

Speech: UK and Kazakhstan strengthen trade ties

Good afternoon.

I am delighted to welcome you all to the 2017 UK-Kazakhstan Inter Governmental Commission. And a special welcome to Minister Kassymbek and his business delegation.

As we head towards the end of the year, today's event provides an opportunity to review 2017: to consider what we have achieved in our bilateral trade and investment relationship and to look forward to 2018 and set new targets.

This year, the UK and Kazakhstan celebrated 25 years of diplomatic relations. That relationship continues to flourish and strengthen and trade and investment are central to that growth.

I know that many of you here today are playing an active role in developing our bilateral trade and investment.

According to the IMF, in 2016, the UK exported £2.9 billion of goods and services to Kazakhstan, whilst the flow from Kazakhstan to the UK was £640 million. I think we can do even better in 2018.

I'd like to congratulate Kazakhstan for their first class staging of Expo 2017 in Astana this year. I am delighted to say that the UK was one of the first countries to sign up to having a national pavilion.

Our installation, designed by Asif Khan in partnership with musician Brian Eno, was a great example of UK's creative excellence, taking inspiration from global influences as it was inspired by a yurt.

It was visited by over half a million people during Expo and won the [silver award for exhibition design](#). Most importantly it also provided an excellent platform for a comprehensive business and cultural programme.

His Royal Highness, the Duke of Gloucester represented the UK at our National Day. The Lord Mayor of London headed a large financial services business delegation.

My ministerial colleague Greg Hands led an oil and gas delegation, and there were visits by both Foreign Office and Scottish ministers.

In addition to the new business won and relationships strengthened, I believe the lasting legacy of Expo will be to have demonstrated the UK's capability across multiple sectors and project the UK as a centre of excellence for creativity and innovation.

This was an important highlight in 2017, and in a few minutes time, we will hear from representatives of the various working groups detailing other

achievements this year and plans for 2018.

The UK is currently the sixth largest foreign investor in Kazakhstan, having invested over £10 billion over the last 10 years. The Department for International Trade stands ready to help and encourage further overseas direct investment into Kazakhstan.

Oil and gas remains the largest sector in our trade and investment relationship. This is hardly surprising, given Kazakhstan has the world's 12th largest reserves of oil and accounts for 30% of GDP.

I am pleased to note that many UK companies have been working in Kazakhstan for a number of years and continue to invest new resources. The UK stands ready to help you build a more prosperous and sustainable future as this vital sector is developed.

Our experience covers the use of new materials, digital intelligence and new intervention techniques that improve field integrity and productivity. I look forward to hearing more from Campbell on progress made in 2017.

On mining, I understand that the new subsoil legislation is being considered by the Kazakh Parliament and that it is envisaged that the new Mining Code will be in operation from as early as July 2018. I believe this will be a milestone and encourage further investment into Kazakhstan.

On financial services, I am delighted that the Astana International Financial Centre will be operational from 1 January 2018. Many UK financial and legal companies are now embedded in AIFC – most notably Lord Woolf in administering and establishing the new Court of Arbitration, set up under English common law.

But other UK companies are involved in the development of the Astana Stock Exchange or helping draft the regulatory guidance or providing training for AIFC staff.

The CityUK and its members are clearly demonstrating that both pre and post UK's withdrawal from the European Union, London will continue to be Europe's major international financial centre and a global leader.

The planned privatisation programme of Samruk Kazyna will provide an opportunity for IPOs in Astana and London and encourage more UK companies in looking to Kazakhstan as a new market.

And of course the One Belt, One Road project will provide massive opportunities in infrastructure projects linking China with Europe via Kazakhstan.

The DIT team in Astana is working closely with colleagues in Beijing and Hong Kong to organise events that will focus on viable projects and facilitate new consortia of UK, Kazakh and Chinese companies to deliver these projects in Kazakhstan.

So we have a strong platform, but we can do more. I am pleased that this

morning's Business Council focused on digitalisation and new business horizons. I know that many of your major cities have smart city plans and this is an area where the UK can offer much help and experience.

Finally, in agriculture, the [Astana DIT team](#) will be organising an inward mission to the UK in March 2018 to explore potential co-operation in animal health and agri-tech. These examples show that both countries are actively seeking to open up new sectors of trade and investment.

I would also like to highlight the [International Business Festival](#) that will take place in Liverpool from 12 to 28 June, which is now established as a leading forum for business exchange.

I would be delighted to welcome a large Kazakh delegation to take part in those business sector events. I understand that we will be seeing a video about the IBF at the end of the programme.

So in conclusion, the Department of International Trade is committed to positioning the UK at the centre of an increasingly connected world, resetting and energising our relationships with global partners such as Kazakhstan.

The UK will continue to remain a fantastic place in which to do business. We have a strong rule of law, we have some of the best universities in the world, we have innovative and award winning companies and we are a leading destination for foreign direct investment in Europe.

The UK values its relationship with Kazakhstan. We want to build on it and I am sure today's event will be another significant step on that journey.

Thank you.