

EMBASSY OF INDIA
ASTANA
(Commercial Wing)

Monthly Commercial Report for June 2015

1. Trends in Bilateral trade and investment : (Source : Customs Department/Agency of Statistics, Republic of Kazakhstan) (US\$ Million, for the period Jan -June 2015)

(i) Bilateral Trade

(In US\$ million)

	Export	Import	Total	% Growth of Export	% Growth of Import
Kazakhstan's Trade with India	79.34	118.83	198.17	- 37.54	+ 39.4
Kazakhstan's total Global trade.	21708	10008	31716	- 21.87	+11.8

(ii) Top 10 items of Export to India

(In US \$Million)

Sl.No. with HS Code	Commodity	Jan-June 2015	% Growth over last year	% share in total export to India
1.(2707)	Oils and other products distillation of high temperature coal tar; similar products with higher aromatic content	31.76	-289	40.03
2. (2524)	Asbestos	17.85	-12	22.42
3(7202)	Ferroalloys	4.56	+6.73	5.74
4. (7404)	Copper waste and scrap	3.18	+2.08	4.00
5. (2106)	Food preparations not elsewhere specified	2.08	+1.9	2.62
6. (8474)	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing	2.03	-	2.61
7. (8108)	Titanium and articles thereof, including waste and scrap	1.95	-19	2.43
8. (9031)	Measuring or checking instruments, profile projectors	0.19	-	0.23
9. (7326)	Other articles of iron or steel	0.13	0.016	0.18
10. (1211)	Licorice root	0.09	-	0.12

(iii) Top 10 items of Export to the World by Kazakhstan

(US \$million)

Sl.No with HS Code	Commodity	Period (Jan-June 2015)	% Growth over last year	%Share of its total Export
1. (2709)	Petroleum oils and oils obtained from bituminous minerals.	7723	-53.72	35.57

2. (2711)	Oil and other gaseous hydrocarbons.	483	-43.37	2.42
3. (2710)	Oil and oils obtained from bituminous minerals, other than crude;	439	-31.19	2.02
4. (7403)	Refined copper and copper alloys, unwrought.	400	-17.52	1.84
5. (7202)	Ferroalloys.	270	-30.23	1.37
6. (2844)	Radioactive chemical elements and radioactive isotopes.	222	-2.63	1.21
7. (1001)	Wheat and meslin.	149	-50.98	0.68
8. (2601)	Copper ores and concentrates	132	-64.51	0.60
9. (7901)	Unwrought zinc.	115	-17.85	0.52
10. (1101)	Wheat or rye.	109	-17.42	0.50

(iv) Top 10 items of Import by Kazakhstan from India

(In US \$Million)

Sl.No with HS Code	Commodity	Jan-June 2015	% Growth over last year	% share in its total imports
1. (3004)	Medical products(mixed and non-mixed products)for therapeutic & preventive use, packaged in drug dosage forms	41.63	+36.44	0.34
2. (0902)	Tea (with and without flavor additives)	22.56	+11.52	0.18
3. (2401)	Raw tobacco, tobacco refuse	2.80	+4.8	0.02
4. (2921)	With an amine functional group	2.79	+118	0.01
5. (8411)	Turbojets, turboprops	2.41	+26-	0.03
6. (8474)	Machinery for sorting, screening, separating, washing, crushing, grinding and mixing	1.76		
7. (8429)	Bulldozer with orbital angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers, self-propelled	1.76		
8. (7325)	Castings other of iron or steel	1.42	+19	0.013
9. (6903)	Other refractory ceramic goods (for example, retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths and rods), other than those of siliceous fossil meals or similar siliceous	1.37.		
10. (8481)	Taps, cocks, valves and similar appliances for pipes, boiler shells, reducing valves and thermostatically controlled valves	1.34		

(v) Top 10 items of Import by Kazakhstan from the World

(In US\$ Million)

Sl.No with HS Code	Commodity	Period (January -June 2015)	% Growth over last year	%Share in total Import
1 (8411)	Turbojets, turboprops	731	+109	4.1

2 (8703)	Motor cars and other motor vehicles designed for the transport of persons (except motor vehicles under 8702), utility vans & racing cars)	613	-22.3	3,24
3 (8517)	Telephone devices, including telephones for cellular networks/wireless networks; apparatus for the transmission or reception of voice, images or other data, including apparatus for wired or wireless Internet access	476	+11.9	2,86
4 (3004)	Medicines (other than goods under 3002, 3005 or 3006) consisting of mixed or unmixed products, for therapeutic or prophylactic uses, put up in unit dosage form	311	+0.2	2,63
5 (8481)	Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or reducing valves and thermostatically controlled valves	202	-3.3	1,5
6(8474)	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing	202	+56.10	1,5
7 (7304)	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron)	119	+16.91	1,5
8 (8471)	Calculating machines and units thereof	117	-31.72	1,24
9 (8502)	Electric generating sets and rotary converters	116	+193	1,19
10 (3002)	Human blood; Animal blood prepared for therapeutic, prophylactic or diagnostic uses;	116	-9.21	1,05

(vi) Top 5 competitors of India's top 5 exports

(In US\$ Million)

Sl. No.	Commodity (Including HS codes)	Competitors
1	Medical products consisting of mixed and non mixed products for therapeutic and preventive use, packaged in drug dosage forms (HS 3004)	1. France (59.05) 2. Germany (38.98) 3. Russia (21.20) 4. Italy (11.83) 5. Slovenia (8.19)
2	Tea (with and without flavor additives (HS 0902))	1. Kenya (11.32) 2. Russia (4.18) 3. Sri-Lanka (6.35) 4. UAE (0.456) 5. China (4.3)
3	Turbojets, turboprops, (HS 8411)	1. Italy (203) 2. USA (169) 3. Canada (41.27) 4. China (29.91) 5. Netherlands (12.09)
4	Raw tobacco; tobacco refuse (HS 2401)	1. Brazil (2.30) 2. Russia (3.05) 3. Tanzania (0.93) 4. China (1.16) 5. Turkey (0.437)
5.	With an amine functional group (HS 2921)	1. Russia (4.19) 2. China (0.311) 3. United Kingdom (0.113) 4. France (0.061) 5. Germany (0,006)

e. Feedback from local commercial visitors to trade fairs in India, including under BSM, number of visas issued:

SI No	Particulars of trade fair, dates etc	Number of participants	List of large participants	Number of business visas issued in June	Feedback received
1	INSTC Stakeholders' Conference on June 12, Mumbai	5			

Investment:

(a) Opportunities for investment/assets on offer/major company divestment:

SI No	Particulars of Assets/Company	Contact Details
1.	<p>Project name: Construction of light rail transit (high speed tram) in Almaty</p> <p>Project objective and concept: Provision with high quality service of public (passengers) and improvement of city environment</p> <p>Region Almaty city</p> <p>Type of investment (project from scratch, based upon operating enterprise) Greenfield project</p> <p>Project duration 2018-2023</p> <p>Types of goods/services produced Passenger transportation (1st, 5th, 10th, 20th years of exploitation) 22,95 - 30,55 - 40,06 -46,70 mln. people</p>	<p>Project initiator:</p> <ul style="list-style-type: none"> - Enterprise Almaty Municipality - Contact information JSC "Almaty Development Centre" Phone: 8 (727) 334 13 79, 78, 80 <p>Investment assignment (new construction, enhancement, reconstruction, technical retooling) New construction</p> <p>Financial and economic indicators of a project:</p> <p>Project cost (mln USD) 510</p> <p>Required investments (mln USD)</p> <p>Financing structure Projected production Density of passenger traffic for 2018-2022-2027 -2037</p>
2.	<p>Project name:- Factory for the production of dry construction mixes</p> <p>Project objective and Concept:- Creation a new plant for the production of dry construction mixes</p> <p>Region Astana city</p> <p>Type of investment (project from scratch, based upon operating enterprise) Greenfield project</p> <p>Project duration 2015-2020</p> <p>Types of goods/services produced: Dry mixes of all kinds: Plasters, puttying mixes, different types of adhesives, grout mixes, masonry mortars, self-leveling floors, mixture for use with gypsum plasterboard</p>	<p>Project initiator:- Enterprise LLC «CapitalBuildInvest-NS»</p> <p>Year of foundation 2014</p> <p>Principal shareholders (sharers Murat Sabazganovich Aibassov – 100%</p> <p>Contact information Republic of Kazakhstan, Astana city, Zheltoksan street, 30/2-16</p> <p>Tel.: 7172-62-55-15, 8-705-245-1660; E-mail: - capitalbuildinvest@gmail.com , cbinvest@inbox.ru</p>

Web-site: <http://baseinvest.kz/project>

(b) Information on tender Notices for projects and procurements of interest to Indian project exporters/suppliers (USD 15 million & above)

Sl. No	Tender/ procurement notice No and date	Sector	Value of tender/procurement (in US \$ million)
1.	Nil	Nil	Nil

www.tender.kz

c. Information regarding upcoming major investment in India from respective country:

Sl.No	Particulars of the asset/company	Sector of investment	Quantum of investment

d. Details of trade research, information dissemination activity of the commercial wing:

Sl. No	Nature of activity (trade research, information dissemination, seminars etc)	Details (date, venue & Number of participants, copy of research sent to DOC)
1	Details of 10 th India Textile Machinery Exhibition to be held on Dec 3-8, 2015 in Mumbai 55 th India International Garment Fair on July 13-15 in New Delhi	Disseminated to Chambers of Commerce and Industry, Astana and Almaty

5. Details of activities conducted out of Trade Promotion budget:

BE for 2015-16	RE for 2014-15	Amount utilized	Details of Activity

6. Action taken on the previous JWGs, Joint Commissions, Sub-commissions etc. (issues that Mission had to follow up with host government):

Sl. No	Detail of JWG/JEC	Action Point	Action Taken

a. Trade Queries from India for import / Exports

S. No.	Enquiry originator	Product	Nature (Import/Export) & value in US\$ (\$ mln)	Action Taken
1	Munendra Eagle Group 201, Orleans Building, Sosyo Circle, Next to City Centre, U.M. Road, Surat – 395 007.	Export of polyester yarn and fabric		

	Gujarat, India.			
2	Gaurav Verma AGPP International 18, Sec-50, Noida-201307 (INDIA). Mob: +91- 9873997605 Email: agppintl@gmail.com	Exports of Beef		
3	Mr Ramesh rolexcables@youbroadband.in	Manufacturer /exporter of Cables Winding Wires & Cables which is used in submersible pumps.		
4	YasirZaheer S.Y.Exports S.Y.Compound, Jigar Road, DiwanKa Bazar. Moradabad - 2244001	Manufacturer & Exporter of Indian Handicrafts		
5				

b. Trade Queries for import / Exports (May-2015)

S. No.	Enquiry originator	Product	Nature (Import/Export) & value in US\$ (\$ mln)	Action Taken
1				
2				

7. Any other issue of importance :-

- According to the Chairman of the National Bank of Kazakhstan, its gold and international reserves stood at \$28.89 billion as of July 1, 2015. The Chairman also introduced the new currency band of 170-198 of Kazakh Tenge vis-à-vis US dollar. The bank also reported a decrease in inflation from 7.4% in June 2014 to 3.9% in June 2015. It also announced that the GDP growth for Q1 2015 amounted to 2.3%.
- First Deputy Prime Minister of Kazakhstan Bakytzhan Sagintayev announced the launch of 6 new projects in the mining and metallurgical sector in Kazakhstan in 2015 at the 6th International Mining and Metallurgy Congress in Astana and informed that Kazakhstan has already introduced new incentives for investors, simplified mechanisms of contract signing, and expanded the preferences list for investors.

- Mr. Vladimir Shkolnik, Energy Minister, while addressing a session in Majilis on June 1, stated that the implementation of the Eurasia project would start soon with formation of an international consortium. The Eurasia project envisages exploration of deep horizons of the pre-Caspian basin.
- President Nazarbayev discussed strengthening Strategic Partnership and attracting French investments in Kazakhstan with Francois Fillon, former PM and current Deputy of the National Assembly of France on June 2 in Astana.
- President Nazarbayev chaired the 28th Plenary Session of the Foreign Investor's Council in Astana on June 4-5 on the theme of development of agro-business, wherein he expressed unhappiness on the current state of the country's agricultural sector, which is one of the main sectors of employment and source of economic diversification in Kazakhstan. Representatives of EBRD, Eurasian Development Bank, Chevron, Lukoil, Cameco, Arcelor Mittal, ERG, Metro Cash & Carry and others participated in the forum. President Nazarbayev met Mr. Tim Gitzel, CEO of Cameco and discussed cooperation between Kazatomprom and Cameco.
- Mr. Sauli Niinisto, President of Finland, on his official visit to Kazakhstan on June 10-11 met President Nazarbayev and discussed state of bilateral cooperation, including strengthening cooperation in trade & economic, investment & cultural spheres and international issues of mutual importance.
- PM Karim Massimov, while addressing a joint session of Kazakh parliament on June 17, stated that the government is budgeting for the next three years, expecting low price situation of natural resources and raw materials.
- Mr. Khaled bin-Mohammad Al-Atyyah, Foreign Minister of Qatar visited Kazakhstan on June 17 and held bilateral consultations with his Kazakh counterpart Mr. Erlan Idrissov. Where the two sides discussed trade-economic, investment and transit-transport cooperation and implementation of agreement on Kazakhstan-Qatar joint investment fund.
- Mr. Askar Mamin, President of Kazakhstan TemirZholoy (KTZ) visited Russia to attend the 19th St. Petersburg International Economic Forum on June 19. During his visit, Kazakhstan TemirZholoy (KTZ) and Sberbank of Russia signed a Memorandum of Cooperation on financing in transport-logistics sector of India. Mr. Mamin stated that "Our cooperation in India is of paramount importance," at the signing ceremony.
- The Working Group on accession of Kazakhstan in WTO on June 21 announced that talks on the issue have been completed. President Nazarbayev in his message stated that Kazakhstan will formally accede to WTO as full-fledged member by December 2015. Kazakhstan had applied for WTO membership in 1996.
- President Nazarbayev paid an official visit to Italy on June 26-27 and discussed ways of further strengthening bilateral cooperation in the spheres of trade, economy, investment, fuel & energy and international issues of mutual importance with Italian Prime Minister Matteo Renzi. A Kazakh-Italian business forum was held as part of the official visit where over 20 MOUs/Agreements worth USD 500 million were signed.
- Kazakh First Deputy Prime Minister Bakhytzhan Sagintayev held talks with Mr. Zhang Gaoli, Vice-Premier of the State Council & Member of the Standing Committee of the Political Bureau of the Chinese Communist Party's Central Committee. The talks focused primarily on the possibility of shifting production facilities from China into Kazakhstan, cooperation in transport projects, use of trans-border water resources, agriculture etc. Kazakhstan suggested creation of a forum of Inter-

regional cooperation between Kazakhstan and China. It was reported that Kazakhstan has sought USD 3 billion loan from China to build new plants to boost copper and aluminium output.

- On June 29, Kazakhstan signed the articles of agreement on the establishment of Asian Infrastructure and Investment Bank (AIIB) in Beijing. The Kazakh delegation was headed by Minister of National Economy of Kazakhstan Yerbolat Dossayev.

Bilateral:

- Mr. Askar Mamin, President of Kazakhstan TemirZholy (Kazakh Railways) visited India on June 9-11. He met Shri Suresh Prabhu, Minister of Railways and Shri Nitin Gadkari, Minister of Road Transport, Highways & Shipping to discuss cooperation in the transport sector, including initiative to create a transport corridor connecting the Western Coast of India to Kazakhstan through Bander Abbas. His delegation also had interaction with representatives of select Indian companies organized by FICCI. He also visited Mundra port, where he had discussions with representatives of Adani Port & SEZ.
- Mr. S Baizhakanov, Deputy Director, International relations, EXPO-2017 met Ambassador on June 11 to discuss India's participation in the EXPO.
- Ministry of Commerce organized a one-day INSTC Stake-holders' Conference in Mumbai on June 12 to share the results of the dry run test conducted on two separate routes of INSTC using two containers. Kazakhstan was represented by two senior experts from its national railway company Kazakhstan TemirZholy, one of whom made a presentation during the conference and by three senior officials from AltynKyran Group of Companies.
- Mr. Asset Issekeshov, Minister of Investments & Development led an official-cum-business delegation to India on June 15-17, 2015. He met Shri Dharmendra Pradhan, Minister of State (I/C) of Oil & Gas, Shri Ravi Shankar Prasad, Minister of Telecom & Information Technology and Shri Narendra Tomar, Minister of Steel & Mines. He also met President of FICCI and held interaction with select Indian CEOs. Ambassador met Mr. Asset Issekeshov, on June 8 in the run-up to his visit to India.
- The 12th meeting of the Inter-governmental commission on Trade, Economic, Scientific, Industrial, Technical & Cultural Cooperation was held in New Delhi on June 16-17, 2015. A 32-member Kazakh delegation visited India for the meeting. The meeting was co-chaired by Shri Dharmendra Pradhan, Minister of State (I/C) of Oil & Gas of India and Mr. Vladimir Shkolnik, Minister of Energy of Republic of Kazakhstan. The two sides signed an agreed Protocol on the conclusion of the meeting. Mr. Shkolnik also met Minister for Coal, Power and Renewable Energy.