

NORTH AND CENTRAL ASIA AT A GLANCE

Population	32.3 M
GDP (2011 const., PPP)	\$ 192.33 bn
GDP per capita (2011 const., PPP)	\$ 6 038.9
GDP growth rate	
- 2015	8.0%
- 2016	7.8%
Sectoral shape of GDP	
- Agriculture	17.6%
- Services	49.5%
- Industry	32.9%
- Manufacturing	n.a
- Extractive sector	n.a
Imp. share of GDP (2011 const., PPP)	20.6%
Exp. share of GDP (2011 const., PPP)	18.8%
Major Imp. Partner	China (22%)
Major Imp. Product	Packaged Medicament (5.7%)
Major Exp. Partner	Switzerland (32%)
Major Exp. Product	Gold (32%)

Population	18.4 M
GDP (2011 const., PPP)	\$ 417.2 bn
GDP per capita (2011 const., PPP)	\$ 23 446.57
GDP growth rate	
- 2015	1.2%
- 2016	1.1%
Sectoral shape of GDP	
- Agriculture	4.83%
- Services	61.29%
- Industry	33.88%
- Manufacturing	12%
- Extractive sector	21.88%
Imp. share of GDP (2011 const., PPP)	28.32%
Exp. share of GDP (2011 const., PPP)	31.88%
Major Imp. Partner	Russian Federation (33%)
Major Imp. Product	Other Large Iron Pipes (3.7%)
Major Exp. Partner	China (32%)
Major Exp. Product	Crude Petroleum (14%)

Population	143.9 M
GDP (2011 const., PPP)	\$ 3 581.3 bn
GDP per capita (2011 const., PPP)	\$ 24 416.62
GDP growth rate	
- 2015	- 2.83%
- 2016	- 0.22%
Sectoral shape of GDP	
- Agriculture	4.74%
- Services	62.84%
- Industry	32.42%
- Manufacturing	13.72%
- Extractive sector	18.7%
Imp. share of GDP (2011 const., PPP)	20.55%
Exp. share of GDP (2011 const., PPP)	25.71%
Major Imp. Partner	China (19%)
Major Imp. Product	Cars (4.2%)
Major Exp. Partner	Netherlands (10%)
Major Exp. Product	Crude Petroleum (28%)

Although the population of North and Central Asia exceeds 233 million, more than half live in the Russian Federation while less than 38 million live in the smallest six. With its economy comprising about 80 per cent of total subregional GDP and the highest GDP per capita in the subregion, the Russian Federation, together with Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan, relies, in part, on its oil and gas sectors for economic growth. With decline in international commodity prices, recent economic growth has been subdued. Given the number of migrants workers in these countries, subdued economic growth has affected remittances within the subregion. To attain steady economic growth, **greater economic diversification** is needed. This requires strengthening of small and medium enterprise, improving transport connectivity, consistent application of legal frameworks and competition policies, and greater reliance on scientific research and innovation.

Uzbekistan



Kazakhstan



Russian Federation



Georgia



Population	3.91 M
GDP (2011 const., PPP)	\$34.5 bn
GDP per capita (2011 const., PPP)	\$ 9 276.77
GDP growth rate	
- 2015	2.88%
- 2016	2.85%
Sectoral shape of GDP	
- Agriculture	8.97%
- Services	66.14%
- Industry	24.89%
- Manufacturing	12.05%
- Extractive sector	12.84%
Imp. share of GDP (2011 const., PPP)	59.33%
Exp. share of GDP (2011 const., PPP)	43.60%
Major Imp. Partner	Turkey (17%)
Major Imp. Product	Packaged Medicament (9.6%)
Major Exp. Partner	Azerbaijan (9%)
Major Exp. Product	Copper Ore (9%)

Armenia



Population	2.9 M
GDP (2011 const., PPP)	\$ 23.954 bn
GDP per capita (2011 const., PPP)	\$ 8 190.24
GDP growth rate	
- 2015	3.2%
- 2016	0.19%
Sectoral shape of GDP	
- Agriculture	17.7%
- Services	54.8%
- Industry	27.5%
- Manufacturing	10.2%
- Extractive sector	17.3%
Imp. share of GDP (2011 const., PPP)	42.7%
Exp. share of GDP (2011 const., PPP)	33.1%
Major Imp. Partner	Russian Federation (28%)
Major Imp. Product	Petroleum Gas (12%)
Major Exp. Partner	Russian Federation (14%)
Major Exp. Product	Copper Ore (20%)

Azerbaijan



Population	9.9 M
GDP (2011 const., PPP)	\$ 156.14 bn
GDP per capita (2011 const., PPP)	\$ 16 001.32
GDP growth rate	
- 2015	1.1%
- 2016	- 3.1%
Sectoral shape of GDP	
- Agriculture	6.04%
- Services	42.28%
- Industry	51.68%
- Manufacturing	5.59%
- Extractive sector	46.09%
Imp. share of GDP (2011 const., PPP)	43.67%
Exp. share of GDP (2011 const., PPP)	46.45%
Major Imp. Partner	Turkey (15%)
Major Imp. Product	Other Large Iron Pipes (3.6%)
Major Exp. Partner	Italy (25%)
Major Exp. Product	Crude Petroleum (86%)

Turkmenistan



Population	5.8 M
GDP (2011 const., PPP)	\$ 88.61 bn
GDP per capita (2011 const., PPP)	\$ 15 648.4
GDP growth rate	
- 2015	6.5%
- 2016	6.2%
Sectoral shape of GDP	
- Agriculture	11.5% ⁽¹⁰⁾
- Services	28.5% ⁽¹⁰⁾
- Industry	60% ⁽¹⁰⁾
- Manufacturing	21.7% ⁽⁰⁴⁾
- Extractive sector	38.3%
Imp. share of GDP (2011 const., PPP)	44.4% ⁽¹²⁾
Exp. share of GDP (2011 const., PPP)	73.3% ⁽¹²⁾
Major Imp. Partner	Turkey (33%)
Major Imp. Product	Iron Structures (6.4%)
Major Exp. Partner	China (78%)
Major Exp. Product	Petroleum Gas (80%)

Kyrgyzstan



Population	6.1 M
GDP (2011 const., PPP)	\$ 20.03 bn
GDP per capita (2011 const., PPP)	\$ 3 293.7
GDP growth rate	
- 2015	3.88%
- 2016	3.83%
Sectoral shape of GDP	
- Agriculture	14.86%
- Services	55.92%
- Industry	29.22%
- Manufacturing	16.64%
- Extractive sector	12.58%
Imp. share of GDP (2011 const., PPP)	71.9%
Exp. share of GDP (2011 const., PPP)	36.82%
Major Imp. Partner	China (36%)
Major Imp. Product	Refined Petroleum (14%)
Major Exp. Partner	Switzerland (34%)
Major Exp. Product	Gold (42%)

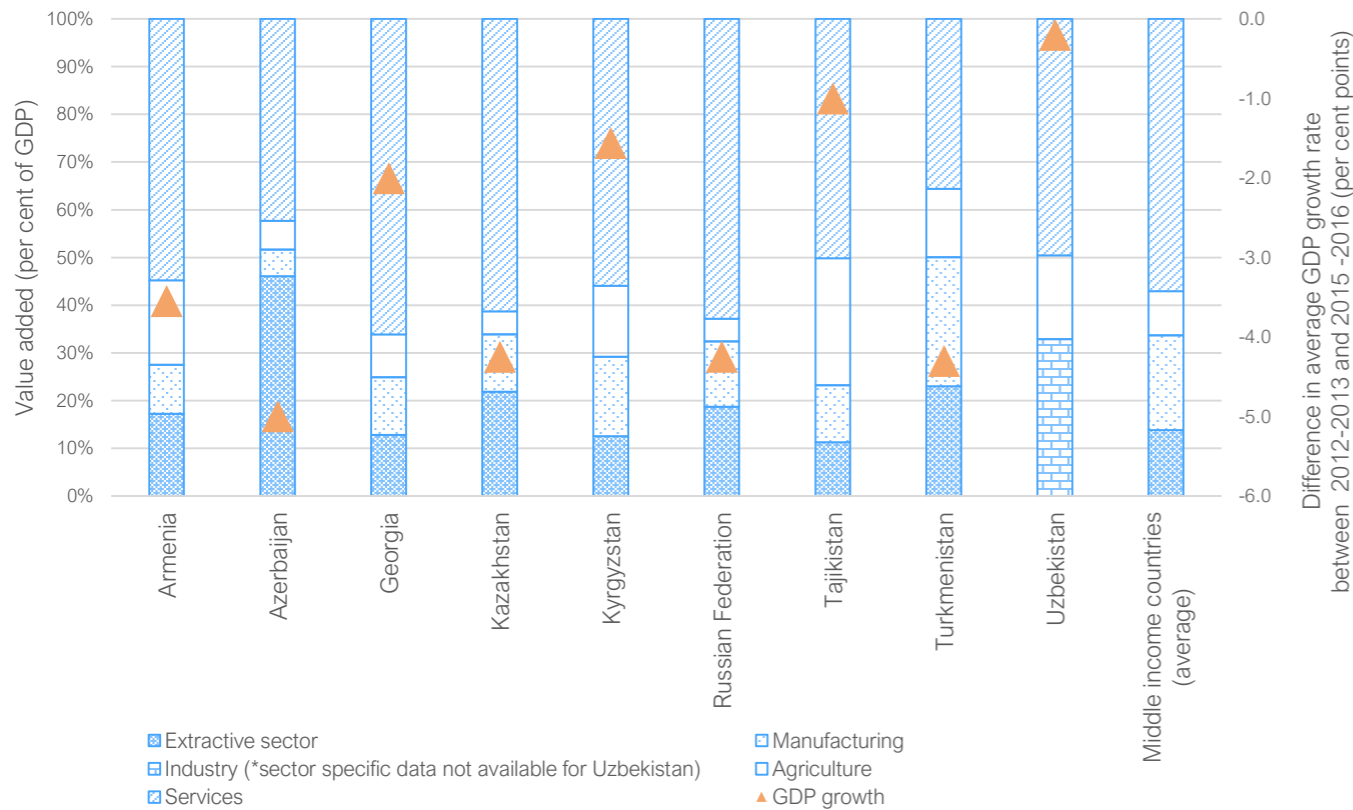
Tajikistan



Population	9.1 M
GDP (2011 const., PPP)	\$ 24.131 bn
GDP per capita (2011 const., PPP)	\$ 2 762.58
GDP growth rate	
- 2015	6.0%
- 2016	6.9%
Sectoral shape of GDP	
- Agriculture	25%
- Services	47%
- Industry	28%
- Manufacturing	11.19%
- Extractive sector	16.81%
Imp. share of GDP (2011 const., PPP)	42.3%
Exp. share of GDP (2011 const., PPP)	10.5%
Major Imp. Partner	China (51%)
Major Imp. Product	Refined Petroleum (8.9%)
Major Exp. Partner	Turkey (23%)
Major Exp. Product	Raw Aluminium (30%)

KEY TRENDS IN NORTH AND CENTRAL ASIA

Figure 1. Sectoral composition of value added and GDP growth

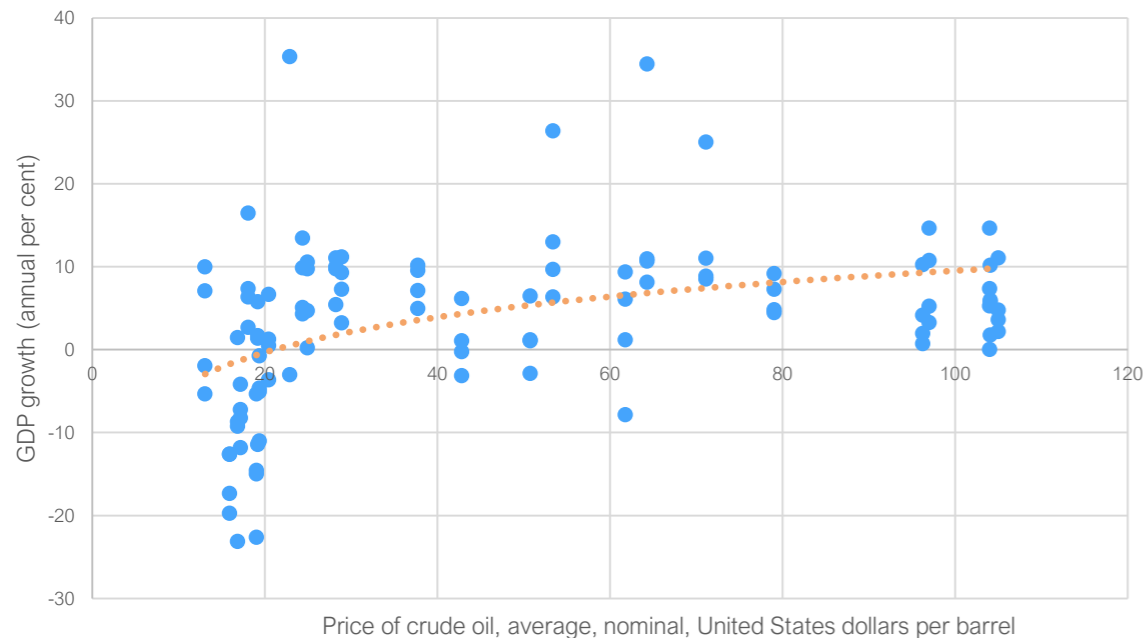


The economies of North and Central Asia depend heavily on extraction of primarily oil, natural gas and minerals. The share of extractive sectors in GDP ranges from 46.1 per cent in Azerbaijan to 10.6 per cent in Tajikistan (Figure 1). Since the decline in international commodity prices in 2014, GDP growth has slowed by 2.9 per cent points on average. Oil-exporting countries – Azerbaijan, Kazakhstan, Russian Federation and Turkmenistan – were the most affected; average GDP growth dropped by 5.0 per cent points in Azerbaijan between 2012-2013 and 2015-2016, followed by those of Turkmenistan, Kazakhstan and the Russian Federation. Despite recent expansion of their service sectors, their economies still remain vulnerable to external shocks, given **the correlation between GDP growth and international oil prices** (Figure 2).

The economic downturn triggered by fall in oil prices is transmitted to the rest of the subregion through remittance channels. Economic growth in Armenia, Georgia, Kyrgyzstan, Tajikistan and Uzbekistan slowed after 2014 as remittances from migrant workers in the Russian Federation and Kazakhstan declined. Remittances account for 30.4 per cent of Kyrgyzstan's GDP, followed by Tajikistan (26.9 per cent) and Armenia (13.1 per cent). There is a **positive correlation between economic performance and remittances** from the Russian Federation (Figure 3).

Source: World Bank: World Development Indicators 2016

Figure 2. Resource-dependent countries' positive correlation between GDP growth and oil price: 1990-2016



Source: World Bank: World Development Indicators 2016 and Commodity Prices - History and Projections

Figure 3. Remittance-dependent countries' positive correlation between GDP and remittances: 1990-2016



Source: World Bank: World Development Indicators 2017