

## **Trade Policy Review of Kazakhstan**

(First Session on 25 September 2024)

### **Statement by Hong Kong, China**

- Thank you, Chair.
- Hong Kong, China (HKC) warmly welcomes the delegation of Kazakhstan, headed by Mr. Kairat TOREBAYEV, Vice-Minister of Trade and Integration, to their first Trade Policy Review. In particular, I am pleased to see Zhanar<sup>1</sup> in the delegation today. I vividly recall her sitting at the exact same row in Room W on the day of Kazakhstan's accession. What happened between these two milestones - Kazakhstan's active engagement in the WTO were the fond memories of the friends of the multilateral trading system. We would also like to thank the Discussant, Her Excellency Dr. Sofia Boza Martinez of Chile, for her insightful remarks that put this review in perspective. As always, we are grateful to the WTO Secretariat for their thorough and informative report.

### **Kazakhstan and Hong Kong, China**

- Kazakhstan was HKC's second largest trading partner in Central Asia in 2023. We are pleased to note the steady growth of bilateral trade relations between HKC and Kazakhstan. Our bilateral merchandise trade recorded an impressive average annual growth rate of over 12% from 2019 to 2023, with the total trade volume reaching US\$300 million in 2023. We value Kazakhstan as a trading partner and we would like to see our bilateral trade ties going from strength to strength.

### **Kazakhstan and WTO**

- Kazakhstan has demonstrated its firm support for a strong, transparent, and predictable multilateral trading system with its active participation in various areas of the WTO's work. In less than a decade since joining

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<sup>1</sup> Zhanar AITZHAN, Ambassador, Adviser to the Minister of Trade and Integration of the Republic of Kazakhstan.

the WTO, Kazakhstan has made valued contributions on multiple fronts, such as chairing and co-hosting MC12 and leading key bodies like the Committee on Trade and Environment and the Special Session of the Council for Trade in Services. Kazakhstan also has a commendable record in submitting notifications. We highly appreciate Kazakhstan's commitment to the WTO, and look forward to deepening our collaboration in areas of mutual interest.

### **Trade Policy of Kazakhstan**

- Regarding Kazakhstan's trade policy, we appreciate that Kazakhstan has bound its **tariff** schedule, with approximately 90% of tariff lines at ad valorem rates. We also note the reduction in Kazakhstan's average applied tariff rate from 7.3% in 2017 to 6% in 2024, reflecting the phased implementation of its accession commitments. It is particularly encouraging that the proportion of duty-free tariff lines has nearly doubled, from 15.9% in 2017 to 29.2% in 2024. However, the Secretariat report shows that the tariff rates of certain agricultural sectors remain exceptionally high; notable examples are the tariffs on live animals and meat (119.2%) and beverages and tobacco (302.4%). We encourage Kazakhstan to consider further reviewing its tariff regime for continued liberalisation.
- On **trade facilitation**, we are glad to note that Kazakhstan has fully implemented the TFA by February 2023 and has since regularly updated its TFA notifications. During the review period, Kazakhstan made significant progress in streamlining customs procedures, including through electronic means. For example, an information system was established in 2018 to fully digitise customs declaration and optimise customs policy. Moreover, following the launch of a national single window portal for imports and exports in March 2019, interactions between traders and entities issuing import/export permits have been conducted entirely electronically.
- On **agriculture**, while Kazakhstan is one of the world's top ten grain exporters, it is, like Hong Kong, China, a net importer of agricultural products. While we are glad to see that Kazakhstan has bound its agricultural export subsidies at zero as part of its commitments upon acceding to the WTO, we encourage Kazakhstan to regularly review the

support measures it provides to the agricultural sector, including, in particular, its tariff rate quotas and food price stabilisation measures. Certainly these measures should be administered in a manner consistent with the relevant WTO agreements; equally important is that their implementation would not constitute unintended barriers to trade.

- The **services sector** contributed significantly to Kazakhstan's economy, accounting for 60.8% of GDP in 2023, with wholesale and retail trade, repair of motor vehicles, real estate services and transport services being the largest components of services exports. We appreciate Kazakhstan's commitments to increase competition and promote foreign investment in various services sectors, including telecommunications services, financial services, business and professional services and transport services. We look forward to working with Kazakhstan to advance the liberalisation of services trade within the multilateral framework. In this regard, we are delighted to cooperate with Kazakhstan in revigorating the negotiation function of the WTO through our participation in the two Joint Statement Initiatives respectively on E-commerce and Services Domestic Regulation.
- Lastly, we thank Kazakhstan for their timely replies to all our questions; we will study them in detail. We wish Kazakhstan great success with its first trade policy review and are eager to continuing our collaboration in fostering a robust and inclusive multilateral trading system.
- Thank you.

**Hong Kong Economic and Trade Office in Geneva**  
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