



END OF YEAR 2024 REPORT

Livio Mazzuocolo: General Director Confindustria Kazakhstan

Dear Associates, Partners and Friends,

2024 is the second year of activity of Confindustria Kazakhstan. The first year was dedicated to the membership campaign and the census of Italian companies in the country.

The general Census came to around 200 companies, some localised, others with a business connection in the country or agents and sales offices.

In addition to the country's leading oil sector, Italian companies are engaged in its supply chain, engineering companies, plant engineering and all its components and field services such as machining and supplying specialised personnel.

Alongside this sector are plant engineering companies in power generation and related electronic plant engineering.

In the past year, we have seen many companies from more diverse sectors entering the Kazakhstan market: agribusiness in the broadest sense, pharmaceuticals, albeit still at a stage of commercial scouting and market analysis.

Furniture and design companies, but also cooperatives looking for business opportunities in Kazakhstan and large-scale distribution accompanied by entrepreneurs in the hotel and tourism sectors.

Above all, tourism, both inbound and outbound, is a sector that both Kazakh and Italian companies have great potential for development.

Kazakhstani institutional operators, municipalities, and trade associations in the sector have numerous strengths at their disposal: unspoilt nature with national parks and extreme landscapes, an important cultural background connected to the Silk Road.

Soon the Moto GP circuit in Almaty will be completed and will be a major attraction for international tourism, and Almaty is in fact an airport hub with intermediate routes to Asia that can develop, for example, routes to Central Asia and South East Asia.

Almaty also has a modern ski resort and an adjacent national park that can extend the number of overnight stays in the city and thus develop the hotel industry, the high-ranking restaurant industry, but also indirectly that of the design, urban planning and residential sector associated with a Western tourist influx.

Goals and Objectives

In the first year alone since our establishment, we reached the considerable number of unexpected members 65 companies from Multinationals to Small and Medium-sized Companies up to individual sole traders and professionals operating in the country.

the current year, the need to follow up much more closely with start-up companies by creating services, especially in the first phase of business scouting, but also a development plan that passed over networking corridors and trade fair initiatives and support for public tenders, creating opportunities for company turnover and sectoral collaborations, was much more decisive.

The past year has brought our membership base to almost 100 members (an increase of 56%).

The goal we have set for ourselves is to reach 130 members, an ambitious but extremely realistic target, with the prospect on the horizon that Confindustria Kazakhstan will soon become Confindustria Central Asia.

The idea proposed to the central Confindustria council is being studied and if it is accepted and approved, it would enable a more extensive service for export-oriented companies by creating a production hub for Central Asia in Kazakhstan.





This aim would allow us to exploit even more transnational supply chain links and larger projects such as infrastructure projects, not only in Kazakhstan but in the countries surrounding it (Uzbekistan, Tajikistan, Kyrgyzstan, Turkmenistan, Azerbaijan, Armenia and Georgia) and which are part of the broader 'Middle Corridor' concept, the logistical one, but also the less intuitive one of infrastructure linking neighbouring countries to Kazakhstan.

For example, that of agricultural production, processing, but also manufacturing and automotive industry, as well as water management, environmental redevelopment, land reclamation and hydroelectric dams linked, for example, to projects to reduce desertification in the region.

Challenges and Obstacles

Next year's challenge - reaching 130 members - will mean optimising our resources and personal involvement.

The executive board of Confindustria Kazakhstan consists of 10 people who are directly and personally involved with their companies and staff who indirectly carry out complementary tasks for the association, but this number is not enough to be influential in the development strategies and expansion of investment attraction in the country.

Only by reaching a membership base of at least 130 members will we be able to recruit dedicated staff to take care of the mainly administrative side, which would allow for more effective management close to the companies, because it would free up more time for the companies in the projects.

The economic independence of the association would allow more activities such as joint trade fairs, follow up forums and institutional meetings where companies expect the association to be that point of direct contact with the local market.

Increasing the association by a further 30 per cent also means devoting many more resources to keeping the membership base together and making it more involved in the economic life we promote.

The year to come will see us especially committed to public tenders and joint trade fair events, together with Business Forums dedicated to strategic sectors, which have proven to be the three most effective models.

This has been demonstrated, not only by the widespread interest among companies, but also in terms of optimising the internal financial resources of Confindustria Kazakhstan as a still young association and the short-term economic impact of the companies involved.

I would like to thank, in these end-of-year greetings, our outgoing Ambassador Marco Alberti, who has been an indispensable pillar in Kazakhstan and for our activities; our President Ernesto Ferlenghi, who has been extremely effective in his vision of the development of the association as Confindustria Centro Asia; and, finally, Alex Sanna, our development and projects manager and editor of the digital platform of our website and Newsletter, without whom much of the work we have done and achieved would not have been so widely visible.

The Newsletter of Confindustria Kazakhstan is now published online in three languages: Italian, English and Russian. In just one year, it already reaches 255 online users each month and proves to be a very important tool for expansion and dissemination.

Merry Christmas and goodbye until next year, wishing us even more numerous and active membership participation.

