



# KAZAKHSTAN-USA:

TOPICAL ISSUES OF COOPERATION



# THE UNITED STATES OF AMERICA REMAIN ONE OF THE MAIN GEOPOLITICAL FORCES IN THE CENTRAL ASIA REGION AND ONE OF THE MAIN STRATEGIC PARTNERS OF KAZAKHSTAN.

The strategy of USA in Central Asia for 2019-2025 affirmed Washington's economic and security interests in the region, maintaining an emphasis on «reducing terrorist threats», «continuing to support stability» in Afghanistan, and strengthening the «C5+1» dialogue.

In this regard, Kazakhstan remains a key partner of the United States in the region, including the security sector, supporting the efforts of the American authorities in maintaining the peace process in Afghanistan, financial assistance to the Afghan security forces, taking part in projects for the development of Afghan transport infrastructure.

Trade cooperation between Kazakhstan and the United States amounted to USD 1.3 billion in 2020 (January-November), USD 2 billion in 2019, USD 2.1 billion in 2018 and USD 1.3 billion in 2017.

In the context of falling oil prices and due to the negative impact of the COVID-19 pandemic, a further decline in bilateral trade is expected.



## Main items of import to Kazakhstan from the USA

- cars • aircraft • electrical equipment •
- optical and medical instruments •
- means of transport • livestock •
- seeds for sowing • meat and poultry products •
- prepared food products • tobacco •

## Main items of export to Kazakhstan from the USA

- mineral fuel • iron • steel •
- inorganic chemicals •
- other base metals (uranium) •
- lead • foodstuffs • tea •
- processed fruits and vegetables • rice •
- seeds for sowing •

In general, **the volume of foreign direct investment in Kazakhstan** (according to 2020 data) amounted to USD 161.2 billion (**mainly in the oil and gas sector**), of which **USD 36.5 billion was invested by the United States**, which is one of the main investors in the economy of Kazakhstan, along with the Netherlands, France, China, Japan.

USA invested USD

36,5 billion



**More than 700 American companies operate in Kazakhstan**, including Chevron, Exxon Mobil, General Electric, Halliburton, the largest of which are employed in such industries as oil and gas, engineering, chemical, construction, agro-industrial, mining and metallurgical, as well as IT industry.

**Over the past twenty years, Kazakhstan has received about USD 2 billion in aid from the United States, including more than USD 86 million in health support**, in particular to prevent the spread of tuberculosis and HIV/AIDS.

The minimum total aid to Kazakhstan from the United States was USD 50 million in 2001, the maximum – USD 242 million in 2010; Keeping a downward trend, **the provision in 2020 totaled about USD 30 million.**

In 2020, funds were mainly directed to the implementation of activities under the following key projects:

- Global Threat Reduction Program: Global Nuclear Security (USD 10 785 000);
- Global Threat Reduction Program: Biological Threat Reduction (USD 6 484 000);
- USAID’s HIV Flagship Program in Central Asia (USD 1 312 955);
- USAID Power the Future Program (USD 953 580);
- Global Train and Equip Program – Border Patrol Special Operations Training (USD 926 633).

US assistance to the Republic of Kazakhstan is aimed at implementing such goals as: countering transnational threats (terrorism, human trafficking, drug trafficking, proliferation of weapons of mass destruction), developing the judiciary and law enforcement agencies, enhancing the public role of civil society and the media, improving the investment and trade environment, providing efficient social services, increasing the production of low-cost clean energy.

It should be mentioned that the US Government through the Agency for International Development (USAID) and the Centers for Disease Control and Prevention (CDC) **in support of efforts to combat the coronavirus pandemic in 2020 sent USD 6.2 million to Kazakhstan**, including the necessary laboratory equipment and supplies.

At the same time, the amount of aid in the field of health (in response to the COVID-19 pandemic) in the amount of about 800 thousand dollars will be used to:

- preparation of laboratory systems;
- strengthening case-finding and event-based surveillance;
- technical expert support for response and preparedness;
- increasing risk communication measures.

Cooperation between Kazakhstan and the United States in the military sphere is traditionally carried out on the basis of five-year plans for military cooperation between the Ministries of Defense of the Republic of Kazakhstan and the United States, the last of which, covering the period from 2018 to 2022, was approved in 2017. The previous plan was in effect from 2013 to 2017, and was focused on expanding ties in the field of peacekeeping, joint exercises, and training.



With the support of the American side, the «Kazbrig» peacekeeping unit was formed. Every year, Kazakhstan and the United States conduct joint peacekeeping exercises «Steppe Eagle» in the framework of NATO's «Partnership for Peace» program. At the same time, Kazakh servicemen are taking part in the US-funded military exercises Viking, Eager Lion, Shanti Prayas. Also, Kazakhstani military personnel are being trained as peacekeepers on the basis of the Global Peacekeeping Operations Initiative (GPOI) of the US Department of State.

**Since 2015, «C5+1» remains the main format of regional cooperation between Kazakhstan and the United States.** In cooperation with the countries of Central Asia, the United States retains the priority of security issues, including against the background of an unstable situation and problems of violence along the borders of the IRA, and the threat of the return of Central Asian militants from Syria.

In this regard, it is also worth noting the launch in January of this year of the «Central Asian Investment Partnership» of Kazakhstan with the United States and Uzbekistan, implemented through the «C5+1» platform and involving attracting investments in the amount of at least 1 billion US dollars over 5 years for financing projects for economic development and private sector strengthening in the region.

Thus, the continuation of the dialogue between the United States and Kazakhstan, along with other Central Asian states in the traditional way, with an emphasis on cooperation in the fight against terrorism, assistance to peacebuilding in Afghanistan, support for development, democratization, anti-corruption projects on a bilateral and multilateral basis, in particular within the framework of the regional platform «C5+1».

At the same time, the development of dialogue and the holding of meetings of the «C5+1» working groups is traditionally provided on the basis of five projects in the following areas:

- the fight against terrorism;
- increasing the competitiveness of business;
- development of a transport corridor;
- strengthening energy policy;
- development of adaptation plans to identify environmental risks and prioritize actions.