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European Union and Kazakhstan: today's state and future

Two-sided relations between Kazakhstan and European union effectively develop from years of independence. Trade-economic turnover rose enough between our countries and collaboration in the field of international politics, safety, defensive attained the high level. Due to riches of earth and agriculture Kazakhstan became the basic and important partner of European Union in central Asia. In the countries of European Union Kazakhstan sign of stability and confessed as a bridge connecting East and the West. The document that built the basis of relations between European Union and Kazakhstan signed in 1995 is an Agreement on a cooperation and partnership between European Union and Kazakhstan which inured in 1998. But last years there was a necessity of creation of new, enhanced Agreement on a cooperation and partnership instead of previous. New, enhanced Agreement will provide strengthening of necessary events in the field of political dialogue, internal affairs and defence of right, brings in the contribution to mutual trade and increases the investment, also will strengthen today's relations between European union and Kazakhstan. The government program "The Road to Europe" accepted by Republic of Kazakhstan for the years 2009–2011 is a very important document. By the way, Kazakhstan is the only country accepting such document. By means of this document they prove their aspiration to cooperate with European union (Bhavne, 2007).

Today's commodity turnover between European Union and Kazakhstan is about 50 milliards USD. Importance of deepening the cooperation of Kazakhstan and European Union is great in the field of energy. President of Kazakhstan Nursultan Nazarbayev said: "We are the third large country after Russia and Norway on energy transportation to Europe from the members of countries OPEC. In some countries of European Union the stake of Kazakhstan oil is great enough. For example in Romania – 30%, in Austria – 25%, and in Switzerland we are on the second place. On the whole, Kazakhstan provides about 20% of import on energy transportation to Euro-

pean Union. Kazakhstan is the main motive body in Central Asia, but nevertheless needs the special partnership with European Union (Baygaraev, 2009).

Such opinion was said by Michael Laubsh, the president of “Eurasian transition group” on the third meeting devoted to the carried out results of the Government program “Road to Europe” and Strategy of European Union on Central Asia in the “Berlin Eurasian club” in Brussels. On his reasoning Strategy of European Union on Central Asia shows general position touching five countries (Kazakhstan, Uzbekistan, Kyrgyzstan, Tadjikistan, Turkmenistan) from 27 participating countries. But development of Kazakhstan is in the lead in comparison with its neighbours, so the document is not volumed enough.

Ė. Laubsh says that “Kazakhstan is at the same level with countries like Turkey and Mexico for European Union. 50 percents of titan that is used in Europe for assembling airplanes undertakes from Kazakhstan, and every third litre of petrol that is used in Germany and Austria is produced in Kazakhstan. European Union should be in special connection with Kazakhstan than with Uzbekistan or Turkmenistan. Kazakhstan is the main motive body in Central Asia, but nevertheless needs the special partnership with European Union.”

Today Kazakhstan together with European Union, which is in Brussels, can only participate in mega-projects as TRASEKA “Europe-Caucasus-Asia”, INOGATE “Transporting of oil and gas to Europe”, auto road “Western Europe-Western China.” European Union put investments in the field of Kazakhstan oil, gas, coal, metal and uranium. Kazakhstan within the framework of the program “the Road to Europe” wishes to receive from the European Union countries new technologies, investments, European standard in any sphere of society, the qualitative rules of law, the trained professorial base (Jousten, 2011).

Also we shouldn't forget experience of Turkey which knocked at European Union doors since 1950 to become its member. It is difficult to understand the European Union why they refused Turkey to become its member. Though Kazakhstan is located on the Eurasian continent, it is possible to understand its interest of the formed life of the European continent. Certainly there are doubts that Brussels will give us those useful business matters a few next year according to the program “Road to Europe”. It is because the European Union is in acute financial crisis and has some problems which need to be solved, and new countries entered.

The last years recession of financial crisis in the European Union countries as Greece, Spain, Italy isn't noticed. The prime minister of Great Britain David Cameron officially declared about a possible leaving of Great Britain from the union. Country leaders of the European Union expressed concern about it. Last week the U.S. President Barack Obama said: "USA will always appreciate strong Great Britain as a part of the European Union." Further critics began to say that if Great Britain leaves the union, the organization can weaken and countries of Eastern Europe won't be able to enter into alliance. As they say "There's no evil without good," if that happens, what will happen to Kazakhstan which seeks for dense cooperation with the European Union. This situation will badly reflect both Kazakhstan and the European Union.

But in spite of this the European Union will continue to take oil of Russia and Kazakhstan. Because for the European Union, which leads in economic, public and cultural spheres, providing its energy security is the main purpose. The European Union takes notice on the Caspian oil. Now oil is transported to Europe through an oil pipe Baku-Tbilisi-Zheykhan, and gas through a gas pipe Baku-Tbilisi-Erzurum. The European Union for 40 percent in gas import depends on Russia. So, for official Brussels to reach the additional volume of raw materials is an important goal. It is possible to understand the European union that zealously searches other ways to bypass Russia at transportation of gas. Because gas volume, that is transported from North Africa and Scandinavia, is little and not enough. So, the "Nabucco" project was created for this purpose. According to the project gas of Turkmenistan and Uzbekistan had to be delivered to Azerbaijan, Georgia, Turkey, Bulgaria, Romania, Hungary, Austria and the Czech Republic. But far-sighted Russians signed the long-term contract on supply of gas with Ashkhabad and Tashkent till year 2028. It is known that these two countries won't be able to give 30 billion cubic meters of gas to Russia and Europe at the same time. It's not a secret for anybody that nowadays "Nabucco" is the project only on paper.

In spite of it official Brussels hopes that someday Ashkhabad and Tashkent will give 30 billion cubic meters of gas to Europe. However the European Union is interested in direct carrying of a certain part of that gas from Azerbaijan, Kazakhstan and Turkmenistan.

Kazakhstan cooperate with European Union not only in the field of economics but also politics, security, ecology, human rights and democracy within the framework of authoritative Organization of Security and Cooperation in Europe(OSCE). Kazakhstan even presided this organiza-

tion in 2010. And it's true that this respect and trust was not easily got by Kazakhstan. When Kazakhstan was the chairman there were many tasks which had to be solved at the level of OSCE. The success of Kazakhstan's OSCE chairmanship in 2010 was possible due to full-fledged cooperation and assistance on the part of the European Union. The OSCE's Astana Summit, which gathered heads of state and of government, and the subsequent Astana Declaration are important milestones for the Organisation (Delaney, 2011).

However, Kazakhstan is the main trade and investment partner of European union in Central Asia. In the economic side, EU and Kazakhstan share strong economic ties as the EU is the first trading partner and investment partner of the Central Asian state. In 2008, Kazakhstan was the EU's 29th largest trading partner, and the 19th largest import market. Though, the European Union is the largest trade partner of Kazakhstan, in 2008 the turnover was 39 billion dollars, that was 40 percent of all foreign trade of the country. But today the EU is our biggest trading partner. More than half of Kazakhstan's total trade is with the EU – some \$53.4 billion last year and \$28.4 billion in the first half of this year. More than half of our gross foreign direct investment, or nearly \$100 billion, has come from EU countries. And Kazakh companies are increasingly investing in Europe. In 2007, for example, KazMunayGas acquired a majority stake in the Romanian refining company Rompetrol worth \$2.7 billion and has continued to invest in Rompetrol's development.

Recently Kazakh President N. Nazarbayev in his article pointed out that Kazakhstan borders Russia and China, but the EU is our biggest trading partner (Nazarbayev, 2014).

New transcontinental transport routes will give a powerful impetus to our cooperation as well. Among those is the Western Europe-Western China transport corridor, which runs through Kazakhstan and promises to cut delivery time between Europe and China in half compared with sea-borne transport. Kazakhstan is a participant in the EU's Transport Corridor Europe-Caucasus-Central Asia, which promotes the same objective.

The European Union countries invested into economy of our country about 40 billion dollars, and it makes more than a half of foreign investments. However the most part of that investment was put in power-plant fuel. It should be noted that there are not used reserves in the field of the transport, new technologies and clean energy. It would be more important for our country to put the European investment into a scientifically scale and industrially innovative sphere. European Union can be useful and im-

portant partner of Kazakhstan in realization of the new program of industrially-technological development of the country.

Kazakhstan's social and cultural ties with the EU are also strong and expanding, particularly in education. Bolashak International Scholarship Program allows Kazakhstan's most talented youth to study in the best schools world-wide, and European universities are among the most popular destinations for its recipients. Kazakhstan in 2010 was one of the first post-Soviet states to join the Bologna Process, which harmonizes and brings education systems closer together with the goal of creating a European Higher Education Area.

In recent years, strengthening the regional component has become a distinct feature of Kazakh – European cooperation. Kazakhstan has been actively involved in drafting a new EU Strategy for Central Asia. The EU-Central Asia Ministerial Meetings have become a good tradition. In November 2012, the sixth Ministerial Meeting took place in Bishkek. A new Enhanced Partnership and Cooperation Agreement is a key agenda item of bilateral cooperation. Kazakhstan considers the signing of a new comprehensive agreement with the EU as a great chance to legalize a new level of engagement between the parties and provide a sound legal basis for further development of the cooperation potential.

Three rounds of official negotiations on the Agreement have already taken place. The content of the future Kazakhstan-EU agreement is considered with regard to the prospects of Kazakhstan's accession to the WTO and the developments taking place in the Customs Union and the Common Economic Space. The energy industry is a prominent area of cooperation between Kazakhstan and Europe. Kazakhstan is the third-largest non-OPEC supplier of energy to the EU, behind Russia and Norway. Cooperation in this field will increase in the future, as European companies participate in the exploration of the Kashagan oil field, the largest in the Caspian Sea.

Kazakhstan is also diversifying its economy and has adopted new green policies. We've set an ambitious goal of producing 50% of our energy from renewable sources by 2050, compared with 1% today. To attract and explore the best models and solutions in this field we are hosting EXPO 2017 with the theme of "Future Energy." We hope to see European companies among the key participants at this exhibition. Kazakhstan is the biggest economy in Central Asia, and has large oil reserves, and is the world's largest producer of uranium. It is also closely politically aligned with Russia, and along with Belarus is a member of the Eurasian Economic Union, which comes into force on January 1, 2015.

The so-called “Enhanced Partnership and Cooperation Agreement” between the EU and Kazakhstan involves closer ties in 29 key areas, most notably trade and financial services.

The deal has been reached despite Kazakhstan being a member of the Russian-led Customs Union which is an alliance of former Soviet Union states. Some analysts say this might irritate Moscow and that is exactly what the EU is trying to achieve. Trade between the EU and Kazakhstan is already worth more than 30 billion euro annually and now this is set to increase substantially but there are some who believe that the agreement is part of a specific agenda being pursued by the EU. A modernized trade-and-investment section brings the agreement up to date with Kazakhstan’s expected accession to the World Trade Organization as well as with our membership in the Eurasian Economic Union, which will come into force on Jan. 1.

The enhanced PCA will also give greater consideration to shared security threats. Since 2013, Kazakhstan has cooperated with the EU within the framework of the EU-Central Asia High Level Security Dialogue, in which Afghanistan’s stability is a particular concern. Kazakhstan continues to extend development assistance to Afghanistan. We provided scholarships for 1,000 Afghan students to receive civil education in Kazakhstan from 2010 to 2019. We’ve also supported improved coordination of international efforts in this country.

Central Asia finds itself on the front lines in the fight against religious extremism. To confront its new wave, represented by the likes of the Islamic State, the key members of the international community need to overcome their differences and seek common ground to act. Kazakhstan, as a stable country where people of many ethnic backgrounds and religions live in accord, could contribute to this process.

The enhanced PCA is not the only instrument to promote our cooperation with Brussels. Kazakhstan has also strengthened bilateral relations with several EU members recently. Over the past six years we have signed strategic-partnership agreements with France, Spain, Italy, the U.K. and Hungary. Kazakhstan in 2012 signed a landmark deal with Germany on exploration of Kazakhstan’s rare earths and other raw materials, among other major agreements. Last year marked the 20th anniversary of the establishment of diplomatic relations between Kazakhstan and the EU. Over this period Kazakhstan has become an important partner for Europe in Central Asia and beyond.

Recently The EU and Kazakhstan have signed an agreement of the new PCA in Brussels. A new political and economic accord with Kazakhstan,

a key member of Russia's rival economic bloc, will help bolster security in an unsettled region. European Commission head Jose Manuel Barroso told "Kazakhstan is a very important partner not only in trade and economic exchanges but also for promoting peace and security in the wider region" (*EU cements...*, 2014).

The accord, three and a half years in the making, is expected to come into effect next year and includes a series of political and economic commitments to boost ties and promote reform in oil-rich Kazakhstan, once ruled from Moscow as a Soviet satellite. The signed of the new accord of PCA in Brussels will open a new chapter in Kazakhstan-EU relations.

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Unia Europejska i Kazachstan: stan obecny i przyszłość

Streszczenie

W artykule Autor dokonuje analizy stanu stosunków dwustronnych pomiędzy Unią Europejską a Kazachstanem. Zwraca uwagę na wzrost zacieśniania więzi nie tylko gospodarczych, lecz również w dziedzinie polityki międzynarodowej, bezpieczeństwa i spraw obronnych. Przypomina o podpisanej w 1995 roku umowie o współpracy i partnerstwie między Unią Europejską a Kazachstanem, która stała się podstawą rozwoju stosunków pomiędzy tymi podmiotami. Efekty tej współpracy to między innymi fakt, iż dzisiejsze obroty towarowe między Unią Europejską a Kazachstanem wynoszą około 50 miliardów USD, a jedną ze znaczących płaszczyzn pogłębiającej się

współpracy jest energetyka. Autor analizuje jednak również inne płaszczyzny współpracy, w tym rozwijające się więzi społeczne i kulturowe, szczególnie w dziedzinie edukacji. Jako przykład podaje program stypendialny Bolashak, dzięki któremu najbardziej utalentowani studenci z Kazachstanu mogą studiować w najlepszych europejskich uczelniach. Wartym podkreślenia jest w tym kontekście fakt, że Kazachstan w 2010 roku był jednym z pierwszych państw postsowieckich, które przystąpiły do procesu bolońskiego. Kończąc Autor zwraca jeszcze uwagę, że ostatnio Unia Europejska i Kazachstan podpisały umowę o partnerstwie i współpracy, która ma wzmocnić pozycję polityczną i gospodarczą Kazachstanu względem Rosji.