

# INDO - KAZAKHSTAN NUCLEAR PARTNERSHIP AGREEMENT

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## **Abstract**

*The signing of Indo - Kazakhstan Nuclear Co-operation Agreement is one of the historic agreements among India and Central Asian Republics. The State visit of Kazakh President Nazarbayev as the chief guest of India on Republic day parade from 23<sup>rd</sup> -26<sup>th</sup> January 2009 in Delhi, adopted the declaration of Strategic Partnership Agreement. In this declaration both sides had taken pledge for comprehensive cooperation in the spheres of political, economic, technological, human resource development and counter-terrorism. During Prime Minister, Manmohan Singh's visit to Astana on 18<sup>th</sup> April 2011 a deal was struck between Indian Prime Minister, Manmohan Singh and Kazakh President, Nursultan Nazarbayev, for supplying of uranium to India and a comprehensive co-operation in civil nuclear energy programme. This agreement is one of the most important agreements which encourage the bilateral trade and transactions between the two countries.*

## **Keywords**

Nuclear Co-operation, Strategic Location, Bilateral Agreement, Uranium Reserves, Nuclear Partnership, Technical Co-operation, Diplomatic Ties.

## **Historical Background**

Among the Central Asian Republics, Kazakhstan occupies an important position lying in the heart of Eurasia. Being the largest of five Central Asian republics, Kazakhstan is the 9<sup>th</sup> largest country of the world in terms of its territory. Within a short span of 24 years Kazakhstan emerged as a most significant political and economic actor in the Central Asian region. The geostrategic location of Kazakhstan lying in the centre of Eurasian heartland makes it a centre of gravity.<sup>1</sup> Kazakhstan serves as the land bridge between Europe and Asia providing a vital linkage between the civilizations that have prospered and flourished in these two continents. The ethnic composition of Kazakhstan consists of Kazakhs - 58%, Russians - 30%, Ukrainians - 2.9%, Uzbeks - 2.8%, Uyghur - 1.5% , Germans - 1% , Tatar - 0.9% and other groups- 2.5%.<sup>2</sup>

India and Central Asia both are partaking deep historical ties, having common cultural and political values as well as facing the similar terrorism and drug trafficking problems. After the Soviet collapse in 1991, Kazakhstan emerged as the largest and the richest country in the region. India recognized

the independence of Kazakhstan and established diplomatic relations. Both India and Kazakhstan are sharing similar views on long-term economic and political partnership, promotion and development of prosperity in both the regions.<sup>3</sup>

Kazakhstan is significant for Indian foreign policy due to three main reasons and the first and foremost is the geostrategic location of Kazakhstan is as such, it lies in the “Heart of Eurasia” thereby, increases the importance of this region tremendously. Secondly, the vast energy and mineral resources of Kazakhstan, which remains a centre of attraction for the great powers and India, is imperative for the energy hungry country like India to engage there. Thirdly, the secular and composite identity and social structure of Kazakhstan which brings India close to Kazakhstan. India recognized Kazakhstan as an independent nation following after its independence and established Indian embassy in Kazakhstan. The Kazakh embassy in India was also inaugurated in the year 1993. All these developments led to the formation of new beginning and new relationships. In the year 1992 president Nazarbayev visited India, his first such official trip after assuming office, is one of the most important visit in terms of foundation of bilateral ties.<sup>4</sup> His visit to India signifies the importance of India for Kazakhstan. In this visit both sides made declarations on bilateral cooperation. The co-operation agreements in various fields of trade and economic relations, science and technology, culture, arts, education and mass media were also signed. For strengthening economic co-operation and avoidance of double taxation, the India-Kazakhstan Intergovernmental commission established in 1992.<sup>5</sup>

India reciprocated with visit by Indian Prime Minister Narsimha Rao in May 1993. During his visit, both sides signed agreements on technical co-operation in the fields of science and technology. For the further development of trade cells, both sides also signed agreements on the establishment of a joint Intergovernmental Commission on Trade, Commerce and Science. There is establishment of credit agreement and India offered a credit line of \$20million to Kazakhstan. In this way both India and Kazakhstan stand towards the more dynamic and vibrant phase. Then in the following years, several issues were discussed pertaining to the defense co-operation and joint ventures in business and one of the important agreements signed in the year 1994 was, the agreement to start a regular flights between Almaty and Delhi.<sup>6</sup>

During the visit of President Nazarbayev again in the year 1996 both sides agreed on signing of energy related trade pacts, as there was an oil boom in Kazakhstan. Both sides penned agreements related to oil and gas, bio-informatics, defense cooperation and pharmaceuticals etc. In the year 2002, Prime Minister Atal Bihari Vajpayee visited Kazakhstan for a first CICA summit and bilateral talks were held for diverse engagement. Later on, the agenda of bilateral co-operation in the fields of joint working group on hydrocarbons and joint working group on terrorism was materialized. Now,

both sides realized the importance of trade and regional co-operation and by taking this into consideration a Memorandum of Understanding (MoU) was signed in IT sector, according to this MoU India was to provide IT services to Kazakhstan.<sup>7</sup>

### **Strategic Partnership Agreement**

The India-Kazakhstan strategic partnership agreement was signed on January 2009. It was during the state visit of president Nazarbayev as the chief guest on the India's republic day. This shows the importance of Kazakhstan for India, a joint declaration on strategic partnership was signed which puts emphasis on a comprehensive co-operation. Kazakhstan has a twofold motive on the development of economic relations with India. Firstly, this region provides a sizeable consumer market for the Kazakh goods. Secondly, there are reserves of gold, silver and chromium which caters the domestic needs of the Kazakhstan. Besides this, Kazakhstan is looking towards India as a leading software player that will provide technical help and services to Kazakhstan.

India Kazakhstan relations got impetus with signing of this "Strategic Partnership Agreement" between Kazmunaigaz and ONGC Videsh limited, for exploration of oil in the Satpayev oil block. The India Kazakhstan strategic co-operation agreement is also dealing with providing assistance and technical co-operation. The Indian Space Research Organization (ISRO) and the National Space Agency of Kazakhstan both have been working on joint programmes. Kazakhstan hosts the famous Baikonur Cosmodrome space research expecting technology transfers from India.

### **India-Kazakhstan Nuclear Cooperation Agreement**

The Indo-Kazakhstan nuclear co-operation agreement needs to be viewed in the context of India's growing energy needs. In the 12<sup>th</sup> Five year plan there is a mention that the growing energy needs can be tamed through nuclear energy as an alternative, for that India needs to bring additional nuclear plants. According to Planning Commission's estimate India needs an additional 100,000 megawatt power during the 12<sup>th</sup> Plan (2012-2017).<sup>8</sup>

The strategic partnership agreement of 2009 provided an MoU signed during the visit of president Nazarbayev on 26<sup>th</sup> January 2009. One such clause of this MoU deals with the supply of uranium to India. During the Indian Prime Minister Manmohan Singh's visit to Kazakhstan on 15th-16th April 2011, 'India-Kazakhstan Nuclear Co-operation Agreement' was signed in the Kazakh capital Astana.<sup>9</sup> According to this agreement Kazakhstan will supply uranium to India. This agreement covers the supply of uranium and a comprehensive co-operation in civil nuclear energy programme. Nuclear energy pact concerning collaborative exploration and research of uranium through joint construction and operation of power plants and a commitment by Kazakhstan to supply India with over 2,100 tons of uranium by 2014.<sup>10</sup>

## *Indo - Kazakhstan Nuclear Partnership Agreement*

Kazakhstan had to supply uranium to India for civilian energy purposes under the proposed agreement between the NPCIL and Kazatomprom. This agreement was significant owing to the fact that Kazakhstan possesses the second largest deposits of Uranium around 1.5 million tons. Recently Kazakhstan holds number one position in the world in uranium production. In 2012 the country produced 21,317 tons of uranium (Tengri News, 2013).<sup>11</sup> The future planning of Astana is to increase the uranium production up to 30,000 MTU (Metric tons of Uranium) by the end of 2018. The main uranium producing sites of Kazakh are shown in the map.



*Source: <http://www.world-nuclear.org/>*

The Indo-Kazakhstan nuclear cooperation agreement provides a legal structure for the mutually beneficial uses of nuclear energy, which includes the use of nuclear energy for peaceful purposes including the use of nuclear energy in fuel supply, nuclear medicine, and use of nuclear radiations for health care, exploration and joint mining of uranium, design, construction and operation of joint nuclear power plants. The most important aspect of this deal was the exchange of scientific and research information. This nuclear agreement was most important owing to the fact that this agreement opened up avenues for India in Kazakhstan and there is a quantum jump in Indo-Kazakhstan trade.<sup>12</sup> Kazakhstan is a fifth such country which supplies nuclear fuel to India. U.S.A, France, Mongolia, and Russia are the other countries which are supplying uranium to India for civilian energy purposes. In the year 2010 NPCIL imported 868 tons of Uranium of which 300 tons of uranium was from Kazakhstan.<sup>13</sup> This will fulfill India's energy deficits to a large extent. The depreciation of Indian rupee could be largely attributed to the huge demands of energy resources. If these demands can be fulfilled with the supply of nuclear energy, there would be stability in our economic growth.

At present India is having 20 operating nuclear units and six under construction which have an installed capacity of 4780 Mega Watt. India is planning to expand its nuclear energy generating capacity totaling 63,000

MW by the year 2032.<sup>14</sup> Kazakhstan is having 15% of the world's uranium reserves and one of the leading uranium producing country. Article 1 of the Indo-Kazakhstan Nuclear co-operation agreement states the main objective of this agreement is to establish mutual beneficial cooperation between the two countries in the peaceful uses of nuclear energy. The areas of cooperation between the two countries are mentioned under Article 3 of the Indo-Kazakhstan nuclear cooperation agreement which are as under:

- The supply of nuclear material and equipment for use in civil nuclear power through long term contracts.
- With regard to nuclear fuel cycle, exchange of scientific and technical cooperation with mutual agreement.
- The joint exploration and mining of uranium and other useful natural resources which are relevant to the exploitation of nuclear energy.
- The implementation of joint projects on the uses of nuclear energy in the fields related to industry, agriculture, medicine and nuclear power.
- The joint marketing research of the uranium market and fuel for the nuclear power reactors and the exchange of marketing research also.
- Special attention on nuclear and radiation protection and environmental monitoring.
- Training and exchange of experts from both sides.
- Implementation of projects based on mutual interests with joint technical support and research.
- Regular organization of joint scientific conferences, symposia, seminars and workshops.
- The maintenance, construction, designs and decommissioning of nuclear power plants with proper systematic channels and supply of fuel. The parties shall effect cooperation here under solely for the peaceful purposes and not for manufacturing explosive devices.<sup>15</sup>

This agreement puts special emphasis on the “enrichment and reprocessing,” with the result, uranium produced and transferred shall not be enriched more than 20% in U-235 unless there is a written consent given by the supplying party. The use of nuclear material and equipment transferred under this agreement comes under the International Atomic Energy Agency (IAEA) safeguards.<sup>16</sup>

In March, 2013, India and Kazakhstan agreed to carry forward one more agreement, which supports the view that the nuclear cooperation agreement will go beyond the year 2014, as a result, the uranium rich nation assured India

to meet its “uranium demands”. In this meeting the Indian external affairs minister Salman Khurshid and his Kazakh counterpart Erlan Idrissov held comprehensive talks on various issues related to international and regional security. They revived the status of the bilateral ties in key areas related to defense, civil nuclear energy and hydrocarbons.

### **Revival of Indo-Kazakhstan Nuclear Co-operation Agreement**

India and Kazakhstan revived nuclear co-operation agreement on 8<sup>th</sup> July 2015 during the Prime Minister, Narendra Modi’s visit to Kazakhstan. In an agreement signed between Indian Prime Minister Narendra Modi and Kazakh President, Nursultan Nazarbayev for the continuous supply of Uranium with 5000 tons of uranium to India during 2015-19. After signing this deal Kazakhstan will emerge as the biggest source of uranium for India besides Canada and Australia. Kazakhstan’s uranium supplying company KazaAtomProm supplied 600 metric tons of uranium in the year 2010-11, 350 metric tons in 2011-12, 402.5 metric tons in 2012-13 and 460 Metric tons in 2013-14. The five year contract of uranium expired last year.

The Prime Minister, Modi in his joint statement with Kazakh President indicated that nuclear cooperation is a key pillar of partnership with Kazakhstan and mentioned that, “Kazakhstan was one the first countries with which we launched civil nuclear cooperation through a uranium purchase contract. We are pleased to have much a larger second contract now”. The MoU also signed which further deepen the scope of bilateral defense cooperation between the two countries including ; regular exchange of visits, joint exercises, training of military personnel, special forces exchanges and co-operation including military technical co-operation. A join statement “Tej Kadam” was also released after a talk which deals with the rising challenge posed by terrorism in their neighborhood.<sup>17</sup>

### **Conclusion**

The domestic uranium reserves of India are very meager and the country is dependent on uranium imports to fuel its nuclear plants. India has signed nuclear energy cooperation agreements with several countries including; France, United States, United Kingdom, South Korea, Mongolia, Argentina, Australia, Namibia, Canada and Russia. The Indo- Kazakhstan stronger ties on nuclear cooperation and other areas are because of the common interests and mutual desire of both the countries to expand their partnership. In a changing geopolitical environment Kazakhstan considers India as a bridging power that will bring regional peace and stability. On 22 February 2012 Kazakhstan and India celebrated the 20<sup>th</sup> anniversary of the establishment of the diplomatic ties between the two countries. Kazakh Ambassador Doulat Kuanyshev during his visit to India, while celebrating 20th anniversary of the relations mentioned that Kazakhstan, India partnership is developing dynamically in

all spheres of life which includes political, cultural and economic spheres. There are some of the major impediments in the India Kazakhstan relations like the non-availability of hard currency and lack of conversion facilities in India as well as in Kazakhstan. Additionally, the language barrier is also creating hurdles for Indians who went there in Kazakhstan as they are not able to talk because most of Kazakhstani peoples know only Russian and Kazakh language. There is no proper marketing through main newspapers by the respective governments that also restricts the development of tourism and business between the two major giants. Therefore, we must formulate suitable strategies and policies to tackle these important issues for strengthening the ties between these two countries for achieving targeted growth rates and harvesting mutual benefits.

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