

STATE PROGRAMME

'PATH TO EUROPE - 2009-2011'

ASTANA 2008

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1. INTRODUCTION

The State Programme - 'Path to Europe 2009-2011' - is developed in accordance with the Address of the President of the Republic of Kazakhstan to the People of Kazakhstan.

Titled 'The Promotion of the Prosperity of Kazakhstan's Citizens is the Principle Goal of State Policy', the presidential address was delivered on February 6, 2008.

Adoption of the Programme is based on solving issues of internal development, working towards Europe, strengthening historically-formed relations, joining the European integration experience (and embracing its institutional/legal reforms), as well as intensifying technological, energy, transport, trade, humanitarian and investment cooperation between Kazakhstan and Europe.

2. BACKGROUND

In compliance with Kazakhstan's foreign policy, the development of multilateral cooperation with European countries is of real strategic interest.

At present, the potential for bilateral cooperation with Europe in technology, power engineering, transport and trade areas is not fully realized.

It is important to note that European Union countries pay special attention to cooperation with Central Asia - with Kazakhstan in particular.

The position of these countries is reflected in the 'EU and Central Asia: New Partnership Strategy' document, adopted at the EU summit in June 2007.

An internal document, this Strategy proposes increased cooperation between the EU, Central Asia *and* Kazakhstan.

Some European countries intend to integrate (into EU structures) the European Neighborhood Policy which presents opportunities for such countries to reach targets in the fields of socio-economical and political development.

The positive experience of cooperation between such countries, the EU (and European agencies) was carefully considered while elaborating the State Programme.

Its implementation will promote the basic principles of Kazakhstan's foreign policy - which are equilibrium and pragmatism.

3. AIM & TASKS OF PROGRAMME

The aim of the State Programme is to bring Kazakhstan to a new level of strategic partnership with leading European countries.

To achieve this, the following tasks must be completed:

1. Development and intensification of cooperation between Kazakhstan and European states in the following spheres:
 - Technology
 - Power Engineering
 - Transport
 - Technical Control & Metrology
 - Trade & Economy
 - Interaction in SMB spheres
 - Quality-of-Life
2. Kazakhstan's institutional and legal improvements must be based on European models.
3. The introduction of special terms for Kazakhstan's OSCE Chairmanship in 2010.

4. MAIN COURSE & GEARS OF PROGRAMME REALIZATION

4.1. Cooperation with European Countries

4.1.1. Conditions for Technological Cooperation

Intensification of technological cooperation with Europe has the ultimate goal of attracting advanced high technologies to Kazakhstan.

Interaction with European partners in the fields of nanotechnology and biotechnology will give impetus to developing technological parks in Kazakhstan.

It is important to organize training for the local Kazakh workforce in innovative management techniques and to improve the qualifications of engineering personnel employed in technological parks. This can be achieved by inviting European experts to Kazakhstan.

Cooperation is also planned for the modernization of the existing transport infrastructure in Kazakhstan and for the creation of new hubs in the Republic.

Agricultural technologies used in Europe are of enormous interest for the further development of Kazakhstan's national agricultural sector.

A separate objective is to achieve the gradual transition towards European standards and certification of products which will further open-up European markets for Kazakhstan.

Another important direction of the Programme is the development of information exchange in the spheres of science, new technologies, innovative engineering and technology transfer.

4.1.2. Energy Cooperation

In order to strengthen Kazakhstan's long-term presence in European markets, further work on acquisition of ports, terminals, refineries, gas stations and other units in Europe is planned.

Particular collaboration with Europe revolves around...

- the further development of basic market principles in the sphere of power supply strategy (as well as encouragement and protection of investments in this sphere)
- the right to access power transportation infrastructures
- independence of network operators from natural monopolies
- industrial regulations - and the reform of tariff policy.

Tackling global warming is one of the main jobs of the new EU Power Engineering Strategy.

The EU is the world technological leader in the area of renewable energies, and as Kazakhstan has substantial potential for this kind of energy, experience exchange through introductory and training seminars in EU countries (participation at international conferences and exhibitions) regarding the issues of incorporation and development of energy-efficient and pollution-free technologies is envisaged.

4.1.3. Transport Cooperation

Further development of Eurasian transcontinental transport corridors through the harmonization of national legislation (providing freight services and free transfer of passengers etc.) and increased operational safety of all transport is planned.

The Programme will promote initiatives such as...

- The continuation of negotiations relating to the connection of national transport networks to pan-European networks through signing MoUs
- Participation in special training of the 'Incorporation of European Standards Programme' in the field of civil aviation
- Exchange of experience with port inspectors on the issues of seafaring safety
- Participation in negotiations with European countries and international organizations concerning harmonization of the International Civil Liability Insurance System Of Motor Transport Owners
- Research and development of the ecological compatibility of motor transport
- Participation of Kazakhstan in European discussions relating to the transport sector.

4.1.4. Technical Regulation & Metrology Cooperation

The aim and mission of Technical Regulation & Metrology - which also serves as a means of non-tariff regulation - are for...

- higher levels of production safety
- promotion of competitiveness
- exclusion of technical barriers in trade
- reduction of administrative pressure on business
- protection of citizens' interests and the Republic's economy from all consequences of false metrology results.

Developing cooperation with European technologies in the spheres of transport communications, agricultural, power engineering, ecology protection and public health is also planned.

The practical incorporation of new technologies must be accompanied by the creation of technical legislation and documents on standardization, measurement devices, testing and measuring laboratories' networks in accordance with EU requirements.

In this regard, provision means...

- The working-out of technical regulations and the elaboration of harmonized standards which prove Kazakhstan meets all necessary standards
- Entrance into international standardization and accreditation agencies, including the European Committee for Standardization (CEN), the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC)
- Implementation of new - and modernization of existing - testing and measuring laboratories
- Taking measures to conclude multilateral and bilateral agreements on the equivalence of accreditation systems' certificates and protocols issued by accredited organizations (creation of 'green corridor' for Kazakh export promotions, including integrating unities)
- Improvement of national standard base that conforms with European analogs
- Inter-laboratory, inter-comparison conduction
- International experts to accelerate the incorporation of new management systems in Kazakh companies.

4.1.5. Extension of Trade & Economic Collaboration

Trade turnover between Kazakhstan and Europe has increased.

However, commodities still hold a dominant position in the export structure. Therefore, it is necessary to concentrate efforts on the diversification of the Kazakh export structure.

In the framework of the effort to extend trade-economic relations between Kazakhstan and Europe, a trade delegation should be established in Europe, with branches in several countries.

The main task of this delegation will be the analysis of the economic policies held by European countries on the realization of Kazakhstan's economic interests in the EU; study of trade legislation and conditions for external trade activity in Europe - with the aim of informing Kazakh entrepreneurs on the means to export domestic products to the EU market; diversification of Kazakhstan's export structure to Europe (including the use of European Generalized System Preferences (GSP+)).

In addition, creation of conditions for goods export and protection of the economic interests of Kazakh producers in European markets, bilateral negotiations and participation by the Republic in international exhibitions in Europe will allow Kazakhstan to significantly broaden its exports.

4.1.6. SMB Cooperation

The Programme is aimed at...

- further state policy formation on the development of small and medium businesses (SMBs)
- optimization of state control over middle and small-scale entrepreneurship
- improvement of the taxation system
- provision of free access to bank credit (and other funding sources)
- creation of a generalized system of staff training
- development of Kazakhstan's legislation (based on European standards) in relation to SMB regulation.

Goals will be achieved through the realization of practical measures, including experience exchange on entrepreneurship support by...

- government
- taxation
- assistance of entrepreneurship infrastructure development
- joint programmes and project development and realization
- organization of joint consultations, seminars, conferences
- research and suggestions on SMB development.

Cooperation with European countries in the field of entrepreneurship will enable the development of favorable conditions for business in Kazakhstan - in particular, the simplification of access to European markets for Kazakh companies through legislation harmonization, provision of investments inflow and promotion of SMB development.

4.1.7. Extension of Cooperation for Quality-of-Life

Quality-of-Life is interpreted as an aggregate of factors that reflect the social results of a state's economic development (environmental preservation, public health, education and social protection of the population etc.).

The provision is made to extend Kazakhstan's cooperation with Europe for...

- the improvement of the Kazakh population's quality-of-life and environmental conditions (including the development of the national environmental legislation in line with European standards)
- the elaboration of joint programmes on the issue of trans-border problems and on biodiversity preservation
- issues arising from pollution.

The provision is made for the coordination of issues including climate change prevention and water protection and research (with the possible involvement of the Eurasian Water Center in Astana).

To implement these goals Kazakhstan will participate in the 'Special Working Group of the Environmental Directorate of the Organization for Economic Cooperation & Development', under the Environment Strategy for countries of Eastern Europe, Caucasus and Central Asia (EECCA). Kazakhstan will also collaborate with European environmental organizations.

An important aspect of the Programme is to provide the population with a high-quality medical service that meets European standards, including...

1. The incorporation of European information technologies into the Kazakh medical system
2. Efficiency enhancement of public health and administration infrastructures
3. Improvement of diagnostic quality in Kazakhstan
4. Treatment and prevention of diseases (cardiovascular, oncological, tuberculosis, hepatitis, HIV/AIDS etc.)
5. Blood procurement
6. Promotion of accessibility and quality of drugs
7. Introduction of standards to promote healthy nutrition
8. Development of trained personnel and development of competitiveness of scientific research in the public health sector.

To achieve these objectives, joint activities and projects aimed at the strengthening of Kazakhstan's citizens' health will be carried out to create...

- modern administration approaches for a National Medical Holding
- educational, scientific, public health institutions and university clinics
- study of European experience in view to providing high-quality medical assistance to the Kazakh population.

The provision is made for further cooperation in the area of...

- primary, basic secondary, general-secondary, technical and vocational education
- collaboration in the sphere of higher education
- student/teacher exchanges in the framework of programmes such as Erasmus Mundus, TEMPUS, and on the basis of bilateral agreements with European educational organizations.

Further collaboration with European countries in the sphere of technical and vocational education includes:

- creation of a national qualifying system (taking into account European experience)
- incorporation of certification system for qualifications and educational programmes
- development of educational programmes that meet international requirements
- raising the level of engineering and education workers and industrial training experts
- attracting foreign managers to the administration of inter-regional training centers
- retraining Kazakhstan's technical and service personnel
- attracting foreign lecturers and specialists to educational institutions.

These goals will be reached through practical measures and projects, including...

- assistance in the development of relations between Kazakh and European educational institutions
- creation of a university system and educational hubs in higher education based on the Kazakh-British Technical University and Kazakh-German University.

In addition, study of European vocational training experience and retraining of civil servants and assistance in studying European languages will be carried out.

Development of a corresponding legal base in the areas of military training, military-scientific activity, prevention and the dissolution of emergency conditions is also planned.

The Program anticipates collaboration with European countries in the areas of...

- employment
- labor migration
- public assistance to low income citizens and disabled people
- social services development
- study of relocation experience of service providers (without the support of World Trade Organization member countries).

4.1.8. BROADENING HUMANITARIAN COOPERATION

Provision is made for the development of partnerships between civil society actors in Kazakhstan and those in Europe.

This will promote...

- the integration of national civil society institutions into the international community
- the realization of social, cultural, educational and information/promotional projects in the context of Kazakhstan's national interests
- the further development of social partnerships.

Another course of cooperation lies in experience exchange in the field of inter-ethnic and inter-confessional accord which allows Kazakhstan to promote its positive experience in the creation of mechanisms for inter-ethnic and inter-confessional accord and to contribute to the formation of a tolerant Eurasian community.

Provision is also made for the development of a balanced gender policy in Kazakhstan – employing Europe's experience.

4.2. INSTITUTIONAL & LEGAL IMPROVEMENTS BASED ON EUROPEAN EXPERIENCE

Substantial progress has been made on the improvement of national legislation in recent years (an important phase was the introduction of an amendment to the constitution in May 2007).

This work is pursued with the support of the relevant ministries and state bodies (interaction is taking place at different levels).

The main goals are...

- the perfection of Kazakhstan's model of political and state organization
- the study of an effective system of civil service and skilled personnel resources management.

Liberalization of political life (and uniting this to Kazakhstan's traditions) is also a major goal. In particular, this refers to perfecting election legislation, political parties' registration, mass media (including resolution of defamation issues), and the reform of the civil service, the judiciary and other public services.

Provision is made for placement of Kazakh civil servants in European state bodies so that they might experience European public administration standards, justice and criminal prosecution norms, and acquire perfection of legislation in relation to investigation and cognizance, civil justice and execution of judicial acts.

4.3. PRIORITIES OF KAZAKHSTAN'S OSCE CHAIRMANSHIP

In view of Kazakhstan's Chairmanship of the OSCE in 2010, and taking into consideration accepted international practice, the Programme framework anticipates the refinement of Kazakhstan's OSCE Chairmanship priorities.

These priorities include...

- continued efforts for the further development of democratic institutions in the OSCE area
- development of the transit-transport potential of all OSCE member states (Eurasian transcontinental transport corridors)
- resolution of environmental problems
- strengthening regional security (taking into account Kazakhstan's contribution to peace, security and nuclear disarmament)
- development of non-military measures for security as part of OSCE activities (particularly in the fight against terrorism, extremism, illegal drug trafficking, organized crime, arms/human traffic)
- reconstruction of the OSCE partner-state Afghanistan.

Yet another important task is to use OSCE potential and tools for the construction of a safe, stable and flourishing Central Asia - increasing the attractiveness and economic appeal of the region.

5. FUNDING SOURCES

The amount spent on all the above will be determined by law ('About the Republic's Budget for 2009-2011') and will be specified annually thereafter as part of the national budget for the corresponding fiscal year.

6. PROGRAMME RESULTS

The Programme will result in:

- 1) Entry of Kazakhstan to a new and developed level of strategic partnership with leading European countries in political, economic and humanitarian spheres
- 2) Creation of conditions for a 10% annual growth of goods turnover with Europe
- 3) Organization of a minimum of five Official Visits per year (Head-of-State and Government-level - in compliance with international schedules)
- 4) Signing of MoUs concerning the development of transport networks joining Kazakh networks to pan-European ones
- 5) Adoption of technical regulations and harmonization of standards which meet EU requirements
- 6) Perfection of national legislation in line with European norms
- 7) Promotion of Kazakhstan's interests in Europe.