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SESSION 4. INDUSTRIAL AND TERRITORIAL CLUSTERING AS A VEHICLE FOR INDUSTRIAL RESTRUCTURING

“Development of National and Regional Technoparks in Kazakhstan”

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Kazakhstan

(This paper is presented as received from the author)
Presentation of
Mr. Kussaiyn Temirlan – Vice-president JSC “Engineering and technology transfer center”

Theme: “Development of National and Regional Technoparks in Kazakhstan”
The role of the JSC Engineering and Technology Transfer Center in Innovative Processes of Kazakhstan

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History of Establishment

Joint-stock company «Engineering & Technology Transfer Center» (Center) was established by the Government Regulation №775 of 1st August 2003 for ensuring assistance in implementing Industrial and Innovative Development Strategy of the Republic of Kazakhstan for 2003 - 2015.

Actually the Center started its activities on the 1st of November 2003.

The head office is located in Astana City. To deal with issued related to Information Technology Park development, the Center opened its branch in Almaty.

Today's the amount of the authorised capital stock makes about 7,4 million USD (1,0 billion tenge).

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The Center's Mission Is:

- to increase competitiveness of the Kazakhstan economy real sector branches via the organization of new technology transfer and rendering engineering services$
- to foster innovation in republic via the assistance in developing National Innovation System through establishing the technoparks’ network and the other elements of an innovative infrastructure (establishment of Center branches - the engineering companies in various Kazakhstani regions).

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The Mechanisms to Implement this Mission Are:

- Establishment of the national and regional technoparks’ system as the centers of innovative development$
- Establishment of the engineering companies - a branch network in regions of the Republic and joint ventures with the foreign companies;
- Establishment for all the stakeholders of innovative activity an access to information databases on modern technologies (the Virtual Technopark Concept)
- The technology transfer and engineering services for its support
- Management training in the field of innovation

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Establishment of the Technoparks’ Network
One of the priority directions for our Center activity is the establishment of the technoparks network according to recently developed Concept of the technoparks network development in Kazakhstan.

The Technoparks are the basic part of the innovation infrastructure which is in the process of being development. The main task of technoparks is to provide favorable conditions for commercialization of scientific works by providing production spaces and collective business services to initiators of innovative projects.

Technology parks are divided into two basic levels (national and regional) for an effective utilization of budgetary funds and purposeful application of tax stimulation measures for technoparks development. The main difference between them lies in the fact that national technoparks are industry specific and have a status of Special Economic Zone with low tax regime.

The national park has been established in 2003 in Almaty (Information Technology Park).

The possibility of establishing biotechnology and petrochemical parks are being studied.

The regional scientific - industrial parks in 2004 will be created in the following cities: Karaganda, Almaty, Uralsk. The Center is planning to open 4 new technoparks in 2005. Among the candidates cities are Astana, Pavlodar, Shymkent, Petropavlovsk, Aktybinsk, Ust-Kamenogorsk.

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Special Economic Zone Park of information technologies Alatau IT City
I would like to introduce you in details with IT technopark project, which has already been launched. As we mentioned established by the decree of President Special Economic Zone Park of Information Technologies Alatau IT city is one of the programs which is aimed to IT sector development. The main objective of the park is creation of conditions ICT cluster in Kazakhstan.

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Park of information technologies Alatau IT City
Park is situating 25 km from Almaty, crossing near road to China. International airport is situated 7 km form park. 2 scientific-research institutes were constructed during soviet period – Physical-technical institute and nuclear physics institute.

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Brief information on Park infrastructure
Government allocated 340 hectar for park territory. Construction of park will occupy 145 thousand square meters. Total area of Alatau IT City Phase 1 is 18 thousand square meters. You can see the Park of information technologies phase 1, which shall be constructed by June 2005. Infrastructure of phase 1 shall include construction of office building, total area 5.7 thousand square meters, 2 manufacturing buildings total area 9 thousand square meters, canteen for 500 persons, recreation facilities.

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Preferences
In order to make the IT Park attractive to international IT enterprises and to stimulate innovational activities, the territory of the Park was announced as a Special Economic Zone. Activities undertaken within its borders are under jurisdiction of the Law of Special Economic Zones and Custom Code. Special tax treatments include: a) reductions in income tax (50% off the due amount) b) exempts from payment of the VAT, land and property taxes. c) goods imported to the Park territory will be exempt from payment of custom duties.
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**Technology Transfer And Its Engineering Accompanying At All The Stages Of the Innovation Process**

Technology commercialization and transfer assumes reception of the economic benefit for implementation of the scientific - technological elaboration-taking place at the various stages, starting from idea and finishing with the full-scale production.

The Key part in innovation development in our country is engineering as a set of works (services) assisting from R&D to full-scale production.

Depending on complexity and scale of the project the following engineering services can be applied: from choosing a technological solution to licensing production.

For technology commercialization work the Center uses two models of technology advancement for the domestic and international markets:
1. Search of technologies.
2. Promotion of technologies and innovative production to the market.

Besides, our company carries out:

- Rendering consulting, information, legal and other services at the technology transfer;
- Rendering services for copyright protection.

Distinctive feature of the Center is the complex approach to project implementation and «the maximum of services from one hands».

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**Personnel and Educational Policy**

Now the Center is engaged to attract the international grants for preparation of the Kazakhstan experts in the field of engineering and the technology transfer abroad.

In the nearest future the Center plans to organize seminars and training courses in fields of engineering and technology transfer, including training abroad. So, the Center achieved an agreement with German company InWent about collaboration in the field of preparation of high skilled technical experts. The plan for the project implementation «Improvement of the Kazakhstan managers professional skills» is developed and the database for the Kazakhstan enterprises and experts whom it is supposed to train under this program.

The Center will apply the practice to prepare the students and teachers basics of commercialization of scientific and technical works on the basis of technoparks, too.

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**THE MAIN AIM OF WORKING WITH FOREIGN COMPANIES - ATTRACTION OF THE LATEST TECHNOLOGIES AND KNOW-HOW INTO KAZAKHSTAN.**
Slide 14
The Priority Directions in Attraction of the Latest Technologies and Know-how into Kazakhstan

Being guided by the Industrial and Innovative development Strategy for 2003-2015, both the world tendencies in the high technologies market and scientific and industrial potential of Kazakhstan, the Center has defined the following main directions of activity:

- Information technology and telecommunications
- Biotechnology
- Advanced materials
- Machine building
- Chemical and petrochemical industry
- Construction and building materials
- Ecology
- Electric power industry and energy-saving

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The Directions of Cooperation with Foreign Companies:

- Participation in developing Kazakhstani technoparks’ network;
- Attraction of the latest technologies into the Kazakhstan market
- Participation in implementing perspective Kazakhstani innovative projects
- Marketing researches in Kazakhstan
- Search of potential partners in Kazakhstan by inquiries of the foreign companies
- Establishment of joint engineering companies for various directions of activity

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Cooperation with Foreign Companies for Technology Transfer

Agreements about cooperation with the Asian Development Bank, the Islamic Development Bank, the European Bank of Reconstruction and Development, the World bank, the United Nations Development Program, USAID, GTZ, MASHAV Program has been reached. The purpose of cooperation is implementation of joint investment and innovative projects for the new types of production that will complete value-added chains in Republic Kazakhstan (the EC, the USA, the Japan, the Southeast Asia).

It was negotiated for cooperation with the large foreign companies such as Siemens, HP, Microsoft, Cisco, Samsung, LG, Mitsui, Thales, FMC Energy Systems, IBEX Investment Group, Gastec, INEEL, ThermoMotors, Foster & Wheeler, Lurgi Chemnitz.

It is negotiated with the European companies for the probable new type production organization as follows:

APSwissTech (Switzerland)
The organization of manufacturing fiber-optics cable and composite pipes production

Boschung (Switzerland)
Construction and servicing of highways

Steinert Industries GmbH&Co.KG (Germany)
The plant for float-glass production and processing

IBEX Invest Group (Switzerland)
The organization of LNG production with production capacity 250,000 metric tons per year
Netstal (Switzerland)
Compact disks production (DVD, DVD-R, CD, CD - R)

Dataprocess Europe (Italy)
Electronic weights and cashes registers production for small-scale markets and hypermarkets

Several meetings with foreign technoparks management lead to agreements with Wista Management (Germany), Jurong Consulting (Singapore), Technopole (Italy), Business Center in Lucerne (Switzerland), Technopark in Zurich (Switzerland). It has been negotiated with the numerous Russian and Belarussian science cities and technoparks.

The Memorandum of understanding have been singed with the Republican Technology Transfer Center of Belarus, Technopark Idea (Tatarstan, Russia) and the Innovative Center of Novosibirsk Academgorodok "SibAkademInnovatsiya" (Russia).

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The Memorandum of understanding have been singed with Smart village(Egypt), Kengi technopark(korea), Indian technopark in Bangalore), Zhunguancun technopark in China, the Republican Technology Transfer Center of Belarus, Technopark Idea (Tatarstan, Russia) and the Innovative Center of Novosibirsk Academgorodok "SibAkademInnovatsiya" (Russia).

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