



UNIVERSITY OF CENTRAL ASIA  
GRADUATE SCHOOL OF DEVELOPMENT  
Institute of Public Policy and Administration

# **Economic Cooperation between China and Central Asia**

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# Outline

- Countries of Central Asia – Western neighbors of China
- Trade between China and Central Asia
- Infrastructure projects
- Foreign direct investments
- Development assistance
- Prospects for economic cooperation

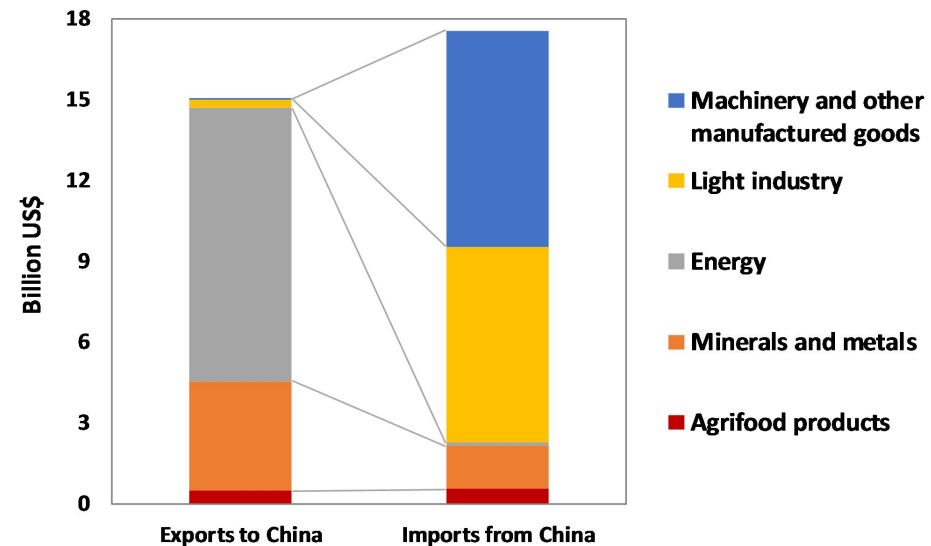
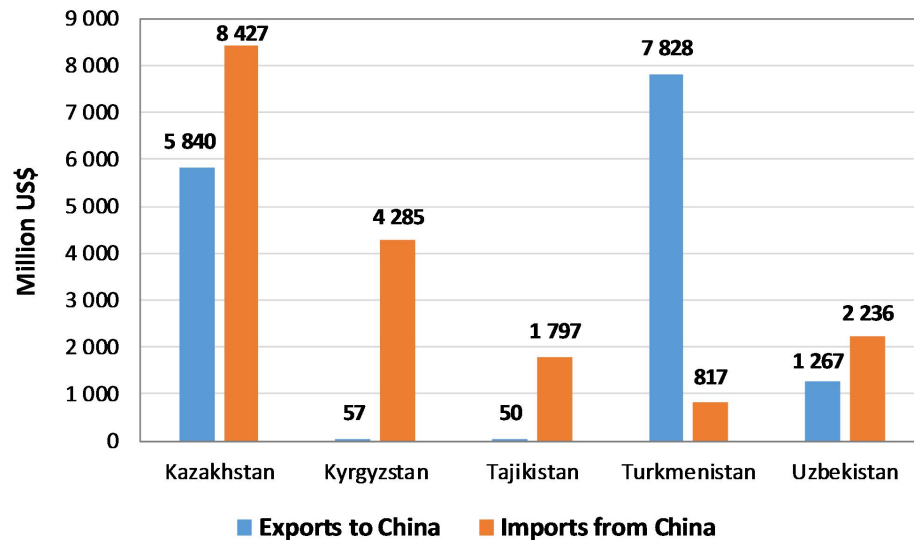
# Central Asia in Brief

- Five post-Soviet countries – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan
- Total area – 4 million km<sup>2</sup>
- Total population – 69 million
- Total GDP in 2015 – US\$303 billion, from US\$7 billion in Kyrgyzstan to US\$184 billion in Kazakhstan
- Average GDP per capita (PPP) – US\$11,300, from US\$2,800 in Tajikistan to US\$25,900 in Kazakhstan



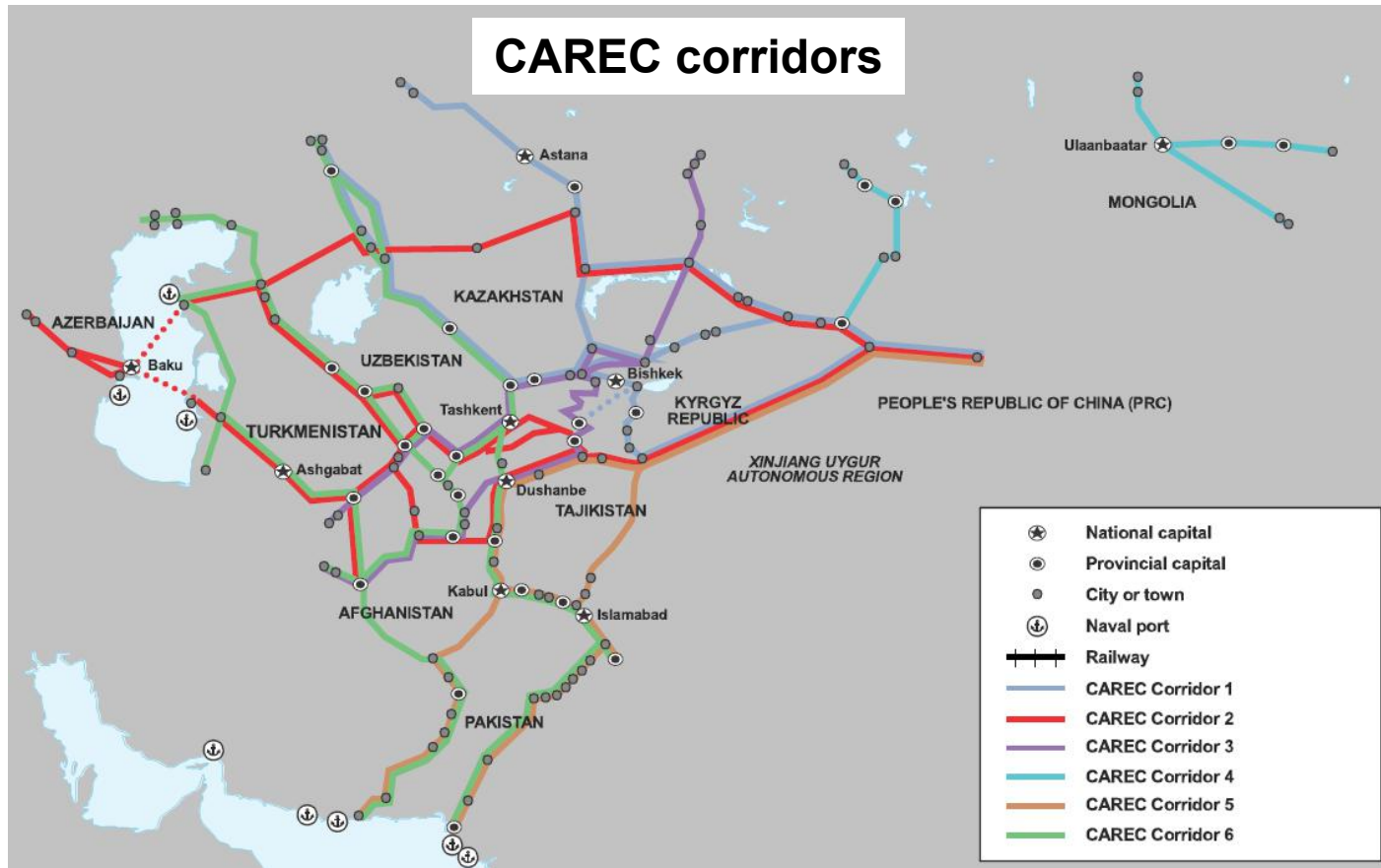
# Trade between China and Central Asia

- China is one of the largest trade partners for all Central Asian countries
- For China, Central Asia is a relatively minor partner – 0.8% of total exports and 1.0% of total imports (2015)
- Trade flows are asymmetrical



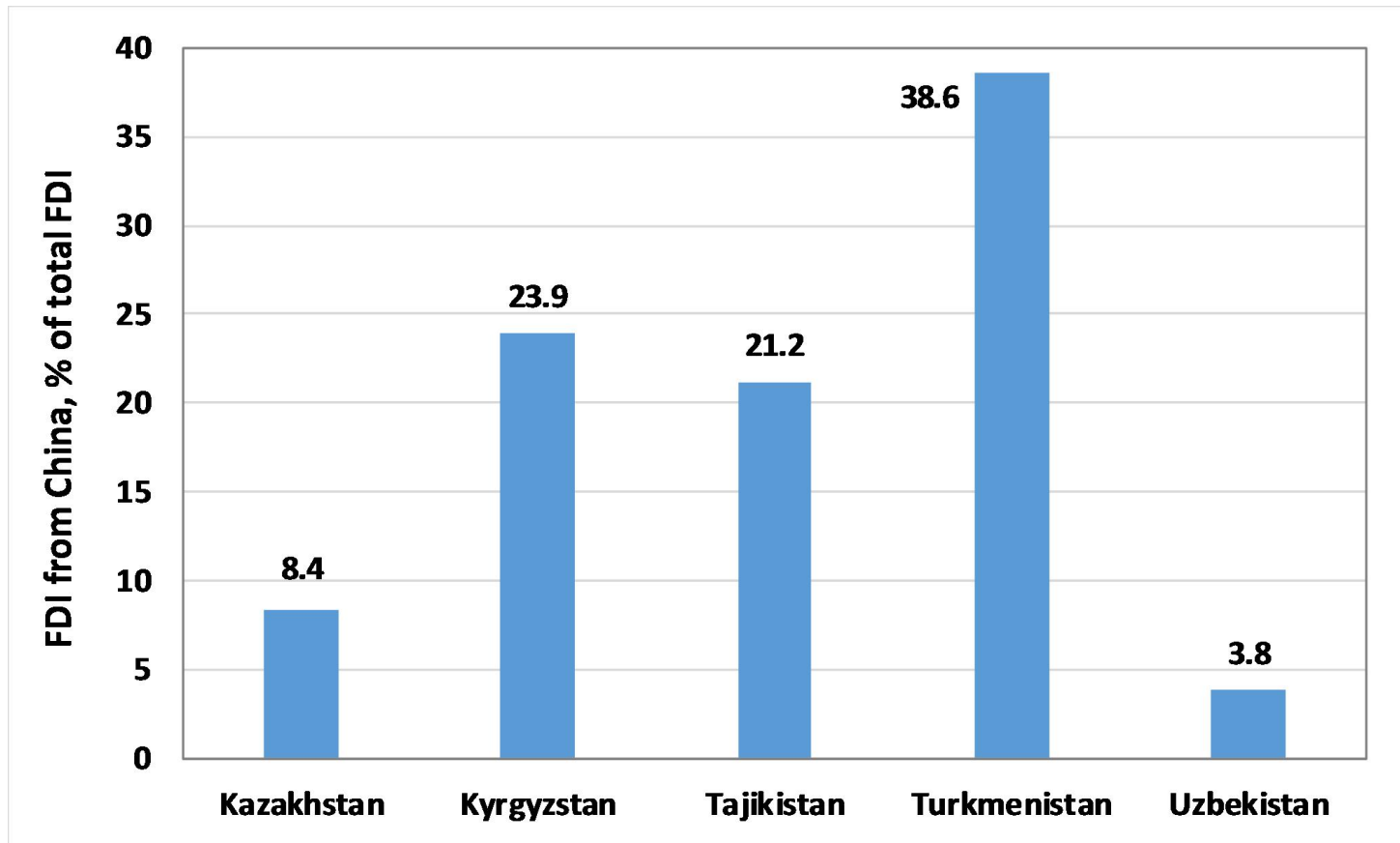
# Infrastructure Projects

- Transit roads and railroads from China via Central Asia to Europe and South-West Asia
- Pipelines and electricity transmission lines, power stations



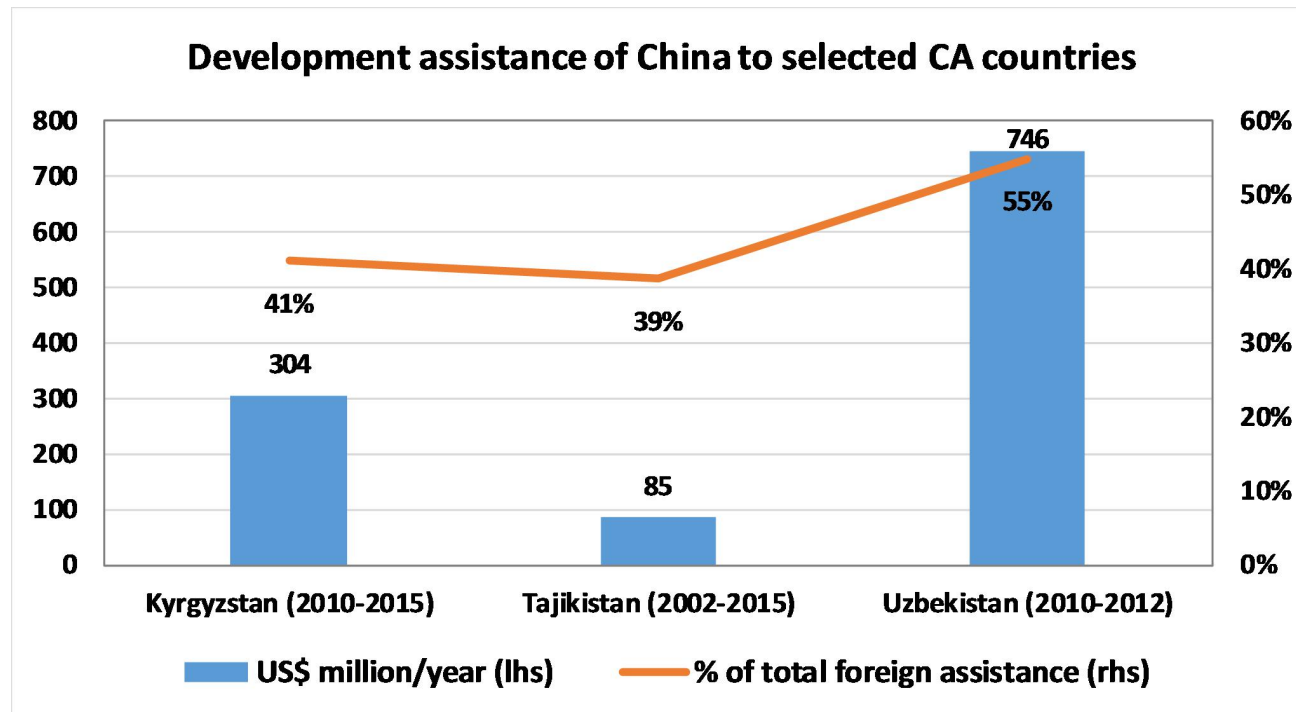
# Foreign Direct Investments

- China is a major source of investments to Central Asia
- Key sectors – energy, mining, much less manufacturing and agriculture



# Development Assistance

- China is the main source of concessional loans for poorer countries of Central Asia
- Mostly infrastructure projects in transport and energy
- Almost no general budget support and no policy conditionality



# Prospects of Economic Cooperation

- Expanding Central Asian non-energy exports to China
- Integrated infrastructure development
- Attraction of Chinese FDI to manufacturing, agriculture and service sectors of Central Asian economies
- Technology transfer
- Environmental considerations

**Thank you!**