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Development of Kyrgyzstan's export potential: Challenges and prospects of foreign trade

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Abstract. In the context of increasing global economic integration, enhancing the export potential of Kyrgyzstan is of paramount importance for ensuring sustainable national development. The purpose of this study was to assess the current state and key constraints of the country's export sector, with a focus on identifying strategic directions for its improvement. The research employed analytical, comparative, economic-statistical, systemic methods, expert evaluation, and SWOT analysis. The analysis revealed that Kyrgyzstan's foreign trade is characterised by low volumes, a negative trade balance, and a high dependence on gold exports, which limits economic diversification. The export structure is narrow, with limited product range and heavy reliance on a small number of trade partners, primarily Russia and Kazakhstan, although efforts are being made to explore new markets such as the United Kingdom. Key obstacles include weak industrial capacity, insufficient logistics infrastructure, and inadequate institutional support for small and medium-sized enterprise. However, significant opportunities exist in value-added processing, organic agriculture, and regional cooperation within the Eurasian Economic Union. Priority sectors with export potential include agriculture, textiles, mining, and services. The article also included an analysis comparing Kyrgyzstan's 2023-2024 export potential with that of various Central Asian counterparts. Based on the SWOT analysis, the study formulated recommendations aimed at diversifying exports, strengthening infrastructure, and expanding foreign economic relations. The practical significance of this research lies in

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its applicability for policymakers, export-oriented enterprises, and analysts in shaping strategies and policies to enhance the competitiveness of Kyrgyz exports and integrate effectively into the global economy

Keywords: globalisation; SWOT analysis; Eurasian Economic Union; international cooperation; export diversification; sustainable development; competitiveness

INTRODUCTION

The development of the export potential of the Kyrgyz Republic is one of the key priorities of the state economic policy, since it is export that can become a powerful source of economic growth, attract investment, and increase the country's competitiveness in the international arena, especially in the context of globalisation. As global markets become more interconnected and competition intensifies, expanding and diversifying exports will be crucial for the Kyrgyz Republic to strengthen its position in the global economy and ensure sustainable development. In the context of a limited domestic market, as well as a high dependence of the economy on foreign economic factors, strengthening the export base is of strategic importance. Despite Kyrgyzstan's participation in various integration associations, such as the Eurasian Economic Union (EAEU), the country still faces a number of serious challenges in foreign trade. These are, first of all, a limited range of exported products, a low level of technological processing, dependence on raw materials, as well as poor development of logistics and transport infrastructure. In addition, institutional and administrative barriers remain that prevent domestic products from freely entering foreign markets.

The topic is becoming especially relevant against the backdrop of global economic changes, instability in international markets and increasing competition (Kryvovyazyuk *et al*., 2024). In modern conditions, Kyrgyzstan needs not only to adapt to the new requirements of world trade, but also to actively develop industries with high export potential, stimulate the growth of non-resource exports, expand the geography of foreign economic relations and introduce innovative approaches to foreign trade policy. Thus, the study of the problems and prospects for the development of Kyrgyzstan's export potential allows not only to assess the current state of affairs, but also to determine the directions of the country's strategic development in the field of foreign economic activity, which determines the relevance of this topic. As noted by M. Balashova & I. Tsvigun (2021), in the era of globalisation 4.0, foreign trade activities, particularly in information technologies, have become increasingly important for the development of supranational structures and integration associations.

Kyrgyzstan's export portfolio remains heavily concentrated, with gold accounting for a significant share. This reliance on a single commodity exposes the economy to external shocks and price volatility. The manufacturing sector has seen a decline since the 1990s, with its contribution to GDP decreasing from 18% in 2000 to 15% in 2019. This trend underscores the need for diversification to enhance economic resilience (Calabrese, 2024). Kyrgyzstan's position in the global trading system remains relatively modest, with the country demonstrating the lowest volume of foreign trade among its regional peers. Exports account for approximately 23.9% of total foreign trade turnover, a figure that lags behind that of most neighbouring economies. This limited share reflects not only structural weaknesses in the national economy but also the challenges faced in integrating into diversified international markets. The country's trade balance remains persistently negative, signalling a high dependency on imported goods and a corresponding vulnerability to external shocks.

The structure of Kyrgyz exports is heavily concentrated, with gold representing the predominant export commodity. While this resource generates significant revenue, it also restricts the diversification of the economy and exposes the country to fluctuations in global commodity prices. Moreover, Kyrgyzstan continues to rely predominantly on a narrow circle of trading partners, primarily Russia and Kazakhstan. While these relationships are strategically important, overreliance on a limited number of markets heightens exposure to geopolitical and economic risks. In response, the Kyrgyz Republic has begun to actively pursue the expansion of its foreign economic relations, including the exploration of new export destinations such as the United Kingdom. This evolving trade policy underscores the urgency of enhancing the export base, improving product competitiveness, and addressing infrastructural and institutional constraints. In this context, the development of a comprehensive export strategy is essential for fostering sustainable economic growth and greater resilience in the face of global market dynamics.

Kyrgyzstan's export potential faces challenges and opportunities in the evolving global market. The country's unique geographical location and eco-friendly agriculture contribute to the production of high-quality fruits, particularly for markets like the UAE (Lalayan, 2024). According to A. Dooranov *et al*. (2024), Kyrgyzstan has shown overall growth in export volumes from 2019 to 2023, with regions like Batken, Jalal-Abad, and Talas demonstrating significant progress. The country's integration into the Eurasian Economic Union has positively impacted its foreign trade, although issues of unbalanced development and decreased foreign investment persist (Dzhailova & Kozhoshev, 2020). Despite challenges, according to IFC (2021), Kyrgyzstan's GDP growth averaged 4.4% from 2000 to 2019, contributing to poverty reduction and improved living standards. To maximise its export potential, Kyrgyzstan should focus on targeted government initiatives, infrastructure development, and regional support programs to attract international investors and promote sustainable economic growth (Dooranov *et al*., 2024). Neighbouring countries (China, Kazakhstan, Uzbekistan, and Tajikistan) and Russia still have significant trade potential. Kyrgyzstan, a less developed economy even by Central Asian standards, can only achieve its poverty reduction goals and become more developed by increasing its overall trade with the rest of the world, as noted by P. Allayarov *et al*. (2018).

The purpose of this paper was a comprehensive study of the state and structure of foreign trade of the Kyrgyz Republic, identification of the main barriers limiting the development of exports, as well as determination of effective ways and mechanisms for increasing the country's export potential in modern economic conditions.

MATERIALS AND METHODS

In conducting this study, a comprehensive set of scientific research methods was employed to ensure an objective and in-depth analysis of Kyrgyzstan's export potential. The primary approach was the analytical method, which involved examining statistical data, official government reports, and publications from international organisations to evaluate the current state and trends of the country's foreign trade. This facilitated a detailed understanding of the dynamics and challenges within Kyrgyzstan's export sector.

The comparative method was utilised to benchmark Kyrgyzstan's foreign economic indicators against those of neighbouring countries, revealing both common regional patterns and distinct national characteristics. This comparative perspective allowed for a clearer assessment of Kyrgyzstan's position within the broader global trade environment. Quantitative data were analysed through economic and statistical methods, enabling identification of key trends, export structure, and trade dynamics over time. This method was essential for highlighting leading export sectors, trade volumes with particular partners, and temporal fluctuations in trade flows. A systems approach was applied to conceptualise Kyrgyzstan's export potential as the product of complex interactions among political, economic, and institutional factors. This holistic perspective underscored how internal and external influences jointly affect the country's foreign trade outcomes. The expert assessment method incorporated insights from specialists through scientific literature and analytical reports, enriching the analysis with professional evaluations of the sector's challenges and opportunities. Finally, a SWOT analysis was conducted to systematically evaluate Kyrgyzstan's export strengths, weaknesses, opportunities, and threats. This framework was pivotal in identifying critical factors shaping the country's trade prospects and in informing strategic recommendations to enhance export performance in global markets.

RESULTS

Enhancing export diversification for economic resilience in Kyrgyzstan

The foreign trade structure of the Kyrgyz Republic is significantly skewed towards a narrow range of export commodities, primarily consisting of raw materials such as gold, agricultural products, and minerals. While these exports contribute to national income, the limited diversification exposes the economy to external shocks, particularly those related to fluctuations in global commodity markets. In order to achieve a more sustainable and resilient economic trajectory, Kyrgyzstan must undertake comprehensive measures to diversify its export portfolio. Export diversification, understood as the expansion of the range of products and markets, serves as a fundamental strategy to reduce vulnerability and promote value addition. The shift from raw commodity exports to higher value-added goods – such as processed food products, textile manufactures, light machinery, and services – can increase profitability, enhance employment generation, and foster technological upgrading. The global demand for such products is more stable and often commands higher margins than raw materials, offering Kyrgyz exporters a competitive edge when efficiently integrated into global value chains.

To stimulate diversification, the government must prioritise investment in industrial development and agricultural modernisation. Supportive policies, including export financing mechanisms, targeted subsidies for high-potential sectors, and capacity-building programmes for export-oriented enterprises, are essential. In parallel, efforts should be made to improve product standards and quality control systems, ensuring that Kyrgyz products meet international market requirements. To ensure that foreign trade contributes to sustainable development, the government must establish a strong institutional framework that supports exporters, improves trade policy, and facilitates international market access. Strengthening trade-related institutions, improving regulatory frameworks, and reducing bureaucratic obstacles are necessary steps to create a business-friendly environment. In addition, the development of export promotion programs and capacity-building initiatives will help businesses better navigate international markets and take full advantage of global trade opportunities.

An analysis of the foreign trade of the Kyrgyz Republic for the period from 2019 to 2024 shows certain fluctuations in the volumes of exports and imports, which reflects both internal economic changes and foreign economic trends. According to the National Bank of the Kyrgyz Republic (n.d.), in 2019, exports amounted to about $1.99 billion, while imports amounted to $4.99 billion. In 2020, despite the challenges of the COVID-19 pandemic, exports decreased slightly, amounting to $1.97 billion, while imports decreased to $3.72 billion, which may indicate a decrease in consumer demand and economic activity in the context of the global crisis. However, in 2021, there is a noticeable increase in exports to $2.75 billion, which may be due to the recovery of the global economy and improved demand for products of the Kyrgyz Republic. At the same time, imports increased significantly, amounting to $5.58 billion, which may be due to an increase in the need for raw materials and goods for production in the country. In 2022, exports decreased to $2.25 billion, which may be due to external economic shocks or a drop in demand for certain types of products. In 2023, exports increased significantly again, reaching $3.38 billion, while imports amounted to $12.52 billion, confirming the growth of external dependence on imports and high domestic needs. In 2024, there is a further increase in exports to $3.83 billion and a slight decrease in imports to $12.21 billion, indicating possible measures to stabilise foreign trade and strengthen the country's export potential. Overall, the export growth rate is 192.7%, while imports increased by 244.8%, indicating a significant increase in external dependence on imported goods (Fig. 1).

The geographic distribution of goods exports from the Kyrgyz Republic in 2024 reflects the significant role that regional trade plays in the country's foreign trade strategy. In total, Kyrgyzstan's exports amounted to $5.36 billion. Analysing the distribution in percentages across different regions provides insight into the main markets for Kyrgyz exports. Exports to the European Union (EU) amounted to $0.070 billion, which represents approximately 1.3% of the total export value. While this is a small proportion compared to other regions, it indicates the EU's ongoing importance as a trade partner, despite the challenges of fierce global competition and trade barriers. The Commonwealth of

Independent States (CIS) remains the largest export market for Kyrgyzstan, with exports totalling $1.843 billion, or about 34.4% of total exports. This underscores the strategic importance of neighbouring CIS countries in Kyrgyzstan's trade activities, which are likely driven by shared cultural, historical, and economic ties, as well as preferential trade arrangements. Exports to the Shanghai Cooperation Organisation (SCO) member states reached $1.968 billion, making up 36.7% of total exports. This significant share highlights the growing role of SCO countries, especially in sectors like energy and natural resources, in Kyrgyzstan's export strategy. Despite the lack of detailed data on the exact flow of goods within this framework, the SCO remains an important economic alliance for Kyrgyzstan.

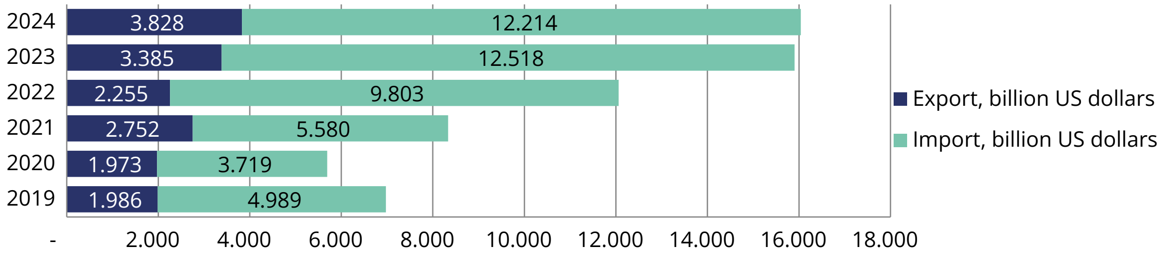

Figure 1. Exports and imports of the Kyrgyz Republic

Source: compiled by the authors based on data from the National Bank of the Kyrgyz Republic (n.d.)

Exports to the Eurasian Economic Union totalled $1.477 billion, which represents approximately 27.6% of total exports. As a member of the EAEU, Kyrgyzstan benefits from preferential trade agreements and reduced tariffs, which enhance the competitiveness of its exports in member countries, further solidifying the importance of this regional economic bloc for Kyrgyzstan's trade. In summary, Kyrgyzstan's export markets are heavily concentrated in regional trade. The CIS and SCO together account for 71.1% of total exports, reflecting the country's reliance on neighbouring countries and regional partnerships. Meanwhile, exports to the EU remain relatively small, accounting for only 1.3%, while the EAEU contributes 27.6% to total exports. This geographic distribution emphasises Kyrgyzstan's strong regional trade ties while indicating opportunities for increasing exports to more distant markets like the EU (Fig. 2).

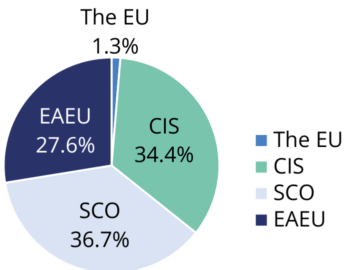

Figure 2. Geographic distribution of exports of goods from the Kyrgyz Republic

Source: compiled by the authors based on data from the National Bank of the Kyrgyz Republic (n.d.)

The geographic distribution of imports of goods into the Kyrgyz Republic in 2024 presents a clear picture of the country's trade dependencies and external economic relationships. In total, the value of imports into Kyrgyzstan in 2024 amounted to $18.99 billion. Analysing the share of imports from various regions in percentage terms provides insight into Kyrgyzstan's trade structure and priorities. Imports from the European Union totalled $0.767 billion, representing approximately 4.0% of total imports. While the EU constitutes a relatively small portion of Kyrgyzstan's total imports, it still remains an important trading partner, especially for high-tech goods, machinery, and industrial products. The CIS accounted for $4.157 billion, or about 21.9% of total imports. This reflects the close economic ties within the CIS region, where Kyrgyzstan imports a significant amount of raw materials, energy resources, and manufactured goods from its neighbours. The SCO stands as the largest contributor to Kyrgyzstan's imports, with a value of $9.548 billion, or approximately 50.2% of total imports. This high share indicates Kyrgyzstan's reliance on SCO member countries, particularly for energy resources, machinery, and other key industrial imports. Imports from the Eurasian Economic Union were valued at $3.516 billion, making up around 18.5% of total imports. As a member of the EAEU, Kyrgyzstan benefits from preferential trade agreements with its neighbours, which likely accounts for a significant portion of imports within the region, including machinery, agricultural products, and other goods. In summary, the SCO is the dominant source of Kyrgyzstan's imports, contributing 50.2% of the total, followed by the CIS with 21.9% and the EAEU with 18.5%. Imports from the EU make up a smaller share of 4.0%, highlighting that while European imports are important, Kyrgyzstan's main trade dependencies are in the neighbouring and regional markets. The overall structure of imports indicates a high reliance on the SCO countries for energy and industrial goods, with significant contributions also coming from CIS and EAEU members (Fig. 3).

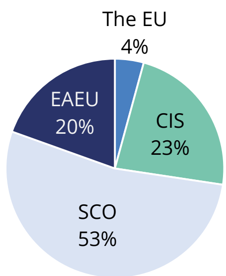

Figure 3. Geographic distribution of imports of goods in the Kyrgyz Republic

Source: compiled by the authors based on data from the National Bank of the Kyrgyz Republic (n.d.)

Furthermore, the development of industrial zones and export processing zones (EPZs), particularly in border regions, could encourage investment in non-traditional sectors. These zones should be equipped with modern infrastructure, streamlined customs procedures, and favourable fiscal conditions to attract both domestic and foreign investors. Education and workforce development play a critical role in supporting diversification. A skilled labour force, trained in engineering, logistics, quality assurance, and international marketing, will be better positioned to contribute to and benefit from emerging export sectors. Thus, aligning vocational training and university curricula with the needs of export-driven industries is crucial. In conclusion, by expanding its export base beyond traditional commodities, Kyrgyzstan can reduce economic vulnerability, foster inclusive growth, and position itself as a competitive player in global trade. Such transformation demands coordinated efforts across policy, infrastructure, finance, and human capital development.

Boosting export growth through strategic initiatives

Kyrgyzstan's strategic approach to sustainable foreign trade must encompass both regional integration and global outreach. While the country has long-standing trade relationships within Central Asia, particularly through its membership in the Eurasian Economic Union and participation in the Shanghai Cooperation Organisation, these frameworks must be actively leveraged to their full potential. Membership in the EAEU provides Kyrgyzstan with several tangible advantages, including reduced tariffs, harmonised standards, and simplified cross-border trade procedures. These mechanisms can significantly lower the costs of trade and enhance the competitiveness of Kyrgyz products within the regional market. Nevertheless, to maximise these benefits, Kyrgyzstan must work to improve compliance with EAEU technical and phytosanitary standards and upgrade domestic institutions responsible for trade facilitation.

Beyond the EAEU, Kyrgyzstan's involvement in the SCO provides a platform for expanding economic cooperation with major economies such as China, Russia, India, and others. Trade dialogues and joint projects within this organisation can stimulate investment and open new markets for Kyrgyz goods and services, particularly in sectors like agribusiness, mining, and tourism. Equally important is the country's engagement with more distant partners. The European Union, Middle Eastern countries, and key Asian economies represent underexplored opportunities. Enhanced diplomatic and trade missions, participation in trade fairs, and bilateral negotiations on preferential trade terms can yield dividends in diversifying export destinations and import sources. To effectively manage and expand these relationships, Kyrgyzstan should invest in the institutional capacity of its trade ministry and foreign missions. Specialised trade attachés and commercial sections must be equipped with the knowledge and resources to promote Kyrgyz products abroad, identify market trends, and facilitate partnerships between domestic and foreign businesses. A balanced approach that consolidates regional integration while pursuing global trade diversification will not only increase economic resilience but also provide the country with strategic flexibility in times of geopolitical uncertainty or regional economic downturns.

Efficient trade infrastructure and logistics systems are the bedrock of a competitive foreign trade regime. In the context of Kyrgyzstan's landlocked geography, infrastructural development assumes critical importance. The high cost and time associated with transporting goods across borders currently constrain the country's ability to engage competitively in international markets. At present, several impediments – including suboptimal road and rail networks, inadequate storage facilities, and antiquated customs operations – limit the seamless flow of goods. To address these challenges, a multi-pronged infrastructure modernisation strategy is imperative. This includes upgrading existing transportation corridors, particularly those connecting Kyrgyzstan with China, Kazakhstan, and Uzbekistan, which are vital for both regional and intercontinental trade. Strategic investment in dry ports, logistics centres, and bonded warehouses can further enhance the efficiency of supply chains. These facilities should incorporate digital tracking, automated handling systems, and integrated customs services to reduce clearance times and transaction costs.

Customs modernisation is another vital aspect of trade facilitation. The introduction of electronic single-window systems, pre-arrival processing of goods, risk-based inspections, and harmonisation with international best practices can significantly improve the ease of doing cross-border business. In addition, enhancing coordination between border agencies and establishing cross-border cooperation mechanisms with neighbouring countries will foster smoother trade flows. The role of public-private partnerships (PPPs) cannot be overstated in this context. Mobilising private sector expertise and capital for infrastructure projects, particularly in transport and logistics, can accelerate implementation timelines and improve service delivery. In sum, modern, efficient, and transparent trade infrastructure is essential for Kyrgyzstan's integration into regional and global value chains. Strategic investment in logistics and customs reform will yield long-term benefits in trade competitiveness, foreign investment attraction, and economic diversification.

Small and medium-sized enterprises (SMEs) constitute a vital pillar of the Kyrgyz economy. These entities contribute substantially to employment, regional development, and innovation. However, their participation in foreign trade remains limited due to structural, financial, and informational constraints. To harness the full potential of SMEs in the export economy, targeted support mechanisms must be established. Firstly, access to finance remains a key barrier. Financial institutions should be encouraged to develop export-specific loan products, while the government could provide credit guarantees, interest subsidies, and export insurance schemes tailored for SMEs. Capacity building is equally important. Government agencies, in collaboration with international development partners, should offer training programmes on export readiness, international marketing, trade compliance, and digital commerce. Establishing dedicated SME export support centres in key regions of the country can serve as hubs for information dissemination, consultancy, and market access facilitation.

Trade fairs, buyer-seller meetings, and virtual trade missions are practical avenues for connecting SMEs with foreign buyers. In parallel, e-commerce platforms should be leveraged to allow smaller firms to access global markets at minimal cost. The government can play a catalytic role by creating digital infrastructure and regulatory frameworks that support cross-border e-commerce. Fostering networks and clusters of SMEs around specific value chains – for example, textiles in Osh or dried fruits in Batken – can enhance collective competitiveness and allow for economies of scale in export marketing. Through clustering, SMEs can share resources, jointly develop products, and improve bargaining power in international markets. By ensuring that SMEs are effectively integrated into foreign trade strategies, Kyrgyzstan can build a more inclusive and broad-based export economy. Such empowerment will also promote regional equity and reduce dependence on a few large exporters or sectors.

SWOT analysis of Kyrgyzstan's export potential

Kyrgyzstan's strategic location in Central Asia provides the country with a unique advantage as a trade hub. Situated at the crossroads of major economic regions such as China, Russia, and the European Union, Kyrgyzstan serves as an important gateway for trade between Asia and Europe. This geographic positioning allows the country to benefit from trade routes that pass through its territory, making it a key player in facilitating cross-border trade between the East and West. This location also places Kyrgyzstan in close proximity to large and rapidly growing economies, creating opportunities for the country to serve as a bridge for goods moving between these regions. In addition to its favourable location, Kyrgyzstan is blessed with abundant natural resources, which are vital to its export sector. The country has significant reserves of gold, coal, and other minerals, which are in high demand globally. Kyrgyzstan's mining sector, particularly gold mining, plays a major role in its economy, and the revenue generated from these exports is a key driver of economic growth. Furthermore, the country is an important producer of agricultural products such as fruits, vegetables, grains, and livestock, which are highly valued in regional and international markets. These natural resources provide a solid foundation for Kyrgyzstan's export strategy, particularly in the mining and agriculture sectors, allowing the country to diversify its sources of revenue and expand its export base.

Kyrgyzstan's membership in the Eurasian Economic Union is another significant advantage for the country's foreign trade. The EAEU allows Kyrgyzstan to enjoy preferential trade agreements with other member states, which include Russia, Kazakhstan, Armenia, and Belarus. This membership eliminates or reduces tariffs on a wide range of goods, making Kyrgyzstan's exports more competitive in regional markets. As a result, the country has easier access to some of the largest and most lucrative markets in Central Asia and Russia. The EAEU also provides opportunities for Kyrgyzstan to benefit from greater economic integration with its neighbours, enhancing the country's trade relationships and providing a platform for expanding its exports to a wider audience. Furthermore, Kyrgyzstan has seen notable growth in key export sectors such as agriculture and textiles. The agriculture sector has been particularly dynamic, with the country producing a variety of fruits, vegetables, and grains that are in demand in neighbouring countries and beyond. This growth in agricultural exports has created a solid foundation for expanding Kyrgyzstan's overall export portfolio. The textile industry has also witnessed growth, particularly in the production of clothing and other fabric-based goods, which are increasingly being exported to regional markets. As these sectors continue to grow, Kyrgyzstan has the opportunity to diversify its export offerings and strengthen its position in international markets.

Despite its many strengths, Kyrgyzstan faces several challenges that limit its ability to fully capitalise on its export potential. One of the primary weaknesses is the heavy dependence on a narrow range of export products, particularly raw materials such as gold and agricultural products. This lack of diversification makes the country vulnerable to fluctuations in global commodity prices, which can significantly affect the stability of Kyrgyzstan's export revenues. For instance, a sudden decline in the price of gold or a poor harvest season for agricultural products could have a major negative impact on the country's export performance, highlighting the need for Kyrgyzstan to diversify its export base.

In addition to limited diversification, a large portion of Kyrgyzstan's exports consists of low-value-added products. This means that the country exports primarily raw materials with little processing, which reduces its ability to generate higher profits from its exports. By exporting raw materials rather than finished goods, Kyrgyzstan misses out on the opportunity to capture higher margins that are often associated with products that have undergone value-added processing. For example, while Kyrgyzstan may export raw agricultural products such as fruits and grains, it is not yet fully capitalising on the potential to process these products into higher-value items like packaged foods, juices, or other processed goods that could fetch higher prices in international markets.

Another significant challenge is Kyrgyzstan's infrastructure and logistics. The country's transportation networks, including roads, railways, and border crossing facilities, are underdeveloped and inadequate to handle the volume of trade required to support the country's growing export ambitions. Poor transportation infrastructure can lead to delays, increased costs, and inefficiencies in the movement of goods, which negatively impacts the country's competitiveness in global markets. Furthermore, Kyrgyzstan's customs procedures are often outdated and bureaucratic, causing further delays and increasing transaction costs for businesses involved in international trade. These logistical issues create significant barriers to trade and limit Kyrgyzstan's ability to fully participate in global supply chains.

Moreover, there is a lack of sufficient institutional support for Kyrgyzstan's exporters, particularly small and medium-sized enterprises, which are the backbone of the country's economy. While large state-owned enterprises may have the resources to navigate the complexities of international trade, SMEs often lack access to the necessary financial support, training, and information to expand their businesses globally. This lack of support is particularly evident in the country's export promotion policies, which are underdeveloped and need further refinement to facilitate the growth of Kyrgyzstan's export sector. SWOT analysis of Kyrgyzstan's export potential is presented in Table 1.

Table 1. SWOT analysis of Kyrgyzstan's export potential

Strengths:	Weaknesses:
1. Strategic location. Kyrgyzstan is situated in Central Asia, acting as a bridge between major economic regions, including China, Russia, and the countries of the European Union. This geographical advantage makes it an important trading hub. **2. Natural resources.** Kyrgyzstan is rich in natural resources, such as gold, coal, and agricultural products. These resources are in demand on global markets, offering significant export potential, particularly in the mining and agriculture sectors. **3. Membership in regional economic organisations.** As a member of the Eurasian Economic Union, Kyrgyzstan benefits from preferential trade agreements with EAEU countries, allowing for easier access to regional markets without tariffs. **4. Growing export sectors.** There is growth in key export sectors, such as agriculture (fruits, vegetables, and grains) and textiles, which provide a foundation for export development.	**1. Limited export product diversification.** Kyrgyzstan's exports are heavily reliant on a few raw materials, such as gold and agricultural products. This lack of diversification exposes the country to fluctuations in global commodity prices and reduces its resilience to market changes. **2. Low value-added products.** A significant portion of Kyrgyzstan's exports consists of raw materials with minimal value-added processing. This limits the potential for higher profits and competitiveness in global markets. **3. Weak infrastructure and logistics.** Poor road networks, outdated customs procedures, and limited transportation infrastructure reduce Kyrgyzstan's ability to efficiently move goods across borders. This results in higher transaction costs and delays in trade. **4. Insufficient institutional support.** The country's export promotion policies, financial support for exporters, and trade facilitation mechanisms need further development. There is a lack of strong institutional frameworks to support small and medium-sized enterprises in their international trade efforts.
Opportunities:	**Threats:**
1. Expansion of export markets. Kyrgyzstan can diversify its export markets by seeking new trade agreements and building stronger economic relationships with countries in Asia, Europe, and the Middle East. **2. Value-added processing.** By investing in technology and innovation, Kyrgyzstan can increase the value-added processing of its natural resources, moving beyond raw materials to more sophisticated products with higher profit margins, such as processed agricultural goods, textiles, and electronics. **3. Increasing regional cooperation.** Kyrgyzstan can deepen its ties with neighbouring countries and regional economic organisations, such as the Shanghai Cooperation Organisation and the Central Asian Free Trade Area, which could help boost cross-border trade and attract investments. **4. Growing interest in organic products.** There is increasing global demand for organic and sustainably-produced goods. Kyrgyzstan's natural environment provides an opportunity to tap into the organic food market, particularly for products like fruits, vegetables, and nuts.	**1. Global economic instability.** Kyrgyzstan's export sector is vulnerable to global economic downturns, changes in commodity prices, and international market volatility. These factors can negatively affect trade revenues and economic growth. **2. Geopolitical tensions.** The country's location in a geopolitically sensitive region exposes it to risks from conflicts or political instability in neighbouring countries. This can disrupt trade flows, particularly with major trading partners like Russia, China, and Kazakhstan. **3. Competitive regional markets.** Kyrgyzstan faces stiff competition from neighbouring countries, such as Kazakhstan, Uzbekistan, and Tajikistan, which have more diversified economies, stronger industrial sectors, and more advanced infrastructure. **4. Climate change.** Climate change and environmental degradation can impact Kyrgyzstan's agricultural production, making the country more vulnerable to crop failures and reducing its agricultural export potential.

Source: compiled by the authors

The absence of strong institutional frameworks to support exporters is a critical weakness, as it limits the ability of smaller businesses to tap into international markets and grow their export potential. Without adequate support structures, Kyrgyzstan's export sector may struggle to achieve its full potential and diversify its export portfolio. In summary, while Kyrgyzstan has significant strengths that position it well for expanding its export sector, such as its strategic location, natural resources, and regional trade agreements, the country must address several key weaknesses. These include the lack of export diversification, reliance on low-value-added products, insufficient infrastructure, and limited institutional support for SMEs. Overcoming these challenges will be essential for Kyrgyzstan to fully capitalise on its export potential and strengthen its position in global markets.

Kyrgyzstan holds significant potential to expand its export markets through strategic diversification and the development of deeper economic ties with a broader range of countries. By focusing on forging new trade agreements and strengthening its existing relationships with key regions like Asia, Europe, and the Middle East, Kyrgyzstan can diversify its markets and reduce reliance on a limited set of trading partners. Building stronger economic ties with nations in these regions can open up new opportunities for Kyrgyzstan's products, particularly in areas where demand is growing. For example, countries in the Middle East, Asia, and Europe are increasingly looking for high-quality agricultural products, textiles, and manufactured goods, which Kyrgyzstan can provide. Additionally, leveraging the country's strategic location between Asia and Europe can help Kyrgyzstan position itself as a critical trade hub for goods flowing in both directions.

Another avenue for expanding Kyrgyzstan's export potential is focusing on value-added processing. Traditionally, Kyrgyzstan's exports have been dominated by raw materials such as gold, coal, and agricultural products, which are subject to fluctuating global prices. By investing in technology, infrastructure, and innovation, Kyrgyzstan can increase the value-added processing of these materials, transforming them into more sophisticated and higher-margin products. For instance, agricultural products such as grains, fruits, and vegetables can undergo processing to create packaged goods, processed foods, or organic products, adding more value to exports. Similarly, textiles can be further developed into higher-end garments or specialised products that cater to niche markets in Europe and Asia. The shift from exporting raw materials to finished or semi-finished products can significantly boost Kyrgyzstan's export revenues, provide new business opportunities, and create more employment in the processing sectors.

In addition to these strategies, regional cooperation plays a pivotal role in Kyrgyzstan's export potential. Being a member of organisations like the Shanghai Cooperation Organisation and the Central Asian Free Trade Area (CAFTA), Kyrgyzstan has the opportunity to benefit from increased trade integration with its neighbours. Strengthening ties within these regional blocs can help Kyrgyzstan overcome trade barriers, reduce tariffs, and improve access to markets in Central Asia, China, and Russia. Additionally, deeper regional cooperation can foster greater cross-border trade, leading to the flow of goods, services, and investments that can support Kyrgyzstan's economic development. By capitalising on regional trade agreements, Kyrgyzstan can better position itself as a leading player in Central Asia's economic landscape and encourage foreign investment in sectors like agriculture, manufacturing, and renewable energy.

Furthermore, geopolitical tensions in Kyrgyzstan's region pose another serious risk to trade stability. The country is situated in a geopolitically sensitive area, with several neighbouring countries experiencing internal political instability or external conflicts. Disputes or tensions between Kyrgyzstan's neighbours, especially in the context of competition for resources, territorial claims, or trade routes, could disrupt trade flows and hinder Kyrgyzstan's ability to maintain stable access to its key markets. Additionally, political instability in neighbouring countries like Kazakhstan, Uzbekistan, and Tajikistan could negatively impact trade logistics, transportation networks, and border controls, making it more difficult for Kyrgyzstan to move goods efficiently across borders.

Moreover, Kyrgyzstan faces increasing regional competition from neighbouring countries like Kazakhstan, Uzbekistan, and Tajikistan, which have more diversified economies, stronger industrial sectors, and more developed infrastructure. These countries are better positioned to attract foreign investment, develop high-value industries, and compete on the global market. As these neighbours continue to improve their economic structures and trade policies, Kyrgyzstan may find it more challenging to maintain or expand its export market share. The competition in sectors such as mining, agriculture, and textiles is especially fierce, and Kyrgyzstan will need to find ways to enhance the competitiveness of its goods to stay relevant in these markets.

Finally, climate change presents a growing threat to Kyrgyzstan's agricultural sector, which is a significant part of the country's export potential. Changes in temperature patterns, droughts, and shifting weather conditions could adversely affect the production of key agricultural goods, such as fruits, vegetables, and grains. This could lead to reduced harvests, higher production costs, and lower quality products, ultimately impacting Kyrgyzstan's agricultural export revenues. Additionally, climate change could exacerbate water scarcity issues in the region, further straining the country's agricultural capabilities and its ability to meet both domestic and export demand. In conclusion, while Kyrgyzstan has considerable opportunities to expand its export markets, diversify its products, and strengthen regional trade partnerships, it must also address the significant external threats that could undermine its export potential. By investing in infrastructure, innovation, and sustainable development, Kyrgyzstan can enhance its competitiveness, build resilience to external shocks, and position itself as a reliable and dynamic player in the global market. However, addressing geopolitical risks, regional competition, and climate change will be critical for securing long-term growth and sustainability in Kyrgyzstan's export sector.

Comparative analysis of Kyrgyzstan's export potential

In recent years, foreign trade has played a pivotal role in shaping the economic trajectories of Central Asian nations. The analysis of trade indicators for 2023-2024 reveals a marked divergence in trade performance, export structures, and strategic partnerships among Kyrgyzstan, Kazakhstan, Uzbekistan, Tajikistan, and Turkmenistan. Kyrgyzstan's foreign trade volume in 2024 reached approximately $16 billion, with exports standing at $3.8 billion and imports significantly outweighing them at $12 billion (National Statistical Committee of the Kyrgyz Republic, n.d.). This resulted in a substantial trade deficit of $8.4 billion, highlighting the country's structural dependence on imports. The export structure remains dominated by raw materials and agricultural products, including gold, textiles, vegetables, and fruits. Notably, the export-to-GDP ratio stands at a modest ~27%, underscoring the limited integration of Kyrgyzstan into global value chains. Its principal trade partners include Russia, Kazakhstan, China, and the United Kingdom – indicating a relatively diversified market orientation but also a reliance on regional giants.

Kazakhstan, by contrast, demonstrates a significantly more favourable trade profile. With a total trade turnover of $35.5 billion, the country posted a positive trade balance of $5.5 billion, driven by robust export revenues of $20.5 billion (Ministry of National Economy of the Republic of Kazakhstan, n.d.). Kazakhstan's exports are heavily concentrated in hydrocarbons and minerals – particularly oil, metals, and grain – reflecting its resource-based economic model. The country's export-to-GDP ratio is high at approximately 58%, suggesting a strong reliance on external markets. Kazakhstan maintains strategic trade relations with Russia, China, the European Union, and Turkey, positioning itself as a crucial energy and raw material supplier within the region and beyond.

Uzbekistan's foreign trade reached $19.6 billion in 2023, with exports totalling $8.5 billion and imports at $11.1 billion, resulting in a trade deficit of $2.6 billion (State Committee of the Republic of Uzbekistan on Statistics, n.d.). Despite this negative balance, Uzbekistan has made notable strides in diversifying its export base, which now includes gas, cotton, gold, and textiles. With an export share of ~40% of GDP, the country shows a growing orientation towards export-led growth. Key partners – China, Russia, Turkey, and the EU – reflect Uzbekistan's pragmatic foreign economic policy and gradual integration into wider Eurasian markets.

Tajikistan continues to experience a limited scale of foreign trade, amounting to $3.2 billion in 2023 (Agency on Statistics under the President of the Republic of Tajikistan, n.d.). Exports were valued at $1.2 billion against $2 billion in imports, yielding a trade deficit of $800 million. The export composition includes aluminium, alcohol, and fruits, which indicates a narrow industrial base. An export-to-GDP ratio of ~35% suggests moderate trade openness, although export capacity remains constrained by infrastructural and institutional bottlenecks. Russia, China, and Iran remain Tajikistan's principal economic partners, reflecting its geopolitical orientation and historical ties.

Turkmenistan, with a total trade volume of $9.5 billion in 2023, also operates under a trade deficit, amounting to $1.5 billion (State Committee on Statistics of Turkmenistan, n.d.). Despite considerable natural gas reserves, export revenues only reached $4.5 billion, with imports slightly higher at $5 billion. The country's export basket, dominated by gas, cotton, oil, and textiles, points to a reliance on commodities, with minimal value addition. A relatively high export-to-GDP ratio of ~60% is indicative of the central role of exports in the national economy, although trade remains heavily concentrated with China, Turkey, the EU, and Russia. Comparative analysis of Kyrgyzstan's export potential is presented in Table 2.

Table 2. Comparative analysis of Kyrgyzstan's export potential in 2023-2024 compared to a number of Central Asian countries

Indicator/country	Kyrgyzstan (2023-2024)	Kazakhstan (2023)	Uzbekistan (2023)	Tajikistan (2023)	Turkmenistan (2023)
Foreign trade volume	$16 billion (2024)	$35.5 billion	$19.6 billion	$3.2 billion	$9.5 billion
Export	$3.8 billion (2024)	$20.5 billion	$8.5 billion	$1.2 billion	$4.5 billion
Import	$12 billion (2024)	$15 billion	$11.1 billion	$2 billion	$5 billion
Trade balance	-$8.4 billion	+$5.5 billion	-$2.6 billion	-$800 million	-$1.5 billion
Main export products	Gold, textiles, vegetables, fruits	Oil, metals, grain, machinery	Gas, cotton, gold, textiles	Alcohol, aluminium, fruits	Gas, cotton, oil, textiles
Main trade partners	Russia, Kazakhstan, China, United Kingdom	Russia, China, EU, Turkey	China, Russia, Turkey, EU	Russia, China, Iran	China, Turkey, EU, Russia
Export share in GDP	~27% (2023)	~58%	~40%	~35%	~60%
Main export markets	Russia, Kazakhstan, United Kingdom	Russia, China, EU	China, Russia, Turkey	Russia, China	China, Turkey, EU

Source: compiled by the authors based on data from the National Statistical Committee of the Kyrgyz Republic (n.d.), Ministry of National Economy of the Republic of Kazakhstan (n.d.), State Committee of the Republic of Uzbekistan on Statistics (n.d.), Agency on Statistics under the President of the Republic of Tajikistan (n.d.), State Committee on Statistics of Turkmenistan (n.d.), IMF (n.d.), World Bank (n.d.), UN Comtrade (n.d.), Asian Development Bank (n.d.), Eurasian Development Bank (n.d.)

In conclusion, Central Asian economies exhibit heterogeneous trade patterns, shaped by their resource endowments, industrial capabilities, and foreign policy orientations. While Kazakhstan and Turkmenistan benefit from hydrocarbon exports, Kyrgyzstan and Tajikistan continue to grapple with trade deficits and limited export diversification. Uzbekistan emerges as a transitional economy, gradually broadening its trade base. To ensure long-term sustainability, all five countries must pursue policies aimed at enhancing export competitiveness, developing non-resource sectors, and deepening regional cooperation.

Promoting sustainable trade through green and ethical products

As global trade increasingly aligns with environmental and social sustainability imperatives, Kyrgyzstan has an opportunity to position itself as a supplier of green and ethical products. The global demand for organic, fair-trade, and environmentally sustainable goods is growing rapidly, particularly in Europe, East Asia, and North America. Kyrgyzstan's agricultural sector is well-suited to this transition. The country has vast areas of unpolluted land, a tradition of organic farming, and a growing number of producers adhering to sustainable practices. By supporting the certification of organic products and facilitating access to eco-conscious markets, the government can create new export niches for smallholders and cooperatives. Renewable energy technologies, eco-tourism services, and handicrafts made from sustainable materials represent additional areas where Kyrgyzstan can gain competitive advantage. The establishment of green production standards, eco-labelling schemes, and carbon-neutral logistics solutions will be instrumental in ensuring credibility and marketability. International cooperation will play a crucial role in realising these objectives. Technical assistance from development agencies, partnerships with foreign certification bodies, and knowledge transfer from more advanced economies can accelerate the green transition of Kyrgyz export sectors. Aligning foreign trade with environmental sustainability will not only meet emerging market requirements but also preserve the country's ecological capital. This dual benefit underscores the strategic value of investing in green trade.

Moreover, the growing global demand for organic products presents an exciting opportunity for Kyrgyzstan. The country's pristine natural environment, with its clean air and water, provides a unique selling point for organic farming and sustainable agricultural practices. As consumers worldwide become more conscious of the environmental and health impacts of the products they purchase, there is a rising interest in organic food, especially in the European and Asian markets. Kyrgyzstan, with its rich agricultural resources, could take advantage of this demand by producing high-quality organic fruits, vegetables, nuts, and other agricultural products. By focusing on organic certification and sustainable farming practices, Kyrgyzstan could tap into a lucrative market, increase its export value, and promote sustainable development in the agriculture sector.

However, despite these considerable opportunities, Kyrgyzstan faces significant external challenges that could limit its ability to fully capitalise on its export potential. Global economic instability is one of the major threats to Kyrgyzstan's export sector. Fluctuations in global commodity prices, economic recessions in major markets, or financial crises in key economies can negatively affect demand for Kyrgyzstan's exports and reduce its revenue from trade. The country's reliance on raw material exports, in particular, makes it vulnerable to shifts in global demand and prices. Economic downturns in countries that import Kyrgyzstan's goods can have immediate and severe impacts on its trade balance and overall economic stability.

In summary, while Kyrgyzstan's export sector holds strong potential, it also faces significant challenges. The country's geographic advantages, natural resources, and regional partnerships offer significant opportunities, but strategic efforts to diversify exports, improve infrastructure, and reduce vulnerabilities to external factors will be critical to long-term success. A SWOT analysis of Kyrgyzstan's export potential reveals both significant strengths and challenges. To improve its export performance, Kyrgyzstan needs to focus on diversifying its export base, enhancing its infrastructure, and building stronger institutional support systems. Exploring new export markets and increasing the value-added content of its goods can also help strengthen its position in the global trade arena.

DISCUSSION

Foreign trade constitutes a pivotal dimension of a nation's economic development, serving not only as a vehicle for economic growth but also as a critical determinant of international competitiveness and integration into the global marketplace (Ji *et al*., 2022). According to V. Jeníček & V. Krepl (2009), it encapsulates the complex web of economic interdependencies that arise through the cross-border exchange of goods and services, thereby reflecting both the strategic positioning and the adaptive capacities of states within the international economic order. The potential benefits of foreign trade are manifold. By enabling access to wider markets, countries can overcome the limitations of domestic demand, stimulate industrial and agricultural productivity, and more efficiently exploit their comparative advantages, including natural and human resources. However, the pursuit of these benefits is not without its constraints. For instance, as mentioned by P. Upadhaya (2023), landlocked developing countries such as Nepal confront formidable structural obstacles, including restricted access to seaports, underdeveloped transport infrastructure, and a narrow export base, all of which impede the diversification and resilience of their trade sectors.

Foreign trade plays a crucial role in economic development and globalisation. It reflects economic relationships between countries and involves the exchange of goods that exceed domestic demand or satisfy unmet needs (Jeníček & Krepl, 2009). International trade contributes to economic growth by promoting specialisation, facilitating export promotion, and diversifying economies. However, international trade also presents challenges, such as potential negative impacts on worker welfare in producing countries. According to G. Vijayasri (2013), to maximise the benefits of foreign trade, countries must implement appropriate policy measures and develop economic infrastructure to accommodate social and financial changes resulting from increased international trade. Overall, foreign trade remains a critical component of economic development strategies in the modern globalised world. The findings of Z. Abylkasimova *et al*. (2021) underscore the critical importance of diversifying export structures and enhancing institutional support mechanisms – considerations that are equally pertinent to Kyrgyzstan, where the limited sophistication of export goods and the overreliance on a narrow set of trading partners continue to constrain the country's foreign trade potential. Azerbaijan, on the other hand, is actively engaged in restructuring its foreign trade architecture. Efforts are underway to shift away from overreliance on oil exports by enhancing the competitiveness of non-oil sectors and fostering the development of domestic industries capable of substituting imports (Guluzade, 2024). Such strategic reorientation underscores the broader imperative for countries to pursue trade policies that are both adaptive and forward-looking.

It becomes evident that the efficacy of foreign trade policies hinges on a country's ability to conduct a nuanced analysis of its internal capacities and external constraints. Strategic export promotion, the development of competitive industries, and the implementation of coherent and responsive state policies are essential prerequisites for enhancing trade performance and ensuring long-term economic sustainability (Upadhaya, 2023; Guluzade, 2024). R. Baldwin (2016) presents a compelling and intellectually rigorous examination of the transformative impact that advancements in information and communication technologies have had on the nature and structure of globalisation. He argues that the traditional paradigm of global economic integration – largely characterised by the cross-border movement of goods and capital – has given way to a more complex and dynamic system. This emergent phase, which he designates as the "new globalisation", is distinguished by the unprecedented ability to fragment and disperse various stages of production processes across multiple national boundaries. Such disaggregation has been made feasible primarily through the digitisation of information and the seamless transmission of knowledge, enabling firms to coordinate and manage globally distributed value chains with remarkable efficiency. R. Baldwin contends that this shift marks a profound departure from earlier forms of international economic engagement, as it increasingly privileges the trade of ideas and tasks over the mere exchange of finished goods, thereby reshaping the global economic landscape in fundamental and enduring ways.

According to N. Skrypnyk & A. Naryvska (2024), key factors influencing export activities include international trade relations, political conflicts, economic sanctions, and global instability. The agricultural sector shows promise for export growth, but requires innovation, infrastructure development, and investment attraction. Factors affecting export potential include integration processes, specialisation, and cooperation in production chains. As stated by A. Kashperska & O. Yatsiuk (2024), to enhance competitiveness, countries should focus on improving product quality, meeting international standards, and exploring new markets. Promising sectors for export development include agriculture, IT, light industry, and transport logistics. Addressing regulatory frameworks, ensuring stable trade terms, and simplifying customs control are crucial for fostering export growth.

The Eurasian Economic Union faces challenges in developing its foreign trade, with volumes not yet reaching 2014 levels (Samokhovets & Hrechyshkina, 2020). To enhance trade, the EAEU should focus on stimulating demand, diversifying exports, and strengthening cooperation within the union and with other countries (Hrechyshkina & Samakhavets, 2019). EAEU membership increased aggregate exports in both countries, with stronger effects in Armenia. According to S. Bekbolotova *et al*. (2025), Armenia also experienced a significant rise in agri-food exports, while Kyrgyzstan's agri-food imports declined. The EAEU's exports are dominated by mineral products to EU countries. Simulation modelling suggests significant trade potential with countries like the USA, UAE, and Singapore (Ginoyan & Tkachenko, 2022). According to V. Kot *et al*. (2022), the EAEU's strengths include its single market structure and high level of domestic trade, while weaknesses involve institutional inefficiencies and socio-economic disparities among members. Opportunities lie in diversifying trade with Middle Eastern and Asian countries, expanding territorial composition, and developing technological innovation. However, threats include growing trade with China and potential economic conflicts between member states.

The study found that Kyrgyzstan is showing a steady increase in foreign trade in agricultural products, with exports growing from $2.5 billion in 2020 to $3.5 billion in 2024, indicating an improvement in the competitiveness of products in international markets. As mentioned by G. Osmonkulova *et al*. (2025), modernisation of the transport and logistics infrastructure has helped to reduce transportation costs and improve storage conditions, which has positively affected the exports of key agro-export commodities such as dried fruits, cotton, and dairy products. No matter how countries try to restrict international trade, using special means and methods, tariffs, quotas, foreign trade benefits the economy as a whole and leads to progress. Countries can get more profit from this process if they produce efficient, inexpensive products for themselves and import expensive products. In the production of economical, high-quality, competitive products, the role of global free trade is great, and countries that want to get more profit and expand their economy can engage in foreign trade. Countries that use their resources efficiently and expand their exports receive more foreign exchange than others, improve their economic results and are able to ensure the future well-being of their people (Hasanli & Huseynli, 2023).

Thus, foreign trade continues to serve as a cornerstone of sustainable economic growth and structural transformation, particularly for developing and transition economies such as Kyrgyzstan. The analysis reveals that while Kyrgyzstan demonstrates notable progress in expanding its trade volumes – especially in the agricultural sector – the country remains challenged by a persistent trade deficit, limited diversification of export commodities, and heavy reliance on a small group of trading partners. Drawing on international experience, as exemplified by countries like Azerbaijan and Ukraine, it becomes evident that strategic export diversification, infrastructure development, and the pursuit of innovation are essential for enhancing trade resilience and competitiveness. Moreover, membership in regional economic frameworks such as the Eurasian Economic Union offers both opportunities and constraints, underscoring the importance of coordinated policy reforms, institutional strengthening, and the strategic exploitation of comparative advantages. For Kyrgyzstan to fully realise its export potential and integrate more effectively into global value chains, a deliberate policy focus on improving product quality, expanding market access, investing in logistics, and fostering public-private partnerships is imperative. Ultimately, a forward-looking and adaptive trade policy – anchored in evidence-based decision-making – will be indispensable for securing the country's long-term economic sovereignty and prosperity.

CONCLUSIONS

The study showed that despite certain advantages, such as the country's strategic location and natural resources, Kyrgyzstan's export potential remains limited. The bulk of exports remain raw materials, which creates dependence on world prices and limits opportunities for growth. The most significant problems hindering the development of foreign trade are insufficient diversification of exported products, weak logistics and infrastructure, high tariffs and administrative barriers, as well as limited trading partners, which reduces the economy's resilience to external shocks. The analysis showed that significant potential for export growth exists in such sectors of the economy as agro-industrial complex, textile industry, mining, as well as in the field of high technology and innovation. The development of these industries could significantly increase added value and diversify exports. To realise the potential of foreign trade, structural reforms in the field of public policy are needed, including improving foreign trade regulation, developing infrastructure, reducing corruption and administrative barriers. To stimulate export growth, it is proposed to focus on improving product quality, introducing innovations, expanding foreign trade relations and diversifying exports. An important area is the development of small and medium-sized businesses, supporting domestic producers and entering new markets.

Kyrgyzstan's accession to the Eurasian Economic Union opens up new opportunities for expanding foreign trade, improving access to the markets of member countries and attracting investment. However, to fully utilise these opportunities, it is necessary to improve the domestic economy and comply with international standards. It is necessary to continue the study of the influence of such integration processes, such as the participation of Kyrgyzstan in the Eurasian Economic Union and other international organisations, on the development of foreign trade and export potential. It is important to estimate what additional opportunities are opening up for the country and what challenges arise in connection with international integration.

In the future, the possibilities of Kyrgyzstan's exit to new promising markets should be studied more deeply, especially in the conditions of globalisation and changing trade flows. This can include studying the potential for expanding trade with Asian and African countries, as well as deepening economic relations with neighbouring states. It is important to study the resilience of Kyrgyzstan's foreign trade to external economic shocks, such as changes in world commodity prices or economic crises. This study will help identify measures that will reduce the country's dependence on external factors and increase its economic security. One of the most important directions for future research is the study of the role of small and medium-sized businesses in the country's export activity. The study of problems and opportunities for expanding the participation of SMEs in international trade will help improve the country's economic situation and create additional workplaces. The strategic development of Kyrgyzstan's foreign trade necessitates a comprehensive and multidimensional approach. A fundamental priority lies in the diversification of exports. Expanding the range of exportable goods beyond raw materials by fostering the production and international marketing of high-quality, value-added products is essential for enhancing the resilience and competitiveness of the national economy.

Equally important is the modernisation and expansion of transport and logistics infrastructure. Upgrading road networks, railway terminals, and other transport corridors will significantly reduce transaction costs and enhance trade efficiency, enabling better connectivity with both regional and global markets. Deepening international economic integration must also be a core objective. This includes the pursuit of bilateral and multilateral trade agreements, and the strengthening of economic relations with dynamic markets in Asia, the Middle East, and Europe. Such measures will allow Kyrgyzstan to integrate more effectively into the global trading system and benefit from broader economic partnerships. Particular emphasis should be placed on empowering small and medium-sized enterprises to access international markets. This can be achieved through the provision of affordable financing, access to export-oriented knowledge platforms, and tailored capacity-building programmes aimed at strengthening entrepreneurial competencies. The formation of specialised export clusters offers considerable potential, particularly in sectors such as agriculture, light industry, and high technology. These clusters can foster synergies among producers, improve resource coordination, and raise the international competitiveness of Kyrgyz goods and services.

The integration of digital technologies into foreign trade operations is no less critical. The adoption of tools such as digital logistics, e-commerce platforms, and blockchain-based systems can enhance transparency, streamline customs procedures, and reduce operational overheads. Furthermore, the promotion of environmentally sustainable and organic exports is increasingly aligned with global consumer trends. Kyrgyzstan possesses comparative advantages in this sphere, which may be leveraged to position the country as a supplier of green products to environmentally conscious markets. Strengthening institutional frameworks to support external trade is also imperative. Enhanced state support through targeted fiscal incentives, export subsidies, and robust institutional mechanisms will facilitate the development of a more enabling environment for international economic engagement. Altogether, these strategic directions will bolster Kyrgyzstan's integration into the global economy, promote export-led growth, and enhance the overall sustainability and volume of its foreign trade. In the context of a rapidly evolving international landscape, foreign trade remains a cornerstone of Kyrgyzstan's long-term strategy for achieving inclusive and sustainable economic development.

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Развитие экспортного потенциала Кыргызстана: проблемы и перспективы внешней торговли

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Аннотация. В условиях усиливающейся глобальной экономической интеграции повышение экспортного потенциала Кыргызстана имеет первостепенное значение для обеспечения устойчивого национального развития. Целью данного исследования была оценка текущего состояния и основных ограничений экспортного сектора страны с акцентом на определение стратегических направлений его совершенствования. В исследовании применялись аналитический, сравнительный, экономико-статистический, системный методы, экспертная оценка и SWOT-анализ. Анализ показал, что внешняя торговля Кыргызстана характеризуется низкими объемами, отрицательным торговым балансом, высокой зависимостью от экспорта золота, что ограничивает диверсификацию экономики. Структура экспорта узкая, с ограниченным ассортиментом продукции и сильной зависимостью от небольшого числа торговых партнеров, в основном России и Казахстана, хотя предпринимаются усилия по освоению новых рынков, таких как Великобритания. Основные препятствия включают слабый промышленный потенциал, недостаточную логистическую инфраструктуру и неадекватную институциональную поддержку малого и среднего предпринимательства. Однако существуют значительные возможности в области переработки с добавленной стоимостью, органического сельского хозяйства и регионального сотрудничества в рамках Евразийского экономического союза. К приоритетным секторам с экспортным потенциалом относятся сельское хозяйство, текстиль, горнодобывающая промышленность и сфера услуг. В статье также приводится анализ, сравнивающий экспортный потенциал Кыргызстана в 2023-2024 годах с экспортным потенциалом различных стран Центральной Азии. На основе SWOT-анализа в исследовании сформулированы рекомендации, направленные на диверсификацию экспорта, укрепление инфраструктуры и расширение внешнеэкономических связей. Практическая значимость исследования заключается в том, что оно может быть использовано политиками, экспортно-ориентированными предприятиями и аналитиками при формировании стратегий и политики, направленных на повышение конкурентоспособности кыргызского экспорта и эффективную интеграцию в мировую экономику

Ключевые слова: глобализация; Евразийский экономический союз; международное сотрудничество; SWOT-анализ; диверсификация экспорта; устойчивое развитие; конкурентоспособность

Кыргызстандын экспорттук потенциалын өнүктүрүү: тышкы сооданын кыйынчылыктары жана келечеги

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Аннотация. Дүйнөлүк экономикалык интеграция күч алып жаткан шартта, Кыргызстандын экспорттук потенциалын жогорулатуу улуттук туруктуу өнүгүүнү камсыз кылууда өзгөчө мааниге ээ. Бул изилдөөнүн максаты – өлкөнүн экспорттук секторунун учурдагы абалын жана негизги чектөөлөрүн баалоо, ошондой эле аны жакшыртуунун стратегиялык багыттарын аныктоо болду. Изилдөөдө аналитикалык, салыштырма, экономикалык-статистикалык, системдик ыкмалар, эксперттик баалоо жана SWOT-анализ колдонулду. Анализдин жыйынтыгында Кыргызстандын тышкы соодасынын көлөмү төмөн, соода балансы терс, жана алтын экспортуна жогору көз карандылык мүнөздүү экени аныкталды. Бул көрүнүш экономиканын диверсификацияланышына тоскоол болууда. Экспорттук түзүм тар болуп, товардык түрдүүлүк чектелүү жана негизги соода өнөктөштөрү катары Россия менен Казакстанга көбүнчө көз каранды, бирок Улуу Британия сыяктуу жаңы рынокторду изилдөө аракеттери жүрүп жатат. Башкы тоскоолдуктарга начар өнөр жайлык потенциал, жетишсиз логистикалык инфратүзүм жана чакан жана орто ишканалар үчүн институционалдык колдоонун жоктугу кирет. Ошентсе да, кошумча нарктуу кайра иштетүү, органикалык айыл чарба өндүрүшү жана Евразия экономикалык биримдиги алкагындагы аймактык кызматташтык сыяктуу олуттуу мүмкүнчүлүктөр бар. Экспорттук потенциалы бар артыкчылыктуу секторлорго айыл чарба, жеңил өнөр жай (текстиль), тоо-кен ишмердүүлүгү жана кызмат көрсөтүүлөр кирет. Макалада Кыргызстандын 2023-2024-жылдардагы экспорттук мүмкүнчүлүктөрү Борбор Азиядагы башка өлкөлөр менен салыштырылып анализденди. SWOT-анализдин негизинде экспортту диверсификациялоо, инфратүзүмдү бекемдөө жана тышкы экономикалык байланыштарды кеңейтүү боюнча сунуштар иштелип чыкты. Бул изилдөөнүн практикалык мааниси – саясат жүргүзүүчүлөр, экспортко багытталган ишканалар жана аналитиктер үчүн Кыргызстандын экспорттук атаандаштыкка жөндөмдүүлүгүн жогорулатуу жана глобалдык экономикага натыйжалуу интеграциялоо боюнча стратегияларды түзүүдө колдонууга болот

Негизги сөздөр: глобалдашуу; SWOT-анализ; Евразия экономикалык биримдиги; эл аралык кызматташтык; экспорттук диверсификация; туруктуу өнүгүү; атаандаштыкка жөндөмдүүлүк