Kazakhstan: Joint Government of Kazakhstan and ADB Knowledge and Experience Exchange Program, Phase 5

Project Name: Joint Government of Kazakhstan and ADB Knowledge and Experience Exchange Program, Phase 5

Project Number: 57098-001

Country / Economy: Kazakhstan

Project Status: Active

Project Type / Modality of Assistance: Technical Assistance

Source of Funding / Amount: TA 10150-KAZ: Joint Government of Kazakhstan and ADB Knowledge and Experience Exchange Program, Phase 5
Technical Assistance Special Fund
US$ 2.00 million

Operational Priorities:
- OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability

Sector / Subsector:
- Energy sector development and institutional reform
- Public sector management / Economic affairs management / Public administration

Gender: No gender elements

Description:
The proposed technical assistance (TA) will provide demand-driven and just-in-time knowledge solutions and capacity development activities to the Government of Kazakhstan’s agencies and ministries. Under its fifth phase, the Knowledge and Experience Exchange Program (KEEP), a partnership on knowledge between the Government of Kazakhstan and the Asian Development Bank (ADB), will remain an important tool for knowledge collaboration between ADB and the government to promote innovation and enhance efficiency of Kazakhstan’s economy. In line with the previous four phases, the TA-supported activities will generate synergies and complementarities to the extent possible with ongoing and planned ADB operations in Kazakhstan. To reinforce ADB’s role as knowledge provider and strengthen policy dialogue, for the first time the TA will finance flagship publications to inform policymakers of important development issues and support in-country sectoral and thematic expertise. The TA is aligned with the ADB’s Strategy 2030 operational priorities aimed at strengthening governance and institutional capacity, and tackling climate change and enhancing environmental sustainability. The TA strengthens ADB’s role as a knowledge institution that facilitates sharing of best international experiences, practices, and innovations in line with Strategy 2030’s approach to engaging with upper middle-income countries. The TA also aligns with ADB’s new country partnership strategy (CPS) for Kazakhstan, 2023-2027, which prioritizes governance and addressing climate change impacts as strategic engagement pillars. The KEEP will strengthen policy dialogue with the government by matching the policy research and capacity building needs with the objectives of promoting decarbonization, inclusive growth, and governance.

Project Rationale and Linkage to Country/Regional Strategy:
Since independence in 1991, Kazakhstan underwent a profound transition from a planned to an open and upper-middle-income economy. Massive foreign direct investment, integration into global value chains, and rapid urbanization have increased the complexity of decision making. While windfall earnings from the extractive industries fueled robust economic growth, the inequalities across sectors, social groups, and regions of Kazakhstan widened. Increasing polarization of economic growth, employment, productivity, and competitiveness became a major risk to the country’s development achievements attained since 2000s. The popular discontent prompted the government to announce a comprehensive reform agenda aimed at building “New Kazakhstan” (Jana Qazaqstan). The recently adopted Economic Policy for the Medium-Term aims to improve the capacity of the state apparatus to better serve public needs. The state policy prioritizes transparency, decentralization, and evidence-based policymaking to improve the quality of life. At the same time, civil servants are frequently criticized for lack of initiative, lengthy bureaucratic processes, and red tape, which impede the reform progress. The government attributes this to lack of knowledge and skills at mid- and junior-levels of civil service. Recognizing the country’s knowledge needs, in 2013 ADB and the government established KEEP through a memorandum of understanding (MOU) that defined the program’s overall framework and outlined its objective and scope, priorities, implementation arrangements, and monitoring and evaluation mechanisms. The initial plan suggested three phases of KEEP, but in 2015 the total amount of commitments and disbursements exceeded the indicative amounts of the MOU, reflecting growing demand for knowledge solutions. To accommodate increasing knowledge demand, the MOU was updated four times - in 2015, 2017, 2019 and 2023 - by introducing supplementary agreements, aimed at ensuring greater flexibility and responsiveness to government needs for knowledge and capacity development.

Impact:
A flexible, adaptive and data-driven management system with optimized state apparatus that interacts with public service consumers on the “state for the people” principle provided (Economic policy for the medium-term).

Project Outcome:
Description of Outcome: State policy and program initiatives relying on enhanced capacity and evidence-based advice successfully implemented.

Progress Toward Outcome:
Implementation Progress:
Description of Project Outputs: Flagship reports and policy recommendations delivered. Capacity building programs provided.

Status of Implementation Progress (Outputs, Activities, and Issues):
Geographical Location: Nation-wide

Summary of Environmental and Social Aspects:
- Environmental Aspects
- Involuntary Resettlement
- Indigenous Peoples
Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Responsible ADB Officer
Genadiy Rau

Responsible ADB Department
Central and West Asia Department

Responsible ADB Division
Kazakhstan Resident Mission (KARM)

Executing Agencies
Ministry of National Economy

Timetable

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TAÂ 10150-KAZ

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Project Page
https://www.adb.org//projects/57098-001/main

Request for Information
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27 October 2023

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