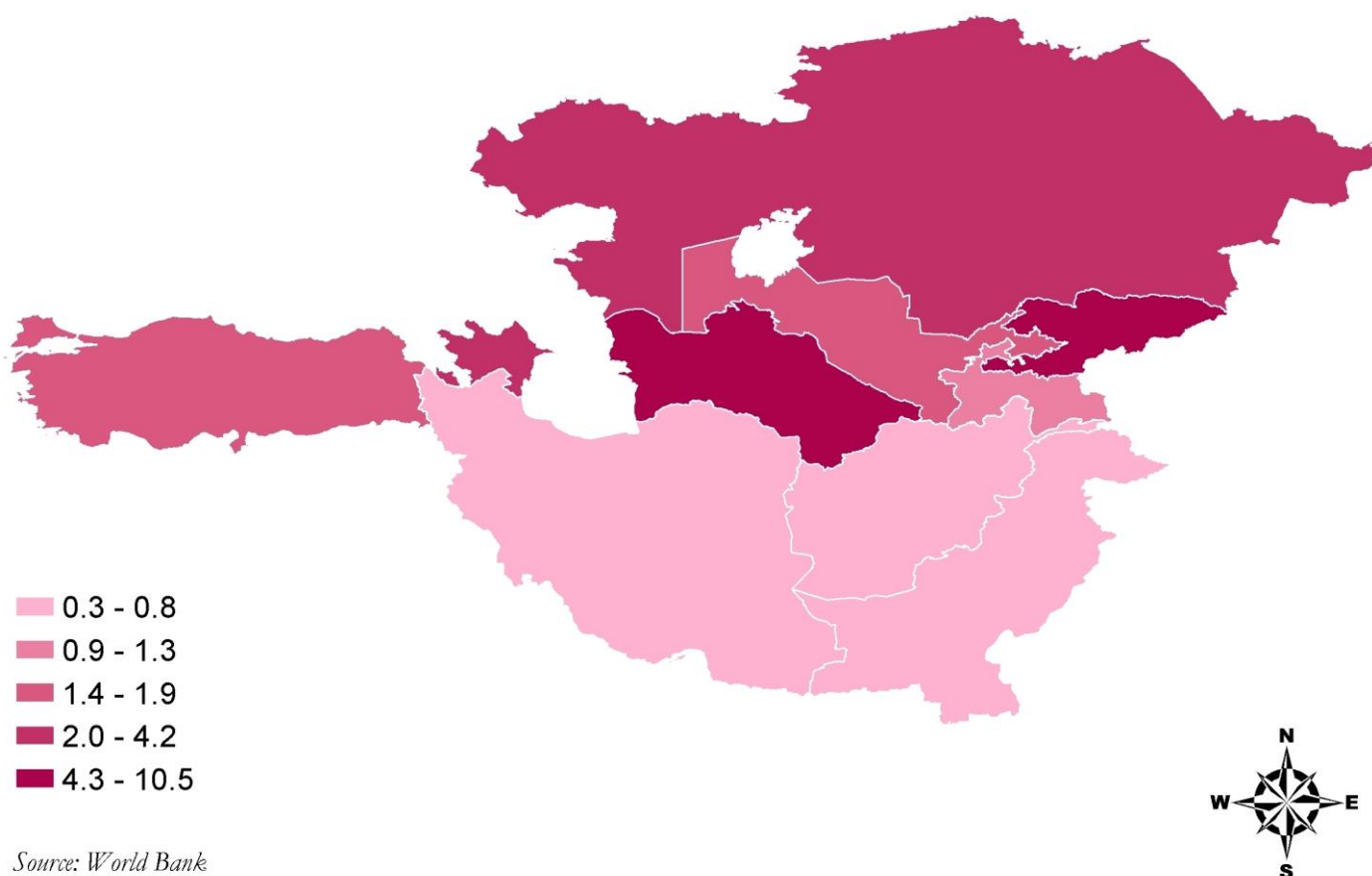
Foreign Direct Investment (FDI)

Total Foreign Direct Investment (FDI) of ECO countries in 2013 is amounted to 34,697 Million US\$ which is equal to 2 percent of total FDI in all countries of the world. Total FDI of the ECO region shows 18 percent decrease, compared to the previous year.

Distribution of total FDI by countries of the region places Turkey in the first level with the largest share of total FDI of the region with 37 percent. Turkey is the 22nd country in the world with the highest FDI in 2013. Kazakhstan is the second country with the largest share of total FDI of the region with 28 percent. The lowest FDI in 2013 is recorded for Afghanistan with 60 Million US\$.

Ratio of Foreign Direct Investment to total GDP in whole region in 2013 is amounted to 1.9 percent. This indicator for countries of the region indicates a wide range from the highest ratio in Kyrgyz Republic (10.5%) to the lowest ratio in Afghanistan (0.3%).

Map 5 - Ratio of Foreign Direct Investment (FDI) to GDP of ECO Countries at Current Prices in 2013 (%)



Source: World Bank



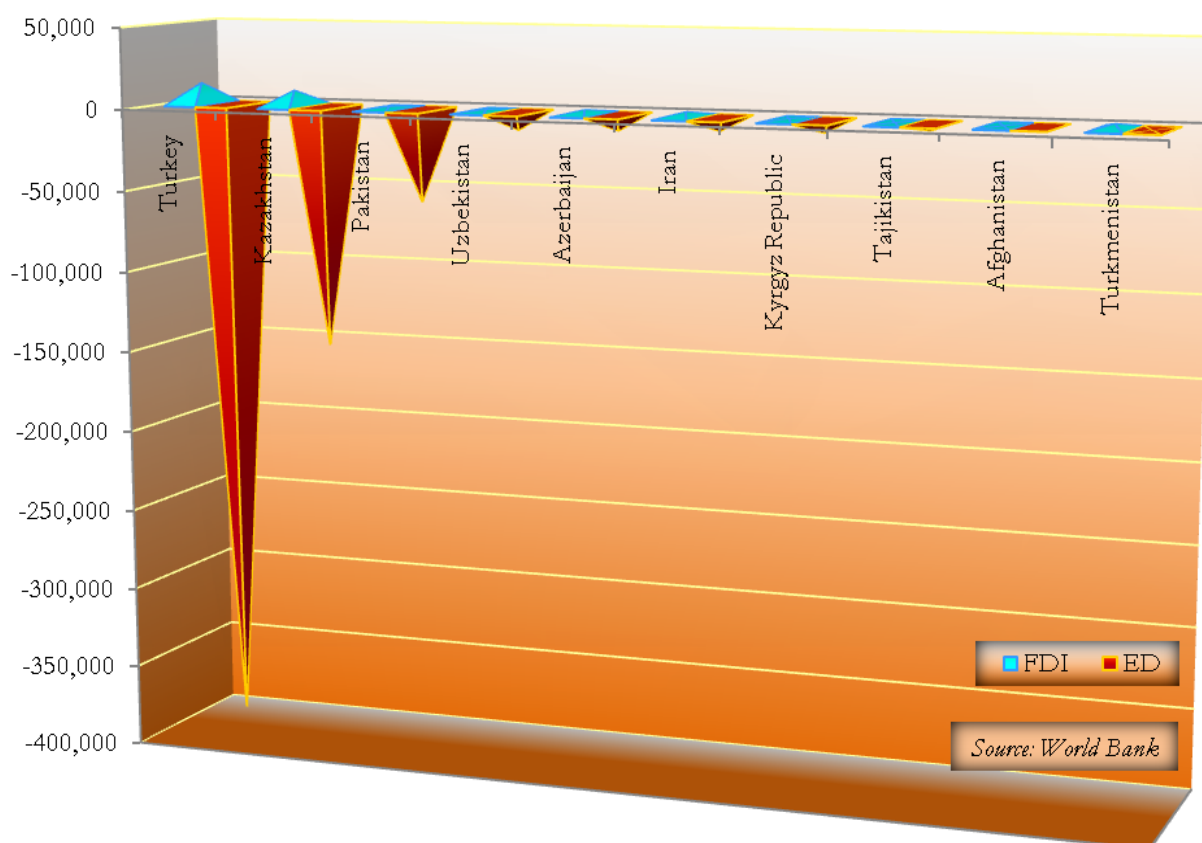
External Debt

Total External Debt (ED) of ECO countries in 2013 is amounted to 634 billion US\$, equal to 11.5 percent of total External Debt of countries of the world in this year. Compared with the previous year, this indicator shows 10.8 percent increase in the value of total External Debt.

Turkey is the most indebted country of the region with 388 billion US\$ and 61.2 percent share from total external debt of countries of the region. Turkey is the 5th most indebted country in the world in 2013. Kazakhstan with 148 billion US\$ and 23.1 percent share from total external debt of the region is the second indebted country of the region. Kazakhstan is the 9th most indebted country in the world in the reported year. Pakistan, Uzbekistan and Azerbaijan are categorized in the next places. The lowest external debt belongs to Turkmenistan with 0.5 billion US\$.

Ratio of total external debt to total GDP of the region is estimated as 34 percent. This indicator presents a very wide range among countries of the region from the highest ratio in Kyrgyz Republic (98%) to the lowest ratio in Turkmenistan (1.3%) and Iran (2.1%). Kazakhstan (75%), Turkey (48%) and Tajikistan (42%) are among countries of the region with high ratio of ED/GDP in 2013.

Chart 8 - Foreign Direct Investment (FDI) and External Debt (ED) of ECO Countries in 2013 (Mln US\$)



Labor Force

Total labor force of ECO countries in 2013 is amounted to 163.4 million which is equal to 4.9 percent of total world labor force in this year. It shows 2.4 percent increase in the labor force of the region, compared with the previous year in 2012.

The highest share of total labor force of the region belongs to Pakistan with 40.1 percent. Turkey (16.8%) and Iran (16.3%) are placed in the next level, followed by Kazakhstan (8.1%). The lowest share of total labor force of the region is calculated for Turkmenistan (1.4%).

Female share from total labor force of countries in 2013 changes dramatically from the highest share in Kazakhstan with 49.5 percent to the lowest share in Afghanistan with 16.4 percent. Azerbaijan (48.9%), Tajikistan (43.7%) and Kyrgyz Republic (42.6%) are also among countries of the region with high female ratio while Iran (18.4%) and Pakistan (22.1%) are considered as countries with low female share of labor force.

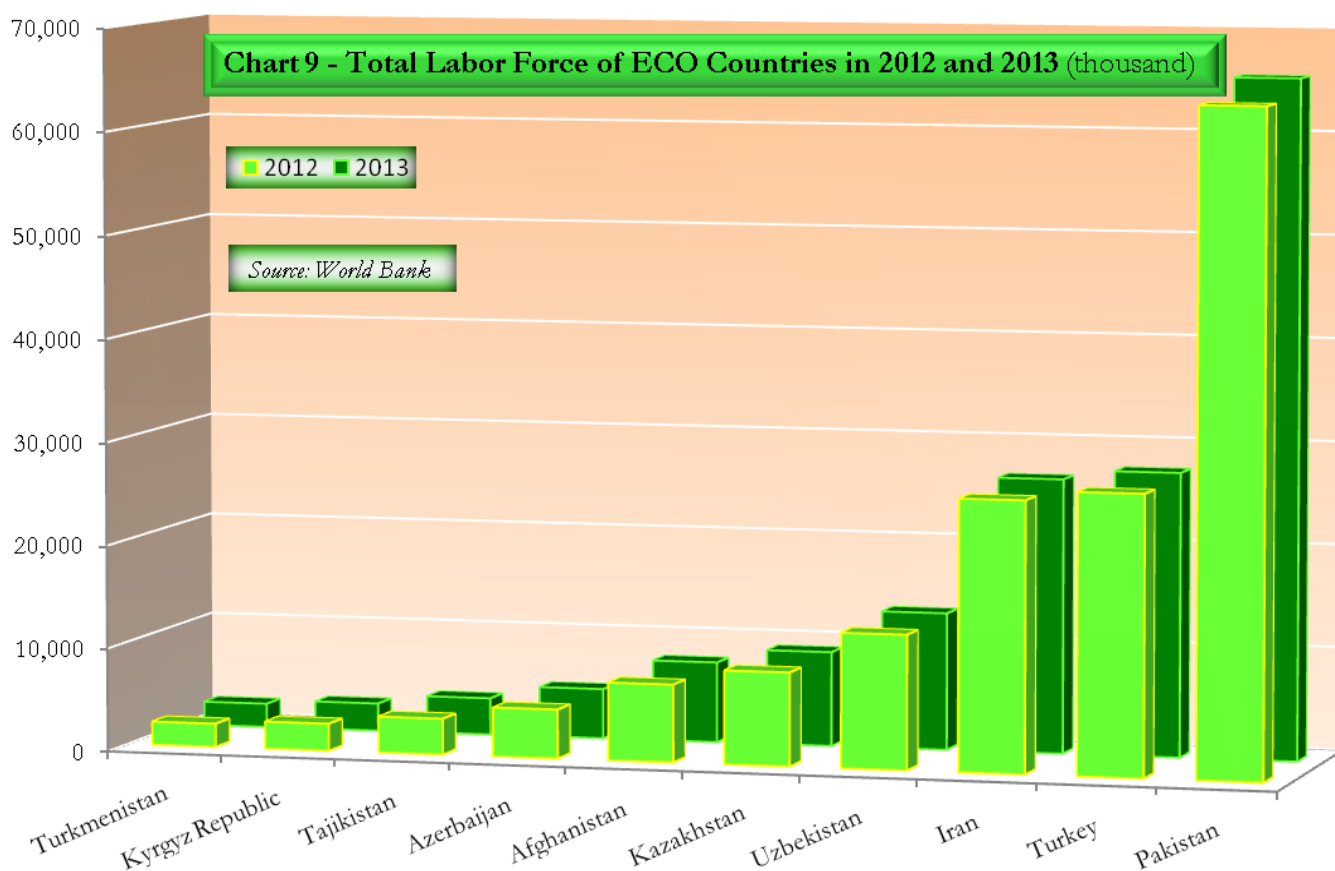
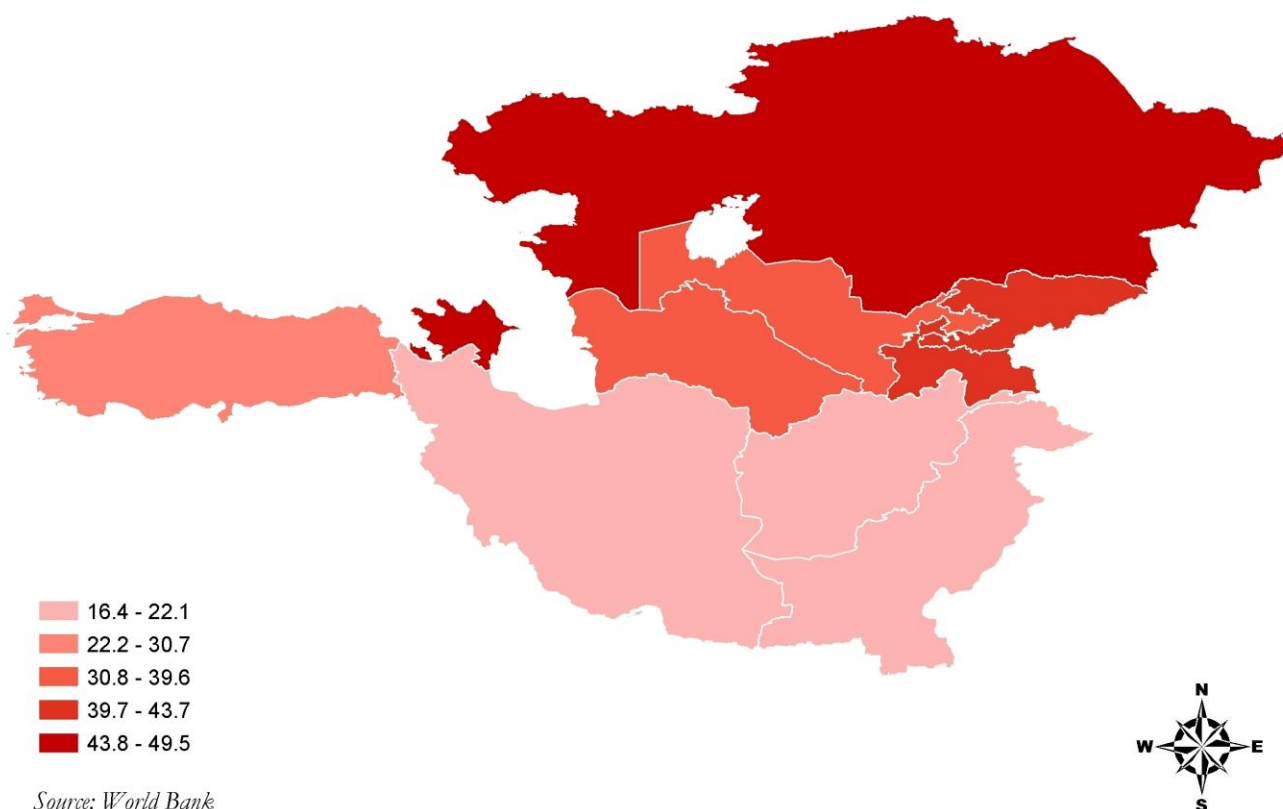


Table 8 – Labor force indicators of ECO countries

Country	Labor Force (1000)			Female share of labor force 2013 (%)	Employment to Population Ratio in 2013 (%)	GDP per person employed in 2012 (US\$)
	2012	2013	Changes (%)			
Afghanistan	7,512	7,811	4.0	16.4	44	-
Azerbaijan	4,741	4,842	2.1	48.9	63	18,554
Iran	26,130	26,612	1.8	18.4	39	18,802
Kazakhstan	9,037	9,169	1.5	49.5	69	25,447
Kyrgyz Republic	2,626	2,689	2.4	42.6	62	7,175
Pakistan	63,778	65,570	2.8	22.1	52	8,483
Tajikistan	3,484	3,573	2.6	43.7	61	6,638
Turkey	27,050	27,520	1.7	30.7	45	28,490
Turkmenistan	2,259	2,305	2.0	39.2	55	10,829
Uzbekistan	12,999	13,300	2.3	39.6	55	16,079
ECO Region	159,616	163,390	2.4	-	-	-

Source: World Bank

Map 6 - Share of Females in Total Labor Force of ECO Countries in 2013 (%)



Source: World Bank

Participation Rate

Participation rate of ECO countries in 2013 shows different figures for both males and females of countries. Total participation rate of ECO countries in the reported year varies from the highest rate in Kazakhstan with 73 percent to the lowest rate in Iran with 45 percent that presents a wide range of this indicator among countries of the region. Kyrgyz Republic, Tajikistan, Azerbaijan, Turkmenistan and Uzbekistan are also considered as countries with higher participation rate above 60 percent while the remaining countries of the region have recorded the rates mostly below 50 percent.

In the group of males, smaller range of participation rate in 2013 is observed among countries of the region which covers the range between the highest participation rate in Pakistan with 83 percent and the lowest rate in Azerbaijan with 70 percent. Three countries (Pakistan, Kyrgyz Republic and Afghanistan have recorded their male participation rates with 80 and more while the remaining countries show the rates below 80 percent.

Compared with the male participation rate in world level in 2013 (77 percent), six countries of the region have recorded the rates in the world level and higher but four countries are below the world level.

Table 9 – Participation Rate and Unemployment Rate of ECO countries

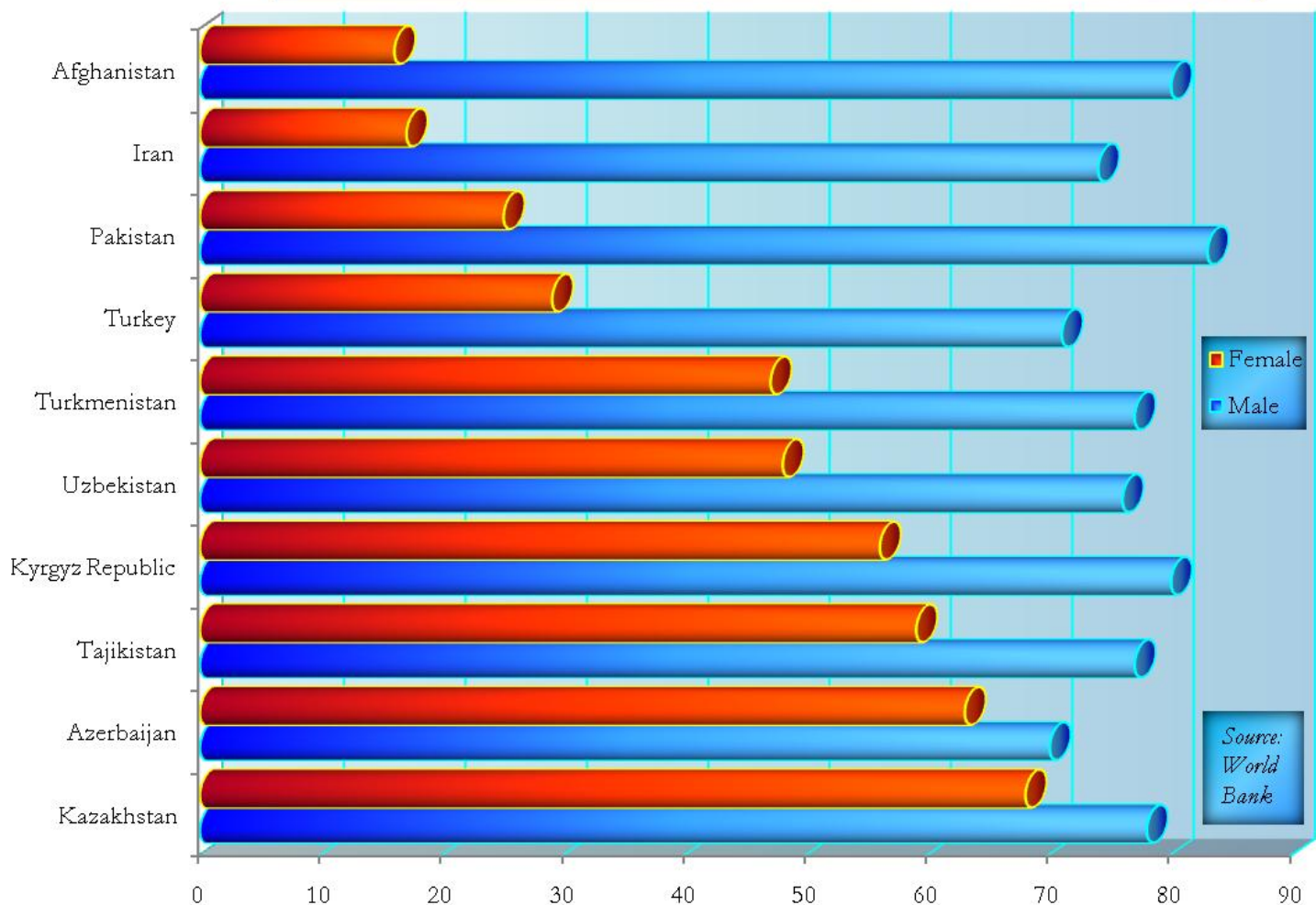
Country	Participation Rate in 2013 (%)			Unemployment Rate 2012 (%)			Unemployment Rate 2013 (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Afghanistan	80	16	48	7.9	13.0	8.7	7.1	12.2	8.0
Azerbaijan	70	63	66	4.0	6.4	5.2	4.4	6.6	5.5
Iran	74	17	45	11.5	20.0	13.1	11.6	20.1	13.2
Kazakhstan	78	68	73	4.1	6.5	5.3	4.1	6.3	5.2
Kyrgyz Republic	80	56	68	7.8	9.3	8.4	7.2	9.2	8.0
Pakistan	83	25	54	3.9	9.0	5.0	4.0	9.3	5.1
Tajikistan	77	59	68	11.8	9.9	11.0	11.5	9.6	10.7
Turkey	71	29	49	8.6	10.7	9.2	9.1	11.9	10.0
Turkmenistan	77	47	62	10.8	10.9	10.8	10.5	10.7	10.6
Uzbekistan	76	48	62	10.7	11.1	10.9	10.5	10.9	10.7

Source: World Bank

In the group of females, a very wide range of participation rate is observed among countries of the region from the highest rate in Kazakhstan with 68 percent to the lowest rate in Afghanistan with 16 percent. Except Afghanistan, Iran, Pakistan and Turkey that recorded their female participation rate below 30 percent, other countries of the region have the rates above 40 percent.

Compared with the female participation rate in world level in 2013 (50 percent), four countries of the region have the same rate as world figure and higher but other six countries of the region are below the world level.

Chart 10 - Participation Rate of ECO Countries by Gender in 2013 (%)

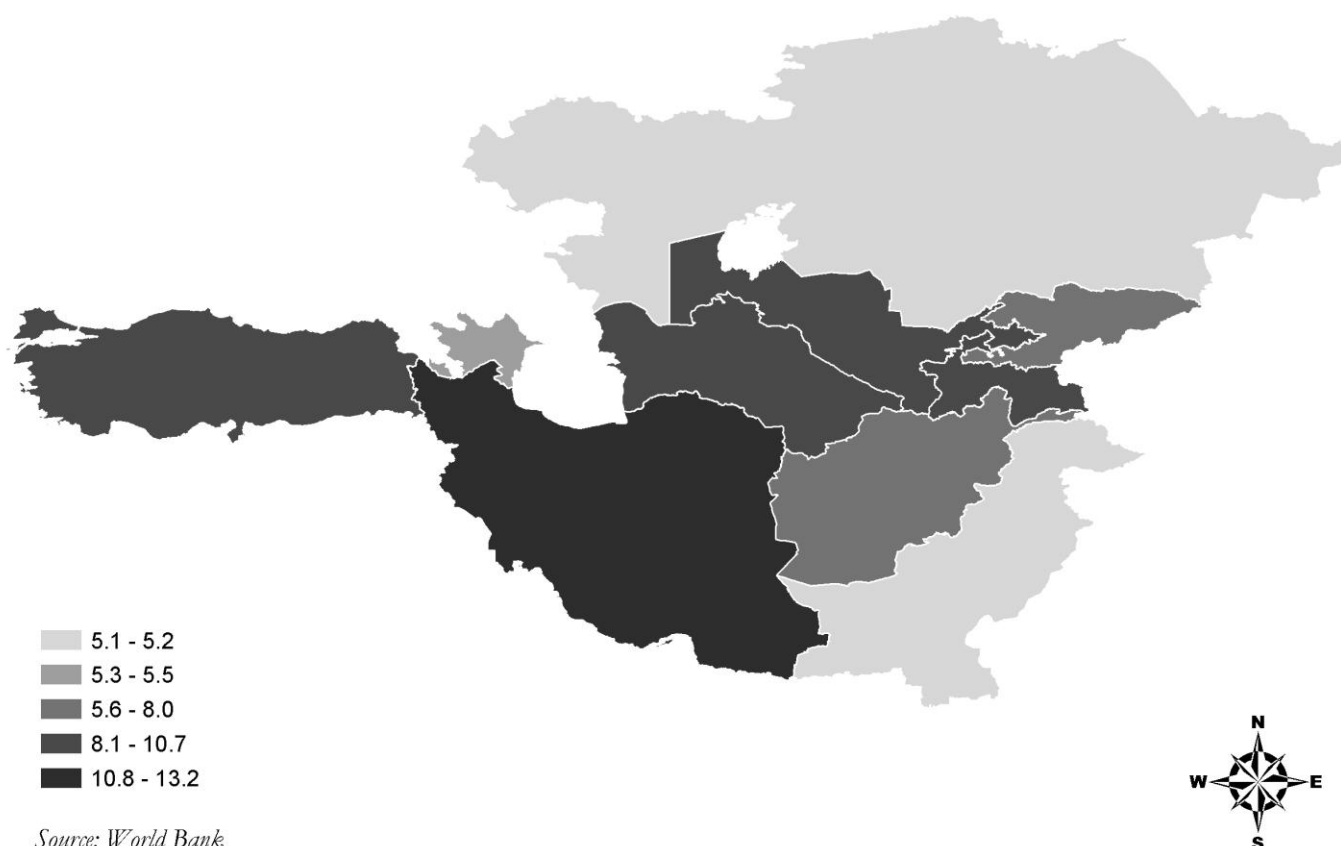



Unemployment Rate

According to the data for 2013, total unemployment rate in ECO countries differs from the highest rate in Iran with 13.2 percent to the lowest rate in Pakistan with 5.1 percent. Five countries of the region (Iran, Tajikistan, Turkey, Turkmenistan and Uzbekistan) have recorded the total unemployment rate as 10 percent and higher.

In the group of males, unemployment rate of ECO countries in 2013 changes from the lowest level in Pakistan, Kazakhstan and Azerbaijan (4-4.4%) to the highest level in Iran and Tajikistan (11.6-11.5%). Turkmenistan and Uzbekistan with their male unemployment rate above 10 percent are also considered as countries with high unemployment rate. Compared with the male unemployment rate in the world in 2013 (6 percent), only three countries of the region (Pakistan, Kazakhstan and Azerbaijan) are below the world figure.

Map 7 - Unemployment Rate (Total) of ECO Countries in 2013 (%)





In the group of females, a wider range of unemployment rate in 2013 is observed among countries of the region that ranges from the highest level in Iran (20.1%) to the lowest level in Kazakhstan and Azerbaijan (6.3-6.6%). Afghanistan, Turkey, Turkmenistan and Uzbekistan also recorded the female unemployment rate above 10 percent. Compared with the female unemployment rate in the world in 2013 (6 percent), all countries of the region have higher unemployment rate for females.

Comparison of unemployment rate by gender in 2013 reveals that in all countries of the region – excluding Tajikistan- females have experienced a higher unemployment rate. Difference in the value of unemployment rate in 2013 among females and males of these countries indicates the biggest gap for females of Iran with 8.5 percent while the lowest difference is recorded for Turkmenistan and Uzbekistan which is under 0.5 percent.

Total unemployment rate of ECO countries in 2013 does not show significant changes in this indicator, compared to the previous year. Nevertheless, slight increase in this indicator is observed in four countries while other countries of the region have slightly decreased the total unemployment rate. Comparison of changes in unemployment rate in 2012 and 2013 also does not show major changes in this indicator for both genders in the countries of the region. In the group of males, except Turkey that recorded changes in its indicator above one percent (with 1.2 percent increase), countries of the region mostly reduced their unemployment rate in 2013. In the group of females also changes in this indicator in 2013 shows small figures below one percent.





Foreign Trade



Total Foreign Trade

Total foreign trade of goods and services of ECO countries in 2013 amounted to 995 billion US\$ that shows 7.7 percent decrease, compared to the previous year. Share of foreign trade of merchandise in total foreign trade of the region in 2013 is 86 percent and the smaller share (14%) belongs to foreign trade of services. Total foreign trade of merchandise shows 1.3 percent decrease, compared with the previous year while for services a sharp decrease in 2013 equal to 34 percent is recorded.

Excluding Turkmenistan and Uzbekistan, negative changes in total foreign trade of goods and services is observed for countries of the region in the reported year. The highest negative change in total foreign trade of goods and services in 2013 is recorded for Pakistan (-19.8%) and Iran (-18.9%) while Afghanistan (1%) and Turkey (1.1%) have the lowest negative rate of changes in their figures.

Among countries of the region, Turkey has the highest value of total foreign trade of goods and services in 2013 with 472 billion US\$, amounting to almost half of total foreign trade of the region (47.4%). Iran and Kazakhstan with close figures are placed in the next level with 15 percent regional share for each. The lowest figure is recorded for Tajikistan that shares only 0.7 percent from total foreign trade of goods and services of the region in the reference year.

Table 10 – Total foreign trade of ECO Countries in 2012 and 2013

Country	Total foreign trade 2012 (Mln US\$)			Total foreign trade 2013 (Mln US\$)			Changes (%)		
	Merchandise	Services	Total	Merchandise	Services	Total	Merchandise	Services	Total
Afghanistan *	9,498	5,074	14,572	9,239	5,183	14,422	-2.7	2.1	-1.0
Azerbaijan	42,567	20,352	62,919	42,932	12,195	55,127	0.9	-40.1	-12.4
Iran *	161,092	23,594	184,686	131,000	18,867	149,867	-18.7	-20.0	-18.9
Kazakhstan	132,807	33,159	165,966	131,385	17,033	148,418	-1.1	-48.6	-10.6
Kyrgyz Republic	7,268	3,800	11,068	7,861	2,656	10,517	8.2	-30.1	-5.0
Pakistan	68,724	31,301	100,025	69,848	10,383	80,231	1.6	-66.8	-19.8
Tajikistan	5,136	3,297	8,433	5,302	1,775	7,077	3.2	-46.2	-16.1
Turkey	389,007	88,256	477,263	403,437	68,539	471,976	3.7	-22.3	-1.1
Turkmenistan **	26,400	...	26,400	28,000	...	28,000	6.1	...	6.1
Uzbekistan	23,244	2,811	26,055	25,641	3,240	28,881	10.3	15.3	10.8
ECO Region	865,743	211,644	1,077,387	854,645	139,871	994,516	-1.3	-33.9	-7.7

Source: World Trade Organization

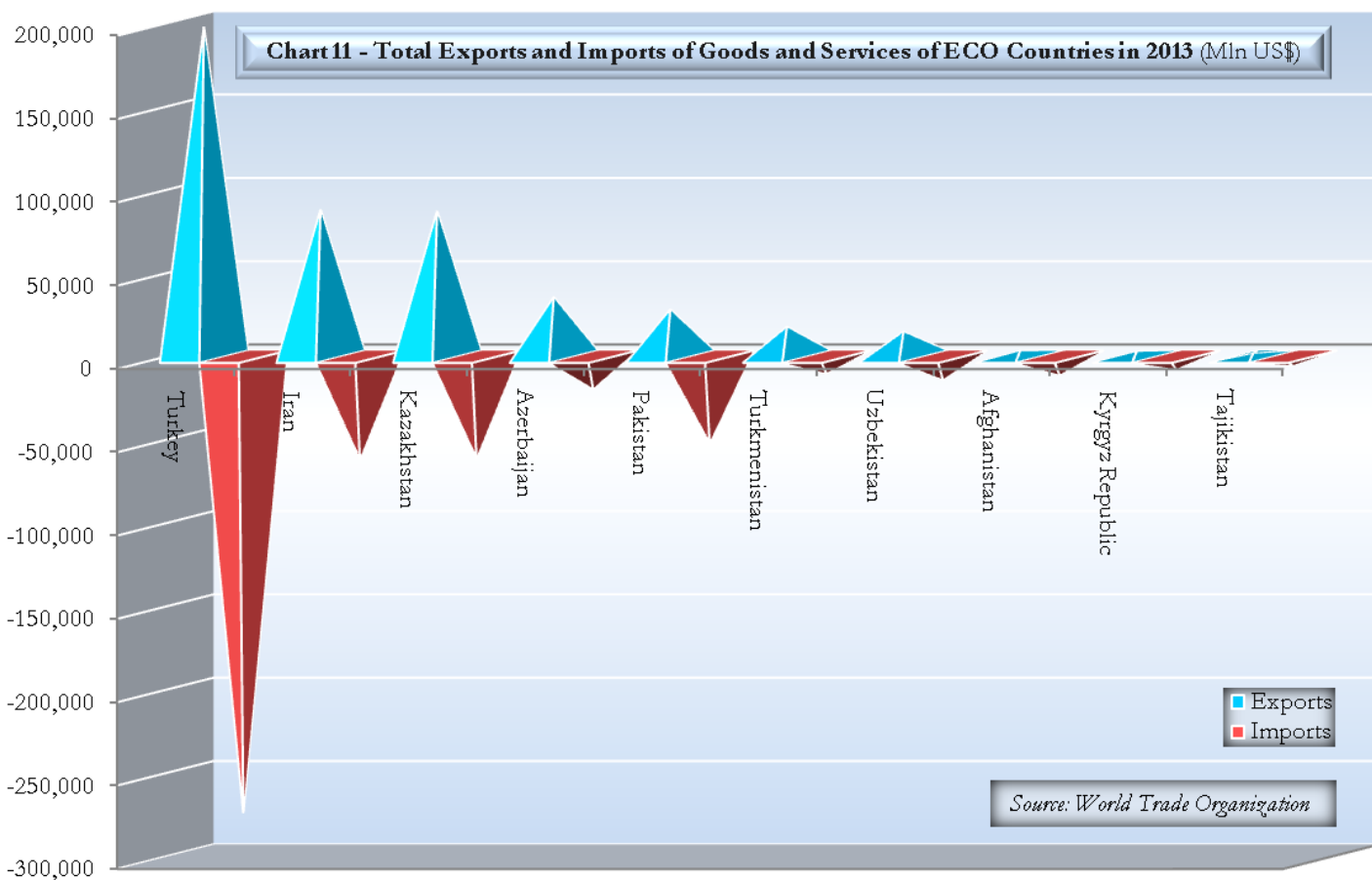
* Data for foreign trade of services for Afghanistan and Iran in 2012 has been estimated

** Data for foreign trade of services for Turkmenistan is not available

Exports and Imports of Goods and Services

In the group of merchandise and in comparison with the previous year, total foreign trade of countries of the region in 2013 indicates presents a wide range of change from the biggest negative change in Iran with -18.7 percent to the highest positive change in Uzbekistan to 10.3 percent. Three countries of the region including Iran, Afghanistan and Kazakhstan have decrease in the value of their foreign trade of merchandise in 2013 while other countries of the region recorded positive change for this indicator.

In the group of services, excluding Afghanistan and Uzbekistan that show positive changes in the foreign trade in 2013, other countries of the region introduce negative changes in the foreign trade of services with the biggest negative changes in Pakistan (-67%) to the lowest negative rate in Iran (20%). Iran and Kazakhstan are two countries of the region that had negative changes in the value of their foreign trade, both for merchandise and services, in 2013.



In all countries of the region, merchandise has the larger share from total foreign trade of the countries in 2013. Nevertheless, the ratio of foreign trade of merchandise in total foreign trade in 2013 varies from 64 percent in Afghanistan, showing the more significant role of services in their total foreign trade, to 88 percent in Turkey and Kazakhstan that emphasizes on the role of transaction of merchandise in those countries.

Total foreign trade of goods and services of the region in 2013 consists of 480 billion US\$ exports and 514 billion US\$ imports that shows excess of imports to exports; resulting in negative balance in total foreign trade in whole region equal to -34 billion US\$. Share of exports and imports in total foreign trade of the region in 2013 is 48.2 and 51.8 percent respectively.

In five countries of the region including Azerbaijan, Iran, Kazakhstan, Turkmenistan and Uzbekistan value of exports of goods and services is higher than value of imports of those items that brings positive balance in their total foreign trade of goods and services in 2013 while in other five countries of the region imports of goods and services overcomes exports and consequently balance of total foreign trade of those countries show negative figures.

Table 11 – Exports and Imports of Goods and Services of ECO Countries in 2013

Country	Trade of Goods (Mln US\$)			Trade of Services (Mln US\$)			Total Foreign Trade (Mln US\$)		
	Exports	Imports	Total	Exports	Imports	Total	Exports	Imports	Total
Afghanistan	515	8,724	9,239	2,998	2,185	5,183	3,513	10,909	14,422
Azerbaijan	31,776	11,156	42,932	4,073	8,122	12,195	35,849	19,278	55,127
Iran	82,000	49,000	131,000	6,467	12,400	18,867	88,467	61,400	149,867
Kazakhstan	82,512	48,873	131,385	5,051	11,982	17,033	87,563	60,855	148,418
Kyrgyz Republic	1,791	6,070	7,861	1,348	1,308	2,656	3,139	7,378	10,517
Pakistan	25,150	44,698	69,848	3,284	7,099	10,383	28,434	51,797	80,231
Tajikistan	1,163	4,139	5,302	715	1,061	1,775	1,878	5,200	7,077
Turkey	151,787	251,650	403,437	46,349	22,190	68,539	198,136	273,840	471,976
Turkmenistan	18,000	10,000	28,000	...	...	...	18,000	10,000	28,000
Uzbekistan	12,643	12,998	25,641	2,446	794	3,240	15,089	13,792	28,881
ECO Region	407,337	447,308	854,645	72,730	67,141	139,871	480,067	514,449	994,516

Source: World Trade Organization

Exports and Imports of Merchandise

Total foreign trade of merchandise of ECO countries in 2013 is amounted to 855 billion US\$ that shares 2.3 percent from total exports of goods in the world. It consists of 407 billion US\$ as exports of goods plus 447 billion US\$ as imports of goods that results in negative balance of foreign trade of merchandise of the region equal to 40 billion US\$ in the reported year. Four countries of the region including Kazakhstan, Iran, Azerbaijan and Turkmenistan have shown positive figures for balance of foreign trade of merchandise in 2013 while other countries of the region indicate negative value with wide range of figures from the lowest negative balance in Uzbekistan (-0.4 Bln US\$) to the biggest one in Turkey (-100 Bln US\$).

Turkey is the first exporter of merchandise of the region in 2013 with 152 billion US\$ that shares 37 percent of total foreign trade of merchandise of the region in this year. Kazakhstan (82.5 bln US\$) and Iran (82 bln US\$) are other two major exporter o goods in the region with similar share of 20 percent for each from total foreign trade of merchandise of the region in this year. Afghanistan, Tajikistan and Kyrgyz Republic have recorded the lowest value of exports in 2013.

In the group of exports of goods, Turkey places in the first level with 252 billion US\$ in 2013, sharing more than half of the total imports of goods of the region (56%). Iran and Kazakhstan (with 49 bln US\$) and Pakistan (45 bln US\$) are other major importer of goods of the region with regional share between 10-11 percent. Tajikistan and Kyrgyz Republic have recorded the lowest value of imports of goods in the region in the reference year.

Table 12 – Exports and Imports of Merchandise of ECO Countries in 2013

Country	Trade of Merchandise (Mln US\$)				Regional share (%)			% of GDP		
	Exports	Imports	Total	Balance	Exports	Imports	Total	Exports	Imports	Total
Afghanistan	515	8,724	9,239	-8,209	0.1	2.0	1.1	2.5	43.0	45.5
Azerbaijan	31,776	11,156	42,932	20,620	7.8	2.5	5.0	43.2	15.2	58.4
Iran	82,000	49,000	131,000	33,000	20.1	11.0	15.3	22.2	13.3	35.5
Kazakhstan	82,512	48,873	131,385	33,639	20.3	10.9	15.4	35.6	21.1	56.7
Kyrgyz Republic	1,791	6,070	7,861	-4,279	0.4	1.4	0.9	24.8	84.0	108.8
Pakistan	25,150	44,698	69,848	-19,548	6.2	10.0	8.2	10.8	19.2	30.1
Tajikistan	1,163	4,139	5,302	-2,976	0.3	0.9	0.6	13.7	48.6	62.3
Turkey	151,787	251,650	403,437	-99,863	37.3	56.3	47.2	18.5	30.6	49.1
Turkmenistan	18,000	10,000	28,000	8,000	4.4	2.2	3.3	43.0	23.9	66.9
Uzbekistan	12,643	12,998	25,641	-355	3.1	2.9	3.0	22.3	22.9	45.1
ECO Region	407,337	447,308	854,645	-39,971	100	100	100	21.9	24.0	45.9

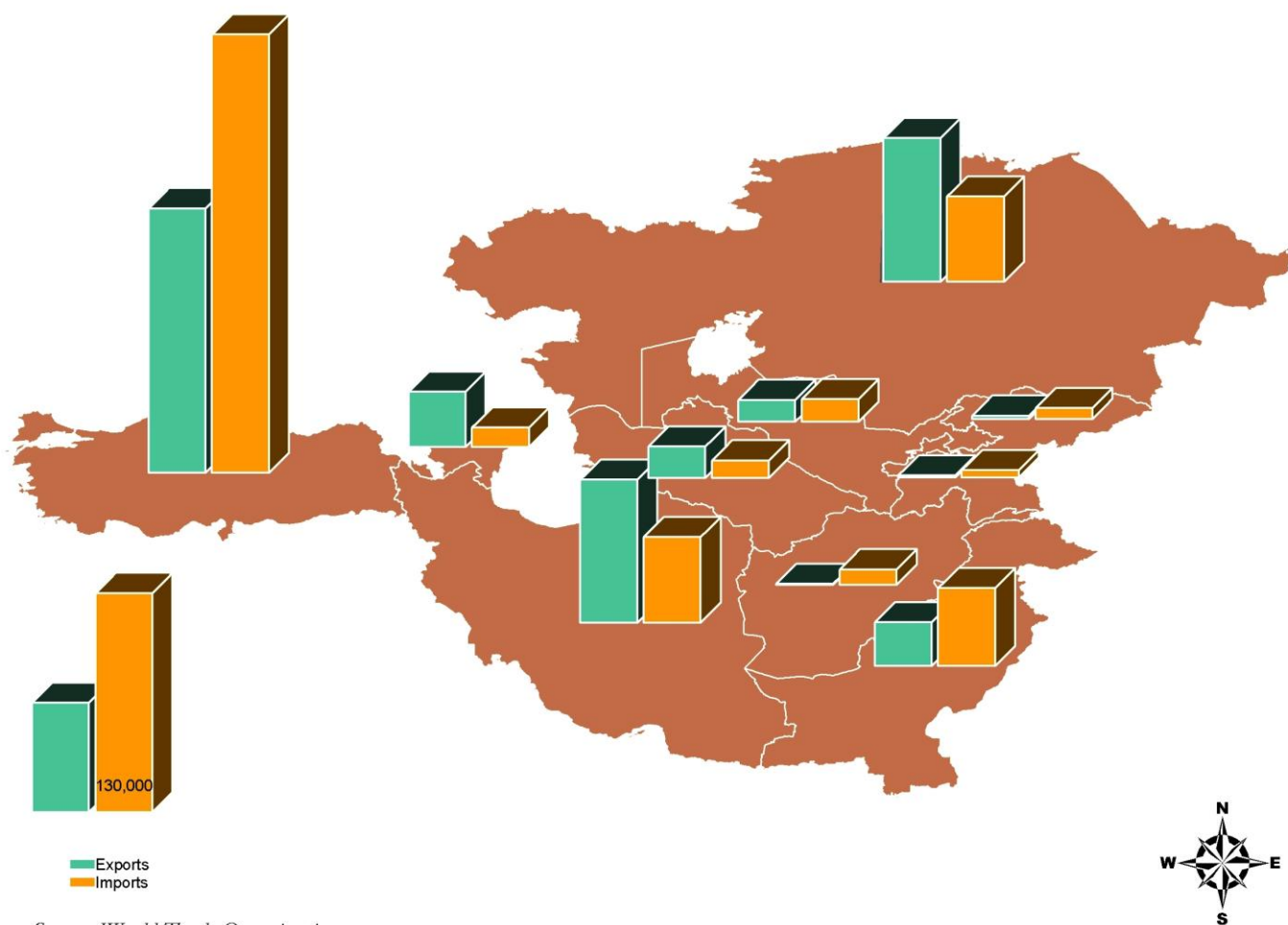
Source: World Trade Organization



In general, regional share of total value of foreign trade of merchandise of the ECO region in 2013 introduces a wide range of regional share among countries of the region that highlights the very different size of foreign trade of the countries.

Turkey with 47 percent share from total foreign trade of merchandise of the region and with big gap with other countries of the region, owns almost half of the total foreign trade capacity of the region in goods. Iran and Kazakhstan with similar regional share (15%) and Pakistan (8%) are considered as other countries of the region with capacities in this area. The lowest regional share has been calculated for Tajikistan, Kyrgyz Republic and Afghanistan that collectively have less than 3 percent share from total foreign trade of merchandise of the region in 2013.

Map 8 - Exports and Imports of Merchandise of ECO Countries in 2013 (Mln US\$)



Source: World Trade Organization

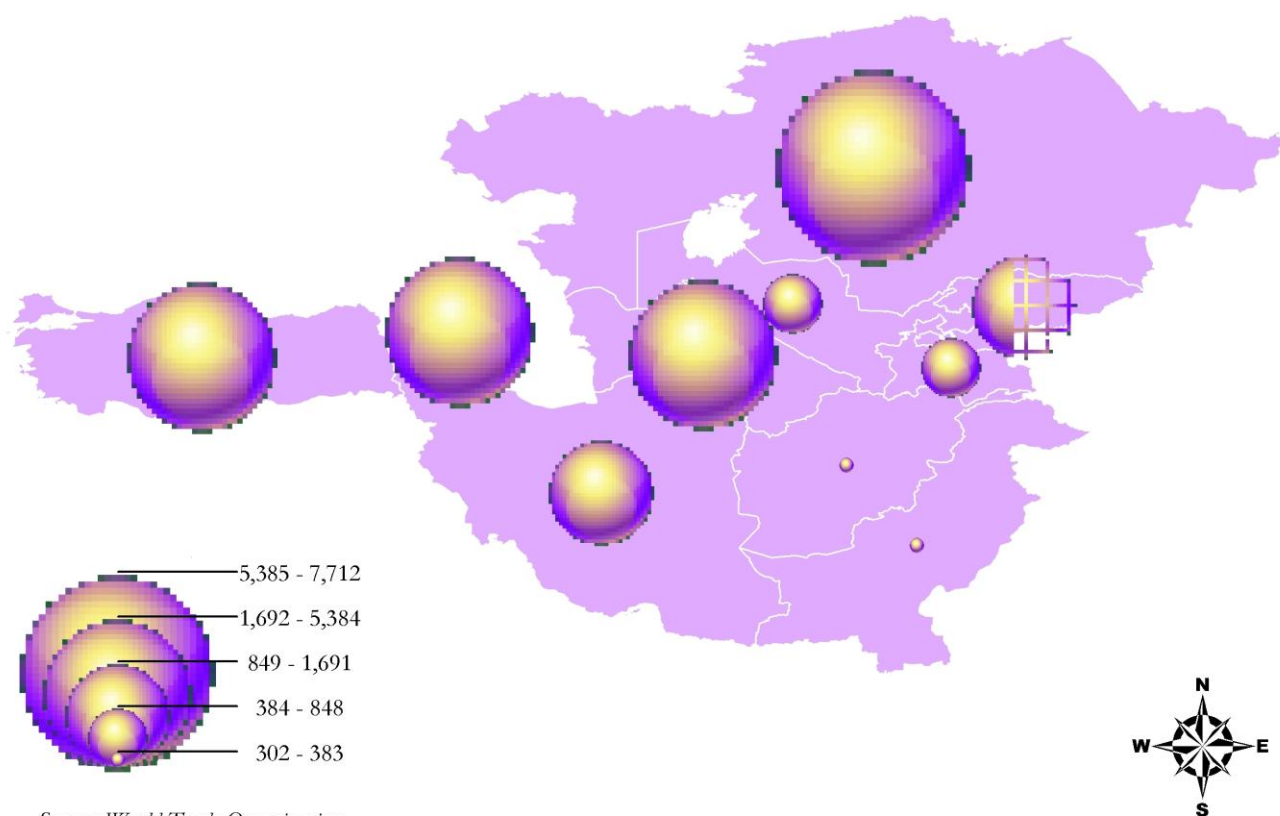


Foreign Trade per Capita

Foreign trade (merchandise) per capita in 2013 has been estimated to 1,938 US\$ for whole region. This indicator shows a very wide range of figures from the highest value in Kazakhstan (7,712 US\$) to the lowest value in Afghanistan (302 US\$) and Pakistan (383 US\$).

For Turkey, Turkmenistan and Azerbaijan this indicator is above 4,000 US\$. For Iran and Kyrgyz Republic this indicator is between 1000-2000 US\$ and for the other countries of the region it is below 1,000 US\$.

Map 9 - Total Foreign Trade of Merchandise per Capita of ECO Countries in 2013 (US\$)

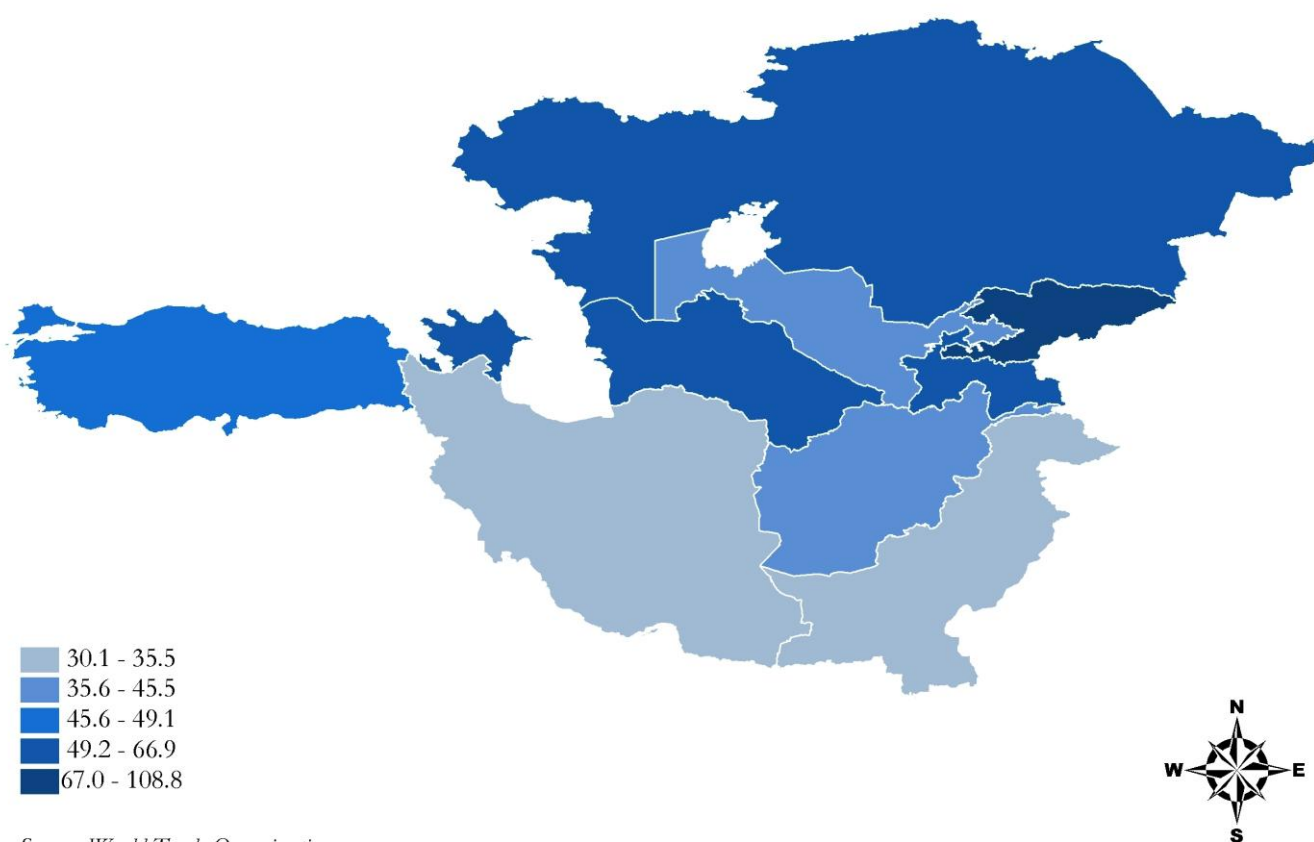


Foreign Trade to GDP

Ratio of value of foreign trade to GDP of countries introduces another economic indicator that compares the capacity of exchange of goods and services of countries beyond borders with total economic performance of countries.

In 2013, this indicator for whole region is 46 percent. Among countries of the region, the biggest ratio is estimated for Kyrgyz Republic with 108 percent that emphasizes on the size of foreign trade of this country which is larger than its total GDP. For Turkmenistan, Tajikistan, Azerbaijan and Kazakhstan this indicator is above 50 percent. For Turkey, Afghanistan and Uzbekistan this indicator is between 40-50 percent. The lowest ratio is recorded for Pakistan with 30 percent.

Map 10 - Total Foreign Trade of Merchandise to GDP of ECO Countries in 2013 (%)



Source: World Trade Organization

Composition of Exports and Imports of Goods

In the group of exports of merchandise, review of available data for 2013 on composition of exported goods by three major groups of commodities (agricultural products, mining products and fuels, manufactures) reveals that four countries of the region including Azerbaijan, Kazakhstan, Iran and Uzbekistan are identified as exporters of mining products and fuels with dominant share of this group in total exports of the first three countries, as mentioned. Turkey and Pakistan are categorized in the group of countries with dominant share of manufactures in the composition of their exports. For Afghanistan, higher share of agricultural products puts this country as the exporter of agricultural products. For two countries of the region (Tajikistan and Turkmenistan) data is not available for 2013 but according to the previous information, Turkmenistan is also identified as exporter of mining products and fuels.

In the group of imports of merchandise, available data for countries of the region shows that they are mostly importer of manufactures with different share of this group in total imports of goods; from the highest share in Kazakhstan (78%) to the lowest share in Pakistan (46%). In Afghanistan with different composition of imports of merchandise, share of mining products and fuels is higher than other two groups of imports. In Pakistan and Turkey also mining products and fuels allocated a considerable share of total imports of merchandise.

Table 13 – Composition of exports and imports of merchandise of ECO Countries by major groups of products in 2013 (%)

Country	Exports			Imports		
	Agricultural products	Mining products and fuels	Manufactures	Agricultural products	Mining products and fuels	Manufactures
Afghanistan	52.0	0.3	14.1	13.8	34.4	13.5
Azerbaijan	2.8	94.4	1.6	15.8	2.6	73.9
Iran	6.9	70.6	20.9	29.7	2.4	59.1
Kazakhstan	3.4	86.2	9.8	9.7	12.5	77.7
Kyrgyz Republic	14.1	14.0	28.5	16.0	22.7	60.5
Pakistan	22.2	4.2	73.5	14.2	36.9	45.9
Tajikistan	...	...	...	...	...	...
Turkey	11.5	8.7	76.1	6.7	25.1	57.9
Turkmenistan	...	...	...	...	...	...
Uzbekistan	20.9	44.6	24.1	...	...	...

Source: World Trade Organization

Composition of Exports and Imports of Services

In the group of exports of services, review of available data for 2013 on composition of exported services by three major groups of commodities (transportation, travel, other commercial services) reveals that share of transportation services in Kazakhstan and Iran is higher. For Kyrgyz Republic, Turkey and Azerbaijan, share of travel services is higher than other two groups of services. Afghanistan, Tajikistan and Pakistan are considered as countries with higher share of other commercial services in the composition of their exports of services. Data for exports and imports of services for Turkmenistan and Uzbekistan was not available for 2013.

In the group of imports of services, available data on composition of imports of services shows different situations in countries of the region so that transportation has a higher share in Tajikistan, Pakistan and Turkey and also with considerable share in Afghanistan and Kyrgyz Republic. Travel services have a higher share in the composition of imports of services in Iran and Kyrgyz Republic. Other commercial services is highlighted in the composition of import of services in Kazakhstan, Azerbaijan and Afghanistan.

Table 14 – Composition of exports and imports of services of ECO Countries
by major groups of services in 2013 (%)

Country	Exports			Imports		
	Transportation	Travel	Other commercial services	Transportation	Travel	Other commercial services
Afghanistan	11.4	1.9	86.7	48.1	3.4	48.5
Azerbaijan	20.0	58.1	22.0	12.1	35.4	52.5
Iran	46.0	17.2	36.7	25.5	52.8	21.7
Kazakhstan	56.5	28.9	14.6	23.7	14.4	61.9
Kyrgyz Republic	13.7	63.1	23.2	41.5	42.8	15.8
Pakistan	37.1	8.7	54.2	49.0	15.1	35.9
Tajikistan	23.9	0.4	75.7	54.5	6.1	39.4
Turkey	28.2	60.5	11.3	43.5	21.7	34.8
Turkmenistan	...	...	...	...	...	...
Uzbekistan	...	...	...	...	...	...

Source: World Trade Organization

Trade Partners

Latest information about main trade partners of ECO countries, including the first five trade partners, for two groups of exports and imports of merchandise is provided in the table-15. Excluding three countries of the region (Tajikistan, Turkmenistan and Uzbekistan), information of the first five foreign trade partners of ECO countries has been available.

In the group of exports of merchandise by ECO countries in 2013, European Union is the first trade partner for four countries of the region. China and Switzerland are also the first destinations for exports of merchandise for other two member countries of the region. Pakistan is the only country of the region that is recorded as the first trade partner and main destination for exports of merchandise of Afghanistan. The second trade partners for exports of merchandise of ECO countries that include Iraq, India, China, Indonesia and United States, Kazakhstan is listed as the second destination of exports for Kyrgyz Republic. The third trade partners of exports of merchandise mainly consist of non-ECO countries and only Iran is recorded as the third destination for exports of Afghanistan. The fourth trade partners of exports of merchandise include Uzbekistan as the fourth destination for exports of Kyrgyz Republic and Pakistan for exports of Afghanistan. In the list of the fifth trade partners for exports only Iran is recognized as the fifth destination for exports of Afghanistan. In general, in the group of exports of merchandise of ECO countries only Pakistan from the region is recognized as the first trade partner for Afghanistan.

In the group of imports of merchandise by ECO countries in 2013, European Union with Russian Federation and United Arab Emirates are main origins of imports for ECO countries. Only Pakistan is recorded as the first trade partner for imports of Afghanistan. The second trade partners for imports of merchandise consist of non-ECO countries in 2013. In the list of the third trade partners for imports of merchandise, only Turkey is recorded as the third origin of imports of Azerbaijan. Iran and Kazakhstan are recognized as the fourth trade partners for imports of merchandise for Afghanistan and Kyrgyz Republic respectively. The fifth trade partners for imports of merchandise include the names of Iran and Turkey for their bilateral transactions.

In summary of review of the first five foreign trade partners of ECO countries in 2013 it could be said that Afghanistan is the only country of the region that has selected one of the countries as its first trade partner and has strong foreign trade relations with Pakistan in the region. For some of countries of the region, trade relations with countries of the region on exports and imports of merchandise are going on with less priority. Among seven countries of the region that are included in the attached table, Kazakhstan is the only country of the region that has no country of the region in the list of its first five foreign trade partners in 2013.

Table 15 – Main Trade Partners (Exports/Imports of Merchandise) of ECO Countries in 2013

Country	Exports		Imports	
	Country	Share (%)	Country	Share (%)
Afghanistan	1. Pakistan	47.0	1. Pakistan	14.2
	2. India	16.3	2. China	11.5
	3. Iran	6.2	3. Japan	9.7
	4. China	1.1	4. Iran	8.0
	5. Saudi Arabia	0.4	5. European Union	4.7
Azerbaijan	1. European Union	48.2	1. European Union	35.1
	2. Indonesia	11.6	2. Russian Federation	14.1
	3. Thailand	7.0	3. Turkey	13.8
	4. Israel	5.3	4. Ukraine	5.6
	5. India	4.6	5. China	5.3
Iran	1. China	41.0	1. United Arab Emirates	26.6
	2. Iraq	3.6	2. European Union	18.8
	3. United Arab Emirates	3.3	3. China	10.3
	4. India	2.0	4. Korea, Republic of	6.6
	5. Afghanistan	1.4	5. Turkey	4.5
Kazakhstan	1. European Union	53.5	1. Russian Federation	36.2
	2. China	17.4	2. European Union	19.5
	3. Russian Federation	7.0	3. China	16.8
	4. Switzerland	5.2	4. United States	4.9
	5. Canada	3.2	5. Ukraine	4.6
Kyrgyz Republic	1. Switzerland	28.9	1. Russian Federation	33.2
	2. Kazakhstan	21.6	2. China	23.9
	3. United Arab Emirates	12.5	3. European Union	10.6
	4. Uzbekistan	9.0	4. Kazakhstan	9.3
	5. Russian Federation	8.6	5. Japan	4.3
Pakistan	1. European Union	25.0	1. United Arab Emirates	17.7
	2. United States	14.9	2. China	15.1
	3. China	10.6	3. European Union	10.1
	4. Afghanistan	8.0	4. Kuwait	9.0
	5. United Arab Emirates	7.1	5. Saudi Arabia	8.8
Tajikistan	...	...	...	...
Turkey	1. European Union	42.3	1. European Union	36.8
	2. Iraq	7.9	2. Russian Federation	10.0
	3. Russian Federation	4.6	3. China	9.8
	4. United States	3.7	4. United States	5.0
	5. United Arab Emirates	3.3	5. Iran	4.1
Turkmenistan	...	...	...	...
Uzbekistan	...	...	...	...

Source: World Trade Organization

Intra-regional Trade

Promotion of economic cooperation among member countries of the ECO region primarily depends on expansion of intra-regional trade which is the first priority of the Organization. Based on the available data on foreign trade of ECO countries, the intra-regional trade of ECO countries in 2012 has been 8.9 percent from total foreign trade of the region. Review of data for this key indicator within the last decade (2002-2012) reveals that intra-regional trade has been gradually expanding during this period and increased from 5.3 percent to 8.9 percent. Trend of changes in this indicator across the reference period has been smooth with some minor fluctuations in this trend.

Compared with the set goal of 20 percent of intra-regional trade in 2015, as targeted in the ECO Vision 2015, there is still a long way to reach this goal but by adopting this basic policy guidelines for ECO activities, ECO member countries are committed to cooperate for removal of tariff and non-tariff barriers in trade among countries of the region towards establishment of a Free Trade Area in the ECO region as a priority task.

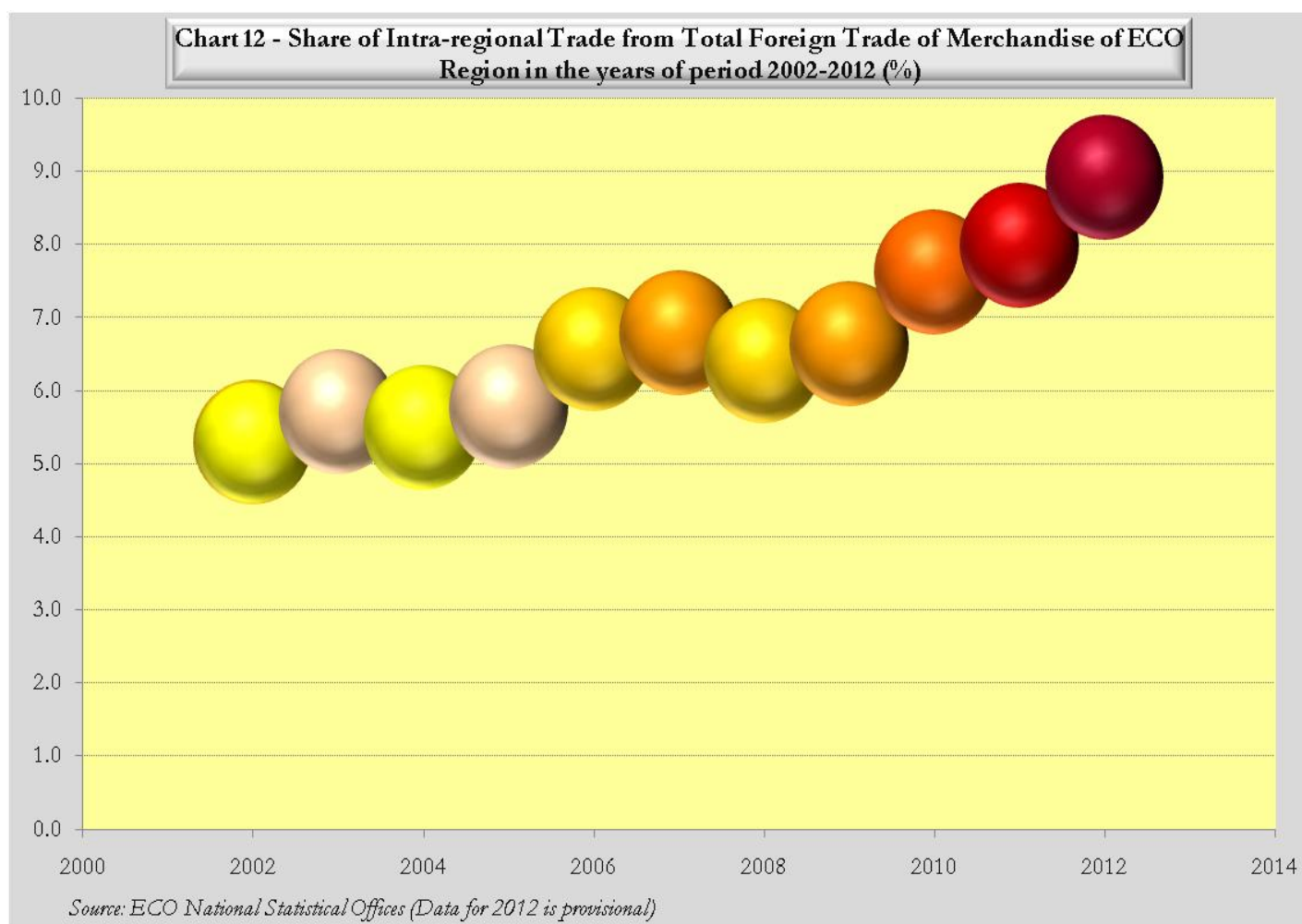


Table 16 – Periodic changes in the share of Intra-regional Trade from Total Foreign Trade of Merchandise of ECO Region within the period 2002-2012 (%)

Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 *	Changes (2002-2012)
Exports	5.3	5.7	5.2	5.7	6.4	6.6	6.7	6.5	7.8	8.1	9.4	4.1
Imports	5.3	5.7	5.8	5.9	6.7	7.0	6.1	6.8	7.4	7.9	8.5	3.2
Total	5.3	5.7	5.5	5.8	6.6	6.8	6.4	6.6	7.6	8.0	8.9	3.6

Source: ECO National Statistical Offices

* Data for 2012 is provisional

In the same line with expansion of intra-regional trade, exports and imports of merchandise among ECO countries have been increased within the last decade. For exports of merchandise, share of exports to ECO countries from total exports of the region increased from 5.3 percent in 2002 to 9.4 percent in 2012. For imports of merchandise also increasing trend is seen which changed from 5.3 percent in the beginning of the period to 8.5 percent in 2012. In general, trend of changes in the exports of merchandise within the region show slightly higher growth within the period of study.

According to the latest available data for intra-regional trade of ECO countries in 2011, the highest ratio is recorded for Afghanistan with 52.3 percent. The second highest ratio for intra-regional trade is recorded for Tajikistan with 37.9 percent. Uzbekistan (23.6%), Kyrgyz Republic (18.2%) and Turkmenistan (16.7%) are other countries of the region with higher ratio of intra-regional trade. For the remaining countries of the region this indicator shows figures below 10 percent with the lowest one in Iran with 4.7 percent.

Table 17 – Share of Intra-regional Trade from Total Foreign Trade of Merchandise of ECO countries in 2011 and its average annual growth rate within the period 2002-2011 (%)

Indicator	Afghanistan	Azerbaijan	Iran	Kazakhstan	Kyrgyz Republic	Pakistan	Tajikistan	Turkey	Turkmenistan	Uzbekistan
Share of Inter-regional Trade from Total Foreign Trade of Merchandise in 2011	52.3	7.2	4.7	8.0	18.2	6.8	37.9	7.1	16.7	23.6
Average annual growth rate of Inter-regional Trade (2002-2011)	23.4	16.6	20.9	26.7	15.6	21.8	12.9	29.5	19.1	21.5

Source: ECO National Statistical Offices

* Data of Kazakhstan and Turkmenistan for 2011 are their last reported data for previous years



Appendix

Definitions and Source of Data

Population

Population, total: Total population is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship--except for refugees not permanently settled in the country of asylum, who are generally considered part of the population of their country of origin. The values shown are midyear estimates.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Birth rate, crude (per 1,000 people): Crude birth rate indicates the number of live births occurring during the year, per 1,000 population estimated at midyear. Subtracting the crude death rate from the crude birth rate provides the rate of natural increase, which is equal to the rate of population change in the absence of migration.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Death rate, crude (per 1,000 people): Crude death rate indicates the number of deaths occurring during the year, per 1,000 population estimated at midyear. Subtracting the crude death rate from the crude birth rate provides the rate of natural increase, which is equal to the rate of population change in the absence of migration.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Fertility rate, total (births per woman): Total fertility rate represents the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with current age-specific fertility rates.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Mortality rate, infant (per 1,000 live births): Infant mortality rate is the number of infants dying before reaching one year of age, per 1,000 live births in a given year.

Source of data: Estimates developed by the UN Inter-agency Group for Child Mortality Estimation (UNICEF, WHO, World Bank, UN DESA Population Division) at www.childmortality.org.

Population, female (% of total): Population, female (% of total) is the percentage of the population that is female.

Source of data: The United Nations Population Division's World Population Prospects.

Population ages 0-14 (% of total): Population, age 0-14 (% of total) is the population between the ages of 0 and 14 as a percentage of the total population.

Source of data: The United Nations Population Division's World Population Prospects.

Population ages 15-64 (% of total): Total population between the ages 15 to 64 is the number of people who could potentially be economically active. Population is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship--except for refugees not permanently settled in the country of asylum, who are generally considered part of the population of the country of origin.

Source of data: The United Nations Population Division's World Population Prospects.

Population ages 65 and above (% of total): Population ages 65 and above as a percentage of the total population. Population is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship--except for refugees not permanently settled in the country of asylum, who are generally considered part of the population of the country of origin.

Source of data: The United Nations Population Division's World Population Prospects.

Life expectancy at birth, male (years): Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Life expectancy at birth, female (years): Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

Source of data: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Life expectancy at birth, total (years): Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

Source of data: Derived from male and female life expectancy at birth from sources such as: (1) United Nations Population Division. World Population Prospects, (2) United Nations Statistical Division. Population and Vital Statistics Report (various years), (3) Census reports and other statistical publications from national statistical offices, (4) Eurostat: Demographic Statistics, (5) Secretariat of the Pacific Community: Statistics and Demography Programme, and (6) U.S. Census Bureau: International Database.

Economy

GDP (current US\$): GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in current U.S. dollars. Dollar figures for GDP are converted from domestic currencies using single year official exchange rates. For a few countries where the official exchange rate does not reflect the rate effectively applied to actual foreign exchange transactions, an alternative conversion factor is used.

Source of data: World Bank national accounts data, and OECD National Accounts data files.

GDP per capita (current US\$): GDP per capita is gross domestic product divided by midyear population. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in current U.S. dollars.

Source of data: World Bank national accounts data, and OECD National Accounts data files.

GDP growth (annual %): Annual percentage growth rate of GDP at market prices based on constant local currency. Aggregates are based on constant 2000 U.S. dollars. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.

Source of data: World Bank national accounts data, and OECD National Accounts data files.

Agriculture, value added (% of GDP): Agriculture corresponds to ISIC divisions 1-5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3. Note: For VAB countries, gross value added at factor cost is used as the denominator.

Industry, value added (% of GDP): Industry corresponds to ISIC divisions 10-45 and includes manufacturing (ISIC divisions 15-37). It comprises value added in mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3. Note: For VAB countries, gross value added at factor cost is used as the denominator.

Services, etc., value added (% of GDP): Services correspond to ISIC divisions 50-99 and they include value added in wholesale and retail trade (including hotels and restaurants), transport, and government, financial, professional, and personal services such as education, health care, and real estate services. Also included are imputed bank service charges, import duties, and any statistical discrepancies noted by national compilers as well as discrepancies arising from rescaling. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3. Note: For VAB countries, gross value added at factor cost is used as the denominator.

Source of data: World Bank national accounts data, and OECD National Accounts data files.

Gross capital formation (% of GDP): Gross capital formation (formerly gross domestic investment) consists of outlays on additions to the fixed assets of the economy plus net changes in the level of inventories. Fixed assets include land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and "work in progress." According to the 1993 SNA, net acquisitions of valuables are also considered capital formation.

Source of data: World Bank national accounts data, and OECD National Accounts data files.

Inflation, consumer prices (annual %): Inflation as measured by the consumer price index reflects the annual percentage change in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or changed at specified intervals, such as yearly. The Laspeyres formula is generally used.

Source of data: International Monetary Fund, International Financial Statistics and data files.

Foreign direct investment, net inflows (BoP, current US\$): Foreign direct investment are the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows net inflows (new investment inflows less disinvestment) in the reporting economy from foreign investors. Data are in current U.S. dollars.

Source of data: International Monetary Fund, Balance of Payments database, supplemented by data from the United Nations Conference on Trade and Development and official national sources.

External debt stocks, total (DOD, current US\$): Total external debt is debt owed to nonresidents repayable in foreign currency, goods, or services. Total external debt is the sum of public, publicly guaranteed, and private nonguaranteed long-term debt, use of IMF credit, and short-term debt. Short-term debt includes all debt having an original maturity of one year or less and interest in arrears on long-term debt. Data are in current U.S. dollars.

Source of data: World Bank, International Debt Statistics.

Labor force, total: Total labor force comprises people ages 15 and older who meet the International Labor Organization definition of the economically active population: all people who supply labor for the production of goods and services during a specified period. It includes both the employed and the unemployed. While national practices vary in the treatment of such groups as the armed forces and seasonal or part-time workers, in general the labor force includes the armed forces, the unemployed, and first-time job-seekers, but excludes homemakers and other unpaid caregivers and workers in the informal sector.

Source of data: International Labor Organization, Key Indicators of the Labor Market database.

Labor participation rate, total (% of total population ages 15+): Labor force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period.

Labor participation rate, male (% of male population ages 15+): Labor force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period.

Labor participation rate, female (% of female population ages 15+): Labor force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period.

Source of data: International Labor Organization, Key Indicators of the Labor Market database.

Employment to population ratio, 15+, total (%): Employment to population ratio is the proportion of a country's population that is employed. Ages 15 and older are generally considered the working-age population.

Source of data: International Labor Organization, Key Indicators of the Labor Market database.

GDP per person employed (constant 1990 PPP \$): GDP per person employed is gross domestic product (GDP) divided by total employment in the economy. Purchasing power parity (PPP) GDP is GDP converted to 1990 constant international dollars using PPP rates. An international dollar has the same purchasing power over GDP that a U.S. dollar has in the United States.

Source of data: International Labor Organization, Key Indicators of the Labor Market database.

Unemployment, total (% of total labor force) (modeled ILO estimate): Unemployment refers to the share of the labor force that is without work but available for and seeking employment.

Source of data: International Labour Organization, Key Indicators of the Labour Market database.

Unemployment, male (% of male labor force) (modeled ILO estimate): Unemployment refers to the share of the labor force that is without work but available for and seeking employment.

Source of data: International Labour Organization, Key Indicators of the Labour Market database.

Unemployment, female (% of female labor force) (modeled ILO estimate): Unemployment refers to the share of the labor force that is without work but available for and seeking employment.

Source of data: International Labour Organization, Key Indicators of the Labour Market database.

Foreign Trade

Merchandise exports and imports: Two systems of recording merchandise exports and imports are in common use. They are referred to as *general trade* and *special trade* and differ mainly in the way warehoused and re-exported goods are treated. General trade figures are larger than the corresponding special trade figures because the latter exclude certain trade flows, such as goods shipped through bonded warehouses. To the extent possible, total merchandise trade is defined according to the general trade definition. It covers all types of inward and outward movement of goods through a country or territory including movements through customs warehouses and free zones. Goods include all merchandise that either add to or reduce the stock of material resources of a country by entering (imports) or leaving (exports) the country's economic territory. For further explanations, see United Nations International Trade Statistics, Concepts and Definitions, Series M, No 52, Revision 2.

Unless otherwise indicated, exports are valued at transaction value, including the cost of transportation and insurance to bring the merchandise to the frontier of the exporting country or territory ("free on board" valuation). Unless otherwise indicated, imports are valued at transaction value plus the cost of transportation and insurance to the frontier of the importing country or territory ("Cost insurance and freight" valuation).

Merchandise trade by commodity: Product data are generally sourced from UNSD *Comtrade* and *Eurostat*. Only selected products specified in Section IV are available. The sum of agricultural products, mining products and manufactures does not add up to total merchandise due to unspecified products.

Network of world merchandise trade: The world merchandise trade network by product and region is based on export data. It is constructed in the following way:

First, total merchandise exports from each of the seven regions are aggregated from individual country figures. Next, the total merchandise exports of each region are distributed by destination and then by product. The regional and commodity breakdown is based on UNSD *Comtrade database*, EUROSTAT, national statistics and Secretariat estimates.

It should be noted that World, Asia and four East Asian traders totals do not include Hong-Kong, China's re-exports as in the "Total merchandise trade" data set.

Trade in commercial services, 2005-onwards (BPM6): Depending on the location of the supplier and the consumer, the General Agreement on Trade in Services (GATS) defines four modes of supply. In addition to the cross-border supply (mode 1), where both the supplier and the consumer remain in their respective home territories, GATS also covers cases where consumers are outside their home territory to consume services (mode 2 – consumption abroad), or where service suppliers are in the territory of the consumers to provide their services, whether by establishing affiliates through direct investment abroad (mode 3 – commercial presence), or through the presence of natural persons (mode 4).

An economy's Balance of Payments, namely the services account, can be used to derive estimates covering trade in commercial services for modes 1, 2 and 4. The Balance of Payments does however not include most of the information on services supplied through foreign affiliates that is required to estimate the size of mode 3. A framework for collecting these data, the "Foreign Affiliates Statistics (FATS)" was adopted by the international statistical community for the first time in 2002, and then further developed in 2010. FATS are available in the annual publication *International Trade Statistics* and on the online tool ITIP services.

Exports and imports: Exports (credits or receipts) and imports (debits or payments) of commercial services are included in balance of payments statistics, in conformity with the concepts, definitions and classification of the sixth (2009) edition of the IMF Balance of Payments and International Investment Position Manual (BPM6) as well as the 2010 edition of the Manual on Statistics of International Trade in Services (MSITS 2010).

Definition of commercial services in the Balance of Payments: In the sixth edition of the Balance of Payments Manual, the current account is subdivided into goods, services (including government goods and services, n.i.e.), primary income, and secondary income. Commercial services comprise all services categories except government goods and services, n.i.e. Commercial services are sub-divided into manufacturing services on physical inputs owned by others, maintenance and repair services n.i.e., transport, travel, and other commercial services. The BPM6 contains the following 12 standard services components.

Trade in commercial services, 1980-2013 (BPM5): Depending on the location of the supplier and the consumer, the General Agreement on Trade in Services (GATS) defines four modes of supply. In addition to the cross-border supply (mode 1), where both the supplier and the consumer remain in their respective home territories, GATS also covers cases where consumers are outside their home territory to consume services (mode 2 – consumption abroad), or cases where service suppliers are in the territory of the consumers to provide their services, whether by establishing affiliates through direct investment abroad (mode 3 – commercial presence), or through the presence of natural persons (mode 4).

A country's balance of payments, that is the services account, can be used to derive estimates covering trade in commercial services for modes 1,2 and 4. The Balance of Payments does however not include most of the information on the local deliveries of services through foreign affiliates that is required to estimate the size of mode 3. A framework for collecting these data, the "Foreign Affiliates Trade in

Services (FATS) statistics”, has been developed and adopted by the international statistical community in 2002. Further information on these “new” statistics is available in the International Trade Statistics publication.

Exports and imports: Exports (credits or receipts) and imports (debits or payments) of commercial services derived from statistics on international service transactions are included in the balance of payments statistics, in conformity with the concepts, definitions and classification of the fifth (1993) edition of the IMF Balance of Payments Manual.

Definition of commercial services in the balance of payments: In the fifth edition of the Balance of Payments Manual, the current account is subdivided into goods, services (including government services, n.i.e.), income (investment income and compensation of employees), and current transfers. The commercial services category is defined as being equal to services minus government services, n.i.e. Commercial services is further sub-divided into transportation services, travel, and other commercial services.

Transportation Services covers sea, air and other including land, internal waterway, space and pipeline transport services that are performed by residents of one economy for those of another, and that involve the carriage of passengers, the movement of goods (freight), rentals (charters) of carriers with crew, and related supporting and auxiliary services.

Travel includes goods and services acquired by personal travellers, for health, education or other purposes, and by business travellers. Unlike other services, travel is not a specific type of service, but an assortment of goods and services consumed by travellers. The most common goods and services covered are lodging, food and beverages, entertainment and transportation (within the economy visited), gifts and souvenirs.

Other commercial services corresponds to the following components defined in BPM5:

(1) *Communications services* includes telecommunication, postal and courier services. Telecommunication services encompasses the transmission of sound, images or other information by telephone, telex, telegram, radio and television cable and broadcasting, satellite, electronic mail, facsimile services etc., including business network services, teleconferencing and support services. It does not include the value of the information transported. Also included are cellular telephone services, Internet backbone services and on-line access services, including provision of access to the Internet,

(2) *Construction* covers work performed on construction projects and installation by employees of an enterprise in locations outside the territory of the enterprise (the one-year rule to determine residency is to be applied flexibly). In addition goods used by construction companies for their projects are included which implies that the "true" services component tends to be overestimated,

(3) *Insurance services* covers the provision of various types of insurance to non residents by resident insurance enterprises, and vice versa, for example, freight insurance, direct insurance (e.g. life) and reinsurance,

(4) *Financial services* covers financial intermediation and auxiliary services provided by banks, stock exchanges, factoring enterprises, credit card enterprises, and other enterprises,

(5) *Computer and information services* is subdivided into computer services (hardware and software related services and data processing services), news agency services (provision of news, photographs, and feature articles to the media), and other information provision services (database services and web search portals),

(6) *Royalties and licence fees*, covering payments and receipts for the use of intangible non-financial assets and proprietary rights, such as patents, copyrights, trademarks, industrial processes, and franchises,

(7) *Other business services*, comprising trade-related services, operational leasing (rentals), and miscellaneous business, professional and technical services such as legal, accounting, management consulting, public relations services, advertising, market research and public opinion polling, research and development services, architectural, engineering, and other technical services, agricultural, mining and on-site processing,

(8) *Personal, cultural, and recreational services* is subdivided into two categories, (i) audiovisual services and (ii) other cultural and recreational services. The first component includes services and fees related to the production of motion pictures, radio and television programmes, and musical recordings. Other personal, cultural, and recreational services includes services such as those associated with museums, libraries, archives, and other cultural, sporting, and recreational activities.

Data on exports and imports of services (including government services n.i.e), other services, as well as government services n.i.e. are available as memorandum items in the WTO online Statistics Database.

Government services n.i.e. is a residual category covering government transactions (including those of international organizations) not contained in other components of the BPM5 . Included are all transactions (in both goods and services) by embassies, consulates, military units, with residents of economies in which they are located and all transactions with other economies. The dataset on international trade in services is produced jointly and published simultaneously with UNCTAD.



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