

“The role of Kazakhstan’s oil policy in foreign policy”

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Vladyslav Khvostenko (Ukraine), Marziye Memmedli (Turkey),
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THE ROLE OF KAZAKHSTAN'S OIL POLICY IN FOREIGN POLICY

Abstract

Since gained its independence in 1991, energy management has become the most important factor in the development of Kazakhstan's economic and foreign policy. This is due to the presence of wide-spread deposits of natural energy resources in the bowels of Kazakhstan. This forms the energy security and essential basis for the economic independence of the Republic of Kazakhstan. The study, first of all, looks at Kazakhstan's foreign policy and the links between foreign policy and energy sources. In particular, attention is paid to the role of oil in shaping Kazakhstan's foreign policy as an active participant in the highly competitive energy resources market. The energy potential of Kazakhstan, the entry of Kazakh oil into the world market and the obstacles created by Russia for Kazakhstan in this process are investigated next. Other problems in the region are analyzed, including border issues with neighboring countries, as well as the impact of energy demand in China on Kazakhstan's foreign policy. In this regard, the main focus of the study is the analysis of Kazakhstan's energy resources rich in oil reserves, and the analysis of the multilateral energy policy of the Astana Government since independence and has been gained since.

Keywords

Kazakhstan, oil, foreign policy, energy, gas, Central Asian

JEL Classification

F590, R35, O10, P40, Q41, Q48

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РОЛЬ НАФТОВОЇ ПОЛІТИКИ КАЗАХСТАНУ У ЗОВНІШНІЙ ПОЛІТИЦІ

Анотація

З моменту проголошення незалежності в 1991 році, управління джерелами енергії стало найбільш важливим фактором у розробці стратегії економічного розвитку і зовнішньої політики Казахстану. Означене обумовлено наявністю значних родовищ природних енергетичних ресурсів у надрах Казахстану. Це формує енергетичну безпеку та суттєву основу економічної незалежності Республіки Казахстан. Дослідження, в першу чергу, розглядає зовнішню політику Казахстану і зв'язки між зовнішньою політикою і джерелами енергії. Зокрема, приділено увагу ролі нафти в формуванні зовнішньої політики Казахстану як активного учасника висококонкурентного ринку енергетичних ресурсів. Досліджено енергетичний потенціал Казахстану, вихід казахстанської нафти на світовий ринок і перешкоди, створювані Росією для Казахстану в цьому процесі. Проаналізовано інші проблеми в регіоні, в тому числі прикордонні проблеми з сусідніми країнами, а також вплив попиту на енергію в Китаї на зовнішню політику Казахстану. У зв'язку з цим, основним напрямком дослідження є аналіз енергоресурсів Казахстану, багатого запасами нафти, та аналіз багатосторонньої енергетичної політики уряду Астани з моменту здобуття незалежності по теперішній час.

Ключові слова

Казахстан, нафта, зовнішня політика, енергетика, газ,
Центрально-Азіатський регіон

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INTRODUCTION

Kazakhstan is among the top ten countries in the world with an area of 2.724,900 square meters. The total length of the country's borders is 12.187 km. 6.467 km with the Russian Federation (the world's longest land border), 2.300 km with Uzbekistan,

1.460 km with the People's Republic of China, 980 km with Kyrgyzstan, and 380 km with Turkmenistan. It also has direct access to Azerbaijan and Iran via the Caspian Sea (World Summit Awards, 2016). The country has enormous natural resources. Kazakhstan has the largest proven oil reserves in the Caspian Sea region, the 2nd largest endowment in Eurasia after Russia, and the 12 largest in the world.

Declaring its independence in 1991, Kazakhstan has entered a new era in the production and export of energy resources. Energy resources were one of the most important factors in identifying Kazakhstan's foreign policy. Forces like Russia, China, the United States of America and the European Union, intending to take advantage of the region's energy resources, have been pursuing policies aimed at developing economic relations with Central Asian states since the collapse of the Soviet Union. Russia, China, the United States of America and the European Union have paid more attention to Kazakhstan that possesses vast territory and oil reserves in Central Asia, despite being a new player on the international stage.

After gained its independence in 1991, Kazakhstan has faced many political, social and economic challenges with the transition from communist rule to democracy, from central structure to market economy. At that period of time, Kazakhstan has become a strong and stable state with its domestic and foreign policy strategies, especially its energy policy within a short period of time. In parallel with economic developments, Kazakhstan has also been gradually striving to get rid of Russia's pressure. Besides, it has also strived to integrate rapidly with the world economy by extracting hydrocarbons, diversifying pipelines in the region through various export routes, and increasing electricity production.

1. LITERATURE REVIEW

In 2017, the Kashagan field became a significant producer of Kazakh natural gas. That year, the combined Karachaganak, Kashagan, and Tengiz fields accounted for about 65% of Kazakhstan's commercial natural gas production (Energy Information Administration, n.d.).

Kazakh statehood is restored under very difficult condition. With the collapse of the USSR in 1991, the integrity of the republic was in a perilous predicament. Let's remember that some Russian politicians, including those from the so-called «democratic» camp, have openly called for the separation of some provinces and even the oppression of the Kazakhs to the southern provinces (Solzhenitsyn, 1990). At the same time, Kazakhstan also inherited territorial issues. Although Kazakhstan strived to resolve some of those issues, for example: the border problems with China through negotiations held in 1992 and 1994, these discussions were only resolved with the contract concluded with China on May 10, 2002. The problem could have been avoided by the conciliation of some proportions of controversial lands (Ayagan, Abzhanov, Seliverstov & Bekenova, 2010, pp. 187).

Border problems with the Central Asian countries have been also regulated by the agreements concluded with Kyrgyzstan on July 17, 1998 and with Turkmenistan on July 5, 2001. The arduous negotiations held with Uzbekistan in 2000 were resolved through compromise (Ayagan, Abzhanov, Seliverstov & Bekenova, 2010, pp. 188-189).

The presence of the Soviet-era Semipalatinsk nuclear test site (closed on August 29, 1991 by the decree of the President of Kazakhstan), 1.216 rocket units of nuclear warheads, and the Baikonur Cosmodrome in Kazakhstan creates additional challenges (Kan, 2011, pp. 222). On December 13, 1993, Kazakhstan signed the Treaty on Non-Proliferation of Nuclear Weapons. In July 1994, the agreement signed with the International Atomic Energy Agency (IAEA), stated that Kazakhstan would use its nuclear resources only for peace in its territory. Kazakhstan, withdrawing the nuclear weapons from its territory, instead has received security guarantees from the United States of America, Great Britain, France, Russia and later China (Naumkin, 2003, pp. 50).

Before the events of September 11, 2001, Kazakhstan was one of the most important areas in Russia's foreign policy. Firstly, Kazakhstan has a 7.000-km border with Russia. Secondly, the fact that Kazakhstan is focusing on the region would make Russia to be closer to other countries in the region. Thirdly, having the largest amount of the oil and gas reserves around the Caspian Sea can make this country Russia's main economic partner in the region. Fourthly, the largest Russian community in the CIS countries (after Ukraine) lived in Kazakhstan (Naumkin, 2003, pp. 47).

Russia's this position is understandable. At the end of the 20th century, new threats have emerged on the global stage that could pose a major threat to the security of the Central Asian states and endanger regional stability. These were elements mainly formed in the context of US actions undertaken toward "Greater Central Asia", religious extremism, illicit trafficking in drugs and psychotropic substances. Parallel to the rapidly growing non-traditional threats in the region, new directions have been formed in the foreign policy priorities of Central Asian countries.

Russia and Kazakhstan are the countries with the longest border line between the two states and the Central Asian countries have only borders with Kazakhstan. The refusal of Kazakhstan from nuclear weapons, the lease of "Baikonur" Cosmodrome by Russia, and the presence of the Russian community in Kazakhstan make the political, economic and cultural relations between the two countries warmer. The "Treaty of Friendship and Cooperation" signed between Russia and Kazakhstan on May 25, 1992 included the issues, such as establishment of the general security policy, the creation of single economic zone, design of tax and customs policies, free movement of goods, capital and people. On the one hand, the relations between Kazakhstan and Russia are established within the framework of the Commonwealth of Independent States and on the other hand through bilateral negotiations (Hekimoğlu, 2007, pp. 142-144).

2. AIMS

The aim of the study is to analyze current energy resources management strategy of Republic of Kazakhstan and to highlight its perspectives in energy resources market.

3. METHODS

The main research method is the collection and analysis of statistical information, the analysis and synthesis.

To study the features and the current situation in the development of energy policy, it is necessary, first of all, to collect information – statistical data. Under statistical data is understood the totality of quantitative characteristics of socio-economic phenomena and processes obtained as a result of statistical observation, their processing or corresponding calculations.

The task of collecting and summarizing statistical data predetermines its program and forms of organization. Analysis and synthesis of statistical data is the final stage of statistical research, the ultimate goal of which is to obtain theoretical conclusions and practical conclusions about the trends and patterns of the studied direction of public policy.

Analysis is a method of scientific research of an object by considering its individual sides and its constituent parts. Economic-statistical analysis is the development of a technique based on the widespread use of traditional statistical and mathematical-statistical methods in order to control the adequate reflection of the studied phenomena and processes.

The tasks of statistical analysis are: determination and assessment of the specifics and characteristics of the energy policy of Kazakhstan, the study of the structure, relationships and patterns of development of the energy market.

Statistical analysis of the data is carried out inextricably linked with a theoretical, qualitative analysis of the nature and characteristics of state policy in the energy market, the study of structure, relationships and dynamics.

4. CURRENT SITUATION REVIEW

The energy sources of Central Asia and the safety of these sources are of great importance to the European Union, which has more than 70% external dependence related to energy resources, and dependence increases on a daily basis. Recent events occurred in this area are reflected in the EU strategy. The insolvency of energy supplies to EU

countries and EU's other political problems with Russia during 2006 and 2009 years and after energy crisis with Ukraine and Belarus made the EU to undertake additional measures in the diversification of energy supplies in terms of the «energy country». Therefore, in terms of their positions and energy resources, Central Asian countries have great importance, as countries that can create alternative sources for oil and natural gas provided by Russia to EU countries (Gökhan, 2010, pp. 32). Except the Partnership and Cooperation Agreement (PCA), there are the “Contract on Steel products” signed between the EU and Kazakhstan in 1995 and the treaties, such as Treaty on Nuclear Safety and Peaceful Use of Nuclear Energy. More than 40% of Kazakhstan's foreign investment comes from EU. More than 80% of EU foreign investments are made in the oil and gas sectors. The largest share of these investments comes from England, Italy and the Netherlands (Erdoğan, 2011, pp. 57).

China's economic transformation that started in 1978 with the power of Deng Xiaoping and the multilateral opening to the world in 2001 as a member of the World Trade Organization have increased energy demand. Therefore, energy security has become one of China's most important foreign policy parameters. This situation has led China to build a close dialogue with the countries that are energy suppliers. Kazakhstan stands at the head of these countries either in terms of its neighbors, or in terms of cooperation on various platforms, including the Shanghai Cooperation Organization.

The energy resources of the Caspian Sea are one of the main interests of China in Central Asia. The economic relationships expanding day by day with Kazakhstan and other countries of this region are one of the main components of China's foreign policy. In this regard, Chinese leaders have formulated a number of tasks related to this factor. Firstly, China intends to conduct balanced mutually beneficial trade through generally accepted trading mechanisms. Secondly, the Chinese side intends to transfer barter trade to a regular trading framework with improved reporting mechanism. Thirdly, China intends to take part in the construction of a new Silk Road by creating a broad transport network in the entire Eurasia.

This interest to China's growing economy will proportionally increase. The developing Chinese economy needs energy resources very much. In case of more than 160 M tons of oil are extracted each year, 200 M tons of oil are used. In this regard, Caspian Sea oil and gas plays as a potential source, as Chinese scientists believe that resources from this region are shorter transit and safer than other alternative options. Among the Caspian littoral states, China's main focus is on Kazakhstan, due to its geopolitical position. In 1998, Kazakhstan and China signed an agreement on field processing in the Western Kazakhstan. In respectively China is interested in construction of pipeline from Kazakhstan.

The economic and social development of mankind depends on reliable, stable and adequate energy supply. It is observed that in the dynamically developing regions where most of the world's population is concentrated, energy demand is increasing day by day. In this context, the safe delivery of oil and gas via various export routes is a global major challenge, in line with global energy demand. Different sources of energy resources and their transmission routes are directly connected with the geopolitical and geo-economic interests of European countries, as the European Union is the main importer. Up to date, 60% of the oil used by the European Union is imported from abroad, of which 29% is imported from post-Soviet countries, especially Russia, Azerbaijan and Kazakhstan (Petrov, 2005, pp. 100).

Over the past decade, the issue of energy safety has become more prominent in the foreign policy of many countries. Both energy producers and consumers strive to provide energy safety. Thus, energy producers strive to deliver their energy resources to the world markets through alternative ways, in its turn, energy-consuming countries strive to transmit them to their markets in alternative ways. As is seen, diversification of transport of energy resources has become a major issue in the modern world.

The development dynamics and nature of military-political events took place in the Central Asia, as well as the neighboring regions of South Asia and the Middle East have increased the importance and demand for a sustainable regional safety system in the current situation. US military operations undertaken against Afghanistan and Iraq had also impacts on the events took place in other regions of the Eurasian continent.

However, it should be noted that the Western developed countries in Central Asia, which are rich in energy resources in the world, are not alone as countries with economic interests. Geographically situated in the heart of Eurasia, brings the issue related to delivery of oil and gas output in this region to the forefront and aggravates the relationships between the regional states and the enormous states having interest in the region. Thus, the countries through which the pipes cross will cause the transit states to manipulate in the region (Legvold, 2003, pp. 18).

Kazakhstan has no direct access to the open sea, having a favorable geographical position connecting Asia. The Government of Kazakhstan has chosen the construction of high-capacity railways and highways, oil and gas pipelines that can connect the country with world trade centers and seaports as one of the priority areas of its investment policy.

In the first years of independence following the collapse of the Soviet Union in 1991, Kazakhstan, like other republics, had a difficult time. Reforms between 1995 and 1997 included economic policy. In 1997, President Mr. Nursultan Nazarbayev outlined the «Kazakhstan 2030» plan, stating that it was possible to provide economic growth targets and a free market economy with solid foundations (Imankulov, 2005, pp. 10).

According to their interest in developing energy cooperation, the countries of the region can be divided into two groups:

- 1) countries that export energy resources to the world - Azerbaijan, Kazakhstan and Turkmenistan;
- 2) countries that carry out transit of energy resources - Azerbaijan, Georgia.

The Foreign Policy Concept of the Republic of Kazakhstan has been developed in the Strategy Kazakhstan-2050 (The ministry of foreign affairs republic of Kazakhstan, n.d.). According to this Strategy the main tasks and priorities of the Kazakhstan foreign policy are the following:

- 1) to support politically stable, economically sustainable and safe development of Central Asia;
- 2) to strengthen the Customs Union and the Common Economic Space in order to build the Eurasian Economic Union on its basis;
- 3) to continue the work leading to completion of the international legal formalization of the state borders, as well as establishment of stable and amiable relations between the littoral states and defining of the legal status of the Caspian Sea;
- 4) to ensure constructive contribution and participation to regional and global security, protection of national interests in the process of development, establishment of optimal and mutually acceptable ways of cooperation between regional and international organizations, promotion of Kazakhstan's foreign policy initiatives (The ministry of foreign affairs republic of Kazakhstan, n.d.).

4.1. Kazakhstan's oil entry to the world market

Kazakhstan has been producing oil for more than 100 years. For this reason, hydrocarbon resources play an important role for the development of Kazakhstan's economy and budget revenues. About 80% of the country's annual exports include hydrocarbon resources. At the same time, Kazakhstan's being the second largest oil producer in the former Soviet republics after Russia shows the place of energy in the country's budget and the place of the country in the world economy (İsmayılov & ve Budak, 2015, pp. 1). With only known 30 bln barrels (about 3.9 bln tons) of oil reserves, Kazakhstan owns about 1.8% of the world's oil reserves (BP p.l.c., 2014).

According to the US Energy Information Administration; Kazakhstan takes the 9th place in the world for its 5.3 bln tons of oil reserves. Kazakhstan oil is mostly extracted from the western part of the country (The U.S. Energy Information Administration's, 2019). More than 90% of oil reserves are concentrated in the 15 largest oil fields - Tengiz, Kashagan, Karachaganak, Uzen, Zhetybai, Zhanazhol, Kalamkas, Kenkiyak, Karazhanbas, Kumkol, North Buzachi, Alibekmola, Central and Eastern Prorva, Kenbai, Korolevskoye. Oil fields can be found in six of the fourteen provinces of Kazakhstan. They are the Aktobe, Atyrau, West Kazakhstan, Karaganda, Kyzylorda and Mangystau provinces. About 70% of the hydrocarbon reserves are concentrated in western Kazakhstan.

Kazakhstan, which is also rich in natural gas reserves, is ranked in the 12th place in the world in this field. There are 5 important economic zones in Kazakhstan. In the north, iron, coal extraction, machinery and oil products focus attention. In the east of the country, iron, metals are extracted and forest products, and machinery are produced. Western Kazakhstan is one of the largest oil fields not only in Kazakhstan, but also among the countries of the Commonwealth of Independent States.

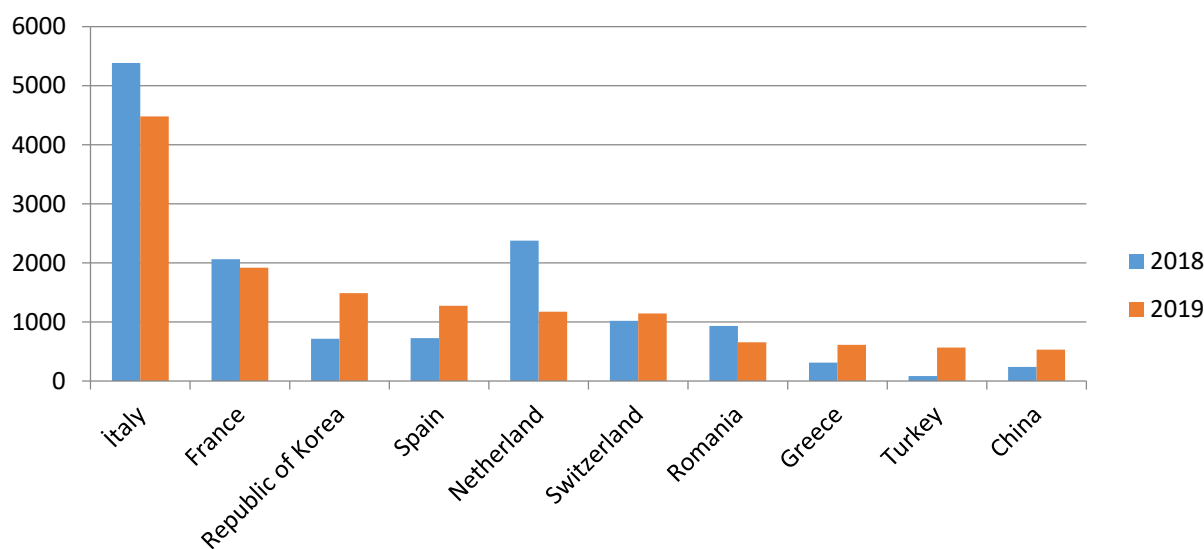
In 2018, 90.4 M tons of oil and gas were extracted in Kazakhstan, which is a record indication for the country (4.8% more than in 2017). Although about 90 companies are involved in oil extraction in the country, more than half of all oil extraction is attributed to “Tengizchevroil”, “NKOK” and “Karachaganak Petroleum Operating B. V.” (KING, 2019).

According to the State Revenue Committee of the Ministry of Economy of the Republic of Kazakhstan, Kazakhstan’s oil was delivered to 30 countries in 2018. As can be seen from the chart below, Italy is the leader in this field. The Netherlands, France and other countries are behind it (KING, 2019).

80% of oil produced in Kazakhstan is exported via pipelines. The rest of the produced oil is stored for domestic use. Kazakhstan had only one pipeline in the mid-1998. One branch line across the whole country transports crude oil from Western Siberia to Central Kazakhstan’s and Chimkent’s refinery, while the other branch line delivers oil from Atyrau located on the Caspian coast to the Orsk on the Russian border and from there to the Ural and Samaria. In May 1998, former President of the Republic of Kazakhstan, Mr. Nursultan Nazarbayev stated that the Atyrau-Orsk-Samara route would be the main route for the country’s oil export. During the first 5 months of 1997, 150.000 barrels of oil were flown from the pipeline per day (Aliev, 2003, pp. 195-196).

Currently, there are three main pipelines for export of Kazakh oil to world markets. CPC (Caspian Pipeline Consortium) pipeline (1.510 km), the UAS (UzenAtyrauSamara) pipeline (1.500 km) and the Atasu Alashankou (Kazakhstan-China) pipeline (2.228 km) (İsmayılov & ve Budak, 2015, pp. 5).

- 1) The Caspian Pipeline Consortium (CPC) connects the Tengiz oil field that owns large-scale reserves and located on Atyrau province, with the port of Novorossiysk in Russia. More than 70% of the exported Kazakh oil are transported via this main pipeline. The amount of oil exported via CPC was 61.1 M tones for 2018. This indicator is 10, 8% (5.95 M tones) less comparing to the previous year (55.10 M tones). In 2018, oil was transported to this pipeline by Western Kazakhstan-Tengiz, Karachanak, Kashagan - 28.7 M tones, 10.3 M tones and 13.2 M tons of oil appropriately.



Source: Compiled according to (Forbes.kz, 2019).

Figure 1. Top 10 oil exporting countries, M tones

- 2) Uzen-Atyrau-Samara is a unique thermal oil pipeline stretching from Uzen to Atyrau Oil Refinery and then joining the “Transneft” oil pipeline in the direction of Samara, Russia. The Oil Pipeline is heated with special furnaces as the oil extracted from the Jetibay-Uzen oil source, is quickly thickened. The length of the Uzen - Atyrau - Samara pipeline is 1.500 km. Of them, 1.200 km passes through the territory of Kazakhstan. The pipeline passes through Mangystau, Atyrau and Western Kazakhstan and Samara province of Russia in 2018. The volume of oil that flows through this pipeline included 14.8 M tons of oil.
- 3) The “Atasu-Alashankou” and “Kazakh-Chinese pipeline” are envisaged to supply oil extracted from Western Kazakhstan, Aktyubinsk and Kumkols oil fields and deliver oil imported from Russia to China. The pipeline starts from the “Atasu” reception point located on Karaganda province and extends to “Alashankou” point located on the People’s Republic of China. In 2018, 11.4 M tons of oil were exported, including Russian oil which was transited through the “Atasu-Alashankou” pipeline.

Finally, one of the pipelines passing through the territory of Kazakhstan is the line that transport Kazakh gas to the Russian Federation. As is seen from the name of Karachanak-Orenburg line, it is located between these geographical locations.

In addition to the aforementioned pipelines, oil is also exported from Aktau port. Based on the information for 2018, about 2.0 M tones of Kazakh oil was delivered to the world markets by sea. At the same time, some parts of Kazakhstan’s oil are also exported by railways (KING, 2019, pp. 21).

One of the main projects for the export of Kazakh oil abroad is the TRACECA program. In 1993, at the suggestion of the European Union, the program planned to be a multimodal corridor between the EU - Central Asia and China was initially included eight countries (Azerbaijan, Armenia, Georgia, Kyrgyzstan, Kazakhstan, Tajikistan, Turkmenistan, and Uzbekistan). Later, Ukraine, Mongolia, Moldova, Turkey, Romania and Bulgaria also joined the project. The main goal of the project was to create a new route to transport alternative oil and oil products to the transportation lines across Kazakhstan outside the regions of Russia (TRACECA, n.d., Karataeva, 2016, The International Trade Administration, n.d.).

The restoration of the “Great Silk Road” provides to use effectively the natural, economic and spiritual potential opportunities that exist in the Eastern-Caucasus and the Western countries and thus, to bring industry, agriculture, construction, culture-household, literature and art to a new stage of development, and to strengthen exchanges in the same fields with different states. During the period of modern scientific-technical development, the economic, political and social significance of the “Great Silk Road”, located in the Central Europe and Asia, and united over 34 states is undeniable.

Simultaneously, the “Great Silk Road” will play an important role in the development of beneficial and effective co-operation between European, Asian and the Caucasian peoples and states, become resolving power in maintaining peace and tranquility, and peaceful order in these regions, and will have international importance with its great historical services within the TACIS-TRACECA program.

CONCLUSION

The Cold War ending after the collapse of the Soviet Union in 1991, international conflicts have turned into economical rather ideological. Thus, the main issue in this competition has become to be energy. Having the most powerful resources after the Middle East, Central Asian countries have replaced into a crucial position in the eyes of the great powers. Either the transportation and the production of energy resources have become an issue of importance by means of regional and global competition. It is clear from study that regional countries shortly after gaining their independence have faced the close environment policy of Russia; the settlement of the USA into the region with a governing role in a unipolar world by the scope of a struggle against Islamic terror and the intervention scope of China into energy rich countries of Central Asia as a result of its demand for energy resources. As it is states in the study, China, constrained by the great powers like Russia and neighboring countries in Central Asia struggling against economical and political instability and terrorism such as Iran, Afghanistan and

Pakistan have forcing conditions for Kazakhstan both politically and economically. Because of these resources, the existence of pipeline projects aiming at fulfilling the huge energy demand of China is vitally important. For Kazakhstan which is dependent on Russia both in international trade and outward transport.

As it is stated in the study, Kazakhstan's having no geographical access to the open seas, the policy pursued by Russian Empire and the USSR on the lands of Kazakhstan, and the existence of the «Baikonur» Cosmodrome and nuclear weapons in the years when it was inside the Soviet Union, have made Kazakhstan pursue foreign policy more carefully and delicately with Russia that is the nearest neighbor. The government of Kazakhstan striving to balance domestic and foreign policies in the early years of its independence, after a while has formulated its foreign policy more freely through domestic reforms. Kazakhstan pursuing a diversified policy, has striven to maintain its relationships with Russia, the European Union countries and China and other states in the region, and has prioritized economic relations.

Since declared its independence, Kazakhstan has become a strong and stable state with its domestic and foreign policy strategies, especially its energy policy in a short period of time. In parallel with economic developments, Kazakhstan has gradually weakened Russia's pressure. Besides, it has also striven to integrate rapidly with the world economy by extracting hydrocarbons, diversifying pipelines in the region through various export routes, and increasing electricity production. Explaining his plans for «Kazakhstan 2030» in 1997 and «Strategy 2050» in 2014, the president Mr. Nursultan Nazarbayev stated that it would be possible to provide a free market economy with a solid foundation for economic development of his targets.

In this study, we see that Kazakhstan, which in the early years, bringing its oil reserves to the world markets by the only oil pipeline in the country is now trying to sell its natural resources freely thanks to energy projects signed with states in the world. Kazakhstan, opening to the world by CPC (Caspian Pipeline Consortium), UAS (UzenAtyrauSamara) and AtasuAlashankou (Kazakhstan-China), intends to expand its sales market via the TRACECA pipeline.

In this study, factors affecting foreign policy, especially the importance of energy policy, were emphasized in the case of Kazakhstan's energy management, which has taken an important place in the eyes of the great powers after the Middle East and the Caucasus.

A prospective study will examine the mutual influence of factors that strengthen the position of Kazakhstan in the global energy market. Of particular interest is the study of the introduction of the principles of free trade not only in the energy sector, but also in other areas of foreign economic activity. This will allow forecasting the strengthening of the economic position of Kazakhstan in the global economy.

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