



#### 4 NATIONAL POLICY AND LEGISLATION IN TRADE AND TRANSIT

The Strategic plan of the Ministry of economic development and trade of Republic Kazakhstan on 2011 - 2015 includes two strategic orientations which realization will allow to generate favourable conditions for improvement of well-being of the population and a country sustainable development in long-term perspective.

The strategic orientation 1 regards the increase of the country competitiveness of and modernization of the national economy:

Objective 1: Maintenance of growth of the Kazakhstan economy by 2020 more than one third in comparison to the level of 2009.

- Goal 1.1. Maintenance of development of economy within predicted parameters;
- Goal 1.2. Creation of conditions for business development;
- Goal 1.3. Development of mechanisms of public-private partnership;
- Goal 1.4. Increase of efficiency of domestic trade;
- Goal 1.5. Creation of the rational territorial organization of economic potential and favourable conditions of ability to live of the population;

Objective 2: Creation of effective and operative system of advancement and protection of economic interests by integrating into the world trade and economic system.

- Goal 2.1. End the formation of the Customs union within the limits of the Euroasian economic community;
- Goal 2.2. End the formation of Uniform economic space between Belarus, the Republic of Kazakhstan and the Russian Federation;
- Goal 2.3. Accession to the World Trade Organization;
- Goal 2.4. Take position in the international markets

The strategic orientation 2 regards the creation of a productive public sector.

Objective 1. Introduction of a new model based on principles of corporate governance, productivity, transparency and accountability by 2015:

- Goal 1.1. Improvement of quality of rendering of the state services;
- Goal 1.2. Introduction of the elements necessary for high-grade functioning of public management system, focused on result.

In the conditions of active development of trade relations, increase international cargo flows and vehicles also significantly increased the value of the Institute of transit. Transit becomes the objective indicator of development of the international cooperation and economic well-being.

At the international level, transit is regulated by several special international Conventions, namely:

- Barcelona Convention and Statute on Freedom of transit from April, 20th, 1921 (Barcelona); which has not been signed yet by the Republic of Kazakhstan
- New York Convention on transit trade of Land-locked states from July, 8th, 1965, which was ratified in 2007 by the Republic of Kazakhstan.



## The International Customs Norms

The international customs norms are primordial to regulate transit transportation. Their application enables to reduce considerably time for customs registration of cargoes at border crossing points. The most actual international customs conventions, concerning transit transportations, are:

- International convention on the simplification and harmonisation of customs procedures (Kyoto Convention) of 1974 and its new edition (the Report of changes in the Convention is made on June, 26th, 1999 in Brussels);
- Customs Convention on the International Transport of Goods Under Cover of TIR carnet (TIR Convention, 1975);
- International Convention on the Harmonization of Frontier Controls of Goods, 1982;
- Customs Convention of ATA Carnet for temporary importation of goods (1961);
- Convention on Temporary Admission (Istanbul, 1990).

Today Kazakhstan is an active supporter of joining international legal documents developed not only under the aegis of UNECE and UNESCAP, but also under other leading international organizations, such as UNCTAD, OSJD, IMO, etc.

To simplify borders crossing procedures, unify transit documentation, harmonization of national legislations and regulatory instructions must be carried out at regional level, meaning within the limits of the CIS, the Customs union, EurAsEC, etc.,

The development of bilateral relations with CIS countries as well as at a multilateral level is the main priority of the Republic of Kazakhstan foreign policy.

## Multilateral Intergovernmental Basis

In regulation of the international transportations the particular interest is represented by system created within the limits of the European Conference of Ministers of Transport (ECMT).

As has shown experience of the ECMT, activity of the intergovernmental organization can promote an establishment of the general rules of activity, facilitates process of acceptance of intergovernmental decisions and according to integration.

Joining of Kazakhstan to ECMT first of all will allow the Kazakhstan carriers to get on the basis of multilateral permissions ECMT access to the European market of cargo international transportations. Besides, multilateral character of permissions will promote the organization of transportations, including, to simplification of procedures of borders crossing, and also optimization of a route of movement that will provide decrease in the cost price of road transportations.

In 1998 Kazakhstan signed the Multilateral Agreement on International Transport for the Development of the Europe-the Caucasus-Asia Corridor" including the technical annexes on road, rail transport, commercial marine navigation, customs and documents exchange with the reservation regarding the art. 4 "Preferential Terms and Tariffs" and appendix 2, which restricts the Parties from granting preferential terms and tariffs:

- up to 50% discount on the full current tariffs for carriage of goods by rail, except for other preferential tariffs
- up to 50% reduction for empty wagons.