



The Federation of Pakistan
Chamber of Commerce and Industry (FPCCI)
Policy Advisory Board

Trade Report on Belarus



Acknowledgement and Disclaimer

The Policy Advisory Board – Federation of Pakistan Chamber of Commerce and Industry (FPCCI) expresses its appreciation to industry representatives presently engaged in trade activities between Pakistan and Belarus. Their input and insights have proved to be most valuable in terms of providing an objective overview of the present trade scenario between Pakistan and Belarus.

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Executive Summary

Belarus is centrally planned economy with most of its industries, banks and agriculture land are state owned. Belarus encompasses, a well-developed industrial and manufacturing sector that supports the merchandize trade expansion and economic growth in the country. Economic growth of Belarus show fluctuating trend in the past, with negative growth in 2020. Global pandemic, low commodity prices and demand in the international market are some of the reasons for negative growth. Engineering, light and food industries, ICT services, woodworking, petrochemical and pharmaceutical industries are major export oriented sector supporting the economy. The country also experiences political and social turbulence from time to time but recently, EU, the major export partner after Russia has imposed sector wise sanctions on trade with Belarus.

For future economic development and trade, Belarus aims to increase export growth and establish high technology industrial park for facilitating industry, opening single window for trade facilitation and overcoming logistics hurdles. Fertilizers, mineral fuels, meat and dairy produce are the top three dominant sectors supporting Belarus' total exports. The major imports basket for Belarus comprises of mineral fuels, mechanical machinery, plastics and articles of plastic, electrical machinery, and vehicles/accompanying parts. Belarus is a part of regional economic union as Eurasia Economic Union (EAEU) for free movement of goods, services, capital, and labor within member states. Most of the Belarus trade agreements are based on EAEU led FTAs.

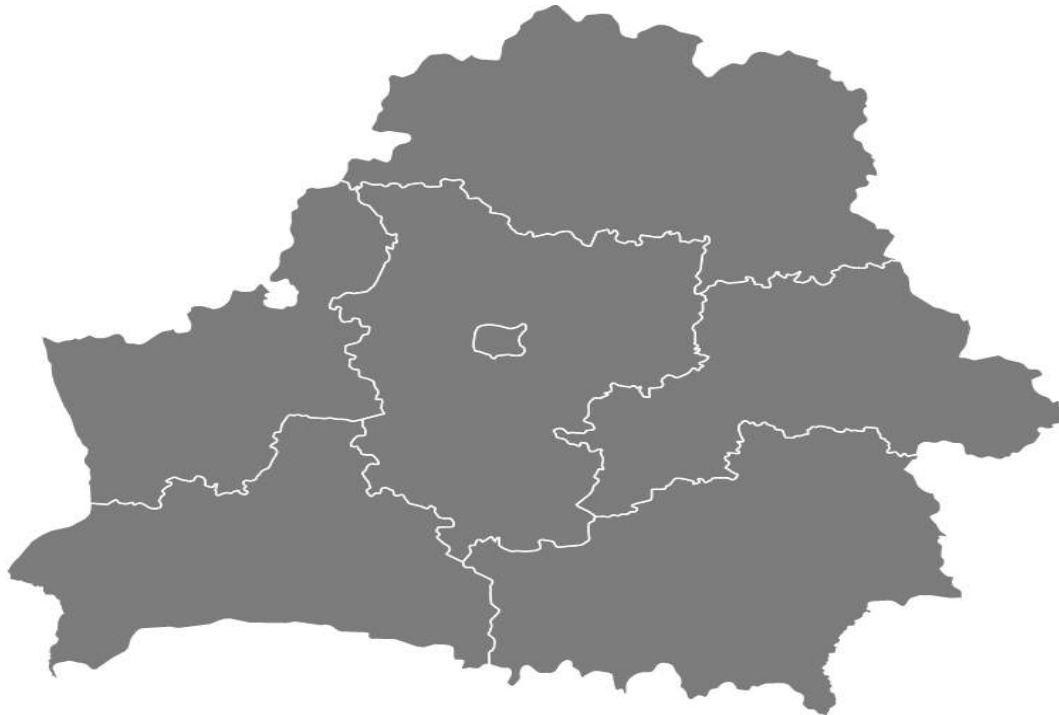
Pakistan's export basket for Belarus is made up of surgical instruments, cereals, leather, and articles of apparel, cutlery, sports goods, inflatable balls, and medicaments while Pakistan's top import from Belarus is tractors, potassium chloride, new pneumatic tyres, filament tow, food preparations for infant use, milk and cream in solid forms, medicaments and vehicle parts. Russia is the dominant player in Belarus import market having share of 54.8 percent followed by China and Germany. India and Viet Nam have a 0.4 and 0.3 percent share respectively. Pakistan is the 66th trading partner of Belarus and have the share less than 0.1 percent. Among the top current exports Pakistan has no product that can capture 1 percent of the Belarus import market.

Socio-economic structure, and trade profile of countries are used to determine the potential products for Pakistan. Considering Pakistan's current value of exports in the world, Belarus

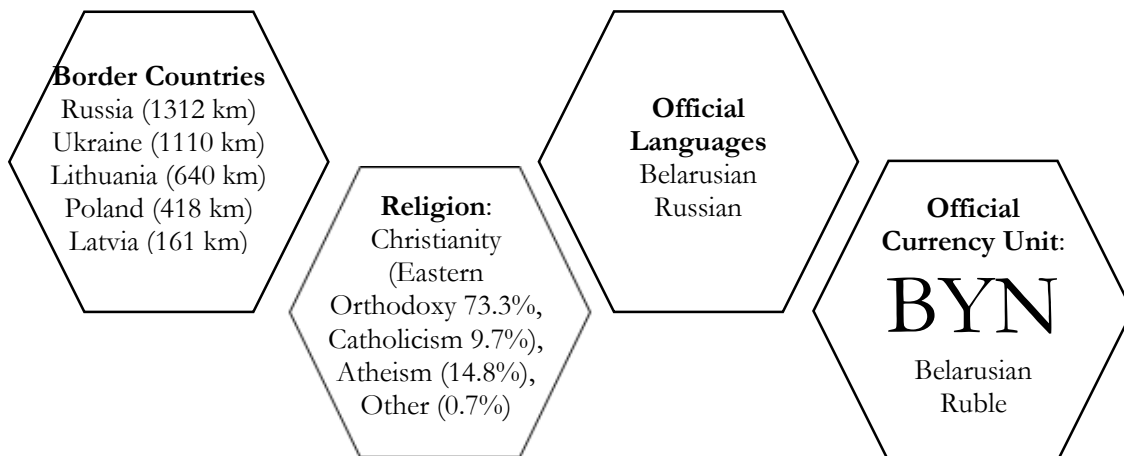
imports from the world and the relative position of both the countries as a net exporter and net importers respectively, we have identified key products to export. Products that are already being exported to Belarus market and have intensive margin to increase are; surgical instruments, cereals, leather, articles of apparel, cutlery, sports goods, inflatable balls, and medicaments while products that can be exported with extensive margin are; medicaments, footwear with outer soles of rubber, sea food, fresh or dried oranges, vegetable fats and oils, articles and equipment for sport and outdoor games, fresh or dried bananas, tomato ketchup, marble granules, soap and organic surface-active.

Belarus has developed its own pharmaceutical industries that are supplying domestic markets as well as to some international markets. However, there is a room to export nutraceuticals (vitamins & nutrition) to Belarus market. Report suggest joint ventures and investment opportunities for tractor and other agriculture machinery, auto parts industry, and electrical appliances. Belarus, being EAEU member state has started developing its trade rules and regulations as per laws of the union. Single window is one of the initiative of EAEU for trade facilitation. Creation of this window will ease the custom procedure and other barriers to trade for Pakistani exporters. For greater access in this market Pakistan needs to initiate FTA/PTA negotiations with EAEU, where Russia holds major influence. India along with Egypt and Israel is negotiating free trade agreement with EAEU. Belarus has a comparative advantage in ICT services and software development. Highly skilled young professionals in ICT and software developers have led Belarus to captured Western Europe, USA and Canadian ICT markets. There is a need to trade in services and knowledge transfer based agreement that can facilitate ICT sector in Pakistan.

General Statistics for the Republic of Belarus



Area: 207,600 sq km | **Population:** 9.4 million (World Bank , 2021)



Major Industries:



Textiles



Heavy Machinery



Milk and derived Products (Cheese and Butter)



Wood-derived Products (Furniture, Paper and Pulp)



Petrochemicals



Construction Materials

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List of Acronyms

CIS:	Commonwealth Independent States
EAEU:	Eurasia Economic Union
EU:	European Union
FTA:	Free Trade Agreement
GSP	Generalized Scheme of Preferences
ICT:	Information and Communication Technology
ITC:	International Trade Centre

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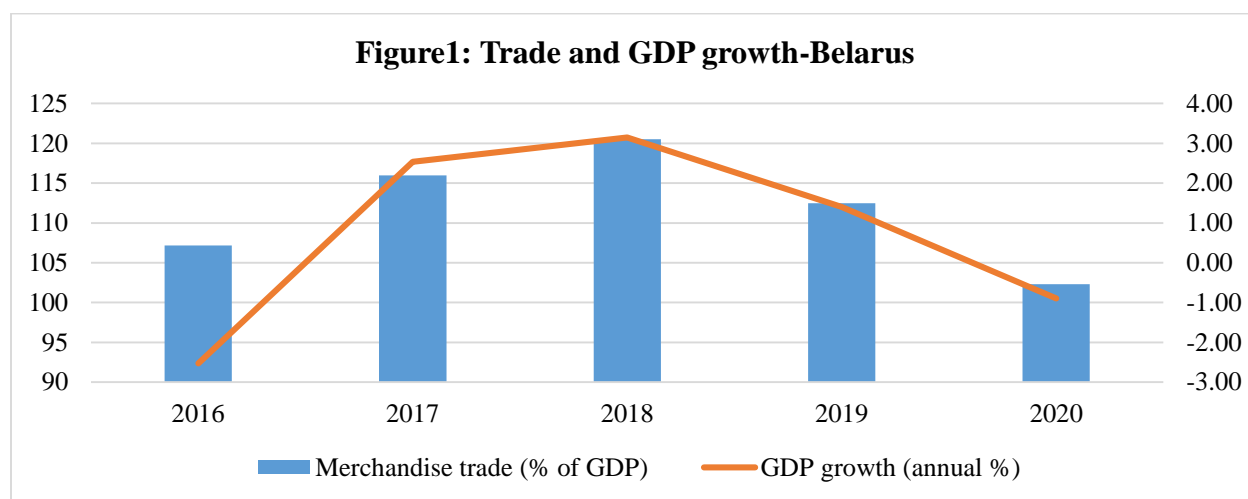
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1. Economic Overview

Belarus is a landlocked, upper middle income, planned market¹ European economy. Belarus encompasses, a well-developed industrial and manufacturing sector that supports the merchandize trade expansion and economic growth in the country. Belarus economic growth and merchandize trade contribution in the GDP show positive relationship with each other. (See figure; 1) Decline in merchandise trade is translated in to decline in economic growth. For energy needs, Belarus is dependent on Russian subsidize oil for its refined oil exports. Therefore, economy is subject to external shocks in oil and commodity prices in the international market.



Belarus has strong bilateral relationship with Russia. The country also faces political and social turbulences from time to time but recently, EU has also imposed sector based sanction² on Belarus for emergency based landing of a Ryanair plan. EU is the top exporting partner of Belarus for refined oil and fertilizer products.

Services sector is key contributing sector in the national GDP. Industry contributes 31.3 percent in the GDP whereas manufacturing sector's share is 21.4³ percent (2020). Service sector supports 49.1 percent to national GDP. Agriculture has a share of 6.8 percent. Belarus major industries includes; tractors and agricultural equipment industry, automotive, electric equipment and

¹ <https://president.gov.by/en/belarus/economics>

² petroleum products, potash fertilizers and tobacco-related products

³ World bank database,2020.

household appliances, electronics, chemicals, timber and textiles. Agriculture and livestock production includes; grains and legumes, berries, sugar beets, potatoes, poultry, milk and eggs⁴.

Economic growth of Belarus show fluctuating trend in the past with negative growth in 2020. Global pandemic, low commodity prices and demand are some of the reasons for negative growth. The GDP composition by expenditure (see Figure 3) indicates that Belarus is a consumption-oriented economy with household consumption as 51.5% of GDP. Import and export expenditure are 58.8 and 61.9 percent of the GDP respectively. For industrial development Belarus has established free economic zones with tax holiday on profits for 5 years. Beside this, the country has incentivize import substitution by 50 percent reduction in VAT for production of import substitution products. Belarus and China are establishing economic zone with industrial park to facilitate industry, trade, customs and logistics hurdles. Belarus ranks 49th among 199 countries for ease of doing business. Cross border trade ranks 24th in the world.

Belarus has well developed IT and telecom sector that has contributed 24.9 billion in the economy. In 2020, about 85.1 percent population has internet access⁵. Belarus IT sector is ranked 32nd in the ICT Development Index. Share of ICT in total commodity export is 1.4 percent. ICT related services export of Belarus stood at USD 1.5 billion. Countries that import services from Belarus includes Austria, Belgium, Germany, UK, USA and Canada.

The basic future development strategy Belarus strive for is to improve the quality of life, competitiveness in the global market, encouraging innovation and investment, and export growth that can be translated into economic development. Over the medium term timeframe, the emphasis is on moving towards an economy less dependent on oil processing as the oil import price subsidies are withdrawn with the impending implementation of Russia’s taxation reforms

Table 1: Economic Outlook of Belarus					
Indicator Name	2016	2017	2018	2019	2020
Demographics					
Population (million)	9.5	9.4	9.5	9.4	9.4
Labor force, (total)	5.1	5.1	5.1	5.0	4.9
Unemployment rate (% of labor force)	5.84	5.65	4.76	4.71	5.28
Production and prices					
GDP (current USD billion)	47.7	54.7	60.0	64.4	60.3
GDP per capita (current USD)	5022.6	5761.7	6330.1	6839.1	6411.2

⁴ Agriculture of the republic of Belarus, Statistical Year book,2021

⁵ National statistics indicators of the development of digital economy,, Statistical Year book 2021

GDP growth (annual %)	-2.53	2.53	3.15	1.40	-0.90
Net FDI Inflows (Percent of GDP)	2.613	2.332	2.376	1.977	----
Gross national savings (Percent of GDP)	26.5	28.0	29.2	27.9	28.2
Inflation (%)	8.3	8.6	12.1	8.6	10.1
External sector					
Official exchange rate (period average)	1.99	1.932	2.038	2.092	2.44
Current account balance (USD billion)	-1.612	-0.952	0.0229	-1.246	-0.24
Merchandise trade (% of GDP)	107.176	115.989	120.516	112.468	102.29
Total exports (USD thousand)	23,537.4	29,240.0	33,726.1	32,955.1	25,015.0
Total imports (USD thousand)	27,609.9	34,234.8	38,408.9	39,476.7	29,457.4

Sources: World bank database, 2020. Trade map, ITC

Belarus is home to 9.3 million people with 52.24% of this populace also making up the national labor force. Unemployment rates have followed a relatively stable pattern, peaking at 5.84% in 2016 to a low of 4.71% in 2019. As of 2020, the unemployment rate is at 5.28% of the total labor force.

Figure 2: GDP Composition, by Sector of Origin

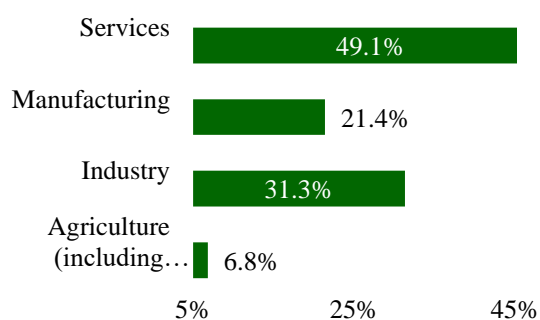
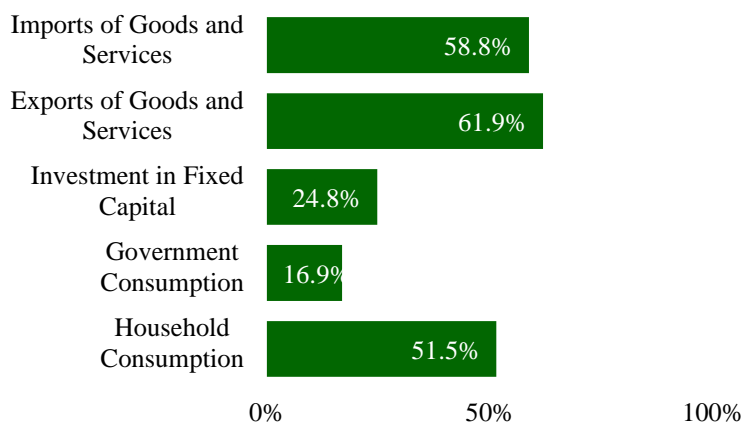


Figure 3: GDP Composition, by End User



Key Takeaways

- Belarus is planned economy with major decisions to trade, produce and invest are taken by government. Most of the industries, banks and agriculture land are state owned.
- Belarus is a consumption-trade economy driven by exports, import and household consumption expenditures.
- Country has strong bilateral relations with Russia and recently EU, the major export partner after Russia has imposed sector wise sanctions on trade with Belarus.
- For future economic development and trade, Belarus aims to increase export growth and establish high technology industrial park for facilitating industry, trade customs and logistics hurdles
- Engineering, light and food industries, ICT services, woodworking, petrochemical and pharmaceutical industries are major export oriented sector supporting the economy.

2. Trade Overview

Belarus' merchandise trade volume is about USD 54.7 billion (2020) (See table 2). The trade balance has improved during the same period by about USD 2.1 billion. Fertilizers, mineral fuels, and dairy produce are the top three dominant sectors supporting Belarus' total exports. In 2020, the share of fertilizers stood at 10.39 percent of the total exports while mineral fuels and dairy products had a share of 9.64 and 9.31 percent respectively. These three sectors alone form almost 30% percent of Belarus' exports.

Agriculture sector exports mounted to USD 450.4 million while agriculture imports stood at USD 276.8 million. Industrial exports value USD 17. 6 billion while manufacturing exports make up USD 17 billion. The major imports basket for Belarus comprises of mineral fuels, mechanical machinery, plastics and articles of plastic, electrical machinery, and vehicles/accompanying parts. Mineral fuels occupy the major share of 13.71 percent of total imports followed by mechanical machinery at 10.44 percent, electrical machinery at 6.38 percent and vehicle imports at 5.28 percent. Overall, these five categories accounted for 40.3 percent of total imports.

Table 2: Belarus global trade scenario

Year	Exports	Imports	Trade Volume	Trade Balance
Figure in USD million				
2016	23,537.36	27,609.88	51,147.24	(4,072.53)
2017	29,239.99	34,234.85	63,474.84	(4,994.86)
2018	33,726.14	38,408.91	72,135.05	(4,682.77)
2019	32,955.12	39,476.68	72,431.80	(6,521.56)
2020	25,015.04	29,457.39	54,472.43	(4,442.35)

Source: Trade Map, ITC

Figure 5: Belarus export basket, 2020

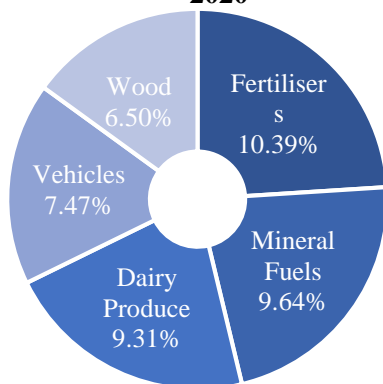
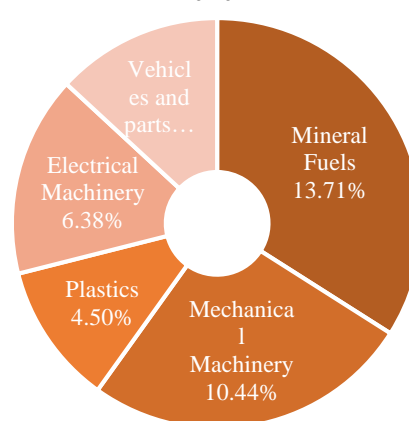


Figure 4: Belarus import basket, 2020



2.1. Trade Agreements

For market access and global integration, Belarus has entered in to free trade agreements on a cross-continental basis with nations across Asia, Europe and the Middle East (See table: 3). Several major export partners of Belarus are as follows with their respective share of Belarusian goods: Russia (41.34%), Ukraine (12.57%), United Kingdom (6.96%), Germany (3,94%) and Poland (3.92%). Russia and Ukraine cumulatively hold a large share (53.91%) of Belarus' total exports. Major import origins of Belarus are; Russian Federation (54.78%), China (9.28%), Germany (4.50%), Ukraine (4.3%), and Poland (3.4%)

Belarus is a part of regional economic union as Eurasia Economic Union (EAEU) with Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation as its members. EAEU is regional agreement for free movement of goods, services, capital, and labor with a single policy for sectors prescribed in its treaty. Most of the Belarus trade agreement are led by EAEU. Before EAEU Belarus was part of another regional treaty with CIS countries.

Sr.no	Trade Agreements	Year
1	Agreement on CIS FTA	1999
2	Belarus (EAEU) for Developing Countries	2016
3	Belarus (EAEU) for LDCs	2016
4	EEU-Iran (Interim)	2019
5	FTA, EEU-China	2019
6	FTA, Belarus-Turkmenistan	1994
7	FTA, EAEU-Serbia	2021
8	FTA, EAEU-Singapore	2021
9	FTA, EEU-Vietnam	2016
10	Regional Group, Eurasian Economic Union (EEU)	2015
11	Treaty on CIS FTA	2012
12	Japan for GSP countries	1971
13	Norway for GSP countries	1971

Source: Market Access map, 2021. Ministry of foreign Affairs for Republic of Belarus

2.2 Bilateral Trade

Pakistan's trade volume with Belarus follows fluctuating trends for the past few years. Pakistan faces a continuous negative trade balance with Belarus (See table; 3). Pakistan's export basket for Belarus is made up of surgical instruments, cereals, leather, articles of apparel, cutlery, sports goods, inflatable balls, and medicaments (See table: 4). Pakistan's share in the Belarus import market for these products is quite low. Among the top current exports Pakistan has no product that can capture 1 percent of the Belarus import market. Pakistan has an intensive margin to increase the exports of goods that are already being exported to Belarus market. The share of each product in Belarus market is highlighted in table 4. Pakistan imports tractors, potassium chloride, new pneumatic tyres, filament tow, food preparations for infant use, milk and cream in solid forms, medicaments and vehicle parts.

Presently, Pakistan and Belarus have both industry and sector-specific business forums set up for trade discourse between the two nations such as the Pak- Belarus joint business council, Pak-Belarus business and investment forum, Pak-Belarus textile forum and Pak-Belarus agricultural forum. Belarus has well developed and mature ICT exports. Pakistan can enter into services sector partnership to enhance bilateral trade between the two countries.

Year	Pakistan exports to Belarus	Pakistan Imports from Belarus	Trade Volume	Trade Balance
Value in USD Million				
2015	0.407	33.704	34.111	-33.297
2016	0.479	37.284	37.763	-36.805
2017	0.316	70.264	70.58	-69.948
2018	1.38	43.381	44.761	-42.001
2019	1.046	32.122	33.168	-31.076
2020	1.055	33.18	34.235	-32.125

Source: Trade Map, ITC

Table 5: Pakistan exports to Belarus and its share in Belarus market at HS-2

Code	Products	Pakistan exports to Belarus			Pakistan's share in the Belarus import market		
		2018	2019	2020	2018	2019	2020
		Figures in USD million			figures in percentage		
'90	Optical, photographic, precision, medical or surgical	0.425	0.599	0.366	0.06	0.08	0.06
'10	Cereals	0	0.159	0.206	0.00	0.07	0.23
'42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles ...	0.09	0.091	0.144	0.17	0.17	0.35
'39	Plastics and articles thereof	0	0.001	0.114	0.00	0.00	0.01
'62	Articles of apparel and clothing accessories, not knitted or crocheted	0.063	0.04	0.08	0.03	0.02	0.05
'41	Raw hides and skins (other than furskins) and leather	0.023	0	0.047	0.05	0.00	0.17
'82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	0.059	0.016	0.044	0.03	0.01	0.03
'63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	0	0.01	0.031	0.00	0.00	0.02

Source: Trade map, ITC**Table 6: Pakistan current exports to Belarus at HS-6**

Product code	Product	Pakistan's exports to Belarus		
		2018	2019	2020
		Figures in USD million		
'901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	0.423	0.53	0.366
'100630	Semi-milled or wholly milled rice, whether or not polished or glazed	0	0.159	0.206
'420310	Articles of apparel, of leather or composition leather (excluding clothing accessories, footwear ...	0.053	0.082	0.136
'391729	Rigid tubes, pipes and hoses, of plastics (excluding those of polymers of ethylene, propylene ...	0	0	0.093
'821420	Manicure or pedicure sets and instruments, incl. nail files, of base metal (excluding ordinary ...	0.055	0.016	0.044
'410712	Grain splits leather "incl. parchment-dressed leather", of the whole hides and skins of bovine ...	0.015	0	0.038
'630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	0	0.01	0.031

Source: Trade map, ITC

Table 7: Pakistan imports from Belarus and share in Pakistani import market at HS-2

Code	Products	Pakistan imports from Belarus			Belarus share in Pakistan imports		
		2018	2019	2020	2018	2019	2020
Figures in USD million							
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	25.75	18.27	15.04	0.99	1.24	1.04
'31	Fertilisers	7.19	9.20	8.77	0.72	1.52	1.85
'40	Rubber and articles thereof	4.00	0.12	4.67	0.74	0.03	0.85
'55	Man-made staple fibres	2.88	2.70	1.55	0.40	0.45	0.28
'04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere ...	0.22	0.03	1.12	0.14	0.03	1.23
'19	Preparations of cereals, flour, starch or milk; pastrycooks' products	0.65	0.90	1.03	0.38	0.70	0.70
'47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or ...	0.00	0.00	0.34	0.00	0.00	0.18
'84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	0.34	0.26	0.26	0.01	0.01	0.01
'72	Iron and steel	0	0.15	0.06	0	0.004	0.001
'44	Wood and articles of wood; wood charcoal	0.10	0.01	0.04	0.04	0.00	0.02

Source: Trade map, ITC

Key Takeaways

Belarus is our non-traditional trade partner with fluctuating trends in trade volumes for the past five years.

Pakistan has an intensive margin to increase the exports of goods that are already being exported to Belarus market. Some goods are; surgical instruments, cereals, leather, articles of apparel, cutlery, sports goods, inflatable balls, and medicaments

Pakistan's top import from Belarus is tractors, potassium chloride, new pneumatic tyres, filament tow, food preparations for infant use, milk and cream in solid forms, medicaments and vehicle parts.

Russia is the dominant player in Belarus import market having share of 54.8 % followed by China and Germany. India and Viet Nam have a 0.4 and 0.3 percent share respectively. Pakistan is the 66th trading partner of Belarus

2.3 Potential Products

For the expansion of our export base in Belarus market, we have outlined some of the potential products that Pakistan already exports to the world market. Pakistan's overall export to the world is USD 22.2 billion (2020) while Belarus's total imports from the world are USD 39.4 (2019)⁶ billion worth. Potential product is defined keeping in view Pakistan's current value of exports to the world and Belarus imports from the world. In addition to this, we have also considered products for which Belarus is a net importer and Pakistan is a net exporter of the product.

We have outlined two broader categories;

- 1) Products that Pakistan produces but doesn't export to Belarus, while these products have demand in Belarusian market (**extensive margin**).
- 2) Products that Pakistan already exports to Belarus but has more room to expand as per the demand of Belarus (**intensive margin**). The list of potential sectors at HS -2 is outlined in the tables below;

Table 6 indicates the potential sector for Belarus market including Belarus world imports in these sectors, Pakistan export to the world in the sector, Pakistan current exports to Belarus and relative position of Belarus and Pakistan as net importer and net exporter respectively.

Table 7 indicates the potential products at HS-6 level that have no current exports to Belarus from Pakistan while Belarus import these products in sufficient value. These products have extensive margin in Belarus market for Pakistan

Table 8 summarizes the products at HS-6 that have intensive margin to export. Pakistan currently exports these products and has more room to export.

⁶ Belarus data for 2020 is mirror data (is still being updated) therefore we have analyzed potential products on the basis of 2019 dataset with the exception of sector level analysis

Table 8: Pakistan export potential at HS-2

Code	Product label	Belarus imports from the world			Net imports Belarus	Pakistan exports to the world			net exports Pakistan	Pakistan current export to Belarus		
		2018	2019	2020		2018	2019	2020		2018	2019	2020
'08	Edible fruit and nuts; peel of citrus fruit or melons	668.706	683.79	331.185	522.55	431.395	398.771	418.597	200.412	2	0	1
'03	Fish and crustaceans, molluscs and other aquatic invertebrates	361.637	372.335	287.031	241.067	432.553	475.493	373.392	366.613	0	0	0
'64	Footwear, gaiters and the like; parts of such articles	335.173	400.843	239.833	185.124	117.221	135.313	122.743	85.374	331	0	11
'74	Copper and articles thereof	207.537	220.372	189.952	139.528	211.141	354.768	435.311	275.253	0	0	0
'95	Toys, games and sports requisites; parts and accessories thereof	138.739	168.646	185.114	84.909	218.581	225.019	178.638	137.938	305	77	5
'63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	167.59	204.249	164.895	115.598	4076.838	4070.644	4275.962	4021.006	0	10	31
'82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	174.839	184.706	157.413	111.482	107.321	113.894	110.801	44.829	59	16	44
'10	Cereals	156.366	220.516	88.829	217.661	2340.176	2375.641	2117.199	1363.315	0	159	206
'52	Cotton	103.882	109.186	78.909	74.6	3520.871	3252.069	2642.547	1249.865	0	5	1
'42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles ...	53.3	53.661	40.795	32.574	664.543	634.279	583.423	565.87	90	91	144
'26	Ores, slag and ash	19.383	17.839	11.923	13.233	83.773	94.196	84.624	79.706	0	0	0
'13	Lac; gums, resins and other vegetable saps and extracts	14.971	14.822	10.11	12.801	43.31	40.116	40.414	22.364	0	0	0

Source: Trade map, ITC

Table 9: Pakistan export potential at HS-6 (extensive margin)

code	Product label	Belarus imports from the world		Net imports Belarus	Pakistan exports to the world		net exports Pakistan	Pakistan current export to Belarus	
		2018	2019		2018	2019		2018	2019
'640399	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather ...	72.8	63.8	48.169	78.6	87.8	86.9	0	0
'850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	46.5	34.3	20.10	19.6	26.2	25.3	0	0
'030354	Frozen mackerel "Scomber scombrus, Scomber australasicus, Scomber japonicus"	29.0	29.4	27.31	0.0	12.9	12.9	0	0
'610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	24.8	32.4	19.51	244.2	314.8	313.9	0	0
'080510	Fresh or dried oranges	27.9	23.2	22.81	2.9	2.1	2.0	0	0
'620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding ...	20.2	22.4	14.61	100.9	98.5	98.0	0	0
'080390	Fresh or dried bananas (excluding plantains)	52.6	57.0	56.98	21.6	33.1	33.1	0	0
'300439	Medicaments containing hormones or steroids used as hormones but not antibiotics, put up in ...	20.1	20.9	20.35	60.9	77.0	59.3	0	0
'300410	Medicaments containing penicillins or derivatives thereof with a penicillanic acid structure, ...	15.5	19.0	13.91	9.8	9.8	6.3	0	0
'190219	Uncooked pasta, not stuffed or otherwise prepared, not containing eggs	12.9	15.6	15.46	9.6	9.1	8.7	0	0
'060311	Fresh cut roses and buds, of a kind suitable for bouquets or for ornamental purposes	177.2	224.3	173.84	0.5	0.6	0.6	0	0
'210320	Tomato ketchup and other tomato sauces	10.0	11.7	10.71	0.8	1.0	0.5	0	0
'681599	Articles of stone or other mineral substances, n.e.s. (excluding containing magnesite, dolomite ...	22.2	16.7	14.19	10.8	8.6	8.0	0	0
'340111	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded ...	9.9	10.1	9.05	4.6	10.6	7.5	0	0
'950699	Articles and equipment for sport and outdoor games n.e.s.; swimming and paddling pools	10.1	11.6	10.20	30.5	30.3	28.9	0	0
'100590	Maize (excluding seed for sowing)	24.8	51.5	51.53	0.9	28.7	27.9	0	0
'392062	Plates, sheets, film, foil and strip, of non-cellular poly"ethylene terephthalate", not reinforced, ...	11.7	12.9	7.37	11.2	27.2	22.5	0	0
'420292	Travelling-bags, insulated food or beverage bags, toilet bags, rucksacks, shopping-bags, map-cases, ...	13.5	14.6	10.11	5.8	6.4	5.5	0	0

'151620	Vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, ...	9.2	10.2	10.20	35.4	35.6	18.4	0	0
'821220	Safety razor blades of base metal, incl. razor blade blanks in strips	7.0	8.0	5.85	10.2	10.0	7.5	0	0
'630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton (excluding ...	17.5	28.1	19.53	791.2	787.4	787.1	0	0
'630710	Floorcloths, dishcloths, dusters and similar cleaning cloths, of all types of textile materials	5.3	5.7	4.38	441.7	407.9	407.0	0	0
'551219	Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different ...	7.0	12.0	10.10	20.3	28.7	27.3	0	0
'420222	Handbags, whether or not with shoulder straps, incl. those without handles, with outer surface ...	7.1	7.7	3.98	6.0	6.0	0.5	0	0
'070310	Fresh or chilled onions and shallots	5.0	8.6	3.75	48.9	67.5	51.8	0	0
'610342	Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, knitted or ...	6.0	8.2	5.33	67.2	59.0	58.6	0	0
'080410	Fresh or dried dates	1.4	2.3	1.99	113.4	71.8	63.1	0	0
'251741	Marble granules, chippings and powder, whether or not heat-treated	5.0	5.0	5.00	0.8	0.9	0.7	0	0
'050400	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, ...	9.0	7.5	0.80	20.4	19.5	19.3	0	0
'070490	Fresh or chilled cabbages, kohlrabi, kale and similar edible brassicas (excluding cauliflowers, ...	13.0	10.3	7.85	17.2	8.1	5.8	0	0
'030389	Frozen fish, n.e.s.	5.9	5.5	5.36	5.3	2.2	2.2	0	0
'030617	Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in ...	11.3	10.7	10.65	62.9	72.8	72.7	0	0
'100199	Wheat and meslin (excluding seed for sowing, and durum wheat)	44.8	60.1	60.10	50.1	37.6	37.6	0	0
'080212	Fresh or dried almonds, shelled	11.7	19.5	16.90	1.6	2.2	1.7	0	0
'630539	Sacks and bags, for the packing of goods, of man-made textile materials (excluding of polyethylene ...	1.0	6.4	4.64	16.1	18.7	15.8	0	0

Table 10: Potential products HS-6 (intensive margin)

code	Product label	Belarus Imports from the world		net import Belarus	Pakistan exports from the world		net exports Pakistan	Pakistan current exports
		2018	2019		2018	2019		
'901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	87.625	79.622	70.295	375.515	405.512	325.174	0.366
'611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	22.473	27.989	18.126	74.705	71.302	70.958	0.001
'620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	25.873	27.164	21.535	351.171	400.495	398.625	0.019
'300390	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	21.765	25.226	25.135	9.644	11.256	1.317	0.002
'611610	Gloves, mittens and mitts, impregnated, coated or covered with plastics or rubber, knitted ...	4.699	5.629	5.08	97.312	144.753	144.521	0.002
'100630	Semi-milled or wholly milled rice, whether or not polished or glazed	14.225	13.189	13.097	1768.837	1786.251	1786.205	0.206

Source: Trade map, ITC

Key Takeaways

Products that have intensive margin in Belarus market are; medical instruments, Jerseys, pullovers, men's or boys' trousers, medicaments, gloves, mittens and mitts, milled rice,

Products that can be entered in Belarus market and have extensive margin are; medicaments, footwear with outer soles of rubber, sea food, fresh or dried oranges, vegetable fats and oils, articles and equipment for sport and outdoor games, fresh or dried bananas, tomato ketchup, marble granules, soap and organic surface-active

4 Competitors Scenario in Belarus Market

Top leading import partner, Russia is a part Eurasia Economic Union (EAEU) while China is also part of EAEU agreement. Germany and Poland have no preferential access to Belarus market. Values imported and their share in Belarus market is shown in the table below;

Table 11: Top import origins, their share, and type of access in Belarus market

Rank	Exporters	Imported Value, 2020 USD million	Share in Belarus imports (%)	Type of Access
1	Russian Federation	15979.802	54.2	preferential access
2	China	2113.344	7.2	preferential access
3	Poland	1708.825	5.8	No preferential access
4	Germany	1568.301	5.3	No preferential access
5	Ukraine	1339.121	4.5	preferential access
6	United Kingdom	1199.789	4.1	No preferential access

Source: Trade map, ITC

Table 12: Share of EAEU members in Belarus import market

Exporter	Share in Value
EAEU Aggregation	55.2
Russian Federation	54.8
Kazakhstan	0.4
Armenia	0
Kyrgyzstan	0

Source: Trade map, ITC

Key Takeaways

For greater access in this market Pakistan needs to initiate FTA/PTA negotiations with EAEU, where Russia holds major influence.

India along with Egypt and Israel is negotiating free trade agreement with EAEU.

Recommendations

- Belarus has demand for seafood, cereals (wheat, maize, rice, oats and buck wheat), sport goods, medicaments, surgical instruments, and fruits (bananas, oranges, mangoes, dates and dried nuts). The current market share can be increased as it is quite low in these products as compare to our regional peers
- For medicaments, Belarus has developed its own pharmaceutical industries that are catering the domestic markets and have started exporting. However, there is a room to export nutraceuticals (vitamins & nutrition) to Belarus market.
- Joint ventures and investment opportunities need to be established for tractor and other agriculture machinery, auto parts industry, and electrical appliances such as refrigerator manufacturing.
- Belarus is under a sanction regime by EU, UK, USA and Canada. These sanctions are placed on sectors like potash, petroleum products, technology used in monitoring goods, and financial other restrictions. UK is the second largest importer of Belarus petroleum products with USD 2.1 billion (2019) import followed by Germany, Netherlands and Poland. Pakistan can negotiate the import of products under EU sanctions at concessionary rates as these exports are likely to be diverted in other markets.
- Belarus, being EAEU member state has started developing its trade rules and regulations as per laws of the union. Single window is one of the initiative of EAEU for trade facilitation. Creation of this window will ease the custom procedure and other barriers to trade for Pakistani exporters.
- India along with Egypt and Israel is also negotiating free trade agreement with EAEU. Pakistan also need such an arrangement to ease tariff and non-tariff barrier with member states.
- Belarus has a comparative advantage in ICT services and software development. Highly skilled young professionals in ICT and software developers have led Belarus to captured Western Europe, USA and Canadian ICT markets. There is a need to trade in services and knowledge transfer based agreement that can facilitate ICT sector in Pakistan.