
Nursultanova L.N. *, Bokayeva A.K.1, Kasymova A.K.1

1* «Astana International University», Astana, Republic of Kazakhstan

E-mail: 2012nura@bk.ru

Abstract

Kazakhstan’s foreign policy is aimed at protecting national interests, trust and cooperation with international organizations and of near and far abroad countries. Attracting foreign investment, developing transport and transit potential, and promoting exports are the main objectives for the medium and long-term strategy. In the Concept of the Foreign Policy of the Republic of Kazakhstan, adopted on March 6, 2020, strategic goals are outlined, among which the preservation of the independence of the foreign policy course, mutually beneficial relations with foreign states in a bilateral and multilateral format, as well as strengthening positions in the international arena are determined.

On January 15 of this year, President of the Republic of Kazakhstan K-Zh. Tokayev made an official visit to the United Arab Emirates, where the issues of strategic partnership, activation of trade, economic and investment cooperation in priority sectors were discussed. The President of Kazakhstan also took part in the Abu Dhabi Sustainable Development Week summit and held meetings with representatives of the business community.

In 2022 Kazakhstan has intensified contacts in the Middle East region by concluding agreements with a number of states. The biggest events were the visits and meetings at the highest level of the Head of State with the leaders of Iran, Qatar, the UAE, Saudi Arabia.

As a result of these negotiations, the parties signed documents expanding trade, economic and humanitarian ties. For example, a memorandum of understanding was signed between Astana International Exchange ("AIX", "Exchange") and the Qatar Stock Exchange (QSE). In accordance with the agreement, both parties will facilitate exchange of information and information on market transactions within the framework of relevant legal regulations, joint research and educational initiatives.

In February 2023, a meeting of the Kazakh-Egyptian Intergovernmental Commission on economic, trade, cultural-humanitarian, and technical-scientific cooperation is scheduled in Astana. In particular, the meeting will announce proposals to expand bilateral cooperation in the sector of energy, including through the establishment of cooperation in the fields of peaceful atom, development of renewable energy sources. Along with these issues, it is planned to discuss the issues of harmful emissions into the atmosphere, the replacement of obsolete equipment with new ones, and the application of the latest scientific developments in practice.

Keywords: Kazakhstan, Near and Middle East, foreign policy, trade and economic relations investments.
сырткы саясый багыттыц дербестигн сактау, ешжакты жэне кепжакты форматтагы шет мемлекеттермен өзара тиімді қатынастар, соңдай-ақ халықаралық аренаға ұстанымдарды ынтымақты әуе айтылады.

Азиялық жылдың 15 көрнектерінде Президент К-Ж.К. Токаев ұлттық дәрігерлік болу - Араб жерінде сапармен барды, оның барысында стратегиялық әріпшеттестік, ұлттық шолдарға сауда-экономикалық және инвестициялық айырымдастықтары қандайықты сөзсіздігін талқылады. Абу-Даби туракты даму қатысып, өскер топ көп құдіретін қауіпсіз демосын ортақ жатқандығын құрғақтауда.

В феврале 2023 г. в Астане планировалось заседание Казахстанско-Египетской межправительственной комиссии по торгово-экономическому, культурно-гуманитарному и научно-техническому сотрудничеству. В частности, на встрече будут озвучены предложения по расширению взаимного партнерства в такой важной отрасли, как энергетика, развитию совместных инновационных проектов атомной энергетики, поиску альтернативных и источников энергии, применению безотходных технологий. Наряду с этими вопросами планируются обсудить вопросы вредных выбросов в атмосферу, замену устаревшего оборудования на новое, применение новейших научных разработок на практике.

**Introduction**

The need for scientific understanding and attempts to study the multilateral contacts of our country with the states of the Near and Middle East are conditioned by long-term ties that have historical roots. At the same time, the study and generalization of various aspects of cooperation allows us to trace the evolution and transformation of trade, economic, social, humanitarian and other processes that are important not only for us, but also for understanding the changes which take place on the world stage as a whole. In the current conditions, it is important to understand what are the features and differences in the relations between Kazakhstan and individual states of the Middle East region since the countries have different economies, certain resources, and investment potential. In this regard, there is a certain opportunity to analyze the contacts that are being formed and developed in the international economy where integration processes play an important role in which large and medium-sized states have influence in the region. In this perspective, the choice as one of such examples of the development of relations between the Republic of Kazakhstan (RK) and the Middle Eastern states and interstate contacts between Kazakhstan and the countries of the Middle East are actual and representative.

The transformation of the entire socio-economic and political sphere of Kazakhstan has formed a market economy, small and medium-sized businesses have appeared in the country, the social environment has changed, non-state medicine, service sector, and private education have appeared. At the same time, foreign policy is aimed at attracting foreign investment, cooperation with international financial institutions, states which represent almost all regions of the world. Kazakhstan is the leading state in the Central Asia (CA) with the largest economy. The Republic of Kazakhstan is of interest to the USA, China, the European Union, Russia, India, because it has oil and gas and other natural resources in which the subjects of the international community are needed.

Since 2010 Kazakhstan implements an innovative industrial policy using the experience of Iran, Turkey, Saudi Arabia, the United Arab Emirates (UAE), which results in new productions, job places, and the solution of social problems.

Within the framework of the new industrial program, our country is actively working with Iran, Turkey, Saudi Arabia, the UAE, which results in new production facilities, jobs, and solutions to social problems.

Traditionally Kazakhstan has active multilateral contacts with countries of the East. This direction is stable and long-term. Such a policy is connected with important circumstances. Firstly, in the context of the activities of the Conference on Interaction and Confidence Building Measures in Asia, the creation and regulation of stable partnerships with the eastern neighbors becomes an urgent foreign policy task of the Republic;

Secondly, increasing the political and diplomatic influence of eastern states, the geopolitical situation of the countries of CA and the Persian Gulf assumes establishing strong
ties for mutually beneficial cooperation; thirdly, since Kazakhstan seeks to enter global politics as an equal entity, it needs to participate in the structure of Asian regional-political relations.

Kazakhstan considers maintaining friendly relations with the Muslim world in general, and Arab countries in particular as one of the important vectors of its foreign policy. Such a line can ensure the diversification of ways and forms of further political and economic integration of Kazakhstan into the world community and the strengthening of the country’s external positions. The development of Kazakhstan’s relations with the rich oil-producing states of the Persian Gulf fully corresponds to the tasks and goals of expanding the scope of Kazakhstan’s diplomacy, developing additional trade and economic space and financial and economic support for reforms in the Republic of Kazakhstan.

These countries continue to maintain strong financial positions and have great investment opportunities. Kazakhstan can use these advantages to promote its political, trade and economic interests, and establish long-term partnerships. An important factor is the common history, culture and religion of the people of Kazakhstan and the Persian Gulf countries, which contributes to closer ties and understanding each other.

**Research methods**

When preparing the article, the funds of the Archive of the President of the Republic of Kazakhstan were used, in which reports, information materials, summaries, letters, telegrams were deposited. Funds 5-N and 75-N contain high-quality documentary and analytical information that helps to trace the evolution and transformation of multilateral relations between Kazakhstan and NME. The research’s archival documents were introduced into scientific circulation for the first time.

The methods of analytical data processing were used in the work to study the relationships that have developed over 30 years. Statistical information posted on the official websites of the state bodies of the RK was used for the analysis.

The logical method of research allows drawing conclusions and forecasting development for the coming years.

Annual reports of the Ministry of Foreign Affairs (MFA) of the RK, analytical reports, operational information were created during the period when the creation and development of cooperation between Kazakhstan and the states of the Middle East region was underway. Taken separately, each of these documents is valuable in itself, and makes an important contribution to the study of the establishment and development of contacts that are relevant not only for us, but also for Central Asia. Taken together, they allow recognizing a certain trajectory along which trade and economic relations have developed. Taken separately, each of these documents is valuable in itself and make an important contribution to the study of the formation and development of contacts that are of current interest not only for us but also for all Central Asian states. Taken together, they allow us to recognize a certain trajectory along which trade and economic relations were developed.

**Results and discussion**

After gaining of independence Kazakhstan began to develop of its own concept of the foreign policy choosing a multi-vector direction. This format of international relations, as a rule, involves interaction with states that play a decisive role in shaping the foreign policy landscape in modern conditions. Among these states, the Middle East vector began to acquire a significant position in the activities of the Ministry of Foreign Affairs of the RK. In confirmation of this it is worth citing several examples of official visits that were made to our country only in 1992: delegations from Kuwait, Libya, Syria, Israel, Morocco, Bahrain, the Arab Republic of Egypt Tunisia. In addition, the commission on the opening of the Embassy
of Saudi Arabia in Almaty and the delegation of the Ministry of Foreign Affairs of Egypt. In response, the Government delegation of the Republic of Kazakhstan paid an official visit to Israel and the Sultanate of Oman. It is noteworthy that during the same period diplomatic relations were established with 10 countries of the Middle East and 6 countries of Africa. During the second half of 1993 our country was also visited by a number of official delegations from this region, in particular, the Hashemite Kingdom of Jordan, the State of Israel, the Sultanate of Oman, and the Arab Republic of Egypt [1].

Relations with Turkey, Iran, Saudi Arabia, the United Arab Emirates, and Egypt have been developing most actively.

The first meeting of the joint intergovernmental commission on economic, scientific, technical and cultural cooperation was held in Cairo on May 24-29, 1995. The result of the meeting was the signed joint Protocol. This document covered a wide range of areas of cooperation including for example such areas as transport, postal communications, and trade. It is worth noting that the Agreement on cooperation in the field of tourism and the Agreement on youth and sports were also adopted. In addition, on June 13-20 of the same year the official visit of the Minister of Agriculture of the Republic of Kazakhstan Karibzhanov Zh.S. took place. The main result of this visit was the signed Agreement on additional cooperation in the field of agriculture and processing of agricultural products [2].

It is worth noting an interesting fact that the development of the dialogue along the Kazakhstan-Egypt vector was continued in line with the humanitarian dimension, in particular, interreligious and interfaith cooperation. So, for example, during the visit of the Minister of Religious Affairs and Waqfs (religious property) of ARE M.A. Mahgub to Astana, the issue of building an Islamic cultural center in Almaty was discussed. M.A. Makghub confirmed that all financial costs are covered by the Egyptian side. This will be the contribution of the Egyptian government to the strengthening of interreligious dialogue and interfaith tolerance which is being built by the people of Kazakhstan.

On March 25-26, 2000 the scientific conference on Egypt's relations with the CIS countries was held at the Cairo University. The conference participants considered issues of improving legislation, the observance of which affects mutual interests. In particular, in the field of mutual protection of investments, guarantees, avoidance of double taxation. The need to create free zones, the need to create the Chambers of Commerce and Industry as well as Associations of representatives of business, industrialists and the private sector was especially noted. The exchange of experience showed that it is necessary to agree on a common opinion that would give a clearer vision of the development of future plans to improve our common well-being [3].

Kazakhstan and Egypt have been developing multilateral cooperation in various areas for many years. So, for example, the largest Egyptian company "Bahgat Group" for the production of household appliances operating under the license of world brands in this area such as "Grundig", "Toshiba", "Philips", "LG" in the 80s. purchased various equipment from the Shymkent forging and pressing plant. Unfortunately, over time trade relations with the Kazakh plant ceased. In a conversation with the Ambassador of the Republic of Kazakhstan in Egypt A. Musinov in 2000 President of the Egyptian company A. Bahgat explained the situation as follows. He stressed that after the collapse of the Union, it became quite difficult for Egyptian business circles to receive complete and reliable information about the state and level of economic development of the countries of Central Asia. In this regard, he requested to provide the most detailed information on the economic situation in Kazakhstan, in particular, on tax and customs rates as well as on the investment climate which, according to him, could orient him.
in possible areas for investing his capital. A. Bahgat noted that he got interested in buying various types of equipment to expand not only his own production of household appliances for the production of grain [4].

Kazakhstan and Saudi Arabia have been developing constructive ties for over 30 years. The visit of the Deputy Prime Minister, Minister of Defense and Aviation of Saudi Arabia, Prince Sultan Ben Abdulaziz in October 2000 to Kazakhstan received wide coverage in the Arab media, taking one of the first places in the rating of the top news of the Persian Gulf countries. Particular emphasis was placed on the results of the talks where the coincidence or closeness of positions of the two states on the main problems of international relations was revealed. High assessment was given to the dynamics of the development of bilateral relations.

The negotiations of the Saudi delegation with Prime Minister K. Tokayev and meetings with the leadership of the Parliament were commented in details. It was emphasized that there are no problematic issues between Astana and Riyadh that could impede the development of bilateral relations in all areas of cooperation in the name of serving the cause of peace in the interests of the two fraternal peoples. The experts highly appreciated the results of this official visit calling it "promising and forward-looking." The visit of Prince Sultan to Kazakhstan almost coincided with the 9th anniversary of Kazakhstan's independence. This fact did not go unnoticed by the media of Saudi Arabia and the Persian Gulf countries. The media along with the coverage of this visit also published a series of materials on the modern life of Kazakhstan. In particular, articles about Kazakhstan were published by newspapers such as Al-Khayat, Al-Jazeera, Arab News, Al-Ukaz and others.

The visit of Prince Sultan to Kazakhstan was an important event not only in the framework of bilateral Saudi-Kazakh relations but it was also received a wide positive response in the Persian Gulf countries which undoubtedly contributed to strengthening and expanding the spheres of political and economic mutually beneficial cooperation of the Republic with the countries of the region [5].

The United Arab Emirates and Kazakhstan have established mutually beneficial cooperation. They have reserves for further its deepening and effective using of the existing potential especially in the trade, economic and investment spheres.

Visit of the First President of the Republic of Kazakhstan to the UAE in January 2000 and negotiations with the Crown Prince of Dubai Mohammed Ben Rashid confirmed the readiness to further build up bilateral relations, attract investment from private Emirati capital to Kazakhstan, ways to increase foreign trade turnover and develop tourism. The main results of these meetings can be called the further development of political contacts with the leaders of the UAE, the achievement of mutual understanding on the need to develop bilateral relations, the confirmation by the Emirati side of its readiness to provide financial assistance for the implementation of projects of national economic importance through the Abu Dhabi Development Fund (FRAD), including gratuitous assistance. FRAD invested in construction bridge over the Ishim, the akimat of Astana and the Parliament, financed the rehabilitation of the Karaganda-Astana highway [6].

Turkey was one of the first states which started opening joint ventures and joint-stock companies in Kazakhstan. Thus, in particular, the Kazfen JV built the Kenkiyak-Kumkol oil pipeline, the companies NETASH, Efes Yatryym, Anadolu Industry Holding, and BEHTEL-ENKA successfully operated in telecommunications and energy. Relations were actively developed in agriculture, food and light industry. Production was established and 14 joint ventures started working for the processing of leather raw materials and leather production waste in order to further manufacture consumer goods [7].
The vast majority of Turkish firms were small and medium. In contrast, big business has taken a more cautious stance especially in the area of long-term investments. Government circles explained this situation with little experience in coordinating interdepartmental cooperation in the exchange of information and joint planning of image-building activities to increase the investment attractiveness of Kazakhstan. As a result, the issue of the need to establish coordination activities of the Kazakh-Turkish intergovernmental commission on economic cooperation was put on the agenda. Note also that at the beginning of 2000, construction of a power plant in Aktobe, Zhezkazgan was not started due to inconsistency between the three ministries of the Republic of Kazakhstan. We are talking about the ministries of Energy, Geology, Oil and Gas. For many years their announced projects could not be realized and for this reason were closed by the Government.

Due to the credit line it became possible to complete the construction of the Ankara and the Astana hotels, the Rehabilitation Center for children in Almaty, Alem Bank buildings, the pasta factory in Petropavlovsk, the Copper rod plant in Zhezkazgan, the Dairy plant in Zaysan, the Leather processing plants and the production of soap, the reconstruction of hotels "Medeu" and "Alatau", construction of the Cadet corps in Shchuchinsk, etc. The project to open a new credit line in the amount of $300 million to support small and medium-sized businesses in Kazakhstan was under development at the Turkish Eximbank [8].

The investment activity of Iranian companies in Kazakhstan in 2000 was estimated at $50 million and was associated with the organization of leather production and the production of shoes in Taraz, the production of kaolin in Kokchetav, the creation of centers for baking bread and confectionery in Almaty. Attempts were made by Iranian companies to gain a foothold in the construction market of Kazakhstan.

The leading areas of trade and economic cooperations are the exchange of crude oil and oil products, the joint development of oil fields, the development of transport infrastructure, and the reconstruction of the port of Aktau. The consolidation of exporters of Kazakhstan at the Iranian grain market and the transfer of cooperation in this area to a long-term basis. This approach would be effective in terms of long-term forecasting of grain exports to Iran. It would stabilize the positions of Kazakh grain producers as well as the solution of current social problems in the countryside.

Increasing the cargo turnover of the port of Aktau and its reconstruction put on the agenda the issue of creating a company for sea transportation in the Caspian Sea. In this regard, Iran could well become a leading partner in terms of, above all, its financial capabilities. The creation of such a joint venture would provide an opportunity for Kazakh exporters of metal and metal products, crude oil and oil products, and grain to reduce their transportation costs and provide a stable and reliable sea bridge between the ports of the two countries on the Caspian Sea.

Iranian construction companies participated in tenders related to the construction and reconstruction of the Almaty-Astana highway, the development of an irrigation network in South Kazakhstan, the preparation of a project to provide drinking water to the Kyzylorda region, by the Pars Kosulat company [9].

Taking into account the cheapness and high quality of Iranian building materials and labor, it can be assumed that even now they could well compete with other foreign companies in Kazakhstan. This is especially true for the participation of Iranian companies in tenders for the construction and reconstruction of highways. Iranian participation in such a tender will contribute to more favorable conditions when concluding contracts with other foreign partners.
The Iranian leadership paid special attention to the development of trade with the countries of Central Asia including Kazakhstan.

In order to support its exporters, the Government of Iran, within the scope of the 3rd five-year plan (2000-2005), for the first time allocated $400 million as insurance guarantees for political and commercial risks of Iranian exporters. The composition of turnover between Kazakhstan and Iran was determined by a limited number of goods (Kazakh exports - petroleum coke, asbestos, metal and metal products, scrap metal, grain; Iranian exports - building materials, zinc concentrates, confectionery, ceramics, gypsum, cement, nuts, citrus fruits, paint and varnish substances).

In 1999, it was possible to make a breakthrough of Kazakh grain to the capacious Iranian market. Contracts have been signed by the Food Corporation and a number of Kazakhstan’s private companies for the supply of more than 700 thousand tons of grain to Iran. Bilateral trade has not yet been put on a long-term basis, which made it vulnerable to conjectural fluctuations in the world market. Such a situation could be eliminated by the early signing of the program and action plan for the implementation of the Agreement on Trade and Economic Cooperation for 2000-2010 [10].

There is no political basis for the development and expansion of trade and economic cooperation between Kazakhstan and Iran. The political will of inflammation is sharply expressed, aimed at the comprehensive development of the development of good-neighborly and friendly relations, their filling is manifested, requires active work of the relevant departments and structures of both countries for its practical implementation. One of the directions of Kazakhstan-Jordan bilateral relations is trade-economic cooperation. However, at the beginning of 2000 weak such a cooperation was primarily due to large geographical remoteness and high cost of transportation of goods between the countries; poor awareness of Jordanian entrepreneurs on the socio-economic development of the Central Asian republics after the collapse of the USSR; ignorance of the market conditions of the two countries two countries in order to find mutually beneficial ways of cooperation. It was necessary to use existing financial institutions, in which Jordan and Kazakhstan participated, such as the Islamic Development Bank, the Islamic Organization for Investment Insurance and Export Crediting, for financial support of joint trade exchange projects and export and import insurance.

The intensification of cooperation with Jordan and the creation of the proposed structures could lead to the strengthening of the economic position of Kazakhstan in the Middle East region as a whole. At the same time, it should be stressed that Jordan’s economy is largely dependent on foreign aid and loans. The main creditors are Saudi Arabia, the Arab countries of the Persian Gulf and also the United States and Germany. The country’s natural resources are limited, except for significant reserves of phosphates (more than 1.5 billion tons), in terms of reserves and sales of which Jordan ranks 4th in the world. The share of industry in GDP in 1998 was 18%. The main industries are mining, cement, and oil refining. The share of agriculture was 49% and met the needs of the people in basic types of products by only a quarter. Cooperation with Jordan was considered mainly as an expansion of the export markets of Kazakhstan’s goods, primarily industrial and agricultural products [11].

Diplomatic relations between the Republic of Kazakhstan and Libya were established on March 13, 1992. The visit of the First Deputy Minister of Foreign Affairs of Libya Saad Mustafa Muzhbir to Kazakhstan on November 7-10, 2000 gave the beginning to the expansion of bilateral ties. The leadership of Libya believed that the Central Asian countries were historically connected with the Arab world. Hence, a special delegation was sent to the countries of the region to study the prospects of cooperation in all fields.
Pursue the results of the visit, it was noted that only regional associations with close active cooperation make it possible to unite countries and peoples and participate in the development of a new world political and economic order on equal terms, put an obstacle to unipolar influence, create security, peace and prosperity throughout the world. The signed agreements on trade and economic cooperation in such areas as oil, gas, trade exchange, culture between Kazakhstan, Kuwait, Qatar, Oman are of great importance for the development of cooperation n[12].

Qatar’s investment companies such as the Faisal Bin Qasim Company Troupe, Al Mannai Group have allocated funds for the development of Astana and the agro-industrial complex, Al Mannai Group has invested $ 20 million in the oil sector of Kazakhstan. In May 2000, the Loan Agreement on the water supply project of the city of Aralsk was ratified between Kazakhstan and the Kuwait Fund for Arab Economic Development (the fund allocated about $ 24 million for the project).

Kuwait offers grants for the construction of a new building of the Astana akimat ($10 million), substantiation and preparation of a feasibility study near the left bank of Astana ($1 million) and a water supply project for the Aral Sea ($1.3 million). The loan financed poverty reduction, sanitation and health projects in the Aral and Kazaly regions of the Kyzylorda region (US$11.5 million).

In January 1992, the Omani government provided Kazakhstan with an investment loan of $ 100 million for projects in the sphere of improving oil and gas production. Muscat was the first to provide Kazakhstan with gratuitous financial assistance for the new capital of Astana in the amount of $ 10 million. These funds were used for the construction of a number of facilities, the main of which was “Saltanat Sarayy”.

Oman has some advantages - through the Omani ports on the coast of the Indian Ocean, it is possible to transport Kazakh goods to foreign markets. The Sultanate diversifies the economy and develops the non-resource sector, which has a certain practical interest for us [13, p. 134].

In December 2022, the completion of the negotiation process between the Eurasian Economic Commission and the Iranian side on the preparation of a full-scale agreement on a free trade zone was announced.

If discussing the problems that Kazakhstan has to face when interacting with the countries of the Near and Middle East, then, of course, the insufficiently developed potential of trade turnover comes first. If we look at the statistical indicators for the results of 2021, the total volume of trade between Kazakhstan and the countries of the Middle East amounted to only 1.4 billion USD. Where the key role is played primarily by the lack of elaboration of the issue of the nomenclature of goods for joint trade. Because every time business trips are organized at the ministerial level, there is always a question of expanding the list of possible goods for export, as well as the import of Kazakhstan’s goods to the Middle East market.

There are relatively serious problems in establishing transport and logistics connectivity between the region of Central Asia and the Middle East. A the moment, there are many initiatives of a transport and logistics nature that are aimed at increasing traffic flows between the two regions. Kazakhstan joins these transport corridors. We can name a corridor that goes to Uzbekistan, Turkmenistan and Oman. We can also talk about a North-South route through Kazakhstan, Turkmenistan to Iran, and further to the Middle East and India. It should be recognized that this route is of particular interest to Kazakhstan, because specifically in order to gain access to both sea transport links and access to Middle Eastern partners, the Kazakhstan-
Turkmenistan-Iran railway was created, which joins the developed railway system of the Islamic Republic of Iran.

If discussing the prospects for cooperation, first of all, a big bet is placed on attracting Middle Eastern investments into the Kazakh economy. Projects of joint production of agricultural products, as well as projects in the green energy sector are very interesting in this regard [14].

The table shows that Turkey, Iran and the UAE are among the countries that have the most active trade and economic ties with Kazakhstan.

Thus, analyzing the general state of trade and economic relations between Kazakhstan and the countries of the Near and Middle East at the beginning of 2000, we can indicate the following: despite the solid contractual and legal framework achieved, the steady growth of trade turnover, negotiations and mutual visits, bilateral ties partially take advantage of the opportunities and had common weak factors. These included crisis phenomena in the economy as a whole, the imperfection of the regulatory framework, the lack of proper state control, etc. Implementation of the agreements and planned agreements often encountered interdepartmental inconsistency, and sometimes inaction of individual departments. In practice, there have been cases when foreign businessmen have encountered a lack of interest on the part of Kazakhstan’s partners, both private and public, in constructive dialogue, there have been facts of their non-commitment, ill-considered actions, non-fulfillment of contractual obligations by them, as well as cases of inadequate actions of local leadership that counter the decisions of central authorities. All this led to a decline in their activity and optimism in cooperation with Kazakhstan.

The analysis of the state and dynamics of the development of commerce and economic relations indicated a certain decline in 1998, which was caused mainly by objective reasons (the Asian financial crisis, the fall in world prices for the main goods of Kazakhstan’s exports). Since the fourth quarter of 1999, there has been an intensification of trading operations. This was facilitated not only by the improvement of the global economic situation, but also by high-level negotiations with the leaders of the NME, during which it was possible to find solutions to a number of problems that hindered the development of commerce and economic cooperation, as well as the expansion of areas of interaction through new sectors of the industrial industry.

**Conclusions**

The first flood of investment funds was directed to the most important divisions – energy, transport and communications, agriculture. Necessary prerequisites were laid for the integration of Kazakhstan into global and regional economic processes, priority directions for the development of a market economy were selected. Agreements and Memorandums with the NME states and financial institutions are the basis of long-term cooperation. Arab business is represented in almost all fields of the domestic economy. Arab companies are building modern production facilities, creating new jobs on the market. Joint innovative projects further strengthen the partnership. Middle Eastern countries participated in EXPO-2017 by signing a number of bilateral documents. It is expected that the active involvement of Arab investors will contribute to the further development of the domestic economy.

Kazakhstan and NME have been cooperating for more than 30 years in almost all major sectors of the economy: oil and gas, nuclear, transport, communications. Arab companies supply industrial and medical equipment, various goods, construction materials, etc. to our country. At the same time, there are also problems that block the progressive development of
multilateral relations: a long period of decision-making, bureaucracy, slow progress of various documents, etc.

Kazakhstan’s cooperation with the countries of the Near and Middle East in a multilateral form has passed a difficult, but eventful path. During this period, many significant events took place. Kazakhstan has passed a difficult stage of political transit and has overcome a number of economic crises.

We are witnessing important shifts in the trade and economic vectors. On a mutually beneficial basis, very promising projects are being implemented, having a long-term perspective, in which large oil-producing countries are involved. At the same time, Kazakhstan acts as an active entity in search of integrated solutions to problems of mutual interest. This approach makes it possible to defend and promote national interests more effectively.

Kazakhstan is improving its position and presence in the global Muslim community by influencing it through politics and trade. The development of economic relations with the Muslim world provides the country with new sources of foreign direct investment.

References:
1. Archive of the President of the Republic of Kazakhstan. Fund 5 - N. Description 1 Case 496. Page 15 (APRK. F.D.C. P)
5. APRK. F. 75 - N. Op.1 D.6417. L.34