Brief Information

on the Project

"Establishing Network of the Expert Council on Transparency and Sustainable Development" (ECTSD) for the Project of the Transport Corridor "Western Europe – Western China" supported by the OSCE Center in Astana

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The Project of reconstruction of the transport corridor "Western Europe – Western China" (hereinafter PRTC) is one of the most large-scale projects implemented in Kazakhstan at present (<u>http://www.europe-china.kz/sites/all/themes/lavalin/presentation/index.html</u>), which can give a powerful positive impulse to the economy of Kazakhstan and bring benefits to the citizens of whole country and, first, to the citizens of the dwellings situated along the corridor line.

Therefore, it is necessary to ensure transparency of all stages of the project implementation, accountability of all its participants, and create mechanisms providing achievement of these goals through involvement of the local population and broad public institutions in decision-making process related to this project.

With this aim on March 12, 2012, the Ministry of Transport and Communications of the Republic of Kazakhstan in a person of the Committee of Automobile Roads, the project management consultants, the Company supervising construction works and the "Association "Azamattyk Kuryltai" – Civil Assembly" concluded the multilateral Memorandum on Understanding and Cooperation, which goal is to monitor activity of all participants of the projects according to requirements on Loans with the International Financial Institutions (IFIs).

Within concluded Memorandum, a network of the Expert Councils of Transparency and Sustainable Development (ECTSD) will be established along the corridor line. Three level system of multilateral interaction includes the following working (operational) bodies:

a) National ECTSD – the multilateral body acting in Astana and it consists of the representatives of the Committee on Automobile Roads of the Ministry of Transport and Communication of the Republic of Kazakhstan, the project management company, the company supervising construction works and NGOs.

b) Oblast ECTSD – the multilateral bodies acting in the oblast cities located along the PRTC line and composed of the representatives of the regional branches (CAR), municipalities, companies and NGOs operating in the oblasts.

c) Local councils of the citizens – units of the Oblast ECTSD composed on the representatives of the local communities located directly along the PRCT line.

It is absolutely another type of relations between the power, business and society when objective conditions will be created to promote the state based on rule of law and market principles.

According to the Memorandum, a network of tripartite expert councils will act in five oblasts of Kazakhstan: Atyrau, Aktobe, Zhambyl, Kyzyl-Orda and Yuzhno (South) Kazakhstan where the highway is under construction.

Intentions of the Parties of the Memorandum as of June 19, 2012 have been supported by the OSCE Center in Astana through provision of technical assistance to the Public Association "Blago" (member of the Association "Azamattyk Kuryltai") in order to ensure a possibility to develop a system of efficient prevention of social and labor conflicts due to improving of governance practice in the governmental institutions and companies through opened multilateral dialogue and accountability. The pilot project covers two oblasts – Kyzyl-Orda and Zhambyl.

Equal multilateral interaction and accountability ensuring prevention of violation of the human rights and anti-corruption, environmental requirements of the legislation of the Republic of Kazakhstan, identification of similar violation and their elimination are achieved through fulfillment of main objec-

tives of the project – organization of accountability of the companies and monitoring of activity of these companies involved in the PRTC.

Basic condition of this activity is connection with all stakeholders, first, the companies and government. Moreover, additional important condition is a need to carry out this work in cooperation with the international financial and public organizations – the OSCE, UN, WB, EBRD and ADB.

According to calendar plan of the project, monitoring activity covers 55 dwellings, interviews over 500 representatives of the local communities living along the corridor line in two oblasts. They were asked – how do they assess an impact caused by construction activities on their living and labor conditions and influence from the companies' side?

Conducted social measurements allow identifying the most active representatives of the local communities, potential members of established structures of the network ECTSD to work with them in interaction with the stakeholdersдля in order to ensure resolution of detected violations and the project impact reduction.

The companies will be accountable in line with agreed and approved the ECTSD national reporting forms.

Whole collected information will be analyzed to produce the National Report on Progress of Transport Corridor Reconstruction in terms of sustainable development, which will be published in the press and presented to all stakeholders.

Today, the Expert Councils of Transparency and Sustainable Development are set up within the project of the transport corridor "Western Europe – Western China", but the oblast expert councils will not have thematic limitations in future since transparency and accountability are applicable in other spheres of economy such as the mining sector, energy, water and gas supply and other. It will provide a multiplicative effect similar to effect caused by process of implementation of the EITI in Kazakhstan.