



# Kazakhstan: Business Plan Preparation for the Agriculture Commodity Exchange

Project Name	Business Plan Preparation for the Agriculture Commodity Exchange	
Project Number	54444-001	
Country	Kazakhstan	
Project Status	Active	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 6706-KAZ: Business Plan Preparation for the Agriculture Commodity Exchange	
	Technical Assistance Special Fund	US\$ 225,000.00
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Private sector development	
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural policy, institutional and capacity development	
Gender Equity and Mainstreaming	No gender elements	
Description	The proposed TA will undertake a feasibility study to further define the establishment of an international commodity exchange within the AIFC's legal jurisdiction. It will focus on research for exchange business product opportunities, support infrastructure requirements, and regulatory aspects. The TA will support the government and ADB on the nature of an ensuing potential investment.	
Project Rationale and Linkage to Country/Regional Strategy	Kazakhstan is a net importer of agriculture commodities despite being one of the world's largest wheat exporters. Over 60% of agriculture exports are in primary commodities for processing and more than 60% of agriculture imports are in processed commodities. The grain sector remains challenged by production inefficiencies, low yields, limited access to financial resources, and outdated infrastructure. A non-competitive market structure, such as asymmetries in grain price, results in further distortions. A commodity exchange provides an opportunity to develop efficient marketing and trading systems by providing efficient end-to-end service for commodity warehousing, quality control, trading, clearing, and market data dissemination.	
Impact	Competitiveness of agro-industrial products increased.	
<b>Project Outcome</b>		
Description of Outcome	Business plan for development of the Commodity Exchange under AIFC developed.	
Progress Toward Outcome		
<b>Implementation Progress</b>		
Description of Project Outputs	Legislative and regulatory recommendations developed Business plan preparation assessments developed	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Nation-wide	
<b>Summary of Environmental and Social Aspects</b>		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
<b>Stakeholder Communication, Participation, and Consultation</b>		
During Project Design		
During Project Implementation		
Responsible ADB Officer	Woldring, Hans Siewert	
Responsible ADB Department	Central and West Asia Department	
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, CWRD	
Executing Agencies	Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines Astana International Finance Centre Mangilik E1, Bldg 55/18 C3.3 Nur-Sultan City Republic of Kazakhstan	

Timetable	
Concept Clearance	-
Fact Finding	12 Nov 2020 to 12 Nov 2020
MRM	-
Approval	28 Dec 2020
Last Review Mission	-
Last PDS Update	28 Dec 2020

## TA 6706-KAZ

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
225,000.00	0.00	0.00	0.00	0.00	0.00	225,000.00	-	0.00

Project Page	<a href="https://www.adb.org/projects/54444-001/main">https://www.adb.org/projects/54444-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=54444-001">http://www.adb.org/forms/request-information-form?subject=54444-001</a>
Date Generated	31 December 2020

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.