

See

Case Number: 2014-0882-M; 2016-0124-M

MIR MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Original OA/ID Number: 470				
Document ID: 9401510				
Row: 44	Section: 4	Shelf: 3	Position: 1	Stack: V

MIR MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Original OA/ID Number: 469				
Document ID: 9401093				
Row: 44	Section: 4	Shelf: 2	Position: 3	Stack: v

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	Meeting with Kazakhstan President Nursultan Nazarbayev, February 14, 1994 (6 pages)	02/12/1994	P1/b(1) KBH 2/5/2020
002. talking points	Points to be Made for Meeting with Kazakhstan President Nursultan Nazarbayev (6 pages)	02/00/1994	P1/b(1) KBH 2/5/2020
003. report	Biography (2 pages)	02/03/1994	P1/b(1)
004. report	Biography (1 page)	02/03/1994	P1/b(1)
005. report	Biography (1 page)	02/03/1994	P1/b(1)
006. report	Biography (1 page) <i>Partial release - KBH 9/8/2017</i>	02/03/1994	P1/b(1)
007. report	Biography (1 page)	12/03/1994	P1/b(1)
008. paper	Meeting with Kazakhstan President Nursultan Nazarbayev, February 14, 1994; incomplete draft (1 page)	02/00/1994	P1/b(1) KBH 2/5/2020
009. memo	Secretary of State Warren Christopher to President William J. Clinton re: Meeting with Kazakhstani President Nursultan Nazarbayev (3 pages)	02/10/1994	P1/b(1) KBH 2/5/2020

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M

kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

TO: PRESIDENT

FROM: LAKE

DOC DATE: 12 FEB 94
SOURCE REF:

KEYWORDS: KAZAKHSTAN

AP

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: PRES MTG W/ KAZAKHSTAN PRES MURSULTAN NAZARBAYEV ON 14 FEB

ACTION: NOTED BY PRESIDENT

DUE DATE: 14 FEB 94 STATUS: C

STAFF OFFICER: FORSYTHE

LOGREF: 9400890

FILES: PA

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

BURNS

FORSYTHE

NSC CHRON

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSJEB

CLOSED BY: NSJDA

DOC 2 OF 3

~~SECRET~~

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KBH NARA, Date 9/9/2019
2016-0124-M

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 LAKE	Z 94021114 FWD TO PRESIDENT FOR INFORMATION
002 PRESIDENT	Z 94021214 FOR INFORMATION
002	X 94021515 NOTED BY PRESIDENT
003 FORSYTHE	X 94021408 ADD-ON / APPROPRIATE ACTION

DISPATCH DATA SUMMARY REPORT

<u>DOC</u>	<u>DATE</u>	<u>DISPATCH FOR ACTION</u>	<u>DISPATCH FOR INFO</u>
002	940212		VICE PRESIDENT
002	940212		WH CHIEF OF STAFF
002	940212		STEPHANOPOULOS, G

Rec'd 2/11 ~~3:15pm~~
4:44pm

National Security Council
The White House



PROOFED BY: _____ LOG # 1093
URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT
BYPASSED WW DESK: _____ DOCLOG WED, A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
<i>W</i> DepExecSec	<u>1</u>	_____	_____
ExecSec	<u>2</u>	<u>US</u>	_____
Staff Director	<u>3</u>	<u>no</u>	_____
<i>ns</i> D/APNSA	<u>4</u>	<u>no</u>	_____
APNSA	<u>5</u>	Natl Sec Advisor has seen	_____
Situation Room	_____	_____	_____
West Wing Desk	<u>6</u>	<u>2/12</u>	<u>D TO POTUS</u>
NSC Secretariat	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc: VP McLarty Other _____

Should be seen by: _____
(Date/Time)

COMMENTS: *mtg w/ Nazarbayev*

DISPATCH INSTRUCTIONS:



E-1 Sec's Office has dispatched

— Rec'd 2/11 ~~3:15pm~~

4:44pm

National Security Council
The White House

PROOFED BY: _____ LOG # 1093

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG WED. A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
<i>W</i> DepExecSec	<u>1</u>		
ExecSec	<u>2</u>	<u>WS</u>	
Staff Director	<u>3</u>	<u>nes</u>	
<i>hfw</i> D/APNSA	<u>4</u>	<u>mlh</u>	
APNSA	<u>5</u>	Natl Sec Advisor has seen	
Situation Room			
West Wing Desk	<u>6</u>	<u>MLH</u> 2/12	<u>D</u> TO POTUS
NSC Secretariat			

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc: VP McLarty Other _____

Should be seen by: _____
(Date/Time)

COMMENTS:

mtg w/ Nazarbayev

DISPATCH INSTRUCTIONS:

E-1 Sec's Office has dispatched

THE WHITE HOUSE

WASHINGTON

February 12, 1994

DECLASSIFIED
PER E.O. 13526

2016-0124-M (1.01)
KBM 9/9/2019

MEETING WITH
KAZAKHSTAN PRESIDENT NURSULTAN NAZARBAYEV

DATE: February 14, 1994

LOCATION: Oval Office,
Old Family Dining Room
and East Room

TIME: 11:25 a.m. - 2:00 p.m.

FROM: ANTHONY LAKE 

I. PURPOSE

To develop in your first meeting with Nazarbayev, a long-term basis for cooperation with Kazakhstan.

KEY POINTS

- Recognize Nazarbayev's role as an important **regional leader** and assure him of our intention to engage in a **full partnership** with Kazakhstan.
- Express appreciation for Nazarbayev's leadership in achieving Kazakhstan's **accession to the Non-Proliferation Treaty (NPT)** and solicit his help in bringing the **Strategic Arms Reduction Treaty (START I)** into force.
- Highlight the **substantial increase in U.S. support -- from \$91.5 million in FY93 to over \$311 million in FY94 -- for Kazakhstan's economic and political reform programs and for U.S.-Kazakhstan commercial ties.**
- Listen to Nazarbayev's concerns about **Russian pressure on Kazakhstan** and **emphasize our willingness to facilitate the resolution of Kazakhstan-Russian problems involving our interests.**

II. BACKGROUND

Kazakhstan is one of the wealthiest and most influential countries of the former Soviet Union. Under the leadership of its astute President, Nursultan Nazarbayev, Kazakhstan has made significant progress on political and economic reform, done more than any other country in the region to welcome U.S. business, ratified the START treaty and acceded to the Non-Proliferation Treaty. **If Kazakhstan continues to reform, it could become one of the great success stories of the NIS, and Nazarbayev could be an effective ally in promoting our goals in the region.**

~~SECRET~~

~~SECRET~~

You will have three main aims in your first meeting with Nazarbayev: first, gain his trust and develop a close relationship with him; second, emphasize our wish for a full partnership with Kazakhstan including closer defense, economic, commercial and political ties and; third, discuss Nazarbayev's concerns about Russia and the rest of the region.

Nazarbayev has three major concerns he will raise with you: first, he will describe his view of Russia's regional role and solicit your help to resolve problems in the Russian-Kazakhstan relationship; second, he will push for greater U.S. support for Kazakhstan's economic reforms; and third, he will request your support for his initiative for an Asian Conference on Security and Cooperation.

Nazarbayev is one of the region's most capable leaders. He has proven himself a savvy political player who has been able to implement both political and economic reform more effectively than either Yeltsin or Kravchuk. Nazarbayev is also an influential regional leader worth cultivating as an important ally. Establishing close, personal relations is important to Nazarbayev, who greatly values his contacts with world leaders. He tried hard to achieve this with the Vice President in December and comes to Washington with the same goal for his relationship with you.

You will be signing a Charter on Bilateral Relations (Tab E) which outlines the nature and goals of our emerging partnership. You will be able to demonstrate our promise for a full partnership by announcing that U.S. assistance designed to further political, economic, and security relations with Kazakhstan will more than triple this year to a total of over \$311 million.

You can point to four main areas to build the partnership: defense cooperation, economic assistance, commercial ties and support for political reform.

First, on security cooperation, you will want to thank Nazarbayev for Kazakhstan's accession to NPT, engage him on bringing START into force and encourage him to take the next step in the process of joining the Partnership for Peace. You also will want to announce that we have designated \$85 million in FY 94 and FY 95 for the safe and secure dismantlement of silos for strategic nuclear weapons, defense conversion, and non-proliferation support. During your signing ceremony and press conference, Nazarbayev's presentation to you of Kazakhstan's instruments of accession to the NPT will mark a major success in your denuclearization policy.

We will also sign during the visit agreements to advance defense cooperation and defense conversion. In addition, we have been working with the Kazakhstanis to help them cope

~~SECRET~~

~~SECRET~~

with the effects of nuclear testing in Semipalatinsk and will continue to do so.

Second, on economic reform, you should stress that we are committed to helping Kazakhstan maintain its momentum toward a market economy through both our bilateral assistance program and through our leadership in the international financial institutions. Nazarbayev has done everything right economically, and we want to reward Kazakhstan.

Kazakhstan has shown a genuine willingness to implement market reforms and encourage direct foreign investment through introduction of a national currency, adoption of the necessary measures to receive a standby agreement from the International Monetary Fund and a recent bold privatization program for 38 of Kazakhstan's largest and most valuable enterprises.

You can tell Nazarbayev that we are **substantially increasing our bilateral assistance for economic reform and development.** You can add that we are prepared to designate Kazakhstan as a **Generalized System of Preferences Beneficiary.** With our leadership, the international financial institutions could provide **up to \$ 2 billion** in balance of payments support if Kazakhstan continues to reform.

Third, on commercial ties, you will want to stress our support for burgeoning U.S.-Kazakhstan commercial relations and encourage Nazarbayev to continue improving the investment climate. Kazakhstan has had more success in attracting and maintaining foreign investment than any other country in the former Soviet Union. The **multi-billion dollar U.S. commercial interest** in Kazakhstan is concentrated mainly in oil and gas production and equipment, mining, agribusiness, medical equipment and pharmaceuticals, banking, telecommunications and transportation. Chevron's \$20 billion oil deal in Kazakhstan, for example, is the largest joint venture in the former Soviet Union. The morning before your meeting, OPIC will be hosting a business roundtable to encourage U.S. investment in Kazakhstan.

U.S. commercial interest in Kazakhstan increased significantly as a result of **major oil and gas agreements with U.S. companies and the conclusion and entry into force of the Trade Agreement, Bilateral Investment Treaty and Overseas Private Investment Corporation Agreement.** Nazarbayev's ability to stabilize the political, economic and ethnic situation in Kazakhstan has also played a major role in greater U.S. commercial activity in the country. Some problems such as limited financing and an embryonic legal structure still exist, and the Kazakhstanis are trying to address them.

Fourth, on support for political reform, you should emphasize the importance of further democratization and

truly democratic parliamentary elections in March. Kazakhstan has made considerable progress on political reform, but Nazarbayev has not been as supportive of true democracy to the same degree as Yeltsin or Kyrgyzstan President Akayev. In January 1993, the Kazakhstan Supreme Soviet adopted a progressive constitution that offers a real possibility for creating a civil society. Kazakhstan has also maintained a generally good record on human rights and adherence to CSCE commitments.

The biggest test of political reform will be the **March 7 parliamentary elections**. The elections will not be completely democratic, however, because Nazarbayev will be able to determine the slate for the election of 42 of the 177 deputies. Candidate registration irregularities have occurred in certain districts run by notoriously corrupt politicians. Also, printing presses, which are controlled by the government, have broken mysteriously when opposition newspapers are to be published.

Nazarbayev will want to use part of the meeting to discuss Russia and the rest of the region. Nazarbayev's main political challenge is managing Russian-Kazakh relations both within Kazakhstan and with Russia. He is determined to maintain friendly relations with Russia, which is both a powerful neighbor and patron to the ethnic Russians who comprise 40 percent of Kazakhstan's population and live mainly in the industrialized and agriculturally rich north.

Nazarbayev has begun to feel intense pressure from Russia as he tries to establish Kazakhstan's sovereignty and integrate his country more closely with the West. Because Nazarbayev fears Russian hardliners' aggressive tactics and Russia's efforts to maintain strong influence along its periphery, he may ask you to support his effort to get Russia to sign a non-aggression pact with Kazakhstan. He might also ask you to negotiate a trilateral deal like the one you signed with Kravchuk and Yeltsin.

You should point out that with the completion of its Lisbon Protocol commitments, Kazakhstan can achieve its goals through security assurances from the United States, Russia and the United Kingdom. Identical to those we are extending to Belarus and Ukraine, these assurances commit each capital to support Kazakhstan's territorial integrity and sovereignty within its present borders.

You should offer to facilitate resolution of Kazakhstan-Russian issues when they affect our vested interests. These issues include the equitable sharing of proceeds from the sale of highly enriched uranium (HEU) in dismantled nuclear weapons, the return of SS-18 ICBMs for destruction in Russia and a major new oil pipeline to Western markets.

Nazarbayev is also likely to raise the Baykonur Cosmodrome with you. Baykonur, on Kazakhstan's central steppe, is the

main site for Russian space launches. It has figured importantly in our planning for Russian partnership in the international Space Station. Russia and Kazakhstan have been negotiating over a use agreement. However, Nazarbayev is frustrated with the Russians and would like to involve the United States directly in the negotiations. **You should urge Nazarbayev to come to closure with the Russians but indicate that we are actively interested in the outcome and look forward to working with Kazakhstan and Russia at Baykonur.**

Nazarbayev prides himself on his regional leadership and sees himself as a world-class political figure. One of Nazarbayev's main initiatives as a regional leader is a proposal for **an Asian Council on Security and Cooperation similar to the CSCE**. Despite repeated requests to learn more about the nature and goals of the new organization, the Kazakhstan government has not given us enough details to respond. **You should say that we would like to have more details about the proposal before we could make a decision on whether to support it.**

Other Areas of Cooperation

Nazarbayev will meet the Vice President to discuss U.S.-Kazakhstan cooperation in other areas including **science and technology, environment, space, global communications, and nuclear safety**. The Vice President became well-acquainted with Nazarbayev during his December trip to Almaty when they discussed many of these issues in detail. The Vice President will sign the U.S.-Kazakhstan Science and Technology framework agreement and witness the signing of the U.S.-Kazakhstan Nuclear Safety Agreement and the INMARSAT Safeguards Agreement concluded with the U.S., Kazakhstan and Russia. The INMARSAT Agreement marks important progress in Russia's willingness to cooperate with Kazakhstan on use of the former Soviet Baykonur Cosmodrome, which is located in Kazakhstan.

III. PARTICIPANTS

See list at Tab B.

IV. PRESS PLAN

Open photo and writing pool in Oval Office and East Room.

V. SEQUENCE

See scenario at Tab C.

Attachments

Tab A Points to be Made
Tab B List of Participants
Tab C Scenario
Tab D Q's and A's
Tab E Charter on Bilateral Relations
Tab F Biographies

POINTS TO BE MADE FOR MEETING WITH
KAZAKHSTAN PRESIDENT NURSULTAN NAZARBAYEV

New Partnership

- Delighted to meet you. Have looked forward to our first meeting. Want to work closely with you in the months and years ahead.
- Congratulations for impressive reform record and success in achieving non-nuclear status for Kazakhstan.
- Given these accomplishments, Kazakhstan and the U.S. have a great future together and that is reflected in the Charter on Democratic Partnership we will sign today.
- As proof of our commitment to the partnership, we are more than tripling our assistance and investment incentives for Kazakhstan to **over \$311 million in 1994**. This effort will further our political, economic and security relations.
- I want to focus our discussion on four major areas of our new partnership: 1) support for economic reforms, 2) commercial cooperation, 3) support for political reform, and 4) security issues

Support for Economic Reform:

- Impressed by Kazakhstan's economic reform achievements.
 - Kazakhstan's recent conclusion of an IMF standby agreement demonstrates the **success of your macroeconomic program**.
 - Staying on course with your IMF program is the best way to reduce inflation, strengthen the currency and insure steady growth.
 - Bold privatization program recently adopted will also spur transition to a true market economy.
- We are substantially increasing our financial investment in Kazakhstan's future.
 - We have increased our total amount of assistance and investment incentives to **over \$311 million**.
 - If Kazakhstan continues its reform effort, we are willing to lead an effort through the international financial institutions for various kinds of support that could total up to **\$2 billion** over the next few years.

- We are also prepared to declare Kazakhstan a **Generalized System of Preferences beneficiary**. This status would benefit your economy by allowing duty free access to the U.S. market for several thousand products.
- If he requests a bilateral assistance package: The U.S. is not able to make any **bilateral** assistance commitment to a currency stabilization fund at this time. If your reforms continue, this could be possible as a **multilateral** effort.

Expanding Commercial Ties

- I am impressed by your country's substantial U.S. business investment (Chevron, Philip Morris, Mobil).
- You have done everything right in making conditions for investment favorable.
- I hope that your activities on this trip, including the OPIC/Business Roundtable, your meeting with Secretary Brown, your discussions with the New York financial community, and the signing of the Ex-Im Bank Project Incentive Agreement protocol will pave the way to expansion of trade and investment relations.
- Ron Brown is prepared to establish a Joint Commercial Commission, and we hope to ratify the bilateral tax treaty soon.
- If he raises uranium anti-dumping: I understand your concerns about our anti-dumping law, particularly as it affects your exports of uranium.
 - Commerce Department has already been briefing your representatives. When you are ready to send your negotiator, we are prepared to reopen the agreement and accommodate your concerns.

Support for Political Reform

- Long-term stability and peace will be enhanced by Kazakhstan's continued progress toward representative government and an open society.
- You have done much to encourage basic freedoms and tolerance in your multi-ethnic society and I urge you to stay on this course.
- I am looking forward to the results of Kazakhstan's first parliamentary election in the post-Soviet era next month.

- Continued democratization will allow us to lend even stronger support for you in the international community and make it easier to increase other types of support.
- What will be the results of the elections?

Security Issues

Arms Control

- I want to congratulate you on Kazakhstan's accession to the NPT, which we are celebrating today. I am honored that you chose to do so here in Washington.
 - I appreciate your leadership on the NPT, for it sets an important example for the rest of the region and the world.
 - As we prepare for the NPT extension conference in 1995, we would like to work closely with you to ensure that Kazakhstan has a continuing role in furthering the NPT regime.
- I am working with Ukrainian President Kravchuk to **encourage Ukraine to accede to the NPT** as soon as possible -- even prior to his visit to Washington in March. I would very much appreciate your advice in this regard.
- I would like you to know that we are committed to ensuring that Kazakhstan receives equitable and timely **compensation for the highly enriched uranium (HEU)** in the nuclear warheads on its territory.
 - As Prime Minister Chernomyrdin has told you, Russia is committed to compensating Kazakhstan in a manner that is no less advantageous than the compensation it is working out with Ukraine.
 - We expect Russia to reach an agreement with Kazakhstan prior to the initial shipment to the U.S. under the HEU contract of low enriched uranium (LEU--blended down HEU).
 - If he asks about direct payment for uranium: Our experts are exploring that possibility and we will get back to you through Ambassador Courtney.
- I also appreciate your cooperation regarding the **HEU at the Ulbinsky fuel processing factory**. We are ready to work with you on this issue and our team will be in Kazakhstan just as soon as we can get it there.
- As you're aware, Ukraine's Rada has removed the conditions it placed on entry into force of START I and the Lisbon Protocol. I am very pleased by this -- we should bring the **START treaty** into force as soon as possible.

~~SECRET~~

- Your work to begin **removing SS-18s** from their silos is an important step toward the entry into force of START I.
- I hope that you will continue **cooperating with Russia in the removal and transfer of the SS-18s** for elimination in Russia.
- In tribute to your commitment to START and the Lisbon Protocol, we are prepared to provide an **additional \$85 million in Nunn-Lugar assistance in FY 94 and FY 95.**
- This amount doubles the amount that you have received so far.
- We are prepared to work closely with you on a range of new projects, especially in the area of **defense conversion**. Secretary of Defense Perry will be visiting Almaty shortly to begin developing a program of cooperation in this area.
- We are particularly interested in the projects that are of the greatest interest to you. As you know, we are already conducting several **surveys of the former Soviet nuclear test site at Semipalatinsk.**
- This is a good example, to my mind, of an area where the U.S. should expand cooperation with Kazakhstan to deal with the consequences of Soviet nuclear weapon development.
- (If he asks about assistance to retrieve the buried Soviet nuclear device at Semipalatinsk: My experts inform me that they are willing to look into assistance to you in this area, but they could not proceed without detailed technical information about the device. Thus, we would need the full cooperation of Russia to help you in this area.)
- (If he asks about the larger amounts of Nunn-Lugar assistance that Ukraine is receiving: The largest sums of Nunn-Lugar assistance for Ukraine go to pay for dismantlement of weapon systems. There is little direct benefit to Ukraine's economy in these projects.)
- For projects that do provide a direct economic benefit -- especially defense conversion -- the amounts that Ukraine and Kazakhstan receive are quite comparable.

~~SECRET~~

Security Concerns

- The United States is committed to supporting Kazakhstan's security, territorial integrity and sovereignty. The Charter spells out this bilateral commitment, but we are also willing to work with you on a **statement of security assurances** that would also be signed by Russia and the United Kingdom.
- Our experts are ready to discuss our ideas on this.
- Another important element for Kazakhstani security is your active membership in the **NATO Partnership for Peace (PFP)**.
- I would like to congratulate you for beginning the process of joining PFP.
- I am also pleased you will be witnessing the signature of the **MOU on Defense Cooperation and the Principles on Defense Conversion** with Secretary Perry this afternoon.
- Our defense cooperation and military-to-military contacts will be a good basis on which to build your participation in the PFP.

Regional Politics

- **Russia** is your most important neighbor. What do you see happening in that country's political scene and economy over the next year?
- What is your sense of **Yeltsin's** priorities and prospects?
- I hope that your discussions with Russia (pipeline route for your joint venture with Chevron and the sharing of proceeds for HEU from dismantled nuclear weapons) will produce early agreement.
- If we can be helpful on these issues, please let us know.
- I know that you have just finished a round of negotiations with Russia on Baykonur. I would like to urge you to come to agreement with Russia -- I understand that you have been able to make some progress in these recent talks.
- We look forward to working with both Russia and Kazakhstan at Baykonur.
- Kazakhstan is participating in the collective peacekeeping force on the Tajikistan border. How do you assess the chances for peace in the light of UN organized talks scheduled to take place in Moscow in mid-March?

~~SECRET~~

- We hope for Kazakhstani support for CSCE Minsk group efforts to resolve the Nagorno-Karabakh conflict. Do you see any additional steps we might take to resolve it?
- If he raises a CSCE-like organization for Asia: We would like to learn more details about your interesting proposal before we can decide whether to support it.

Other Issues: Environment, Science and Space

[Note: The Vice President will be covering these issues in his meeting with President Nazarbayev, but Nazarbayev may wish also to raise them with you.]

- If he raises bilateral space cooperation: An American delegation recently in Almaty offered several ideas for serious bilateral space cooperation. We are looking forward to your response to our proposal.
- If he raises the use of launch vehicles for commercial use: We believe that the SS-18 ballistic missile is not an efficient or economic vehicle for launching commercial satellites into space.
- If he proposes a bilateral environmental cooperation agreement: EPA and other appropriate agencies are reviewing the proposal of Minister Medvedev for a bilateral environmental agreement.

~~SECRET~~

MEETING IN OVAL OFFICE

Kazakhstan

Nursultan Abishevich Nazarbayev, President
Akezhan Magzhanovich Kazhegel'din, First Deputy Prime Minister
Syzyk Zhumatayevich Abishev, Deputy Prime Minister
Nurtay Abykayevich Abykayev, Chief of Staff
Tulegen Tlekovich Zhukeyev, State Counselor
Tuleutay Skakovich Suleymenov, Foreign Minister
Interpreter

U.S.

The President
The Vice President
Secretary Christopher, Secretary of State
Anthony Lake, Assistant to the President for National Security
Affairs
William Courtney, U.S. Ambassador to Kazakhstan
James Collins, Coordinator for Regional Affairs for the New
Independent States, Department of State
Nicholas Burns, Senior Director for Russian, Ukrainian and
Eurasian Affairs, NSC Staff, Notetaker
Interpreter

LUNCHEON

Kazakhstan

Nursultan Abishevich Nazarbayev, President
Akezhan Magzhanovich Kazhegel'din, First Deputy Prime Minister
Syzyk Zhumatayevich Abishev, Deputy Prime Minister
Nurtay Abykayevich Abykayev, Chief of Staff
Tulegen Tlekovich Zhukeyev, State Counselor
Tuleutay Skakovich Suleymenov, Foreign Minister
Almaz N. Khamzayev, Charge d'Affaires
Interpreter

U.S.

The President
The Vice President
Secretary Christopher, Secretary of State
Anthony Lake, Assistant to the President for National Security
Affairs
Samuel R. Berger, Deputy Assistant to the President for National
Security Affairs
William Courtney, U.S. Ambassador to Kazakhstan
Roger Altman, Deputy Secretary of the Treasury
James Collins, Coordinator for Regional Affairs for the New
Independent States, Department of State
Rosemarie Forsythe, Director for Russian, Ukrainian and Eurasian
Affairs, NSC Staff, Notetaker
Interpreter

SCENARIO FOR WORKING VISIT OF
KAZAKHSTAN PRESIDENT NAZARBAYEV
February 14, 1994

11:25 a.m. President Nazarbayev and party arrive at the West Lobby, will be greeted by Ambassador Raiser, Chief of Protocol, who will escort the President into the Roosevelt Room to sign the Guest Book. (A military cordon will line the drive.)

11:30 a.m. The Chief of Protocol escorts President Nazarbayev into the Oval Office, via the hallway entrance, and introduces him to the President. Other meeting participants enter, are introduced and are seated. White House Photographers/TV and Press enter the Oval for brief photos and Press coverage (approximately 5 minutes), then depart via the hallway door.

11:35 a.m. Meeting begins.

Participants

The President	President Nazarbayev
The Vice President	Akezhan Kazhegel'din,
Warren Christopher	First Deputy Prime
Anthony Lake	Minister
Amb. Bill Courtney	Syzdyk Abishev, Deputy
Jim Collins	Prime Minister
Nick Burns,	Nurtay Abykayev, Chief of
NSC Notetaker	Staff
(Interpreter)	Tulegen Zhukeyev, State
	Counselor
	Tuleutay Suleymenov,
	Foreign Minister
	(Interpreter)

12:10 p.m. Meeting adjourns. The President invites President Nazarbayev to freshen up in his Private Office. This allows time for the remainder of the party to walk over to the State Dining Room.ex

12:15 p.m. The President escorts President Nazarbayev down the colonnade to the State Dining Room.

12:20 p.m. The President escorts the guests into the Old Family Dining Room and invites them to be seated for lunch.

Participants

The President	President Nazarbayev
The Vice President	Akezhan Kazhegel'din,
Warren Christopher	First Deputy Prime
Roger Altman	Minister
Anthony Lake	Syzdyk Abishev, Deputy
Samuel Berger	Prime Minister
Amb William Courtney	Nurtay Abykayev, Chief of
James Collins	Staff
Rosemarie Forsythe,	Tulegen Zhukeyev, State
NSC notetaker	Counselor
	Tuleutay Suleymenov,
	Foreign Minister
	Almaz Khamzayev, Charge
	d' Affairs

- 1:25 p.m. Upon completion of the lunch, the President invites President Nazarbayev (only) to the Red Room to hold while the official parties are escorted to the East Room, the site of the Treaty Signing and Press Availability.
- 1:30 p.m. The President and President Nazarbayev are announced, enter the East Room and stand behind the signing table. The President will be on the left with President Nazarbayev on his right.
- 1:31 p.m. Announcement that President Nazarbayev will present the Instrument of Accession to the Nuclear Non-Proliferation Treaty to President Clinton. President Nazarbayev gives the document to President Clinton. Handshake. (President Clinton then hands document to aide.) (Senior meeting participants stand behind the principals for the presentation and signing ceremony -- toe markers will be in place.)
- 1:32 p.m. Announcement of document signing. The President and President Nazarbayev sit down at the table and sign the Charter on Democratic Partnership Between the United State of America and the Republic of Kazakhstan. (There will be two books to be signed, one in each language.)
- 1:34 p.m. Upon completion of the signing ceremony and exchange of documents, the President and President Nazarbayev step up to the podiums (President Nazarbayev to the President's right).

- 1:35 p.m. Press Availability begins. The President makes brief (5 minute) remarks, followed by President Nazarbayev. Qs and As follow. (Simultaneous interpretation.)
- 2:00 p.m. Press availability ends. The principals are escorted to the Blue Room for brief private time (the rest of the party will be boarding their vehicles at the North Portico); the President escorts President Nazarbayev to the North Portico and bids him farewell. The official party departs.

KAZAKHSTAN: NPT

Q: Does the United States still have proliferation concerns about Kazakhstan, now that it has acceded to NPT?

- A:
- o Today President Nazarbayev presented me with the instruments of accession to the Nuclear Non-Proliferation Treaty. Under his leadership, Kazakhstan has fulfilled its historic commitment to end the Soviet nuclear legacy on its territory.
 - o This decision is a very positive step in the service of global non-proliferation. It affects over 1000 nuclear warheads on the SS-18 missile, the deadliest weapon in the Soviet nuclear arsenal.
 - o We now look forward to Kazakhstan's implementation of a full-scope safeguards regime under the IAEA.
 - o The United States has also begun to work with Kazakhstan in protecting its civilian nuclear materials and enhancing its border and export controls.
 - o I am very pleased with Kazakhstan's supportive position on non-proliferation and I applaud President Nazarbayev for his leadership in bringing this day about.

U.S. - KAZAKHSTAN CHARTER

Q: What does this new Charter mean? Is the United States allying with Kazakhstan against Russia?

- A:
- o The Charter on Democratic Partnership is a concise statement of U.S.-Kazakhstan relations, the principles on which we intend to base our partnership and where we plan to take this partnership in the future. It is certainly not directed against any party.

KAZAKHSTAN: U.S. ASSISTANCE

Q: What is the United States doing to help reform in Kazakhstan? Are we doing enough?

- A:
- o Through our programs of humanitarian and technical assistance, which have totalled over \$90 million to date, the United States has worked with private individuals and government officials at the national, regional and local levels to support democratic and economic reforms.
 - o In fiscal year 1994, we expect to provide over \$311.8 million in humanitarian and technical assistance, Nunn-Lugar funding, agricultural credits and investment monies.
 - o Private sector development will remain a major element of our technical assistance activities in, and investment strategies for, Kazakhstan.
 - o Essential to our economic reform programs will be initiatives to promote democratic institutions, an independent media and inter-cultural communication.
 - o Our Nunn-Lugar assistance to Kazakhstan will total \$85 million for FY 94-95 in addition to the \$85 million already extended. It will not only help eliminate the vestiges of Soviet-era nuclear weapons Kazakhstan, but will also support important new programs such as defense conversion.

KAZAKHSTAN: DEFENSE RELATIONSHIP

Q: Are we forming a defense and security relationship with Kazakhstan?

- A:
- o Kazakhstan's security and independence are important to us. Bilaterally, we have signed a Memorandum of Understanding on Defense Cooperation, similar to those signed with Russia, Ukraine and Belarus.
 - o We look forward to senior level military exchanges and other military-to-military contacts, as well as the opportunity to provide some training to Kazakhstani personnel.
 - o We hope to work closely with Kazakhstan on security-related issues in multilateral fora such as the CSCE, NACC and the "Partnership for Peace."

KAZAKHSTAN: NUCLEAR SAFETY AGREEMENT

Q: What is the significance of the nuclear reactor safety agreement with Kazakhstan?

- A: o The agreement will enable the Kazakhstan Atomic Energy Agency and the Nuclear Regulatory Commission to implement an expanded program for protecting the health, safety and environment in Kazakhstan in the area of nuclear technology.
- o The United States looks forward to working with Kazakhstan in applying the experience it has gained in its program of nuclear energy regulation to broaden nuclear safety cooperation with Kazakhstan.

KAZAKHSTAN: SAFETY OF NUCLEAR POWER PLANTS

Q: Is there a reason to be concerned about the safety of nuclear facilities in Kazakhstan, because it has Soviet-designed reactors, similar to Chernobyl in Ukraine?

- A: o We do not have the same type of safety concerns that we have do about power reactors in Russia, Ukraine or some East European countries.
- o Kazakhstan has only one power reactor, at Aqtau on the Caspian Sea, which is used largely for desalinization purposes. It does not have the features that have caused us to be concerned about some other Soviet-designed reactors.

U.S. BUSINESS IN KAZAKHSTAN

Q: What are we doing to promote U.S. business in Kazakhstan?

- A: o We see U.S. business and investment in Kazakhstan as complementing economic reform efforts and promoting open and free markets.
- o We are finalizing a series of bilateral economic agreements which will further trade and investment between our two countries. The OPIC and trade agreements and the bilateral investment treaty are in effect; the treaty to avoid double taxation has been signed but awaits ratification by the Kazakhstani Parliament and the advice and consent of our Senate. In addition, Ex-Im Bank will sign a protocol for a Project Incentive Agreement which will facilitate privatization and help U.S. exporters in the oil and gas industry.
- o The U.S. government has led trade missions to Kazakhstan, conducted trade seminars and plans to hold a major Central Asian business conference this spring that will bring together Kazakhstani officials and business representatives with U.S business interests.

KAZAKHSTAN: ECONOMIC REFORM

Q: What is the state of economic reform in Kazakhstan?

- A:
- o Under the leadership of President Nazarbayev, Kazakhstan has shown a genuine willingness to implement market reforms and to encourage direct foreign investment.
 - o Kazakhstan is working closely with both the IMF and the World Bank on macroeconomic stabilization. We commend Kazakhstan for concluding a stand-by arrangement with the IMF, which is an indication of the progress Kazakhstan has made in implementing economic reforms.
 - o Kazakhstan's decision to introduce its national currency was also a crucial step toward an independent monetary policy. We are also very encouraged by Kazakhstan's ambitious plans to privatize large enterprises.

KAZAKHSTAN: INMARSAT

Q: What is the INMARSAT Technology Safeguards Agreement and what is its significance?

- A:
- o The INMARSAT Technology Safeguards Agreement will address the mechanics of protecting sensitive technology when launching a U.S.-made satellite on a Russian launch vehicle.
 - o This agreement is particularly significant because the launch will take place from the Baykonur Cosmodrome in Kazakhstan. It is thus an important first step in cooperation on space launch matters involving Russia, Kazakhstan and the United States.
 - o With the signing of the INMARSAT Technology Safeguards Agreement, preparations for the launch can go forward.

BAYKONUR

Q: The Baykonur Cosmodrome is in terrible condition. How do you expect for it to support our space cooperation?

- A:
- o We have had several delegations travel to Baykonur in the past few months and they report a facility in good shape for space launch. One of our delegations even watched the launch of a Proton rocket in the middle of a snowstorm.
 - o I am confident that the Baykonur Cosmodrome will serve the needs of our space cooperation program.

KAZAKHSTAN: PARTNERSHIP FOR PEACE

Q: Who's signed up for the Partnership for Peace?

- A: o PFP is off to a fast start.
- o Kazakhstan has already begun the process of joining the PFP. Romania, Lithuania, Estonia and Poland have formally joined the Partnership. All the former Warsaw Pact states of Central and Eastern Europe, as well as Russia, Ukraine, Latvia and Moldova have stated their intention to join. Several other states have expressed interest in the Partnership.

KAZAKHSTAN: ARAL SEA INITIATIVE

Q: How much money from the Aral Sea Initiative will be used for Kazakhstan?

- A: o In October 1993, Secretary of State Christopher announced that the U.S. Government would fund a \$15 million Aral Sea Initiative that would help alleviate environmental effects and facilitate regional cooperation in the five Central Asian Republics.
- o Kazakhstan is expected to receive between \$3 and 4 million from this fund for use in providing potable water and in supporting regional water management.

KAZAKHSTAN: IMPLEMENTATION OF ARAL SEA INITIATIVE

Q: What is the timeline for implementation of the Aral Sea Initiative?

- A: o We anticipate beginning work in Kazakhstan as early as April 1, 1994.
- o A study tour for 25 regional water specialists to the Colorado River basin is also planned to begin in April.

U.S.-KAZAKHSTAN ENVIRONMENTAL AGREEMENT

Q: Has the Kazakhstan Government suggested an Environmental Agreement with the U.S.?

- A: o Kazakhstan's Environmental Minister Medvedev visited U.S. government officials in January 1994 and conveyed a draft Environmental Agreement. We are now reviewing it and look forward to further talks with the Government of Kazakhstan.

A CHARTER
ON DEMOCRATIC PARTNERSHIP BETWEEN
THE UNITED STATES OF AMERICA AND
THE REPUBLIC OF KAZAKHSTAN

The United States of America and the Republic of Kazakhstan,

Working together to develop the provisions of the Declaration on Relations Between the United States of America and the Republic of Kazakhstan signed May 19, 1992, by the President of the United States of America and the President of the Republic of Kazakhstan;

Recognizing the historic opportunity presented by the end of the Cold War, the emergence of the Republic of Kazakhstan as a sovereign and independent country and the possibilities for building wholly new and productive relations between their two countries;

Desiring to create a solid foundation upon which to build a strong and lasting relationship of friendship, mutual trust and respect;

Proceeding from the commitment of the United States of America and the Republic of Kazakhstan to the principles of democracy, private property, free markets, the rule of law and respect for human rights and fundamental freedoms;

Drawing strength from the pragmatic character of their multiethnic societies;

Seeking the fullest use of the potential of both countries for the development of dynamic and mutually beneficial economic relations;

Taking advantage of both countries' special strengths in energy, minerals, agriculture and technology and the rapid growth of economic ties in these fields;

Recognizing the importance of broad-based, friendly bilateral relations as a basis for enhanced regional and international security;

Acknowledging that the historic steps that the Republic of Kazakhstan has taken in being the first state to ratify the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (START Treaty), as a successor state of the former Union of Soviet Socialist Republics, and in acceding to the Treaty on the Nonproliferation of Nuclear Weapons (NPT) as a non-nuclear weapon state, have made a vital contribution to international security and arms control;

Cooperating to further the Republic of Kazakhstan's harmonious integration into the community of democratic states, regional and international security structures and the world economy;

Recognizing their responsibility to protect the environment;

Reaffirming their commitment to the purposes and principles of the United Nations Charter, the Helsinki Final Act and subsequent documents of the Conference on Security and Cooperation in Europe (CSCE);

Striving for a just and peaceful world;

Have declared their intention to build their relationship on the principles of a dynamic, equal and democratic partnership:

Article I

The United States of America and the Republic of Kazakhstan welcome the opportunity afforded by the emergence of sovereign, independent Kazakhstan to forge long-lasting and mutually beneficial bonds. The United States of America warmly supports the efforts of the Republic of Kazakhstan to create a society based on democracy, the rule of law, and respect for the human rights and fundamental freedoms of all people.

Article II

The United States of America and the Republic of Kazakhstan seek to develop closer bilateral relations across a broad spectrum. To this end, the two countries are accelerating contacts in the political, economic, cultural, educational, environmental, scientific and technological, health, and other fields. They will encourage and facilitate direct contacts between citizens and private organizations, based on the conviction that a true partnership depends on many shared purposes that extend beyond governmental cooperation.

Article III

The United States of America recognizes the security, independence, sovereignty, territorial integrity and democratic development of the Republic of Kazakhstan as matters of the highest importance.

Article IV

The United States of America and the Republic of Kazakhstan understand that the Republic of Kazakhstan's strategic location at the crossroads of Asia and Europe enables it to make a valuable contribution to the peace and security of the region.

The United States of America respects the independence, sovereignty and existing borders of the Republic of Kazakhstan. The United States of America and the Republic of Kazakhstan reaffirm their commitment to the principle that changes of borders between CSCE participating states can be made only by peaceful and consensual means in accordance with international law and the principles of the CSCE.

The United States of America and the Republic of Kazakhstan also reaffirm their interest in promoting security and cooperation with all states in accordance with the principles of the United Nations and the CSCE. In particular, they recognize that security is indivisible and that the security of every CSCE participating state is inseparably linked to that of all the others.

Article V

Taking into account their shared interests, the United States of America supports the Republic of Kazakhstan's efforts to provide for its legitimate defense needs. Recognizing that the armed forces of a democratic country should be well-trained, under accountable civilian control, and dedicated to democratic principles and the rule of law, the two countries intend to develop mutually beneficial defense cooperation and to hold regular security consultations.

The United States of America and the Republic of Kazakhstan intend to focus their defense partnership on such areas as training, military-to-military exchanges, senior military consultations and the full range of defense and military contacts. If, in the future, an external threat to the territorial integrity, political independence or security of the Republic of Kazakhstan should arise, the United States of America and the Republic of Kazakhstan intend to consult and to undertake steps as appropriate to achieve a peaceful resolution consistent with international law and the principles of the CSCE, as well as with the principles of the Partnership for Peace of the North Atlantic Treaty Organization (NATO).

The United States of America and the Republic of Kazakhstan attach great importance to the CSCE and the North Atlantic Cooperation Council (NACC) and will encourage engagement by CSCE in promoting democracy and security in the region, and closer ties between the Republic of Kazakhstan and NATO through NACC.

The United States expresses its support for participation by the Republic of Kazakhstan in the Partnership for Peace with NATO and looks forward to practical cooperation between the American and Kazakhstani military and defense establishments in that context. Within the framework of the Partnership for Peace program, the United States of America intends to work with the Republic of Kazakhstan to develop cooperative Kazakhstani military relations with the forces of NATO for the purpose of joint planning, training and exercises, and readiness to undertake appropriate missions.

Article VI

The United States of America and the Republic of Kazakhstan recognize that the spread of weapons of mass destruction and the means of delivering them represents a threat to humanity and that all governments must work urgently to prevent the further spread of such weapons and associated technologies, including where appropriate through becoming states-parties or participants in relevant arms control treaties or regimes. The United States of America welcomes the Republic of Kazakhstan's ratification of the START Treaty and accession to the NPT as a non-nuclear weapon state-party. The United States of America also welcomes the Republic of Kazakhstan's ratification of the Treaty on Conventional Armed Forces in Europe, a cornerstone of European security.

The United States of America reaffirms its commitment to seek immediate United Nations Security Council action to provide assistance to the Republic of Kazakhstan, as a non-nuclear weapon state party to the NPT, if the Republic of Kazakhstan should become a victim of an act of aggression or an object of a threat of aggression with nuclear weapons.

The United States of America reaffirms, in the case of the Republic of Kazakhstan, its commitment not to use nuclear weapons against any non-nuclear weapon state party to the NPT, except in the case of an attack on itself, its territories or armed forces, or its allies, by such a state allied to a nuclear weapon state, or associated with a nuclear weapon state in carrying out or sustaining the attack.

Article VII

The United States of America reaffirms its determination to assist the Republic of Kazakhstan in the implementation of the START Treaty and the NPT and in the institution of full-scope International Atomic Energy Agency safeguards for the nuclear facilities and materials in Kazakhstan. The United States of America and the Republic of Kazakhstan will also cooperate with other parties to facilitate implementation of all relevant treaty obligations.

Article VIII

The United States of America and the Republic of Kazakhstan attach great importance to the agreement concerning the destruction of silo launchers of intercontinental ballistic missiles, emergency response, and the prevention of proliferation of nuclear weapons. The United States of America reaffirms its intention to provide financial and technical assistance to the Republic of Kazakhstan in its denuclearization activities. The United States of America and the Republic of Kazakhstan affirm their intention to continue joint cooperation in the areas of environmentally safe and secure dismantlement of nuclear weapons located on the territory of the Republic of Kazakhstan, control over the export of sensitive technologies and materials, defense conversion, and other mutually agreed areas.

Article IX

The United States of America and the Republic of Kazakhstan confirm that Kazakhstan is entitled to fair compensation for the value of highly enriched uranium in nuclear warheads located on its territory, and that they should cooperate together and with other concerned parties to reach this goal.

Article X

The United States of America and the Republic of Kazakhstan intend to strengthen cooperation between their scientific and technological communities. Cooperation will be based on shared responsibilities and equitable contributions and benefits, commensurate with their respective scientific and technological resources.

Article XI

The United States of America and the Republic of Kazakhstan intend to continue cooperation in the amelioration of the acute health and environmental problems of Kazakhstan, particularly in the Aral Sea region, and in the fostering of regional efforts on water management.

The United States of America and the Republic of Kazakhstan are cooperating in a survey of the scope of damage caused by the Soviet nuclear testing program at the former Semipalatinsk nuclear test site.

Article XII

The United States of America and the Republic of Kazakhstan recognize that market forces provide the best means of enabling a country to achieve widespread prosperity. The United States of America recognizes the significant progress made by the Republic of Kazakhstan in its transition to a market economy. The Republic of Kazakhstan commits itself to implementing thorough privatization, market reforms and macroeconomic stabilization. The United States of America affirms its intention to provide financial and other support, both bilaterally and multilaterally, for steps taken by the Republic of Kazakhstan in this direction. The United States of America and the Republic of Kazakhstan note the substantial progress already made on these issues, including conclusion of the Trade Agreement and the Bilateral Investment Treaty, and the Republic of Kazakhstan's participation, with American support, in the Systemic Transformation Facility of the International Monetary Fund.

Article XIII

The Republic of Kazakhstan sets as one of its highest priorities the development of a legal, regulatory and financial climate attractive to private domestic and foreign investment and conducive to open trade relations. The United States of America is prepared to work together with the Republic of Kazakhstan to develop a program of further technical assistance to advance reform. The success of this economic transition requires private-sector investment in the Kazakhstani economy.

The United States of America and the Republic of Kazakhstan believe that American business interest in the Republic of Kazakhstan will substantially grow as economic reforms expand. They intend to encourage economic cooperation and the expansion of commercial contacts with a view to increasing trade and investment. The United States of America and the Republic of Kazakhstan are working together to secure favorable conditions for the long-term development of trade and investment relations between citizens and companies of both countries, taking into account such issues as protection of investments, new technologies, and intellectual property rights.

Article XIV

The United States of America and the Republic of Kazakhstan affirm their intention to cooperate closely to combat international criminal actions, particularly narcotics trafficking, terrorism and acts directed against the safety of civil aviation.

Article XV

The United States of America and the Republic of Kazakhstan intend to encourage the mutual dissemination of information in the spheres of culture, science and education; promote new achievements in these areas; foster cooperation and contacts among cultural institutions, organizations and individuals; and support the further development of friendly relations between the youth of their two countries.

Article XVI

The United States of America and the Republic of Kazakhstan intend to encourage parliamentary visits and promote a broad-based dialogue on the legislative process in a democracy.

Article XVII

The United States of America and the Republic of Kazakhstan will strive to encourage cooperation among the regions, districts, and cities of the Republic of Kazakhstan and the states, counties, and cities of the United States of America.

Done at Washington, D.C., in duplicate, this 14th day of February, 1994, in the English and Kazakh languages, each text being equally authentic. The Republic of Kazakhstan will prepare a text in the Russian language, which will also be considered as having equal authenticity after an exchange of diplomatic notes confirming its conformity with the English-language text.

FOR THE UNITED STATES
OF AMERICA:

FOR THE REPUBLIC
OF KAZAKHSTAN:

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. report	Biography (2 pages)	02/03/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M
kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. report	Biography (1 page)	02/03/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M
kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. report	Biography (1 page)	02/03/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M
kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006. report	Biography [partial] (1 page)	02/03/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M
kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

1.4c, 3.5c

Arkezhan KAZHGELDIN
(Phonetic: KAHZgheldin)

First Deputy Prime Minister
(since December 1993)

Addressed as: Mr. Minister

Arkezhan Kazhgeldin is responsible for foreign economic relations, including investments, loans, and coordination of foreign assistance. He supervises the Ministries of Economy and Finance and other state economic policy structures. President Nursultan Nazarbayev proudly cites Kazhgeldin as the first Kazakhstani businessman to hold a high government position. Kazhgeldin previously served as the head of the Union of Industrialists and Entrepreneurs, while simultaneously operating his own business and working as deputy chief of administration for the Semipalatinsk Oblast (once a closed area that was the main Soviet nuclear test site).

1.4c, 1.4d, 3.5c

KAZAKHSTAN

1.4c, 1.4d

Kazhgeldin, a onetime school teacher, is not a professional economist. However, he once studied business for seven months at Queens College in New York—in classes given in Russian for emigres. He also has taken business courses at the Moscow Institute for International Relations. Kazhgeldin has been general manager of a US-Kazakhstani joint venture, American-Kazakhstan Industries Ltd. (Am-Kaz), and he heads the "Semey" industrial group.

1.4c, 1.4d, 3.5c

Kazhgeldin, an ethnic Kazakh, was born on 27 March 1952. He is married and has children. He recently took his family to the United States for a vacation.

3.5c

LDA M 94-10608
3 February 1994

1.4c, 3.5c

DECLASSIFIED IN PART
PER E.O. 13526

2016-0127-M (1.06)
2/27/2017 KBH

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. report	Biography (1 page)	12/03/1994	PI/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 469

FOLDER TITLE:

9401093

2016-0124-M
kh1789

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

~~SECRET~~

~~SECRET~~

1093

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

February 10, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: R. NICHOLAS BURNS *RF*

FROM: ROSEMARIE FORSYTHE *RF*

SUBJECT: President's Meeting with Kazakhstan President
Nursultan Nazarbayev

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By *KEL* NARA, Date *9/9/2019*
2016-0127-M

We have prepared a briefing package for the President's meeting and lunch with Kazakhstan President Nursultan Nazarbayev on Monday, February 14, from 11:25 a.m. - 2:00 p.m.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Attachments

Tab I Memorandum to the President
Tab A Points to be Made
Tab B List of Participants
Tab C Scenario
Tab D Q's and A's
Tab E Charter on Bilateral Relations
Tab F Biographies

~~SECRET~~

Declassify on: OADR

~~SECRET~~

[Remarks by President William J. Clinton, Meeting with President Nazarbayev,
February 14, 1994, 18 pages]

PRESIDENT WILLIAM J. CLINTON

Meeting With President Nazarbayev

February 14, 1994

2

**Good afternoon. I am delighted to welcome
President Nazarbayev of Kazakhstan to the White
House today. This was our first meeting, and we
had a very productive and wide-ranging discussion.**

3

Over the last year, I asked both Vice President Gore and Secretary of State Christopher to visit Kazakhstan during their trips to the region.

4

Both told me how impressed they were -- not only with the breathtaking vistas near Almaty, but also with the great progress Kazakhstan has achieved under the leadership of President Nazarbayev.

While there are many aspects to the widening relationship between our two nations, one of the most important is our work in nuclear nonproliferation. When the Soviet Union dissolved in 1991, four of the new independent states --

Russia, Ukraine, Belarus and Kazakhstan -- were left with Soviet strategic nuclear weapons on their territory.

One of my highest national security priorities has been to ensure that the breakup of the former Soviet Union did not lead to the creation of new nuclear states. Such a development would increase the risk of nuclear accidents, diversion or terrorism.

That is why when I was in Minsk last month, I praised Belarus for working to eliminate its nuclear weapons. And that is why last month's historic agreement to destroy over 1,800 nuclear weapons in Ukraine is so important.

In the two years since Kazakhstan gained its independence, it has shown the leadership to meet its international arms control obligations and to address this most dangerous legacy of the Cold War. In May 1992, Kazakhstan signed a protocol in Lisbon making it a party to the START Treaty.

In July 1992, Kazakhstan ratified that accord. And last December, Vice President Gore had the privilege of being in Almaty when Kazakhstan's Parliament voted to accede to the Nuclear Non-Proliferation Treaty as a non-nuclear state.

11

Today, I was honored when President Nazarbayev presented me with his government's instrument of accession to the NPT. This historic step sets an example for the world at a pivotal time for international nonproliferation efforts.

12

It will affect over 1,000 warheads from SS-18 missiles, the most deadly in the Cold War arsenal of the former Soviet Union.

This step will also allow Kazakhstan and the U.S. to develop a full and mutually beneficial partnership.

13

To strengthen that partnership and to support Kazakhstan's economic reforms, I am announcing today a substantial increase in U.S. assistance to Kazakhstan, from \$91 million last year to over \$311 million this year.

14

In addition, we are prepared to extend another \$85 million in funds for the safe and secure dismantlement of nuclear weapons in 1994-1995.

President Nazarbayev and I also agreed today to continue our efforts to encourage and facilitate private trade and investment between our two nations.

We also signed a Charter on Democratic Partnership, which states our common commitment to democratic values, including the rule of law and respect for individual rights. These values are a source of strength in both our multiethnic societies.

The U.S. and Kazakhstan will also sign agreements today on scientific cooperation, space, defense conversion, investment protection and other areas.

These are the building blocks of a strong and enduring relationship.

President Nazarbayev's visit here opens a bright new era for that relationship, and the United States looks forward to being Kazakhstan's friend and partner in the months and years ahead. President Nazarbayev has shown great courage, vision, and leadership and we want to work closely with him. Thank you.

~~SECRET~~

2

SECRET

You will have three main aims in your first meeting with Nazarbayev: first, gain his trust and develop a close relationship with him; second, emphasize our wish for a full partnership with Kazakhstan including closer defense, economic, commercial and political ties and; third, discuss Nazarbayev's concerns about Russia and the rest of the region.

Nazarbayev has three major concerns he will raise with you: first, he will describe his view of Russia's regional role and solicit your help to resolve problems in the Russian-Kazakhstan relationship; second, he will push for greater U.S. support for Kazakhstan's economic reforms; and third, he will request your support for his initiative for an Asian Conference on Security and Cooperation.

Nazarbayev is one of the region's most capable leaders. He has proven himself a savvy political player who has been able to implement both political and economic reform more effectively than either Yeltsin or Kravchuk. Nazarbayev is also an influential regional leader worth cultivating as an important ally. Establishing close, personal relations is important to Nazarbayev, who greatly values his contacts with world leaders. He tried hard to achieve this with the Vice President in December and comes to Washington with the same goal for his relationship with you.

You will be signing a Charter on Bilateral Relations (Tab E) which outlines the nature and goals of our emerging partnership. You will be able to demonstrate our promise for a full partnership by announcing that U.S. assistance designed to further political, economic, and security relations with Kazakhstan will more than triple this year to a total of over \$311 million. ✓

You can point to four main areas to build the partnership: defense cooperation, economic assistance, commercial ties and support for political reform.

First, on security cooperation, you will want to thank Nazarbayev for Kazakhstan's accession to NPT, engage him on bringing START into force and encourage him to take the next step in the process of joining the Partnership for Peace. You also will want to announce that we have designated \$85 million in FY 94 and FY 95 for the safe and secure dismantlement of silos for strategic nuclear weapons, defense conversion, and non-proliferation support. During your signing ceremony and press conference, Nazarbayev's presentation to you of Kazakhstan's instruments of accession to the NPT will mark a major success in your denuclearization policy.

We will also sign during the visit agreements to advance defense cooperation and defense conversion. In addition, we have been working with the Kazakhstanis to help them cope

SECRET

~~SECRET~~

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.08)
KBH 9/9/2019

TO: PRESIDENT

FROM: CHRISTOPHER, W

DOC DATE: 10 FEB 94
SOURCE REF: 9403004

KEYWORDS: KAZAKHSTAN

AP

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: PRES MTG W/ KAZAKHSTANI PRES NURSULTAN NAZARBAYEV

ACTION: ORIGINALS RETURNED TO NSC/RMO DUE DATE: 14 FEB 94 STATUS: C

STAFF OFFICER: FORSYTHE LOGREF: 9400890

FILES: PA NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSJEB CLOSED BY: NSJDA DOC 3 OF 3

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 LAKE	Z	94021114 FWD TO PRESIDENT FOR INFORMATION
002 PRESIDENT	Z	94021214 FOR INFORMATION
002	X	94021515 NOTED BY PRESIDENT
003 FORSYTHE	Z	94021408 ADD-ON / APPROPRIATE ACTION
003	Z	94021715 NFAR PER FORSYTHE
003	X	95082314 ORIGINALS RETURNED TO NSC/RMO

DISPATCH DATA SUMMARY REPORT

DOC DATE

DISPATCH FOR ACTION

DISPATCH FOR INFO

002	940212		VICE PRESIDENT
002	940212		WH CHIEF OF STAFF
002	940212		STEPHANOPOULOS, G

THE SECRETARY OF STATE
WASHINGTON

February 10, 1994

Return 8/2/95
to
Secretary
Close out

~~CONFIDENTIAL~~
DECL:OADR

MEMORANDUM FOR: THE PRESIDENT
FROM: Warren Christopher *WC*
SUBJECT: Meeting with Kazakhstani President
Nursultan Nazarbayev

I. SETTING

This is Kazakhstani President Nazarbayev's moment. When he arrives in Washington on his first official visit here since May 1992, he will be completing a two-year political journey. During this time, he led his country through independence, maintained basic domestic stability, attracted substantial foreign investment, adopted a new constitution, and fulfilled Kazakhstan's arms control obligations under the Lisbon Protocol. He also decided to make a clear tilt toward the United States in Kazakhstan's foreign relations. Nazarbayev will now look to us to show -- both personally and officially -- that we appreciate his statesmanship, and are ready and willing to forge a partnership with Kazakhstan.

We have a very full agenda of agreements to sign and issues to discuss -- a reflection of the increasingly close, broad ties that are developing between our two countries. The most historic event of this visit will be Nazarbayev's promised presentation to you of his government's instrument of accession to the Nuclear Non-Proliferation Treaty. With that act, Kazakhstan will have met its Lisbon Protocol commitments, since it ratified the START Treaty without conditions in July 1992.

In addition, you will sign with Nazarbayev a Charter on Democratic Partnership, a non-binding political statement of principles and goals in developing our bilateral ties. Nazarbayev, in agreeing to give up his country's nuclear weapons, explicitly counts on partnership with the United States to help Kazakhstan meet the many challenges ahead. This is a good deal for us. Due to its enormous economic potential, strategic location and demonstrated pragmatism, Kazakhstan will be a valuable partner for the long term, even after denuclearization. In recognition of Kazakhstan's importance and current progress, we will increase significantly our assistance program in fiscal year 1994 to approximately \$225 million.

~~CONFIDENTIAL~~

DECLASSIFIED
PER E.O. 13526

2016-0124-01 (1.09)
KBH 9/9/2019

Nazarbayev's most pressing domestic political issue is also his most serious foreign policy issue -- Russia. Ethnic Russians make up two-fifths of the Kazakhstani population. Russia's recent elections and statements by Foreign Minister Kozyrev about the treatment of ethnic Russians abroad have unsettled Kazakhstan's leaders. Kazakhstan and Russia also disagree on such difficult problems as the transit of Kazakhstani/American oil across Russian territory, and the disposition of Soviet strategic assets on Kazakhstani soil, including compensation for the uranium extracted from nuclear warheads transferred to Russia for dismantling. The important U.S. interests at stake in Kazakhstan justify an increasing American role in helping our partners in Moscow and Almaty to resolve these problems amicably. Moreover, selective U.S. diplomatic engagement in supporting mutually satisfactory resolution of such problems promotes regional stability. Nazarbayev strongly favors American involvement.

Because Nazarbayev places such stock in good relations with the United States, we have had significant leverage in pressing Kazakhstan to remain on the path of political and economic reform. Nazarbayev has allowed significant personal freedoms to develop, but he could do still more to move toward representative government. Kazakhstan will hold its first parliamentary elections since independence on March 7. You should use your meetings to emphasize that successful reform is the best guarantee of stability and economic prosperity. You should highlight USG interest in ensuring that the parliamentary elections are conducted in a free and fair manner.

American and other foreign firms are seeking out commercial opportunities in Kazakhstan. Chevron, Mobil, Philip Morris, Dresser and others are making substantial investments there, and sixty American companies have opened offices in Almaty. Kazakhstan has perhaps the most welcoming business climate among the New Independent States, and will likely attract even more investment as it launches a major privatization effort. Kazakhstan has enormous potential, and we are doing our part to assist American business by fostering a sound legal, political and commercial environment there.

II. TOPICS

- o Express appreciation for Kazakhstan's NPT accession.
- o Underscore U.S. interest in Kazakhstan's security.
 - Raise Kazakhstani-Russian relations, noting our desire for early agreement on issues of direct interest to us.
- o Encourage continued political and economic reform, and emphasize role of U.S. assistance.
- o Note broadening bilateral relationship, especially in economic/commercial field.

KAZAKHSTAN: SECRETARY/PRESIDENT MEMORANDUM

Drafted:EUR/ISCA:JPhyland *g*

SESOVCA 3192 7-6859 1/27/94

Cleared: S/NIS:SPifer
S/NIS:JSteiner
EUR/ISCA:LNapper
EUR/ISCA:RHarnish
P:DRussell
T:JTimbie
E:BLowry
S/NIS-C:HConley
C:JFarrar
S/P:SHeslin
EUR/RPM:DCagan
PM/STP:PDolliff
PM/PNP:EGroening
EB/IEP:EAJones



MR MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Original OA/ID Number: 1646				
Document ID: 9707073				
Row: 45	Section: 3	Shelf: 9	Position: 2	Stack: v

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. talking points	Points to be Made for Meeting with Kazakhstani President Nazarbayev (5 pages)	11/18/1997	P1/b(1) KBH 2/5/2020
002. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997 (5 pages)	11/17/1997	P1/b(1) , P3/b(3) KBH 2/5/2020
003. talking points	Points to be Made for Meeting with Kazakhstani President Nazarbayev [duplicate of 001] (3 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
004. memo	Acting Secretary of State Strobe Talbott to President William J. Clinton re: Meeting with President Nursultan Nazarbayev of Kazakhstan (2 pages)	11/14/1997	P1/b(1) KBH 2/5/2020
005. paper	U.S.-Kazakhstan Bilateral Relations (1 page)	11/00/1997	P1/b(1)
006. paper	Caspian Energy Issues (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
007. paper	Kazakhstan: Nonproliferation Issues (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
008. paper	Kazakhstan: Status of Political and Economic Reform (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
009. paper	Kazakhstan: Relations with Neighbors (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
010. report	U.S. Government Report (2 pages)	11/07/1997	P1/b(1)
011. report	U.S. Government Report [incomplete duplicate of 010] (1 page)	11/07/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
012. letter	Kazakhstani President Nursultan Nazarbayev to President William J. Clinton (3 pages)	09/18/1997	P1/b(1) KBH 2/5/2020
013. memo	Michael Matera to Samuel Berger re: Memorandum to the President for Meeting with Kazakhstani President Nazarbayev [partial] (1 page)	11/17/1997	P3/b(3)
014. memo	Acting Secretary of State Strobe Talbott to President William J. Clinton re: Meeting with President Nursultan Nazarbayev of Kazakhstan [duplicate of 004] (2 pages)	11/14/1997	P1/b(1) KBH 2/5/2020
015. memo	Michael Matera to Samuel Berger re: Memorandum to the President for Meeting with Kazakhstani President Nazarbayev [partial] (1 page)	11/14/1997	P3/b(3)
016. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; draft (4 pages)	11/00/1997	P1/b(1)
017. talking points	Points to be Made for Meeting with Kazakhstani President Nazarbayev; draft (3 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
018. talking points	Points to be Made for Meeting with Kazakhstani President Nazarbayev; incomplete draft (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
019. talking points	Points to be Made for Meeting with Kazakhstani President Nazarbayev; incomplete draft [duplicate of 018] (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
020. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; incomplete draft (3 pages)	11/00/1997	P1/b(1) , P3/b(3) KBH 2/5/2020
021. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; draft (4 pages)	11/00/1997	P1/b(1) , P3/b(3) KBH 2/5/2020

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
 PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
 RR. Document will be reviewed upon request.

TO: PRESIDENT

FROM: BERGER

DOC DATE: 17 NOV 97
SOURCE REF:

KEYWORDS: KAZAKHSTAN
CM
ENERGY

VISIT
IRAN
OIL

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: MTG W/ KAZAKHSTANI PRES NAZARBAYEV

ACTION: ORIGINAL MTG CARDS RETURNED DUE DATE: 23 OCT 97 STATUS: C

STAFF OFFICER: MATERA

LOGREF:

FILES: PA

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

~~MATERA~~

~~NSC CYRON~~

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSTSM

CLOSED BY: NSGP

DOC 4 OF 4

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 BERGER
001 MATERA
002 MATERA
002
003 BERGER
004 PRESIDENT
004
004

Z 97111420 FWD TO PRESIDENT FOR INFORMATION
X 97111713 FOR REDO
Z 97111707 ADD-ON / APPROPRIATE ACTION
Z 97111707 INCORPORATED IN BRIEFING MEMO
Z 97111715 FWD TO PRESIDENT FOR INFORMATION
Z 97111723 FOR INFORMATION
X 97112111 NOTED BY STEINBERG
X 97112512 ORIGINAL MTG CARDS RETURNED

~~SECRET~~

THE PRESIDENT HAS SEEN
(1-18-97) Card 1 of 9

POINTS TO BE MADE FOR MEETING WITH
KAZAKHSTANI PRESIDENT NAZARBAYEV

BILATERAL RELATIONSHIP

- WELCOME AGAIN TO WHITE HOUSE. HILLARY HAD A WONDERFUL VISIT TO ALMATY AND WAS TOUCHED AT WARM WELCOME BY YOU AND SARA.
- VERY PLEASED WITH PROGRESS MADE BY JOINT COMMISSION IN STRENGTHENING ALREADY CLOSE BILATERAL RELATIONSHIP. WELCOME "ACTION PROGRAM FOR ECONOMIC PARTNERSHIP" BEING SIGNED TODAY BY YOU AND AL GORE AS WELL AS OTHER DEFENSE AND ENERGY AGREEMENTS SIGNED DURING YOUR VISIT.

~~SECRET~~

Reason: 1.5 (b,d)
Declassify On:

DECLASSIFIED
PER E.O. 13526
2014-0124-M (1.10)
KBH 9/9/2019

~~SECRET~~

Card 2 of 9

- OUR PARTNERSHIP WITH KAZAKHSTAN IS VERY IMPORTANT. STRONGLY SUPPORT YOUR INDEPENDENCE AND PROSPERITY WHICH ARE CRITICAL TO ENSURING STABILITY IN CENTRAL ASIA.
- U.S. COMPANIES HELPING TO CONSOLIDATE STRONG TIES WITH KAZAKHSTAN. VERY PLEASED WITH MOBIL AND TEXACO ENERGY CONTRACTS SIGNED TODAY.

KAZAKHSTAN'S STRATEGIC CHOICE

- YOUR LETTER OF SEPTEMBER 18 LAID OUT CLEAR VISION OF WHERE YOU HOPE TO TAKE KAZAKHSTAN IN COMING DECADES. WANT TO WORK CLOSELY WITH YOU IN THIS PROCESS.

~~SECRET~~

~~SECRET~~

Card 3 of 9

- CLOSE RELATIONS WITH RUSSIA, CHINA AND THE U.S. WILL SERVE YOU WELL. CLOSE TIES TO IRAN POSE DANGER FOR YOU AND REGION IN TERMS OF BOTH TERRORIST THREAT AND ISLAMIC EXTREMISM.

CASPIAN BASIN/IRAN

- UNDERSTAND YOUR INTEREST IN ENDING RUSSIA'S MONOPOLY OVER KAZAKHSTAN'S OIL EXPORTS.

STRONGLY SUPPORT RAPID DEVELOPMENT OF THE EURASIAN TRANSPORT CORRIDOR AND MULTIPLE EAST-WEST PIPELINES, INCLUDING THROUGH THE CAUCASUS, CHINA AND RUSSIA. STRONGLY OPPOSE PIPELINES THROUGH IRAN. WILL WORK WITH YOU ON ALTERNATIVES.

Handwritten notes:
 (1) STURP...
 (2) European
 Caucasus, Ch, Russ
 (3) Transcaspian
 Iran, Turkey

Handwritten notes:
 Am-p...
 early - ...
 Dem...
 CS-

Signature: Jackson...

~~SECRET~~

~~SECRET~~

Card 4 of 9

- WANT TO WORK CLOSELY WITH KAZAKHSTAN AND TURKMENISTAN TO MAKE TRANS-CASPIAN PIPELINES TO AZERBAIJAN A REALITY. YOUR ACTIVE SUPPORT OF THESE LINES WOULD GIVE THESE PLANS GREAT IMPETUS.
- ARE ACTIVELY WORKING WITH TURKEY, AZERBAIJAN AND GEORGIA TO HELP MAKE PIPELINE FROM BAKU TO CEYHAN, TURKEY A REALITY. WANT YOUR FULL PARTICIPATION IN THIS PROJECT.
- KAZAKHSTAN'S ENERGY DEVELOPMENT SHOULD NOT BE ADVANCED THROUGH COOPERATION WITH IRAN. WOULD BE DESTABILIZING TO YOU AND REGION.

~~SECRET~~

PHOTOCOPY
WJC HANDWRITING

~~SECRET~~

Card 5 of 9

PHOTOCOPY
WJC HANDWRITING

- WILL CONTINUE TO BACK FIRMLY KAZAKHSTAN'S POSITION ON RESOLVING CASPIAN'S LEGAL STATUS. WILL FACILITATE ENERGY DEVELOPMENT.
- SECRETARY PENA HAS BRIEFED YOU ON DISCUSSIONS WITH PRESIDENTS ALIYEV AND NIYAZOV ON DEMARCATION DISPUTE. HOPE YOU TOO CAN HELP. DISPUTE PLAYS INTO HANDS OF IRAN.

NON-PROLIFERATION AND DEFENSE COOPERATION

- WELCOME LONG-STANDING COOPERATION ON NON-PROLIFERATION. AGREEMENT ON REMOVAL AND SECURING OF SPENT-FUEL FROM AKTAU REACTOR AND PROGRESS TOWARD AGREEMENT FOR PEACEFUL NUCLEAR COOPERATION ARE MAJOR STEPS FORWARD. SIGNAL ACHIEVEMENTS.

~~SECRET~~

~~SECRET~~

Card 6 of 9

- APPRECIATED YOUR ASSURANCE THAT KAZAKHSTAN WILL NOT ALLOW ARMS TRANSFERS TO ROGUE STATES. NEED AND EXPECT YOUR HELP.
- PLEASSED WITH AGREEMENT TO HOLD EXPERT-LEVEL DIALOGUE ON NON-PROLIFERATION ISSUES.
- CENTRASBAT-97 PEACEKEEPING EXERCISE WAS GREAT SUCCESS. HOPE FOR EVEN CLOSER DEFENSE COOPERATION. WANT YOUR ACTIVE PARTICIPATION IN NATO'S PFP AND EURO-ATLANTIC PARTNERSHIP COUNCIL.

ECONOMIC REFORM AND BUSINESS ENVIRONMENT

- CONGRATULATIONS ON SUCCESSFUL ECONOMIC REFORM - LOW INFLATION, REAL GDP GROWTH AND IMPRESSIVE FOREIGN INVESTMENT.

~~SECRET~~

CLINTON LIBRARY PHOTOCOPY

~~SECRET~~

Card 7 of 9

- ENCOURAGE YOU, YOUR NEW PRIME MINISTER TO STAY ON STEADY COURSE. WANT TO ASSIST YOUR EFFORTS AT TACKLING CORRUPTION, SPEEDING PRIVATIZATION AND INCREASING TRANSPARENCY.
- ALSO STRONGLY SUPPORT YOUR EFFORTS TO JOIN WTO.

DEMOCRATIC REFORM AND HUMAN RIGHTS

- DEMOCRATIC REFORMS WILL FURTHER STRENGTHEN STABILITY AND WILL FURTHER STRENGTHEN THE TIES BETWEEN OUR TWO COUNTRIES.
- U.S. COMMITTED TO WORKING WITH YOU TO STRENGTHEN YOUR DEMOCRATIC INSTITUTIONS, TO ENSURE FREE/FAIR PARLIAMENTARY ELECTIONS IN 1999 AND PRESIDENTIAL ELECTIONS IN 2000.

~~SECRET~~

~~SECRET~~

Card 8 of 9

REGIONAL ISSUES

- RUSSIA APPEARS TO BE TAKING NEW APPROACHES TO RESOLUTION OF SOME ISSUES IN NIS. HAVE HAD VERY GOOD COOPERATION ON NAGORNO-KARABAKH.
- INTERESTED IN YOUR ASSESSMENT OF CIS DEVELOPMENTS. PROSPECTS FOR FUTURE?
- HAD GOOD MEETINGS WITH PRESIDENT JIANG. CHINA IS PLAYING MORE RESPONSIBLE ROLE, ESPECIALLY ON RELATIONS WITH IRAN.

~~SECRET~~

~~SECRET~~

Card 9 of 9

JACKSON-VANIK (IF RAISED)

- UNDERSTAND IMPORTANCE OF ISSUE. ARE CLOSE TO FINALIZING ACTION CERTIFYING KAZAKHSTAN'S FULL COMPLIANCE WITH JACKSON-VANIK REQUIREMENTS.

~~SECRET~~

TO: PRESIDENT

FROM: BERGER

DOC DATE: 17 NOV 97
SOURCE REF:

KEYWORDS: KAZAKHSTAN
CM
ENERGY

VISIT
IRAN
OIL

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: MTG W/ KAZAKHSTANI PRES NAZARBAYEV

ACTION: NOTED BY PRESIDENT

DUE DATE: 23 OCT 97 STATUS: C

STAFF OFFICER: MATERA

LOGREF:

FILES: PA

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

MATERA
NSC CHRON

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSTSM CLOSED BY: NSGP DOC 4 OF 4

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 BERGER
001 MATERA
002 MATERA
002
003 BERGER
004 PRESIDENT
004

Z 97111420 FWD TO PRESIDENT FOR INFORMATION
X 97111713 FOR REDO
Z 97111707 ADD-ON / APPROPRIATE ACTION
Z 97111707 INCORPORATED IN BRIEFING MEMO
Z 97111715 FWD TO PRESIDENT FOR INFORMATION
Z 97111723 FOR INFORMATION
X 97112111 NOTED BY PRES

National Security Council
The White House

11/17
4pm
7500

PROOFED BY: _____ LOG # 7073
 URGENT NOT PROOFED: _____ SYSTEM (PBS) NSC INT ARS
 BYPASSED WW DESK: _____ DOCLOG (12) A/O _____

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
 Cosgriff	_____	_____	_____
Rice	<u>1</u>	<u>(D) 11/17</u>	_____
Davies	_____	_____	_____
Kerrick	_____	_____	_____
Steinberg	<u>2</u>	Deputy Natl Sec Advisor has seen	_____
Berger	<u>3</u>	<u>(A)</u>	_____
Situation Room	_____	_____	_____
West Wing Desk	<u>4</u>	<u>(D) 11/17</u>	<u>(D) STAFF</u>
Records Mgt.	<u>5</u>	_____	<u>2</u>
_____	_____	_____	_____

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS:

97 NOV 17 PM 3:00

Exec Sec Office has diskette Yes

National Security Council
The White House

11/15/97
@ 2:10 PM

7073

PROOFED BY: _____ LOG # _____
 URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT ARS
 BYPASSED WW DESK: _____ DOCLOG 2 A/O _____

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
Cosgriff	<u>1</u>	<u>KJR 11/14</u>	<u>updates</u>
Rice			
Davies	<u>2</u>	<u>g 11/15</u>	
Kerrick			
Steinberg	<u>3</u>		<u>redo ASAP</u>
Berger	<u>4</u>		
Situation Room			
West Wing Desk	<u>5</u>	<u>TMA 11-17</u>	<u>D</u>
Records Mgt.			
<u>Matera</u>	<u>6</u>		<u>A</u>

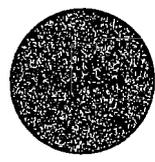
A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS: TURN AROUND QUICKLY
PLS - meeting tomorrow

97 NOV 14 PM 8:35

Exec Sec Office has diskette yes _____



National Security Council
The White House

11/17
4pm
7073

PROOFED BY: _____ LOG # 7073

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT ARS

BYPASSED WW DESK: _____ DOCLOG (T2) A/O _____

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
 Cosgriff	_____	_____	_____
Rice	<u>1</u>	<u>(B) 11/17</u>	_____
Davies	_____	_____	_____
Kerrick	_____	_____	_____
Steinberg	<u>2</u>	Deputy Natl Sec Advisor has seen	_____
Berger	<u>3</u>	<u>(B)</u>	_____
Situation Room	_____	_____	_____
West Wing Desk	<u>4</u>	<u>(B) 11/17</u>	<u>(S) JSTP</u>
Records Mgt.	<u>5</u>	_____	_____
_____	_____	_____	_____

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS:

97 NOV 17 PM 3:00

Exec Sec Office has diskette Yes

National Security Council
The White House

11/15/97
@ 2:10 PM

7073

PROOFED BY: _____ LOG # _____

URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT ARS

BYPASSED WW DESK: _____ DOCLOG AO

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
Cosgriff	<u>1</u>	<u>KRC 11/14</u>	<u>updates</u>
Rice			
Davies	<u>2</u>	<u>CG 11/15</u>	
Kerrick			
Steinberg	<u>3</u>		<u>redo ASAP</u>
Berger	<u>4</u>		
Situation Room			
West Wing Desk	<u>5</u>	<u>TMA 11-17</u>	<u>D</u>
Records Mgt.			
<u>Matera</u>	<u>6</u>		<u>A</u>

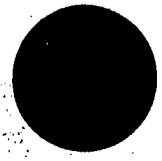
A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS: TURN AROUND QUICKLY
PLS - meeting tomorrow

'97 NOV 14 PM 8:35

Exec Sec Office has diskette yes



~~SECRET~~

~~SECRET~~

THE PRESIDENT HAS SEEN
11-18-97 7073

THE WHITE HOUSE
WASHINGTON

'97 NOV 17 PM 10:33

DECLASSIFIED
PER E.O. 13526

November 17, 1997

2014-0124-M (1.11)
KBH 9/9/2019

MEETING WITH
KAZAKHSTANI PRESIDENT NURSULTAN NAZARBAYEV

DATE: November 18, 1997

LOCATION: Oval Office

TIME: 5:15-5:45 p.m.

FROM: SAMUEL BERGER 

I. PURPOSE

You have four goals for your discussion with Nazarbayev: (1) underline U.S. commitment to a strong bilateral relationship; (2) urge close cooperation on energy development while denying benefits (such as pipelines) to Iran; (3) encourage continued cooperation on defense and non-proliferation issues; (4) urge further progress on economic and political reform.

II. BACKGROUND

Setting. Over the past year, we have significantly expanded our engagement with the Caucasus and Central Asian states through instruments such as the U.S.-Kazakhstan Joint Commission, which the Vice President and Nazarbayev will chair on November 17-18. Kazakhstan, given its size and energy resources, is key to the success of our strategy of promoting stable and independent states in the region and of ensuring Caspian energy development that excludes Iran.

Nazarbayev sees his close ties to the United States as a critical counterbalance to his relations with Russia. He places great significance in his meeting with you (his first since 1994). However, Nazarbayev remains nervous that the world takes Kazakhstan less seriously, and that the United States may take his country for granted, now that it has given up its nuclear weapons.

Bilateral Relationship. The bilateral relationship is very healthy, with extensive cooperation in the defense, economic and political fields. Nazarbayev has stressed

~~SECRET~~

Reason: 1.5 (b), (d)
Declassify On: 11/12/07

~~SECRET~~

that Kazakhstan lives in a "tough neighborhood" and wants to see the United States as its strategic partner as it moves into the next century. He sees increased U.S. investment as a "guarantee" of U.S. commitment. His eagerness gives us leverage in pushing him to maintain a clean record on non-proliferation, stay on course on domestic reform and avoid energy cooperation with Iran.

Caspian Energy and Iran. Kazakhstan boasts world-class energy resources, though not the second largest oil reserves after Saudi Arabia that Nazarbayev claims. (Most of its "reserves" are still potential and unproven.) Almost half of foreign investment in Kazakhstan is American, and new oil contracts with Mobil and Texaco, to be signed during Nazarbayev's visit (in the presence of the Vice President), reflect growing U.S. commitment. However, export options for these resources are limited and have constrained the country's economic development.

This past summer, Nazarbayev signed two large energy deals with China based in part on vague Chinese commitments to build pipelines east to China and south to Iran. We support the route to China. However, you should make clear our strong opposition to any deals with Iran and the deleterious effects of any such move on the bilateral relationship. You should stress our readiness to work jointly on alternatives, including trans-Caspian lines connecting to a proposed line from Baku to Ceyhan, Turkey.

Nazarbayev says he is willing to participate in an east-west transport corridor, including a trans-Caspian pipeline, but argues that the United States must do more to make such a route politically and financially feasible. Equally, he has indicated that he sees energy cooperation with Iran as inevitable and in his country's interest. According to recent intelligence reports, Nazarbayev will meet with the Turkmenistani and Iranian Presidents in Tehran in early December to discuss a possible pipeline from Central Asia through Iran.

If we are to maintain an east-west axis for Caspian energy transport, Nazarbayev must be brought fully on board our policy that Iran should not be an integral part of Caspian development before it renounces its support for terrorism and WMD. The decision by Total, Gazprom and Malaysia's Petronas to invest in Iran's South Pars project only underlines the need for enlisting Nazarbayev's support.

We face a choice of imposing sanctions against friends and allies under the Iran/Libya Sanctions Act (ILSA) or waiving sanctions and sending a green light to all oil companies (other than U.S.) that triggers an avalanche of oil investment in Iran. A trans-Caucasus pipeline, with Nazarbayev's support, offers a long-term economic alternative to Iran for Caspian oil.

Defense. Defense cooperation is already extensive and growing. The September NATO peacekeeping exercise CENTRASBAT-97 in Kazakhstan, with the participation of Uzbekistan and Kyrgyzstan, was a great success and included Russian, Turkish and other NIS troops. Kazakhstan is also actively engaged in NATO's PFP and the Euro-Atlantic Partnership Council.

Non-proliferation. Non-proliferation cooperation has been excellent, with almost \$200 million committed since 1992 for U.S. assistance to Kazakhstan in dismantling nuclear weapons and in enhancing non-proliferation capabilities. We remain concerned over possible arms transfers to rogue states. The prospect of hefty personal profits tempted some senior Kazakhstani officials to try to arrange arms deals earlier this year. Timely intercession, including by the Vice President, elicited strong assurances by Nazarbayev that no such transfers would take place.

You should underline the importance of maintaining a perfectly clean record. While Kazakhstan has a huge cache of Soviet-era weapons it would like to sell, it must recognize that, in aspiring to be a regional leader on non-proliferation, it must make the hard choices consistent with leadership. We have just begun a regular experts' dialogue to ensure continued cooperation.

Reform. Nazarbayev's earlier commitments to genuine political reform have weakened as he has consolidated power in his own hands in recent years. Parliament remains weak and ineffectual. The judiciary is corrupt and beholden to Nazarbayev. What little opposition that exists is divided and harassed by the government. While Nazarbayev has pursued economic reform more deliberately, his replacement last month of his pro-reform prime minister with a loyalist of questionable credentials has undermined Western confidence in continued reform. You should press him for renewed public commitment to reform, including assurances

of free and fair parliamentary elections in 1999 and presidential elections in 2000.

Regional Issues. At the October 23 CIS summit, Nazarbayev was given a leading role in redefining the direction of the CIS. His vision is of a CIS-wide free trade zone which he has committed to define further before the next CIS summit on January 23. You should draw him out on prospects for the CIS.

Visit Highlights. Nazarbayev is in Washington to participate in the fourth annual meetings of the U.S.-Kazakhstan Joint Commission. He will already have held bilateral discussions with the Vice President, Secretary Cohen, Secretary Pena, DCI Tenet, Acting Secretary Talbott and USTR Barshefsky.

Nazarbayev will sign with the Vice President an "Action Program for Economic Partnership", in addition to a Final Report of the Joint Commission. A Presidential Joint Statement on the bilateral relationship is being issued following your meeting (See Tab F). A number of other agreements, related to defense cooperation and non-proliferation are also being signed during the visit, including agreements on Peaceful Uses of Nuclear Energy and one that provides for packaging, stabilizing and moving 300 tons of nuclear spent fuel from the Aktau reactor to a secure IAEA-supervised location.

III. PARTICIPANTS

The President	President Nazarbayev
The Vice President	Foreign Minister Tokayev
Acting Secretary Talbott	Ambassador Nurgaliyev
Erskine Bowles	Defense Minister Altynbayev
Samuel Berger	Presidential Chief of Staff
Ambassador Jones	Abykayev
Leon Fuerth	(interpreter)
Stephen Sestanovich	
Jim Steinberg	
Michael Matera	
Peter Afanasenko (interpreter)	

IV. PRESS PLAN

Stills and official photos at the beginning of meeting.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997 [partial] (1 page)	11/17/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Attachments

- Tab A Points to be Made
- Tab B State (Talbot) Memo on Meeting
- Tab C Background Papers
- Tab D (b)(3)
- Tab E Nazarbayev's September 18 Letter
- Tab F Presidential Joint Statement

[002]

POINTS TO BE MADE FOR MEETING WITH
KAZAKHSTANI PRESIDENT NAZARBAYEV

DECLASSIFIED
PER E.O. 13526
2014-0124-M (1.12)
KSH 7/9/2019

Bilateral Relationship

- Welcome again to White House. Hillary had a wonderful visit to Almaty and was touched at warm welcome by you and Sara.
- Very pleased with progress made by Joint Commission in strengthening already close bilateral relationship. Welcome "Action Program for Economic Partnership" being signed today by you and Al Gore as well as other defense and energy agreements signed during your visit.
- Our partnership with Kazakhstan is very important. Strongly support your independence and prosperity which are critical to ensuring stability in Central Asia.
- U.S. companies helping to consolidate strong ties with Kazakhstan. Very pleased with Mobil and Texaco energy contracts signed today.

Kazakhstan's Strategic Choice

- Your letter of September 18 laid out clear vision of where you hope to take Kazakhstan in coming decades. Want to work closely with you in this process.
- Close relations with Russia, China and the U.S. will serve you well. Close ties to Iran pose danger for you and region in terms of both terrorist threat and Islamic extremism.

Caspian Basin/Iran

- Understand your interest in ending Russia's monopoly over Kazakhstan's oil exports.
- Strongly support rapid development of the Eurasian transport corridor and multiple east-west pipelines, including through the Caucasus, China and Russia. Strongly oppose pipelines through Iran. Will work with you on alternatives.
- Want to work closely with Kazakhstan and Turkmenistan to make trans-Caspian pipelines to Azerbaijan a reality. Your active support of these lines would give these plans great impetus.
- Are actively working with Turkey, Azerbaijan and Georgia to help make pipeline from Baku to Ceyhan, Turkey a reality. Want your full participation in this project.

~~SECRET~~

Reason: 1.5 (b), (d)
Declassify On: 11/12/07

~~SECRET~~

- Kazakhstan's energy development should not be advanced through cooperation with Iran. Would be destabilizing to you and region.
- Will continue to back firmly Kazakhstan's position on resolving Caspian's legal status. Will facilitate energy development.
- Secretary Pena has briefed you on discussions with Presidents Aliyev and Niyazov on demarcation dispute. Hope you too can help. Dispute plays into hands of Iran.

Non-proliferation and Defense Cooperation

- Welcome long-standing cooperation on non-proliferation. Agreement on removal and securing of spent-fuel from Aktau reactor and progress toward Agreement for Peaceful Nuclear Cooperation are major steps forward. Signal achievements.
- Appreciated your assurance that Kazakhstan will not allow arms transfers to rogue states. Need and expect your help.
- Pleased with agreement to hold expert-level dialogue on non-proliferation issues.
- CENTRASBAT-97 peacekeeping exercise was great success. Hope for even closer defense cooperation. Want your active participation in NATO's PFP and Euro-Atlantic Partnership Council.

Economic Reform and Business Environment

- Congratulations on successful economic reform - low inflation, real GDP growth and impressive foreign investment.
- Encourage you, your new prime minister to stay on steady course. Want to assist your efforts at tackling corruption, speeding privatization and increasing transparency.
- Also strongly support your efforts to join WTO.

Democratic Reform and Human Rights

- Democratic reforms will further strengthen stability and will further strengthen the ties between our two countries.
- U.S. committed to working with you to strengthen your democratic institutions, to ensure free/fair parliamentary elections in 1999 and presidential elections in 2000.

~~SECRET~~
3

~~SECRET~~

Regional Issues

- Russia appears to be taking new approaches to resolution of some issues in NIS. Have had very good cooperation on Nagorno-Karabakh.
- Interested in your assessment of CIS developments. Prospects for future?
- Had good meetings with President Jiang. China is playing more responsible role, especially on relations with Iran.

Jackson-Vanik (if raised)

- Understand importance of issue. Are close to finalizing action certifying Kazakhstan's full compliance with Jackson-Vanik requirements.

~~SECRET~~

~~SECRET~~

~~SECRET~~

7073

DEPARTMENT OF STATE
WASHINGTON

November 14, 1997

~~SECRET~~

DECL: 11/11/07

MEMORANDUM FOR: THE PRESIDENT

FROM: Strobe Talbott, Acting (ST)

SUBJECT: Meeting with President Nursultan Nazarbayev of Kazakhstan

President Nazarbayev wants the United States to be Kazakhstan's chief "geostrategic" partner into the next century. We want Kazakhstan, with its sea of oil, to be securely fixed in international economic, political and security structures. Nazarbayev believes that his relationship with you illustrates Kazakhstan's integration into the international system, and his own status as a regional strategic leader, and this provides leverage to keep Kazakhstan moving in the right direction. The meeting of the U.S.-Kazakhstan Joint Commission (JC), that Nazarbayev will chair with Vice President Gore, provides the structure to move forward with Kazakhstan, including pushing Nazarbayev to speed Caspian Basin development and foreclosing trans-Iranian pipeline options.

We have significant influence with Nazarbayev. He views Kazakhstan's relationship with the U.S., especially the increased presence of U.S. business, as a "guarantor" of Kazakhstani security. (Eighty-five U.S. companies currently operate in Kazakhstan.) Nazarbayev lobbied hard in the run-up to his visit for a document that would formalize the U.S.-Kazakhstani economic relationship. The "Action Program for Economic Partnership" Nazarbayev will sign with Vice President Gore, at the conclusion of the JC, is a serious document and he is pleased with it. You can tell Nazarbayev that we welcome his openness to increased U.S. investment, including in the development of the critical energy sector. To attract foreign investment he must continue economic reform and ensure transparency in business deals. You can also note our strong support for Kazakhstan's early entry into the WTO on commercial terms generally available to acceding members.

DECLASSIFIED
PER E.O. 13526
2016-01247 (1.13)
KBN 9/9/2019

~~SECRET~~

Nazarbayev is pleased with our expanding defense cooperation. September's CENTRASBAT exercise in Kazakhstan and Uzbekistan, with the participation of U.S. paratroopers, highlighted the security aspects of our relationship. Such cooperation falls short of the bilateral U.S. "security guarantees" that Nazarbayev seeks, but does further strong U.S. interest in regional stability and cooperation.

Nazarbayev views the early flow of Kazakhstani oil as a matter of critical national interest. He has been frustrated with the dearth of readily available export options and Kazakhstan has spoken openly of transporting oil through Iran. Kazakhstan has used oil swaps with Iran to export small volumes of oil but they have been halted, probably temporarily. Nazarbayev believes U.S. policy toward Iran is ambiguous. You should state clearly that for us Iran remains the single biggest threat to all the states of the region and that the U.S. is opposed to pipelines across Iran. We have not approved a pipeline across Iran to take Turkmeni gas to Turkey. U.S.-Kazakhstani relations would suffer badly were Kazakhstan to go forward with plans for trans-Iranian pipelines, including with China's assistance. Your warnings can be coupled with emphasis on an East-West corridor and strong encouragement that Nazarbayev back Western export options. You can also express support for Kazakhstan's position in favor of national-sector Caspian Sea demarcation.

Kazakhstan's record on non-proliferation has been quite good, especially in regards to weapons of mass destruction and export control. But there remains concern over past and potential transfer of arms to state sponsors of terrorism. Nazarbayev has given us both written and verbal assurances, most recently to Vice President Gore in New York this past June, that Kazakhstan will not allow any such transfers. You can remind him of his pledge, while reiterating our interest in entering into a comprehensive dialogue on non-proliferation.

Nazarbayev considers himself a statesman and guiding light on matters of regional import. He will probably want to discuss the Jiang Zemin visit with you as Kazakhstan seeks balance in its relations with both Beijing and Moscow. Nazarbayev will also want to review with you the role of the Commonwealth of Independent States (CIS), which he sees as an economic zone; he believes that the recent Chisinau summit gave him a leading role in rejuvenating the organization. Nazarabayev considers Yeltsin responsible for the current malaise within the CIS and wants to ensure that no country (read Russia) dominates the region.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. paper	U.S.-Kazakhstan Bilateral Relations (1 page)	11/00/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

CASPIAN ENERGY ISSUES

U.S. policy. The United States actively supports the rapid development of Caspian Basin energy resources as key to economic and political development of the new states in the region. U.S. objectives in the region include minimizing Iran's role, strengthening the sovereignty and independence of the new states, diversifying world energy supplies and supporting U.S. business. These can be best achieved by the rapid development of an East-West energy transit corridor, among other multiple pipeline options (excluding Iran), and early resolution of the Caspian legal status.

Pipelines. Development of Kazakhstan's resources is dependent on multiple export options. Faced with limited pipeline access through the Russian pipeline systems, TengizChevroil is shipping limited volumes of oil via rail to Finland and by barge and rail across the Caspian and Caucasus. Kazakhstan has also utilized low volume oil swaps with Iran. USG support was instrumental in conclusion of a commercially viable Caspian Pipeline Consortium (CPC) agreement to transport oil from Kazakhstan to the Black Sea via Russia. However, the planned construction start date has been delayed due to the intransigence of Russian regions during rights-of-way and tariff rate negotiations.

China and Iran. Despite high-level USG advocacy, the Chinese National Petroleum Company (CNPC) won this past summer two tenders over U.S. companies for oil projects by offering large up-front cash bonus payments and promising to look at building oil pipelines from Kazakhstan to China and through Iran to the Persian Gulf. Kazakhstan is actively pursuing both options. We have made clear to Nazarbayev that the United States is adamantly opposed to pipelines through Iran. We have offered to work with Kazakhstan to seek viable alternatives, particularly a trans-Caspian pipeline routing Kazakhstan's oil/gas along an East-West corridor.

Caspian Delimitation. With Azerbaijan, Kazakhstan supports a Caspian Sea legal regime based on the division of seabed resources into national sectors. Kazakhstani officials have said that they will try to get Russian oil companies involved in exploration in the Kazakhstani sector to ensure that it is in Russia's interest to resolve favorably the legal regime issue. However, Kazakhstan formally objected to Russia's recent tender announcement which included prospects Kazakhstan considers its own.

~~CONFIDENTIAL~~

Reason: 1.5 (b), (d)
Declassify On: 11/12/07

~~CONFIDENTIAL~~

DECLASSIFIED
PER E.O. 13526

2016-0124-M (1.15)
KBH 9/9/2019

KAZAKHSTAN: NONPROLIFERATION ISSUES

Background. With its voluntary relinquishment by 1995 of nuclear weapons left on its territory after the breakup of the Soviet Union, Kazakhstan has been a close partner in our non-proliferation efforts. Project Sapphire, which transferred 600 kilos of HEU to the United States, was a model of bilateral cooperation.

Arms transfer issues. We remain concerned over past and potential Kazakhstani transfers of arms - principally Soviet-era stockpile items - to countries of proliferation concern. Intelligence reports earlier this year gave strong indications that senior-level Kazakhstani officials were trying to arrange deals with rogue states, primarily for personal profit. After strong demarches, President Nazarbayev gave both written and verbal assurances, including to the Vice President in June, that Kazakstan would not allow such transfers. One outstanding issue concerns the possible transfer of up to 20 MiG-21 and MiG-23 aircraft to Syria in March 1996. We are waiting for an accounting of this possible transfer, which could affect our ability to provide certain assistance given U.S. sanctions laws. Minister of Defense Altynbayev told Ambassador Sestanovich in October that Kazakhstan would respond fully to our concerns in this regard.

Experts' dialogue. We have agreed with the Kazakhstanis to initiate an experts' dialogue on non-proliferation issues in an effort to avoid arms transfer issues in the future. The first meeting of this group is scheduled to take place on the margins of the November 17-18 Joint Commission sessions.

USG cooperation programs. USG agencies have various programs to address non-proliferation issues in Kazakhstan. Current Energy Department programs address enhancement of material protection, control and accounting at all plutonium in Kazakhstan. DOD is eliminating missile silos, nuclear weapons test tunnels and a former Soviet BW production facility. The State Department is cooperating on export control and redirection of former weapon scientists to civilian enterprise.

New initiatives. A number of new non-proliferation initiatives are being finalized during President Nazarbayev's visit, including an agreement to secure and dispose of 300 tons of weapons-grade plutonium at the BN-350 reactor in Aktau and an agreement on Peaceful Nuclear Cooperation.

~~SECRET~~

Reason: 1.5 (b), (d)
Declassify On: 1/12/07

~~SECRET~~

DECLASSIFIED
PER E.O. 13526

2016 0124-M (1.16)
KBH 9/9/2019

KAZAKHSTAN: STATUS OF POLITICAL AND ECONOMIC REFORM

Political reform. Kazakhstan's political development lags far behind its economic restructuring. Power rests with President Nazarbayev, who strengthened his political grip in 1995, when he dissolved the parliament and stage-managed two Soviet-style referenda marred by serious irregularities. The latter referendum extended his term in office until the year 2000. Other political institutions in Kazakhstan are weak and unfocused. The parliament is not a serious player and has taken only a few tentative steps to insert itself into debate on issues of national import. The judicial system is even weaker; judges are appointed by the executive branch, beholden to it, and susceptible to corruption. A nascent Almaty-based political opposition is disorganized, undermined by rivalries. Those leaders not co-opted by the government are often subject to harassment.

Human rights. Government respect for basic human rights is uneven. Citizens enjoy in theory -- and more often than not in practice -- freedom of religion, speech and assembly. However, security forces have been known to beat and otherwise abuse detainees. Arrests can be arbitrary and prolonged detention without charge is a problem. The government generally tolerates independent media so long as direct criticism of Nazarbayev is avoided.

Economic reform. Kazakhstan's economy was severely battered in the years immediately following the breakup of the Soviet Union. Trade dislocations resulted in a 1990-1996 decline in GDP and industrial output of 54 and 52 percent, respectively. The worst now appears to be over. Kazakhstan's early willingness to move ahead rapidly with macro-economic reform, including introducing reforms in tax and commercial law, may be paying off. The government maintains reasonably tight control over credit growth and deficit spending and monthly inflation fell from 23 percent in 1994 to just over 1 percent in 1997. Kazakhstan's currency, the tenge, has been stable and, in 1996, the economy for the first time recorded modest growth.

Private sector reform. The government's implementation of measures to promote private sector growth have not been as successful. Efforts by some ministries to keep some medium-size and larger firms (and their revenue flows) in government hands have undermined the privatization process and underscored the pervasive corruption that plagues Kazakhstan. Privatization of small-sized firms and basic services has proceeded well under World Bank guidance.

KAZAKHSTAN: RELATIONS WITH NEIGHBORS

Balancing the Russia factor. President Nazarbayev is aggressively pursuing economic links and security cooperation with the West and China in an effort to balance Russia's influence in Kazakhstan. However, he recognizes that Kazakhstan's vulnerable geo-strategic position, large ethnic Russian population, and dependence on Russia in developing energy resources, make cooperation with Moscow necessary. Russia remains its largest trading partner and most of Kazakhstan's oil exports transit Russian pipelines.

Nazarbayev has been at the forefront of efforts to lessen the dominance of Russia over the CIS. He reacted sharply this summer to Russia's attempt to tender Caspian Sea oil blocks over which Kazakhstan claims ownership. Relations have also suffered as a result of payment disputes and environmental issues at the Baikonur Cosmodrome and other Russian-leased military facilities.

China. Almaty has worked in recent years to improve its relations with China, recognizing its potential as a market and transit state for Kazakhstani energy. Kazakhstan recently awarded two oil privatization tenders to the Chinese National Petroleum Corporation, banking on vague Chinese commitments to build pipelines from Kazakhstan both to China and Iran.

Iran. Nazarbayev has spoken increasingly frequently in recent months of his interest in closer economic relations with Iran, in particular of the possibility of shipping Kazakhstani energy to world markets via Iran. Some Kazakhstani oil is already swapped through Iran, with shipments going across the Caspian to northern Iran with an equivalent amount exported from Iran's Persian Gulf ports. Nazarbayev's talk of transit pipelines through Iran is more worrisome. However, Nazarbayev has opposed Iran's desire for closer political, defense and cultural cooperation.

Central Asia. Nazarbayev has worked to forge cooperation with Kyrgyzstan and Uzbekistan. The three states have held regular regional summits, established a Central Asian bank and set up a joint peacekeeping battalion with NATO assistance. While not directly affected by the Afghanistan dispute, Kazakhstan worries about a potential spill over of Islamic fundamentalism should the Taliban emerge victorious.

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.18)
KBH 9/9/2019

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
010. report	U.S. Government Report (2 pages)	11/07/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

- C. Closed in accordance with restrictions contained in donor's deed of gift.
- PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
- RR. Document will be reviewed upon request.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
011. report	U.S. Government Report [incomplete duplicate of 010] (1 page)	11/07/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Almaty
September 18, 1997

Dear Mr. Clinton,

I have accepted with satisfaction the assurances by Vice President Albert Gore in New York three months ago of intention of the United States Government to attach important significance to my upcoming visit to Washington, DC, on November.

It appears that the necessity of a serious and detailed discussion on the perspectives of the relations between Kazakhstan and the United States have become acute. On the one hand, we can state major progress in implementation of the agreements we have reached during our meeting in Washington, DC, in February 1994. On the other hand, I am concerned that the potential for the mutually beneficial economic, political and defense cooperation is not being utilized to that extent which is dictated by the national interests of our two countries.

- At the present time, we are developing a concept of strategic prospective development of the Republic until the year 2030. The key element of this concept is determining the foreign policy landmarks which, in turn, will be based primarily on the factor of economic integration with different foreign partners of Kazakhstan.

- The level of economic cooperation with the United States achieved so far is impressive: about 45 per cent of the foreign direct investments to Kazakhstan are of the U.S. business; there are more than 180 U.S. companies doing business in our country; implementation of the major oil projects with Chevron, Mobil, Amoco, Texaco, Oryx and other major companies as participants is marked by dynamism.

His Excellency
William Jefferson Clinton
President of the United States of America
Washington, DC

- With the increase of oil production, the Kazakhstani sector of the Caspian from the beginning of the next century will be a serious and long term alternative to the Middle Eastern oil sources. Recently, exploration of the Kazakhstani sector of the Caspian sea shelf, where 80 new major structures were discovered, have been completed. According to the assessments of international experts, perspective deposits of oil in this zone are about 73 billion barrels that is much more than the combined oil reserves of all the other Caspian states.

- However, Kazakhstani soil is not limited to oil and gas. We have world class deposits of almost all kinds of non-ferrous, ferrous and precious metals. On this base, Kazakhstan and the United States could work together for our mutual benefit in this colossal and yet untapped market in our part of the world.

Our joint program of economic and investment partnership is, as we propose, to be stated in the Basic document, the essence of which is to send a signal at the level of the Governments of Kazakhstan and the United States to the American business and Western business as a whole about the enormous perspectives of large-scale and highly viable capital investments in development of the unique natural resources and industrial infrastructure of our country with short recoupment periods.

The series of Agreements and Protocols on cooperation in the fields of atomic energy, space exploration, strategic materials trade and other important fields, which are in the process of preparation for signing, may supplement the Basic document.

You are well aware of the peculiar nature of the geopolitical environment of Kazakhstan: the country that has a long common border with Russia to the north, China to the east and neighbors Iran through the Caspian sea will always be an important factor in the foreign policy calculations of the United States. As I repeatedly emphasized in my talks with You and the Vice President, we are ready to interact with the United States in all that undoubtedly belongs to our supreme national interests, specifically, exercise of containment influence over attempts of regional hegemony and positive impact on internal processes in the abovementioned countries. During our talks in Washington, I would like to

discuss in detail ways of deepening the relations of confidence on this matter.

Our aides are working together to prepare the November visit. It is desirable that the appropriate officials will get Your instruction on the political symbolism of the upcoming meeting which, I am convinced, will record our mutual readiness to "special partnership" not only in principle definitions of the Charter on Democratic Partnership we have signed, but proceeding from the essence of new realities that are forming in Eurasia on the eve of the XXI century.

Sara and I are looking forward to the visit of Mrs. Hillary Clinton to Almaty and we hope she will enjoy our hospitality.

See You soon on the American soil.

Sincerely,

/signed/
Nursultan Nazarbayev

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

November 18, 1997

JOINT STATEMENT ON U.S.-KAZAKHSTAN RELATIONS

During their November 18, 1997 meeting in Washington, D.C., Presidents Clinton and Nazarbayev underscored the special importance they attach to the close and productive relationship between the United States and Kazakhstan. Deepening this partnership is key to promoting Kazakhstan's security, independence, sovereignty, territorial integrity and democratic development, as well as the stability and economic prosperity of the region as a whole.

The two Presidents restated their strong commitment to the goals set forth in the "Charter on Democratic Partnership Between the United States of America and the Republic of Kazakhstan," signed by the two Presidents in February 1994. Recognizing the growing economic and commercial ties between the two nations, the two Presidents expressed their strong support for the "Action Program on Economic Partnership," signed in Washington, November 18, 1997, by President Nazarbayev and Vice President Gore, in their capacity as co-chairmen of the U.S.-Kazakhstan Joint Commission. Kazakhstan's commitment to accelerate reform, as outlined in the Action Program, will advance the development of a free market economy and underscores the great potential benefits of investment in the country's natural resources and industrial infrastructure. The United States is committed to support economic reform in Kazakhstan through a robust program of technical assistance and cooperation.

The two Presidents noted the important role played by U.S. commercial firms in Kazakhstan's economy since 1991. Extensive U.S. investment in the development and transport of Kazakhstan's energy resources has particularly contributed to the mutual goal of rapid energy development in the Caspian region.

Presidents Clinton and Nazarbayev agreed on the need to adopt a Caspian Sea legal regime that establishes a clear division of property rights based on the division of seabed resources. The construction of multiple pipeline routes to export hydrocarbons to world markets, including pipelines across the Caspian Sea, will advance economic development in Kazakhstan and promote regional stability and security.

The two Presidents agreed on the need to strengthen regional cooperation, including through the establishment of an east-west Eurasian transport corridor and stronger efforts to resolve the environmental crisis in the Aral Sea basin.

President Clinton welcomed Kazakhstan's efforts to integrate itself into the global economy and pledged continued U.S. support for Kazakhstani accession to the World Trade Organization, on

commercial terms generally applied to newly acceding members.

The two Presidents reviewed Kazakhstan's progress towards creating a society based on democracy, the rule of law and respect for human rights. President Clinton expressed strong support for the holding of free and fair parliamentary elections in 1999 and presidential elections in 2000, which will serve as a demonstration of Kazakhstan's commitment to democratic principles.

Presidents Clinton and Nazarbayev noted the positive evolution of defense cooperation between the United States and Kazakhstan, as well as the continuing progress in Kazakhstan's integration into emerging European security structures, including NATO's Partnership for Peace and the Euro-Atlantic Partnership Council. The successful CENTRASBAT-97 peacekeeping exercise that took place in September 1997 is a concrete example of cooperation aimed at promoting regional stability. The two Presidents renewed their commitment to regional security cooperation, including enhanced bilateral military-to-military cooperation, as reflected in the Defense Cooperation and Military Contact Plans for 1998, signed during President Nazarbayev's visit.

The two Presidents praised the extensive U.S.-Kazakhstani cooperation on issues related to non-proliferation of nuclear and non-nuclear weapons. During President Nazarbayev's visit to Washington, agreements were signed on Peaceful Nuclear Cooperation, Defense Cooperation on Counter-Proliferation, and Long-term Disposition of Aktau BN-350 Nuclear Material, among other agreements.

President Clinton welcomed President Nazarbayev's firm commitment to prevent the transfer of technology and materials associated with weapons of mass destruction, and sophisticated military technologies, to countries that pose a threat to regional and global security. The United States and Kazakhstan agreed to establish a regular experts' dialogue on non-proliferation issues.

The two Presidents also discussed the serious threats posed by international terrorism, narcotics trafficking, and international criminal activity and committed their governments to expand cooperation in combating them.

###

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
013. memo	Michael Matera to Samuel Berger re: Memordum to the President for Meeting with Kazakhstani President Nazarbayev [partial] (1 page)	11/17/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

~~SECRET~~

~~SECRET~~

7073

NATIONAL SECURITY COUNCIL
WASHINGTON, D C. 20504

November 17, 1997



ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH: KI FORTW

FROM: MICHAEL MATERA *m*

SUBJECT: Memorandum to the President for Meeting with
Kazakhstani President Nazarbayev

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KRH NARA, Date 9/9/2019
2016-0124-m

The memorandum at Tab I conveys a briefing memo and points to be made for the President's meeting with Kazakhstani President Nazarbayev on November 18.

Concurrences by: *m*
Leon Fuerth, Gary Samore, Joe Marty,
Christopher Rossi

RECOMMENDATION

That you sign the Memorandum for the President at Tab I.

Attachments

- Tab I Memorandum for the President
- Tab A Points to be Made
- Tab B State (Talbot) memo
- ~~Tab C Meeting Participants~~
- Tab C Background Papers
- Tab D (b)(3) [013]
- Tab E Nazarbayev's September 18 Letter
- Tab F Presidential Joint Statement

~~SECRET~~

Reason: 1.5 (b), (d)
Declassify On: 11/12/07

~~SECRET~~

7073

**DECLASSIFIED
PER E.O. 13526**

2016-0124-M (1.22)
KBH 9/9/2019

DEPARTMENT OF STATE
WASHINGTON

November 14, 1997

~~SECRET~~

DECL: 11/11/07

MEMORANDUM FOR: THE PRESIDENT

FROM: Strobe Talbott, Acting (ST)

SUBJECT: Meeting with President Nursultan Nazarbayev
of Kazakhstan

President Nazarbayev wants the United States to be Kazakhstan's chief "geostrategic" partner into the next century. We want Kazakhstan, with its sea of oil, to be securely fixed in international economic, political and security structures. Nazarbayev believes that his relationship with you illustrates Kazakhstan's integration into the international system, and his own status as a regional strategic leader, and this provides leverage to keep Kazakhstan moving in the right direction. The meeting of the U.S.-Kazakhstan Joint Commission (JC), that Nazarbayev will chair with Vice President Gore, provides the structure to move forward with Kazakhstan, including pushing Nazarbayev to speed Caspian Basin development and foreclosing trans-Iranian pipeline options.

We have significant influence with Nazarbayev. He views Kazakhstan's relationship with the U.S., especially the increased presence of U.S. business, as a "guarantor" of Kazakhstani security. (Eighty-five U.S. companies currently operate in Kazakhstan.) Nazarbayev lobbied hard in the run-up to his visit for a document that would formalize the U.S.-Kazakhstani economic relationship. The "Action Program for Economic Partnership" Nazarbayev will sign with Vice President Gore, at the conclusion of the JC, is a serious document and he is pleased with it. You can tell Nazarbayev that we welcome his openness to increased U.S. investment, including in the development of the critical energy sector. To attract foreign investment he must continue economic reform and ensure transparency in business deals. You can also note our strong support for Kazakhstan's early entry into the WTO on commercial terms generally available to acceding members.

~~SECRET~~

~~SECRET~~

2

Nazarbayev is pleased with our expanding defense cooperation. September's CENTRASBAT exercise in Kazakhstan and Uzbekistan, with the participation of U.S. paratroopers, highlighted the security aspects of our relationship. Such cooperation falls short of the bilateral U.S. "security guarantees" that Nazarbayev seeks, but does further strong U.S. interest in regional stability and cooperation.

Nazarbayev views the early flow of Kazakhstani oil as a matter of critical national interest. He has been frustrated with the dearth of readily available export options and Kazakhstan has spoken openly of transporting oil through Iran. Kazakhstan has used oil swaps with Iran to export small volumes of oil but they have been halted, probably temporarily. Nazarbayev believes U.S. policy toward Iran is ambiguous. You should state clearly that for us Iran remains the single biggest threat to all the states of the region and that the U.S. is opposed to pipelines across Iran. We have not approved a pipeline across Iran to take Turkmeni gas to Turkey. U.S.-Kazakhstani relations would suffer badly were Kazakhstan to go forward with plans for trans-Iranian pipelines, including with China's assistance. Your warnings can be coupled with emphasis on an East-West corridor and strong encouragement that Nazarbayev back Western export options. You can also express support for Kazakhstan's position in favor of national-sector Caspian Sea demarcation.

Kazakhstan's record on non-proliferation has been quite good, especially in regards to weapons of mass destruction and export control. But there remains concern over past and potential transfer of arms to state sponsors of terrorism. Nazarbayev has given us both written and verbal assurances, most recently to Vice President Gore in New York this past June, that Kazakhstan will not allow any such transfers. You can remind him of his pledge, while reiterating our interest in entering into a comprehensive dialogue on non-proliferation.

Nazarbayev considers himself a statesman and guiding light on matters of regional import. He will probably want to discuss the Jiang Zemin visit with you as Kazakhstan seeks balance in its relations with both Beijing and Moscow. Nazarbayev will also want to review with you the role of the Commonwealth of Independent States (CIS), which he sees as an economic zone; he believes that the recent Chisinau summit gave him a leading role in rejuvenating the organization. Nazarbayev considers Yeltsin responsible for the current malaise within the CIS and wants to ensure that no country (read Russia) dominates the region.

~~SECRET~~

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
015. memo	Michael Matera to Samuel Berger re: Memorandum to the President for Meeting with Kazakhstani President Nazarbayev [partial] (1 page)	11/14/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors; or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

~~SECRET~~

~~SECRET~~

7073

NATIONAL SECURITY COUNCIL
WASHINGTON, D C. 20504

November 14, 1997



ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH: KI FORTY

FROM: MICHAEL MATERA *m*

SUBJECT: Memorandum to the President for Meeting with
Kazakhstani President Nazarbayev

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KRM/NARA, Date 9/9/2019
2016-0124 m

The memorandum at Tab I conveys a briefing memo and points to be made for the President's meeting with Kazakhstani President Nazarbayev on November 18.

Concurrences by: *M* Leon Fuerth, Gary Samore, Joe Marty, Christopher Rossi

RECOMMENDATION

That you sign the Memorandum for the President at Tab I.

Attachments

- Tab I Memorandum for the President
- Tab A Points to be Made
- Tab ~~B~~ (b)(3) [015]
- Tab D Background Papers
- Tab C Meeting Participants
- Tab ~~F~~ Nazarbayev's September 18 Letter

TAB B - State (ST) memo

~~SECRET~~

~~SECRET~~

Reason: 1.5 (b), (d)
Declassify On: 11/12/07

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
016. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; draft (4 pages)	11/00/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

POINTS TO BE MADE FOR MEETING WITH
KAZAKHSTANI PRESIDENT NAZARBAYEV

DECLASSIFIED
PER E.O. 13526
2016-0127-M (1.24)
KBH 9/9/2019

Bilateral Relationship

- Welcome again to White House. Hillary had a wonderful visit to Almaty and was touched at warm welcome by you and Sara.
- Very pleased with progress made by Joint Commission in strengthening already close bilateral relationship. Welcome "Action Program for Economic Partnership" being signed today by you and Al Gore as well as other defense and energy agreements signed during your visit.
- Our partnership with Kazakhstan is very important. Strongly support your independence and prosperity which are critical to ensuring stability in Central Asia.
- U.S. companies helping to consolidate strong ties with Kazakhstan. Very pleased with Mobil and Texaco energy contracts being signed today.

Kazakhstan's Strategic Choice

- Your letter of September 18 laid out clear vision of where you hope to take Kazakhstan in coming decades. Want to work closely with you in this process.
- Close relations with Russia, China and the United States will serve you well. Close ties to Iran ~~will hurt you.~~

Caspian Basin/Iran

pose dangers for you and the region [spell this out] (spell this out) pose dangers to you and region

- Understand your interest in ending Russia's monopoly over Kazakhstan's oil exports. We advocate multiple pipelines.
- However, Kazakhstan's energy development should not be advanced through cooperation with Iran. This would be destabilizing to you and the region. Strongly oppose pipelines through Iran. Will work with you on alternatives.

- Strongly support rapid development of east-west pipelines and the Eurasian transport corridor. Strongly support a trans-

need to say more about our efforts

need to say more about our efforts.

Caspian pipeline to Azerbaijan. Your support for this line would give great impetus toward its development.

- ~~Close cooperation with Iran risks damaging your bilateral relations with us.~~
- Will continue to back firmly Kazakhstan's position on resolving Caspian's legal status. Will facilitate energy development.
- Secretary Pena has briefed you on discussions with Presidents Aliyev and Niyazov on demarcation dispute. Hope you too can help. Dispute plays into hands of Iran and Russia.

Non-proliferation and Defense Cooperation

- Welcome long-standing cooperation on non-proliferation. Agreement on removal and securing of spent-fuel from Aktau reactor and progress toward Agreement for Peaceful Nuclear Cooperation are major steps forward. Signal achievements.
- Appreciated your assurance that Kazakhstan will not allow arms transfers to rogue states. Need and expect your help.
- Pleased with agreement to hold expert-level dialogue on non-proliferation issues.
- CENTRAZBAT-97 peacekeeping exercise was great success. Hope for even closer defense cooperation. Want your active participation in NATO's PFP and Euro-Atlantic Partnership Council.

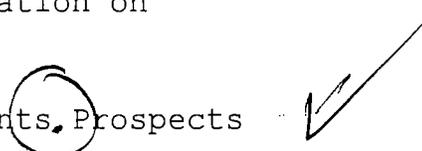
Economic Reform and Business Environment

- Congratulations on successful economic reform - low inflation, real GDP growth and impressive foreign investment.
- Encourage you, your new prime minister to stay on steady course. Want to assist your efforts at tackling corruption, speeding privatization and increasing transparency.
- Also strongly support your efforts to join WTO.

Democratic Reform and Human Rights

- Democratic reforms will further strengthen stability.
- U.S. committed to working with you to strengthen your democratic institutions, to ensure free/fair parliamentary elections in 1999 and presidential elections in 2000.

Regional Issues

- Russia appears to be taking new approaches to resolution of some issues in NIS. Have had very good cooperation on Nagorno-Karabakh.
- Interested in your assessment of CIS developments. Prospects for future? 
- Had good meetings with President Jiang. China is playing more responsible role, especially on relations with Iran.

Jackson-Vanik (if raised)

- Understand importance of issue. Are close to finalizing action certifying Kazakhstan's full compliance with Jackson-Vanik conditions.

- Kazakhstan's energy development should not be advanced through cooperation with Iran. Would be destabilizing to you and region.
- Will continue to back firmly Kazakhstan's position on resolving Caspian's legal status. Will facilitate energy development.
- Secretary Pena has briefed you on discussions with Presidents Aliyev and Niyazov on demarcation dispute. Hope you too can help. Dispute plays into hands of Iran and Russia.

Non-proliferation and Defense Cooperation

- Welcome long-standing cooperation on non-proliferation. Agreement on removal and securing of spent-fuel from Aktau reactor and progress toward Agreement for Peaceful Nuclear Cooperation are major steps forward. Signal achievements.
- Appreciated your assurance that Kazakhstan will not allow arms transfers to rogue states. Need and expect your help.
- Pleased with agreement to hold expert-level dialogue on non-proliferation issues.
- CENTRASBAT-97 peacekeeping exercise was great success. Hope for even closer defense cooperation. Want your active participation in NATO's PFP and Euro-Atlantic Partnership Council.

Economic Reform and Business Environment

- Congratulations on successful economic reform - low inflation, real GDP growth and impressive foreign investment.
- Encourage you, your new prime minister to stay on steady course. Want to assist your efforts at tackling corruption, speeding privatization and increasing transparency.
- Also strongly support your efforts to join WTO.

Democratic Reform and Human Rights

- Democratic reforms will further strengthen stability.
- U.S. committed to working with you to strengthen your democratic institutions, to ensure free/fair parliamentary elections in 1999 and presidential elections in 2000.

*and will
further
strengthen the
ties
between
our
two
countries*

~~SECRET~~

~~SECRET~~

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.26)
KBH 9/9/2019

- Kazakhstan's energy development should not be advanced through cooperation with Iran. Would be destabilizing to you and region.
- Will continue to back firmly Kazakhstan's position on resolving Caspian's legal status. Will facilitate energy development.
- Secretary Pena has briefed you on discussions with Presidents Aliyev and Niyazov on demarcation dispute. Hope you too can help. Dispute plays into hands of Iran and ~~Russia~~.

Non-proliferation and Defense Cooperation

- Welcome long-standing cooperation on non-proliferation. Agreement on removal and securing of spent-fuel from Aktau reactor and progress toward Agreement for Peaceful Nuclear Cooperation are major steps forward. Signal achievements.
- Appreciated your assurance that Kazakhstan will not allow arms transfers to rogue states. Need and expect your help.
- Pleased with agreement to hold expert-level dialogue on non-proliferation issues.
- CENTRASBAT-97 peacekeeping exercise was great success. Hope for even closer defense cooperation. Want your active participation in NATO's PFP and Euro-Atlantic Partnership Council.

Economic Reform and Business Environment

- Congratulations on successful economic reform - low inflation, real GDP growth and impressive foreign investment.
- Encourage you, your new prime minister to stay on steady course. Want to assist your efforts at tackling corruption, speeding privatization and increasing transparency.
- Also strongly support your efforts to join WTO.

Democratic Reform and Human Rights

- Democratic reforms will further strengthen stability and will further strengthen the ties between our two countries.
- U.S. committed to working with you to strengthen your democratic institutions, to ensure free/fair parliamentary elections in 1999 and presidential elections in 2000.

~~SECRET~~

~~SECRET~~

that Kazakhstan lives in a "tough neighborhood" and wants to see the United States as its strategic partner as it moves into the next century. He sees increased U.S. investment as a "guarantee" of U.S. commitment. His eagerness gives us leverage in pushing him to maintain a clean record on non-proliferation, stay on course on domestic reform and avoid energy cooperation with Iran.

Caspian Energy and Iran. Kazakhstan boasts world-class energy resources, though not the second largest oil reserves after Saudi Arabia that Nazarbayev claims. (Most of its "reserves" are still potential and unproven.) Almost half of foreign investment in Kazakhstan is American, and new oil contracts with Mobil and Texaco, to be signed during Nazarbayev's visit (in the presence of the Vice President), reflect growing U.S. commitment. However, exports options for these resources are limited and have constrained the country's economic development.

This past summer, Nazarbayev signed two large energy deals with China based in part on vague Chinese commitments to build pipelines east to China and south to Iran. We support the route to China. However, you should make clear our strong opposition to any deals with Iran and the deleterious effects of any such move on the bilateral relationship. You should stress our readiness to work jointly on alternatives, including trans-Caspian lines connecting to a proposed line from Baku to Ceyhan, Turkey.

Nazarbayev says he is willing to participate in an east-west transport corridor, including a trans-Caspian pipeline, but argues that the United States must do more to make such a route politically and financially feasible. Equally, he has indicated that he sees energy cooperation with Iran as inevitable and in his country's interest. According to recent intelligence reports, Nazarbayev will meet with the Turkmenistani and Iranian Presidents in Tehran in early December to discuss a possible pipeline from Central Asia through Iran.

If we are to maintain an east-west axis for Caspian energy transport, Nazarbayev must be brought fully on board our policy that Iran should not be an integral part of Caspian development before it renounces its support for terrorism and WMD. The decision by Total, Gazprom and Malaysia's Petronas to invest in Iran's South Pars project only underlines the need for enlisting Nazarbayev's support. ⁹⁰

We face a choice of imposing sanctions against ~~our~~ ^{our} friends and allies under the Iran/Libya Sanctions Act (ILSA) or waiving sanctions and ~~opening~~ ^{opening} sending a green light to all oil companies (other than ^{Iran})

~~Iran~~
U.S.) that triggers an avalanche of oil investment in Iran. a trans-Caucasus pipeline, with Nazarbayev's support, offers a long-term economic alternative to Iran for Caspian oil.

Defense. Defense cooperation is already extensive and growing. The September NATO peacekeeping exercise CENTRASBAT-97 in Kazakhstan, with the participation of Uzbekistan and Kyrgyzstan, was a great success and included Russian, Turkish and other NIS troops. Kazakhstan is also actively engaged in NATO's PFP and the Euro-Atlantic Partnership Council.

Non-proliferation. Non-proliferation cooperation has been excellent, with almost \$200 million committed since 1992 for U.S. assistance to Kazakhstan in dismantling nuclear weapons and in enhancing non-proliferation capabilities. We remain concerned over possible arms transfers to rogue states. The prospect of hefty personal profits tempted some senior Kazakhstani officials to try to arrange arms deals earlier this year. Timely intercession, including by the Vice President, elicited strong assurances by Nazarbayev that no such transfers would take place.

You should underline the importance of maintaining a perfectly clean record. While Kazakhstan has a huge cache of Soviet-era weapons it would like to sell, it must recognize that, in aspiring to be a regional leader on non-proliferation, it must make the hard choices consistent with leadership. We have just begun a regular experts' dialogue to ensure continued cooperation.

Reform. Nazarbayev's earlier commitments to genuine political reform have weakened as he has consolidated power in his own hands in recent years. Parliament remains weak and ineffectual. The judiciary is corrupt and beholden to Nazarbayev. What little opposition that exists is divided and harassed by the government. While Nazarbayev has pursued economic reform more deliberately, his replacement last month of his pro-reform prime minister with a loyalist of questionable credentials has undermined Western confidence in continued reform. You should press him for renewed public commitment to reform, including assurances of free and fair parliamentary elections in 1999 and presidential elections in 2000.

Regional Issues. At the October 23 CIS summit, ~~in Chisinau,~~ Nazarbayev was given a leading role in redefining the direction of the CIS. His vision is of a CIS-wide free trade zone which he has committed to define further before

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
020. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; incomplete draft [partial] (1 page)	11/00/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

the next CIS summit on January 23. You should draw him out on prospects for the CIS.

Visit Highlights. Nazarbayev is in Washington to participate in the fourth annual meetings of the U.S.-Kazakhstan Joint Commission. He will already have held bilateral discussions with the Vice President, Secretary Cohen, Secretary Pena, DCI Tenet, Acting Secretary Talbott and USTR Barshefsky.

Nazarbayev will sign with ^{the VP} ~~Al Gore~~ an "Action Program for Economic Partnership", in addition to a Final Report of the Joint Commission. A Presidential Joint Statement on the bilateral relationship is being issued following your meeting (See Tab F). A number of other agreements, related to defense cooperation and non-proliferation are also being signed during the visit, including agreements on Peaceful Uses of Nuclear Energy and one that provides for packaging, stabilizing and moving 300 tons of nuclear spent fuel from the Aktau reactor to a secure IAEA-supervised location.

III. PARTICIPANTS

The President	President Nazarbayev
The Vice President	Foreign Minister Tokayev
Acting Secretary Talbott	Ambassador Nurgaliyev
Erskine Bowles	Defense Minister Altynbayev
Samuel Berger	Presidential Chief of Staff
Ambassador Jones	Abykayev
Leon Fuerth	(interpreter)
Stephen Sestanovich	
Jim Steinberg	
Michael Matera	
Peter Afanasenko (interpreter)	

IV. PRESS PLAN

Stills and official photos at the beginning of meeting.

Attachments

- Tab A Points to be Made
- Tab B State (Talbott) Memo on Meeting
- Tab C Background Papers
- Tab D (b)(3)
- Tab E Nazarbayev's September 18 Letter
- Tab F Presidential Joint Statement

[020]

**DECLASSIFIED
PER E.O. 13526**

2016-0124-M (1.23)
KBM 9/9/2019

MEETING WITH
KAZAKHSTANI PRESIDENT NURSULTAN NAZARBAYEV

DATE: November 18, 1997

LOCATION: Oval Office

TIME: TBD

FROM: SAMUEL BERGER

I. PURPOSE

You have four goals for your discussion with Nazarbayev: (1) underline U.S. commitment to a strong bilateral relationship; (2) urge close cooperation on energy development while denying benefits (such as pipelines) to Iran; (3) encourage continued cooperation on defense and non-proliferation issues; (4) urge further progress on economic and political reform.

II. BACKGROUND

Setting. Over the past year, we have significantly expanded our engagement with the Caucasus and Central Asian states through instruments such as the U.S.-Kazakhstan Joint Commission, which the Vice President and Nazarbayev will chair on November 17-18. Kazakhstan, given its size and energy resources, is key to the success of our strategy of promoting stable and independent states in the region and of ensuring Caspian energy development that excludes Iran.

Nazarbayev sees his close ties to the United States as a critical counterbalance to his relations with Russia. He places great significance in his meeting with you (his first since 1994). However, Nazarbayev remains nervous that the world takes Kazakhstan less seriously, and that the U.S. may take his country for granted, now that it has given up its nuclear weapons.

spell
out

Bilateral Relationship. The bilateral relationship is very healthy, with extensive cooperation in the defense, economic and political fields. Nazarbayev has stressed

~~SECRET~~

2

~~SECRET~~

that Kazakhstan lives in a "tough neighborhood" and wants to see the United States as its strategic partner as it moves into the next century. He sees increased U.S. investment as a "guarantee" of U.S. commitment. His eagerness gives us leverage in pushing him to maintain a clean record on non-proliferation, stay on course on domestic reform and avoid energy cooperation with Iran.

Caspian Energy and Iran. Kazakhstan boasts world-class energy resources, though not the second largest oil reserves after Saudi Arabia that Nazarbayev claims. (Most of its "reserves" are still potential and unproven.) Almost half of foreign investment in Kazakhstan is American, and new oil contracts with Mobil and Texaco, to be signed during Nazarbayev's visit (in the presence of the Vice President), reflect growing U.S. commitment. However, exports options for these resources are limited and have constrained the country's economic development. ✓

This past summer, Nazarbayev signed two large energy deals with China based in part on vague Chinese commitments to build pipelines east to China and south to Iran. We support the route to China. However, you should make clear our strong opposition to any deals with Iran and the deleterious effects of any such move on the bilateral relationship. You should stress our readiness to work jointly on alternatives, including trans-Caspian lines connecting to a proposed line from Baku to Ceyhan, Turkey. ✓

Nazarbayev says he is willing to participate in an east-west transport corridor, including a trans-Caspian pipeline, but argues that the United States must do more to make such a route politically and financially feasible. Equally, he has indicated that he sees energy cooperation with Iran as inevitable and in his country's interest. According to recent intelligence reports, Nazarbayev will meet with the Turkmenistani and Iranian Presidents in Tehran in early December to discuss a possible pipeline from Central Asia through Iran.

If we are to maintain an east-west axis for Caspian energy transport, Nazarbayev must be brought fully on board our policy that Iran should not be an integral part of Caspian development before it renounces its support for terrorism and WMD. The decision by Total, Gazprom and Malaysia's Petronas to invest in Iran's South Pars project only underlines the need for enlisting Nazarbayev's support.

~~SECRET~~

~~SECRET~~

Defense. Defense cooperation is already extensive and growing. The September NATO peacekeeping exercise CENTRASBAT-97 in Kazakhstan, with the participation of Uzbekistan and Kyrgyzstan, was a great success and included Russian, Turkish and other NIS troops. Kazakhstan is also actively engaged in NATO's PFP and the Euro-Atlantic Partnership Council.

Non-proliferation. Non-proliferation cooperation has been excellent, with almost \$200 million committed since 1992 for U.S. assistance to Kazakhstan in dismantling nuclear weapons and in enhancing non-proliferation capabilities. We remain concerned over possible arms transfers to rogue states. The prospect of hefty personal profits tempted some senior Kazakhstani officials to try to arrange arms deals earlier this year. Timely intercession, including by the Vice President, elicited strong assurances by Nazarbayev that no such transfers would take place.

You should underline the importance of maintaining a perfectly clean record. While Kazakhstan has a huge cache of Soviet-era weapons it would like to sell, it must recognize that, in aspiring to be a regional leader on non-proliferation, it must make the hard choices consistent with leadership. We have just begun a regular experts' dialogue to ensure continued cooperation.

Reform. Nazarbayev's earlier commitments to genuine political reform have weakened as he has consolidated power in his own hands in recent years. Parliament remains weak and ineffectual. The judiciary is corrupt and beholden to Nazarbayev. What little opposition that exists is divided and harassed by the government. While Nazarbayev has pursued economic reform more deliberately, his replacement last month of his pro-reform prime minister with a loyalist of questionable credentials has undermined Western confidence in continued reform. You should press him for renewed public commitment to reform, including assurances of free and fair parliamentary elections in 1999 and presidential elections in 2000.

Regional Issues. At the October 23 CIS summit in Chisinau, Nazarbayev was given a leading role in redefining the direction of the CIS. His vision is of a CIS-wide free trade zone which he has committed to define further before

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
021. paper	Meeting with Kazakhstani President Nursultan Nazarbayev, November 18, 1997; draft [partial] (1 page)	11/00/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1646

FOLDER TITLE:

9707073

2016-0124-M
kh1788

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

the next CIS summit on January 23. You should draw him out on prospects for the CIS.

Visit Highlights. Nazarbayev is in Washington to participate in the fourth annual meetings of the U.S.-Kazakhstan Joint Commission. He will already have held bilateral discussions with the Vice President, Secretary Cohen, Secretary Pena, DCI Tenet, Acting Secretary Talbott and USTR Barshefsky.

Nazarbayev will sign with Al Gore an "Action Program for Economic Partnership", in addition to a Final Report of the Joint Commission. A Presidential Joint Statement on the bilateral relationship is being issued following your meeting (See Tab G). A number of other agreements, related to defense cooperation and non-proliferation are also being signed during the visit, including agreements on Peaceful Uses of Nuclear Energy and one that provides for packaging, stabilizing and moving 300 tons of nuclear spent fuel from the Aktau reactor to a secure IAEA-supervised location.

III. PARTICIPANTS

See Tab C.

IV. PRESS PLAN

Stills and official photos at the beginning of meeting.

Attachments

Tab A Points to be Made

Tab B State (Talbott) Memo on Meeting

~~Tab C Meeting Participants~~

Tab ~~C~~ Background Papers

Tab ~~D~~ (b)(3) [021]

Tab ~~E~~ Nazarbayev's September 18 Letter

Tab ~~F~~ Presidential Joint Statement

PARTICIPANTS IN MEETING WITH
KAZAKHSTANI PRESIDENT NAZARBAYEV

The President
The Vice President
Acting Secretary Talbott
Erskine Bowles
Samuel Berger
Ambassador Jones
Leon Fuerth
Stephen Sestanovich
Jim Steinberg
Michael Matera
Peter Afanasenko
(interpreter)

President Nazarbayev
Foreign Minister Tokayev
Ambassador Nurgaliyev
Defense Minister Altynbayev
Presidential Chief of Staff Abykayev
(interpreter)

MIR MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Original OA/ID Number: 1652				
Document ID: 9707640				
Row: 45	Section: 3	Shelf: 11	Position: 2	Stack: V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	Meeting with Kazakhstani President Nursultan Nazarbayev (3 pages)	11/18/1997	P1/b(1) , P3/b(3) KBH 2/5/2020
002. talking points	Meeting with Kazakhstani President Nursultan Nazarbayev (3 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
003. paper	Kazakhstan: Status of Political and Economic Reform (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
004. paper	Kazakhstan: Relations with Neighbors (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
005. paper	U.S. Kazakhstan Bilateral Relationship (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
006. paper	Caspian Energy Issues (1 page)	11/00/1997	P1/b(1) KBH 2/5/2020
007. paper	Kazakhstan: Nonproliferation Issues (1 page)	11/00/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 1652

FOLDER TITLE:

9707640

2016-0124-M
 kh1791

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- C. Closed in accordance with restrictions contained in donor's deed of gift.
- PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
- RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

TO: DAVIES

FROM: BURNS, W

DOC DATE: 07 NOV 97
SOURCE REF: 9720232

KEYWORDS: KAZAKHSTAN
AP

VISIT

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: BRIEFING MATERIALS FOR POTUS MTG W/ PRES NAZARBAYEV OF KAZAKHSTAN
ON 18 NOV

ACTION: NO FURTHER ACTION REQUIRED

DUE DATE: 14 NOV 97 STATUS: C

STAFF OFFICER: MATERA

LOGREF:

FILES: PA

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO



COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSTSM CLOSED BY: NSSWD DOC 1 OF 1

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 MATERA
001

Z 97110812 PREPARE MEMO FOR BERGER
X 97120507 NO FURTHER ACTION REQUIRED

TO: DAVIES

FROM: BURNS, W

*Rec'd in RME
11/10/97*

DOC DATE: 07 NOV 97
SOURCE REF: 9720232

KEYWORDS: KAZAKHSTAN
AP

VISIT

PERSONS:

SUBJECT: BRIEFING MATERIALS FOR POTUS MTG W/ PRES NAZARBAYEV OF KAZAKHSTAN
ON 18 NOV

ACTION: PREPARE MEMO FOR BERGER

DUE DATE: 14 NOV 97 STATUS: S

STAFF OFFICER: MATERA

LOGREF:

FILES: PA

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION
(MATERA)

FOR CONCURRENCE
COURTNEY
PASCUAL

FOR INFO
BERGER
ELKON
HILLIARD
RAGAN

COMMENTS:

*Materials used for Nazarbayev visit
Dispose as appropriate + close file
Memo done for President*

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSTSM CLOSED BY: DOC 1 OF 1

THE SECRETARY OF STATE
WASHINGTON, D.C. 20520

[
done
11/40

DISCS
President's
Mtg with
NAZARBAYEV

]

Clinton Presidential Records

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the former location of a 3.5 floppy diskette. The files from this diskette have been processed and any released records are available in paper format.

If available, the paper copies will be placed in a folder located at the end of this collection in the Electronic Records section.

Collection/FOIA: 2016-0124-M

Diskette Title: KZNONPRO.DOC

Folder Title: 9707640

Clinton Presidential Records

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the former location of a 3.5 floppy diskette. The files from this diskette have been processed and any released records are available in paper format.

If available, the paper copies will be placed in a folder located at the end of this collection in the Electronic Records section.

Collection/FOIA: 2016-0124-M

Diskette Title: Clinton-Nazarbayev Meeting Memo, Bilateral-GOK Relations, Kazakhstan – Relations with Neighbors, Political and Economic Reform Background, Caspian Issues.doc

Folder Title: 9707640



United States Department of State

Washington, D.C. 20520

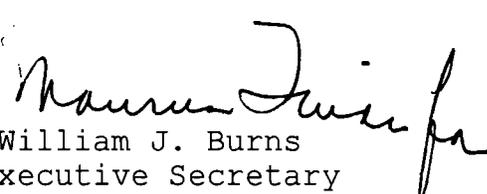
November 7, 1997

UNCLASSIFIED
(W/~~SECRET~~ Attachments)

MEMORANDUM FOR GLYN T. DAVIES
EXECUTIVE SECRETARY
NATIONAL SECURITY COUNCIL

Subject: Materials for President Clinton's Meeting
with President Nazarbayev of Kazakhstan,
November 18, 1997

Attached are materials to be used for President Clinton's
meeting with President Nazarbayev of Kazakhstan,
November 18, 1997.


William J. Burns
Executive Secretary

Attachments:

- A. Briefing Memorandum: Meeting with President
- B. Background Papers:
 - 1. Kazakhstan: Status of Political and Economic Reform
 - 2. Kazakhstan: Relations with Neighbors
 - 3. U.S.-Kazakhstan Bilateral Relationship
 - 4. Caspian Energy Issues
 - 5. Kazakhstan: Nonproliferation Issues
 - 6. Fact Sheet: Kazakhstan

~~SECRET~~

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.29)
KBH 9/9/2019

MEETING WITH
KAZAKHSTANI PRESIDENT NURSULTAN NAZARBAYEV

DATE: November 18, 1997
LOCATION: Oval Office
TIME: TBD

FROM: SAMUEL BERGER

I. PURPOSE

You want to reassure Nazarbayev that we consider Kazakhstan important and remain committed to its independence and sovereignty. Stress our interest in developing rapidly an East-West option for exporting Kazakhstan's energy resources and our strong opposition to any deal with Iran on pipelines. Make clear that we expect Kazakhstan to follow responsible non-proliferation policies and to stay the course on economic and political reform.

II. BACKGROUND

Setting. Nazarbayev arrives in Washington secure at home, having just rearranged the political landscape in Kazakhstan and consolidated his firm grip on power. He forced the resignation of a reformist prime minister and named a new cabinet dominated by ethnic Kazakhs close to him. In doing so, Nazarbayev called into question his commitment to economic and political reform. He said the government will continue to improve the investment climate, including transparency in business deals. But U.S. and other foreign investors seeking to develop Kazakhstan's world-class energy reserves are nervous that the move may also signal an increase in Kazakhstan's already world-class corruption. Nazarbayev is less certain of his international footing. He has stressed that Kazakhstan lives in a "tough neighborhood" and seeks a strategic partner as it moves into the next century.

Bilateral Relationship. Nazarbayev wants the U.S. to be that partner and seeks reassurance that we are interested in deepening the relationship, especially in the economic field. He sees increased U.S. investment

as a "guarantee" of U.S. commitment to Kazakhstan. Nazarbayev's eagerness gives us leverage in pushing him to stay the course on economic reform and to lobby for U.S. firms seeking entry into Kazakhstan's energy sector. Nazarbayev is certain to raise his desire to have Jackson-Vanik restrictions lifted permanently. As a practical matter, Jackson-Vanik does not adversely affect Kazakhstani exports, but the symbolism is negative. You can say we will be reviewing the matter closely, perhaps adding as an aside that Jackson-Vanik is tied to concerns about human rights generally, and that Kazakhstan can further its case by continuing development of democratic institutions.

Iran. Kazakhstan's long-term stability is dependent on the rapid development of its energy resources. Its people have yet to see the benefits of economic reform. Social indicators are in decline and rumblings of discontent muted but palpable. Nazarbayev is unhappy with the dearth of export options available to Kazakhstan to move its oil and gas to market. He has stated more than once that Kazakhstan is prepared to deal with Iran; a pipeline south offers a direct, cheap and easily built route. You want to make clear our categorical rejection of any deals with Iran and the certain deleterious effect on the bilateral relationship should Kazakhstan proceed in that direction. You should emphasize our East-West transit strategy as one important way toward expanding Kazakhstan's options and highlight the role a trans-Caspian pipeline could play.

Non-proliferation. You can express appreciation for Kazakhstan's good record in this area and remind Nazarbayev of his written assurances that Kazakhstan will not allow the transfer or sale of arms from or through its territory to countries of proliferation concern. Nazarbayev may note that Kazakhstan has a huge cache of Soviet-era weapons that it would like to sell. You can observe that Kazakhstan, aspiring to be a regional leader on non-proliferation, must make the hard choices consistent with leadership.

Regional Issues. Nazarbayev will likely raise CIS developments and his own role in promoting regional cooperation. Express support, noting we have worked with Kazakhstan through such regional initiatives as the Central Asian peacekeeping battalion.

III. PARTICIPANTS

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	Meeting with Kazakhstani President Nursultan Nazarbayev [partial] (1 page)	11/18/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1652

FOLDER TITLE:

9707640

2016-0124-M
kh1791

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

~~SECRET~~

III. PARTICIPANTS

President
Vice President
Mr. Berger
Acting Secretary Talbott
Mr. Fuerth
Ambassador Sestanovch
Ambassador Jones
Others TBD

President Nazarbayev
Foreign Minister Tokayev
Ambassador Nurgaliyev
Others TBD

IV. PRESS PLAN

Pool spray at the beginning of the meeting.

V. SEQUENCE

We suggest that you open by reaffirming the importance of the relationship and then segue directly into how Kazakhstani cooperation on key issues such as Iran and non-proliferation can further a relationship already firmly founded on shared economic goals.

Attachments:

Tab A - Points to be Made

Tab B - Points for Pool Spray

Tab C - (b)(3)

[001]

~~SECRET~~

Talking Points

Bilateral Relationship

- It is a very good to see you here again in Washington. Hillary tells me she had a terrific visit to Almaty last week and was especially touched by the warm and friendly reception you and Sara provided. I want to thank you.
- Your visit here to co-chair the U.S.-Kazakhstan Joint Commission - and Al has reported to me that the meetings have gone well - is another sign of our close ties.
- The U.S.-Kazakhstan partnership is an important one and Kazakhstan's independence, stability and prosperity are critical to ensuring the stability of Central Asia, a region of increasing geostrategic importance.
- I read your letter of September 17 with real interest. It's important that you look ahead to Kazakhstan's future in what can be a "tough neighborhood."
- My own view is that Kazakhstan will have to carefully consider how to quickly and efficiently develop its natural resources and then, most importantly, make the right choices in how to use its wealth to construct a prosperous and democratic society.

Kazakhstan's Future

- I think the United States can be a valuable partner for Kazakhstan as it seeks the "geostrategic direction" of which you wrote. American companies are already present in force in Kazakhstan, especially in the energy sector. That is good, because I believe American technology and expertise are the best in the world and your best choice for bringing your oil and gas fields on line soon.
- Kazakhstan must make its own choices, of course, in how it allocates the proceeds from its energy wealth. But I know that in your recent address to your parliament you spoke of Kazakhstan's need to address social sector wants, such as education and health. I think you are absolutely right in your focus and efforts to ensure that Kazakhstan develop a positive social model.
- Kazakhstan should maintain friendly relations with its neighbors as it develops its own society. We do not see such ties - with the exception of to Iran - as threatening to our own relationship. On the contrary, regional cooperation is something we encourage as

~~SECRET~~

enhancing stability. I want to hear your views on Kazakhstan's relations with its neighbors.

Joint Commission (JC)

- I'd also like to hear your thoughts on what the JC accomplished. I know that one of the documents you and Al will sign will be an "Action Program for Economic Partnership." We think this can be a useful document for moving forward together on important commercial issues such as transparency, clear-cut rules for investment, and the sanctity of contracts.

Caspian Basin/Iran

- We understand your interest in ending Russia's monopoly over Kazakhstan's oil exports. That is why we advocate multiple pipelines.
- However, Kazakhstan's energy development cannot be advanced through cooperation with Iran. It is a threat to you, a threat to the region and, frankly, to the world.
- We want to see among Kazakhstan's energy export options the rapid development of East-West pipelines. A trans-Caspian pipeline to Azerbaijan could very economically link up to a main export pipeline to the West, and your support for such a line would give great impetus toward its development.
- For our part, we oppose any pipelines through Iran. We have not blessed any trans-Iranian pipeline options and, while there are questions about the legality of this or that specific option, the fact is we oppose any pipeline as a matter of policy.
- Any country which contributes directly and significantly to the development of Iran's petroleum industry risks damaging its bilateral relations with the United States. Moreover, Iran is a competitor and strengthening its petroleum industry is not in Kazakhstan's interest.
- Dealing with the Caspian's legal status and seabed demarcation would greatly facilitate development of Caspian energy. We are prepared to be helpful if the parties agree.

Economic Reform and Business Environment

~~SECRET~~

~~SECRET~~

- The World Bank and the IMF, as well as private investors, have been very impressed with the macroeconomic policies your government has followed over the past five years.
- It appears Kazakhstan's commitment to economic reform is paying off, with inflation down drastically, real growth in GDP, and investment dollars pouring in. I want to encourage you to stay the course, especially on privatization and transparency.

Jackson-Vanik

- We know this is an important issue for Kazakhstan and will be reviewing carefully how we can graduate Kazakhstan and the other Central Asian states soon.

Non-proliferation

- Kazakhstan and the U.S. have cooperated very well on non-proliferation.
- I appreciated your categorical assurance that Kazakhstan will not allow the transfer of arms or technology to countries of proliferation concern. Stopping the transfer of arms to countries like Iran or Syria is very important to us and we need and expect your help.
- So I am pleased that you have accepted our offer to enter into an expert-level dialogue on the whole range of non-proliferation issues. This will avoid misunderstandings and allow us to continue our good record of working together as partners.

Democratic Reform and Human Rights

- The 1994 Charter on Democratic Partnership you and I signed committed Kazakhstan to democratic reforms. I consider it the other bookend to our economic partnership.
- We want to continue to work with you to strengthen your institutions of democracy and make them more effective, especially as you lead up to parliamentary elections in 1999 and a presidential election in 2000. They will be real yardsticks by which to measure Kazakhstan's commitment to democracy and human rights.

SECRET

~~CONFIDENTIAL~~
DECL: 11/03/07

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.31)
KBH 9/9/2019

KAZAKHSTAN: STATUS OF POLITICAL AND ECONOMIC REFORM

Kazakhstan's political development lags far behind its economic restructuring. Power rests with Nazarbayev, who strengthened his political grip in 1995, when he dissolved the parliament and stage-managed two Soviet-style referenda marred by serious irregularities. The latter extended his term in office until the year 2000. Other political institutions in Kazakhstan are weak and unfocused. The parliament is not a serious player and has taken only a few tentative steps to insert itself into debate on issues of national import. The judicial system is even weaker; judges are appointed by the executive branch, beholden to it, woefully underpaid, and susceptible to corruption. A nascent Almaty-based political opposition is disorganized, undermined by rivalries and, when its leaders are not co-opted by the government, subject to harassment.

Government respect for basic human rights is uneven. Citizens enjoy in theory -- and more often than not in practice -- freedom of religion, speech and assembly. However, security forces do beat and otherwise abuse detainees. Arrests can be arbitrary and prolonged detention without charge is a problem. The government generally tolerates independent media so long as it does not directly criticize Nazarbayev.

Kazakhstan's economy was severely battered in the years immediately following the breakup of the Soviet Union. Trade dislocations resulted in a decline in GDP and industrial output of 54 and 52 percent, respectively, between 1990 and 1996. The worst now appears to be over. Kazakhstan's early willingness to move ahead rapidly with macro-economic reform, including introducing reforms in tax and commercial law, may be paying off. The government maintains reasonably tight control over credit growth and deficit spending and monthly inflation fell from 23 percent in 1994 to just over 1 percent in 1997. Kazakhstan's currency, the tenge, has been stable and, in 1996, the economy for the first time recorded modest growth.

The government's implementation of measures to promote private sector growth have not been as successful. Efforts by some ministries to keep some medium-size and larger firms (and their revenue flows) in government hands have undermined the process and underscored the pervasive corruption that plagues Kazakhstan.

~~CONFIDENTIAL~~
DECL: 11/05/07

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.32)
KBH 9/9/2019

KAZAKHSTAN: RELATIONS WITH NEIGHBORS

Kazakhstani President Nazarbayev is aggressively pursuing economic links and security cooperation with a variety of regional powers in an effort to balance Russia's influence in Kazakhstan. Economic realities and Kazakhstan's large ethnic Russian population encourage Nazarbayev to maintain good relations with Russia. Russia remains Kazakhstan's largest trading partner, and most of Kazakhstan's oil exports travels through Russian pipelines. But Nazarbayev has shown willingness to adopt a less obsequious stance towards Russia. He reacted sharply to Russia's attempt to tender Caspian Sea oil blocks over which Kazakhstan claims ownership. Relations have also suffered as a result of payment disputes and environmental issues at the Baikonur Cosmodrome and other Russian-leased military facilities. Nazarbayev is also at the forefront of efforts to lessen the dominance of Moscow over the CIS.

Almaty has maintained good relations with Beijing and Tehran, eyeing these regional powers both as markets and transit states for its petroleum resources and as non-Russian trade corridors to world markets. Kazakhstan recently awarded two oil privatization tenders to the Chinese National Petroleum Corporation and has not publicly attacked Beijing's efforts to quash the Uygur separatists in western China. Kazakhstan has an oil swaps agreement - currently suspended, but expected to resume soon - with Iran in which Kazakhstani oil is delivered to an Iranian Caspian Sea port in exchange for the export of an equivalent amount of oil on the Persian Gulf.

Nazarbayev also has worked to forge cooperation with Kyrgyzstan and Uzbekistan. The three states have held regular regional summits, established a Central Asian bank, and set up a jointly manned peacekeeping battalion. While not directly affected by the Afghanistan dispute, Kazakhstan worries about a potential spill over of Islamic fundamentalism should the Taliban emerge victorious.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

DECL: 11/03/07

DECLASSIFIED

PER E.O. 13526

2016-0124-m (1.33)

KBH 9/9/2019

U.S.-KAZAKHSTAN BILATERAL RELATIONSHIP

The principal U.S. interest in Kazakhstan is its energy resources. In turn, Kazakhstan recognizes that American oil technology and expertise are unmatched and actively seeks U.S. involvement in its economy. President Nazarbayev views U.S.-Kazakhstan commercial ties as a guarantee of sorts as he balances relations with neighbors Russia and China. Our advocacy for U.S. firms will continue to be important as Kazakhstan awards contracts for its vast offshore deposits, in which we want to minimize Iran's role. This latter issue is a potential irritant. Kazakhstan sees a pipeline through Iran as a relatively inexpensive and quick export route for its oil and gas.

We want Nazarbayev's hand-picked new government, headed by crony Nurlan Balgimbayev, to maintain the economic reform program of his predecessor. These policies were praised by the World Bank and the IMF, and have led to modest economic growth. We also expect the GOK to continue to establish transparent rules of the game necessary to attract and keep investors.

Although we have worked well with the GOK on most non-proliferation matters, there have been disagreements as Kazakhstan, cash poor, and facing a deteriorating social infrastructure, considered arms and technology transfers to countries of proliferation concern.

Incorporating the range of our bilateral interests, the U.S.-Kazakhstan Joint Commission (JC) is the principal vehicle for moving the relationship forward, working through three autonomous working groups. Commercial issues are addressed through the Business Development Council. The two other working groups treat environment, science and technology matters (ES&T BWG), as well as export-control and defense conversion and cooperation (Defense BWG). Macro-economic and technical assistance issues are coordinated through the Special Advisor on Assistance to the NIS.

Given the level of interest we have in promoting a stable, democratic prosperous society at the center of this oil rich region, we have a relatively modest economic assistance program for Kazakhstan. In FY97 it amounted to \$35 million, and the Administration requested \$52 million in FY98.

CASPIAN ENERGY ISSUES

The U.S. actively supports the rapid development of Caspian Basin energy resources as key to economic and political development of the new states in the region. U.S. objectives in the region include minimizing Iran's role, strengthening the sovereignty and independence of the new states, diversifying world energy supplies, and supporting U.S. business. These can be best achieved by the rapid development of an East-West energy transit corridor, among other multiple pipeline options (excluding Iran), and agreement to set aside or resolve Caspian seabed legal issues in a way that facilitates energy development.

Pipelines: Development of Kazakhstan's resources is dependent on multiple export options. Faced with limited pipeline access through the Russian pipeline systems, TengizChevroil is shipping limited volumes of oil via rail to Finland and by barge and rail across the Caspian and Caucasus. Kazakhstan has also utilized low volume oil swaps with Iran. USG support was instrumental in conclusion of a commercially viable Caspian Pipeline Consortium (CPC) agreement to transport oil from Kazakhstan, especially Tengiz, to the Black Sea via Russia. However, the planned construction start date has been delayed due to the intransigence of Russian regions during rights-of-way and tariff rate negotiations.

Despite high-level USG advocacy, the Chinese National Petroleum Company (CNPC) won two tenders over U.S. companies for oil projects by offering large up-front cash bonus payments and promising to look at building oil pipelines from Kazakhstan to China and through Iran to the Persian Gulf. Kazakhstan is aggressively pursuing both options. We have made clear to the Kazakhstanis that the U.S. is adamantly opposed to pipelines through Iran. We have offered to work with Kazakhstan to seek viable alternatives, particularly a trans-Caspian pipeline routing Kazakhstan's vast energy resources along an East-West corridor.

Caspian Delimitation: With Azerbaijan, Kazakhstan supports a Caspian Sea legal regime based on the division of seabed resources into national sectors. Kazakhstani officials have said that they will try to get Russian oil companies involved in exploration in the "Kazakhstani sector" to ensure that it is in Russia's interest to resolve favorably the legal regime issue. However, Kazakhstan formally objected to Russia's recent tender announcement which included prospects Kazakhstan considers its own.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. paper	Kazakhstan: Nonproliferation Issues (1 page)	11/00/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1652

FOLDER TITLE:

9707640

2016-0124-M
kh1791

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

FACT SHEET - KAZAKHSTAN

U.S.-Kazakhstan Relations

The United States became the first country to recognize the Republic of Kazakhstan on December 25, 1991. In January 1992, the United States opened its embassy in Kazakhstan's capital, Almaty. Since then, the United States and Kazakhstan have developed close political, security, economic and commercial relations. The U.S. ambassador to Kazakhstan is A. Elizabeth Jones, who assumed the post in October 1995. Cooperation in support of the nonproliferation of weapons of mass destruction has formed the cornerstone of U.S.-Kazakhstani relations since Kazakhstan's independence. In 1994, the U.S. transported 600 kilograms of weapons-grade uranium from Kazakhstan to safe storage in the U.S. The United States is providing over 170 million dollars in assistance to Kazakhstan under the cooperative threat reduction "Nunn-Lugar" program.

U.S.-Kazakhstani security relations have also grown closer since Kazakhstan's independence. In 1996, the U.S. government provided six coastal patrol boats to Kazakhstan to enhance the country's ability to strengthen its export control activities on the Caspian Sea coastline. The U.S. has also provided assistance and support for the Central Asian peacekeeping battalion (see Military Issues, below).

As of October 1997, the U.S. has provided over USD 250 million in technical assistance under the Freedom Support Act to support economic reform and the development of a democratic society in Kazakhstan. U.S. companies have invested more than USD 1.5 billion in the development of Kazakhstan's economy, primarily in the oil, gas, and power generation sectors. U.S. foreign direct investment (FDI) in Kazakhstan accounts for approximately 45 percent of all FDI into the country.

Kazakhstani President Nursultan Nazarbayev made his first official visit to Washington, D.C. in May 1992. Secretary of State Warren Christopher and Vice President Albert Gore visited Kazakhstan on separate trips in 1993. Since 1994, the U.S.-Kazakhstan Joint Commission has met annually. The Joint Commission is co-chaired by President Nazarbayev and Vice President Gore, and addresses the full scope of U.S.-Kazakhstani relations in its meetings.

The government of Kazakhstan officially marked the transfer of the country's capital from Almaty to Akmola with an opening ceremony in Akmola on October 24, 1997.

Humanitarian assistance

Since 1992, the United States has provided over USD 130 million in humanitarian aid to Kazakhstan. In 1996, the United States donated surplus snow removal equipment, electrical generators for children's hospitals, food, clothing, and medicine and medical supplies to the government and the private sector. In addition, the United States, principally through USAID technical assistance programs, works closely with the government and the NGO community on public health issues, including vaccination programs, family planning, pre- and post-natal health and nutrition projects, and programs to combat infectious respiratory and diarrheal diseases. The Centers for Disease Control and Prevention also have an active program in Kazakhstan, working with the Ministry of Health to fight hepatitis, cholera, and diphtheria, and to control the rising tuberculosis rate.

Economic Assistance

Assistance to support the transition to a market economy USAID technical assistance and training programs have been central to the U.S. government's efforts to assist Kazakhstan's economic transition. In 1996 and 1997, the United States assisted in the preparation of Kazakhstan's application to join the World Trade Organization (WTO), and helped the government to create and regulate a stock market. It has provided consulting and training programs for tax system reform, adoption of international accounting standards, private sector development, health sector reform, banking, and telecommunications. With U.S. government support, the Central Asian-American Fund provided over USD 18 million in loans and support for small and medium sized private enterprises in Kazakhstan. The Peace Corps is active in Kazakhstan. As of October 1997, there were 84 volunteers working in almost every region of the country, primarily in English teaching, environmental, and small business development programs.

Assistance to support the transition to democracy

The U.S. supports the development of non-governmental organizations (NGO's) in Kazakhstan. Dozens of grants have been provided by USAID-funded organizations to promote NGO development, including a number of NGO's that are promoting independent media and legal reform. As of the end of FY 1996, more than 300 local NGO's had participated in USAID-

funded training. In addition to this work, the Embassy's Democracy Commission managed by USIA awards grants annually to local applicants for democracy-building programs. The U.S. government also supports anti-crime, anti-corruption, and counter-narcotics efforts in Kazakhstan. The State Department's Office of International Criminal Justice coordinates programs among thirteen federal agencies, including the Department of Justice (DOJ), the Federal Bureau of Investigations (FBI), and the Drug Enforcement Agency (DEA), to provide training and technical assistance programs to the Kazakhstani government.

Bilateral Economic Relations

The United States seeks to promote economic reforms in Kazakhstan by encouraging trade and investment by U.S. companies. A trade agreement between the U.S. and Kazakhstan, which came into effect in February 1993, provides for reciprocal Most-Favored-Nation Treatment and creates opportunities for U.S. and Kazakhstani business. The agreement facilitates trade by allowing the free operation of commercial representatives in each country, and offers strong protection of intellectual property rights (although enforcement continues to be a problem). A Bilateral Investment Treaty (BIT), which was signed in May 1992 and entered into force in January 1994, provides legal protection and assurances for U.S. investors, including treatment at least as favorable as that given to domestic enterprises -- guarantees of unrestricted transfer, non-performance requirements, and full access to binding arbitration in case of disputes with the host government. In October 1993, Kazakhstan signed a treaty with the U.S. on the avoidance of double taxation. This treaty went into force as of January 1996.

Kazakhstan is subject to Jackson-Vanik trade restrictions. However, in 1997, as in years past, Kazakhstan has been granted a waiver and enjoys Most Favored Nation (MFN) status with the United States. The Clinton administration will review Kazakhstan's Jackson-Vanik compliance in the fall of 1997 as a first step toward removing Jackson-Vanik restrictions and giving Kazakhstan unconditional MFN status with the U.S.

Military Issues

Since independence, Kazakhstan has accepted all the relevant arms control obligations of the former Soviet Union. On May 23, 1992, the United States signed the Lisbon Protocol to the Strategic Arms Reduction Treaty (START) with the nuclear

successor states of the former USSR -- Kazakhstan, Russia, Belarus, and Ukraine -- committing all four to reductions in strategic nuclear weapons. Kazakhstan ratified the Start Agreement on July 2, 1992. In December 1993, Kazakhstan ratified the Nuclear Non-proliferation Treaty (NPT) as a non-nuclear weapons state. In April 1995, Kazakhstan returned the last nuclear Warhead on its territory to Russia.

On December 13, 1993, the U.S. and Kazakhstan signed an umbrella agreement that provides the legal framework for the provision of Cooperative Threat Reduction (Nunn-Lugar) funds for the safe and secure dismantlement (SSD) of nuclear weapons. The U.S. committed \$104 million to assist Kazakhstan in eliminating START-limited systems and weapons of mass destruction (WMD) infrastructure, including silo launchers, heavy bombers, and liquid rocket fuel storage. The U.S. also committed \$35 million to enhance the security, control, accounting and centralization of nuclear weapons and fissile materials. An additional \$33 million was spent to encourage military reductions and reforms through defense conversion projects, to provide support for projects for former Kazakhstani weapons scientists through the International Science and Technology Center and to fund defense and military contacts.

On June 5, 1992, Kazakhstan and seven other NIS countries signed the conventional armed forces in Europe (CFE) treaty, which establishes limits on categories of tanks, artillery, armored combat vehicles, combat aircraft, and combat helicopters and provides for the destruction of weaponry in excess of these limits. On July 2, 1992, Kazakhstan ratified the CFE agreement. In May 1997, Kazakhstan ratified the CFE Flank Agreement.

Kazakhstan opposes proliferation of nuclear, biological, or chemical weapons or related technologies. It maintains a defensive military force of about 60,000. The military is committed to reform and improving the quality of life of its soldiers. Kazakhstan has an all-conscript army, but would like to move toward a volunteer army. Kazakhstan is an active member of NATO's Partnership for Peace. In 1996, Kazakhstan, Uzbekistan, and the Kyrgyz republic established a Central Asian Peacekeeping Battalion (Centrasbat). In September 1997, Centrasbat hosted a military exercise in the spirit of the Partnership for Peace in Kazakhstan and Uzbekistan. Troops from The United States, Russia, Turkey, Latvia, Georgia, and Centrasbat participated.

Political Conditions

Kazakhstan declared its independence from the former Soviet Union on December 16, 1991. In the December 1991 presidential elections, President Nursultan Nazarbayev ran unopposed and received 98% of the vote.

The 1995 constitution concentrates power in the presidency. President Nazarbayev is the dominant Political figure. The constitution, adopted by a referendum marred by irregularities, permits the president to legislate by decree and dominate the legislature and judiciary; it cannot be changed or amended without the president's consent. Presidential elections originally scheduled for 1996 did not take place, as president Nazarbayev's term in office was extended to 2000 in a separate 1995 referendum, also marred by irregularities.

Kazakhstan's bicameral parliament was elected in December 1995. Under the Constitution, the Parliament's powers are limited. It cannot initiate changes in the Constitution or exercise oversight of the executive branch. While the president has broad powers to dissolve the parliament, parliament can remove the president only with the consent of the Constitutional Council, which is largely controlled by the president. However, members of parliament do have the right to introduce legislation. During parliament's first full session, nineteen bills were drafted by deputies for consideration.

There are many small political parties. Most parties are weak, and with the exception of the Communist Party and some of the ethnic-based political movements, have little influence outside of the capital. Most opposition party members decided not to participate in the December 1995 elections and are therefore not represented in the parliament.

The judiciary is under the control of the president and the executive branch. The judicial system is being restructured to bring it into line with the Constitution. The lack of an independent judiciary makes it difficult to root out corruption.

The government generally respects the human rights of its citizens, including the basic rights of freedom of religion, speech, and assembly. The Constitution provides for peaceful assembly and association, but there are significant restrictions. Prior approval of local authorities is required to hold a demonstration. Organizations that conduct public meetings must register with the government.

Organizers of un-sanctioned demonstrations have been arrested and fined or imprisoned, and members of independent trade unions have been harassed.

Independent media is tolerated, although the media practices self-censorship and the government maintains control of most printing facilities.

Kazakhstan's population of about 16 million consists of 45 percent Kazakhs and 35 percent ethnic Slavs, with many other ethnic groups represented. The government discriminates in favor of ethnic Kazakhs in government employment, where ethnic Kazakhs predominate, as well as in education, housing, and other areas. Most of the population speaks Russian; only about half of ethnic Kazakhs speak Kazakh fluently. According to the constitution, the Kazakh language is the State language; the Russian language is officially used on a basis equal with that of the Kazakh language in organizations and bodies of local self-administration.

Foreign relations

Kazakhstan has good relations with all of its neighbors. It joined the Commonwealth of Independent States (CIS) in December 1991. Kazakhstan is a strong proponent of dialogue and cooperation among CIS states. It supports regional and international efforts to resolve peacefully the conflicts in Tajikistan and Afghanistan.

Kazakhstan joined the organization on Security and Cooperation in Europe (OSCE) in January 1992 and the United Nations and the North Atlantic Cooperation Council in March 1992. It is also an active participant in NATO's Partnership for Peace. Kazakhstan is committed to observing international legal obligations and human rights commitments under the OSCE.

Kazakhstan is also developing ties to its Asian neighbors. In 1992, Kazakhstan announced the establishment of a Conference on Interaction and Confidence-Building Measures in Asia (CICA) to promote regional stability. The organization is still in its infancy.

Economic Outlook

Kazakhstan is completing the initial phase of its transition to a free market economy. Inflation in 1997 was less than two percent per month, a substantial improvement over

earlier years. The National Bank of Kazakhstan allows the national currency, the tenge, to float. The tenge is fully convertible with the U.S. dollar.

The transition costs to a market economy have been high. One of the problems hobbling Kazakhstan's economic recovery is the debt burden between enterprises, estimated at well over one billion dollars. The arrearages problem is particularly acute in the energy sector, with many private and commercial customers unable to pay for supplies.

Another difficulty for the government is paying pensions for retirees. As of June 1997, government pension arrearages amounted to approximately USD 500 million; annual government pension payments total slightly more than \$1 billion. In April 1997, President Nazarbayev ordered his government to begin paying all pensions on time as of July 1, 1997 and to pay all pension arrears by December 31, 1997. The government, with assistance from USAID, is drafting legislation to replace the government pension program with a private pension system. Kazakhstan expects to begin phasing in the private pension program on January 1, 1998.

While official unemployment figures are low, hidden unemployment is estimated at 30 percent. The steep decline in production that plagued Kazakhstan since independence bottomed out in 1996, when GDP showed its first modest increase. GDP is expected to grow by two percent in 1997.

Natural resource sectors dominate the Kazakhstani economy. Kazakhstan has proven reserves of 15.5 billion barrels of oil and estimated reserves of three to six trillion cubic meters of natural gas. Oil production increased during 1996, reaching its 1993 level of 23.5 million tons per year. Production in 1997 is expected to increase to 27 million tons. Natural gas production also increased in 1996, to 6.4 billion cubic meters, climbing more than eight percent over 1995 levels.

Privatization continued at a rapid pace in 1997. Although the government of Kazakhstan remains an equity partner in a wide variety of businesses, state-held shares in hundreds of enterprises have been reduced or eliminated. As of June 1997, the bulk of the petroleum sector was privatized. Rapid privatization has also occurred in Kazakhstan's electric power sector. More than half of Kazakhstan's generating plants were sold to private investors between early 1996 and June of 1997.

Kazakhstan has run a trade deficit since 1992. In 1996, the current account deficit amounted to USD 845 million (roughly four percent of GDP) and the trade deficit was USD 397 million. In the near term the trade balance will likely remain negative, because Kazakhstan's ambitious investment program will require substantial capital goods, and demand for imported consumer goods will likely increase. As of the first quarter of 1997, net international reserves of the National Bank of Kazakhstan were slightly above one billion dollars, sufficient for three months worth of imports. Kazakhstan has been successful in attracting foreign direct investment, which amounted to USD 863 million in 1996.

Kazakhstan's geographical position - landlocked in the center of Eurasia -- makes it dependent on its neighbors' transport links to get its goods to world markets. Kazakhstan's railroad system links it to Europe via Russia, to the Persian Gulf via Iran, and to the Pacific Rim via China. In May 1994, Kazakhstan signed an agreement with China, Pakistan and the Kyrgyz Republic to upgrade a road network over the Karakorum Mountain Range to Pakistan. The European Bank for Reconstruction and Development is financing the improvement of the port at Aktau, on the Caspian Sea. Regular air flights connect Kazakhstan with Europe and some Asian countries. In 1996, four major European carriers -- Lufthansa, KLM, Austrian Airlines and Turkish Airlines -- had non-stop flights to Almaty, and by June 1997 Kazakhstan had signed flight agreements with Malaysia and Singapore, although flights had not yet begun. Kazakhstan's government-run railroads are in very weak financial condition. The three state railroad companies merged in January 1997.

Kazakhstan has a developed road network connecting all its major cities. However, lack of funds since 1991 has left most routes poorly maintained. The World Bank, Asian Development Bank and Islamic Development Bank are jointly funding a USD 284 million highway rehabilitation project connecting Almaty with the future capital city of Akmola.

Environmental Issues

Kazakhstan has suffered disproportionately among former Soviet republics from the shrinking of the Aral Sea and from serving as the testing ground for the Soviet Union's nuclear programs. Kazakhstan has identified two major ecological disaster zones -- the Aral Sea and the Semipalatinsk nuclear testing facility -- and is actively pursuing compensation and rehabilitation for victims living in these areas. Kazakhstan wants to work with the international community on

environmental issues and has participated in conferences on regional environmental problems, including those concerning the Aral Sea. The USD 22 million U.S.-led initiative for the region is helping alleviate the environmental effects of desiccation of the Aral Sea basin, provide potable water for area residents, and facilitate regional cooperation through multilateral water-sharing and resource management projects. The Kazakhstani parliament became more vocal in 1997 about the necessity for environmental clean-up in its disaster zones and in the area around the Baykonur Space-Launch facility.

MIR MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Original OA/ID Number: 1654				
Document ID: 9707871				
Row: 45	Section: 4	Shelf: 1	Position: 1	Stack: v

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memcon	Meeting with Kazahstani President Nazarbayev (9 pages)	11/18/1997	P1/b(1) KBH 2/5/2020
002. memcon	Meeting with Kazahstani President Nazarbayev; incomplete draft (6 pages)	11/18/1997	P1/b(1) KBH 2/5/2020

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 1654

FOLDER TITLE:

9707871

2016-0124-M
 kh1790

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

TO: BURNS, W
ET AL

FROM: DAVIES

DOC DATE: 01 DEC 97
SOURCE REF:

KEYWORDS: KAZAKHSTAN

MEMCON

PERSONS: NAZARBAYEV, NURSULTAN

SUBJECT: MEMCON W/ PRES NAZARBAYEV OF KAZAKHSTAN ON 18 NOV 97

ACTION: DAVIES SGD MEMO

DUE DATE: 25 NOV 97 STATUS: C

STAFF OFFICER: MATERA

LOGREF:

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

DAVIES
EXECSEC
FICKLIN
MATERA
NSC CHRON

COMMENTS: _____

DISPATCHED BY

JP

DATE

12/02

BY HAND

W/ATTCH

OPENED BY: NSGP

CLOSED BY: NSGP

DOC 2 OF 2

ACTION DATA SUMMARY REPORT

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 BERGER
001
002

Z 97112617 FOR DECISION
X 97120206 KERRICK APPROVED RECOM
X 97120206 DAVIES SGD MEMO

DISPATCH DATA SUMMARY REPORT

DOC DATE DISPATCH FOR ACTION

DISPATCH FOR INFO

002 971201 BURNS, W
002 971201 MATTIS, J
002 971201 SOLIT, J

National Security Council
The White House

PROOFED BY: _____ LOG # 7871
 URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT ARS
 BYPASSED WW DESK: _____ DOCLOG 6 AVO _____

ml

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
Cosgriff			
Rice	<u>1</u>	<u>MC 12/1</u> <u>Edits</u>	
Davies	<u>3</u>	<u>G 12/1</u>	
Kerrick	<u>2</u>	<u>(D) 12/1</u>	
Steinberg		<u>copy</u>	
Berger		<u>copy</u>	
Situation Room			
West Wing Desk	<u>4</u>	<u>(D) 12/1</u>	<u>D + DISK</u>
Records Mgt.	<u>5</u>		<u>D + DISK</u>

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS:

'97 NOV 26 pm 5:25

Exec Sec Office has diskette yes

National Security Council
The White House

PROOFED BY: _____ LOG # 7871
 URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT ARS
 BYPASSED WW DESK: _____ DOCLOG Q A/O _____

ml

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
Cosgriff			
Rice	<u>1</u>	<u>RCM</u> <u>12/1</u> <u>(Edits)</u>	
Davies	<u>3</u>	<u>G</u> <u>12/1</u>	
Kerrick	<u>2</u>	<u>(D)</u> <u>12/1</u>	
Steinberg		<u>copy</u> ✓	
Berger		<u>copy</u>	
Situation Room			
West Wing Desk	<u>4</u>	<u>(D)</u> <u>12/1</u>	<u>D</u> <u>TRAVEL</u>
Records Mgt.	<u>5</u>		<u>D + Disk</u>

A = Action I = Information D = Dispatch R = Retain N = No Further Action

cc:

COMMENTS:

'97 NOV 26 PM 5:25

Exec Sec Office has diskette Yes

~~SECRET~~

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

7871

December 1, 1997

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By ~~KSH~~ NARA, Date 9/9/2019
2016-0124-M

MEMORANDUM FOR

MR. WILLIAM J. BURNS
Executive Secretary
Department of State

MR. JAMES N. SOLIT
Director, Executive
Secretariat
Department of Energy

COL. JAMES N. MATTIS
Executive Secretary
Department of Defense

SUBJECT: Memorandum of Conversation with President
Nazarbayev of Kazakhstan on November 18, 1997
(S)

The attached Memorandum of Conversation between the President and President Nazarbayev are provided for the information of the Secretary of State, the Deputy Secretary of State, Secretary of Defense and the Secretary of Energy. It must be distributed via NODIS channels and not below the Deputy Assistant Secretary (DAS) level. It may also be sent to our Embassy in Almaty for Ambassador Jones only.



Glyn T. Davies
Executive Secretary

Attachment
Tab A

Memorandum of Conversation

~~SECRET~~

Classified by: Glyn T. Davies
Reason: 1.5 (b), (d)
Declassify on: 11/25/07

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.38)
KSH 9/9/2019

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Kazakhstani President
Nazarbayev: Bilateral Relations, Caspian
Energy, Iran (S)

PARTICIPANTS: U.S.

The President
The Vice President
Federico Pena, Secretary of Energy
Strobe Talbott, Acting Secretary of State
Samuel Berger, Assistant to the President
for National Security Affairs
Ambassador A. Elizabeth Jones
James Steinberg, Deputy Assistant to the
President for National Security Affairs
Leon Fuerth, Assistant to the Vice President
for National Security Affairs
Michael Matera, NSC staff (notetaker)
Dimitri Zarechnak (interpreter)

Kazakhstan

President Nazarbayev
Akhmetzhan Yesimov, Deputy Prime Minister
Kasymzhomart Tokayev, Foreign Minister
Bolat Nugaliyev, Ambassador
Nurtay Abykayev, Presidential Chief of Staff

DATE, TIME November 18, 1997, 5:20-6:05 p.m.
AND PLACE: The Oval Office

(Following still photos)

THE PRESIDENT: Welcome. Very nice to see you again. Hillary told me that she had a wonderful visit with you in Almaty, although her visit was shorter than she planned. She will be home in a couple of hours. (U)

PRESIDENT NAZARBAYEV: Yes, but she still was able to carry out almost her entire planned schedule. I was only sorry that I was not able to welcome her to our home. (U)

THE PRESIDENT: She was very disappointed that her trip was shortened. (U)

PRESIDENT NAZARBAYEV: Thank you very much for the invitation to meet with you here in Washington. I have worked very intensively with the Vice President over the past two days. We have fulfilled our program. I am very grateful to the Vice President. We were able to exchange opinions on many issues. You probably know that we signed all the documents that we had planned to sign. Three years have passed since you and I signed the Charter on Democratic Partnership. The realities of life have now pushed us to sign the Action Program on Economic Partnership. (U)

Over the past three years, Kazakhstan has traveled a long and historic path. We have laid the basis for a market economy. From last year, our economy has begun to grow, with the help of international organizations and of countries, especially the United States. We have worked together to destroy our nuclear missiles. We strongly support nonproliferation and now have the status of a nonnuclear state. The relationship began this way, and now we have built a partnership. We have low inflation, our currency is stable, 70% of property has been privatized thus allowing us to develop our economy. (U)

Kazakhstan is a stable nation despite its multinational nature. We support stability through good relations with Russia. We have reached agreement with China on our borders. We have created the Central Asian Union. All of this is in support of peace and stability, both internally and externally. Stability is important in order to attract foreign companies. Now we have more than 180 American companies active in Kazakhstan. Over \$7 billion has been invested over the past three and a half years - more per capita than any other country in Central Europe or the CIS. Forty percent is U.S. investment. Two large energy contracts were signed today raising our commercial relations to a new level. (U)

U.S. companies have completed a study of Kazakhstan's energy resources. This study indicates that Kazakhstan has the second largest oil reserves in the world after Saudi Arabia. This is the main issue that I would like to discuss with you -- how to transport our oil to world markets. I will now speak only of

U.S. interests, not those of Kazakhstan. (Pointing to a map of the region.) This is the Tenghiz field where Chevron is currently producing oil. All of this area is still open and has reserves of 200 billion barrels of oil. This puts us in second place for oil reserves after Saudi Arabia. We are in fifth place on gas reserves. We have much more oil than Azerbaijan. If Kazakhstan were to ship all its oil to the United States, we would be able to satisfy less than half of your domestic demand. (C)

THE PRESIDENT: That sounds very good. (Laughter) (C)

PRESIDENT NAZARBAYEV: I told you that I would talk of U.S. interests. I want to invite you again to visit Kazakhstan. (Again pointing to the map) This is the pipeline we are building to Russia. The pipeline to China will be completed in 1999. But we need more pipelines. The closest and cheapest one would be through Iran. (C)

VICE PRESIDENT GORE: You said that you would not go in that direction. (C)

THE PRESIDENT: The best route is across the Caspian. (C)

PRESIDENT NAZARBAYEV: I know that. China is ready to finance the pipeline to China. Iran is ready to finance the pipeline through Iran. We could build a pipeline through Afghanistan to Pakistan, but the civil war in Afghanistan prevents this. There is a new proposal for a pipeline across the Caucasus. We are already shipping some oil by tanker across the Caspian and then across the Caucasus to Turkey, Ukraine and the Balkans. Turkmenistan invites us every day to send our gas through a pipeline that would transit Turkmenistan and Iran. But because we are partners with the United States, we want to do everything that you want. We are cutting off all contacts with Iran. But the United States needs to help Turkey to finance the pipeline from Baku to Ceyhan. There has been a lot of talk about this project for two years but so far no results. Secretary Pena told me that a consortium might start working on this project by October 1998. No one will agree to build this pipeline unless Kazakhstan agrees to provide its oil. The center of interest is in Kazakhstan. (C)

I was very grateful to the Vice President who called our relationship a strategic partnership and who considers it important to support our independence and sovereignty. (C)

The President of Turkmenistan is actively working with Iran on gas projects. He is saying that the U.S. President has no objections to a pipeline crossing Iran. (S)

SECRETARY TALBOTT: That is absolutely not the case. (S)

VICE PRESIDENT GORE: We will tell him.

THE PRESIDENT: We have a plan for financing of the trans-Caspian pipeline, don't we? (S)

SECRETARY PENA: Five countries are forming working groups with the goal of by October 1998, working with private companies, to make this project financially possible. (S)

THE PRESIDENT: We will be remiss if we don't find the way to do this. I will take a personal interest in this and make sure that we do our part. The agreements you signed during your visit put our relations on a much better footing. We must build the strategic partnership you talked about. Kazakhstan is critically important to this region and world energy resources. We need this kind of strategic partnership. We want to be good and equal partners in this effort. (S)

PRESIDENT NAZARBAYEV: Thank you, Mr. President. What you have said is fully enough for me to support this project. Secretary Pena will make an announcement of this tomorrow. The main issue is to help Turkey with the financing. (S)

The next issue is one only you can resolve -- that is determining the status of the Caspian. Long ago the Caspian was divided into sectors. Azerbaijan has already de facto begun to take out oil from its sector. This is an international body of water and should be divided on the bottom. Chernomyrdin accepts that we should never be in conflict with Russia, but the question is who is in charge in Russia. (S)

VICE PRESIDENT: There's no question about who is in charge in Kazakhstan, which brings up the question of democratization. (S)

THE PRESIDENT: Sometimes I think that we have too much democracy here. (S)

PRESIDENT NAZARBAYEV: The Vice President and I have already discussed this issue. (S)

THE PRESIDENT: I understand that you gave him a good history lesson. (Laughter) (S)

PRESIDENT NAZARBAYEV: Yes. I quoted the Vice President from your wife's book "It Takes a Village" which says that today's older generation remembers well the time when black Americans weren't permitted to vote, to stay in certain hotels or to dine in certain restaurants. Asian-Americans could not complain about their bosses. Women couldn't work in certain professions or vote. (S)

THE PRESIDENT: You should learn from our mistakes and make more rapid progress. (S)

PRESIDENT NAZARBAYEV: We will have democratic elections for Parliament in 1999. Our next Presidential elections will be completely free, with every citizen being eligible to run. Perhaps I have already have worked for too long? (S)

VICE PRESIDENT GORE: I am afraid that with all this oil you may begin to build palaces like the king in Saudi Arabia. (Laughter) (U)

PRESIDENT NAZARBAYEV: I told the Vice President to be very frank with me as to whether or not he wanted another partner instead of me to work with in Kazakhstan. (S)

THE PRESIDENT: Be careful. If you build all these palaces he will want to be your partner. (Laughter) (S)

PRESIDENT NAZARBAYEV: I am not a monarch. I will not build any palaces. (U)

THE PRESIDENT: The Saudis have built palaces in all parts of the country. Some of them are occupied only two days each year. (U)

PRESIDENT NAZARBAYEV: I was in Oman with its golden palaces that are totally empty. (S)

Getting back to Russia and Iran. They have pursued their own interests on the demarcation issue. No one objects to their companies participating in open tenders as other companies do. But they want to participate without paying in anything to the consortia. We will not allow this. We need your support on our position on Caspian seabed division. (S)

THE PRESIDENT: This is our position. (S)

PRESIDENT NAZARBAYEV: This is the international position according to all international treaties. I also talked to Secretary Pena about an international conference on the Caspian region initiated by the United States so as not to have a scenario of conflict but one of peaceful development. (S)

VICE PRESIDENT GORE: The key dispute is that between Azerbaijan and Turkmenistan. The President saw President Aliyev in August and will see President Niyazov next month. Once this dispute is resolved, the overall issue of demarcation will be resolved. (S)

PRESIDENT NAZARBAYEV: I will also do my part with Presidents Aliyev and Niyazov. (S)

VICE PRESIDENT GORE: Niyazov is not coming next month. He comes next year. (S)

PRESIDENT NAZARBAYEV: Russia made the Azerbaijanis and Turkmenistanis go at each other. First they gave Aliyev a contract and then they took it back. I have talked to both presidents. The current situation is not good for one or the other of them. (S)

THE PRESIDENT: Azerbaijan needs to solve its problems. They will have plenty of money with their oil. They need to resolve their problems with Turkmenistan and Armenia so that they can use their wealth for the benefit of their people. (S)

PRESIDENT NAZARBAYEV: To help resolve their dispute, I recommended to Aliyev that he put up a statue of Niyazov in Azerbaijan. (Laughter) (S)

VICE PRESIDENT GORE: Have you thought of putting up statues of yourself? (S)

PRESIDENT NAZARBAYEV: If I resolve all of my country's problems, I will put up such a statue. Mr. President, I want to sincerely thank you. This has been a very memorable visit for me. We signed excellent documents and agreements. We had open and frank talks. Thank you for your support and your invitation. We also have learned that our issue with Jackson-Vanik will be taken care of. (S)

THE PRESIDENT: This issue will be resolved very soon. (S)

PRESIDENT NAZARBAYEV: One last issue which I wanted to raise is that of uranium. Kazakhstan is a big producer of uranium. We agreed with the Vice President to look at concluding an agreement on uranium. (S)

THE VICE PRESIDENT: We will need to discuss whether or not this is possible and we will communicate with you later on this issue. (S)

PRESIDENT NAZARBAYEV: We would like an agreement for a joint enterprise to extract, develop and market uranium. We are also asking the United States to open its market for our uranium. (S)

I have one last issue. You know that Kazakhstan is bounded by China, Russia and the Islamic world. This reminds me of something Israeli Prime Minister Peres told me once when he was in Almaty. He said that he felt very sorry for me since I open my left eye and see Russia and I open my right eye and see China. I told him that his situation was even worse with Arabs completely surrounding him. (Laughter) (S)

When I talk about strategic partnership with the United States, I mean it seriously. I know that everyone talks about this same thing - Russia and Ukraine. Our desire is based on the multi-billion dollar contracts that we signed today. When I speak of strategic partnership, I mean it. Ours is a most important region that will give the world enormous resources. (S)

THE PRESIDENT: You have it all figured out. (S)

PRESIDENT NAZARBAYEV: I spoke with the Vice President about deciding on our relationship with NATO. He agreed to think about it. (S)

VICE PRESIDENT GORE: We had a very good exercise with Kazakhstan - the CENTRAZBAT peacekeeping exercise. I will ask the advice of this group and will work up some recommendations on this as to whether it makes sense to have a more formal relationship with NATO. I will communicate with you when we have had more time to analyze this question. (S)

THE PRESIDENT: Our security relationship is quite important to us. You are a bulwark against imperialism and radical fundamentalism. You could become one of the two or three largest suppliers of oil. If the pipelines are done properly, with the Caspian being divided clearly -- and we agree on what is a reasonable resolution on this issue -- then you could see

more rapid growth leading to economic prosperity. Your nation and the other nations of Central Asia, with democracy broadly supported, with rising prosperity and with resources that others want to buy, will have close ties to the United States because we have no territorial aspirations in your region. You will have the strategic partnership you desire. Last night I got back late from a trip and was very preoccupied with the Iraqi problem. I knew that you were coming today. I looked at the globe on which I have been following the trip of my wife. I looked at Kazakhstan on the globe and can see what it could be 20, 30, 40 years from now if we do this right. ~~(S)~~

PRESIDENT NAZARBAYEV: Thank you very much. I know that you are very busy. You have given me much time. I invite you again to come to visit Kazakhstan, perhaps on your way to Asia. You could stop even for a few hours. ~~(S)~~

VICE PRESIDENT GORE: Americans think that you are the model leader for Kazakhstan, not the president who was featured in the film Air Force One. (Laughter) ~~(S)~~

THE PRESIDENT: No, he would have won. (Laughter) ~~(S)~~

PRESIDENT NAZARBAYEV: When they overthrew that dictator, I was the democrat who took over. Would the United States have let me into the country if I had been that dictator? (Laughter) ~~(S)~~

THE PRESIDENT: By the way, thank you very much for the ceremonial weapons you brought for me. (U)

PRESIDENT NAZARBAYEV: I like hunting very much. (U)

THE PRESIDENT: Next year, we have elections. They will come in very handy. (Laughter) ~~(S)~~

PRESIDENT NAZARBAYEV: Thank you very much for the book on golf and the golf balls that your wife presented to me from you. (U)

PRESIDENT NAZARBAYEV: I would also like to give you these cufflinks. Our symbol is now the snow leopard. (U)

THE PRESIDENT: You gave me cufflinks last time you were here. I have used them a lot. (U)

PRESIDENT NAZARBAYEV: They are made of Kazakhstani gold. (U)

SECRETARY TALBOTT: That is better than uranium. (U)

PRESIDENT NAZARBAYEV: Mr. Talbott and I talked about how your policy now is not only focused on Russia but also on our part of the world. We are happy with this development. Thank you very much and good-bye. (C)

THE PRESIDENT: Good-bye. (U)

-- End of Conversation --

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

November 26, 1997

ACTION

MEMORANDUM FOR SAMUEL R. BERGER

10 For
[Handwritten signature]

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KBH NARA, Date 9/9/2019
2016-0124-M

THROUGH: WILLIAM COURTNEY

FROM: MICHAEL MATERA

SUBJECT: Memorandum of Conversation with President
Nazarbayev of Kazakhstan on November 18, 1997

Attached at Tab A is the Memorandum of Conversation between the President and President Nazarbayev of Kazakhstan on November 18, 1997.

RECOMMENDATION

That you authorize Glyn Davies to sign the memorandum to the agencies at Tab I.

Approve Disapprove

That the attached Memorandum of Conversation be filed for the record.

Approve Disapprove

Attachments

- Tab I Memorandum to Agencies
- Tab A Memorandum of Conversation

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

7871

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KSH NARA, Date 9/9/2019
2016-0124-M

MEMORANDUM FOR

MR. WILLIAM J. BURNS
Executive Secretary
Department of State

MR. JAMES N. SOLIT
Director, Executive
Secretariat
Department of Energy

COL. JAMES N. MATTIS
Executive Secretary
Department of Defense

SUBJECT: Memoranda of Conversation with President
Nazarbayev of Kazakhstan on November 18, 1997
(S)

The attached Memorandum of Conversation between the President and President Nazarbayev are provided for the information of the Secretary of State, the Deputy Secretary of State, Secretary of Defense and the Secretary of Energy. It must be distributed via NODIS channels and not below the Deputy Assistant Secretary (DAS) level. It may also be sent to our Embassy in Almaty for Ambassador Jones only.

Glyn T. Davies
Executive Secretary

Attachment
Tab A Memorandum of Conversation

~~SECRET~~

Classified by: Glyn T. Davies
Reason: 1.5 (b), (d)
Declassify on: 11/25/07

Secret #15
conf.
on 1

PRESIDENT NAZARBAYEV: Yes, but she still was able to carry out almost her entire planned schedule. I was only sorry that I was not able to welcome her to our home. (U)

THE PRESIDENT: She was very disappointed that her trip was shortened. (U)

PRESIDENT NAZARBAYEV: Thank you very much for the invitation to meet with you here in Washington. I have worked very intensively with the Vice President over the past two days. We have fulfilled our program. I am very grateful to the Vice President. We were able to exchange opinions on many issues. You probably know that we signed all the documents that we had planned to sign. Three years have passed since you and I signed the Charter on Democratic Partnership. The realities of life have now pushed us to sign the Action Program on Economic Partnership. (S)

Over the past three years, Kazakhstan has traveled a long and historic path. We have laid the basis for a market economy. From last year, our economy has begun to grow, with the help of international organizations and of countries, especially the United States. We have worked together to destroy our nuclear missiles. We strongly support nonproliferation and now have the status of a nonnuclear state. The relationship began this way, and now we have built a partnership. We have low inflation, our currency is stable, 70% of property has been privatized thus allowing us to develop our economy. (S)

Kazakhstan is a stable nation despite its multinational nature. We support stability through good relations with Russia. We have reached agreement with China on our borders. We have created the Central Asian Union. All of this is in support of peace and stability, both internally and externally. Stability is important in order to attract foreign companies. Now we have more than 180 American companies active in Kazakhstan. Over \$7 billion has been invested over the past three and a half years - more per capita than any other country in Central Europe or the NIS. Forty percent is U.S. investment. Two large energy contracts were signed today raising our commercial relations to a new level. (S)

U.S. companies have completed a study of Kazakhstan's energy resources. This study indicates that Kazakhstan has the second largest oil reserves in the world after Saudi Arabia. This is the main issue that I would like to discuss with you - how to transport our oil to world markets. I will now speak only of

U.S. interests, not those of Kazakhstan. ^{MP} (Pointing to a map of the region) This is the Tenghiz field where Chevron is currently producing oil. All of this area is still open and has reserves of 200 billion barrels of oil. This puts us in second place for oil reserves after Saudi Arabia. We are in fifth place on gas reserves. We have much more oil than Azerbaijan. If Kazakhstan were to ship all its oil to the United States, we would be able to satisfy less than half of your domestic demand. (C)

THE PRESIDENT: That sounds very good. (Laughter) (C)

PRESIDENT NAZARBAYEV: I told you that I would talk of U.S. interests. I want to invite you again to visit Kazakhstan. (Again pointing to the map) This is the pipeline we are building to Russia. The pipeline to China will be completed in 1999. But we need more pipelines. The closest and cheapest one would be through Iran. (C)

VICE PRESIDENT GORE: You said that you would not go in that direction. (C)

THE PRESIDENT: The best route is across the Caspian. (C)

PRESIDENT NAZARBAYEV: I know that. China is ready to finance the pipeline to China. Iran is ready to finance the pipeline through Iran. We could build a pipeline through Afghanistan to Pakistan, but the civil war in Afghanistan prevents this. There is a new proposal for a pipeline across the Caucasus. We are already shipping some oil by tanker across the Caspian and then across the Caucasus to Turkey, Ukraine and the Balkans. Turkmenistan invites us every day to send our gas through a pipeline that would transit Turkmenistan and Iran. But because we are partners with the United States, we want to do everything that you want. We are cutting off all contacts with Iran. But the United States needs to help Turkey to finance the pipeline from Baku to Ceyhan. There has been a lot of talk about this project for two years but so far no results. Secretary Pena told me that a consortium might start working on this project by October 1998. No one will agree to build this pipeline unless Kazakhstan agrees to provide its oil. The center of interest is in Kazakhstan. (C)

I was very grateful to the Vice President who called our relationship a strategic partnership and who considers it important to support our independence and sovereignty. (C)

The President of Turkmenistan is actively working with Iran on gas projects. He is saying that the U.S. President has no objections to a pipeline crossing Iran. (S)

SECRETARY TALBOTT: That is absolutely not the case. (S)

VICE PRESIDENT GORE: We will tell him.

THE PRESIDENT: We have a plan for financing of the trans-Caspian pipeline, don't we? (S)

SECRETARY PENA: Five countries are forming working groups with the goal of by October 1998, working with private companies, to make this project financially possible. (S)

THE PRESIDENT: We will be remiss if we don't find the way ^{to} do this. I will take a personal interest in this and make sure that we do our part. The agreements you signed during your visit put our relations on a much better footing. We must build the strategic partnership you talked about. Kazakhstan is critically important to this region and world energy resources. We need this kind of strategic partnership. We want to be good and equal partners in this effort. (S)

PRESIDENT NAZARBAYEV: Thank you, Mr. President. What you have said is fully enough for me to support this project. Secretary Pena will make an announcement of this tomorrow. The main issue is to help Turkey with the financing. (S)

The next issue is one only you can resolve ~~it~~ that is determining the status of the Caspian. Long ago the Caspian was divided into sectors. Azerbaijan has already de facto begun to take out oil from its sector. This is an international body of water and should be divided on the bottom. Chernomyrdin accepts that we should never be in conflict with Russia, but the question is who is in charge in Russia. (S)

VICE PRESIDENT: There's no question about who is in charge in Kazakhstan, which brings up the question of democratization. (S)

THE PRESIDENT: Sometimes I think that we have too much democracy here. (S)

PRESIDENT NAZARBAYEV: The Vice President and I have already discussed this issue. (S)

THE PRESIDENT: I understand that you gave him a good history lesson. (Laughter) (S)

PRESIDENT NAZARBAYEV: Yes. I quoted the Vice President from your wife's book "It Takes a Village" which says that today's older generation remembers well the time when black Americans weren't permitted to vote, to stay in certain hotels or to dine in certain restaurants. Asian-Americans could not complain about their bosses. Women couldn't work in certain professions or vote. (S)

THE PRESIDENT: You should learn from our mistakes and make more rapid progress. (S)

PRESIDENT NAZARBAYEV: We will have democratic elections for Parliament in 1999. Our next Presidential elections will be completely free, with every citizen being eligible to run. Perhaps I have already have worked for too long? (S)

VICE PRESIDENT GORE: I am afraid that with all this oil you may begin to build palaces like the king in Saudi Arabia. (Laughter) (U)

PRESIDENT NAZARBAYEV: I told the Vice President to be very frank with me as to whether or not he wanted another partner instead of me to work with in Kazakhstan. (S)

THE PRESIDENT: Be careful. If you build all these palaces he will want to be your partner. (Laughter) (S)

PRESIDENT NAZARBAYEV: I am not a monarch. I will not build any palaces. (U)

THE PRESIDENT: The Saudis have built palaces in all parts of the country. Some of them are occupied only two days each year. (U)

PRESIDENT NAZARBAYEV: I was in Oman with its golden palaces that are totally empty. (S)

Getting back to Russia and Iran. They have pursued their own interests on the demarcation issue. No one objects to their companies participating in open tenders as other companies do. But they want to participate without paying in anything to the consortia. We will not allow this. We need your support on our position on Caspian seabed division. (S)

PRESIDENT NAZARBAYEV: One last issue which I wanted to raise is that of uranium. Kazakhstan is a big producer of uranium. We agreed with the Vice President to look at concluding an agreement on uranium. (S)

THE VICE PRESIDENT: We will need to discuss whether or not this is possible and we will communicate with you later on this issue. (S)

PRESIDENT NAZARBAYEV: We would like an agreement for a joint enterprise to extract, develop and market uranium. We are also asking the United States to open its market for our uranium. (S)

I have one last issue. You know that Kazakhstan is bounded by China, Russia and the Islamic world. This reminds me of something Israeli Prime Minister Peres told me once when he was in Almaty. He said that he felt very sorry for me since I open my left eye and see Russia and I open my right eye and see China. I told him that his situation was even worse with Arabs completely surrounding him. (Laughter) (S)

When I talk about strategic partnership with the United States, I mean it seriously. I know that everyone talks about this same thing - Russia and Ukraine. Our desire is based on the multi-billion dollar contracts that we signed today. When I speak of strategic partnership, I mean it. Ours is a most important region that will give the world enormous resources. (S)

THE PRESIDENT: You have it all figured out. (S)

PRESIDENT NAZARBAYEV: I spoke with the Vice President about deciding on our relationship with NATO. He agreed to think about it. (S)

VICE PRESIDENT GORE: We had a very good exercise with Kazakhstan - the CENTRASBAT peacekeeping exercise. I will ask the advice of this group and will work up some recommendations on this as to whether it makes sense to have a more formal relationship with NATO. I will communicate with you when we have had more time to analyze this question. (S)

THE PRESIDENT: Our security relationship is quite important to us. You are a bulwark against imperialism and radical fundamentalism. You could become one of the two or three largest suppliers of oil. If the pipelines are done properly, with the Caspian being divided clearly, and we agree on what is a reasonable resolution on this issue -- then you could see more

rapid growth leading to economic prosperity. Your nation and the other nations of Central Asia, with democracy broadly supported, with rising prosperity and with resources that others want to buy, will have close ties to the United States because we have no territorial aspirations in your region. You will have the strategic partnership you desire. Last night I got back late from a trip and was very preoccupied with the Iraqi problem. I knew that you were coming today. I looked at the globe on which I have been following the trip of my wife. I looked at Kazakhstan on the globe and can see what it could be 20, 30, 40 years from now if we do this right. (S)

PRESIDENT NAZARBAYEV: Thank you very much. I know that you are very busy. You have given me much time. I invite you again to come to visit Kazakhstan, perhaps on your way to Asia. You could stop even for a few hours. (S)

VICE PRESIDENT GORE: Americans think that you are the model leader for Kazakhstan, not the president who was featured in the film Air Force One. (Laughter) (S)

THE PRESIDENT: No, he would have won. (Laughter) (S)

PRESIDENT NAZARBAYEV: When they overthrew that dictator, I was the democrat who took over. Would the United States have let me into the country if I had been that dictator? (Laughter) (S)

THE PRESIDENT: By the way, thank you very much for the ceremonial weapons you brought for me. (U)

PRESIDENT NAZARBAYEV: I like hunting very much. (U)

THE PRESIDENT: Next year, we have elections. They will come in very handy. (Laughter) (S)

PRESIDENT NAZARBAYEV: Thank you very much for the book on golf and the golf balls that your wife presented to me from ~~from~~ you. (U)

PRESIDENT NAZARBAYEV: I would also like to give you these cufflinks. Our symbol is now the snow leopard. (U)

THE PRESIDENT: You gave me cufflinks last time you were here. I have used them a lot. (U)

PRESIDENT NAZARBAYEV: They are made of Kazakhstani gold. (U)

NATIONAL SECURITY COUNCIL
DISTRIBUTION RECEIPT

LOG 9707871
DATE 01 DEC 97

SUBJECT: MEMCON W/ PRES NAZARBAYEV OF KAZAKHSTAN ON 18 NOV 97
DOCUMENT CLASSIFICATION: ~~SECRET~~

EXTERNAL DISTRIBUTION:	DATE	TIME	SIGNATURE
MR. WILLIAM J. BURNS ROOM 7224, MAIN STATE 2201 C STREET, N.W. WASHINGTON, D.C. 20520 DEPARTMENT OF STATE	_____	_____	_____
		PRINT LAST NAME:	_____
		COPY: <u>1 + DISK</u>	
COL JAMES N. MATTIS ROOM 3E880 PENTAGON WASHINGTON, DC 20301-1000 DEPARTMENT OF DEFENSE	_____	_____	_____
		PRINT LAST NAME:	_____
		COPY: <u>1</u>	
MR. JAMES N. SOLIT EXECUTIVE SECRETARIAT ROOM 7E054 1000 INDEPENDENCE AVE, SW WASHINGTON, DC 20585 DEPARTMENT OF ENERGY	_____	_____	_____
		PRINT LAST NAME:	_____
		COPY: <u>1</u>	

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ATTACHMENTS
Initials: KBH Date: 9/9/2019
2016-0127-m

DATE, TIME, SIGN THE RECEIPT AND RETURN TO: NSC RECORDS MGNT, ROOM 379 OEOB
PAGE 01 OF 01 PAGES

TIME OF TRANSMISSION:

TIME OF RECEIPT:

**WHITE HOUSE
SITUATION ROOM**

PRECEDENCE: /
 /
 /

IMMEDIATE
PRIORITY
ROUTINE

RELEASER: _____
DTG: _____

MESSAGE NO: _____ CLASSIFICATION: **SECRET** PAGES: 12
(Including Cover)

FROM: NSC West Wing Desk (NAME) (202) 456-9425 (PHONE NUMBER) WH Situation Room (ROOM NO.)

MESSAGE DESCRIPTION: MEMCON BTW PETERS & PIES
HAZARBAVED AS 18 NOV NSC LOG # 7871

TO (AGENCY)	DELIVER TO	DEPT/ROOM NO.	PHONE NUMBER
<u>DES</u>	<u>EXEC SEC</u>	_____	_____
<u>DOD</u>	<u>EXEC SEC</u>	_____	_____
<u>INPROT</u>	<u>DIRECTOR, EXEC SEC</u>	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

REMARKS:

DECLASSIFIED
E.O. 13526, Sec. 3.5 (b)
White House Guidelines, September 11, 2006
By KRM NARA, Date 9/9/2019
2016-0124-M

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	KZNONPRO [Disk 1] (2 pages)	11/00/1997	P1/b(1)
002. paper	bilateral U.S. GOK relations - bckgr for 1997 JC.pdf [Disk 2] (2 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
003. paper	caaspian issues [Disk 2] (2 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
004. paper	clinton-nazarbayev meeting memo - with talkers.pdf [Disk 2] (7 pages)	11/00/1997	P1/b(1) , P3/b(3) KBH 2/5/2020
005. paper	kazakstan relations with neighbors [Disk 2] (2 pages)	11/00/1997	P1/b(1) KBH 2/5/2020
006. paper	political and econ reform bkgr [Disk 2] (2 pages)	11/00/1997	P1/b(1) KBH 2/5/2020

COLLECTION:

Clinton Presidential Records
 NSC Records Management
 ([Nazarbayev])
 OA/Box Number: 1652

FOLDER TITLE:

9707640 [Disk]

2016-0124-M
 kh1792

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

- C. Closed in accordance with restrictions contained in donor's deed of gift.
- PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
- RR. Document will be reviewed upon request.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	KZNONPRO [Disk 1] (2 pages)	11/00/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1652

FOLDER TITLE:

9707640 [Disk]

2016-0124-M
kh1792

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

DECLASSIFIED
PER E.O. 13526
2016-0127-M (1.43)
KBH 9/9/2019

~~CONFIDENTIAL~~

DECL: 11/03/07

U.S.-KAZAKHSTAN BILATERAL RELATIONSHIP

The principal U.S. interest in Kazakhstan is its energy resources. In turn, Kazakhstan recognizes that American oil technology and expertise are unmatched and actively seeks U.S. involvement in its economy. President Nazarbayev views U.S.-Kazakhstan commercial ties as a guarantee of sorts as he balances relations with neighbors Russia and China. Our advocacy for U.S. firms will continue to be important as Kazakhstan awards contracts for its vast offshore deposits, in which we want to minimize Iran's role. This latter issue is a potential irritant. Kazakhstan sees a pipeline through Iran as a relatively inexpensive and quick export route for its oil and gas.

We want Nazarbayev's hand-picked new government, headed by crony Nurlan Balgimbayev, to maintain the economic reform program of his predecessor. These policies were praised by the World Bank and the IMF, and have led to modest economic growth. We also expect the GOK to continue to establish transparent rules of the game necessary to attract and keep investors.

Although we have worked well with the GOK on most non-proliferation matters, there have been disagreements as Kazakhstan, cash poor, and facing a deteriorating social infrastructure, considered arms and technology transfers to countries of proliferation concern.

Incorporating the range of our bilateral interests, the U.S.-Kazakhstan Joint Commission (JC) is the principal vehicle for moving the relationship forward, working through three autonomous working groups. Commercial issues are addressed through the Business Development Council. The two other working groups treat environment, science and technology matters (ES&T BWG), as well as export-control and defense conversion and cooperation (Defense BWG). Macro-economic and technical assistance issues are coordinated through the Special Advisor on Assistance to the NIS.

Given the level of interest we have in promoting a stable, democratic prosperous society at the center of this oil rich region, we have a relatively modest economic assistance program for Kazakhstan. In FY97 it amounted to \$35 million, and the Administration requested \$52 million in FY98.

Paper Copy Generated by
LPWJC

~~CONFIDENTIAL~~

Bilateral U.S.-Kazakhstan Relations

Drafted: EUR/CACEN: JAAlsace, 7-6859

Cleared: EUR/CACEN: BDonahue
PM: SAoki
T: JOettinger
AID: PDowns
G: LMitchell
EB/IFD LButcher
E: HMoore
OES: KThomas
S/NIS/C: MBryza

Previously cleared language (updated 11/3/97)

**Paper Copy Generated by
LPWJC**

CASPIAN ENERGY ISSUES

The U.S. actively supports the rapid development of Caspian Basin energy resources as key to economic and political development of the new states in the region. U.S. objectives in the region include minimizing Iran's role, strengthening the sovereignty and independence of the new states, diversifying world energy supplies, and supporting U.S. business. These can be best achieved by the rapid development of an East-West energy transit corridor, among other multiple pipeline options (excluding Iran), and agreement to set aside or resolve Caspian seabed legal issues in a way that facilitates energy development.

Pipelines: Development of Kazakhstan's resources is dependent on multiple export options. Faced with limited pipeline access through the Russian pipeline systems, TengizChevroil is shipping limited volumes of oil via rail to Finland and by barge and rail across the Caspian and Caucasus. Kazakhstan has also utilized low volume oil swaps with Iran. USG support was instrumental in conclusion of a commercially viable Caspian Pipeline Consortium (CPC) agreement to transport oil from Kazakhstan, especially Tengiz, to the Black Sea via Russia. However, the planned construction start date has been delayed due to the intransigence of Russian regions during rights-of-way and tariff rate negotiations.

Despite high-level USG advocacy, the Chinese National Petroleum Company (CNPC) won two tenders over U.S. companies for oil projects by offering large up-front cash bonus payments and promising to look at building oil pipelines from Kazakhstan to China and through Iran to the Persian Gulf. Kazakhstan is aggressively pursuing both options. We have made clear to the Kazakhstanis that the U.S. is adamantly opposed to pipelines through Iran. We have offered to work with Kazakhstan to seek viable alternatives, particularly a trans-Caspian pipeline routing Kazakhstan's vast energy resources along an East-West corridor.

Caspian Delimitation: With Azerbaijan, Kazakhstan supports a Caspian Sea legal regime based on the division of seabed resources into national sectors. Kazakhstani officials have said that they will try to get Russian oil companies involved in exploration in the "Kazakhstani sector" to ensure that it is in Russia's interest to resolve favorably the legal regime issue. However, Kazakhstan formally objected to Russia's recent tender announcement which included prospects Kazakhstan considers its own.

Drafted:EUR/PRA:CRMCClelland
id: Gore Kazakhstan.doc 76746 11/6/97

Cleared:S/NIS:RWilson (ok)
EB/ESC/IEP:FADowdy (ok)
S/P:ERumer (ok)
P:PMoon (ok)
E:HTMoore/PBass (ok)
D:PGoldberg (ok)

SECRET

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.15)
KSH 9/9/2019

MEETING WITH
KAZAKHSTANI PRESIDENT NURSULTAN NAZARBAYEV

DATE: November 18, 1997

LOCATION: Oval Office

TIME: TBD

FROM: SAMUEL BERGER

I. PURPOSE

You want to reassure Nazarbayev that we consider Kazakhstan important and remain committed to its independence and sovereignty. Stress our interest in developing rapidly an East-West option for exporting Kazakhstan's energy resources and our strong opposition to any deal with Iran on pipelines. Make clear that we expect Kazakhstan to follow responsible non-proliferation policies and to stay the course on economic and political reform.

II. BACKGROUND

Setting. Nazarbayev arrives in Washington secure at home, having just rearranged the political landscape in Kazakhstan and consolidated his firm grip on power. He forced the resignation of a reformist prime minister and named a new cabinet dominated by ethnic Kazakhs close to him. In doing so, Nazarbayev called into question his commitment to economic and political reform. He said the government will continue to improve the investment climate, including transparency in business deals. But U.S. and other foreign investors seeking to develop Kazakhstan's world-class energy reserves are nervous that the move may also signal an increase in Kazakhstan's already world-class corruption. Nazarbayev is less certain of his international footing. He has stressed that Kazakhstan lives in a "tough neighborhood" and seeks a strategic partner as it moves into the next century.

Bilateral Relationship. Nazarbayev wants the U.S. to be that partner and seeks reassurance that we are interested in deepening the relationship, especially in the economic field. He sees increased U.S. investment

SECRET

Paper Copy Generated by
LPWJC

~~SECRET~~

as a "guarantee" of U.S. commitment to Kazakhstan. Nazarbayev's eagerness gives us leverage in pushing him to stay the course on economic reform and to lobby for U.S. firms seeking entry into Kazakhstan's energy sector. Nazarbayev is certain to raise his desire to have Jackson-Vanik restrictions lifted permanently. As a practical matter, Jackson-Vanik does not adversely affect Kazakhstani exports, but the symbolism is negative. You can say we will be reviewing the matter closely, perhaps adding as an aside that Jackson-Vanik is tied to concerns about human rights generally, and that Kazakhstan can further its case by continuing development of democratic institutions.

Iran. Kazakhstan's long-term stability is dependent on the rapid development of its energy resources. Its people have yet to see the benefits of economic reform. Social indicators are in decline and rumblings of discontent muted but palpable. Nazarbayev is unhappy with the dearth of export options available to Kazakhstan to move its oil and gas to market. He has stated more than once that Kazakhstan is prepared to deal with Iran; a pipeline south offers a direct, cheap and easily built route. You want to make clear our categorical rejection of any deals with Iran and the certain deleterious effect on the bilateral relationship should Kazakhstan proceed in that direction. You should emphasize our East-West transit strategy as one important way toward expanding Kazakhstan's options and highlight the role a trans-Caspian pipeline could play.

Non-proliferation. You can express appreciation for Kazakhstan's good record in this area and remind Nazarbayev of his written assurances that Kazakhstan will not allow the transfer or sale of arms from or through its territory to countries of proliferation concern. Nazarbayev may note that Kazakhstan has a huge cache of Soviet-era weapons that it would like to sell. You can observe that Kazakhstan, aspiring to be a regional leader on non-proliferation, must make the hard choices consistent with leadership.

Regional Issues. Nazarbayev will likely raise CIS developments and his own role in promoting regional cooperation. Express support, noting we have worked with Kazakhstan through such regional initiatives as the Central Asian peacekeeping battalion.

III. PARTICIPANTS

~~SECRET~~

Paper Copy Generated by
LPWJC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. paper	clinton-nazarbayev meeting memo - with talkers.pdf [Disk 2] [partial] (1 page)	11/00/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Records Management
([Nazarbayev])
OA/Box Number: 1652

FOLDER TITLE:

9707640 [Disk]

2016-0124-M
kh1792

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

SECRET

President
Vice President
Mr. Berger
Acting Secretary Talbott
Mr. Fuerth
Ambassador Sestanovch
Ambassador Jones
Others TBD

President Nazarbayev
Foreign Minister Tokayev
Ambassador Nurgaliyev
Others TBD

IV. PRESS PLAN

Pool spray at the beginning of the meeting.

V. SEQUENCE

We suggest that you open by reaffirming the importance of the relationship and then segue directly into how Kazakhstani cooperation on key issues such as Iran and non-proliferation can further a relationship already firmly founded on shared economic goals.

Attachments:

Tab A - Points to be Made

Tab B - Points for Pool Spray

Tab C - (b)(3)

[007]

SECRET

Paper Copy Generated by
LPWJC

SECRET

Talking Points

Bilateral Relationship

- It is a very good to see you here again in Washington. Hillary tells me she had a terrific visit to Almaty last week and was especially touched by the warm and friendly reception you and Sara provided. I want to thank you.
- Your visit here to co-chair the U.S.-Kazakhstan Joint Commission - and Al has reported to me that the meetings have gone well - is another sign of our close ties.
- The U.S.-Kazakhstan partnership is an important one and Kazakhstan's independence, stability and prosperity are critical to ensuring the stability of Central Asia, a region of increasing geostrategic importance.
- I read your letter of September 17 with real interest. It's important that you look ahead to Kazakhstan's future in what can be a "tough neighborhood."
- My own view is that Kazakhstan will have to carefully consider how to quickly and efficiently develop its natural resources and then, most importantly, make the right choices in how to use its wealth to construct a prosperous and democratic society.

Kazakhstan's Future

- I think the United States can be a valuable partner for Kazakhstan as it seeks the "geostrategic direction" of which you wrote. American companies are already present in force in Kazakhstan, especially in the energy sector. That is good, because I believe American technology and expertise are the best in the world and your best choice for bringing your oil and gas fields on line soon.
- Kazakhstan must make its own choices, of course, in how it allocates the proceeds from its energy wealth. But I know that in your recent address to your parliament you spoke of Kazakhstan's need to address social sector wants, such as education and health. I think you are absolutely right in your focus and efforts to ensure that Kazakhstan develop a positive social model.
- Kazakhstan should maintain friendly relations with its neighbors as it develops its own society. We do not see such ties - with the exception of to Iran - as threatening to our own relationship. On the contrary, regional cooperation is something we encourage as

SECRET

Paper Copy Generated by
LPWJC

~~SECRET~~

enhancing stability. I want to hear your views on Kazakhstan's relations with its neighbors.

Joint Commission (JC)

- I'd also like to hear your thoughts on what the JC accomplished. I know that one of the documents you and Al will sign will be an "Action Program for Economic Partnership." We think this can be a useful document for moving forward together on important commercial issues such as transparency, clear-cut rules for investment, and the sanctity of contracts.

Caspian Basin/Iran

- We understand your interest in ending Russia's monopoly over Kazakhstan's oil exports. That is why we advocate multiple pipelines.
- However, Kazakhstan's energy development cannot be advanced through cooperation with Iran. It is a threat to you, a threat to the region and, frankly, to the world.
- We want to see among Kazakhstan's energy export options the rapid development of East-West pipelines. A trans-Caspian pipeline to Azerbaijan could very economically link up to a main export pipeline to the West, and your support for such a line would give great impetus toward its development.
- For our part, we oppose any pipelines through Iran. We have not blessed any trans-Iranian pipeline options and, while there are questions about the legality of this or that specific option, the fact is we oppose any pipeline as a matter of policy.
- Any country which contributes directly and significantly to the development of Iran's petroleum industry risks damaging its bilateral relations with the United States. Moreover, Iran is a competitor and strengthening its petroleum industry is not in Kazakhstan's interest.
- Dealing with the Caspian's legal status and seabed demarcation would greatly facilitate development of Caspian energy. We are prepared to be helpful if the parties agree.

Economic Reform and Business Environment

~~SECRET~~

Paper Copy Generated by
LPWJC

~~SECRET~~

- The World Bank and the IMF, as well as private investors, have been very impressed with the macroeconomic policies your government has followed over the past five years.
- It appears Kazakhstan's commitment to economic reform is paying off, with inflation down drastically, real growth in GDP, and investment dollars pouring in. I want to encourage you to stay the course, especially on privatization and transparency.

Jackson-Vanik

- We know this is an important issue for Kazakhstan and will be reviewing carefully how we can graduate Kazakhstan and the other Central Asian states soon.

Non-proliferation

- Kazakhstan and the U.S. have cooperated very well on non-proliferation.
- I appreciated your categorical assurance that Kazakhstan will not allow the transfer of arms or technology to countries of proliferation concern. Stopping the transfer of arms to countries like Iran or Syria is very important to us and we need and expect your help.
- So I am pleased that you have accepted our offer to enter into an expert-level dialogue on the whole range of non-proliferation issues. This will avoid misunderstandings and allow us to continue our good record of working together as partners.

Democratic Reform and Human Rights

- The 1994 Charter on Democratic Partnership you and I signed committed Kazakhstan to democratic reforms. I consider it the other bookend to our economic partnership.
- We want to continue to work with you to strengthen your institutions of democracy and make them more effective, especially as you lead up to parliamentary elections in 1999 and a presidential election in 2000. They will be real yardsticks by which to measure Kazakhstan's commitment to democracy and human rights.

~~SECRET~~

Paper Copy Generated by
LPWJC

~~SECRET~~

Drafter: JAAlsace Tel. 7-6859
ID: Talbott participate in Clinton-Nazarbayev

Clearance: EUR/CACEN:BDonahue
Clearance: EUR/PRA:CMcClelland
Clearance: PM/A TEC:TMaertens
Clearance: P:PMoon
Clearance: D:PGoldberg
Clearance: E:HMoore
Clearance: G:LMitchell
Clearance: S/P:Grumer
Clearance: S/NIS:RWilson

~~SECRET~~

Paper Copy Generated by
LPWJC

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.46)
KBH 9/9/2019

~~CONFIDENTIAL~~
DECL: 11/05/07

KAZAKHSTAN: RELATIONS WITH NEIGHBORS

Kazakhstani President Nazarbayev is aggressively pursuing economic links and security cooperation with a variety of regional powers in an effort to balance Russia's influence in Kazakhstan. Economic realities and Kazakhstan's large ethnic Russian population encourage Nazarbayev to maintain good relations with Russia. Russia remains Kazakhstan's largest trading partner, and most of Kazakhstan's oil exports travels through Russian pipelines. But Nazarbayev has shown willingness to adopt a less obsequious stance towards Russia. He reacted sharply to Russia's attempt to tender Caspian Sea oil blocks over which Kazakhstan claims ownership. Relations have also suffered as a result of payment disputes and environmental issues at the Baikonur Cosmodrome and other Russian-leased military facilities. Nazarbayev is also at the forefront of efforts to lessen the dominance of Moscow over the CIS.

Almaty has maintained good relations with Beijing and Tehran, eyeing these regional powers both as markets and transit states for its petroleum resources and as non-Russian trade corridors to world markets. Kazakhstan recently awarded two oil privatization tenders to the Chinese National Petroleum Corporation and has not publicly attacked Beijing's efforts to quash the Uygur separatists in western China. Kazakhstan has an oil swaps agreement - currently suspended, but expected to resume soon - with Iran in which Kazakhstani oil is delivered to an Iranian Caspian Sea port in exchange for the export of an equivalent amount of oil on the Persian Gulf.

Nazarbayev also has worked to forge cooperation with Kyrgyzstan and Uzbekistan. The three states have held regular regional summits, established a Central Asian bank, and set up a jointly manned peacekeeping battalion. While not directly affected by the Afghanistan dispute, Kazakhstan worries about a potential spill over of Islamic fundamentalism should the Taliban emerge victorious.

~~CONFIDENTIAL~~

Paper Copy Generated by
LPWJC

Kazakhstani relations with neighbors

Drafted: EUR/CACEN: JAALSace, 7-6859, 11/06/97

Cleared: EUR/CACEN: SYoung

(previously cleared language)

DECLASSIFIED
PER E.O. 13526
2016-0124-M (1.47)
KBH 9/9/2019

~~CONFIDENTIAL~~
DECL: 11/03/07

KAZAKHSTAN: STATUS OF POLITICAL AND ECONOMIC REFORM

Kazakhstan's political development lags far behind its economic restructuring. Power rests with Nazarbayev, who strengthened his political grip in 1995, when he dissolved the parliament and stage-managed two Soviet-style referenda marred by serious irregularities. The latter extended his term in office until the year 2000. Other political institutions in Kazakhstan are weak and unfocused. The parliament is not a serious player and has taken only a few tentative steps to insert itself into debate on issues of national import. The judicial system is even weaker; judges are appointed by the executive branch, beholden to it, woefully underpaid, and susceptible to corruption. A nascent Almaty-based political opposition is disorganized, undermined by rivalries and, when its leaders are not co-opted by the government, subject to harassment.

Government respect for basic human rights is uneven. Citizens enjoy in theory -- and more often than not in practice -- freedom of religion, speech and assembly. However, security forces do beat and otherwise abuse detainees. Arrests can be arbitrary and prolonged detention without charge is a problem. The government generally tolerates independent media so long as it does not directly criticize Nazarbayev.

Kazakhstan's economy was severely battered in the years immediately following the breakup of the Soviet Union. Trade dislocations resulted in a decline in GDP and industrial output of 54 and 52 percent, respectively, between 1990 and 1996. The worst now appears to be over. Kazakhstan's early willingness to move ahead rapidly with macro-economic reform, including introducing reforms in tax and commercial law, may be paying off. The government maintains reasonably tight control over credit growth and deficit spending and monthly inflation fell from 23 percent in 1994 to just over 1 percent in 1997. Kazakhstan's currency, the tenge, has been stable and, in 1996, the economy for the first time recorded modest growth.

The government's implementation of measures to promote private sector growth have not been as successful. Efforts by some ministries to keep some medium-size and larger firms (and their revenue flows) in government hands have undermined the process and underscored the pervasive corruption that plagues Kazakhstan.

Paper Copy Generated by
LPWJC

Kazakhstan: Status of Pol and Econ Reform

Drafted: EUR/CACEN: JAAlsace

Cleared: EUR/CACEN: BDonahue
G: LMitchell
EB/IFD LButcher
E: HMoore
DRL: BNeuling
S/NIS/C: MBryza

previously cleared language (updated 11/3/97)