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Kazajstán



President stresses efforts for establishing Pakistan-Kazakhstan air link

ISLAMABAD – President Mamnoon Hussain has stressed that efforts be made for establishing Pakistan-Kazakhstan air link to facilitate the growth of bilateral relations and to enhance bilateral trade between the two countries.

The president while congratulating Ambassador to Kazakhstan Abdul Salik Khan, who called on him Tuesday at Aiwan-e-Sadr advised him to make all efforts to highlight the government's investment friendly policies for Kazakh investors. He said that there was immense potential for increasing trade between Pakistan and Kazakhstan as Central Asian Republics have great potential for our garments, rice, sugar and goods of daily life and Pakistan can avail this opportunity through her exports.

The ambassador designate assured the president that he will put in all efforts to improve commerce and investment between the two countries.

Fuente: Daily times



Gas supply fully restored in western Kazakhstan

ASTANA, Kazakhstan — Emergency and repair works were completed on the section of Kazakhstan's main gas pipeline 'Orenburg-Novopskov', which suffered an explosion on Feb. 2, according to a message from the Kazakh joint-stock company, KazTransGas.

“As a result of operative measures taken by the company's specialists, within a day the damaged section of the main gas pipeline with a length of over 50 meters was completely replaced,” the company said. “Gas supply via the gas pipeline was resumed after the full range of necessary verification works.”

The company also noted that thus the supply of natural gas to consumers in West Kazakhstan region was restored. A rupture, followed by fire, occurred on the 288th km stretch of the Orenburg-Novopskov main gas pipeline (between the Beles and Peremetnoe settlements in the West Kazakhstan region) at 04:08 (UTC/GMT +6 hours) on Feb. 2. The fire was extinguished several hours later.

Fuente: bakken

A third of all roads will be toll roads in Kazakhstan by 2022

ASTANA (TCA) — The government of Kazakhstan plans to increase the length of toll roads in the country up to seven thousand kilometers by 2022, Novosti-Kazakhstan reported citing Zhenis Kasymbek, deputy minister of investment and development of Kazakhstan.

“It (toll roads) will comprise almost a third of all national-significance roads. These will be mainly such roads as Astana-Temirtau, Almaty-Kapchagai, Astana-Pavlodar, and other roads with high traffic where the introduction of the toll system would pay for their maintenance costs,” the deputy minister said in the parliament yesterday.

He pointed out that the toll system is needed to cover the deficit of funds required for the maintenance of quality roads. The deputy minister also said that tariffs on toll roads will not be increased in Kazakhstan. “The toll is adequate — one tenge per one kilometer, which is one of the lowest tariffs. It will be raised neither this nor next year,” Kasymbek said.

The deputy minister also said that a total of 2.4 trillion tenge (around \$13 billion) will be allocated for construction of motor roads in Kazakhstan in the coming five years.

“Until 2020, 12 mega projects worth 2.4 trillion tenge will be implemented in this sphere, 7.5 thousand kilometers of roads will be reconstructed,” Kasymbek said.

“In order to fully complete the projects until 2020, we plan to take loans from international financial organizations; we are currently in active cooperation,” the deputy minister added.

Fuente: The times of Central Asia



Kazakhstan ups uranium production

The volume of uranium production in Kazakhstan amounted to 22, 829 metric tons in 2014.

Kazatomprom, the Kazakh national atomic company announced that the country has maintained its leading position as the largest producer of uranium in the world.

In 2013, Kazakhstan produced 22, 500 metric tons of uranium.

The report said that uranium mining in Kazakhstan on the results of 2014 corresponds to the planned targets. The share of Kazatomprom NAC JSC (including shares in subsidiaries and affiliates) on the results of 2014 accounts for 13, 156 metric tons of uranium.

The National Atomic Company in 2014 continued exploration work in order to increase the resource base of uranium in Kazakhstan, according to the report.

“During the year, more than 986 exploration wells were drilled,” said the statement.

As for the subsidiaries of Kazatomprom NC, the Center of uranium enrichment JSC implemented shipment of finished products in the amount of 4.9865 million separative work units, which is 0.2 percent higher than the production plan of the enterprise.

MAEK-Kazatomprom LLP generated 5.08 billion kWh of electricity, 3,296 million Gcal of heat energy, 1.235 billion cubic meters of water, including 11,400 cubic meters of drinking water for consumers of Aktau city and Mangistau region in 2014.

Volume of production of tantalum products was 154, 458 metric tons, niobium -72, 228 metric tons, beryllium – 1.776.180 metric tons.

SARECO joint venture produced 240, 4 metric tons of bulk concentrate of rare earth metals in 2014. The finished products were shipped to customers in Russia.

Astana Solar LLP produced 51,069 panels in 2014, which corresponds to 12,706 MW of energy.

Kazatomprom JSC is the national operator of Kazakhstan for the export of uranium and uranium compounds, rare metals, nuclear fuel for nuclear power plants, special equipment, technologies and materials with dual purposes.

Its main activities are geological exploration, the extraction of uranium, the manufacturing of products involved in the nuclear fuel cycle and construction materials as well as power industry, science, social security and personnel training.

Fuente: Azernews



More than 6 Billion Tenge Allocated for West Kazakhstan Road Repairs

Kazakh Minister for Investment and Development Asset Issekeshv presented plans for more than 6 billion tenge (US\$32.1 million) of road reconstruction and industry development in the West Kazakhstan region, according to a Jan. 17 ministry press release.

“A working group headed by the Minister for Investment and Development Asset Issekeshv arrived in the West Kazakhstan region. The minister held a meeting in Uralsk on the development of the manufacturing industry and infrastructure in the region, as well as the stable operation of enterprises. Funding for repair and reconstruction of local roads in the current year is 6.3 billion tenge (US\$33.7 million). The planned reconstruction of the roads includes routes along the Uralsk-Kamenka-Russian border and major repairs of the Chapaevo-Zhalpaktal-Kaztalovka and Kaztalovka-Zhanibek-Russian border roads, as well as the regular repair of the Uralsk-Tyoploye-Russian border. Last year, the length of reconstructed and renovated roads of national and local importance was 130 kilometres; this year the government plans to repair another 234 kilometres. This work will involve 13,000 people,” said the statement.

The information indicated that the meeting stressed the importance of implementing the Nurlı Zhol economic programme and the second five-year plan of the State Programme of Accelerated Industrial and Innovative Development for 2015-2019. To this end, the ministry and the akimat (the regional government) signed a joint action plan for the year.

“The minister was also acquainted with the work of the West Kazakhstan engineering company. The company designs and manufactures high-tech equipment for the production, preparation and transportation of oil and gas and complex steelworks; the manufacture of the first Kazakh gas compressor units and gas turbine power plants started here. A service centre on the basis of this enterprise will be created for repair of gas turbine installations, maintenance and repair of systems of automation and management systems based on technology licensed from General Electric. Also, the factory is engaged in the repair of aircraft engines,” explained the release.

Issekeshv also visited the Ural transformer plant, which began to produce three-phase power transformers late last year.

“The design capacity of the enterprise is 10,000 units per year. The project is worth 3.1 billion tenge (US\$16.6 million). Of this, 500 million tenge (US\$2.7 million) are our own funds and the rest is borrowed. Three hundred new jobs were created at the plant. The project was supported within the framework of the 2020 Business Roadmap through the subsidy of the interest rate of remuneration for the loan amounting to 2.6 billion tenge (US\$13.9 million) and the gas supply worth 17.3 million tenge (US\$92,523). Potential customers of the transformers are large oil and gas companies, energy enterprises and the railway companies. In the future, the plant plans to export most of its products to the CIS (Commonwealth of Independent States) countries,” said the press release.

Fuente: Timesca



Romania, Kazakhstan mull economic cooperation

By Aynur Karimova

The prospects of developing trade and economic relations between Kazakhstan and Romania, including through the two countries' chambers of commerce and industry, were high on the agenda of talks held in Bucharest.

The relevant talks took place between Daulet Batrashev, Kazakh Ambassador to Romania and Mihai Daraban, President of Romania's Chamber of Commerce and Industry.

The sides exchanged views on the state of economies of Kazakhstan and Romania, as well as the Central Asian and Eastern European regions as a whole, Kazakh Foreign Ministry said on January 27.

The sides also highlighted the existence of a large, but not yet realized potential of bilateral economic ties in tourism, agriculture, construction, transit and transport sectors, and importance to increase the volume of trade turnover between Kazakhstan and Romania.

Daraban expressed interest in strengthening and enhancing the bilateral contacts between the business circles of the two countries. He also suggested considering the possibility for Kazakhstan to use the terminals at the Constanta sea port (cargo, oil and grain terminals).

After the talks, the sides reached an agreement on a visit of Chairman of Kazakhstan's Foreign Trade Chamber Sabr Yessimbekov to Bucharest this year and holding a business forum of the business circles of the two countries to establish direct contacts between them.

In December 1991, Romania recognized Kazakhstan's independence and in July 1992, during the first official visit of the Romanian chief diplomat to Almaty, the two countries signed a protocol on establishment of diplomatic relations.

The legal framework includes about 20 agreements, covering the main areas of cooperation, namely in political, economic, culture, transport, tourism sectors.

Fuente: azernews

Improving the Quality Control System of the Lighting Market in Kazakhstan

BY DINARA TAMABAYEVA in OPINIONS on 3 FEBRUARY

Today, the lighting market has changed significantly. When we go to the store, it's not only incandescent lamps we can buy; in fact, these kinds of lamps are becoming obsolete. Their purchase and production are already



banned in Kazakhstan by the law “On energy saving and energy efficiency,” which came into force on July 26, 2012. Incandescent bulbs of 25 watts and above are also banned in the country.

Now, energy efficient lamps are represented mostly by luminescent and light-emitting diode (LED) lamps. The latter are becoming more and more popular in view of their rapid technological development and their price adjustments. Apparently, these days, LED technology is the priority technology to be promoted in the field of energy efficient lighting.

However, while transferring to the best energy efficient lighting technologies, we should first check if those technologies are of a good quality. So how can we protect ourselves against poor quality, black market or fake products?

In order to protect the national lighting market, there should be an institution that can verify the quality of lighting products: a laboratory legally and officially accredited to perform tests for checking lighting products' quality.

Before taking the decision to establish a lighting laboratory, it is necessary to do an analysis: how much does a country need such a lab? If it really does, what scale should the lab have?

Let's take Australia as an example. Australia doesn't have a large lighting laboratory; it has two small labs, but for most lighting products, the country prefers to work with the Global Efficient Lighting Centre (GELC) in Beijing, China, which is based within the National Lighting Test Centre of China, one of the most advanced laboratories in the world. The lab was formed through the United Nations Environment Programme (UNEP). Australia is a country with a relatively small population, so after economic calculations were made, it was decided that for them, it would be better to send lighting samples to the GELC for testing than to launch and maintain a local laboratory. This approach is more sustainable and efficient since the GELC has all the necessary facilities and professional staff.

Considering the geographical and demographic similarity between Australia and Kazakhstan, like vast areas and small populations, plus Kazakhstan's proximity to China, the shipment of samples to the GELC looks like an appropriate method.

However, if Kazakhstan chooses not to work through an out-of-country testing method, especially in view of the global load on the GELC, then the idea of a new laboratory may seem quite reasonable. In Kazakhstan, there could be one good laboratory for instance, in Almaty. It could even be a regional laboratory for all of Central Asia, always functioning at capacity and serving neighbouring countries. Furthermore, the services that such a regional laboratory could provide would bring in money. After a number of years, the regional lighting testing laboratory could develop into a more acclaimed and international lighting test and research facility. In any case, a new laboratory would create more opportunities and more jobs.

So, what are the reasons to found a lighting test laboratory? Obviously, China has an advanced lighting test centre: China is a major lighting producer and a major consumer of lighting goods. Moreover, the GELC in Beijing not only tests lighting products, but also serves as a platform for research, so it functions partly as a



lighting scientific centre. It should be mentioned that at the GELC, lighting products go through a large number of various tests, like light intensity and light distribution, eye comfort, colour rendering, fire safety, lamp service life and many others.

The insights into other countries' experiences related to lighting laboratory launching, like approximate expenses, time periods and planning, give Kazakhstan certain directions and might help if Kazakhstan does start planning a project to establish its own full scale lighting laboratory.

During the Global Efficient Lighting Forum, which took place in Beijing on Nov. 10 – 11, 2014, Peter Bennich, director of the Energy Efficiency Department of the Swedish Energy Agency, shared the Swedish experience of establishing a lighting testing laboratory. Through help from the GELC, Sweden launched its own lighting testing laboratory which took them one and half years and cost 1 million euros. The Swedish representatives said that it is totally paying off. Now, the Swedish lighting laboratory is run by three full-time employees. It was also mentioned that if the laboratory is accredited internationally, then it may work globally and provide an opportunity to have a common proficiency test for lab personnel. International harmonisation is another positive value from which everybody gains. The laboratory not only tests lighting products, but also trains personnel and teaches other labs how to test lighting products.

If, after looking around the Asian region, stakeholders in Kazakhstan don't find appropriate lighting test laboratories that are nearby and suitable for quality control of Kazakhstan's lighting market, and a decision is reached to set up a national laboratory, then a few steps should be taken before work on the lab begins.

First of all, an analysis should be conducted to compare the current needs for lighting products' quality control and its probable future dynamics with the existing lighting testing facilities. If establishing a national lighting test laboratory proves to be reasonable and profitable, then the lab's scale should be designed accordingly.

The choice to establish a lighting laboratory can be challenging, but it should be justified and reasonable. The laboratory should not end up abandoned someday, thus making all the investment and staff training in vain. Unfortunately, this has happened in Southeast Asia.

To function well, a lighting test laboratory should have proper maintenance and state control. Lab funding is greatly affected by maintenance issues and should correspond to the current national and/or regional needs.

In terms of its professional capacity, the laboratory should constantly update its methodologies, see what other products can be tested, look for not only integration but also collaboration on testing efforts, share experiences, et cetera.

On the whole, Kazakhstan is looking positively at improvement of the system that protects the quality of the national lighting market. The UNDP/Global Environment Facility project, "Promotion of energy efficient lighting in Kazakhstan," actively works toward this. Project experts discussed quality control of lighting products with state officials, technical specialists and lighting professionals. Through those meetings and discussions, it was found out that the majority of specialists have a common opinion: that Kazakhstan needs more effective



mechanisms of quality control as a part of the certification and verification system for lighting products. A testing laboratory for domestic lighting market products is an important aspect of this system.

Summing up the considerations on a new lighting test laboratory, it can be said that such a facility, if launched in Kazakhstan, should practice constant professional and technical growth and reach out and provide high quality services to become an internationally recognized testing and research centre.

Fuente: The Astana Times

Kazakhstan launches a new program to support small businesses

A new program to support small businesses has been launched in Kazakhstan, a Tengrinews.kz journalist reports, citing Kuandyk Bishimbayev, Chairman of the Board of Baiterek National Company.

According to him, the new program seeks to bolster export-oriented entities outside extraction industries. This year is expected to be a pilot period for the program. This year the initiative will be focused on three major areas, notably agribusiness, machinery building and production of construction materials, and is to be further extended to other industries.

“Since January 1, 2015 Kazakhstan has been part of the Eurasian Economic Space and is about to enter the WTO. Kazakhstan has seen competition getting stiffer both in the domestic and external markets. We want to select a number of companies capable of boosting their production output if supported by the Government”, he elaborated.

He said the measures of support include financial backing through direct lending, lending through the country's banks, leasing deals, subsidized interest rates, export insurance, pre-export financing and innovation grants.

The second direction of support is consulting services. Participating companies will be exposed to the best corporate governance practices, practical suggestions, professional training for personnel.

The third direction is collaboration with public bodies to remove administrative barriers.

Fuente: Tengrinews

Pipeline explodes in western Kazakhstan

Explosion on a gas pipeline has occurred in West Kazakhstan Oblast early in the morning, Tengrinews reports citing Moi Gorod.

The incident occurred at around 3 a.m. on February 2 between the towns of Novenky and Akzhol in Zelenovsky District, just 30km away from the administrative center of the Oblast - Uralsk city.

According to eyewitnesses, there first was a bang and then they saw a huge flame several meters high bursting from the pipe. The fire was so strong that it could be seen from the city.



The explosion occurred on the international line of Orenburg-Novopskov pipeline that belongs to Uralsk-Central Asia, the gas-main pipeline manager company. The line feeds gas to 22 villages in Zelenovsky District, Taskala District and the city of Uralsk.

Officers of the region's Department of Emergency Situations (DES) quickly arrived at the scene. However, accessing the place was difficult.

Security services had to block the pipeline from both sides. 45 people were involved in the fire extinguishing operation, including the staff of Emergency Department, the local police and representatives of Intergas Central Asia JSC and Semser Ort Sondirushi LLP.

The fire was extinguished at 9:53 a.m., according to the Department of Emergency Situations of the Oblast. Employees of JSC Intergas Central Asia are now conducting on-site restoration work.

As a result of the explosion 12 nearby villages were cut off from gas. These are nine villages in Zelenovsky District (Beles, Akzhol, Novenky, Shalgay, Zheleznovo, Egindikol, Zelenyi, Karazhar, Peremetnoe) and three in Taskala District (Taskala, Merey and Aktau village). Gas is used for heating and cooking in the villages.

32 social facilities in the villages were left without gas supply as a result of the accident, including eleven schools, three kindergartens, five health facilities and nine cultural facilities. Altogether, 11,855 people are in the affected zone.

The gas supply is expected to be restored at 10 p.m. on February 2.

According to the regional administration, avoiding a complete disconnection of gas in the villages of Zachagansk and Taskala was possible thanks for transfers to reserve lines.

"Officials were dispatched to every household in the villages where the gas supply was disconnected to raise awareness and prevent accidents. Gas was supplied to the village of Zachagansk near Uralsk from a reserve branch line. Many of the social facilities are equipped with generators," the Akimat (local authorities) resorted.

No casualties or injuries have been reported.

The police, local authorities and gas companies are investigating the causes of the pipeline accident. The most likely cause that is being considered at this point is stress corrosion cracking - growth of crack formation in a corrosive environment that can lead to unexpected sudden failure of normally ductile metals subjected to a tensile stress, especially at temperature changes. The version of a terrorist act is not being considered for lack of ground.

Fuente: TengriNews



Kazakhstan thinking of reducing crude export duty rate

Kazakhstan is thinking of reducing crude export duty rate, the country's Minister of National Economy Yerbolat Dossayev told journalists February 3.

“The current export duty rate was appropriate given earlier prices for crude. We are thinking of reducing the export duty rate (...) We have almost completed consultations with the Energy Ministry to ensure a certain profitability for oil producing companies and maintain a certain level of revenues into the country's budget”, Mr. Dossayev said.

Starting from April 1, 2014 the crude export duty rate had been raised from \$60 to \$80 per ton of crude.

Fuente: TengriNews

Cheap Imports Blamed for Woes of Kazakhstan's Poultry Sector

KAZAKHSTAN - Currency conditions have encouraged poultry imports from the country's neighbours, leading to oversupply in the markets and low prices for Kazakh producers, forcing some of them out of business, according to the industry association.

This year, Kazakhstan's poultry farmers will continue to face difficulties in the sale of poultry meat and eggs, the President of the Union of Poultry Producers of Kazakhstan, Ruslan Sharipov, told Trend.

He said: “There is an overstock of stored poultry product on many farms. The data for 2 February, presented by poultry farms, show that there remain 11,000 metric tons of meat and 53 million eggs on the farms.”

Mr Sharipov added that 148,000 metric tons of poultry meat and 4.2 billion eggs were produced in 2014.

He explained that the problem of overstocking is related to the appearance of fairly cheap poultry products in supermarkets in Kazakhstan due to the fall of the Russian ruble.

He said: “Large manufacturers from neighbouring countries are dumping and trying to push Kazakh producers from their own market. It is of concern that the selling prices of products imported from Belarus, Russia and Ukraine and other countries are lower than the domestic ones.”

He noted that the price of the Russian poultry meat was 397 Tenge (KZT) per kg, and the price of one egg was KZT19 until November 2014 (US\$1 is valued at around KZT184.5).



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Mr Shapirov said: “Over the past three months from November 2014 until January 2015, the price of the poultry meat dropped to KZT280 per kilo and to KZT14 per egg.”

He added that the cost of the production of the domestic poultry meat is about KZT400 per kilo and KZT13.8 per egg, while the selling prices is around KZT468 and KZT14 to 15, respectively.

“The first cost of the domestic poultry products is affected by the lack of breeding base, veterinary drugs, premixes and more others, to be imported from other countries, which has a significant impact on the selling price,” he added.

“The key role in the final pricing is played by intermediaries who trade in the markets. They mainly set the price policy, although they don’t bear any material load except for the delivery and storage of products,” he told Trend.

Mr Sharipov said that Kazakhstan’s poultry farmers are concerned about the inaction of Kazakhstan Agency for Protection of Competition and other services that have to keep track of unjustified rise in prices and the over-saturation of the trade chains of imported products.

He also said the government of Belarus adopted a draft law on 12 December 2014, which stated that the optimal ratio of imported and domestic goods in Belarus’s market should be approximately 20 per cent to 80 per cent.

If Kazakhstan were to introduce such a restriction, Mr Sharipov said, Kazakh citizens could see an increase in domestic natural products rather than those of unknown origin- at times unnamed and unlabelling.

“Now the poultry farmers have to reduce the volumes, and some are even suspending the production,” Mr Sharipov added.

Fuente: thepoultrysite



Kirguistán



EBRD, KICB finance improvements for Kyrgyz resort at Lake Issyk-Kul

BISHKEK (TCA) — The European Bank for Reconstruction and Development (EBRD) and KICB, its partner bank in Kyrgyzstan, are supporting further development of the country's tourism sector by financing a program of improvements at one of the Issyk-Kul resorts, Ak Bermet.

The resort plans to modernize its wastewater treatment facility, reduce energy consumption, build a swimming pool, improve the resort's beach area and redesign the grounds, all of which will make Ak Bermet more environmentally friendly and more appealing to tourists, the EBRD said.

The US \$500,000 financing package will pay for the installation of a new wastewater-treatment facility and an energy efficient heat-exchange unit for hot-water supply, as well as funding improvements to the grounds of the resort.

Ak Bermet is a popular holiday resort which can accommodate up to 400 guests. The resort is located in Karaoi, a village 3 km from Cholpon Ata. The region around Lake Issyk-Kul sees annual tourist flows of up to one million people, mostly from Russia and Kazakhstan. The resort's peak season runs for three months in the summer and for one month in the winter. During the low season, it is also a popular venue for conferences and workshops.

The loan to Ak Bermet is being made under a special medium-sized co-financing facility (MCFF), through which the EBRD and its partner banks can lend together to small and medium-sized enterprises.

Ak Bermet will also receive advice from the EBRD Small Business Support programme to help install the wastewater treatment plant.



“We are pleased to support the Ak Bermet resort together with our partner, KICB,” said Larisa Manastirli, head of the EBRD office in Kyrgyzstan. “Support for resource-efficient investments among small and medium-sized businesses, particularly in the regions, is one of the EBRD’s core objectives in the Kyrgyz Republic. The project will not only bring long-term environmental and social benefits to the region but will also make the resort more attractive to tourists, thanks to an improved beach and a new swimming pool.”

“At present Lake Issyk-Kul is exposed to environmental risk, because the Soviet-era wastewater treatment facilities in most resorts are now obsolete,” said Akjoltoy Nasirdinov, owner and manager of Ak Bermet resort. “The financing of this project by the EBRD and KICB will help to install modern wastewater treatment facilities. After completion of this project we aim to invite representatives of other Issyk-Kul resorts to a presentation of the new wastewater-treatment technology, and encourage them to apply for funding facilities so that they can also make environmental improvements that will benefit the area.”

Fuente: Timesca

Kyrgyzstan looking for ways to boost economic development

BISHKEK (TCA) — This year will be difficult for Kyrgyzstan. According to the Finance Ministry, on January 1, 2015 the public debt of Kyrgyzstan totaled \$3.6 billion, or 54.1% of GDP, including \$3.4 billion of the external debt.

Supporting national currency

In late January, the National Bank of the Kyrgyz Republic (NBKR) conducted a \$4.4 million currency intervention to support the som. It was the fourth currency intervention since the beginning of 2015, totaling \$60.47 million. Despite the measures taken, the official exchange rate of the US dollar continues to rise, albeit slightly. In 2014 the rate rose by 19.71%.

Taking into account the growing exchange rate and inflation, the NBKR decided to increase the discount rate by 50 basis points, up to 11%. The NBKR discount rate is the interest rate at which it provides loans to commercial banks.

The 2014 results showed an economic slowdown. The GDP growth of 3.6% was insignificant compared to 10.5% in 2013. According to forecast of the European Bank for Reconstruction and Development, the GDP growth will slow down to 3.2% this year in Kyrgyzstan.

“The \$1,200 GDP per capita is too small for Kyrgyzstan. The Government reports only about positive outcomes but we need to discuss problems and solve them,” Executive Director of the International Business Council (IBC) based in Bishkek, Aktilek Tungatarov, said. “To provide economic growth, Kyrgyzstan has to develop human potential and invest in education and training,” he stressed.



To successfully develop in the new economic conditions, Kyrgyzstan has to create a model of economic development for at least 15 years, so that entrepreneurs would know about planned changes and priorities. Business environment will be stable and predictable, resulting in development of big business.

“We must take care not only about the future investors, but also about those who are doing business in Kyrgyzstan already. Each investor should be confident that his capital will be protected in our country,” concluded the IBC director.

According to experts, the main reasons for economic slowdown in Kyrgyzstan are the ongoing crisis in Russia and Ukraine, the decline in remittances from labor migrants, and more difficult conditions for the export of goods.

Kyrgyz leadership pins high hopes on the upcoming Kyrgyzstan’s entry into the Eurasian Economic Union. Some new rules have already been introduced, for example, new rates of customs duties for certain types of goods, and business is not happy about it.

Attracting investment

The Government is not satisfied with \$620 million of investment attracted last year, and this year the objective is one billion dollars, said Deputy Prime Minister of Kyrgyzstan Valery Dill.

According to the Economy Ministry, 45 billion soms will be allocated for public investment projects this year compared to 19 billion soms in 2014. At the same time the Government hopes to attract foreign direct investment. However, Kyrgyzstan cannot long keep a high level of public investment only with foreign borrowing because the debts are increasing, and the time will come to repay them. To develop economy, it is necessary to ensure high employment, but this is possible with the development of the private sector. Experts advise to increase private investments, and to attract them in agriculture, garment industry, tourism, processing of goods, and mining industry.

Developing production

Currently, services and trade are dominating in the market, while the production sector should dominate.

According to the Bishkek City Hall, 14 large enterprises stand idle in the city now. The authorities reported positive growth of the economy, with the exception of industry, which saw a decrease in production.

Meanwhile, 143 markets, 3,000 stationary trade facilities and public catering enterprises, and 4,000 small retail trade facilities operate in Bishkek.

To increase the revenue of the state budget, it is necessary to redistribute the burden on business, said Valery Dill. The industry bears the main tax burden while the agricultural sector pays the lowest taxes in the country, and international institutions criticized the Government for this. Dill explains that during the transition period,



it is necessary to enable farmers to stand on their feet, and they only pay the land tax. The processing industry is also exempt from taxes and this allowed farmers to undergo a period of initial capital accumulation.

The country needs a serious leap in development because revenues in the state budget cannot cover the needs of the social sector. About 54% of the state budget is directed to social spending.

Public-private partnership

IFC, a member of the World Bank Group, held a forum in Bishkek to examine the opportunities for implementing public-private partnerships (PPPs) in Kyrgyzstan, part of an effort to help improve the country's infrastructure.

To encourage private sector investment in infrastructure, Kyrgyzstan has updated its PPP laws, making them compliant with international best practices, and established a fund to develop and finance PPP projects.

“Public funding alone will not be able to support the infrastructure financing needs of the Kyrgyz Republic,” said Martin Naegele, IFC Country Manager. “A sustained and structured process for mainstreaming the implementation of PPPs will be critical for attracting private business to work with the Kyrgyz Government.”

Fuente: Timesca

Gazprom to Invest \$495 mn in Kyrgyzstan Gas Infrastructure

Gazprom plans to develop gas infrastructure in Kyrgyzstan and increase domestic gasification from 22 to 60 per cent by 2030.

To implement the plan the Russian firm is looking to invest approximately 34 billion roubles (\$495 million) during 2015-2017, Gazprom said in statement last week.

The issues were discussed during a meeting in Bishkek on Friday attended by Alexey Miller, Chairman of the Gazprom Management Committee with Almazbek Atambayev, President of Kyrgyzstan and Djoomart Otorbaev, Prime Minister of the Republic.

Gazprom envisages a large-scale reconstruction and upgrade of Kyrgyz gas transmission network as well as underground gas storages and distribution facilities. The scheme provides for constructing gas distribution capacities for gas shipments to southern regions of the country as well as for autonomous gasification of individual regions.

On April 10, 2014 Gazprom and Kyrgyzgaz signed the Sales and Purchase Agreement for a 100 per cent stake of KyrgyzgazProm (renamed Gazprom Kyrgyzstan), a wholly-owned subsidiary of Kyrgyzgaz. Gazprom Kyrgyzstan is an exclusive importer of natural gas to Kyrgyzstan and the owner of the domestic gas transmission and distribution systems.



National Bank makes another foreign currency intervention

Bishkek (AKIpress) - som The National Bank of Kyrgyzstan made a foreign currency intervention to support the som rate in the amount of \$11 million 900 thousand, according to the official website.

In January this year, four interventions were made in the amount of \$60 million 470 thousand.

As of January 13, reserves of the Bank amounted to \$1 billion 943 million. Tolkunbek Abdygulov, its Chairman, noted earlier that the country has enough reserves to maintain the national currency.

Fuente: Aki Press

Kyrgyzstan, Russia sign agreement in fight against money laundering

Bishkek (AKIpress) - money laundering Financial intelligence services of Kyrgyzstan and Russia signed an agreement in cooperation on fight against money laundering and financing terrorism in Berlin on January 28, the press service of the Kyrgyz State Financial Intelligence Service reported on February 4.

On January 27, Kyrgyzstan signed similar agreement with Turkey.

The documents will allow the sides to improve the effectiveness of measures for combating financial crimes and to conduct experience exchanges.

The signing of these agreements took place within participation of Kyrgyzstan delegation in the inter-sessional meeting of the group "Egmont" in Berlin on 24-30 January 2015.

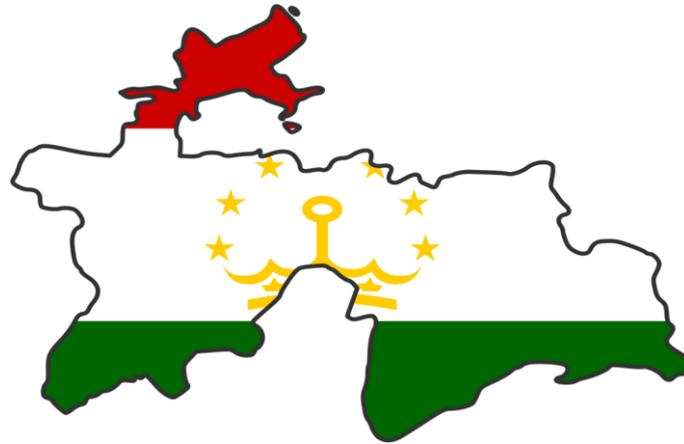
Fuente: Aki Press



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Dollar remittance flows to Kulob reportedly decrease by nearly 30 million USD

KULOB, February 3, 2015, Asia-Plus -- Dollar remittance flows to Kulob last year decreased by nearly 30 million U.S. dollars compared with 2013, Safarali Saidov, the head of the National Bank of Tajikistan (NBT)'s branch in Kulob, told journalists in Kulob on February 2.

“53,695,600 U.S. dollars were remitted to banks in Kulob last year, which was 29,257,100 U.S dollars fewer than in 2013,” Saidov said.

In 2013, 82,952,700 U.S. dollars were remitted to banks in Kulob, the head of the NBT's branch in Kulob noted.

Meanwhile, remittances in Russian rubles (RR) last year increased by RR3 billion “However, this increase will not compensate general remittance losses,” Saidov stressed.

He also noted that 17.806 million somoni of dilapidated banknotes were immobilized in Khatlon's Kulob region last year, which was nearly twice as much, as compared with 2013.



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Tajik foreign minister, EU diplomat discuss Tajikistan-EU cooperation

DUSHANBE, February 3, 2015, Asia-Plus – Tajik Foreign Minister Sirojiddin Aslov yesterday met here with Mr. Toivo Klaar, Head of Division for Central Asia, European External Action Service.

According to the Tajik MFA information department, the two discussed a broad range of issues related to cooperation between Tajikistan and the European Union, regional cooperation and security, water-and-energy problems, and preparations for the upcoming parliamentary elections in Tajikistan.

Aslov and Klaar also discussed a number of international issues being of mutual interest, the source said.

Head of the Delegation of the European Union to Tajikistan, Ambassador Hidajet Bisevic also attended the meeting.

The Delegation of the European Union to the Republic of Tajikistan is one of over 130 European Union Delegations around the world.

The Delegation of the European Commission to Tajikistan was established in Dushanbe in 2003 and officially accredited as a diplomatic representation in May 2004. It initially operated as a Regionalized Delegation under the authority of the Head of Delegation based in Kazakhstan. In 2009, the Delegation started to be upgraded into a fully-fledged Delegation, culminating with the arrival of a new resident Head of Delegation in January 2010.

Starting from 1 December 2009 with the Lisbon Treaty entering into force, the Delegation of the European Commission was transformed into the Delegation of the European Union to the Republic of Tajikistan.

Closing the Skills Gap, Creating Jobs in Tajikistan

Report: The Skills Road: Skills for Employability in Tajikistan

For almost two decades, Tajikistan's economy has enjoyed robust annual economic growth, thanks to a favorable external environment, relative political stability, and high prices for its main exports. Recently, however, growth has started to moderate, with a slow-down in activity across almost all sectors and burgeoning challenges related to job creation and competitiveness.



Despite the temporary slow-down, the government of Tajikistan has set ambitious development targets for 2020: to double GDP, to significantly reduce poverty, and to expand the middle class. With a young and rapidly growing population – 40 percent of which is under the age of 17 – job creation and productive employment are critical to achieving these development goals.

But, an important question faces policy makers: are workers in Tajikistan adequately trained and skilled to meet the needs of the country's labor market? A new World Bank report, *The Skills Road: Skills for Employability in Tajikistan*, addresses this question, drawing upon a survey that includes large-scale assessments of cognitive (such as literacy, numeracy, and memory) and non-cognitive (such as extraversion, conscientiousness, openness to experience, agreeability, and emotional stability) skills of working age adults.

Labor Market Outcomes

Tajikistan's economy is undergoing significant structural changes – specifically, it is shifting away from agriculture and industry toward services. The country faces important challenges in meeting its rapidly changing labor market needs. First, formal sector job creation has not kept pace with population growth and hence jobseekers have sought work abroad (almost one-in-three young men migrate abroad for employment purposes) and in the informal sector. A majority of workers (60 percent) is engaged in the informal sector, where job quality is a concern and where workers perform repetitive tasks without learning new skills.

Second, productivity has risen significantly, but wage growth has outstripped productivity increases, raising concerns about competitiveness.

Third, a large share (over 15 percent) of youth in Tajikistan are discouraged – meaning that they are not looking for a job because they do not believe they can find one.

Finally, weak labor market systems hinder job searches and skills signaling, limiting the extent to which the supply of skills is effectively matched with employer demand in Tajikistan.

Skills Road

Shifting the focus from providing access to educational institutions to providing adequate skills will help students better succeed as adults.

Skills and Employability

As in many other parts of the world, there is an increasing demand for “new economy” skills in Tajikistan. New economy skills are strong analytical and organizational skills, including non-routine cognitive analytical and interpersonal skills. Although there are competing explanations for this trend – including technology advances and globalization – it is clear that Tajikistan is at the early stages of modernizing its economy and experiencing a growing demand for new economy skills.



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The report presents robust evidence that cognitive and non-cognitive skills are important factors for employability in Tajikistan. Individuals with better skills are not only more likely to be employed – they also typically have more desirable jobs in the formal sector, with labor law protection and access to certain benefits.

The Skills Roadmap

The report argues that there are weaknesses in the way skills are formed in Tajikistan. Crucially, large variations in observed skills among people with the same level of educational attainment indicate that formal education is failing too many people. While skills are developed during different stages in the life cycle and a host of actors are involved—families, for example, play a central role—the education and training system has a mixed record in skill formation. The report’s conclusion is that the government could shift the focus from providing access to educational institutions and instead focus on providing the skills (cognitive, non-cognitive, and technical) to students who need to succeed as adults.

The government can also do more to get children off to the right start by investing in early childhood development programs, where rates of return to investment are generally very high and important soft skills are learned.

Finally, more can be done to match worker skills with employer demand by improving the use of information in matching skills to jobs in the labor market.

Full Report: <http://www.worldbank.org/en/news/feature/2015/02/03/closing-the-skills-gap-creating-jobs-in-tajikistan>

Fuente: World Bank