

Main Guidelines of State Policy of the Republic of Kazakhstan on Official Development Assistance for 2021-2025

1. Introduction

This document defines the main guidelines of the state policy of the Republic of Kazakhstan in the sphere of official development assistance (hereinafter - ODA) for the years 2021 - 2025.

The main directions of Kazakhstan's state policy in the sphere of ODA are designed to contribute to the sustainable socio-economic development of partner countries, promote Kazakhstan's national interests, and strengthen its international position and positive perception abroad.

The document sets out the principles of ODA implementation, its sectoral and geographic priorities, planning and administration, as well as mechanisms and modalities of ODA.

The main directions of the state policy of Kazakhstan in the sphere of ODA correspond to the national priorities of the state until 2025, defined by the Decree of the President of the Republic of Kazakhstan dated February 26, 2021 and envisaging, in particular, equitable social policy, strengthening of national security, active development of economic and trade diplomacy.

The document enshrines Kazakhstan's commitment to addressing global and regional challenges in line with the Kazakhstan-2050 Strategy, the Plan of the Nation - 100 Concrete Steps, the Kazakhstan Foreign Policy Concept for 2020-2030, and other state programme documents.

In order to institutionalize the national ODA system, an ODA operator - the Kazakhstan International Development Agency "KazAID" (hereinafter - the Agency "KazAID"), which is a subordinate organization of the Ministry of Foreign Affairs of the Republic of Kazakhstan (hereinafter - the MFA), was established by the Decree of the Government of the Republic of Kazakhstan on December 15, 2020.

Thus, an important step has been taken towards Kazakhstan joining the efforts of traditional and new donor countries to promote international development in a systematic manner. The importance of this step is reinforced by the fact that it has been taken at a time of shrinking budgets for traditional donors, at a time when the range of international and regional development challenges is expanding.

In general, Kazakhstan's ODA activities are a constituent element of the country's new foreign policy vector - 'humanitarian diplomacy' - its practical contribution to the

international community's efforts to ensure peace, stability, regional security and sustainable development.

2. Current regional and global development challenges

As a result of the global economic and financial crisis, including the COVID-19 pandemic, many countries faced deepening social inequalities, declining living standards and job losses. This has led to an increase in internal political tensions and aggravation of inter-state conflicts, a rise in threats such as organised crime, international terrorism, illegal migration and a number of other phenomena that threaten international security.

The World Bank estimates that global economic growth will slow almost five times in the post-COVID period, much more than in 2009 during the global financial crisis. Meanwhile, 90% of all countries will experience negative real GDP growth per capita over the next three years.

The recession in the global economy and deepening global imbalances have had a negative impact on the implementation of the 2030 Agenda for Sustainable Development, adopted by the United Nations (hereinafter the UN) in 2015.

3. Objectives of the Republic of Kazakhstan's engagement in international development assistance

The objectives of the Republic of Kazakhstan's participation in the promotion of international development are

- further integration of Kazakhstan into the system of regional and international relations;

- creation of favourable external conditions for the successful implementation of development strategies and programmes of the Republic of Kazakhstan;

- strengthening of peace and global and regional security and stability;

- promotion of implementation of the UN 2030 Agenda for Sustainable Development by partner countries.

4. Principles of Official Development Assistance of the Republic of Kazakhstan

The policy of the Republic of Kazakhstan in the field of ODA is based on the following principles:

- compliance with national legislation, the norms of international law and the interests of the Republic of Kazakhstan;

respect for sovereignty, consideration of national interests and legislation of partner countries;

transparency and accountability in decision-making on the provision and use of ODA in accordance with international standards;

orientation towards measurable results of assistance, and consideration of social and environmental consequences of ODA projects.

The Republic of Kazakhstan, implementing its ODA policy, is also guided by international norms and principles of development cooperation, established by the UN Charter (1945), the Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008), the Busan Partnership Outcome Document (2011) and the UN 2030 Agenda for Sustainable Development.

5. Sectoral and geographical priorities of official development assistance to the Republic of Kazakhstan

The sectoral priorities for ODA are determined by the Law of the Republic of Kazakhstan "On Official Development Assistance" dated 10 December 2014. (hereinafter - the Law) and these main directions of the state policy of the Republic of Kazakhstan in the sphere of ODA.

The sectoral priorities take into account traditionally established relations with partner countries, their expected needs and cover areas in which the Republic of Kazakhstan has a comparative advantage, expertise, experience and technology. Current trends on the international development agenda are also taken into account when determining sectoral priorities.

In view of the current challenges of regional and global development, and in accordance with Article 5 of the Law, the development activities of the Republic of Kazakhstan will focus on the following sectors of partner countries

education;

health and sanitation;

environmental protection, climate change; sustainable management of natural resources, water supply; digitalisation; agriculture;

gender equality;

business support;

good governance;

other areas defined in the Act.

Sectoral priorities, reflecting the overall priorities of the international community, are determined by coordination and division of labour with other donors. In each

sector, projects should be as interlinked as possible to ensure synergies and multiplier effects.

Different approaches can be used for individual sectors, including assistance in the form of multilateral engagement, in particular through financial contributions and working through international organisations.

Central Asian states and the Islamic Republic of Afghanistan will be the focus of geographical priorities for ODA delivery.

Meanwhile, as the national ODA system develops, the Republic of Kazakhstan's activities may also be oriented towards other regions of the world in the long term.

6. Planning and management of official development assistance projects

6.1. Aid planning and development funding

The MFA, as the authorized body in the sphere of ODA, approves the ODA Action Plan, as well as the ODA Voluntary Contribution Payment Plan to international organizations, and implements them.

Planning of the amount of assistance provided within ODA will be carried out by the MFA on the basis of project proposals received from state bodies and other organizations, according to the Rules of interaction between state bodies and organizations in the sphere of ODA, approved by Order of the Minister of Foreign Affairs of the Republic of Kazakhstan No. 11-1-2/42 of February 6, 2015.

Within the framework of cooperation with international donor organizations, the MFA sends them a list of project proposals for consideration of their participation in financing.

6.2. Project management system

The ODA system of the Republic of Kazakhstan will operate on the basis of generally accepted standards of efficient and result-oriented management, guided by international good practice and procedures in the field of ODA, used in particular by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (hereinafter, the OECD DAC).

A project cycle management system will be used to effectively manage ODA projects. In particular, KazAID will develop an ODA project cycle management manual for bilateral development projects. The manual will describe:

each stage of the project cycle;

the steps in all phases of the project cycle, including project programming, definition, formulation, implementation and evaluation;
the procedures to be followed by the individual participants;
requirements for the documents used in the projects.

6.3. Monitoring and evaluating the effectiveness of official development assistance projects

Consistent review and monitoring with evaluations of projects and programmes are key tools for managing and making informed decisions on the effective organisation of ODA projects. The results of monitoring and evaluations should be used to improve the quality of the Republic of Kazakhstan's development activities, enhance mutual accountability and transparency of cooperation with partner countries, as well as with the public.

ODA projects will be monitored by the MFA with the assistance of foreign institutions, relevant governmental bodies of the Republic of Kazakhstan and the ODA operator.

The evaluation is based on international standardised methods adapted to the specificities of the ODA system of the Republic of Kazakhstan. The main responsibility for evaluation within the institutional framework for development cooperation is vested in the MFA.

7. Mechanisms, forms and projects of official development assistance of the Republic of Kazakhstan

ODA will be provided both bilaterally and through multilateral cooperation.

Moreover, taking into account the impact of private investments on the social and economic development of partner countries and existing international trends, it is advisable to involve the private sector in development assistance activities.

ODA will be implemented in the forms set out in Article 12 of the Law.

ODA projects are implemented in the form of technical assistance through seminars and consultations, transfer of know-how, construction of new or renovation of existing infrastructure facilities in priority sectors of the economy and other activities aimed at promoting the socio-economic development of the partner country and the well-being of its citizens.

8. Transparency and accountability

Transparency and accountability of ODA provided will be ensured in accordance with OECD standards and the provisions of the Act.

The MFA will publish detailed annual reports on public expenditure for international development on the MFA website and provide information to the OECD DAC for subsequent publication. Accountability and transparency are also expected from the partner countries.

The MFA will report annually to the Government of the Republic of Kazakhstan on the progress of ODA projects. KazAID and relevant ministries will submit reports to the MFA at its request.

The Republic of Kazakhstan's ODA activities are open for public discussion with the participation of other agencies, non-governmental organisations, businesses, academia and other stakeholders.

All relevant information on development assistance will be published on a dedicated ODA website, which will be administered by the ODA operator.