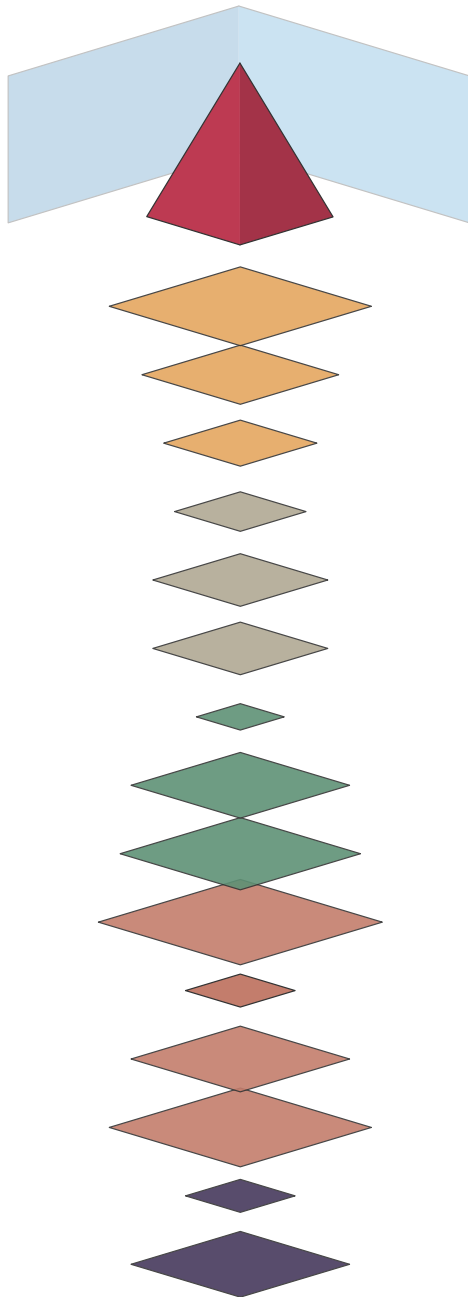


 **KAZAKHSTAN**



 **4.47**
CRIMINALITY SCORE

127th of 193 countries
34th of 46 Asian countries
5th of 8 Central Asian and Caucasian countries

 **CRIMINAL MARKETS** **4.33**

HUMAN TRAFFICKING	6.00
HUMAN SMUGGLING	4.50
EXTORTION & PROTECTION RACKETEERING	3.50
ARMS TRAFFICKING	3.00
TRADE IN COUNTERFEIT GOODS	4.00
ILLICIT TRADE IN EXCISABLE GOODS	4.00
FLORA CRIMES	2.00
FAUNA CRIMES	5.00
NON-RENEWABLE RESOURCE CRIMES	5.50
HEROIN TRADE	6.50
COCAINE TRADE	2.50
CANNABIS TRADE	5.00
SYNTHETIC DRUG TRADE	6.00
CYBER-DEPENDENT CRIMES	2.50
FINANCIAL CRIMES	5.00

 **CRIMINAL ACTORS** **4.60**

MAFIA-STYLE GROUPS	4.00
CRIMINAL NETWORKS	4.50
STATE-EMBEDDED ACTORS	6.50
FOREIGN ACTORS	4.00
PRIVATE SECTOR ACTORS	4.00

 **4.54**
RESILIENCE SCORE



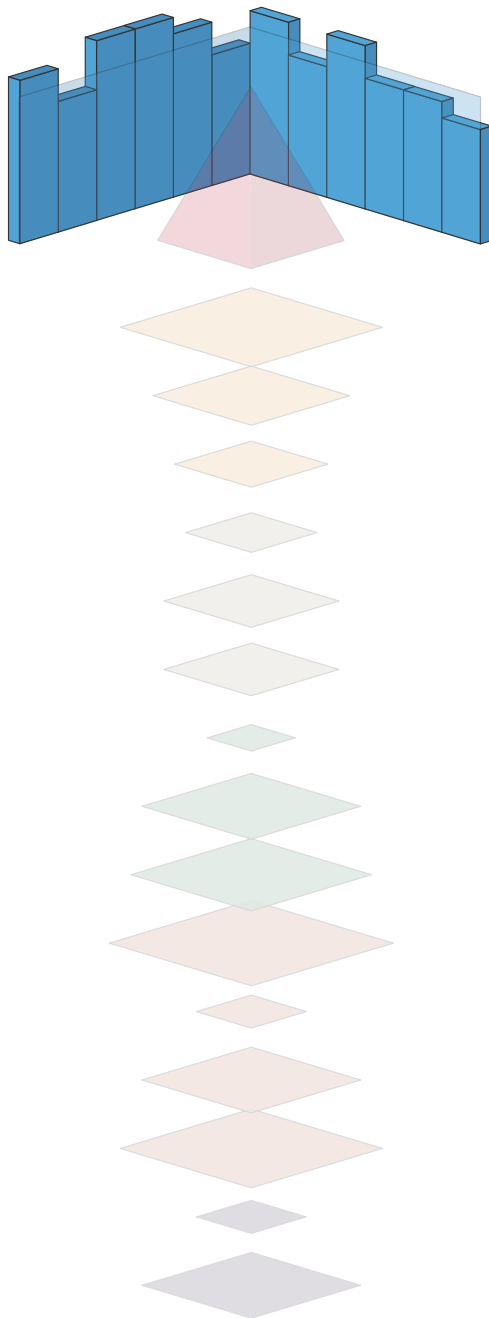
Funding provided by the United States Government.



Funded by the European Union

ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

 **KAZAKHSTAN**





 **4.54**
RESILIENCE SCORE

110th of 193 countries
21st of 46 Asian countries
3rd of 8 Central Asian and Caucasian countries

<u>POLITICAL LEADERSHIP AND GOVERNANCE</u>	5.00
<u>GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY</u>	4.00
<u>INTERNATIONAL COOPERATION</u>	5.50
<u>NATIONAL POLICIES AND LAWS</u>	5.50
<u>JUDICIAL SYSTEM AND DETENTION</u>	5.00
<u>LAW ENFORCEMENT</u>	4.00
<u>TERRITORIAL INTEGRITY</u>	5.00
<u>ANTI-MONEY LAUNDERING</u>	4.00
<u>ECONOMIC REGULATORY CAPACITY</u>	5.00
<u>VICTIM AND WITNESS SUPPORT</u>	4.00
<u>PREVENTION</u>	4.00
<u>NON-STATE ACTORS</u>	3.50

 **4.47**
CRIMINALITY SCORE

 CRIMINAL MARKETS	4.33
 CRIMINAL ACTORS	4.60



Funding provided by the United States Government.



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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Kazakhstan is a source and destination country for human trafficking. The human trafficking market is fuelled by local and external demand. Domestic victims are mostly subject to trafficking in Russia, but also in Middle Eastern countries like Bahrain and Turkey. Foreign victims (specifically women and girls who come from East and Central Asia, the Middle East and Eastern Europe) are subject to sex trafficking, forced labour and domestic servitude in Kazakhstan after being lured to the country by false promises of employment. There are also reports of Kazakh men being exploited in forced labour while seeking employment by mercenary groups in Afghanistan, Iraq and Syria. Kazakh nationals from rural areas, along with members of the LGBTQ+ community (especially transgender individuals), are specifically vulnerable to human trafficking in the form of forced labour and sexual exploitation. Victims may also be coerced into criminal actions; children are often subjected to forced begging. Bride abductions in Kazakhstan have been linked to human trafficking. As many as a million Uzbek migrants were banned from re-entry into Russia and a significant percentage of them have tried settling in Kazakhstan, where they have become susceptible to trafficking. Trafficking rings reportedly collaborate with brothels locally and abroad, and traffickers allegedly use debt bondage and tough national law enforcement policies as a means of coercing victims into remaining in exploitative situations. State-embedded actors, specifically police officers who accept bribes, are reportedly complicit in the human trafficking market, together with organized criminal groups and recruiters.

With regards to human smuggling, Kazakhstan is a transit country for irregular migrants on their way to Russia, and a destination country for migrants who originate from Uzbekistan, Kyrgyzstan and Tajikistan, among others. Despite visa-free travel existing between these countries, human smuggling still occurs due to a lack of valid travel documents like passports. Kazakhstan also serves as a transit country for people from South Asia flying to Central Asia, from where they continue on land towards their final destinations in Europe. Kazakhstan is also a source country for human smuggling – some Kazakh nationals attempt to migrate illegally to the US and Europe. Although limited, extortion and protection racketeering are somewhat prevalent, with sporadic incidents reported in the country.

TRADE

Kazakhstan primarily serves as a destination country for illegal arms, and to a lesser extent as a source or transit country for weapons smuggled to Russia. Due to the location of the country on the Northern Drug Route, drugs and arms trafficking are intertwined. Information points to several entry routes into Kazakhstan for illicit weapons; authorities maintain that Russia, Tajikistan and Afghanistan are the primary source countries. Other sources of illicit weapons include the diversion of stockpiled domestic arms, and local craft production. There has been an increase in the seizure of illegal weapons recently, which indicates an increase in this market.

Due to its geographic proximity and its porous borders with former Soviet republics, Kazakhstan is a destination and transit country for counterfeit goods produced in China, which are destined for Russia and Europe. Trade in counterfeit pharmaceutical products is a serious concern – this is exacerbated by drug shortages in the country. Due to western sanctions, Kazakhstan has also become a major transit and source country for the smuggling of goods into Russia, from automobile parts and construction materials to consumer goods. However, a lack of quantifiable data limits an assessment of the value of this market and its impact. Illicit trade in tobacco products, and to a lesser extent alcohol, is also prevalent, although the share of smuggled cigarettes has fallen due to a slowdown in the excise tax rate.

ENVIRONMENT

Flora crime is not common in Kazakhstan, or there is limited information available about this market. There has been a shift to positive net forest area growth in recent years due to forestation and other initiatives. Despite these initiatives and other improvements to legislation, along with a decrease in illegal logging cases, it seems that the volume of timber illegally harvested for fuel, and the illegal harvesting of unique flora, has continued.

Fauna crimes are more pronounced in the country: Kazakhstan is a major partner in the Belt and Road Initiative (a global infrastructure development strategy adopted by the Chinese government), which has presumably increased the frequency of irregular wildlife trade, along with legal trade. Wildlife trafficking also occurs on existing drug smuggling routes due to open border crossings in rural and remote areas. Animals are predominantly poached for subsistence, but rare and threatened species (like saiga antelope) have also been killed for their parts, which are smuggled into China and elsewhere in East and South East Asia. There is a notable trade in saiga horn in the country, with an established smuggling route and impunity for poachers.

Traffickers use a system where illegally poached horns are merged with legal horns, making difficult for authorities to distinguish between them. Other poaching – of hawks, falcons and sturgeon – has also been recorded in Kazakhstan.

Fuel smuggling, specifically across the Kazakh-Kyrgyz border, has been increasing in recent years due to the socio-economic consequences of the COVID-19 pandemic, and the general slowdown of the Kazakh economy. Smuggling of liquified petroleum gas (LPG) has also been growing due to its rising price – the result of a government reform aimed at addressing the illegal export of the commodity to other countries like Russia and Kyrgyzstan.

DRUGS

Kazakhstan is a key transit country on the Northern Route for heroin trafficking. The drugs originate in Afghanistan and are destined for Russia. Even though there have been no large-scale heroin seizures made by local Kazakh law enforcement agencies, a substantial increase in seizures in the likes of Russia, Uzbekistan, Kyrgyzstan and Tajikistan indicates that seizures in Kazakhstan do not reflect the volume of heroin trafficking occurring in the country. Kazakhstan is also a destination country for heroin – it has the largest domestic heroin market in Central Asia, with a steady local demand. State-embedded actors, although low-level, are reported to be involved in this market. Conversely, the cocaine trade in the country is marginal – Russia is thought to be an important transit point for cocaine entering the country.

Kazakhstan is a producer of cannabis, which is mainly cultivated in the Chu Valley. It is also a destination country, since local consumption is widespread. Even though cannabis imports decreased due to stricter border controls during the COVID-19 pandemic, there has been a significant increase in hashish seizures following the lifting of restrictions.

Kazakhstan is a destination and increasingly a source country for synthetic drugs. There has been a rise in the seizure of synthetic drugs in recent years, and clandestine laboratories have been dismantled, both of which signal an exponentially increasing trend. In recent years, dependency on psychoactive substances has grown in urban areas: methamphetamines, synthetic cannabinoids and amphetamines are among the most-used synthetic drugs. Synthetic drugs arriving in the country mostly originate from China, Russia and Afghanistan, which has become a major exporter of synthetic drugs to Central Asia in recent years. The purchase of psychoactive substances has shifted from the street to online, using e-wallets and Telegram.

CYBER-DEPENDENT CRIMES

Kazakhstan is vulnerable to cyber-dependent crimes due to its lack of cybersecurity capabilities. However, it is difficult to assess the value and impact of this criminal market given the lack of data and the issue of underreporting. In recent years, Kazakhstan has emerged as one of the leaders in total cryptocurrency operations per country, making it vulnerable to crypto-fraud and similar crimes related to cryptocurrencies.

FINANCIAL CRIMES

When it comes to financial crimes, Kazakhstan is categorized as a country of primary concern. Incidents of tax evasion are increasing, as are Ponzi schemes and incidents of internet fraud. There are also concerns about opaque financial operations in the country, which might have been developed to help certain actors avoid economic sanctions imposed on Russia.

CRIMINAL ACTORS

Although to a lesser degree in comparison to other countries in the region, state-embedded actors do still wield power in various criminal markets. There are reports indicating the involvement of low-level law enforcement agencies in drug and human trafficking, and the illicit trade of natural resources. The protests that took place in January 2022 have revealed links between organized criminal networks and the political elite. Some Kazakh elites receive benefits from corrupt customs practices, such as undeclared goods and illicit goods. Foreign actors (especially Afghan, Russian and Chinese nationals) are involved in criminal markets in the country, as some consider the country a convenient transit base for their operations. Even though the activities of some foreign actors have been disrupted by increased law enforcement control over cross-border movements in the aftermath of the recent protests, the long-term effects of these improvements are yet to be seen.

Mafia-style groups have been losing their footprint in Kazakhstan over two last decades, but these groups are still present. Syndicates from across the former Soviet Union, led by so-called ‘thieves in law’ are involved in various activities including extortion and racketeering, fuel smuggling and drug trafficking, specifically in big cities. However, these groups do not usually control significant territories. Elements of former mafia structures that have survived are reportedly now part of cross-border criminal organizations spanning the Kazakh-Russian border. Criminal networks in Kazakhstan are relatively underdeveloped compared to other countries in Central Asia; only the smaller groups have remained in drug trafficking as it is considered to be too dangerous for larger organizations. Those organizations have moved on to more lucrative smuggling markets, such as oil, alcohol and consumer goods, mainly brought in from China. Most trafficking

groups operate locally but there are some that have ties to foreign groups and operate transnationally. They engage in human and drug trafficking, and in the smuggling of arms and counterfeit goods. Although both mafia-style groups and criminal networks are invisible in daily life, recent civil unrest has revealed that they can be quickly mobilized, have

access to weapons and are closely linked to some segments of the state apparatus. Even though private-sector actors carry out corrupt offences with impunity, there are no indications of large-scale involvement of private sector actors in criminal activities in the country.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Kazakhstan's reputation as one of the most stable countries in Central Asia was undermined by anti-government protests in 2022. These were economically motivated and became more political, reflecting the population's dissatisfaction with the government. The protests resulted in the end of duality of power and forced a shift within the government. Certain criminal groups fuelled the protests, which led the government to increase its commitment to fighting organized crime, as this was seen as a source of the instability. Even though Kazakhstan has high levels of corruption within the state apparatus, the political elite is not heavily linked to organized crime. The protests resulted in the removal of certain high-ranking members, but the perception is that one corrupt elite has just been replaced by another. Corruption remains pervasive in law enforcement, customs administration and within public procurement processes – irregular payments and embezzlement are widespread. Corruption charges against members of the political elite are rare and are only likely to be brought up in instances where those individuals have fallen out of favour. Access to information in Kazakhstan is poor, with scant transparency about governmental decision making and other operations.

Kazakhstan is party to all relevant treaties pertaining to organized crime and has bilateral extradition agreements with more than 60 nations. In spite of its international commitments, there is room for improvement in this field as trust in Kazakh authorities is limited at times. Nevertheless, the country's legislative framework is well-equipped to tackle organized crime. Not only are the relevant laws in place, but amendments are drafted regularly (especially with regards to human trafficking, wildlife crime and drug trafficking) in an attempt to better facilitate the response to current and emerging threats. For instance, certain legislative acts adopted in the aftermath of the violent protests in 2021 have improved national policies aimed at fighting organized crime. Even though there have been positive developments, some legislative amendments have weakened certain basic rights. For example, in 2021, an amendment to the accreditation rules for journalists implemented stricter rules regarding reporting on government events, which may result in increased censorship.

CRIMINAL JUSTICE AND SECURITY

Corruption is pervasive in the judicial system, where the political elite holds significant sway. As a result, expectations around justice delivery are low, as is public trust in the legal system. Recent changes to the country's legal framework may also threaten the independence of lawyers. Even though over-population in the penitentiary system is not a major concern, there are reports alleging the involvement of prison guards in the abuse and torture of inmates. In addition, the Kazakh penal system is struggling to meet international standards.

Similar to the judicial system, the 2022 protests have also revealed that the executive branch holds a notable influence over law enforcement. Despite the presence of several special law enforcement units targeting various criminal markets such as human trafficking and environmental offences, corruption within the police force – and arbitrary arrests – remains a serious problem. There are reports of excessive force and torture used by law enforcement members during the January 2022 protests, resulting in the death of some detainees. Despite recent government initiatives to prosecute corrupt law enforcement officials, a culture of impunity prevails in the police force. To counter this, following the 2022 protests, law enforcement agencies have been reorganized to improve efficiency.

Due to Kazakhstan's border and customs units being systematically underfunded and ill-trained, the country struggles to secure its borders. Its geographic location at the heart of cross-border trafficking flows makes it vulnerable to organized crime. Kazakhstan has received training and support from its international partners, but further efforts to tackle drug trafficking, wildlife crime and human trafficking are necessary. Following Russia's war in Ukraine, the government has increased its defence budget to safeguard its own territorial integrity.

ECONOMIC AND FINANCIAL ENVIRONMENT

Kazakhstan does not face any major vulnerabilities with regard to money laundering and terrorist financing, nor are there any strategic anti-money laundering (AML) and counter financing of terrorism (CFT) deficiencies. Legislation for AML and CFT are both weakly enforced, however. As a transit country for a number of trafficking flows, former oligarchs and businesses are able to carry out money laundering activities in Kazakhstan. Despite government attempts to bring Kazakh legislation in line with international standards by adopting new regulations around AML/CTF, law enforcement agencies lack the capacity to investigate sophisticated financial crimes. Additionally, parallel financial investigations are not carried out routinely alongside investigations of money laundering, and inter-agency information sharing is poor.

The economic regulatory environment in Kazakhstan is conducive to doing business (to some extent). The adoption of unparalleled system-wide reforms is expected to improve the business environment in the country and lessen bureaucratic barriers and burdens. Nevertheless, corruption is reportedly the primary constraint to doing business in Kazakhstan. Patronage networks negatively affect the country's business environment, while bureaucracy and vague legislation restrict foreign investment. In addition, public procurement carries a high risk of corruption for businesses investing in Kazakhstan, with public funds often diverted to individuals or companies with ties to the elite. Despite the socio-economic consequences of the COVID-19 pandemic, the Kazakh economy has made a tentative recovery and the government continues to finance major infrastructure projects and other targeted economic support measures, such as assistance for small and medium-sized enterprises. International financial institutions also continue to support the growth of private enterprises, which are still outweighed by the public sector in Kazakhstan.

CIVIL SOCIETY AND SOCIAL PROTECTION

The Kazakh government has taken steps to protect victims of human trafficking through increased funding allocated to a number of state-funded, NGO-operated shelters for victims that provide legal, medical and psychological assistance. A new anti-trafficking national action plan has also been adopted, and a victim compensation fund has been established. Despite these efforts, identification and provision of support to victims of forced labour, and victims who are foreign nationals, remains inadequate. Related to that, a large percentage of foreign victims are unwilling to identify themselves, mainly because they do not trust the authorities. Many foreign victims are also not eligible to receive services at the above-mentioned shelters unless they cooperate with law enforcement. There is government assistance available to victims in the form of pro bono attorneys, but they often lack experience. As for support provided for drug users, patient care in addiction

treatment centres has been hindered due to an increased need for social services by drug users, and a lack of funds.

The government has maintained prevention efforts towards human trafficking by funding information and education campaigns; awareness campaigns (radio and television programmes); newspaper articles; and enhanced cooperation with NGOs. Additionally, the government continues to promote an anti-trafficking hotline operated by an NGO. However, the government has not taken any action to reduce the demand for sex work or forced labour. The latest data available on the prevention of drug use suggests that there are various government resolutions in place, in addition to regional programmes, which also set out preventative measures. These include awareness campaigns and health initiatives. The government has also taken steps to identify and prevent the poaching of critically endangered saiga antelope through the use of satellite collars. A new anti-corruption strategy for 2022-'26 was adopted to prevent corruption in judiciary and law enforcement agencies, among other goals. Lastly, following an increase of counterfeit pharmaceutical products, the government has initiated mandatory product serialization to combat this illicit trade.

Despite constitutional provisions, press freedom is a concern in Kazakhstan: prominent media outlets are either controlled by businessmen loyal to the government or by the government itself. The situation has worsened since the 2022 protests: most opposition media outlets have been banned and the few that remain are restricted by judicial proceedings. Journalists are subject to targeted attacks, while mass surveillance and restriction of access characterize internet usage in Kazakhstan. Civil society organizations are underdeveloped and severely limited. Routine harassment and persecution of activists is the norm, while legislative amendments to tighten control over society – often on the grounds of counteracting radicalization and extremism – have either already been adopted or are in the process of being drafted. Government control over the civil sector and political opponents is ubiquitous: foreign-funded NGOs are not allowed to pursue political goals and there are restrictions on free speech, freedom of assembly and freedom of association.

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