PROJECT FACTSHEET

Kazakhstan Regional Competitiveness Project
An FDI approach to regional SME development in the Republic of Kazakhstan

Promoting regional development and economic diversification, the Regional Competitiveness Project aims to design and implement reforms to improve the business climate and attract foreign direct investment in three pilot regions: Atyrau, Kyzylorda and East Kazakhstan.

Objectives	➢ By promoting regional development and economic diversification in Kazakhstan, the project strengthens SME capabilities and enhances their potential to attract FDI. More specifically, the project provides a policy framework that:
	
	   o Draws foreign investors to overlooked regions
	
	   o Leads to stronger regional, sector and SME competitiveness and reduces inequalities between different regions
	
	   o Highlights each region's economic strengths
	
	   o Reduces FDI barriers at the regional and national levels

Timeline + Deliverables	➢ **Phase 1 (2012–2013):** Develop a regional investment promotion guidebook with a focus on strengthening SME business potential. Deliverables include:
	
	   o Publication of an OECD Territorial Review
	
	   o Design of regional plans for promoting FDI and SME economic activities and recommendations on how to unlock their potential
	
	   o Publication of investment promotion materials
	
	   o Organisational advice for regional investment promotion agencies
	
	   o Design of an FDI-SME linkage strategy for the three pilot regions
	
	➢ **Phase 2 (2013-2014):** Guidebook implementation assistance in the three pilot regions. Expected results include:
	
	   o Implementation support for the regional investment promotion strategies
	
	   o Launch of the FDI-SME linkage programme
	
	   o Design and implementation of an operational Key Performance Indicator (KPI) system
	
	➢ **Phase 3 (2014-2015):** Recommend a strategy allowing Kazakhstan authorities to implement the investment promotion strategies in all other regions.

Structure	➢ **Steering Committee:** Brings together representatives from relevant ministries, the three pilot regions, EU representatives and OECD experts. Meets three times a year to provide strategic guidance and oversee the project's progress.
	➢ Each region has established its own **Working Group** composed of experts, representatives from regional and national government, business associations, state agencies, EU representatives and OECD experts to discuss content development, devise policy recommendations, make key decisions and formulate the project's next steps.
	➢ **Capacity building seminars** are organised regularly to provide regional policy makers and their business intermediaries with the necessary know-how to implement the programmes and recommendations developed during the project.
OECD Eurasia Competitiveness Programme	➢ The OECD Eurasia Competitiveness Programme was launched in 2008 to support Eurasian economies in developing more vibrant and competitive markets. It includes seven countries from Central Asia (**Afghanistan, Kazakhstan, the Kyrgyz Republic, Mongolia, Tajikistan, Turkmenistan, Uzbekistan**) and six countries from Eastern Europe and the South Caucasus (**Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine**).
	➢ The Programme's approach leverages OECD instruments and tools in order to assess where and how to enhance the **competitiveness** of countries, sectors and regions to generate **sustainable growth**. Since its inception, the Programme has developed and implemented several regional and country specific competitiveness strategies, complemented by capacity-building seminars and coaching for policy makers.
Organisation for Economic Co-operation and Development (OECD)	➢ The OECD is a multi-disciplinary inter-governmental organisation of 34 member countries based in Paris which engages an increasing number of other countries and economies from all regions of the world. The Organisation's core mission is to help governments make better policies for better lives.
	➢ Through its network of 250 specialised committees and working groups, the OECD provides a setting where governments compare policy experiences, seek answers to common problems, identify good practice, and co-ordinate policies. The Organisation's work begins with data collection, policy analysis and benchmarking, then moves on to a collective discussion of policy experiences followed by the identification of good practices, setting of global standards and mutual peer review.