

### Highlights

The World Investment Report for 2012 published by the UN Conference on Trade and Development ranked Turkmenistan among the ten top countries in terms of the index for attracting direct foreign investment. In 2012 the volume of direct foreign investment in Turkmenistan was 15.6% of the country's GDP. According to the IMF, the real GDP growth rate will reach 8% in 2013.

### Foreign and international policy

Ukrainian president Viktor Yanukovich and President Berdimuhamedov of Turkmenistan, negotiated intergovernmental partnership in a number of sectors: oil and gas, transport, construction and tourism, followed by the signing of a memorandum of understanding and various other important documents between Turkmenistan and Ukraine's national joint stock company Naftogaz. Rounding off their negotiations, the presidents took part in the inauguration ceremony of new industrial, transport and communication infrastructure facilities in Lebap region.

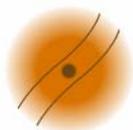
Ukraine's deputy prime minister Yuriy Boyko took part in the extraordinary meeting of the Turkmen-Ukrainian commission on economic cooperation.

### *European countries in Turkmenistan*

At a meeting with President Berdimuhamedov, Turkmenistan's honorary consul in Belgium Koen Minne emphasized the growing interest of EU business groups in expanding cooperation with Turkmenistan. During the meeting the sides discussed aspects of Turkmenistan's foreign policy in respect of European countries.

An Italian delegation headed by the Italian ambassador to Turkmenistan Antonio Zanardi Landi and foreign ministry officials discussed relevant aspects of Turkmen-Italian cooperation in political, trade, economic and humanitarian spheres. At present, issues of cooperation with Italy in the field of air transport and civil aviation are being discussed.

The further expansion of Turkmen-Austrian cooperation, in the context of earlier government agreements, were discussed in Ashgabat with Heidemarie Gurer, Austrian ambassador in Turkmenistan, the director of the Austrian ministry for European and International affairs, Eastern and Southern Europe, South Caucasus and Central Asia. Trade-economic and energy spheres were named among the priority areas for bilateral partnership.



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Discussions of cooperation capacity in the oil and gas sector between Turkmenistan and the UK took place in London during the visit of a Turkmen delegation headed by deputy prime minister B. Hodzhamammedov.

The main topic of the Turkmen-British sports forum in Ashgabat was the question of organizing the fifth Asian indoor games and martial arts in Turkmenistan in 2017. Charles Hendry, the British prime minister's special trade envoy for Turkmenistan, flew to Ashgabat to attend the forum. The British specialists offered a specifically developed programme for training high-level athletes in Turkmenistan.

At the meeting with government officials, U.S. State Department representative for Eurasian energy Daniel Stein underlined America's growing interest in leading companies on the Turkmen market and oil and gas projects. Stein also emphasized U.S. interest in further intensifying political and cultural dialogue with Turkmenistan.

### *Turkmenistan-US relations*

The U.S. Secretary of State for South and Central Asian Affairs Robert Blake held a meeting with the Turkmen president at which he made a positive evaluation of the country's international initiatives for solving global problems and expressed U.S. readiness to contribute to joint efforts to ensure stability, security and prosperity in the region.

The effective capacity of bilateral cooperation in the energy sector was highlighted at President Berdimuhamedov's meeting with Lynne Tracy, deputy assistant secretary of state for South and Central Asia, who arrived in Ashgabat with the official U.S. delegation.

### *Asian countries*

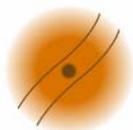
Advisor to the Minister of Saudi Arabia Mohammed bin Saad bin Khaled Al Saud stressed fruitful cooperation with Turkmenistan in trade, economic, energy, transport and communications, construction and other industries. Over the years UAE companies have implemented 96 projects in various sectors of economy with a total value of \$5.27 billion. In 2012 the UAE ranked sixth in terms of total turnover of Turkmenistan.

Cooperation in all sectors of economy was the main topic of negotiations between President Berdimuhamedov and the UAE President Sheikh Khalifa bin Zayed Al Nahyan, during his official visit to Turkmenistan.

Further expansion of effective interaction in energy, trade and economy, health, and chemical industries, banking and other areas was discussed at the meeting with Miyashita Tadayuki, the head of the Japanese foreign ministry department for Central Asia and the Caucasus.

Coordinators and representatives from 15 countries and several international organizations discussed the regional Infrastructure draft proposal developed by Turkmenistan within the framework of confidence-building actions for assisting Afghanistan. At the water resources ministry, the delegation from Afghanistan's energy and water ministry discussed the implementation of agreements on joint management of transboundary water resources and prospects for cooperation in this field.

The situation in Afghanistan was also discussed at the meeting between the Turkmen president and Knut Vollebaek, the OSCE High



Commissioner on national minorities, who visited Ashgabat with a working visit. The two sides underlined the necessity to consolidate efforts to ensure a prosperous and secure life in the region.

The Iranian delegation led by parliamentarian Javad Karimi Godusi held various meetings in Ashgabat where various aspects of Turkmen-Iranian cooperation were negotiated. Turkmen-Iranian cooperation in the field of customs was discussed at a meeting with a customs service delegation from Iran.

The Iranian vice president for international affairs Ali Saidlu arrived in Turkmenistan to participate in the specialized exhibition of commodities produced in Iran.

### **International organizations**

The agenda of the joint meeting of the Turkmenistan-UN working group covered the questions of developing the plan for national consultations aimed at identifying global goals and targets for the period after 2015. Turkmenistan intends to enhance its all-round international cooperation and achieve the global Millennium Development Goals through peaceful initiatives and activities.

Jacinta Barrins, the UN Resident Coordinator in Ashgabat, underlined UN willingness to support Turkmenistan in its intention to prepare a national report. The results of all discussions will be summarized and consolidated into one overall report involving 65 other state reports.

The regional representative of the UN High Commissioner for Refugees in Central Asia, Saber Azam, and local authorities discussed expanding cooperation in tackling refugee related problems and the implementation of the Ashgabat Declaration, adopted in May 2012.

During his visit to Ashgabat, Taleb Rifai, Secretary General of the World Tourism Organization, highlighted UNWTO's intention to support the development of a national tourism strategy and initiatives on protecting ancient historical, cultural and natural monuments and sites in the country. The International Tourist Congress in Turkmenistan has been scheduled for 2013.

### **Internal affairs**

Turkmenistan has begun nominating candidates to national and local self-government bodies. Elections have been scheduled for 14 April.

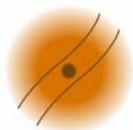
Turkmenistan is becoming increasingly enthusiastic about inviting foreign experts to share their professional experience with Turkmen specialists and train them in various fields of economics.

Turkmen specialists visited Helsinki to learn about the education system in Finland.

Within the project "Reforms of educational system in Central Asian countries", a course of lectures was delivered by Hamburg University professors at the national institute of education.

In accordance with the EU agreement, Turkmen specialists and experts of "Erasmus Mundus - Central Asian Network of Economics and Management" held a meeting designed to improve the proficiency of university teachers.

The French company Schneider Electric proposed opening a training centre for mid and high level officials.



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CASA ASIA



CIDOB  
International Centre for Democracy Studies



Real  
Instituto  
Elcano

The president of Turkmenistan and the chief executive director of the French company Dresser-Rand, Vincent R. Volpe, discussed perspectives of long-term cooperation in the field of oil-gas mining and gas processing. The subject of providing further maintenance for modern equipment was also on the agenda of the meeting.

In the context of providing support for the development of small and medium-sized enterprises, the Turkmen-European Advanced Chamber Empowerment project contributed a great deal to improving entrepreneurial proficiency and competency. During the project implementation, a number of business consultants were trained and manuals, training materials and business tutorials developed.

Experts from WHO's European regional office are assisting the health ministry and medical industry in Turkmenistan with organizing and facilitating workshops on managing the quality and safety of foodstuffs.

International company RWE Dea AG will finance the publication of 20,000 copies of "Facts for Life" (global UNICEF publication) in Turkmen, thereby assisting the country in the realization of socially significant projects.

Leading Czech scientists took part in the translation of several books written by President Berdimuhamedov into Czech and English. New book editions were given to the scientific library of the Turkmen State University.

### **Economy and business enterprises**

An agency reporting to Turkmenistan's ministry of economy and development was set up to

protect the country from economic risks and to take measures on managing political, economic, financial, legal, industry, regional and natural disaster risks.

The beginning of the year was marked by a change of management in the oil and gas sector. Muhammetnur Halylov was appointed head of the petroleum and mineral resources ministry of Turkmenistan; Kakageldy Abdyllyaev became chairman of Turkmengaz.

Contracts on developing Galkynysh, Turkmenistan's biggest natural gas field, were signed with Halliburton Eurasia Ltd. (Cyprus), Western Atlas International Inc. (USA) and Weatherford Oil Tool MELtd. (British Virgin Islands).

A delegation of 136 Turkish officials and business representatives arrived in Ashgabat to participate in the exhibition of Turkish export commodities. The delegation was headed by Fatih Ceylan, deputy minister of foreign affairs ministry for politics, and Mustafa Isen, secretary general of the president administration.

In Turkmenistan, the owners of cars and motorcycles continue receiving coupons for free gasoline and diesel. The limit of gasoline per month for car owners is 120 litres and for motorcycle owners - 40 litres.

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