

WTO accession: Kazakhstan's experience



Foreign trade turnover of the Republic of Kazakhstan

Total volume of Kazakhstan's foreign trade for 2015 amounted to **\$75.9 bln.**

Trade turnover with Central Asia countries for 2015 amounted to **\$3.5 bln.**

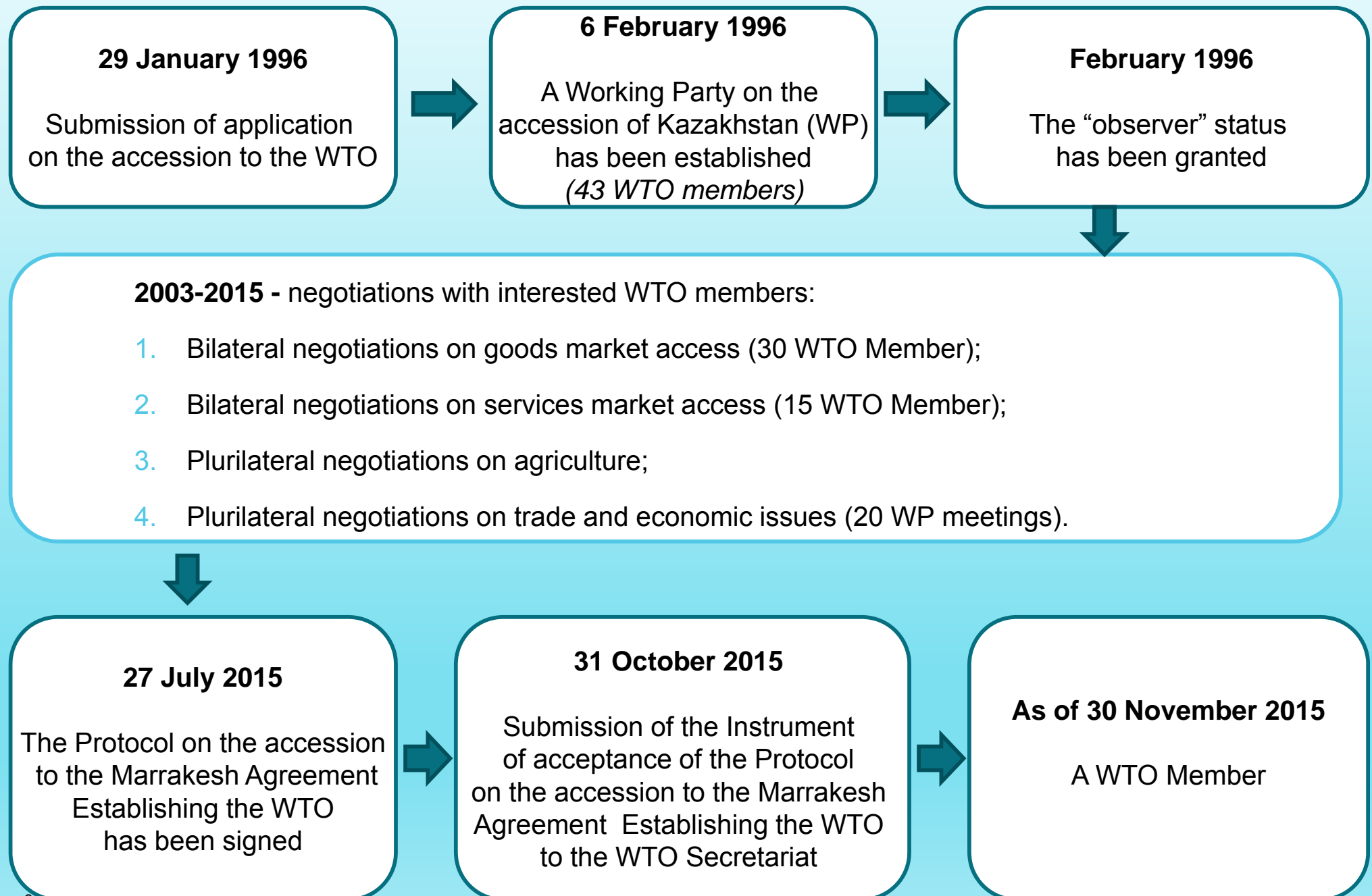
Key trading partners

| | | |
|--------------------|-------|-------------|
| EU Member States | 41.3% | \$31.3 bln. |
| Russian Federation | 19.2% | \$14.6 bln. |
| China | 13.9% | \$10.6 bln. |
| Switzerland | 3.7% | \$2.8 bln. |
| Turkey | 2.7% | \$2 bln. |
| Ukraine | 2.6% | \$2 bln. |
| United States | 2.4% | \$1.8 bln. |
| Uzbekistan | 2.2% | \$1.7 bln. |
| Japan | 1.9% | \$1.4 bln. |
| Republic of Korea | 1.8% | \$1.4 bln. |
| Kyrgyz Republic | 0.9% | \$ 0.7 bln. |
| Iran | 0.8% | \$ 0.6 bln. |

Key trading partners in Central Asia

| | |
|-----------------|------------|
| Uzbekistan | \$1,7 bln. |
| Kyrgyz Republic | \$726 mln. |
| Tajikistan | \$672 mln. |
| Turkmenistan | \$178 mln. |
| Afghanistan | \$374 mln. |

Kazakhstan's WTO accession process



Bringing legislation into compliance with the WTO rules and regulations

Amendments have been introduced to more than 50 regulatory acts in the following spheres:

- currency regulation;
- pricing and competition policy;
- taxation;
- customs regulation;
- import licensing;
- technical regulation;
- sanitary and phytosanitary measures;
- intellectual property rights.

Goods market access

**Bilateral goods market access negotiations
have been completed with 30 WTO Members**

| Argentina | El Salvador | Malaysia |
|------------------|-----------------|---------------|
| Australia | European Union | Mexico |
| Brazil | Georgia | Norway |
| Canada | Guatemala | Oman |
| China | Honduras | Pakistan |
| Chinese Taipei | India | Saudi Arabia |
| Cuba | Israel | Switzerland |
| Dominic Republic | Japan | Turkey |
| Egypt | Korea | United States |
| Ecuador | Kyrgyz Republic | Ukraine |

Goods market access

- Kazakhstan applies exceptions from the Common External Tariff of the Eurasian Economic Union (the EAEU CET) with respect to some 3000 tariff lines, for which Kazakhstan's tariff commitments are lower than the respective EAEU CET rates.
- Kazakhstan's exceptions from the EAEU CET are approved by the EEC Council Decision.
- Kazakhstan will apply lower rates until negotiations on harmonization of Kazakhstan's tariff commitments and tariff commitments of the Russian Federation between the EAEU member States and affected WTO Members are completed.

Services market access

Bilateral services market access negotiations
have been completed with 15 WTO Members

| Australia | Egypt | Norway |
|----------------|----------------|---------------|
| Brazil | European Union | Saudi Arabia |
| Canada | India | Switzerland |
| China | Japan | Turkey |
| Chinese Taipei | Korea | United States |

Services market access

Kazakhstan undertook commitments **on 10 sectors and 112 sub-sectors of services** (out of 155 services sub-sectors in the WTO classification)

| 10 key services sectors | |
|---------------------------|---|
| 1. Business services | 6. Environmental services |
| 2. Communication services | 7. Financial services |
| 3. Construction services | 8. Tourism services |
| 4. Distribution services | 9. Recreational, cultural and sporting services |
| 5. Educational services | 10. Transport services |

In such sectors as **transport, construction, trade and energy**, the current favorable climate for foreign investors will be maintained.

Services market access

Conditions for entry and temporary stay of foreign high skilled employees

- Quotas provided annually by the Government of Kazakhstan in relation to persons transferred within the ICTs have been eliminated from the date of accession.
- Economic needs test will be eliminated upon expiration of a 5-year transitional period.

Services market access

Telecommunication sector

In 2.5 years after accession to the WTO, Kazakhstan will eliminate 49% limitation on foreign participation in telecommunications sector (long distance and international call services), other than JSC “Kazakhtelecom”.

Financial sector

Upon expiration of a 5-year transitional period, Kazakhstan will open its market to direct branches of foreign banks and insurance companies.

Law № 365-V «On Amendments and Addenda to Certain Legislative Acts of the Republic of Kazakhstan in Connection to the Accession to the World Trade Organization» of 27 October 2015

Amendments and addenda have been introduced to 11 national regulatory acts on the following issues:

- intellectual property;
- registration of pharmaceuticals;
- entry and temporary stay of foreign citizens;
- local content in purchases by subsurface users and state trading enterprises;
- industrial subsidies and other issues.

Kazakhstan in the World Bank's «Doing Business» Ranking

- Improvements under the WB
“Doing Business” Ranking
by 12 points in 2016:

2016 – 41st,
2015 – 53rd .

Improvements have been made under the
following indicators:

- Starting a business (+32 *points*);
- Dealing with construction permits (+8 *points*);
- Registering property (+6 *points*);
- Getting credit (+1 *point*);
- Protecting minority investors (+39 *points*);
- Enforcing contracts (+5 *points*);
- Resolving insolvency (+16 *points*).

**Thank you for
attention!**