



Kazakhstan- EU Weekly Briefing

Issue 24

**April 27 - May 3,
2026**

Highlights

Middle Corridor

A major operational breakthrough was announced on April 27, 2026, as participating countries in the Trans-Caspian International Transport Route (TITR) finalized a plan to significantly scale container traffic through Kazakhstan. The new target mandates the handling of 600 container trains originating from China in 2026, supported by high-level agreements to introduce electronic document management and direct digital data exchange between customs authorities. This momentum was further institutionalized during an April 29 high-level roundtable in Brussels, organized by the Kazakhstan–EU Gateway in collaboration with FERRMED, which focused on transforming strategic coordination into "bankable implementation" by addressing physical and regulatory bottlenecks that have historically limited the corridor's capacity compared to northern routes.

Implications: The expansion to 600 trains marks the shift of the Middle Corridor from an "emergency backup" to a standardized, high-volume commercial route. For the EU, the introduction of electronic signatures and direct customs data exchange is a critical "soft infrastructure" win that satisfies Global Gateway requirements for transparency. This allows European retailers to treat the route with the same predictability as sea freight, while offering a commercially viable bypass to the Northern Corridor that is less susceptible to regional geopolitical volatility.



Credit: EIAS

Highlights

Critical Raw Materials

On April 28, 2026, the OECD released a critical analysis highlighting a global surge in export restrictions on Critical Raw Materials (CRM), warning of increased risks to global green energy supply chains. This development has accelerated the EU's efforts to solidify its CRM roadmap with Kazakhstan, which is increasingly positioned as a "safe harbor" for strategic materials. Reports released this week suggest that Kazakhstan, which holds 21 of the 34 materials listed by the EU (including lithium and rare earths), could eventually meet up to 40% of Europe's demand for strategic materials. The focus has shifted this week to finalizing co-financing structures for domestic refining to ensure that value is added within Kazakhstan before materials reach the EU market.

Implications: As global competitors implement more aggressive export controls, Kazakhstan's alignment with EU standards becomes its primary competitive advantage. The OECD's warning implies that the EU must accelerate its "Development-Driven Autonomy" model—building industrial refining capacity inside Kazakhstan rather than just extracting ore. This integration effectively de-risks the EU's automotive and defense sectors from sudden price shocks or supply cutoffs from single-source producers.

Trade and Logistics

Trade facilitation entered a new technological phase on April 28, 2026, with a government briefing on the widespread adoption of AI across the transport and energy sectors. The centerpiece of this week's trade update is the expansion of the "Smart Cargo" digital platform, which is projected to slash border-crossing times from four hours to just 30 minutes by automating permit processing via QR-based data access. Simultaneously, the "e-Kolik" unified intelligent transport system was confirmed to be under development, intended to integrate all modes of transport into a single, data-driven traffic forecasting model that simplifies the logistics chain for European exporters.

Implications: Kazakhstan is attempting to "code" its way out of the bureaucratic bottlenecks that have historically plagued Eurasian trade. For the 4,000 European-linked companies operating in the country, the reduction of border clearance to 30 minutes is a massive operational incentive. This digital grease allows the physical Gateway to handle significantly higher trade turnovers, already nearing €50 billion, without requiring the immediate, massive physical expansion of border checkpoints.

Highlights

Digitalization

During the week of April 27 – May 3, 2026, Kazakhstan dramatically accelerated the implementation of its Data-Driven Government model, with a specific focus on removing human intervention from the customs and transport sectors. The centerpiece of this week's digital rollout is the successful deployment of the TezCustoms system, which utilizes AI-powered risk assessment to reduce border-crossing times from eight hours to just 30 minutes. Parallel to this, the national railway has integrated the KinetiX diagnostic AI, which has reduced infrastructure inspection times along the Middle Corridor from two hours down to eight minutes. To ensure these domestic breakthroughs remain interoperable with European standards, the UN ESCAP Asia and Pacific Digital Solutions Centre was established in Kazakhstan this week, aiming to synchronize regional GovTech with Global Gateway transparency mandates.

Implications: By automating tax and customs administration through more than 50 active AI agents, Kazakhstan is effectively building a corruption-resistant "digital grease" that appeals to European ESG mandates. These improvements suggest that the Middle Corridor can handle significantly higher trade volumes, now targeting 600 China-Kazakhstan trains, without the immediate need for massive physical border expansions. For the EU, this means the Gateway is evolving into a high-reliability, trackable trade route where predictive maintenance prevents infrastructure-related downtime, making the overland route a genuine competitor to air and sea freight in terms of logistical precision.

EU-Centric Trends: Brussels' Point of View

The EU adopted its 20th sanctions package against Russia on 23-24 April 2026, targeting energy, finance, and anti-circumvention. Kazakhstan was not subject to any country-wide measures, consistent with EU Sanctions Envoy David O'Sullivan's assessment delivered in Astana in March 2026 that the EU had identified no new concerns about Kazakhstan's role in circumvention and that Kazakh oil can be freely supplied to the EU. That assessment has not been publicly revised. The package does, however, activate the EU's new anti-circumvention tool for the first time, imposing export bans on certain metal-working machinery and telecoms equipment on Kyrgyzstan due to systematic re-exports to Russia. Separately, the package includes entity-level asset freeze designations for some third-country entities, including entities in Kazakhstan, judged to support Russia's military-industrial complex or facilitate sanctions evasion; these are targeted listings and do not constitute state-level sanctions on Kazakhstan.



Credit: Astana Times

EU-Centric Trends: Brussels' Point of View

Trend Analysis:

The 20th package establishes a qualitative shift in the EU's sanctions architecture: the activation of the anti-circumvention tool against Kyrgyzstan demonstrates that Brussels is now willing to impose country-level trade restrictions on third states where systematic re-export patterns are identified. Kazakhstan is not in that category at present, but the tool's first use sets a precedent and a reference point. O'Sullivan's sustained engagement with Astana, now across at least five visits, reflects the EU's deliberate strategy of managing Kazakhstan's compliance trajectory through active diplomacy rather than punitive measures. The entity-level designations within Kazakhstan signal that the EU is distinguishing between state-level cooperation, which it affirms, and specific actors within Kazakhstan whose conduct it judges to be problematic.

Why it Matters?

For Kazakhstan, the adoption of the 20th package without country-level measures is a positive outcome that preserves regulatory certainty for the bilateral trade relationship, valued at nearly 45 billion euros annually. However, the activation of the anti-circumvention tool regionally and the entity-level designations within Kazakhstan indicate that the EU's scrutiny has not diminished. The distinction the EU is drawing between a cooperative Kazakh state and specific non-compliant actors places ongoing pressure on Astana to demonstrate active enforcement domestically. Failure to do so risks a gradual narrowing of the gap between Kazakhstan's current status and the trajectory that led to Kyrgyzstan's designation.

What to Watch?

Whether the entity-level designations within Kazakhstan prompt a formal Kazakh government response or domestic enforcement action. Further O'Sullivan visits or EEAS communications on Central Asia circumvention will indicate whether the EU's positive assessment of Kazakhstan holds into the second half of 2026. The extension of the anti-circumvention tool to additional countries or product categories in subsequent packages would signal an escalating regional enforcement posture with direct implications for Kazakhstan's compliance obligations.

Kazakhstan-Centric Trends: Developments on the Ground

During the period from 27 April to early May 2026, Kazakhstan reinforced its **position as a key regional hub** through developments in connectivity and strategic infrastructure. Efforts to expand links toward the South Caucasus point to a widening of the Middle Corridor, while continued activity at Baikonur highlights Kazakhstan's role in global infrastructure networks. These developments align with Kazakhstan's broader strategy to position itself as a central partner in EU-backed connectivity initiatives.

Trend Analysis:

Kazakhstan is increasingly aligning its infrastructure and connectivity strategy with EU priorities under the Global Gateway framework. The expansion of routes toward the South Caucasus supports the development of the Trans-Caspian corridor as a core trade link between Europe and Asia. At the same time, Kazakhstan is leveraging its broader infrastructure base, including logistics and high-tech assets, to strengthen its role in regional supply chains. This reflects a shift from being a transit country to becoming a more integrated connectivity and infrastructure partner for the EU.



Credit: Roskosmos

Kazakhstan-Centric Trends: Developments on the Ground

Why it Matters:

For Kazakhstan, closer alignment with EU connectivity priorities increases its strategic importance as a bridge between Europe and Asia. Expanding the Middle Corridor improves access to European markets and supports diversification away from traditional routes. For the EU, Kazakhstan remains a central partner in building reliable, alternative trade corridors and strengthening supply chain resilience under the Global Gateway strategy.

What to Watch:

Watch for further expansion of Middle Corridor routes, especially new links involving the South Caucasus. Monitor potential EU involvement or financing in these projects under Global Gateway. It will also be important to track whether Kazakhstan continues to integrate its infrastructure like transport and energy into EU-supported connectivity frameworks.

News Sources

- 1) Middle Corridor Targets 600 China–Kazakhstan Container Trains ([Astana Times](#))
- 2) Kazakhstan Expands AI Across Key Sectors, Delivering Measurable Results ([Astana Times](#))
- 3) Kazakhstan to Develop Maritime Component of Trans-Caspian Transport Route ([The Times of Central Asia](#))
- 4) Critical raw materials face rising export restrictions, increasing risks to global supply chains ([OECD](#))
- 5) Middle Corridor: From Strategic Coordination to Bankable Implementation ([IRU](#))
- 6) The Much-Touted Middle Corridor Transport Route Could Prove a Dead End ([Carnegie Endowment](#))
- 7) EU’s 20th sanctions package further tightens restrictions on Russian steel-linked trade ([Eurometal](#))
- 8) Russia’s war of aggression against Ukraine: 20th round of stern EU sanctions hits energy revenues, military-industrial complex, trade and financial services, including crypto ([European Council](#))
- 9) Kazakhstan and Azerbaijan Are Reinforcing the Middle Corridor’s South Caucasus Link ([The Times of Central Asia](#))
- 10) Russia successfully test launches new Soyuz-5 rocket from Kazakhstan, space agency says ([Reuters](#))



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