



**Foreword by
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The 20th Anniversary of Kazakhstan's Independence is an important landmark to celebrate and the people and leadership of Kazakhstan should be congratulated on their successful economic transition, their expert management of significant energy resources and their shrewd conduct of international relations over the past twenty years.

We at FIRST are delighted to publish this official report on The Republic of Kazakhstan, to mark the 20th Anniversary, and extend our thanks to HE Kairat Abusseitov for all his help and encouragement.

Kazakhstan with its strategic geographic location and dominant position in Central Asia has developed a significant international role during the last two decades. Since declaring independence in 1991, the last Soviet Republic to do so, it has steered a careful course from a command economy to an open market-led economic structure. President Nursultan Nazarbayev has placed much emphasis on establishing stable relationships with Kazakhstan's neighbours.

Kazakhstan now plays an increasingly prominent international role as a member of the United Nations, the Euro-Atlantic Partnership Council, the Organisation of the Islamic Conference and the NATO Partnership for Peace Programme, as well as being a member, and last year's Chairman, of the OSCE. Kazakhstan is also an active member of the Commonwealth of Independent States (CIS), the Economic Cooperation Organisation and the Shanghai Cooperation Organisation

(SCO). In cooperation with Russia, Belarus, Kyrgyzstan and Tajikistan, Kazakhstan has also become an integral partner of the Eurasian Economic Community in working to create a free trade zone under a Customs Union.

Kazakhstan's chairmanship of the OSCE in 2010 helped enhance Kazakhstan's international profile. The summit gathered world leaders from the OSCE membership including Rt Hon Nick Clegg, the Deputy Prime Minister, François Fillon, French Prime Minister, Tarja Halonen, President of Finland, Angela Merkel, German Chancellor, Hillary Clinton, US Secretary of State, Dmitri Medvedev, President of Russia and Ban Ki-Moon, United Nations Secretary-General. This summit provided an opportunity for Kazakhstan to demonstrate its international role and the range of trade and investment opportunities available.

Perhaps one of Kazakhstan's most important achievements over the past twenty years was President Nazarbayev's authorisation to shut down the Soviet nuclear test site at Semipalatinsk in 1991. Fourteen hundred nuclear warheads, intercontinental ballistic missiles, cruise missiles and heavy bombers were returned to Russia for disposal under the START 1 Treaty. Weapons grade uranium was downblended and weaponisable plutonium was safely disposed of, the reactors were decommissioned and the test site was closed. In so doing Kazakhstan established the principle that States can undergo nuclear disarmament without compromising their security.

Kazakhstan's international role has also

been bolstered by strong economic growth rates in recent years – a result of its booming energy sector as well as economic reforms, good agricultural harvests and increasing foreign investment. Kazakhstan’s energy export capacity has been significantly increased with the opening of the Caspian Pipeline Consortium in 2001 (connecting western Kazakhstan’s Tengiz oilfield to the Black Sea). The Atasu-Alashankou portion was completed in 2006 and the Kenkiyak-Kumkol section of the pipeline to China in 2009. The country has also embarked on an industrial policy designed to diversify the economy away from an over-dependency on the oil and mining sectors towards the development of its manufacturing potential.

The UK and Kazakhstan enjoy a strong trade and investment relationship based on free market access and very significant two way trade and investment flows. Regular high level dialogue is conducted between the two countries in order to maintain the momentum of this investment. Major companies such as BG and Shell have important investment interests alongside some of the UK’s large contracting companies including AMEC and Invensys. UK exports to Kazakhstan amounted to US\$ 315 million in 2010. Historically the UK is a major investor in Kazakhstan and major companies from

Kazakhstan are listing on the London Stock Exchange in significant numbers, including Kazakhmys and ENRC.

The years of independence have witnessed significant changes in Kazakhstan and President Nursultan Nazarbayev has overseen dramatic improvements in the living standards of the people of Kazakhstan – per capita GDP has increased more than twelve times since 1994 and there has been a major programme of investment in schools and universities as well as hospitals.

The 20th Anniversary of Independence provides an opportunity to acknowledge Kazakhstan’s important global role and weigh carefully the opportunities for further cooperation. We at FIRST are delighted to have been asked to produce this official publication and hope that it contributes, in a small way, to the celebrations marking the 20th anniversary and to underline Kazakhstan’s important international role.

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The world’s leaders gather at the OSCE Summit in Astana

