

3rd International Business Forum



I B F

Global Business Network Among Muslim Nations

Istanbul, TURKEY

19-22 November 1997

COUNTRY PROFILES



MÜSIAD

INDEPENDENT INDUSTRIALISTS' & BUSINESSMEN'S ASSOCIATION



I B F

INTERNATIONAL BUSINESS FORUM

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November 1997



MÜSİAD

INDEPENDENT INDUSTRIALISTS' & BUSINESSMEN'S ASSOCIATION

Address: Mecidiye Cad. 7/50 Mecidiyeköy 80310 İstanbul / TURKEY

Phone: (+90) 212 - 213 61 00 (pbx), **Fax:** (+90) 212 - 213 78 90

E-mail: musiad@musiad.org.tr

2 1 0 5 7 1

Edited by

Assoc. Prof. Dr. Yusuf Balci

Nail Aykan

Designed by

Davut Menteş

Printed by

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FORWARD

New Goals, New Challenges, New Opportunities

It is an honour and a pleasure to be hosting the 3rd International Business Forum (IBF) and the 5th MÜSİAD (Independent Industrialists' and Businessmen's Association) International Fair in İstanbul, Turkey.

The International Business Forum was first initiated in Lahore, Pakistan with the gathering of representatives of the Muslim business world in September 1995. Since then, it has grown into the most important forum in promoting trade and economic cooperation and coordination among business and industry amongst the Muslim Ummah. IBF has become a platform in which Muslim businessmen from all over the world gather and improve commercial relations.

Last years 2nd International Business Forum and the 4th MÜSİAD International Trade Fair proved to be a great success. Over one billion dollars worth of trade connections were made among the participating 280 local Turkish and 51 international firms together with 45,000 visitors from 36 countries. We intend to far exceed last years success with the participation of over 300 local Turkish and 100 international exhibitors and over 100,000 visitors from many more countries.

During the Forum and Fair, methods for establishing and further developing a global business network among Muslim businessmen will be determined. Trade, finance, business opportunities and specific investment projects in Muslim and non-Muslim countries will be presented. Many distinguished guests, highly successful business people and entrepreneurs will also share their knowledge, experience and ideas.

Part of our aims will be to;

- Promote the cause of trade and commerce,
- Provide a forum for exchange of information and ideas,
- Formulate proposals for strengthening economic cooperation,
- Encourage joint ventures, mutual cooperation and professional collaborations,
- Respond to the geo-economic changes and challenges,
- Enhance leadership skills and management expertise,
- Debate the economic issues facing the Muslim Ummah, and
- Help the Muslim Ummah to achieve self-reliance.

The economic future of the people of Muslim countries is embedded in the strategic resolve to invest in self-reliance by forging extensive operational linkages. Seen from this perspective, the International Business Forum presents a unique opportunity to make collective decisions and to take concerted actions in view of the successes and failures, opportunities and threats, resources and constraints confronting us.

The Muslim world presents tremendous opportunities for business and investment. We are endowed with rich human and natural resources. The economies of many Muslim countries presents varied and attractive opportunities for trade and investment. These opportunities would be lost, as have been in the past, if no serious plans are made and no action taken. The International Business Forum is a formidable response to these tasks.

However, we will only achieve self-reliance and economic prosperity, only if we prepare ourselves to take up the challenges, set long term goals and explore new opportunities.

We hope that the "Country Profiles" of 20 countries together with other information presented in this booklet will be of benefit. We invite you to fully utilise everything offered and presented at the Forum and Fair and explore all potential opportunities for trade and investment. Our aim is to contribute to the success, progress and prosperity of the Ummah.

We are confident that the Forum and Fair will be one further step in establishing the foundation for cooperation among business and industry among the Muslim Ummah.

Wassalam,

Erol Yazar

President, IBF

President, MÜSİAD

İstanbul, 19 November 1997

CONTENTS

| | |
|--------------|----|
| Algeria | 1 |
| Australia | 3 |
| Bangladesh | 6 |
| Egypt | 8 |
| France | 10 |
| Germany | 12 |
| Iran | 14 |
| Jordan | 17 |
| Malaysia | 19 |
| Nigeria | 22 |
| Pakistan | 24 |
| Singapore | 28 |
| South Africa | 30 |
| Sri Lanka | 32 |
| Sudan | 34 |
| TRNC | 38 |
| Turkey | 40 |
| Uganda | 44 |
| UK | 46 |
| USA | 48 |

**DEMOCRATIC AND POPULAR
REPUBLIC OF ALGERIA****A SHORT GEOGRAPHIC REVIEW**

| | |
|--------------------|--|
| Area | : 2,381,740 sq km. |
| Population | : 29,183,032 (July 1996 est.) |
| Capital City | : Algiers |
| Main Cities | : Algiers, Constantine, Annaba, Blida, Oran, Sidi Bel Abbès, Béchar |
| Language | : Arabic (official), French, Berber dialects |
| Religion | : Muslim (state religion) 99%, Christian and Jewish 1% |
| Currency | : Algerian Dinar |
| Location | : Northern Africa, bordering the Mediterranean Sea, between Morocco and Tunisia |
| Climate | : Arid to semiarid; mild, wet winters with hot, dry summers along coast; drier with cold winters and hot summers on high plateau; sirocco is a hot, dust/sand-laden wind especially common in summer |
| Type of Government | : Republic |
| Independence | : 5 July 1962 (from France) |
| National Holiday | : Anniversary of the Revolution, 1 November (1954) |

ECONOMIC OUTLOOK**Overview**

The hydrocarbons sector is the backbone of the economy, accounting for roughly 57% of government revenues, 25% of GDP, and almost all export earnings; Algeria has the fifth-largest reserves of natural gas in the world and ranks fourteenth for oil. Algiers' efforts to reform one of the most centrally planned economies in the Arab world began after the 1986 collapse of world oil prices which plunged the country into a severe recession. In 1989, the government launched a comprehensive, IMF-supported program to achieve economic stabilization and to introduce market mechanisms into the economy. Despite substantial progress toward economic adjustment, in 1992 the reform drive stalled as Algiers became embroiled in political turmoil. In September 1993, a new government was formed, and one priority was the resumption and acceleration of the structural adjustment process. Buffeted by the slump in world oil prices and burdened with a heavy foreign debt, Algiers concluded a one-year standby arrangement with the IMF in April 1994. Following a Paris Club debt rescheduling in 1995 and a robust harvest, the economy experienced a strong recovery and key economic improvements.

| | | |
|---|---|--|
| GDP (purchasing power parity) 108.7 billion US\$ (1995 est.) | Natural Resources • petroleum • natural gas • iron ore • phosphates • uranium • lead • zinc | Land Use, Irrigated Land Arable Land: 3% Permanent Crops: 0% Meadows and Pastures: 13% Forest and Woodland: 2% Other: 82% Irrigated Land: 3,360 sq km |
| GDP Composition by Sector Agriculture: 12% Industry: 50% Services : 38% | Population Growth Rate 2.21% (1996 est.) | Life Expectancy at Birth 68.31 years |
| GDP Real Growth Rate 3.5% (1995 est.) | Working Age Population Rate 56% | Labour Force 6.2 million (1992 est.) |
| GDP per Capita 3,800 US\$ (1995 est.) | Infant Mortality Rate 48.7 deaths/1,000 live births | Unemployment Rate 25% (1995 est.) |
| Foreign Exchange Rates 1 US\$ = 53 Algerian Dinars (Jan. '96) | | |

| | | |
|--|---|--|
| Electricity <i>capacity:</i> 5,370,000 kW <i>production:</i> 18.3 billion kWh <i>consumption per capita:</i> 587 kWh | Industries • petroleum • light industries • natural gas • mining • electrical • petrochemical • food processing | Agriculture • wheat • barley • oats • grapes • olives • citrus • fruits • sheep • cattle |
| Ind. Production Growth Rate NA | Main Export Items • petroleum and natural gas 97% | Main Import Items • capital goods 39.7% • food and beverages 21.7% • consumer goods 11.8% |
| Inflation Rate 28% (1995 est.) | Main Export Countries • Italy 21% • France 16% • US 14% • Germany 13% • Spain 9% | Main Import Countries • France 29% • Italy 14% • Spain 9% • US 9% • Germany 7% |
| Exports 9.5 billion US\$ (f.o.b., 1995 est.) | | |
| Imports 10.6 billion US\$ (f.o.b., 1995 est.) | | |
| External Debt 26 billion US\$ (1994) | | |
| Public Revenues 14.3 billion US\$ | | |
| Public Expenditures 17.9 billion US\$ | | |

COMMONWEALTH OF AUSTRALIA



A SHORT GEOGRAPHIC REVIEW

| | |
|--------------------|--|
| Area | : 7,682,300 sq km. |
| Population | : 18.4 million as at March 1997 |
| Capital City | : Canberra |
| Main Cities | : Sydney, Melbourne, Brisbane, Adelaide, Perth, Canberra, Hobart, Darwin |
| Language | : English |
| Religion | : Protestant, Roman Catholic, Eastern Orthodox, Islam, Buddhism |
| Currency | : Australian Dollar (AUD) |
| Location | : Oceania, continent between the Indian Ocean and South Pacific Ocean |
| Climate | : Generally arid to semiarid; temperate in south and east; tropical in north |
| Type of Government | : Federal Parliamentary State |
| Independence | : 1 January 1901 (federation of UK colonies) |
| National Holiday | : Australia Day, 26 January (1788) |

ECONOMIC OUTLOOK

Overview

Australia has a prosperous Western-style capitalist economy, with a per capita GDP comparable to levels in highly industrialised West European countries. Rich in natural resources, Australia is a major exporter of agricultural products, minerals, metals, and fossil fuels. Commodities account for more than 80% of the value of total exports, so that, as in 1983-84, a downturn in world commodity prices can have a big impact on the economy. The government is pushing for increased exports of manufactured goods, but competition in international markets continues to be severe. Australia has suffered from the low growth and high unemployment characterising the OECD countries in the early 1990s. In 1992-93 the economy recovered slowly from the prolonged recession of 1990-91, a major restraining factor being weak world demand for Australia's exports. Growth picked up so strongly in 1994 that the government felt the need for fiscal and monetary tightening by year end. Australia's GDP grew 6.4% in 1994, largely due to increases in industrial output and business investment. A severe drought in 1994 reduced the value of Australia's net farm production, but rising world commodity prices boosted commodity exports by 15% to \$42.4 billion in 1995/96, according to government statistics. Short-term economic problems include balancing of output growth and inflationary pressures and the stimulation of exports to offset rising imports.

| | | |
|--|--|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 405.4 billion US\$ (1995 est.) | <ul style="list-style-type: none"> • bauxite • coal • iron ore • copper • tin • silver • uranium • nickel • tungsten • mineral sands • lead • zinc • diamonds • natural gas • petroleum | Arable Land: 6% Permanent Crops: 0% Meadows and Pastures: 58% Forest and Woodland: 14% Other: 22% Irrigated Land: 18,800 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 3.1% Industry: 27.7% Services : 69.2% | 1.7% | 79.39 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 3.3% (1995 est.) | 66% | 8.63 million |
| GNP per Capita | Minimum Wage | Unemployment Rate |
| 22,100 US\$ | 300 / week US\$ | 8.7% |
| Foreign Exchange Rates | | |
| 1 US\$ = 0.725 AUD | | |

| | | |
|--|---|--|
| Electricity | Industries | Agriculture |
| capacity: 34,540,000 kW production: 155 billion kWh consumption per capita: 8,021 kWh | mining, industrial and transportation equipment, food processing, chemicals, steel | wheat, barley, sugarcane, fruits; cattle, sheep, poultry |
| Ind. Production Growth Rate | Exports | Imports |
| 3.9% (1993/94) | 55 billion US\$ (1996) | 56.5 billion US\$ |
| Inflation Rate | Main Export Items | Main Import Items |
| 1.9% | <ul style="list-style-type: none"> • coal • gold • wheat • wool • iron ore concentrates • aluminium • alumina • office machines, data processing • iron and steel • meat • petroleum products • petroleum oils • gas, natural & manufactured • sugar, beet or cane • machinery, specialised • milk, milk products and cream | <ul style="list-style-type: none"> • passenger motor vehicles • auto data process machines • petroleum oils • telecommunication equipment • aircraft and assoc. equipment • paper, paperboard articles • organic chemicals • medicinal and pharmaceutical • motor vehicles for transport • articles of apparel & clothing acc. • plastics • auto parts and accessories • electrical machinery & apparatus • iron and steel • measuring & controlling instr. • civil eng. plant & equipment |
| Interest Rate | Main Export Countries | Main Import Countries |
| 5.4% | Japan, US, South Korea, NZ, UK, Taiwan, Singapore, Hong Kong | US, Japan, UK, Germany, China, Taiwan, South-east Asia, Korea |
| Current Account Balance | | |
| 19.5 billion US\$ | | |
| Public Revenues | | |
| 95.69 billion US\$ | | |
| Public Expenditures | | |
| 95.15 billion US\$ | | |

| | | |
|---|--|--|
| Fixed Investment Growth | External Trade Balance | External Debt |
| 9% | -1.5 billion US\$ | 162 billion US\$ |
| Final Consumption Growth | External Debt / Exports | External Debt / GNP |
| 5.1 % | 294% | 51.9% (1996) |
| Central Bank Reserves | Commercial Bank Reserves | International Reserves |
| 26.6 billion US D | 306.1 billion US\$ | 13.8 billion US\$ |
| Tax Regime | Foreign Trade Regime | Developed (relatively more) Industries |
| The profits earned by an overseas subsidiary will be taxed under the laws of the country in which the subsidiary is situated. Therefore, the subsidiary will pay normal corporate income tax to the government of the country in which it has been incorporated. Second, because the ownership structure of corporations is divided into "shares", its after-tax profits will be distributed to its shareholders in the form of a dividend. When a shareholder receives a dividend payment, it receives that payment in the form of an income. Despite the company having already paid its corporate tax, the shareholder is also liable to pay "capital gains" tax on the dividend income it has earned from its investment in the company shares. | Australian trade policy has undergone much reform between 1986-1996. The aim of the trade policy has been to emphasise the importance of enhancing export facilitation, both seek to encourage Australian enterprises to look beyond Australia to expand their potential market size. This due to the fact that the size of the domestic Australian market is too small to provide many producers the full benefits of economies of scale to achieve the efficiencies required to be competitive. International market expansion means that potential market size can be as large as the success of marketing and expansion programs undertaken by business enterprises. | <ul style="list-style-type: none"> • manufacturing • iron & steel • mining • agriculture and forestry • live animals • meat • wool • gold |
| Transportation | Infrastructure | Financial Institutions |
| Transportation is well developed and maintained with the latest technology. | Infrastructure is well developed and maintained with the latest technology. | Australian financial institutions are well developed in all areas of banking. They can be ranked in world class in all areas of finance especially for international traders. Most commercial and government banks have AAA rating. |
| | Telecommunication | Industrial Relations (Trade Unions and Collective Bargaining) |
| | Telecommunication is well developed and maintained with the latest technology. | Working days lost due to industrial disputes have generally declined in the mid-1990s when compared with the late 1980s and early 1990s. Working days lost in 1994-95 totalled 579,000; this compares with the 1990-91 figure of 1,574,000. A large number of working days lost was recorded in June 1988, October 1991 and November 1992. |

PEOPLE'S REPUBLIC OF BANGLADESH



A SHORT GEOGRAPHIC REVIEW

| | |
|--------------------|---|
| Area | : 144,000 sq km. |
| Population | : 123,062,800 (July 1996 est.) |
| Capital City | : Dhaka |
| Main Cities | : Dhaka, Khulna, Chalna Port, Barisal, Chandpur, Rajshahi, Rangpur |
| Language | : Bangla (official), English |
| Religion | : Muslim 89%, Hindu 10%, other |
| Currency | : Tata (Tk) |
| Location | : Southern Asia, bordering the Bay of Bengal, between Burma and India |
| Climate | : Tropical; cool, dry winter (October to March); hot, humid summer (March to June); cool, rainy monsoon (June to October) |
| Type of Government | : Republic |
| Independence | : 16 December 1971 (from Pakistan) |
| National Holiday | : Independence Day, 26 March (1971) |

ECONOMIC OUTLOOK

Overview

The year 1997 has been declared as the year of capital investment for Industrialization which reflects the attitude of the present Government for attracting foreign investment. In addition, the rich natural resources, unique geographical location and vast human resources makes Bangladesh an attractive choice for investment. At the same parallel, one of the prime objectives of the government of Bangladesh is to attain sustainable development through maximizing the utilization of domestic resources. In order to attract foreign investment, Government has recently implemented a number of policy reforms in the tax system avoidance of double taxation, one stop service for removing the bureaucratic impediments and thus speed up industrialization. There are two existing Export Processing Zones (EPZs) located at Dhaka and Chittagong, the third one is under implementation at Gazipur, Dhaka and another two are planned to set up EPZs at private sector. These are all designed to create a congenial environment at micro and macro level for Foreign Direct Investment (FDI).

| | | |
|--|---|--|
| GDP (purchasing power parity) 144.5 billion US\$ (1995 est.) | Natural Resources <ul style="list-style-type: none">• natural gas• arable land• timber | Land Use, Irrigated Land Arable Land: 67% Permanent Crops: 2% Meadows and Pastures: 4% Forest and Woodland: 16% Other: 11% Irrigated Land: 27,380 sq km |
| GDP Composition by Sector Agriculture: NA Industry: NA Services : NA | | |
| GDP Real Growth Rate 4.6% (1995 est.) | Population Growth Rate 1.85% (1996 est.) | Life Expectancy at Birth 55.86 years |
| GDP per Capita 1,130 US\$ (1995 est.) | Working Age Population Rate 58% | Labour Force 50.1 million |
| Foreign Exchange Rates 1 US\$ = 41 (Tk) (January 1996) | Infant Mortality Rate 102.3 deaths/1,000 live births | Unemployment Rate NA |

| | | |
|--|---|---|
| Electricity <i>capacity:</i> 2,740,000 kW <i>production:</i> 9.2 billion kWh <i>consumption per capita:</i> 70 kWh | Industries <ul style="list-style-type: none">• jute manufacturing• cotton textiles• food processing• steel• fertilizer | Agriculture <ul style="list-style-type: none">• jute• rice• wheat• tea• sugarcane• potatoes• beef• milk• poultry |
| Ind. Production Growth Rate 8.5% (1995) | | |
| Inflation Rate 4.5% (1995) | | |
| Exports 2.7 billion US\$ (1995 est.) | Main Export Items <ul style="list-style-type: none">• garments• jute and jute goods• leather• shrimp | Main Import Items <ul style="list-style-type: none">• capital goods• petroleum• food• textiles |
| Imports 4.7 billion US\$ (1995 est.) | | |
| External Debt 15.7 billion US\$ (1995 est.) | | |
| Public Revenues 2.8 billion US\$ | Main Export Countries <ul style="list-style-type: none">• US 33%• W. Europe 39%• Germany 8.4%• Italy 6% | Main Import Countries <ul style="list-style-type: none">• Hong Kong 7.5%• Singapore 7.4%• China 7.4%• Japan 7.1% |
| Public Expenditures 4.1 billion US\$ | | |

ARAB REPUBLIC OF EGYPT**A SHORT GEOGRAPHIC REVIEW**

| | |
|--------------------|--|
| Area | : 1,001,450 sq km. |
| Population | : 63,575,107 (July 1996 est.) |
| Capital City | : Cairo |
| Main Cities | : Cairo, Alexandria, Marsa Matruh |
| Language | : Arabic |
| Religion | : Muslim 94%, Coptic Christian and other 6% |
| Currency | : Egyptian Pound (£E) |
| Location | : Northern Africa, bordering the Mediterranean Sea, between Libya and the Gaza Strip |
| Climate | : Desert; hot, dry summers with moderate winters |
| Type of Government | : Republic |
| Independence | : 28 February 1922 (from UK) |
| National Holiday | : Anniversary of the Revolution, 23 July (1952) |

ECONOMIC OUTLOOK**Overview**

Half of Egypt's GDP originates in the public sector, most industrial plants being owned by the government. Overregulation holds back technical modernization and foreign investment. Even so, the economy grew rapidly during the late 1970s and early 1980s, but in 1986 the collapse of world oil prices and an increasingly heavy burden of debt servicing led Egypt to begin negotiations with the IMF for balance-of-payments support. Egypt's first IMF standby arrangement, concluded in mid-1987, was suspended in early 1988 because of the government's failure to adopt promised reforms. Egypt signed a follow-on program with the IMF and also negotiated a structural adjustment loan with the World Bank in 1991. In 1991-93 the government made solid progress on administrative reforms such as liberalizing exchange and interest rates, but resisted implementing major structural reforms like streamlining the public sector. As a result, the economy has not gained enough momentum to tackle the growing problem of unemployment. Egypt made uneven progress in implementing the successor programs it signed onto in late 1993 with the IMF and World Bank; currently it is negotiating another successor program with the IMF.

| | | |
|---|--|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 171 billion US\$ (1995 est.) | <ul style="list-style-type: none"> • petroleum • natural gas • iron ore • phosphates • manganese • limestone | Arable Land: 3% Permanent Crops: 2% Meadows and Pastures: 0% Forest and Woodland: 0% Other: 95% Irrigated Land: 25,850 sq km |
| GDP Composition by Sector | | |
| Agriculture: 17.7% Industry: 18.1% Services : 64.2% | | |
| GDP Real Growth Rate | Population Growth Rate | Life Expectancy at Birth |
| 4% (1995 est.) | 1.91% (1996 est.) | 61.43 years |
| GDP per Capita | Working Age Population Rate | Labour Force |
| 2,760 US\$ (1995 est.) | 60% | 16 million (1994 est.) |
| Foreign Exchange Rates | Infant Mortality Rate | Unemployment Rate |
| 1 US\$ = 3.4 (£E) | 72.8 deaths/1,000 live births | 20% (1995 est) |

| | | |
|---|--|--|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 11,830,000 kW <i>production:</i> 44.5 billion kWh <i>consumption per capita:</i> 695 kWh | <ul style="list-style-type: none"> • textiles • food processing • tourism • chemicals • petroleum • construction • cement • metals | <ul style="list-style-type: none"> • cotton • rice • corn • wheat • beans • fruits • vegetables • cattle • water buffalo • sheep • goats • annual fish catch about 140,000 metric tons |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| NA | <ul style="list-style-type: none"> • crude oil and petroleum products • cotton yarn • raw cotton • textiles • metal products • chemicals | <ul style="list-style-type: none"> • machinery and equipment • foods • fertilizers • wood products • durable consumer goods • capital goods |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 9.4% (year end 1995) | <ul style="list-style-type: none"> • EU • US • Japan | <ul style="list-style-type: none"> • US • EU • Japan |
| Exports | | |
| 5.4 billion US\$ (f.o.b.1995) | | |
| Imports | | |
| 15.2 billion US\$ (c.i.f., 1995) | | |
| External Debt | | |
| 33.6 billion US\$ (1995 est.) | | |
| Public Revenues | | |
| 18 billion US\$ | | |
| Public Expenditures | | |
| 19.4 billion US\$ | | |

FRENCH REPUBLIC**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|--|
| Area | : 547,030 sq km. |
| Population | : 58,317,450 (July 1996 est.) |
| Capital City | : Paris |
| Main Cities | : Paris, Strasbourg, Lyon, Marseilles, Bordeaux, Nîmes |
| Language | : French |
| Religion | : Roman Catholic 90%, Muslim 5%, Protestant 2%, Jewish 1%, other 1% |
| Currency | : French Franc |
| Location | : Western Europe, bordering the Bay of Biscay and English Channel, between Belgium and Spain southeast of the UK; bordering the Mediterranean Sea, between Italy and Spain |
| Climate | : Generally cool winters and mild summers, but mild winters and hot summers along the Mediterranean |
| Type of Government | : Republic |
| Independence | : 486 (unified by Clovis) |
| National Holiday | : National Day, Taking of the Bastille, 14 July (1789) |

ECONOMIC OUTLOOK**Overview**

One of the four West European trillion-dollar economies, the French economy features considerable - albeit diminishing - state control over its capitalistic market system. In running important industrial segments (railways, airlines, electricity, telecommunications), administering an exceptionally generous social welfare system, and staffing an enormous bureaucracy, the state spends about 55% of GDP. France has substantial agricultural resources and a diversified modern industrial sector. Large tracts of fertile land, the application of modern technology, and subsidies have combined to make it the leading agricultural producer in Western Europe. Largely self-sufficient in agricultural products, France is a major exporter of wheat and dairy products. The industrial sector generates about one-quarter of GDP, and the growing services sector has become crucial to the economy. Following stagnation and recession in 1991-93, French GDP expanded 2.4% in 1994 and in 1995. Persistently high unemployment still poses a major problem for the government, as will the need to cut back on welfare benefits and bureaucratic budgets. Paris remains committed to maintaining the franc-deutsche mark parity, which has kept French interest rates high at the expense of jobs. Although the pace of economic and financial integration within the European Union has slowed down, integration will remain a major force in France, shaping the fortunes of the various economic sectors over the next few years.

| | | |
|--------------------------------------|---|--|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 1.173 trillion US\$ (1995 est.) | <ul style="list-style-type: none"> • coal • iron ore • bauxite • fish | <ul style="list-style-type: none"> • timber • zinc • potash |
| GDP Composition by Sector | | |
| Agriculture: 2.4% | | Arable Land: 32% |
| Industry: 26.5% | | Permanent Crops: 2% |
| Services: 71.1% | | Meadows and Pastures: 23% |
| | | Forest and Woodland: 27% |
| | | Other: 16% |
| | | Irrigated Land: 14,850 sq km |
| GDP Real Growth Rate | Population Growth Rate | Life Expectancy at Birth |
| 2.4% (1995 est.) | 0.34% (1996 est.) | 77.93 years |
| GDP per Capita | Working Age Population Rate | Labour Force |
| 20,200 US\$ (1995 est.) | 65.62% | 24.17 million |
| Foreign Exchange Rates | Infant Mortality Rate | Unemployment Rate |
| 1 US\$ = 5.0056 French francs | 5.3 deaths/1,000 live births | 11.7% (1995) |

| | | |
|---|--|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 105,250,000 kW <i>production:</i> 447 billion kWh <i>consumption per capita:</i> 6,149 kWh | <ul style="list-style-type: none"> • steel • machinery • chemicals • automobiles • metallurgy • aircraft | <ul style="list-style-type: none"> • wheat • cereals • sugar beets • potatoes • wine grapes • beef • dairy products |
| Ind. Production Growth Rate | | <ul style="list-style-type: none"> • fish catch of 850,000 metric tons ranks among world's top 20 countries and is all used domestically |
| 2.6% (1994 est.) | | |
| Inflation Rate | | |
| 1.7% (1995) | | |
| Exports | Main Export Items | Main Import Items |
| 235.5 billion US\$ (f.o.b., 1994 est.) | <ul style="list-style-type: none"> • machinery and transportation equipment • chemicals • foodstuffs • agricultural products • iron and steel products • textiles and clothing | <ul style="list-style-type: none"> • crude oil • machinery and equipment • agricultural products • chemicals • iron and steel products |
| Imports | | |
| 229.3 billion US\$ (c.i.f., 1994 est.) | | |
| External Debt | Main Export Countries | Main Import Countries |
| 300 billion US\$ | <ul style="list-style-type: none"> • Germany 17.1% • Italy 9.3% • Spain 7.1% • Belgium-Lux. 8.7% • UK 9.9% | <ul style="list-style-type: none"> • Netherlands 4.6% • US 7.0% • Japan 2.0% • Russia 0.5% |
| Public Revenues | | <ul style="list-style-type: none"> • Germany 17.8% • Italy 10.1% • Spain 8.8% • Belgium-Lux. 9.1% • UK 7.9% |
| 220.5 billion US\$ | | <ul style="list-style-type: none"> • Netherlands 4.9% • Russia 1.2% • Japan 3.7% • US 8.5% |
| Public Expenditures | | |
| 249.1 billion US\$ | | |

FEDERAL REPUBLIC OF GERMANY**A SHORT GEOGRAPHIC REVIEW**

| | |
|--------------------|---|
| Area | : 356,910 sq km. |
| Population | : 83,536,115 (July 1996 est.) |
| Capital City | : Berlin |
| Main Cities | : Berlin, Hamburg, Frankfurt, Bremen, München |
| Language | : German |
| Religion | : Protestant 45%, Roman Catholic 37%, Muslim 3% |
| Currency | : Deutsche Mark |
| Location | : Central Europe, bordering the Baltic Sea and the North Sea, between the Netherlands and Poland, south of Denmark |
| Climate | : Temperate and marine; cool, cloudy, wet winters and summers; occasionally warm, tropical foehn wind; high relative humidity |
| Type of Government | : Federal Republic |
| Independence | : 18 January 1871 |
| National Holiday | : Germany Unity Day, 3 October (1990) |

ECONOMIC OUTLOOK**Overview**

Germany, the world's third-most powerful economy, faces its own unique problem of bringing its eastern area up to scratch after 45 years of communist rule. Despite substantial progress toward economic integration, the eastern states will continue to rely on subsidies from the federal government into the next century. Assistance to the east of about \$100 billion annually has helped the region average nearly 8% annual economic growth since 1991, even though the overall German economy has averaged less than 2% growth. The economic recovery in the east has been led by the construction industries, with growth increasingly supported by the service sectors and light manufacturing industries. Western Germany, which accounts for 90% of overall German GDP and has three times the per capita income of eastern Germany, is perennially the first- or second-largest exporter, after the US, in the world. Nonetheless, business and political leaders have in recent years become increasingly concerned about Germany's apparent decline in attractiveness as a business location. They cite the increasing preference of German companies to locate manufacturing facilities - long the strength of the postwar economy - to foreign countries, including the US, rather than in Germany, so they can be closer to their markets and avoid Germany's high production costs. The conditions under which European economic integration - especially movement toward a single European currency - will proceed will be another key issue facing Germany in the next few years.

| | | |
|--|--|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 1.4522 trillion (1995 est.) | <ul style="list-style-type: none"> • iron ore • coal • potash • timber • lignite • uranium | Arable Land: 34% Permanent Crops: 1% Meadows and Pastures: 16% Forest and Woodland: 30% Other: 19% Irrigated Land: 4,800 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 1% Industry: 34.2% Services : 64.8% | 0.67% | 75.95 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 1.8% | 68.52% | 36.75 million |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 17,900 US\$ (1995 est.) | 6 deaths/1,000 live births | 8.7% (western), 14.9% (eastern) |
| Foreign Exchange Rates | | |
| 1 US\$ = 1.73 DM (November 1997) | | |

| | | |
|---|--|---|
| Electricity | Industries | Agriculture |
| capacity: 115,430,000 kW production: 493 billion kWh consumption per capita: 5,683 kWh | Western: among world's largest and technologically advanced producers of iron, steel, coal, cement, chemicals, machinery, vehicles, machine tools, food and beverages Eastern: metal fabrication, chemicals, brown coal, shipbuilding, machine building, food and beverages, textiles, petroleum refining | Western: potatoes, wheat, barley, sugar beets, fruit, cabbage; cattle, pigs, poultry Eastern: wheat, rye, barley, potatoes, sugar beets, fruit; pork, beef, chicken, milk, hides |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 2.8% (1994) | <ul style="list-style-type: none"> • manufactures 89.3% (including machines and machine tools, chemicals, motor vehicles, iron and steel products) • agricultural products 5.5% • raw materials 2.7% • fuels 1.3% | <ul style="list-style-type: none"> • manufactures 75.1% • agricultural products 10.0% • fuels 8.3% • raw materials 5.0% |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 2% | <ul style="list-style-type: none"> • EC 47.9% - France - Netherlands - Italy - UK - Belgium-Lux. | <ul style="list-style-type: none"> • EC 46.4% - France - Netherlands - Italy - UK - Belgium-Lux. |
| Interest Rate | | |
| 3.5% | | |
| Exports | | |
| 437 billion US\$ (f.o.b., 1994) | | |
| Imports | | |
| 362 billion US\$ (f.o.b., 1994) | | |
| Public Revenues | | |
| 690 billion US\$ | | |
| Public Expenditures | | |
| 780 billion US\$ | | |

ISLAMIC REPUBLIC OF IRAN**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|---|
| Area | : 1.648 million sq km. |
| Population | : 66,094,264 (July 1996 est.) |
| Capital City | : Tehran |
| Main Cities | : Tehran, Mashhad, Isfahan, Tebriz, Shiraz, Karaj, Ahwaz |
| Language | : Persian and Persian dialects |
| Religion | : Muslim 99% |
| Currency | : Iranian Rial |
| Location | : Middle East, bordering the Gulf of Oman, the Persian Gulf, and the Caspian Sea, between Iraq and Pakistan |
| Climate | : Mostly arid or semiarid, subtropical along Caspian coast |
| Type of Government | : Islamic Republic |
| Independence | : 1 April 1979 (Islamic Republic of Iran proclaimed) |
| National Holiday | : Islamic Republic Day, 1 April (1979) |

ECONOMIC OUTLOOK**Overview**

The beginning of (1995/96) coincided with an increasing trend in inflationary expectations. This trend, which began in the second half 1994, became more intense at the end of 1994 due to the expansionary fiscal operations of the government, and intensified the adverse external environment. Domestic markets were severely affected by these developments in the beginning of 1994; particularly the goods and exchange markets heated up in late May. Continuation of this trend could jeopardise the economy; therefore in order to bring the economy under control and lead the economic activities towards a favourable situation, a set of stabilisation policies were implemented in the first quarter of 1994. To this end, fixing the exchange rate and the price of certain goods, channeling non-oil export proceeds into the banking system, taking severe measures against the smuggling of goods and foreign exchange, and the provision of the required financial resources—both in foreign exchange and domestic currency—for rapid supply of goods, were put in place.

Implementation of these policies had an immediate impact on improving economic conditions by easing market tensions, stabilising both goods and exchange markets, and reducing inflationary expectations. These policies were successful in curbing the rising trend of price indices.

Following these developments, the downward trend of GDP growth was reversed, and the economy showed a favourable upward swing. As a result of import compression policy, the positive trend of the balance of payments that had started since 1994, continued, and the current account enjoyed a surplus for the second consecutive year, despite the fall in non-oil exports. Enjoying this surplus made the international reserves of the country rise to a safe level. These changes, together with the successful rescheduling of external obligations, led to the strengthening of the country's credit worthiness.

| | | |
|--------------------------------------|--|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 323.5 billion US\$ (1995 est.) | <ul style="list-style-type: none">• petroleum• natural gas• coal• chromium• copper | <ul style="list-style-type: none">• iron ore• lead• manganese• zinc• sulfur |
| GDP Composition by Sector | | Arable Land: 8% |
| Agriculture: 27% | | Permanent Crops: 0% |
| Industry: 41% | | Meadows and Pastures: 27% |
| Services : 32% | | Forest and Woodland: 11% |
| | | Other: 54% |
| | | Irrigated Land: 57,500 sq km |
| GDP Real Growth Rate | Population Growth Rate | Life Expectancy at Birth |
| 7.8% (1989-1993) | 2.21% (1996 est.) | 67.39 years |
| GDP per Capita | Working Age Population Rate | Labour Force |
| 5,000 US\$ | 52% | 15.4 million |
| Foreign Exchange Rates | Infant Mortality Rate | Unemployment Rate |
| 1 US\$ = 3,000 Rials | 52.7 deaths/1,000 live births | 30% (1995 est) |

| | | |
|---|--|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 19,080,000 kW <i>production:</i> 50.8 billion kWh <i>consumption per capita:</i> 745 kWh | <ul style="list-style-type: none"> • petroleum • petrochemicals • textiles • cement and other construction materials • metal fabricating • armaments • food processing (particularly sugar refining and vegetable oil production) | <ul style="list-style-type: none"> • wheat • rice • other grains • sugar beets • fruits • nuts • cotton • dairy products • wool • caviar |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 4.3% (1994 est.) | <ul style="list-style-type: none"> • petroleum 85% • carpets • industrial products • pistachio • agricultural and traditional goods • mineral products | <ul style="list-style-type: none"> • wheat • rice • edible oil • sugar • paper • machinery • raw materials • chemicals • chemical products • technology |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 25% | <ul style="list-style-type: none"> • Germany • U.A.E. • Japan • France • UK • Italy • Argentina • Brazil • South Korea | <ul style="list-style-type: none"> • Germany • Japan • UK • Italy • UAE |
| Exports | | |
| 18.4 billion US\$ (1995) | | |
| Imports | | |
| 12.7 billion US\$ (1995) | | |
| External Debt | | |
| 17 billion US\$ (1995) | | |
| Public Revenues | | |
| NA | | |
| Public Expenditures | | |
| NA | | |

| | | |
|---|--|--|
| External Trade Balance 5.7 billion US\$ (1996) | Domestic Debt 1.3 billion US\$ | Domestic Debt / GNP 0.017% |
| Current Account Balance 3.5 billion US\$ (1995) | Fixed Investment Growth 46.2% (1995) | Final Consumption Growth 35.6% |
| Potential Areas of Trade <ul style="list-style-type: none"> • technology • industry and agriculture | Developed (relatively more) Industries <ul style="list-style-type: none"> • oil and gas • petrochemical • iron & steel • copper • aluminium • power plants • chemical | Tax Regime Commercial Benefit Tax (CBT) is levied on most imports in addition to any applicable customs duties. Municipal tax, port tax, health tax, portage, etc. are collected in addition to customs duties and the CBT. |
| Foreign Trade Regime <p>Under regulations effective from May 1994, all imports (except special military and pharmaceutical products and souvenirs and gifts brought by incoming travellers) must be authorised by the Ministry of Commerce before they are registered with the authorised banks.</p> <p>The imports policy is re-examined periodically at the end of each Iranian calendar year (March 20), and new regulations, effective for the next year are published by the Ministry of Commerce.</p> <p>The export of Iranian commodities is free unless there is a need due to a shortage of a specific product.</p> <p>Exchange control authority is vested in Iran Central Bank. All foreign exchange transactions other than those permitted through the free exchange market must take place through Iran Central Bank or authorised banks.</p> | Customs and Tariffs <p>In June 1996, the cabinet announced that the import of used machinery for producing, industrial, mining and agricultural units will be duty free. Importers of used machinery must use free foreign exchange. Medicines, medical drugs and chemical agent used in laboratories are exempted from duties.</p> | Infrastructure <p>All the needed infrastructure of an economy such as expert manpower, energy, transportation network, communications and access to the necessary sources are available in Iran's economy.</p> |
| Remittance of Profits from Foreign Capital Is possible on the basis of the current regulations of the country | Potential Investment and Co-operation Areas and Industries <p>In March 1995, a law on "Foreign Direct Investment" (FDI) opened the doors to non-Iranian companies, allowing them to obtain more than 50 per cent of joint venture companies with approval of the Foreign Investment Board. Under the law, non-Iranian companies will enjoy tax incentives and operating rights, similar to those provided for domestic companies.</p> <p>Iran now allows unrestricted foreign investment and trading in five free trade zones of Sirjan, Chahbahar and Islands of Qeshm, Kish and Hormoz. Companies, including banks, operating in these zones, will face little or no currency restrictions. Other incentives include insurance facilities, favorable tariffs and 15-year tax breaks.</p> | Transportations <p>Air, road and railway has been improved throughout the country.</p> Telecommunications <p>All kinds of telecommunications are available.</p> Money Transferring Facilities <p>Through the banking system.</p> Industrial Relations <p>Iran is member of the most of the regional and international agreements.</p> |

HASHEMITE KINGDOM OF JORDAN**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|---|
| Area | : 89,213 sq km. |
| Population | : 4,212,152 (July 1996 est.) |
| Capital City | : Amman |
| Main Cities | : Amman, Az Zarga, Irbid, Al Karak, Al Aqabah |
| Language | : Arabic |
| Religion | : Muslim 92%, Christian 8% |
| Currency | : Jordanian Dinar (JD) |
| Location | : Middle East, northwest of Saudi Arabia |
| Climate | : Mostly arid desert; rainy season in west (November to April) |
| Type of Government | : Constitutional Monarchy |
| Independence | : 25 May 1946 (from League of Nations mandate under British administration) |
| National Holiday | : Independence Day, 25 May (1946) |

ECONOMIC OUTLOOK**Overview**

Jordan is an Arab country with rich human resources. The economy is based mainly on trading and highly utilises worker remittance. Jordan benefited from increased Arab aid during the oil boom of the late 1970s and early 1980s, when its annual real GNP growth averaged more than 10%. In the remainder of the 1980s, however, reductions in both Arab aid and worker remittance slowed real economic growth to an average of roughly 2% per year. Imports - mainly oil, capital goods, consumer durable, and food - outstripped exports, with the difference covered by aid, remittance, and borrowing. In mid-1989, the Jordanian Government began debt-rescheduling negotiations and agreed to implement an IMF-supported program designed to gradually reduce the budget deficit and implement badly needed structural reforms. The Persian Gulf crisis that began in August 1990, however, aggravated Jordan's economic problems, forcing the government to shelve the IMF program, stop most debt payments, and suspend rescheduling negotiations. Aid from Gulf Arab states, worker remittance, and trade contracted; and refugees flooded the country, producing serious balance-of-payments problems, stunting GDP growth, and straining government resources. The economy rebounded in 1992, largely due to the influx of capital repatriated by workers returning from the Gulf, but the recovery was uneven throughout 1994 and 1995. The government is implementing the reform program adopted in 1992 and continues to secure rescheduling and write-offs of its heavy foreign debt.

| | | |
|---|--|---|
| GDP (purchasing power parity) 19.3 billion US\$ (1995 est.) | Natural Resources <ul style="list-style-type: none">• phosphates• potash• shale oil | Land Use, Irrigated Land Arable Land: 4% Permanent Crops: 0.5% Meadows and Pastures: 1% Forest and Woodland: 0.5% Other: 94% Irrigated Land: 570 sq km |
| GDP Composition by Sector Agriculture: 11% Industry: 25% Services : 64% | Population Growth Rate 2.65% (1996 est.) | Life Expectancy at Birth 72.48 years |
| GDP Real Growth Rate 6.5% (1995 est.) | Working Age Population Rate 53% | Labour Force 600,000 (1992) |
| GDP per Capita 4,700 US\$ (1995 est.) | Infant Mortality Rate 31.5 deaths/1,000 live births | Unemployment Rate 16% (1994 est.) |
| Foreign Exchange Rates 1 US\$ = 0.7090 (JD) (January 1996) | | |

| | | |
|---|---|---|
| Electricity <i>capacity:</i> 1,050,000 kW <i>production:</i> 4.2 billion kWh <i>consumption per capita:</i> 1,072 kWh | Industries <ul style="list-style-type: none">• phosphate mining• petroleum refining• cement• potash• light manufacturing | Agriculture <ul style="list-style-type: none">• wheat• barley• citrus• tomatoes• melons• olives• sheep• goats• poultry |
| Ind. Production Growth Rate 5.6% (1994 est.) | | |
| Inflation Rate 3% (1995) | | |
| Exports 1.7 billion US\$ (f.o.b., 1994) | Main Export Items <ul style="list-style-type: none">• phosphates• fertilizers• potash• agricultural products• manufactures | Main Import Items <ul style="list-style-type: none">• crude oil• machinery• transport equipment• food• live animals• manufactured goods |
| Imports 3.8 billion US\$ (c.i.f., 1994)) | | |
| External Debt 6.9 billion US\$ (1995 est.) | Main Export Countries <ul style="list-style-type: none">• India• Iraq• Saudi Arabia• EU• Indonesia• UAE | Main Import Countries <ul style="list-style-type: none">• EU• US• Iraq• Japan• Turkey |
| Public Revenues 2.5 billion US\$ | | |
| Public Expenditures 2.5 billion US\$ | | |

MALAYSIA



A SHORT GEOGRAPHIC REVIEW

| | |
|--------------------|---|
| Area | : 329,750 sq km. |
| Population | : 20.6 million |
| Capital City | : Kuala Lumpur |
| Main Cities | : Kuala Lumpur, Ipoh, Georgetown, Johor Bahru, Petaling Jaya |
| Language | : Bahasa Malay, English. |
| Religion | : Muslim 55%, Buddhist, Christian |
| Ethnic Division | : Malay 59%, Chinese 32%, Indian 9% |
| Currency | : Ringgit |
| Location | : Southeastern Asia, peninsula and northern one-third of the island of Borneo, bordering Indonesia and the South China Sea, south of Vietnam. Strategically located along the Strait of Malacca and southern South China Sea. |
| Climate | : Tropical, annual southwest (April to October) and northeast (October to February) monsoons. |
| Type of Government | : Constitutional Monarchy |
| Independence | : 31 August 1957 (from UK) |
| National Holiday | : National Day, 31 August (1957) |

ECONOMIC OUTLOOK

Overview

The Malaysian economy, a mixture of private enterprise and public management, has posted a remarkable record of 9% average annual growth between 1988 and 1995. The official growth target for 1997 is 8.2%. This growth has resulted in a substantial reduction in poverty and a market rise in the economy. The government is aware of the inflationary potential of this rapid development and is closely monitoring its fiscal and monetary policies.

Manufactured goods exports have expanded rapidly. Foreign investors continue to commit large sums in the economy.

Malaysia is a stable and rapidly growing country, utilising its rich human and natural resources. As a Muslim country, Malaysia is one of the most technologically advanced countries in the world.

| | | |
|--|--|--|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 193.6 billion US\$ (1995 est.) | <ul style="list-style-type: none"> tin concentrate copper concentrates bauzite iron petroleum | Arable Land: 3% Permanent Crops: 10% Meadows and Pastures: 0% Forest and Woodland: 63% Irrigated Land: 3,420 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 8% Industry: 25% Services: 67% | 2.1% | 69.75 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 8.2% | 60% | 7.627 million US\$ |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 9,800 US\$ | 24 deaths/1,000 live births (1996 est.) | 2.6% |
| GDP per Capita (according to ppp) | Industries | Agriculture |
| 2,300 US\$ | <i>Peninsular Malaysia:</i> rubber and oil palm processing and manufacturing, light manufacturing, electronics, tin mining and smelting, logging, and processing timber <i>Sabah:</i> logging, petroleum production <i>Sarawak:</i> agriculture processing, petroleum production and refining, logging | <i>Peninsular Malaysia:</i> natural rubber, palm oil, rice <i>Sabah:</i> subsistence crops, rubber, coconut, rice <i>Sarawak:</i> Rubber, pepper, timber |
| Electricity | Exports | Imports |
| <i>Capacity:</i> 6,700,000 kW <i>Production:</i> 31 billion kWh <i>Consumption per Capita:</i> 1,528 kWh | 69.6 billion US\$ | 70.1 billion US\$ |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 12% (1994) | Electronic Goods: 49% Other Manufactured Goods: 29% Palm Oil: 6.0% Wood Products: 5.0% Oil Sector: 11.0% | Capital Goods: 41.3% Consumer Goods: 14.7% Intermediate Goods: 43.5% Others: 0.5% |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 3.5% | U.S.A., E.U., Japan, East Asia, ASEAN, Middle East | U.S.A., E.U., Japan, East Asia, ASEAN, Middle East |
| Interest Rate | External Trade Balance | External Debt |
| 8.0% | -0.503 billion US\$ | 0.488 billion US\$ |
| Public Revenues | External Debt / GNP | External Debt / Exports |
| 20.2 billion US\$ | 12% | 1% |
| Public Expenditures | | |
| 19.6 billion US\$ | | |
| Current Account Balance | | |
| 6 billion US\$ | | |
| Domestic Debt | | |
| 0.017 billion US\$ | | |

| | | |
|---|---|---|
| Domestic Debt / GNP | External Debt Service / Exports | Foreign Exchange Rates |
| 42% | 1% | 1 US\$= 3.00 RM |
| Central Bank Reserves | Commercial Bank Reserves | International Reserves |
| 20.5 billion US\$ | 89.5 billion US\$ | 23.0 billion US\$ |
| Fixed Investment Growth | Final Consumption Growth | Developed (relatively more) Industries |
| 25% | 10% | Information Technologies, Electronic Sector, Oil and Gas |
| Potential Areas of Trade | Potential Investment and Co-operation Areas and Industries | Political Situation |
| Information Technologies, Electronic Sector, Oil and Gas | Information Technologies, Electronic Sector, Oil and Gas | very stable |
| Tax Regime | Foreign Trade Regime | Remittance of Profits from Foreign Capital |
| Corporate Tax: 30% Value Added Tax: 5-15% | Encourage foreign participation in local and foreign ventures. | Free repatriation subject to disclosure to the authority |
| Customs and Tariffs | Financial Institutions | Infrastructure |
| Subject to ITC codes | May Bank, Bil Public Bank, D & C Bank, Bank Bumi Bank, Arab-Malaysian Bank, UMBC Bank | Good port facilities, airports and railroads. International standard highways and telecommunication system. |
| Telecommunication | Transportation | Industrial Relations (Trade Unions and Collective Bargaining) |
| Good telecommunication facilities of international standard | Good highways and railway system of international standard. | M.T.U.C |

FEDERAL REPUBLIC OF NIGERIA**A SHORT GEOGRAPHIC REVIEW**

| | |
|--------------------|--|
| Area | : 923,770 sq km. |
| Population | : 103,912,489 (July 1996 est.) |
| Capital City | : Abuja |
| Main Cities | : Abuja, Kaduna, Kano, Sokoto, Yola, Makurdi |
| Language | : English (official), Hausa, Yoruba, Ibo, Fulani |
| Religion | : Muslim 50%, Christian 40%, indigenous beliefs 10% |
| Currency | : Naira (N) |
| Location | : Western Africa, bordering the Gulf of Guinea, between Benin and Cameroon |
| Climate | : Varies; equatorial in south, tropical in center, arid in north |
| Type of Government | : Military Government |
| Independence | : 1 October 1960 (from UK) |
| National Holiday | : Independence Day, 1 October (1960) |

ECONOMIC OUTLOOK**Overview**

Nigeria, being the largest market in black Africa, is a potential market. The oil-rich Nigerian economy faces certain problems from political instability and poor macroeconomic management.

Nigeria's military rulers have not made significant progress in diversifying the economy away from overdependence on the capital intensive oil sector which provides almost all foreign exchange earnings and about 80% of budgetary revenues.

Inflation, a steady depreciation of the Naira and a lack of investor encouragement from officials is also an issue.

The government's domestic and international arrears continue to limit economic growth and prevent an agreement with the IMF and bilateral creditors on debt relief. The largely subsistence agricultural sector is trying to keep up with rapid population growth, and Nigeria, once a large net exporter of food, now must import food.

| | | |
|---|---|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 135.9 billion US\$ (1995 est.) | <ul style="list-style-type: none">• petroleum• tin• columbite• iron ore• coal• limestone• lead• zinc• natural gas | Arable Land: 31% Permanent Crops: 3% Meadows and Pastures: 23% Forest and Woodland: 15% Other: 28% Irrigated Land: 8,650 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 38% Industry: 22% Services : 40% | 3.05% (1996 est.) | 54.34 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 2.14% | 52% | 42.844 million |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 1,300 US\$ (1995 est.) | 72.4 deaths/1,000 live births | 30% |
| Foreign Exchange Rates | | |
| 1 US\$ = 85 Naira | | |

| | | |
|--|---|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 4,570,000 kW <i>production:</i> 11.3 billion kWh <i>consumption per capita:</i> 109 kWh | <ul style="list-style-type: none"> • crude oil • coal • tin • columbite • palm oil • peanuts • cotton • rubber • wood • hides and skins • textiles | <ul style="list-style-type: none"> • cocoa • peanuts • palm oil • rubber • corn • rice • sorghum • millet |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| NA | <ul style="list-style-type: none"> • cement and other construction materials • foot products • footwear • chemicals • fertilizer • printing • ceramics • steel | <ul style="list-style-type: none"> • cassava • yams • cattle • sheep • goats • pigs • fishing |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 25% | <ul style="list-style-type: none"> • oil 98% • cocoa • rubber | <ul style="list-style-type: none"> • machinery • transportation equipment • manufactured goods • chemicals • food and animals |
| Exports | | |
| 10.6 billion US\$ | | |
| Imports | | |
| 9.331 billion US\$ | | |
| External Debt | | |
| 32.5 billion US\$ (1993) | | |
| Public Revenues | | |
| 2.7 billion US\$ | | |
| Public Expenditures | | |
| 6.4 billion US\$ (1994 est.) | | |

ISLAMIC REPUBLIC OF PAKISTAN**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|---|
| Area | : 803,394 sq km. |
| Population | : 130 million |
| Capital City | : Islamabad |
| Main Cities | : Karachi, Lahore, Hyderabad, Faisalabad, Quetta, Peshawar, Rawalpindi-Islamabad, Sialkot |
| Language | : Urdu (official), English |
| Religion | : Islam |
| Currency | : Rupee |
| Location | : Southern Asia, bordering the Arabian Sea, between India and Iran |
| Climate | : Mostly hot, dry desert, temperate in northwest; arctic in north |
| Type of Government | : Republic |
| Independence | : 14 August 1947 (from UK) |
| National Holiday | : Pakistan Day, 23 March 1956 (proclamation of the republic) |

ECONOMIC OUTLOOK**Overview**

Economically, Pakistan is considered to be a developing nation. It is bracketed with low-income countries. By successful completion of its second five-year plan in the 1960's Pakistan was considered to be a model for planned development of the underdeveloped countries, especially Asian ones. It was this period when Korca approached Pakistan to understand its development model and action plan to implement it. During the second part of the decade, certain negative effects became so strong, that Pakistan had to undergo the shock of disintegration. After wards it experienced hard economic circumstances. The nation, however, faced the adverse circumstances with courage and determination and has tried to maintain its GDP growth rate at about 6%. Pakistan's economic structure is under the process of transition. It is being transformed from an agrarian economy to an industrial economy. At the same time, work culture, distribution of population by area and skills of the labour force are changing rapidly. The Pakistan economy has many strengths and weaknesses. It provides many opportunities to the bold and brave investors.

| | | |
|---|---|--|
| GNP (purchasing power parity) 274.2 billion US\$ (1995 est.) | Natural Resources • land • iron ore • extensive natural • copper gas reserves • salt • limited petroleum • limestone • coal | Land Use, Irrigated Land Arable Land: 23% Permanent Crops: 0% Meadows and Pastures: 6% Forest and Woodland: 4% Other: 67% Irrigated Land: 170,000 sq km |
| GNP Composition by Sector Agriculture: 24% Industry: 27% Services : 49% | Population Growth Rate 2.9% | Life Expectancy at Birth 58.46 years |
| GNP Real Growth Rate 4.7% | Working Age Population Rate 53% | Labour Force 36 million |
| GNP per Capita (according to ppp) 465 US\$ | Infant Mortality Rate 96.8 deaths / 1,000 live births (1996) | Unemployment Rate 5.37% |
| GNP per Capita 2,340 US\$ | | |

| | | |
|---|--|--|
| Electricity <i>capacity:</i> 12,530,000 kW <i>production:</i> 45.3 billion kWh <i>consumption per capita:</i> 389 kWh | Industries textiles, food processing, beverages, construction materials, clothing, paper products, shrimp | Agriculture cotton, wheat, rice, sugarcane, fruits, vegetables; milk, beef, mutton, eggs |
| Ind. Production Growth Rate 5% | Exports 6.128 billion US\$ | Imports 8.809 billion US\$ |
| Inflation Rate 13.8% | Main Export Items textile and cotton, leather and leather products, carpets, sporting goods, surgical instruments, wool and woolen products, fish and fish products, rice, fruits and vegetables | Main Import Items machinery, food items, petroleum, chemicals, metal, vegetable oil, electronic goods, pharmaceutical materials, transportation equipment |
| Interest Rate mark up 20% | Main Export Countries Japan, USA, Germany, UK, Saudi Arabia, China, Kuwait, France, Dubai, South Korea, Malaysia, Hong Kong | Main Import Countries Japan, USA, UK, Germany, Saudi Arabia, Kuwait, France, Dubai, South Korea, China, Malaysia, Hong Kong |
| Current Account Balance -0.522 billion US\$ | External Trade Balance -2.681 billion US\$ | External Debt 30.03 billion US\$ |
| Public Revenues 11.9 billion US\$ | External Debt Service / Exports 23.2 % | External Debt / GNP 35.9% (1996) |
| Public Expenditures 12.4 billion US\$ | | |
| Minimum Wage 80 US\$ | | |

Foreign Exchange Rates

US\$ 1 = PRs 44.3

Central Bank Reserves

1.40 billion US\$

Fixed Investment Growth

12.90%

Potential Areas of Trade

handicrafts, electronic goods, raw sugar, fruits and vegetables, paper and paper products, iron and steel, gas appliances

Tax Regime**.. INCOME TAX****• Companies**

- Banking Companies 58%
- Public Companies
other than Banking Companies 33%
- Other companies 43%

• Individuals, Associations and others

- Min 5% of taxable income
- Maximum US\$ 750± 20% of the amount above US\$ 7,500
- Sales Tax: 12.5% of sale price
- Control Excise Duty: 5%-90% of sales value according to nature of products

Customs and Tariffs

Maximum rate of customs duty is 45% of value. There is also a preferential tariffs system to develop some industries.

Domestic Debt / GNP

39.9%

Commercial Bank Reserves

3.06 billion US\$

Final Consumption Growth

13.72 %

Potential Investment and Co-operation Areas and Industries

power generation, roads construction, petro chemical, electronics, ceramic industries, chemical lining of steel pipes, fertilizers, wood pulp, split air-conditions, paper and card board, cement, food processing, engineering, hi-tech, consumer goods industry, railway engines, filament, cold storage, steel furnaces, heavy machines, sugar, pharmaceuticals, herbal pharmacy, certified seeds, development of appropriate technology, wind turbines

Financial Institutions

National Bank Limited, Habib Bank Limited, Muslim Commercial Bank, ANZ Grindlays Bank, Faisal Bank, Askari Bank

Transportation

Roads: 200,000 Km.
On Road: 3 million vehicles
Railway Track: 8,773 Km.

Money Transferring Facilities

100% allowed in open market

Domestic Debt

PRs 109.35 billion US\$

International Reserves

1.780 billion US\$

Developed (relatively more) Industries

textile, leather and leather products, software, electric appliances, sporting goods

Political Situation

Sound-Democratic

Remittance of Profits from Foreign Capital

100% allowed

Infrastructure

Telephone: 3 million connections
No. of Post Offices: 14,000
No. of Telegraph Offices: 410
No. of Public Call Offices: 6,000

Industrial Relations (Trade Unions and Collective Bargaining)

Trade unions exist which work for better and sound industrial relations.

Telecommunication

Provides the following services:

- Cellular Telephones
- Paging Services
- Pay Phones
- PABX
- Digital Exchanges
- Ratio Equipments
- Optical Fiber System has been introduced in the telephone exchanges

Foreign Trade Regime

Pakistan follows a fair and free trade policy to strengthen brotherly relations with other countries so as to promote peace and global friendship. The country has adopted an export-led growth policy as a corner stone of its growth-strategy. As a policy, the government is placing special emphasis on development of non-traditional items and introducing Pakistan products in new markets. The objectives of trade policy are:

- Improvement of the competitive edge of exports
- Encouraging exports of value-added products
- To have simplified procedures to envelope exports friendly culture
- Facilitating export related activities

In the import regime the country has made many changes in the structure of tariffs and customs to fulfill the international commitments made through the World Trade Organization agreements requiring:

- Removal of tariffs and non-tariffs barriers
- Improving industry standards and administrative regime.
- Introducing documentation
- Controlling pollution and child labour

REPUBLIC OF SINGAPORE**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|--|
| Area | : 632.6 sq km. |
| Population | : 3,396,924 (July 1996 est.) |
| Capital City | : Singapore |
| Main Cities | : Singapore, Jurong, Woodlands, Seletar, Bedok, Changi |
| Language | : Chinese, Malay, Tamil, English |
| Religion | : Buddhist (Chinese), Muslim (Malays), Christian, Hindu, Sikh, Taoist, Confucianist |
| Currency | : Singapore Dollar (S\$) |
| Location | : Southeastern Asia, islands between Malaysia and Indonesia |
| Climate | : Tropical, hot, humid, rainy, no pronounced rainy or dry seasons, thunderstorms occur on 40% of all days (67% of days in April) |
| Type of Government | : Republic within Commonwealth |
| Independence | : 9 August 1965 (from Malaysia) |
| National Holiday | : National Day, 9 August (1965) |

ECONOMIC OUTLOOK**Overview**

Singapore has an open entrepreneurial economy with strong service and manufacturing sectors and excellent international trading links derived from its entrepot history. The economy registered 8.9% growth in 1995, with prospects for 7-8% growth in 1996. In 1995, the manufacturing and financial and business services sectors led economic growth. Rising labor costs continue to be a threat to Singapore's competitiveness, and the government's strategy to address this problem includes increasing productivity, improving infrastructure, and encouraging higher value-added industries. In applied technology, per capita output, investment, and labor discipline, Singapore has key attributes of a developed country.

| | | |
|---|---|--|
| GDP (purchasing power parity) 66.1 billion US\$ (1995 est.) | Natural Resources <ul style="list-style-type: none">• fish• deepwater ports | Land Use, Irrigated Land Arable Land: 4% Permanent Crops: 7% Meadows and Pastures: 0% Forest and Woodland: 5% Other: 84% Irrigated Land: NA |
| GDP Composition by Sector Agriculture: NEGL Industry: 28% Services: 72% | | |
| GDP Real Growth Rate 8.9% (1995 est.) | Population Growth Rate 1.9% (1996 est.) | Life Expectancy at Birth 78.13 years |
| GDP per Capita 22,900 US\$ (1995 est.) | Working Age Population Rate 72% | Labour Force 1.649 million (1994) |
| Foreign Exchange Rates 1 US\$ = 1.4 S\$ (January 1996) | Infant Mortality Rate 4.7 deaths/1,000 live births | Unemployment Rate 2.6% (1995 est.) |

| | | |
|--|---|--|
| Electricity <i>capacity:</i> 4,510,000 kW <i>production:</i> 17 billion kWh <i>consumption per capita:</i> 5,590 kWh | Industries <ul style="list-style-type: none">• petroleum refining• electronics• oil drilling equipment• rubber processing and products• processed food and beverages• ship repair• entrepot trade• financial services• biotechnology | Agriculture <ul style="list-style-type: none">• rubber• copra• fruit• vegetables• poultry |
| Ind. Production Growth Rate 10% (1995) | | |
| Inflation Rate 1.7% (1995) | | |
| Exports 119.6 billion US\$ | Main Export Items <ul style="list-style-type: none">• computer equipment• rubber and rubber products• petroleum products• telecommunications equipment | Main Import Items <ul style="list-style-type: none">• aircraft• petroleum• chemicals• foodstuffs |
| Imports 125.9 billion US\$ (1995) | | |
| External Debt 3.2 million US\$ (1994) | | |
| Public Revenues 17.3 billion US\$ | Main Export Countries <ul style="list-style-type: none">• Malaysia 20%• US 19%• Hong Kong 9%• Japan 7%• Thailand 6% | Main Import Countries <ul style="list-style-type: none">• Japan 22%• Malaysia 16%• US 15%• Taiwan 4%• Saudi Arabia 4% |
| Public Expenditures 12.9 billion US\$ | | |

REPUBLIC OF SOUTH AFRICA**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|---|
| Area | : 1,219,912 sq km. |
| Population | : 41,743,459 (July 1996 est.) |
| Capital City | : Pretoria (administrative); Cape Town (legislative); Bloemfontein (judicial) |
| Main Cities | : Cape Town, Durban, Johannesburg, |
| Language | : English, Afrikaans, Ndebele, Pedi, Sotho, Swazi, Venda, Zulu, Xhosa |
| Religion | : Christian, Hindu, Muslim |
| Currency | : Rand (R) |
| Location | : Southern Africa, at the southern tip of the continent of Africa |
| Climate | : Mostly semiarid, subtropical along east coast; sunny days, cool nights |
| Type of Government | : Republic |
| Independence | : 31 May 1910 (from UK) |
| National Holiday | : Freedom Day, 27 April (1994) |

ECONOMIC OUTLOOK**Overview**

Many of the white one-seventh of the South African population enjoy incomes, material comforts, health and educational standards equal to those of Western Europe. In contrast, most of the remaining population suffers from the poverty patterns of the Third World, including unemployment and lack of job skills. The main strength of the economy lies in its rich mineral resources, which provide two-thirds of exports. Economic developments for the remainder of the 1990s will be driven largely by the new government's attempts to improve black population's living conditions, to set the country on a steady export-led growth path, and to cut back the enormous numbers of unemployed. The economy in recent years has absorbed less than 5% of the more than 300,000 workers entering the labor force annually. Local economists estimate that the economy must grow between 5% and 6% in real terms annually to absorb all of the new entrants, much less reduce the accumulated total.

| | | |
|---|---|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 215 billion US\$ (1995 est.) | <ul style="list-style-type: none"> • gold • chromium • antimony • coal • iron ore • manganese • nickel • phosphates | <ul style="list-style-type: none"> • tin • uranium • gem diamonds • platinum • copper • vanadium • salt • natural gas |
| GDP Composition by Sector | | Arable Land: 10% Permanent Crops: 1% Meadows and Pastures: 65% Forest and Woodland: 3% Other: 21% Irrigated Land: 11,280 sq km |
| Agriculture: NA% Industry: NA% Services : NA% | | |
| GDP Real Growth Rate | Population Growth Rate | Life Expectancy at Birth |
| 3.3% (1995 est.) | 1.76% (1996 est.) | 59.47 years |
| GDP per Capita | Working Age Population Rate | Labour Force |
| 4,800 US\$ (1995 est.) | 60% | 14.2 million (1996) |
| Foreign Exchange Rates | Infant Mortality Rate | Unemployment Rate |
| 1 US\$ = 3.64 Rand | 48.8 deaths/1,000 live births | 32.6% (1996) |

| | | |
|--|--|--|
| Electricity | Industries | Agriculture |
| capacity: 39,750,000 kW production: 163 billion kWh consumption per capita: 3,482 kWh | <ul style="list-style-type: none"> • mining (world's largest producer of platinum, gold, chromium) • automobile assembly • metalworking • machinery • textile • iron and steel • chemical • fertilizer • foodstuffs | <ul style="list-style-type: none"> • corn • wheat • sugarcane • fruits • vegetables • cattle • poultry • sheep • wool • milk • beef |
| Ind. Production Growth Rate | | |
| NA | | |
| Inflation Rate | Main Export Items | Main Import Items |
| 8.7% (1995) | <ul style="list-style-type: none"> • gold 27% • other minerals and metals 20% • food 5% • chemicals 3% | <ul style="list-style-type: none"> • machinery 32% • transport equipment 15% • chemicals 11% • oil • textiles • scientific instruments |
| Exports | Main Export Countries | Main Import Countries |
| 27.9 billion US\$ (f.o.b., 1995) | <ul style="list-style-type: none"> • Italy • Japan • US • Germany • UK • other EU Countries • Hong Kong | <ul style="list-style-type: none"> • Germany • US • Japan • UK • Italy |
| Imports | | |
| 27 billion US\$ (f.o.b., 1995) | | |
| External Debt | | |
| 22 billion US\$ (1995 est.) | | |
| Public Revenues | | |
| 30.5 billion US\$ | | |
| Public Expenditures | | |
| 38 billion US\$ | | |

**DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA****A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|--|
| Area | : 65,610 sq km. |
| Population | : 18,553,074 (July 1996 est.) |
| Capital City | : Colombo |
| Main Cities | : Colombo, Kotte, Ratnapura, Galle, Hambantota, Badulla, Batticaloa, Anuradhapura, Mannar |
| Language | : Sinhala (official and national language) 74%, Tamil (national language) 18% |
| Religion | : Buddhist 69%, Hindu 15%, Muslim 8%, Christian 8% |
| Currency | : Sri Lanka Rupee (SLRe) |
| Location | : Southern Asia, island in the Indian Ocean, south of India |
| Climate | : Tropical monsoon; northeast monsoon (December to March); southwest monsoon (June to October) |
| Type of Government | : Republic |
| Independence | : 4 February 1948 (from UK) |
| National Holiday | : Independence and National Day, 4 February (1948) |

ECONOMIC OUTLOOK**Overview**

Industry, dominated by the fast, growing apparel industry, has surpassed agriculture as the main source of export earnings. The economy has been plagued by high rates of unemployment since the late 1970s. Economic growth accelerated in 1991-94 as domestic conditions began to improve and conditions for foreign investment brightened. In 1995, however, the government's emphasis on populist measures and its preoccupation with the stepped-up Tamil insurgency have clouded Sri Lanka's economic prospects and discouraged foreign investors. A further problem for 1996 is the need to curb government overspending.

| | | |
|---|--|--|
| GDP (purchasing power parity) 65.6 billion US\$ (1995 est.) | Natural Resources <ul style="list-style-type: none">• limestone• graphite• mineral sands• gems• phosphates• clay | Land Use, Irrigated Land Arable Land: 16% Permanent Crops: 17% Meadows and Pastures: 7% Forest and Woodland: 37% Other: 23% Irrigated Land: 5,600 sq km |
| GDP Composition by Sector Agriculture: 24% Industry: 24% Services : 52% | Population Growth Rate 1.13% (1996 est.) | Life Expectancy at Birth 72.35 years |
| GDP Real Growth Rate 5% (1995 est.) | Working Age Population Rate 66% | Labour Force 6.1 million |
| GDP per Capita 3,600 US\$ (1995 est.) | Infant Mortality Rate 20.8 deaths/1,000 live births | Unemployment Rate 13% (1994 est.) |
| Foreign Exchange Rates 1 US\$ = 54.158 SLRes (January '96) | | |

| | | |
|---|--|--|
| Electricity <i>capacity:</i> 1,410,000 kW <i>production:</i> 3.2 billion kWh <i>consumption per capita:</i> 168 kWh | Industries <ul style="list-style-type: none">• processing of rubber• tea• coconuts• agricultural commodities• clothing• cement• petroleum refining• textiles• tobacco | Agriculture <ul style="list-style-type: none">• rice• sugarcane• grains• pulses• oilseed• roots• spices• tea• rubber• coconuts• milk• eggs• hides |
| Ind. Production Growth Rate 9% (1994) | Main Export Items <ul style="list-style-type: none">• garments and textiles• teas• diamonds• other gems• petroleum products• rubber products• other agricultural products• marine products | Main Import Items <ul style="list-style-type: none">• textiles and textile materials• machinery and equipment• transport equipment• food• petroleum• building materials |
| Inflation Rate 8.4% (1994 est.) | Main Export Countries <ul style="list-style-type: none">• US 34.7%• UK• Germany• Japan• Netherlands• France | Main Import Countries <ul style="list-style-type: none">• Japan• India• UK• Hong Kong• South Korea• Taiwan• Singapore• China |
| Exports 3.2 billion US\$ (f.o.b., 1994) | | |
| Imports 4.8 billion US\$ (c.i.f., 1994 est.) | | |
| External Debt 8.8 billion US\$ (1994) | | |
| Public Revenues 2.7 billion US\$ | | |
| Public Expenditures 3.7 billion US\$ | | |

REPUBLIC OF SUDAN**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|--|
| Area | : 2,505,810 sq km. |
| Population | : 31,547,543 (July 1996 est.) |
| Capital City | : Khartoum |
| Main Cities | : Khartoum, Port Sudan, Wad Madani, Al Ubayyid |
| Language | : Arabic |
| Religion | : Muslim |
| Currency | : Sudanese Dinar |
| Location | : Northern Africa, bordering the Red Sea, between Egypt and Eritrea |
| Climate | : Tropical in south; arid desert in north; rainy season (April to October) |
| Type of Government | : Republic |
| Independence | : 1 January 1956 (from Egypt and UK) |
| National Holiday | : Independence Day, 1 January (1956) |

ECONOMIC OUTLOOK**Overview**

Sudan is very rich in natural resources. The land is rich in fertile soil which is suitable for many types of crops.

The country has abundant resources of water from the River Nile and its tributaries, from the heavy rainfalls in almost two thirds of the country and the huge reservoirs of ground water.

The country has a diversified climate from the heavy equatorial zone through rich savannah to the desert in the north.

The land of the country is also diversified from rich valleys to swamp basins, sand hills and mountains. The green belt extends from equatorial forests, savannah bushes and grasses to semi desert arid zones.

The country has high potential of rich minerals like gold, chromium, copper, marble, granite, mica, gypsum, iron, etc. Also there are huge reserves of oil and gas both off-shore and on-shore.

The private sectors' main areas of activity are agriculture and trading.

| | | |
|---|---|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 25 billion US\$ (1996) | <ul style="list-style-type: none"> • petroleum • iron ore • copper • chromium ore • zinc • tungsten • mica • silver • gold | Arable Land: 5% Permanent Crops: 0% Meadows and Pastures: 24% Forest and Woodland: 20% Other: 51% Irrigated Land: 18,900 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 45% Industry: 14.5% Services : 40.5% | 2.8% | 55.12 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 4.7% (1995 est.) | 52% | 8.9 million (1994 est.) |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 800 US\$ (1995 est.) | 76 deaths/1,000 live births | 16.6% |
| Foreign Exchange Rates | | |
| 1 US\$ = 160 SD | | |

| | | |
|--|--|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 500,000 kW <i>production:</i> 1.3 billion kWh <i>consumption per capita:</i> 42 kWh | <ul style="list-style-type: none"> • cotton ginning • textiles • cement • edible oils • sugar • soap distilling • shoes • petroleum refining | <ul style="list-style-type: none"> • cotton • oilseed • sorghum • millet • wheat • gum arabic • sheep |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 6.8% | <ul style="list-style-type: none"> • cotton 20% • gum arabic 5% • oilseed 23% • livestock, meat & leather 22% • sugar, textiles and other industrial products 15% • others 15% | <ul style="list-style-type: none"> • petroleum products 20% • wheat and wheat flour 6% • chemicals and industrial inputs 23% • manufactured goods 17% • others 34% |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 41.7% (June 1997) | <ul style="list-style-type: none"> • S. Arabia 27% • UK 17% • France 17% • UAE 11% • Middle East 17% • Other 15% | <ul style="list-style-type: none"> • S. Arabia 8% • UK 5% • China 3% • Asia 15% • Middle East 23% • Other 54% |
| Exports | | |
| 620 million US\$ (f.o.b. 1996) | | |
| Imports | | |
| 1.5 billion US\$ (c.i.f., 1996) | | |
| External Debt | | |
| 21.7 billion US\$ (1996) | | |
| Public Revenues | | |
| 382 million US\$ | | |
| Public Expenditures | | |
| 1.06 billion US\$ | | |

| | | |
|--|--|---|
| External Trade Balance 880 million US\$ (1996) | Domestic Debt 560 million US\$ | Domestic Debt / GNP 0.08% |
| Current Account Balance -0.873 billion US\$ | Fixed Investment Growth 5% | Final Consumption Growth 9% |
| Potential Areas of Trade <ul style="list-style-type: none"> • petroleum products • agricultural chemicals • construction materials • manufactured consumer goods | Foreign Trade Regime The foreign trade system is fully liberalized with no licensing and no quota system. | Tax Regime The tax system comprises the following taxes; income tax, business profit tax, capital gain tax, development tax, rental income tax and local tax |
| Potential Investment and Co-operation Areas and Industries <ul style="list-style-type: none"> • petroleum discovering and production mining of gold, chromium, and other minerals • construction works • power generation • agricultural production • animal production • food processing | Financial Institutions There are 26 commercial banks together with branches of foreign banks like Citibank, Abu Dhabi National Bank, Habib Bank, etc. There are 5 specialized banks for agriculture, industry, real estate, etc. There are 28 insurance companies. There is the Khartoum Exchange Market and an Investment Bank under establishment. | Interest Rate No interest in Islamic system, instead of average rate of marginal profit and average rate of return from joint transactions (Musharakat) is in the range of 20%-30%. |
| Developed (relatively more) Industries <ul style="list-style-type: none"> • sugar 500,000 tons • cement 380,000 tons • textiles 180 million yards • edible oils 100,000 tons • processed leather • auto tyres 200,000 units | Telecommunications Telecommunication is privatized in SUDATEL which is a private company. The communication service is very good with all countries in the world by phone, fax, telex, internet, etc. The post and telegram is state-owned and there are some private companies working in this field. | Infrastructure Electric Power: Electricity is mainly generated by hydro power from the Blue Nile and thermal units in the main towns. The present supply is far short of effective demand. There are a number of hydropower projects under establishment looking for finance together with some thermal units in the main towns. |
| Customs and Tariffs Include import duties, excise duties and export duties. | Money Transferring Facilities Covered by Investment Law. | Water Supply System: Although the country is rich of water resources, the portable water for domestic consumption is relatively short of demand particularly in rural and nomadic areas. Even some urban areas suffer from shortage of portable water. |
| Industrial Relations (Trade Unions and Collective Bargaining) The labourers are organized in the Sudanese Trade Union which is one of the oldest and strongest organizations in the region. The union is respected by the government and cooperates understandably with the authorities. There is a tripartite committee composed of representatives of the government, the employers and the trade union. During the last eight years there was no friction between the authorities and the union. The committee has managed to reconcile all conflicting interests amicably. | | |

Transportation System

Railways: Sudan railways is an old corporation which covers over 5,000 km. and over 15,000 km. of paved all-season roads.

Roads: There is a sizeable network of asphalted highways of about 5,000 km. of paved all-season roads.

Air Transport: There is a number of airports in the main towns in the country. Sudan Airways is the national air carrier and there are a number of private air carriers working the domestic passenger and cargo air transport.

Sea Ports: Sea ports are managed by the state-owned corporation in Port of Sudan and Sawakin.

River Transport: There is a sizeable river transport traffic in Sudan particularly in the southern and the northern part of the River Nile. The service is delivered by the state-owned River Transport Corporation.

TURKISH REPUBLIC OF NORTHERN CYPRUS**A SHORT GEOGRAPHIC REVIEW**

| | |
|--------------------|--|
| Area | : 3,355 sq km. |
| Population | : 183,290 (July 1996 est.) |
| Capital City | : Lefkosa |
| Main Cities | : Lefkosa, Girne |
| Language | : Turkish |
| Religion | : Muslim |
| Currency | : Turkish Lira |
| Location | : Middle East, island in the Mediterranean Sea, south of Turkey |
| Climate | : Temperate, Mediterranean with hot, dry summers and cool, wet winters |
| Type of Government | : Republic |
| Independence | : 15 November 1983 |
| National Holiday | : Independence Day, 15 November (1983) |

ECONOMIC OUTLOOK**Overview**

The economy remains heavily dependent on agriculture and government service, which together employ about half of the work force. Economic growth sharply dropped during 1994 because of the severe economic crisis affecting the mainland, and inflation soared to 215%. To compensate for the economy's weakness, Turkey provides direct and indirect aid to nearly every sector; financial support has risen and now equals in value about one-third of Turkish Cypriot GDP.

The devaluation of the Turkish Lira in April 1994 coupled with the TRNC originated goods being blocked by the EUCJ (European Union Court of Justice), was again the cause of economic imbalance, together with a power shortage, heightened the problem.

TRNC, to overcome its public finance problems, had introduced and implemented a Value Added Tax (VAT) to be able to maintain the speed of economic reform.

| | | |
|---|---|--|
| GNP (purchasing power parity) 767 million US\$ (1996) | Natural Resources • copper • pyrites • asbestos • gypsum • timber • salt • marble • clay earth pigment | Land Use, Irrigated Land Arable Land: 40% Permanent Crops: 7% Meadows and Pastures: 10% Forest and Woodland: 18% Other: 25% Irrigated Land: 350 sq km |
| GNP Composition by Sector Agriculture: 11.4% Industry: 22.9% Services : 65.7% | Population Growth Rate 1.11% (1996 est.) | Life Expectancy at Birth 76 years |
| GDP Real Growth Rate -1.1% (1996) | Working Age Population Rate 64% | Labour Force 75,320 |
| GDP per Capita 4,184 US\$ (1996) | Infant Mortality Rate 8.4 deaths/1,000 live births | Unemployment Rate 1.6% (1994) |
| Foreign Exchange Rates 1 US\$ = 180,000 TL (Nov. 1997) | | |

| | | |
|--|---|--|
| Electricity <i>capacity</i> : NA <i>production</i> : NA <i>consumption per capita</i> : NA | Industries • food • beverages • textiles • chemicals • metal products • tourism • wood products | Agriculture • potatoes • vegetables • barley • grapes • olives • vegetables • citrus |
| Ind. Production Growth Rate 2.6% (1992) | Main Export Items • citrus • potatoes • textiles • agricultural products | Main Import Items • food • minerals • chemicals • machinery |
| Inflation Rate 215% (1994) | Main Export Countries • UK 48% • Turkey 22% | Main Import Countries • Turkey 48% • UK 19% |
| Exports 71 million US\$ (f.o.b., 1996) | | |
| Imports 330 million US\$ (c.i.f., 1996) | | |
| External Debt NA | | |
| Public Revenues 246 million US\$ | | |
| Public Expenditures 350 million US\$ | | |

REPUBLIC OF TURKEY



A SHORT GEOGRAPHIC REVIEW

| | |
|--------------------|--|
| Area | : 780,000 sq km. |
| Population | : 64,266,000 (1996) |
| Capital City | : Ankara |
| Main Cities | : İstanbul, Ankara, İzmir, Adana, Bursa, Antalya, Konya, Gaziantep |
| Language | : Turkish |
| Religion | : Muslims 98% |
| Currency | : Turkish Lira |
| Location | : Situated on the connecting periphery of Asian and European continents. Surrounded by the Black Sea (on the north), Aegean Sea (on the west) and Mediterranean Sea (on the south); Borders with Bulgaria, Greece, Iran, Syria, Iraq, Georgia and Armenia |
| Climate | : Temperate; hot, dry summers with mild, wet winters; harsher in interior |
| Type of Government | : Republican Parliamentary Democracy |
| Independence | : 29 October 1923 (successor state to the Ottoman Empire) |
| National Holiday | : Anniversary of the Declaration of the Republic, 29 October (1923) |

ECONOMIC OUTLOOK

Overview

At the end of 1996 Turkey, apart from its chronic problems such as high inflation, lack of tax reform and social security reform, long-dragging privatisation, record-breaking foreign trade deficit (19.86 billion dollars) and a worsening budget deficit (TL 1,200 trillion) had, on the other hand, some upbeat performance in its economy; i.e. a high growth rate of 7.4 per cent following 8.4 per cent growth rate in 1995; strong growth in industry (7.1 per cent in 1996 and 7 per cent in the first quarter of 1997); also a resultant decline in interest rates on deposits and loans; a much longer period of maturity for bonds (on average 270 days, but in some tenders up to 13 months); start of a transition period from high interest earnings-based economic structure into a production-based economy; and finally a peaceful period in labour relations with workers and public servants satisfied with their wage rises.

Despite the re-emerging instability in Turkish politics, as from early 1997, the Turkish economy was able to repeat in this period a high growth performance achieved in the year 1996, whilst high inflation still remains a major policy concern.

Turkey has been "living with a high and institutionalised inflation" for more than 20 years. Readjustment of the economy to lower levels of inflation therefore inevitably requires the determined implementation of a 3-5 year-transition programme in the form of a "medium-term stabilisation" program.

It is imperative to re-iterate that, despite its well-known and long-existing problems, remarkable achievements attained by Turkey are but a manifestation of the relative strength and tremendous dynamism of the private sector, relatively successful working of free market forces and long term growth potentials of the country. Turkey, with its considerable human and material resources and its remarkable small and medium scale entrepreneurial capacity possesses an unmatched potential for growth and stability in the near future.

GNP

185.2 billion US\$ (cur. pr. & exc. rate '96)
345.7 billion US\$ (GDP ppp, 1995 est.)

GNP Composition by Sector

Agriculture: 17%
Industry: 25%
Services: 58%

GNP Real Growth Rate

5.5% - 6.0% (1997 forecast)
7.4% (1996 est.)
7.9% (1995)

GNP per Capita (according to ppp)

5,411 US\$ (1994 according to OECD's ppp)

GNP per Capita

2,910 US\$ (1997 forecast)

Natural Resources

lignite, coal, petroleum, chrome,
bor, copper, trona, petroleum,
rivers, seas, forests, arable lands

Population Growth Rate

1.64%

Working Age Population Rate

62%

Sectoral Breakdown of Employment

Agriculture: 45.3%
Industry: 21.6%
Services: 33.2%

Minimum Wage

200 US\$ (gross)
125 US\$ (net)

Land Use, Irrigated Land

Arable Land: 30%
Permanent Crops: 4%
Meadows and Pastures: 12%
Forest and Woodland: 26%
Other: 28%
Irrigated Land: 22,200 sq km

Life Expectancy at Birth

71.92 years

Labour Force

23 million

Unemployment Rate

Open Unemployment: 5.8%
Underemployment: 6.2%
Total Unemployment: 12.0% (1996)

Electricity

capacity: 18,710,000 kW
production: 90 billion kWh
consumption per capita: 1,183 kWh

Ind. Production Growth Rate

8.8% (1996)

Inflation Rate

consumer prices
76% (December 1995)
79.8% (December 1996)
95% (end-1997 forecast)

Interest Rate

92 % (weighted average of interest
rates applied by commercial banks,
as of March 1997)
130 % (payable on public domestic
borrowing, as of May 1997)

Public Revenues

30.2 billion US\$

Public Expenditures

35 billion US\$

Industries

textiles, food processing, mining (coal,
chromite, copper, boron), steel,
petroleum, construction, lumber, paper

Exports

32.3 billion US\$ (1996)
(including unrecorded foreign trade)
23.5 billion US\$ (1996)
(excluding unrecorded foreign trade)

Main Export Items

Textiles and Apparel: 37%
Steel Products: 12%
Fruits and Vegetables: 11%

Main Export Countries

Germany, Russian Federation, U.S.A.,
United Kingdom, Italy, France.

External Trade Balance

-18.4 billion US\$
(excluding unrecorded trade, 1996)
-9.6 billion US\$
(including unrecorded trade, 1996)

Agriculture

tobacco, cotton, grain, olives, sugar
beets, pulses, citrus; livestock

Imports

42 billion US\$ (1996)

Main Import Items

Machinery: 25%
Fuels: 17%
Raw Materials: 11%
Foodstuffs: 4%

Main Import Countries

Germany, U.S.A., Italy, France, United
Kingdom, Russian Federation, Japan,
Spain, The Netherlands, South Korea.

External Debt

79.8 billion US\$ (end-1996)

External Debt / GNP

43.5% (1996)

| | | |
|--|---|---|
| Current Account Balance -4.4 billion US\$ (excluding unrecorded trade, 1996) -1.4 billion US\$ (including unrecorded trade, 1996) | External Debt Service / Exports 50.3 % (1996) | External Debt / Exports 3.4 % in real terms (1996 estimate) |
| Foreign Exchange Rates 1 US\$ = 185,000 TL (mid-November 1997) | Domestic Debt / GNP 21 % (end-1996) | Domestic Debt 4.000 trillion TL (mid-1997) (equivalent of appx. 27 billion US\$) |
| Central Bank Reserves 20 billion US\$ (October 1997) | Commercial Bank Reserves 8 billion US\$ (October 1997) | International Reserves 28 billion US\$ (October 1997) |
| Fixed Investment Growth 16 % in real terms (1996 est.) | Final Consumption Growth 9.6 % in real terms (1996 est.) | Developed (relatively more) Industries Food and Beverages, Textile, Paper and Printing, Chemicals, Metal, Machinery |
| Potential Areas of Trade food products, textiles-clothings, iron-steel products, building materials, ceramics, glass products, electrical and mechanical machinery, etc. | Financial Institutions <ul style="list-style-type: none"> • Commercial Banks • Stock Exchange • Interest-free Banking Institutions • Leasing Companies • Investment and Development Banks | Political Situation Multi-party Parliamentary Democracy |
| Customs and Tariffs Turkey has a Customs Union with the European Union, hence applies Common External Tariffs of the EU in trade with third countries outside the EU, which is a fairly low rate of about 4-5% on average. Turkey and the EU have abolished customs tariffs on industrial trade, also substantially reduced duties on agriculture. | Money Transferring Facilities The Turkish Lira is fully convertible. There are no restrictions on money transfers in and out of the country. | Remittance of Profits from Foreign Capital Full repatriation of profit from foreign capital is permissible. |
| Industrial Relations (Trade Unions and Collective Bargaining) Unlike the 1970s, there exists peaceful collective bargaining since the early 1980s. Quite few strikes occur nowadays. | Transportation <ul style="list-style-type: none"> • Transportation is mainly depended on highways • Airway transportation is fast developing • Railroad Transportation is not highly developed • Sea transportation is also developing | Infrastructure Well-connected highways and toll-roads enable relatively easy transportation. |
| | | Telecommunication A highly developed telecommunication system exists in the country. |

Foreign Exchange Regime

Turkey possesses a considerably liberal foreign exchange regime whereby the Turkish Lira is fully convertible. Local residents or foreigners are allowed to transfer the local currency or foreign currencies freely through the intermediary of commercial banks and "special finance house" (legal name for interest-free banking institutions in Turkey).

Passengers travelling abroad can carry with them a sum of local currency or foreign currencies in cash up to equivalent of 5,000 US\$.

The prevailing foreign exchange regime permits free transfer of foreign currencies into the country.

Proceeds of goods/services exported from Turkey (for commercial purposes) are to be brought into the country within 180 days from the date of actual exportation. In case the export proceeds are in foreign currency they are to be converted into the local currency through commercial banks or special finance houses. If the export proceeds are in Turkish Lira, they are to be properly documented.

The existing foreign exchange regime encourages exporters to bring in their export proceeds as early as possible, by providing certain incentives. For instance, if at least 70 per cent of the export proceeds are brought into the country within 90 days from the actual date of exportation and converted into the local currency, the remaining 30 per cent can be used by the exporter freely.

Import bills can be paid through purchase of the related foreign currency from the commercial banks or special finance houses, or directly from out of the importers, foreign currency account within the principles set forth by the official authorities.

The foreign exchange regime permits free repatriation of profit on foreign investment. There also exists full convertibility on other invisible transactions.

The Central Bank of Turkey, announces daily exchange rates for indicative purposes. The exchange rate is determined in the free market. There exists a highly developed interbank foreign exchange market for US\$. The exchange rate for other currencies is determined by way of cross parities in the international markets.

Tax Regime

Whilst there have been some efforts toward simplification of the country's tax system in recent years, there still exist considerably different types of taxes, levies, duties and funds. The existing tax system includes Income Tax, Corporate Tax, Banking and Insurance Transactions Tax, Value Added Tax and the like on local transactions.

A. INCOME TAX

There exists a progressive income tax system applicable to commercial and agricultural earnings, wages and salaries, earnings on real-estate and on intangibles and other incomes and earnings.

Income tax rates applicable during the 1997 fiscal year range from a minimum 25 per cent (for earnings and incomes up to 500 million TL, to a maximum 55 per cent (for earnings and incomes exceeding 16 billion TL).

The existing Income Tax Law defines two types of tax payers.

1. Tax Payers with Full Liability: Turkish nationals and foreigners residing in Turkey are fully taxable for their earnings and incomes obtained within Turkey or abroad.
2. Tax Payers with Limited Liability: Non-resident real persons are taxable only for their earnings/incomes obtained within Turkey.

B. CORPORATE TAX

Earnings of corporations, co-operatives, public economic enterprises and economic enterprises belonging to associations and foundations are subject to Corporate Tax. The prevailing Corporate Tax rate is 25 per cent.

C. VALUE ADDED TAX

Making up around 1/3 of total tax revenue in the country, VAT rate ranges from 1% (on certain types of leasing transactions) to 23% (on luxurious goods); the General VAT rate is 15 per cent.

REPUBLIC OF UGANDA**A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|--|
| Area | : 236,040 sq km. |
| Population | : 20,158,176 (July 1996 est.) |
| Capital City | : Kampala |
| Main Cities | : Kampala, Gulu, Fort Portal, Masaka, Lira |
| Language | : English (official), Luganda, Swahili, Bantu languages, Nilotic languages |
| Religion | : Roman Catholic 33%, Protestant 33%, Muslim 16%, indigenous beliefs 18% |
| Currency | : Ugandan Shilling |
| Location | : Eastern Africa, west of Kenya |
| Climate | : Tropical; generally rainy with two dry seasons (December to February, June to August), semiarid in northeast |
| Type of Government | : Republic |
| Independence | : 9 October 1962 (from UK) |
| National Holiday | : Independence Day, 9 October (1962) |

ECONOMIC OUTLOOK**Overview**

Uganda has substantial natural resources, including fertile soils, regular rainfall, and sizable mineral deposits of copper and cobalt. Agriculture is the most important sector of the economy, employing over 80% of the work force. Coffee is the major export crop and accounts for the bulk of export revenues. Since 1986 the government - with the support of foreign countries and international agencies - has acted to rehabilitate and stabilize the economy by undertaking currency reform, raising producer prices on export crops, increasing prices of petroleum products, and improving civil service wages. The policy changes are especially aimed at dampening inflation and boosting production and export earnings. In 1990-94, the economy turned in a solid performance based on continued investment in the rehabilitation of infrastructure, improved incentives for production and exports, and gradually improving domestic security. The economy again prospered in 1995 with rapid growth, low inflation, growing foreign investment, a trimmed bureaucracy, and the continued return of exiled Indian-Ugandan entrepreneurs.

| | | |
|---|---|--|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 16.8 billion US\$ (1995 est.) | <ul style="list-style-type: none"> • copper • cobalt • limestone • salt | Arable Land: 23% Permanent Crops: 9% Meadows and Pastures: 25% Forest and Woodland: 30% Other: 13% Irrigated Land: 90 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 55% Industry: 12% Services : 33% | 2.24% (1996 est.) | 40.29 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 7.1% (1995 est.) | 48% | 8,361 million (1993 est.) |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 900 US\$ (1995 est.) | 99.4 deaths/1,000 live births | NA |
| Foreign Exchange Rates | | |
| 1 US\$ = 1,032.6 Ugandan Shillings (November 1995) | | |

| | | |
|--|---|---|
| Electricity | Industries | Agriculture |
| capacity: 162,000 kW production: 603 million kWh consumption per capita: 30 kWh | <ul style="list-style-type: none"> • sugar • brewing • tobacco • cotton • textiles • cement | <ul style="list-style-type: none"> • coffee • tea • cotton • tobacco • cassava (tapioca) • potatoes • corn • millet • pulses • beef • goat meat • milk • poultry |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 15% (1994) | <ul style="list-style-type: none"> • coffee 97% • cotton • tea | <ul style="list-style-type: none"> • petroleum products • machinery • cotton piece goods • metals • transportation equipment • food |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 6.1% (1995) | <ul style="list-style-type: none"> • US 25% • UK 18% • France 11% • Spain 10% | <ul style="list-style-type: none"> • Kenya 25% • UK 14% • Italy 13% |
| Exports | | |
| 424 million US\$ (f.o.b., 1994) | | |
| Imports | | |
| 870 million US\$ (c.i.f., 1994) | | |
| External Debt | | |
| 3.2 billion US\$ (1994) | | |
| Public Revenues | | |
| 574 million US\$ | | |
| Public Expenditures | | |
| 1.07 billion US\$ | | |

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND****A SHORT GEOGRAPHIC REVIEW**

| | |
|---------------------------|---|
| Area | : 244,820 sq km. |
| Population | : 58,489,975 (1996 est.) |
| Capital City | : London |
| Main Cities | : London, Oxford, Cambridge, Buckingham, |
| Language | : English |
| Religion | : Anglican (27 million), Roman Catholic (9 million), Muslim (1 million), others (2.5 million) |
| Currency | : British Pound |
| Location | : Western Europe, islands including the northern one-sixth of the island of Ireland between the North Atlantic Ocean and the North Sea, northwest of France |
| Climate | : Temperate; moderated by prevailing southwest winds over the North Atlantic Current; more than one-half of the days are overcast |
| Type of Government | : Constitutional Monarchy |
| Independence | : 1 January 1801 (United Kingdom established) |
| National Holiday | : Celebration of the Queen's Birthday (second Saturday in June) |

ECONOMIC OUTLOOK**Overview**

The UK is one of the world's great trading powers and financial centers, and its economy ranks among the four largest in Western Europe. The economy is essentially capitalistic; over the past 13 years the ruling Tories have greatly reduced public ownership and contained the growth of social welfare programs. Agriculture is intensive, highly mechanized, and efficient by European standards, producing about 60% of food needs with only about 1% of the labor force. The UK has large coal, natural gas, and oil reserves, and primary energy production accounts for 12% of GDP, one of the highest shares of any industrial nation. Services, particularly banking, insurance, and business services, account by far for the largest proportion of GDP while industry continues to decline in importance, now employing only 25% of the work force. The economy registered 3.9% GDP growth in 1994, the best rate for six years, but slipped back to 2.7% in 1995. Exports and manufacturing output have been the primary engines of growth. Unemployment is gradually falling. Inflation is at a tolerable 3%. A major economic policy question for the UK in the 1990s is the terms on which it participates in the financial and economic integration of Europe.

| | | |
|---|--|---|
| GDP (purchasing power parity) 1.1384 trillion US\$ (1995 est.) | Natural Resources <div><div>• coal</div><div>• petroleum</div><div>• natural gas</div><div>• tin</div><div>• limestone</div><div>• iron ore</div></div> <div><div>• salt</div><div>• clay</div><div>• chalk</div><div>• gypsum</div><div>• lead</div><div>• silica</div></div> | Land Use, Irrigated Land Arable Land: 29% Permanent Crops: 0% Meadows and Pastures: 48% Forest and Woodland: 9% Other: 14% Irrigated Land: 1,570 sq km |
| GDP Composition by Sector Agriculture: 1.7% Industry: 27.7% Services : 70.6% | Population Growth Rate 0.22% | Life Expectancy at Birth 76.41 years |
| GDP Real Growth Rate 2.7% (1995 est.) | Working Age Population Rate 65% | Labour Force 28.048 million |
| GDP per Capita 19,500 US\$ (1995 est.) | Infant Mortality Rate 6.4 deaths/1,000 live births | Unemployment Rate 8% |
| Foreign Exchange Rates 1 US\$ = 0.6535 British Pound (£) 1 British Pound = 1.69 US\$ | | |

| | | |
|--|--|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 65,360,000 kW <i>production:</i> 303 billion kWh <i>consumption per capita:</i> 5,123 kWh | production machinery, machine tools, electric power equipment, automation equipment, railroad equipment, shipbuilding, aircraft, motor vehicles and parts, electronics and communications equipment, metals, chemicals, coal, petroleum, paper and paper products, food processing, textiles, clothings and other consumer goods | <ul style="list-style-type: none"> • cereals • oil seed • potatoes • vegetables • cattle • sheep • poultry • fish |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 1.9% | <ul style="list-style-type: none"> • manufactured goods • machinery • fuels • chemicals • semifinished goods • transport equipments | <ul style="list-style-type: none"> • manufactured goods • machinery • semifinished goods • foodstuff • consumer goods |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 3.1% (November 1995) | <ul style="list-style-type: none"> • Germany 12.7% • France 9.9% • Netherlands 7.0% • USA 13.1% | <ul style="list-style-type: none"> • Germany 14.6% • France 10.0% • Netherlands 6.7% • USA 12.2% |
| Exports | | |
| 200.4 billion US\$ (f.o.b., 1994) | | |
| Imports | | |
| 221.9 billion US\$ (c.i.f., 1994) | | |
| External Debt | | |
| 16.2 billion US\$ (June 1992) | | |
| Public Revenues | | |
| 388.9 billion US\$ | | |
| Public Expenditures | | |
| 447.6 billion US\$ | | |

UNITED STATES OF AMERICA



A SHORT GEOGRAPHIC REVIEW

| | |
|--------------------|--|
| Area | : 9,372,610 sq km. |
| Population | : 266,476,278 (1996 est.) |
| Capital City | : Washington, D.C. |
| Main Cities | : New York, Chicago, San Francisco, Los Angeles, Atlanta |
| Language | : English |
| Religion | : Protestant 56%, Roman Catholic 28%, Muslim 2%, Jewish 2%, other 2%, none 10% |
| Currency | : United States Dollar |
| Location | : North America, bordering both the North Atlantic Ocean and the North Pacific Ocean, between Canada and Mexico |
| Climate | : Mostly temperate, but tropical in Hawaii and Florida and arctic in Alaska, semiarid in the great plains west of the Mississippi River and arid in the Great Basin of the southwest; low winter temperatures in the northwest are ameliorated |
| Type of Government | : Federal Republic |
| Independence | : 4 July 1776 (from England) |
| National Holiday | : Independence Day, 4 July (1776) |

ECONOMIC OUTLOOK

Overview

The US has the most powerful, diverse, and technologically advanced economy in the world, with a per capita GDP of \$27,500, the largest among major industrial nations. In this market-oriented economy, private individuals and business firms make most of the decisions, and government purchases of goods and services are made predominantly in the marketplace. US business firms enjoy considerably greater flexibility than their counterparts in Western Europe and Japan in decisions to expand capital plant, lay off surplus workers, and develop new products. At the same time, they face higher barriers of entry in their rivals' home markets than the barriers to entry of foreign firms in US markets. In all economic sectors, US firms are at or near the forefront in technological advances, especially in computers, medical equipment, and aerospace, although their advantage has steadily narrowed since the end of World War II. The onrush of technology largely explains the gradual development of a "two-tier labor market" in which those at the bottom lack the education and professional/technical skills of those at the top and, more and more, fail to get pay raises, health insurance coverage, and other benefits. The years 1994-95 witnessed moderate gains in real output, low inflation rates, and a drop in unemployment below 6%. The capture of both houses of Congress by the Republicans in the elections of 8 November 1994 has intensified the debate over how the US should address its major economic problems. These problems include inadequate investment in economic infrastructure, rapidly rising medical costs of an ageing population, sizable budget and trade deficits, and stagnation of family income in the lower economic groups. The outlook for 1997 is for continued moderate growth, low inflation, and about the same level of unemployment.

| | | |
|---|---|---|
| GDP (purchasing power parity) | Natural Resources | Land Use, Irrigated Land |
| 7.2477 trillion US\$ (1995 est.) | coal, petroleum, natural gas, tin, limestone, iron ore, salt, clay, chalk, gypsum, lead, silica | Arable Land: 20% Permanent Crops: 0% Meadows and Pastures: 26% Forest and Woodland: 29% Other: 25% Irrigated Land: 181,020 sq km |
| GDP Composition by Sector | Population Growth Rate | Life Expectancy at Birth |
| Agriculture: 2% Industry: 23% Services: 75% | 0.91% (1996 est.) | 75.95 years |
| GDP Real Growth Rate | Working Age Population Rate | Labour Force |
| 2.1% (1995 est.) | 65% | 132.304 million |
| GDP per Capita | Infant Mortality Rate | Unemployment Rate |
| 27,500 US\$ (1995 est.) | 6.7 deaths/1,000 live births | 5.6% (December 1995) |
| Foreign Exchange Rates | | |
| 1 US\$ = 0.6535 British Pound (£) | | |

| | | |
|---|---|---|
| Electricity | Industries | Agriculture |
| <i>capacity:</i> 695,120,000 kW <i>production:</i> 3.1 trillion kWh <i>consumption per capita:</i> 11,236 kWh | Leading industrial power in the world, highly diversified and technologically advanced; petroleum, steel, motor vehicles, aerospace, telecommunications, chemicals, electronics, food processing, consumer goods, lumber, mining, | <ul style="list-style-type: none"> • wheat • other grains • corn • fruits • vegetables • cotton • beef • pork • poultry • dairy products • forest products • fish |
| Ind. Production Growth Rate | Main Export Items | Main Import Items |
| 5.4% (1994 est.) | <ul style="list-style-type: none"> • capital goods • automobiles • industrial supplies and raw materials • consumer goods • agricultural products | <ul style="list-style-type: none"> • crude oil and refined petroleum products • machinery • automobiles • consumer goods • industrial raw materials • food and beverages |
| Inflation Rate | Main Export Countries | Main Import Countries |
| 2.5% (1995) | <ul style="list-style-type: none"> • Western Europe 24.3% • Canada 22.1% • Japan 10.5% | <ul style="list-style-type: none"> • Canada 19.3% • Western Europe 18.1% • Japan 18.1% |
| Exports | | |
| 578 billion US\$ (f.o.b., 1995 est.) | | |
| Imports | | |
| 751 billion US\$ (c.i.f., 1995 est.) | | |
| External Debt | | |
| NA | | |
| Public Revenues | | |
| 1.258 trillion US\$ | | |
| Public Expenditures | | |
| 1.461 trillion US\$ | | |



MÜSİAD

INDEPENDENT INDUSTRIALISTS' & BUSINESSMEN'S ASSOCIATION

Address: Mecidiye Cad. 7/50 Mecidiyeköy 80310 İstanbul // TURKEY

Phone: (+90) 212 - 213 61 00 (pbx), **Fax:** (+90) 212 - 213 78 90

E-mail: musiad@musiad.org.tr

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