



Joint Press-Briefing
following
11th Session of European Union – Kazakhstan Cooperation Committee
&
Negotiations on new enhanced Partnership and Cooperation
Agreement between the EU and Kazakhstan

SCRIPT

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venue of the Ministry of Foreign Affairs RoK

- SPEAKERS:**
- **Mr Konstantin ZHIGALOV**, Deputy Minister of Foreign Affairs RK, National Coordinator for Interaction with the European Union
 - **Mr Gunnar WIEGAND**, Director for Russia, Eastern Partnership, Central Asia, Regional Cooperation & OSCE - European External Action Service

Mr Gunnar WIEGAND

Thank you very much for this opportunity to talk to you about the important negotiations which we are holding and which have now reached a very concrete phase.

We opened these negotiations in June in Brussels and today we have had the first round of substantial negotiations. It was a very productive day full of hard work and good progress. We have reached a full understanding about the scope of a new agreement: the areas where we want to deepen our relationship.

The European Union and Kazakhstan are very important partners. On the economic side, EU companies make the EU the largest trading partner of Kazakhstan with almost 40% of its external trade. It is by far the largest investment partner of Kazakhstan with more than 60% of foreign direct investment made in Kazakhstan by European companies.

However, we are also increasingly an important partner in foreign policy and security cooperation. There are more and more areas where our citizens, students or researchers, youth organisations or businessmen, come together.

To harness the potential for development opportunities we need to have a new framework. We will replace the old framework that was initiated after the demise of the Soviet Union with a modern new framework which will open up new opportunities.

We agreed today that this new agreement will have a comprehensive character and will consist of better political and security cooperation. There will be a chapter on justice, freedom and security, a chapter on trade and investment, a chapter on many other areas of sectoral cooperation which would help us to achieve the objectives which we have set ourselves.

We have got off to a good start with Deputy Minister Zhigarov and our two teams, so we are optimistic that we can have very good and substantial negotiations and we will continue these negotiations at the very beginning of next year. It signifies the commitment of the European Union towards Central Asia, and the fact that our relationship with Kazakhstan is the most advanced. This was also demonstrated by the Eastern partnership Summit in Warsaw which we had a few days ago.

May I conclude by saying that all these negotiations are built on the basis of an already existing relationship, many cooperative actions, mutual respect and trust. This led to a very concrete and substantial Cooperation Committee meeting, which we held yesterday, so today is the second day of productive joint work.

One of the main areas of outcome of this cooperation committee:

Firstly, we welcome the decision of the Kazakh Government, taken yesterday, about a transition period granted to European companies and service providers until 2015 regarding the new law on work permits for foreign workers. This is an important step and we have agreed to enter into detailed consultations because this is an area of concern for our companies who have heavily invested in this country particularly in a hydrocarbon sector.

Secondly, I have the opportunity to convey the expectations of the European Union and other international partners, that before the next meeting Kazakhstan will fulfil its commitments and hold all-inclusive parliamentary elections with fair competition among political forces. These parliamentary elections are very important in the context of the Madrid OSCE commitments of Kazakhstan.

Thirdly, we have agreed to enter into consultations to facilitate Kazakhstani citizens' mobility to Europe. This will be addressed in a more specific way under the new visa code of the EU and to this end we will organise here in Astana meetings between the heads of the EU Member-States' missions and the Ministry of Foreign Affairs.

Lastly, we agreed to increase efforts to address air safety issues concerning the safety of aeroplanes, and the traffic of Kazakhstan airlines to Europe. We have agreed that efforts will be increased in this respect and that air safety experts from several EU Member-States will come here to work with the airline operators and the air safety authorities of Kazakhstan. As a result, we hope to advance in the field of air transport both on safety issues as well as the wider issues of creating a common aviation area between the EU and Kazakhstan. We certainly hope to be able to lift the operational ban against certain of these airlines in the near future.

I have drawn attention to these four areas which are of direct concern because I believe that we share the desire to solve these issues in the interests of our citizens, and the first results will be achieved while we are negotiating a new framework for our relationship.

Mr Konstantin ZHIGALOV

First of all I need to explain how we arrived at negotiations over the new enhanced Partnership and Cooperation Agreement between the EU and Kazakhstan. The Partnership and Cooperation Agreement between Kazakhstan and the EU was signed in 1995 and still remains in force. In 1995, the EU consisted of 15 Member-States and each of them ratified the agreement. This took four years and in 1999 this agreement entered into force for a period of 10 years. In 2009 it formally expired, but the Agreement has the provision to prolong the duration of the agreement annually, if the parties do not object. As you see, not only did no side object but we came to an understanding that a new Agreement is needed.

Today we live in a different world that it was in 1995. The European Union is no longer EU-15 but is now EU-27. Kazakhstan is also not the same as it was in the 1990s, but it is now a country with a GDP of more than 10,000 USD per capita, which means that it is on a par with some countries of the European Union, for instance Romania and Bulgaria. In addition, there are things today that we didn't think of in 1995, for example the global fight against terrorism, anti-cyber crime efforts and other issues. This makes areas of our cooperation more productive and effective.

The second question that you may ask is why the EU decided to sign a new agreement particularly with Kazakhstan. The new agreement is called the enhanced partnership for cooperation. It is about raising our agreement to a higher level. The EU has been the number one trade partner for Kazakhstan for several years. It is important to note that 50 percent of Kazakhstan trade is with EU countries. The EU is also a significant investor in Kazakhstan.

Moreover I would like to underline that Kazakhstan is the only country in the CA region with which the EU is planning to make an enhanced partnership agreement. This is firstly because Kazakhstan considers the EU a very important strategic partner, and because Kazakhstan is an important trade partner for the EU. I would like to say that Kazakhstan's total trade with EU is more than with any other country in Central Asia and the Caucasus combined. Therefore it is a different level of cooperation. Despite the ongoing economic crisis, in the last 6 months trade output with the EU was more than 25 billion US dollars.

It is also because Kazakhstan is the only country which has developed the "Path to Europe" state programme. It means that the European vector of foreign relations is very important for Astana. By developing this programme we signed the agreement on a strategic partnership with key European countries: France, Italy, Spain, and Germany. This has raised the level of our partnership with these countries. The beginning of negotiations on a new enhanced partnership for cooperation is a logical link in the successful implementation of the "Path to Europe" programme.

Also, I would like to say that I agree with my colleague that our negotiations have been successful. Successful negotiations are not when we look at each other's eyes, but when our eyes look in the same direction. We have freedom in exchanging our opinions, we do not have any forbidden topics, and we may disagree on some things. But on most of the issues today we came to a shared conclusion, which makes us optimistic.

Followed by Q&A

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