

TURKMENISTAN

Since 1991, Turkmenistan has adopted a cautious approach to economic reforms and it has recently made some progress. At the beginning of 2007, a program of reforms has been initiated in the social, hydrocarbon, financial and industrial sectors with the aim to achieve strong and sustainable economic growth by integrating Turkmenistan into the international economy and to improve job creation and the living standards of the population.

Steps have been initiated to improve business environments conducive to foreign investors as well as small and medium enterprises. To attract foreign direct investment, the authorities adopted and implemented the new Foreign Investment Law that brings Turkmenistan's investment regime closer to the international best practices. As a result a number of international oil and gas companies have started exploring opportunities in the country. To facilitate international trade, the authorities have modestly liberalized international trade by reducing import duty and excise taxes.

The global economic crisis has had limited impact so far on relatively isolated, gas-rich Turkmenistan. Growth was strong in 2008, fuelled by large public investments funded with booming hydrocarbon revenue. The current account surplus continued to increase, thus allowing Turkmenistan to rapidly accumulate its international reserves. However, growth slowed to 6.1 percent in 2009 according to the official statistics because disputes over the contract prices for gas halted gas export to Russia for nine months after the explosion of the gas pipeline in April 2009.

The railway network of Turkmenistan is constituted essentially by its principle axis, running from east to west through all the country, and by some secondary lines. The principal line, originated from the historical Transcaspian line which was the first railway line in the whole Central Asia, connects the port of Turkmenbashi, on the shore of the Caspian sea, with the capital Ashgabat and continues then to Mary and to Turkmenabat, towards the border with Uzbekistan.

In the last years important projects of modernization and enlargement of the railway network of the country have been started. In

1996 the new section connecting Tedjen, on the line Ashgabat-Turkmenabat, to Serakhs, near the Iranian border, has been already completed. The opening of this section made possible the connection of the Turkmen railway network with the Iranian network.

Another project of great importance already in course of construction is the realization of the new railway line that crossing the Karakum desert will connect Ashgabat directly to Dashoguz, in the north of the country. In this case the opening of the new line will make possible the creation of a new axis north-south in the railway network of the country. (www.turkmenistan.it)

Background figures in railways (2009):

3,095 km length of lines

0 km electrified lines

6 x 1 000 000 passengers carried

1,685 x 1 000 000 passenger-km

25 x 1 000 000 tonnes carried

11,547 x 1 000 000 tonne-kilometres

Economics	2008	2009
GDP (current billions US\$)	17.01	19.94
GDP growth (annual %)	10	8
Exports of goods and services (% of GDP)	73	76
Imports of goods and services (% of GDP)	46	46
Industry, value added (% of GDP)	54	54

