

December 26, 2016

Monthly newsletter of the Israeli Embassy to Kazakhstan

## ACTIVATION OF KAZAKHSTAN-ISRAEL INVESTMENT COOPERATION

Today in Astana within the visit of the Prime Minister of Israel Benjamin Netanyahu to Kazakhstan there was held Kazakhstan-Israel business forum with the participation of public officials and business communities of two countries. The business forum was organized by the Ministry for Investment and Development of the Republic of Kazakhstan, JSC "National export and Investment Agency "KAZNEX INVEST" with the support of the Embassy of Israel to the Republic of Kazakhstan. The business forum was attended by the Prime Minister of Kazakhstan Bakytzhan Sagintayev, Prime Minister of Israel Benjamin Netanyahu, Minister for Investment and Development of the Republic of Kazakhstan Zhenis Kassymbek.

There are 254 enterprises with the participation of Israel capital and among them 112 are incumbent in Kazakhstan at the date of November 1, 2016. Inflow of direct investments from Israel to the Republic of Kazakhstan from 2005 to the 1st half year of 2016 is 214 million US dollars.

Kazakhstan and Israel entrepreneurs are successfully cooperate in such economy sectors like innovations and agribusiness. Recently there were realized 7 new projects for a total amount of 86.5 million US dollars in Kazakhstan in cooperation with Israel partners, There are: the information and communication technologies, production of printed board assemblies for electronic devices; finances and insurance creating of joint commercial bank with Bank Hapoalim; agribusiness – construction of greenhouse complex in Almaty region and Astana,



## Israel-Kazakhstan partnership (from the news archive)

On July 5, 2016, Israeli Prime Minister Benjamin Netanyahu announced his intention to make an official trip to Kazakhstan. Netanyahu's announcement garnered considerable attention in Israel, as visits by Israeli leaders to Central Asia are extremely rare. Israeli President Shimon Peres's 2009 visit to Kazakhstan was the first trip by any Israeli head of state to Astana since Israel established diplomatic relations with Kazakhstan in 1992. Netanyahu's intention to travel to Astana underscores the increasing importance of Kazakhstan to Israel's geopolitical ambitions. In November 2015, Israel entered into a free trade zone with the Eurasian Economic Union (EEU). Kazakhstan is likely to be the chief beneficiary of Israel's closer EEU linkages, because of its neutral stance in the Israel-Palestine conflict and staunch opposition to radical Islamist movements. Israel's strategic partnership with Kazakhstan can be explained by a myriad of economic and security factors. Kazakhstan is a vital oil supplier to Israel and Israel has contributed greatly to Kazakhstan's economic diversification efforts. Israel's provisions of military technology and counterterrorism assistance to Kazakhstan have resulted in Kazakhstan becoming one of Israel's closest security partners in the Muslim world. Israel-Kazakhstan economic cooperation has produced tangible successes across a wide range of sectors. Israel has also helped boost Kazakhstan's agricultural production by imparting Israeli desalinization techniques to Kazakh farmers. Despite occasional tensions, Kazakhstan remains Israel's most important economic and security partner in Central Asia. Israeli policymakers believe that Kazakhstan is an emerging market with considerable economic potential, a vital energy supplier to Israel, and a crucial Israeli ally in the Muslim world. Netanyahu's upcoming visit to Astana will likely result in even stronger ties between Israel and Kazakhstan, ensuring that Jerusalem will have a diplomatic foothold in Central Asia for years to come. © The Diplomat, July 19, 2016

<http://thedi diplomat.com/2016/07/the-israel-kazakhstan-partnership/>

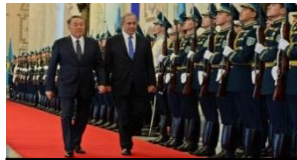
introduction of new technology of drip irrigation, construction of broiler plant in North-Kazakhstan region; infrastructure – seawater desalination unit on the territory of Mangistau region. The project of creating medical insurance system and network of "Archimedes Kazakhstan" medical centers are being realized at the present day. During the business-forum the participants have discussed Israeli experience in innovation and high-tech, as well as potential projects in infrastructure, new technologies, and chemistry and agribusiness fields: modular conduits construction, specialized production of powder for 3D – printers and additive machines, production of paints and lacquers, creating agricultural experimental areas.

During the forum sides of Israel and Kazakhstani signed a number of commercial agreements: Memorandum of cooperation between the Kazakhstani Ministry of Education and Mitrelli, Memorandum of Understanding and Cooperation between "Bazis- A Corporation" and BAL International Ltd, Agreement between Damar LLP and EGRZ Food Ltd, Memorandums between medical centers and others.

The proceedings of the business forum included the participation of more than 400 business and non-governmental organizations representatives from both of the countries. The government program of Industrial and Innovation Development of Kazakhstan for 2015-2019 years, set of incentives for investors including small and medium enterprises, and priority sectors of economy, also the concepts of special economic zones (SEZ) and industrial zones (IZ) were presented to Israeli side. During plenary sessions and B2B meetings entrepreneurs have discussed joint projects within agricultural sector, healthcare, water management, security and green energy.

#### FOR REFERENCE

Sales volume of Kazakhstan and Israel for 2015 is 306 million US dollars. Share of Kazakhstan export is 219.1 million US dollars, import is 86.9 million US dollars. The main articles of Kazakhstani export are: mineral fuel, oil, salt and sulphur, aircrafts, basic metals and grain. Sales volume for 9 months of 2016 is 237 million US dollars.



## Israeli Prime Minister Visits Astana, Strengthens Ties

ASTANA – Prime Minister of Israel Benjamin Netanyahu met with President Nursultan Nazarbayev, top government officials and took part in a Kazakh-Israeli business forum during a Dec.14 visit to Astana. According to Nazarbayev, the sides held an open and constructive dialogue. They paid special attention to trade and economic issues that are being negatively influenced by the unfavourable situation in the global market. Nazarbayev and Netanyahu discussed ways to stimulate economic cooperation, as well as the Kazakh-Israeli partnership and cooperation in the spheres of investment, innovative technologies and agriculture, the press service of Akorda reported. The parties reached agreements on restoration of direct flights and introduction of a visa-free regime between Kazakhstan and Israel. Such measures should deepen bilateral business contacts and cooperation in tourism, the two leaders said. Nazarbayev noted that Netanyahu's visit takes place on the eve of the celebration the 25th anniversary of independence of Kazakhstan. "Throughout all these years, Kazakhstan and Israel have maintained a good relationship. Big Jewish diaspora living in Kazakhstan and the Kazakh community living in Israel are the bridge for constructive relations between our peoples," he said. Nazarbayev also underlined Kazakhstan's interest in broadening business relations with Israel and expressed hope this visit will strengthen bilateral cooperation. The Israeli side has expressed interest in the use of Kazakhstan's transit-transport potential to deepen bilateral cooperation. In addition, the prospect of cooperation with the Astana International Financial Centre, as well as the participation of advanced Israeli technologies in the field of renewable energy sources at the international exhibition EXPO 2017 were discussed. © Astana Times, December 21, 2016

<http://astanatimes.com/2016/12/israeli-prime-minister-visits-astana-strengthens-ties/>



## Kazakhstan, Israel to step up agricultural cooperation

ASTANA. KAZINFORM – Kazakhstan and Israel will sign the intergovernmental agreement on cooperation in the sphere of agriculture, President Nursultan Nazarbayev said during the bilateral meeting with Prime Minister of Israel Benjamin Netanyahu in Astana, Kazinform correspondent reports.

"Our bilateral relations are based on interaction and development of

Basic articles of import are: electrical machines and equipment, nuclear reactors, furnaces and mechanical devices, optical instruments and equipment, derived products of vegetables and fertilizers.

Exchange rate

ILS-KZT

1 ILS=86.90 KZT

According to

<http://freecurrencyrates.com/ru/convert-ILS-KZT>

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trade, economic and investment cooperation," Nursultan Nazarbayev said during the meeting in the Akorda presidential residence. The Head of State added that 270 enterprises with Israeli capital contribute to strengthening of trade and economic cooperation between Kazakhstan and Israel. "Today we've already discussed a wide range of issues of bilateral cooperation - economy, investment, politics and fight on terrorism. Your visit and the business forum [Kazakhstan-Israel Business Forum] will hopefully help expand our business ties and lift bilateral cooperation to a brand new level," President Nazarbayev told Benjamin Netanyahu. © Kazinform, December 14, 2016

[http://www.inform.kz/en/kazakhstan-israel-to-step-up-agricultural-cooperation\\_a2979948](http://www.inform.kz/en/kazakhstan-israel-to-step-up-agricultural-cooperation_a2979948)



### **Prime Minister Benjamin Netanyahu and Kazakh Prime Minister Bakytzhan Sagintayev's Remarks**

Prime Minister Benjamin Netanyahu and Kazakh Prime Minister Bakytzhan Sagintayev addressed a joint Israeli-Kazakh business forum in which business people from both countries participated in order to encourage investment in Israel and boost bilateral trade. Israel views economic relations as a main anchor between the countries. Attending the forum is an Israeli business delegation, which has joined the Prime Minister, composed of over 70 representatives from Israeli companies in the fields of homeland security, renewable energy, agriculture, water, health, medicine, and finance. "Thank you all for coming here. I think our two countries can do great things together. Now, there are 200 Israeli companies in Kazakhstan, some of them are represented here. I understand that there are some deals that have already been made. This is the most important thing – to make things move rapidly. Everything has to move rapidly because things are accelerating globally and so when we talk about direct flights – that's a business stimulator; When we talk about a free trade zone with Kazakhstan and four other countries – that's a business stimulator; When we talk about reducing barriers to competition – this is a business stimulator" said Prime Minister Benjamin Netanyahu. B.Sagintayev stressed the large work conducted in Kazakhstan to create favorable conditions for investors. In addition, there are special economic and industrial zones in Kazakhstan, which also contribute to favorable business. B.Sagintayev also stressed the large prospects for cooperation under the public-private partnership. "With due regard to the extensive experience of Israel in this matter, we are ready to work jointly, and invite you to collaborate not only under the large-scale investment projects, but also in the SME, using this mechanism to invest in Kazakhstan," B.Sagintayev noted. ©

<http://government.kz/en/novosti/1006294-prime-minister-takes-part-in-kazakhstan-israel-business-forum.html> and

<https://www.facebook.com/notes/the-prime-minister-of-israel/prime-minister-benjamin-netanyahus-remarks-at-joint-israeli-kazakh-business-foru/1278713438866910>