

# Kazakhstan Market Information: Information Technology, Telecommunications, and Research and Development

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This document describes the market opportunities and the private and public sector support for the **Kazakhstan Information Technology, Telecommunications, and Research and Development (ITRD) Industries** as related to Kazakhstan's national economic strategy. Additional information about these markets in Kazakhstan is available upon request.

**The Innovation Industrial Development Strategy: 2003-2015** (Strategy) was announced by the Republic of Kazakhstan in 2003. The Strategy formulates the state economic policy through 2015 and aims to support sustainable economic development through non-extraction oriented economic diversification. **The Strategy provides over \$1 billion in foreign direct investment opportunities available to the international business community in identified economic sectors.**

To download a copy of the Strategy, go to: <http://www.kazakhembus.com/BusinessandEconomy.html>

Goals for the **ITRD** industry, as quoted from the Strategy include:

- Create **transparent sound legal framework** and standards promoting development of the scientific and technical information;
- Ensure **universal access to the scientific and technical information** for the population, economic entities, public organizations and public administration in the Republic of Kazakhstan;
- Design and introduce the **E-Government** including establishment of portals of Government bodies, Government databases and document turnover procedures;
- **Standardisation**, unification and certification of the state information media and systems;
- Promotion of **broad scale introduction of E-commerce** allowing for maximum utilization of new internal and external market capacities;
- Introduction of **E-auctions and E-tenders** into the state procurement system;
- Increasing the public awareness through supporting establishment of **E-training facilities and libraries**;
- All the possible support to development of the national software products and software technology industry.

## Current Public and Private ITRD Projects/Tenders

In 2003, the Government of Kazakhstan adopted the "Program on Demonopolization and Liberalization of the Telecommunications Market in Kazakhstan," creating a competitive telecommunications market. This program has led to the following developments in the ITRD industry:

- Development of **National Information Superhighway** as part of the Strategy required an estimated \$1 billion of investments for infrastructure and related services began in 2001 and will continue through 2005.
- The Asian Development Bank (ADB), announced a public tender in November 2004 - "**Institutional Strengthening for Project Management Information System**" – a \$300,000 grant for the design, implementation, and document supply of an information technology system intended for the Ministry of Economy and Budget Planning (MOEBP).  
<http://www.adb.org/Documents/ADBBO/AOTA/38382012.ASP>
- Joint Stock Company "Kazakhtelecom" announced in April 2005 that it has received a loan of \$110M from the European Bank for Reconstruction and Development (EBRD), **\$15M of which is for the development of the telecommunications infrastructure**. Contracts will comprise the supply, installation and associated services for telecommunications transmission and switching equipment, together with supporting network oversight equipment. Tendering for these contracts is expected to begin in 2005.
- **Additional open tenders** with Joint Stock Company "Kazakhtelecom" can be found at:  
<http://www.telecom.kz/eng/info/tender.php>

**The International Science and Technology Center (ISTC – [www.istc.ru](http://www.istc.ru))** is an international multilateral organization that coordinates the efforts of government, public sector, and international agencies. It provides weapons scientists from Russia and the Commonwealth of Independent States new opportunities in international partnership. Selected scientists conduct applied research activities in **ITRD** industry, as well as **Laser, Physics, and Optics** at research institutes such as:

- Geodata Limited, Almaty
- Association Institute of Non-proliferation, Almaty
- Branch State Enterprise "Institute of Nuclear Physics", Almaty
- Center of Scientific and Technical Development (CSTD), Pavlodar
- Joint-Stock Company Scientific Research Institute "Gidropribor", Uralsk

***These scientists are available for new and existing research and development projects*** and are available for international partnerships with American firms seeking new market opportunities and research resources.

A full list of proposed, ongoing, and completed projects is located in the ISTC database, found at: [www.istc.ru](http://www.istc.ru). Click on "TECH-DB." Site registration is required and is free to all users.

**Regional Business Incubators** in thirteen (13) regions across Kazakhstan establish government and international agency support for developing an innovative and entrepreneurial business environment. The centers are located in the following cities: Aktobe, Almaty, Astana, Atyrau, Karaganda, Kokshetau, Petropalovsk, Semipalatinsk, Shymkent, Taldikorgan, Temirtau, Uralsk, and Ust-Kamenogorsk.

**The Business Information Service for the Newly Independent States (BISNIS)** provides market information and trade leads with a focus on former Soviet countries, including the Republic of Kazakhstan. BISNIS trade representatives prepare economic sectors reports on an ongoing basis, including the **ITRD** sector. Visit: <http://www.bisnis.doc.gov/bisnis/country/kazakhstan.cfm>

### **Regional ITRD Marketing Opportunities**

**12th Central Asian International Exhibition Telecommunications and Computer Technologies (KITEL)** is the largest information technology and telecommunications convention in Central Asia, with 36,000 visitors and 400 companies represented. In 2005, the KITEL exhibition will be held from May 31-June 3, 2005 in Almaty, Kazakhstan. Additional information can be found at: <http://www.kitel.kz/en/2005/desc>.

Specialized sections of the 2005 convention include:

- Telecommunications & Internet
- Computer & IT Technologies
- Banking & Office Technologies
- Security Systems
- Cable production
- Mobile & Satellite Communication

A full Calendar of Exhibits and Exhibitions organized by ITECA in all industries can be found at: <http://www.iteca.kz/en/events>

Companies and organizations are encouraged to attend:

**2005 KAZAKHSTAN**  
**Industrial and Innovation Strategy: New Business Opportunities**  
**TRADE AND INVESTMENT CONFERENCE**  
**September 8-9, 2005 San Diego, California**

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Hosted by:

**THE EMBASSY OF THE REPUBLIC OF KAZAKHSTAN**  
**U.S.-Kazakhstan Business Association, San Diego World Trade Center**  
**The Asia Society, U.S. Chamber of Commerce**

The conference will include presentations by the Deputy Prime Minister, Minister of Industry and Trade; Minister of the Economy and Budget Planning; and other government officials from Kazakhstan, and will provide opportunities for U.S.-based firms to establish business contacts in these and other industrial sectors.

To view the conference program and to register, please visit:

[www.jmkcontact.com](http://www.jmkcontact.com)

For questions regarding the conference, please contact:

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