

Pakistan & Japan



Economy - overview:

- In the years following World War II, government-industry cooperation, a strong work ethic, mastery of high technology, and a comparatively small defence allocation (1% of GDP) helped Japan develop a technologically advanced economy.
- Two notable characteristics of the post-war economy were the close interlocking structures of manufacturers, suppliers, and distributors, known as keiretsu, and the guarantee of lifetime employment for a substantial portion of the urban labour force. Both features are now eroding under the dual pressures of global competition and domestic demographic change. Japan's industrial sector is heavily dependent on imported raw materials and fuels.
- A small agricultural sector is highly subsidized and protected, with crop yields among the highest in the world. While self-sufficient in rice production, Japan imports about 60% of its food on a caloric basis.

GDP (purchasing power parity):

\$4.767 trillion (2014 est.)

\$4.772 trillion (2013 est.)

\$4.697 trillion (2012 est.)

GDP (official exchange rate):

\$4.602 trillion (2014 est.)

GDP - real growth rate:

0.1% (2014 est.)

1.6% (2013 est.)

1.7% (2012 est.)

GDP - per capita (PPP):

\$37,500 (2014 est.)

\$37,600 (2013 est.)

\$37,000 (2012 est.)

GDP - composition by sector:

Agriculture: 1.2%

Industry: 26.8%

Services: 72% (2014 est.)

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Inflation rate (consumer prices):

2.7% (2014 est.)

0.4% (2013 est.)

Industries:

Motor vehicles, electronic equipment, machine tools, steel and nonferrous metals, ships, chemicals, textiles, processed foods

Pakistan's imports from Japan by products in US Dollars:

| <u>Product label</u> | <u>Pakistan's imports from Japan</u> | | |
|--|--------------------------------------|----------------------|----------------------|
| | <u>Value in 2012</u> | <u>Value in 2013</u> | <u>Value in 2014</u> |
| <u>All products</u> | <u>1,875,373</u> | <u>1,963,191</u> | <u>1,752,971</u> |
| <u>Vehicles other than railway, tramway</u> | <u>916,508</u> | <u>585,996</u> | <u>667,749</u> |
| <u>Machinery, nuclear reactors, boilers, etc</u> | <u>236,836</u> | <u>280,365</u> | <u>322,555</u> |
| <u>Printed books, newspapers, pictures etc</u> | <u>42,020</u> | <u>256,177</u> | <u>178,825</u> |
| <u>Iron and steel</u> | <u>179,683</u> | <u>225,789</u> | <u>154,930</u> |
| <u>Articles of iron or steel</u> | <u>36,547</u> | <u>41,074</u> | <u>65,002</u> |
| <u>Electrical, electronic equipment</u> | <u>76,865</u> | <u>54,609</u> | <u>58,892</u> |
| <u>Optical, photo, technical, medical, etc apparatus</u> | <u>41,303</u> | <u>34,639</u> | <u>40,075</u> |
| <u>Plastics and articles thereof</u> | <u>38,828</u> | <u>36,455</u> | <u>38,093</u> |
| <u>Organic chemicals</u> | <u>29,628</u> | <u>25,086</u> | <u>30,729</u> |
| <u>Ships, boats and other floating structures</u> | <u>123,821</u> | <u>284,443</u> | <u>24,029</u> |

Japan's Exports - commodities:

motor vehicles 14.9%; iron and steel products 5.4%; semiconductors 5%; auto parts 4.8%; power generating machinery 3.5%; plastic materials 3.3% (2014 est.)

Japan's Exports - partners:

US 18.9%, China 18.3%, South Korea 7.5%, Hong Kong 5.5%, Thailand 4.5% (2014)

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Pakistan's exports to Japan by products in US

Dollars:

| <u>Product label</u> | <u>Pakistan's exports to Japan</u> | | |
|---|------------------------------------|----------------------|----------------------|
| | <u>Value in 2012</u> | <u>Value in 2013</u> | <u>Value in 2014</u> |
| <u>All products</u> | <u>191,281</u> | <u>184,316</u> | <u>193,918</u> |
| <u>Cotton</u> | <u>76,356</u> | <u>61,993</u> | <u>65,173</u> |
| <u>Other made textile articles, sets, worn clothing etc</u> | <u>12,262</u> | <u>11,249</u> | <u>13,767</u> |
| <u>Copper and articles thereof</u> | <u>14,248</u> | <u>10,728</u> | <u>12,331</u> |
| <u>Articles of apparel, accessories, not knit or crochet</u> | <u>4,730</u> | <u>8,690</u> | <u>11,890</u> |
| <u>Articles of apparel, accessories, knit or crochet</u> | <u>6,223</u> | <u>7,704</u> | <u>9,838</u> |
| <u>Articles of leather, animal gut, harness, travel goods</u> | <u>6,946</u> | <u>8,666</u> | <u>8,693</u> |
| <u>Oil seed, oleagic fruits, grain, seed, fruit, etc. nes</u> | <u>2,601</u> | <u>3,998</u> | <u>8,270</u> |
| <u>Optical, photo, technical, medical, etc apparatus</u> | <u>6,797</u> | <u>6,454</u> | <u>8,152</u> |
| <u>Raw hides and skins (other than furskins) and leather</u> | <u>8,502</u> | <u>8,417</u> | <u>7,466</u> |
| <u>Toys, games, sports requisites</u> | <u>5,000</u> | <u>6,218</u> | <u>6,930</u> |
| <u>Lac, gums, resins, vegetable saps and extracts nes</u> | <u>15,067</u> | <u>6,976</u> | <u>6,000</u> |

Japan's Imports - commodities:

petroleum 16.1%; liquid natural gas 9.1%; clothing 3.8%; semiconductors 3.3%; coal 2.4%; audio and visual apparatus 1.4% (2014 est.)

Japan's Imports - partners:

China 22.3%, US 9%, Australia 5.9%, Saudi Arabia 5.9%, UAE 5.1%, Qatar 4.1%, South Korea 4.1% (2014)

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Trade potential between Pakistan and Japan:

An exchange of trade related information between the two countries could also jack up the volume of two-way trade that does not match the true potential of the two countries.

Major exports of Pakistan to Japan consist of cotton yarn, petroleum oils, woven cotton fabric, vegetables, electro-medical apparatus, leather, leather garments, carpets and sports goods etc. The main imports from Japan are cars, vessels & other floating structures, products of iron, trucks, parts & accessories of motor vehicles, textile machinery and etc.