

Kazakhstan-Swedish Business Forum

Stockholm, 13th May 2013



Executive Summary

Presenter: Karl Johannesson, Independent Director, Board of Directors at National Agency for Technological Development, Kazakhstan. Chairman Widsith Consulting Ltd.

This presentation was made accompanied by extensive oral comments. These remarks and clarifications form an integral part of the presentation made.

For any question contact the author.

Executive Summary - Innovation

Current Problems – Vicious Circle

- **Low level of innovation activity of companies and enterprises**
- **Company spending on R&D**
- **University-industry collaboration in R&D**
- **Low knowledge-based economy and production**
- **Availability of scientists and engineers**
- **PCT patents, applications/million pop**



If the vicious circle is broken the potential for Innovation is huge and the timing right !!

Executive Summary - Innovation

A photograph of three dogs running on a green lawn. The dog on the left is brown and wearing a blue harness. The dog in the middle is white and black, wearing a black harness. The dog on the right is grey and black, wearing a red harness. All three dogs appear to be carrying something in their mouths or are pulling something. The background is a blurred green field.

The **right International Partners and Project must be involved** – this is a new approach which Kazakhstan is now learning and ready to be helped to achieve.

Sweden can become a first class partner in a new economic and innovative context.

Agenda

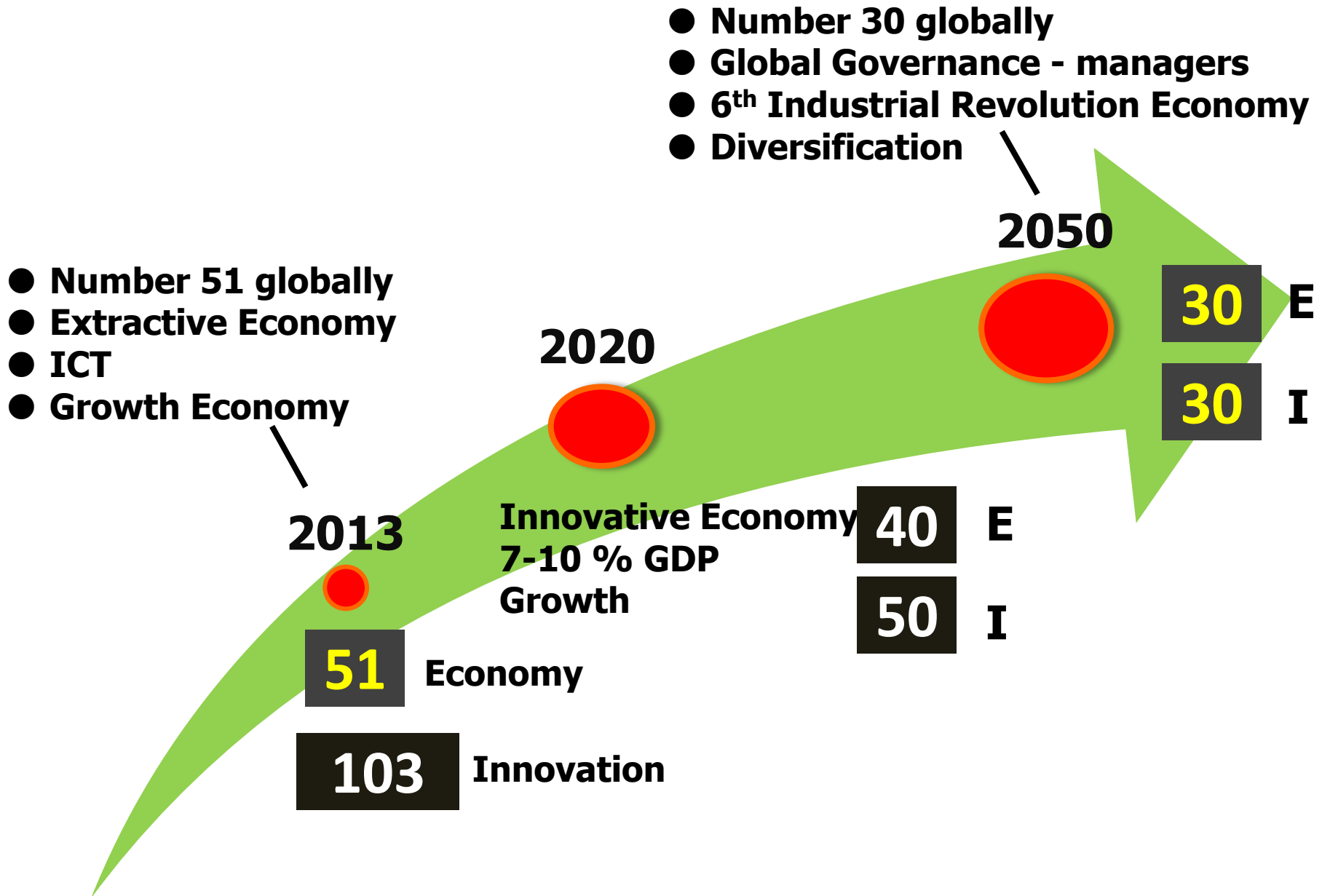
- 1. Kazakhstan – holistic view**
- 2. Opportunities for Swedish PPE**
- 3. Projects and Investments**
- 4. Particularities**
- 5. Next Steps**

Agenda

- 1. Kazakhstan – holistic view**
- 2. Opportunities for Swedish PPE**
- 3. Projects and Investments**
- 4. Particularities**
- 5. Next Steps**



Kazakhstan – Holistic View



Kazakhstan – Holistic View

- **Kazakhstan's GDP:** 1998 \$22 BLN 2013 is 10 times bigger **FDI:** Since 1998 increased nearly 20 times to reach \$20+ BLN in 2012. Σ \$160 BLN since 1993.
- **6th largest country in the world** in terms of mineral resources. US, China, Russia and Canada are strong partners and five out the 10 leading foreign direct investors are of European origin.
- The **Accelerated Industrialization Program** has been one of the main drivers for attracting FDI and developing new technologies, stimulating domestic demand, GDP growth.

Opportunities for Swedish PPE *

1. **EXTRACTIVE INDUSTRIES**
2. **RETAIL & WHOLESALE**
3. **IT, MOBILE, ECOMMERCE**
4. **MACHINE ENGINEERING**
5. **LIGHT INDUSTRIES**
6. **GREEN TECHNOLOGY**



- **Mining**
- **Oil**
- **Chemical**
- **Petrochemicals**
- **Construction; Building Mtrl**
- **Urban Infrastructure**
- **Healthcare**

1. **INNOVATION**
2. **EDUCATION**
3. **INNOVATION SYSTEMS**
4. **CLUSTER**
5. **R&D**



- **Know-how about know-how**
- **Innovation know-how**
- **Start-up and SME know-how**
- **Reforms**
- **Techno Park Management**
- **Regional Innovation Systems**

Project and Investments

- **Electronic Procurements – tenders**
- **Large Projects in key sectors**
- **SME business in service and retail**
- **High-end Luxury sectors**
- **Construction**
- **Green Technologies**

Particularities

- **Language is Russian and Kazakh**
- **English spoken in main cities**
- **Sales cycle complex**
- **Relationships are key**
- **Need Local presence**
- **Astana – capital is the main policy gateway**
 - **many ambitious projects**
 - **World Expo 2017**
- **Almaty is still the business center – 20-30%**
- **Regional focus !**
- **Many co-financing options**
- **Corruption on decline**

My interest

- **Develop innovation system for Kazakhstan**

Action points

Create deals with leading Swedish Universities and Swedish businesses

Attract the right projects [“innovation matrix”]

- **Regional innovation system for Kazakhstan**

Action points

Focus on 2 regions - Pavlodar and Karaganda

Attract deals from Private + Public Actors

Negotiate win-win for all stakeholders

[technologies, IPR, know-how, export, jobs]

The Steppe

The steppe is wisdom, eternity, magic, wind, flavors and extreme heat and cold. The cradle of Kazakh music, culture, food, horses, colors and nomadic culture....



Message to Swedish Businesses

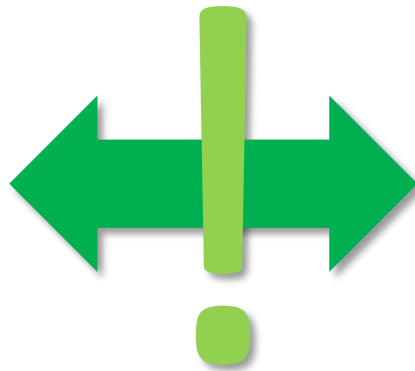
- **Kazakhstan is one of the top growth economies**
- **Don't look into the past**
 - + Don't believe all what you read in newspapers and on internet
- **Take part in the next level of development of the leading Central Asian country which is aiming high and now open for new partnership**
- **Sweden has a 2-3 years window of opportunity**

With Kazakh-Swedish partnerships



“Kazakhstan – one steppe ahead”

Thank You



Karl Johannesson

kjohannesson@jsonpartners.com

Skype k_johannesson